

(A free translation of the original in Portuguese)

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Company information / Capital composition

Number of shares (units)	Current Quarter 09/30/2021
Paid-up capital	
Common shares	193,111,454
Preferred shares	0
Total	193,111,454
Treasury shares	
Common shares	3,309,854
Preferred shares	0
Total	3,309,854

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Individual financial statements / Balance sheet - Assets**(In thousands of Reais)**

Code of account	Account description	Accumulated of the current year	Accumulated of the previous year
		09/30/2021	12/31/2020
1	Total assets	12,727,362	9,341,075
1.01	Current assets	3,588,107	3,561,155
1.01.01	Cash and cash equivalents	381,876	1,319,290
1.01.01.01	Cash and cash equivalents	381,876	1,319,290
1.01.03	Accounts receivable	200,884	278,782
1.01.03.01	Customers	69,185	178,085
1.01.03.02	Other Accounts Receivable	131,699	100,697
1.01.03.02.01	Advances to suppliers	2,988	3,221
1.01.03.02.02	Derivative	95,305	89,721
1.01.03.02.03	Credits Related Party	18,233	2,475
1.01.03.02.04	Other Accounts Receivable	7,173	5,280
1.01.03.02.05	Titles and credits receivable	8,000	0
1.01.04	Inventories	2,580,231	1,179,014
1.01.05	Biological assets	339,426	739,267
1.01.06	Recoverable taxes	54,542	28,521
1.01.06.01	Current taxes recoverable	54,542	28,521
1.01.07	Prepaid expenses	30,623	15,471
1.01.08	Other Current Assets	525	810
1.01.08.02	Discontinued Operations Assets	525	810
1.02	Non-current assets	9,139,255	5,779,920
1.02.01	Long-term assets	238,076	213,478
1.02.01.03	Financial investments at amortized cost	675	663
1.02.01.03.01	Securities Held to Maturity	675	663
1.02.01.08	Prepaid expenses	23	378
1.02.01.09	Credits with related parties	16,683	25,246
1.02.01.09.02	Loans to subsidiaries	16,683	25,246
1.02.01.10	Other Non-current Assets	220,695	187,191
1.02.01.10.03	Derivative	141,103	118,126
1.02.01.10.04	Other Accounts Receivable	2,226	2,071
1.02.01.10.05	Advances to suppliers	2,785	2,758
1.02.01.10.06	Recoverable taxes	74,581	64,236
1.02.02	Investments	3,475,054	2,212,789
1.02.02.01	Shareholdings	3,475,054	2,212,789
1.02.02.01.02	Interest in Subsidiaries	3,474,778	2,212,789
1.02.02.01.04	Other Investments	276	0
1.02.03	PP&E	5,364,747	3,318,413
1.02.03.01	PP&E in operation	994,618	846,110
1.02.03.02	Right of use assets	4,325,428	2,463,254
1.02.03.02.01	Asset use rights	4,325,428	2,463,254
1.02.03.03	Construction in Progress	44,701	9,049
1.02.04	Intangible	61,378	35,240
1.02.04.01	Intangibles	61,378	35,240
1.02.04.01.02	New Systems Implementation	56,807	30,661
1.02.04.01.03	Other (systems)	4,571	4,579

Individual financial statements / Balance sheet – Liabilities

(In thousands of Reais)

Code of account	Account description	Accumulated of the current year 09/30/2021	Accumulated of the previous year 12/31/2020
2	Total liabilities	12,727,362	9,341,075
2.01	Current liabilities	3,209,680	2,177,039
2.01.01	Payroll and Related Charges	6,380	5,960
2.01.01.01	Social obligations	5,783	5,349
2.01.01.02	Labor obligations	597	611
2.01.02	Suppliers	762,815	933,146
2.01.02.01	National suppliers	762,815	933,146
2.01.03	Tax obligations	17,267	49,452
2.01.03.01	Federal Taxes	15,539	47,345
2.01.03.01.01	Income Tax and Social Contribution Payable	0	40,374
2.01.03.01.02	Taxes and Contributions Several	15,539	6,971
2.01.03.02	State Taxes	1,368	1,784
2.01.03.03	Municipal Taxes	360	323
2.01.04	Loans and Financing	984,056	297,692
2.01.04.01	Loans and Financing	984,056	297,692
2.01.04.01.01	In Local Currency	984,056	297,692
2.01.05	Other obligations	1,350,066	827,990
2.01.05.01	Liabilities Related Parties	61	1,310
2.01.05.01.02	Debts with Subsidiaries	13	1,294
2.01.05.01.04	Other Payables to Related Parties	48	16
2.01.05.02	Others	1,350,005	826,680
2.01.05.02.01	Dividends and Interest on equity Payable	9	83,680
2.01.05.02.04	Advances from Customers	211,714	57,233
2.01.05.02.05	Operations with Derivatives	545,635	318,242
2.01.05.02.07	Other Debts	9,120	12,112
2.01.05.02.08	Lease Liability with Related Parties	280,808	204,525
2.01.05.02.09	Lease liabilities with related parties	302,719	150,888
2.01.06	Provisions	89,096	62,799
2.01.06.01	Tax provisions Social Security Labor and Civil	88,567	62,469
2.01.06.01.01	Tax provisions	1,052	1,052
2.01.06.01.02	Social Security and Labor Provisions	31,686	17,921
2.01.06.01.03	Provisions for Employee Benefits	53,679	41,354
2.01.06.01.04	Civil provisions	0	403
2.01.06.01.05	Labor Provisions for contingencies	2,150	1,739
2.01.06.02	Other Provisions	529	330
2.01.06.02.03	Provisions for environmental liabilities and Deactivation	529	330
2.02	Non-current liabilities	5,922,571	4,223,657
2.02.01	Loans and Financing	1,667,206	1,753,056
2.02.01.01	Loans and Financing	1,667,206	1,753,056

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2.02.01.01.01	In Local Currency	1,667,206	1,753,056
2.02.02	Other obligations	4,027,048	2,317,048
2.02.02.02	Others	4,027,048	2,317,048
2.02.02.02.03	Derivative	162,513	56,965
2.02.02.02.04	Other Debts	81	114
2.02.02.02.05	Lease Liability with Related Parties	2,261,917	1,517,643
2.02.02.02.06	Third party lease liability	1,602,537	742,326
2.02.03	Deferred taxes	228,317	153,553
2.02.03.01	Income Tax and Social Contribution Deferred	228,317	153,553
2.03	Shareholder´s Equity	3,595,111	2,940,379
2.03.01	Capital Stock	1,012,522	947,522
2.03.02	Capital reserves	92,700	44,583
2.03.02.01	Premium on issue of shares	37,261	38,923
2.03.02.04	Options Granted	64,482	58,581
2.03.02.05	Treasury shares	(74,899)	(52,921)
2.03.02.07	Capital Reserve	65,856	0
2.03.04	Profit Reserves	862,055	978,074
2.03.04.01	Legal reserve	87,136	87,136
2.03.04.02	Statutory reserve	754,249	754,249
2.03.04.05	Retained Earnings Reserve	5,628	5,628
2.03.04.08	Additional Dividend Proposed	0	116,019
2.03.04.10	Investment incentivized reserve	15,042	15,042
2.03.05	Profits / Losses	885,217	0
2.03.08	Other Comprehensive Income	742,617	970,200

Individual financial statements / Statement of income

(In thousands of Reais)

Code of account	Account description	Current Quarter	Same quarter previous year	Same quarter previous year	Accumulated of the Previous year
		07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
3.01	Revenue from Sale of Goods and / or Services	864,582	3,582,559	657,703	2,274,355
3.01.01	Operating Revenue of Products	716,471	2,281,458	660,291	1,666,775
3.01.02	Change in fair value of biological assets	148,111	1,301,101	(2,588)	607,580
3.02	Cost of Goods and / or Services Sold	(720,218)	(2,203,261)	(625,280)	(1,642,178)
3.02.01	Cost of Products	(526,835)	(1,422,141)	(466,583)	(1,156,751)
3.02.02	Realization of Fair Value of Biological Assets	(193,383)	(781,120)	(158,697)	(485,427)
3.03	Gross income	144,364	1,379,298	32,423	632,177
3.04	Operating Income / Expenses	66,890	90,690	(27,168)	(70,029)
3.04.01	Selling Expenses	(27,835)	(102,012)	(17,696)	(86,250)
3.04.02	General and Administrative Expenses	(70,424)	(150,424)	(23,792)	(75,728)
3.04.02.01	General and Administrative	(67,591)	(136,671)	(21,341)	(64,771)
3.04.02.02	Management's fees	(2,833)	(13,753)	(2,451)	(10,957)
3.04.04	Other Operating Income	718	10,435	1,373	6,855
3.04.05	Other Operating Expenses	(3,528)	(8,710)	(1,850)	(6,499)
3.04.06	Equity income	167,959	341,401	14,797	91,593
3.04.06.01	Added Value on Investmen	173,839	347,281	14,797	91,593
3.04.06.02	Capital gain on investment, net of income tax	(5,880)	(5,880)	0	0
3.05	Income before financial result and taxes	211,254	1,469,988	5,255	562,148
3.06	Financial result	(113,697)	(294,668)	(48,222)	(143,262)
3.06.01	Financial income	73,327	232,588	60,800	256,018
3.06.02	Financial expenses	(187,024)	(527,256)	(109,022)	(399,280)
3.07	Income Before Taxes on Profit	97,557	1,175,320	(42,967)	418,886
3.08	Income Tax and Social Contribution on Profit	23,455	(292,724)	19,218	(113,415)
3.08.01	Current	(120)	(117,407)	(1)	(508)
3.08.02	Deferred	23,575	(175,317)	19,219	(112,907)
3.09	Net Income from Continuing Operations	121,012	882,596	(23,749)	305,471
3.11	Profit / Loss for the Period	121,012	882,596	(23,749)	305,471
3.99	Earnings per share - (R \$ / Share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	0,64126	4,6770	-0,12687	1,63184
3.99.02	Diluted earnings per share				
3.99.02.01	ON	0,6375	4,64958	-0,12674	1,63025

Individual financial statements / Statement of Comprehensive Income

(In thousands of Reais)			Same quarter previous year	Same quarter previous year	Accumulated of the Previous year
Code of account	Account description	Current Quarter 07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
4.01	Net income for the period	121,012	882,596	(23,749)	305,471
4.02	Other Comprehensive Income	(329,957)	(224,962)	(46,565)	(306,348)
4.02.01	Cash flow hedge derivatives	(443,290)	(295,747)	(72,370)	(433,987)
4.02.02	Cash flow hedge derivatives - Controlled	(37,384)	(29,768)	1,199	(19,917)
4.02.03	Income tax and social contribution	150,717	100,553	24,606	147,556
4.03	Results Comprehensive Period	(208,945)	657,634	(70,314)	(877)

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Individual financial statements / Statement of cash flows - Indirect method**(In thousands of Reais)**

Code of account	Account description	Accumulated of the current year	Accumulated of the previous quarter
		01/01/2021 to 09/30/2021	01/01/2020 to 09/30/2020
6.01	Net Cash Operating Activities	531,237	314,434
6.01.01	Cash Flow From Operating Activities	879,235	645,632
6.01.01.01	Net Income (loss) before income taxes	1,175,320	418,886
6.01.01.02	Depreciation and amortization - in results	66,984	57,069
6.01.01.03	Write-off of fixed assets	8,717	5,631
6.01.01.04	Equity Loss	(347,281)	(91,593)
6.01.01.05	Interest,exchange and monetary variation	73,967	163,481
6.01.01.06	Share-based compensation	5,901	4,597
6.01.01.07	Variation of Biological Assets	(519,981)	(122,153)
6.01.01.08	Provision (reversal) Partic. the results and labor contingencies	58,329	21,825
6.01.01.09	Provision (reversal) for Inventory Adjustment to market value	3,511	(14)
6.01.01.10	APV - Liabilities rental	218,553	108,057
6.01.01.11	Amortization of Right of Use	122,991	79,610
6.01.01.12	Others	8,936	236
6.01.01.14	Provision / Loss Tax Recovery	3,288	0
6.01.02	Changes in Assets and Liabilities	(347,998)	(331,198)
6.01.02.01	Accounts receivable	108,900	33,485
6.01.02.02	Inventories and biological assets	(362,973)	(149,770)
6.01.02.03	Recoverable Taxes	(39,654)	(10,663)
6.01.02.04	Financial investments	(12)	43,642
6.01.02.05	Other accounts receivable	(16,560)	(19,213)
6.01.02.06	Suppliers	(190,274)	(227,555)
6.01.02.07	Fiscal and social obligations	(99,185)	(21,162)
6.01.02.08	Obligations with related parties	(8,444)	(4,633)
6.01.02.09	Derivative transactions	8,632	(110,306)
6.01.02.10	Advances from customers	154,481	116,213
6.01.02.11	Rentals payable	0	(71)
6.01.02.12	Other bills to pay	25,807	9,479
6.01.02.13	Dividends Received	219,782	104,260
6.01.02.14	Advance to suppliers	2,375	421
6.01.02.15	Interest Paid	(37,118)	(58,001)
6.01.02.16	Income tax and social contribution paid	(113,755)	(37,324)
6.02	Net cash investing activities	(1,332,258)	(155,497)
6.02.02	In fixed assets	(254,619)	(139,664)
6.02.03	In intangible	(27,361)	(15,833)
6.02.05	Advance for future capital increase	(980,000)	0
6.02.06	Acquisition of subsidiary	(70,000)	0
6.02.07	Other Investments	(278)	0
6.03	Net cash from financing activities	(136,393)	(77,183)
6.03.01	Loans and financing	803,869	714,822
6.03.02	Loans and financing paid	(242,373)	(389,746)
6.03.03	Sale or repurchase of Shares	(23,640)	3,124
6.03.04	Paid leases	(474,559)	(257,839)
6.03.05	Dividends paid	(199,690)	(147,496)
6.03.06	Payment of Capital	0	(48)
6.05	Increase (Decrease) in Cash	(937,414)	81,754
6.05.01	Opening balance of cash and cash equivalents	1,319,290	649,548
6.05.02	Closing balance of cash and cash equivalents	381,876	731,302

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Individual financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2021 to 09/30/2021**(In thousands of Reais)**

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	947,522	44,583	978,074	0	970,200	2,940,379
5.03	Initial Adjusted Balances	947,522	44,583	978,074	0	970,200	2,940,379
5.04	Capital transactions with Partners	65,000	48,117	0	0	0	113,117
5.04.01	Capital increases	65,000	65,856	0	0	0	130,856
5.04.03	Recognized Granted Options	0	5,901	0	0	0	5,901
5.04.04	Treasury Shares Acquired	0	28,431	0	0	0	28,431
5.04.08	Goodwill on the delivery of shares	0	6,453	0	0	0	6,453
5.04.09	Treasury shares delivered	0	1,662	0	0	0	1,662
5.05	Total Comprehensive Income	0	0	0	885,217	227,583	657,634
5.05.01	Net income for the period	0	0	0	882,596	0	882,596
5.05.02	Other Comprehensive Income	0	0	0	2,621	227,583	224,962
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	295,747	295,747
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	100,553	100,553
5.05.02.03	Equity in the comprehensive income of subsidiaries and affiliates	0	0	0	0	29,768	29,768
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	2,218	2,218	0
5.05.02.07	Realization of sales of the deemed cost a to fixed assets	0	0	0	129	129	0
5.05.02.08	Realization of depreciation of the deemed cost a to fixed assets-Subsidiaries	0	0	0	274	274	0
5.06	Internal Changes in Equity	0	0	116,019	0	0	116,019
5.06.04	Dividend paid on reserve balance	0	0	116,019	0	0	116,019
5.07	Ending balances	1,012,522	92,700	862,055	885,217	742,617	3,595,111

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Individual financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2020 to 09/30/2020**(In thousands of Reais)**

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	947,522	33,439	680,719	0	1,122,997	2,784,677
5.03	Initial Adjusted Balances	947,522	33,439	680,719	0	1,122,997	2,784,677
5.04	Capital transactions with Partners	0	7,721	0	0	0	7,721
5.04.03	Recognized Granted Options	0	4,597	0	0	0	4,597
5.04.05	Treasury shares sold	0	5,703	0	0	0	5,703
5.04.08	Treasury shares delivered	0	2,579	0	0	0	2,579
5.05	Total Comprehensive Income	0	0	0	308,039	308,916	877
5.05.01	Net income for the period	0	0	0	305,471	0	305,471
5.05.02	Other Comprehensive Income	0	0	0	2,568	308,916	306,348
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	433,987	433,987
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	147,556	147,556
5.05.02.03	Equity in the comprehensive income of subsidiaries and affiliates	0	0	0	0	19,917	19,917
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	1,940	1,940	0
5.05.02.07	Realization of sales of the deemed cost a to fixed assets	0	0	0	416	416	0
5.05.02.08	Realization of depreciation of the deemed cost a to fixed assets-Subsidiaries	0	0	0	212	212	0
5.06	Internal Changes in Equity	0	0	73,749	0	0	73,749
5.06.04	Approved Additional Dividend for fiscal year 2019	0	0	73,749	0	0	73,749
5.07	Ending balances	947,522	41,160	606,970	308,039	814,081	2,717,772

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Individual financial statements / Statement of added value**(In thousands of Reais)**

Code of account	Account description	Accumulated of the current year 01/01/2021 to 09/30/2021	Accumulated of the previous year 01/01/2020 to 09/30/2020
7.01	Revenue	4,020,853	2,645,497
7.01.01	Sales of Goods, Products and Services	2,569,177	1,970,295
7.01.02	Other Revenues	1,316,916	614,514
7.01.02.01	Other Revenues	15,815	6,934
7.01.02.02	Change in fair value of Biological Assets	1,301,101	607,580
7.01.03	Revenue from the Construction of Own Assets	134,760	60,688
7.02	Inputs Acquired from Third Parties	(2,057,480)	(1,554,927)
7.02.01	Costs of Products, merchandises and services sold	(21,963)	(6,133)
7.02.02	Materials, Energy, Servs. Third Party and Other	(511,588)	(407,488)
7.02.03	Loss / Recovery Asset Values	(3,511)	0
7.02.04	Others	(1,520,418)	(1,141,306)
7.02.04.01	Raw materials consumed	(739,298)	(655,879)
7.02.04.02	Adjustment to fair value of biological assets	(781,120)	(485,427)
7.03	Gross Added Value	1,963,373	1,090,570
7.04	Retentions	(189,974)	(136,679)
7.04.01	Depreciation, Amortization and Depletion	(66,984)	(57,069)
7.04.02	Others	(122,990)	(79,610)
7.04.02.01	Amortization of Right of Use	(122,990)	(79,610)
7.05	Net Produced Added Value	1,773,399	953,891
7.06	Added Value Received in Transfer	585,230	351,659
7.06.01	Equity income	347,281	91,593
7.06.02	Financial income	232,588	256,018
7.06.03	Others	5,361	4,048
7.07	Total Distributable Added Value	2,358,629	1,305,550
7.08	Added Value Distribution	2,358,629	1,305,550
7.08.01	Expenses with personnel	280,508	195,925
7.08.01.01	Direct compensation	150,129	113,597
7.08.01.02	Benefits	116,729	70,505
7.08.01.03	F.G.T.S.	13,650	11,823
7.08.02	Taxes, fees and contributions	421,782	139,226
7.08.02.01	Federal	351,207	136,805
7.08.02.02	State	70,234	2,039
7.08.02.03	Municipal	341	382
7.08.03	Third parties' assets	773,743	664,928
7.08.03.01	Interest	761,852	646,365
7.08.03.02	Rents	11,891	18,563
7.08.04	Equity Compensation	882,596	305,471
7.08.04.03	Retained Earnings / Loss for the Period	882,596	305,471

(A free translation of the original in Portuguese)

Consolidated financial statements / Balance sheet - Assets**(In thousands of Reais)**

Code of	Account description	Accumulated of the current year	Accumulated of the Previous Year
account		09/30/2021	12/31/2020
1	Total assets	12,825,433	8,589,691
1.01	Current assets	5,245,361	4,201,380
1.01.01	Cash and cash equivalents	725,420	1,604,053
1.01.01.01	Cash and cash equivalents	725,420	1,604,053
1.01.03	Accounts receivable	305,928	346,882
1.01.03.01	Customers	85,418	207,283
1.01.03.02	Other Accounts Receivable	220,510	139,599
1.01.03.02.01	Advances to suppliers	20,566	3,580
1.01.03.02.02	Derivative	136,057	98,587
1.01.03.02.03	Titles and credits receivable	48,544	31,207
1.01.03.02.04	Credits Related Party	20	8
1.01.03.02.05	Other Accounts Receivable	15,323	6,217
1.01.04	Inventories	3,641,559	1,301,082
1.01.05	Biological assets	435,268	891,804
1.01.06	Recoverable taxes	99,749	39,447
1.01.06.01	Current taxes recoverable	99,749	39,447
1.01.07	Prepaid expenses	36,864	17,141
1.01.08	Other Current Assets	573	971
1.01.08.02	Discontinued Operations Assets	573	971
1.02	Non-current assets	7,580,072	4,388,311
1.02.01	Long-term assets	854,914	355,787
1.02.01.03	Financial Applications at cost amortized	675	663
1.02.01.03.01	Securities Held to Maturity	675	663
1.02.01.07	Deferred taxes	424,977	20,480
1.02.01.07.01	Income Tax and Social Contribution Deferred	424,977	20,480
1.02.01.08	Prepaid expenses	23	437
1.02.01.10	Other Non-current Assets	429,239	334,207
1.02.01.10.03	Taxes to recover	152,677	111,203
1.02.01.10.04	Derivative	156,580	146,785
1.02.01.10.05	Other Accounts Receivable	19,620	13,705
1.02.01.10.06	Advances to suppliers	76,285	59,814
1.02.01.10.07	Titles and credits receivable	24,077	2,700
1.02.02	Investments	335,100	224,194
1.02.02.01	Shareholdings	1,614	0
1.02.02.01.05	Other Investments	1,614	0
1.02.02.02	Investment Property	333,486	224,194
1.02.03	PP&E	6,280,390	3,773,040
1.02.03.01	PP&E in operation	3,297,523	2,933,711
1.02.03.02	Right of use assets	2,933,494	828,496
1.02.03.02.01	Asset use rights	2,933,494	828,496
1.02.03.03	Construction in Progress	49,373	10,833
1.02.04	Intangible	109,668	35,290
1.02.04.01	Intangibles	62,313	35,290
1.02.04.01.02	New Systems Implementation	56,807	30,661
1.02.04.01.03	Others (system)	5,506	4,629
1.02.04.02	Goodwill	47,355	0

(A free translation of the original in Portuguese)

Consolidated financial statements / Balance sheet - Liabilities**(In thousands of Reais)**

Code of	Account description	Accumulated of the current year	Accumulated of the Previous Year
account		09/30/2021	12/31/2020
2	Total liabilities	12,825,433	8,589,691
2.01	Current liabilities	4,040,434	2,337,097
2.01.01	Payroll and Related Charges	25,645	13,157
2.01.01.01	Social obligations	24,975	12,458
2.01.01.02	Labor obligations	670	699
2.01.02	Suppliers	1,129,503	1,101,769
2.01.02.01	National suppliers	1,129,503	1,101,769
2.01.03	Tax obligations	79,569	57,186
2.01.03.01	Federal Taxes	71,535	54,689
2.01.03.01.01	Income Tax and Social Contribution Payable	42,739	47,449
2.01.03.01.02	Taxes and Contributions Several	28,796	7,240
2.01.03.02	State Taxes	7,655	2,126
2.01.03.03	Municipal Taxes	379	371
2.01.04	Loans and Financing	1,174,190	377,547
2.01.04.01	Loans and Financing	1,174,190	377,547
2.01.04.01.01	In Local Currency	1,174,190	377,547
2.01.05	Other obligations	1,504,648	715,177
2.01.05.01	Related Party Liabilities	150	118
2.01.05.01.04	Other Payables to Related Parties	150	118
2.01.05.02	Others	1,504,498	715,059
2.01.05.02.01	Dividends and interest on capital payable	9	83,680
2.01.05.02.02	Mandatory minimum dividend payable	0	2,652
2.01.05.02.04	Advances from Customers	309,477	68,264
2.01.05.02.05	Operations with Derivatives	646,665	358,969
2.01.05.02.06	Lease payable	0	5,283
2.01.05.02.07	Titles to pay	53,120	12,273
2.01.05.02.08	Other debts	19,714	21,680
2.01.05.02.09	Liabilities third leasing	475,513	162,258
2.01.06	Provisions	126,879	72,261
2.01.06.01	Tax provisions Social Security Labor and Civil	126,350	71,931
2.01.06.01.01	Tax provisions	2,146	1,123
2.01.06.01.02	Social Security and Labor Provisions	35,014	20,131
2.01.06.01.03	Provisions for Employee Benefits	59,912	46,701
2.01.06.01.04	Civil provisions	2,778	1,993
2.01.06.01.05	Labor Provisions for contingencies	26,500	1,983
2.01.06.02	Other Provisions	529	330
2.01.06.02.03	Provisions for environmental liabilities and Deactivation	529	330
2.02	Non-current liabilities	4,939,318	3,101,536
2.02.01	Loans and Financing	1,793,876	2,039,736
2.02.01.01	Loans and Financing	1,793,876	2,039,736
2.02.01.01.01	In Local Currency	1,793,876	2,039,736
2.02.02	Other obligations	2,839,045	830,998
2.02.02.02	Others	2,839,045	830,998
2.02.02.02.03	Titles to pay	52,629	706
2.02.02.02.04	Derivative	182,825	58,152

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2.02.02.02.05	Other debts	81	114
2.02.02.02.06	Third's leasing Liabilities	2,603,510	772,026
2.02.03	Deferred taxes	306,397	230,802
2.02.03.01	Income Tax and Social Contribution Deferred	306,397	230,802
2.03	Shareholder's Equity	3,845,681	3,151,058
2.03.01	Capital Stock	1,012,522	947,522
2.03.02	Capital reserves	92,700	44,583
2.03.02.01	Premium on issue of shares	37,261	38,923
2.03.02.04	Options Granted	64,482	58,581
2.03.02.05	Treasury shares	(74,899)	(52,921)
2.03.02.07	Capital reserve	65,856	0
2.03.04	Profit Reserves	862,055	978,074
2.03.04.01	Legal reserve	87,136	87,136
2.03.04.02	Statutory reserve	754,249	754,249
2.03.04.05	Retained Earnings Reserve	5,628	5,628
2.03.04.08	Additional Dividend Proposed	0	116,019
2.03.04.10	Investment reserve encouraged	15,042	15,042
2.03.05	Profits / Losses	885,217	0
2.03.08	Other Comprehensive Income	742,617	970,200
2.03.09	Shareholders Non-controlling interest	250,570	210,679

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of income

(In thousands of Reais)					
Code of account	Account description	Current Quarter 07/01/2021 to 09/30/2021	Same quarter previous year 01/01/2020 to 09/30/2020	Same quarter previous year 07/01/2020 to 09/30/2020	Accumulated of the Previous year 01/01/2020 to 09/30/2020
3.01	Revenue from Sale of Goods and / or Services	1,143,493	4,396,769	751,267	2,661,982
3.01.01	Operating Revenue of Products	942,365	2,813,708	776,517	1,971,778
3.01.02	Change in fair value of biological assets	201,128	1,583,061	(25,250)	690,204
3.02	Cost of Goods and / or Services Sold	(934,982)	(2,698,667)	(734,459)	(1,930,171)
3.02.01	Cost of Products	(683,869)	(1,722,346)	(551,022)	(1,364,838)
3.02.02	Realization of Fair Value of Biological Assets	(251,113)	(976,321)	(183,437)	(565,333)
3.03	Gross income	208,511	1,698,102	16,808	731,811
3.04	Operating Income / Expenses	(23,131)	(187,594)	(51,797)	(186,016)
3.04.01	Selling Expenses	(37,736)	(123,901)	(23,250)	(101,873)
3.04.02	General and Administrative Expenses	(82,172)	(169,507)	(27,753)	(83,991)
3.04.02.01	General and Administrative	(79,006)	(155,174)	(25,169)	(72,523)
3.04.02.02	Management's fees	(3,166)	(14,333)	(2,584)	(11,468)
3.04.04	Other Operating Income	106,467	123,994	1,098	6,810
3.04.05	Other Operating Expenses	(781)	(9,271)	(1,892)	(6,962)
3.04.06	Equity income	(8,909)	(8,909)	0	0
3.04.06.01	Added Value on Investmen	(8,909)	(8,909)	0	0
3.05	Income before financial result and taxes	185,380	1,510,508	(34,989)	545,795
3.06	Financial result	(83,656)	(186,295)	(26,403)	(86,867)
3.06.01	Financial income	395,990	588,883	78,241	316,266
3.06.02	Financial expenses	(479,646)	(775,178)	(104,644)	(403,133)
3.07	Income Before Taxes on Profit	101,724	1,324,213	(61,392)	458,928
3.08	Income Tax and Social Contribution on Profit	12,031	(386,414)	25,682	(142,151)
3.08.01	Current	(38,531)	(177,999)	(16,128)	(20,443)
3.08.02	Deferred	50,562	(208,415)	41,810	(121,708)
3.09	Net Income from Continuing Operations	113,755	937,799	(35,710)	316,777
3.11	Profit / Loss Consolidated Period	113,755	937,799	(35,710)	316,777
3.11.01	Assigned to Company Partners Company	121,012	882,596	(23,749)	305,471
3.11.02	Assigned to non-controlling Partners	(7,257)	55,203	(11,961)	11,306
3.99.01	Basic earnings per share	0	0	0	0
3.99.01.01	ON	0,64126	4,677	-0,12687	1,63184
3.99.02	Diluted earnings per share				
3.99.02.01	ON	0,6375	4,64958	-0,12674	1,63025

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Consolidated financial statements / Statement of Comprehensive Income

(In thousands of Reais)			Same quarter	Same quarter	Accumulated of the
Code of account	Account description	Current Quarter	previous year	previous year	Previous year
		07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
4.01	Consolidated Net Income for the Period	113,755	937,799	(35,710)	316,777
4.02	Other Comprehensive Income	(349,376)	(237,279)	(45,382)	(324,444)
4.02.01	Cash flow hedge derivatives	(529,354)	(359,511)	(68,761)	(491,582)
4.02.02	Income tax and social contribution	179,978	122,232	23,379	167,138
4.03	Consolidated Comprehensive Income for the Period	(235,621)	700,520	(81,092)	(7,667)
4.03.01	Assigned to Company Partners Company	(208,945)	657,634	(70,314)	(877)
4.03.02	Assigned to non-controlling Partners	(26,676)	42,886	(10,778)	(6,790)

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of cash flows - Indirect method**(In thousands of Reais)**

Code of account	Account description	Accumulated of the current year 01/01/2021 to 09/30/2021	Accumulated of the previous year 01/01/2020 to 09/30/2020
6.01	Net Cash Operating Activities	231,645	227,128
6.01.01	Cash Flow From Operating Activities	1,097,539	760,548
6.01.01.01	Net Income (loss) before income taxes	1,324,213	458,928
6.01.01.02	Depreciation and amortization - in search results	99,555	84,982
6.01.01.03	Write-off of fixed assets	9,157	6,046
6.01.01.04	Interest, exchange and monetary variation	97,906	213,201
6.01.01.05	Share-based compensation	5,901	4,597
6.01.01.06	Variation of Biological Assets	(606,740)	(124,871)
6.01.01.07	Provision (reversal) Partic. the results and labor contingencies	63,851	24,251
6.01.01.08	Provision (reversal) for Inventory Adjustment to market value	3,511	(14)
6.01.01.09	APV - Liabilities rental	103,602	43,547
6.01.01.10	Amortization of Right of Use	86,855	49,457
6.01.01.11	Others	11,944	249
6.01.01.12	Fair value of investment properties	(105,892)	175
6.01.01.13	Provision / Loss Tax Recovery	3,676	0
6.01.02	Changes in Assets and Liabilities	(865,894)	(533,420)
6.01.02.01	Accounts receivable	139,912	69,235
6.01.02.02	Inventories and biological assets	(514,438)	(187,683)
6.01.02.03	Recoverable Taxes	(50,839)	(16,088)
6.01.02.04	Financial investments	(12)	45,332
6.01.02.05	Other accounts receivable	11,599	(24,359)
6.01.02.06	Suppliers	(328,612)	(269,890)
6.01.02.08	Fiscal and social obligations	(106,108)	(24,301)
6.01.02.09	Obligations with related parties	20	3
6.01.02.10	Derivative transactions	(27,785)	(148,416)
6.01.02.11	Advances from customers	224,350	129,682
6.01.02.12	Rentals payable	(5,283)	183
6.01.02.13	Other bills to pay	(16,670)	15,716
6.01.02.15	Advance to suppliers	(17,012)	409
6.01.02.16	Interest Paid	(46,500)	(72,949)
6.01.02.17	Income tax and social contribution paid	(135,142)	(49,588)
6.01.02.18	Titles to pay	6,626	(706)
6.02	Net cash investing activities	(376,675)	(182,106)
6.02.01	In fixed assets	(283,643)	(166,191)
6.02.02	In intangible	(27,415)	(15,915)
6.02.04	Land Return Payment	(706)	0
6.02.05	Acquisition of Investment in Subsidiary	(63,297)	0
6.02.06	Other Investments	(1,614)	0
6.03	Net cash from financing activities	(733,603)	195,382
6.03.01	Loans and financing	870,869	919,822
6.03.02	Loans and financing paid	(1,156,633)	(466,928)
6.03.03	Sale or repurchase of Shares	(23,641)	3,124
6.03.04	Paid leases	(221,856)	(113,140)
6.03.05	Dividends paid	(202,342)	(147,496)
6.05	Increase (Decrease) in Cash	(878,633)	240,404
6.05.01	Opening balance of cash and cash equivalents	1,604,053	829,427
6.05.02	Closing balance of cash and cash equivalents	725,420	1,069,831

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2021 to 09/30/2021**(In thousands of Reais)**

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity	Interest of non-controlling shareholders	Consolidated shareholders' equity
5.01	Opening balances	947,522	44,583	978,074	0	970,200	2,940,379	210,679	3,151,058
5.03	Initial Adjusted Balances	947,522	44,583	978,074	0	970,200	2,940,379	210,679	3,151,058
5.04	Capital transactions with Partners	65,000	48,117	0	0	0	113,117	0	113,117
5.04.01	Capital increases	65,000	65,856	0	0	0	130,856	0	130,856
5.04.03	Recognized Granted Options	0	5,901	0	0	0	5,901	0	5,901
5.04.04	Treasury Shares Acquired	0	28,431	0	0	0	28,431	0	28,431
5.04.08	Premium on issuance of Delivery	0	6,453	0	0	0	6,453	0	6,453
5.04.09	Treasury shares delivered	0	1,662	0	0	0	1,662	0	1,662
5.05	Total Comprehensive Income	0	0	0	885,217	227,583	657,634	42,886	700,520
5.05.01	Net income for the period	0	0	0	882,596	0	882,596	55,203	937,799
5.05.02	Other Comprehensive Income	0	0	0	2,621	227,583	224,962	12,317	237,279
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	340,851	340,851	18,660	359,511
5.05.02.02	Taxes s / Adjustments Financial Instruments	0	0	0	0	115,889	115,889	6,343	122,232
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	2,347	2,347	0	0	0
5.05.02.07	Conducting Cost Assigned Fixed Assets - Depreciation	0	0	0	274	274	0	0	0
5.06	Internal Changes in Equity	0	0	116,019	0	0	116,019	2,995	119,014
5.06.04	Dividend paid on reserve balance	0	0	116,019	0	0	116,019	0	116,019
5.06.05	Minimum mandatory dividend and JSCP	0	0	0	0	0	0	2,995	2,995
5.07	Ending balances	1,012,522	92,700	862,055	885,217	742,617	3,595,111	250,570	3,845,681

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2020 to 06/30/2020**(In thousands of Reais)**

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity	Interest of non-controlling shareholders	Consolidated shareholders' equity
5.01	Opening balances	947,522	33,439	680,719	0	1,122,997	2,784,677	199,744	2,984,421
5.03	Initial Adjusted Balances	947,522	33,439	680,719	0	1,122,997	2,784,677	199,744	2,984,421
5.04	Capital transactions with Partners	0	7,721	0	0	0	7,721	0	7,721
	Recognized Granted								
5.04.03	Options	0	4,597	0	0	0	4,597	0	4,597
5.04.05	Treasury shares sold	0	5,703	0	0	0	5,703	0	5,703
5.04.08	Treasury shares delivered	0	2,579	0	0	0	2,579	0	2,579
	Total Comprehensive								
5.05	Income	0	0	0	308,039	308,916	877	6,790	7,667
5.05.01	Net income for the period	0	0	0	305,471	0	305,471	11,306	316,777
	Other Comprehensive								
5.05.02	Income	0	0	0	2,568	308,916	306,348	18,096	324,444
	Financial Instruments								
5.05.02.01	Adjustments	0	0	0	0	464,164	464,164	27,417	491,581
	Taxes s / Adjustments								
5.05.02.02	Financial Instruments	0	0	0	0	157,816	157,816	9,321	167,137
	Realization of depreciation of the deemed cost a to								
5.05.02.06	fixed assets	0	0	0	2,356	2,356	0	0	0
	Attributed cost of fixed								
5.05.02.07	assets	0	0	0	212	212	0	0	0
5.06	Internal Changes in Equity	0	0	73,749	0	0	73,749	0	73,749
	Approved Additional								
5.06.04	Dividend for fiscal year 2019	0	0	73,749	0	0	73,749	0	73,749
5.07	Ending balances	947,522	41,160	606,970	308,039	814,081	2,717,772	192,954	2,910,726

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of added value**(In thousands of Reais)**

Code of account	Account description	Accumulated of the current year 01/01/2021 to 09/30/2021	Accumulated of the previous year 01/01/2020 to 09/30/2020
7.01	Revenue	5,037,444	3,122,178
7.01.01	Sales of Goods, Products and Services	3,184,971	2,345,334
7.01.02	Other Revenues	1,714,217	703,682
7.01.02.01	Other Revenues	131,156	13,478
7.01.02.02	Change in fair value of assets Biologicos	1,583,061	690,204
7.01.03	Construction of Own Assets	138,256	73,162
7.02	Inputs Acquired from Third Parties	(2,569,282)	(1,843,791)
7.02.01	Costs of Products, merchandises and services sold	(30,292)	(11,340)
7.02.02	Materials, Energy, Servs. Third Party and Other	(614,316)	(476,537)
7.02.03	Loss / Recovery Asset Values	(3,168)	0
7.02.04	Others	(1,921,506)	(1,355,914)
7.02.04.01	Raw materials consumed	(945,185)	(790,581)
7.02.04.02	Adjustment to fair value of assets Biologicos	(976,321)	(565,333)
7.03	Gross Added Value	2,468,162	1,278,387
7.04	Retentions	(186,410)	(134,439)
7.04.01	Depreciation, Amortization and Depletion	(99,555)	(84,982)
7.04.02	Others	(86,855)	(49,457)
7.04.02.01	Amortization of Right of Use	(86,855)	(49,457)
7.05	Net Produced Added Value	2,281,752	1,143,948
7.06	Added Value Received in Transfer	594,830	320,685
7.06.02	Financial income	588,883	316,266
7.06.03	Others	5,947	4,419
7.07	Value Added Total Distributable	2,876,582	1,464,633
7.08	Added Value Distribution	2,876,582	1,464,633
7.08.01	Expenses with personnel	335,739	234,290
7.08.01.01	Direct compensation	185,902	139,261
7.08.01.02	Benefits	133,775	81,724
7.08.01.03	F.G.T.S.	16,062	13,305
7.08.02	Taxes, fees and contributions	549,530	184,455
7.08.02.01	Federal	465,276	177,190
7.08.02.02	State	83,794	6,883
7.08.02.03	Municipal	460	382
7.08.03	Third parties' assets	1,053,514	729,111
7.08.03.01	Interest	1,035,558	711,222
7.08.03.02	Rents	17,956	17,889
7.08.04	Equity Compensation	937,799	316,777
7.08.04.03	Retained Earnings / Loss for the Period	882,596	305,471
7.08.04.04	Non controllers in Retained Earnings participation	55,203	11,306

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Message from Management

Operational Performance – 2020/21 Crop Year

We concluded the 2020/21 crop year with the harvest of the cotton and corn crops. The soybean crop achieved a yield of 3,970 kg/ha, setting a new record for the fourth straight year and coming in 5.8% above our initial estimate and 12.5% above the national average (according to CONAB, October 2021). First and second crop cotton ended the crop year with an average yield of 1,815 kg/ha, or 2.1% below the initial estimate, but 3.9% higher than in the 2019/20 crop year and 5.6% above the national average. Second crop corn achieved a yield of 5,715 kg/ha, 24.7% below our initial estimate, but 41.2% above the national average (according to CONAB, October 2021). The drop in productivity in corn and cotton was mainly caused by irregularity in the distribution of rain volumes over the months of March and April, mainly on the farms in Mato Grosso do Sul.

Conclusion of Business Combination with Terra Santa

On July 1, the Company assumed control of the management of Terra Santa Agro S.A. (wholly-owned subsidiary). After concluding the merger of the shares in Terra Santa Agro S.A., 2,516,454 new common shares in SLC Agrícola were issued on behalf of the shareholders of Terra Santa. The purpose of the share issue was to exchange all the shares and warrants of Terra Santa Agro S.A.

On October 29, the operation was concluded with the price adjustment agreement entered into between the parties involved in the business combination. This adjustment of the operation's final price will result in the payment of R\$20 million by Terra Santa Propriedades Agrícolas to SLC Agrícola, this will imply under a mutual settlement by both parties. This amount will be composed as follows: (i) The amount of R\$ 12,000,000.00 (twelve million reais), as well as any additional amount arising from the Financial Advisory Agreement entered into between Terra Santa Agro and the Assessors Banks, will be paid by Terra Santa Propriedades Agrícolas, directly to the advisory banks, arising from the advisory costs for the transaction that are the responsibility of Terra Santa Propriedades Agrícolas; (ii) The amount of R\$ 8,000,000.00 (eight million reais) will be paid in national currency.

Some Assets and Liabilities were not assumed by SLC Agrícola, so surplus assets (contingencies and bills payable) and liabilities (securities receivable, taxes recoverable, other assets and investment properties) provided for in the Association Agreement and Other Covenants, will be conducted by the Company, upon liquidation, they will be received or collected from the former shareholders without any burden or bonus on the part of the Company. The amount of contingent assets and liabilities resulted in a net contingent liability of R\$53,828 thousand.

Below is the opening of the consideration transferred by SLC Agrícola to Terra Santa Propriedades Agrícolas:

Table 1 Consideration transferred SLC Agrícola X Terra Santa Agricultural Properties ⁽¹⁾

(R\$ thd)	07/01/2021
Number of common shares issued by SLC Agrícola on the transaction date	2,516,454
Multiplied by the share price of SLC Agrícola on the transaction date (a) (in R\$)	52
Fair value of shares issued in the transaction (In thousands of reais)	130,856
Cash consideration arising from the right to use the lease between Terra Santa and TS Brasil S.A.	70,000
Change in assets and liabilities	(203,486)
Present value of tax credits	195,488
Fair value of transferred consideration	192,858

⁽¹⁾For more informations check note 2.2 of the ITR

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In relation to the fair value of the transferred consideration, Net Assets were received in the amount of R\$145,503 thousand, as follows:

Table 2 Goodwill Calculation Business combination with Terra Santa Agro S.A.

(R\$ thd)	07/01/2021
Fair value of transferred consideration	192,858
Value of acquired assets and liabilities	145,503
Goodwill amount	47,355

⁽¹⁾ For more informations check note 2.2 of the ITR

This transaction resulted in a goodwill amount of R\$47,355 thousand, further details can be seen in explanatory note 2.2 of the ITR.

The integration of processes, systems and people is advancing gradually and positively, while taking advantage of the synergies in best market practices between the companies. This business combination is aligned with our current strategy based on Asset Light Growth.

Financial Performance

As, as of 07/01, the Company took control of the management of the business of Terra Santa Agro S.A., the consolidated interim financial statements now include the results of Terra Santa Agro S.A.

In order to maintain comparability between periods, data for 3Q20 and 9M20 reflect the combination of data released by SLC Agrícola and Terra Santa Agro in both periods. All analyzes contained in this release were conducted in relation to the combined periods. Here are some important definitions:

“3Q20 Combined”: It strictly means the sum of the data released by SLC Agrícola S.A. (for 3Q20 – July to September 2020) plus the data released by Terra Santa Agro S.A. (Parent Company, for 3Q20 – July to September 2020), currently a wholly owned subsidiary of SLC agricultural S.A.

“9M20 Combined”: It strictly means the sum of data released by SLC Agrícola S.A. (for 9M20 – January to September 2020) + Data released by Terra Santa Agro S.A. (Parent Company, for 3Q20 (July to September 2020), currently a wholly owned subsidiary of SLC Agrícola S.A.

Net Revenue. Net Income advanced 2.4% in 3Q21 and 33.0% in 9M21 compared to the same periods of 2020. As highlights, higher prices billed in both periods. It should be noted that this quarter we had a contribution of R\$112.8 million in Net Revenue from Terra Santa.

Adjusted EBITDA. In the quarter, Adjusted EBITDA was a record R\$330.6 million, increasing 36.6%. Adjusted EBITDA Margin was 35.1%, expanding 8.8 p.p. on 3Q20. The main variations in the quarter were: the higher Gross Income generated by crops, combined with measurement at fair value of investment properties, which were partially offset by General and Administrative expenses. Adjusted EBITDA from the Terra Santa operation in the quarter was R\$17.1 million.

In 9M21, we achieved an important mark by surpassing R\$1 billion for the first time, with Adjusted EBITDA of R\$1,108 billion, representing growth of 94.6% compared to 9M20. Adjusted EBITDA Margin came to 39.4%, expanding 12.5 p.p. The strong growth in Adjusted EBITDA was driven substantially by the higher Gross Income, which reflects the higher prices invoiced for all crops and the record soybean yield.

Net Income (Loss). Net income came to R\$113.7 million in 3Q21 and R\$937.8 million in 9M21, In the quarter, net Income from the Terra Santa operation was R\$20.2 million representing robust growth in both periods, with net margin expanding 18.1 p.p. in the quarter and 19.3 p.p. in the year to date. The main factors contributing to this variation were the growth in Gross Income (effect from higher sales prices invoiced) and the positive impact from the dynamics for recognizing Biological Assets (Revenue – Cost), given the expectations of higher margins compared to the previous crop year.

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Debt. The Company's adjusted net indebtedness ended the period at R\$2.2 billion, an increase of R\$1.5 billion compared to 2020, and the Net Debt/EBITDA ratio is currently 1.47 times. Net debt was mainly impacted by the increase in Working Capital Needs and the investment in the acquisition of Terra Santa Agro and the new lease agreement of Agrícola Xingú.

Share buyback. On September 13, we announced, via Material Fact, the Board's approval to carry out a new Share Buyback Program, in the amount of 2,000,000 (two million shares). The repurchase plan is in progress and the shares acquired will be held in treasury for sale and/or cancelled. The company will inform its shareholders in due course, upon completion of the mentioned program.

Land Appraisal. In August, the new valuation of SLC Agrícola's land portfolio was completed, which presented a total value of R\$6,941 billion, an increase of 75.2% compared to 2020. The average value of arable hectare is currently at R\$ 35,693 (thirty-five reais and six hundred and ninety-three thousand). This raises the value of the Company's NAV (Net Asset Value) to R\$8.3 billion (3Q21 position), which corresponds to a NAV per share of R\$43.34 (forty-three reais and thirty-four cents).

Shares Bonus. The Company's Board of Directors resolved, on this date, to submit to the Extraordinary General Meeting (EGM), to be called by the Company, a capital increase, in the total amount of R\$ 500,000,000.00 (five hundred million reais), for through the incorporation of part of the balance of the Statutory Reserves account, with shares bonus, at the rate of 10% (ten percent), which will correspond to the issuance of 19,311,145 new common shares, with unit cost attributed to the bonus shares of R\$25.89 (twenty-five reais and eighty-nine cents).

Further details will be disclosed through the Material Fact on today's date and later when the documents relating to the matter are disclosed for the purposes of the (EGM).

Hedge Position. We made progress in our hedge position for the 2021/22 crop year, achieving international prices levels for all our crops (see Table 32 for more details), which enable us to maintain margins in 2022. We also made progress on our hedge position for the 2022/23 crop year, due to the acquisition of some inputs, as explained below:

Acquisition of Inputs 2022/23 Crop Year

With regard to input purchases for the 2022/23 crop year, we have acquired approximately 20% of all our chemical needs and 70% of potassium chloride. For both products purchased, we obtained good prices in relation to current market prices.

Our strategy for purchasing the remaining inputs is to wait for the the proper exchange ratio between input prices and commodity prices, since input prices are currently increasing sharply. In line with our hedge strategy, which aims to protect the Company's operating margin, ensuring the maintenance of good margins for the operation.

ESG

In this Earnings Release, the ESG section is dedicated to our **Materiality** survey. We are conducting a new Materiality survey of our stakeholders to identify the topics they consider of the greatest interest and strategic relevance, namely those that could influence the decisions and actions of the organization and its stakeholders and cause significant economic, environmental and social impacts both inside and outside the organization.

After identifying the priority topics, they will be presented and validated by the Company's senior management and support the preparation of the Integrated Report 2021.

In the 2020/2021 harvest (August/2021), we end the expansion cycle via land transformation, thus enabling the disclosure of the commitment not to open new areas for agricultural production. In line with this commitment, until 2Q21, there were 2,872 hectares that were in the licensing process, that is, awaiting the release of an environmental license for opening, even though the environmental license has already been granted, the Company will allocate this area to the lands of remaining native vegetation. With this addition, the company

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currently has 100,200 hectares of areas dedicated to Legal Reserve and Permanent Preservation.

This quarter, SLC Agrícola donated R\$1 million through the SLC Institute, which resulted in 180 tons of food donations that will improve the lives of thousands of Brazilians, with one of the institutions benefited the Rio Grande do Sul Food Bank.

In all, associations, organizations and families from over 30 municipalities in seven Brazilian states received boxes of food staples.

COVID-19

The Company registered cases of Covid-19 among its employees in the quarter, but emphasizes that, to date, its operations **have not been affected and continue to operate normally**. The Crisis Committee remains responsible for preparing and monitoring continuously the “COVID-19 Contingency Plan” and the “Guide to Combating COVID-19.”

Awards

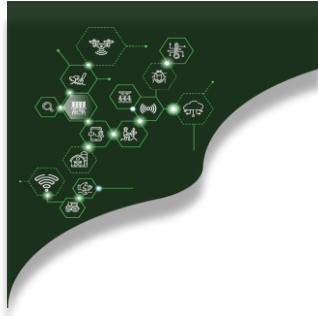
With a total of seven recognitions involving different and important business fronts. The accolades leave us not only very proud of our team, but also even stronger to continue serving as a reference in the agricultural industry.

Table 3 Awards 3Q21

Award	Classification
100 Open Startups 2021	TOP 5 in Agribusiness Ranking 5th place
Great Places to Work FIA UOL	52nd place in general ranking of 120 companies 16th place in ranking of 34 large companies
A Granja	Corn Producer category
Gupy Destaca	1st Edition of Award - Recognized on list of Brazil's 100 most inspiring HRs. Highlight in categories Development and Innovation in Recruiting
Época 360º	25th place in general ranking 419 companies participating - 3rd place in South region 1st place in Agribusiness 18 companies participating Agricultural sector dimensions: 5th place - Financial Performance; 1st place - Corporate Governance; 2nd place – Innovation; 3rd place - Vision of Future; 12th place – People; 2nd place Sustainability.
The Best of Dinheiro Istoé	1st place – Agribusiness Recognition in following areas: 3rd place – Financial Sustainability; 1st place – Human Resources; 1st place – Innovation & Quality; 1st place – Social Responsibility; 2nd place – Corporate Governance.
Top Ser Humano ABRH RS	Winning Case Study: “Inclusive Education: continuing learning to challenge and transform.”

The Management

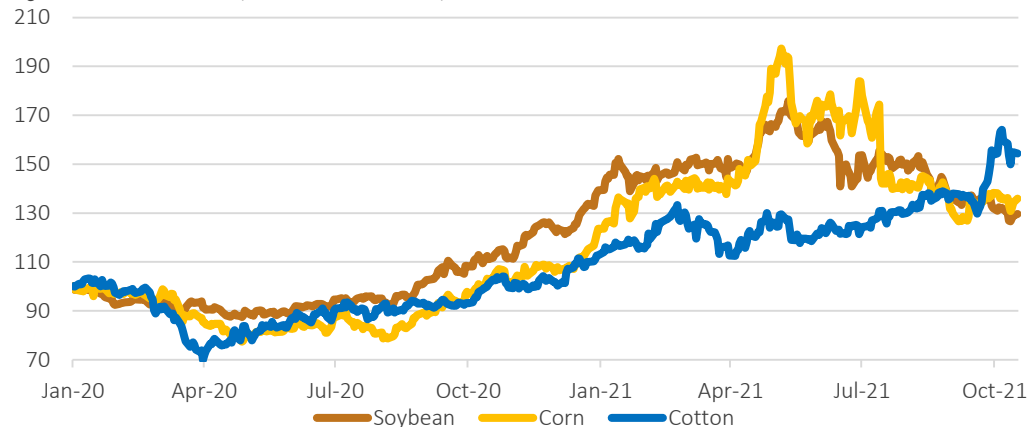
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Market Overview

Commodities

Figure 1 Price Variations, Select Commodities, Jan/2020 to Oct/2021- Base100

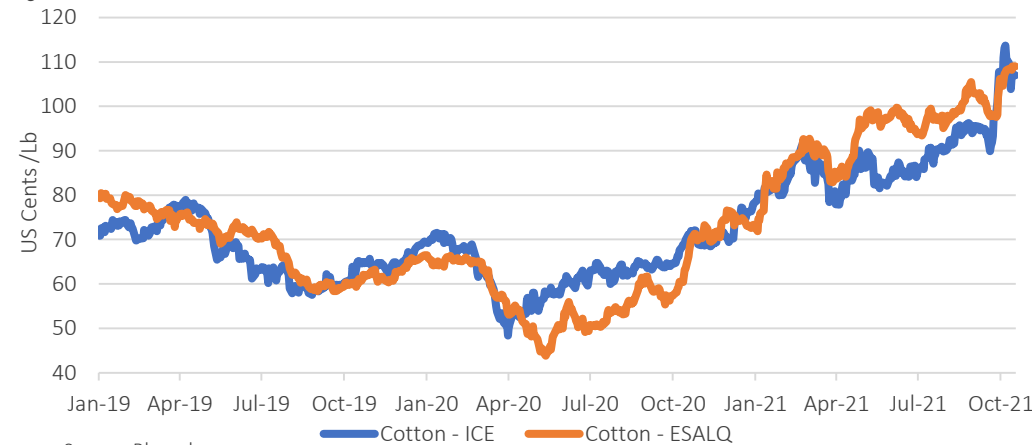


Source: Bloomberg

Cotton

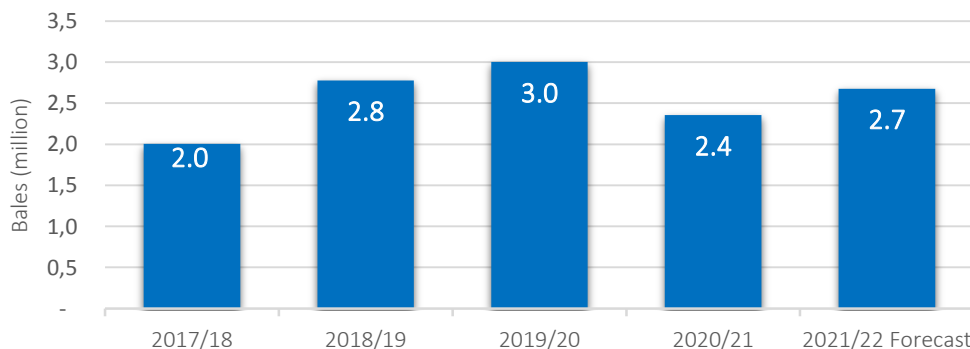
The third quarter of 2021 was marked by higher cotton prices in spot contracts on the New York Stock Exchange, with prices for the fiber surpassing 100 ct/lb. The reduction in planted area in the United States for the 2021/22 cycle and in Brazil for 2020/21 were the main factors influencing price variations from the supply standpoint.

Figure 2 Cotton Prices in International Market vs. Brazil



Source: Bloomberg

Figure 3 Cotton – Production Volume in Brazil



Source: USDA

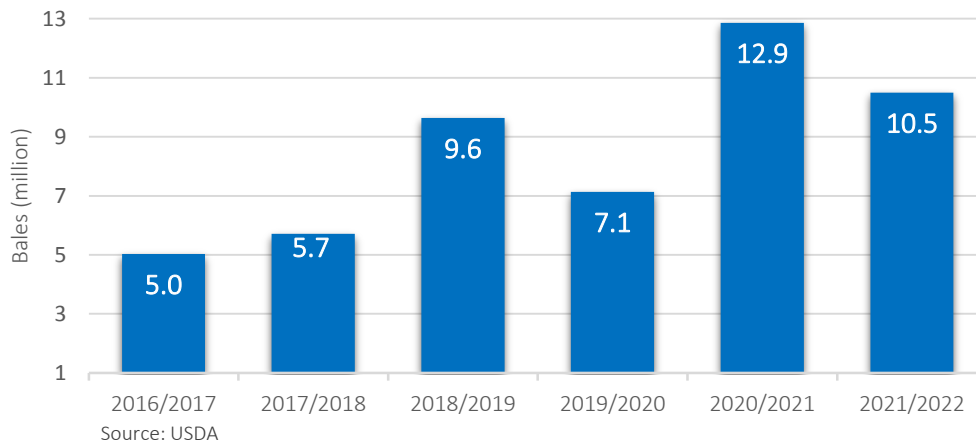
“higher cotton spot prices on the NYSE, which surpassed 100 ct/lb.”

In the 2021/22 cycle, Brazilian cotton lint production is expected to recovery, but with final production still projected to fall short of the highs of the 2019/20 cycle, as estimated by CONAB

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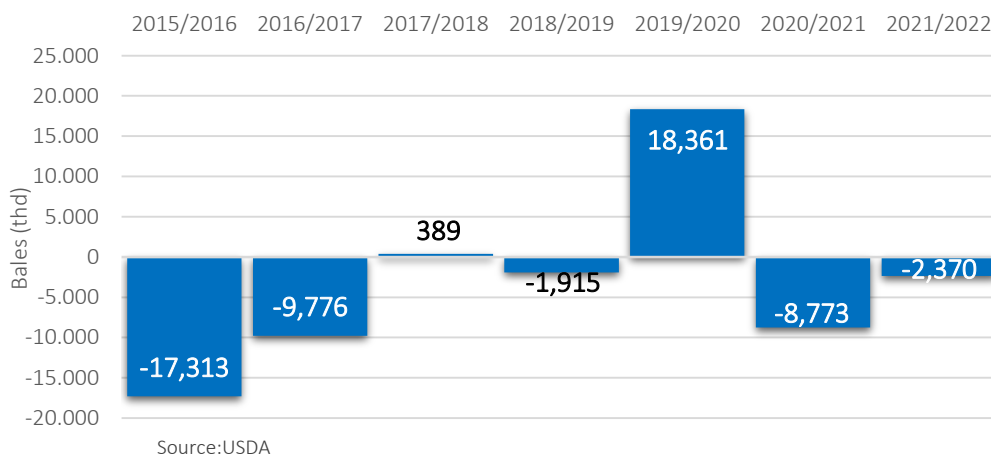
On the demand side, the highlight was the growth in imports by China, which reached 12.9 million bales in the 2020/21 cycle, the highest level of the last six years. For 2021/22, volume also is expected to remain above the average of the last six years, at approximately 10.5 million bales.

Figure 4 Cotton – Chinese Imports Volume per Crop



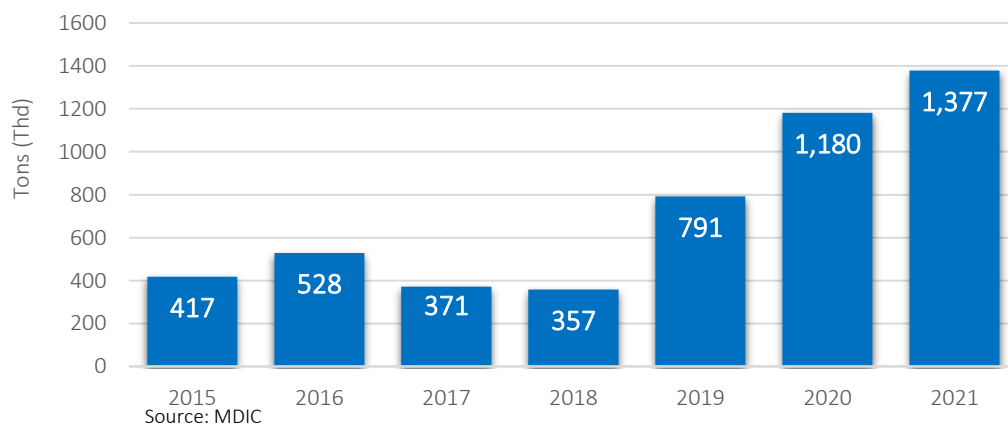
The expectation for global cotton consumption to stabilize and the scenario of declining production in key exporting countries, combined with the uncertainties in prior cycles caused by the Covid-19 pandemic at the global level, are factors that have been contributing to the global supply-demand balance ending the 2021/22 cycle with a deficit of around 2.3 million bales, according to USDA estimates.

Figure 5 Cotton – World Supply-Demand Balance



Exports from Brazil increased, with demand for the country’s fiber maintaining its upward trend over the first nine months of 2021, which registered record monthly shipments 17% higher than in the same period of 2020, consolidating the country’s position as the world’s second largest cotton exporter.

Figure 6 Cotton –Accumulated January-September Brazilian Exports



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Soybean

Soybean spot prices quoted on the Chicago Board of Trade (CBOT) and the prices paid for the grain based on the Paranaguá/CEPEA reference registered high volatility throughout 2021.

The prices in Chicago, combined with the premiums paid and local currency depreciation, enabled soybean prices to reach levels above those in the same period last year and, more recently, led to prices of over 170.00 R\$/bag, according to CEPEA data for Paranaguá, with the equivalent price nearing USD13.50/Bu.

Figure 7 Soybean - Price in International Market vs. Brazil

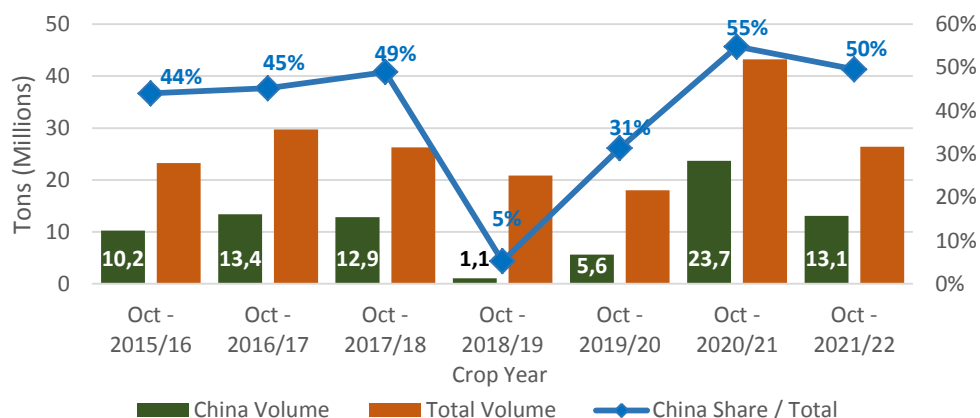


“prices surpassed 170.00 R\$/bag, according to CEPEA data for Paranaguá, with the equivalent price nearing USD13.50/Bu”.

The volume of U.S. soybean sales has been an important factor supporting prices on the CBOT, since the volume committed to China of the general total signals a normalization of trade between the United States and China.

After the 2018/19 and 2019/20 cycles, periods marked by a trade war between the United States and China that reduced trade between the countries, there was high uncertainty regarding the build in inventories in the United States due to the weaker Chinese demand, which adversely affected price formation in the international market.

Figure 8 Soybean – Comparative annual US soybean sales to China and all countries

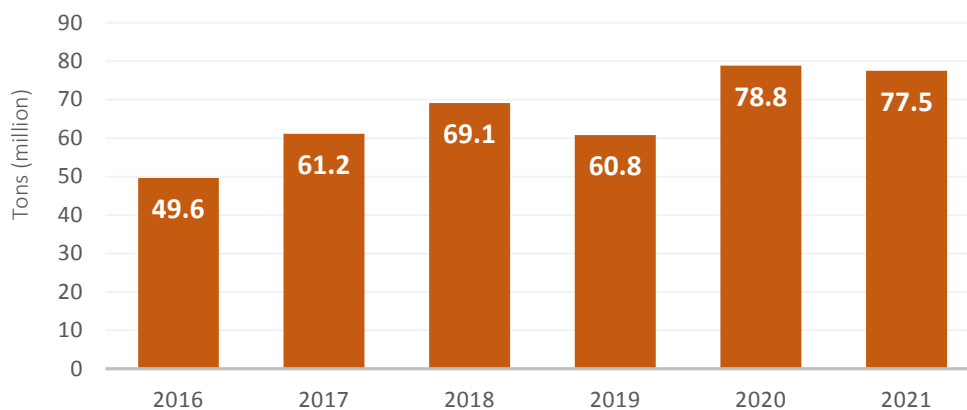


In Brazil, soybean exports in the first nine months of 2021 maintained their upward trend observed in recent years, with shipments of 77.5 million tons, down approximately 2% from the same period of 2020, further consolidating Brazil's position as an important soybean supplier to global markets.

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“volume aproximadamente 2% inferior à mesmo período do ano anterior, consolidando o Brasil como importante fornecedor de soja ao mercado global.”

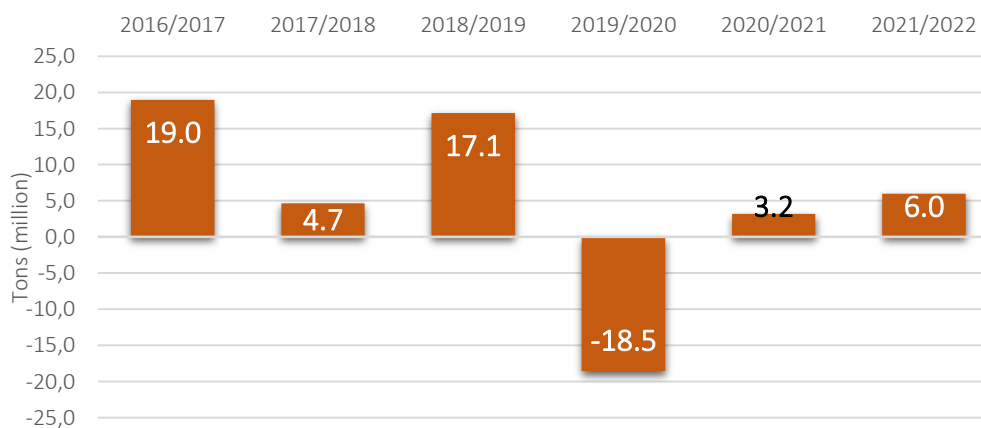
Figure 9 Soybean – January-September Exports in Brazil



Source:MDIC

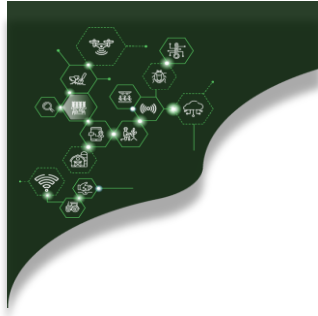
At the global level, for the current cycle (2021/22), the global supply-demand balance should register a surplus of approximately 6.0 million tons, following the surplus of 3.2 million tons in 2020/21 and the deficit of 18.5 million tons in 2019/20.

Figure 10 Soybean – World Supply-Demand Balance



Source: USDA

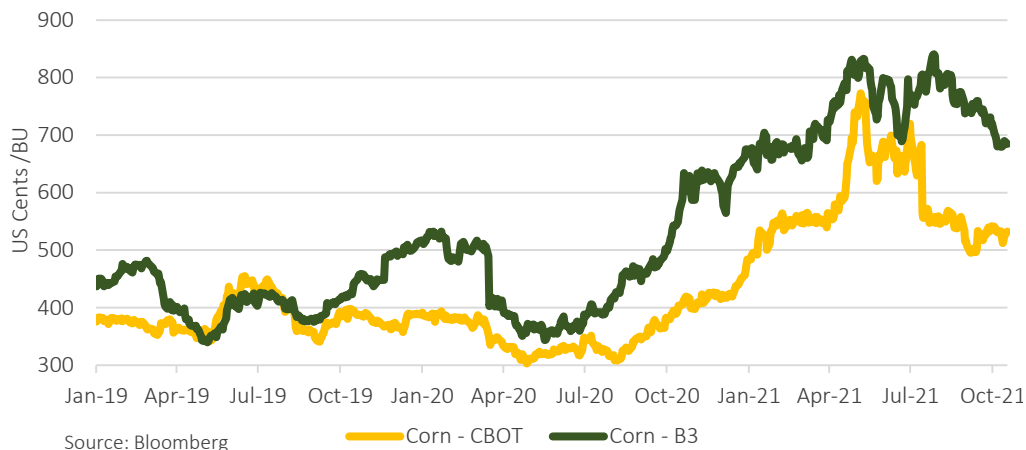
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Corn

Corn prices in spot contracts on the CBOT and in the Brazilian market remained above the historical average of recent years, partially maintaining the upward trend observed since mid-2020.

Figure 11 Corn - Price in International Market vs. Brazil

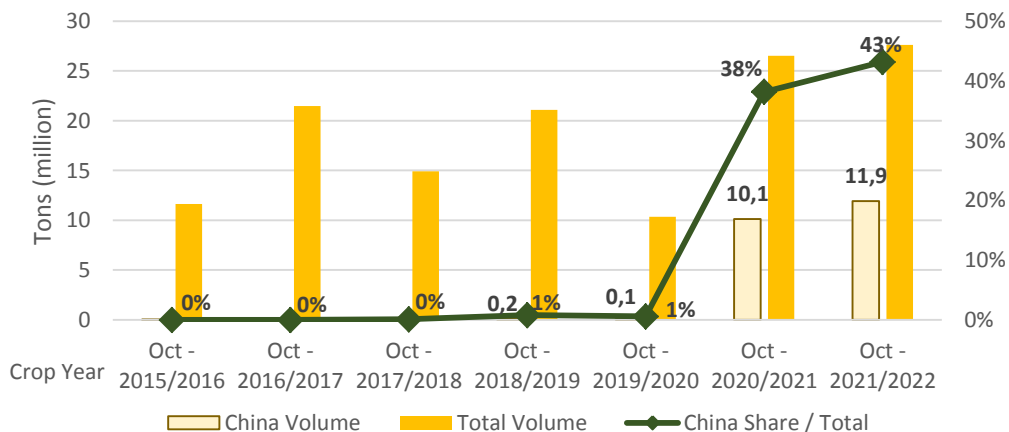


*"corn prices remained **above** the historical average of recent years"*

In the third quarter of 2021, the scenario marked by strong demand, measured especially by U.S. corn sales to China, continued to support corn prices in Chicago.

The volume of U.S. corn sales has been an important factor supporting corn prices on the CBOT, since its total committed volume is significantly higher than in prior crop years, which strengthens expectations of the country's ending stocks coming in below recent historical levels.

Figure 12 Corn - Comparative annual US corn sales to China and all countries



In Brazil, where important second-crop corn production regions faced adverse weather conditions for crop development, production ended 2020/21 at approximately 87 million tons, down 15% from the last cycle.

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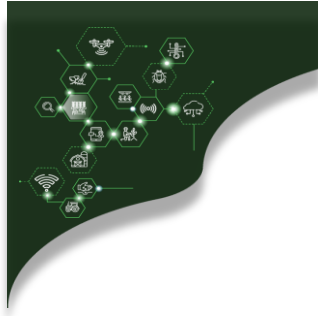
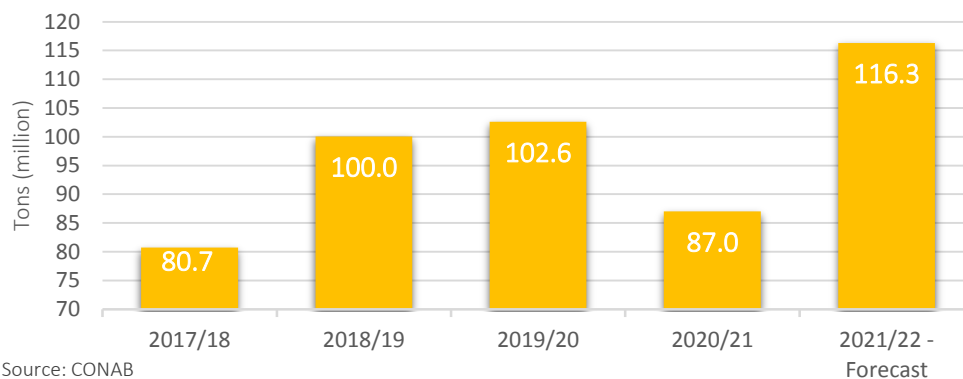


Figura 13 Corn – Brazil Production

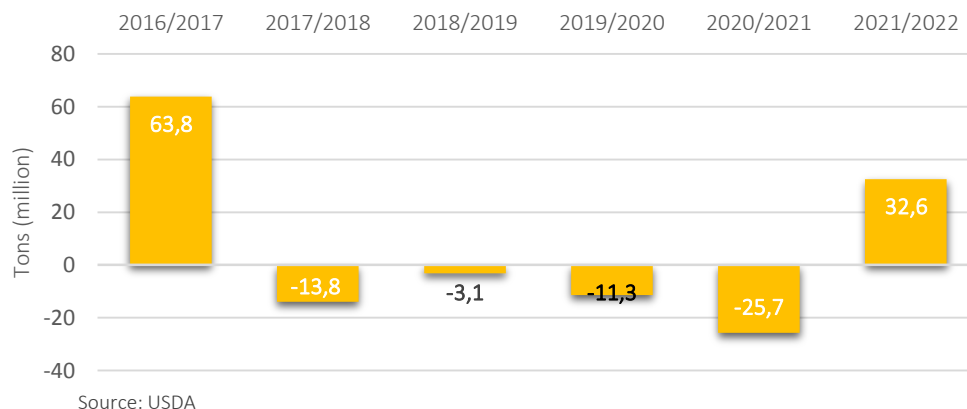


Source: CONAB

As such, local supply-demand dynamics, combined with uncertainties regarding the country’s consumption and export numbers, should remain the main drivers of prices in the domestic market.

In the global scenario, the difference in supply and demand should result in a surplus of 25.7 million tons, which is also an important factor to monitor as a driver of future corn prices in the international market.

Figure 14 Corn - World Supply-Demand Balance



Source: USDA

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Operational Performance – 2020/21 Crop Year

The third quarter of 2021 was marked by the conclusion of the harvest of the cotton crop and of the second-crop of other products, such as corn and cotton.

Planted Area

The table below presents final data for planted area in 2020/21 crop year. For more details on the planted area, see the Additional Information section of this document.

Table 4 Planted Area by Crop, 2019/20 vs. 2020/21

Crop Mix	Planted Area	Planted Area	Share	Δ%
	2019/20	2020/21 ⁽¹⁾	2020/21	
	-----ha-----		%	
Cotton	125,462	109,604	23.7%	-12.6%
Cotton lint 1st crop	74,054	78,011	16.8%	5.3%
Cotton lint 2nd crop	51,408	31,594	6.8%	-38.5%
Soybean (Commercial + Seed)	235,444	229,449	49.5%	-2.5%
Corn 2nd crop	82,392	106,470	23.0%	29.2%
Other Crops ⁽²⁾	5,270	17,644	3.8%	234.8%
Total Area	448,568	463,167	100.0%	3.3%

⁽¹⁾ Weather factors may affect the planted area forecast.

⁽²⁾ Other crops (Corn 1st crop 6,393.58 ha, Corn Seed 460.79 ha, Popcorn Corn 987.17 ha, Wheat 631.08 ha, Livestock 3,526.71, Brachiaria Seed 5,258.62 ha and Mung Beans 386.10) total 17,644.05 ha

Yields

Table 5 Achieved Yields 2020/21 Crop Year

Yields (kg/ha)	2019/20	2020/21	2020/21	Δ%	Δ%	Δ%
	Crop Year	Crop Year	Crop Year			
	Achieved (a)	Budget (b)	Achieved (c)	(c) x (a)	(b) x (a)	(c) x (b)
Cotton lint 1 st crop	1,785	1,878	1,899	6.4%	5.2%	1.1%
Cotton lint 2 nd crop	1,713	1,792	1,607	-6.2%	4.6%	-10.3%
Cotton seed	2,161	2,328	2,287	5.8%	7.7%	-1.8%
Soybean (Commercial + Seed)	3,867	3,753	3,970	2.7%	-2.9%	5.8%
Corn 2 nd crop	7,300	7,589	5,715	-21.7%	4.0%	-24.7%

Commercial Soybean

For **the fourth straight year, we set a new yield record**, which is in line the Company's current strategy of focusing on maximizing operating efficiency. The yield was 5.8% above our initial projection and 12.5% above the national average (Oct/21 estimate by CONAB).

Soybean Seed

We produced 696.0 thousand bags of Soybean Seeds, with an average quality indicator of 93.8% official germination. Today, we produce soybean seed in four Brazilian states and remain completely focused on improving quality and meeting our clients' needs. To offer more varieties, we hold licenses for four brands for direct sale as well as two vertically-oriented brands. Final production data will be disclosed in 4Q21, after shipments are concluded.

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Cotton Seed

Our production of cotton seeds is estimated at 80,000 bags. To date, our average quality indicator is 94.5% official germination. We currently hold licenses for three cotton seed brands in order to offer our clients a diversified product portfolio. Cotton seed delinting operations should be concluded by November 15. We currently are carrying out seed treatment operations and should conclude the delivery of lots by December. Final production data will be disclosed in 4Q21, after shipments are concluded.

Brachiaria Seed

The brachiaria seeds have been harvested, with total production volume of 100,000 kg, which will be exported under the SLC Sementes brand. Currently, we are shipping the seeds for delivery to clients. The average quality indicators are as follows: official purity 92.3%, germination 90.2% and crop value 83.3%.

Cotton First Crop

The harvest was concluded on September 24, with a cotton lint yield of 1,899 kg/ha, which is 1.1% above the initial projection and 6.4% higher than the yield achieved in the previous crop year.

Cotton Second Crop

The harvest was concluded on September 16, with a cotton lint yield of 1,607 kg/ha, which is 10.3% below the initial projection and 6.2% lower than the yield achieved in the previous crop year. This decline in estimated yield reflects the irregular distribution of precipitation in March and April, especially at the farms in the state of Mato Grosso.

Corn Second Crop

The harvest was concluded on October 8 with a final yield of 5,715 kg/ha, which is 24.7% below the initial projection and 21.7% lower than the yield achieved in the previous crop year. As in the case of cotton, irregular precipitation also affected the corn areas in Mato Grosso. Meanwhile, in the state of Mato Grosso do Sul, low precipitation resulted in a lower yield.

Production Cost - 2020/21 Crop Year

Table 6 Breakdown of Budget Production Cost by Crop (R\$/ha), 2020/21 Crop Year

%	Cotton	Soybean	Corn	Average 2020/21	Average 2019/20
Variable Costs	82.5	75.9	81.9	79.9	79.5
Seeds	8.5	12.7	16.6	10.5	12.1
Fertilizers	19.7	20.5	39.4	21.4	22.1
Chemicals	28.1	22.3	12.4	24.4	23.8
Air Spraying	2.1	1.4	0.9	1.8	1.7
Fuels and Lubricants	3.3	4.8	3.3	3.9	3.6
Labor	0.9	0.8	0.8	0.8	0.6
Ginning	9.7	2.9	2.0	6.5	6.2
Maintenance	4.0	4.7	2.9	4.1	4.1
Others	6.2	5.8	3.6	6.5	5.3
Fixed Costs	17.5	24.1	18.1	20.1	20.5
Labor	7.0	9.0	6.0	7.7	8.1
Depreciation and amortizations	4.0	6.1	3.8	4.8	4.8
Right-of-Use Amortization - Leasing	4.2	6.1	6.4	5.1	5.1
Others	2.3	2.9	1.9	2.5	2.5

(A free translation of the original in Portuguese)

Table 7 Production Cost in R\$/hectare, 2020/21 Crop Year

Total (R\$/ha)	Achieved 2019/20 (a)	Budget 2020/21 (b)	Achieved 2020/21 ⁽¹⁾ (c)	Δ% (b x a)	Δ% (c x b)
Cotton 1 st crop	9,362	9,899	10,971	5.7%	10.8%
Cotton 2 nd crop	8,264	9,306	9,951	12.6%	6.9%
Soybean	3,015	3,300	3,529	9.5%	6.9%
Corn 2 nd crop	2,545	2,858	2,990	12.3%	4.6%
Total average cost	4,735⁽²⁾	5,168⁽²⁾	5,582⁽²⁾	9.1%	8.0%

⁽¹⁾ Figures may suffer changes by the end of cotton processing and the sale of grains.⁽²⁾ Weighted by areas in the 2020/21 crop year to avoid impacts from changes in the product mix.

The costs per hectare estimated for the 2020/21 crop year registered an average increase in Brazilian real of 9.1% compared to actual costs in the 2019/20 crop year, basically due to the depreciation of the Brazilian real against the U.S. dollar in the period, since approximately 60% of costs are denominated in the currency. This effect was offset by our Hedge Policy, which establishes the sale of dollar futures on the same curve as the exchange rate of input payments. With regard to Budgeted vs. Achieved production cost in 2020/21, we registered an increase of 8.0%, which is explained by the effects from the weaker Brazilian real on the acquisition of inputs in U.S. dollar, also offset by the increase in revenue. In addition, we also incurred impacts from fuel, freight and energy prices above the inflation rate projected adopted in our budget.

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Operational Performance – 2021/22 Crop Year

Planted Area

Our current estimate is of **668.8 thousand** hectares of planted area in this crop year, expanding **44.2%** in relation to the previous crop year. The following table presents the forecast on planted area for the 2021/22 crop year and a comparison with the previous crop year. For more details, see the Additional Information section of this document.

Table 8 Planted Area by Crop, 2020/21 vs. 2021/22

Crop Mix	Planted Area	Planted Area	Share	Δ%
	2020/21	2021/22 ⁽¹⁾	2021/22	
	-----ha-----	-----	%	
Cotton	109,604	175,961	26.3%	60.5%
Cotton lint 1st crop	78,011	86,021	12.9%	10.3%
Cotton lint 2nd crop	31,594	89,940	13.5%	184.7%
Soybean (Commercial + Seed)	235,444	336,464	50.3%	46.6%
Corn 2nd crop	106,470	121,572	18.2%	14.2%
Other Crops ⁽²⁾	11,649	34,792	5.2%	97.2%
Total Area	463,167	668,790	100.0%	44.4%

⁽¹⁾ Weather factors may affect the planted area forecast.

⁽²⁾ Other crops (Corn 1st crop 13,818.10 ha, Corn Seed 606.69 ha, Popcorn Corn 2,010.55 ha, Wheat 636.48 ha, Livestock 3,869.48, Brachiaria Seed 6,873.52 ha and Mung Beans 9,976.99) total 34,791.81

Yields

Table 9 Projected Yields 2021/22 Crop Year

Yields (kg/ha)	Safra 2020/21	Safra 2021/22	Δ%
	Achieved (a)	Burget (b)	
			(b) x (a)
Cotton lint 1 st crop	1,899	1,871	-1.5%
Cotton lint 2 nd crop	1,607	1,804	12.3%
Cotton seed	2,287	2,299	0.5%
Soybean (Commercial + Seed)	3,970	3,765	-5.2%
Corn 2 nd crop	5,715	7,653	34.0%

Commercial Soybean

The planting of super-early and early soybean varieties, which enables ample time for planting second-crop cotton and corn, began on September 24. The area seeded as of October 28 was 238,247 ha, which represents 70.8% of the area planned for soybean. We managed to plant 100% of the super-early and early soybean varieties in the ideal window for high soybean productive potential and soybean harvest in the best window for planting the 2nd cotton and corn crop. To date the crops are presenting excellent development.

Soybean Seed

We estimate total production of 800,000 bags of Soybean Seeds, with an average quality indicator above 90% official germination (SLC Seeds Guarantee program). Today, we produce soybean seed in four Brazilian states and remain completely focused on quality and meeting our clients' needs. To offer more varieties, we hold licenses for four brands for direct sale as well as two vertically-oriented brands.

Cotton Seed

We estimate total production of 90,000 bags of Cotton Seed, with an average quality indicator of 90% official germination (SLC Seeds Guarantee program). We currently hold licenses for three cotton seed brands in order to offer our clients a diversified product portfolio.

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Production Cost - 2021/22 Crop Year*Table 10 Breakdown of Budget Production Cost by Crop (R\$/ha), 2021/22 Crop Year*

%	Cotton	Soybean	Corn	Average 2021/22	Average 2020/21
Variable Costs	82,0	76,2	81,9	79,9	79,8
Seeds	9,2	16,1	16,6	12,0	10,5
Fertilizers	24,2	19,4	36,4	24,3	21,4
Chemicals	25,3	21,5	12,4	22,0	24,4
Air Spraying	1,2	0,7	0,9	1,0	1,8
Fuels and Lubricants	3,6	4,2	3,3	3,7	3,9
Labor	0,8	1,0	0,8	0,8	0,8
Ginning	8,1	1,8	2,0	5,3	6,5
Maintenance	3,4	4,2	2,9	3,5	4,1
Others	6,2	7,3	3,8	7,3	6,5
Fixed Costs	18,0	23,8	18,1	20,1	20,2
Labor	6,9	8,5	6,0	7,3	7,7
Depreciation and amortizations	3,7	5,6	3,8	4,3	4,8
Right-of-Use Amortization - Leasing	5,5	7,1	6,4	6,4	5,1
Others	1,9	2,6	1,9	2,1	2,5

Table 11 Production Cost in R\$/hectare, 2021/22 Crop Year

Total (R\$/ha)	Achieved 2020/21 ⁽¹⁾	Budget 2021/22	Δ%
Cotton 1 st crop	10,971	12,658	15.4%
Cotton 2 nd crop	9,951	10,863	9.2%
Soybean	3,529	4,131	17.1%
Corn 2 nd crop	2,990	3,939	31.7%
Total average cost	5,608⁽²⁾	6,509⁽²⁾	16.1%

⁽¹⁾ Figures may suffer changes by the end of cotton processing and the sale of grains.⁽²⁾ Weighted by areas in the 2021/22 crop year to avoid impacts from changes in the product mix.

Projected costs per hectare in Brazilian real for the 2021/22 crop year increased 16.1% compared to actual costs in the 2020/21 crop year.

The main factors contributing to this increase were:

- (i) higher prices for our main inputs, such as seeds and fertilizers;
- (ii) higher costs with fuel and energy (increase in price and tariff);
- (iii) higher costs with leases, which are linked to the price of soybean bags. The planted area on leased areas increased from 58% (2020/21 crop year) to 69% (2021/22 crop year).

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Financial Performance

Income Statement Analysis

Starting this quarter, we are reporting the accounting information for 3Q21 and 9M21 considering the merger of Terra Santa Agro S.A. (wholly-owned subsidiary of SLC Agrícola). For comparison purposes, we are reporting the periods 9M20 and 3Q20 on a combined basis, i.e., the sum of the numbers for 3Q20 of SLC Agrícola and of Terra Santa Agro S.A. (parent company).

Adjusted EBITDA

We achieved **an important mark for Adjusted EBITDA** in the first nine months of 2021, which **surpassed R\$1 billion for the first time**. In the quarter, we also set another new record for the period.

In the quarter, Adjusted EBITDA reached R\$330.6 million, an increase of 36.6%. The Adjusted EBITDA Margin was 35.1%, an increase of 8.8 p.p. compared to 3Q20. The main variations in the quarter were: the higher Gross Income from crops, added to the measurement of the fair value of investment properties, partially offset by General and Administrative expenses. In the quarter, Terra Santa contributed with an Adjusted EBITDA of R\$17.1 million.

In 9M21, Adjusted EBITDA was R\$1.108 billion, advancing 94.6% on 9M20. Adjusted EBITDA margin also set a new record, of 39.4%, expanding 12.5 p.p. on the prior-year period. The strong growth in Adjusted EBITDA was driven substantially by the higher Gross Income, which reflects the higher prices invoiced for all crops and the record soybean yield.

Table 12 Adjusted EBITDA Reconciliation

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Net Revenue	2,115,856	1,971,778	2,813,708	33.0%	920,595	776,517	942,369	2.4%
Change in FVBA ⁽¹⁾	813,519	690,204	1,583,061	94.6%	98,062	(25,253)	201,128	105.1%
(-) Cost of Goods Sold	(2,099,304)	(1,930,171)	(2,698,667)	28.6%	(903,592)	(734,459)	(934,982)	3.5%
Cost of Goods	(1,503,801)	(1,364,838)	(1,722,346)	14.5%	(689,984)	(551,021)	(683,870)	-0.9%
Realiz. of FVBA ⁽¹⁾	(595,503)	(565,333)	(976,321)	63.9%	(213,608)	(183,438)	(251,112)	17.6%
Gross Income	830,071	731,811	1,698,102	104.6%	115,065	16,805	208,515	81.2%
(-) Sales Expenses	(105,329)	(101,873)	(123,901)	17.6%	(26,707)	(23,251)	(37,736)	41.3%
(-) Gen. & admin. expenses	(80,333)	(72,523)	(155,174)	93.2%	(32,979)	(25,169)	(79,010)	139.6%
General and administrative	(56,125)	(48,315)	(91,734)	63.4%	(23,575)	(15,765)	(45,999)	95.1%
Profit share program	(24,208)	(24,208)	(63,440)	162.1%	(9,404)	(9,404)	(33,011)	251.0%
(-) Administrative Fees	(11,468)	(11,468)	(14,333)	25.0%	(2,583)	(2,583)	(3,166)	22.6%
(-) Other operating revenues	(8,361)	(152)	105,814	n.m.	(9,002)	(793)	96,777	n.m.
(=) Income from Activity	624,580	545,795	1,510,508	141.8%	43,794	(34,991)	185,380	323.3%
(+) Deprec. & amortization	98,128	84,982	99,555	1.5%	48,637	35,491	38,799	-20.2%
EBITDA	722,708	630,777	1,610,063	122.8%	92,431	500	224,179	142.5%
(-)Variation in Fair FVBA ⁽⁴⁾	(813,519)	(690,204)	(1,583,061)	94.6%	(98,062)	25,253	(201,128)	105.1%
(+) Realization of FVBA ⁽⁵⁾	595,503	565,333	976,321	63.9%	213,608	183,438	251,112	17.6%
(+)Low Fixed Assets	6,192	6,046	8,653	39.7%	1,362	1,216	872	-36.0%
(+)Other Trans. Prop., Plant and Equip	916	916	618	-32.5%	675	675	(5)	n.m.
(+)Appreciation of investments	-	-	8,909	n.m.	-	-	8,909	n.m.
(+)Amortization adjust.IFRS 16 ⁽⁶⁾	57,879	49,457	86,855	50.1%	31,967	23,545	46,673	46.0%
Adjusted EBITDA ^(2 and 3)	569,679	562,325	1,108,358	94.6%	241,981	234,627	330,612	36.6%
Adjusted EBITDA Margin ^(2 and 3)	26.9%	28.5%	39.4%	12.5p.p.	26.3%	30.2%	35.1%	8.8p.p.

⁽¹⁾ Fair Value of Biological Assets ⁽²⁾ Excludes the effects from Biological Assets, since they are noncash. ⁽³⁾ Excludes Write-offs of Property, Plant and Equipment and Other Property, Plant and Equipment Transactions which are noncash; ⁽⁴⁾ Change in Fair Value of Biological Assets (Note 28 of the Quarterly Financial Information) ⁽⁵⁾ Realization of the Fair Value of Biological Assets (Note 27 of the Quarterly Financial Information); ⁽⁶⁾ Amortization of right-of-use assets - leases.

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Net Revenue

Table 13 Net Revenue

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Net Revenue	2,115,856	1,971,778	2,813,708	33.0%	920,595	776,517	942,369	2.4%
Cotton lint	881,712	809,902	1,041,268	18.1%	402,745	330,935	197,167	-51.0%
Cotton seed	98,207	81,770	173,643	76.8%	68,477	52,040	137,234	100.4%
Soybean	1,107,992	1,098,854	1,319,080	19.1%	297,601	288,463	165,631	-44.3%
Corn	287,191	241,519	379,188	32.0%	238,516	192,844	352,643	47.8%
Cattle Herd	7,073	7,073	19,640	177.7%	6,704	6,704	9,823	46.5%
Others	38,986	37,965	140,904	261.4%	35,463	34,442	101,558	186.4%
FX Hedge income	(305,305)	(305,305)	(260,015)	-14.8%	(128,911)	(128,911)	(21,687)	-83.2%

Table 14 Volume Invoiced (tons)

Tons	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Volume Invoiced	1,813,654	1,609,274	1,700,934	-6.1%	956,904	752,524	847,399	-11.4%
Cotton lint Ton	119,501	107,499	112,923	-5.5%	55,391	43,389	23,252	-58.0%
Cotton seed Ton	203,434	162,539	173,936	-14.5%	145,881	104,986	130,423	-10.6%
Soybean Ton	815,698	814,225	725,935	-11.0%	181,899	180,426	65,463	-64.0%
Corn Ton	643,068	497,225	629,935	-2.0%	551,031	405,188	588,113	6.7%
Other Ton	31,953	27,786	58,205	82.2%	22,702	18,535	40,148	76.8%

Table 15 Volume Invoiced (heads)

Heads	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Volume Invoiced	2,720	2,720	4,314	58.6%	2,572	2,572	2,087	-18.9%
Cattle Herd Heads	2,720	2,720	4,314	58.6%	2,572	2,572	2,087	-18.9%

Net revenue advanced by 2.4% and 33.0% in relation to 3Q20 and 9M20, respectively.

In the quarter, despite the higher prices invoiced for all crops, invoiced volume for cotton and soybean declined. In the case of cotton, the lower availability of ships and containers affected the estimated volume to be shipped in the quarter. For soybean, the lower volume shipped in 3Q21 should be more than recuperated in 4Q21, supported by the sales strategy to obtain better prices. Sales revenue from cattle increased 46.5%, despite the lower invoiced volume, reflecting the higher unit price invoiced (see the section Gross Income by Crop – Cattle). In this period, we also have an addition of R\$112.8 million from Terra Santa Agro.

The growth of 33.0% in Net Revenue in 9M21 compared to 9M20 mainly reflects higher invoiced prices for all our products. In the case of cattle, the number of head invoiced and the unit price both increased, contributing to the 177.7% increase in net revenue from cattle compared to the prior-year period.

Table 16 Variation in Fair Value of Biological Assets

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Variation in Fair Value of Bio. Assets	813,519	690,204	1,583,061	94.6%	98,062	(25,253)	201,128	105.1%
Cotton lint	407,113	298,465	623,001	53.0%	82,477	(26,171)	161,468	95.8%
Cotton seed	28,208	28,208	143,838	409.9%	(1,710)	(1,710)	69,237	n.m.
Soybean	233,115	233,115	725,639	209.5%	-	-	-	n.m.
Corn	75,658	62,353	79,844	5.5%	14,709	1,404	(32,938)	-323.9%
Cattle Herd	2,738	2,738	10,744	292.4%	1,224	1,224	3,366	175.0%
Other	66,687	65,325	(5)	n.m.	1,362	-	(5)	n.m.

The calculation of Variation in Fair Value of Biological Assets ("VFVBA") reflects the estimated gross margin (sale price at farm less unit costs incurred) of crops presenting significant biological transformation in the calculation period.

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In 3Q21, we concluded the apportionment of the Fair Value Variation for the cotton and corn crops.

Cotton VFVBA increased 95.8% in 3Q21 compared to 3Q20, reflecting the better yield expectations and the better cotton prices in relation to the previous crop year, despite the smaller planted area in 2020/21 crop year. In addition, 3Q20 registered a negative mark-to-market adjustment to VFVBA of R\$26,171, given the downward revision in the crop's yield estimate. In the year to date, VFVBA increased 53.0%, mainly due to the better margins estimated for 2020/21 crop year vs. the 2019/20 crop year.

Corn VFVBA registered negative apportionment in the quarter due to the decline in yield compared to the 2019/20 crop year, while in 9M20, it increased 5.5% due to the larger planted area and higher prices, which more than offset the lower yield.

Cost of Goods Sold

Table 17 Cost of Goods Sold

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Cost of Goods Sold	(1,503,801)	(1,364,838)	(1,722,346)	14.5%	(689,984)	(551,021)	(683,870)	-0.9%
Cotton lint	(499,419)	(450,088)	(524,487)	5.0%	(225,840)	(176,509)	(101,781)	-54.9%
Cotton seed	(60,425)	(51,852)	(78,799)	30.4%	(46,311)	(37,738)	(67,545)	45.9%
Soybean	(652,022)	(638,804)	(649,321)	-0.4%	(179,760)	(166,542)	(120,307)	-33.1%
Corn	(240,580)	(176,620)	(339,529)	41.1%	(213,615)	(149,655)	(320,006)	49.8%
Cattle Herd	(5,698)	(5,698)	(14,511)	154.7%	(5,351)	(5,351)	(7,218)	34.9%
Other	(45,657)	(41,776)	(115,699)	153.4%	(19,107)	(15,226)	(67,013)	250.7%

Cost of goods sold in the quarter decreased 0.9%, mainly due to the lower volume of cotton and soybean invoiced in the period.

In 9M21, COGS increased 14.5% compared to 9M20, explained by the higher unit costs, in line with increase in cost per hectare compared to the previous crop year.

In the case of corn, the increase in unit cost was due to two factors: the higher cost per hectare and the lower yield in the comparison of 2020/21 with 2019/20.

The unit cost of cattle increased in both periods, due to the higher prices for purchasing cattle and for main inputs.

Table 18 Realization of Fair Value of Biological Assets

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Realization of the FVBA⁽¹⁾	(595,503)	(565,333)	(976,321)	63.9%	(213,608)	(183,438)	(251,112)	17.6%
Cotton lint	(158,325)	(139,140)	(195,594)	23.5%	(85,096)	(65,911)	(84,636)	-0.5%
Cotton seed	(12,530)	(12,530)	(43,413)	246.5%	(9,172)	(9,172)	(39,132)	326.6%
Soybean	(300,627)	(301,236)	(672,249)	123.6%	(62,857)	(63,466)	(72,587)	15.5%
Corn	(57,178)	(45,584)	(61,781)	8.1%	(51,603)	(40,009)	(53,063)	2.8%
Other	(66,843)	(66,843)	(3,284)	-95.1%	(4,880)	(4,880)	(1,694)	-65.3%

⁽¹⁾ Realization of Fair Value of Biological Assets

Realization of Fair Value of Biological Assets (RFVBA) is the corresponding entry to Variation in Fair Value (calculated upon harvest) and is recognized as the products are invoiced.

RFVBA was 17.6% and 63.9% higher in 3Q21 and 9M21, respectively. The main impact in the quarter was the increase in RFVBA for cotton seed and soybean, whose margins are expected to exceed those of the previous crop year, when the mark-to-market adjustment was made.

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In 9M21, RFVBA increased, which reflects the expectation of higher margins for this crop in relation to the prior crop year.

Gross Income by Crop

To contribute to a better understanding of margins by crop, in this section the gain (loss) from currency hedge is allocated among cotton, soybean and corn.

Cotton Lint and Cotton Seed

Table 19 Gross Income - Cotton Lint

Cotton Lint		9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Volume Invoiced	Ton	119,501	107,499	112,923	-5.5%	55,391	43,389	23,252	-58.0%
Net Revenue	R\$/thd	881,712	809,902	1,041,268	18.1%	402,745	330,935	197,167	-51.0%
Result of currency hedge	R\$/thd	(210,660)	(210,660)	(240,750)	14.3%	(100,401)	(100,401)	(22,973)	-77.1%
Net Rev. adj. for result of cur. hedging	R\$/thd	671,052	599,242	800,518	19.3%	302,344	230,534	174,194	-42.4%
Unit Price	R\$/ton	5,615	5,574	7,089	26.2%	5,458	5,313	7,492	37.2%
Total Cost	R\$/thd	(499,419)	(450,088)	(524,487)	5.0%	(225,840)	(176,509)	(101,781)	-54.9%
Unit Cost	R\$/ton	(4,179)	(4,187)	(4,645)	11.1%	(4,077)	(4,068)	(4,377)	7.4%
Unitary Gross Income	R\$/ton	1,436	1,387	2,444	70.2%	1,381	1,245	3,114	125.5%

Gross Income grew 125.5% in 3Q21 and 70.2% in 9M21 compared to the prior-year periods. The higher invoiced prices in both periods, which were partially offset by higher unit costs, contributed to the increase in Unit Gross Income from cotton. In the quarter, 84% of the cotton invoiced was produced in the 2020/21 crop year.

Table 20 Gross Income - Cotton Seed

Cotton Seed		9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Volume Invoiced	Ton	203,434	162,539	173,936	-14.5%	145,881	104,986	130,423	-10.6%
Net Revenue	R\$/thd	98,207	81,770	173,643	76.8%	68,477	52,040	137,234	100.4%
Unit Price	R\$/ton	483	503	998	106.8%	469	496	1,052	124.2%
Cost Total	R\$/thd	(60,425)	(51,852)	(78,799)	30.4%	(46,311)	(37,738)	(67,545)	45.9%
Unit Cost	R\$/ton	(297)	(319)	(453)	52.5%	(317)	(359)	(518)	63.1%
Unitary Gross Income	R\$/ton	186	184	545	193.6%	152	136	534	251.7%

Unit prices increased sharply, more than offsetting the rise in unit cost. As a result, unit gross income increased 251.7% in 3Q21 and 193.6% in 9M21 compared to the prior-year periods.

Soybean

Table 21 Gross Income - Soybean

Soybean		9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Volume Invoiced	Ton	815,698	814,225	725,935	-11.0%	181,899	180,426	65,463	-64.0%
Net Revenue	R\$/thd	1,107,992	1,098,854	1,319,080	19.1%	297,601	288,463	165,631	-44.3%
Result of currency hedge	R\$/thd	(76,604)	(76,604)	(19,861)	-74.1%	(14,499)	(14,499)	518	-103.6%
Net Rev. adj. for result of cur. hedging	R\$/thd	1,031,388	1,022,250	1,299,219	26.0%	283,102	273,964	166,149	-41.3%
Unit Price	R\$/ton	1,264	1,255	1,790	41.5%	1,556	1,518	2,538	63.1%
Total Cost	R\$/thd	(652,022)	(638,804)	(649,321)	-0.4%	(179,760)	(166,542)	(120,307)	-33.1%
Unit Cost	R\$/ton	(799)	(785)	(894)	11.9%	(988)	(923)	(1,838)	86.0%
Unitary Gross Income	R\$/ton	465	471	895	92.5%	568	595	700	23.3%

Unit Gross Income from soybean increased 23.3% in 3Q21 and 92.5% in 9M21 compared to the prior-year periods, supported mainly by higher invoiced prices, which were partially neutralized by the higher unit cost.

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Soybean unit cost increased 86.0% in the quarter, explained by supplementary costs at farms that already had closed their invoiced volume.

In 9M21, the increase in unit cost surpassed the increase in cost per hectare in 2020/21 vs. 2019/20, reflecting the mix of farms invoicing products in the period.

Corn

Table 22 Gross Income – Corn

Corn		9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Volume Invoiced	Ton	643,068	497,225	629,935	-2.0%	551,031	405,188	588,113	6.7%
Net Revenue	R\$/thd	287,191	241,519	379,188	32.0%	238,516	192,844	352,643	47.8%
Result of currency hedge	R\$/thd	(18,041)	(18,041)	1,413	n.m.	(14,011)	(14,011)	1,413	n.m.
Net Rev. adj. for result of cur. hedging	R\$/thd	269,150	223,478	380,601	41.4%	224,505	178,833	354,056	57.7%
Unit Price	R\$/ton	419	449	604	44.4%	407	441	602	47.8%
Total Cost	R\$/thd	(240,580)	(176,620)	(339,529)	41.1%	(213,615)	(149,655)	(320,006)	49.8%
Unit Cost	R\$/ton	(374)	(355)	(539)	44.1%	(388)	(369)	(544)	40.4%
Unitary Gross Income	R\$/ton	44	94	65	46.8%	20	72	58	193.0%

Invoiced corn prices in 3Q21 and 9M21 were higher than in the prior-year periods, which more than offset the higher unit cost. The higher unit cost in both periods is explained by the lower yield in 2020/21 compared to 2019/20.

Cattle Herd

Table 23 Gross Income – Cattle Herd

Cattle Herd		9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Volume Invoiced	Heads	2,720	2,720	4,314	58.6%	2,572	2,572	2,087	-18.9%
Net Revenue	R\$/thd	7,073	7,073	19,640	177.7%	6,704	6,704	9,823	46.5%
Result of currency hedge	R\$/thd	-	-	(817)	n.m.	-	-	(645)	n.m.
Net Rev. adj. for result of cur. hedging	R\$/thd	7,073	7,073	18,823	166.1%	6,704	6,704	9,178	36.9%
Unit Price	R\$/ton	2,600	2,600	4,363	67.8%	2,607	2,607	4,398	68.7%
Total Cost	R\$/thd	(5,698)	(5,698)	(14,511)	154.7%	(5,351)	(5,351)	(7,218)	34.9%
Unit Cost	R\$/ton	(2,095)	(2,095)	(3,364)	60.6%	(2,080)	(2,080)	(3,459)	66.2%
Unitary Gross Income	R\$/ton	506	506	1,000	97.7%	526	526	939	78.5%

We registered growth of unit Gross Income for both periods, mainly due to better invoiced prices, which more than offset unit cost increase.

Gross Income

Table 24 - Gross Income

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Gross Income	830,071	731,811	1,698,102	104.6%	115,065	16,805	208,515	81.2%
Cotton lint	171,633	149,154	282,276	64.5%	76,504	54,025	78,658	2.8%
Cotton seed	37,782	29,918	88,599	134.5%	22,166	14,302	63,444	186.2%
Soybean	379,366	383,446	649,898	71.3%	103,342	107,422	45,842	-55.6%
Corn	28,570	46,858	41,072	43.8%	10,890	29,178	34,050	212.7%
Cattle Herd	1,375	1,375	4,312	213.6%	1,353	1,353	1,960	44.9%
Others	(6,671)	(3,811)	25,205	n.m.	16,356	19,216	34,545	111.2%
Biological Assets	218,016	124,871	606,740	178.3%	(115,546)	(208,691)	(49,984)	-56.7%

Excluding the effects from Biological Assets (Variation and Realization of Fair Value) indicates the actual margins of the products invoiced. In this analysis, Gross Income increased 12.1% in 3Q21 compared to 3Q20, mainly due to the higher margins for all crops, except soybean. In the year to date, Gross Income increased 78.3%, with improvement in all crops due to the higher invoiced prices.

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Selling Expenses

Selling expenses increased 41.3% in the quarter, which mainly reflects the adjustment to the item "Others" in 3Q20 related to the expenses with soybean seed royalties. In addition, freight expenses declined in the quarter, given the lower volume invoiced and higher expenses with commissions in the period. In 9M21 vs. 9M20, selling expenses increased 17.6%, led by higher expenses with commissions, exports and storage, which are indexed to U.S. dollar and were pressured by the Brazilian real depreciation against the U.S. dollar in the period.

Table 25 - Selling Expenses

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Freight	34,448	34,448	37,995	10.3%	12,422	12,422	10,540	-15.2%
Storage	33,514	30,577	37,231	11.1%	12,744	9,807	13,933	9.3%
Commissions	10,831	10,831	16,373	51.2%	2,369	2,369	3,882	63.9%
Classification of Goods	1,029	1,029	1,032	0.3%	571	571	467	-18.2%
Export Expenses	23,693	23,693	27,506	16.1%	8,150	8,150	5,116	-37.2%
Others	1,814	1,295	3,764	107.5%	(9,549)	(10,068)	3,798	n.m.
Total	105,329	101,873	123,901	17.6%	26,707	23,251	37,736	41.3%
% Net Revenue	5.0%	5.2%	4.4%	-0.6%	2.9%	3.0%	4.0%	-6.9%

Administrative Expenses

Administrative Expenses (excluding amounts related to Profit Sharing Program) increased 95.1% in 3Q21 and 63.4% in 9M21 in relation to the same periods last year.

The main variations in both periods are explained below:

- (i) Increase in Personnel Expenses, mainly due to expenses with personnel adjustments and headcount expansion. We also paid a retention bonus to maintain the employees of Terra Santa Agro S.A. (wholly-owned subsidiary of SLC Agrícola) following the business combination of SLC Agrícola and Terra Santa Agro S.A.
- (ii) Increase in expenses with Third Parties Fees, which mainly refers to expenses with advisory services related to the business combination with Terra Santa Agro S.A.
- (iii) Increase in Software Maintenance Expenses.
- (iv) Increase in the item Donations, due to SLC Agrícola's participation, via the SLC Institute, in a national campaign to benefit organizations offering assistance to socially vulnerable people in municipalities in the states where SLC Agrícola's farms are located, as well as in communities near its headquarters in Porto Alegre, Rio Grande do Sul. In all, associations, organizations and families in over 30 municipalities in seven Brazilian states received boxes of food staples. The amount contributed was R\$1 million, which resulted in donations of 180 tons of food.

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Table 26 Administrative Expenses

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Expenses with personnel	31,532	27,871	40,763	29.3%	13,217	9,556	17,654	33.6%
Fees	5,138	3,739	26,240	410.7%	2,697	1,298	17,573	551.6%
Depreciations and amortizations	2,475	1,521	2,225	-10.1%	1,436	482	991	-31.0%
Expenses with travels	983	832	817	-16.9%	133	(18)	431	224.1%
Software maintenance	3,943	3,599	6,174	56.6%	1,606	1,262	3,073	91.3%
Marketing/Advertisement	1,677	1,639	2,034	21.3%	334	296	578	73.1%
Communications Expenses	2,418	2,477	3,235	33.8%	825	884	1,325	60.6%
Rentals	863	827	1,546	79.1%	352	316	547	55.4%
Labor, Tax and Environmental Contingencies	34	34	452	n.m.	(14)	(14)	319	n.m.
Electricity	202	130	932	361.4%	103	31	846	721.4%
Taxes and other fees	1,005	977	1,811	80.2%	382	354	527	38.0%
Contributions and donations	2,230	2,230	3,306	48.3%	598	598	1,845	208.5%
Other	3,625	2,439	2,199	-39.3%	1,906	720	290	-84.8%
Subtotal	56,125	48,315	91,734	63.4%	23,575	15,765	45,999	95.1%
% Net Revenue	2.7%	2.5%	3.3%	0.6%	2.6%	2.0%	4.9%	2.3%
Provision for profit share program	24,208	24,208	63,440	162.1%	9,404	9,404	33,011	251.0%
Total	80,333	72,523	155,174	93.2%	32,979	25,169	79,010	139.6%

Net Financial Result

Since a portion of the Company's debt in USD was swapped to BRL (in line with the Risk Management Policy), the exchange variation on dollar-denominated debt does not affect Financial Result when analyzing aggregate figures, since any gains and losses on such liabilities in USD from exchange variation are offset by gains/losses in an equal proportion to the respective swap.

Table 27 Adjusted Net Financial Income (Expense)

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Interest	(74,240)	(50,562)	(38,594)	-48.0%	(38,597)	(14,919)	(9,141)	-76.3%
FX Variation	(6,056)	11,943	(53,095)	776.7%	(13,561)	4,438	(38,432)	183.4%
Monetary Variation	(16,129)	-	(2,595)	-83.9%	(16,129)	-	(2,600)	-83.9%
APV-Liability Lease ⁽¹⁾	(49,640)	(43,547)	(103,603)	108.7%	(21,045)	(14,952)	(49,644)	135.9%
Other finan. revenues (expenses)	(32,953)	(4,700)	11,590	-135.2%	(29,221)	(968)	16,158	-155.3%
Total	(179,018)	(86,866)	(186,297)	4.1%	(118,553)	(26,401)	(83,659)	-29.4%
% Net Revenue	-6.4%	-4.41%	-6.9%	-0.5p.p.	-12.9%	-3.40%	-8.9%	4.0p.p.

(1) APV: Adjusted to Present Value - Liability Lease (IFRS16)

In 3Q21 and 9M21, the adjusted Net Financial Result increased in relation to the prior-year periods.

The main factors were:

- (i) the Adjustment to Present Value of Leases in the quarter, given the lengthening of the terms of certain agreements, and the higher soybean bag price in BRL (indexer adopted in agreements).
- (ii) the exchange variation loss, due to the weaker local currency in the quarter and year to date, which impacted amounts payable to suppliers in U.S. dollar
- (iii) There was a reduction in the interest account, in the quarter and in the nine-month period, despite the increase in net debt, reflecting the acquisition of Terra Santa and the increase in the average CDI in the period. This reduction is due to the positive adjustment of the reversal of values in the settlement of the fee letter of the indebtedness arising from Terra Santa

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Net Income (Loss)

Table 28 Net Income

(R\$ thd)	9M20 Combined (a)	9M20 (b)	9M21 (c)	HA c x a	3Q20 Combined (a)	3Q20 (b)	3Q21 (c)	HA c x a
Income before taxes on profit	445,561	458,928	1,324,213	197.2%	(74,759)	(61,392)	101,723	n.m.
Income Tax & Social Contrib. on Profit	(148,323)	(142,151)	(386,414)	160.5%	19,510	25,682	12,031	-38.3%
Consol. Net Income f. the Period	297,238	316,777	937,799	215.5%	(55,249)	(35,710)	113,754	n.m.
Assigned to parent company	285,932	305,471	882,596	208.7%	(43,288)	(23,749)	121,011	-379.5%
Assigned to non-controlling comp. members	11,306	11,306	55,204	388.3%	(11,961)	(11,961)	(7,257)	-39.3%
% Net Revenue	14.0%	16.1%	33.3%	19.3%	-6.00%	-4.60%	12.1%	18.1%

Net income amounted to R\$113.7 million in 3Q21 and R\$937.8 million in 9M21, representing robust growth in both periods, with net margin expanding 18.1 p.p. in the quarter and 19.3 p.p. in the year to date.

In the quarter, the main factors that contributed to the increase in net income were the increase in Gross Income and the positive result of measuring the fair value of investment properties. In the 9-month period, the main variation was the increase in Gross Profit (the effect of better billed sales prices). In both periods, and the positive reflection of the accounting dynamics of Biological Assets (Revenue – Cost), reflected positively due to expectations of higher margins compared to the previous crop year, contributing to the net income for the period.

Statement of Cash Flow Analysis

Free cash generation was positive in the quarter, at R\$82.4 million, reflecting the improvement in cash flow, which is a normal characteristic for this time of year (end of payment for harvest inputs and increase in received volumes of cotton).

Year-to-date, however, free cash generation is still negative, at R\$366.8 million. This situation will be reversed in the fourth quarter, as cotton sales for the 2020/21 crop will take place and also as the working capital accounts reflect greater cash flow. These variations do not consider the amount paid in connection with the business combination with Terra Santa Agro S.A.

Table 29 Summarized Cash Flow

(R\$ thd)	9M20	9M21	HA	3Q20	3Q21	HA
Cash generated in operations	760,548	1,097,539	44.3%	291,507	341,408	17.1%
Changes in assets and liabilities	(533,420)	(865,894)	62.3%	91,513	(76,677)	n.m.
Net cash used in investment activities	(182,106)	(376,675)	106.8%	(51,762)	(164,250)	217.3%
<i>In Fixed assets</i>	(166,191)	(283,643)	70.7%	(46,978)	(88,999)	89.4%
<i>In Intangible assets</i>	(15,915)	(27,415)	72.3%	(4,784)	(10,340)	116.1%
<i>Land return payment</i>	-	(706)	100.0%	-	(706)	100.0%
Presented Free Cash	(45,022)	(145,030)	-422,10%	331,258	100,481	-69.7%
Net cash gen./ (cons.) in fin. act. ⁽¹⁾	(45,332)	12	-100.00%	(11,704)	6	-100.00%
Paid leases ⁽²⁾	(113,140)	(221,856)	96.10%	(4,406)	(17,952)	307.40%
Share buyback	-	168	100.00%	-	-	-
Payment of CRA Costs	-	(131)	100.00%	-	(121)	100.00%
Adjusted Free Cash	-113,450	-366,837	n.m.	315,148	82,414	-73.8%

⁽¹⁾ The variations of said account are non-cash.

⁽²⁾ Due to the adoption of IFRS 16, the payment of leases is now accounted in the Statement of Cash Flows under Financing Activities. However, it should be considered as an operating cash disbursement.

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Property, Plant & Equipment / CAPEX

Table 30 Capital Expenditures

(R\$ thd)	9M20		9M21 (c)	HA c x a	3Q20		3Q21 (c)	HA c x a
	Combined (a)	9M20 (b)			Combined (a)	3Q20 (b)		
Machin., implements and equip.	83,172	82,557	142,035	70.8%	13,222	12,607	67,762	412.5%
Land acquisition	102	102	322	215.7%	-	-	-	n.m.
Soil correction	56,758	48,792	88,544	56.0%	45,405	37,439	67,235	48.1%
Buildings and facilities	17,834	17,101	39,690	122.6%	6,175	5,442	12,300	99.2%
Cotton ginning plant	3,781	3,409	2,331	-38.3%	1,872	1,500	1,860	-0.6%
Grains storage	2,415	2,185	359	-85.1%	626	396	220	-64.9%
Soil cleaning	8,974	8,974	18,494	106.1%	4,700	4,700	10,499	123.4%
Vehicles	1,234	1,136	1,321	7.1%	1,015	917	401	-60.5%
Aircraft	701	21	440	-37.2%	680	-	440	-35.3%
Software	14,123	13,988	27,186	92.5%	5,316	5,181	8,352	57.1%
Improv. in own properties	19	19	-	-100.0%	19	19	-	-100.0%
Improv. in Third Party Real Estate	998	998	940	-5.8%	322	322	1	-99.7%
Buildings	106	106	-	-100.0%	-	-	-	n.m.
Others	9,813	9,763	16,089	64.0%	4,797	4,747	4,981	3.8%
Total	200,030	189,151	337,751	68.9%	84,149	73,270	174,051	106.8%

In the quarter, investments were concentrated in machinery, tools and equipment, soil correction and buildings and facilities.

In machinery, tools and equipment, the highlight was the investment in machinery for the Paysandu Farm. Meanwhile, soil correction was carried out at various farms, led by the Paysandu, Paiaguás, Planorte and Pantanal farms.

The most significant investments in buildings and facilities were made in the following farms: Pamplona (irrigation, telemetry and house renovations); Planeste (expansion of cotton bale press machine, sampling equipment room and improvements to the cotton grading room, cotton beating machine and cotton gin); Planalto (construction of a pen) and Panorama (aeration of seed warehouse floor, led projectors and materials for capacitor banks).

Debt

Adjusted Net Debt ended the third quarter of 2021 at R\$2.2 billion, representing an **increase of R\$1.5 billion** from the end of 2020. Net debt was influenced mainly by higher Working Capital Needs, which in turn were influenced by the higher payments for agricultural inputs for the 2020/21 and 2021/22 crop years and the settlement of all debt held by Terra Santa. Note that an increase in debt in this period of the year is expected, given the cash conversion cycle of the business.

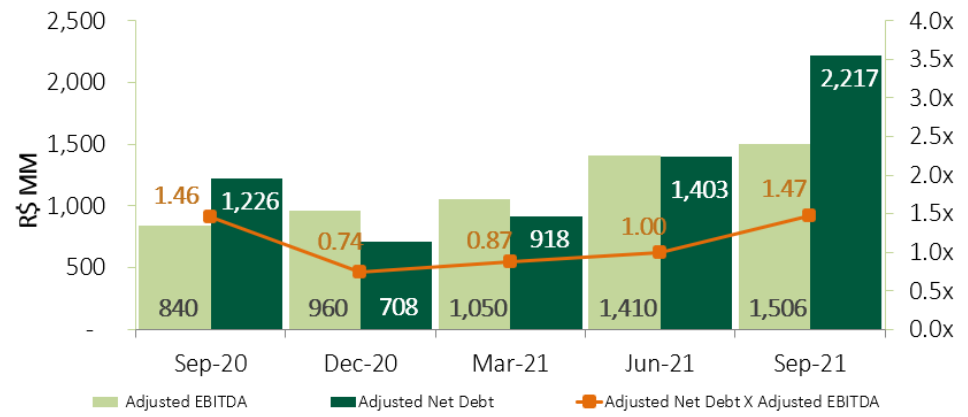
Table 31 Financial Net Debt

Credit Line (R\$ thd)	Average Rate (%)		Consolidated		
	Indexer	2020	9M21	2020	9M21
Applied in Fixed Assets				57,053	45,403
Finame – BNDES	Pré and Coin Basket	5.4%	5.5%	57,053	45,403
Applied in Working Capital				2,377,936	2,937,253
Rural Credit	Prefixed	4.3%	5.5%	12,186	16,053
CRA	CDI ⁽¹⁾	3.7%	7.2%	841,616	886,466
Working Capital	CDI ⁽¹⁾	3.1%	7.3%	577,936	920,032
Export Loans	CDI ⁽¹⁾	3.2%	7.4%	946,198	1,114,701
Total Indebtedness⁽³⁾		3.4%	7.3%	2,434,989	2,982,656
(+/-) Gains and losses with deriv. connected with applications and debts ⁽²⁾				121.794	39,740
(=) Adjusted Debt				2,313,195	2,942,915
(-) Cash				1,604,716	726,095
(=) Adjusted Net Debt				708,479	2,216,820
Adjusted EBITDA (Last 12 months)				960,262	1,506,296
Adjusted Net Debt/EBITDA				0.74	1.47

⁽¹⁾ Final Interest Rate with swap; ⁽²⁾ Transactions with gains and losses from Derivatives (see note 23e of the Quarterly Financial Information)

⁽³⁾ Total debt is different from the accounting position due to the costs of CRA transactions, see note 16 of the Quarterly Financial Information

Figure 15 Change in Net Debt/Adjusted EBITDA Ratio



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Hedge Position

Currency and agricultural commodity hedge

The Company's sales revenues are generated mainly by the trading of agricultural commodities such as cotton, soybean and corn, which are quoted in U.S. dollar on international exchanges, such as the Chicago Board of Trade (CBOT) and the Intercontinental Exchange Futures US (ICE).

Therefore, we are actively exposed to variations in foreign exchange rates and in the prices of these commodities. To protect from currency variation we use derivative instruments, with the portfolio of these instruments basically comprising non-deliverable forwards (NDFs).

In line with the Company's Risk Management Policy, whose purpose is to obtain a pre-established operating margin with a combination of factors such as Price, Exchange Rate and Cost, most of the instruments for protecting against commodity price variation are accomplished through advanced sales directly with our clients (forward contracts). We also use futures and options contracts negotiated on the exchange and swap and option transactions contracted with financial institutions.

The hedge positions for commodities (in relation to the estimated total volume invoiced) and currency (in relation to the total estimated revenue in USD) are shown below, broken down by commercial hedge and financial hedge and updated as of November 8th:

Table 32 Hedge Position

FX Hedge – Soybean				Commercial Hedge - Soybean			
Crop	2020/21	2021/22	2022/23	Crop	2020/21	2021/22	2022/23
%	100.5	40.5	10.0	%	99.2	49.3	7.4
R\$/USD	5.2505	5.5640	6.1986	USD/bu ⁽²⁾	12.42	12.46	13.27
Commitments % ⁽¹⁾	-	25.1	59.3	Commitments % ⁽¹⁾	-	10.9	20.3

FX Hedge – Cotton				Commercial Hedge - Cotton			
Crop	2020/21	2021/22	2022/23	Ano agrícola	2020/21	2021/22	2022/23
%	96.7	40.7	15.0	%	97.3	65.4	10.0
R\$/USD	5.4333	5.9015	6.2946	USc/lb ⁽²⁾	70.8	78.2	80.56
Commitments % ⁽¹⁾	-	27.6	50.8	Commitments % ⁽¹⁾	-	-	-

FX Hedge – Corn				Commercial Hedge – Corn			
Crop	2020/21	2021/22	2022/23	Crop	2020/21	2021/22	2022/23
%	102.1	48.7	24.7	%	96.7	59.9	38.5
R\$/USD	5.2327	5.7101	6.3320	R\$/bag ⁽³⁾	41.01	53.89	61.17
Commitments % ⁽¹⁾	-	17.3	40.3	Commitments % ⁽¹⁾	-	-	-

⁽¹⁾ Commitments with payments for fixed-rate securities in U.S. dollar, natural hedge with payments related to land acquisitions and lease agreements based on soybean bags. ⁽²⁾ Based on FOB Port - prices at our production units also are influenced by transport expenses and any discounts for quality. ⁽³⁾ Farm Price.

ESG communication with stakeholders

CONTRIBUTE TO OUR MATERIALITY SURVEY

We want to hear your opinion to identify the most relevant sustainability topics for the next Integrated Report of SLC Agrícola.

Materiality Survey

Since 2016, SLC Agrícola has published annual sustainability reports in conformity with the framework of the Global Reporting Initiative (GRI), Core option, and aligned with the principles of the UN Global Compact and UN Sustainable Development Goals (SDG), through which it effectively undertakes the commitment expected from the private sector to achieving the goals of the UN 2030 Agenda. Since the third cycle, we have achieved advances as we adopt the International Framework. The goal is to keep our capital providers and other stakeholders informed on how we create and share value sustainably.

The Integrated Report enables us to improve the quality of our financial and non-financial information in harmony with our good management practices. Since the 2018 cycle, the Integrated Report and the Management Report of SLC Agrícola have been published simultaneously, given that, together, they express the integrated vision of the Company.

In the 2019 cycle, we made further progress and added to the report the Company's Sustainability Positioning and Priority Vectors regarding our main challenges in Sustainability-related topics. This effectively integrated the entire process with our Big Dream, which is "to positively impact future generations as the world leader in efficient agricultural business and respect for the planet."

The first materiality survey of SLC Agrícola was carried out in 2016, in accordance with GRI standards. In 2018, the materiality topics were revised to consider the relevance of the matrix from the perspective of the Integrated Report framework, when adherence to the material topics previously identified was confirmed.

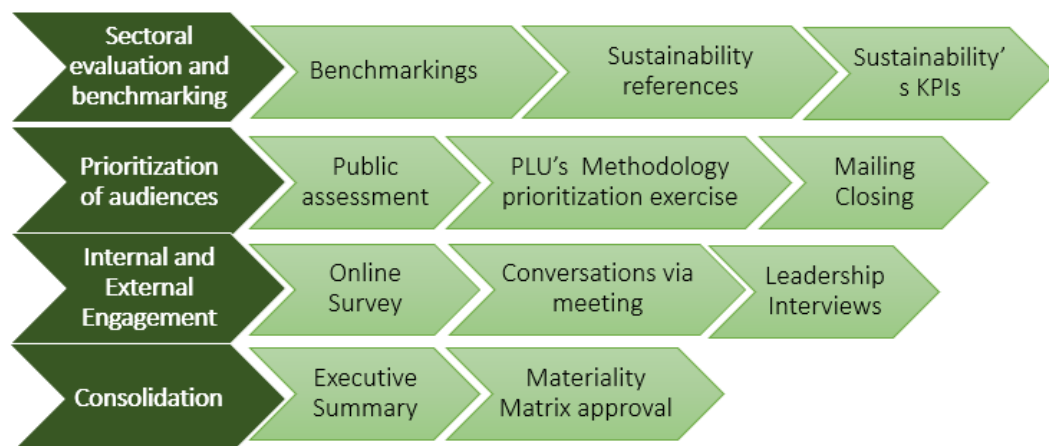
Engagement with key stakeholder groups was maintained through formal relationship channels and the work climate survey, which identify the needs of internal and external stakeholders. In the new cycle of the Integrated Report 2021, the Company opted to conduct a comprehensive review of the materiality matrix.

The process began with an industry assessment to identify benchmarks, sustainability references and key performance indicators (KPIs). The second step consisted of prioritizing publics by creating stakeholder groups, defining priorities and concluding the mailing process to guide the internal and external direction.

The other steps, which consist of driving engagement by submitting questionnaires, conducting interviews, consolidating the process by closing the executive summary and approving the materiality matrix, are expected to occur in the fourth quarter of this year.

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Figure 16 Timeline – New Materiality Matrix



The results obtained will reveal the new matrix with topics with the most interest and strategic relevance, namely those that could influence the decisions and actions of the organization and its stakeholders and cause significant economic, environmental and social impacts both inside and outside the organization. After identifying the priority topics, they will be presented and validated by the Company's senior management and support the preparation of the Integrated Report 2021.

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Return Indicators

The Company believes that the calculation of Return on Equity, Return on Net Assets and Return on Invested Capital should consider, in addition to net income or operating income of the period, the net annual appreciation (based on the independent report of Deloitte Touche Tohmatsu Consultores Ltda., prepared every year) in the value of its land.

Table 33 Return on Equity

(R\$ million)	2014	2015	2016	2017	2018	2019	2020
Net Profit ⁽¹⁾	70	121	16	289	405	293	511
Net Land Appreciation ⁽²⁾	428	140	199	19	110	142	216
Subtotal	498	261	215	308	515	435	727
Shareholder's Equity ⁽³⁾	3,771	3,911	4,346	4,438	4,641	4,973	5,361
Return	13.2%	6.7%	4.9%	6.9%	11.1%	8.7%	13.6%

⁽¹⁾ Even in periods that encompass net income from the land sales, in this analysis only the profit of the "agricultural operation" is considered, since the gains from appreciation of land are being considered in a specific line.

⁽²⁾ Based on the independent appraisal report (Deloitte), updated in October/2020; net of tax amounts.

⁽³⁾ Adjusted for land price appreciation.

Table 34 Return on Net Assets

(R\$ million)	2014	2015	2016	2017	2018	2019	2020
Net Profit ⁽¹⁾	70	121	16	289	405	293	511
Net Land Appreciation ⁽²⁾	428	140	199	19	110	142	216
Subtotal	498	261	215	308	515	435	727
Net Assets	4,859	5,005	5,026	5,097	5,443	6,551	7,352
Working Capital	733	739	561	613	603	912	1,150
Fixed Assets ⁽³⁾	4,126	4,266	4,465	4,484	4,840	5,639	6,202
Return	10.2%	5.2%	4.3%	6.0%	9.5%	6.6%	9.9%

⁽¹⁾ Even in periods that encompass net income from the land sales, in this analysis only the profit of the "agricultural operation" is considered, since the gains from appreciation of land are being considered in a specific item.

⁽²⁾ Based on the independent appraisal report (Deloitte), updated in October/2020; net of tax amounts.

⁽³⁾ Adjusted for land price appreciation.

Table 35 Return on Invested Capital

(R\$ million)	2014	2015	2016	2017	2018	2019	2020
Operating Income ⁽¹⁾	190	285	110	513	657	536	780
IRPJ Rate	21.3%	27.3%	0.0%	26.3%	30.5%	24.0%	26.0%
Adjusted IR	(40)	(78)	20	(135)	(200)	(129)	(203)
Adjusted Operating Income	150	207	130	378	457	407	577
Net Land Appreciation ⁽²⁾	428	140	199	19	110	142	216
Operating results w/ land	578	347	329	397	567	549	793
Invested Capital	4,731	5,005	5,255	5,104	5,584	5,947	6,154
Gross Debt (ST and LT)	1,332	1,795	1,974	1,578	1,586	1,859	2,313
Cash	372	701	1,065	749	643	885	1,520
Net Debt	960	1,094	909	829	943	974	793
Shareholder's Equity ⁽³⁾	3,771	3,911	4,346	4,275	4,641	4,973	5,361
Return on Working Capital	12.2%	6.9%	6.3%	7.8%	10.2%	9.2%	12.9%

⁽¹⁾ Even in periods that encompass net income from land sales, in this analysis only the profit from the "agricultural operation" is considered, since the gains from appreciation of land are being considered in a specific line.

⁽²⁾ Based on the independent appraisal report (Deloitte), updated in October/2020; net of taxes.

⁽³⁾ Adjusted for land price appreciation.

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Additional Information

Planted Area – 2020/21 and 2021/22 Crop Year

Table 36 Planted Area 2021/22 Crop Year

Area Mix	Planted Area	Planted Area	Share	Δ%
	2020/21	2021/22 ⁽¹⁾	2021/22	
	ha		%	
1st crop Area	322,035	447,038	66.8%	38.8%
Owned Area	110,273	112,014	16.7%	1.6%
Leased Area	135,006	252,244	37.7%	86.8%
Joint Ventures Areas ⁽²⁾	41,594	41,163	6.2%	-1.0%
SLC LandCo Areas ⁽³⁾	35,162	41,617	6.2%	18.4%
2nd crop Area	141,133	221,751	33.2%	57.1%
Owned Area	51,155	53,340	8.0%	4.3%
Leased Area	60,757	136,644	20.4%	124.9%
Joint Ventures Areas ⁽²⁾	14,228	14,391	2.2%	1.1%
SLC LandCo Areas ⁽³⁾	14,993	17,376	2.6%	15.9%
Total Area	463,167	668,790	100.0%	44.4%

⁽¹⁾ Weather factors may affect the planted area forecast.⁽²⁾ Areas owned by Grupo Roncador and Mitsui.⁽³⁾ A SLC Agrícola holds an 81.23% interest in SLC LandCo.

Property portfolio

The portfolio of properties under our management on **November 10, 2021** is presented below:

Table 37 Property Portfolio

Crop 2021/22 (ha)		Owned ⁽¹⁾	SLC LandCo ⁽²⁾	Leased	Joint Ventures	Under Control	Total Planted ⁽³⁾
Farm	State						
		ha					
Pamplona	GO	17,994		8,596		26,590	27,190
Pantanal	MS			26,259		26,259	43,939
Planalto	MS	15,006		1,635		16,641	22,602
Pampeira	MT			24,065		24,065	41,378
Piracema	MT			12,605		12,605	23,786
Pejuçara	MT			14,466		14,466	27,348
Pirapora	MT			11,418		11,418	20,759
Próspera	MT			16,999		16,999	30,772
Planorte	MT	23,454				23,454	31,769
Paiaguás	MT	28,129		17,321		45,450	66,273
Perdizes ⁽⁵⁾	MT	28,893	13,288			42,181	26,495
Pioneira ⁽⁴⁾	MT				19,814	19,814	34,205
Panorama	BA		10,373	14,189		24,562	21,736
Paladino ⁽⁵⁾	BA				21,350	21,350	21,350
Piratini	BA		25,356			25,356	14,219
Paysandu	BA			32,473		32,473	38,001
Palmares	BA	16,195	831	16,936		33,962	25,766
Parceiro	BA	27,564	3,680	6,933		38,177	11,080
Parnaíba	MA	26,193		11,309		37,502	42,723
Palmeira	MA		10,200	16,679		26,879	23,468
Planeste	MA		22,783	20,359		43,142	64,047
Parnaguá	PI	19,416				19,416	9,883
Paineira ⁽⁶⁾	PI	12,892				12,892	
Total	-	215,736	86,511	252,244	41,164	595,653	668,790

⁽¹⁾ Own property, includes Legal Reserves. ⁽²⁾ SLC Agrícola currently owns 81.23% of SLC LandCo, while the Valiance fund owns 18.77%. ⁽³⁾ Including the second crop. Weather factors could affect the planted area forecast. ⁽⁴⁾ The Pioneira Farm is part of the joint arrangement with Grupo Roncador. ⁽⁵⁾ The Perdizes and Paladino Farms are part of the joint arrangements with Mitsui in SLC-Mit. ⁽⁶⁾ Farm leased to third parties.

Landbank

As of 2Q21, 2,872 hectares were in the process of being licensed, that is, awaiting an environmental license for their opening. In accordance with our commitment announced to the market, the Company ended the cycle of opening new areas in the 2020/21 crop year (August 2021). Therefore, this area will be allocated to the landbank of remaining native vegetation. The Company currently has 100.2 hectares of areas dedicated to the

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Legal Reserve and Permanent Preservation. In addition, there was a reduction of 15,662 hectares in the areas prepared for planting in the 2021/22 crop year.

A seguir demonstramos a posição atual do nosso banco de terras.

Table 38 Landbank

Hectares	Under Transformation*	Under Licensing
SLC Agrícola		
Parnaíba	1,464	-
Parnaguá	-	-
Parceiro	2,527	-
Sub Total	3,991	-
SLC LandCo		
Palmeira ⁽¹⁾	-	-
Piratini	2,180	-
Parceiro ⁽¹⁾	-	-
Subtotal	2,180	-
Total	6,171	-

⁽¹⁾ Areas acquired by SLC LandCo to be developed jointly with these farms. *Under transformation for commercial use.

Machinery Base and Storage Capacity

Table 39 Machinery Base and Storage Capacity

	2018	2019	2020	2021	3Q21
Machinery (quantity)	867	873	871	863	1172
Tractors	216	212	211	213	343
Grains Combiners	209	206	196	173	217
Cotton Pickers	76	85	92	87	104
Planters	212	209	210	214	299
Self propelled sprayers	154	161	162	176	209
Storage capacity (tons)					
Grains	764,000	764,000	764,000	764,000	1,054,920
% Production ⁽¹⁾	52%	52%	44%	44%	61%
Cotton	125,148	125,148	125,148	125,148	190,447
% Production ⁽¹⁾	60%	60%	63%	63%	72%

⁽¹⁾ Estimate based on the expected planted area and yields for 2020/21 for 3Q21

Net Asset Value

Table 40 Net Asset Value – NAV

(R\$ Million)	3Q21
SLC Agrícola Farms ⁽¹⁾	4,800
SLC LandCo Farms ⁽¹⁾	1,360
Infrastructure (excl. land)	1,535
Accounts Receivable (excl. derivatives)	33
Inventories	3,466
Biological Assets	399
Cash	639
Subtotal	12,231
Suppliers	1,076
Gross debt adjusted by results of operations with derivatives	2,786
Outstanding debt related to land acquisition	-
Subtotal	3,682
Net asset value	8,369
Net Asset value per share (193.111.454 shares)	43.3

⁽¹⁾ Based on the independent appraisal report (Deloitte, 2021), net of taxes.

NOTE: All accounts are adjusted by SLC Agrícola's interests in subsidiaries/joint ventures.

Debt

Figure 17 Change in Adjusted Gross Debt (R\$ '000)

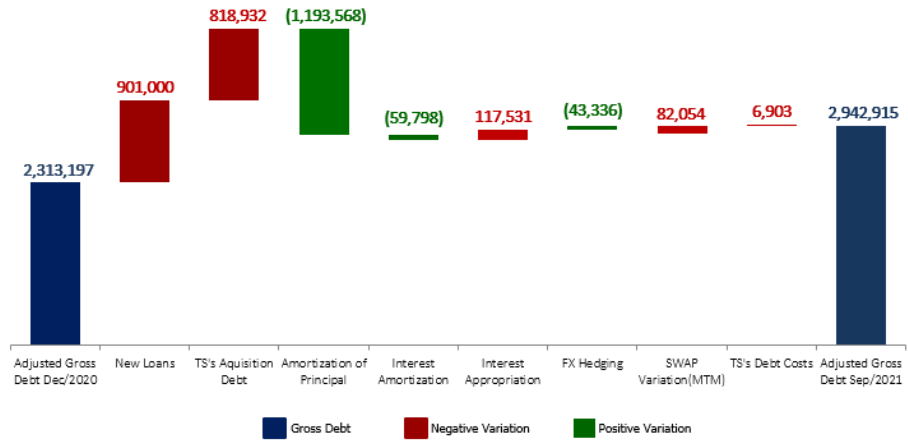


Figure 18 Adjusted gross Debt Amortization Schedule (R\$ '000)

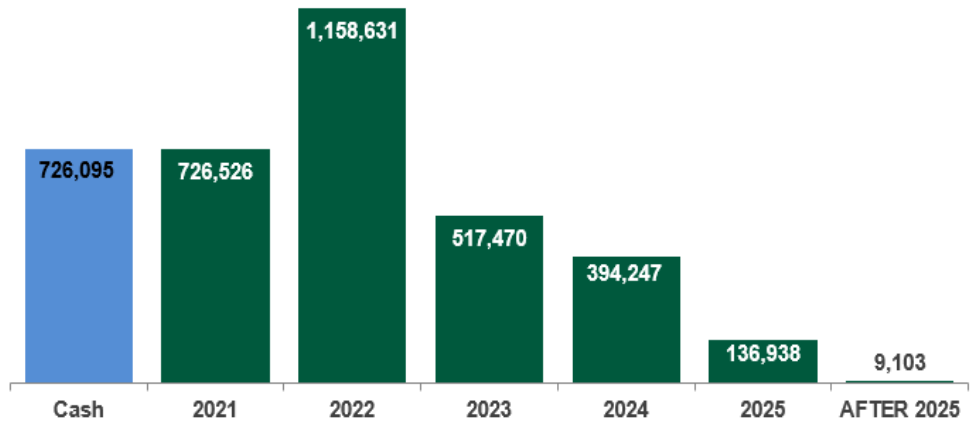


Figure 19 Adjusted Gross Debt Profile

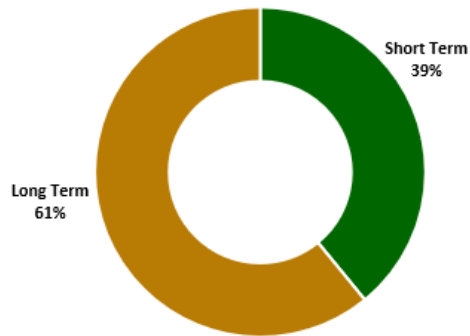
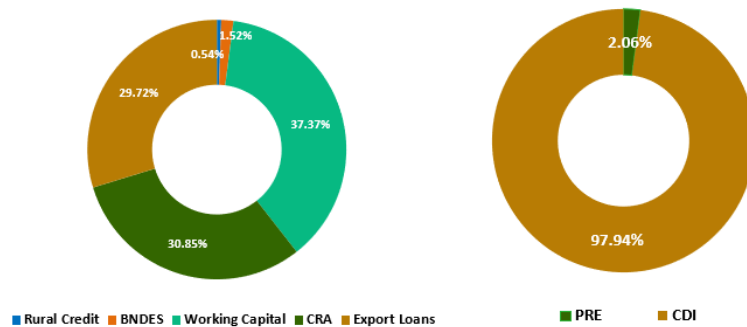


Figure 20 Gross Debt by Index and Instrument



(A free translation of the original in Portuguese)

Location of Production Units and Headquarters



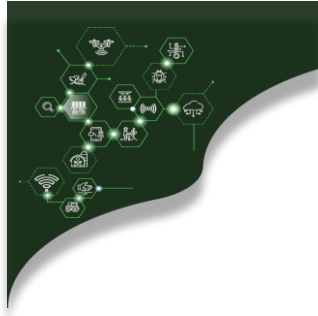
SLC Agrícola Farms

- | | |
|--|---|
| 1. Pioneira (MT) – 34,205 ha ⁽¹⁾ | 13. Palmeira (MA) – 23,468 ha ⁽¹⁾ |
| 2. Perdizes (MT) – 26,495 ha ⁽¹⁾ | 14. Planeste (MA) – 64,047 ha ⁽¹⁾ |
| 3. Paiaguás (MT) – 66,273 ha ⁽¹⁾ | 15. Parnaguá (PI) – 9,883 ha ⁽¹⁾ |
| 4. Planorte (MT) – 31,769 ha ⁽¹⁾ | 16. Parceiro (BA) – 11,080 ha ⁽¹⁾ |
| 5. Próspera (MT) – 30,772 ⁽²⁾ | 17. Palmares (BA) -25,766 ha ⁽¹⁾ |
| 6. Pejucara (MT) – 27,348 ⁽²⁾ | 18. Paladino (BA) -21,350 ha ⁽¹⁾ |
| 7. Piracema (MT) – 23,786 ⁽²⁾ | 19. Piratini (BA) – 14,219 ha ⁽¹⁾ |
| 8. Pampeira (MT) – 41,378 ⁽²⁾ | 20. Panorama (BA) – 21,736 ha ⁽¹⁾ |
| 9. Pirapora (MT) – 20,759 ⁽²⁾ | 21. Paysandu (BA) – 38,001 ⁽²⁾ |
| 10. Pantanal (MS) – 43,939 ha ⁽¹⁾ | 22. Pamplona (GO) -27,190 ha ⁽¹⁾ |
| 11. Planalto (MS) -22,602 ha ⁽¹⁾ | 23. Paineira (PI) - Leased |
| 12. Parnaíba (MA) – 42,723 ha ⁽¹⁾ | |

Observations:

⁽¹⁾ Includes 1st and 2nd Crop

⁽²⁾ Will be planted on 21/22 Crop



Disclaimer

We make statements concerning future events that are subject to risks and uncertainties. These statements are based on the beliefs and assumptions of our Management and on the information currently available to the Company. Forward-looking statements include information on our current plans, beliefs or expectations, as well as those of the Company's directors and officers. Forward-looking statements include information on potential or assumed operating results as well as statements that are preceded, followed by or include the words "believe," "may," "will," "continue," "expect," "project," "intend," "plan," "estimate" or similar expressions. Forward-looking statements and information provide no guarantee of performance. Because they refer to future events, they involve risks, uncertainties and assumptions and as such depend on circumstances that may or may not occur. The Company's future results and creation of value for shareholders may differ significantly from the figures expressed or suggested in the forward-looking statements. Many factors that will determine these results and values are beyond our capacity to control or predict.

SLC Agrícola S.A.

Notes to the quarterly information

September 30, 2021

(in thousands of Reais)

1 Operations

SLC Agrícola S.A., founded in 1977, hereinafter referred to as "Parent Company", "SLC" or "Company", and its subsidiaries (jointly referred to as "the Group" or "Consolidated"), has its headquarters located in the city of Porto Alegre, RS, Brazil and has as its corporate purpose the activities of agriculture and cattle raising; production and marketing of seeds and seedlings; processing and marketing of its products, being able to export and import goods for its own use and consumption; supply of primary agricultural goods and products and goods in general; reception, cleaning, drying and storage services of cereals for third parties; provision of services with agricultural machinery and implements for third parties; trade, import and export of agricultural products; agro-industrial activity of industrialization of sugar cane, alcohol and its derivatives; and participation in other companies; lease of own property

On September 1, 2021, the Company and subsidiaries began its cultivation of the 2021/2022 crop with operations at twenty-two production units and a total planted area of 667.9 thousand hectares, including company-owned areas and areas leased from third parties and realted parties, which are located in six Brazilian states: Mato Grosso, Mato Grosso do Sul, Goiás, Bahia, Piauí and Maranhão.

Effects of COVID-19 on the Financial Statements

In compliance with Circular Letter SNC / SEP 02/2020, which deals with guidance on the disclosure of the potential impacts of COVID-19 on the financial statements of publicly-held companies, carefully considering the main risks and uncertainties arising from this analysis and observing the accounting standards, Company worked, especially in the analysis of the following possible impacts:

- a) Actions taken by the Company as a result of COVID-19 and possible impacts on its internal controls;
- b) Increased risk of losses on financial assets (IFRS 9/CPC 48 - Financial Instruments);
- c) Realizable value of inventories (IAS 2/CPC 16 - Inventories);
- d) Impairment of fixed and intangible assets (IAS 36/CPC 01 - Impairment of Assets);
- e) Measurement of the fair value of Biological assets and investment properties;
- f) Impacts on revenue for the period and margins;
- g) Analysis of the Company's operational continuity;
- h) Cash flow, impacts on access to credit for loans and financing and covenants.

The Company carried out a study of the items listed above and did not identify any relevant impacts on its individual and consolidated interim financial statements. In this sense, it is important to comment that the operations of the Company and its subsidiaries are being accompanied by a crisis management model and strategies are being set up so that the Company can cross this period with the least possible negative impact. The Company acted quickly and assertively in the creation of a Committee, which was responsible for the preparation and continuous monitoring of the COVID-19 Contingency Plan and the COVID-19 Coping Guide, two instruments that aim at the identification of risks and vulnerabilities, in addition to establishing protection, control and containment measures against eventual proliferation of COVID-19 within the scope of the Company and its subsidiaries.

SLC Agrícola S.A.

Notes to the quarterly information
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1 Operations (Continued)

Effects of COVID-19 on the Financial Statements (Continued)

In relation to its business, it is worth mentioning that the Company is part of a sector considered essential, in relation to the maintenance of its productive activity, since, among its three main products, two are used by the food and beverage industry as material -cousin. Another factor that deserves mention and that directly involves the Company is the strong demand for exports, favored by the appreciation of the dollar, together with an appreciation of the value of the main commodities it trades. Regarding the logistics chain, it is worth noting that there were no disruptions in export operations and logistics in general, as well as in the operations of receiving inputs.

Regarding firm sales commitments to customers, the Company does not expect material changes in its composition, since its origin lies in a strong correlation with the way in which negotiations are carried out and the players chosen as commercial partners, it did not identify important issues related to these commitments, with the sale and delivery of the products occurring without any hitches.

Additionally, at times like this, concerns about cash, financial leverage, cost efficiency and debts subject to exchange variation are accentuated and, in this sense, the Company is well positioned to overcome the effects arising from COVID-19, being possible to highlight also the risk management policy applied by the Company consistently in recent years. Short- and long-term liquidity are preserved and, even eventual changes in shipments and receipts, are sized so that they do not materially affect the Company's financial position. Accordingly, the Company has not identified any relevant risks in relation to its ability to continue operating.

2 Summary of significant accounting practices

2.1 Basis of preparation and presentation of the individual and consolidated quarterly information

The individual and consolidated interim financial information for the quarter ended September 30, 2021 was prepared in accordance with CPC 21 (R1) - Interim Financial Statements, issued by the Accounting Pronouncements Committee ("CPC"), and in accordance with IAS 34 - Provisional Financial Reporting, issued by the International Accounting Standards Board ("IASB"), in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Quarterly Information - ITR.

The individual and consolidated quarterly information was prepared by the Company to update the users on the relevant information presented in the period and should be analyzed together with the complete financial statements for the year ended December 31, 2020.

SLC Agrícola S.A.

Notes to the quarterly information
September 30, 2021
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2 Summary of significant accounting practices

2.1 Basis of preparation and presentation of the individual and consolidated quarterly information

The Company followed, in the preparation of these interim financial statements, the same accounting policies and calculation methods as applied in the individual and consolidated financial statements of December 31, 2020, with the necessary additional adoption of an accounting practice for the business combination with Terra Santa Agro S.A., a situation not applicable in the year ended December 31, 2020, and this accounting practice is disclosed below. The Company adopted all standards, revisions of standards and interpretations issued by the CPC, by the IASB and regulatory bodies that were in effect on September 30, 2021.

The Company's Management understands that all relevant information specific to the interim financial statements is being evidenced and corresponds to that used by it in its management, as provided for in OCPC 7 - Evidence in the Disclosure of General Purpose Accounting and Financial Reports.

The issue of the individual and consolidated quarterly information was authorized by the Executive Board on November 10, 2021.

2.2 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured by the sum of the consideration transferred, which is valued based on the fair value on the acquisition date, and the value of any non-controlling interest in the acquiree. For each business combination, the acquirer must measure the non-controlling interest in the acquiree at fair value or based on their participation in the net assets identified in the acquiree. Costs directly attributable to the acquisition are expensed as incurred.

The Company determines that it has acquired a business when the acquired set of activities and assets includes, at a minimum, an input - input of resources and a substantive process that together contribute significantly to the ability to generate output - output of resources. The acquired process is considered substantive if it is essential to the ability to develop or convert the input - acquired resource inputs into outputs - resource outputs, and the inputs - acquired resource inputs include both the organized workforce with skills, knowledge or experience required to perform this process; either it is critical to the ability to continue to produce output and is considered unique or scarce, or it cannot be replaced without significant cost, effort, or delay in the ability to continue producing output—resource output.

When acquiring a business, the Company assesses the financial assets and liabilities assumed in order to classify and allocate them in accordance with the contractual terms, economic circumstances and relevant conditions on the acquisition date, which includes segregation, by the acquiree, from embedded derivatives existing in host contracts in the acquiree.

SLC Agrícola S.A.

Notes to the quarterly information
September 30, 2021
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2 Summary of significant accounting practices (Continued)

2.2 Business combination and goodwill (Continued)

Any contingent consideration to be transferred by the acquirer will be recognized at fair value on the acquisition date. Subsequent changes in the fair value of the contingent consideration considered as an asset or a liability must be recognized in accordance with CPC 48 (IFRS 9) in the income statement.

Initially, goodwill is measured as the excess of the consideration transferred in relation to the net assets acquired (identifiable assets acquired, net and liabilities assumed). If the consideration is less than the fair value of the net assets acquired, the difference must be recognized as a gain in the income statement.

After initial recognition, goodwill is measured at cost, less any accumulated impairment losses. For impairment testing purposes, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination's synergies, regardless of other assets or liabilities of the acquiree to be assigned to those units.

Acquisition of Terra Santa Agro S.A.

On November 26, 2020, the Company signed a non-binding Memorandum of Understanding with Terra Santo Agro S.A. ("Terra Santa") that requires assumptions, terms and conditions indicative of a transaction for SLC Agrícola to acquire as operations of Terra Santa, through the merger of Terra Santa shares by the Company. In preparation for the business combination with Terra Santa, as parties to submit the transaction for approval by the Administrative Council for Economic Defense - CADE, the transaction having been removed on January 7, 2021, without restrictions. Subsequently, on March 25, 2021, SLC Agrícola and Terra Santa signed the Association Agreement and Other Covenants, where the terms and conditions for a transaction were detailed and finally agreed. At the same time, the Terra Santa diligence was carried out, which ended in March 2021 and, on June 21, 2021, were prepared as approvals for the incorporation of shares in extraordinary general meetings of the Company and of Terra Santa.

On June 30, 2021, part of the conditions precedent for the implementation of the combination of the Company's businesses with those of the agricultural operation of Terra Santa, excluding land and improvements, were completed, except (i) obtaining registration with the Brazilian Securities Commission. publicly-held company of TS Agro S.A. ("TS Agro"), in the category A of issuers and listing in the Novo Mercado segment of B3 SA - Brasil, Bolsa, Balcão; and (ii) the implementation of the effective consummation of the capital reduction of Terra Santa (items (i) and (ii) together, "Remaining Condition"). On this date, the Company, TS Agro and their shareholders signed the 1st Amendment to the Association Agreement and Other Covenants and the Pre-Closing Agreement, through which the parties agree to carry out a pre-closing of the transaction.

SLC Agrícola S.A.

Notes to the quarterly information
September 30, 2021
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2 Summary of significant accounting practices (Continued)

2.2 Business combination and goodwill (Continued)

Acquisition of Terra Santa Agro S.A. (Continued)

Through these instruments, an operational transition was established, in which SLC started, as of July 1, 2021 (acquisition date for the application of IFRS 3 and CPC 15 (R1)), to have management control and guidelines of the affairs of the Terra Sant, to the greatest extent possible, for all legal purposes.

After the consummation of the merger of shares, new common shares issued by SLC Agrícola were issued to the shareholders of Terra Santa, traded on the Novo Mercado segment of B3, replacing the shares issued by Terra Santa previously held by them , according to the share exchange ratio, described below.

In order to facilitate the business combination between the Company and Terra Santa, Terra Santa shares were incorporated by SLC, in accordance with articles 252, 224 and 225 of the Brazilian Corporation Law, with the exchange of all shares and subscription bonus da Terra Santa and consequent acquisition of control of Terra Santa, the Company issued a total of 2,516,454 common shares, which represent, on a fully diluted basis, 1.3% of the Company's total and voting capital. The shares were attributed to the shareholders of Terra Santa and the remaining Bonus holders, on the Closing Date, in accordance with the Exchange Ratio foreseen for each modality, given that such common shares have the same rights as the other outstanding common shares issued for the company.

SLC Agrícola S.A.

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2 Summary of significant accounting practices (Continued)

2.2 Business combination and goodwill (Continued)

Acquisition of Terra Santa Agro S.A. (Continued)

The recognized amounts related to assets acquired and liabilities assumed identifiable on the acquisition date are shown in the table below.

	<u>Fair value</u>
Assets	
Current	
Cash and cash equivalents	6,703
Accounts receivable from customers	18,047
Inventories	231,556
Biological assets	440,873
Recoverable taxes	25,014
Securities receivable	4,435
Derivative transactions	19,214
Other accounts receivable	12,108
Prepaid expenses	4,032
Accounts receivable - TESA transaction (c)	28,250
Total current assets	790,232
Non-current	
Securities receivable	586
Recoverable taxes	29,599
Deferred income tax and social contribution	415,085
Other accounts receivable	23,970
Advance to supplier	14,276
Judicial deposits	4,768
	488,284
Investment property	3,400
Use right asset (a)	1,092,732
Fixed assets (b)	219,057
Intangible	936
	1,316,125
Total non-current assets	1,804,409
Total assets	2,594,641
Liabilities	
Current	
Suppliers	325,760
Loans and financing	287,521
Taxes, fees and miscellaneous contributions	10,608
Social and labor obligations	11,953
Advances from customers	16,863
Taxes in installments	6,293
Derivative transactions	52,596
Securities payable	4,772
Third party lease liability (a)	76,058
Other obligations	37,947
Accounts Payable - TESA Transaction (c)	29,449
Provision for contingencies	23,478
Total current liabilities	883,298
Loans and financing	494,636
Taxes in installments	6,625
Third party lease liability (a)	1,011,950
Accounts Payable - TESA Transaction (c)	52,629
Total non-current liabilities	1,565,840
Acquired net assets	145,503

SLC Agrícola S.A.

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2 Summary of significant accounting practices (Continued)

2.2 Business combination and goodwill (Continued)

Acquisition of Terra Santa Agro S.A. (Continued)

- (a) Five lease agreements entered into between Terra Santa and TS Brasil SA in the context of a business combination with an average term of 20 years and an incremental rate of 7.58%, comprising the "weighted curve of the CDI/Pre", added to the risk the Company's credit rating and a risk spread on the underlying asset. These contracts were classified as leases under the scope of CPC 06 (R2) (IFRS 16) and were considered as a fixed minimum value lease component for the purpose of measuring the lease liability. The measurement of the lease liability corresponds to the total of future lease and rent payments, net of tax effects, adjusted to present value, considering the nominal discount rate.

On the date of the initial adoption of these contracts, the right of use asset amount is equal to the lease liability, restated to present value.

It should be noted that land lease contracts are indexed by the soybean sack quotation in the region of each production unit, with the values of the right of use assets and lease liabilities being converted into reais using the soybean quotation in each region. Payment amounts may vary significantly up to the time of payment, due to the change in the market value of soybeans in each region.

Additionally, on July 1, 2021, the existing lease liability in Terra Santa was remeasured and the right-of-use asset had the same amount adjusted to reflect favorable or unfavorable lease terms when compared to market terms. In all, 14 contracts were remeasured using market terms as shown below:

i) Use right asset

Right of use - new contracts	798,316
Right of use - existing contracts	275,374
Adjustment to fair value - contract terms (*)	18,682
Balance on 07/01/2021	1,092,372

(*) R\$12,330 net of deferred taxes.

ii) Lease Liability

Lease Liability - New Contracts	798,316
Lease Liability - Existing Contracts	286,598
Adjustment to fair value - contract terms (*)	3,094
Balance on 07/01/2021	1,088,008
Current	76,058
Non-current	1,011,950

(*) R\$ 2,042 net of deferred taxes.

SLC Agrícola S.A.

Notes to the quarterly information
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2 Summary of significant accounting practices (Continued)

2.2 Business combination and goodwill (Continued)

Acquisition of Terra Santa Agro S.A. (Continued)

- (b) The property, plant and equipment of the acquired company on the acquisition date consisted mainly of aircraft, tractors, harvesters, machinery and equipment. For the valuation of property, plant and equipment, the direct comparative method of market data, the cost quantification method and historical cost were applied. The first is to analyze market conditions and transactions comparable to the asset being valued and thereby determine fair value where reliable and available sales data can be found. The second method is to assess the value and associated values for replacement, replacement or reproduction of assets. In the historical cost valuation method, the value of the asset is determined based on the monetary restatement of its acquisition cost, determined in accounting records and applying specific economic indices, generally used by competent and official bodies. The fair value adjustment allocated to property, plant and equipment was R\$ 105,745 (R\$ 69,791 net of deferred taxes). The surplus value will be depreciated over its useful life.
- (c) Terra Santa has balances recorded under contingencies, bills payable, bills receivable, taxes recoverable, other assets and investment properties, which on July 1, 2021 total net assets of R\$ 53,828. As provided for in the Association Agreement and Other Covenants, upon receipt or effective use, they will be paid by Terra Santa to the former shareholders, and upon effective payment, they will be considered as a credit receivable from the former shareholders, without burden or benefits for the Holly Land. As a result, in Terra Santa, under the headings "accounts receivable - TESA transaction" and "accounts payable - TESA transaction", balances receivable and payable to former shareholders of the same amount were recorded, resulting in a net liability of R\$ 53,828.

The measurement of the fair values of the identifiable assets acquired and liabilities assumed was carried out in a preliminary manner, and its completion must take place within a period of up to twelve months after the acquisition date, as provided for in CPC 15 (R1) - Business Combination (IFRS 3). Management has no expectations of material adjustments in the final measurement of the allocation.

The consideration to be transferred by SLC Agrícola to Terra Santa Propriedades Agrícolas is presented:

	<u>01/07/2021</u>
Number of common shares issued by SLC Agrícola on the transaction date	2,516,454
Multiplied by the share price of SLC Agrícola on the transaction date (a) (in R\$)	52.00
Fair value of shares issued in the transaction (In thousands of reais) (a)	130,856
Cash consideration arising from the right to use the lease between Terra Santa and TS Brasil S.A. (b)	70,002
Change in assets and liabilities (c)	(203,488)
Present value of tax credits (d)	195,488
Fair value of transferred consideration	<u><u>192,858</u></u>

SLC Agrícola S.A.

Notes to the quarterly information

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2 Summary of significant accounting practices (Continued)

2.2 Business combination and goodwill (Continued)

Acquisition of Terra Santa Agro S.A. (Continued)

According to a material fact disclosed on October 29, 2021, the parties agreed on a price adjustment of R\$ 20,000, R\$ 8,000 of which referring to the variation of assets and liabilities and present value of tax credits, as shown in the table above, in addition to the debt assumption for Terra Santa Properties Agrícolas in the amount of R\$ 12,000.

- (a) The fair value of the common shares transferred by the Company was determined based on the quotation of the Company's shares, traded on B3 on the acquisition date (July 1, 2021).
- (b) Refers to the consideration to be transferred in cash in the amount of R\$70,002, arising from the additional remuneration, complementary to the payment of the lease (which already reflects the fair value of a lease under similar conditions) referring to lease agreements that were entered into between Terra Santa and TS Brasil SA in connection with the transaction. This remuneration is being treated as part of the transaction price given: (i) the nature of the contracts; (ii) that the lease agreements were negotiated in conjunction with the transaction; and (iii) that it was a condition for signing the Transaction Agreement, that is, a condition for obtaining control of Terra Santa.
- (c) Variation from June 30, 2020 to June 30, 2021 in property, plant and equipment, net debt, tax credits and working capital, as provided for in the terms defined in the Transaction Agreement. The adjustment was concluded by mutual agreement between the parties on October 29, 2021. Working capital was defined in the agreement as (i) the sum of the items of current assets; and (ii) the sum of current liability items. Among the items of current assets that go into the definition of working capital are: (a) accounts receivable; (b) stocks; (c) biological assets; (d) miscellaneous advances to third parties and employees; (e) prepaid expenses. Among the items of current liabilities that are included in the definition of working capital are: (a) salaries and social contributions; (b) suppliers; (c) taxes to be collected; (d) advances from customers; (e) taxes in installments – current and non-current. The biological assets account was updated on the base date of September 15, 2021, with updated information on yields, costs and prices, as defined in the Agreement.
- (d) As described in the Agreement, the price paid in cash also includes an amount equivalent to 50% of the final value of the tax benefit arising from tax losses and negative social contribution base, calculated by Terra Santa and validated by SLC Agrícola through credit report, which was brought to present value at a discount rate of future CDI plus 1.5%, considering 4 annual installments from the closing date, 30% each in the first three years and 10% in the fourth year.

SLC Agrícola S.A.

Notes to the quarterly information
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2 Summary of significant accounting practices (Continued)

2.2 Business combination and goodwill (Continued)

Acquisition of Terra Santa Agro S.A. (Continued)

Thus, the preliminary value of the goodwill on the transaction is as follows:

	<u>01/07/2021</u>
Preliminary fair value of transferred consideration	192,858
Preliminary value of acquired assets and liabilities	145,503
Preliminary value of goodwill due to expected future profitability	<u>47,355</u>

The goodwill calculated, in the amount of R\$ 47,355, represents the expected future economic benefit of the synergies arising from the acquisition, such as the sum of expertise of both companies in agricultural planning and operation, since practically all of the Terra Santa operational team, more efficient use of machines and cotton processing units, sharing of administrative structures, commercial areas (sales, logistics and supplies), information technology, among other gains in operational efficiency. Terra Santa contributed net income of R\$ 112,835 and net income of R\$ 20,223 from the acquisition date through September 30, 2021 to the income for the period.

If the combination had taken place at the beginning of that year, consolidated net revenue for the nine-month period ended September 30, 2021 would total R\$ 3,424,057.

2.3 Seasonality

The Company's financial information is subject to seasonal variations resulting from the harvest period, which occurs at different times throughout the year, depending on the location of the farms and the cultivated products, as detailed in note 7 (a). In addition, climatic factors and restrictions financial markets may alter the working capital requirement over the period, as well as directly impact current levels of inventories, customer advances, loans, suppliers and sales volume.

The Company's operations, in the judgment of its Management, are not impacted by these effects in a way that requires disclosures or additional information to the explanatory notes.

2.4 Presentation of the notes to the quarterly information

To avoid redundancy in the presentation of the Interim Financial Information and for the purposes of Article 29 of CVM Instruction 480/09, the Company indicates below the number of notes disclosed in the individual and consolidated financial statements as of December 31, 2020, and not repeated in full or part in this interim financial information: 3 - Accounting policies, 27 - Profit-sharing program and 29 - Insurance coverage.

SLC Agrícola S.A.

Notes to the quarterly information
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2 Summary of significant accounting practices (Continued)

2.5 Basis of measurement

The preparation of this interim information in accordance with Technical Pronouncement CPC 21(R1) and with Accounting Standard IAS 34 requires the use of certain accounting estimates by the management of the Company.

The individual and consolidated financial statements have been prepared based on historical cost, except for the following material items recognized on the statements of financial position:

- Derivative financial instruments measured at fair value;
- Biological assets, not classified as carrying plants, measured at fair value, using the market approach, less sales expenses and costs to be incurred from pre-harvest;
- Investment property, measured at fair value;
- Share-based payment transactions, measured at fair value at the grant date.

2.6 Functional and reporting currency

This individual and consolidated quarterly information is being presented in Brazilian real, which is the functional currency of the Company. All financial information presented in Brazilian real has been rounded to the nearest thousandth, except where stated otherwise.

2.7 New or revised standards

There are no other standards and interpretations issued and not yet adopted that may, in Management's opinion, have a significant impact on the results or shareholders' equity disclosed by the Company in the interim financial statements of September 30, 2021.

SLC Agrícola S.A.

Notes to the quarterly information
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3 Consolidated financial statements

The consolidated interim financial statements include the operations of the Company and the following subsidiaries, whose percentage interest on the balance sheet date is summarized as follows:

Main activity	Companies	Subsidiaries		Location (State)
		Directs %	Indirects %	
Culture of soybean, cotton, corn and herd.	Fazenda Pioneira Empreendimentos Agrícolas S.A.	50.0	-	Mato Grosso - MT
Culture of cotton and soybean .	SLC-MIT Empreendimentos Agrícolas S.A.	52.2	-	Rio Grande do Sul - RS
Culture of soybean, corn, cotton and herd.	Fazenda Perdizes Empreendimentos Agrícolas Ltda.	-	50.1	Mato Grosso - MT
Culture of cotton and soybean .	Terra Santa Agro S.A. (*)	100.0	-	Mato Grosso - MT
Investments in other companies or commercial ventures and leasing.	SLC Investimentos Agrícolas Ltda	100.0	-	Rio Grande do Sul - RS
	Fazenda Parnaíba Empreendimentos Agrícolas Ltda.	100.0	-	Maranhão - MA
	Fazenda Planorte Empreendimentos Agrícolas Ltda.	100.0	-	Mato Grosso - MT
	Fazenda Pamplona Empreendimentos Agrícolas Ltda	100.0	-	Rio Grande do Sul - RS
	Fazenda Planalto Empreendimentos Agrícolas Ltda.	100.0	-	Rio Grande do Sul - RS
	Fazenda Palmares Empreendimentos Agrícolas Ltda	100.0	-	Rio Grande do Sul - RS
	Fazenda Parnaíba Empreendimentos Agrícolas Ltda.	100.0	-	Rio Grande do Sul - RS
	Fazenda Paiaguas Empreendimentos Agrícolas S.A.	100.0	-	Rio Grande do Sul - RS
	SLC Perdizes Empreendimentos Agrícolas S.A.	100.0	-	Rio Grande do Sul - RS
	SLC LandCo Empreendimentos Agrícolas S.A.	-	81.2	Rio Grande do Sul - RS
Purchasing and sale, lease, construction and managing of real estate	Fazenda Planeste Empreendimentos Agrícolas Ltda.	-	81.2	Rio Grande do Sul - RS
	Fazenda Piratini Empreendimentos Agrícolas Ltda	-	81.2	Rio Grande do Sul - RS
	Fazenda Panorama Empreendimentos Agrícolas Ltda.	-	81.2	Rio Grande do Sul - RS
	Fazenda Palmeira Empreendimentos Agrícolas Ltda.	-	81.2	Rio Grande do Sul - RS
	Fazenda Parceiro Empreendimentos Agrícolas Ltda.	-	100.0	Rio Grande do Sul - RS
	Fazenda Paineira Empreendimentos Agrícolas Ltda.	6.1	93.9	Rio Grande do Sul - RS

(*) On September 30, 2021, Terra Santa Agro S.A. held interest in companies Ecotrans Transporte Ltda. (99.99%), Buriati Agrícola Ltda. (100%), Crateús Algodoeira S.A. (99.48%) and Mocuri Agrícola Ltda. (99.99%). The companies are non-operating and are not part of the assets acquired in the business combination and are in the process of being transferred to the former shareholder. There are no asset and liability balances in the financial statements in relation to the aforementioned companies.

The period of the interim financial statements of the subsidiaries included in the consolidation is the same as that of the Parent Company and the accounting policies were applied uniformly in the consolidated companies and are consistent with those used in the previous period.

4 Cash and cash equivalents and interest earning bank deposits

Description	Yields	Parent company		Consolidated	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020
Cash and cash equivalents in R\$	-	88	80,080	125	80,104
Forex exchange cash (**)	-	4,753	15,073	13,286	15,073
CDB-DI	100.36% of CDI (*)	377,035	1,224,137	712,009	1,508,558
LAM	100.00% of CDI (*)	-	-	-	318
Other investments	69.88% of CDI (*)	675	663	675	663
		382,551	1,319,953	726,095	1,604,716
Cash and cash equivalents		381,876	1,319,290	725,420	1,604,053
LP Interest earnings bank deposits		675	663	675	663

(*) Average yield on September 30, 2021.

(**) Amounts in reais, converted by the dollar P-tax purchase on September 29, 2021.

SLC Agrícola S.A.

Notes to the quarterly information

September 30, 2021

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4 Cash and cash equivalents and interest earning bank deposits (Continued)

The financial operations contracted by the Company are represented by investments in bank certificates of deposit and lease bills, at market prices and rates, updated by the income earned up to September 30, 2021, not exceeding the trading value.

Long-term financial investments are reciprocated (collateralized operations), which represent in the non-current assets the amount of R\$ 675 of the portfolio in the parent company and in the consolidated (R\$ 663 on December 31, 2020).

The reduction in the balance of cash and cash equivalents in the period is mainly due to the total payment of the indebtedness of Terra Santa, carried out in August/2021, the volume of payments for agricultural inputs, investments in fixed assets and distribution of dividends made in the period.

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 24.

5 Trade accounts receivable

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Domestic market	36,241	11,510	51,835	13,870
Foreign market	32,944	166,575	33,583	193,413
Total	69,185	178,085	85,418	207,283

The group's exposure to credit and currency risk related to trade accounts receivable is disclosed in note 24.

6 Inventories

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Agricultural products	1,794,292	518,292	2,479,877	541,467
Agricultural products - formation costs	1,096,581	402,266	1,585,773	421,670
Agricultural products – Adjustment at fair value for biological assets	697,711	116,026	894,104	119,797
Seeds, composts, fertilizers and pesticides	585,935	561,228	878,286	646,305
Packages and containerization material	22,918	10,822	35,286	12,240
Spare parts	12,305	10,960	16,095	12,928
Other inventories	120,389	34,500	160,961	38,407
Advances to suppliers	47,903	43,212	75,328	49,735
(-) Provision for adjustment to market value (1)	(3,511)	-	(4,274)	-
	2,580,231	1,179,014	3,641,559	1,301,082

(1) Net realizable value is the estimated selling price in the normal course of business, less estimated costs of completion and expenses to sell. On September 30, 2021, the Company recorded a provision for inventory losses in the amount of R\$ 3,511 in the parent company and R\$ 4,274 in the consolidated statement.

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7 Biological assets

Below is the movement of the Company's biological assets:

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Biological assets - culture in formation	247,976	723,600	335,382	871,048
Biological assets -herd of cattle	91,450	15,667	99,886	20,756
Total	339,426	739,267	435,268	891,804

a) Biological assets culture

The movement in fair value of biological assets during the year is as follows:

	Parent Company				
	Soybean	Cotton	Corn	Other crops ⁽³⁾	Total
Balances at december 31, 2020	359,038	230,145	54,256	80,161	723,600
Expenditures with planting	450,083	861,659	273,959	16,251	1,601,952
Reclassifications ⁽²⁾	73,219	-	-	(73,219)	-
Variation of the fair value ⁽⁴⁾	582,763	660,817	49,191	-	1,292,771
Harvesting and production adjustment - agricultural products	(1,361,185)	(1,647,823)	(340,262)	(21,077)	(3,370,347)
Balances at september 30, 2021	103,918	104,798	37,144	2,116	247,976
Agricultural products – formation costs	103,918	104,798	36,867	2,116	247,699
Biological assets – adjustment at fair value	-	-	277	-	277

	Consolidated				
	Soybean	Cotton	Corn	Other crops ⁽³⁾	Total
Balances at december 31, 2020	447,027	271,298	58,337	94,386	871,048
Acquisitions by business combination ⁽¹⁾	-	362,550	61,501	16,822	440,873
Expenditures with planting	603,120	1,032,742	324,906	54,571	2,015,339
Reclassifications ⁽²⁾	89,743	-	-	(89,743)	-
Variation of the fair value ⁽⁴⁾	725,639	766,839	79,844	(5)	1,572,317
Harvesting and production adjustment - agricultural products	(1,684,134)	(2,340,472)	(495,933)	(43,656)	(4,564,195)
Balances at september 30, 2021	181,395	92,957	28,655	32,375	335,382
Agricultural products – formation costs	181,395	92,957	28,378	27,921	330,651
Biological assets – adjustment at fair value	-	-	277	4,454	4,731

(1) Amounts referring to the balances of the business combination with Terra Santa Agro S.A., as per Note 2.2.

(2) Reclassification of cost incurred in planned areas such as soybean seed.

(3) The other crops are formed by brachiaria, mung beans, popcorn, seed corn, seed soybeans, wheat and eucalyptus.

(4) Effect of biological assets on the income statement for the period.

Through its subsidiary Terra Santa, on the Piracema and Pirapora farms, the company owns eucalyptus areas for sale, with a harvest period scheduled for October 2021, with an area of 427 ha, whose forests are 7.9 years old. The fair value adjustment of this crop is made using the discounted cash flow.

SLC Agrícola S.A.

Notes to the quarterly information
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7 Biological assets (Continued)

a) Biological assets culture (Continued)

Below we present the main assumptions used in determining the fair value of biological assets:

	Parenty Company		Consolidated	
	09/30/2021 (*)	09/30/2020 (**)	09/30/2021 (*)	09/30/2020 (**)
Soybean				
Harvested area (ha)	184,879	164,833	285,494	205,508
Productivity achieved (sc/ha)	66	63	64	64
Average price (R\$/sc) (***)	R\$ 113.70	R\$ 73.79	R\$ 119.62	R\$ 73.33
Corn				
Harvested area (ha)	90,981	71,874	112,748	86,271
Productivity achieved (sc/ha)	95	125	94	120
Area at harvest point (ha) (****)	113	-	113	-
Estimated Productivity (sc/ha) (*****)	185	-	185	-
Average price (R\$/sc) (***)	R\$ 42.16	R\$ 31.66	R\$ 40.27	R\$ 30.91
Cotton seed				
Harvested area (ha)	95,652	108,132	109,599	125,441
Productivity achieved (sc/ha)	301	287	295	285
Average price (R\$/sc) (***)	R\$ 55.15	R\$ 39.40	R\$ 54.55	R\$ 39.15

(1) Data referring to the 2020/21 harvest on the date of calculation;

(2) Data referring to the 2019/20 harvest on the calculation date

(***) Average price at market value on the calculation date.

(****) Area at harvest point on the date of calculation.

(*****) Estimated productivity for areas at harvest point on the date of calculation.

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Notes to the quarterly information
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7 Biological assets (Continued)

a) Biological assets culture (Continued)

Below we present the cycles of the main cultures of the Company:

Unit	Location	Crops		
		Soybean	Cotton	Corn
Pamplona Farm	Cristalina-GO	September 25 to April 15	November 05 to August 30	January 20 to July 15
Planalto Farm	Costa Rica-MS	September 20 to March 25	December 05 to August 30	January 20 to July 10
Planorte Farm	Sapezal-MT	September 20 to March 15	January 01 to August 30	February 10 to July 10
Paiguás Farm	Diamantino-MT	September 20 to March 15	January 01 to August 30	February 10 to July 15
Perdizes Farm	Porto dos Gaúchos - MT	September 20 to March 15	December 20 to August 30	February 01 to July 10
Pioneira Farm	Querência - MT	October 10 to March 25	December 20 to August 30	January 20 to July 15
Panorama Farm	Correntina-BA	October 20 to April 30	December 01 to August 30	November 01 to July 15
Paladino Farm	São Desidério - BA	November 01 to April 30	December 01 to August 30	Does not plant
Piratini Farm	Jaborandi-BA	November 01 to April 30	Does not plant	Does not plant
Palmares Farm	Barreiras-BA	October 20 to April 30	December 01 to August 30	November 01 to July 15
Parceiro Farm	Formosa do Rio Preto -BA	November 01 to April 30	December 01 to August 30	November 01 to July 15
Parnaíba Farm	Tasso Fragoso-MA	October 20 to April 15	December 10 to August 30	January 25 to July 15
Planeste Farm	Balsas-MA	October 15 to April 15	December 20 to August 30	January 25 to July 15
Parnaguá Farm	Santa Filomena-PI	November 01 to April 15	Does not plant	December 01 to July 15
Pantanal Farm	Chapadão do Sul - MS	September 20 to March 25	December 05 to August 30	January 10 to July 10
Palmeira Farm	Tasso Fragoso-MA	October 10 to April 15	December 10 to August 30	February 01 to July 15
Paysandu Farm	São Desidério - BA	November 01 to April 30	December 01 to August 30	September 01 to July 15
Piracema Farm	Nova Mutum -MT	September 20 to March 20	December 20 to August 30	December 10 to July 10
Pirapora Farm	Santa Rita do Trivelato - MT	September 20 to March 20	December 20 to August 30	February 01 to July 10
Pejuçara Farm	Diamantino - MT	September 20 to March 20	December 20 to August 30	October 10 to July 10
Pampeira Farm	Parecis- MT	September 20 to March 20	December 20 to August 30	December 10 to July 10
Próspera Farm	Tabaporã - MT	September 20 to March 20	December 20 to August 30	February 01 to July 10

The Piracema, Pirapora, Pejuçara, Pampeira and Próspera farms, arising from the business combination with Terra Santa Agro S.A., were included and will form part of the areas cultivated by the Company as of the 2021/22 harvest.

The following is an updated table of the planned area for crop year 2020/21 and a comparison with the previous crop year:

Crops	Area	Planted area 2020/21	Planted area 2019/20
Cotton	ha	109,613	125,462
Soybean (commercial + soy seed)	ha	229,449	235,444
Corn	ha	106,470	82,392
Other Crops (*)	ha	17,688	5,270
		463,220	448,568

(*) Other crops include corn seed, popcorn, brachiaria, wheat, beans and cattle raising permanent.

SLC Agrícola S.A.

Notes to the quarterly information
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7 Biological assets (Continued)

a) Biological assets culture (Continued)

For crop year 2021/22, the planted area forecast is planned as follows:

<u>Crops</u>	<u>Area</u>	<u>Planned area 2021/22</u>
Cotton	ha	175,961
Soybean (commercial + soy seed)	ha	335,556
Corn	ha	121,572
Other Crops (*)	ha	34,792
		667,881

(*) Other crops include corn seed, popcorn, brachiaria, wheat, beans and cattle raising permanent.

The increase in the planted area planned for the 2021/22 harvest is due to the business combination with Terra Santa Agro S.A. and the new area of leased land with Agrícola Xingu S.A., related to Payssandu Farm.

b) Biological assets – cattle raising

The Company has a herd of cattle in the fattening mode, working with the Integrated Livestock Crop Project - ILP This system aims to optimize the use of the soil, in places where it is only possible to carry out a harvest (soybean), using the herd. as a second crop.

The fair value of cattle is calculated at market value, given the existence of an active market. The gain or loss on the change in the fair value of biological assets is recognized in profit or loss for the year in which it occurs.

The Company considered the prices practiced in the cattle market in the regions considering the main market, and through the metrics used in the market. Thus, the measurement is based on the at sign, race and age group.

The change in the fair value of the cattle herd during the period is as follows:

	<u>Parenty company</u>	<u>Consolidated</u>
Balances at December 31, 2020	15,667	20,756
Purchase cost	78,041	82,844
Variation in fair value adjustment (*)	8,330	10,744
Low por sale	(10,588)	(14,458)
Balances at september 30, 2021	91,450	99,886
Biological assets - cattle	80,839	86,657
Biological assets – adjustment at fair value	10,611	13,229

(*) Effect of biological assets in the statement of income for the year.

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8 Recoverable taxes

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Income tax	49	49	1,401	708
Social contribution	25	-	88	12
ICMS	97,431	77,895	136,954	112,967
COFINS	22,637	10,381	71,088	26,993
PIS	4,943	2,295	15,333	5,635
IRRF recoverable	3,682	1,787	4,587	3,667
Other	356	350	22,975	668
	129,123	92,757	252,426	150,650
Portion classified in current assets	54,542	28,521	99,749	39,447
Portion classified in non-current assets	74,581	64,236	152,677	111,203

Income and social contribution taxes

It corresponds to the prepayments of Income and social contribution taxes, which will be offset with taxes of the same nature, in addition to the negative balance of IRPJ and CSLL, which will be offset with federal taxes and contributions.

Recoverable IRRF

Corresponds to withholding income tax on financial investments. Throughout the year they are offset against the IRPJ debt, after closure, these credits are realizable by offsetting with federal taxes and contributions.

ICMS, PIS and COFINS to be offset/recovered

These refer to credits generated in normal operations of the Company and its subsidiaries and may be offset with taxes of the same nature.

The estimated realization of ICMS, PIS and COFINS sales taxes is evaluated by management based on estimated projections of sales of agricultural products, commercialization of ICMS tax credits and on compensation or offsetting of PIS and COFINS with other taxes generated by the Group's operation. The estimated terms of realization of these assets are described below.

As of September 30, 2021, a provision was recorded in the amount of R\$ 28,580 (R\$ 24,904 as of December 31, 2020), referring to ICMS tax credits whose loss is estimated due to non-realization. The estimated recovery of ICMS credits was based on the projection of ICMS debts and transfers of ICMS credits to third parties. The amount was recorded in "other operating expenses" in the income statement for the period.

Deadline	Parent Company			Consolidated		
	ICMS	COFINS	PIS	ICMS	COFINS	PIS
up to 1 year	26,212	19,877	4,340	28,913	25,455	5,562
1 to 2 years	34,556	45	10	48,060	34,532	7,548
2 to 3 years	14,126	-	-	23,673	-	-
over 3 years	22,537	2,715	593	36,308	11,101	2,223
	97,431	22,637	4,943	136,954	71,088	15,333

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8 Recoverable taxes (Continued)

Social security contribution

In March 2021, a credit was recorded for the process that recognized the right, to the subsidiary SLC MIT Empreendimentos Agrícolas S / A, to exclude the revenues resulting from indirect exports from the calculation base of the social security contribution referred to in art. 25 of Law nº 8,870 / 94. The accumulated credit amount on September 30, 2021 recorded in the subsidiary is R\$ 4,474, of which R\$ 3,822 is the principal amount, R\$ 951 of the Selic restatement, shown in the income statement for the period, having already offset amounts with federal taxes no amount of R\$ 299.

The recovery tax account was increased by R\$ 54,613 due to the business combination. This amount, as mentioned in explanatory note 2.2, as it is effectively recovered, will be transferred by Terra Santa to the selling party on the dates provided for in the Association Agreement. As a result, balances payable to former shareholders were recorded in the consolidated statement under "securities payable", resulting in the amount of R\$ 54,613 on the acquisition date.

Non-levy of IRPJ and CSLL on amounts related to SELIC in tax undue payments

On September 24, 2021, the Superior Federal Court - STF ("STF") unanimously ruled the non-levy of the IRPJ and CSLL on the amounts related to the SELIC rate, Received by the taxpayer due to the repetition of tax overdue. The Company has a Writ of Mandamus seeking recognition of the right to non-levy of IRPJ and CSLL on amounts arising from monetary restatement and interest on arrears, including SELIC, calculated on tax credits due to repeated tax overdue payments. The estimated and unrecorded benefit amount is approximately \$ 4,000. The Company is awaiting the final and unappealable decision of its process for tax offsetting of the amounts.

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9 Securities and credits receivable

As of September 30, 2021, the balance of receivables is composed as follows:

	<u>Parent Company</u>	<u>Consolidated</u>
Balance at december 31, 2020	-	33,907
Business combination	-	33,272
Monetary variation	-	815
Value to receive TS investment	8,000	8,000
Others (*)	-	(3,373)
Balance at September 30, 2021	<u>8,000</u>	<u>72,621</u>
Portion classified in current assets	8,000	48,544
Portion classified in non-current assets	-	24,077

(*) The amount of R\$2,717 was received with no cash effect, having been offset by amounts payable.

Sale of land in the subsidiaries Fazenda Paiaguás and Fazenda Parceiro

Subsidiary Fazenda Paiaguás Empreendimentos Agrícolas Ltda. and Farm Parceiro Empreendimentos Agrícolas Ltda., sold 11,604 hectares of land to third parties in 2017, in the total amount of R\$ 176,654, of which R\$ 52,996 was received in that year, and the rest was deposited by the buyer, in February 2018, in a guaranteed account ("Escrow Account"), being invested in securities backed by an Interbank Deposit Certificate (CDI). The contract provided that some documental formalizations such as transfer of reserves, registration with the real estate registry with the unfolding of their registration and release of mortgages, in addition to the transfer of the funds to the Company itself, should be completed within 12 months of signing the contract, which occurred on December 20, 2017. The contract was postponed, in November 2018, in order to postpone the deadline for some documental formalizations, such as transfer of reserves, registration in real estate registries with the unfolding of their registration and release of mortgages, in addition to agreeing on the transfer of the funds to the Company itself, in relation to the previous conditions already met, in the amount of R\$ 63,789.

9 Securities and credits receivable (Continued)

Sale of land in the subsidiaries Fazenda Paiaguás and Fazenda Parceiro (Continued)

In April 2019 the amount of R\$ 38,999 was released from the escrow account due to the bookkeeping of the last glebe of Fazenda Paiaguás for the buyer, totaling R\$ 102,787 of the original amount, in favor of the Company.

In December 2019 there was a new amendment to the contract, with the replacement of an area of the Fazenda Parceiro with another area in the same unit, as provided for in the initial pact as a possibility. In view of the need to dismember this replaced area, the new deadline for complying with the remaining precedent conditions was agreed for June 20, 2020, which may be extended for a period to be adjusted between the parties.

With the advent of the pandemic and the difficulties resulting from the event, the dismemberment of the replaced area was hampered in relation to the term, making it understood by the need to postpone the dismemberment date.

As of September 30, 2021, the balance of receivables related to this transaction is R\$ 30,245 (R\$ 29,506 as of December 31, 2020).

Receivables related to the business combination

The parties involved in the business combination agreed to a price adjustment as part of the consideration for the business combination, which resulted in a balance payable of R\$ 8,000 from Terra Santa Properties Agrícolas to the Company, corresponding to the variation in assets and liabilities and the present value of tax credits described in note 2.2.

Additionally, the accounts receivable account was increased by R\$ 5,022 as a result of the business combination. This amount, as mentioned in note 2.2, as it is effectively realized, will be transferred to the selling party by Terra Santa on the dates provided for in the Association Agreement. As a result, balances payable to former shareholders of the same amount were recorded in the consolidated statement under "securities payable", resulting in a liability of R\$ 5,022 on the acquisition date.

In addition, as described in the same note, a balance receivable from sellers in the amount of R\$ 28,250 was recorded in Terra Santa, referring to contingencies and bills payable which, once paid by Terra Santa, will be reimbursed by the former sellers, without burden to the Terra Santa.

Complements the item "securities receivable" balances of other amounts receivable in the amount of R\$ 1,104 on September 30, 2021 (R\$ 4,401 on December 31, 2020).

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10 Investments (Parent company)

Total investments at September 30, 2021 and December 31, 2020 are comprised of the following:

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Investments parent company	2,373,224	2,212,789	-	-
Capital Gains in Fixed Assets, net of tax effects (note 2.2)	66,054	-	-	-
Capital gains on leases, net of tax effects (note 2.2)	8,145	-	-	-
Goodwill investment Terra Santa Agro S.A.	47,355	-	-	-
Advance for future increase capital parent company (*)	980,000	-	-	-
Other equity interests	276	-	1,614	-
	3,475,054	2,212,789	1,614	-

(*) The balance on September 30, 2021 comprises amounts advanced to Terra Santa Agro S.A., with expectation of capitalization by the end of this year.

The relevant investments in subsidiaries, valued by the equity method, with a balance on September 30, 2021, are shown in the table below:

Investment	Capital stock	Shareholders' equity	Unrealized profit in equity in transactions with related parties	Adjustments to IFRS 16 / CPC 06 (R2) in shareholders' equity	Added value in business combination	Goodwill Investment	Percentage of interest	Equity participation
Fazenda Parnaíba Emp. Agr. Ltda.	21,053	189,627	-	(33,931)	-	-	100.00%	155,696
Fazenda Planorte Emp. Agr. Ltda.	57,099	231,926	-	(25,395)	-	-	100.00%	206,531
Fazenda Pioneira Emp. Agr. S.A.	91,672	133,505	-	-	-	-	50.00%	66,753
SLC-MIT Emp. Agr. S.A.	109,981	178,290	(18,739)	(1,476)	-	-	52.20%	79,740
SLC Invest. Agrícolas Ltda.	279,405	819,751	-	2,043	-	-	100.00%	821,794
Fazenda Pamplona Emp. Agr. Ltda.	31,766	168,793	-	(13,435)	-	-	100.00%	155,358
Fazenda Planalto Emp. Agr. Ltda.	9,137	237,114	-	(15,292)	-	-	100.00%	221,822
Fazenda Palmares Emp. Agr. Ltda.	109,800	215,103	-	(1,350)	-	-	100.00%	213,753
Fazenda Parnaguá Emp. Agr. Ltda.	34,291	51,866	-	4,623	-	-	100.00%	56,489
Fazenda Paineira Emp. Agr. Ltda.	73,985	224,263	-	-	-	-	6.082%	13,634
Fazenda Paiaguás Emp. Agr. Ltda.	20,347	224,518	-	(26,815)	-	-	100.00%	197,703
SLC Perdizes Emp. Agr. Ltda.	77,163	119,752	-	(5,081)	-	-	100.00%	114,671
Terra Santa Agro S.A.	2,035,363	69,279	-	-	74,199	47,355	100.00%	190,834
								2,494,778

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10 Investments (Parent company) (Continued)

Investment	Net income for the period	Unrealized profit in income for the period in operations with related parties	Adjustments to IFRS 16 / CPC 06 (R2) for the period	Percentage of interest	Equity in income of subsidiaries and associated companies
Fazenda Parnaíba Emp. Agr. Ltda.	26,237	-	(5,085)	100.00%	21,152
Fazenda Planorte Emp. Agr. Ltda.	35,898	-	(7,712)	100.00%	28,186
Fazenda Pioneira Emp. Agr. S.A.	39,693	-	-	50.00%	19,846
SLC-MIT Emp. Agr. S.A	85,183	(18,739)	362	52.20%	34,871
SLC Invest. Agrícolas Ltda.	86,485	-	776	100.00%	87,261
Fazenda Pamplona Emp. Agr. Ltda.	18,128	-	(5,672)	100.00%	12,456
Fazenda Planalto Emp. Agr. Ltda.	26,132	-	(4,801)	100.00%	21,331
Fazenda Palmares Emp. Agr. Ltda.	45,436	17	3,569	100.00%	49,022
Fazenda Parnaguá Emp. Agr. Ltda.	3,475	-	2,775	100.00%	6,250
Fazenda Paineira Emp. Agr. Ltda.	73,030	-	-	6.082%	4,442
Fazenda Paiaguás Emp. Agr. Ltda.	40,276	-	(6,748)	100.00%	33,528
SLC Perdizes Emp. Agr. Ltda.	8,790	-	(77)	100.00%	8,713
Terra Santa Agro S.A.	20,223	-	-	100.00%	20,223
					347,281

The main movements in investments in direct permanent equity interests, as at September 30, 2021, are as follows:

Investment	Balance on 12/31/2020	Investee's equity	Fixed Assets (3)	Greater value leases (3)	Goodwill investment	Distributed dividends	Equity accounting	Unrealized gain/(loss) with hedge instruments	Balance on 09/30/2021
Fazenda Parnaíba Emp. Agr. Ltda.	165,875	-	-	-	-	(31,331)	21,152	-	155,696
Fazenda Planorte Emp. Agr. Ltda.	229,920	-	-	-	-	(51,575)	28,186	-	206,531
Fazenda Pioneira Emp. Agr. S.A. ¹	47,386	-	-	-	-	-	19,846	(479)	66,753
SLC-MIT Emp. Agr. S.A. ¹	57,794	-	-	-	-	-	34,871	(12,925)	79,740
SLC Invest. Agrícolas Ltda.	747,508	-	-	-	-	(12,975)	87,261	-	821,794
Fazenda Pamplona Emp. Agr. Ltda.	166,371	-	-	-	-	(23,469)	12,456	-	155,358
Fazenda Planalto Emp. Agr. Ltda.	236,514	-	-	-	-	(36,023)	21,331	-	221,822
Fazenda Palmares Emp. Agr. Ltda.	179,732	-	-	-	-	(15,001)	49,022	-	213,753
Fazenda Parnaguá Emp. Agr. Ltda. ²	54,357	-	-	-	-	(4,118)	6,250	-	56,489
Fazenda Paineira Emp. Agr. Ltda.	9,192	-	-	-	-	-	4,442	-	13,634
Fazenda Paiaguás Emp. Agr. Ltda.	212,182	-	-	-	-	(48,007)	33,528	-	197,703
SLC Perdizes Emp. Agr. Ltda.	105,958	-	-	-	-	-	8,713	-	114,671
Terra Santa Agro S.A.	-	65,421	66,054	8,145	47,355	-	20,223	(16,364)	190,834
	2,212,789	65,421	66,054	8,145	47,355	(222,499)	347,281	(29,768)	2,494,778

(1) The Company has control over Fazenda Pioneira Empreendimentos Agrícolas S.A. and SLC-MIT Empreendimentos Agrícolas S.A. as it is responsible for managing the relevant activities of these companies, being exposed to variable investment returns due to its power over it.

(2) Dividend received from Fazenda Parnaguá Emp. Agr. Ltda, in the amount of R\$4,118, of which R\$2,717 is non-cash.

(3) Capital gains net of the effect of deferred taxes, in addition to the realization due to depreciation, in the amount of R\$ 5,880 (net of taxes) occurred in the third quarter of 2021.

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10 Investments (Parent company) (Continued)

The following is the main information on investments in permanent equity investments as of September 30, 2021:

Investments	Directly and indirectly controlled						
	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity	Income	Expenses
Fazenda Parnaíba Emp. Agr. Ltda.	12,206	192,732	6,107	9,204	189,627	31,752	5,516
Fazenda Planorte Emp. Agr. Ltda.	12,515	231,856	6,362	6,083	231,926	37,021	1,123
Fazenda Pioneira Emp. Agr. S.A.	161,613	112,756	80,152	60,712	133,505	248,205	208,512
SLC-MIT Emp. Agr. S.A.	462,472	306,708	397,326	193,564	178,290	710,307	625,124
SLC Investimentos Agrícolas Ltda	291	844,764	11,571	13,733	819,751	87,813	1,328
Fazenda Pamplona Emp. Agr. Ltda	11,204	166,140	3,236	5,315	168,793	22,528	4,400
Fazenda Planalto Emp. Agr. Ltda.	14,718	234,978	4,668	7,914	237,114	32,179	6,047
Fazenda Palmares Emp. Agr. Ltda	8,556	212,208	2,514	3,147	215,103	48,661	3,225
Fazenda Parnaguá Emp. Agr. Ltda.	8,551	44,425	634	476	51,866	4,534	1,059
Fazenda Paineira Emp. Agr. Ltda.	16,515	212,660	325	4,587	224,263	76,227	3,197
Fazenda Paiaguás Emp. Agr. Ltda.	40,510	199,150	7,534	7,608	224,518	48,109	7,833
SLC Perdizes Emp. Agrícolas Ltda.	7,329	124,141	11,504	214	119,752	14,134	5,344
Terra Santa Agro S.A.	958,539	1,759,940	597,941	2,051,258	69,279	269,386	249,163
SLC LandCo Emp. Agrícolas S.A.	13,062	549,760	737	-	562,085	19,826	1,577
Fazenda Planeste Emp. Agr. Ltda.	15,377	133,029	62	3,572	144,772	8,760	1,927
Fazenda Piratini Emp. Agr. Ltda	6,993	121,774	43	2,121	126,603	4,956	1,111
Fazenda Panorama Emp. Agr. Ltda.	12,908	111,996	42	1,952	122,910	6,136	1,509
Fazenda Palmeira Emp. Agr. Ltda.	685	10,376	2,552	28	8,482	906	895
Fazenda Parceiro Emp. Agr. Ltda.	30,853	90,671	1,004	703	119,817	2,920	703

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11 Investment property

Consolidated	Balance at 12/31/2020	Reclassification	Adjustment on fair value attributed to investment property	Business combination (note 2.2)	Depreciation	Balance at 09/30/2020
Crop lands	92,647	-	-	-	-	92,647
Buildings and improvements	1,572	(20)	2,245	3,400	(132)	7,065
Soil correction and development	10,954	-	-	-	-	10,954
Gain on fair value	119,021	-	103,799	-	-	222,820
Total	224,194	(20)	106,044	3,400	(132)	333,486
Fair value adjustments- Income			106,044			106,044

Investment property includes cropland and the infrastructure on it that is leased to third parties.

Investment properties are recorded at fair value, which was determined based on valuations carried out by independent appraisers, in August 2021. The Company performs an annual evaluation of the fair value of the assets registered as investment properties.

The fair value of properties was determined using the direct comparative method of market data, which consists of determining the market value of an asset by comparing it to similar ones, through their sale prices, in view of their similar characteristics. In this method, adjustments are made through the use of factors that aim to correct any differences between the goods available on the market and the goods being evaluated. To determine the fair value of investment properties, the Company adopts "Level 3".

Investment property rental income

Income from rental of investment property is recognized in profit or loss on the straight-line method over the lease term. Lease incentives granted are recognized as an integral part of total rental income, for the period of the lease. Revenue from the rental of other properties is recognized as operating income. As of September 30, 2021, rental revenue totaled R\$ 6,567 (R\$ 4,834 as of September 30, 2020).

The investment properties account was increased by R\$ 3,400 due to the business combination. This amount, as mentioned in explanatory note 2.2, as it is effectively realized, will be transferred by Terra Santa to the selling party on the dates provided for in the Association Agreement. As a result, in Terra Santa, balances payable to former shareholders of the same amount were recorded under "accounts payable – TESA transaction", resulting in a liability of R\$ 3,400 on the acquisition date.

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12 Leasing operations

The movement of the right-of-use assets in the period ended September 30, 2021 is shown below:

	Parent company	Consolidated
Balance at 12/31/2020	2,463,254	828,496
Business Combination	-	1,092,372
Added value achievement	-	(3,973)
Remeasurement	1,381,671	468,776
Additions of new contracts	709,650	709,650
(-) Amortization of the right to use asset	(229,148)	(161,827)
Balance at 09/30/2021	4,325,428	2,933,494
Cotton rental	16,948	21,578
Culture lands	4,267,283	2,867,635
Leasing of buildings	697	2,797
Machinery	29,428	29,428
Rental cars	11,072	12,056
	4,325,428	2,933,494
Amortization of right of use in the period:		
Cotton rental	(1,153)	(1,975)
Culture lands	(220,403)	(151,727)
Leasing of buildings	(486)	(642)
Machinery	(3,241)	(3,241)
Rental cars	(3,865)	(4,243)
Total period	(229,148)	(161,827)

The change in lease liabilities in the period ended September 30, 2021 is shown below:

	Parent company	Consolidated
Balance at 12/31/2020	2,615,382	934,284
Business Combination (note 2.2)	-	1,088,008
Added value	-	(727)
Additions of new contracts and remeasurement lease liability	2,091,322	1,178,427
Realization of the APV on lease liabilities	218,553	103,604
(-) Payments (*)	(477,276)	(224,573)
Balance at 09/30/2021	4,447,981	3,079,023
Liabilities current	583,527	475,513
Intercompany (note 15.a)	280,808	-
Third-party	302,719	475,513
Liabilities non-current	3,864,454	2,603,510
Intercompany (note 15.a)	2,261,917	-
Third-party	1,602,537	2,603,510

Of the contracts that were included in IFRS 16/ CPC 06(R2), the Company's management considered as a leasing component only the fixed minimum amount for the measurement of the lease liability. The measurement of the lease liability corresponds to the total of future rent and lease payments, net of tax effects, adjusted to present value, considering the nominal discount rate.

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12 Leasing operations (Continued)

The incremental rate of funding used by the Company for discount is composed by the "CDI / Pre weighted curve", added to the Company's credit risk and to a risk spread of the underlying asset. The applied rates are informed in notes 15.c and 23.2.

It should be noted that the land leasing contracts are indexed by the price of the soybean sack in the region of each production unit, and the values of the right of use and lease liabilities are converted into Reais using the quotation of the soybean in each region. The amounts of the payments may suffer significant variation until the moment of payment, due to the change in the value of the soybean market in each region.

On April 8, 2021, the Company signed two lease agreements with Agrícola Xingu S.A, totaling a leased area of 39 thousand hectares. At Paysandu Farm, in the state of Bahia, a lease agreement was signed with an area of 34.3 thousand hectares, with a term until 2036. At Pamplona Farm, in the state of Goiás, the contract is equivalent to an area of 4.7 thousand hectares, with a deadline until 2031.

Impacts on the result

With the implementation of CPC 06 (R2) (IFRS 16) in 2019, all leases are now accounted for under a single model, similar to the accounting for finance leases, bringing a new financial component, which reduced the cost of production, due to the effect of recording the adjustment to present value in the financial result. The amount recorded in the financial result for the period represents R\$ 218,553 in the parent company and R\$ 103,604 in the consolidated (R\$ 108,057 in the parent company and R\$ 43,547 in the consolidated, for the same period in 2020).

The expense for the year referring to variable lease payments, not included in the measurement of the lease liability, was R\$ 3,038 in the parent company and unconsolidated (R\$6,447 in the parent company and unconsolidated, for the same period in 2020).

The Company has land lease agreements with its subsidiaries, as described in note 15. The adoption of said rule caused differences between the results of the parent company and the consolidated, which were adjusted in the calculation of equity of the parent company, so that the results of the parent company's period and the consolidated result attributed to the controlling shareholders were equal, based on ICPC 09 (R2) - Individual Financial Statements, Separate Statements, Consolidated Statements and Application of the Equity Method. The calculation of the equity method is shown in note 10.

Sub-lease of right of use asset

On December 27, 2019, a rural lease agreement was signed between SLC Agrícola S.A with SLC Landco Empreendimentos Agrícolas S.A, for a minimum period of 7 years. Concomitant with the signing of this rural lease, SLC Agrícola S.A entered into a sublease agreement with Fazenda Perdizes Empreendimentos Agrícolas S.A., for the same lease period.

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12 Leasing operations (Continued)

Sub-lease of right of use asset (Continued)

The Parent Company's revenue in the period, resulting from the subleasing of rights-of-use assets, was R\$ 3,756 (R\$ 3,183 in parent company revenue for the same period in 2020)

Additional information

The Company, in full compliance with IFRS 16 / CPC 06 (R2), in measuring and remeasuring its lease liabilities and the right to use, proceeded to use the discounted cash flow technique without considering the projected future inflation in the flows to be discounted, according to the prohibition imposed by IFRS 16 / CPC 06 (R2).

As of September 30, 2021, the gross contractual flow of lease agreements entitled to PIS / COFINS credit is R\$ 7,971,835 at the parent company and R\$ 5,124,983 at the consolidated (R\$ 4,448,983 at the parent company and R\$ 1,300,043 in the consolidated, as of December 31, 2020). The potential PIS and COFINS credit on the gross contractual flow, brought to present value, is R\$ 605,244 in the parent company and R\$ 390,997 in the consolidated (R\$ 283,066 in the parent company and R\$ 86,245 in the consolidated, as of December 31, 2020).

In compliance with the guidance of CVM's technical areas, as required in circular letter CVM / SNC / SEP / nº 02/2019 in order to provide additional information to users, the comparative balances of the lease liability, the asset are presented below rights of use, adjustment to present value and amortization of the right of use considering the projection of future inflation in the flows to be discounted.

When remeasuring lease liabilities, the Company projected cash flow with future inflation, incorporating the inflation obtained through the quotation of future contracts available at B3 SA - Brasil, Bolsa and Balcão, discounted at the same rate identified in the initial measurement, presenting the impacts as below.

	Parent company	
	Considerations without inflation ⁽¹⁾	Considerations with inflation ⁽²⁾
Right of use asset	4,325,428	5,257,820
Liabilities leasing - current	583,527	583,527
Liabilities leasing - non current	3,864,454	4,744,749

	Consolidated	
	Considerations without inflation ⁽¹⁾	Considerations with inflation ⁽²⁾
Right of use asset	2,933,494	3,561,449
Liabilities leasing - current	475,513	475,513
Liabilities leasing - non current	2,603,510	3,243,467

(1) Discounted cash flow without considering projected future inflation

(2) Discounted cash flow considering projected future inflation

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12 Leasing operations (Continued)

Below is the gross contractual flow:

	Parent company		Consolidated	
	Considerations without inflation ⁽¹⁾	Considerations with inflation ⁽²⁾	Considerations without inflation ⁽¹⁾	Considerations with inflation ⁽²⁾
up to year	622,237	622,237	522,114	522,114
1 to 2 years	610,047	728,979	479,341	567,159
2 to 3 years	566,938	687,694	420,793	510,045
3 to 4 years	556,672	680,273	390,119	477,528
4 to 5 years	548,487	672,164	379,120	467,707
over 5 years	5,134,961	6,365,418	3,399,137	4,325,505
	8,039,342	9,756,767	5,590,625	6,870,059

(1) Discounted cash flow without considering projected future inflation

(2) Discounted cash flow considering projected future inflation

CVM Resolution 859, of July 7, 2020, approved the document for revision of Technical Pronouncements no. 16, referring to Technical Pronouncement IFRS 16 / CPC 06 (R2) Leases, issued by the Accounting Pronouncements Committee - CPC, bringing the practical procedures described below in its wording.

A lessee may choose not to assess whether a lease concession related to COVID-19 is a lease modification. The lessee who makes this option must account for any change in lease payments resulting from the lease concession related to COVID-19 in the same way that it would account for the change that applies IFRS 16 (CPC 06 (R2)) if the change were not a modification of the lease.

The practical expedient applies only to rental concessions that occur as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in a revised consideration for the lease that is substantially the same or less than the consideration for the lease immediately prior to the change;
- Any reduction in rental payments affects only payments originally due on or before September 30, 2021 (a rental concession would meet this condition if it results in reduced rental payments on or before September 30, 2021 and increased rental payments that extend beyond September 30, 2021); and
- There are no substantial changes to other lease terms and conditions.

During the year ended September 30, 2021, there was no change in the Company's lease contracts related to COVID-19, which would result in remeasurement of the lease liability

SLC Agrícola S.A.

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13 Property, plant and equipment

a) Composition of fixed assets

Cost of the gross fixed assets	Parent Company					Balance on 09/30/2021
	Balance on 12/31/2020	Additions	Write-offs	Transfers	Reclassification	
Soil correction and development	466,245	91,491	-	(62)	-	557,674
Buildings and improvements	296,623	804	(26)	6,046	-	303,447
Agricultural equipment and industrial facilities	843,611	124,436	(30,698)	803	-	938,152
Vehicles	52,671	1,254	(1,499)	(143)	(7)	52,276
Furniture and fixtures	16,231	1,719	(134)	(117)	-	17,699
Equipment and facilities of the office	28,420	12,756	(672)	(484)	-	40,020
Other	3,787	434	(103)	1	-	4,119
Works in progress	9,049	41,696	-	(6,044)	-	44,701
Plants carrier	4,239	-	-	-	-	4,239
Total	1,720,876	274,590	(33,132)	-	(7)	1,962,327

Depreciation	Balance on 12/31/2020	Depreciation	Write-offs	Reclassification	Balance on 09/30/2021
Soil correction and development	(315,626)	(20,641)	-	-	(336,267)
Buildings and improvements	(54,227)	(7,879)	3	-	(62,103)
Agricultural equipment and industrial facilities	(448,721)	(44,990)	22,762	1	(470,948)
Vehicles	(21,425)	(3,437)	942	4	(23,916)
Furniture and fixtures	(7,915)	(985)	103	-	(8,797)
Equipment and facilities of the office	(13,504)	(3,789)	609	-	(16,684)
Others	(60)	6	-	-	(54)
Plants carrier	(4,239)	-	-	-	(4,239)
Total	(865,717)	(81,715)	24,419	5	(923,008)

Net residual value	12/31/2020	09/30/2021
Soil correction and development	150,619	221,407
Buildings and improvements	242,396	241,344
Agricultural equipment and industrial facilities	394,890	467,204
Vehicles	31,246	28,360
Furniture and fixtures	8,316	8,902
Equipment and facilities of the office	14,916	23,336
Other	3,727	4,065
Works in progress	9,049	44,701
Total	855,159	1,039,319

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13 Property, plant and equipment (Continued)

a) Composition of fixed assets (Continued)

Cost of the gross fixed assets	Consolidated							Balance on 09/30/2021
	Balance on 12/31/2020	Business Combination (explanatory note 2.2)	Added Vaue (explanatory note 2.2)	Additions	Write-offs	Transfers	Reclassification (*)	
Crop lands	1,720,026	-	-	322	-	-	-	1,720,348
Soil correction and development	720,472	26,473	-	109,565	-	786	-	857,296
Buildings and improvements	513,291	1,536	2,090	909	(380)	7,852	-	525,298
Agricultural equipment and industrial facilities	988,945	69,735	81,921	141,976	(32,340)	1,313	28	1,251,578
Vehicles	59,431	10,446	20,868	1,325	(1,665)	(143)	(7)	90,255
Furniture and fixtures	18,944	1,848	793	1,911	(213)	(103)	-	23,180
Equipment and facilities of the office	35,837	722	73	13,592	(901)	(444)	-	48,879
Other	8,092	-	-	587	(103)	1	-	8,577
Works in progress	10,833	2,552	-	45,254	-	(9,262)	(4)	49,373
Plants carrier	4,239	-	-	-	-	-	-	4,239
Total	4,080,110	113,312	105,745	315,441	(35,602)	-	17	4,579,023

Depreciation	Balance on 12/31/2020	added value achievement (**)	Depreciation	Write-offs	Reclassification (*)	Balance on 09/30/2021
Soil correction and development	(454,551)	-	(33,160)	-	-	(487,711)
Buildings and improvements	(122,079)	(352)	(15,602)	240	20	(137,773)
Agricultural equipment and industrial facilities	(504,554)	(3,862)	(58,961)	24,148	(20)	(543,249)
Vehicles	(24,973)	(1,378)	(3,999)	1,059	4	(29,287)
Furniture and fixtures	(8,919)	(61)	(1,249)	165	-	(10,064)
Equipment and facilities of the office	(15,870)	(10)	(4,309)	820	-	(19,369)
Other	(381)	-	(54)	-	-	(435)
Plants carrier	(4,239)	-	-	-	-	(4,239)
Total	(1,135,566)	(5,663)	(117,334)	26,432	4	(1,232,127)

Net residual value	12/31/2020	09/30/2021
Crop lands	1,720,026	1,720,348
Soil correction and development	265,921	369,585
Buildings and improvements	391,212	387,525
Agricultural equipment and industrial facilities	484,391	708,329
Vehicles	34,458	60,968
Furniture and fixtures	10,025	13,116
Equipment and facilities of the office	19,967	29,510
Other	7,711	8,142
Works in progress	10,833	49,373
Total	2,944,544	3,346,896

(*) Reclassification to intangible assets, available for sale and investment property in the amount of R\$ 21.

(**) Depreciation of the surplus value in the period of items arising from the business combination with Terra Santa Agro S.A, depreciated over their useful life, allocated to income for the period.

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13 Property, plant and equipment (Continued)

b) Construction in progress

As of September 30, 2021, the balance of works in progress, in the amount of R\$ 44,701 in the parent company and R\$ 49,373 in the consolidated, is substantially represented by works in cotton plants, drilling of wells, construction of warehouses, sheds, integration of livestock farming and others improvements.

The amount of interest capitalized on construction in progress in the period ended September 30, 2021 was R\$ 1,492 (R\$ 728 as of December 31, 2020). The capitalization rate used in determining the amount of borrowing costs eligible for capitalization was approximately 4.50% y.y.

c) Guarantees

At September 30, 2021 and December 31, 2020, property, plant and equipment were pledged as collateral for mortgages, bank loans and lawsuits, as shown below:

Assets under secure	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Hypothec	-	-	-	134,753
Pledge of financing	8,120	10,514	15,562	17,661
Assets in legal proceedings	14,232	14,232	14,232	14,232
	22,352	24,746	29,794	166,646

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14 Intangible

Parent Company				
Gross intangible cost	Balance on 12/31/2020	Additions	Write-offs	Balance on 09/30/2021
Software	21,915	1,039	(1)	22,953
Import of new system	30,661	26,146	-	56,807
Total	52,576	27,185	(1)	79,760

Amortization	Balance on 12/31/2020	Additions	Write-offs	Reclassification	Balance on 09/30/2021
Software	(17,336)	(1,046)	1	(1)	(18,382)
Total	(17,336)	(1,046)	1	(1)	(18,382)

Net residual value	Balance on 12/31/2020	Balance on 09/30/2021
Software	4,579	4,571
Import of new system	30,661	56,807
Total	35,240	61,378

Consolidated							
Gross intangible cost	Balance on 12/31/2020	Business Combination (explanatory note 2.2)	Additions	Write-offs	Transfer	Reclassification	Balance on 09/30/2021
Software	22,342		290	1,041	(1)	472	24,116
Import of new system	30,661		472	26,146	-	(472)	56,807
Goodwill	-		-	47,355	-	-	47,355
Brands and patents	-		174	-	-	4	178
Total	53,003		936	74,542	(1)	(24)	128,456

Amortization	Balance on 12/31/2020	Additions	Write-offs	Reclassification	Balance on 09/30/2021
Software	(17,713)	(1,096)	1	20	(18,788)
Total	(17,713)	(1,096)	1	20	(18,788)

Net residual value	Balance on 12/31/2020	Balance on 09/30/2021
Software	4,629	5,328
Import of new system	30,661	56,807
Goodwill	-	47,355
Brands and patents	-	178
Total	35,290	109,668

As of September 30, 2021, the balance of implementation of new systems in the amount of R\$ 56,807 is mainly represented by the implementation of the SAP operating system.

Goodwill calculated in the amount of R\$ 47,355, arising from the business combination with Terra Santa Agro S.A., represents the expected future economic benefit of the synergy arising from the acquisition, as described in note 2.2.

SLC Agrícola S.A.

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15 Balances and transactions with related parties

At September 30, 2021 and December 31, 2020, the Parent Company's balances and transactions with related parties are as follows:

a) Related-party balances

Balances receivable from related parties:

	Parent company		Consolidated	
	Other accounts receivable		Other accounts receivable	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Direct subsidiaries				
Fazenda Parnaíba Empr. Agr. Ltda	-	1,046	-	-
Fazenda Perdizes Empr. Agr. Ltda	10,673	2,545	-	-
Fazenda Pioneira Empr. Agr. S.A	8,319	255	-	-
SLC Perdizes Empr. Agr. Ltda	10,709	23,028	-	-
Terra Santa Agro S.A	762	-	-	-
Indirect subsidiaries				
SLC - MIT Empr. Agr. S.A	1,914	455	-	-
Fazenda Palmeira Empr. Agr. Ltda	2,519	-	-	-
Fazenda Parceiro Empr. Agr. Ltda	-	384	-	-
Parent company				
SLC Participações S.A.	20	-	20	-
Other related parties				
	-	8	-	8
	34,916	27,721	20	8
Portion classified as current	18,233	2,475	20	8
Portion classified as non-current	16,683	25,246	-	-

Balances payable to related parties:

	Parent company				Consolidated			
	Leases payable		Other accounts payable		Total payable		Other accounts payable	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Direct subsidiaries								
Fazenda Parnaíba Empr. Agr. Ltda	299,333	228,545	-	-	299,333	228,545	-	-
Fazenda Planorte Empr. Agr. Ltda	497,510	338,495	-	-	497,510	338,495	-	-
Fazenda Pamplona Empr. Agr. Ltda	254,235	157,921	-	-	254,235	157,921	-	-
Fazenda Planalto Empr. Agr. Ltda	368,197	230,491	-	-	368,197	230,491	-	-
Fazenda Pioneira Empr. Agr. S.A	-	-	7	-	7	-	-	-
Fazenda Palmares Empr. Agr. Ltda	87,353	113,870	-	-	87,353	113,870	-	-
Fazenda Parnagua Empr. Agr. Ltda	78,800	55,406	-	-	78,800	55,406	-	-
Fazenda Parceiro Empr. Agr. Ltda	53,212	34,335	-	-	53,212	34,335	-	-
Fazenda Paiaguás Empr. Agr. Ltda.	561,435	361,399	-	-	561,435	361,399	-	-
Indirect subsidiaries								
Fazenda Planeste Empr. Agr. Ltda	114,194	75,891	-	-	114,194	75,891	-	-
Fazenda Panorama Empr. Agr. Ltda	77,088	53,359	-	-	77,088	53,359	-	-
Fazenda Piratini Empr. Agr. Ltda	105,686	42,547	-	-	105,686	42,547	-	-
Fazenda Perdizes Empr. Agr. Ltda	-	-	4	573	4	573	-	-
SLC - MIT Empr. Agr. S.A	-	-	2	721	2	721	-	-
Fazenda Palmeira Empr. Agr. Ltda.	20,457	8,319	-	-	20,457	8,319	-	-
SLC Landco Empr. Agr. Ltda	25,225	21,590	-	-	25,225	21,590	-	-
Subsidiaries								
SLC Participações S.A.	-	-	48	16	48	16	48	16
Other related parties								
	-	-	-	-	-	-	102	102
	2,542,725	1,722,168	61	1,310	2,542,785	1,723,478	150	118
Liabilities current	280,808	204,525	61	1,310	280,869	205,835	150	118
Liabilities non-current	2,261,917	1,517,643	-	-	2,261,917	1,517,643	-	-

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15 Balances and transactions with related parties (Continued)

a) Related-party balances (Continued)

SLC Participações S.A. is the final Parent Company of the Company. There are no relevant transactions with the Parent Company, except dividend payments.

b) Transactions with related parties

	Amortization of the right to use (IFRS 16)		APV-Liabilities Rental (IFRS16)	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Direct subsidiaries				
Fazenda Parnaíba Empr. Agr. Ltda	9,389	4,655	17,078	7,843
Fazenda Planorte Empr. Agr. Ltda	8,712	4,459	26,231	10,610
Fazenda Pamplona Empr. Agr. Ltda	3,844	2,842	12,794	5,935
Fazenda Planalto Empr. Agr. Ltda	8,427	4,599	18,653	10,079
Fazenda Palmares Empr. Agr. Ltda	3,471	1,701	8,370	6,292
Fazenda Parnagua Empr. Agr. Ltda	2,947	1,719	4,188	2,704
Fazenda Parceiro Empr. Agr. Ltda	1,059	612	2,420	1,246
Fazenda Paiaguás Emp. Agr. Ltda.	11,980	5,863	28,673	10,025
Indirect subsidiaries				
Fazenda Planeste Empr. Agr. Ltda	5,408	3,404	5,134	5,190
Fazenda Panorama Empr. Agr. Ltda	2,256	1,281	3,592	3,619
Fazenda Piratini Empr. Agr. Ltda	-	15	2,864	2,137
Fazenda Perdizes Empr. Agr. Ltda	429	-	-	-
Fazenda Palmeira Emp. Agr. Ltda.	354	46	572	120
SLC Landco Empr. Agr. S.A.	2,085	2,075	860	991
Subsidiaries				
SLC Participações S.A.	-	101	17	10
	60,361	33,372	131,446	66,801

	Sales of goods/products/ property, plant and equipment		Purchases of goods/products/ Corporate TI		Financial expenses - Warranty Fee
	09/30/2021	09/30/2020	09/30/2021	09/30/2020	09/30/2020
Direct subsidiaries					
Fazenda Pioneira Empr. Agr. Ltda	2,368	3,698	-	-	-
Indirect subsidiaries					
Fazenda Perdizes Empr. Agr. Ltda	7,215	3,182	-	-	-
SLC MIT Empr. Agr. S.A	3,569	3,848	33,670	7,042	-
Subsidiaries					
SLC Participações S.A.	-	-	11	101	10
Other related parties					
Outras Empresas	-	-	3,558	-	-
	13,152	10,728	37,239	7,143	10

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15 Balances and transactions with related parties (Continued)

c) Rental contracts payable

The purpose of the rural lease agreement is for the lessor to make the land, facilities and other goods available for the lessee to exploit the agricultural activity through the cultivation of cotton, soybeans, corn and other crops in return for a rental price.

The Company has lease agreements with its subsidiaries for a minimum term of 20 years, with renewal depending on the will of the parties, however the lessees have preference.

As of September 30, 2021, the lease liability with its subsidiaries can be demonstrated as follows:

Farm	Localization	Accounting value	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
Parnaíba	Tasso Fragoso - MA	299,333	36,725	36,442	36,433	36,442	36,442	116,849
Planorte	Sapezal - MT	497,510	51,938	51,565	51,553	51,567	51,567	239,320
Pamplona	Cristalina - GO	254,235	26,214	26,027	26,022	26,028	26,028	123,916
Planalto	Costa Rica - MS	368,197	37,965	37,695	37,685	37,695	37,696	179,461
Palmares	Barreiras - BA	94,165	11,935	11,823	11,820	11,823	11,823	34,941
Parnaguá	Santa Filomena - PI	78,800	6,120	6,072	7,285	8,501	9,716	41,106
Parceiro	Formosa do Rio Preto - BA	53,212	4,798	5,224	5,719	6,216	6,712	24,543
Paiaguás	Diamantino - MT	561,435	57,890	57,477	57,464	57,478	57,478	273,647
Planeste	Balsas - MA	114,194	15,805	15,323	15,320	15,323	15,323	37,100
Panorama	Correntina - BA	77,088	10,669	10,344	10,342	10,344	10,344	25,045
Piratini	Jaborandi - BA	105,686	14,627	14,182	14,178	14,182	14,182	34,335
Palmeira	Alto Parnaíba - MA	20,457	2,507	2,430	2,429	2,430	2,430	8,231
Matriz	Porto Alegre - RS	18,413	3,615	3,376	3,376	3,376	3,376	1,294
		2,542,725	280,808	277,980	279,626	281,405	283,117	1,139,788
Liabilities current		280,808						
Liabilities non current		2,261,917						

The book value represents the lease liability with future payment flows adjusted to present value, considering the nominal discount rate. The Company has opted to use the practical expedient of using the single discount rate according to the respective terms for contracts with similar characteristics. For this reason, it presents a rate ranging from 6.38% to 9.75%.

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15 Balances and transactions with related parties (Continued)

c) Rental contracts payable (Continued)

The rural lease contract concluded for the Piratini, Planeste, Panorama and Palmeira Farms, for a minimum period of 20 years, provides for the price of the lease calculated on a rate of 3.25% of the property's valuation value. This in turn is calculated on the areas suitable for agriculture and their respective proportional legal reserve areas, including the value of their infrastructure. The appraiser with proof of excellence in the elaboration of rural property evaluations is chosen by the Board of Directors of SLC Agrícola S.A. and annually the evaluation is elaborated according to the rules and guidelines issued by the Brazilian Association of Technical Standards for Rural Property Evaluation.

For the other contracts, the price of the lease is paid annually in BRL, converted by the value of the over-the-counter quotation of each region's soybean bag on the day of payment, according to the contractual clause. The price of the soybean bag must be set by the lessor at least 15 days in advance, with no repricing foreseen.

d) Management fees

The Company considers as key management personnel the unpaid Directors, the paid Independent Directors and the Directors (Statutory).

Administrators are remunerated in the form of pro-labore and salaries, paid via payroll. The total amount of directors' remuneration, including bonuses and other benefits, is shown under a specific heading in the income statement and is detailed below:

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Directors fee	(5,183)	(4,460)	(5,664)	(4,756)
Bonuses	(3,826)	(2,973)	(3,826)	(3,083)
Charges	(3,040)	(2,198)	(3,139)	(2,303)
Stock option plan	(1,666)	(1,290)	(1,666)	(1,290)
Other benefits	(38)	(36)	(38)	(36)
Total	(13,753)	(10,957)	(14,333)	(11,468)

The Company does not offer post-employment benefits, termination benefits or other long-term benefits to its managers.

At the Annual Shareholders' Meeting, held on April 29, 2021, the global annual remuneration of the Parent Company's administrators was approved, in the amount of up to R\$ 17,870, with distribution to be made by the Board of Directors. It should be noted that the subsidiaries, which are public limited companies, also have approval of global annual amounts for their administrators independently.

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16 Suppliers

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Suppliers	549,838	732,358	877,365	870,902
Suppliers risk drawn	212,977	200,788	252,138	230,867
Total	762,815	933,146	1,129,503	1,101,769

The balance of suppliers on September 30, 2021 consists of R\$ 762,815 in the parent company and R\$ 1,129,503 in the consolidated, of which R\$ 212,977 in the parent company and R\$ 252,138 in the consolidated correspond to the withdrawn risk operations, with an average maturity 108 days and an average rate of 6.22% p.a. The operation is a result of commercial negotiation resulting from the need for advance payment by suppliers, noting that there were no changes in the terms of payments and prices negotiated with suppliers as a result of this transaction.

17 Loans and financing

	Index	Average annual interest rates (%)		Parent company		Consolidated	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020	09/30/2021	12/31/2020
<u>Used in the property, plant and equipment</u>							
Finame – BNDES	Pre and Coin Basket	5.52%	5.43%	27,578	34,866	45,403	57,053
				27,578	34,866	45,403	57,053
<u>Invested in working capital</u>							
Rural credit	Pré	5.50%	4.30%	4,016	3,046	16,053	12,186
Working capital (CRA)	CDI	6.09%	1.88%	365,037	360,346	365,037	360,346
Working capital (CRA)	IPCA + Pré	13.35%	8.19%	521,429	481,270	521,429	481,270
Working capital	CDI	7.58%	3.51%	488,503	298,384	538,568	361,959
Working capital	Swap CDI	4.60%	6.28%	381,464	215,977	381,464	215,977
Export financing	CDI	7.42%	3.24%	427,862	328,928	549,675	481,671
Export financing	Swap EUR/US\$	1.43%	1.33%	449,961	345,637	565,026	464,527
				2,638,272	2,033,588	2,937,253	2,377,936
				2,665,850	2,068,454	2,982,656	2,434,989
(-)Transaction cost working capital (CRA)				(14,590)	(17,706)	(14,590)	(17,706)
				2,651,262	2,050,748	2,968,066	2,417,283
Portion classified in current assets				984,056	297,692	1,174,190	377,547
Installment classified in non-current				1,667,206	1,753,056	1,793,876	2,039,736

Finame – BNDES – Investment Lines of the National Development Bank (BNDES). They are guaranteed by fiduciary alienation or pledge of the financed assets and by guarantee of the Company and SLC Participações S.A. (Parent Company). Amortizations are carried out on a monthly, semi-annual and annual basis, after the grace period, and will take place between the periods from 10/15/2021 to 05/15/2032.

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17 Loans and financing (Continued)

Rural Credit – Resources intended for the costing and marketing of crops, whose rules, purposes and conditions are established in the Rural Credit Manual (MCR) prepared by the Central Bank of Brazil. They are guaranteed by the Company, and, in some operations, by the pledge of the crop. The periodicity of their depreciation is annual, with maturities between 05/19/2022 and 08/16/2022.

Working Capital – Line for the purpose of meeting cash requirements, due on 10/29/2021 and 08/26/2024 backed in stock or production.

Export Financing – Export financing with short and long term lines raised in reais, euro or dollar indexed at a pre-fixed rate: CCE (Export Credit Note), NCE (Export Credit Note) and FINEX (Financing for Export) Export). The amortization periodicity is annual, semiannual or according to the negotiated term, with maturities between the periods from 10/05/2021 to 07/23/2024. They are guaranteed by the guarantee of the Company with a land mortgage or with a “clean” guarantee.

CRA – Certificate of Agribusiness Receivables – Fixed income securities, issued by the securitizer on behalf of SLC Agrícola, backed by receivables originating from business between rural producers, or their cooperatives, and third parties, covering financing or loans related to the production, commercialization, processing or industrialization of products, agricultural inputs or machines and implements used in agricultural production. The costs of these transactions, recorded under loans and financing, total R\$ 14,590 (parent and consolidated) as of September 30, 2021. Below are information on the issues:

i) *Issuance on June 14, 2019 - Agribusiness Receivables Certificate (“CRA”)*

On June 14, 2019, the Company issued its CPR-Financeira (Rural financial product note), in the total amount of R \$ 360,000 (three hundred and sixty million reais), of a single series, for public distribution with restricted efforts, of SLC Agrícola SA, entered into between the Issuer and CIBRASEC Securitizadora SA CPR-F was issued at the cost of 99% of the DI rate, with the principal maturing in two installments, on June 13, 2022 and June 13, 2023 and semiannual remuneration. This issue is with a “clean” guarantee. The risk rating reports for the issue were prepared by Standard & Poor's, the initial risk rating being revised quarterly until the maturity date, the final rating of the initial transaction was “[brAA-]”, and on the day February 24, 2021, the risk of the transaction was raised to “[brAA]”.

SLC Agrícola S.A.

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17 Loans and financing (Continued)

i) Issuance on June 14, 2019 - Agribusiness Receivables Certificate ("CRA") (Continued)

The CRA operations foresee the fulfillment of financial commitments (Covenants) on the base dates of each fiscal year applicable to the Company, as follows:

- i. Current liquidity ratio (CA/CL): current assets divided by the consolidated current liabilities, equal to or greater than 1.1x (one comma once);
- ii. Total consolidated liabilities/tangible shareholders' equity: total liabilities divided by shareholders' equity minus intangible assets, equal to or less than 2.0x (two times);
- iii. Consolidated net leverage (total consolidated net financial debt/EBITDA): total loans and financing, minus cash position, banks and "cash equivalents", minus financial investments plus or minus bound swaps, divided by operating income before financial income (expense), equity in subsidiaries, depreciation and amortization for the last 12 (twelve) months excluding the effects of biological assets, equal to or less than 4.0x (four times).

ii) Issuance on December 23, 2020 - Agribusiness Receivables Certificate ("CRA")

On December 23, 2020, the Company issued its CPR-Financeira (Rural financial product note) with a green seal, in the total amount of R \$ 480,000 (four hundred and eighty million reais), of a single series, for public distribution with restricted efforts, from SLC Agrícola SA, entered into between the Issuer and ISEC Securitizadora SA CPR-F was issued at the cost of IPCA + 3.6726% per year, with the principal maturing in two installments, on December 16 2024 and December 15, 2025 and semiannual remuneration. The issue with a "clean" guarantee with the preparation of the risk rating reports for the Issue carried out by Standard & Poor's, with the risk rating being revised quarterly until the maturity date, the final rating of the initial operation was "[brAA-]", and on February 24, 2021, the risk of the operation was raised to "[brAA]".

The CRA operations foresee the fulfillment of financial commitments (Covenants) on the base dates of each fiscal year applicable to the Company, as follows:

- i. Current liquidity ratio (CA/CL): current assets divided by the consolidated current liabilities, equal to or greater than 0.9x (zero point nine time);
- ii. Total consolidated liabilities/tangible shareholders' equity: total liabilities divided by shareholders' equity minus intangible assets, equal to or less than 2.5x (two comma five times);

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17 Loans and financing (Continued)

ii) *Issuance on December 23, 2020 - Agribusiness Receivables Certificate ("CRA")*
(Continued)

iii. Consolidated net leverage (total consolidated net financial debt/EBITDA): total loans and financing, minus cash position, banks and "cash equivalents", minus financial investments plus or minus bound swaps, divided by operating income before financial income (expense), equity in subsidiaries, depreciation and amortization for the last 12 (twelve) months excluding the effects of biological assets, equal to or less than 4.0x (four times).

Failure to comply with the contractual clauses of financial commitments may result in early maturity of loans and financing.

As of December 31, 2020, the date of the last annual measurement, the Company was in compliance with the financial commitment clauses.

The maturities of short- and long-term loans and financing are as follows:

Years of maturity	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
2021	545,125	297,692	553,792	377,547
2022	1,030,725	919,646	1,282,636	1,161,958
2023	580,763	345,625	605,579	382,750
2024	360,442	238,683	388,321	242,028
2025	127,668	242,235	128,637	243,757
After 2025	6,539	6,867	9,101	9,243
	<u>2,651,262</u>	<u>2,050,748</u>	<u>2,968,066</u>	<u>2,417,283</u>

The Group's exposure to liquidity risk is disclosed in note 24.

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18 Provisions for tax, environmental, labor and civil risks

The Company records provisions when the Management, based on the opinion of its legal advisors, understands that there are probabilities of probable losses and that they are sufficient to cover eventual losses with legal and administrative proceedings that arise in the normal course of its business.

The provisions are reviewed and adjusted to take into account changes in circumstances, such as applicable statute of limitations, tax inspection findings or additional exposures identified based on new matters or court decisions.

a) Provisions

The Company records provisions for civil, labor, tax and environmental lawsuits classified as probable loss, as the source of the following changes:

	Parenty Company				
	Labor	Environmental	Tributary	Civil	Total
Balance in 12/31/2020	1,739	330	1,052	403	3,524
Addition of provision	426	199	-	-	625
Reverse of provision	(15)	-	-	(403)	(418)
Balance in 09/30/2021	2,150	529	1,052	-	3,731

	Consolidated				
	Labor	Environmental	Tributary	Civil	Total
Balance in 12/31/2020	1,983	330	1,123	1,993	5,429
Business combination (explanatory note 2.2)	21,532	-	1,003	943	23,478
Addition of provision	3,061	199	20	252	3,532
Reverse of provision	(76)	-	-	(410)	(486)
Balance in 09/30/2021	26,500	529	2,146	2,778	31,953

The provision for contingencies account was increased by R\$ 23,478 due to the business combination. This amount, as mentioned in explanatory note 2.2, as it is effectively realized, will be reimbursed by the selling party to Terra Santa on the dates provided for in the Association Agreement. As a result, balances receivable from former shareholders of the same amount were recorded in the Consolidated, under the heading of "securities receivable", resulting in an asset of R\$ 23,478 on the acquisition date.

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Notes to the quarterly information
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18 Provisions for tax, environmental, labor and civil risks (Continued)

b) Contingents liabilities

Based on the nature of the actions in which it is involved, and supported by the opinion of its legal advisors, the Company discloses its contingent liabilities for which it has an expectation of possible loss. For these actions, no provisions were set up for eventual losses, as established by CPC 25 (IAS 37) of the Accounting Pronouncements Committee.

<u>Nature</u>	<u>Parenty Company</u>		<u>Consolidated</u>	
	<u>09/30/2021</u>	<u>12/31/2020</u>	<u>09/30/2021</u>	<u>12/31/2020</u>
Labor (i)	2,539	546	2,539	546
Environmental (ii)	5,040	3,754	7,609	3,754
Tributary (iii)	24,858	14,352	55,622	46,052
Civil (iv)	6,044	9,005	30,415	36,471
	<u>38,482</u>	<u>27,657</u>	<u>96,185</u>	<u>86,823</u>

As stipulated in the clauses and conditions in the Association Agreement and Other Covenants, entered into between the companies SLC Agrícola S.A., Terra Santa Agro S.A., TS Agro S.A. and TS Brasil S.A., the former shareholders are responsible for the entirety of the contingent liabilities, in the amount of R\$ 108,553, arising from taxable events prior to July 1, 2021 of the subsidiary Terra Santa Agro S.A.

Below is a description of the Company's contingent liabilities as of September 30, 2021:

(i) *Labor lawsuits*

The labor lawsuits are related to complaints filed mainly by former employees of the Company and the Labor Ministry.

(ii) *Environmental actions*

The environmental actions are related to infraction notices issued by IBAMA - Brazilian Institute of Environment and Renewable Natural Resources.

(iii) *Tax*

The tax lawsuits are related to the federal and state level.

(iv) *Civil*

Civil actions relate to claims for damages from suppliers, damages caused to third parties and litigation in contractual matters.

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Notes to the quarterly information
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18 Provisions for tax, environmental, labor and civil risks (Continued)

c) Contingents assets

In February of this year, the Federal Supreme Court (STF) decided on the leading case (RE 759244), guaranteeing the applicability of the immunity related to social contributions on revenues resulting from exports intermediated by commercial exporting companies ("trading companies"), in a similar process to which the Company has on the subject, which is currently awaiting the processing of the STF decision mentioned above.

Recently, the Brazilian Federal Revenue Service suspended the collection of the contribution related to the social security contribution on indirect exports, through the reissue of IN 971/2009, which enabled the Company to stop paying the tax as from September 2020.

d) Judicial deposits

The Company's judicial deposits on September 30, 2021 and December 31, 2020, recorded under "other accounts receivable" in non-current assets, are as follows:

<u>Nature</u>	<u>Parenty Company</u>		<u>Consolidated</u>	
	<u>09/30/2021</u>	<u>12/31/2020</u>	<u>09/30/2021</u>	<u>12/31/2020</u>
Labor (i)	441	8	13,873	530
Environmental (ii)	-	-	20	20
Tributary (iii)	1,643	1,176	1,700	11,338
Civil (iv)	-	-	1,046	1,046
	<u>2,084</u>	<u>1,184</u>	<u>16,639</u>	<u>12,934</u>

The judicial deposits account was increased by R\$ 4,768 due to the business combination. This amount, as mentioned in note 2.2, as it is effectively realized, will be transferred to the selling party by Terra Santa on the dates provided for in the Association Agreement. As a result, the balance payable to former shareholders of the same amount was recorded in the Consolidated, under "securities payable", resulting in a net liability of R\$ 4,768 on the acquisition date.

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19 Deferred income and social contribution taxes

Deferred income tax and social contribution were constituted, having the following nature:

Description	Parent Company					
	09/30/2021			12/31/2020		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for profit-sharing	13,420	4,831	18,251	10,339	3,722	14,061
Provision for tax losses	937	337	1,274	169	61	230
Operations with derivatives	139,788	50,324	190,112	64,927	23,374	88,301
Provision for Senar	1,308	471	1,779	1,286	463	1,749
APV - Lease liability	-	-	-	10,784	3,882	14,666
Provision for ICMS credit losses	6,772	2,438	9,210	5,950	2,142	8,092
Others	8,068	2,904	10,972	6,222	2,240	8,462
Tax losses and negative basis	42,427	15,266	57,693	-	-	-
	212,720	76,571	289,291	99,677	35,884	135,561
Liabilities:						
Incentivized depreciation from rural activity	(177,526)	(63,910)	(241,436)	(156,523)	(56,348)	(212,871)
Bargain gain on acquisition of equity interest	(3,747)	(1,349)	(5,096)	(3,855)	(1,388)	(5,243)
Deemed cost from property, plant and equipment	(4,162)	(1,498)	(5,660)	(5,051)	(1,818)	(6,869)
Fair value of biological assets	(177,150)	(63,774)	(240,924)	(47,155)	(16,976)	(64,131)
APV - Lease liability	(18,009)	(6,483)	(24,492)	-	-	-
	(380,594)	(137,014)	(517,608)	(212,584)	(76,530)	(289,114)
Total net	(167,874)	(60,443)	(228,317)	(112,907)	(40,646)	(153,553)
Classified in the non-current liabilities	(167,874)	(60,443)	(228,317)	(112,907)	(40,646)	(153,553)

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Notes to the quarterly information
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19 Deferred income and social contribution taxes (Continued)

Description	Consolidated					
	09/30/2021			12/31/2020		
	Income tax	Social contribution	Total	Incom tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for profit-sharing	14,979	5,392	20,371	11,676	4,203	15,879
Provision to tax losses	937	337	1,274	169	61	230
Operations with derivatives	158,632	56,304	214,936	68,492	23,878	92,370
Provision for Senar	1,408	507	1,915	1,384	498	1,882
APV - Lease liability	-	-	-	10,458	3,765	14,223
Adjusts to present value stocks	878	316	1,194	-	-	-
Provision for ICMS credit losses	7,145	2,572	9,717	6,226	2,241	8,467
Others	12,098	4,355	16,453	8,941	3,218	12,159
Tax losses and negative basis	428,758	154,829	583,587	30,284	11,411	41,695
	624,835	224,612	849,447	137,630	49,275	186,905
Liabilities:						
Incentivized depreciation from rural activity	(215,878)	(77,594)	(293,472)	(185,782)	(66,758)	(252,540)
Bargain gain on acquisition of equity interest	(3,747)	(1,349)	(5,096)	(3,747)	(1,349)	(5,096)
Deemed cost from property, plant and equipment	(27,110)	(13,658)	(40,768)	(26,828)	(13,558)	(40,386)
Fair value for investment property	(4,115)	(2,222)	(6,337)	(1,992)	(1,076)	(3,068)
APV - Lease liability	(20,506)	(7,382)	(27,888)	-	-	-
Fair value of biological assets	(227,899)	(82,043)	(309,942)	(51,967)	(18,708)	(70,675)
Added Value	(28,106)	(10,118)	(38,224)	-	-	-
Others	(6,649)	(2,491)	(9,140)	(18,653)	(6,809)	(25,462)
	(534,010)	(196,857)	(730,867)	(288,969)	(108,258)	(397,227)
Net total	90,825	27,755	118,580	(151,339)	(58,983)	(210,322)
Classified in non-current assets	340,589	122,612	424,977	15,059	5,421	20,480
Classified in the non-current liabilities	(249,764)	(94,857)	(306,397)	(166,398)	(64,404)	(230,802)

Upon the business combination (note 2.2), the deferred tax account was increased by R\$ 415,085 on the acquisition date, as with the reorganization of the capital structure of this subsidiary which occurred after its acquisition, there is an expectation of taxable future profits that allow the activation of all the tax credit that had not been so far recognized

The Company and its subsidiaries, based on the expectation of generating future taxable income, based on a technical study approved by Management, recognized tax credits on tax losses, negative basis for social contribution and temporary differences, which do not have a statute of limitations. The book value of deferred assets is reviewed annually by the Company and the resulting adjustments have not been significant in relation to Management's initial forecast. The technical study considers the investments and incentives that the farms may be entitled to.

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19 Deferred income and social contribution taxes (Continued)

Based on this technical study to generate future taxable income, the Company estimates to recover these tax credits in the following years:

	Parent Company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
2021	177,195	110,660	258,798	140,780
2022	95,247	4,441	245,531	6,246
2023	16,849	3,358	127,290	11,358
2024	-	833	113,489	8,755
2025	-	16,269	104,339	19,766
	289,291	135,561	849,447	186,905

Estimates of tax credit recovery were based on projections of taxable income taking into consideration various financial and business assumptions. Consequently, these estimates are subject to the uncertainties inherent in such forecasts not being realized in the future.

Reconciliation of tax expense with official rates

Income and social contribution taxes, calculated based on the nominal rates of these taxes, are reconciled to the amount recorded as Income and social contribution taxes expenses as follows:

	Parent Company			
	09/30/2021		09/30/2020	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	1,175,320	1,175,320	418,886	418,886
Income and social contribution taxes at the nominal rate from 25% to 9%, respectively	(293,830)	(105,779)	(104,722)	(37,700)
Adjustments for calculation of effective rate				
Equity income	86,820	31,255	22,898	8,243
Permanent additions	(3,106)	(727)	(1,579)	(236)
Other	(4,734)	(2,623)	(376)	57
Value recorded in the income	(214,850)	(77,874)	(83,779)	(29,636)
Total income and social contribution taxes		(292,724)		(113,415)
Deferred taxes		(175,317)		(112,907)
Current taxes		(117,407)		(508)
Effective rate		24.91%		27.08%

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19 Deferred income and social contribution taxes (Continued)

Reconciliation of tax expense with official rates (Continued)

	Consolidated			
	09/30/2021		09/30/2020	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	1,324,213	1,324,213	458,928	458,928
Income and social contribution taxes at the nominal rate of 25% and 9%, respectively	(331,053)	(119,179)	(114,732)	(41,304)
Adjustments for calculation of effective rate				
Permanent additions and exclusions	(3,066)	(712)	(5,450)	(1,620)
Tax incentives of subsidiaries	2,928	93	43	15
Income and social contribution taxes in companies taxed by the deemed profit system	58,674	20,740	23,361	8,255
Elimination Unrealized profit	5	2	1,597	575
IFRS 16 effects	(5,653)	(2,035)	(9,424)	(3,393)
Other	(5,154)	(2,004)	(223)	149
Value recorded in the income	(283,319)	(103,095)	(104,828)	(37,323)
Total income and social contribution taxes		(386,414)		(142,151)
Deferred taxes		(208,415)		(121,708)
Current taxes		(177,999)		(20,443)
Effective rate		29.18%		30.97%

Reconciliation of deferred Income and social contribution taxes variation

Income and social contribution taxes, recorded in asset and liability accounts in the parent company and in the consolidated accounts, are shown as follows:

Description	Parent Company			
	Balance on 12/31/2020	Recognized in income	Recognized in comprehensive income	Balance on 09/30/2021
Provision for profit-sharing	14,061	4,190	-	18,251
Provision to tax losses	230	1,044	-	1,274
Operations with derivatives	88,301	1,258	100,553	190,112
Provision for Senar	1,749	30	-	1,779
Others	8,462	2,510	-	10,972
Tax losses and negative basis	-	57,693	-	57,693
Provision for ICMS credit losses	8,092	1,118	-	9,210
Incentivized depreciation from rural activity	(212,871)	(28,565)	-	(241,436)
Bargain gain on acquisition of equity interest	(5,243)	147	-	(5,096)
Deemed cost from property, plant and equipment	(6,869)	1,209	-	(5,660)
Fair value of biological assets	(64,131)	(176,793)	-	(240,924)
APV - Lease liability	14,666	(39,158)	-	(24,492)
Total	(153,553)	(175,317)	100,553	(228,317)
Non-current liabilities	(153,553)	-	-	(228,317)

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19 Deferred income and social contribution taxes (Continued)

Reconciliation of deferred Income and social contribution taxes variation (Continued)

Description	Consolidated				
	Balance on 12/31/2020	Business combination	Recognized in income	Recognized in comprehensive income	Balance on 09/30/2021
Provision for profit-sharing	15,879	-	4,492	-	20,371
Provision to tax losses	230	-	1,044	-	1,274
Operations with derivatives	92,370	12,905	(12,571)	122,232	214,936
Provision for Senar	1,882	-	33	-	1,915
Others	12,159	2,632	1,662	-	16,453
Adjustment to present value of stocks	-	3,122	(1,928)	-	1,194
Washout provision	-	10,589	(10,589)	-	-
Tax losses and negative basis	41,695	482,146	59,746	-	583,587
APV - Lease liability	14,223	(8,511)	(33,600)	-	(27,888)
Provision for ICMS credit losses	8,467	-	1,250	-	9,717
Incentivized depreciation from rural activity	(252,540)	(14,594)	(26,338)	-	(293,472)
Bargain gain on acquisition of equity interest	(5,096)	-	-	-	(5,096)
Deemed cost from property, plant and equipment	(40,386)	(1,906)	1,524	-	(40,768)
Fair value for investment property	(3,068)	-	(3,269)	-	(6,337)
Fair value of biological assets	(70,675)	(30,045)	(209,222)	-	(309,942)
Added Value	-	(41,253)	3,029	-	(38,224)
Others	(25,462)	-	16,322	-	(9,140)
Total	(210,322)	415,085	(208,415)	122,232	118,580
Non-current assets	20,480				424,977
Non-current liabilities	(230,802)				(306,397)

Income tax and social contribution payable

The balance of income tax and social contribution on profit payable on September 30, 2021 is R\$ 42,739 in the Consolidated (R\$ 40,374 and R\$ 47,449 on December 31, 2020, in the Parent Company and Consolidated, respectively).

SLC Agrícola S.A.

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20 Securities payable (Consolidated)

The balance as of September 30, 2021 is shown as follows:

	<u>Fixed amount payable</u>
Balance at december 31, 2020	12,979
Business combination (explanatory note 2.2)	86,850
Others	6,626
Payments	<u>(706)</u>
Balance at september 30, 2020	<u>105,749</u>
Current liabilities	53,120
Non-current liabilities	52,629

The Company, through its subsidiaries, has contracts relating to the purchase of land, for its use and exploration, and sale of property, plant and equipment.

The accounts payable account was increased by R\$ 4,772 due to the business combination. This amount, as mentioned in explanatory note 2.2, as it is effectively realized, will be reimbursed by the selling party to Terra Santa on the dates provided for in the Association Agreement. As a result, balances receivable from former shareholders of the same amount were recorded in the Consolidated, under "securities receivable", resulting in an asset of R\$ 4,772.

In addition, as described in the same note, a balance payable to sellers in the amount of R\$ 82,078 was recorded in the Consolidated, referring to receivables, recoverable taxes, other assets and investment properties that, as soon as received by Terra Santa, will be transferred to former sellers, without benefits to the Terra Santa.

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21 Equity

a) Capital stock

On September 30, 2021, the subscribed capital in the amount of R\$ 1,012,522 is represented by 193,111,454 common, nominative, book-entry shares with no par value.

The following is a distribution of the common shares among the shareholders:

Shareholder	Quantity of shares	
	09/30/2021	12/31/2020
SLC Participações S.A.	100,938,742	100,977,822
Management	501,663	347,967
Treasury shares	3,309,854	3,010,430
Other	88,361,195	86,258,781
Total shares of paid-in capital	193,111,454	190,595,000
(-) Treasury shares	(3,309,854)	(3,010,430)
Total shares - ex-treasury	189,801,600	187,584,570

Due to the terms and conditions already disclosed to the market of the business combination (note 2.2) carried out with Terra Santa Agro S.A., the Company's capital increase was confirmed through the issue of 2,516,454 (two million, five hundred and sixteen thousand, four hundred and fifty-four) common shares, corresponding to R\$ 52.00 (fifty-two reais) per share, the amount of R\$ 65,000 being allocated to the capital stock and R\$ 65,856 to the capital reserve.

b) Capital reserve – goodwill in the issue of shares

Represented by the goodwill received on the public share offerings held in June 2007 and June 2008 and by the goodwill on treasury stock sales made in connection with the stock option plans, less the costs of issuing these shares (commissions, fees and other expenses), net of tax effects in accordance with CPC 10 (R1) (IFRS 2).

SLC Agrícola S.A.

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21 Equity (Continued)

c) Treasury shares

The balance of treasury shares on September 30, 2021 is R\$ 74,899 and consists of 3,309,854 shares (R\$ 52,921 on December 31, 2020, consisting of 3,010,430 shares). The change in the number of treasury shares in the period was as follows:

	Treasury shares	
	In nº shares	In R\$
Balance at December 31, 2020	3,010,430	(52,921)
Acquisitions of shares treasury	666,525	(28,431)
Shares exercised under the stock option plans	(367,101)	6,453
Balance at september 30, 2021	3,309,854	(74,899)

The market value of treasury shares, calculated based on the last stock exchange quote, prior to the period's closing date was R\$ 151,062 (R\$ 45.64 per share) on September 30, 2021 and R\$ 82,636 (R\$ 27.45 per share) as of December 31, 2020.

d) Legal reserve

The legal reserve is established on the basis of 5% of the net profit for the year limited to 20% of the share capital. As provided for in the Bylaws in article 35, paragraph a, in the fiscal year in which the balance of the legal reserve plus the amounts of the capital reserves referred to in paragraph 1 of article 182 of Law 6,404/76 exceeds thirty percent (30%) of the capital stock, it shall not be mandatory to allocate part of the net profit of the fiscal year to the legal reserve.

e) Reserve for expansion

According to the provisions of Article 194 of Law 6,404/76 and Article 35 of the Company's Bylaws, a Reserve for Expansion shall be formed based on the remaining profit after the legal and statutory deductions, for the purpose of investing in operating assets or capital expenditures, this reserve may not exceed the amount of capital stock.

f) Profit retention reserve

The balance on September 30, 2021 and December 31, 2020 refers to the remaining balance of retained earnings for the period 2007, which was retained as a profit retention reserve for the realization of new investments, provided for in the approved capital budget. by the Board of Directors, in accordance with article 196 of Law 6,404/76.

21 Equity (Continued)g) Incentive investment reserve

It corresponds to tax benefits granted by the states of Mato Grosso do Sul, Mato Grosso and Goiás for the reduction in the amount of ICMS to be collected from 70% to 75%, in the form of a presumed credit, for the operations of cotton, cotton seed and corn, classified as investment subsidy.

h) Dividends

According to the Bylaws, the minimum mandatory dividend is calculated on the basis of 25% of the net profit remaining for the year, after the reserves established by law have been constituted.

On April 29, 2021, at the Annual General Meeting, the financial statement for the year ended December 31, 2020 was approved, including the allocation of the results for that year. Among them, the distribution of dividends, for the year ended December 31, 2020, was approved, in the total amount of R\$ 232,039, equivalent to 50% of the adjusted net income, corresponding to R\$ 1.236982 for each common share, being R\$ 116,020 as minimum mandatory dividend and R\$ 116,019 as additional dividend over the fiscal year 2020, based on the total number of shares (187,584,570) subtracted from the total number of treasury shares (3,010,430). The payment of dividends will take place on May 13, 2021.

i) Earning per share

In accordance with CPC 41 - Earnings per Share (IAS 33), the following table reconciles the net income for the period with the values used to calculate basic and diluted earnings per share.

The Company has a category of dilutive potential common shares that refer to stock option plans. For these stock option plans, a calculation is made to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's stock) based on the monetary value of the subscription rights attached to the stock option plans.

The number of shares calculated as described above is compared with the number of shares issued, assuming the exercise of the stock option plans.

	<u>09/30/2021</u>	<u>09/30/2020</u>
Numerator		
Net income for the period (a)	882,596	305,471
Denominator		
Weighted average of common shares (b)	188,709,916	187,194,129
Weighted average of common shares considering dilutive effects (c)	189,822,751	187,377,326
Basic (loss) income per common share (a/b)	4.67700	1.63184
Diluted (loss) income per common share (a/c)	4.64958	1.63025

21 Equity (Continued)

j) Other comprehensive income

The other comprehensive income in shareholders' equity, net of tax effects, is composed as follows:

	<u>09/30/2021</u>	<u>12/31/2020</u>
<i>Hedge accounting</i>	(432,602)	(207,640)
Cost assigned fixed asstes and fair value adjustment related to property for investments	1,149,310	1,151,931
Gain in the variation of interest	25,909	25,909
Other comprehensive income	<u>742,617</u>	<u>970,200</u>

22 Finance income (loss)

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>09/30/2021</u>	<u>09/30/2020</u>	<u>09/30/2021</u>	<u>09/30/2020</u>
Financial expenses:				
Interest paid	(106,084)	(56,262)	(96,464)	(66,426)
Foreign exchange	(137,974)	(224,462)	(208,013)	(281,158)
Monetary variation	-	-	(2,600)	-
APV - Liabilities Lease	(218,553)	(108,057)	(103,602)	(43,547)
Losses with derivative operations	(58,681)	(5,995)	(336,428)	(6,319)
Others	(5,964)	(4,504)	(28,071)	(5,683)
	<u>(527,256)</u>	(399,280)	<u>(775,178)</u>	(403,133)
Financial income:				
Income from interest-earning bank deposits	17,482	10,712	25,907	15,864
Foreign exchange	129,787	129,939	165,069	144,781
Monetary variation	5	-	5	-
Gains with derivative operations	84,264	114,565	394,148	154,638
Others	1,050	802	3,754	983
	<u>232,588</u>	256,018	<u>588,883</u>	316,266
Financial income (loss)	<u>(294,668)</u>	(143,262)	<u>(186,295)</u>	(86,867)

23 Commitments

23.1. Sales contracts for future delivery

The Company and its subsidiaries have sales contracts for future delivery with some customers, as shown below:

Parent Company					
Product	Delivery Date	Quantity	Agreements	Unit	Price
<u>2020/21 crop</u>					
Cotton lint	Oct/21- Jul/22	103,469	28	ton	US\$ 1,887.16
Soybean	Oct/21	100,000	2	sc	US\$ 32.00
Soybean	Oct/21- Nov/21	1,498,333	11	sc	R\$ 161.22
Corn	Oct/21	340,817	8	sc	R\$ 66.86
<u>2021/22 crop</u>					
Cotton lint	Aug/22-Jul/23	128,450	37	ton	US\$ 1,764.53
Soybean	Jan/22-Mar/22	5,054,622	50	sc	US\$ 24.16
Soybean	Jan/22-May/22	993,816	46	sc	R\$ 145.90
Corn	May/22-Dec/22	4,110,000	30	sc	US\$ 10.10
Corn	May/22-Dec/22	3,105,000	22	sc	R\$ 56.42
<u>2022/23 crop</u>					
Cotton lint	Aug/23-Dec/23	22,100	5	ton	US\$ 1,782.42
Soybean	Jan/23-Feb/23	970,000	6	sc	US\$ 24.94

Consolidated					
Product	Delivery Date	Quantity	Agreements	Unit	Price
<u>2020/21 crop</u>					
Cotton lint	Oct/21- Jul/22	152,218	65	ton	US\$ 1,771.51
Cotton lint	Oct/21- Dec/21	9,258	6	ton	R\$ 7,433.18
Soybean	Oct/21	100,000	2	sc	US\$ 32.00
Soybean	Oct/21- Dec/21	1,698,333	12	sc	R\$ 161.53
Corn	Oct/21- Dec/21	938,891	14	sc	R\$ 66.10
<u>2021/22 crop</u>					
Cotton lint	Aug/22-Jul/23	181,650	58	ton	US\$ 1,691.05
Cotton lint	Sep/22-Dec/22	1,000	1	ton	R\$ 8,778.06
Soybean	Jan/22-Apr/22	7,632,956	80	sc	US\$ 22.75
Soybean	Jan/22-May/22	2,184,733	69	sc	R\$ 140.96
Corn	Jan/22-Dec/22	7,625,000	70	sc	US\$ 9.68
Corn	May/22-Dec/22	3,927,333	32	sc	R\$ 53.52
<u>2022/22 crop</u>					
Cotton lint	Aug/23-Dec/23	24,900	6	ton	US\$ 1,779.30
Soybean	Jan/23-Feb/23	1,070,000	7	sc	US\$ 24.95

23 Commitments (Continued)

23.2. Third party lease agreements

As of September 30, 2021, the Company and its subsidiaries have third-party lease agreements and building leases, thus distributed:

Unit	Location	Currency	Lease liability (CPC 06(R2)scope)		Leases payable
			09/30/2021	12/31/2020	12/31/2020
Palmares	Barreiras - BA	R\$	101,395	99,477	-
Panorama	Correntina - BA	R\$	95,018	93,219	-
Paladino	São Desidério - BA	R\$	33,863	40,005	5,283
Parceiro	Formosa do Rio Preto - BA	R\$	52,108	19,031	-
Paysandu	São Desidério - BA	R\$	637,809	-	-
Piratini	Jaborandi - BA	R\$	117	155	-
Pantanal	Chapadão do Céu - GO e Chapadão do Sul - MS	R\$	445,383	329,762	-
Pamplona	Cristalina - GO	R\$	74,019	15,636	-
Planeste	Balsas - MA	R\$	162,266	101,527	-
Parnaíba	Tasso Fragoso - MA	R\$	77,659	51,748	-
Palmeira	Alto Parnaíba - MA	R\$	36,122	30,991	-
Paiaguás	Diamantino - MT	R\$	206,156	141,115	-
Planorte	Sapezal - MT	R\$	4,908	3,326	-
Perdizes	Porto dos Gaúchos - MT	R\$	412	567	-
Pioneira	Querência - MT	R\$	381	499	-
Planalto	Costa Rica - MS	R\$	8,372	6,240	-
Pejuçara	São José do Rio Claro e Diamantino - MT	R\$	36,043	-	-
Pampeira	Novo Parecis _MT	R\$	413,005	-	-
Piracema	Diamantino - MT	R\$	222,771	-	-
Pirapora	Santa Rita do Trivelato - MT	R\$	146,588	-	-
Próspera	Taboporã, Nova Canaã do Norte e Itaúba - MT	R\$	318,492	-	-
Escritório	Cuiabá - MT	R\$	887	-	-
Parnaíba	Santa Filomena - PI	R\$	2,423	213	-
Escritório	São Paulo - SP	R\$	1,326	-	-
Matriz	Porto Alegre - RS	R\$	1,500	773	-
			3,079,023	934,284	5,283
	Liabilities current		475,513	162,258	5,283
	Liabilities non-current		2,603,510	772,026	-

23 Commitments (Continued)

23.2. Third party lease agreements (Continued)

Liabilities for land and cotton leasing have a discount rate with a range of 5.44% to 11.93%. For other lease liabilities (machinery, buildings and vehicles), we have a discount rate ranging from 3.11% to 10.65%.

In relation to third party lease agreements we also inform you that: (i) there are no contingent payment clauses; (ii) there are no renewal terms or purchase options, except for the contract of Fazenda Planalto, related to 1,603 ha, which has annual renewal; (iii) the land lease contracts are indexed, in its majority, to the variation of the price of the soybean bag, and there are no other readjustment clauses; (iv) there are no restrictions imposed, such as those related to dividends and interest on equity, additional debt, or any other that requires additional disclosure.

In addition to leasing crop land, the Company has operational leasing contracts for a cotton processing unit at Fazenda Palmares (in Barreiras-BA, for R\$ 1,850 per year, until August 31, 2023), at Fazenda Paladino (in São Desidério-BA, for R\$ 1,000 per year until August 31, 2026) and at Fazenda Pantanal (Chapadão do Céu - GO, for R\$ 400 per year until August 31, 2030), equipment rents at Fazenda Planorte (in Sapezal-MT) and Fazenda Paiaguás (in Diamantino-MT), with decreasing values each year until April 30, 2026, and rents from its administrative headquarters in Porto Alegre-RS.

The statement of the maturity flows of lease and lease liabilities payable is presented in note 24.

24 Management of risks and financial instruments

The sales revenues of the Company and its subsidiaries are generated mainly from the commercialization of agricultural commodities such as cotton, soybeans and corn; products that are quoted in dollars on the Chicago Board of Trade - CBOT and Intercontinental Exchange Futures US - ICE international exchanges. Therefore, the volatility of the international price of the commodity and the exchange rate are market risks to which the Company and its subsidiaries are exposed.

In addition, the Company and its subsidiaries engage in financing operations in the financial market at pre-fixed or post-fixed rates. Therefore, the Company presents a risk to the variation of interest rates in the indebtedness contracted with post-fixed interest rates.

Fair values are determined based on market price quotations, where available, or, in the absence of these, on the present value of expected cash flows. The fair values of cash and cash equivalents, trade receivables, short-term debt and trade payables are equivalent to their book values. The fair values of other long-term assets and liabilities do not differ significantly from their book values.

The estimated fair value of the long-term loans of the parent company and consolidated at September 30, 2021 was R\$ 1,618,881 and R\$ 1,736,828, respectively, calculated at prevailing market rates, considering the nature, term and risks similar to those of the contracts recorded, and can be compared with the book value of R\$ 1,667,206 and R\$ 1,793,876.

The hierarchy of fair values of financial assets and liabilities recorded at fair value on a recurring basis was performed using the following criteria:

24 Management of risks and financial instruments (Continued)

- Level 1 - Prices quoted (unadjusted) in active markets for assets and liabilities and identical
- Level 2 - Inputs, except quoted prices, included in Level 1 that are observable for the asset or liability, directly (prices) or indirectly (derived from prices)
- Level 3 - Assumptions, for assets or liabilities, that are not based on observable market data (unobservable inputs).

The table below presents the hierarchy of fair values of financial assets and liabilities recorded at fair value on a recurring basis:

	Parent company			
	Book value		Fair value	
			Level 2	Level 2
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Assets				
<u>Fair value through profit or loss</u>				
Cash and cash equivalents	381,876	1,319,290	381,876	1,319,290
Short term financial Investments	675	663	675	663
Subtotal	382,551	1,319,953	382,551	1,319,953
<u>Amortized cost</u>				
Trade accounts receivable	69,185	178,085	69,185	178,085
Receivables from related parties	34,916	27,721	34,916	27,721
Subtotal	104,101	205,806	104,101	205,806
<u>Fair value of hedge instruments</u>				
Operations with Derivatives	236,408	207,847	236,408	207,847
Subtotal	236,408	207,847	236,408	207,847
Total assets	723,060	1,733,606	723,060	1,733,606
Liabilities				
<u>Liabilities at the amortized cost</u>				
Loans and financing	2,651,262	2,050,748	2,612,733	2,061,685
Suppliers	762,815	933,146	762,815	933,146
Payables to related parties	61	1,310	61	1,310
Liabilities - lease with related parties	2,542,725	1,722,168	2,542,725	1,722,168
Third-party lease liability	1,905,256	893,214	1,905,256	893,214
Other accounts payable	220,924	153,139	220,924	153,139
Subtotal	8,083,043	5,753,725	8,044,514	5,764,662
<u>Fair value of hedge instruments</u>				
Derivatives payable	708,148	375,207	708,148	375,207
Subtotal	708,148	375,207	708,148	375,207
Total liabilities	8,791,191	6,128,932	8,752,662	6,139,869

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24 Management of risks and financial instruments (Continued)

	Consolidated			
	Book Value		Fair Value	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Assets				
<u>Fair value through profit or loss</u>				
Cash and cash equivalents	725,420	1,604,053	725,420	1,604,053
Short term financial Investments	675	663	675	663
Subtotal	726,095	1,604,716	726,095	1,604,716
<u>Amortized cost</u>				
Trade accounts receivable	85,418	207,283	85,418	207,283
Receivables from related parties	20	8	20	8
Other accounts receivable	72,621	33,907	72,621	33,907
Subtotal	158,059	241,198	158,059	241,198
<u>Fair value of hedge instruments</u>				
Operations with Derivatives	292,637	245,372	292,637	245,372
Subtotal	292,637	245,372	292,637	245,372
Total assets	1,176,791	2,091,286	1,176,791	2,091,286
Liabilities				
<u>Liabilities at the amortized cost</u>				
Loans and financing	2,968,066	2,417,283	2,918,288	2,422,429
Suppliers	1,129,503	1,101,769	1,129,503	1,101,769
Payables to related parties	150	118	150	118
Other accounts payable	329,281	176,390	329,281	176,390
Third-party lease liability	3,079,023	934,284	3,079,023	934,284
Leases to pay	-	5,283	-	5,283
Securities payable	105,749	12,979	105,749	12,979
Subtotal	7,611,772	4,648,106	7,561,994	4,653,252
<u>Fair value of hedge instruments</u>				
Derivatives payable	829,490	417,121	829,490	417,121
Subtotal	829,490	417,121	829,490	417,121
Total liabilities	8,441,262	5,065,227	8,391,484	5,070,373

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24 Management of risks and financial instruments (Continued)

a) Policy of use, objectives and strategies

The objective of the use of financial derivative instruments by the Company and its subsidiaries is the protection of operating margins. The Company created an Executive Risk Management Committee in July 2008 and approved the Risk Management Policy at the meeting of the Board of Directors on October 29, 2008. The Risk Management Executive Committee is the liaison body between the Board of Directors and the Company's Executive Board. Its mission involves the daily support to the decisions of the Executive Board, the monitoring of compliance with the established risk limits and, when appropriate, the preliminary analysis and evaluation of proposals for adjustments or reformulation of policies or risk limits for subsequent submission to the Board of Directors for deliberation.

Derivative transactions are carried out with prime financial institutions (institutions in the country with "Rating" of at least "A" in at least one of the three main international rating agencies, namely: Moody's, S&P and/or Fitch), observing limits and exposures to the exchange, commodities and interest risks of its counterparties on a regular basis.

b) Gains (losses) from financial instruments under parent company and consolidated shareholders' equity

Forward contract (NDF) and commodity swap transactions (see note 24.h) are fixed to protect future sales exposure in dollars. In addition, debt swap operations aim to protect the future exchange rate variation of dollar loans. These operations are documented for registration through the hedge accounting methodology in accordance with CPC 48 and IFRS 9. The Company records in a specific shareholders' equity account the unrealized effects of these instruments contracted for its own operations or those contracted on a consolidated basis to cover future sales.

c) Currency risk

In order to protect the sales revenues of the Company and its subsidiaries, which are subject to exchange rate volatility, financial derivative instruments are used, whose portfolio basically consists of NDF (Non-Deliverable Forward) contracts.

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24 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

These operations are carried out directly with financial institutions, in an over the counter environment, where there are no margin calls. The impact on the cash flow of the Company and its subsidiaries occurs only on the date of settlement of the contracts. However, it should be considered that the settlement of these financial transactions is associated with the receipt of sales, which are also associated with foreign exchange variation, thus offsetting any gains or losses in hedging derivative instruments due to exchange rate variations.

The Business Plan is constantly updated for analysis of exchange rate risk exposure, considering the following premises: (I) projection of planted area; (II) expected productivity; (III) prices of commodities, which are quoted in the dollar currency, considering the volume weighted average of sales prices and market prices of the volume to be sold; and, (IV) distribution of sales in the analyzed periods. After the definition of the Business Plan and the measurement of the previously exposed items, the total exchange rate exposure is reached.

Based on the cost already formed with the purchase of the main inputs (fertilizers, defensives and seeds) and estimated fixed costs, the expected operating margin is determined. In this way, the risk management committee executes the parameters described in the risk management policy, with the objective of reducing the standard deviation of the operating margin defined as a target.

The table below shows the positions, of the Company and its subsidiaries, with the nominal and fair values of each instrument contracted, namely:

Description	Reference value (notional)			Fair value (MTM)		
	Currency	09/30/2021	12/31/2020	Currency	09/30/2021	12/31/2020
Forward contracts (NDF):						
Foreign currency - Short position						
Maturity in 2021	USD	278,463	384,710	R\$	(36,457)	(80,586)
Maturity in 2022	USD	540,970	47,100	R\$	(52,393)	3,496
Maturity in 2023	USD	97,690	-	R\$	(22,318)	-
TOTAL	USD	917,123	431,810	R\$	(111,168)	(77,090)

The following details the maturity schedule of the derivative operations and deferred exchange variation, which are framed in the "hedge accounting" methodology:

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24 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

<u>Maturity</u>	<u>Currency</u>	<u>Forward Contracts (NDF)</u>
Up to 12/31/2021	R\$	(36,457)
Up to 03/31/2022	R\$	(21,350)
Up to 06/30/2022	R\$	(11,674)
Up to 09/30/2022	R\$	(7,747)
Up to 12/31/2022	R\$	(11,622)
Up to 03/31/2023	R\$	(3,903)
Up to 06/30/2023	R\$	(403)
Up to 09/30/2023	R\$	(8,324)
Up to 12/31/2023	R\$	(9,688)
TOTAL	R\$	(111,168)

The table below shows the opening of foreign exchange derivatives by counterparty (of the Company and its subsidiaries):

<u>Description</u>	<u>Reference value (notional)</u>			<u>Fair value</u>		
	<u>Currency</u>	<u>09/30/2021</u>	<u>12/31/2020</u>	<u>Currency</u>	<u>09/30/2021</u>	<u>12/31/2020</u>
Banco Itaú BBA S/A	USD	198,900	63,350	R\$	(19,876)	(18,953)
Banco BTG Pactual S.A.	USD	34,900	53,000	R\$	683	17,675
Banco Bradesco S/A	USD	50,290	23,050	R\$	(4,909)	2,140
Banco BNP Paribas Brasil S.A.	USD	44,750	79,910	R\$	(13,846)	3,475
Morgan Stanley S/A	USD	123,730	24,570	R\$	(12,181)	(14,188)
XP Investimentos S.A.	USD	141,520	15,470	R\$	(14,739)	3,356
Banco J.P. Morgan S/A	USD	55,660	58,260	R\$	(18,011)	(26,378)
Banco Votorantim S/A	USD	26,800	20,490	R\$	(4,082)	(7,781)
Banco Safra S.A.	USD	77,960	26,450	R\$	(5,910)	(1,212)
Banco Santander Brasil S/A	USD	102,713	38,530	R\$	(11,386)	(16,864)
Banco ABC Brasil S.A.	USD	15,610	17,730	R\$	(3,861)	(13,169)
Rabobank International Brasil S.A.	USD	21,000	11,000	R\$	(2,291)	(5,191)
Citibank S/A	USD	16,600	-	R\$	(270)	-
Banco BMG S.A.	USD	1,690	-	R\$	244	-
Banco Daycoval S.A.	USD	5,000	-	R\$	(733)	-
Total	USD	917,123	431,810	R\$	(111,168)	(77,090)

The following criteria were used to determine the fair value of forward contract operations (NDF): future dollar curve published by B3 (www.b3.com.br) at the end of each period. Based in this information, the adjustment projected in the maturity of each operation is discounted by the yield curve DI x Pre B3 (www.b3.com.br) of closing each period.

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24 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

Risks of exchange rate variation

The Company projected the potential impact of foreign exchange hedging operations and indebtedness in dollars in five scenarios for the years 2021 and 2022, as follows:

- Probable Scenario: Based on the FOCUS report (BACEN) released on September 24, 2021, we have defined the probable scenario with the dollar quotation of R\$ 5.2000 varying to the Ptax rate of R\$ 5.4173 on September 29, 2021.
- Exchange rate Decrease of 25%: in this scenario the operations would be settled at the rate of R\$ 3.9000, equivalent to 25% lower than the rate in the Probable Scenario.
- Decrease of 50% in the exchange rate: in this scenario the operations would be settled at the rate of R\$ 2.6000, equivalent to 50% less than the rate in the Probable Scenario.
- Increase of 25% in the exchange rate: in this scenario the operations would be settled at the rate of R\$ 6.5000, equivalent to 25% higher than the rate in the Probable Scenario.
- Increase of 50% in the exchange rate: in this scenario the operations would be settled at the rate of R\$ 7.8000, equivalent to 50% higher than the rate in the Probable Scenario.

The following is a summary of the consolidated impacts in each projected scenario:

Description	Parent company				
	Remote scenario Quotation R\$	Possible scenario Quotation R\$	Scenario by the closing price of the fiscal period R \$	Possible scenario Quotation R\$	Remote scenario Quotation R\$
	2.6000	3.9000	5.4173	6.5000	7.8000
Year 2021					
Highly probable estimated revenue in USD (1)	(476,694)	(238,347)	39,841	238,347	476,694
Estimated commitments in USD (2)	147,810	73,905	(12,354)	(73,905)	(147,810)
Forward Contracts (NDF) (3)	316,186	158,093	(26,426)	(158,093)	(316,186)
Net exposure in USD (1)-(2)-(3)	(12,698)	(6,349)	1,061	6,349	12,698
Year 2022					
Highly probable estimated revenue in USD (1)	(1,902,953)	(951,477)	159,043	951,477	1,902,953
Estimated commitments in USD (2)	379,626	189,813	(31,728)	(189,813)	(379,626)
Forward Contracts (NDF) (3)	637,520	318,760	(53,282)	(318,760)	(637,520)
Net exposure in USD (1)-(2)-(3)	(885,807)	(442,904)	74,033	442,904	885,807
Total	(2,774,712)	(1,387,356)	231,902	1,387,356	2,774,712

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24 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

Risks of exchange rate variation (Continued)

Description	Consolidated				
	Remote scenario Quotation R\$	Possible scenario Quotation R\$	Scenario by the closing price of the fiscal period R\$	Possible scenario Quotation R\$	Remote scenario Quotation R\$
	2.6000	3.9000	5.4173	6.5000	7.8000
Year 2021					
Highly probable estimated revenue in USD (1)	(657,771)	(328,886)	54,975	328,886	657,771
Estimated commitments in USD (2)	242,788	121,394	(20,291)	(121,394)	(242,788)
Forward contracts (NDF) (3)	386,880	193,440	(32,334)	(193,440)	(386,880)
Net exposure in USD (1)-(2)-(3)	(28,103)	(14,052)	2,350	14,052	28,103
Year 2022					
Highly probable estimated revenue in USD (1)	(2,727,124)	(1,363,562)	227,925	1,363,562	2,727,124
Estimated commitments in USD (2)	496,600	248,300	(41,504)	(248,300)	(496,600)
Forward contracts (NDF) (3)	909,922	454,961	(76,048)	(454,961)	(909,922)
Net exposure in USD (1)-(2)-(3)	(1,320,602)	(660,301)	110,373	660,301	1,320,602
Total	(4,150,449)	(2,075,225)	346,884	2,075,225	4,150,449

The following shows the net exposure to currency risk:

	Parent Company			
	09/30/2021		12/31/2020	
	Amount in Reais (R\$)	Amount in Dólares (USD)	Amount in Reais (R\$)	Amount in Dólares (USD)
Trade accounts receivable (note 5)	32,944	6,081	166,575	32,054
Suppliers	(163,537)	(30,188)	(145,921)	(28,080)
Net exposure of the shareholders' equity	(130,593)	(24,107)	20,654	3,974
	Consolidated			
	09/30/2021		12/31/2020	
	Amount in Reais (R\$)	Amount in Dólares (USD)	Amount in Reais (R\$)	Amount in Dólares (USD)
Trade accounts receivable (note 5)	33,583	6,199	193,413	37,218
Suppliers	(379,488)	(69,921)	(176,010)	(33,869)
Net exposure of the shareholders' equity	(345,905)	(63,722)	17,403	3,349

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24 Management of risks and financial instruments (Continued)

d) Price risk

Most of the protection against commodity price fluctuations is carried out through sales directly with our customers with physical future delivery (forward contracts). In addition, futures contracts, negotiated in an exchange environment, and financial transactions of swap contracts, with financial institutions in the over-the-counter market are also used. These operations are traded with reference to prices of commodities quoted in the futures market. All operations are related to the net exposure of the production of the Company and its subsidiaries, so that every operation has its ballast in physical product. Transactions carried out in an exchange environment require the availability of initial margins and adjustments are made daily, according to the variation in the reference price. On the other hand, operations with financial institutions do not require initial margins, since these operations are supported by a credit limit pre-approved by financial institutions.

The table below shows the derivative financial instruments contracted for protection against variation in the price of commodities, the effects of which are recorded in shareholders' equity as they are recorded in the form of hedge accounting.

Description	Reference value (notional)			Fair value		
	Currency	09/30/2021	12/31/2020	Currency	09/30/2021	12/31/2020
Year of Maturity at 2021						
Financial operations						
Commodities - Cotton	USD	20,304	180,673	R\$	(331,167)	(209,486)
Commodities - Fat ox	USD	9,058	799	R\$	4,399	25
Subtotal	USD	29,362	181,472	R\$	(326,768)	(209,461)
Year of Maturity at 2022						
Financial operations						
Commodities - Cotton	USD	190,650	9,644	R\$	(134,699)	(6,992)
	USD	190,650	9,644	R\$	(134,699)	(6,992)
Year of Maturity at 2023						
Financial operations						
Commodities - Cotton	USD	6,713	-	R\$	(3,958)	-
	USD	6,713	-	R\$	(3,958)	-
Total	USD	226,725	191,116	R\$	(465,425)	(216,453)

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24 Management of risks and financial instruments (Continued)

d) Price risk (Continued)

Commodity price risk

The Company has projected the potential impact of changes in soybean and cotton prices in 5 scenarios for the years 2021 and 2022, as follows:

- Probable Scenario: Based on the closing price on 09/30/2021 of the reference future contract on the stock exchange where production is priced.
- 25% drop in the price of the reference futures contract on the exchange where production is priced.
- 50% drop in the price of the reference futures contract on the exchange where production is priced.
- 25% increase in the price of the reference future contract on the stock exchange where production is priced.
- 50% increase in the price of the reference future contract on the stock exchange where production is priced.

The price sensitivity assessment considers as exposure the total estimated revenue (highly probable sales revenue) and the totality of hedge instruments contracted, generally represented by future sales of agricultural products, in relation to the exposure of the same items sold (hedged highly probable sales revenue).

The following is a summary of the impacts in each projected scenario converted into R\$ 5.4173 by the PTAX sale at the end of September 29, 2021:

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24 Management of risks and financial instruments (Continued)

d) Price risk (Continued)

Commodity price risk (Continued)

Description	Income variation highly to price scenarios				
	Remote scenario -50%	Possible scenario -25%	Probable scenario	Possible scenario + 25%	Remote scenario +50%
Cotton - Year 2021					
Highly probable income	3,167,248	3,167,248	3,167,248	3,167,248	3,167,248
Highly probable income protected	3,167,248	3,167,248	3,167,248	3,167,248	3,167,248
Net exposure	-	-	-	-	-
Change in net exposure	-	-	-	-	-
Soybean - Year 2021					
Highly probable income	2,080,882	2,095,285	2,109,688	2,124,091	2,138,494
Highly probable income protected	2,052,076	2,052,076	2,052,076	2,052,076	2,052,076
Net exposure	28,806	43,209	57,612	72,015	86,418
Change in net exposure	(28,806)	(14,403)	-	14,403	28,806
Cotton - Year 2022					
Highly probable income	3,439,628	3,484,672	3,529,716	3,574,760	3,619,804
Highly probable income protected	3,349,540	3,349,540	3,349,540	3,349,540	3,349,540
Net exposure	90,088	135,132	180,176	225,220	270,264
Change in net exposure	(90,088)	(45,044)	-	45,044	90,088
Soybean - Year 2022					
Highly probable income	2,336,602	2,691,544	3,046,486	3,401,428	3,756,370
Highly probable income protected	1,626,718	1,626,718	1,626,718	1,626,718	1,626,718
Net exposure	709,884	1,064,826	1,419,768	1,774,710	2,129,652
Change in net exposure	(709,884)	(354,942)	-	354,942	709,884

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24 Management of risks and financial instruments (Continued)

e) Interest risk

A portion of the indebtedness related to the Company's export financing operations is linked to pre-fixed interest rates, which is the interest rate used in loans indexed to the US dollar or euro.

In order to hedge foreign exchange variation on loans, financings and suppliers, the Company carries out hedge operations through swap instruments with first-tier financial institutions. These operations consist of an exchange variation and pre-fixed interest rates or IPCA and pre-fixed interest rates (active position) for interest rates in CDI plus pre-fixed rate (passive position). The principal (notional) value and maturities of the swap operation is identical to the debt flow, which is the object of the hedge. In this way, the risk of exchange rate fluctuation is eliminated.

The following is a breakdown of the currency and interest rate swap transaction:

Counterparty	Hedge instrument	Hedged object	MTM	Financial income	Shareholders' equity
Itaú	Swap de R\$ 150MM (Assets VC / Liability CDI+Pré)	Debit of USD 28.6MM interest of 2.153% y.y.	(616)	4,270	(4,886)
Itaú	Swap de R\$ 112.5MM (Assets VC / Liability CDI+Pré)	Debit of USD 23.8MM interest of 0.95% y.y.	36,775	36,759	16
Rabobank	Swap de R\$ 200MM (Assets VC / Liability CDI+Pré)	Debit of USD 37.8MM interest of 1.87% y.y.	2,064	1,596	468
Bradesco	Swap of R\$ 200MM (Assets Pré / Liability CDI+Pré)	Debit of R\$ 200MM interest of 6.28% y.y.	4,085	10,689	(6,604)
Bradesco	Swap of R\$ 240MM (Assets Pré / Liability CDI+Pré)	Debit of R\$ 240MM interest IPCA of 3.6726% y.y.	(8,634)	16,013	(24,647)
Santander	Swap of R\$ 240MM (Assets Pré / Liability CDI+Pré)	Debit of R\$ 240MM interest IPCA of 3.6726% y.y.	(8,634)	16,013	(24,647)
Rabobank	Swap de R\$ 100MM (Assets VC / Liability CDI+Pré)	Debit of USD 17.25MM interest of 1.56% y.y.	(8,368)	(9,115)	747
Rabobank	Swap de R\$ 30MM (Assets VC / Liability CDI+Pré)	Debit of EUR 6.9MM interest of 1.11% y.y.	11,152	11,025	127
BBM	Swap de R\$ 15MM (Assets VC / Liability CDI+Pré)	Debit of USD 2.6MM interest of 2.38% y.y.	(1,107)	(1,261)	154
Rabobank	Swap de R\$ 5MM (Assets VC / Liability CDI+Pré)	Debit of EUR 1.15MM interest of 1.11% y.y.	1,859	1,837	22
Rabobank	Swap de R\$ 17,5MM (Assets VC / Liability CDI+Pré)	Debit of EUR 3.8MM interest of 0.81% y.y.	5,582	5,577	5
Rabobank	Swap de R\$ 17,5MM (Assets VC / Liability CDI+Pré)	Debit of EUR 3.8MM interest of 0.81% y.y.	5,582	5,577	5
			39,740	98,980	(59,240)

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24 Management of risks and financial instruments (Continued)

e) Interest risk

Risk of variations in interest rates

In order to verify the sensitivity of the indexes on the Company's debt, based on the position as of September 30, 2021, 5 different scenarios were defined. Based on the FOCUS report (Bacen) of September 24, 2021 we have defined the key figures for CDI, Foreign Exchange and IPCA. Based on this information we defined the Probable Scenario for the analysis and from this we calculated the variations of 25% and 50%. For each scenario, the financial expense or gross financial revenue was considered, not considering the incidence of taxes and the flow of maturities of debts and redemptions of financial investments scheduled for 2021. The base date for the portfolio was September 30, 2021, projecting the indexes for one year and checking their sensitivity in each scenario.

The following is a summary of the impacts over the next 12 months in each scenario:

	Interest rate (*)	Balance on 09/30/2021	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Debt in reais - prefixed rate							
Rural credit	5.50%	16,053	N/A	N/A	N/A	N/A	N/A
BNDES	5.52%	45,403	N/A	N/A	N/A	N/A	N/A
Debt in reais – post-fixed rate							
Working Capital	123,31% CDI	538,568	(23,834)	(32,114)	(40,395)	(48,675)	(56,956)
Export financing	120.60% CDI	549,675	(23,462)	(31,914)	(40,365)	(48,816)	(57,267)
CRA	99% CDI	365,037	(11,013)	(16,626)	(22,238)	(27,851)	(33,463)
Debits in dólares							
CRA	IPCA + 3.67% y.y.	521,429	(42,697)	(55,316)	(67,934)	(80,553)	(93,172)
Debits in dólares							
NCE	2.38%	14,227	N/A	N/A	N/A	N/A	N/A
NCE	1.56%	94,301	N/A	N/A	N/A	N/A	N/A
NCE	1.87%	205,750	N/A	N/A	N/A	N/A	N/A
Resolution 4131	2.15%	155,270	N/A	N/A	N/A	N/A	N/A
Debits in euro							
CCE	0.95%	149,911	N/A	N/A	N/A	N/A	N/A
NCE	0.81%	24,370	N/A	N/A	N/A	N/A	N/A
NCE	0.81%	24,370	N/A	N/A	N/A	N/A	N/A
NCE	1.11%	7,443	N/A	N/A	N/A	N/A	N/A
NCE	1.11%	44,655	N/A	N/A	N/A	N/A	N/A
Debits in dólares							
CPR-F	6.28%	226,193	N/A	N/A	N/A	N/A	N/A

(*) Average annual rates.

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24 Management of risks and financial instruments (Continued)

e) Interest risk (Continued)

Risk of variations in interest rates (Continued)

	Interest rate (*)	Balance on 09/30/2021	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Swaps - debits in dólares							
Swap VC x CDI + PRÉ (**)	Assets: 0.81% y.y. Liability: CDI + 0.85% y.y.	5,560	(218)	(304)	(389)	(475)	(560)
Swap VC x CDI + PRÉ (**)	Assets: 0.81% y.y. Liability: CDI + 0.85% y.y.	5,560	(218)	(304)	(389)	(475)	(560)
Swap VC x CDI + PRÉ (**)	Assets: 1.11% y.y. Liability: CDI + 0.75% y.y.	1,859	(71)	100	(128)	(157)	(185)
Swap VC x CDI + PRÉ (**)	Assets: 1.11% y.y. Liability: CDI + 0.75% y.y.	11,152	427	(597)	(770)	(941)	(1,112)
Swap VC x CDI + PRÉ (**)	Assets: 0.95% y.y. Liability: CDI + 1.07% y.y.	(616)	27	36	46	55	65
Swap PRÉ x CDI + PRÉ (**)	Assets: 6.28% y.y. Liability: CDI + 0.55% y.y.	36,775	(1,524)	(2,090)	(2,655)	(3,221)	(3,786)
Swap VC x CDI + PRÉ (**)	Assets: 2.38% y.y. Liability: CDI + 1.25% y.y.	4,085	(148)	(211)	(274)	(336)	(399)
Swap VC x CDI + PRÉ (**)	Assets: 1.56% y.y. Liability: CDI + 1.56% y.y.	(1,107)	48	65	82	99	(116)
Swap VC x CDI + PRÉ (**)	Assets: 1.87% y.y. Liability: CDI + 1.15% y.y.	(8,764)	406	541	676	810	945
Swap VC x IPCA + PRÉ (**)	Assets: 3.6726% y.y. Liability: CDI + 1.85% y.y.	36,292	(1,795)	(2,353)	(2,911)	(3,469)	(4,027)
Swap VC x IPCA + PRÉ (**)	Assets: 3.6726% y.y. Liability: CDI + 1.85% y.y.	(12,040)	593	778	963	1,148	1,333
Interest earnings bank deposits							
CDB and Debentures	100.33%	712,707	21,988	32,982	43,976	54,970	65,964

(*) Average annual rates.

(**) Amounts refer to the calculation of the adjustment of the transaction on September 30, 2021.

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24 Management of risks and financial instruments (Continued)

f) Credit risk

A substantial portion of the sales of the Company and its subsidiaries is made to select and highly qualified clients: trading companies and weaving mills among others that usually acquire large volumes to guarantee local and international trading. Credit risk is managed by specific customer acceptance rules, credit analysis and setting exposure limits per customer. Historically, the Company and its subsidiaries have not recorded significant losses on trade accounts receivable.

Depending on the above, the credit risk assumed is not relevant. The Company considers the balance of accounts receivable from customers as exposed to this risk. At September 30, 2021, the balance is R\$ 69,185 in the Parent Company and R\$ 85,418 in the consolidated (R\$ 178,085 in the Parent Company and R\$ 207,283 in the consolidated at December 31, 2020).

g) Liquidity risk

The gross outflows, disclosed below, represent the contractual undiscounted cash flows related to derivative and non-derivative financial liabilities held for risk management purposes and that are not normally closed before the contractual maturity. The table presents net cash flows for cash derivatives settled by net exposure and gross cash outflows for derivatives that have simultaneous gross settlement.

september 30, 2021	Parent Company							
	Book Value	Contractual cash flow	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
Financial liabilities								
Non Derivatives								
Loans and financing	2,651,262	2,987,781	1,022,308	1,186,053	527,642	241,028	2,190	8,560
Suppliers	762,815	762,815	762,815	-	-	-	-	-
Lease liabilities	4,447,981	8,039,342	622,237	610,047	566,938	556,672	548,487	5,134,961
	7,862,058	11,789,938	2,407,360	1,796,100	1,094,580	797,700	550,677	5,143,521
Derivatives								
Operations with Derivatives	471,740	471,740	450,330	88,620	15,421	(30,672)	(51,959)	-
	471,740	471,740	450,330	88,620	15,421	(30,672)	(51,959)	-
	8,333,798	12,261,678	2,857,690	1,884,720	1,110,001	767,028	498,718	5,143,521

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24 Management of risks and financial instruments (Continued)

g) Liquidity risk (Continued)

september 30, 2021	Consolidated							
	Book Value	Contractual cash flow	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
Financial liabilities								
Non Derivatives								
Loans and financing	2,968,066	3,319,590	1,217,311	1,313,571	532,052	242,396	3,045	11,215
Suppliers	1,129,503	1,129,503	1,129,503	-	-	-	-	-
Securities payable	105,749	12,273	12,273	-	-	-	-	-
Lease liabilities	3,079,023	5,590,625	522,114	479,341	420,793	390,119	379,120	3,399,138
	7,282,341	10,051,991	2,881,201	1,792,912	952,845	632,515	382,165	3,410,353
Derivatives								
Operations with Derivatives	536,853	536,853	510,608	90,007	18,869	(30,672)	(51,959)	-
	536,853	536,853	510,608	90,007	18,869	(30,672)	(51,959)	-
	7,819,194	10,588,844	3,391,809	1,882,919	971,714	601,843	330,206	3,410,353

Cash flows included in the maturity analysis are not expected to occur significantly earlier or at different values.

On February 23, 2021, the company S&P Global Ratings published a new corporate rating of the Company, classifying it as "[br AA]" in the national scale category (Brazil).

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24 Management of risks and financial instruments (Continued)

h) Summary of outstanding derivative transactions

The following table presents the consolidated derivative instruments of the Company that are reflected under assets and liabilities:

Description	Currency	Reference value (notional)		Currency	Fair value recorded in assets		Fair value recorded in liabilities	
		09/30/2021	12/31/2020		09/30/2021	12/31/2020	09/30/2021	12/31/2020
Hedge operations for exchange rates								
Non Deliverable Forwards - 24.c	USD	917,123	431,810	R\$	26,590	62,292	137,758	139,382
Subtotal	USD	917,123	431,810	R\$	26,590	62,292	137,758	139,382
Hedge operations for products								
Cotton - Financial operations 24.d	USD	217,667	190,317	R\$	78,629	6,977	548,453	223,455
Corn - Financial operations 24.d	USD	9,058	799	R\$	4,401	25	2	-
Subtotal	USD	226,725	191,116	R\$	83,030	7,002	548,455	223,455
Hedge operations for inputs								
Swap VC+Pré x CDI+Pré -24.e	USD	86,179	6,667	R\$	29,098	10,055	37,125	-
Subtotal	USD	86,179	6,667	R\$	29,098	10,055	37,125	-
Hedge operations for inputs								
Swap VC+Pré x CDI+Pré - 24.e	EUR	39,481	66,782	R\$	60,951	93,391	-	1,252
Subtotal	EUR	39,481	66,782	R\$	60,951	93,391	-	1,252
Interest protection operations								
Swap Pré x CDI+Pré	BRL	200,000	200,000	R\$	4,084	13,610	-	-
Swap IPCA+Pré x CDI+Pré	BRL	480,000	480,000	R\$	88,884	59,022	106,152	53,032
Subtotal	BRL	680,000	680,000	R\$	92,968	72,632	106,152	53,032
Total		-		R\$	292,637	245,372	829,490	417,121
Portion classified in current assets				R\$	136,057	98,587	646,665	358,969
Portion in noncurrent liabilities				R\$	156,580	146,785	182,825	58,152

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24 Management of risks and financial instruments (Continued)

i) Gains/losses on derivative transactions

The following table presents the consolidated gains and losses on derivative transactions in the year, grouped by the main risk categories:

Description	Currency	Gains and Losses recorded in the income				Gains and Losses recorded in shareholders' equity		
		Allocated in the gross income at		Allocated in the financial income at		09/30/2021	Movement	12/31/2020
		09/30/2021	09/30/2020	09/30/2021	09/30/2020			
Foreign exchange hedge operations								
Non deliverable forwards	R\$	(105,747)	(321,235)	15,135	-	(119,646)	(56,616)	(63,030)
Sub-total	R\$	(105,747)	(321,235)	15,135	-	(119,646)	(56,616)	(63,030)
Hedge operations for commodities								
Agricultural commodities swap								
Cotton	R\$	(154,268)	15,930	19,614	1	(452,032)	(230,956)	(221,076)
Sub-total	R\$	(154,268)	15,930	19,614	1	(452,032)	(230,956)	(221,076)
Interest Hedge Transactions								
Swap VC+Pré x CDI+Pré	R\$	-	-	(11,105)	144,177	(3,340)	(3,977)	637
Sub-total	R\$	-	-	(11,105)	144,177	(3,340)	(3,977)	637
Interest Hedge Transactions								
Swap Pré x CDI+Pré	R\$	-	-	4,072	4,141	(6,605)	(13,598)	6,993
Swap IPCA+Pré x CDI+Pré	R\$	-	-	30,004	-	(49,295)	(54,365)	5,070
Sub-total	R\$	-	-	34,076	4,141	(55,900)	(67,963)	12,063
Total		(260,015)	(305,305)	57,720	148,319	(630,918)	(359,512)	(271,406)

j) Management of capital stock

The main objective of capital management is to ensure the continuity of the Company's business, maintaining a low leverage policy, thus protecting its capital from government economic policy fluctuations, maximizing shareholder value.

The Company manages the capital structure and adjusts it considering the changing economic conditions in the country. To maintain or adjust the capital structure, the Company may adjust the dividend payment policy to the shareholders.

SLC Agrícola S.A.

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24 Management of risks and financial instruments (Continued)

j) Management of capital stock - (Continued)

There was no change in the dividend policy in the Company's capital management objectives, policies or processes in the period ended September 30, 2021.

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Short and long-term loans and financing	2,651,262	2,050,748	2,968,066	2,417,283
(-) Cash and cash equivalents and short-term interest earnings bank deposits	(382,551)	(1,319,953)	726,095	(1,604,716)
Gains and losses on derivatives linked to investments and debt	(16,672)	(92,761)	(39,740)	(121,794)
Net debt	<u>2,252,039</u>	<u>638,034</u>	<u>3,654,421</u>	<u>690,773</u>
Shareholders' equity	<u>3,595,111</u>	<u>2,940,379</u>	<u>3,845,681</u>	<u>3,151,058</u>
Financial leverage index	<u>62.64%</u>	<u>21.70%</u>	<u>95.03%</u>	<u>21.92%</u>

25 Share-based payments

a) Stock option plan

In the Extraordinary Shareholders' Meeting held on May 23, 2007, the Company's shareholders approved a stock option plan to take effect on June 15, 2007, for the Company's officers and managers. The plan is managed by the Management Committee, which was created by the Board of Directors on May 23, 2007.

The stock option plan is limited to a maximum number of options that results in the dilution of 3.75% of the Company's capital stock on the creation date of each Annual Program. Dilution corresponds to the percentage represented by the number of shares underlying the options divided by the total number of shares issued by the Company.

The beneficiaries of the Stock Option Plan may exercise their options within 5 years as from the respective grant date. The vesting period is up to three years, with 30% vested as from the first anniversary, 60% as from second anniversary and 100% as from the third anniversary. The Company has 30 days to issue the shares as from the delivery date of the Declaration of Exercise of the Stock Option Plan.

SLC Agrícola S.A.

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25 Share-based payments (Continued)

a) Stock option plan (Continued)

In meetings of the Board of Directors the following grants were approved:

Grant date	Plan (*)	Number of shres granted
11/08/2016	2016	363,500
11/08/2017	2017	373,000
11/13/2018	2018	195,893
11/13/2019	2019	613,750
11/06/2020	2020	637,450

(*) The 2015 to 2018 plans have their number of shares granted before the capital split.

The movements of the shares granted in the 2016, 2017, 2018, 2019 and 2020 Annual Program and the respective Strike prices, in BRL, are presented as follows:

Quantity of shares				
Grant year	Strike price - R\$ (*)	Balance in 12/31/2020	Exercised	Balance in 09/30/2021
2016	R\$ 11.64	14,600	(14,600)	-
2017	R\$ 18.02	220,400	(208,000)	12,400
2018	R\$ 46.25	295,906	(87,240)	208,666
2019	R\$ 14.23	531,525	(57,261)	474,264
2020	R\$ 20.03	637,450	-	637,450
		<u>1,699,881</u>	<u>(367,101)</u>	<u>1,332,780</u>

(*) The 2016 to 2018 plans have the value of their shares before the capital split.

The Strike price of the 2016, 2017, 2018, 2019 and 2020 annual programs were set based on the average of the 90 closing prices of the Company's shares at Bovespa, prior to the approval of the plan, with a 20% discount.

SLC Agrícola S.A.

Notes to the quarterly information
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25 Share-based payments (Continued)

a) Stock option plan (Continued)

The grace periods from the date of granting are as follows:

<u>Grace periods beginning as of grant date</u>	<u>% of options released to be exercised</u>	<u>Maximum quantity of shares</u>
As from– 11/13/2019	2%	26,056
As from– 11/08/2020	3%	38,456
As from– 11/12/2020	13%	168,861
As from– 11/06/2021	27%	360,096
As from– 11/12/2021	50%	664,945
As from– 11/06/2022	64%	856,180
As from– 11/12/2022	81%	1,077,800
As from– 11/06/2023	100%	1,332,780

The Company recognizes the cost of the option plan based on the fair value of the options granted, considering the fair value of the options at the date of grant. The model used for pricing the fair value of options is Black-Scholes for the 2017, 2018, 2019 and 2020 plans. The 2016 plan was priced using the Binomial model.

In determining the fair value of the options plans, the Company adopts the "Level 3" valuation technique.

The weighted average fair value, the premiums considered, and the economic assumptions used for the calculation in the model are presented below:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Weighted average fair value	R\$ 17.20	R\$ 18.02	R\$ 46.25	R\$ 14.23	R\$ 20.03
Awards	R\$ 5.56	R\$ 6.93	R\$ 18.16	6.05	R\$ 8.31
Dividends	1.00%	1.00%	1.00%	3.50%	5.80%
Volatility of share price	32.39%	32.39%	36.80%	41.45%	41.03%
Risk-free rate of return					
1st maturity	12.27%	7.12%	6.95%	4.57%	3.11%
2nd maturity	11.49%	8.30%	8.01%	5.14%	4.72%
3rd maturity	11.27%	9.18%	8.86%	5.68%	5.81%
Period expected up to the maturity					
1st maturity	366	365	365	365	365
2nd maturity	731	730	730	730	730
3rd maturity	1,096	1,095	1,095	1,095	1,095

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Notes to the quarterly information
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25 Share-based payments (Continued)

a) Stock option plan (Continued)

Reconciliation of outstanding stock options

The number and weighted average share option prices under the share option program are as follows:

	Weighted average of the exercise		Weighted average of the exercise	
	09/30/2021	Number of options	12/31/2020	Number of options
Outstanding at January 1	R\$30.91	1,699,881	R\$30.73	1,737,186
Granted during the period	-	-	R\$20.03	613,750
Exercised during the period	R\$23.88	(367,101)	R\$20.11	(449,725)
Canceled during the period	-	-	R\$20.33	(225,030)
Outstanding	R\$32.85	1,332,780	R\$30.91	1,699,881
Exercisable	R\$27.79	168,861	R\$25.11	535,962

Options outstanding as of September 30, 2021 have a Strike price in the range of R\$ 23.88 to R\$ 32.85 (R\$ 20.11 to R\$ 30.91 as of December 31, 2020).

The weighted average stock price on the exercise date for stock options exercised in the period ended September 30, 2021 was R\$ 27.79 (R\$ 25.11 at December 31, 2020).

b) Restricted Share Plan

In an Extraordinary General Meeting held on April 29, 2015, the Company's shareholders approved a restricted share plan, to be effective as of November 11, 2015, for the Company's officers and managers. The plan is managed by the Management Committee, created by the Board of Directors on May 23, 2007.

The total number of Restricted Shares that may be granted annually under the Plan, in the sum of all active Programs, shall not exceed 1% (one percent) of the shares representing the total capital stock of the Company.

The beneficiaries of the Restricted Shares Plan shall acquire the rights to the Restricted Shares to the extent that they remain continuously bound as administrator or employee of the Company or other company under its control, for the period between the Granting Date and the specified dates. The vesting period is up to 3 years, with releases of 30% from the first anniversary, 60% from the second anniversary and 100% from the third anniversary.

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25 Share-based payments (Continued)

b) Restricted Share Plan (Continued)

Until the rights to the Restricted Shares are fully vested, according to the conditions set forth above, the beneficiary may not pledge, sell, assign, dispose or transfer, directly or indirectly, the Restricted Shares. Once the conditions established are met and provided that the applicable legal and regulatory requirements are complied with, including but not limited to obtaining authorization from the Brazilian Securities and Exchange Commission for private transfer of shares, the Company will transfer the respective Restricted Shares to the name of the beneficiary, by means of a term of transfer of the Company's registered shares in the system of the agent responsible for the bookkeeping of the shares issued by the Company, at no cost to the beneficiary.

At meetings of the Board of Directors held on November 13, 2018, November 13, 2019 and November 06, 2020, the Restricted Shares Award Programs for 2018, 2019 and 2020 were approved with the granting of 48,973 (before the capital split), 153,438 and 159,363 shares, respectively.

Grant year	Fair value at grant - R\$ (*)	Quantity of shares	
		Balance on 12/31/2020	Balance on 09/30/2021
2018	R\$ 54.60	34,663	34,663
2019	R\$ 18.46	96,972	96,972
2020	R\$ 27.20	159,363	159,363
		<u>290,998</u>	<u>290,998</u>

(*) The 2018 plan has the value of its shares before the capital split.

In compliance with CPC 10 (R1), based on the grace periods presented, the amounts with restricted share plans were recognized in the statement of income according to the length of the *vesting* period, with a corresponding entry in shareholders' equity in a specific capital reserve account. In current liabilities, in a specific account for labor obligations, the amounts of INSS and FGTS (expenses), as presented below:

	Plan of restricted shares	
	09/30/2021	09/30/2020
Expense	R\$ 2,652	R\$ 1,988
INSS Expense	R\$ 713	R\$ 251
FGTS Expense	R\$ 689	R\$ 222

In compliance with CPC 10 (R1), based on the grace periods presented, the amounts with stock options plan and restricted stock plan were recognized in the statement of income, due to the expiration of the vesting period, with a corresponding entry in shareholders' equity in a specific capital reserve account, the amount of R\$ 5,901 (expense) at September 30, 2021 (R\$ 4,597 at September 30, 2020).

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26 Net sales revenue

We present below the gross operating revenue:

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Gross operating income	2,338,687	1,725,364	2,900,526	2,044,857
Sale of goods	2,574,245	1,974,105	3,160,541	2,350,162
Income (loss) from hedge operations	(235,558)	(248,741)	(260,015)	(305,305)
Deductions, taxes and contributions	(57,229)	(58,589)	(86,818)	(73,079)
Net operating income	2,281,458	1,666,775	2,813,708	1,971,778

27 Nature of expenses

The Company's income statements are presented by function. The following sets forth the breakdown of expenses by nature.

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Expenses according to the role				
Cost of goods sold	(2,203,261)	(1,642,178)	(2,698,667)	(1,930,171)
Sales expenses	(102,012)	(86,250)	(123,901)	(101,873)
General and administrative expenses	(136,671)	(64,771)	(155,174)	(72,523)
Other operating expenses	(8,710)	(6,499)	(9,271)	(6,962)
	(2,450,654)	(1,799,698)	(2,987,013)	(2,111,529)
Expenses per type				
Depreciation and amortization	(66,984)	(57,069)	(99,555)	(84,982)
Personnel expenses	(257,845)	(190,284)	(314,461)	(229,512)
Raw material and material	(1,168,373)	(930,886)	(1,441,239)	(1,118,742)
Rents and leases	(11,890)	(18,563)	(17,956)	(17,889)
Amortization of right of use	(122,990)	(79,610)	(86,855)	(49,457)
COGS biological asset variation	(781,120)	(485,427)	(976,321)	(565,333)
Freight	(32,742)	(31,057)	(37,995)	(34,448)
Other expenses	(8,710)	(6,802)	(12,631)	(11,166)
	(2,450,654)	(1,799,698)	(2,987,013)	(2,111,529)

SLC Agrícola S.A.

Notes to the quarterly information

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28 Reporting by segment

The Group has two reportable segments, as described below, which are the strategic business units of the Group. The strategic business units offer different products and services, for each of the strategic business units, Management reviews internal reporting at least once a quarter. The following summary describes the operations in each of the Group's reportable segments:

- Agricultural production segment: growing mainly cotton, soybean and corn crops.
- Land portfolio segment: acquisition and development of land for agriculture.

Information regarding the results of each reportable segment is included below. Performance is evaluated based on the segment's profit before income tax and social contribution, as included in the internal reports that are analyzed by the Group's Management. Segment profit is used to evaluate performance, as management believes that such information is more relevant in assessing segment results.

Information on reportable segments

	Agricultural Production		Land		Eliminations		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Net revenue	2,853,057	1,982,415	229,764	143,742	(269,113)	(154,379)	2,813,708	1,971,778
Biologic assets	1,583,061	690,204	-	-	-	-	1,583,061	690,204
Products Costs	(2,763,948)	(1,966,732)	(8,885)	(8,515)	74,166	45,076	(2,698,667)	(1,930,171)
Gross income	1,672,170	705,887	220,879	135,227	(194,947)	(109,303)	1,698,102	731,811
Operating expenses/ income	51,018	(96,609)	105,344	(3,704)	(343,956)	(85,703)	(187,594)	(186,016)
Sales expenses	(123,901)	(101,873)	-	-	-	-	(123,901)	(101,873)
General and administrative expenses	(159,337)	(75,685)	(2,557)	(3,279)	6,720	6,441	(155,174)	(72,523)
Management compensation	(14,055)	(11,002)	(278)	(466)	-	-	(14,333)	(11,468)
Other operating income (expenses)	354,191	91,951	108,179	41	(347,647)	(92,144)	114,723	(152)
Added value on investment	(5,880)	-	-	-	(3,029)	-	(8,909)	-
Income before financial income and taxes	1,723,188	609,278	326,223	131,523	(538,903)	(195,006)	1,510,508	545,795
Net financial income	(327,680)	(162,441)	3,779	3,469	137,606	72,105	(186,295)	(86,867)
Income before income tax	1,395,508	446,837	330,002	134,992	(401,297)	(122,901)	1,324,213	458,928
Income and social contribution taxes	(367,814)	(122,827)	(31,280)	(18,630)	12,680	(694)	(386,414)	(142,151)
Consolidated Income for the period	1,027,694	324,010	298,722	116,362	(388,617)	(123,595)	937,799	316,777

SLC Agrícola S.A.

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28 Reporting by segment (Continued)

Information on reportable segments (Continued)

	Agricultural Production		Land		Eliminations		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Current assets	5,170,733	4,093,468	207,588	166,105	(132,960)	(58,193)	5,245,361	4,201,380
Non-current assets	11,318,658	6,242,100	2,295,540	2,255,731	(6,034,126)	(4,109,520)	7,580,072	4,388,311
Total assets	16,489,391	10,335,568	2,503,128	2,421,836	(6,167,086)	(4,167,713)	12,825,433	8,589,691
Current liabilities	4,285,103	2,547,435	58,896	46,707	(303,565)	(257,045)	4,040,434	2,337,097
Non-current liabilities	8,228,106	4,635,116	66,658	70,779	(3,355,446)	(1,604,359)	4,939,318	3,101,536
Shareholders' equity	3,976,182	3,153,017	2,377,574	2,304,350	(2,508,075)	(2,306,309)	3,845,681	3,151,058
Total liabilities and shareholders' equity	16,489,391	10,335,568	2,503,128	2,421,836	(6,167,086)	(4,167,713)	12,825,433	8,589,691

The Group sells its products to the domestic and foreign markets. In sales to the external market are considered the sales made directly, with the Group as operator, and indirectly, with sales to commercial exporters based in Brazil.

Consolidated domestic and foreign sales are thus represented:

	09/30/2021	09/30/2020
Domestic market	714,564	497,647
Sale of goods	714,564	497,647
Foreign market	2,185,962	1,547,210
Sale of goods - indirect export	1,411,366	1,042,000
Income from hedge operations indirect	(19,266)	(94,645)
Sale of goods - direct export	1,034,610	810,515
Income from hedge operations direct	(240,749)	(210,660)
Gross operating income	2,900,526	2,044,857
Deductions, taxes and contributions	(86,818)	(73,079)
Net operating income	2,813,708	1,971,778

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Notes to the quarterly information
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28 Reporting by segment (Continued)

Information on reportable segments (Continued)

Gross product sales information, by geographic segment, has been prepared from the country of origin of the revenue and can thus be presented:

Country	09/30/2021		09/30/2020	
	Value	% Participation	Value	% Participation
Indonesia	252,245	24.38	267,000	32.94
Turkey	205,360	19.85	82,319	10.16
China	177,483	17.15	134,517	16.60
Vietnam	133,029	12.86	107,903	13.31
Bangladesh	126,259	12.20	101,063	12.47
Pakistan	45,576	4.41	67,027	8.27
Malaysia	42,964	4.15	34,036	4.20
Thailand	14,627	1.41	-	-
Korea	14,202	1.37	-	-
India	1,511	0.16	-	-
Others	21,354	2.05	16,650	2.05
	1,034,610	100.00	810,515	100.00

The amount of revenue from major customers is thus represented:

Customer	Agricultural Product				Total	% on product sales (without effect of hedge operations)
	Fheathered cotton	Bulk corn	Bulk soybeans			
Cargill Agrícola S.A.	-	106,725	548,981		655,706	21.57%
Loius Dreyfus Company Suisse S.A.	292,250	28,698	136,646		457,594	15.05%
Adm do Brasil LTDA	-	56,530	267,791		324,321	10.67%
	292,250	191,953	953,418		1,437,621	47.29%

29 Subsequent event

The Agribusiness Receivables Certificate (CRA), issued on June 14, 2019 and maturing on 06/13/2023, disclosed in Note 17 (i), was settled in advance on October 28, 2021 with the securitization company, for the amount of R\$366,752 and realized to investors on November 1, 2021, as requested by the Company. To this end, the securitization company issued an early redemption notice, published in the Official Business Gazette on September 25, 2021, which offered a period for investors to manifest until October 18, 2021.

(A free translation of the original in Portuguese)

MATERIAL FACT

INITIAL ESTIMATES FOR 2021/22 CROP YEAR, AND UPDATE ON HEDGE POSITION

SLC Agrícola S.A (B3: SLCE3; ADR's: SLCJY; BLOOMBERG: SLCE3:BZ; Refinitiv: SLCE3.SA) ("SLC Agrícola"), informs its shareholders and the market in general about the initial intention of planted area, yields and production costs per hectare for the 2021/22 harvest, as well as the updated commodities and exchange hedge position for the 2020/21, 2021/22 and 2022/23 harvests.

Our current estimate is **668.8 thousand hectares** of planted area, an increase of **44.4%** compared to the previous crop year. This strong growth in planted area reflects the last two operations completed by the company, the business combination with Terra Santa Agro S.A and the lease agreement with Agrícola Xingu S.A.

PLANTED AREA PER CROP (Hectares)

Crop Mix	Planted Area	Planted Area	Share	Δ%
	2020/21	2021/22 ⁽¹⁾	2021/22	
	-----ha-----		%	
Cotton	109,604	175,961	26.3%	60.5%
<i>Cotton lint 1st crop</i>	78,011	86,021	12.9%	10.3%
<i>Cotton lint 2nd crop</i>	31,594	89,940	13.5%	184.7%
Soybean (Commercial + Seed)	235,444	336,464	50.2%	46.6%
Corn 2nd crop	106,470	121,572	18.2%	14.2%
Other Crops ⁽²⁾	11,649	34,792	5.2%	97.2%
Total Area	463,167	668,790	100.0%	44.4%

⁽¹⁾ Weather factors may affect the planted area forecast.

⁽²⁾ Other Crops (First-crop corn 13.818,10 ha, Corn seed 606.69 ha, Popcorn 2,010.55 ha, Wheat 636.48 ha, Cattle 3,869.48, Brachiaria seed 6,873.52 ha and Mungo bean 6,976.99) amounted to 34,791.81 ha.

Projected costs per hectare in Brazilian real for the 2021/22 crop year increased 16.1% compared to actual costs in the 2020/21 crop year.

The main factors contributing to this increase were:

- (i) higher prices for our main inputs, such as seeds and fertilizers;
- (ii) higher costs with fuel and energy (increase in price and tariff);
- (iii) higher costs with leases, which are linked to the price of soybean bags. The planted area on leased areas increased from 58% (2020/21 crop year) to 69% (2021/22 crop year).

The increase in costs is being offset by the increase in commodity prices in R\$.

PRODUCTION COST (R\$/ha)

Total (R\$/ha)	Achieved 2020/21 ⁽¹⁾	Budget 2021/22	Δ%
Cotton 1 st crop	10,971	12,658	15.4%
Cotton 2 nd crop	9,951	10,863	9.2%
Soybean	3,529	4,131	17.1%
Corn 2 nd crop	2,990	3,939	31.7%
Total average cost	5,608⁽²⁾	6,509⁽²⁾	16.1%

⁽¹⁾ Figures may suffer changes by the end of cotton processing and the sale of grains.

⁽²⁾ Weighted by areas in the 2020/21 crop year to avoid impacts from changes in the product mix.

(A free translation of the original in Portuguese)

Yield estimates for the upcoming crop follow the trendline, thus incorporating the relevant gains achieved over the previous years.

YIELDS (kg/ha)

Yields (kg/ha)	Safra 2020/21 Realizado (a)	Safra 2021/22 Orçado (b)	Δ% (b) x (a)
Cotton lint 1 st crop	1,899	1,871	-1.5%
Cotton lint 2 nd crop	1,607	1,804	12.3%
Cotton seed	2,287	2,299	0.5%
Soybean (Commercial + Seed)	3,970	3,765	-5.2%
Corn 2 nd crop	5,712	7,653	34.0%

The following is our current FX and commodity hedging position:

HEDGE POSITION

FX Hedge – Soybean				Commercial Hedge - Soybean			
Crop	2020/21	2021/22	2022/23	Crop	2020/21	2021/22	2022/23
%	100.5	40.5	10.0	%	99.2	49.3	7.4
R\$/USD	5.2505	5.5640	6.1986	USD/bu ⁽²⁾	12.42	12.46	13.27
Commitments % ⁽¹⁾	-	25.1	59.3	Commitments % ⁽¹⁾	-	10.9	20.3

FX Hedge – Cotton				Commercial Hedge - Cotton			
Crop	2020/21	2021/22	2022/23	Ano agrícola	2020/21	2021/22	2022/23
%	96.7	40.7	15.0	%	97.3	65.4	10.0
R\$/USD	5.4333	5.9015	6.2946	US\$/lb ⁽²⁾	70.8	78.2	80.56
Commitments % ⁽¹⁾	-	27.6	50.8	Commitments % ⁽¹⁾	-	-	-

FX Hedge – Corn				Commercial Hedge – Corn			
Crop	2020/21	2021/22	2022/23	Crop	2020/21	2021/22	2022/23
%	102.1	48.7	24.7	%	96.7	59.9	38.5
R\$/USD	5.2327	5.7101	6.3320	R\$/bag ⁽³⁾	41.01	53.89	61.17
Commitments % ⁽¹⁾	-	17.3	40.3	Commitments % ⁽¹⁾	-	-	-

⁽¹⁾ Commitments with debt payments in U.S. dollar. ⁽²⁾ Based on FOB Port (prices at our production units are also influenced by transport expenses and possible quality discounts). ⁽³⁾ Natural hedge with payments related to land acquisitions and leasing agreements in soybean bags. ⁽⁵⁾ Farm price.

Independent auditor's review report on quarterly information

The Shareholders, Board of Directors and Officers
SLC Agrícola S.A.
Porto Alegre - RS

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of SLC Agrícola S.A. (the "Company") for the quarter ended September 30, 2021, comprising the statement of financial position as of September 30, 2021 and the related statements of profit or loss and of comprehensive income for the three and nine-month periods then ended, and of changes in equity and of cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 – Interim Financial Reporting and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information form referred to above are not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Statements of value added

The abovementioned quarterly information includes the individual and consolidated statement of value added (SVA) for the nine-month period ended September 30, 2021, prepared under Company's Management responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

Porto Alegre, November 10, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC 2SP015199/F-7

Guilherme Ghidini Neto
Accountant CRC RS 067795/O-5

Opinions and Statements / Opinion of the Fiscal Council or Equivalent Body

The Fiscal Council of SLC Agrícola S.A., in compliance with the legal and statutory provisions, examined the Management Report and the individual and consolidated Financial Statements of SLC Agrícola S.A., all referring to the quarter ended on September 30, 2021.

The Fiscal Council also examined the report of Ernst&Young Auditores Independentes S.S., dated November 10, 2021, as well as how did you receive the information and clarifications requested during the quarter

Porto Alegre, State of Rio Grande do Sul, November 10, 2021.

João Carlos Sfreddo
Chairman of the Fiscal Council

Paulo Roberto Kruse
Advisor

Mauricio Rocha Alves de Carvalho
Advisor

Declarations Board of Executive Officers on the Financial Statements

In compliance with the established in Article 25 of CVM Instruction No. 480/09 of 7 December 2009, the Board declares that reviewed, discussed and agreed with the Financial Statements (Parent Company and Consolidated) for the year ended September 30, 2021.

Porto Alegre, November 10, 2021.

Aurelio Pavinato
Chief Executive Officer

Ivo Marcon Brum
CFO and Investor Relations

Gustavo Macedo Lunardi
Director of Production and Supplies

Aldo Roberto Tisott
Director of Sales and New Business

Alvaro Luis Dilli
Director of Human Resources and Sustainability

Declarations Board of Executive Officers on the Report of Independent Auditors

In compliance with the established in Article 25 of CVM Instruction No. 480/09 of 7 December 2009, the Board declares that reviewed, discussed and agreed with the opinion expressed in the Independent Auditors' Report, dated on November 10, 2021, on to the Financial Statements (Parent Company and Consolidated) for the year ended September 30, 2021.

Porto Alegre, November 10, 2021.

Aurelio Pavinato
Chief Executive Officer

Ivo Marcon Brum
CFO and Investor Relations

Gustavo Macedo Lunardi
Director of Production and Supplies

Aldo Roberto Tisott
Director of Sales and New Business

Alvaro Luis Dilli
Director of Human Resources and Sustainability