SLC Agrícola

2023 MANAGEMENT Report

Contents

Introduction

Introduction

Porto Alegre, March 06, 2024

SLC AGRÍCOLA S.A. (B3; SLCE3; ADRs: SLCJY; Bloomberg: SLCE3BZ; Reuters: SLCE3.SA) announces today its results for fourth quarter 2023. The following financial and operating information is presented in accordance with International Financial Reporting Standards (IFRS). The information has been prepared on a consolidated basis and is presented in thousands of Brazilian reais, except where stated otherwise.

Terms

"2022"
means data, based on the consolidated interim financial statements, covering the operations of the Company and of its subsidiaries for the twelve-month period from January to December 2022.

"2023"
means data, based on the consolidated interim financial statements, covering the operations of the Company and of its subsidiaries for the twelve-month period from January to December 2023.

"HA"
or Horizontal Analysis, means the horizontal percentage change between two periods.

"VA"
or Vertical Analysis, refers to the percentage representativeness of the line item over a given total.

Cotton seed
seed of cotton intended for planting cotton crops

Cottonseed
sub-product from the production of cotton used for manufacturing vegetable oil and animal feed.

Message from Management

Year 2023 was marked by exceptional yields and strong results of operations.

We achieved exceptionally strong yields in the year: nearly matching our soybean yield record and setting new records for cotton and corn.

Operating overview – Crop Year 2022/2023

During the 2022/2023 crop year, we achieved outstanding yields despite a 20% reduction in fertilizer use (potassium chloride and phosphates). We maintained excellent soybean yields (nearly matching our previous record), while both cotton lint and second-crop corn yields set new records for the Company and exceeded national averages.

Soybean yield was 3,904 kg/ha. While our 2023 yield was 1.8% lower than the record set in the previous year, it aligned with our initial projections and was 11.3% higher than the national average, according to data from the Brazilian Food Supply Corporation (CONAB) as of February 2024.

First-crop cotton lint yield was 2,000 kg per hectare, exceeding projections by 3.8% and outperforming the previous harvest by 18.9%. Second-crop cotton lint yield was 2,037 kg/ha lint, exceeding projections by 10.8% and rising by 56.1% on the 2021/2022 crop year. Combined first- and second-crop cotton lint yields surpassed the national average (CONAB, February 2024) by 5.8%.

Second-crop corn yield set a new record at 7,708 kg/ha, which was 29.5% higher than the national average (CONAB, February 2024).

Costs per hectare for the 2022/2023 crop year were 0.9% lower on average than budgeted figures. This reduction was primarily attributed to the impact of lower prices on soybeans from leased land and the adoption of new technologies for precision crop input application. In addition, higher yields positively affected the unit costs per crop (R$/kg). Costs fell by 2.4% for first-crop cotton, by 6.5% for second-crop cotton, by 4.3% for soybeans, and by 2.3% for corn.

In 2023, the seed segment posted an EBITDA of R$ 87 million with an EBITDA margin of 14.3%, a 3.3 percentage-point decrease from 2022 due to higher general and administrative expenses. Net income was R$ 41.9 million with a net margin of 6.9%.

Our target for 2024 is to sell 1,250,300 bags of 200,000 soybean seeds each, and 143,318 bags of 200,000 cotton seed each, a year-on-year increase of respectively 22.5% and 10.3%.

2023 Highlights

In terms of financial performance in 2023, we posted a net revenue of R$ 7,2 bn, a net income of R$ 938 million and a net margin of 13%. Adjusted EBITDA was R$ 2.7 billion, with an adjusted EBITDA margin of 37.5% and free cash flow of R$ 429 million. Cash generation was affected by the delayed shipment of cotton lint from the 2022/23 crop year (101,000 metric tons were shipped in 2023 and a balance of 226,000 metric tons remains to be shipped in 2024) and by the purchase of 12,000 hectares of land from Fazenda Paysandu, involving a disbursement of R$ 290 million during the year. Despite these factors, our leverage remained low at 1.06x.

In April 2023, our shareholders approved the distribution of R$ 602 million in dividends and interest on own capital, representing 50% of the adjusted net income of the parent company (R$ 71 million as interest on own capital paid in January, and R$ 531 million as dividends, paid in May). In addition, 10% bonus issue of shares was approved, entailing one new share for every ten common shares held as of May 8, 2023.

We continued to implement our Share Buyback Programs throughout 2023, repurchasing approximately 2.5% of the Company's shares during the year. The cancellation of 5.2% of our total share capital was additionally approved. In November 2023, a new share buyback program was launched to purchase an additional 2.0% of the company's total capital, and is currently ongoing. Approval was also given to split all existing common shares in the Company, with each existing common share now corresponding to 2 common shares.

The Company will propose, via a Management Proposal, a distribution of dividends corresponding to 50% of parent company net income (fiscal year 2023), i.e. R$ 389 million. Of this amount, R$ 24 million has already been distributed as interest on own capital paid in January 2024, and will be included in the calculation of the mandatory dividend.

In June, we disclosed an appraisal of the Company's land holdings conducted by independent consultancy Deloitte Touche Tohmatsu Ltda. Company-owned lands were valued at nearly R$ 11 billion, reflecting a 12% appreciation of the adjusted portfolio compared to the previous year.

Operating overview – Crop Year 2023/2024

The early 2023/2024 crop year was marked by adverse weather caused by El Niño. In Brazil's *Cerrado* region, rainfall fell below historical averages and temperatures rose, creating conditions unsuitable for soybean development, particularly in western Mato Grosso, the area most severely impacted by drought. Consequently, we adjusted the amount of planted area to optimize crop yields and economic performance.

While the drought in Mato Grosso affected soybean crops, other regions were unaffected and should see strong yields, underscoring the Company's climate resilience through geographic diversification. Potential cotton yields are promising after rainfall in the *Cerrado* normalized by mid-December, benefiting both cotton and corn. Planting is anticipated to conclude by early March.

Costs per hectare budgeted for the 2023/2024 crop year registered an average increase in Brazilian real of 10% compared to budgeted costs in the 2022/2023 crop year, reflecting mainly the lower prices of our main inputs.

We continued to pursue our hedging strategy for the 2023/2024 crop year. Hedging levels reached 70.7% for soybeans, including commitments; 37.4% for corn; and notably improved for cotton in response to recent market developments, with a current hedging level of 40%. We have capitalized on periods of dollar strength to lock the dollar-denominated value of our crops (*see* table 35).

Inputs purchased for crop year 2024/2025

For the upcoming 2024/2025 crop year, with planting beginning in September 2024, we have secured a portion of our aggregate fertilizer requirement. Specifically, we have successfully purchased 87% of phosphate, 82% of potassium chloride, and 16% of nitrogenous fertilizer requirements, capturing favorable market opportunities.

ESG

During the crop year we certified two farms under the Regenerative Agriculture Practices (Regenagri) program, making us the largest certified cotton and soybean producer by area in the Americas. In addition, SLC Agrícola received a leadership-level score of A- for its climate change disclosures to the CDP. We also rose 18 positions in the Brazilian stock exchange B3's Corporate Sustainability Index (ISE B3), which tracks the stocks of companies committed to sustainability. SLC Agrícola has been a publicly traded company for 16 years now, and is currently a constituent of three ESG-related indexes ISE, ICO2, and IGPTW.

We would like to thank our shareholders, employees, and other stakeholders for their continued support in yet another year of strong results.

Management

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ABOUT SLC *Agrícola*

About SLC Agrícola

SLC Agrícola's history as a company is intertwined with the development of agribusiness in Brazil. Founded in 1977 by the SLC Group, our Company has grown to become an industry-leading producer of sustainable agricultural commodities by implementing innovative cultivation methods that enhance end-to-end value chain sustainability.

As part of our strategy, we have sought to diversify our crop assortment. The main commodities we produce are cotton, soybeans and corn, grown on 22 farms in seven Brazilian states. We also raise cattle in sustainable crop-livestock systems. In addition, we produce high-quality soybean and cotton seed for Brazilian farmers under the SLC Sementes brand. We serve customers in important consumer markets including China and other Asian countries.

Headquartered in Porto Alegre (RS), we are a publicly traded company listed on the Brazilian stock exchange (B3), and we are a constituent of the Ibovespa (Bovespa Index) and some of the leading ESG-related indices, including the B3 Corporate Sustainability Index (ISE B3), Carbon Index (ICO2 B3) and Great Place to Work Index (IGPTW B3). SLC Agrícola is listed in *Novo Mercado*, an enhanced-governance listing segment, and has Level 1 ADRs (American Depositary Receipts) traded in the US over-the-counter market under the ticker symbol "SLCJY".

We ended 2023 with 5,757 fixed and temporary employees, and continue to develop initiatives focused on diversity and inclusion as part of our people management strategy.

OUR BIG DREAM

Positively impact future generations, being a world leader in efficiency in the agricultural business and respect for our planet.

OUR VALUES

We believe that those who have a passion for what they do are committed and do so with the highest quality, preserving their integrity through ethical, coherent and unquestionable conduct. These combined attitudes generate lasting and respectful relationships between all stakeholders, producing sustainable results that are economically viable, socially fair and environmentally responsible.

INTEGRITY

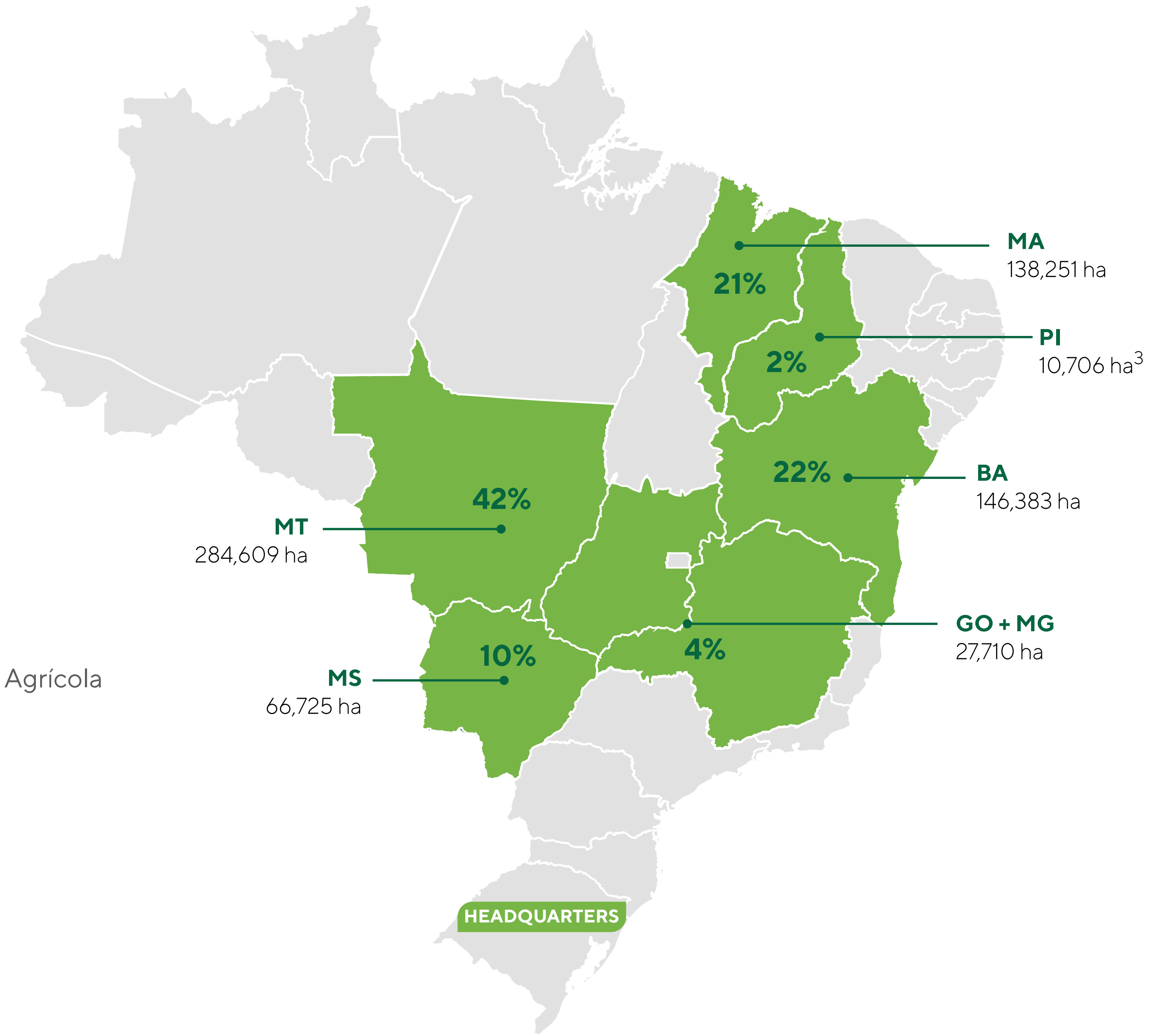
PASSION FOR WHAT WE DO

ENDURING **RELATIONSHIPS**

SUSTAINABLE **RESULTS**

OUR GEOGRAPHIES[1]

Headquartered in Porto Alegre (RS), we have 22 production operations across seven Brazilian states. Our diversified geographies have been strategically planned to minimize climate-, pest- and disease-related risks. Most of our agricultural operations are located in Brazil's Cerrado (a.k.a. Brazilian Savannah)



States hosting SLC Agrícola operations[2]

TOTAL PLANTED AREA

MT	Pioneira	33,552 ha
	Perdizes	27,163 ha
	Paiaguás	63,572 ha
	Planorte	31,685 ha
	Próspera	32,382 ha
	Pejuçara	14,787 ha
	Piracema	18,729 ha
	Pampeira	41,089 ha
	Pirapora	21,650 ha
MS	Pantanal	44,772 ha
	Planalto	21,953 ha
MA	Parnaíba	45,694 ha
	Palmeira	33,496 ha
	Planeste	59,061 ha
PI	Parnaguá	10,706 ha
BA	Partner	13,035 ha
	Palmares	25,269 ha
	Paladino	21,866 ha
	Piratini	20,984 ha
	Panorama	22,409 ha
	Paysandu	42,820 ha
GO & MG	Pamplona	27,710 ha
PI	Paineira	Leased

Note: includes 1st and 2nd crops.

[1] *This map is for crop year 2022/2023. In crop year 2023/24, we curtailed production on the Pejuçara property and started production on the Paineira property.*
[2] *The percent figures are planted area in each region out of the Company's total planted area.*
[3] *PI owns a farm leased to third parties.*

Strategy

SLC Agrícola has grown and developed in tandem with the agribusiness sector in Brazil. Since our Company was founded, we have responded to market opportunities and demand by expanding our production capacity, forging partnerships and deploying new technologies to improve the yield of our business.

The third phase of our growth strategy, launched in 2015, is focused on technology, including digitalization and the introduction of new agricultural tools. We have worked to continuously improve yields by investing in innovation while building a position of stewardship in ESG.

In 2022, we established an investment partnership with Kothe Logística to build a soybean seed processing and storage facility in the state of Mato Grosso. The new facility will be the largest and most modern of its kind in Latin America, and is expected to expand SLC Sementes' market share in the region.

PROGRESS ON OUR STRATEGY

ZERO DEFORESTATION

In 2021, we launched a Zero Deforestation Policy formalizing SLC Agrícola's commitment not to convert areas hosting native vegetation for agricultural use, even if legally permitted to do so. The Policy also establishes rules on efficient land use to preserve the integrity of natural ecosystems.

The only exception under our Zero Deforestation Policy is clearing isolated patches of vegetation where strictly necessary for cases such as road maintenance, power line rights-of-way, fire breaks and water intakes.

SUSTAINABILITY ROADMAP

Our strategic plan places a significant focus on keeping SLC Agrícola at the forefront of environmental, social and governance practices. To guide our projects and engage our people around this aspiration, we have set five strategic goals and related targets that are tracked every two months by the ESG Committee:

Strategic Goals

- **Net Zero** across scopes 1 and 2 by 2030
- **Farm IMS certification**
- **Create a safe** environment for all
- **Provide education in local communities,** covering agriculture and the environment
- **Provide education and education incentives for employees**

Strategic targets	Timeframe
Achieve net zero across scope 1 and 2 emissions	2030
All farms with Integrated Management System (IMS) - ISO 14001, ISO 45001, NBR 16001	2028
Zero lost-time injuries	2028
100% of employees with a primary education	2028
Implement our *Semeando Sustentabilidade* ("Sewing Sustainability")[1] program in five municipalities where SLC Agrícola operates	2024

[1] *This Program provides environmental education to 5th to 9th grade students in public schools, in line with Law no. 9795/99.*

See the status of each target in our Integrated Report.

Governance structure

Our governance structure reflects SLC Agrícola's status as one of the first Brazilian commodities companies to be listed on the Brazilian stock exchange (B3). We have been a publicly traded company since 2007 and are committed to best-practice corporate governance. SLC Agrícola is listed in *Novo Mercado*, alongside other companies committed to enhanced governance practices. Our governance structure includes governance bodies, mechanisms and policies designed to align our decisions with stakeholder expectations and the Company's strategic plan.

Our recent inclusion in the B3 Corporate Sustainability Index (ISE B3) reflects our ongoing progress on ESG, particularly in addressing climate change. We have also enhanced our efforts in ethics and integrity through our affiliation with the Ethos Institute, where we actively participate in the Integrity Working Group.

General Stockholders' Meeting

Fiscal Council

SAC
Statutory Audit Committee

ESG Committee

People Management Committee

Risk Management Committee

Board of Directors


Eduardo Logemann
Chairman


Jorge Logemann
Vice Chairman


Fernando Reinach
Independent Member


Osvaldo Schirmer
Independent Member


André Pessoa
Independent Member


Adriana Waltrick
Independent Member

CEO


Aurélio Pavinato
CEO

Executive Board


Ivo Marcon Brum
CFO and Investor Relations Officer


Alvaro Dilli
Chief Human Resources, Sustainability and IT Officer


Leonardo Celini
Chief Operations Officer


Gustavo Lunardi
Chief Procurement and Seed Production Officer

Risk management

We have guidelines and procedures designed to minimize and avoid negative impacts by managing risk factors on different fronts. Our Risk Management Policy (*read the policy here*), developed in line with ISO 31000 and most recently updated in 2023, provides detailed instructions on our risk-management processes, covering the following risk categories:

- **Strategic:** risks associated with the organization's strategic decisions to achieve business objectives or that result from an absence of ability or skill;
- **Operational**: risks related to operating efficiency and the effective use of resources, which can adversely affect the performance of a given function;
- **Financial**: risks related to the effective management of cash flows, fundraising and capital allocation, potentially exposing the organization to losses;
- **Compliance**: risks related to compliance with applicable laws and regulations, policies, our code of ethics, anti-corruption laws, concession contracts and agreements;
- **ESG**: risks related to climate, social, environmental and governance practices and impacts.

Our risk management policy establishes principles, guidelines and responsibilities for corporate risk management.

Innovation

SLC Agrícola's Innovation team is tasked with building a corporate culture that aligns with national and international innovation trends. We have established two programs—AgroX and Ideias & Resultados—to accelerate the development of new solutions and businesses, with related initiatives prioritized by the Innovation Committee. SLC Ventures, our AgTech venture capital arm, works to align the Company with key technology trends in the sector, helping to deploy key technologies to sustain and further improve agribusiness performance.

In 2023, our primary focus was on advancing projects started in previous years. Concurrently, we completed 14 proofs of concept incorporating promising technologies. We also trained employees on best-practice innovation methods and processes.

AGROX

Five years ago, we created an open innovation program to build close collaborations with AgTech startups in Brazil. We have identified valuable opportunities to address sectoral challenges and enhance our ESG performance through innovation. We use a three-tier selection process: in the first two tiers we seek to partner to the extent possible with domestic startups, and in the third tier we open opportunities for international organizations.

156 ideas submitted in 2023: four progressed to the proof of concept stage and six are currently being rolled out

IDEIAS & RESULTADOS

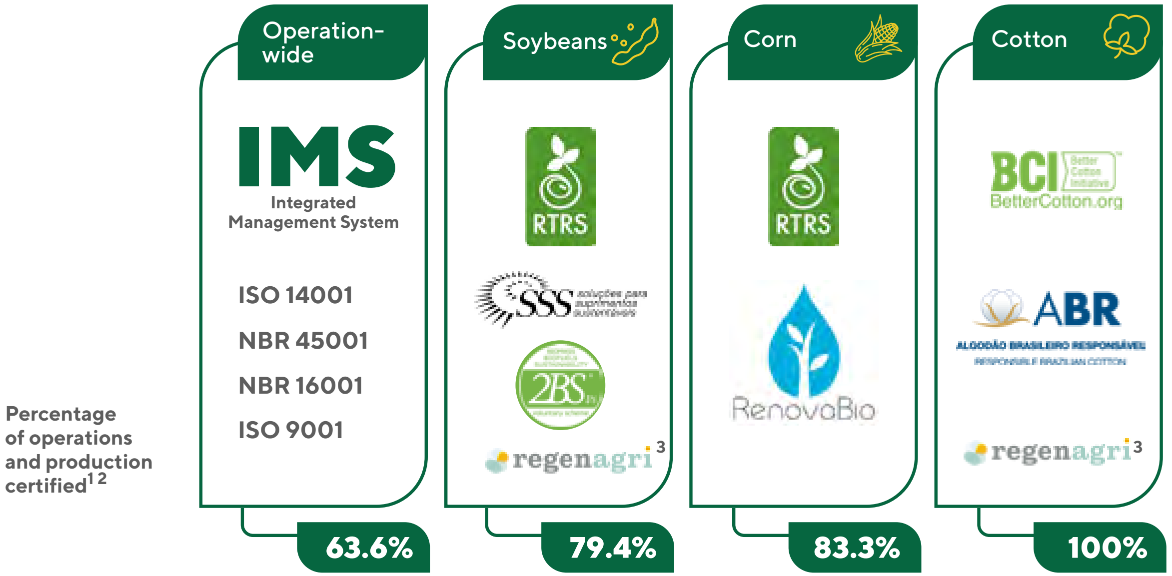
To strengthen our culture of innovation, it is vital that we maintain a constant pipeline of innovative ideas internally by encouraging creativity and the development of disruptive solutions. This initiative encourages employees to submit ideas and projects that can solve challenges or deliver operational improvements.

Proposals are submitted to the Innovation Committee, and every three months selected proposals move to the collaboration stage, where other employees provide additional inputs. Post-input ideas are then assessed and, if deemed to align with Company guidelines, are forwarded to the proof of concept stage. Project outcomes are announced on Innovation Day. Out of a total of 156 ideas submitted in 2023, four progressed to the proof of concept stage and six are currently being rolled out.

SLC VENTURES

SLC Ventures supports innovative businesses in two segments: Corporate Venture Capital and Venture Builder. In 2023 the program invested in Sensix, a precision agriculture startup based in Uberlândia, southeastern Brazil. This company uses artificial intelligence to minimize the use of crop management chemicals by up to 70%, while improving yields by up to 20%.

Certifications and quality



[1] The denominator denotes operations eligible for certification.
[2] Our total soybean output eligible for RTRS certification in 2023 was 95.3%. The percentage of corn eligible for RTRS certification in the year was 99.9%. Paladino is the only farm that meets RTRS requirements and has not yet been certified; this operation is due to be certified in 2024. Other operations that have not yet been certified (Palmeira, Parceiro, Parnaguá, Paysandu, Piratini and Paineira) had additional land cleared between 2016 and 2020 and are therefore not eligible for certification.
[3] Two farms (Planalto and Pamplona) obtained regenerative agriculture certification in 2023, covering a total area of 39,456 ha.

Our Integrated Management System (IMS) is designed to standardize policies and processes across operations. IMS certification to ISO 14001, ISO 45001 and NBR 16001 has been obtained for 15 of our operations, including our headquarters and 14 farms. Seven of our operations have also been certified to ISO 9001, covering grain and cotton storage and processing facilities. Our 14 farms hosting grain storage facilities are also compliant with requirements for Natural Environment Storage Facilities (UAAN) under Ministry of Agriculture (MAPA) Normative Instruction no. 29/June 2011.

In 2023, two of our farms—Planalto and Pamplona—received Regenagri regenerative agriculture certification, forming the largest expanse of certified soybean and cotton cropland in the Americas. Our goal is now to obtain certification for an additional four farms: Pantanal, Planorte, Palmares and Planeste.

The cotton we produce has Algodão Brasileiro Responsável (ABR) and Better Cotton Initiative (BCI) certification. Our soybeans, in turn, are certified by the Round Table On Responsible Soy (RTRS Certified Soy), Soluções para Suprimentos Sustentáveis (3S) and 2BSvs. The corn we market is certified by RTRS, 2BSvs and RenovaBio. In addition, our Paiaguás, Perdizes and Planorte farms have SISBOV[1] certification for cattle raising.

[1] The Brazilian Cattle and Buffalo Unique Identification System (SISBOV) is voluntary except where otherwise determined to be mandatory by regulations or required by official sanitary controls or programs. MAPA Normative Instruction no. 51/October 1, 2018, Annex III, establishes an operational standard on certification for countries requiring individual traceability of cattle and buffalo pending MAPA approval and implementation of a voluntary traceability protocol as provided for in article 7 of Decree no. 7,623/November 22, 2011.

Our targets

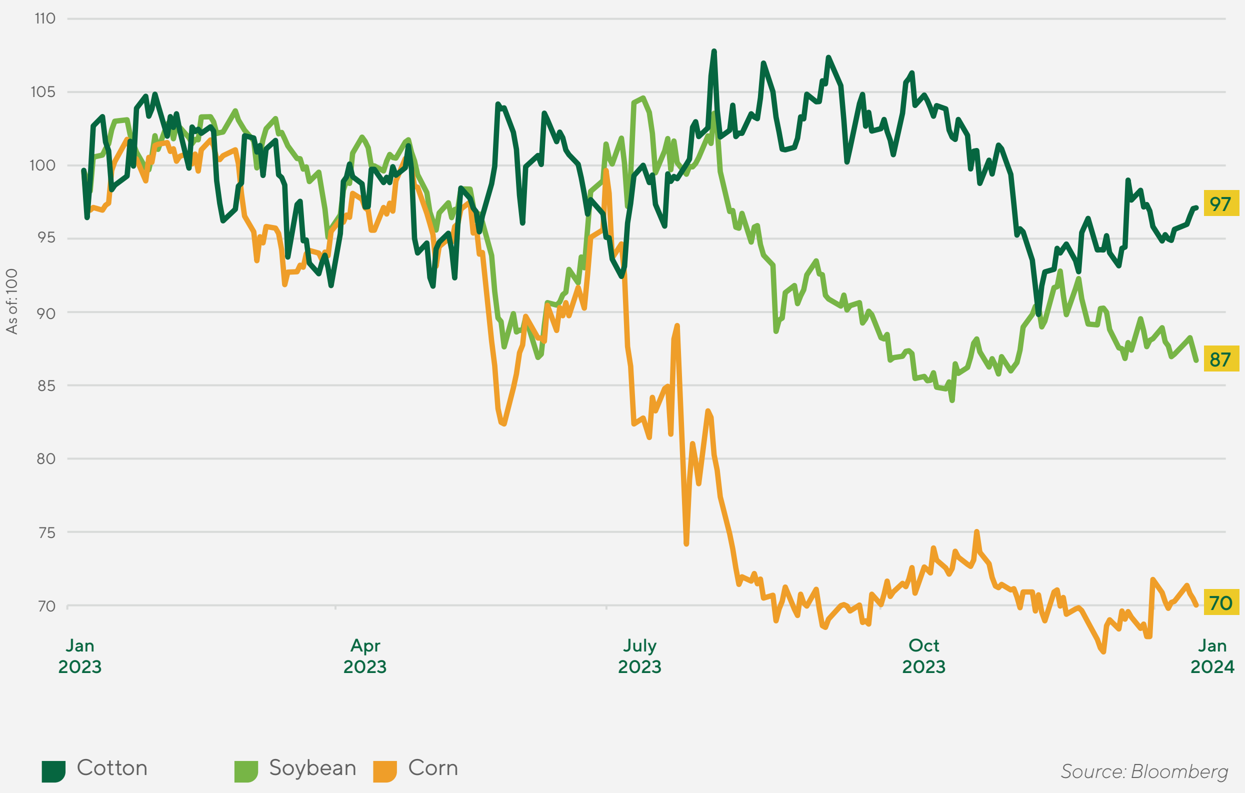
By 2028, all properties to be covered by IMS and regenerative agriculture certification and all farms raising cattle to be certified to SISBOV.

IN THIS CHAPTER

MARKET *overview*

Market overview

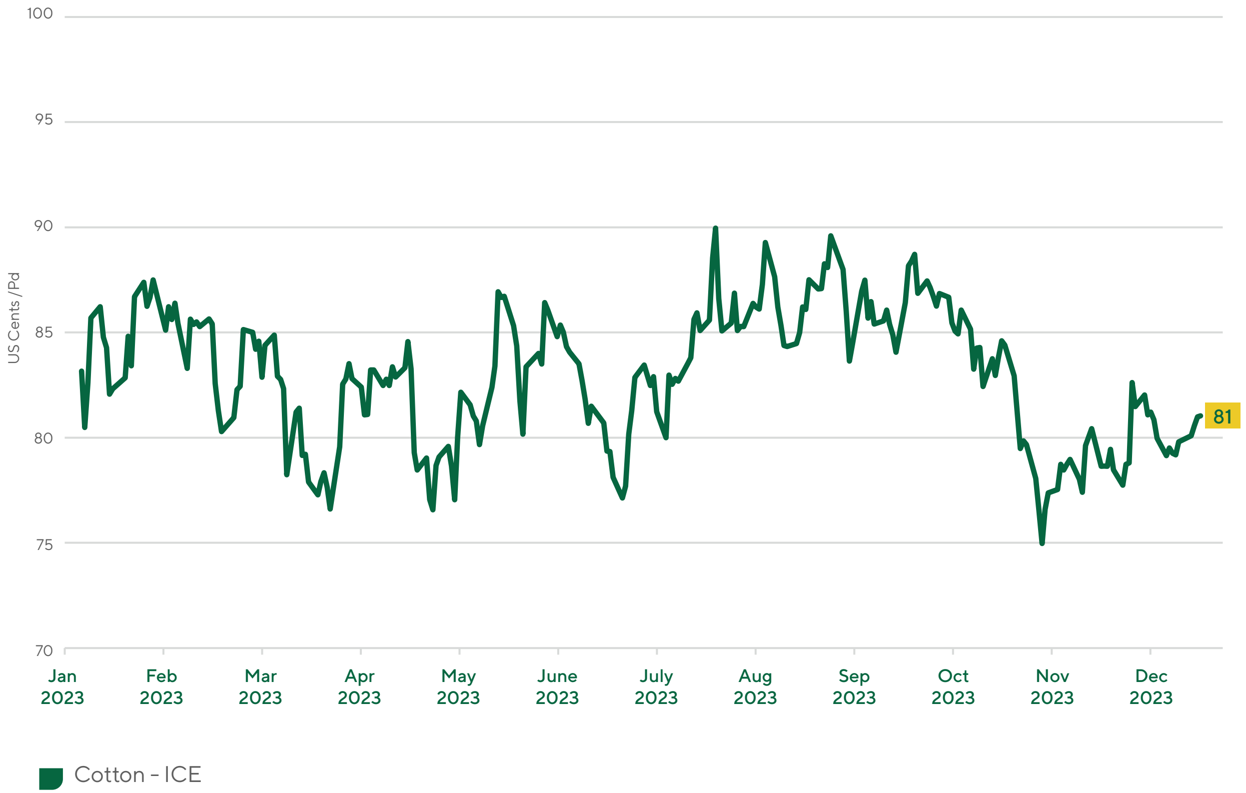
FIGURE 1: PRICING CHANGES, SELECTED COMMODITIES



Source: Bloomberg

COTTON

FIGURE 2: GLOBAL COTTON PRICES



Source: Bloomberg

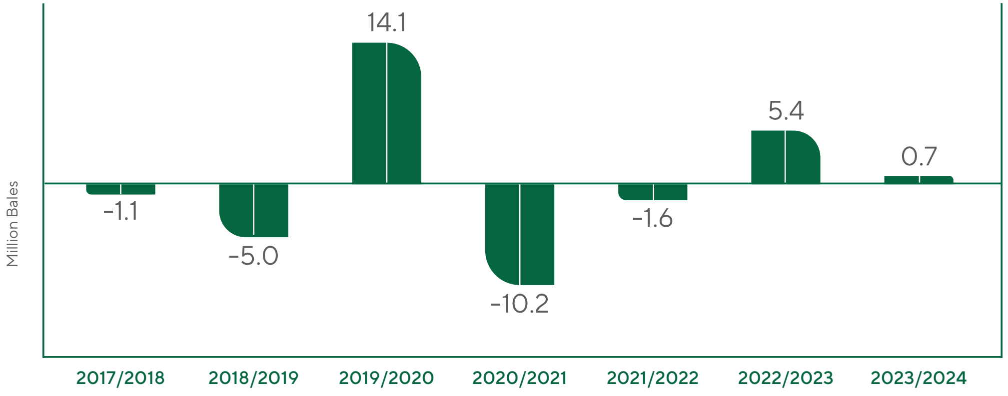
Cotton prices in the international and domestic markets were initially flat in 2023 before rebounding on the back of global supply and demand dynamics.

According to data from the United States Department of Agriculture (USDA), global cotton consumption for 2023/2024 is projected to be 112.1 million bales, against a production estimate of 112.8 million bales, resulting in a global surplus of approximately 0.7 million bales—significantly lower than the surplus recorded in the previous crop year.

The current supply-and-demand balance reflects a reduced US cotton crop at approximately 12.4 million bales, the lowest in the past 14 years.

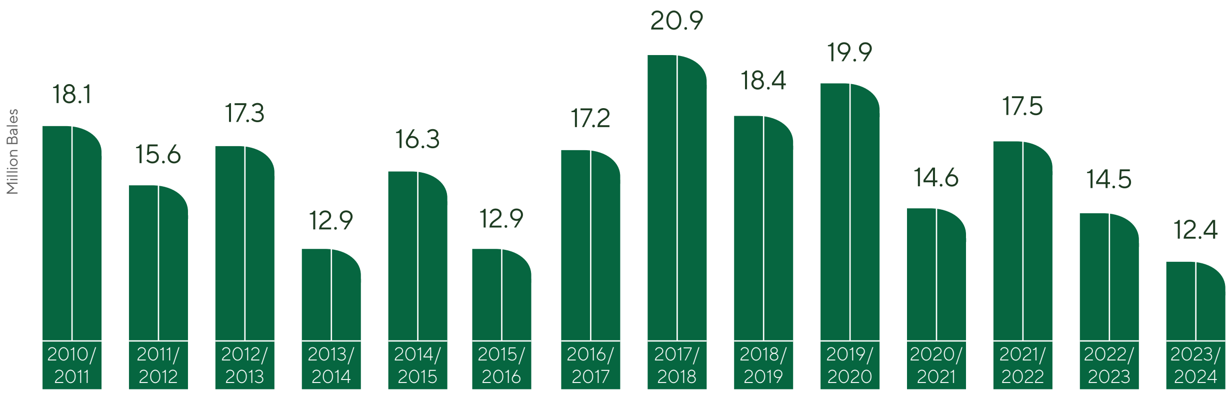
Given the US's status as the world's leading cotton exporter, these figures directly impact the global cotton market. In this context, Brazil is poised to continue expanding its market share, solidifying its position as a key global player. Presently, the country has risen to become the world's second-largest cotton exporter.

FIGURE 3: COTTON – GLOBAL SUPPLY AND DEMAND BALANCE



Source: USDA

FIGURE 4: COTTON – HISTORICAL US PRODUCTION



Source: USDA

SOYBEANS

Chicago Board of Trade (CBOT) and Paranaguá/CEPEA spot prices showed a downward trend throughout 2023.

FIGURE 5:

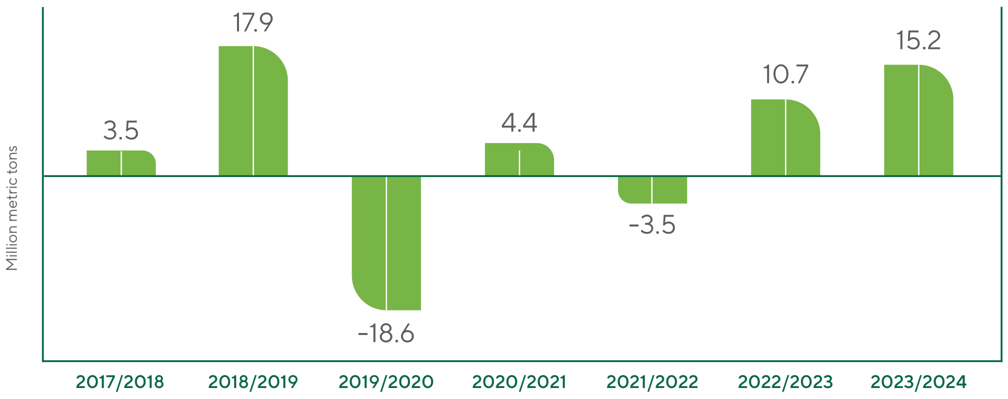
Source: Bloomberg

The early 2023/2024 crop year was marked by losses due to an exceptionally dry season and a reduction in soybean area compared to the previous crop year in the US. Soybean production, initially estimated at 122.7 million metric tons, currently stands at 113.3 million metric, a net loss of approximately 9.4 million metric tons according to USDA data.

In Brazil, the crop year began with below-normal rainfall and less favorable weather in important soybean regions, leading CONAB to revise its national production estimate downwards by -6.6%, from an initial estimate of 160 million metric tons to a current 149.4 million metric tons.

In the 2023/2024 cycle, global soybean supply is expected to exceed consumption by approximately 15.2 million metric tons.

FIGURE 6: SOYBEANS – GLOBAL SUPPLY AND DEMAND BALANCE

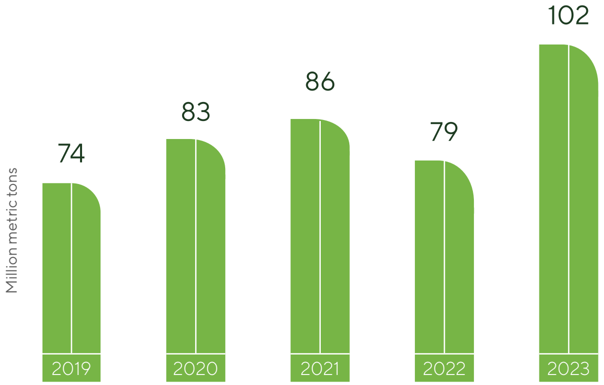


Source: USDA

South American soybean crop development will be crucial to keeping global supply and demand at currently estimated levels.

In terms of demand for Brazilian soybeans, the national trade balance recorded the highest cumulative soybean export volumes to date for the comparable period from January to December, indicating strong demand from the global market and the competitiveness of Brazilian-grown soybeans.

FIGURE 7: SOYBEANS - AGGREGATE EXPORTS, JANUARY TO DECEMBER

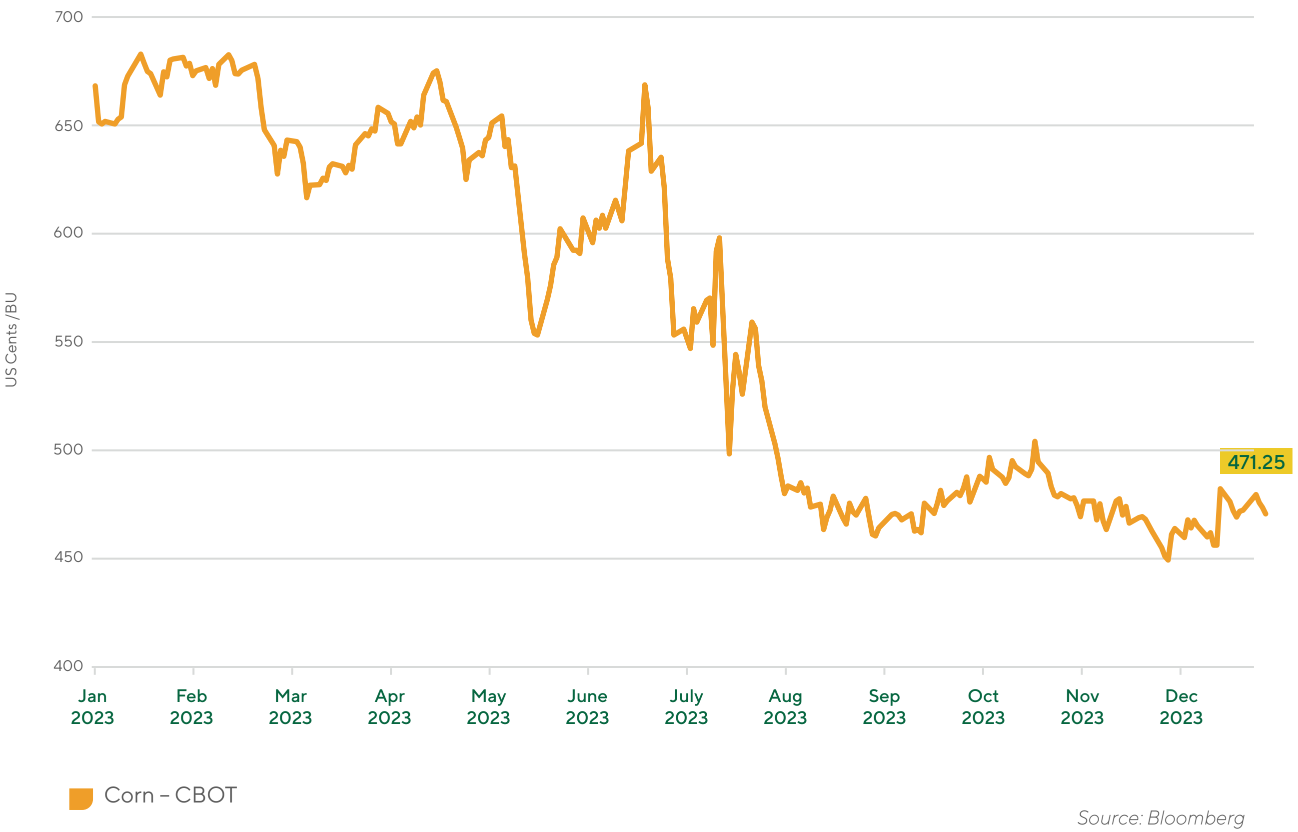


Source: USDA

CORN

Both CBOT and Brazilian market spot prices were highly volatile throughout 2023.

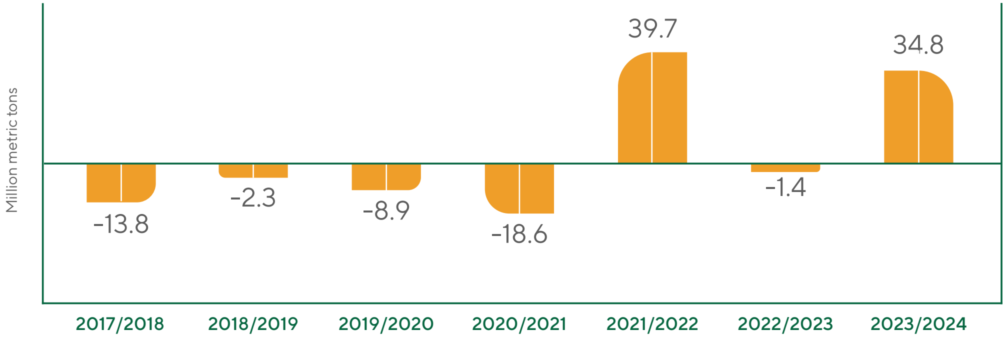
FIGURE 8: CORN PRICES, GLOBAL MARKET X BRAZIL



Source: Bloomberg

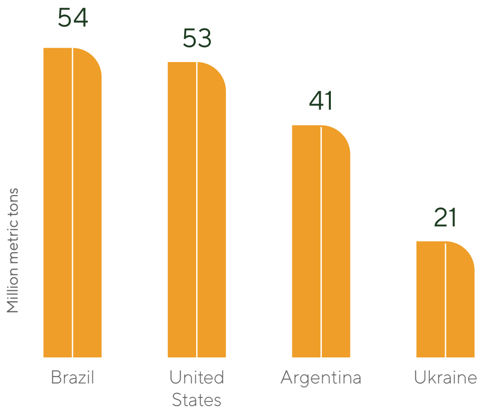
In a year marked by irregular soybean crop development in the US, with adverse weather affecting production and yield, the global market continues to face uncertainties stemming from the Russia-Ukraine conflict. Brazil's share of the global corn market has been strengthened as a result, with the country poised to become the world's leading exporter.

FIGURE 10: CORN – GLOBAL SUPPLY AND DEMAND BALANCE



Source: USDA

FIGURE 9: GLOBAL CORN EXPORTS IN 2023/2024, MAIN EXPORTING COUNTRIES

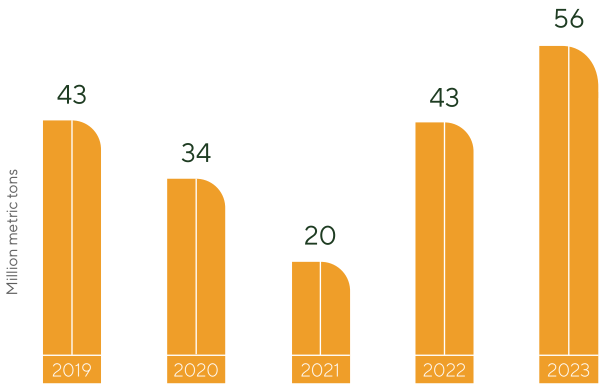


Source: USDA

Currently, the global supply and demand balance is projected to result in production volumes exceeding consumption by approximately 34.8 million metric tons.

In terms of demand for Brazilian corn, the national trade balance recorded the highest cumulative soybean export volumes to date for the comparable period from January to December, indicating strong demand from the global market and the importance of Brazilian-grown corn.

FIGURE 11: CORN – AGGREGATE EXPORTS, JANUARY TO DECEMBER



Source: Comexstat

IN THIS CHAPTER

OPERATING *performance*

2022/2023 Crop Year

Planted area

TABLE 1 – PLANTED AREA BY CROP, 2021/2022 VS. 2022/2023

Crop mix	Planted area 2021/2022 (ha)	Planted area 2022/2023 (ha)[1]	Share 2022/2023 (%)	Δ%
Cotton lint	**176,985**	**162,243**	**24.1%**	**-8.3%**
Cotton lint, 1st crop	86,357	85,823	12.7%	-0.6%
Cotton lint, 2nd crop	90,628	76,420	11.3%	-15.7%
Soybean (Commercial + Seed)	**334,891**	**346,941**	**51.4%**	**3.6%**
Corn, 2nd crop	**121,633**	**137,585**	**20.4%**	**13.1%**
Other crops[2]	38,437	27,615	4.1%	-28.2%
Total Area	**671,946**	**674,384**	**100.0%**	**0.4%**

[1] Weather factors could affect the planted area forecast.
[2] "Other crops" include brachiaria seed, 6,314.86 ha; stylosanthes seed, 716.02 ha; beans, 1,430.58 ha; sesame, 2.494,26 ha; millet seed, 8,786.01 ha; 1st crop corn, 1,133.88 ha; seed corn, 667.46 ha; cattle, 3,962.42 ha; sorghum, 1,041.77 ha; and wheat, 1,067.74 ha. Total: 27,615.00 ha.

Yields

TABLE 2 - BUDGET YIELDS, CROP YEAR 2022/2023

Yields (kg/ha)	Crop Year 2021/2022 Achieved (a)	Crop Year 2022/2023 Budget (b)	Crop Year 2022/2023 Achieved (c)	Δ% (c) x (a)	Δ% (c) x (b)
Cotton lint, 1st crop	1,682	1,927	2,000	18.9%	3.8%
Cotton lint, 2nd crop	1,305	1,839	2,037	56.1%	10.8%
Cottonseed	1,833	2,372	2,491	35.9%	5.0%
Soybean (commercial + seed)	3,974	3,918	3,904	-1.8%	-0.4%
Corn, 2nd crop	6,303	7,685	7,708	22.3%	0.3%

Commercial soybean

Our soybean harvest ended in late April with a yield of 3,904 kg/ha, 1.8% lower than the record set in the previous crop year and 0.4% lower than initial projections. Still, our soybean yields were 11.3% higher than the global average according to CONAB data published in February 2024.

Soybean seeds

In 2023, sales volumes combined with internal consumption reached an aggregate 1,020,575 bags of cotton seed, a reduction of 8.9% compared to our initial estimate, explained by lower sales via our vertical and direct selling channels to small and medium-sized growers. We currently produce cotton seed in five states (MT, GO, TO, MG and BA), and remain fully focused on maintaining quality and meeting our customers' needs.

Cotton lint, 1st crop

Aggregate yield was 2,000 kg per hectare, a record that exceeded our projection by 3.8% and outperformed the previous harvest by 18.9%.

Cotton lint, 2nd crop

Second-crop cotton lint yield was 2,037 kg/ha in the crop year, setting a new record and exceeding projections by 10.8% while outperforming the previous crop year by 56.1%.

Compared to the national average (CONAB, February 2024), yields were 5.8% higher on average across 1st and 2nd crop cotton lint.

Cotton seed

Sales volumes plus internal consumption amounted to a total of 129,950 bags of cotton seed in 2023, up 7.0% on our initial estimate.

Corn, 2nd crop

Second-crop corn yields exceeded crop year 2021/2022 by 22.3% and our initial projections by 0.3% at 7,708 kg/ha, 29.5% higher than the domestic average (CONAB, February 2024).

Production costs

TABLE 3 - ACTUAL COSTS, CROP YEAR 2022/2023

	Cotton	Soybeans	Corn	Achieved Average (2022/2023)	Achieved Average (2021/2022)
Variable costs	**82.8**	**74.8**	**81.5**	**80.4**	**79.6**
Seeds	8.5	14.2	18.4	11.4	12.7
Fertilizers	24.2	15.5	34.0	23.0	25.4
Crop protection	24.7	19.4	13.3	21.7	18.8
Crop dusting	1.9	1.7	1.5	1.7	1.3
Fuels and lubricants	3.1	5.3	3.8	3.8	4.6
Labor	0.7	0.7	0.5	0.7	0.8
Ginning	9.0	3.8	2.4	6.7	4.8
Machinery and implement maintenance	4.9	4.8	3.2	4.6	4.1
Other	5.8	9.5	4.4	6.7	7.1
Fixed costs	**17.2**	**25.2**	**18.5**	**19.6**	**20.4**
Labor	6.2	8.1	6.1	6.7	7.2
Depreciation and amortization	3.6	5.8	3.8	4.3	4.4
Right-of-Use Depreciation - Leases	4.7	7.6	6.0	5.7	6.2
Other	2.7	3.6	2.6	2.9	2.6

Achieved costs per hectare fell 0.9% in crop year 2022/2023 compared to projections for the period. This reduction reflects savings resulting from lower Depreciation of Right-of-Use Assets - Leases, attributable to the decline in soybean prices, as well as a reduction in input consumption driven by new technology.

TABLE 4 - PRODUCTION COST, CROP YEAR 2022/2023

	Achieved 2021/2022 (R$/ha) (a)	Budget 2022/2023 (R$/ha) (b)	Achieved 2022/2023 (R$/ha) (c)	Δ% (c x b)	Δ% (c x a)
Cotton lint, 1st crop	12,580	15,163	15,357	1.3%	22.1%
Cotton lint, 2nd crop	10,191	13,677	14,161	3.5%	39.0%
Soybean (commercial + seed)	4,283	5,377	5,128	-4.6%	19.7%
Corn, 2nd crop	3,711	4,867	4,767	-2.1%	28.5%
Total average cost	**6,425**	**7,547**	**7,476**	**-0.9%**	**16.4%**

TABLE 5 – UNIT COST, CROP YEAR 2022/23

	Budget yield (kg/ha) 2022/2023	Budget cost (R$/ha) 2022/2023	Budget Cost (R$/kg) 2022/2023(a)	Achieved yield (kg/ha) 2022/2023	Achieved cost (R$/ha) 2022/2023	Achieved cost (R$/kg) 2022/2023(b)	Δ% b x a
Cotton lint, 1st crop	1,927	15,163	7.87	2,000	15,357	7.68	-2.4%
Cotton lint, 2nd crop	1,839	13,677	7.44	2,037	14,161	6.95	-6.5%
Soybean (commercial + seed)	3,918	5,377	1.37	3,904	5,128	1.31	-4.3%
Corn, 2nd crop	7,685	4,867	0.63	7,708	4,767	0.62	-2.3%

2023/2024 Crop Year

Planted area

On December 4, 2023, SLC Agrícola disclosed a Material Fact reporting an adjustment to planted area reflecting adverse weather conditions in the early crop year.

Compared with the previously disclosed figure, adjustments were made during the course of soybean planting that affected 1st and 2nd crop cotton, 2nd crop corn and other crop areas, as follows: soybean area was reduced by 16,761 hectares, with an area initially intended to grow soybeans and 2nd crop cotton instead used to grow 1st crop cotton only, due to better margins. 2nd crop corn area was reduced by 6,775 hectares due to the replanting of 19,000 hectares of soybeans.

TABLE 6 – CROP AREA, *BUDGET X FORECAST*, CROP YEAR 2022/2023 X 2023/2024

Crop mix	Planted area 2022/2023 (ha)	Planted area (a) 2023/2024 Budget (ha)	Planted area (b) 2023/2024[1] forecast (ha)	Share 2023/2024 (%)	Δ % (b x a)
Cotton	**162,243**	**187,464**	**188,730**	**29.0%**	**0.7%**
Cotton lint, 1st crop	85,823	90,088	106,715	16.4%	18.5%
Cotton lint, 2nd crop	76,420	97,376	82,015	12.6%	-15.8%
Soybean (commercial + seed)	**346,941**	**336,770**	**320,009**	**49.1%**	**-5.0%**
Corn, 2nd crop	**137,585**	**103,436**	**96,661**	**14.8%**	**-6.5%**
Other crops[2]	27,615	46,733	46,316	7.1%	-0.9%
Total Area	**674,384**	**674,403**	**651,716**	**100.0%**	**-3.4%**

[1] Weather factors could affect the planted area forecast.
[2] "Other crops" include brachiaria seed, 12,042 ha; rattlepod seed, 1,859 ha; beans, 3,482 ha; sesame, 2,624 ha; millet seed, 6,522 ha; 1st crop corn, 266 ha; seed corn, 767 ha; forage radish seed, 5,062 ha; cattle, 3,606 ha; sorghum, 262 ha; and buckwheat seed, 519 ha. Total: 46,316 ha.

Yields

TABLE 7 - BUDGET YIELD, CROP YEAR 2023/2024

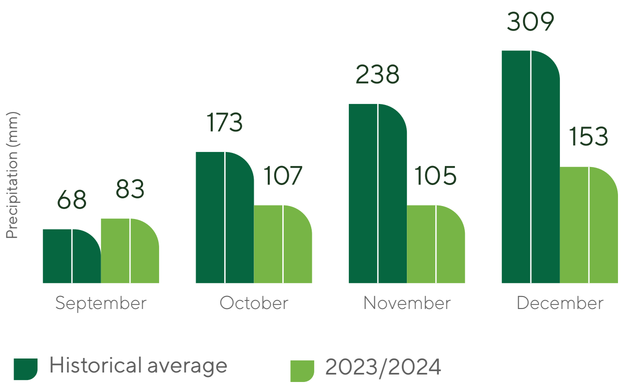
Yields (kg/ha)	Crop Year 2022/2023 Achieved (a)	Crop Year 2023/2024 Budget (b)	Crop Year 2023/2024 forecast (c)	Δ% (c) x (a)	Δ% (c) x (b)
Cotton lint, 1st crop	2,000	2,020	2,020	1.0%	0.0%
Cotton lint, 2nd crop	2,037	1,869	1,869	-8.2%	0.0%
Cottonseed	2,491	2,410	2,410	-3.3%	0.0%
Soybean (commercial + seed)	3,904	3,948	3,432	-12.1%	-13.1%
Corn, 2nd crop	7,708	7,580	7,580	-1.7%	0.0%

Commercial soybean

The 2023/2024 crop year was marked by El Niño conditions, primarily affecting eastern Mato Grosso, a region that experienced a significant decline in rainfall in October, November and December, as seen in the chart opposite.

FIGURE 12 - MONTHLY DISTRIBUTION OF RAINFALL COMPARED TO HISTORICAL AVERAGES ON FARMS IN MATO GROSSO

Mato Grosso - SLC Agrícola



Source: Internal data, SLC Agrícola S.A.

Commercial soybean - continued

Soybean harvesting began on December 19 and, as of March 1, 60.1% of our 320,000 hectares of soybean crop had been harvested. Replanted area will be harvested in March and is anticipated to have a good yield. Our current estimate for the soybean crop is 3,432 kg/ha, a 13.1% reduction from our initial estimate.

Soybean seeds

Soybean processing began in January. Our current estimate of third-party sales combined with internal consumption for 2024 is 1,250,300 bags of soybean seeds, a 18.4% increase on the previous year.

Cotton lint, 1st crop

Our cotton lint crop was planted within the ideal window in early January. The crop is already transitioning from the plant development phase to the flowering phase and showing good potential to achieve the budgeted yield.

Cotton lint, 2nd crop

Planting began following an early soybean harvest, in December 2023, due to the drought in Mato Grosso. The crop was planted within the ideal window and is currently in the vegetative stage, with good yield potential.

Cotton seed

Processing began in July and our current estimate of third-party sales combined with internal consumption for 2024 is 143,318 bags of seeds, a 9.4% increase on the previous year.

Corn, 2nd crop

Planting began in the last week of January 2024, in tandem with progress in soybean harvesting and the conclusion of second-crop cotton planting. As of March 1, 75.3% of the 96,700-hectare area had been planted. Planting is anticipated to conclude by early March.

Production costs

TABLE 8 - BUDGET COSTS CROP YEAR 2023/2024

%	Cotton	Soybeans	Corn	Budget average 2023/2024	Budget average 2022/2023
Variable costs	**79.6**	**74.8**	**80.0**	**77.8**	**79.8**
Seeds	10.1	15.2	21.5	13.2	11.1
Fertilizers	21.1	18.7	32.0	21.3	23.2
Crop protection	20.4	16.8	10.9	18.1	20.6
Crop dusting	2.3	1.4	1.6	1.9	1.6
Fuels and lubricants	3.4	3.5	3.6	3.5	4.3
Labor	0.9	0.7	0.6	0.8	0.6
Ginning	9.7	3.0	2.4	6.4	6.3
Machinery and implement maintenance	4.3	4.1	3.3	4.1	4.0
Other	7.5	11.4	4.0	8.6	8.1
Fixed costs	**20.4**	**25.2**	**20.0**	**22.2**	**20.2**
Labor	7.2	8.1	6.4	7.4	6.6
Depreciation and amortization	4.6	6.5	4.6	5.3	4.4
Right-of-Use Depreciation - Leases	5.8	7.2	6.3	6.4	6.4
Other	2.8	3.4	2.7	3.0	2.8

TABLE 9 - BUDGET PRODUCTION COSTS IN R$/HA, CROP YEAR 2023/2024

Total (R$/ha)	Budget 2022/2023	Budget 2023/2024[1]	Δ%
Cotton lint, 1st crop	15,163	13,205	-12.9%
Cotton lint, 2nd crop	13,677	11,906	-12.9%
Soybean (commercial + seed)	5,223	5,081	-2.7%
Corn, 2nd crop	4,867	4,303	-11.6%
Total average cost	**7,985[2]**	**7,177[2]**	**-10.1%**

[1] *The figures presented are subject to potential restatement until the conclusion of cotton processing and grain sales.*
[2] *Weighted by areas in the 2023/2024 crop year to avoid impacts from changes in the product mix.*

TABLE 10 – UNIT COST, CROP YEAR 2023/2024

	Budget yield (kg/ha) 2022/2023	Budget cost (R$/ha) 2022/2023	Budget cost (R$/kg) 2022/2023 (a)	Budget yield (kg/ha) 2023/2024	Budget cost (R$/ha) 2023/2024	Budget cost R$/Kg 2023/2024 (b)	Δ% b x a
Cotton lint, 1st crop	1,927	15,163	**7.87**	2,020	13,205	**6.54**	**-16.9%**
Cotton lint, 2nd crop	1,839	13,677	**7.44**	1,869	11,906	**6.37**	**-14.3%**
Soybean (commercial + seed)	3,918	5,377	**1.37**	3,948	5,081	**1.29**	**-6.2%**
Corn, 2nd crop	7,685	4,867	**0.63**	7,580	4,303	**0.57**	**-10.4%**

Actual costs per hectare decreased by 10.1% year on year. The reduction primarily reflects declining prices on our primary inputs. Currently, 59.0% of cost is indexed to the U.S. dollar (seeds, fertilizers, crop protection and leases), with a strong correlation with commodity prices. The remaining 41.0% of costs are denominated in reais and are therefore affected by inflation.

OPERATIONAL TABLES

To download the relevant tables with operational data, click here.

- Planted area by crop, crop year 2021/2022 x 2022/2023;
- Achieved yield, crop year 2022/2023;
- Achieved costs, crop year 2022/2023;
- Production cost– breakdown in reais, per hectare –, crop year 2022/2023;
- Production cost, in R$/ha, crop year 2022/2023;
- Unit cost, crop year 2022/2023;
- Planted area by crop, crop year 2022/2023 x 2023/2024;
- Budget yield, crop year 2023/2024;
- Budget costs, crop year 2023/2024;
- Production cost – breakdown in reais, per hectare –, crop year 2023/2024;
- Production cost, in R$/ha, crop year 2023/2024;
- Unit cost, crop year 2023/2024;
- Machinery base and storage capacity.

LAND TABLES

To download the tables with land figures, click here.

- Crop area, crop years 2022/2023 and 2023/2024, by type;
- Landbank;
- Property portfolio.

IN THIS CHAPTER

FINANCIAL *performance*

Financial performance

Beginning in the fourth quarter of 2023, soybean and cotton seed, which were previously classified under "other crops," have been reclassified as follows: soybean seeds as "soybean (commercial + seed)" and cottonseed as "cottonseed (cottonseed + cotton seed)."

Net revenue decreased by 1.9% in 2023, reflecting lower selling prices, except for cotton lint, which recorded a 5.7% increase in unit prices but a lower sales volume compared to 2022, reflecting delays at port terminals. In the calendar year, 42% of cotton lint sales were in the 2022/2023 crop year, with higher margins than in crop year 2021/2022.

TABLE 11 – NET REVENUE

(R$ thousand)	2022 Published	2022 New	2023	HA
Net Revenue	**7,373,034**	**7,373,034**	**7,230,583**	**-1.9%**
Cotton lint	2,930,972	2,930,972	2,189,209	-25.3%
Cottonseed (cottonseed + cotton seed)	380,070	402,920	349,283	-13.3%
Soybean (commercial + seed)	2,973,363	3,092,736	3,055,726	-1.2%
Corn	710,473	710,473	846,036	19.1%
Cattle herd	110,862	110,862	121,007	9.2%
Other	272,919	130,696	61,390	-53.0%
FX hedge income	(5,625)	(5,625)	607,932	n.m.

TABLE 12 - SALES VOLUME

(Metric tons)	2022 Published	2022 New	2023	HA
Sales volume	**2,737,381**	**2,733,549**	**3,026,622**	**10.7%**
Cotton lint	277,222	277,222	239,303	-13.7%
Cottonseed (cottonseed + cotton seed)	300,647	300,932	346,374	15.1%
Soybean (commercial + seed)	1,274,552	1,299,941	1,309,363	0.7%
Corn	783,768	783,768	1,071,551	36.7%
Other	101,192	71,686	60,031	-16.3%

TABLE 13 - SALES VOLUME (HEAD)

(Head)	2022	2023	HA
Sales volume	**24,318**	**30,295**	**24.6%**
Cattle herd	24,318	30,295	24.6%

The calculation of Variation in Fair Value of Biological Assets ("VFVBA") for soybean, cotton and corn crops reflects the estimated gross margin (market value less production costs and opportunity costs for Company-owned land) of crops undergoing significant biological transformation in the reporting period and produce at the point of harvest. For the cattle herd, VFVBA is calculated as the market value on the reporting date.

TABLE 14 – VARIATION IN FAIR VALUE OF BIOLOGICAL ASSETS

(R$ thousand)	2022	2023	HA
Variation in Fair Value of Biological Assets	**2,216,676**	**1,920,465**	**-13.4%**
Cotton lint	581,567	916,278	57.6%
Cottonseed (cottonseed + cotton seed)	43,928	149,162	239.6%
Soybean (commercial + seed)	1,464,402	739,220	-49.5%
Corn	127,214	102,793	-19.2%
Cattle herd	1,650	13,012	688.6%
Other	(2,085)	-	n.m.

Cotton lint and cottonseed performed especially strongly in the year, reflecting higher margins in crop year 2022/2023 compared to crop year 2021/2022. Soybeans fell as a result of estimated lower margins for crop year 2023/2024, due to poorer yields and lower pricing. Corn, despite improving yields, saw a decline in prices, resulting in anticipated lower margins for crop year 2022/2023 compared to crop year 2021/2022.

Breakdown of Net Realizable Value of Agricultural Products

The Net Realizable Value of Agricultural Products ("NRVAP") reflects adjustments between the inventory cost of agricultural products and its realizable value in each reporting period, calculated based on the value of forward contracts for volumes sold and on market value for volumes held for sale, less selling expenses (taxes, logistics, port costs, etc.).

As from the fourth quarter of 2023, for the purpose of better presentation, we will report changes in NRVAP in a separate line item. Previously, these figures were recognized within Cost of Goods Sold (other crops). The reclassified figures are shown below.

TABLE 15 - RECLASSIFICATION OF NET REALIZABLE VALUE OF AGRICULTURAL PRODUCE 2022

	2022 Published	2022 New	2023	HA
Net operating revenue	**7,373,034**	**7,373,034**	**7,230,582**	**-1.9%**
VFVBA[1]	2,216,676	2,216,676	1,920,465	-13.4%
NRVAP[2]	-	(71,366)	(28,924)	-59.5%
Cost of Goods Sold	(4,220,730)	(4,149,364)	(4,414,771)	6.4%
RFVBA[3]	(2,237,681)	(2,237,681)	(2,086,659)	-6.7%
Gross Income	**3,131,299**	**3,131,299**	**2,620,694**	**-16.3%**

[1] *Variation in Fair Value of Biological Assets (VFVBA).*
[2] *Net Realizable Value of Agricultural Produce (NRVAP).*
[3] *Realization of the Fair Value of Biological Assets (RFVBA).*

NRVAP fell by 59.5% compared to 2022; the positive value recorded in 2023 reflects a reversal of negative NRVAP recognized in 2022 due to the invoicing of produce in inventory.

TABLE 16 - VARIATION IN NET REALIZABLE VALUE OF AGRICULTURAL PRODUCE (NRVAP)

(R$ thousand)	2022	2023	HA
NRVAP[1]	**(71,366)**	**(28,924)**	**-59.5%**
Cotton lint	(68,344)	13,348	n.m.
Cottonseed	-	(39,654)	n.m.
Soybeans	(4,088)	108	n.m.
Corn	1,066	(2,726)	n.m.

[1] *Variation in Net Realizable Value of Agricultural Produce (NRVAP).*

Cost of Goods Sold

As from the fourth quarter of 2023, the Company has reclassified Variation in Net Realizable Value of Agricultural Produce to a specific line item in the Statement of Income. In addition, the other crops and seed costs line items were reclassified to the cottonseed (cottonseed + cotton seed) and soybean (commercial + seed) line items. This reclassification has resulted in a restatement of cost of goods sold by crop. All figures are presented below for comparison:

TABLE 17 – COST OF GOODS SOLD (COGS)

(R$ thousand)	2022 Published	2022 New	2023	HA
COGS	**(4,220,730)**	**(4,149,364)**	**(4,414,771)**	**6.4%**
Cotton lint	(1,831,639)	(1,763,295)	(1,636,704)	-7.2%
Cottonseed (cottonseed + cotton seed)	(140,849)	(149,063)	(205,003)	37.5%
Soybean (commercial + seed)	(1,449,659)	(1,461,190)	(1,634,559)	11.9%
Corn	(542,399)	(543,465)	(693,868)	27.7%
Cattle herd	(119,413)	(119,413)	(143,966)	20.6%
Other	(136,771)	(112,938)	(100,672)	-10.9%

In 2023, cost of goods sold increased by 6.4%, reflecting higher selling volumes of corn and cottonseed. In addition, 58% of cotton invoiced in 2023 was for crop year 2021/2022, which carried a higher unit cost than in crop year 2022/2023 as a result of lower yields.

TABLE 18 – REALIZATION OF THE FAIR VALUE OF BIOLOGICAL ASSETS

(R$ thousand)	2022	2023	HA
Realization of the Fair Value of Biological Assets	**(2,237,681)**	**(2,086,659)**	**-6.7%**
Cotton lint	(619,495)	(644,668)	4.1%
Cottonseed (cottonseed + cotton seed)	(47,622)	(110,766)	132.6%
Soybean (commercial + seed)	(1,429,939)	(1,207,452)	-15.6%
Corn	(122,613)	(111,555)	-9.0%
Cattle herd	(15,642)	(12,218)	-21.9%
Other	(2,370)	-	n.m.

The Realization of Fair Value of Biological Assets (RFVBA) is the corresponding entry to Variation in Fair Value (calculated over the period from establishment to harvest) and is recognized as produce is invoiced.

Year on year, RFVBA decreased by 6.7%. Cotton, despite lower selling volumes, had better estimated margins in crop year 2022/2023 compared to crop year 2021/2022, with RFVBA improving by 4,1%. The RFVBA for cottonseed reflects lower selling volumes. The reduced RFVBA for soybeans and corn basically reflects lower expected margins.

Gross Income by Crop

To better explain produce margins, this section presents foreign exchange and pricing hedges for cotton, cottonseed, soybean, corn and cattle.

Despite the reclassification of Realizable Value of Agricultural Products there were no required restatements of Gross Income; however, Gross Income by Crop was restated as shown below.

TABLE 19 – GROSS INCOME – COTTON LINT

Cotton Lint		2022 Published	2022 New	2023	HA
Sales volume	tonnes	277,222	277,222	239,303	-13.7%
Net Revenue	R$/thd	2,930,972	2,930,972	2,189,209	-25.3%
FX hedge revenue	R$/thd	(160,865)	(160,865)	337,690	n.m.
Net Rev. adj. for FX hedging effects	R$/thd	2,770,107	2,770,107	2,526,899	-8.8%
Unit price	R$/t	9,992	9,992	10,559	5.7%
Total cost	R$/thd	(1,831,639)	(1,763,295)	(1,636,704)	-7.2%
Unit cost	R$/t	(6,607)	(6,361)	(6,839)	7.5%
Unit Gross Income	**R$/t**	**3,385**	**3,631**	**3,720**	**2.5%**

Unit Gross Income for cotton lint increased by 2.5% reflecting higher selling prices and lower unit costs. Around 58% of cotton sales in 2023 were in crop year 2021/2022 and 42% were in crop year 2022/2023, which had higher margins than in the previous crop year as a result of improved yields.

TABLE 20 – GROSS INCOME – COTTON SEED (COTTONSEED + PLANTING SEED)

Cottonseed (cottonseed + cotton seed)		2022 Published	2022 New	2023	HA
Sales volume	tonnes	300,647	300,932	346,374	15.1%
Net Revenue	R$/thd	380,070	402,920	349,283	-13.3%
Unit price	R$/t	1,264	1,339	1,008	-24.7%
Total cost	R$/thd	(140,849)	(149,063)	(205,003)	37.5%
Unit cost	R$/t	(468)	(495)	(592)	19.6%
Unit Gross Income	**R$/t**	**796**	**844**	**416**	**-50.7%**

Margins on cottonseed (cottonseed and cotton seed) decreased substantially in the year as a result of lower selling prices and higher unit costs.

Soybeans

TABLE 21 – GROSS INCOME – SOYBEAN (COMMERCIAL + SEED)

Soybean (commercial + seed)		2022 Published	2022 New	2023	HA
Sales volume	tonnes	1,274,552	1,299,941	1,309,363	0.7%
Net Revenue	R$/thd	2,973,363	3,092,736	3,055,726	-1.2%
FX hedge revenue	R$/thd	114,114	114,114	136,600	19.7%
Net Rev. adj. for FX hedging effects	R$/thd	3,087,477	3,206,850	3,192,326	-0.5%
Unit price	R$/t	2,422	2,467	2,438	-1.2%
Total cost	R$/thd	(1,449,659)	(1,461,190)	(1,634,559)	11.9%
Unit cost	R$/t	(1,137)	(1,124)	(1,248)	11.0%
Unit Gross Income	**R$/t**	**1,285**	**1,343**	**1,190**	**-11.4%**

Unit Gross Income on soybeans (commercial + seed) decreased 11.4% year on year due to lower margins in crop year 2022/2023 compared to the previous crop year. The decline reflects lower selling prices and higher unit costs.

Corn

TABLE 22 – GROSS INCOME – CORN

Corn		2022 Published	2022 New	2023	HA
Sales volume	tonnes	783,768	783,768	1,071,551	36.7%
Net Revenue	R$ thousand	710,473	710,473	846,036	19.1%
FX hedge revenue	R$ thousand	39,832	39,832	118,188	196.7%
Net Rev. adj. for FX hedging effects	R$ thousand	750,305	750,305	964,224	28.5%
Unit price	R$/t	957	957	900	-6.0%
Total cost	R$ thousand	(542,399)	(543,465)	(693,868)	27.7%
Unit cost	R$/t	(692)	(693)	(648)	-6.5%
Unit Gross Income	**R$/t**	**265**	**264**	**252**	**-4.5%**

Unit Gross Income on corn decreased 4.5% year on year. The decrease was primarily the result of lower selling prices, despite strong yields in crop year 2022/23 versus 2021/22.

Cattle Herd

TABLE 23 – GROSS INCOME – CATTLE HERD

Cattle Herd		2022	2023	HA
Sales volume	Head	24,318	30,295	24.6%
Net Revenue	R$ thousand	110,862	121,007	9.2%
FX hedge revenue	R$ thousand	1,294	15,454	n.m.
Net Revenue adjusted for FX hedge revenue	R$ thousand	112,156	136,461	21.7%
Unit Price	R$/head	4,612	4,504	-2.3%
Total Cost	R$ thousand	(119,413)	(143,966)	20.6%
Unit Cost	R$/head	(4,910)	(4,752)	-3.2%
Unit Gross Income	**R$/head**	**(298)**	**(248)**	**-16.8%**

Unit Gross Income on cattle was a loss in 2023, as selling prices declined to less than cattle purchasing and fattening costs. However, this excludes the effect of higher crop yields as a result of integrated crop-livestock systems, the primary purpose of the Company's cattle operations.

Gross Income

TABLE 24 – GROSS INCOME

(R$ thousand)	2022 Published	2022 New	2023	HA
Gross Income	3,131,299	3,131,299	2,620,694	-16.3%
Cotton lint	938,468	1,006,812	890,196	-11.6%
Cottonseed (cottonseed + cotton seed)	239,221	253,857	144,280	-43.2%
Soybean (commercial + seed)	1,637,818	1,745,659	1,557,766	-10.8%
Corn	207,906	206,840	270,356	30.7%
Cattle herd	(12,061)	(7,257)	(7,505)	3.4%
Other	140,952	17,759	(39,280)	n.m.
VFVBA – RFVBA[1]	(21,005)	(21,005)	(166,194)	691.2%
NRVAP[2]	-	(71,366)	(28,924)	-59.5%

[1] *Variation in Fair Value of Biological Assets (VFVBA) and Realization of Fair Value of Biological Assets (RFVBA).*
[2] *Variation in Net Realizable Value of Agricultural Produce (NRVAP).*

Gross Income decreased 16.3% year on year, primarily reflecting lower margins on soybeans and a negative change in soybean Biological Assets (revenue-cost).

Selling Expenses

Expenses on royalties increased year on year due to higher seed sales volumes and higher storage expenses. As a percentage of Net Revenue, Selling Expenses remained virtually flat at 5.4% in 2023, a slight increase of 0.3 percentage points.

TABLE 25 - SELLING EXPENSES

(R$ thousand)	2022	2023	HA
Freight	(139,491)	(125,083)	-10.3%
Storage	(56,582)	(61,574)	8.8%
Commission	(27,178)	(29,263)	7.7%
Classification of Goods	(2,577)	(2,495)	-3.2%
Export Expenses	(47,704)	(42,687)	-10.5%
Royalties	(92,665)	(111,901)	20.8%
Other	(13,467)	(15,856)	17.7%
Total	**(379,664)**	**(388,859)**	**2.4%**
% Net Revenue	**5.1%**	**5.4%**	**0.3 p.p.**

Administrative Expenses

TABLE 26 – ADMINISTRATIVE EXPENSES

(R$ thousand)	2022	2023	HA
Personnel expenses	(74,921)	(87,572)	16.9%
Third-party fees	(29,761)	(22,579)	-24.1%
Depreciation and amortization	(17,514)	(23,781)	35.8%
Travel expenses	(4,633)	(5,232)	12.9%
Software maintenance	(6,808)	(17,467)	156.6%
Marketing/Advertisement	(6,312)	(7,633)	20.9%
Communication expenses	(6,186)	(7,193)	16.3%
Rentals	(5,316)	(4,452)	-16.3%
Tax, labor and environmental contingencies	(1,059)	84	n.m.
Electricity	(214)	(229)	6.9%
Taxes and other fees	(2,458)	(2,813)	14.5%
Contributions and donations	(10,043)	(10,145)	1.0%
Other	(10,589)	(6,880)	-35.0%
Subtotal	**(175,814)**	**(195,892)**	**11.4%**
% Net Revenue	2.4%	2.7%	0.3p.p.
Provision for profit share program	(84,416)	(89,260)	5.7%
Total	**(260,230)**	**(285,152)**	**9.6%**

Administrative Expenses (excluding profit sharing program) increased by 11.4% year on year, representing 2.7% of Net Revenue, a marginal 0.3 percentage-point increase. The most significant changes were:

- Personnel expenses: reflects an increase under Stock Option Program/Restricted Shares as well as workforce adjustments;
- Depreciation and amortization: the increase reflects the implementation/purchasing of new software systems used in the Company's operations.

Adjusted EBITDA

Adjusted EBITDA was R$ 2.7 million with a margin of 37.5%. Adjusted EBITDA decreased by 13.1% and EBITDA margin decreased by 4.8 percentage points compared to 2022, reflecting lower cotton margins and selling volumes.

TABLE 27 – ADJUSTED EBITDA RECONCILIATION

(R$ thousand)	2022	2023	HA
Net Revenue	**7,373,034**	**7,230,583**	**-1.9%**
(+/-) Variation in Fair Value of Biological Assets[3]	**2,216,676**	**1,920,465**	**-13.4%**
(+/-) Variation in Net Real. Value of Agricultural Products[6]	**(71,366)**	**(28,924)**	**-59.5%**
(-) Cost of Goods Sold	**(6,387,045)**	**(6,501,430)**	**1.8%**
Cost of Goods Sold	**(4,149,364)**	**(4,414,771)**	**6.4%**
Realization of the Fair Value of Biological Assets[4]	(2,237,681)	(2,086,659)	-6.7%
Gross Income	**3,131,299**	**2,620,694**	**-16.3%**
(-) Selling Expenses	**(379,664)**	**(388,859)**	**2.4%**
(-) Gen. & Admin. Expenses	**(260,230)**	**(285,152)**	**9.6%**
General and administrative	(175,815)	(195,892)	11.4%
Profit sharing program	(84,415)	(89,260)	5.7%
(-) Management fees	**(24,374)**	**(23,608)**	**-3.1%**
(-) Other operating revenue (expense)	**38,262**	**12,106**	**-68.4%**
(=) Income from Activity	**2,505,293**	**1,935,181**	**-22.8%**
(+) Depreciation and amortization	177,813	219,688	23.5%
EBITDA	**2,683,106**	**2,154,869**	**-19.7%**
(-) Variation in Fair Value of Biological Assets[3]	(2,216,676)	(1,920,465)	-13.4%
(+) Realization of the Fair Value of Biological Assets[4]	2,237,681	2,086,659	-6.7%
(+/-) Variation in Net Realiz. Value (NRV) of Ag. Prod.[6]	71,366	28,924	-59.5%
(+) Other Transactions - PPE [2]	32,222	59,170	83.6%
(+) Adjustment f/ deprec. of right-of-use assets - IFRS 16[5]	310,745	299,542	-3.6%
Adjusted EBITDA[1,2,5,6]	**3,118,444**	**2,708,699**	**-13.1%**
Adjusted EBITDA margin [1,2,5,6]	**42.3%**	**37.5%**	**-4.8p.p.**

[1] Excludes the effects from Biological Assets, which are non-cash. [2] Excludes write-offs of property, plant and equipment and other PPE transactions, which are non-cash. [3] Variation in Fair Value of Biological Assets (note 33 to the financial statements). [4] Realization of the Fair Value of Biological Assets (note 31 to the financial statements). [5] Depreciation of right-of-use assets – leases. [6] Variation in Net Realizable Value of Agricultural Produce (NRVAP).

Adjusted Net Finance Revenue

Because the dollar-denominated portion of the Company's debt is swapped for reais, in line with Company's Hedging Policy, the foreign-exchange variance of dollar-denominated debt does not affect Finance Revenue, and the figures are analyzed in aggregate form. Any exchange variance gains and losses on dollar-denominated debt are offset by proportionate gains and losses under the swap transactions.

TABLE 28 – ADJUSTED NET FINANCE REVENUE (INCL. SWAP EFFECTS)

(R$ thousand)	2022	2023	HA
Interest	(459,171)	(454,331)	-1.1%
FX Variation	58,533	65,751	12.3%
Monetary Variation	(155)	4,217	n.m.
Adj. to Present Value – Leases (IFRS16)	(280,423)	(283,004)	0.9%
Adj. to Present Value – Payables	-	(29,795)	n.m.
Other finance revenue (expense)	(18,252)	(14,114)	-22.7%
Total	**(699,468)**	**(711,276)**	**1.7%**
% Net Revenue	**9.5%**	**9.8%**	**0.3p.p.**

Adjusted Net Finance Expense increased 1.7% year on year. The primary change was the inclusion of adjustment to present value of payables in 2023 in connection with land purchased in installments, which was partly offset by lower interest and foreign-exchange variance due to the strengthening Brazilian real, which affected the value of dollar-denominated trade payables.

Net Income

TABLE 29 – NET INCOME

(R$ thousand)	2022	2023	HA
Profit or loss before tax on profit	**1,805,825**	**1,223,905**	**-32.2%**
Income and social contribution taxes on income	(469,092)	(285,925)	-39.0%
Consolidated Net Income for the Period	**1,336,733**	**937,980**	**-29.8%**
Attributed to the shareholders of SLC Agrícola	1,267,459	895,600	-29.3%
Attributed to partners in joint ventures/partnerships	69,274	42,380	-38.8%
Net Margin	**18.1%**	**13.0%**	**-5.1p.p.**

Net Income was R$ 938 million in the year, down 29.8% year on year, with a net margin of 13%. The R$ 398.8 million reduction reflects a R$ 510.6 million decrease in Gross Income, primarily reflecting a negative variation in Fair Value of Biological Assets (revenue less cost) measured for crops pending harvesting in Mato Grosso in the 2023/24 crop year.

Our Hedging Policy plays an important role in hedging revenues against foreign-exchange variance.

Transactions by Segment – Seed Segment Breakdown

SLC Sementes sells its products directly to producers, resellers and/or breeders (vertically integrated production) and carries out transactions that correspond to sales and/or transfers of seeds between affiliated companies or affiliates and subsidiaries of SLC Agrícola. In order to include managerial aspects and provide a better understanding of the economic and financial position of this operation, the Company calculates added value on a managerial basis in intercompany transactions. This calculation is performed for Revenue and Cost, maintaining parity between the cost price and the market price.

Below is a breakdown of operations by segment, with a focus on the seed operation.

TABLE 30 – TRANSACTIONS BY SEGMENT

2023 (R$ thousand)	Agricultural and Land Operations	Seed Operation	Agricultural, Land and Seed Production	Eliminations	Consolidated
Net Revenue (products and leases)	**7,648,812**	**608,275**	**8,257,088**	**(1,026,505)**	**7,230,583**
Revenue from third parties	7,399,562	202,914	7,602,477	(371,894)	7,230,583
Seeds - Internal Transactions	249,250	405,361	654,611	(654,611)	-
Biological Assets[1] and NRVAP[2]	**1,891,541**	**-**	**1,891,541**	**-**	**1,891,541**
Product and lease costs	**(7,056,487)**	**(333,046)**	**(7,389,534)**	**(888,104)**	**(6,501,430)**
Cost of goods sold	(6,768,669)	(83,796)	(6,852,465)	(351,035)	(6,501,430)
Seeds - Internal Transactions	(287,819)	(249,250)	(537,069)	(537,069)	-
Gross Income	**2,483,866**	**275,229**	**2,759,095**	**(138,401)**	**2,620,694**
Operating expense / revenue	**(538,543)**	**(188,372)**	**(726,915)**	**41,402**	**(685,513)**
Selling expenses	(258,323)	(171,938)	(430,261)	41,402	(388,859)
General and administrative expenses	(292,326)	(16,434)	(308,760)	-	(308,760)
Other operating revenue (expense)	38,252	-	38,252	-	38,252
Added Value Realization	(26,146)	-	(26,146)	-	(26,146)
Operational Result	**1,945,323**	**86,857**	**2,032,180**	**(96,999)**	**1,935,181**
Adjusted EBITDA	**2,622,763**	**86,857**	**2,708,699**	**-**	**2,708,699**
Adjusted EBITDA Margin	**34.3%**	**14.3%**	**-**	**-**	**37.5%**
Income (loss) before financial income (loss) and taxes	**1,945,323**	**86,857**	**2,032,180**	**(96,999)**	**1,935,181**
Net financial result	(929,948)	(23,406)	(953,354)	242,078	(711,276)
Income before income tax	**1,015,375**	**63,451**	**1,078,826**	**145,079**	**1,223,905**
Income tax and social contribution	(261,215)	(21,573)	(282,788)	(3,137)	(285,925)
Consolidated net income for the period	**754,160**	**41,878**	**796,038**	**141,942**	**937,980**
Net Margin	**9.8%**	**6.9%**	**-**	**-**	**13.0%**

[1] *Biological Assets: Fair Value of Biological Assets.*
[2] *NRVBA (Net Realizable Value of Biological Assets).*

Below we provide a comparison for the seed segment.

TABLES 31 – TRANSACTIONS BY SEGMENT, 2022 X 2023 – SEED BUSINESS

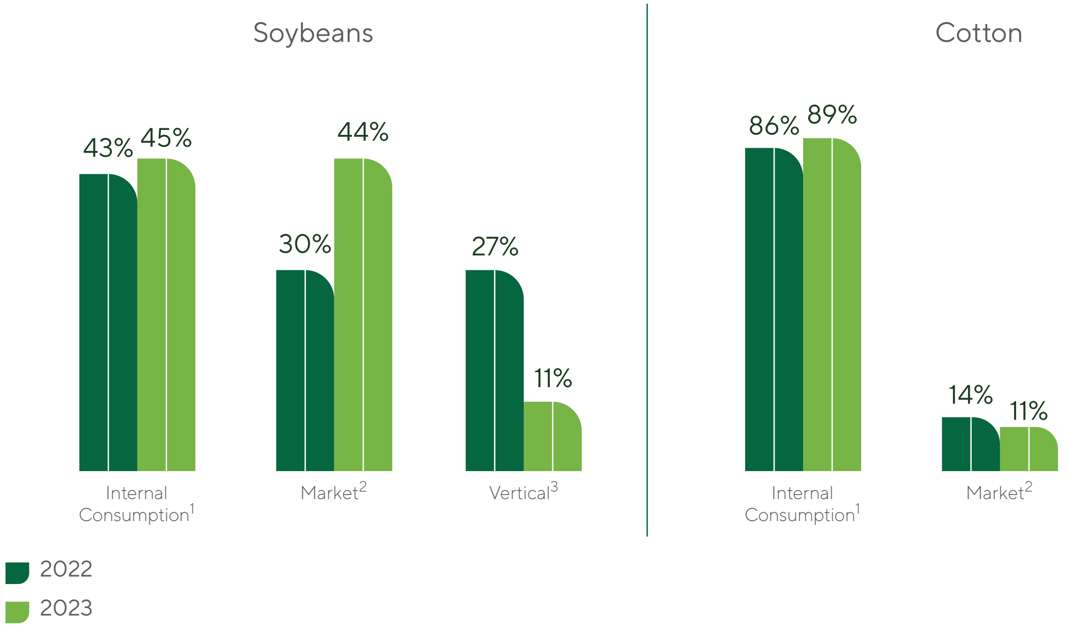
(R$ thousand)	Seed Transactions 2022 Published	Seed Transactions 2022 New	Seed Transactions 2023	HA
Net Revenue (products and leases)	**444,666**	**569,653**	**608,275**	**6.8%**
Revenue from third parties	220,690	220,690	202,914	-8.1%
Seeds - Internal Transactions	223,976	348,963	405,361	16.2%
Product and leasing costs	**(169,822)**	**(294,809)**	**(333,046)**	**13.0%**
Cost of goods sold	(97,790)	(97,790)	(83,796)	-14.3%
Seeds - Internal Transactions	(72032)	(197,019)	(249,250)	26.5%
Gross income	**274,844**	**274,844**	**275,229**	**0.1%**
Gross Margin	**61.2%**	**48.2%**	**45.2%**	**-3.0 p.p.**
Operating expense/incomes	**(174,652)**	**(174,652)**	**(188,372)**	**7.9%**
Selling expenses	(164,644)	(164,644)	(171,938)	4.4%
General and administrative expenses	(10,008)	(10,008)	(16,434)	64.2%
Operating Result	**100,193**	**100,193**	**86,857**	**-13.3%**
Adjusted EBITDA	**100,193**	**100,193**	**86,857**	**-13.3%**
Adjusted EBITDA Margin	**22.5%**	**17.6%**	**14.3%**	**-3.3 p.p.**
Income (loss) before financial income (loss) and taxes	**100,193**	**100,193**	**86,857**	**-13.3%**
Net financial result	(18,089)	(18,089)	(23,406)	29.4%
Income before income tax	**82,104**	**82,104**	**63,451**	**-22.7%**
Income tax and social contribution	(24,688)	(24,688)	(21,573)	-12.6%
Consolidated net income for the period	**57,415**	**57,415**	**41,878**	**-27.1%**
Net Margin	**12.9%**	**10.1%**	**6.9%**	**-3.2 p.p.**

For a better comparison across periods, the Company adjusted royalties expenses in 2022, providing a breakdown of revenue and cost, whereas previously they were reported net.

Soybean seed sales, including internal consumption, stood at 1,020,575 thousand bags (200,000 seeds each), an increase of 19.2% on 2022. Compared to projected sales volumes for 2023 (1,119,800 bags containing 200,000 seeds each), sales volumes declined by 8.9%, substantially due to declining sales via the vertical channel. Cotton planting seed sales totaled 129,950 bags (200,000 seeds each), a 7.0% increase in sales volume compared to initial projections. There was strong improvement across sales channels, especially sales to small and medium-sized farms (market), partly offset by the vertical sales channel, demonstrating brand growth.

Cotton and soybean seed sales rose by 19.2% and 7%, respectively, versus initial projections.

FIGURE 13. SOYBEAN AND COTTON SEEDS - SALES CHANNELS 2022 X 2023



[1] *Consumption within SLC Agrícola.*
[2] *Small and medium-sized growers and reselling.*
[3] *Production for BASF, SEEDCORP HO, Agro Amazônia.*

Net Revenue increased by 6.8% compared to 2022, largely due to the higher volumes for internal consumption.

Production costs are mostly composed of the cost of grains (valued at market price) and other costs such as processing and transportation. Production costs increased by 13.0% in the year as they were largely incurred during the period when soybean prices were higher. Production costs were also affected by the higher volume sold with Industrial Seed Treatment (IST).

Selling Expenses represented 28.1% of Net Revenue in 2023, virtually level with 2022. These expenses primarily consist of royalties that are passed on to selling prices.

Administrative Expenses rose 64.2%, reflecting workforce and operations expansion, especially in sales (administrative, selling and marketing).

Financial result is calculated on a managerial basis. Working capital requirements are assessed and interest is calculated based on the Company's average debt service costs.

EBITDA was R$ 87 million, a decrease of 13.3% versus 2023 driven by higher General and Administrative Expenses.

Income tax and social contribution are based on an average rate of 34%.

The seed sales segment posted Net Income of R$ 41.9 million in 2023, with a net margin of 6.9% and a gross margin of 45.2%, adding value to the Company's core business.

With higher volumes allocated for internal consumption, Net Revenue in the segment grew by 6.8%.

Statement of Cash Flow Analysis

In 2023, the Company generated R$ 429 million in cash, a 56.9% decrease compared to 2022. This reduction can be attributed to several key factors: a decrease in Gross Income as a result of lower selling prices on commodities, as well as lower cotton sales volumes; and investments in purchasing 12,400 hectares of land on *Fazenda Paysandu* for R$ 470 million, with an upfront payment of R$ 290 million in 2023 and a balance of R$ 180 million to be paid in January 2025.

The decrease in cash generation is explained by lower cotton sales volumes in 2023.

TABLE 32 – SUMMARY CASH FLOW

(R$ thousand)	2022	2023	HA
Cash Generated in Operations	**3,073,066**	**2,813,813**	**-8.4%**
Changes in Assets and Liabilities	**(1,081,289)**	**(960,994)**	**-11.1%**
Net Cash from Investment Activities	**(485,813)**	**(856,414)**	**76.3%**
Property, plant and equipment	(428,320)	(515,115)	20.3%
Intangible assets	(36,433)	(17,069)	-53.1%
Receipt for the sale of land	1,643	-	-100.0%
Land purchases	-	(290,000)	n.m.
Receipt for Land Return	-	3,352	n.m.
Other investments	(22,703)	(37,582)	65.5%
Net Cash Before Financing Activities	**1,505,964**	**996,405**	**-33.8%**
Changes in short-term investments[1]	63	323	412.7%
Lease/rent payments[2]	(511,338)	(568,010)	11.1%
Adjusted Free Cash Flow	**994,689**	**428,718**	**-56.9%**

[1] The changes in this line item are non-cash.
[2] Due to the adoption of IFRS 16, lease payments are now accounted for in the Statement of Cash Flows under Financing Activities. However, these should be considered as operating cash disbursements. For details on payments (cotton gin, cropland, leased buildings and machinery and vehicles), see note 12 to the financial statements.

PPE/CAPEX

TABLE 33 – PROPERTY, PLANT & EQUIPMENT /CAPEX[1]

(R$ thousand)	2022	2023	HA
Machinery, implements and equipment	247,530	148,518	-40.0%
Land acquisition	188	365,855	n.m.
Soil correction	145,633	173,899	19.4%
Buildings and facilities	104,544	110,734	5.9%
Cotton ginning plant	2,138	12,738	495.8%
Grain storage	12,325	32,602	164.5%
Soil cleaning	41,695	24,369	-41.6%
Vehicles	4,900	78,548	n.m.
Software	28,692	19,657	-31.5%
Improvements on own properties	1,036	1,208	16.6%
Improvements on third-party properties	912	762	-16.4%
Buildings	136	32,907	n.m.
Other	19,619	23,678	20.7%
Total	**609,348**	**1,025,475**	**68.3%**

[1] *See notes 14 and 15 to the financial statements.*

Capital expenditure was R$ 1.025 billion in the year, a 68.3% increase on the previous year. Capital expenditure in the year was primarily allocated to purchasing the 12,473.88-hectare *Fazenda Paysandu* property, as reported in a Material Fact dated February 23, 2023, accounting for 40.5% of total CAPEX in the year. The amount of CAPEX recognized in connection with the purchase of *Fazenda Paysandu* was R$ 414 million (R$ 366 million for the land, R$ 34 million for the infrastructure, and R$ 15 million for equipment (cotton processing unit)).

Total CAPEX, not including the investment in *Fazenda Paysandu*, was R$ 611.7 million. Significant CAPEX investments in 2023 included: R$ 173.9 million in soil corrections, R$ 148.5 million in machinery, implements and equipment; and R$ 95.7 million in Buildings and Facilities.

In addition, the Company has continued to expand its fleet of leased machinery and equipment, and this is reflected in the 40% reduction of investments in machinery and equipment in 2023 versus 2022.

Debt

Adjusted Net Debt was R$ 2.874 billion at yearend 2023, an increase of R$ 536 million on yearend 2022. This primarily reflects the purchase of land and buildings on *Fazenda Paysandu* and the lower volume of cotton shipments.

Net Debt to Adjusted EBITDA increased from 0.75x at yearend 2022 to 1.06x in the fourth quarter of 2023, as a result of increased Net Debt and reduced Adjusted EBITDA reflecting delays in cotton shipments. Despite this increase, leverage levels remain comfortable.

TABLE 34 – NET FINANCIAL DEBT

Credit Facility		Average annual interest rates (%)		Consolidated	
(R$ thousand)	Index	4Q22	4Q23	4Q22	4Q23
Applied in Fixed Assets				**40,986**	**20,038**
Finame – BNDES	Prefixed	6.1%	6.1%	40,986	20,038
Applied in Working Capital				**3,413,285**	**4,373,341**
Rural Credit	Prefixed	12.0%	10.2%	15,283	31,553
Rural Credit	CDI[1]	14.7%	12.5%	631,199	1,850,034
Working Capital	CDI[1]	14.8%	12.8%	1,181,891	1,760,322
Export Loans	CDI[1]	14.9%	12.8%	1,584,912	731,432
Total Debt[3]		**14.7%**	**12.6%**	**3,454,271**	**4,393,379**
(+/-) Gains and losseswith deriv. connected with applications and debt[2]				120,262	94,970
(=) Gross Debt (Adjusted)				**3,574,533**	**4,488,349**
(-) Cash				(1,236,522)	(1,614,818)
(=) Net Debt (Adjusted)				**2,338,011**	**2,873,531**
Adjusted EBITDA - Last 12 months				3,118,445	2,708,699
Adjusted Net Debt/Adjusted EBITDA				**0.75x**	**1.06x**

[1] *Final interest rate with swap.*
[2] *Transactions with gains and losses on derivatives (note 25 to the financial statements).*
[3] *Total debt differs from the book position due to the costs of CRA transactions (see note 18 to the financial statements).*

FIGURE 14 – CHANGE IN NET DEBT/ADJUSTED EBITDA RATIO

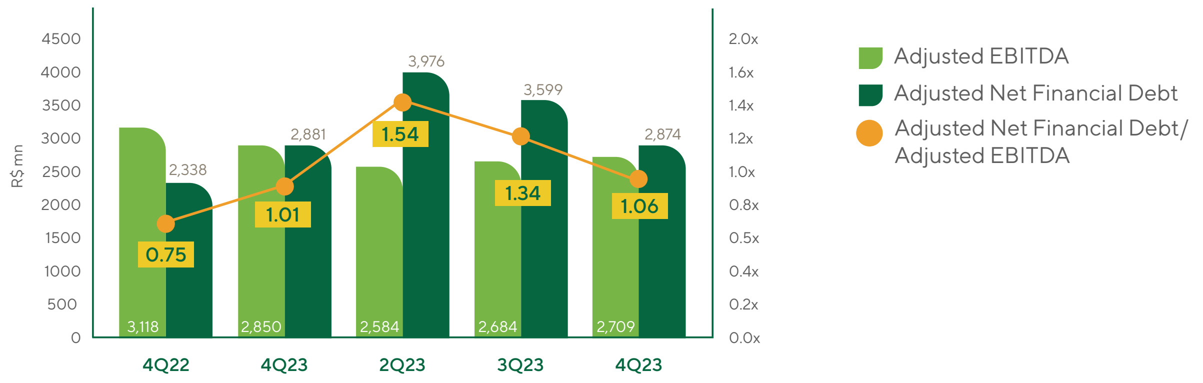


FIGURE 15 – CHANGES IN ADJUSTED GROSS DEBT (R$ THOUSAND)

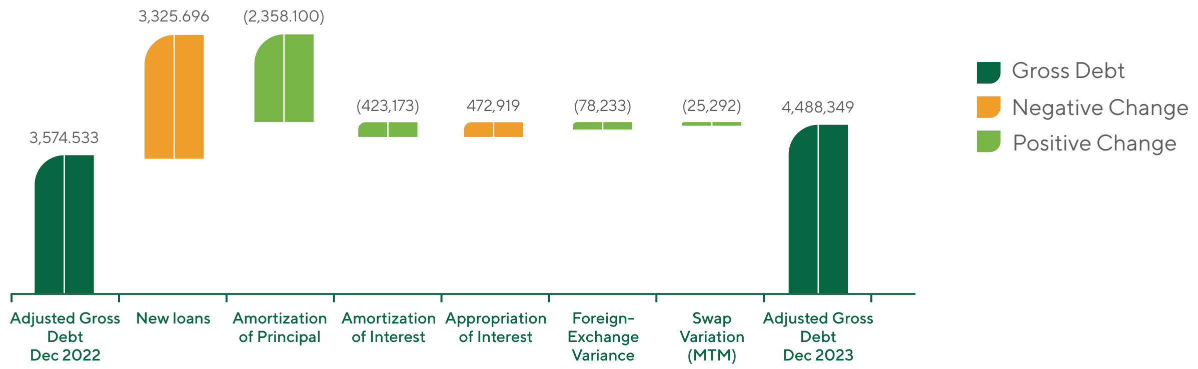


FIGURE 16 – ADJUSTED GROSS DEBT AMORTIZATION SCHEDULE (R$ THOUSAND)

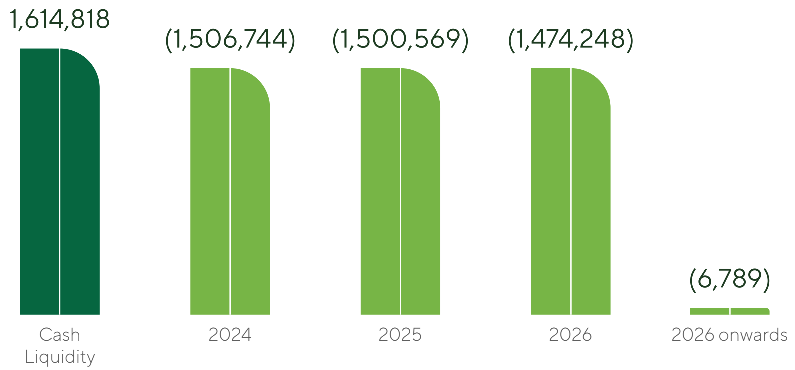


FIGURE 17 – ADJUSTED GROSS DEBT PROFILE

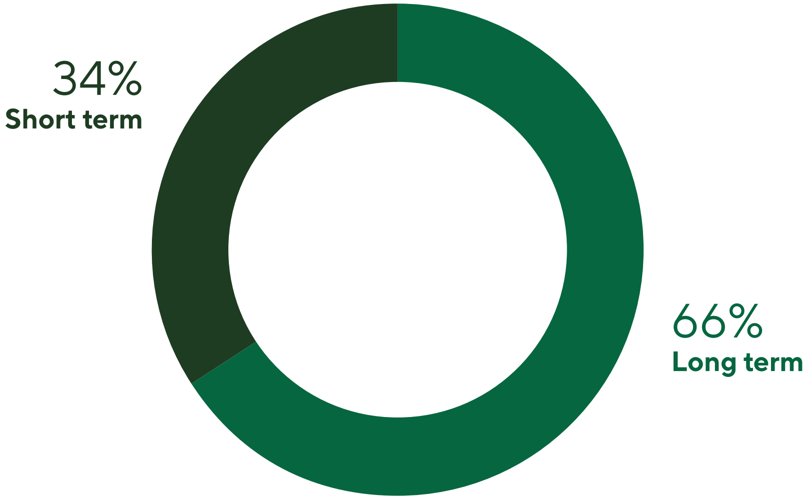
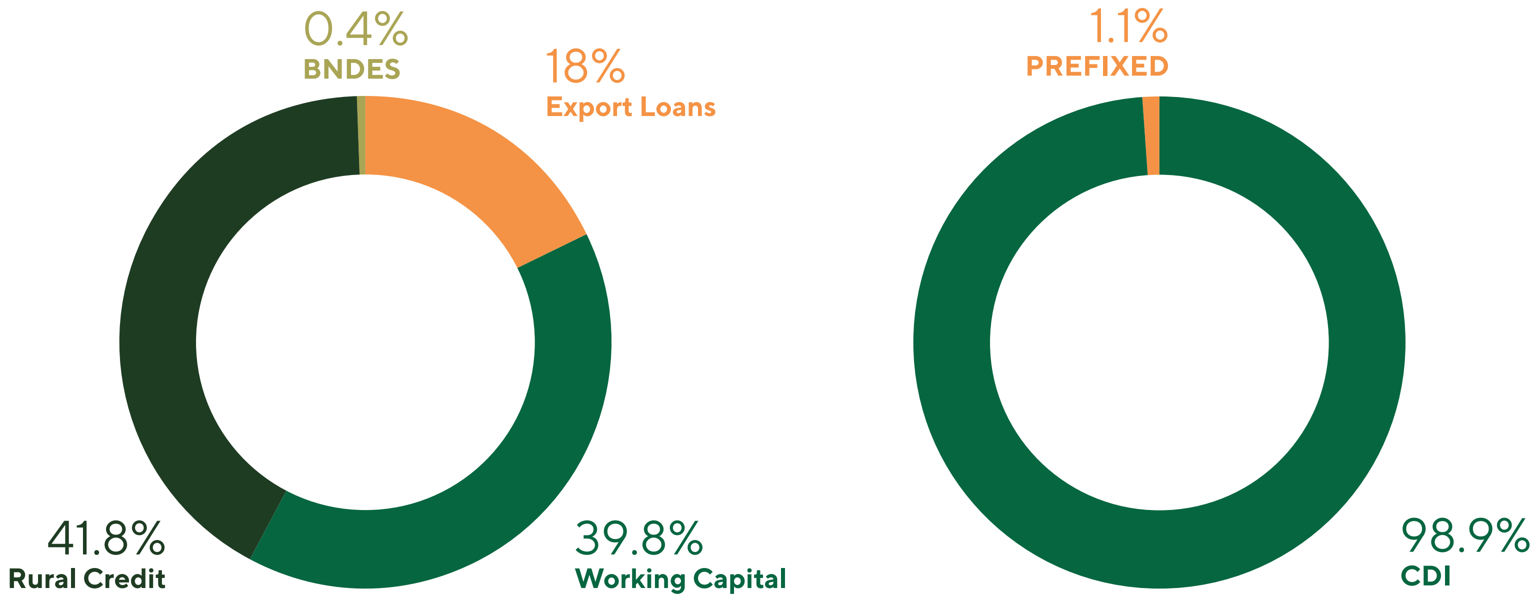


FIGURE 18 – ADJUSTED GROSS DEBT BY INDEX AND INSTRUMENT



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 our exposure from currency variation we use derivative instruments, whose portfolio basically comprises nondeliverable forwards (NDFs). In line with the Company's Risk Management Policy, whose goal is to obtain a pre-established operating margin from a combination of factors such as Price, Exchange Rate and Cost, most of the instruments for protecting against variations in commodity prices are accomplished through advanced sales directly to our clients (forward contracts).

We also use futures and options contracts negotiated on the exchange and transactions involving swaps and options with financial institutions. The hedge position of commodities (in relation to the estimated total volume invoiced) and currency (in relation to total estimated revenue in U.S. dollar) is shown below, broken down by commercial hedge and financial hedge and updated **as of February 26**:

Financial tables

Click *here* to download the tables opposite and other financial disclosures.

TABLE 35 – UPDATED HEDGE POSITION

Foreign-exchange hedge – Soybean

Crop Year	2022/2023	2023/2024
%	99.6	68.4
R$/USD	5.3683	5.2238
Commitments %[1]	-	15.6

Commodity Hedge – Soybean

Crop Year	2022/2023	2023/2024
%	100.0	58.1
USD/bu[2]	14.25	12.62
Commitments %[1]	-	10.9

Foreign-exchange hedge – Cotton lint

Crop Year	2022/2023	2023/2024
%	96.2	34.7
R$/USD	5.5713	5.3857
Commitments %[1]	-	4.4

Commodity hedge – Cotton lint

Crop Year	2022/2023	2023/2024
%	99.2	40.2
US¢/pd[2]	90.79	85.92
Commitments %[1]	-	-

Foreign-exchange hedge – Corn

Crop Year	2022/2023	2023/2024
-	-	-
-	-	-
%	99.6	59.3
R$/USD	5.5758	5.3538
Commitments %[1]	-	3.4

Commodity hedge – Corn

Crop Year	2022/2023	2023/2024
%	3.9	3.3
R$/bag[3]	56.64	45.00
%	96.1	34.1
USD/bag[3]	9.52	8.12
Commitments %[1]	-	-

[1] Payment commitments for US dollar-denominated fixed-rate securities, a natural hedge with payments related to land purchases and lease agreements based on soybean bags.
[2] Based on FOB Port - prices at our production facilities also are influenced by shipping expenses and any discounts for quality.
[3] Farm price.

Capital Market

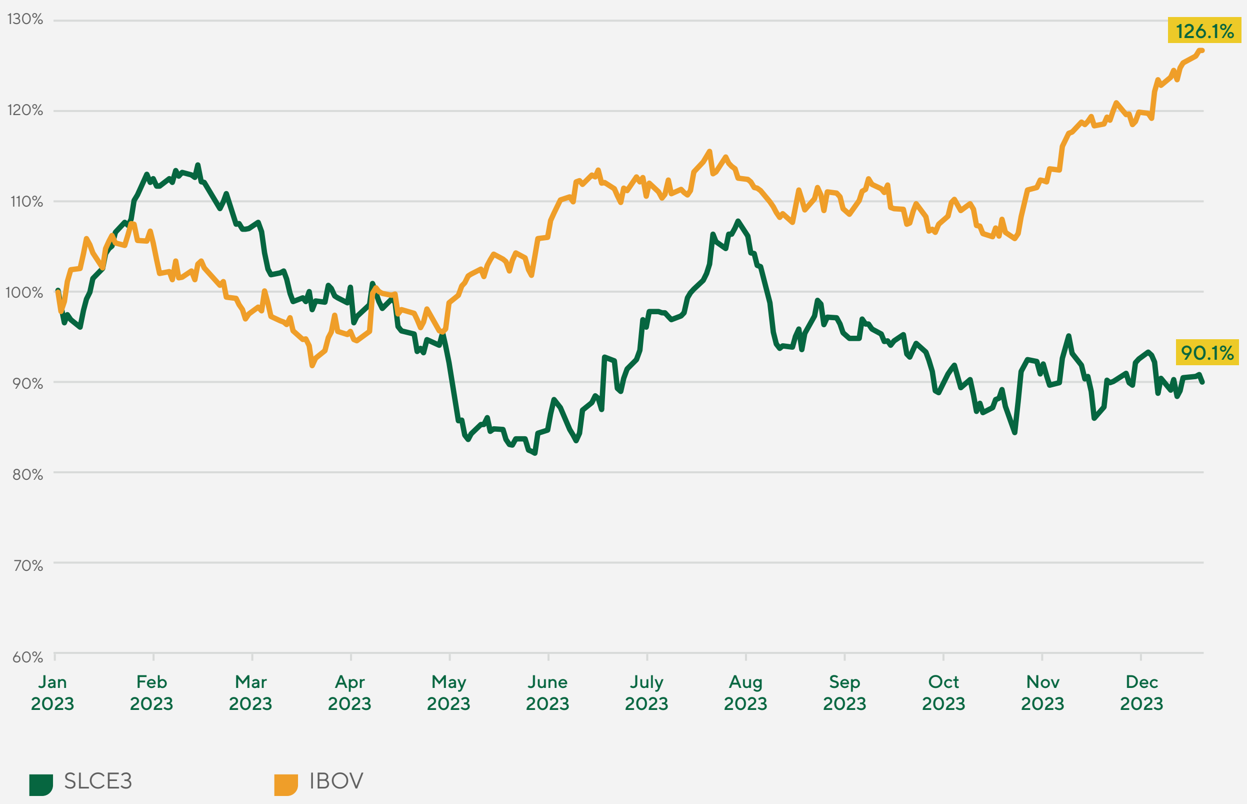
The Company's capital stock is divided into 443,329,716 common shares without par value, with a free-float of 43.9% on the reporting date of December 31, 2023. Shares in SLC Agrícola (SLCE3) are traded on the Brazilian stock exchange (B3), in the enhanced-governance *Novo Mercado* listing segment. The Company's Level 1 ADRs are also traded on the U.S. over-the-counter market, under the ticker symbol "SLCJY." SLCE3 is a constituent of the following indexes: IBOVESPA; AGFS B3 (IAGRO); GPTW B3; IBRX100 B3; ISE B3; ICO2 B3; Small Caps (SMLL B3); IBRA B3; ICON B3; IGCT B3; IGCX B3; IGNM B3; and ITAG B3.

On May 15 and November 8, 2023, we published Material Facts reporting the cancellation of 7 million and 5 million shares, respectively. In addition, we announced the approval by the Board of Directors of two new Share Buyback Programs. The first, launched on May 15, 2023, involved the buying back of 5 million shares and has now been completed. The second program, involving an additional 8 million shares (post-split), was still ongoing as of November and has a maximum time frame for completion of 18 months from its approval date. The repurchased shares will be held in treasury for potential sale and/or cancellation. The Company will inform its shareholders when the program is finalized.

From January to December 2023, SLCE3 stocks fell by 10%, compared to a 26% appreciation of the Ibovespa index during the same period, as shown in the graph opposite.

The average daily trading volume in the spot market in 2023 was R$ 75 million, a 17.8% decrease compared to 2022, with an average of 1,648 thousand shares traded per day, a reduction of 1.2% for the year.

FIGURE 19 – SLCE3 STOCK PERFORMANCE (BASE 100)



Dividends

The distribution of dividends in the last five fiscal years has corresponded to an average payout of 50% of Adjusted Net Income.

On March 6, 2023, the Board of Directors approved a Management Proposal which will be submitted to the Stockholders' Meeting to be held on 4/29/2024. The Proposal recommends distributing R$ 389 million in dividends, representing 50% of the adjusted income of the parent company for the year ended on 12/31/2023. Of this amount, R$ 24 million has already been distributed as interest on own capital, paid in January 2024, and will be included in the calculation of the mandatory dividend.

The dividend will be paid equally to all outstanding shares in the company (excluding treasury shares), amounting to R$ 0.883915806[1] per common share. The amount per share includes the R$ 24 million in interest on equity paid.

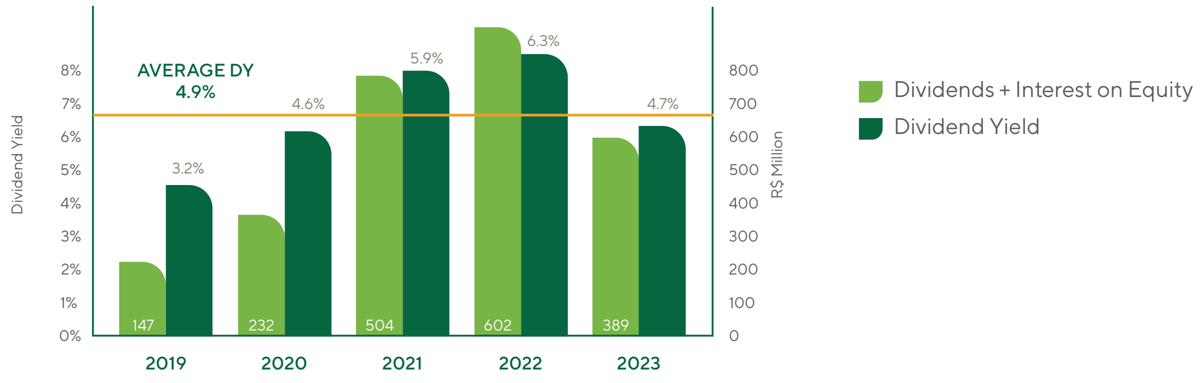
[1] Considering the treasury share position as of December 31, 2023. The final treasury share position will be recalculated in the dividend payment proposal.

50%
of Adjusted Net Income has been the average payout in dividends over the last five years

TABLE 36 – PROPOSED DISTRIBUTION OF NET INCOME

(R$ thousand)	2022	2023
Net Income for the Period - Parent Company	1,267,459	895,600
Appropriation of subvention reserve	247	76,543
Appropriation of legal reserve	63,360	40,953
Dividend calculation base	1,203,852	778,103
Minimum mandatory dividend of 25% (a)	229,963	170,526
Interest on own Capital (Gross) (b)	71,000	24,000
Taxes on Interest on own Capital	9,133	3,162
Interest on own Capital (Net)	61,867	20,838
Proposed 25% added dividend (c)	300,963	194,526
Proposed Dividends (a+b+c)	601,926	389,052
% of Net Income for the Year	**50%**	**50%**

FIGURE 20 – DIVIDENDS + INTEREST ON EQUITY AND DIVIDEND YIELD



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 for the period, the net annual appreciation of its land (based on an independent report prepared annually by Deloitte Touche Tohmatsu Consultores Ltda.).

TABLE 37 - RETURN ON EQUITY

(R$ million)	2019	2020	2021	2022	2023	5 year average
Consolidated Net Income[1]	293	511	1,131	1,336	938	842
Net Appreciation of Land[2]	142	216	2,626	2,203	1,433	1,324
Subtotal	**435**	**727**	**3,757**	**3,539**	**2,371**	**2,166**
Net Income[3]	4,809	5,192	8,443	11,765	13,544	8,751
Return on Equity	**9.0%**	**14.0%**	**44.5%**	**30.1%**	**17.5%**	**23.0%**
Net CDI[4]	**5.1%**	**2.3%**	**3.8%**	**10.5%**	**11.1%**	**6.6%**

[1] Even during periods in which net income is derived from the sale of land, this analysis includes only income from "agricultural operations", as any gains from the appreciation of land are included in a dedicated line item.
[2] Based on an independent report (Deloitte), last updated in 2023; amounts are net of taxes and adjusted for the Company's stake in SLC LandCo.
[3] Adjusted for land appreciation.
[4] Net CDI: The cumulative CDI rate for each period, net of income tax.

TABLE 38 - RETURN ON INVESTED CAPITAL

(R$ million)	2019	2020	2021	2022	2023	5 year average
Operating Income[1]	536	780	1,913	2,505	1,935	1,534
Income tax rate	24.0%	26.0%	27.6%	26.3%	23.4%	25.5%
Adjusted IR	-129	-203	-528	-659	-452	-394
Adjusted Operating Income	407	577	1,385	1,847	1,483	1,140
Net Appreciation of Land[2]	142	216	2,626	2,203	1,433	1,324
Operating Income incl. Land	**549**	**793**	**4,011**	**4,050**	**2,916**	**2,464**
Invested Capital	**5,783**	**5,900**	**10,836**	**14,103**	**16,418**	**10,608**
Gross Debt (ST and LT)[4]	1,859	2,313	2,534	3,574	4,488	2,954
Cash	885	1,605	140.46	1,237	1,615	1,096
Net Debt	974	708	2,393	2,338	2,874	1,857
Net Income[3]	4,809	5,192	8,443	11,765	13,544	8,751
Return on Invested Capital	**9.5%**	**13.4%**	**37.0%**	**28.7%**	**17.8%**	**21.3%**

[1] Even during periods in which operating income is derived from the sale of land, this analysis includes only income from "agricultural operations", as any gains from the appreciation of land are included in a dedicated line item.
[2] Based on an independent report (Deloitte), last updated in 2023; amounts are net of taxes and adjusted for the Company's stake in SLC LandCo.
[3] Adjusted for land appreciation.
[4] Gross Debt adjusted for gains and losses on derivatives.

TABLE 39 - NET ASSET VALUE (NAV)

(R$ million)	4T23
SLC Agrícola farms (net of taxes)[1]	7,830
SLC LandCo farms (net of taxes)[1]	1,919
Credit related to Tax Loss[2]	321
Infrastructure	2,189
Trade Receivables	147
Inventory	3,472
Biological Assets	1,378
Cash and Short-Term Investments	1,528
Subtotal	**18,784**
Trade payables	1,179
Debt related to purchased land	161
Gross Debt adjusted by gains (losses) on derivatives transactions	4,298
Advances from customers	334
Subtotal	**5,972**
Net Asset Value	**12,812**
Net Asset Value per Share	**28.90**

[1] Based on an independent appraisal report (Deloitte, 2023), net of taxes.
[2] Tax loss, related to a wholly-owned subsidiary - SLC Centro-Oeste. All line items are adjusted for SLC Agrícola's interest in subsidiaries/joint ventures.

TABLE 40 - FREE CASH FLOW YIELD

Free Cash Flow Yield		2019*	2020	2021	2022	2023*	5 year average
Total Number of Shares[1]	units	190,595,000	190,595,000	193,111,454	212,422,599	443,329,716	n/a
Share Price Dec. 31[2]	R$ /share	24.80	27.45	40.93	46.85	18.82	31.77
Market Cap[3]	R$/thd	4,726,756	5,231,833	7,904,052	9,951,999	8,343,465	7,231,621
Cash flow	R$/thd	213,073	415,352	-272,252	994,689	428,718	355,916
Total	**%**	**4.5%**	**7.9%**	**-3.4%**	**10.0%**	**5.1%**	**4.8%**

[1] Total shares in the Company.
[2] SLCE3 price as of December 31 each year.
[3] Market Cap: SLCE3 share price as of December 31 each year, multiplied by total shares in the Company.
[4] The cash flow reported annually by the Company.
** 1:2 stock split in 2019 and 2023.*

TABLE 41 - INTEREST COVERAGE RATIO

Interest Coverage Ratio		2019	2020	2021	2022	2022	5 year average
EBITDA[1]	R$/thd	558,712	780,930	1,913,367	2,505,293	1,935,181	1,538,697
Net interest (finance expense excluding FVA)[2]	R$/thd	-96,443	-30,645	-177,408	-419,045	-428,272	-230,363
Total	**%**	**17.3%**	**3.9%**	**9.3%**	**16.7%**	**22.1%**	**13.9%**

[1] EBITDA: Earnings before Interest, Taxes, Depreciation and Amortization.
[2] Net Interest: Finance Revenue Net of Finance Expense (Excluding Finance Expense on Adjustment to Present Value).

TABLE 42 – DIVIDEND YIELD

Dividend Yield		2019*	2020	2021	2022	2023*	5 year average
Dividends and Interest on own Capital (R$/thousand)[1]	R$/thd	147,500	232,039	504,434	601,926	389,052	374,990
Dividends and Interest on own Capital/share[2]	R$/share	0.787758790	1.260683780	2.426147931	2.947363237	0.883915806	-
Share Price Dec. 31[3]	R$/share	24.80	27.45	40.93	46.85	18.82	-
Total	**%**	**3.2%**	**4.6%**	**5.9%**	**6.3%**	**4.7%**	**4.9%**

[1] Dividend and Interest on Equity paid by the Company.
[2] Dividends and interest on equity paid by the Company, divided by total shares issued in each period.
[3] SLCE3 price as of December 31 each year.
** 1:2 stock split in 2019 and 2023.*

TABLE 43 – SHARE PRICE

Price/Earnings		2019*	2020	2021	2022	2023*	5 year average
Share Price Dec. 31[1]	R$/share	24.80	27.45	40.93	46.85	18.82	31.77
Earnings per Share[2]	R$/share	1.65	2.68	5.86	6.29	2.12	3.72
Total	**Ratio**	**15.0**	**10.2**	**7.0**	**7.4**	**8.9**	**9.7**

** 1:2 stock split in 2019.*
[1] SLCE3 price as of December 31 each year.
[2] Earnings per share: Net income each year, divided by total shares in the Company in each reporting period.

IN THIS CHAPTER

ESG

MATERIALITY REVIEW

A materiality assessment identified ten topics with the greatest impact for the Company, helping to steer our initiatives strategically. We periodically review our materiality topics to ensure alignment with stakeholder expectations and our business vision.

The most recent review was conducted in 2021 through qualitative interviews with key leadership personnel at SLC Agrícola and an online stakeholder survey. We then mapped the resulting topics to the pillars of our ESG Agenda and the 17 Sustainable Development Goals (SDGs). Among the stakeholders we engage with are business partners, customers, employees and other workers, local communities, shareholders, investors, and suppliers.

MATERIAL TOPICS

E ENVIRONMENTAL

- Climate change
- Environmental Management System

S SOCIAL

- Social and economic impacts
- Developing people
- Diversity and inclusion
- Health and safety

G GOVERNANCE

- Product certification and traceability
- Ethics and compliance
- Innovation and productivity
- Risk management

STAKEHOLDERS ENGAGED

- Financial services industry
- Shareholders and investors
- Regulators
- Customers
- Government
- Capital market
- Employees
- Suppliers
- Partners

10 **identified** material topics

23 **quantitative** engagement interviews

To learn more about our materiality process, see our 2021 Integrated Report.

2 ZERO HUNGER | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Ethics and compliance

Ethics and integrity are embedded in all our relationships and our core values. We have implemented projects, policies, and mechanisms to translate this commitment into action, including our Code of Ethics and Conduct (*accessible here*) and a Whistleblower Channel. In 2023, we introduced a Third-party Code of Ethics and Conduct (*learn more here*) to engage our supply chain around priority issues such as labor relations, human rights, and environmental initiatives.

Our Integrity Program is designed to prevent, detect, and remediate practices or activities that violate applicable laws and regulations or Company policies and other internal guidelines, as outlined in our Compliance Policy (*accessible here*), in alignment with the Brazilian Anti-corruption Act (Law no. 12,846/2013) and our Anti-Corruption Policy (*accessible here*).

For further compliance information and data

Refer to our Annual Compliance Report *here*.

Another important initiative related to ethics and integrity in the year was a review of our compliance risk matrix, as part of a broader process of updating our Corporate Risk Matrix. The 65 identified risk factors are categorized into six compliance areas: conduct; conflict of interest; compliance and regulatory; corruption and fraud; accounting practices; and data privacy.

Our commitment to ethics and compliance extends beyond our facilities and relationships. We actively engage in broader initiatives and discussions to advance these principles, including the Business Pact for Integrity and Against Corruption, which we have been a part of since 2021, and our membership in the Ethos Institute since 2022, where we are a member of the Integrity Working Group. Additionally, since 2021, we have been signatories to the Brazilian Business Pledge Against Roadside Sexual Exploitation of Children and Adolescents.

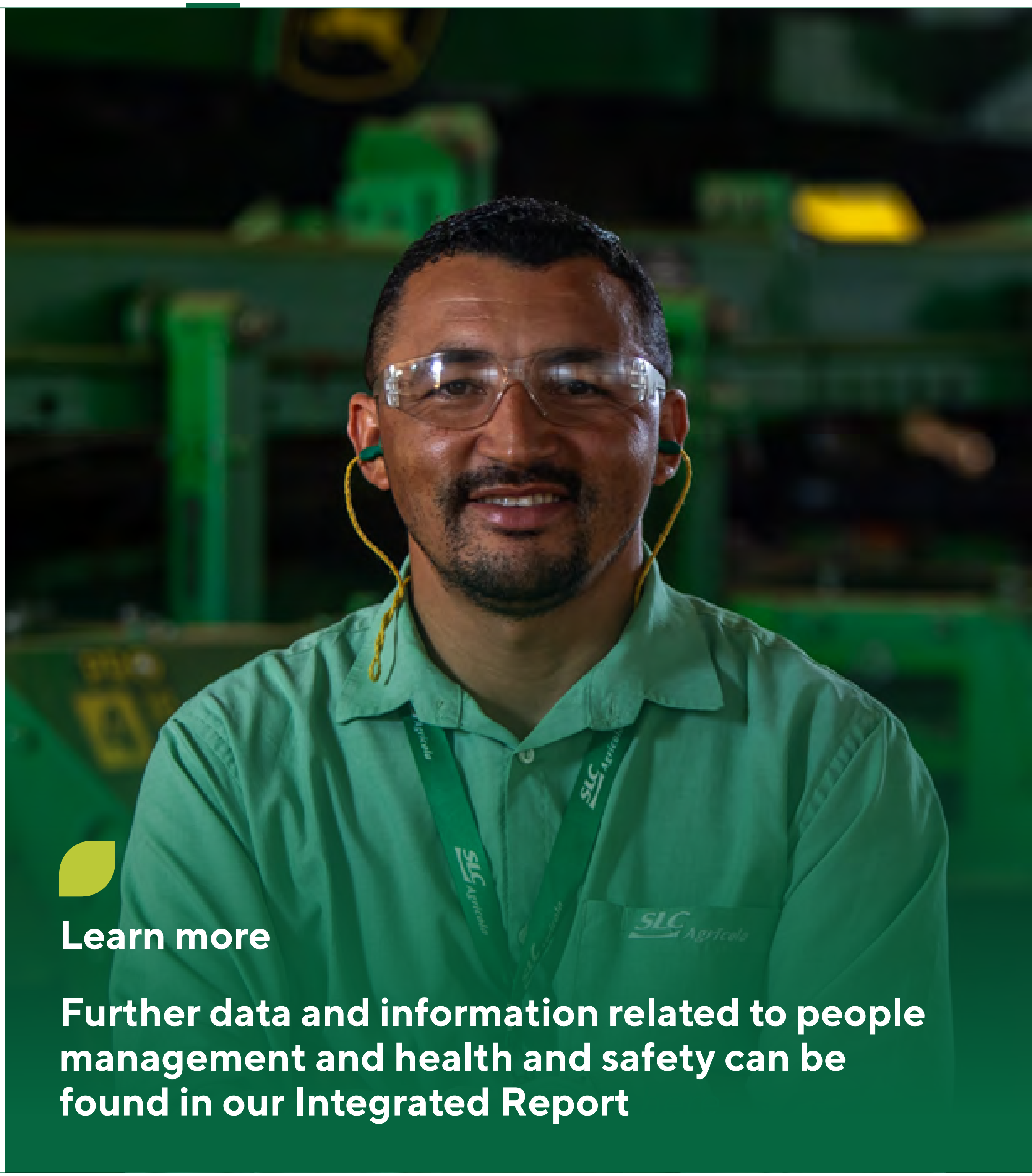
People management and development

Our employees and their engagement around our Big Dream are the reason for SLC Agrícola's many achievements and milestones throughout its history as a company. In 2023, our team comprised 5,757 individuals, including 5,100 men and 657 women.

For the fourth consecutive year, SLC Agrícola has been recognized among the best workplaces in agribusiness as ranked by Great Place to Work (GPTW), securing the 12th position in Brazil. We also earned a spot in the list of the top ten workplaces in Rio Grande do Sul, in the large enterprise category, and ranked 64th among the 150 best workplaces country-wide.

These accolades underscore our commitment to effective people management across all fronts. At SLC Agrícola, employees benefit from a robust development and training program, talent management programs, market-competitive benefits, and initiatives to foster diversity and inclusion.

Ensuring a safe environment for all employees and workers across our operations remains a key priority for SLC Agrícola. We have set an ambitious goal of achieving zero accidents by 2028, a milestone already attained at eight of our farms. Among our practices in this area, we highlight the work of our Safety, Quality, and Productivity Committee (SQP), along with our Behavioral Safety and Safety Moment programs.



Learn more

Further data and information related to people management and health and safety can be found in our Integrated Report

Suppliers

Over the decades, SLC Agrícola has cultivated enduring and prosperous relationships within the supply chain that have enabled us to achieve the prominent position we are in now in the agribusiness sector. We highly value our suppliers and continually seek opportunities to strengthen ties with companies that align with our values and commitments, especially those related to the ESG agenda.

To ensure this alignment, our suppliers undergo periodic due diligence addressing more than 40 sources of risk, including environmental, social, and governance factors. The due diligence process includes document reviews and checks using a risk management software system. Most of our suppliers are in the machinery and agricultural inputs segments.

Our contracts with suppliers include provisions on priority topics such as combating child labor and degrading, forced and slave labor. Supplier contracts also incorporate our commitment to protecting human rights, the prohibition of discriminatory practices, in addition to other norms and guidelines outlined in our Code of Ethics and Business Conduct.

SLC Agrícola's Third-Party Code of Ethics and Conduct, introduced in 2023, is mandatory for all new suppliers and has been distributed to all active suppliers within our supply chain. Any practices contrary to the principles and provisions of this policy may result in the termination of the business relationship.

For livestock suppliers, we employ a due diligence process that uses georeferenced data to delimit ranch properties and identify any encroachment on indigenous and/or quilombola land, illegal deforestation, or other irregularities. Throughout the year, all direct suppliers in this segment underwent due diligence, and none were found to engage in illegal deforestation.

Environmental agenda

CDP Questionnaires

SLC Agrícola has responded to the CDP questionnaires on climate change, forests, and water security since 2021. Reflecting initiatives implemented in recent years, we have consistently improved our scores in these three areas, including a leadership-level score of A- for climate change.

OUR CDP SCORE

Category	2021	2022	2023
Climate change	D (Disclosure: transparency on climate change)	B- (Management: coordinated action on climate change)	A-
Forests	C For soybeans (Awareness: knowledge of impacts on forest-related issues)	B for cattle products and B- for soybeans (Management: coordinated action on forest--related issues)	B for cattle products and B for soybeans
Water security	D (Disclosure: transparency on water-related issues)	B- (Management: coordinated action on water-related issues)	B

Regenerative agriculture

Our agricultural practices have always sought to mesh farming with sustainability. These synergies have been further strengthened in recent years through investments in regenerative agriculture practices, including: targeted pesticide application; fallow crops; no-till farming; biological crop protection; crop rotation; integrated pest and disease management; integrated crop-livestock (ICL) systems; and circular economy practices.

regenagri

Reflecting continued progress in regenerative agriculture, in 2023 we certified the largest soybean and cotton area in the Americas within the Regenagri program.

BIODIVERSITY

Our practices at SLC Agrícola align with global trends in regenerative agriculture to preserve soil biodiversity. We have programs and guidelines aimed at protecting fauna and flora in the regions where we operate. Central to these practices is our Zero Deforestation Policy, introduced in 2021. This policy expresses our commitment not to convert land hosting native vegetation to expand our operations—all of which are situated within Brazil's *Cerrado* biome.

Our protected areas total 112,700 hectares, spread across the states of Goiás, Mato Grosso do Sul, Mato Grosso, Bahia, Piauí, and Maranhão. These areas account for 34.8% of our lands, exceeding the percentage required by the Brazilian Forest Code, and include legal reserves, permanent preservation areas, and forest remnants.

Our production operations

SLC Agrícola operates exclusively on owned, leased or joint-venture properties where we exercise full control and ensure alignment with our policies and commitments.

Forest programs

Enrichment planting

Using seedlings either cultivated in our own nurseries or sourced from suppliers, our forest enrichment planting programs are helping to reforest a total expanse of 401 hectares. Including the 53 hectares and 80 hectares reforested in 2021 and 2022, respectively, these programs now cover 534 hectares on our farms, exceeding our target of benefiting 320 hectares with forest enrichment planting by 2030.

Participation in *Produzir, Conservar, Incluir* (PCI)

We have been a member of the management committee of PCI—a strategy launched by the government of the state of Mato Grosso—since 2022. We are actively supporting the initiative in achieving its goals, particularly in terms of greenhouse gas emissions reduction and carbon sequestration (*learn more here*).

Payment for Environmental Services (PES)

The *Conserv* program compensates farmers in the Brazilian Amazon whose properties host native vegetation areas exceeding the minimum legal reserve required by the Brazilian Forest Code. SLC Agrícola has supported this program since 2022 when we entered into an agreement with the Amazon Environmental Research Institute (IPAM), with a term extending to 2025, to preserve an area of 1,358 hectares at *Fazenda Perdizes* in Mato Grosso.

EMISSIONS

Programa Brasileiro
GHG Protocol
Membro 2023

We have inventoried our greenhouse gas (GHG) emissions since 2019. In recent years, SLC Agrícola has allocated funding to enhance monitoring of emissions indicators and to increasingly incorporate regenerative agriculture practices. Our goal is to achieve Net Zero across scopes 1 and 2 by 2030. This year, in recognition of progress in this area, the Brazilian GHG Protocol Program awarded us Gold reporting status for our inventory published in 2022.

Read our Integrated Report

More information about our climate and environmental indicators and practices can be found in our Integrated Report.

WATER AND EFFLUENTS

Water resources are essential for crop growth, and therefore water stewardship is a core aspect of the agricultural practices we employ in our operations. We conduct training and awareness initiatives and implement water-saving practices and technology, including automated monitoring. Our farms are located in the following watersheds: Amazon; Tocantins-Araguaia; São Francisco; Platina (Paraná, Paraguay and Uruguay); Parnaíba; and Western Atlantic Northeast.

Most of the water we use on our farms comes from rainfall, and all farms have weather and rainwater monitoring systems. Data from digital rain gauges and weather stations is used to create interpolated precipitation maps and forecasts for the next few days, enabling us to make quick and informed decisions.

We use irrigation on 3.2% of our areas during certain crop development periods at our Pamplona (GO), Piratini, Paysandu, and Palmares (BA) farms, when rainfall is insufficient in the regions where these farms are located. The remaining area, 96.8%, is covered by rainfed crops, which rely on rainfall only. Precision agriculture technologies and practices, such as soil moisture monitoring and precipitation forecasting, maximize water efficiency.

In addition, we are improving our water consumption metering capabilities through investments in IoT (Internet of Things) technologies, with real-time data collection and transmission. The Pamplona farm completed a Water and Effluents Project in 2023, becoming the first of our farms to do so.

Nine of our operations have wastewater treatment plants to treat biological effluent, which, after treatment, is used for road spraying.

CIRCULAR ECONOMY

Aligned with our ongoing commitment to ESG leadership, we initiated a circular economy pilot project in 2021 at *Fazenda Pamplona* (GO) which increased recycling rates at the facility from 29% to 99.8%. Since then, the initiative has been rolled out to include our Pioneira, Parceiro, and Parnaguá farms, and we are now starting implementation at Piratini, Panorama and our headquarters in Minas Gerais at *Fazenda Pamplona*.

We believe that investing in the circular economy is key to fulfilling our commitment to eliminate landfilling entirely by 2028. This project is implementing "Ecofactories" in our operations, where organic waste from the farms is composted and then repurposed as organic fertilizer.

IN THIS CHAPTER

ADDITIONAL *Information*

INDEPENDENT AUDIT

Pursuant to CVM Resolution 162/22, SLC Agrícola S.A. declares that it does not have any non-audit service agreements with KPMG Auditores Independentes.

During fiscal year 2023, SLC Agrícola declares that KPMG Auditores Independentes Ltda. ("KPMG") provided the following services:

1. audit of the separate and consolidated financial statements for the fiscal year ended December 31, 2023, for total fees of R$ 873,050.

Regarding non-audit services, it is a practice at the Company to obtain prior approval from the Audit Committee to prevent conflicts of interest or loss of independence or objectivity of its independent auditors. Management is responsible for defining the procedures performed and, therefore, both the Company and its external auditors believe that such services do not compromise their professional independence.

SUBMISSION TO ARBITRATION CHAMBER

The Company is subject, pursuant to its Bylaws, to arbitration by the Novo Mercado Arbitration Chamber.

DISCLAIMER

We make forward-looking statements 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 results of operation 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 assurance of performance. Because they refer to future events, they involve risks, uncertainties and assumptions and as such are contingent on circumstances that may or may not occur. The Company's future results and creation of shareholder value 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.

FINANCIAL Statements

FISCAL COUNCIL OPINION

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 fiscal year ended on December 31st 2023.

The Fiscal Council also examined the report of KPMG Auditores Independentes, dated March 06th, 2024, as well as received the information and clarifications requested during the fiscal year.

Porto Alegre, State of Rio Grande do Sul, March 06th, 2024.

Edirceu Rossi Werneck
Chairman of the Fiscal Council

Paulo Roberto Kruse
Advisor

Rosângela Costa Süffert
Advisor

BOARD OF EXECUTIVE FINANCIAL PERFORMANCE OFFICERS´ OPINION ON FSS

In compliance with the established in Article 31 of CVM Resolution No. 80 of 29th March 2022, the Board declares that reviewed, discussed and agreed with the Financial Statements (Parent Company and Consolidated) for the fiscal year ended on December 31st, 2023.

Porto Alegre/RS, March 06th, 2024.

Aurélio Pavinato
Chief Executive Officer

Ivo Marcon Brum
CFO and Investor Relations

Gustavo Macedo Lunardi
Supplies and Seed Production Director

Alvaro Luiz Dilli Gonçalves
Director of Human Resources, Sustainability and IT

Leonardo Celini
Chief Operating Officer

BOARD OF EXECUTIVE OFFICERS´ OPINION ON THE AUDITING REPORT

In compliance with the established in Article 31 of CVM Resolution No. 80 of March 29th, 2022, the Board declares that reviewed, discussed and agreed with the opinion expressed in the Independent Auditors' Report, dated on March 06th, 2024, on to the Financial Statements (Parent Company and Consolidated) for the fiscal year ended on December 31st, 2023.

Porto Alegre/RS, March 06th, 2024.

Aurélio Pavinato
Chief Executive Officer

Ivo Marcon Brum
CFO and Investor Relations

Gustavo Macedo Lunardi
Supplies and Seed Production Director

Alvaro Luiz Dilli Gonçalves
Director of Human Resources, Sustainability and IT

Leonardo Celini
Chief Operating Officer

SLC AGRÍCOLA S.A.
CNPJ Nº. 89.096.457/0001-55
NIRE 43.300.047.521

ANNUAL REPORT OF THE STATUTORY AUDIT COMMITTEE REPORT OF THE STATUTORY AUDIT COMMITTEE

Introduction

The Statutory Audit Committee ("Audit Committee") of SLC Agrícola S.A. ("Company") was approved by the Annual and Extraordinary Shareholders Meeting held on April 29, 2022 and established in the Board of Directors Meeting on May 11, 2022.

During 2023, the Audit Committee members were Messrs. Osvaldo Burgos Schirmer, independent member of the Board of Directors (Coordinator), João Carlos Sfreddo and Wladimir Omiechuk, both external and independent members, according to the rule established in the Company's Bylaws, all of them with recognized experience in corporate accounting matters.

According to its Charter, the Audit Committee is an advisory statutory body linked to the Board of Directors, it is permanent, submitted to the applicable legislation and regulation, provided for in articles 34 and 35 of the Company's Bylaws, and its main duties are:

I. issue an opinion on the hiring or replacement of the Company's independent auditors;

II. assess the quarterly financial information and interim and annual financial statements;

III. monitor the activities of internal audit and of the Company's internal controls area;

IV. assess and monitor the Company's risk exposure;

V. assess, monitor and recommend to the management the adjustment or improvement of the Company's internal policies, including the policy on related-party transactions;

VI. have means for receiving and treating information on the violation of legal and regulatory provisions applicable to the Company, as well as internal regulations and codes establishing specific procedures for protecting whistleblowers and maintaining the confidentiality of information; and

VII. assist the Board of Directors with the monitoring and quality control of financial statements, internal controls, risk management and Compliance.

Activities

The Audit Committee met 7 (seven) times from January to December 2023, in which all the members were present. On March 5, 2024, the Audit Committee analyzed and recommended the approval by the Board of Directors of the financial statements for the year ended December 31, 2023, audited by KPMG Auditores Independentes LTDA.

During the meetings held in 2023, the Audit Committee stayed connected with the Finance Department, the Legal and Compliance Management, the Internal Audit coordination, among other business areas, to deepen the understanding about the Company's activities, and to promote discussions and assess situations that could result in an increased risk exposure. Additionally, the Audit Committee held meetings with the Independent Audit firm to examine the quarterly reviews of the Company's financial statements.

At each ordinary meeting of the board of directors, the Audit Committee Coordinator presented the recommendations of the body for consideration and discussion with the directors.

Topics Discussed

See below the main topics discussed by the Audit Committee in 2023, and the recommendations made by the Body:

1. Discussion and analysis of the quarterly and annual Financial Statements, including the Key Audit Matters (KAM) for the year 2023, through meetings with the auditors of KPMG Auditores Independentes LTDA;

2. Discussion and analysis of the quarterly and annual results of the Company, through meetings with the Finance Department, Finance Management, Accounting Management, Fiscal Management and Planning and Costs Management;

3. Monitoring of the Integrity Program of SLC Agrícola S.A., covering the Compliance mechanisms and the dealings with the Whistleblowing Channel;

4. Compliance training for the Senior Management, with review of several aspects related to the Company's Program of Integrity and of Compliance in general;

5. Monitoring of the Internal Audit works with the approval of a new Internal Audit Scope, which is expected to occur in 2024, creating an exclusive Internal Audit area for the Company. Review of the works made in 2023, action plan and discussions about the main problems identified in the reports issued in the period;

6. Assessment and discussion of the 2022 Integrated Report, addressing the Company's main ESG topics, with recommendations on the disclosure of the material.

7. Presentation of the Company's Innovation Area and monitoring of the innovation management at SLC Agrícola.

8. Discussion about the main known impacts of the Tax Reform on the Company.

9. Monitoring of the Internal Control works, with the review of the Company's policies approved by the Board of Directors;

10. Presentation and discussion of the Cybersecurity program, Phishing Campaign and Cybersecurity Indicators; and

Conclusion

The Statutory Audit Committee of SLC Agrícola S.A., in its second year of operation, had the opportunity to assess the various Policies of the Company, review the financial statements, meet with the independent auditors and make recommendations for improvement, especially related to the Internal Audit and internal control activities.

Report of the Statutory Audit Committee

The members of the Statutory Audit Committee of SLC Agrícola S.A., in the exercise of their legal attributions and responsibilities, as provided for in the Internal Regulations, examined and analyzed the financial statements, accompanied of the independent auditor's report and the annual management report for the year ended December 31, 2023.

Considering the information provided by the Company's Management and KPMG Auditores Independentes LTDA., the members of the Audit Committee expressed unanimous agreement with the Company and its subsidiaries' financial position, and recommended the approval of the documents by the Company's Board of Directors to be sent to the Annual Shareholders Meeting, pursuant to the Brazilian Corporation Law.

Porto Alegre, March 5, 2024.

Osvaldo Burgos Schirmer
Coordinator of the Statutory Audit Committee and member of the Board of Directors

João Carlos Sfreddo
Member of the Statutory Audit Committee

Wladimir Omiechuk
Member of the Statutory Audit Committee

INDEPENDENT AUDITORS' REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors and Shareholders of SLC Agrícola S.A
Porto Alegre -RS

OPINION

We have audited the individual and consolidated financial statements of SLC Agrícola S.A. ("the Company"), referred to as parent company and consolidated, respectively, which comprise the balance sheet as of December 31, 2023, and the respective statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as well as the corresponding notes, including material accounting policies and other explanatory information.

In our opinion, the accompanying individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of SLC Agrícola S.A. as of December 31, 2023, and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

BASIS FOR OPINION

We conducted our audit in accordance with Brazilian and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the individual and consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries, in accordance with the relevant ethical requirements included in the Accountants Professional Code of Ethics ("Código de Ética Prossional do Contador") and in the professional standards issued by the Brazilian Federal Accounting Council ("Conselho Federal de Contabilidade"), and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained its sufficient and appropriate to provide a basis for our audit opinion.

KEY AUDIT MATTERS

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

VALUATION OF BIOLOGICAL ASSETS - INDIVIDUAL AND CONSOLIDATED

See Note 08 to the individual and consolidated financial statements

Key audit matter

The Company and its subsidiaries calculate biological assets, which comprises the cultivation of agricultural products, specially soybean, corn and cotton, based on their fair value as from the pre-harvest stage.

It is a significant estimate based on several assumptions adopted by the Company, specially related to productivity volume, profitability, estimated costs to put the goods in condition for sale, prices and discount rate.

We considered it to be a key audit matter due to the significance of the biological assets' amounts of total assets and profit and loss, and to the level of uncertainty inherent in the assumptions used to determine the fair value of biological assets, whose sensitivity might impact the values of those assets in the individual and consolidated financial statements.

How the matter was addressed in our audit

Our audit procedures included, but were not limited to:

- Evaluation of the Company's policies about the technique of measuring biological assets, in particular the determination whether the phenological stage of crops is affected.
- With the assistance of corporate finance experts, we performed the evaluation of:
    - the assumptions used by the Company, comparing it with external information about the agricultural segment, such as prices of commodities charged in the main market of each crop;
    - productivity indicators and estimated costs to sell crops.
    - the information used to determine the fair value of biological assets, as well as the fair value of biological assets.
    - the disclosures made by the Company.
- Avaliação das divulgações efetuadas pela Companhia sobre o assunto nas notas explicativas.

According to the evidence we obtained by applying the abovementioned procedures, we considered the balance of biological assets and the related disclosures to be acceptable in the context of the financial statements for the year ended December 31, 2023 taken as a whole.

VALUATION OF FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING - INDIVIDUAL AND CONSOLIDATED

See Note 25 to the individual company consolidated financial statements

Key audit matter

The Company and its subsidiaries account for derivative financial instruments to protect the operations from the risk of fluctuations in exchange rates and agricultural products prices in relation to a highly-probable revenue and respective hedge accounting.

The designation of financial instruments for hedge accounting and the measurement of their effectiveness require compliance with certain formal obligations and the application of significant estimates on highly probable revenue.

Due to the large number of operations performed by the Company, the complexity to calculate the fair value of transactions, the hedge effectiveness, and the possible impact that changes in estimated future revenue may have on the Company's profit or loss and cash flows, we considered it to be a key audit matter.

How the matter was addressed in our audit

Our audit procedures in this area included, but were not limited to:

- Understanding the design of the risk management process and of the hedge accounting framework, including the analysis of the policy applied by the Company.
- Tie in the amount recorded by the Company with the information provided by financial institutions through confirmation letters;
- Analyzing the disclosures in notes to the individual and consolidated financial statements.

With the assistance of our experts in financial instruments:

- We recalculated the fair value of derivative financial instruments designated as hedging instruments using observable external data;
- We have audited whether the designation documentation agrees with accounting standards;
- We have audited whether the hedging instrument and hedged item qualify for cash flow hedge accounting;
- We have audited whether prospective effectiveness tests prepared by the Company present a proper economic rationale to show the existence of a high probability of effectiveness.

According to the evidence we obtained by applying the abovementioned procedures, we considered that the designation and measurement of hedge accounting and the related disclosures are acceptable in the context of the financial statements for the year ended December 31, 2023 taken as a whole.

OTHER MATTERS

Statements of value added

The individual and consolidated statements of value added for the year ended December 31, 2023, prepared under the responsibility of the Company's management, and presented as supplementary information for IFRS purposes, were submitted to the same audit procedures followed together with the audit of the Company's financial statements. In order to form our opinion, we evaluated whether these statements are reconciled to the financial statements and to the accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added have beeb adequately prepared, in all relevant respects, according to the criteria set on this Technical Pronouncement and are consistent with the individual and consolidated financial statements taken as a whole.

OTHER INFORMATION ACCOMPANYING THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS AND THE AUDITORS' REPORT

Management is responsible for this other information that includes the Management's Report.

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the individual and consolidated financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the individual and consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Porto Alegre, March 06, 2024

KPMG Auditores Independentes Ltda.
CRC SP-014428/F-7

(Original report in Portuguese signed by)
Luis Claudio de Oliveira Guerreiro
Accountant CRC RJ-093679/O-1

STATEMENTS OF FINANCIAL POSITION

On December 31, 2023 and 2022 *(In thousands of Reais)*

		Parent Company		Consolidated	
Assets	**Note**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Current assets					
Cash and cash equivalents	5	967,872	845,445	1,613,703	1,235,775
Accounts receivable	6	105,374	123,834	143,694	174,291
Advances to suppliers		7,341	9,247	9,098	14,924
Inventories	7	2,597,200	2,360,370	3,656,261	3,343,980
Biological assets	8	1,192,759	1,257,897	1,488,540	1,799,576
Recoverable income tax and social contribution	9.a	53	299	4,455	1,195
Recoverable taxes	9.b	74,263	73,583	122,781	138,622
Securities and credits receivable	10	-	-	27,590	25,852
Operations with derivatives	25	175,808	192,100	265,314	272,728
Intercompany transactions	16	74,823	63,637	1,235	-
Other accounts receivable		38,887	47,340	19,980	15,012
Prepaid expenses		8,390	7,864	10,982	10,183
Assets held for sale		432	498	3,640	545
Total current assets		**5,243,202**	**4,982,114**	**7,367,273**	**7,032,683**

		Parent Company		Consolidated	
Assets	**Note**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Non-current assets					
Long-term interest earning bank deposits	5	1,115	747	1,115	747
Recoverable income tax and social contribution	9.a	10,760	9,789	11,675	9,789
Recoverable taxes	9.b	147,030	127,722	222,013	194,305
Deferred income and social contribution taxes	20	-	-	254,080	281,819
Operations with derivatives	25	12,594	51,138	19,746	61,677
Securities and credits receivable	10	-	-	-	31,650
Advances to suppliers		-	-	75,410	79,805
Other credits		1,950	2,439	49,656	40,174
Prepaid expenses		1,658	58	1,798	458
		175,107	**191,893**	**635,493**	**700,424**
Investments	11	4,522,365	4,008,749	3,657	3,618
Investment properties	12	-	-	430,889	385,817
Right of use in lease	13	4,044,626	4,486,842	2,885,337	2,881,262
Property, plant and equipment	14	1,525,579	1,308,599	4,395,692	3,733,112
Intangible	15	90,296	83,455	137,977	131,473
		10,182,866	**9,887,645**	**7,853,552**	**7,135,282**
Total non-current assets		**10,357,973**	**10,079,538**	**8,489,045**	**7,835,706**
Total assets		**15,601,175**	**15,061,652**	**15,856,318**	**14,868,389**

The explanatory notes are an integral part of the financial statements.

		Parent Company		Consolidated	
Liabilities	**Note**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Current liabilities					
Suppliers	**17**	928,142	1,090,965	1,258,175	1,564,582
Loans and financing	**18**	1,291,086	1,137,091	1,413,552	1,281,537
Income tax and social contribution payable	**20**	79,226	149,167	92,829	159,219
Taxes, rates and sundry contributions		11,953	39,973	16,197	48,469
Social and labor obligations		102,998	109,192	135,279	149,756
Advances from customers		249,563	159,845	354,070	238,942
Debts with related parties	**16**	5,048	6,386	2,539	2,482
Intercompany lease liability	**13**	118,946	327,505	-	-
Third party lease liability	**13**	231,662	367,182	298,644	523,573
Operations with derivatives	**25**	101,744	137,320	113,012	139,585
Securities payable	**21**	-	-	53,899	86,102
Provisions for environmental, civil, labor and tax risks	**19**	2,485	3,497	13,594	38,257
Dividends payable	**22.e**	191,578	291,852	197,404	302,370
Leases to pay	**24.c**	-	-	16,762	14,146
Others accounts payables		62,006	30,413	74,361	40,670
Total current liabilities		**3,376,437**	**3,850,388**	**4,040,317**	**4,589,690**

		Parent Company		Consolidated	
Liabilities	**Note**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Non-current liabilities					
Loans and financing	**18**	2,721,857	2,016,280	2,979,827	2,172,734
Deferred taxes	**20**	325,813	330,182	435,872	443,717
Intercompany lease liability	**13**	2,708,440	2,513,411	-	-
Third party lease liability	**13**	1,522,471	1,732,000	2,977,299	2,730,474
Operations with derivatives	**25**	18,717	20,074	21,864	20,546
Securities payable	**21**	-	-	154,056	14,276
Other debits		382	520	5,217	520
Total non-current liabilities		**7,297,680**	**6,612,467**	**6,574,135**	**5,382,267**
Equity					
Capital	**22.a**	2,012,522	1,512,522	2,012,522	1,512,522
Capital reserves	**22.b**	168,704	168,544	168,704	168,544
(-) Treasury shares	**22.c**	(57,707)	(280,170)	(57,707)	(280,170)
Profit reserves	**22.d**	1,395,452	1,891,460	1,395,452	1,891,460
Other comprehensive income	**22.g**	1,408,087	1,306,441	1,408,087	1,306,441
Total attributable to shareholders		**4,927,058**	**4,598,797**	**4,927,058**	**4,598,797**
Non-controlling shareholders in subsidiaries		**-**	**-**	**314,808**	**297,635**
Total equity		**4,927,058**	**4,598,797**	**5,241,866**	**4,896,432**
Total liabilities and equity		**15,601,175**	**15,061,652**	**15,856,318**	**14,868,389**

The explanatory notes are an integral part of the financial statements.

STATEMENTS OF INCOME

On December 31, 2023 and 2022 *(In thousands of Reais, except profit per share)*

		Parent Company		Consolidated	
	Note	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Income from sales of goods and/or services	30	5,374,356	5,562,931	7,230,583	7,373,034
Variation in the fair value of biological assets and of the net realizable value of agricultural products	8.c	1,600,257	1,622,060	1,891,541	2,145,310
Cost of goods sold	31	**(4,960,839)**	**(4,786,527)**	**(6,501,430)**	**(6,387,045)**
Cost of goods and/or services sold		(3,336,121)	(3,056,747)	(4,414,771)	(4,149,364)
Realization of the fair value of biological assets		(1,624,718)	(1,729,780)	(2,086,659)	(2,237,681)
Gross income		**2,013,774**	**2,398,464**	**2,620,694**	**3,131,299**
Operating income (expenses)					
Sales expenses	31	(346,564)	(305,421)	(388,859)	(379,664)
General and administrative expenses	31	(262,279)	(248,303)	(308,760)	(284,604)
Equity income	11	481,509	579,297	-	-
Added value investment	31	(17,256)	(17,068)	(26,146)	(25,861)
Other operating income	32	60,579	25,755	140,992	101,266
Other expenses income	32	(35,937)	(48,913)	(102,740)	(37,143)
		(119,948)	**(14,653)**	**(685,513)**	**(626,006)**

		Parent Company		Consolidated	
	Note	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Operating income before finance income		**1,893,826**	**2,383,811**	**1,935,181**	**2,505,293**
Financial income	23	402,144	572,738	524,182	846,817
Financial expenses	23	(1,220,367)	(1,418,531)	(1,235,458)	(1,546,285)
Financial result		**(818,223)**	**(845,793)**	**(711,276)**	**(699,468)**
Income before taxes		**1,075,603**	**1,538,018**	**1,223,905**	**1,805,825**
Income and social contribution taxes					
Current	20	(229,427)	(426,195)	(320,959)	(544,401)
Deferred assets	20	49,424	155,636	35,034	75,309
Net income for the year		**895,600**	**1,267,459**	**937,980**	**1,336,733**
Attributable to:					
Controlling shareholders		895,600	1,267,459	895,600	1,267,459
Not controlling interest in subsidiaries		-	-	42,380	69,274
Total		**895,600**	**1,267,459**	**937,980**	**1,336,733**
Earnings per share attributable to shareholders from continuing operations on end of the year (expressed in reais per share):					
Basic earnings per share (R$)	22.f			**2.07962**	**3.02955**
Diluted net income per share (R$)	22.f			**2.06266**	**3.02347**

The explanatory notes are an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

On December 31, 2023 and 2022 *(In thousands of Reais)*

	Parent Company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Net income for the year	**895,600**	**1,267,459**	**937,980**	**1,336,733**
Other comprehensive income to be reclassified to the result in subsequent years:				
Derivatives - cash flow hedge	132,513	630,509	161,533	829,371
Derivatives - cash flow hedge - subsidiaries	15,860	104,164	-	-
Income and social contribution taxes	(45,054)	(214,373)	(54,922)	(281,988)
	103,319	**520,300**	**106,611**	**547,383**
Other comprehensive income not reclassified to the result in subsequent years:				
Assigned cost adjustment, fixed assets in subsidiary	-	(797)	-	(797)
Other comprehensive income, net of taxes	**103,319**	**519,503**	**106,611**	**546,586**
Total other comprehensive income for the year, net of taxes	**998,919**	**1,786,962**	**1,044,591**	**1,883,319**
Attributable to:				
Controlling shareholders	998,919	1,786,962	998,919	1,786,962
Not controlling interest in subsidiaries	-	-	45,672	96,357
Total	**998,919**	**1,786,962**	**1,044,591**	**1,883,319**

The explanatory notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

On December 31, 2023 and 2022 *(In thousands of Reais)*

		Capital reserves				Profit reserves								
	Capital	Goodwill in the issue of shares	Recognized options granted	Reserve investment acquisition	Treasury shares	Investment incentivized reserve	Legal reserve	Expansion reserve	Profit retention reserve	Other comprehensive income	Retained earnings	Total interest of controlling shareholders	Interest of non-controlling shareholders	Total equity
Balances on January 1, 2022	**1,512,522**	**34,049**	**65,048**	**65,856**	**(116,846)**	**15,191**	**140,235**	**1,013,759**	**5,628**	**789,306**	**-**	**3,524,748**	**251,328**	**3,776,076**
Goodwill on Sale of Shares	-	(4,712)	-	-	-	-	-	-	-	-	-	(4,712)	-	**(4,712)**
Share-based compensation recognized in the year	-	-	15,800	-	-	-	-	-	-	-	-	15,800	-	**15,800**
Share-based compensation exercized in the year	-	-	-	-	18,752	-	-	-	-	-	-	18,752	-	**18,752**
Share-based compensation repurchased in the year	-	(2,671)	(4,826)	-	(182,077)	-	-	-	-	-	-	(189,574)	-	**(189,574)**
Share issue expenses	-	-	-	-	1	-	-	-	-	-	-	1	-	**1**
Unrealized gains/losses with hedging instruments, net of tax effects	-	-	-	-	-	-	-	-	-	520,300	-	520,300	27,083	**547,383**
Carrying out the depreciation of the cost attributed to fixed assets net of tax effects	-	-	-	-	-	-	-	-	-	(2,368)	2,368	-	-	**-**
Assigned cost adjustment, fixed assets in subsidiary	-	-	-	-	-	-	-	-	-	(797)	-	(797)	-	**(797)**
Net income for the year	-	-	-	-	-	-	-	-	-	-	1,267,459	1,267,459	69,274	**1,336,733**

		Capital reserves				Profit reserves								
	Capital	Goodwill in the issue of shares	Recognized options granted	Reserve investment acquisition	Treasury shares	Investment incentivized reserve	Legal reserve	Expansion reserve	Profit retention reserve	Other comprehensive income	Retained earnings	Total interest of controlling shareholders	Interest of non-controlling shareholders	Total equity
Proposed destination:														
Constitution of reserves	-	-	-	-	-	247	63,360	604,294	-	-	(667,901)	-	-	**-**
Additional dividends approved for the year 2022	-	-	-	-	-	-	-	(252,217)	-	-	-	(252,217)	(31,411)	**(283,628)**
Minority share dividends	-	-	-	-	-	-	-	-	-	-	(229,963)	(229,963)	(18,639)	**(248,602)**
Interest on equity	-	-	-	-	-	-	-	-	-	-	(71,000)	(71,000)	-	**(71,000)**
Proposed additional dividends	-	-	-	-	-	-	-	300,963	-	-	(300,963)	-	-	**-**
Balances on December 31, 2022	**1,512,522**	**26,666**	**76,022**	**65,856**	**(280,170)**	**15,438**	**203,595**	**1,666,799**	**5,628**	**1,306,441**	**-**	**4,598,797**	**297,635**	**4,896,432**

STATEMENT OF CHANGES IN EQUITY

On December 31, 2023 and 2022 *(In thousands of Reais)*

		Capital reserves				Profit reserves								
	Capital	Goodwill in the issue of shares	Recognized options granted	Reserve investment acquisition	Treasury shares	Investment incentivized reserve	Legal reserve	Expansion reserve	Profit retention reserve	Other comprehensive income	Retained earnings	Total interest of controlling shareholders	Interest of non-controlling shareholders	Total equity
Balances on January 1, 2023	**1,512,522**	**26,666**	**76,022**	**65,856**	**(280,170)**	**15,438**	**203,595**	**1,666,799**	**5,628**	**1,306,441**	**-**	**4,598,797**	**297,635**	**4,896,432**
Capital increase	500,000	-	-	-	-	-	-	(500,000)	-	-	-	-	-	**-**
Goodwill on Sale of Shares	-	(11,279)	-	-	10,895	-	-	-	-	-	-	(384)	-	**(384)**
Share-based compensation recognized in the year	-	-	18,592	-	-	-	-	-	-	-	-	18,592	-	**18,592**
Share-based compensation exercized in the year	-	-	(7,153)	-	18,689	-	-	-	-	-	-	11,536	-	**11,536**
Share-based compensation repurchased in the year	-	-	-	-	(204,913)	-	-	-	-	-	-	(204,913)	-	**(204,913)**
Treasury shares canceled	-	-	-	-	397,792	-	-	(397,792)	-	-	-	-	-	**-**
Unrealized gains/losses with hedging instruments, net of tax effects	-	-	-	-	-	-	-	-	-	103,319	-	103,319	3,292	**106,611**

		Capital reserves				Profit reserves								
	Capital	Goodwill in the issue of shares	Recognized options granted	Reserve investment acquisition	Treasury shares	Investment incentivized reserve	Legal reserve	Expansion reserve	Profit retention reserve	Other comprehensive income	Retained earnings	Total interest of controlling shareholders	Interest of non-controlling shareholders	Total equity
Carrying out the depreciation of the cost attributed to fixed assets net of tax effects	-	-	-	-	-	-	-	-	-	(1,395)	1,395	-	-	**-**
Assigned cost adjustment, fixed assets in subsidiary	-	-	-	-	-	-	-	-	-	(278)	278	-	-	**-**
Net income for the year	-	-	-	-	-	-	-	-	-	-	895,600	895,600	42,380	**937,980**
Proposed destination:														
Constitution of reserves	-	-	-	-	-	76,544	40,953	390,724	-	-	(508,221)	-	-	**-**
Additional dividends approved for the year 2023	-	-	-	-	-	-	-	(300,963)	-	-	-	(300,963)	(22,675)	**(323,638)**
Minority share dividends	-	-	-	-	-	-	-	-	-	-	(170,526)	(170,526)	(5,824)	**(176,350)**
Interest on equity	-	-	-	-	-	-	-	-	-	-	(24,000)	(24,000)	-	**(24,000)**
Proposed additional dividends	-	-	-	-	-	-	-	194,526	-	-	(194,526)	-	-	**-**
Balances on December 31, 2023	**2,012,522**	**15,387**	**87,461**	**65,856**	**(57,707)**	**91,982**	**244,548**	**1,053,294**	**5,628**	**1,408,087**	**-**	**4,927,058**	**314,808**	**5,241,866**

The explanatory notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

On December 31, 2023 and 2022 *(In thousands of Reais)*

		Parent Company		Consolidated	
	Note	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net cash from operational activities					
Income before taxes		1,075,603	1,538,018	1,223,905	1,805,825
Adjustments to reconcile net income to cash provided by operating activities:					
Depreciation and amortization	31	156,330	116,285	219,688	177,814
Depreciation of right of use	31	393,448	324,556	299,542	310,743
Result on write-offs of fixed assets		27,175	2,577	44,193	8,858
Equity	11	(481,509)	(579,297)	-	-
Interest, exchange rate variation and monetary update		357,248	300,038	412,180	319,329
Share-based compensation		18,432	15,800	18,432	15,800
Variation in the fair value of biological assets		35,977	46,476	166,194	21,005
Variation in the net realizable value of agricultural products	7	(11,516)	61,244	28,924	71,366
Provision of profit sharing and labor contingencies		72,477	68,216	89,157	85,356
AVP - bonds payable	21	-	-	29,795	-
Carrying out adjustment to present value of leases	13	381,935	404,369	283,004	280,423
Fair value of investment properties	12	-	-	(59,135)	(52,549)
Provision for loss of recoverable taxes	32	420	12,304	810	13,278
Provision (reversal) of doubtful debts	32	535	-	14,389	-
Other adjustments		56,402	10,955	42,735	15,818
		2,082,957	**2,299,631**	**2,813,813**	**3,073,066**
Changes in assets and liabilities:					
Trade accounts receivable		17,926	(5,993)	16,207	(26,876)
Inventories and biological assets		(114,838)	(466,721)	(119,647)	(685,879)
Recoverable taxes		(21,030)	(75,895)	(16,857)	(77,563)
Short-term interest earnings bank deposits		(368)	(63)	(368)	(63)
Other accounts receivable		(3,165)	(24,404)	(31,298)	(19,656)
Advance to suppliers		1,906	17,887	339	10,102
Suppliers		(174,873)	389,005	(391,392)	434,178
Taxes and social payables		(202,130)	(52,789)	(252,007)	(136,550)
Liabilities with related parties		(11,289)	(115,872)	58	2,422
Operations with derivatives		345,782	309,183	380,992	411,830
Titles to pay		-	-	(4,221)	(8,259)
Advances from customers		89,718	(249,140)	115,128	(329,101)
Leases (operating) payable		-	-	2,616	(902)
Other accounts receivable		(18,315)	27,892	40,434	50,013
Income tax and social contribution tax on profit paid	20	(207,350)	(265,520)	(274,365)	(376,330)
Dividends received		280,764	392,249	-	-
Interest on paid loans	18	(391,806)	(297,475)	(426,613)	(328,655)
		(409,068)	**(417,656)**	**(960,994)**	**(1,081,289)**
Net cash provided by operating activities		**1,673,889**	**1,881,975**	**1,852,819**	**1,991,777**

		Parent Company		Consolidated	
	Note	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net cash used in investment activities					
In property, plant and equipment		(431,468)	(334,835)	(515,115)	(428,320)
Receipt for sale of land		-	-	-	1,643
Purchase of land		-	-	(290,000)	-
Receipt for the return of land		-	-	3,352	-
In intangible assets		(17,068)	(41,640)	(17,069)	(36,433)
Capital payment	11	(183,101)	(77,138)	-	-
Advance for future capital increase in subsidiary	11	(110,000)	-	-	-
Other investments		-	-	(37,582)	(22,703)
Net cash used for investing activities		**(741,637)**	**(453,613)**	**(856,414)**	**(485,813)**
Net cash generated in financing activities					
Sale and repurchase of shares		(193,762)	(175,535)	(193,762)	(175,533)
Dividends paid		(592,600)	(504,422)	(628,934)	(558,383)
Loans and financing obtained	18	3,055,696	2,285,726	3,325,696	2,602,726
Loans and financing paid	18	(2,161,566)	(1,458,634)	(2,358,100)	(1,676,238)
Leases paid	13	(722,226)	(690,900)	(568,010)	(511,338)
Derivatives		(195,367)	(54,194)	(195,367)	(52,199)
Credit Assignment		-	(31,004)	-	(39,004)
Net cash provided by financing activities		**(809,825)**	**(628,963)**	**(618,477)**	**(409,969)**

		Parent Company		Consolidated	
	Note	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Increase in cash and cash equivalents		**122,427**	**799,399**	**377,928**	**1,095,995**
Opening balance of cash and cash equivalents	5	845,445	46,046	1,235,775	139,780
Closing balance of cash and cash equivalents	5	967,872	845,445	1,613,703	1,235,775
Increase in cash and cash equivalents		**122,427**	**799,399**	**377,928**	**1,095,995**

The explanatory notes are an integral part of the financial statements.

STATEMENT OF VALUE ADDED

On December 31, 2023 and 2022 *(In thousands of Reais)*

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Revenues				
Sale of merchandise, products and services	5,471,250	5,654,851	7,388,901	7,599,496
Other income	77,359	16,085	119,196	89,048
Income from construction of own assets	356,498	257,018	448,602	299,554
Variation in the fair value of biological assets	1,588,741	1,683,304	1,920,465	2,216,676
Variation in the net realizable value of agricultural products	11,516	(61,244)	(28,924)	(71,366)
Provision for doubtful debts	(535)	-	(14,389)	-
	7,504,829	**7,550,014**	**9,833,851**	**10,133,408**
Inputs acquired from third parties				
Raw materials used	(1,794,900)	(1,811,953)	(2,674,743)	(2,543,771)
Cost of goods, merchandise and services sold	(57,113)	(70,569)	(83,259)	(102,387)
Materials, energy, third-party services and other	(1,455,885)	(745,894)	(1,801,751)	(1,112,122)
Loss/recovery of asset values	-	-	-	(395)
Adjustment to fair value of biological assets	(1,624,718)	(1,729,780)	(2,086,659)	(2,237,681)
	(4,932,616)	**(4,358,196)**	**(6,646,412)**	**(5,996,356)**
Gross added value	**2,572,213**	**3,191,818**	**3,187,439**	**4,137,052**
Retentions				
Depreciation and amortization	(156,330)	(116,285)	(219,688)	(177,814)
Depreciation of right of use	(393,448)	(324,556)	(299,542)	(310,743)
Net added value produced	**2,022,435**	**2,750,977**	**2,668,209**	**3,648,495**
Added value received in transfer				

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Equity equivalence result	481,509	579,297	-	-
Financial income	402,144	572,738	524,182	889,226
Others	495	8,309	686	11,169
	884,148	**1,160,344**	**524,868**	**900,395**
Total added value to be distributed	**2,906,583**	**3,911,321**	**3,193,077**	**4,548,890**
Distribution of added value	**2,906,583**	**3,911,321**	**3,193,077**	**4,548,890**
Taxes, duties and contributions	**101,424**	**628,265**	**206,621**	**970,268**
Federal	103,994	460,377	183,693	805,189
State	(3,652)	166,935	21,555	163,868
Municipal	1,082	953	1,373	1,211
Personnel	**526,473**	**474,103**	**690,135**	**608,734**
Direct remuneration	368,806	251,840	489,273	343,415
Benefits	136,442	197,802	173,457	234,058
FGTS	21,225	24,461	27,405	31,261
Third-party capital remuneration	**1,383,086**	**1,541,494**	**1,358,341**	**1,633,155**
Interest and financial expenses	1,217,643	1,436,185	1,230,592	1,521,715
Rentals	12,140	12,644	15,848	18,775
Others	153,303	92,665	111,901	92,665
Remuneration of own capital	**895,600**	**1,267,459**	**937,980**	**1,336,733**
Dividends and interest on equity	194,526	300,963	224,432	359,838
Retained profits for the year	701,074	966,496	671,168	907,621
Participation of non-controlling shareholders	-	-	42,380	69,274

The explanatory notes are an integral part of the financial statements.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023
(In thousands of reais, unless otherwise indicated)

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 at Avenida Doutor Nilo Peçanha, 2900/301, 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, 2023, the Company and subsidiaries began its cultivation of the 2023/24 crop with operations at twenty-one production units and a total planned area of 651.72 thousand hectares, including company-owned areas and areas leased from third parties and related parties, which are located in seven Brazilian states: Mato Grosso, Mato Grosso do Sul, Goiás, Bahia, Piauí, Maranhão and Minas Gerais.

2. Basis of preparation and presentation of financial statements

a) Conformity declaration

The individual and consolidated financial statements were prepared in accordance with accounting practices adopted in Brazil, which include the provisions of corporate law, provided for in Law No. 6,404/76 with amendments to Law No. 11,638/07 and Law No. 11,941/09, and the accounting pronouncements, interpretations and guidelines issued by the Accounting Pronouncements Committee ("CPC"), approved by the Brazilian Securities and Exchange Commission ("CVM") and also in accordance with international accounting standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The Company's Management understands that all relevant information specific to the financial statements is being disclosed and corresponds to that used by it in its management, as provided for in OCPC 7 – Disclosure in the Disclosure of General Purpose Accounting and Financial Statements. We also emphasize that the accounting policies considered immaterial were not included in the financial statements.

The issuance of the individual and consolidated financial statements was authorized by the executive board on March 06, 2024.

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b) Measurement base

The individual and consolidated financial statements were prepared based on the historical cost, with the exception of the following material items recognized in the balance sheets:

- Financial instruments measured at fair value;
- Biological assets, not classified as carrier plants, measured at fair value, using the income and market approach, deducted from sales expenses and costs to be incurred from the relevant biological transformation of crops and the weaning or acquisition of the cattle herd;
- Agricultural products after harvest, measured at net realizable value;
- Investment properties, measured at fair value; and
- Share-based payment transactions, measured at fair value on the grant date.

c) Functional currency and transactions and balances in foreign currency

The individual and consolidated financial statements are presented in Reais (R$), which is the functional currency of the Company and its subsidiaries. All financial information presented in Reais has been rounded to the nearest thousand, unless otherwise indicated.

Transactions in foreign currency are initially recorded at the functional currency exchange rate in effect on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are reconverted at the exchange rate of the functional currency in effect at the balance sheet date.

Exchange gains and losses resulting from the settlement of those transactions and from the conversion at yearend exchange rates referring to monetary assets and liabilities in foreign currencies, are recognized in the statement of income as financial income or expense except when deferred in equity as qualified cash flow hedge operations.

d) Operations eliminated on consolidation

Intragroup balances and transactions, and any unrealized income or expenses arising from intragroup transactions, are eliminated in the preparation of the consolidated financial statements. Unrealized gains arising from transactions with investees recorded under the equity method are eliminated against the Group's investment in the investee.

Unrealized losses are eliminated in the same way as unrealized gains are eliminated, but only to the extent that there is no evidence of impairment loss.

e) Judgments, estimates and significant accounting assumptions

The preparation of individual and consolidated financial statements requires the use of certain critical accounting estimates and also the exercise of judgment by the of Management in the process of applying accounting policies, for the accounting for certain assets, liabilities, income and expenses.

Estimates and the exercise of judgment are continually reviewed and the results of this process are recognized in a timely manner and in any future periods affected. Actual results may differ from these estimates when it actually takes place.

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Information about judgments, estimates and accounting assumptions that may result in significant effects on the amounts recognized in the financial statements financial statements are presented below:

Note	Nature
7	Measurement of the net realizable value of agricultural products
8	Measurement of the fair value of biological assets
12	Measuring the fair value of investment properties
13	Discount rate applied when measuring lease liabilities
14 and 15	Selection of useful lives of fixed and intangible assets
15	Recoverability of assets with indefinite useful life – premium due to expected future profitability
19	Provision for environmental, civil, labor and tax risks and contingent assets and liabilities
20	Deferred income tax and social contribution
25	Measurement of the fair value of financial instruments
28	Measuring the fair value of share-based payment transactions on the grant date

3. Accounting policies

The accounting policies have been consistently applied to all years presented in these individual and consolidated financial statements and are presented in the explanatory notes, except those below:

a) Statements of value added and cash flows

The Group has prepared individual and consolidated Value Added Statements (VAS) in accordance with CPC 09 - Value Added Statement (NBC TG 09), which are presented as an integral part of the financial statements in accordance with BRGAAP applicable to public companies, while for IFRS they represent supplementary financial information.

The Group has prepared individual and consolidated cash flow statements in accordance with technical pronouncement CPC 03 (R2) - Cash Flow Statement (IAS 7), using the indirect method.

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b) Reduction to recoverable value

Financial assets (including receivables)

A financial asset not measured at fair value through profit or loss is evaluated at each reporting date to determine whether there is objective evidence that an impairment loss has occurred. An asset has a loss in its recoverable amount if objective evidence indicates that a loss event occurred after the initial recognition of the asset, and that loss event had a negative effect on projected future cash flows that can be reliably estimated.

The objective evidence that financial assets have lost value may include non-payment or delayed payment by the debtor, restructuring of the amount due to the Group under conditions that the Group would not consider in other transactions, indications that the debtor or issuer will go bankrupt, or the disappearance of an active market for a security. In addition, for an equity instrument, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets measured at amortized cost

The Group considers evidence of loss of value of assets measured at amortized cost, both at the individualized and collective levels. Individually significant assets are assessed for loss of specific value. All individually significant receivables and investment securities held to maturity that are identified as not having suffered a loss in value are then collectively valued for any loss in value that has occurred but has not yet been identified. Individually important assets are collectively valued for the loss in value by grouping these securities together with similar risk characteristics.

CPC 48 (IFRS 9), requires the Company to perform a risk assessment of expected credit losses, evaluating the credit with the counterparty and recording the effects when there are indications of losses. The Company has evaluated its financial assets and established the values found to be immaterial.

Non-financial assets
The book values of the Group's non-financial assets, other than biological assets, investment property, inventories and deferred income and social contribution taxes, are reviewed at each reporting date to determine whether there are indications of impairment losses. If such indication occurs, the asset's recoverable amount is estimated.

c) New or revised standards

The following standards are effective for years beginning after January 1, 2024:

Classification of liabilities as current or non-current and non-current liabilities with Covenants (changes to CPC 26/IAS 1)
The IAS 1 requires a company to classify debt as non-current only if the company can avoid repaying the debt within 12 months after the reporting date. For example, a company may have long-term debt that can be repaid within 12 months if the company does not comply with Covenants within that same period.

The changes implemented in IAS 1 specify that restrictive clauses to be complied with after the balance sheet date do not affect the classification of debt as current or non-current at the balance sheet date. Instead, the amendments require a company to disclose information about these restrictive covenants in notes to the financial statements.

As of December 31, 2023, the Company did not have any liabilities with Covenants to be fulfilled.

Supplier financing agreements ("Risk Withdrawn") (amendments to CPC 26/IAS 1 and CPC 40/IFRS 7)
The amendments introduce new disclosures related to financing arrangements with suppliers ("Downloaded Risk") that help users of financial statements assess the effects of these arrangements on an entity's liabilities and cash flows and on the entity's exposure to risk of liquidity.

As of December 31, 2023, the Company did not have any supplier financing agreements ("Risk Withdrawn") to comply with.

The following new and amended standards are not expected to have a significant impact on the Company's financial statements:

- Lease liabilities in a sale and leaseback (changes to CPC 06/IFRS 16);
- Lack of convertibility (changes to CPC 02/IAS 21).

4. Consolidated financial statements

The consolidated financial statements include the operations of the Company and the following controlled companies, whose percentage participation at the balance sheet date is summarized as follows:

Main activity	Companies	Subsidiaries Directs %	Subsidiaries Indirect %	Location (State)
Culture of soybean, cotton, corn and herd.	Fazenda Pioneira Empreendimentos Agrícolas S.A.	50.00	-	Mato Grosso - MT
Culture of cotton and soybean.	SLC-MIT Empreendimentos Agrícolas S.A.	52.20	-	Rio Grande do Sul - RS
Culture of soybean, corn, cotton and herd.	Fazenda Perdizes Empreendimentos Agrícolas Ltda.	-	50.10	Mato Grosso - MT
Culture of cotton and soybean.	SLC Agrícola Centro Oeste S.A.	100.00	-	Mato Grosso - MT
Investments in other companies or commercial ventures and leasing.	SLC Investimentos Agrícolas Ltda.	100.00	-	Rio Grande do Sul - RS
Purchasing and sale, lease, construction and managing of real estate.	Fazenda Parnaíba Empreendimentos Agrícolas Ltda.	100.00	-	Maranhão - MA
Buying and selling properties, leasing, construction and property management.	Fazenda Planorte Empreendimentos Agrícolas Ltda.	100.00	-	Mato Grosso - MT
	Fazenda Pamplona Empreendimentos Agrícolas Ltda.	100.00	-	Rio Grande do Sul - RS
	Fazenda Planalto Empreendimentos Agrícolas Ltda.	100.00	-	Rio Grande do Sul - RS
	Fazenda Palmares Empreendimentos Agrícolas Ltda.	100.00	-	Rio Grande do Sul - RS
	Fazenda Parnaguá Empreendimentos Agrícolas Ltda.	100.00	-	Rio Grande do Sul - RS
	Fazenda Paysandu Empreendimentos Agrícolas Ltda.	100.00	-	Rio Grande do Sul - RS
	Fazenda Paiaguás Empreendimentos Agrícolas S.A.	100.00	-	Rio Grande do Sul - RS
	SLC Perdizes Empreendimentos Agrícolas S.A.	100.00	-	Rio Grande do Sul - RS
	SLC LandCo Empreendimentos Agrícolas S.A.	-	81.20	Rio Grande do Sul - RS
	Fazenda Planeste Empreendimentos Agrícolas Ltda.	-	81.20	Rio Grande do Sul - RS
	Fazenda Piratini Empreendimentos Agrícolas Ltda.	-	81.20	Rio Grande do Sul - RS
	Fazenda Panorama Empreendimentos Agrícolas Ltda.	-	81.20	Rio Grande do Sul - RS
	Fazenda Palmeira Empreendimentos Agrícolas Ltda.	-	81.20	Rio Grande do Sul - RS
	Fazenda Parceiro Empreendimentos Agrícolas Ltda.	-	100.00	Rio Grande do Sul - RS
	Fazenda Paineira Empreendimentos Agrícolas Ltda.	6.45	93.55	Rio Grande do Sul - RS

5. Cash and cash equivalents and interest earning bank deposits

The exercise of 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.

Accounting policies

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and financial investments with original maturities of three months or less from the date of contracting. Items classified as cash and cash equivalents are subject to an insignificant risk of change in value and are used in the management of short-term obligations.

Composition

		Parent company		Consolidated	
	Yields	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Cash and cash equivalents in R$	-	1,240	308	1,415	530
Forex exchange cash[1]	-	78,660	17,353	94,603	28,122
CDB-DI	101.44% of CDI[2]	887,972	827,784	1,517,685	1,207,123
Cash and cash equivalents		**967,872**	**845,445**	**1,613,703**	**1,235,775**
Non-current Interest earnings bank deposits	75.87% of CDI[2]	1,115	747	1,115	747
Total		**968,987**	**846,192**	**1,614,818**	**1,236,522**

1 Amounts in reais, converted by the dollar P-tax purchase on December 30, 2023.
2 Average yield on December 30, 2023.

The financial operations contracted by the Company are represented by investments in bank certificates of deposit, at market prices and rates, updated by the income earned up to December 30, 2023, not exceeding the trading value.

Long-term financial investments are reciprocated (collateralized operations), which represent in the non-current assets the amount of R$ 1,115 of the portfolios in the parent company and in the consolidated (R$ 747 on December 31, 2022).

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 25.

6. Trade accounts receivable

Accounting policies

They include receivables from the sale of agricultural products, initially recognized upon transfer of control to customers, that is, on the date on which the Company satisfies the performance obligation when transferring the goods.

Composition

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Domestic market	26,918	21,600	30,529	33,103
Indirect export	2,283	15,586	3,992	19,884
Direct export	76,173	86,648	109,173	121,304
Total	**105,374**	**123,834**	**143,694**	**174,291**

The Company understands that the risk of default in relation to accounts receivable is not relevant, which is why it has not set up a provision for credit loss on accounts receivable from customers.

The group's exposure to credit and currency risk related to trade accounts receivable is disclosed in note 25.f.

7. Inventories

Accounting policies

Based on the technical pronouncement CPC 16 (R1), which corresponds to IAS 2 in international standards, the Company measures its inventories at the end of each period. This Standard provides guidance on determining the cost value of inventories and on their subsequent recognition as an expense in profit or loss, including any reduction to net realizable value. It also provides guidance on the method and criteria used to assign costs to inventories.

According to this pronouncement, stocks of agricultural products after harvest are measured at the net realizable value and their changes are recognized in profit or loss for the period in which this change was verified.

Stocks of seeds, fertilizers, pesticides, fuels, lubricants, packaging and packaging material, spare parts and other stocks were valued at the average acquisition cost.

Provisions for slow-moving or obsolete inventories are constituted when considered necessary by management.

Composition

The composition of the Company's inventories on December 31, 2023 and December 31, 2022 is represented as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Agricultural products	1,576,395	1,085,707	2,168,451	1,456,169
Agricultural products - training costs	1,116,617	670,567	1,562,296	861,323
Agricultural products – adjustment to the fair value of biological assets and the net realizable value of agricultural products	459,777	415,140	606,155	594,846
Seeds, composts, fertilizers and pesticides	893,568	1,161,678	1,324,188	1,703,443
Packages and containerization material	28,892	28,282	37,068	46,506
Spare parts	32,101	29,331	44,074	38,653
Other inventories	56,987	37,288	72,725	73,413
Advances to suppliers	9,258	18,084	9,755	25,796
Total	**2,597,200**	**2,360,370**	**3,656,261**	**3,343,980**

The item "Agricultural products – adjustment to the fair value of biological assets and the net realizable value of agricultural products" includes the marking to fair value of agricultural products while valued as biological assets and marking to the net realizable value while valued as an agricultural product. This delivery is delivered below:

	Parent company		
	Agricultural products – biological asset	Agricultural products – net realizable value	Total
Balances on January 1, 2022	**354,599**	**(1,392)**	**353,207**
Movement resulting from harvest	1,852,958	-	**1,852,958**
Realization of the fair value of biological assets[1]	(1,729,780)	-	**(1,729,780)**
Net realizable value of agricultural products[2]	-	(61,245)	**(61,245)**
Balances on December 31, 2022	**477,777**	**(62,637)**	**415,140**
Agricultural products – adjustment to the fair value of biological assets and the net realizable value of agricultural products			415,140

	Parent company		
	Agricultural products – biological asset	Agricultural products – net realizable value	Total
Balances on January 1, 2023	**477,777**	**(62,637)**	**415,140**
Movement resulting from harvest	1,657,839	-	**1,657,839**
Realization of the fair value of biological assets[1]	(1,624,718)	-	**(1,624,718)**
Net realizable value of agricultural products[2]	-	11,516	**11,516**
Balances on December 31, 2023	**510,898**	**(51,121)**	**459,777**
Agricultural products – adjustment to the fair value of biological assets and the net realizable value of agricultural products			459,777

	Consolidated		
	Agricultural products – biological asset	Agricultural products – net realizable value	Total
Balances on January 1, 2022	**442,305**	**(1,392)**	**440,913**
Movement resulting from harvest	2,462,981	-	**2,462,981**
Realization of the fair value of biological assets[1]	(2,237,681)	-	**(2,237,681)**
Net realizable value of agricultural products[2]	-	(71,367)	**(71,367)**
Balances on December 31, 2022	**667,605**	**(72,759)**	**594,846**
Agricultural products – adjustment to the fair value of biological assets and the net realizable value of agricultural products			594,846

	Consolidated		
	Agricultural products – biological asset	Agricultural products – net realizable value	Total
Balances on January 1, 2023	**667,605**	**(72,759)**	**594,846**
Movement resulting from harvest	2,126,892	-	**2,126,892**
Realization of the fair value of biological assets[1]	(2,086,659)	-	**(2,086,659)**
Net realizable value of agricultural products[2]	-	(28,924)	**(28,924)**
Balances on December 31, 2023	**707,838**	**(101,683)**	**606,155**
Agricultural products – adjustment to the fair value of biological assets and the net realizable value of agricultural products			606,155

1 Carrying out billing for products.
2 Effect of VRL on the income statement for the year, in line with changes in the fair value of biological assets and the net realizable value of agricultural products.

8. Biological assets

The Company's biological assets are made up of temporary crops and cattle herds and are represented below:

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Biological assets - culture in formation (a)	1,161,750	1,225,428	1,439,786	1,751,584
Biological assets - herd of cattle (b)	31,009	32,469	48,754	47,992
Total	**1,192,759**	**1,257,897**	**1,488,540**	**1,799,576**

a) Biological assets culture

Accounting policies

Based on technical pronouncement CPC 29 (R2), which corresponds to IAS 41 in international standards, the Company measures its biological assets at the end of each period.

The crops are substantially made up of soybeans, corn, cotton and other less important crops, whose agricultural products after harvest are sold to third parties. Biological crop assets are measured by the expenses incurred with the formation of crops up to the point of significant biological transformation, when they begin to be valued at fair value, deducting sales expenses and production costs incurred and to be incurred.

The CPC 46, in item 72, to increase consistency and comparability in fair value measurements, establishes a fair value hierarchy.

The fair value measurement of biological crop assets includes prices quoted in an active market, adjusted to reflect new information, which results in classification as level 3.

This measurement is based on several assumptions adopted by the Company's management, for which internal and external information was used, mainly related to: volume of productivity, profitability, costs necessary to put it on sale condition, prices and discount rate.

The fair value of biological assets is determined using an income approach where future values are converted (discounted cash flows to a single discounted present value), basically considering:

(a) Cash inflows obtained by multiplying (i) estimated production (planted hectares multiplied by estimated productivity), and (ii) market price of the commodity (farm prices);

(b) Cash outflows represented by the total production cost for the harvest such as: (i) seeds, fertilizers, pesticides, depreciation and labor applied to crops.

Based on estimated revenues and costs, the Company determines the discounted cash flows to be generated and brings the corresponding amounts to present value, considering a discount rate, compatible with the weighted average cost of capital.

Changes in fair value are recorded under the heading of biological assets and are offset by the account "Variation in the fair value of biological assets", in the income statement for the year.

The application of CPC 25 – Provisions, contingent liabilities and contingent assets, in item 66, states that, if the entity has an onerous contract, the present obligation in accordance with the contract must be recognized and measured as a provision. The Company captures the effects existing in its contracts when measuring the fair value of its biological assets, considering in its price assumption the value of its contracts, when onerous.

Composition

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

	Parent Company				
	Soybean	**Cotton**	**Corn**	**Other crops[2]**	**Total**
Balances on January 1, 2023	**785,809**	**361,923**	**65,639**	**12,057**	**1,225,428**
Expenditures with planting	1,259,008	1,598,241	486,197	74,142	**3,417,588**
Variation of the fair value[1]	682,703	786,098	102,813	-	**1,571,614**
Harvesting - agricultural products	(2,140,957)	(2,351,519)	(584,843)	24,439	**(5,052,880)**
Balances on December 31, 2023	**586,563**	**394,743**	**69,806**	**110,638**	**1,161,750**
Agricultural products - formation costs	621,045	394,743	69,806	110,638	**1,196,232**
Biological assets - adjustment at fair value	(34,482)	-	-	-	**(34,482)**

1 Effect of biological assets on the income statement for the exercise.
2 Other crops include seed corn, seed millet, wheat, beans, sorghum, brachiaria, stylosanthes and sesame.

	Consolidated				
	Soybean	**Cotton**	**Corn**	**Other crops[2]**	**Total**
Balances on January 1, 2023	**1,288,513**	**379,954**	**82,411**	**706**	**1,751,584**
Expenditures with planting	1,835,218	2,282,443	697,081	92,995	**4,907,737**
Variation of the fair value[1]	739,220	1,065,439	102,794	-	**1,907,453**
Harvesting - agricultural products	(3,030,401)	(3,297,669)	(801,503)	2,586	**(7,126,987)**
Balances on December 31, 2023	**832,550**	**430,167**	**80,783**	**96,287**	**1,439,787**
Agricultural products - formation costs	897,312	430,167	80,783	96,287	**1,504,549**
Biological assets - adjustment at fair value	(64,762)	-	-	-	**(64,762)**

1 Effect of biological assets on the income statement for the year, in line with changes in the fair value of biological assets and the net realizable value of agricultural products.
2 The other crops are formed by seed corn, seed millet, wheat, beans, sorghum, brachiaria, stylosantes and sesame.

Below we present the main indications imposed in determining the fair value of biological assets referring to the 2022/23 and 2021/22 harvests on the harvest end date:

	Parent Company		Consolidated	
	12/31/2023 [1]	12/31/2022 [2]	12/31/2023 [1]	12/31/2022 [2]
Soybean				
Harvested area (ha)	234,137	217,350	346,941	334,891
Yield achieved (bag/ha)	65.58	67.59	64.43	65.31
Average price (R$/bag)[3]	R$ 144.21	R$ 148.79	R$ 141.16	R$ 147.22
Corn				
Harvested area (ha)	94,540	91,142	138,639	133,299
Yield achieved (bag/ha)	131.84	111.18	127.46	104.05
Average price (R$/bag)[3]	R$ 46.92	R$ 54.43	R$ 45.53	R$ 52.67
Seed Cotton				
Harvested area (ha)	113,314	118,515	162,243	176,985
Yield achieved (cwt/ha)	325.96	256.13	321.98	239.29
Average price (R$/cwt)[3]	R$ 67.49	R$ 68.25	R$ 66.99	R$ 65.93

1 Data referring to the 2022/23 harvest.
2 Data referring to the 2021/22 harvest.
3 Fair value on the calculation date.

Below we present the main assumptions and estimates adopted to determine the fair value of biological assets for the 2023/24 and 2022/23 harvests on the measurement date:

	Parent company		Consolidated	
	12/31/2023[1]	12/31/2022[2]	12/31/2023[1]	12/31/2022[2]
Soybean				
Harvested area (ha)	1,188	32	3,505	32
Productivity achieved (bag/ha)	34.18	62.50	35.88	62.50
Area at harvest point(ha)	62,683	45,610	110,575	110,388
Estimated productivity (bag/ha)	51.00	66.53	49.92	65.80
Average price (R$/bag)[3]	R$ 103.89	R$ 146.48	R$ 102.06	R$ 143.00

1 Data referring to the 2023/24 harvest.
2 Data referring to the 2022/23 harvest.
3 Fair value on the calculation date.

To determine the fair value of biological assets, the Company adopts the observable price assessment technique based on the income approach and begins measuring fair value at the time of the relevant biological transformation, represented by the phenological stage of each crop, starting from R5 for soybeans - where they correspond to the filling of grains until they reach their potential size, R2 for corn - the stage at which the grains begin to fill and C1 for cotton - the first ball (apple or bud) ruptures initially, located at the first branch, in boll. The Company records the fair value of crops, net of selling expenses and ginning and processing costs, in the case of seed cotton.

The 2023/24 harvest is distributed across twenty-one production units strategically located in seven Brazilian states. Below we present the cycles of the Company's main crops:

		Crops		
Unit	**Location**	**Soybean**	**Cotton**	**Corn**
Palmeira Farm	Tasso Fragoso – MA	October 10 to April 15	December 10 to August 30	February 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	Não planta	December 01 to July 15
Paineira Farm	Monte Alegre do Piauí – PI	November 01 to April 15	Não planta	Não planta
Parceiro Farm	Formosa do Rio Preto – BA	November 01 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	Não planta
Palmares Farm	Barreiras – BA	October 20 to April 30	December 01 to August 30	November 01 to July 15
Panorama Farm	Correntina – BA	October 20 to April 30	December 01 to August 30	November 01 to July 15
Paysandu Farm	São Desidério – BA	November 01 to April 30	December 01 to August 30	September 01 to July 15
Piratini Farm	Jaborandi – BA	November 01 to April 30	December 01 to August 30	November 01 to July 15
Pamplona Farm	Cristalina – GO and Unaí – MG	September 25 to April 15	November 05 to August 30	January 20 to July 15
Pantanal Farm	Chapadão do Sul – MS	September 20 to March 25	December 05 to August 30	January 10 to July 10
Planalto Farm	Costa Rica – MS	September 20 to March 25	December 05 to August 30	January 20 to July 10
Pioneira Farm	Querência – MT	October 10 to March 25	December 20 to August 30	January 20 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
Paiaguás Farm	Diamantino – MT	September 20 to March 15	January 1 to August 30	February 10 to July 15
Pampeira Farm	Parecis – MT	September 20 to March 20	December 20 to August 30	Decmeber 10 to July 10
Perdizes Farm	Porto dos Gaúchos – MT	September 20 to March 15	December 20 to August 30	February 01 to July 10
Planorte Farm	Sapezal – MT	September 20 to March 15	January 1 to August 30	February 10 to July 10
Próspera Farm	Tabaporã – MT	September 20 to March 20	December 20 to August 30	February 01 to July 10

Planted Area

Below, we present the comparative table of the planted area in the 2022/23 and 2021/22 harvests:

	Area	Planted area 2022/23	Planted area 2021/22
Crops			
Cotton	ha	162,243	176,985
Soybean (commercial + soy seed)	ha	346,941	334,891
Corn (1st harvest and 2nd harvest)	ha	138,719	133,370
Other Crops[1]	ha	26,481	26,700
Total		**674,384**	**671,946**

1 Other crops include seed corn, wheat, popcorn, beans, brachiaria, stylosanthes, sesame, sorghum, milet and cattle raising permanent.

Below we present the area planned for the 2023/24 agricultural year.

	Area	Planted area 2023/24
Crops		
Cotton	ha	188,730
Soybean (commercial + soy seed)	ha	320,009
Corn (1st harvest and 2nd harvest)	ha	96,927
Other Crops[1]	ha	46,050
Total		**651,716**

1 Other crops include seed corn, wheat, popcorn, beans, brachiaria, stylosanthes, sesame, sorghum, milet and cattle raising permanent.

b) Biological assets – cattle raising

Accounting policies

The biological assets formed by cattle herds are made up of breeding cattle and fattening cattle and are valued at fair value, using the market methodology, deducting sales expenses and acquisition costs, from the moment they are recorded in inventory or at the time of weaning for born calves, until the moment of their slaughter.

In relation to the fair value position, the measurement of the cattle herd is at level 1 – prices quoted in an active market for identical assets on the exercise date.

The Company analyzes the prices charged in the cattle market in the regions considering the main market and through the metrics used in the market. In this way, the measurement is based on the arroba, the breed and the age group and the costs necessary to put it in a salable condition.

The evaluation of biological assets at their fair value considers certain estimates, which are subject to uncertainties and may have effects on future results due to their variations.

Composition

The Company has a herd of cattle in rearing and fattening modes, in permanent areas and also works with the Crop Livestock Integration project – ILP. The ILP aims to optimize land use in places where it is only possible to produce one crop (soy), using the herd as a second crop.

The movement in the fair value of the cattle herd during the year is as follows:

	Parent company	Consolidated
Balances on January 1, 2023	**32,469**	**47,992**
Purchase cost and treat cattle	24,671	48,715
Variation in fair value adjustment[1]	17,127	13,012
Write-off for sale	(43,258)	(60,965)
Balances on December 31, 2023	**31,009**	**48,754**
Biological assets – cattle	25,066	44,793
Biological assets - adjustment at fair value	5,943	3,961

1 Effect of biological assets on income for the year, in line with changes in the fair value of biological assets and the net realizable value of agricultural products.

c) Variation in the fair value of biological assets and the net realizable value of agricultural products

The variation in the fair value of biological assets and the net realizable value of agricultural products presented in the income statements has the following composition:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Variation in fair value – cultures in formation (8.a)	1,571,614	1,679,080	1,907,453	2,215,026
Variation in fair value – cattle herd (8.b)	17,127	4,225	13,012	1,650
Net realizable value of agricultural products (7)	11,516	(61,245)	(28,924)	(71,367)
Total	**1,600,257**	**1,622,060**	**1,891,541**	**2,145,310**

9. Recoverable taxes

a) Income tax and social contribution recoverable

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Income tax	7,990	7,446	12,937	8,170
Social Contribution	2,823	2,642	3,193	2,814
Total	**10,813**	**10,088**	**16,130**	**10,984**
Portion classified in current assets	53	299	4,455	1,195
Portion classified in non-current assets	10,760	9,789	11,675	9,789

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.

b) Other taxes to be recovered

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
ICMS	184,422	148,037	239,709	195,743
COFINS	18,423	24,945	53,246	71,661
PIS	4,424	5,506	13,925	17,223
IRRF recoverable	3	9,581	3,079	15,394
IRPJ/CSLL Red BC ICMS	13,008	12,352	13,008	12,352
Indebted IRPJ/CSLL Selic	-	41	523	512
Others	1,013	843	21,304	20,042
Total	**221,293**	**201,305**	**344,794**	**332,927**
Portion classified in current assets	74,263	73,583	122,781	138,622
Portion classified in non-current assets	147,030	127,722	222,013	194,305

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.

	Parent Company			Parent Company		
Deadline	**ICMS**	**COFINS**	**PIS**	**ICMS**	**COFINS**	**PIS**
up to 1 year	57,525	18,003	4,329	70,808	38,383	6,928
1 to 2 years	38,141	45	11	44,543	6,131	4,968
2 to 3 years	49,184	-	-	49,756	-	-
over 3 years	39,572	375	84	74,602	8,732	2,029
Total	**184,422**	**18,423**	**4,424**	**239,709**	**53,246**	**13,925**

As of December 31, 2023, the Company has a provision set up in the amount of R$ 35,212 (R$ 34,402 as of December 31, 2022), relating to ICMS tax credits, the loss of which 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 year.

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.

IRPJ/CSLL Red BC ICMS - Credit referring to exclusion of the IRPJ/CSLL tax base from the reduction of the ICMS tax base
On December 31, 2021, the Company recognized the amount of R$ 11,556 of IRPJ and CSLL, referring to the subsidy to reduce the ICMS tax base, of which R$ 9,936 is principal and R$ 1,620 is restated by Selic. The period for raising this credit was from January 2012 to June 2021. This process became final on July 29, 2019, and the Company filed a lawsuit to repeat the undue payment for settlement by means of a precatory. As of December 31, 2023, the updated balance is R$ 13,008.

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 amount of the benefit calculated and recognized in the period of 2023 is R$ 523 (this amount being in the subsidiaries Fazenda Pioneira Empreendimentos Agrícolas S.A. and SLC-MIT Empreendimentos Agrícolas S.A.). The Company awaits the final judgment of the subsidiaries' lawsuits for effective tax offset of the amounts.

Other Recoverable Taxes
The amount of accumulated credit on December 31, 2023, recorded in the subsidiary is R$ 1,013 and R$ 21,304 in the consolidated. A large part of this value, in the consolidated, refers to other taxes arising from the business combination with Terra Santa Agro.

10. Securities and credits receivable

Accounting policies

They include receivables from accounts receivable from the sale of land and segregated accounts related to business combinations, initially recognized on the date of negotiation in which the Group becomes one of the parties to the contractual provisions of the instrument.

The Company considers as segregated accounts the accounts that were not acquired in the business combination with Terra Santa Agro, in accordance with the Association Agreement signed between the parties.

Composition

As of December 31, 2023, the movement of securities receivable is presented as follows:

	Consolidated
Balance on January 1, 2023	**57,502**
CDI application yield	1,433
Variation of segregated accounts[1]	(31,345)
Balance on December 31, 2023	**27,590**

1 The counterpart of segregated liabilities (provision for contingencies) is provisioned in assets. When the amounts are paid by SLC Agrícola Centro-Oeste (former Terra Santa), they will be received from the former sellers, without prejudice to the Company.

As of December 31, 2023, and December 31, 2022, we have the following composition of the securities receivable account:

	Consolidated	
	12/31/2023	12/31/2022
Amounts receivable from the sale of land (a)	14,974	13,541
Receivables - segregated account (b)	298	1,020
Active provision - counterpart of segregated accounts (b)	7,703	31,650
Basket receivable (b)	-	6,675
Others	4,615	4,616
Total	**27,590**	**57,502**
Portion classified in current assets	27,590	25,852
Portion classified in non-current assets	-	31,650

a) Sale of land in the subsidiaries Fazenda Paiaguás and Fazenda Parceiro

The subsidiaries Fazenda Paiaguás Empreendimentos Agrícolas Ltda. and Fazenda 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 for some document formalizations such as transfer of reservations, registration of real estate in a notary’s office with unfolding of its records and mortgage release, among others (“Precedent Conditions”).

Fazenda Parceiro complied with all the preceding conditions, and all amounts were received. On December 31, 2023, Fazenda Paiaguás, still has precedent conditions precedent to be met, with a receivable balance in the amount of R$ 14,974.

b) Receivables related to the business combination

Segregated accounts are accounts that were not acquired by the Company in the business combination with Terra Santa Agro, pursuant to the Association Agreement entered into between the parties.

Active segregated accounts (securities receivable, taxes recoverable, advances to suppliers, escrow deposits and investment properties) totaled R$ 82,078 on the closing date of the transaction. On December 31, 2023, these assets amounted to R$ 44,131 (see note 21 - Notes payable), which generate the need to set up a liability provision in the same amount, since, when the assets are effectively received by SLC Agrícola Centro-Oeste (former Terra Santa), will be paid to the former shareholders, with no benefit to the Company.

The passive segregated accounts (payable notes and provision for contingencies) totaled R$ 28,250 on the closing date of the transaction. On December 31, 2023, these liabilities amounted to R$ 7,703, which generate the need to set up an active provision in the same amount, since, when the liabilities are effectively paid by SLC Agrícola Centro-Oeste (former Terra Santa), will be received from former shareholders, without prejudice to the Company.

The effective receipt of segregated assets, generate a liability payable to the former shareholders, called “basket payable”. On the other hand, the effective payment of segregated liabilities, generate an asset receivable from former shareholders, called “basket receivable”. The financial settlement of the basket’s net balance is carried out on April 30 of each year or when the net balance reaches R$ 15,000, whichever occurs first. By December 31, 2023, the amount of R$ 2,551 was received, according to the renegotiation term.

11. Investments (Parent company)

Accounting policies

Investments in subsidiaries are valued using the equity method, in accordance with CPC 18 (R2) (IAS 28), for the purposes of the parent company's financial statements.

After applying the equity method for the purposes of the parent company's financial projections, the Company determines whether it is necessary to consider additional loss of recoverable value on the Company's investment in each of its subsidiaries. The Company determines, in each balance sheet closing data, there is objective evidence that investments in subsidiaries suffered losses due to impairment. If so, the Company calculates the amount of loss due to impairment as the difference between the recoverable value of the subsidiary and the book value and adjusts the amount in the parent company's income statement.

Composition

Total investments on December 31, 2023 and December 31, 2022 are comprised of the following:

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Investments parent company	4,328,692	3,907,858	-	-
Capital Gains in Fixed Assets, net of tax effects	37,054	54,596	-	-
Capital gains on leases, net of tax effects	(1,088)	(1,374)	-	-
Goodwill investment SLC Agrícola Centro-Oeste S.A (former Terra Santa Agro S.A.)	47,355	47,355	-	-
Subtotal	**4,412,013**	**4,008,435**	**-**	**-**
Advance for future capital increase in subsidiaries[1]	110,000	-	-	-
Other equity interests	352	314	3,657	3,618
Total	**4,522,365**	**4,008,749**	**3,657**	**3,618**

1 The balance on December 31, 2023, referred to the advance for Fazenda Paysandu Empreendimentos Agrícolas Ltda., paid on 01/10/2024, according to the Amendment to the Social Contract, registered with the Commercial, Industrial and Services Board of Rio Grande do Sul.

The relevant investments in subsidiaries, valued by the equity method, with a balance on December 31, 2023, 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	Net income for the exercise	Unrealized profit in income for the exercise in operations with related parties	Adjustments to IFRS 16 / CPC 06 (R2) for the exercise	Added value in business combination	Goodwill Investment	Percentage of interest	Equity in income of subsidiaries and associated companies	Equity participation
Fazenda Parnaíba Emp. Agr. Ltda.	21,053	183,528	-	3,371	19,742	-	22,954	-	-	100.00%	42,696	186,898
Fazenda Planorte Emp. Agr. Ltda.	57,099	234,355	-	(4,303)	39,012	-	10,376	-	-	100.00%	49,388	230,052
Fazenda Pioneira Emp. Agr. S.A.	91,672	154,187	(3,942)	-	16,716	-	-	-	-	50.00%	10,391	73,152
SLC-MIT Emp. Agr. S.A.	109,981	258,427	(32,485)	(1,452)	33,831	8,174	3,921	-	-	52.20%	24,173	101,466
SLC Invest. Agrícolas Ltda.	282,405	948,390	-	42,023	55,914	-	32,718	-	-	100.00%	88,632	990,414
Fazenda Pamplona Emp. Agr. Ltda.	31,766	165,667	-	(51)	20,267	-	7,814	-	-	100.00%	28,080	165,617
Fazenda Planalto Emp. Agr. Ltda.	9,137	233,817	-	5,648	29,899	-	14,347	-	-	100.00%	44,246	239,465
Fazenda Palmares Emp. Agr. Ltda.	109,800	270,812	-	6,808	43,815	-	5,644	-	-	100.00%	49,460	277,622
Fazenda Parnaguá Emp. Agr. Ltda.	34,291	49,323	-	18,936	5,402	-	8,374	-	-	100.00%	13,776	68,259
Fazenda Paineira Emp. Agr. Ltda.	143,796	249,190	-	(63)	16,487	-	(63)	-	269	6.45%	1,033	15,425
Fazenda Paiaguás Emp. Agr. Ltda.	20,347	215,085	-	9,882	46,122	-	21,870	-	-	100.00%	67,992	224,968
SLC Perdizes Emp. Agr. Ltda.	77,163	123,861	-	(5,889)	11,066	-	3,572	-	-	100.00%	14,639	117,975
SLC Agrícola Centro Oeste S.A.	1,324,121	1,539,108	(53,611)	-	75,424	(2,085)	-	35,965	47,355	100.00%	75,219	1,568,815
Fazenda Paysandu Emp. Agr. Ltda.	180,101	151,674	-	211	(28,426)	-	211	-	-	100.00%	(28,216)	151,885
Total											**481,509**	**4,412,013**

The main movements in investments in direct permanent equity interests, as on December 31, 2022 and December 31, 2023, are as follows:

Investment	Balance on 01/01/2022	Increase in participation	Added value achievement	Dividends	Equity	Unrealized gain with hedge instruments	Other adjustments	Balance on 12/31/2022
Fazenda Parnaíba Emp. Agr. Ltda.	**164,695**	-	-	(40,963)	48,470	-	-	**172,202**
Fazenda Planorte Emp. Agr. Ltda.	**222,360**	-	-	(53,678)	57,423	-	-	**226,105**
Fazenda Pioneira Emp. Agr. S.A.	**69,178**	-	-	(29,463)	30,698	3,441	-	**73,854**
SLC-MIT Emp. Agr. S.A.	**75,399**	-	-	(17,055)	(1,297)	25,822	-	**82,869**
SLC Invest. Agrícolas Ltda.	**831,293**	-	-	(21,527)	89,016	-	-	**898,782**
Fazenda Pamplona Emp. Agr. Ltda.	**162,709**	-	-	(32,191)	29,406	-	-	**159,924**
Fazenda Planalto Emp. Agr. Ltda.	**233,960**	-	-	(46,126)	40,876	-	-	**228,710**
Fazenda Palmares Emp. Agr. Ltda.	**215,879**	-	-	(22,500)	52,783	-	-	**246,162**
Fazenda Parnaguá Emp. Agr. Ltda.	**55,335**	-	-	(4,782)	12,380	-	(797)	**62,136**
Fazenda Paineira Emp. Agr. Ltda.	**13,569**	-	-	(742)	1,758	-	-	**14,585**
Fazenda Paiaguás Emp. Agr. Ltda.	**213,063**	-	-	(78,139)	71,820	-	-	**206,744**
SLC Perdizes Emp. Agr. Ltda.	**119,579**	-	-	(14,000)	14,257	-	-	**119,836**
SLC Agrícola Centro Oeste S.A.	**1,280,932**	77,138	(17,068)	(31,084)	131,707	74,901	-	**1,516,526**
Total	**3,657,951**	**77,138**	**(17,068)**	**(392,250)**	**579,297**	**104,164**	**(797)**	**4,008,435**

Investment	Balance on 01/01/2023	Increase in participation	Added value achievement	Dividends	Equity	Unrealized gain with hedge instruments	Balance on 12/31/2023
Fazenda Parnaíba Emp. Agr. Ltda.	**172,202**	-	-	(28,000)	42,696	-	**186,898**
Fazenda Planorte Emp. Agr. Ltda.	**226,105**	-	-	(45,441)	49,388	-	**230,052**
Fazenda Pioneira Emp. Agr. S.A. [1]	**73,854**	-	-	(10,695)	10,391	(398)	**73,152**
SLC-MIT Emp. Agr. S.A. [1]	**82,869**	-	-	(9,608)	24,173	4,032	**101,466**
SLC Invest. Agrícolas Ltda.	**898,782**	3,000	-	-	88,632	-	**990,414**
Fazenda Pamplona Emp. Agr. Ltda.	**159,924**	-	-	(22,387)	28,080	-	**165,617**
Fazenda Planalto Emp. Agr. Ltda.	**228,710**	-	-	(33,491)	44,246	-	**239,465**
Fazenda Palmares Emp. Agr. Ltda.	**246,162**	-	-	(18,000)	49,460	-	**277,622**
Fazenda Parnaguá Emp. Agr. Ltda.	**62,136**	-	-	(7,653)	13,776	-	**68,259**
Fazenda Paineira Emp. Agr. Ltda.	**14,585**	-	-	(193)	1,033	-	**15,425**
Fazenda Paiaguás Emp. Agr. Ltda.	**206,744**	-	-	(49,768)	67,992	-	**224,968**
SLC Perdizes Emp. Agr. Ltda.	**119,836**	-	-	(16,500)	14,639	-	**117,975**
SLC Agrícola Centro Oeste S.A.	**1,516,526**	-	(17,256)	(17,900)	75,219	12,226	**1,568,815**
Fazenda Paysandu Emp. Agr. Ltda.[2]	**-**	180,101	-	-	(28,216)	-	**151,885**
Total	**4,008,435**	**183,101**	**(17,256)**	**(259,636)**	**481,509**	**15,860**	**4,412,013**

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 Fazenda Paysandu Empreendimentos Agrícolas Ltda. is a business company incorporated on January 27, 2023, whose main activities are the purchase and sale of real estate, leasing of real estate, construction and management of agricultural assets and enterprises. The Company's partners are SLC Agrícola S.A. with 99.99% of the share capital, and SLC Investimentos Agrícolas Ltda., with 0.01%.

The following is the main information on investments in permanent equity investments as of December 31, 2023:

	Directly and indirectly controlled						
Investments	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity	Income	Expenses
Fazenda Parnaíba Emp. Agr. Ltda.	11,737	184,872	2,921	10,160	183,528	27,109	(7,367)
Fazenda Planorte Emp. Agr. Ltda.	16,029	225,982	591	7,065	234,355	45,805	(6,793)
Fazenda Pioneira Emp. Agr. S.A.	174,142	135,321	65,511	89,765	154,187	289,805	(273,089)
SLC-MIT Emp. Agr. S.A.	660,695	548,667	401,301	549,634	258,427	371,452	(337,621)
SLC Investimentos Agrícolas Ltda.	88,167	887,538	6,724	20,591	948,390	61,606	(5,692)
Fazenda Pamplona Emp. Agr. Ltda.	8,778	163,089	368	5,832	165,667	24,809	(4,542)
Fazenda Planalto Emp. Agr. Ltda.	12,207	230,793	529	8,654	233,817	35,882	(5,983)
Fazenda Palmares Emp. Agr. Ltda.	8,518	268,752	1,032	5,426	270,812	51,142	(7,327)
Fazenda Parnaguá Emp. Agr. Ltda.	9,020	41,075	95	677	49,323	6,781	(1,379)
Fazenda Paineira Emp. Agr. Ltda.	6,711	248,571	192	5,900	249,190	27,786	(11,299)
Fazenda Paiaguás Emp. Agr. Ltda.	32,027	192,943	1,219	8,666	215,085	53,484	(7,362)
SLC Perdizes Emp. Agrícolas Ltda.	7,644	117,098	260	621	123,861	16,148	(5,082)
SLC Agrícola Centro Oeste S.A.	1,516,391	1,624,483	431,379	1,170,399	1,539,096	1,494,210	(1,418,786)
Fazenda Paysandu Emp. Agr. Ltda.	6,678	410,006	110,248	154,762	151,674	6,368	(34,795)
SLC LandCo Emp. Agrícolas S.A.	20,328	612,944	17,303	677	615,292	69,774	(5,458)
Fazenda Planeste Emp. Agr. Ltda.	12,868	137,707	307	4,110	146,158	21,503	(3,955)
Fazenda Piratini Emp. Agr. Ltda.	8,887	156,773	2,493	2,768	160,399	23,776	(4,096)
Fazenda Panorama Emp. Agr. Ltda.	8,920	118,939	213	2,376	125,270	16,538	(3,447)
Fazenda Palmeira Emp. Agr. Ltda.	2,445	30,023	79	230	32,159	6,485	(1,403)
Fazenda Parceiro Emp. Agr. Ltda.	30,383	90,285	86	1,904	118,678	6,931	(2,096)

12. Investment property

Accounting policies

Investment properties include farmland and the infrastructure on it that are leased to third parties.

The Company annually evaluates the fair value of assets registered as investment properties through a specialized report.

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 through comparison with similar ones, through their sales prices, taking into account 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 object of evaluation. To determine the fair value of investment properties, the Company adopts "Level 3". The change in the fair value of investment properties was recorded as a contra entry to the income statement for the year, under the heading "Other operating income".

Composition

	Balance on 01/01/2022	Reclassification	Adjustment on fair value attributed to investment property[1]	Others	Balance on 12/31/2022
Crop lands	**92,647**	(32)	-	(1)	**92,614**
Buildings and improvements	**6,848**	(3,684)	-	-	**3,164**
Soil correction and development	**10,954**	1,237	-	-	**12,191**
Gain on fair value	**222,820**	2,479	52,549	-	**277,848**
Total	**333,269**	**-**	**52,549**	**(1)**	**385,817**
Fair value adjustment - Income for the year	**106,044**		52,549		**52,549**

	Balance on 01/01/2023	Adjustment on fair value attributed to investment property[1]	Write-offs[2]	Balance on 12/31/2023
Crop lands	**92,614**	-	(4,173)	**88,441**
Buildings and improvements	**3,164**	-	-	**3,164**
Soil correction and development	**12,191**	-	-	**12,191**
Gain on fair value	**277,848**	59,135	(9,890)	**327,093**
Total	**385,817**	**59,135**	**(14,063)**	**430,889**
Fair value adjustment - Income for the year	**52,549**	59,135		**59,135**

1 Investment properties are recorded at fair value, which was determined based on valuations carried out by independent appraisers, in May 2023.
2 The value refers to the return of 852 hectares of a total area of 4,739.01 hectares, acquired in September 2011, in the State of Piauí (part of Fazenda Paineira).

Investment property rental income

Accounting policies

Rental income from investment properties is recognized in profit or loss on a straight-line basis over the lease term. Lease incentives granted are recognized as an integral part of total rental revenue for the lease period. Rental income from other properties is recognized as operating income, as a contra entry to other accounts receivable, in current assets.

Composition

On December 31, 2023, rental revenue totaled R$ 12,660 (R$ 22,145 on December 31, 2022). The Company set up a provision for credit loss on leases receivable, in the amount of R$ 535 in the Parent Company and R$ 14,389 in the consolidated (there was no provision set up on December 31, 2022).

13. Leasing operations

Accounting policies

The Company recognizes the lease liability and the right-of-use asset on the effective date of the lease agreement. The Company's main contracts refer to land leasing operations, in addition to other less relevant contracts that involve the rental of cotton gins, machinery, vehicles and properties.

Of the contracts that were within the scope of CPC 06 (R2) (IFRS 16), the Company's management considered only the minimum fixed value as a lease component for the purpose of measuring the lease liability. The measurement of lease liabilities corresponds to the total future lease and rental payments, net of tax effects, adjusted to present value, considering the nominal discount rate of each contract, calculated by the incremental funding rate on the negotiation date.

The incremental funding rate, used by the Company for discounting, is composed of the "weighted CDI/Pre curve", added to the Company's credit risk and a risk spread of the underlying asset.

It is worth noting that land lease contracts are indexed by the price of a bag of soybeans in the region of each production unit, with the values of the right-of-use asset and lease liabilities converted to Reais using the price of soybeans in each region. Payment amounts may vary significantly up to the moment of payment, depending on changes in the value of the soybean market in each region.

For the cases below, the right-of-use asset and the lease liability were not measured, as they present uncertainty in measuring the value (fully variable price), do not present a minimum value to be paid or are of short duration:

a) **Partnership contracts:** contracts that determine that the Company pays the lessor, per year/harvest period, a percentage of the production obtained, with the price being fully variable;

b) **Additional payments linked to productivity:** in addition to the rental price, some contracts provide for an increase in value, through additional productivity, resulting from the arithmetic average of the productivity obtained from agricultural exploration by the tenant. Contracts with this type of characteristic are measured at the minimum fixed amount, with the additional linked to productivity considered as fully variable; and

c) **Other leases of machinery and equipment:** contracts that have a variable value, based on the use of the underlying assets, in addition to having a term of less than one year.

For the situations mentioned above, which are outside the scope of IFRS 16, the values are shown in explanatory note 24.c of Commitments.

Composition

a) Movement of lease assets

	Parent company	Consolidated
Balance on January 1, 2022	**4,400,728**	**3,042,185**
Added value	-	(570)
Contract Additions/Renewals	20,087	166,266
Remeasurement of contracts	500,231	45,107
(-) Contract exclusion	-	(1,880)
(-) Depreciation of the right to use asset	(434,204)	(369,846)
Balance on December 31, 2022	**4,486,842**	**2,881,262**
Cotton rental	15,434	54,676
Culture lands	4,403,502	2,741,188
Leasing of buildings	9,691	9,691
Machinery and rental cars	58,215	75,707
Total	**4,486,842**	**2,881,262**
Depreciation of right of use in the year:		
Cotton rental	(1,768)	(4,896)
Culture lands	(414,656)	(343,517)
Leasing of buildings	(1,990)	(2,081)
Machinery and rental cars	(15,790)	(19,352)
Total of the exercise	**(434,204)**	**(369,846)**

	Parent company	Consolidated
Balance on January 1, 2023	**4,486,842**	**2,881,262**
Added value	-	(2,615)
Contract Additions/Renewals	805,407	961,525
Remeasurement of contracts	(822,322)	(610,807)
(-) Depreciation of the right to use asset	(425,301)	(344,028)
Balance on December 31, 2023	**4,044,626**	**2,885,337**
Cotton rental	18,883	23,688
Culture lands	3,884,810	2,615,271
Leasing of buildings	10,016	10,016
Machinery and rental cars	130,917	236,362
Total	**4,044,626**	**2,885,337**
Depreciation of right of use in the year:		
Cotton rental	(2,107)	(3,200)
Culture lands	(386,019)	(288,052)
Leasing of buildings	(1,667)	(1,667)
Machinery and rental cars	(35,508)	(51,109)
Total of the exercise	**(425,301)**	**(344,028)**

b) Movement of lease liabilities

	Parent company	Consolidated
Balance on January 1, 2022	**4,706,311**	**3,336,388**
Most Valuable Achievement	-	794
Contract Additions/Renewals	20,087	166,266
Remeasurement of contracts	500,231	45,107
Realization of the APV on lease liabilities	404,369	280,423
(-) Contract exclusion	-	(1,880)
(-) Payments	(690,900)	(573,051)
Balance on December 31, 2022	**4,940,098**	**3,254,047**
Cotton rental	19,909	20,712
Culture lands	4,850,242	3,150,165
Leasing of buildings	10,278	10,278
Machinery and rental cars	59,669	72,892
Total	**4,940,098**	**3,254,047**
Liabilities current	**694,687**	**523,573**
Intercompany (note 16.b)	327,505	-
Third-party	367,182	523,573
Liabilities non-current	**4,245,411**	**2,730,474**
Intercompany (note 16.b)	2,513,411	-
Third-party	1,732,000	2,730,474

	Parent company	Consolidated
Balance on January 1, 2023	**4,940,098**	**3,254,047**
Most Valuable Achievement	-	433
Contract Additions/Renewals	805,407	961,525
Remeasurement of contracts	(823,695)	(608,320)
Realization of the APV on lease liabilities	381,935	283,004
(-) Payments	(722,226)	(614,746)
Balance on December 31, 2023	**4,581,519**	**3,275,943**
Cotton rental	18,704	23,996
Culture lands	4,423,589	3,007,585
Leasing of buildings	10,443	10,443
Machinery and rental cars	128,783	233,919
Total	**4,581,519**	**3,275,943**
Liabilities current	**350,608**	**298,644**
Intercompany (note 16.b)	118,946	-
Third-party	231,662	298,644
Liabilities non-current	**4,230,911**	**2,977,299**
Intercompany (note 16.b)	2,708,440	-
Third-party	1,522,471	2,977,299

Below is the breakdown of payments for the exercise by category of leased asset:

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cotton rental	3,386	3,647	4,224	4,468
Culture lands	675,777	664,953	544,131	542,615
Leasing of buildings	2,199	3,146	2,199	3,146
Machinery and rental cars	40,864	19,154	64,192	22,822
Total	**722,226**	**690,900**	**614,746**	**573,051**
Cash effect	722,226	690,900	568,010	511,338
Non-cash effect[1]	-	-	46,736	61,713

1 Payments made upon delivery of the physical product.

c) Impacts on the result

Accounting policies

When the Group acts as a lessor, it determines, at the beginning of the lease, whether each lease is a finance or operating lease.

To classify each lease, the Group makes a general assessment of whether the lease substantially transfers all the risks and rewards inherent in ownership of the underlying asset. If this is the case, the lease is a finance lease, otherwise it is an operating lease. As part of this assessment, the Group considers certain indicators, such as whether the lease term is equivalent to the majority of the economic life of the underlying asset.

Composition

The amount of adjustment to present value recorded in the financial result for the year represents R$ 381,935 in the parent company and R$ 283,004 in the consolidated (R$ 404,369 in the parent company and R$ 280,423 in the consolidated, for the year 2022).

The Company has land lease contracts with its subsidiaries, as described in explanatory note 16. The differences between the parent company's and consolidated results were adjusted in the parent company's equity equivalence calculation, so that the parent company's results for the period and the consolidated results attributed to the controlling shareholders were equal, based on the provisions of ICPC 09 (R2) - Individual Financial Statements, Separate Statements, Consolidated Statements and Application of the Equity Method. The calculation of equity equivalence is shown in explanatory note 11.

d) Sublease 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.

The Parent Company's revenue in the exercise, resulting from the subleasing of rights-of-use assets, was R$ 4,633 (R$ 7,848 in 2022).

e) 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 December 31, 2023, the gross contractual flow of lease agreements entitled to PIS / COFINS credit is R$ 8,161,014 at the parent company and R$ 6,367,377 at the consolidated (R$ 8,385,834 at the parent company and R$ 3,063,945 in the consolidated, as of December 31, 2022). The potential PIS and COFINS credit on the gross contractual flow, brought to present value, is R$ 460,827 in the parent company and R$ 358,755 in the consolidated (R$ 493,603 in the parent company and R$ 191,085 in the consolidated, as of December 31, 2022).

In compliance with the guidance of CVM's technical areas, as required in circular letter CVM/SNC/SEP/n° 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 depreciation 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, exchange and counter, 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	4,044,626	5,548,190
Liabilities leasing – current	350,608	372,132
Liabilities leasing - non current	4,230,911	5,803,725

	Consolidated	
	Considerations without inflation[1]	Considerations with inflation[2]
Right of use asset	2,885,337	3,938,174
Liabilities leasing – current	298,644	316,978
Liabilities leasing - non current	2,977,299	4,063,692

1 Discounted cash flow without considering projected future inflation.
2 Discounted cash flow considering projected future inflation.

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	524,998	557,228	423,132	449,109
1 to 2 years	643,208	728,270	494,103	559,446
2 to 3 years	637,540	766,349	479,479	576,353
3 to 4 years	627,376	798,594	456,870	581,556
4 to 5 years	607,826	819,025	440,381	593,398
over 5 years	5,120,066	7,310,526	4,073,412	5,816,092
Total	**8,161,014**	**10,979,992**	**6,367,377**	**8,575,954**

1 Discounted cash flow without considering projected future inflation.
2 Discounted cash flow considering projected future inflation.

14. Property, plant and equipment

Accounting policies

Recognition and measurement
Property, plant and equipment items are measured at historical acquisition or construction cost, deducted from accumulated depreciation and accumulated impairment losses.

The cost includes expenses that are directly attributable to the acquisition of an asset. The cost of assets built by the Company itself includes:

- The cost of materials and direct labor;
- Borrowing costs on qualifying assets;
- Any other costs to place assets in the locations and conditions necessary for them to be capable of operating in the manner intended by Management.

When parts of an item of fixed assets have different useful lives, they are recorded as individual items (main components) of fixed assets. Gains or losses on the disposal of an item of fixed assets (determined by the difference between the resources arising from the disposal and the book value of the fixed assets) are recognized in other operating income/expenses in the result.

Subsequent costs
Subsequent expenditures are capitalized to the extent that it is probable that future benefits associated with the expenditures will be earned by the Group. Maintenance expenses and recurring repairs are recorded in profit or loss.

Depreciation
Items of fixed assets are depreciated using the straight-line method in profit or loss for the year based on the estimated economic useful life of each component. Leased assets are depreciated over the shortest period between the estimated useful life of the asset and the term of the contract, unless it is certain that the Group will obtain ownership of the asset at the end of the lease. Land and land assets are not depreciated.

Items of property, plant and equipment are depreciated from the date they are installed and available for use, or in the case of internally constructed assets, the day construction is completed and the asset is available for use.

The estimated useful lives for the current year are as follows:

Description	Tax	Useful life
Soil correction and development	18.15%	6 years
Buildings and improvements	3.32%	30 years
Furniture and fixtures	9.88%	10 years
Equipment and facilities of the office	18.60%	5 years
Agricultural equipment and industrial facilities	9.68%	10 years
Vehicles	8.99%	11 years
Others	29.77%	5 years

An item of property, plant and equipment is written off when sold or when no future economic benefit is expected from its use or sale. Any gain or loss resulting from the write-off of the asset (calculated as the difference between the net sale value and the book value of the asset) is included in the income statement in the year in which the asset is written off.

In the year ended December 31, 2023, the Company found that its fixed assets were not above recoverable value, and consequently no provision for loss of recoverable value of fixed assets was necessary.

The Company calculates the residual value for certain classes of assets considering the revenue it would obtain from the sale, deducting the estimated selling expenses, if the asset already had the age and condition expected at the end of its useful life.

The residual value and useful life of assets are reviewed at the end of each year and adjusted prospectively, when applicable.

Composition

a) Composition of fixed assets

	Parent Company						
Cost of the gross fixed assets	**Balance on 01/01/2022**	**Additions**	**Write-offs**	**Transfers**	**Reclassification[1]**	**Depreciation**	**Balance on 12/31/2022**
Soil correction and development	**228,838**	134,870	-	59	-	(45,300)	**318,467**
Buildings and improvements	**239,063**	1,312	(223)	75,945	-	(12,210)	**303,887**
Agricultural equipment and industrial facilities	**462,392**	141,932	(2,154)	9,489	-	(71,199)	**540,460**
Vehicles	**29,147**	3,702	(15)	-	-	(4,541)	**28,293**
Furniture and fixtures	**9,545**	2,948	(54)	1,237	-	(1,650)	**12,026**
Equipment and facilities of the office	**24,048**	10,432	(131)	45	-	(7,407)	**26,987**
Others	**4,056**	505	-	95	(214)	(41)	**4,401**
Total fixed assets in operation	**997,089**	**295,701**	**(2,577)**	**86,870**	**(214)**	**(142,348)**	**1,234,521**
Fixed assets in progress	**69,644**	91,304	-	(86,870)	-	-	**74,078**
Total	**1,066,733**	**387,005**	**(2,577)**	**-**	**(214)**	**(142,348)**	**1,308,599**

1 Reclassification referring to cutting firewood for fuel R$ 214.

	Parent Company						
Cost of the gross fixed assets	**Balance on 01/01/2023**	**Additions**	**Write-offs**	**Transfers**	**Reclassification[1]**	**Depreciation**	**Balance on 12/31/2023**
Soil correction and development	**318,467**	134,574	-	663	-	(70,726)	**382,978**
Buildings and improvements	**303,887**	211	(2,181)	65,246	-	(16,052)	**351,111**
Agricultural equipment and industrial facilities	**540,460**	82,208	(2,734)	31,760	(384)	(82,489)	**568,821**
Vehicles	**28,293**	2,804	(21,726)	71,195	412	(6,153)	**74,825**
Furniture and fixtures	**12,026**	5,039	(348)	229	8	(1,965)	**14,989**
Equipment and facilities of the office	**26,987**	11,057	(186)	1,870	2	(9,336)	**30,394**
Others	**4,401**	654	-	166	(291)	(45)	**4,885**
Total fixed assets in operation	**1,234,521**	**236,547**	**(27,175)**	**171,129**	**(253)**	**(186,766)**	**1,428,003**
Fixed assets in progress	**74,078**	204,519	-	(171,129)	(9,892)	-	**97,576**
Total	**1,308,599**	**441,066**	**(27,175)**	**-**	**(10,145)**	**(186,766)**	**1,525,579**

1 Reclassified amounts: R$9,882 for intangible assets, R$ 291 for fuel inventory, R$ 38 for permanent investments and R$ 66 for available for sale.

	Consolidated							
Cost of the gross fixed assets	**Balance on 01/01/2022**	**Additions**	**Write-offs**	**Transfers**	**Reclassification[1]**	**Added value achievement[2]**	**Depreciation**	**Balance on 12/31/2022**
Crop lands	**1,720,317**	185	(3,077)	-	-	-	-	**1,717,425**
Soil correction and development	**397,786**	187,328	-	59	-	-	(71,664)	**513,509**
Buildings and improvements	**382,767**	2,442	(1,057)	85,024	-	(242)	(22,175)	**446,759**
Agricultural equipment and industrial facilities	**708,357**	230,228	(4,850)	35,040	-	(18,985)	(105,667)	**844,123**
Vehicles	**59,862**	4,797	(157)	6,906	-	(4,983)	(6,715)	**59,710**
Furniture and fixtures	**13,625**	4,710	(412)	635	-	(245)	(2,203)	**16,110**
Equipment and facilities of the office	**30,225**	13,201	(178)	1,119	-	(42)	(8,529)	**35,796**
Others	**8,113**	910	(71)	794	(272)	-	(120)	**9,354**
Total fixed assets in operation	**3,321,052**	**443,801**	**(9,802)**	**129,577**	**(272)**	**(24,497)**	**(217,073)**	**3,642,786**
Fixed assets in progress	**77,011**	142,892	-	(129,577)	-	-	-	**90,326**
Total	**3,398,063**	**586,693**	**(9,802)**	**-**	**(272)**	**(24,497)**	**(217,073)**	**3,733,112**

1 Reclassification referring to cutting firewood for fuel R$ 272.
2 Depreciation of the surplus value in the exercise of items arising from the business combination with SLC Agrícola Centro-Oeste S.A. (formerly Terra Santa Agro S.A.), depreciated over their useful life, allocated to income for the exercise.

	Consolidated							
Cost of the gross fixed assets	**Balance on 01/01/2023**	**Additions**	**Write-offs**	**Transfers**	**Reclassification[1]**	**Added value achievement[2]**	**Depreciation**	**Balance on 12/31/2023**
Crop lands	**1,717,425**	365,705	-	150	-	-	-	**2,083,280**
Soil correction and development	**513,509**	197,866	(344)	663	-	-	(98,573)	**613,121**
Buildings and improvements	**446,759**	34,878	(3,366)	85,550	-	(1,378)	(29,279)	**533,164**
Agricultural equipment and industrial facilities	**844,123**	133,736	(7,991)	38,419	(3,404)	(18,376)	(123,594)	**862,913**
Vehicles	**59,710**	7,419	(21,802)	71,842	444	(3,946)	(9,080)	**104,587**
Furniture and fixtures	**16,110**	6,884	(484)	551	(9)	(246)	(2,582)	**20,224**
Equipment and facilities of the office	**35,796**	15,553	(316)	1,988	2	(18)	(11,168)	**41,837**
Others	**9,354**	1,116	-	225	(293)	-	(124)	**10,278**
Total fixed assets in operation	**3,642,786**	**763,157**	**(34,303)**	**199,388**	**(3,260)**	**(23,964)**	**(274,400)**	**4,269,404**
Fixed assets in progress	**90,326**	245,249	-	(199,388)	(9,899)	-	-	**126,288**
Total	**3,733,112**	**1,008,406**	**(34,303)**	**-**	**(13,159)**	**(23,964)**	**(274,400)**	**4,395,692**

1 Reclassified values: R$38 for permanent investment, R$ 311 for fuel inventory, R$ 3,095 for available for sale and R$ 9,715 for intangible assets.
2 Depreciation of surplus value in the year of items arising from the business combination with SLC Agrícola Centro Oeste S.A. (formerly Terra Santa Agro S.A), depreciated over their useful life, allocated to profit or loss.

b) Fixed assets in progress

As of December 30, 2023, the balance of works in progress, in the amount of R$ 97,576 in the parent company and R$ 128,288 in the consolidated and is substantially represented by works in cotton gins, hotel renovations, construction of artesian wells, construction of warehouses, accommodation, integration of livestock farming, irrigation projects and other improvements in production units.

The amount of interest capitalized on construction in progress in the exercise ended December 31, 2023, was R$ 4,896 (R$ 2,321 as of December 31, 2022). The capitalization rate used in determining the amount of borrowing costs eligible for capitalization was approximately 4.41% p.a.

c) Guarantees

On December 31, 2023 and December 31, 2022, property, plant and equipment were pledged as collateral, as shown below:

Assets under secure	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Pledge of financing	8,092	10,564	13,436	16,883

15. Intangible

Gross intangible cost	Parent Company				
	Balance on 01/01/2022	Additions	Transfers[1]	Amortization	Balance on 12/31/2022
Software	**65,239**	677	16,847	(15,018)	**67,745**
Import of new system	**4,715**	27,842	(16,847)	-	**15,710**
Total	**69,954**	**28,519**	**-**	**(15,018)**	**83,455**

1 Backoffice system activation with SAP integration.

Gross intangible cost	Parent Company					
	Balance on 01/01/2023	Additions	Transfers[1]	Amortization	Reclassification[2]	Balance on 12/31/2023
Software	**67,745**	129	26,681	(20,108)	9,966	**84,413**
Import of new system	**15,710**	16,939	(26,681)	-	(85)	**5,883**
Total	**83,455**	**17,068**	**-**	**(20,108)**	**9,881**	**90,296**

1 Backoffice system activation with SAP integration.
2 Reclassification of fixed assets in the amount of R$ 9,881.

Gross intangible cost	Consolidated					
	Balance on 01/01/2022	Additions	Write-offs	Transfers[1]	Amortization	Balance on 12/31/2022
Software	**65,936**	679	(1)	16,847	(15,225)	**68,236**
Import of new system	**4,715**	28,014	-	(16,847)	-	**15,882**
Goodwill	**47,355**	-	-	-	-	**47,355**
Brands and patents	**178**	-	(178)	-	-	**-**
Total	**118,184**	**28,693**	**(179)**	**-**	**(15,225)**	**131,473**

1 Backoffice system activation with SAP integration.

	Consolidated					
Gross intangible cost	Balance on 01/01/2023	Additions	Transfers[1]	Amortization	Reclassification[2]	Balance on 12/31/2023
Software	68,236	129	26,681	9,973	(20,280)	84,739
Import of new system	15,882	16,940	(26,681)	(258)	-	5,883
Goodwill	47,355	-	-	-	-	47,355
Total	**131,473**	**17,069**	**-**	**9,715**	**(20,280)**	**137,977**

1 Backoffice system activation with SAP integration.
2 Reclassification of fixed assets in the amount of R$ 9,715.

Goodwill paid for expected future profitability
The premium due to expected future profitability (goodwill) constituted in 2021, in the amount of R$ 47,355, arises from the business combination with SLC Agrícola Centro Oeste S.A. (formerly Terra Santa Agro S.A.) and represents the future economic benefit expected from the synergy arising from the acquisition.

To determine the recoverable value of goodwill, the Company used cash flow projections, before income tax and social contribution, based on financial budgets approved by Management for a period of 20 years, considering the following assumptions:

a) **Revenues:** projected from 2022 to 2042, considering increasing productivity up to the SLC standard, in the first 5 years, and then stabilizing in the remaining periods and future prices available until the foreseeable period;

b) **Costs and expenses:** projected taking into consideration the benchmarking of SLC farms, in the same region and with the same operational conditions;

c) **Discount rate:** the discount rate used was 9.27% p.a.

On December 31, 2023, the Company carried out recoverable value review tests and concluded that there are no factors that indicate impairment losses, given that the recoverable value exceeded the carrying value.

16. Balances and transactions with related parties

On December 31, 2023 and December 31, 2022, the Parent Company's balances and transactions with related parties are as follows:

a) Balances receivable with related parties

	Parent company	
	12/31/2023	12/31/2022
Direct subsidiaries		
SLC-MIT Empr. Agr. S.A.	18,504	12,831
Fazenda Pioneira Empr. Agr. S.A.	1,123	840
SLC Agrícola Centro Oeste S.A.	44,344	42,779
Indirect subsidiaries		
Fazenda Perdizes Empr. Agr. Ltda.	9,617	7,187
Controller		
SLC Participações S.A.	1,235	-
Total	**74,823**	**63,637**
Portion classified as current	74,823	63,637

	Consolidated	
	12/31/2023	12/31/2022
SLC Participações S.A.	1,235	-
Portion classified in current asset	**1,235**	**-**

b) Balances payable with related parties

	Parent company					
	Leases payable		Other accounts payable		Total payable	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Direct subsidiaries						
SLC-MIT Empr. Agr. S.A.	-	-	27	3,738	**27**	**3,738**
Fazenda Pioneira Empr. Agr. S.A.	-	-	9	-	**9**	**-**
Fazenda Parnaíba Empr. Agr. Ltda.	232,560	314,791	-	-	**232,560**	**314,791**
Fazenda Pamplona Empr. Agr. Ltda.	250,592	268,140	-	-	**250,592**	**268,140**
Fazenda Palmares Empr. Agr. Ltda.	114,306	128,833	-	-	**114,306**	**128,833**
Fazenda Paiaguás Emp. Agr. Ltda.	530,833	579,723	-	-	**530,833**	**579,723**
Fazenda Planalto Empr. Agr. Ltda.	370,110	389,850	-	-	**370,110**	**389,850**
Fazenda Parnaguá Empr. Agr. Ltda.	96,869	101,530	-	-	**96,869**	**101,530**
SLC Perdizes Empr. Agr. Ltda.	-	-	-	210	**-**	**210**
Fazenda Planorte Empr. Agr. Ltda.	478,399	515,110	-	-	**478,398**	**515,110**
Fazenda Paysandu Emp. Agr. Ltda.	153,545	-	-	-	**153,545**	**-**
SLC Agrícola Centro Oeste S.A.	-	-	2,574	158	**2,574**	**158**
Indirect subsidiaries						
Fazenda Paineira Empr. Agr. Ltda.	77,819	-	-	-	**77,819**	**-**
Fazenda Parceiro Empr. Agr. Ltda.	84,276	96,001	-	-	**84,276**	**96,001**
SLC LandCo Empr. Agr. S.A.	27,783	35,662	-	-	**27,783**	**35,662**
Fazenda Planeste Empr. Agr. Ltda.	125,668	132,501	-	-	**125,668**	**132,501**
Fazenda Piratini Empr. Agr. Ltda.	144,931	134,211	-	-	**144,931**	**134,211**
Fazenda Panorama Empr. Agr. Ltda.	93,588	98,011	-	-	**93,588**	**98,011**
Fazenda Palmeira Emp. Agr. Ltda.	46,108	46,553	-	-	**46,108**	**46,553**
Other related parties						
Other related parties	-	-	2,438	2,280	**2,438**	**2,280**
Total	**2,827,386**	**2,840,916**	**5,048**	**6,386**	**2,832,434**	**2,847,302**
Portion classified in liabilities current	118,946	327,505	5,048	6,386	123,994	333,891
Portion classified in non-current liabilities	2,708,440	2,513,411	-	-	2,708,440	2,513,411

	Consolidated	
	Debts with related parties	
	12/31/2023	12/31/2022
Other related parties	2,539	2,482
Portion classified in non-current	**2,539**	**2,482**

Except for leasing transactions, shown in separate columns, the amounts recorded payable and receivable between related parties are substantially represented by the sale of inputs by the Company with its subsidiaries.

SLC Participações S.A. is the Company's ultimate controller. There are no relevant transactions with the controlling shareholder, except payment of dividends.

c) Transactions with related parties

	Depreciation of the right to use CPC 06 (R2) (IFRS 16)		APV-Liabilities Rental CPC 06 (R2) (IFRS 16)	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Direct subsidiaries				
Fazenda Parnaíba Empr. Agr. Ltda.	24,984	26,464	24,431	29,895
Fazenda Pamplona Empr. Agr. Ltda.	11,299	10,849	20,965	23,407
Fazenda Palmares Empr. Agr. Ltda.	9,913	8,822	10,363	10,798
Fazenda Paiaguás Emp. Agr. Ltda.	28,588	26,936	44,527	51,138
Fazenda Planalto Empr. Agr. Ltda.	18,966	13,706	30,902	33,967
Fazenda Parnaguá Empr. Agr. Ltda.	6,378	4,514	8,549	8,677
Fazenda Planorte Empr. Agr. Ltda.	16,775	20,839	40,121	45,704
Fazenda Paysandu Emp. Agr. Ltda.	-	-	6,683	-
Indirect subsidiaries				
Fazenda Paineira Empr. Agr. Ltda.	-	-	3,387	-
Fazenda Parceiro Empr. Agr. Ltda.	3,549	223	8,720	10,071
SLC LandCo Empr. Agr. S.A.	9,736	760	2,182	1,207
Fazenda Planeste Empr. Agr. Ltda.	12,681	6,348	11,492	10,666
Fazenda Piratini Empr. Agr. Ltda.	25,679	12,965	12,377	10,179
Fazenda Panorama Empr. Agr. Ltda.	11,108	9,212	8,558	7,346
Fazenda Palmeira Emp. Agr. Ltda.	2,714	1,468	4,182	3,006
Total	**182,370**	**143,106**	**237,439**	**246,061**

	Sales of goods/ products/ assets/ service provision		Purchases of merchandise/ products/ rentals/ corporate IT/ other transactions	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Direct subsidiaries				
SLC MIT Empr. Agr. S.A.	30,070	7,227	22,975	56,225
Fazenda Pioneira Empr. Agr. S.A.	13,826	23,341	260	-
SLC Agrícola Centro Oeste S.A.	78,063	72,492	38,330	739
Indirect subsidiaries				
Fazenda Perdizes Empr. Agr. Ltda.	20,048	24,758	-	-
Controller				
SLC Participações S.A.	21,359	-	8	144
Other related parties				
Fundação SLC	-	-	18,355	8,301
Instituto SLC	-	-	2,996	888
Total	**163,366**	**127,818**	**82,924**	**66,297**

d) 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 December 31, 2023, the lease liability with its subsidiaries can be demonstrated as follows:

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 an average rate of 9.31%.

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	**232,560**	15,724	15,245	12,886	12,237	13,376	163,092
Planorte	Sapezal - MT	**478,398**	15,428	9,906	18,818	21,745	16,301	396,200
Pamplona	Cristalina - GO	**250,592**	7,916	11,094	7,251	7,876	8,553	207,902
Planalto	Costa Rica - MS	**370,110**	11,502	14,031	12,836	11,645	12,650	307,446
Palmares	Barreiras - BA	**114,306**	7,287	5,803	6,539	7,145	7,808	79,724
Parnaguá	Santa Filomena - PI	**96,869**	226	5,787	3,084	3,076	3,321	81,375
Parceiro	Formosa do Rio Preto - BA	**84,276**	2,047	6,114	2,774	2,077	2,234	69,030
Paiaguás	Diamantino - MT	**530,832**	17,126	20,334	18,938	16,656	18,091	439,687
Planeste	Balsas - MA	**125,667**	9,588	9,102	9,935	10,845	11,838	74,359
Panorama	Correntina - BA	**93,589**	7,141	6,779	7,399	8,077	8,816	55,377
Piratini	Jaborandi - BA	**144,931**	10,980	16,053	11,474	12,524	9,671	84,229
Palmeira	Alto Parnaíba - MA	**46,108**	2,249	2,549	2,316	2,531	2,766	33,697
Paysandu	Correntina - BA	**153,545**	2,174	3,332	2,243	2,550	2,898	140,348
Paineira	Monte Alegre do Piauí - PI	**77,820**	891	2,852	1,465	1,100	1,251	70,261
Head Office	Porto Alegre - RS	**27,783**	8,667	8,576	7,118	3,422	-	-
Total		**2,827,386**	**118,946**	**137,557**	**125,076**	**123,506**	**119,574**	**2,202,727**
Portion classified as current liabilities		118,946						
Portion classified as non-current liabilities		2,708,440						

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 Agricola 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.

e) Management fees

The Company considers the non-remunerated Directors, the remunerated Independent Directors and the Officers (Statutory) as key management personnel.

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:

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 27, 2023, the global annual remuneration of the Parent Company's administrators was approved, in the amount of up to R$ 25,082, 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.

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Management fee	(10,190)	(9,071)	(10,566)	(9,405)
Bonuses	(4,948)	(6,299)	(4,948)	(6,299)
Charges	(3,829)	(4,779)	(3,912)	(4,853)
Stock option plan	(4,077)	(3,778)	(4,077)	(3,778)
Other benefits	(104)	(39)	(105)	(39)
Total	**(23,148)**	**(23,966)**	**(23,608)**	**(24,374)**

17. Suppliers

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Suppliers in national currency	490,416	498,186	639,389	704,433
Foreign currency suppliers	437,726	592,779	618,786	860,149
Total	**928,142**	**1,090,965**	**1,258,175**	**1,564,582**

The Group's exposure to foreign exchange risks related to accounts payable is disclosed in Note 25.c.

18. Loans and financing

Accounting policies

Contracted loans and financing are initially recognized at fair value and are then measured at amortized cost, as contractually stipulated, plus charges, interest calculated at the effective rate, exchange rate variations and amortizations calculated at the end of each period.

Composition

The movement for the year on December 31, 2023, and December 31, 2022, is shown as below:

	Parent company	Consolidated
Balance on January 1, 2022	**2,369,522**	**2,587,759**
Loans and financing taken	2,285,726	2,602,726
Loan and financing payments	(1,458,634)	(1,676,238)
Appropriate interest	325,505	356,782
Interest on loans paid	(297,475)	(328,655)
Exchange variation	(71,273)	(88,103)
Balance on December 31, 2022	**3,153,371**	**3,454,271**

	Parent company	Consolidated
Balance on January 1, 2023	**3,153,371**	**3,454,271**
Loans and financing taken	3,055,696	3,325,696
Loan and financing payments	(2,161,566)	(2,358,100)
Appropriate interest	433,994	476,318
Interest on loans paid	(391,806)	(426,613)
Exchange variation	(76,746)	(78,193)
Balance on December 31, 2023	**4,012,943**	**4,393,379**

As of December 31, 2023 and 2022, we have the following composition of loans and financing:

	Average annual interest rates			Parent company		Consolidated	
	Indexador	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Applied to Fixed Assets							
Finame – BNDES	Pré	6.13%	6.11%	12,732	23,920	20,038	40,986
Subtotal				**12,732**	**23,920**	**20,038**	**40,986**
Applied in Working Capital							
Rural credit	Pré	10.23%	12.00%	25,996	3,063	31,553	15,283
Rural credit	CDI	12.00%	14.63%	427,209	297,285	457,239	409,229
Rural credit	Swap CDI	11.37%	13.11%	1,232,155	173,016	1,392,795	221,970
Working capital	CDI	12.79%	14.81%	1,424,738	1,086,391	1,559,427	1,181,891
Working capital	Swap CDI	6.05%	-	200,894	-	200,894	-
Export financing	CDI	12.87%	15.06%	307,745	802,825	349,959	818,041
Export financing	Swap CDI	2.09%	2.01%	381,474	766,871	381,474	766,871
Subtotal				**4,000,211**	**3,129,451**	**4,373,341**	**3,413,285**
Total				**4,012,943**	**3,153,371**	**4,393,379**	**3,454,271**
Portion classified in current assets				1,291,086	1,137,091	1,413,552	1,281,537
Portion classified in non-current				2,721,857	2,016,280	2,979,827	2,172,734

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 01/15/2024 to 05/15/2032.

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 04/08/2024 and 12/08/2026.

Working Capital – Line for the purpose of meeting the need for cash, amortizations are carried out on a semi-annual basis or according to the negotiated term, with maturities between the periods of 01/03/2024 and 11/20/2026, operations backed by inventory 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 01/03/2024 and 07/28/2026. They are guaranteed by the guarantee of the Company with a land mortgage or with a "clean" guarantee.

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

Years of maturity	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
2023	-	1,137,091	-	1,281,537
2024	1,291,086	651,053	1,413,552	728,176
2025	1,408,259	1,359,054	1,482,972	1,435,454
2026	1,309,008	1,583	1,490,066	2,315
After 2026	4,590	4,590	6,789	6,789
Total	**4,012,943**	**3,153,371**	**4,393,379**	**3,454,271**

The Group's exposure to liquidity risk is disclosed in note 25.e.

19. Provision for environmental, civil, labor and tax risks

Accounting policies

A provision is recognized, as a result of a past event, if the Group has a legal or constructive obligation that can be estimated reliably, and it is probable that an economic resource will be required to settle the obligation.

Provisions are made for all disputes relating to legal proceedings for which it is probable that an outflow of resources will be made to settle the dispute/obligation and a reasonable estimate can be made. The assessment of the probability of loss includes the assessment of available evidence, the hierarchy of laws, available jurisprudence, the most recent court decisions and their relevance in the legal system, as well as the assessment of external lawyers. 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.

Composition

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

a) Provisions

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

	Parent Company				
	Environmental	Civil	Labor	Tax	Total
Balance on January 1, 2022	**37**	**34**	**1,852**	**1,052**	**2,975**
Addition of provision	3	28	964	51	**1,046**
Reverse of provision	-	(8)	(26)	(490)	**(524)**
Balance on December 31, 2022	**40**	**54**	**2,790**	**613**	**3,497**

	Parent Company				
	Environmental	Civil	Labor	Tax	Total
Balance on January 1, 2023	**40**	**54**	**2,790**	**613**	**3,497**
Addition of provision	4	6	548	-	**558**
Reverse of provision	-	(23)	(934)	(613)	**(1,570)**
Balance on December 31, 2023	**44**	**37**	**2,404**	**-**	**2,485**

	Consolidated				
	Environmental	Civil	Labor	Tax	Total
Balance on January 1, 2022	**859**	**2,763**	**26,257**	**2,123**	**32,002**
Addition of provision	230	2,681	6,897	3,517	**13,325**
Reverse of provision	(49)	(501)	(5,064)	(1,456)	**(7,070)**
Balance on December 31, 2022	**1,040**	**4,943**	**28,090**	**4,184**	**38,257**

	Consolidated				
	Environmental	Civil	Labor	Tax	Total
Balance on January 1, 2023	**1,040**	**4,943**	**28,090**	**4,184**	**38,257**
Addition of provision	247	2,146	6,035	367	**8,795**
Reverse of provision	-	(2,811)	(29,382)	(1,265)	**(33,458)**
Balance on December 31, 2023	**1,287**	**4,278**	**4,743**	**3,286**	**13,594**

The relevant amount recorded as reversal in labor lawsuits, substantially refers to the payment of a labor lawsuit filed by SLC Centro-Oeste S.A. (formerly Terra Santa Agro S.A.). The amount was indemnified by the former shareholder via basket.

Of the consolidated balance on December 31, 2023, recorded in this account contingent liabilities, R$ 7,703 refers to lawsuits from SLC Centro-Oeste S.A. (formerly Terra Santa Agro S.A.) and, when effective payment is made, will be reimbursed to the Company, in accordance with the Association Agreement and Other Covenants.

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.

Below is a breakdown of the Company's contingent liabilities as of December 31, 2023:

	Parent Company		Consolidated	
Nature	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Environmental (i)	6,459	5,716	10,252	9,145
Civil (ii)	13,853	6,033	113,630	124,047
Labor (iii)	514	514	2,008	1,838
Tax (iv)	42,645	38,730	162,842	153,841
Total	**63,471**	**50,993**	**288,732**	**288,871**

Contingent liabilities include the lawsuits of SLC Centro-Oeste S.A. (formerly Terra Santa Agro S.A.) in the amount of R$ 159,584. Former shareholders are responsible for the integrity of contingent liabilities arising from taxable events prior to July 01, 2021.

(i) Environmental actions

The environmental actions are related to infraction notices issued by IBAMA - Brazilian Institute of Environment and Renewable Natural Resources, INEMA – Institute for the Environment and Water Resources and SEMA – Secretariat of State and Environment.

(ii) Civil

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

(iii) Labor lawsuits

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

(iv) Tax

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

c) Judicial deposits

The Company's judicial deposits on December 31, 2023, and December 31, 2022, recorded under "other accounts receivable" in non-current assets, are as follows:

	Parent Company		Consolidated	
Nature	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Civil	-	-	1,046	1,046
Labor	857	1,031	947	1,142
Tax	756	1,407	966	1,673
Total	**1,613**	**2,438**	**2,959**	**3,861**

20. Deferred income and social contribution taxes

Accounting policies

Income tax and social contribution

Income Tax and Social Contribution for the current and deferred year are calculated based on rates of 15%, plus an additional 10% on taxable profit exceeding R$240 per year for income tax and 9% on taxable profit for social contribution on net profit, and consider the compensation of tax losses and negative base of social contribution, which for rural activities is up to 100% of the annual real profit and in other activities it is limited to 30% of the annual real profit.

For companies taxed on presumed profit, Income Tax and Social Contribution for the current year are calculated on a cash basis, based on rates of 15%, plus an additional 10% on the presumption basis in excess of R$ 240 per year for income tax and 9% on the presumption basis for social contribution on net profit.

Income tax and social contribution expenses comprise current and deferred taxes. Current tax and deferred tax are recognized in profit or loss unless they are related to the business combination, or items directly recognized in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, at the tax rates enacted or substantively enacted on the date of presentation of the financial statements and any adjustment to taxes payable in relation to previous years.

Deferred tax is recognized in relation to temporary differences between the carrying values of assets and liabilities for accounting purposes and the corresponding values used for taxation purposes.

Deferred tax is measured at the rates applicable to temporary differences when reversed, based on the laws that were enacted or substantively enacted up to the date of presentation of the financial statements.

When determining current and deferred income tax, the Company takes into account the impact of uncertainties relating to tax positions taken and whether additional payment of income tax and interest has to be made. The Company believes that the provision for income tax liabilities is adequate for all open tax periods based on its assessment of various factors, including interpretations of tax laws and past experience. This assessment is based on estimates and assumptions that may involve a series of judgments about future events. New information may become available which would lead the Company to change its judgment regarding the adequacy of the existing provision; such changes will impact income tax expense in the year in which they are made, if applicable.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax liabilities and assets; they relate to income taxes levied by the same tax authority on the same entity subject to taxation.

A deferred income tax and social contribution asset is recognized for unused tax losses, tax credits and deductible temporary differences when it is probable that future profits subject to taxation will be available and against which they will be used.

Deferred income tax and social contribution assets are reviewed at each reporting date and will be reduced to the extent that their realization is no longer probable.

Composition

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

	Parent Company					
	12/31/2023			12/31/2022		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for inventory adjustment to market value	12,780	4,601	**17,381**	15,659	5,637	**21,296**
Provision for profit-sharing	16,125	5,805	**21,930**	17,925	6,453	**24,378**
Provision for tax losses	901	324	**1,225**	287	103	**390**
Operations with derivatives - Swap	23,616	8,502	**32,118**	29,948	10,781	**40,729**
Provision for Senar	1,387	499	**1,886**	1,291	465	**1,756**
Royalty Provision	12,641	4,551	**17,192**	5,549	1,997	**7,546**
Land lease	1,155,167	415,860	**1,571,027**	1,235,024	444,609	**1,679,633**
Unrealized profit on inventories	20,424	7,353	**27,777**	21,452	7,723	**29,175**
Provision for ICMS credit losses	8,347	3,005	**11,352**	8,268	2,976	**11,244**
Others	1,581	571	**2,152**	2,452	883	**3,335**
Subtotal	**1,252,969**	**451,071**	**1,704,040**	**1,337,855**	**481,627**	**1,819,482**
Liabilities:						
Incentivized depreciation from rural activity	(255,429)	(91,955)	**(347,384)**	(227,218)	(81,798)	**(309,016)**
Gain on acquisition of equity interest	(3,747)	(1,349)	**(5,096)**	(3,747)	(1,349)	**(5,096)**
Cost assigned to fixed assets	(2,881)	(1,037)	**(3,918)**	(3,408)	(1,227)	**(4,635)**
Derivative operations - NDF and Commodities	(20,029)	(7,210)	**(27,239)**	(30,283)	(10,902)	**(41,185)**
Fair value of biological assets	(120,590)	(43,412)	**(164,002)**	(129,584)	(46,650)	**(176,234)**
Land lease	(1,086,614)	(391,181)	**(1,477,795)**	(1,186,396)	(427,102)	**(1,613,498)**
Others	(3,249)	(1,170)	**(4,419)**	-	-	**-**
Subtotal	**(1,492,539)**	**(537,314)**	**(2,029,853)**	**(1,580,636)**	**(569,028)**	**(2,149,664)**
Total	**(239,570)**	**(86,243)**	**(325,813)**	**(242,781)**	**(87,401)**	**(330,182)**
Classified in the non-current liabilities	(239,570)	(86,243)	(325,813)	(242,781)	(87,401)	(330,182)

	Consolidated					
	12/31/2023			12/31/2022		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for inventory adjustment to market value	25,425	9,152	**34,577**	18,190	6,548	**24,738**
Provision for profit-sharing	20,198	7,271	**27,469**	23,402	8,425	**31,827**
Provision for tax losses	901	324	**1,225**	344	124	**468**
Operations with derivatives - Swap	23,676	8,523	**32,199**	30,066	10,824	**40,890**
Provision for Senar	1,430	515	**1,945**	1,368	492	**1,860**
Land lease	1,518,951	546,822	**2,065,773**	1,547,442	557,079	**2,104,521**
Royalty Provision	12,641	4,551	**17,192**	5,549	1,997	**7,546**
Unrealized profit on inventories	20,424	7,353	**27,777**	21,452	7,723	**29,175**
Provision for ICMS credit losses	8,803	3,169	**11,972**	8,842	3,183	**12,025**
Others	5,734	2,064	**7,798**	5,874	2,117	**7,991**
Tax losses and negative basis	247,644	89,684	**337,328**	318,205	115,318	**433,523**
Subtotal	**1,885,827**	**679,428**	**2,565,255**	**1,980,734**	**713,830**	**2,694,564**
Liabilities:						
Incentivized depreciation from rural activity	(326,566)	(117,441)	**(444,007)**	(289,641)	(104,148)	**(393,789)**
Gain on acquisition of equity interest	(3,747)	(1,349)	**(5,096)**	(3,747)	(1,349)	**(5,096)**
Cost assigned to fixed assets	(25,212)	(12,963)	**(38,175)**	(25,946)	(13,233)	**(39,179)**
Fair value investment properties	(6,175)	(3,335)	**(9,510)**	(5,164)	(2,789)	**(7,953)**
Land lease	(1,413,312)	(508,792)	**(1,922,104)**	(1,478,920)	(532,411)	**(2,011,331)**
Fair value biological assets	(161,760)	(58,233)	**(219,993)**	(203,308)	(73,191)	**(276,499)**
Derivative operations – Swap	(105)	(38)	**(143)**	-	-	**-**
Derivative operations – NDF and Commodities	(39,591)	(14,596)	**(54,187)**	(50,510)	(18,901)	**(69,411)**
Added Value	(13,624)	(4,904)	**(18,528)**	(20,160)	(7,257)	**(27,417)**
Others	(25,929)	(9,375)	**(35,304)**	(18,931)	(6,856)	**(25,787)**
Subtotal	**(2,016,021)**	**(731,026)**	**(2,747,047)**	**(2,096,327)**	**(760,135)**	**(2,856,462)**
Total	**(130,194)**	**(51,598)**	**(181,792)**	**(115,593)**	**(46,305)**	**(161,898)**
Classified in the current liabilities	186,824	67,256	254,080	207,221	74,598	281,819
Classified in the non-current liabilities	(317,018)	(118,854)	(435,872)	(322,814)	(120,903)	(443,717)

The Company and its subsidiaries, based on the expectation of generating future taxable profits, based on a technical study approved by Management, recognized tax credits on tax losses, negative basis of social contribution and temporary differences, which do not have a statute of limitations. The carrying 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 farms may be entitled to.

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

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			
	12/31/2023		12/31/2022	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	**1,075,603**	**1,075,603**	**1,538,018**	**1,538,018**
Income and social contribution taxes at the nominal rate of 25% and 9%, respectively	(268,901)	(96,804)	(384,505)	(138,422)
Adjustments for calculation of effective rate:				
Equity income	119,349	42,966	166,277	59,860
Permanent additions and deletions	(365)	314	(13,840)	(4,394)
Interest on equity	6,000	2,160	17,750	6,390
Other	13,239	2,039	18,162	2,163
Value recorded in the income	**(130,678)**	**(49,325)**	**(196,156)**	**(74,403)**
Total income and social contribution taxes		**(180,003)**		**(270,559)**
Current taxes		(229,427)		(426,195)
Deferred taxes		49,424		155,636
Effective rate		**16.74%**		**17.59%**

	Consolidated			
	12/31/2023		12/31/2022	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	**1,223,905**	**1,223,905**	**1,805,825**	**1,805,825**
Income and social contribution taxes at the nominal rate of 25% and 9%, respectively	(305,976)	(110,151)	(451,456)	(162,524)
Adjustments for calculation of effective rate:				
Permanent additions and deletions	(574)	239	(14,312)	(4,564)
Interest on equity	6,000	2,160	17,750	6,390
Tax incentives for subsidiaries	14,383	2,188	18,033	1,816
Income Tax and Social Contribution in companies taxed under the presumed profit regime	40,878	14,535	67,544	24,119
Elimination of Unrealized Profit	-	-	682	245
Effects of IFRS 16	32,935	11,856	12,601	4,536
Other	4,227	1,375	7,642	2,406
Value recorded in the income	**(208,127)**	**(77,798)**	**(341,516)**	**(127,576)**
Total income and social contribution taxes		**(285,925)**		**(469,092)**
Current taxes		(320,959)		(544,401)
Deferred taxes		35,034		75,309
Effective rate		**23.36%**		**25.98%**

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:

	Parent Company			
	Balance on 01/01/2023	Recognized in income	Recognized in comprehensive income	Balance on 12/31/2023
Provision for inventory adjustment to market value	**21,296**	(3,915)	-	**17,381**
Provision for profit-sharing	**24,378**	(2,448)	-	**21,930**
Provision to tax losses	**390**	835	-	**1,225**
Operations with derivatives – NDF and Commodities	**(41,185)**	59,000	(45,054)	**(27,239)**
Operations with derivatives - SWAP	**40,729**	(8,611)	-	**32,118**
Provision for Senar	**1,756**	130	-	**1,886**
Royalty provision	**7,546**	9,646	-	**17,192**
Leases – Active	**1,679,633**	(108,606)	-	**1,571,027**
Others	**3,335**	(5,602)	-	**(2,267)**
Unrealized profit on inventories	**29,175**	(1,398)	-	**27,777**
Provision for ICMS credit losses	**11,244**	108	-	**11,352**
Incentivized depreciation from rural activity	**(309,016)**	(38,368)	-	**(347,384)**
Gain on acquisition of equity interest	**(5,096)**	-	-	**(5,096)**
Cost assigned to fixed assets	**(4,635)**	717	-	**(3,918)**
Fair value of biological assets	**(176,234)**	12,232	-	**(164,002)**
APV - Lease liability	**(1,613,498)**	135,703	-	**(1,477,795)**
Total	**(330,182)**	**49,423**	**(45,054)**	**(325,813)**
Portion classified as non-current liabilities	(330,182)			(325,813)

	Consolidated			
	Balance on 01/01/2023	Recognized in income	Recognized in comprehensive income	Balance on 12/31/2023
Provision for inventory adjustment to market value	**24,738**	9,839	-	**34,577**
Provision for profit-sharing	**31,827**	(4,358)	-	**27,469**
Provision to tax losses	**468**	757	-	**1,225**
Operations with derivatives – NDF and Commodities	**(69,411)**	70,146	(54,922)	**(54,187)**
Operations with derivatives - SWAP	**40,890**	(8,834)	-	**32,056**
Provision for Senar	**1,860**	85	-	**1,945**
Royalty provision	**7,546**	9,646	-	**17,192**
Others	**(17,796)**	(17,256)	-	**(35,052)**
Leases – Active	**2,104,521**	(38,748)	-	**2,065,773**
Unrealized profit on inventories	**29,175**	(1,398)	-	**27,777**
Tax losses and negative basis	**433,523**	(88,649)	-	**344,874**
Leases - Liabilities	**(2,011,331)**	89,227	-	**(1,922,104)**
Provision for ICMS credit losses	**12,025**	(53)	-	**11,972**
Incentivized depreciation from rural activity	**(393,789)**	(50,218)	-	**(444,007)**
Gain on acquisition of equity interest	**(5,096)**	-	-	**(5,096)**
Cost assigned to fixed assets	**(39,179)**	1,004	-	**(38,175)**
Fair value for investment property	**(7,953)**	(1,557)	-	**(9,510)**
Fair value of biological assets	**(276,499)**	56,506	-	**(219,993)**
Added Value	**(27,417)**	8,889	-	**(18,528)**
Total	**(161,898)**	**35,028**	**(54,922)**	**(181,792)**
Portion classified as non-current assets	281,819			254,080
Portion classified as non-current liabilities	(443,717)			(435,872)

Income tax and social contribution payable
The balance of income tax and social contribution on profit payable on December 31, 2023, and December 31, 2022 shows the following movement:

	Parent Company	Consolidated
Balance on January 1, 2022	**-**	**14,879**
Income tax and current social contribution	426,195	544,401
Income tax and social contribution paid	(265,520)	(376,330)
Income tax and social contribution offset	(11,508)	(23,731)
Balance on December 31, 2022	**149,167**	**159,219**
Passivo circulante	149,167	159,219

	Parent Company	Consolidated
Balance on January 1, 2023	**149,167**	**159,219**
Income tax and current social contribution	229,427	320,959
Income tax and social contribution paid	(207,350)	(274,365)
Income tax and social contribution offset	(92,018)	(112,984)
Balance on December 31, 2023	**79,226**	**92,829**
Passivo circulante	79,226	92,829

21. Securities payable (Consolidated)

Movements for the exercise on December 31, 2023, are shown below:

	Consolidated
Balance on January 1, 2023	**100,378**
Variation in the balance of segregated accounts[1]	(42,258)
Partnership Contracts	(4,221)
Land purchase, net of AVP	414,261
Land Payment	(290,000)
(-) AVP – land, appropriate to the result	29,795
Balance on December 31, 2023	**207,955**

1 The counterpart of the segregated assets (securities receivable, taxes recoverable, other assets and investment properties) are provisioned in liabilities. When the amounts are received by SLC Agrícola Centro-Oeste (former Terra Santa), they will be passed on to the former sellers, with no benefit to the Company.

On December 31, 2023 and December 31, 2022, we have the following breakdown of the securities payable account:

	Consolidated	
	12/31/2023	12/31/2022
Land purchase[1]	160,672	11,567
Agricultural partnership	-	4,221
Segregated accounts[2]	44,131	63,242
Payable effective basket[2]	3,152	21,348
Total	**207,955**	**100,378**
Current liabilities	53,899	86,102
Non-current liabilities	154,056	14,276

1 Balance payable relating to the acquisition of 12,473.88 hectares of land, located in the municipality of São Desidério - BA, currently leased by SLC Agrícola, through its subsidiary Fazenda Paysandu.
2 See explanatory note 10 securities receivable.

22. Equity

a) Capital stock

On April 27, 2023, at the Ordinary and Extraordinary General Meeting, the increase in share capital by R$ 500,000 was approved through the capitalization of part of the balance in the "Reserve for Expansion" account, with the issuance of 21,242,259 new common shares.

As of December 31, 2023, the subscribed share capital, in the amount of R$ 2,012,522 (R$ 1,512,522 as of December 31, 2022), is represented by 443,329,716 common, nominative, book-entry shares with no par value.

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

	Quantity of shares	
Shareholder	**12/31/2023**	**12/31/2022**
SLC Participações S.A.	220,071,754	100,032,616
Management and related persons	24,355,592	11,697,057
Treasury shares	3,184,086	8,197,429
Other	195,718,284	92,495,497
Total shares of paid-in capital	**443,329,716**	**212,422,599**
(-) Treasury shares	(3,184,086)	(8,197,429)
Total shares - ex-treasury	**440,145,630**	**204,225,170**

b) Capital reserve – goodwill in the issue of shares

Represented by the premiums received in the public offerings of shares that took place in June 2007 and June 2008 and by the premium on the sales of treasury shares carried out in connection with the share option plans, deducted from the costs of issuing these shares (commissions, fees and other expenses), net of tax effects in accordance with CPC 08/IAS 32.

The movement of the capital reserve during the year was as follows:

	Capital Reserve
Balance on January 1, 2023	**168,544**
Goodwill/discount on the sale of shares	(11,279)
Remuneration based on shares recognized in the year	18,592
Remuneration based on shares exercised during the year	(7,153)
Balance on December 31, 2023	**168,704**

c) Treasury shares

In 2023, 12,000,000 treasury shares were canceled (7,000,000 shares on May 15, 2023 and 5,000,000 on November 8, 2023).

The balance of treasury shares on December 31, 2023, is R$ 57,707 and is made up of 3,184,086 shares (R$ 280,170 on December 31, 2022, made up of 8,197,429 shares).

The change in the number of treasury shares in the exercise was as follows:

	Treasury shares	
	In N° shares	**In R$**
Balance on January 1, 2023	**8,197,429**	**(280,170)**
Acquisition of treasury shares	6,025,004	(204,913)
Canceled Shares	(12,000,000)	397,792
Bonus	1,766,651	-
Shares exercised from option plans	(804,998)	29,584
Balance on December 31, 2023	**3,184,086**	**(57,707)**

The market value of treasury shares calculated based on the last stock exchange quote, prior to the period's closing date was R$ 59,924 (R$ 18.82 per share) on December 31, 2023, and R$ R$ 384,541 (R$ 46.91 per share) as of December 31, 2022.

d) Profit Reserves

(i) Legal Reserve

The legal reserve is constituted based on 5% of the net profit for the year, limited to 20% of the share capital. As provided for in the Bylaws in its article 42, paragraph a, in the year in which the balance of the legal reserve plus the amounts of capital reserves referred to in § 1 of article 182 of Law 6.404/76 exceeds 20% (twenty percent) of the share capital, it will not be mandatory to allocate part of the net profit for the year to the legal reserve.

For the year ended December 31, 2023, the Company set up a legal reserve of R$ 40,953 (R$ 60,361 as of December 31, 2022).

(ii) Reserve for expansion

In accordance with the provisions of Article 194 of Law 6,404/76 and Article 42 of the Company's Bylaws, an Expansion Reserve will be formed based on the profit that remains after legal and statutory deductions, with the purpose of investing in operational assets or capital expenditures, and this reserve cannot exceed 80% of the value of the share capital.

For the year ended December 31, 2023, the Company set up an expansion reserve of R$ 390,724 (R$ 604,294 as of December 31, 2022).

(iii) Profit retention reserve

The balance on December 31, 2023, and 2022 refers to the remaining balance of accumulated results from the 2007 period, which was retained as a profit retention reserve for making new investments, provided for in the capital budget approved by the Board of Directors, in accordance with article 196 of Law 6,404/76.

(iv) Incentive investment reserve

Corresponds to tax benefits granted by the states of Mato Grosso do Sul, Mato Grosso and Goiás, for the reduction in the value of ICMS to be collected from 70% to 75%, in the form of presumed credit, for cotton, cotton seed and corn, classified as investment subsidies.

For the year ended December 31, 2023, the Company set up a tax incentive reserve of R$ 76,544 (R$ 247 as of December 31, 2022).

On the end of the year, the profit reserve balance is R$ 1,395,452 (R$ 1,891,460 on December 31, 2022).

e) Dividends and interest on equity

According to the Bylaws, the minimum mandatory dividend is computed based on 25% of the remaining net profit for the year, after establishing the reserves provided for by law.

The composition of the calculation of the minimum mandatory dividend, proposed additional dividend and interest on equity for the years ending December 31, 2023 and 2022, was as follows:

The payment of interest on equity (JCP) in the gross amount of R$ 23,999,657.03 (twenty-three million, nine hundred and ninety-nine thousand, six hundred and fifty-seven reais and three centavos) was calculated up to the base date of December 27, 2023, on the Company's Shareholders' Equity. Corresponding to R$ 0.05452740721 per common share, excluding treasury shares, was imputed to the calculation of the mandatory dividend for the year 2023, as provided for in the Bylaws Company Social Security.

	12/31/2023	12/31/2022
Net profit for the year	**895,600**	**1,267,459**
Appropriation of the tax incentive reserve	(76,544)	(247)
Appropriation of the legal reserve	(40,953)	(63,360)
Calculation basis for proposed dividends	**778,103**	**1,203,852**
Mandatory minimum dividend - 25%	170,526	229,963
Interest on equity	24,000	71,000
Proposed additional dividend - 25%[1]	194,526	300,963
Proposed dividends	**389,052**	**601,926**
Dividend per share (excluding treasury shares)	0.883916	2.947364

1 Management proposal to be deliberated at the Ordinary General Meeting, scheduled to take place in April 2024.

f) Earning per share

Accounting policies

The basic calculation of earnings per share is made by dividing the net profit for the year, attributed to holders of the controlling company's common shares, by the weighted average number of common shares available during the year in accordance with technical pronouncement CPC 41 (IAS 33). The calculation of diluted earnings per share is the division of the net profit for the year adjusted by any dividends or other items related to potential dilutive common shares that have been deducted to determine the profit or loss attributable to the holders of the Company's common equity, any interest recognized in the period related to the potential dilutive common shares, and any other changes in income or expenses that would result from the conversion of the potential dilutive common shares by the weighted average number of common shares that would be issued upon conversion of all potential dilutive common shares into common shares.

Composition

The Company has a category of potentially dilutive 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 price annual market average of the Company's shares), based on the monetary value of the subscription rights linked to the share option plans.

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

	12/31/2023	12/31/2022
Numerator		
Net income for the year (a)	895,600	1,267,459
Denominator		
Weighted average of common shares (b)	430,655,308	418,364,952
Weighted average of common shares considering dilutive effects (c)	434,197,663	419,206,605
Basic income per common share (a/b)	**2.07962**	**3.02955**
Diluted income per common share (a/c)	**2.06266**	**3.02347**

g) Other comprehensive income

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

	12/31/2023	12/31/2022
Hedge accounting	237,943	174,504
Cost assigned fixed assets and fair value adjustment related to property for investments	1,144,235	1,106,028
Gain in the variation of interest	25,909	25,909
Total	**1,408,087**	**1,306,441**

23. Finance income (loss)

Accounting policies

Financial income comprises interest income, exchange rate variations in balances of accounts receivable and suppliers, variations in the fair value of financial assets measured at fair value through profit or loss, gains on hedging instruments that are recognized in profit or loss and reclassifications of previously made gains recognized in other comprehensive income. Interest income is recognized in profit or loss using the effective interest method.

Financial expenses include interest expenses on loans, exchange rate variations in balances of accounts receivable and suppliers, variations in the fair value of financial assets measured at fair value through profit or loss, adjustment to present value of lease contracts and adjustment to value present from accounts payable. Loan costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are measured in profit or loss using the effective interest method.

Composition

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Financial income				
Income from interest-earning bank deposits	97,309	56,334	162,350	110,808
Foreign exchange	297,353	363,852	348,136	505,888
Monetary variation	56	83	4,217	89
Gains with derivative operations	7,116	147,455	9,041	215,927
Others	310	5,014	438	14,105
Total	**402,144**	**572,738**	**524,182**	**846,817**
Financial expenses				
Interest paid	(428,763)	(339,198)	(473,170)	(371,739)
Foreign exchange	(177,593)	(258,186)	(208,126)	(357,546)
APV - Liabilities Lease	(381,935)	(404,369)	(283,004)	(280,423)
APV - Securities Payable	-	-	(29,795)	-
Losses with derivative operations	(221,133)	(406,082)	(226,810)	(504,219)
Others	(10,943)	(10,696)	(14,553)	(32,358)
Total	**(1,220,367)**	**(1,418,531)**	**(1,235,458)**	**(1,546,285)**
Financial income (loss)	**(818,223)**	**(845,793)**	**(711,276)**	**(699,468)**

24. Commitments

a) 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**	**Currency**	**Price**
2021/22 crop						
Cotton lint	Jan/24	181	1	ton	R$/ton	6,000.00
2022/23 crop						
Cotton lint	Jan/24-July/24	113,074	69	ton	US$/ton	1,814.01
Corn	Jan/24	27	1	bag	R$/bag	45.80
Corn	Jan/24	340,473	10	bag	US$/bag	9.25
Soybean	Jan/24	136	1	bag	R$/bag	127.78
Soybean	Jan/24	169,147	6	bag	US$/bag	24.07
Cottonseed	Jan/24	35,649	32	ton	R$/ton	758.26
2023/24 crop						
Cotton lint	Mar/24-July/25	111,533	22	ton	US$/ton	1,989.81
Corn	July/24	400,000	1	bag	R$/bag	48.32
Corn	July/24-Sept/24	3,075,000	15	bag	US$/bag	8.14
Soybean	Jan/24-May/24	1,266,216	39	bag	R$/bag	112.65
Soybean	Jan/24-Mar/24	5,790,000	38	bag	US$/bag	22.10

	Consolidated					
Product	**Delivery Date**	**Quantity**	**Agreements**	**Unit**	**Currency**	**Price**
2021/22 crop						
Cotton lint	Jan/24	359	4	ton	R$/ton	6,000.00
2022/23 crop						
Cotton lint	Jan/24-July/24	143,224	121	ton	US$/ton	1,818.03
Corn	Jan/24	27	1	bag	R$/bag	45.80
Corn	Jan/24	434,940	24	bag	US$/bag	8.78
Soybean	Jan/24	136	1	bag	R$/bag	127.78
Soybean	Jan/24	267,682	15	bag	US$/bag	23.83
Cottonseed	Jan/24	42,873	46	ton	R$/ton	787.47
2023/24 crop						
Cotton lint	Mar/24-July/25	111,533	22	ton	US$/ton	1,989.81
Corn	June/24-Sept/24	400,000	1	bag	R$/bag	48.32
Corn	June/24-Sept/24	4,080,000	24	bag	US$/bag	7.84
Soybean	Jan/24-May/24	1,474,636	43	bag	R$/bag	112.53
Soybean	Jan/24-May/24	8,045,000	59	bag	US$/bag	21.86

b) Third party lease agreements

As of December 31, 2023, the Company and its subsidiaries have third-party lease agreements for land, lease of vehicles, machinery and buildings, thus distributed:

		Lease liability (CPC 06) (IFRS 16)		
Unit	**Location**	**Currency**	**12/31/2023**	**12/31/2022**
Palmares	Barreiras – BA	R$	114,858	147,517
Panorama	Correntina – BA	R$	70,506	116,291
Paladino	São Desidério – BA	R$	222,247	33,313
Parceiro	Formosa do Rio Preto – BA	R$	41,142	47,904
Paysandu	Correntina – BA	R$	271,904	484,636
Piratini	Jaborandi – BA	R$	818	257
Pantanal	Chapadão do Céu - GO and Chapadão do Sul – MS	R$	489,330	602,455
Pamplona	Cristalina – GO	R$	97,176	59,057
Planeste	Balsas – MA	R$	158,414	174,040
Parnaíba	Tasso Fragoso – MA	R$	97,473	78,483
Palmeira	Alto Parnaíba – MA	R$	172,398	66,006
Paiaguás	Diamantino – MT	R$	202,277	284,182
Planorte	Sapezal – MT	R$	10,752	7,224
Perdizes	Porto dos Gaúchos – MT	R$	70,901	5,131
Pioneira	Querência – MT	R$	12,352	726
Planalto	Costa Rica – MS	R$	14,800	17,130
Pejuçara	São José do Rio Claro and Diamantino – MT	R$	16,336	62,459
Pampeira	Campo Novo do Parecis – MT	R$	218,840	432,444
Piracema	Diamantino – MT	R$	529,423	206,883
Pirapora	Santa Rita do Trivelato – MT	R$	141,588	144,306
Próspera	Taboporã, Nova Canaã do Norte and Itaúba – MT	R$	308,476	267,521
Parnaguá	Santa Filomena – PI	R$	13	2,158
Head Office	Porto Alegre – RS	R$	13,919	13,924
Total		**R$**	**3,275,943**	**3,254,047**
Portion classified as current liabilities			298,644	523,573
Portion classified as non-current liabilities			2,977,299	2,730,474

Liabilities for land and cotton leasing have a average discount rate of 10.97% p.a. For other lease liabilities (machinery, buildings and vehicles), we have a average discount rate of 13.38% p.a.

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.

The statement of the maturity flows of lease and lease liabilities payable is presented in note 25.g.

c) Leases payable

The Company has a balance of R$ 16,762 of lease payable, which is not included in CPC 06. The amount refers to the additional productivity of Fazenda Paladino, headquartered in the city of São Desidério in the state of Bahia.

25. Management of risks and financial instruments

Accounting policies

Financial instruments

Non-derivative financial assets
The Group initially recognizes loans and receivables on the date they were originated. All other assets are initially recognized on the negotiation date on which the Group becomes a party to the instrument's contractual provisions.

The Group derecognizes a financial asset when the contractual rights to the asset's cash flows expire, or when the Group transfers the rights to receive the contractual cash flows over a financial asset in a transaction in which essentially all the risks and rewards of ownership of the asset financial asset are transferred. Any participation that is created or retained by the Group in financial assets is recognized as an individual asset or liability.

Financial assets or liabilities are offset and the net value presented in the balance sheet when, and only when, the Group has the legal right to offset the amounts and intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as measured at VJR:

- It is maintained within a business model whose objective is to maintain financial assets to receive contractual cash flows; and
- Its contractual terms generate, on specific dates, cash flows that are only related to the payment of principal and interest on the outstanding principal amount.

Amortized cost
Financial assets with fixed or calculable payments that are not quoted on the market. Such assets are initially recognized at fair value plus any attributable transaction costs. They are measured at amortized cost using the effective interest method, less any loss due to reduction in recoverable value. They cover accounts receivable from customers and other credits.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and financial investments with an original maturity of three months or less from the contract date. Items classified as cash and cash equivalents are subject to an insignificant risk of change in value and are used in the management of short-term obligations.

Non-derivative financial liabilities
The Group recognizes issued debt securities and subordinated liabilities initially on the date they are originated. All other financial liabilities are initially recognized on the negotiation date on which the Group becomes a party to the contractual provisions of the instrument. The Group writes off a financial liability when its contractual obligations are withdrawn, canceled or expired.

The Group classifies non-derivative financial liabilities in the category of liabilities measured at amortized cost. Such financial liabilities are initially recognized at fair value plus any attributable transaction costs. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The Group has the following non-derivative financial liabilities: financing and loans, suppliers, loan agreements, leases with related parties, leases with third parties, notes payable and other accounts payable.

Derivative financial instruments, including hedge accounting
The Company uses derivative financial instruments, such as currency forward contracts, commodity forward contracts and interest rate swaps, to protect against the risk of exchange rate variation, the risk of variation in commodity prices and the risk of variation of interest rates. Embedded derivatives are separated from their host contracts and recorded separately if the host contract is not a financial asset and certain criteria are met.

At the time of the initial designation of the hedge, the Group formally documents the relationship between the hedging instruments and the hedged items, including the risk management objectives and the strategy in conducting the hedging transaction, together with the methods that will be used to evaluate the effectiveness of the hedging relationship. The Group assesses whether the planned or contracted hedge objects remain in the same amount and validity period of the hedge instrument. Additionally, monitoring is carried out continuously to verify whether there is an expectation that the hedging instruments will be effective in offsetting variations in the fair value or cash flows of the respective hedged items during the year for which the hedge is designated.

Derivatives are initially recognized at fair value; Attributable transaction costs are recognized in profit or loss when incurred. After initial recognition, derivatives are measured at fair value, and changes in fair value are recorded as described below.

Cash flow hedges

When a derivative is designated as a hedging instrument in a hedge of the variability of cash flows attributable to a specific risk associated with a recognized asset or liability or a forecast transaction that is highly probable and could affect the result, the effective portion of variations in the fair value of the derivative is recognized in other comprehensive income and presented in the equity valuation reserve in equity. Any ineffective portion of variations in the fair value of the derivative is recognized immediately in profit or loss.

When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying value of the asset when the asset is realized. The amount recognized in other comprehensive income is reclassified to profit or loss in the same year as the hedged cash flows affect profit or loss in the same line in the income statement as a hedged item. If there are no longer expectations regarding the occurrence of the forecast transaction, then the balance in other comprehensive income is recognized immediately in profit or loss. In other cases, the amount recognized in other comprehensive income is transferred to profit or loss in the same year in which the hedged item affects profit or loss.

If the hedging instrument no longer meets the hedge accounting criteria, expires, i.e., is sold, terminated, exercised, or has its designation revoked, then hedge accounting is prospectively discontinued. The accumulated results, previously recognized in other comprehensive income and presented in the equity valuation reserve in equity, remain there until the expected transaction affects the result.

For the years ended December 31, 2023 and 2022, the Group had operations classified in the cash flow hedge category.

Composition

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 December 31, 2023 was R$ 2,811,083 and R$ 3,069,763 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$ 2,721,857 and R$ 2,979,827.

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

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 carrying amount of financial assets and liabilities:

	Parent company	
	Book value	
	12/31/2023	12/31/2022
Assets		
Fair value through profit or loss		
Cash and cash equivalents	967,872	845,445
Short term financial Investments	1,115	747
Subtotal	**968,987**	**846,192**
Amortized cost		
Trade accounts receivable	105,374	123,834
Receivables from related parties	74,823	63,637
Subtotal	**180,197**	**187,471**
Fair value of hedge instruments		
Operations with Derivatives	188,402	243,238
Total assets	**1,337,586**	**1,276,901**
Liabilities		
Liabilities at the amortized cost		
Loans and financing	4,012,943	3,153,371
Suppliers	928,142	1,090,965
Payables to related parties	5,048	6,386
Liabilities - lease with related parties	2,827,386	2,840,916
Third-party lease liability	1,754,133	2,099,182
Other accounts payable	503,529	482,630
Subtotal	**10,031,181**	**9,673,450**
Fair value of hedge instruments		
Operations with Derivatives	120,461	157,394
Total liabilities	**10,151,642**	**9,830,844**

The fair value of the above financial instruments approximates the book value, except for loans and financing whose fair value on December 31, 2023, is R$ 4,092,893 (R$ 3,222,659 on December 31, 2022). The measurement is classified as level 2 - quoted prices for identical or similar assets or liabilities in markets that are not active.

	Consolidated	
	Book value	
	12/31/2023	12/31/2022
Assets		
Fair value through profit or loss		
Cash and cash equivalents	1,613,703	1,235,775
Short term financial Investments	1,115	747
Subtotal	**1,614,818**	**1,236,522**
Amortized cost		
Trade accounts receivable	143,694	174,291
Receivables from related parties	1,235	-
Titles to receive	27,590	57,502
Subtotal	**172,519**	**231,793**
Fair value of hedge instruments		
Operations with Derivatives	285,060	334,405
Total assets	**2,072,397**	**1,802,720**
Liabilities		
Liabilities at the amortized cost		
Loans and financing	4,393,379	3,454,271
Suppliers	1,258,175	1,564,582
Payables to related parties	2,539	2,482
Third-party lease liability	3,275,943	3,254,047
Rent payable	16,762	14,146
Titles to pay	207,955	100,378
Other bills to pay	631,052	582,502
Subtotal	**9,785,805**	**8,972,408**
Fair value of hedge instruments		
Operations with Derivatives	134,876	160,131
Total liabilities	**9,920,681**	**9,132,539**

The fair value of the above financial instruments approximates the book value, except for loans and financing whose fair value on December 31, 2023, is R$ 4,475,120 (R$ 3,471,552 on December 31, 2022). The measurement is classified as level 2 - quoted prices for identical or similar assets or liabilities in markets that are not active.

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 contracts (NDF) and commodity futures contracts (see note 25.i) are fixed to protect the exposure of future sales in dollars. Furthermore, interest rate swap and foreign exchange swap operations (see note 25.i) 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 net equity account the effects not yet realized of these instruments contracted for its own operations or contracted within the consolidated scope 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.

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:

	Reference value (notional)			Fair value (MTM)		
	Currency	12/31/2023	12/31/2022	Currency	12/31/2023	12/31/2022
Forward contracts (NDF):						
Foreign currency - Short position						
Maturity in 2023	USD	-	757,878	R$	-	222,044
Maturity in 2024	USD	755,310	172,790	R$	212,605	35,587
Total	**USD**	**755,310**	**930,668**	**R$**	**212,605**	**257,631**

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

Maturity	Currency	Forward Contracts (NDF)
Up to 03/31/2024	R$	117,821
Up to 06/30/2024	R$	25,647
Up to 09/30/2024	R$	49,631
Up to 12/31/2024	R$	19,506
Total	**R$**	**212,605**

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

	Reference value (notional)			Fair value		
	Currency	12/31/2023	12/31/2022	Currency	12/31/2023	12/31/2022
Banco Santander Brasil S.A.	USD	155,180	42,430	R$	28,949	20,419
Banco Itaú BBA S.A.	USD	98,730	168,295	R$	50,577	60,961
XP Investimentos S.A.	USD	94,540	208,227	R$	36,737	51,714
Banco do Brasil S.A.	USD	86,080	193,350	R$	25,175	36,717
Banco J.P. Morgan S.A.	USD	85,250	60,391	R$	8,934	9,328
Banco Votorantim S.A.	USD	65,090	37,055	R$	8,800	12,816
Morgan Stanley S.A.	USD	53,750	-	R$	2,688	-
Banco Safra S.A.	USD	46,400	86,340	R$	27,957	37,063
Rabobank International Brasil S.A.	USD	32,530	-	R$	5,135	-
Banco BTG Pactual S.A.	USD	22,000	54,120	R$	10,246	7,897
BR Partners Banco de Investimento S.A.	USD	13,810	28,260	R$	6,856	3,061
Banco Bradesco S.A.	USD	850	35,260	R$	175	13,604
Banco ABC Brasil S.A.	USD	700	4,040	R$	387	(118)
Banco Daycoval S.A.	USD	400	-	R$	(11)	-
Banco BNP Paribas Brasil S.A.	USD	-	12,900	R$	-	4,169
Total	**USD**	**755,310**	**930,668**	**R$**	**212,605**	**257,631**

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.

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 2024 and 2025, as follows:

- **Probable Scenario:** Based on the FOCUS report (BACEN) released on December 30, 2023, we have defined the probable scenario with the dollar quotation of R$ 5.0000 varying to the Ptax rate of R$ 4.8413 on December 29, 2023.
- **Exchange rate Decrease of 25%:** in this scenario the operations would be settled at the rate of R$ 3.7500, 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$ 2.2500, 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$ 6.2500, 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$ 7.5000, equivalent to 50% higher than the rate in the Probable Scenario.

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

	Parent company				
	Remote scenario *Quotation R$*	Possible scenario *Quotation R$*	Scenario based on the price at the end of the year *Quotation R$*	Possible scenario *Quotation R$*	Remote scenario *Quotation R$*
	2.5000	**3.7500**	**5.0000**	**6.2500**	**7.5000**
Year 2024					
Highly probable estimated revenue in USD (1)	(2,187,880)	(1,093,940)	(138,887)	1,093,940	2,187,880
Estimated commitments in USD (2)	588,400	294,200	37,352	(294,200)	(588,400)
Forward Contracts (NDF) (3)	841,275	420,638	53,404	(420,638)	(841,275)
Net exposure in USD (1)-(2)-(3)	**(758,205)**	**(379,102)**	**(48,131)**	**379,102**	**758,205**
Year 2025					
Highly probable estimated revenue in USD (1)	(682,093)	(341,046)	(43,299)	341,046	682,093
Net exposure in USD (1)	**(682,093)**	**(341,046)**	**(43,299)**	**341,046**	**682,093**
Total	**(1,440,298)**	**(720,148)**	**(91,430)**	**720,148**	**1,440,298**

	Consolidated				
	Remote scenario *Quotation R$*	Possible scenario *Quotation R$*	Scenario based on the price at the end of the year *Quotation R$*	Possible scenario Quotation *R$*	Remote scenario Quotation *R$*
	2.5000	**3.7500**	**5.0000**	**6.2500**	**7.5000**
Year 2024					
Highly probable estimated revenue in USD (1)	(3,044,710)	(1,522,355)	(193,278)	1,522,355	3,044,710
Estimated commitments in USD (2)	838,500	419,250	53,228	(419,250)	(838,500)
Forward contracts (NDF) (3)	1,049,775	524,888	66,640	(524,888)	(1,049,775)
Net exposure in USD (1)-(2)-(3)	**(1,156,435)**	**(578,217)**	**(73,410)**	**578,217**	**1,156,435**
Year 2025					
Highly probable estimated revenue in USD (1)	(953,388)	(476,694)	(60,521)	476,694	953,388
Net exposure in USD (1)	**(953,388)**	**(476,694)**	**(60,521)**	**476,694**	**953,388**
Total	**(2,109,823)**	**(1,054,911)**	**(133,931)**	**1,054,911**	**2,109,823**

The following shows the net exposure to currency risk:

	Parent company			
	12/31/2023		12/31/2022	
	Amount in Reais (R$)	Amount in Dollars (USD)	Amount in Reais (R$)	Amount in Dolores (USD)
Trade accounts receivable (note 6)	76,173	15,734	86,648	16,607
Suppliers (note 17)	(437,726)	(90,415)	(592,779)	(113,609)
Net exposure of the shareholders' equity	**(361,553)**	**(74,681)**	**(506,131)**	**(97,002)**

	Consolidated			
	12/31/2023		12/31/2022	
	Amount in Reais (R$)	Amount in dollars (USD)	Amount in Reais (R$)	Amount in Dolores (USD)
Trade accounts receivable (note 6)	109,173	22,550	121,304	23,249
Suppliers (note 17)	(618,786)	(127,814)	(860,149)	(164,852)
Net exposure of the shareholders' equity	**(509,613)**	**(105,264)**	**(738,845)**	**(141,603)**

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.

	Reference value (notional)			Fair value		
	Currency	12/31/2023	12/31/2022	Currency	12/31/2023	12/31/2022
Year of Maturity at 2023						
Financial operations						
Commodities – Cotton	USD	-	63,336	R$	-	34,249
Commodities – Cattle Herd	USD	-	11,479	R$	-	123
Subtotal	**USD**	**-**	**74,815**	**R$**	**-**	**34,372**
Year of Maturity at 2024						
Financial operations						
Commodities - Cotton	USD	80,966	1,841	R$	27,759	2,533
Commodities - Cattle Herd	USD	3,395	-	R$	(1,753)	-
Commodities - Soybean	USD	1,422	-	R$	6,882	-
Subtotal	**USD**	**85,783**	**1,841**	**R$**	**32,888**	**2,533**
Year of Maturity at 2025						
Financial operations						
Commodities – Cotton	USD	12,781	-	R$	(340)	-
Subtotal	**USD**	**12,781**	**-**	**R$**	**(340)**	**-**
Total	**USD**	**98,564**	**76,656**	**R$**	**32,548**	**36,905**

Commodity price risk

The Company has projected the potential impact of changes in soybean and cotton prices in 5 scenarios for the years 2023 and 2024, as follows:

- Probable Scenario: Based on the closing price on December 29, 2023 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$ 4.8413 by the PTAX sale at the end of December 29, 2023:

	Income variation highly to price scenarios				
	Remote scenario -50%	Possible scenario -25%	Probable scenario	Possible scenario +25%	Remote scenario +50%
Cotton - Year 2024					
Highly probable income	2,844,275	3,278,579	3,712,884	4,147,189	4,581,493
Highly probable income protected	1,975,665	1,975,665	1,975,665	1,975,665	1,975,665
Net exposure	**868,610**	**1,302,914**	**1,737,219**	**2,171,524**	**2,605,828**
Change in net exposure	(868,609)	(434,305)	-	434,305	868,609
Soybean - Year 2024					
Highly probable income	1,348,319	1,501,757	1,655,195	1,808,633	1,962,071
Highly probable income protected	1,041,442	1,041,442	1,041,442	1,041,442	1,041,442
Net exposure	**306,877**	**460,315**	**613,753**	**767,191**	**920,629**
Change in net exposure	(306,876)	(153,438)	-	153,438	306,876
Cattle Herd - Year 2024					
Highly probable income	1,853,485	2,139,427	2,425,369	2,711,311	2,997,253
Highly probable income protected	1,281,602	1,281,602	1,281,602	1,281,602	1,281,602
Net exposure	**571,883**	**857,825**	**1,143,767**	**1,429,709**	**1,715,651**
Change in net exposure	(571,884)	(285,942)	-	285,942	571,884

e) Interest risk

A portion of the debt relating 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.

To protect against exchange rate variations in these financing operations, the Company carries out hedging operations through swap instruments with first-class financial institutions. These operations consist of an exchange of exchange rate variations and pre-fixed rates for post-fixed interest rates and more pre-fixed rates (CDI + Pre).

In addition, the Company has financing operations at pre-fixed rates, which, through swap instruments with first-tier financial institutions, exchange pre-fixed rates for post-fixed interest rates and more pre-fixed rates (CDI + Pre).
The Company also has a significant volume of financial investments indexed to floating interest rates, so these operations are also considered for the purpose of determining risk exposure to interest rates.

The Company's strategy is to contract swap operations so that the critical terms are identical or very similar to the critical terms of the protected items.

Below is a breakdown of the currency and interest rate swap operation designated for cash flow hedge accounting:

Counterparty	Hedging instrument	Hedge object	MTM	Financial result	Equity
Bradesco	Swap of R$ 29.5MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 29.5MM at interest of 10.67% p.a. + financial application	(143)	(214)	71
Bradesco	Swap of R$ 68.4MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 68.4MM at interest of 10.67% p.a. + financial application	(332)	(495)	163
Bradesco	Swap of R$ 130MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 130MM at interest of 10.74% p.a. + financial application	(755)	(735)	(20)
Bradesco	Swap of R$ 202.1MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 202.1MM at interest of 10.67% p.a. + financial application	(982)	(1,464)	482
BOCOM BBM	Swap of R$ 30MM (Asset FX +Pre/Liability CDI+Pre)	Debit of USD 6MM at interest of 6.85% p.a.	(442)	(1,177)	735
BOCOM BBM	Swap of R$ 30MM (Asset FX +Pre/Liability CDI+Pre)	Debit of USD 6.2MM at interest of 6.57% p.a.	(239)	(724)	485
BOCOM BBM	Swap of R$ 45MM (Asset FX +Pre/Liability CDI+Pre)	Debit of USD 9.2MM at interest of 5.94% p.a.	(245)	(773)	528
Itaú	Swap of R$ 25.7MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 25.7MM at interest of 11.20% p.a. + financial application	(25)	(254)	229
Itaú	Swap of R$ 45MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 45MM at interest of 14.04% p.a. + financial application	420	(648)	1,068
Itaú	Swap of R$ 67.5MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 67.5MM at interest of 11.20% p.a. + financial application	(65)	(668)	603
Itaú	Swap of R$ 75MM (Asset FX/Liability CDI+Pre)	Debit of USD 14.3MM at interest of 2.153% p.a.	(10,800)	(8,661)	(2,139)
Itaú	Swap of R$ 97MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 97MM at interest of 12.20% p.a. + financial application	1,266	(1,176)	2,442
Itaú	Swap of R$ 100.9MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 100.9MM at interest of 11.20% p.a. + financial application	(107)	(999)	892
Itaú	Swap of R$ 103MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 103MM at interest of 12.15% p.a. + financial application	1,212	(1,286)	2,498
Itaú	Swap of R$ 150MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 150MM at interest of 12.85% p.a. + financial application	(546)	(1,485)	939
Itaú	Swap of R$ 200MM (Asset Pre/Liability CDI+Pre)	Debit of USD 39.2MM at interest of 6.05% p.a.	(27,105)	(26,172)	(933)
Itaú	Swap of R$ 250MM (Asset Pre/Liability CDI+Pre)	Debit of R$ 250MM at interest of 12.83% p.a. + financial application	7,687	(2,458)	10,145
Rabobank	Swap of R$ 100MM (Asset FX/Liability CDI+Pre)	Debit of USD 18.9MM at interest of 1.87% p.a.	(17,571)	(15,632)	(1,939)
Rabobank	Swap of R$ 53.7MM (Asset FX/Liability CDI+Pre)	Debit of USD 10MM at interest of 1.95% p.a.	(8,390)	(6,594)	(1,796)
Votorantim	Swap of R$ 112.6MM (Asset FX/Liability CDI+Pre)	Debit of USD 20MM at interest of 2.15% p.a.	24,248	(22,179)	(2,068)
Votorantim	Swap of R$ 82.5MM (Asset FX/Liability CDI+Pre)	Debit of USD 15MM at interest of 2.3% p.a.	(13,560)	(10,799)	(2,761)
Total			**(94,970)**	**(104,593)**	**(9,624)**

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 December 29, 2023, 5 different scenarios were defined. Based on the FOCUS report (Bacen) of December 30, 2023, 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 2023. The base date for the portfolio was December 30, 2023, projecting the indexers 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[1]	Balance on 12/31/2023	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Debt in reais - prefixed rate							
Rural credit	10.23%	**31,553**	N/A	N/A	N/A	N/A	N/A
BNDES	6.13%	**20,038**	N/A	N/A	N/A	N/A	N/A
Debt in reais - post-fixed rate							
Rural credit	103.01% CDI	**457,239**	(28,071)	(41,388)	(54,705)	(68,022)	(81,339)
Working Capital	109.80% CDI	**1,559,427**	(106,775)	(152,194)	(197,612)	(243,030)	(288,449)
Export financing	110.51% CDI	**349,959**	(24,222)	(34,414)	(44,607)	(54,799)	(64,992)
Debits in dollars							
PPE	2.21%	**170,694**	N/A	N/A	N/A	N/A	N/A
NCE	1.90%	**141,019**	N/A	N/A	N/A	N/A	N/A
4131	2.15%	**69,761**	N/A	N/A	N/A	N/A	N/A
CPR-F	6.05%	**200,894**	N/A	N/A	N/A	N/A	N/A
CDB	6.38%	**104,813**	N/A	N/A	N/A	N/A	N/A
Pre-swapped debts							
Rural credit	11.78%	**1,287,982**	N/A	N/A	N/A	N/A	N/A

1 Average annual rates.

Swap	Interest rate[1]	Balance on 12/31/2023	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Swap FX x CDI + PRÉ[2]	Asset: 10.74% p.a. Liabilities: CDI + 0.40% p.a.	**(755)**	125	147	169	191	213
Swap PRÉ x CDI + PRÉ[2]	Asset: 10.67% p.a. Liabilities: CDI + 0.79% p.a.	**(143)**	24	28	32	36	40
Swap PRÉ x CDI + PRÉ[2]	Asset: 10.67% p.a. Liabilities: CDI + 0.79% p.a.	**(332)**	55	64	74	84	94
Swap FX x CDI + PRÉ[2]	Asset: 10.67% p.a. Liabilities: CDI + 0.79% p.a.	**(982)**	162	191	219	248	276
Swap FX x CDI + PRÉ[2]	Asset: 2.30% p.a. Liabilities: CDI + 1.02% p.a.	**(13,560)**	1,102	1,497	1,892	2,287	2,681
Swap FX x CDI + PRÉ[2]	Asset: 2.15% p.a. Liabilities: CDI + 0.95% p.a.	**(24,247)**	1,934	2,640	3,346	4,052	4,759
Swap FX x CDI + PRÉ[2]	Asset: 12.85% p.a. Liabilities: CDI + 1.12% p.a.	**(546)**	102	118	134	150	166
Swap PRÉ x CDI + PRÉ[2]	Asset: 2.15% p.a. Liabilities: CDI + 1.25% p.a.	**(10,800)**	861	1,176	1,490	1,805	2,120
Swap PRÉ x CDI + PRÉ[2]	Asset: 12.83% p.a. Liabilities: CDI + 1.20% p.a.	**7,687**	(1,434)	(1,658)	(1,882)	(2,106)	(2,329)
Swap PRÉ x CDI + PRÉ	Asset: 6.05% p.a. Liabilities: CDI + 1.17% p.a.	**(27,105)**	3,219	4,008	4,798	5,587	6,376
Swap PRÉ x CDI + PRÉ[2]	Asset: 12.15% p.a. Liabilities: CDI + 1.30% p.a.	**1,212**	(218)	(253)	(289)	(324)	(359)
Swap FX x CDI + PRÉ[2]	Asset: 12.20% p.a. Liabilities: CDI + 1.30% p.a.	**1,266**	(228)	(265)	(302)	(339)	(376)
Swap FX x CDI + PRÉ[2]	Asset: 11.20% p.a. Liabilities: CDI + 1.10% p.a.	**(25)**	4	5	6	6	7

Swap	Interest rate[1]	Balance on 12/31/2023	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Swap FX x CDI + PRÉ[2]	Asset: 11.20% p.a. Liabilities: CDI + 1.10% p.a.	**(65)**	11	13	15	17	19
Swap PRÉ x CDI + PRÉ[2]	Asset: 11.20% p.a. Liabilities: CDI + 1.10% p.a.	**(107)**	18	21	24	28	31
Swap PRÉ x CDI + PRÉ[2]	Asset: 1.87% p.a. Liabilities: CDI + 1.15% p.a.	**(17,571)**	1,352	1,864	2,376	2,887	3,399
Swap PRÉ x CDI + PRÉ[2]	Asset: 1.95% p.a. Liabilities: CDI + 1.20% p.a.	**(8,390)**	652	897	1,141	1,385	1,630
Swap PRÉ x CDI + PRÉ[2]	Asset: 5.94% p.a. Liabilities: CDI + 0.70% p.a.	**(245)**	29	36	43	50	57
Swap PRÉ x CDI + PRÉ[2]	Asset: 6.85% p.a. Liabilities: CDI + 1.00% p.a.	**(442)**	56	69	82	95	108
Swap PRÉ x CDI + PRÉ[2]	Asset: 6.57% p.a. Liabilities: CDI + 1.05% p.a.	**(239)**	30	37	44	51	57
Swap PRÉ x CDI + PRÉ[2]	Asset: 14.04% p.a. Liabilities: CDI + 1.40% p.a.	**420**	(84)	(96)	(108)	(120)	(132)
Financial investments							
CDB and Compromised	101.44% of the CDI	**1,518,800**	89,744	134,616	179,488	224,360	269,232

1 Average annual rates.
2 Amounts refer to the calculation of the adjustment of the transaction on December 29, 2023.

f) Credit risk

A substantial portion of the sales of the Company and its subsidiaries is made to select and highly qualified customers: 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. On December 31, 2023, the balance is R$ 105,374 in the Parent Company and R$ 143,694 in the consolidated (R$ 123,834 in the Parent Company and R$ 174,291 in the consolidated at December 31, 2022).

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.

	Parent company							
December 31, 2023	**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	4,012,943	**4,662,670**	1,349,374	2,382,495	923,012	1,986	1,265	4,538
Suppliers	928,142	**928,142**	928,142	-	-	-	-	-
Lease liabilities	4,581,519	**8,161,014**	524,998	643,207	637,540	627,376	607,826	5,120,067
Subtotal	**9,522,604**	**13,751,826**	**2,802,514**	**3,025,702**	**1,560,552**	**629,362**	**609,091**	**5,124,605**
Derivatives								
Operations with Derivatives	(67,941)	(67,941)	(74,065)	6,124	-	-	-	-
Total	**9,454,663**	**13,683,885**	**2,728,449**	**3,031,826**	**1,560,552**	**629,362**	**609,091**	**5,124,605**

	Consolidated							
December 31, 2023	**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	4,393,379	**5,100,404**	1,479,435	2,575,882	1,034,732	2,812	2,120	5,423
Suppliers	1,258,175	**1,258,175**	1,258,175	-	-	-	-	-
Securities payable	207,955	**207,955**	53,899	154,056	-	-	-	-
Lease liabilities	3,275,943	**6,365,727**	421,483	494,103	479,479	456,870	440,381	4,073,411
Subtotal	**9,135,452**	**12,932,261**	**3,212,992**	**3,224,041**	**1,514,211**	**459,682**	**442,501**	**4,078,834**
Derivatives								
Operations with Derivatives	(150,184)	(150,184)	**(152,304)**	2,120	-	-	-	-
Total	**8,985,268**	**12,782,077**	**3,060,688**	**3,226,161**	**1,514,211**	**459,682**	**442,501**	**4,078,834**

The cash flows included in the maturity analysis are not expected to occur significantly earlier or at different amounts.

On February 23, 2021, S&P Global Ratings released a new corporate rating for the Company, classifying it as "[br AA]" in the national scale category (Brazil). On March 31, 2023, a review was carried out, with the rating remaining stable at "[br AA]".

h) Summary of outstanding derivative transactions

The Company's consolidated derivative financial instruments are presented below and are reflected in the balance sheet accounts:

	Reference value (notional)			Fair value recorded in assets			Fair value recorded in liabilities		
	Currency	12/31/2023	12/31/2022	Currency	12/31/2023	12/31/2022	Currency	12/31/2023	12/31/2022
Hedge operations for exchange rates									
Non-Deliverable Forwards - 25.c	USD	755,310	930,668	R$	216,200	264,969	R$	3,595	7,338
Hedge operations for products									
Cotton - 25.d	USD	93,747	65,177	R$	28,697	41,017	R$	1,278	4,235
Soybean - 25.d	USD	1,422	-	R$	20,739	-	R$	13,857	-
Cattle Herd - 25.d	USD	3,395	11,479	R$	279	144	R$	2,032	21
Subtotal	**USD**	**98,564**	**76,656**	**R$**	**49,715**	**41,161**	**R$**	**17,167**	**4,256**
Hedge operations for inputs									
Swap FX VAR.+Prefixed x CDI+Prefixed - 25.e	USD	138,768	136,342	R$	6,721	5,164	R$	109,320	126,903
Hedge operations for inputs									
Swap FX VAR.+Prefixed x CDI+Prefixed - 25.e	EUR	-	7,937	R$	-	4,813	R$	-	-
Interest protection operations									
Swap Prefixed x CDI+Prefixed - 25.e	R$	1,194,171	195,000	R$	12,424	18,298	R$	4,794	21,634
Total				**R$**	**285,060**	**334,405**	**R$**	**134,876**	**160,131**
Portion classified in current assets					265,314	272,728		113,012	139,585
Portion in non-current liabilities					19,746	61,677		21,864	20,546

i) Gains/losses on derivative transactions

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

		Gains and Losses recorded in the income						
		Allocated in the gross income at		Allocated in the gross income at		Allocated in the gross income at		
	Currency	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	Moviment	12/31/2023
Foreign exchange hedge operations								
Non deliverable forwards	R$	565,285	386,887	2,983	(3,037)	399,091	115,798	283,293
Hedge operations for commodities								
Agricultural commodities	R$	42,647	(392,512)	(9)	(17,607)	29,794	(4,933)	34,727
Interest Hedge Transactions								
Swap Prefixed x CDI+Prefixed	R$	-	-	(12,746)	(11,170)	19,513	22,301	(2,788)
Swap IPCA+Prefixed x CDI+Prefixed	R$	-	-	-	(72,163)	-	-	-
Swap FX VAR.+Prefixed x CDI+Prefixed	R$	-	-	(207,997)	(184,315)	(9,889)	28,367	(38,256)
Subtotal	**R$**	**-**	**-**	**(220,743)**	**(267,648)**	**9,624**	**50,668**	**(41,044)**
Total	**R$**	**607,932**	**(5,625)**	**(217,769)**	**(288,292)**	**438,509**	**161,533**	**194,802**

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.

There was no change in the dividend policy in the Company's capital management objectives, policies or processes in the exercise ended December 31, 2023.

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Short and long-term loans and financing	4,012,943	3,153,371	4,393,379	3,454,271
(-) Cash and cash equivalents and short-term interest earnings bank deposits	(968,987)	(846,192)	(1,614,818)	(1,236,522)
Gains and losses on derivatives linked to investments and debt	94,970	120,262	94,970	120,262
Net debt	**3,138,926**	**2,427,441**	**2,873,531**	**2,338,011**
Shareholders' equity	**4,927,058**	**4,598,797**	**5,241,866**	**4,896,432**
Financial leverage index	**63.71%**	**52.78%**	**54.82%**	**47.75%**

26. Government grants

Accounting policies

Government grants are recognized when there is reasonable certainty that the benefit will be received and that all corresponding conditions will be met. When the benefit refers to an expense item, it is recognized as revenue over the benefit period, systematically in relation to the costs whose benefit aims to offset.

In line with article 30 of law 12,973/14, this subsidy was excluded from the income tax and social contribution calculation base, as it is an investment subsidy.

The value of the investment subsidy cannot be distributed to shareholders as dividends, which is why the annual value of the benefit was transferred from the accumulated profits item to the tax incentive reserve, in shareholders' equity. This reserve can only be used to add to the share capital or to absorb losses.

Composition

The Governments of the States of Mato Grosso do Sul, through Decree No. 9,716/99 and of Mato Grosso, through Law 6,883/97, granted incentives for presumed ICMS credits in cotton lint operations, with a reduction in the value of ICMS to be collected from 70% to 75% through the adhesion of Fazenda Planalto to the PDAGRO program (Mato Grosso do Sul), of Fazendas Paiaguás and Planorte to PROALMAT (Mato Grosso). The State of Mato Grosso granted a presumed credit of 75% of ICMS on sales of cotton lint, cotton seed and fiber. By opting for these programs, the company is prevented from appropriating credits for the acquisition of raw materials, inputs and fixed assets. Presumed credits are recorded in profit or loss under sales taxes as a contra entry to taxes payable.

As requirements for participation in these incentive programs, the Company must make the option with the State Secretariats, waive the ICMS credits to which it would be entitled for the acquisition of inputs, raw materials and fixed assets, provide additional information regarding this tax waiver and collect PDAgro to the State of Mato Grosso do Sul.

Presumed credits are recorded in profit or loss as a credit under sales taxes, as a contra entry to taxes payable. In 2023, R$ 76,544 of presumed ICMS credit was recognized in the parent company and consolidated. This amount was recognized as a tax incentive reserve in shareholders' equity.

27. Profit sharing program

In accordance with Collective Bargaining Agreements signed with the categories of its employees, the Company and its subsidiaries have a profit sharing program, extended to all its employees.

The amount to be distributed as profit sharing is calculated based on the controlling company's net profit, with part of the amount distributed freely to beneficiaries and part linked to targets established for each production unit.

The participation is calculated by applying 9% to the parent company's net profit. Of this amount, 60% will be distributed to beneficiaries and 40% will depend on meeting the targets established for each production unit. The value of the goals is limited to 2 (two) nominal salaries for each employee benefiting from the plan.

Below is the amount provisioned in the result for the year, in the group of administrative expenses:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Participação nos resultados	64,501	71,699	80,791	93,608

28. Share-based payments

Accounting policies

The Company has a Stock Option Plan and Restricted Stock Plan for directors and managers, under the administration of a management committee, created by the Board of Directors. In the years ended December 31, 2023 and 2022, the Company measured and recognized these benefits as an expense in accordance with CPC 10 (R1) (IFRS 2).

The fair value of share-based payment benefits at the grant date is recognized, as personnel expenses, with a corresponding increase in equity, for the period in which employees unconditionally acquire the right to the benefits. The amount recognized as an expense is adjusted to reflect the number of shares for which there is an expectation that the service conditions and non-market purchase conditions will be met, such that the amount ultimately recognized as an expense is based on the number of shares that actually meet the service conditions and non-market acquisition conditions on the date the payment rights are acquired (vesting date). For share-based payment benefits with a non-vesting condition, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no modification for differences between expected and actual benefits.

Composition

a) Stock option plan

At an Extraordinary General Meeting held on May 23, 2007, the Company's shareholders approved a stock option plan, effective from June 15, 2007, for the Company's directors and managers. The plan is administered by the Management Committee, created by the Board of Directors on May 23, 2007.

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

The beneficiaries of the Stock Option Plan will be able to exercise their options within up to 5 years from the respective grant. 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. The Company has a period of 30 days to issue shares from the date of delivery of the Share Option Exercise Term.

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

Grant date	Plan[1]	Number of shares granted
11/13/2018	2018	195,893
11/13/2019	2019	613,750
11/06/2020	2020	637,450
11/10/2021	2021	773,100
11/04/2022	2022	811,000
11/08/2023	2023	884,500

1 The 2018 to 2023 plans have their number of shares granted before the capital split.

The movements of the shares granted in the 2018, 2019, 2020, 2021, 2022 and 2023 Annual Program and the respective Strike prices, in BRL, are presented as follows:

	Exercise price		Number of shares					
Grant year	Grant	Current[1]	Balance on 01/01/2023	Bonus/ Split[1]	Granted	Canceled	Exercised	Balance on 12/31/2023
2018	R$ 46.25	R$ 19.10	**53,346**	2,940	-	(11,033)	(45,253)	**-**
2019	R$ 14.23	R$ 5.87	**333,577**	75,068	-	(26,381)	(247,100)	**135,164**
2020	R$ 20.03	R$ 8.27	**577,738**	355,406	-	(24,997)	(285,313)	**622,834**
2021	R$ 41.23	R$ 17.03	**827,653**	917,473	-	(39,601)	(25,907)	**1,679,618**
2022	R$ 40.27	R$ 18.30	**796,750**	932,015	-	(18,000)	(2,475)	**1,708,290**
2023	R$ 35.65	R$ 17.83	**-**	884,500	884,500	-	-	**1,769,000**
Total			**2,589,064**	**3,167,402**	**884,500**	**(120,012)**	**(606,048)**	**5,914,906**

1 The plans from 2018 to 2022 were bonused by 10% according to the AGOE of April 24, 2023. On 12/13/2023, the shares of the plans from 2019 to 2023 were split, as approved by the EGM.

The Strike price of the 2018, 2019, 2020, 2021, 2022 and 2023 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.

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

Grace periods beginning as of grant date	% of options released to be exercised	Maximum quantity of shares
As from – 11/12/2020	1%	40,549
As from – 11/06/2021	4%	227,399
As from – 11/12/2021	5%	267,949
As from – 11/06/2022	8%	454,799
As from – 11/10/2022	16%	958,684
As from – 11/12/2022	17%	1,012,750
As from – 11/04/2022	26%	1,525,237
As from – 11/06/2023	30%	1,774,370
As from – 11/10/2023	39%	2,278,256
As from – 11/04/2024	47%	2,790,743
As from – 11/08/2024	56%	3,321,443
As from – 11/10/2024	68%	3,993,290
As from – 11/04/2025	79%	4,676,606
As from – 11/09/2025	88%	5,207,306
As from – 11/10/2026	100%	5,914,906

The Company recognizes the cost of the option plan based on the fair value of the options granted, considering the fair value on the grant date. The model used to price the fair value of options is Black-Scholes for the 2021, 2022 and 2023 plans.

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

	2018	2019	2020	2021	2022	2023
Weighted average fair value	R$ 46.25	R$ 14.23	R$ 20.03	R$ 41.23	R$ 40.27	R$ 35.65
Current weighted average fair value[1]	R$ 19.10	R$ 5.87	R$ 8.27	R$ 17.03	R$ 18.30	R$ 17.83
Awards	R$ 18.16	R$ 6.05	R$ 8.31	R$ 14.44	R$ 14.38	R$ 9.35
Dividends	1.00%	3.50%	5.80%	5.50%	5.50%	4.50%
Volatility of share price	36.80%	41.45%	41.03%	41.20%	39.30%	33.36%
Risk-free rate of return						
1st maturity	6.95%	4.57%	3.11%	11.82%	13.16%	10.87%
2nd maturity	8.01%	5.14%	4.72%	11.91%	11.85%	10.60%
3rd maturity	8.86%	5.68%	5.81%	11.66%	11.55%	10.70%
Period expected up to the maturity (in days)						
1st maturity	365	365	365	365	365	365
2nd maturity	730	730	730	730	730	730
3rd maturity	1,095	1,095	1,095	1,095	1,095	1,095

1 The plans from 2018 to 2022 were bonused by 10% according to the AGOE of April 24, 2023. On 12/13/2023, the shares of the plans from 2019 to 2023 were split, as approved by the EGM.

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 (R$)	Number of options	Weighted average of the exercise	Number of options
	12/31/2023	12/31/2023	12/31/2022	12/31/2022
Outstanding on January 1	39.00	2,589,064	36.15	2,265,222
Granted during the period	35.65	884,500	40.27	811,000
Exercised during the period	20.61	(606,048)	27.60	(435,666)
Canceled during the period	41.37	(120,012)	30.15	(51,492)
Share bonus	16.38	3,167,402	-	-
Outstanding	28.22	5,914,906	39.00	2,589,064
Exercisable	33.62	2,278,256	25.61	981,861

Options outstanding as of December 31, 2023, have a Strike price in the range of R$ 33.62 to R$ 35.65 (R$ 25.61 to R$ 40.27 as of December 31, 2022).

The weighted average stock price on the exercise date for stock options exercised in the period ended December 31, 2023, was R$ 33.62 (R$ 25.61 on December 31, 2022).

b) Restricted Share Plan

At an Extraordinary General Meeting held on April 29, 2015, the Company's shareholders approved a restricted share plan, effective from November 11, 2015, for the Company's directors and managers. The plan is administered 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, will not exceed 1% (one percent) of the shares representing the Company's total share capital.

The beneficiaries of the Restricted Shares Plan will acquire the rights to Restricted Shares to the extent that they remain continuously linked as an administrator or employee of the Company or another company under its control, for the period between the Grant 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.

While the rights to the Restricted Shares are not fully acquired, in accordance with the conditions established above, the beneficiary may not pledge, sell, assign, dispose of or transfer, directly or indirectly, the Restricted Shares. Once the established conditions have been met and the applicable legal and regulatory requirements have been observed, including, but not limited to, obtaining authorization from the Securities and Exchange Commission for the private transfer of shares, the Company will transfer the respective Shares to the name of the beneficiary. Restricted, by term of transfer of registered shares of the Company in the system of the agent responsible for the registration of shares issued by the Company, at no cost to the beneficiary.

At meetings of the Board of Directors held on November 10, 2021, November 4, 2022, and November 8, 2023, the Restricted Share Grant Programs for 2021, 2022 and 2023 were approved with the granting of 193,275 shares, 202,750 shares and 221,125 shares (before the bonus), respectively.

	Fair value		Quantity of shares					
Grant year	Grant	Current[1]	Balance on 01/01/2023	Grante	Canceled	Execised	Bonus/ Unfolding[1]	Balance on 12/31/2023
2020	R$ 27.20	R$ 8.27	65,657	-	(2,809)	(69,121)	6,273	-
2021	R$ 48.07	R$ 17.03	133,372	-	(1,000)	(65,598)	108,296	175,070
2022	R$ 47.75	R$ 18.30	199,187	-	(4,500)	(64,221)	169,338	299,804
2023	R$ 38.44	R$ 17.82	-	221,125	-	-	221,125	442,250
Total			**398,216**	**221,125**	**(8,309)**	**(198,940)**	**505,032**	**917,124**

1 The plans from 2020 to 2022 were bonused by 10% according to the AGOE of April 24, 2023. On 12/13/2023, the shares of the plans from 2021 to 2023 were split, as approved by the EGM.

In compliance with CPC 10 (R1) (IFRS 2), 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:

	Restricted Stock Plan	
	12/31/2023	12/31/2022
Expense	8,576	7,000
INSS Expense	(772)	221
FGTS Expense	(722)	264
Total	**7,082**	**7,485**

In compliance with CPC 10 (R1) (IFRS 2), 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$ 18,592 (expense) on December 31, 2023 (R$ 15,800 at December 31, 2022).

At the Ordinary and Extraordinary General Meeting held on April 27, 2023, the bonus of shares was approved, as a result of the increase in the Company's share capital, 21,242,259 (twenty-one million, two hundred and forty-two thousand and two hundred and fifty-nine) nominative, book-entry common shares with no par value, which will be attributed to share holders, as a share bonus, at the rate of 10% (ten percent), corresponding to 1 (one) new share for each 10 (ten) common shares held on the base date. Shares held in treasury will also receive bonuses.

On December 13, 2023, the Extraordinary General Meeting approved the split of shares of all existing common shares issued by the Company, with each 1 (one) existing common share corresponding to 2 (two) common shares. In this way, the Company's share capital is now represented by 443,329,716 (four hundred and forty-three million, three hundred and twenty-nine thousand, seven hundred and sixteen) common, nominative, book-entry shares with no par value.

29. Insurance coverage

The Company and its subsidiaries maintain insurance policies contracted with the main insurance companies in the country, defined by guidance from experts considering the nature and value of risk involved. As of December 31, 2023, the Company and its subsidiaries present the following details of insurance and coverage contracted:

Nature	Coverage (R$)
Grain and Cotton Stocks	105,000
Buildings and improvements	105,000
Guarantee Insurance[1]	89,177
Aircraft – Hull[2]	86,562
Seeds	77,480
Machines and equipment	60,000
Civil liability of administrators	60,000
Business	16,000
Drones	12,729
General civil liability	10,000
Aircraft – Straight	3,652
Livestock Transport	350
Vehicles	Against third parties

1 Legal proceedings of SLC CO are under the responsibility of TS Participações S.A.
2 Coverage value of USD 3,380, converted by the ptax sale of the last day of the month (Ptax of 4.8413 on 12/29/2023).

Grain and cotton inventory insurance – Coverage of harvesting, processing and inventory of soybeans, corn, cotton. Being your own production or third-party production under your responsibility. Policy expiring on 12/18/2024.

Insurance for buildings and improvements – Coverage for material damage caused to buildings and improvements on the Farms of the subsidiaries and parent company, caused by fire, explosion, windstorm and smoke. Policy expiring on 12/18/2024.

Guarantee insurance – Protection coverage against possible risks generated to the company's assets, due to the faithful fulfillment of obligations caused by labor legal proceedings. Policies expiring in the periods of 04/23/2024, 06/19/2024, 07/15/2024, 05/05/2025, 06/16/2025, 06/23/2025, 07/15/2025 and 14/ 08/2025.

Aircraft insurance – Hull – Guarantee coverage against material damage caused to the hull of SLC Agrícola's aircraft, including civil liability for damage caused to third parties. Policy expiring on 01/30/2024 (Pilatus) and 03/26/2024 (King Air).

Seed insurance – Coverage of processing and grain deposit of seeds located at Pamplona Farms, Panorama Farms and third-party warehouses. Policy expiring on 06/30/2024.

Machinery and equipment insurance – Coverage for damage caused to the fleet of agricultural machinery and equipment of subsidiaries and parent company, caused by fire, lightning strike, explosion of any nature and implosion. Each machine and equipment has its maximum compensation limit corresponding to its insured value. Policy expiring on 10/09/2024.

Directors' civil liability insurance – Coverage for involuntary damages caused to third parties due to the civil liability of executives (directors and administrators), with management power in subsidiaries and controlling company. Policies expiring on 06/30/2024.

Business insurance – Business Property Coverage for material damage to the physical structure of the building and furniture of the SLC Agrícola S.A. Headquarters office, caused by fire, explosion and smoke. Policy expiring on 02/21/2024.

Drone insurance – Civil liability coverage of the operator or air carrier for personal and material damage caused to third parties, by a remotely piloted aircraft, used for business purposes. Policies expiring on 12/18/2024.

General civil liability insurance – Coverage guaranteeing the payment of compensation, by way of reimbursement, for damages for which the subsidiaries and controlling company become civilly responsible in a final court ruling. Policy expiring on 02/22/2024.

Aircraft insurance – Straight – Coverage for personal and/or material damage caused to passengers and crew by SLC Agrícola aircraft, including damage to luggage. Policy expiring on 07/27/2024.

Livestock transport insurance – Coverage for losses suffered as a result of material loss or damage caused to livestock during transport. Policies expiring on 06/30/2024.

Vehicle insurance – Coverage of the vehicle fleet of subsidiaries and parent company for damage caused to third parties. Policies expiring on 10/10/2024.

30. Net sales revenue

Accounting policies

CPC 47 (IFRS 15) Revenue from Customer Contracts establishes a model that aims to demonstrate whether or not the accounting criteria were met. The stages of this process include:

- Identification of the contract with the customer;
- Identification of performance obligations;
- Determination of the transaction price;
- The allocation of the transaction price; It is
- Recognition of revenue upon fulfillment of the performance obligation.

Considering the above aspects, revenues are recorded at the amount that reflects the Company's expectation of receiving in return for the products and services offered to customers. Revenue is measured based on the fair value of the consideration received, excluding discounts, rebates and taxes or charges on the sale. The Company evaluates revenue transactions according to specific criteria to determine whether it is acting as an agent or principal and has ultimately concluded that it is acting as a principal in all of its revenue contracts. Revenue is not recognized if there is significant uncertainty about its realization.

The following specific criteria must also be met before revenue is recognized:

Selling products
Revenue from the sale of products is recognized in profit or loss when control of the products is transferred to the customer and the Company no longer has control or responsibility for the goods sold.

Land sale
Some subsidiaries have land sales as their business purpose. Sales take place in line with the current strategy for realizing real estate gains, being recognized as provided for in the Revenue Recognition section above.

In the consolidated financial statements, these revenues are classified in the group "other operating revenues", as they do not represent the main purpose of the Group's business.

Sales taxes
Revenues and assets are recognized net of sales taxes, except:

- When sales taxes incurred on the purchase of goods or services are not recoverable from the tax authorities, in which case the sales tax is recognized as part of the acquisition cost of the asset or expense item, as applicable;

- When the amounts receivable and payable are presented together with the amount of sales taxes;

- The net amount of sales taxes, whether recoverable or payable, is included as a component of amounts receivable or payable in the balance sheet.

Sales revenues are subject to the following taxes and contributions, at the following basic rates:

	Tax rates
ICMS - Tax on Circulation of Goods and Services	0% to 18.00%
COFINS - Contribution to Social Security	3% and 7.60%
PIS - Social Integration Program	0.65% and 1.65%
Rural Worker Assistance Fund – Funrural and other entities	0.25% and 2.05%

In the income statement, revenues are presented net of these taxes. The counterpart is in taxes payable in liabilities. The amounts of taxes payable are offset against possible tax credits arising from the purchase of inputs and fixed assets, on farms that allow the credit to be taken.

Composition

We present below the gross operating revenue:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Gross operating income	**5,471,250**	**5,638,556**	**7,388,901**	**7,542,856**
Sale of goods	5,042,517	5,662,700	6,780,969	7,548,481
Income (loss) from hedge operations	428,733	(24,144)	607,932	(5,625)
Deductions, taxes and contributions	**(96,894)**	**(75,625)**	**(158,318)**	**(169,822)**
Net operating income	**5,374,356**	**5,562,931**	**7,230,583**	**7,373,034**

31. Expenses by nature

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

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Expenses according to the role				
Cost of goods sold	(4,960,839)	(4,786,527)	(6,501,430)	(6,387,045)
Sales expenses	(346,564)	(305,421)	(388,859)	(379,664)
General and administrative expenses	(262,279)	(248,303)	(308,760)	(284,604)
Added Value investment	(17,256)	(17,068)	(26,146)	(25,861)
Other operating expenses	(35,937)	(48,913)	(102,740)	(37,143)
Total	**(5,622,875)**	**(5,406,232)**	**(7,327,935)**	**(7,114,317)**
Expenses per type				
Depreciation and amortization	(156,330)	(116,285)	(219,688)	(177,814)
Personnel expenses	(529,116)	(480,238)	(691,130)	(623,559)
Raw material and material	(2,779,853)	(2,588,784)	(3,787,245)	(3,569,115)
Rents and leases	(12,140)	(12,645)	(15,848)	(18,775)
Depreciation of right of use	(393,448)	(324,556)	(299,542)	(310,743)
Realization of the fair value of biological assets	(1,624,718)	(1,729,780)	(2,086,659)	(2,237,681)
Freight	(91,333)	(105,031)	(125,083)	(139,487)
Other operating expenses	(35,937)	(48,913)	(102,740)	(37,143)
Total	**(5,622,875)**	**(5,406,232)**	**(7,327,935)**	**(7,114,317)**

32. Other operating income and expenses

Below we show the details of other operating income and expenses:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Other operating income				
Sell fixed assets	26,020	3,389	34,312	8,374
Income from claims compensation	18,111	7,859	20,119	8,751
Income from inventory resale	4,213	5,913	11,535	13,938
Fair value of investment properties (note 12)	-	-	59,135	52,549
Other income	12,235	8,594	15,891	17,654
Subtotal	**60,579**	**25,755**	**140,992**	**101,266**
Other operating expenses				
Cost of selling fixed assets	(23,680)	(1,816)	(27,585)	(6,221)
Write-offs of fixed assets - Obsolescence	(3,495)	(761)	(16,608)	(2,637)
Write-off of other credits	-	-	(26,933)	-
Other accounts receivable - Allowance for doubtful accounts (note 12)	(535)	-	(14,389)	-
Claim cost	(21,959)	(1,704)	(23,437)	(10,919)
Cost of reselling inventory	(5,885)	(6,587)	(13,275)	(4,450)
Provision for loss of recoverable taxes (note 9.b)	(420)	(12,304)	(810)	(13,278)
Reversal of provision for State Industrial Development Fund[1]	-	-	-	27,336
Provision/Reversal of income tax on royalties[2]	25,515	(25,515)	25,515	(25,515)
Other expenses	(5,478)	(226)	(5,218)	(1,459)
Subtotal	**(35,937)**	**(48,913)**	**(102,740)**	**(37,143)**
Total	**24,642**	**(23,158)**	**38,252**	**64,123**

1 In 2021, a provision was made for the State Industrial Development Fund for the State of Maranhão, in 2022 we reversed the provision due to a lack of regulation on the part of the state.
2 In 2022, an Income Tax provision was made on royalties, in 2023 we made the reversal due to changes in legislation.

33. Reporting by segment

Accounting policies

The Company focuses its activities on the production and marketing of agricultural products (soy, corn, cotton and other less important crops) and on the acquisition and development of land for agriculture, thus it is organized into two business segments: agricultural production and investments in lands. Operating results are regularly reviewed by the Company's main operations manager to make decisions about resources to be allocated to the segment and to evaluate its performance.

The Company's products are not controlled and managed by Management as independent segments, with the Company's results being monitored, monitored and evaluated in an integrated manner. There are no other segments or any aggregation of operating segments.

Composition

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	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Revenue from products and leases	7,407,995	7,507,365	312,024	360,703	(489,436)	(495,034)	7,230,583	7,373,034
Biologic assets	1,920,465	2,216,676	-	-	-	-	1,920,465	2,216,676
Net realizable value of agricultural products	(28,924)	(71,366)	-	-	-	-	(28,924)	(71,366)
Costs of products sold	(6,834,994)	(6,594,562)	(17,471)	(11,659)	351,035	219,176	(6,501,430)	(6,387,045)
Gross income	**2,464,542**	**3,058,113**	**294,553**	**349,044**	**(138,401)**	**(275,858)**	**2,620,694**	**3,131,299**
Operating expenses/ income	**(731,351)**	**(675,907)**	**4,436**	**49,901**	**41,402**	**-**	**(685,513)**	**(626,006)**
Sales expenses	(430,261)	(379,664)	-	-	41,402	-	(388,859)	(379,664)
General and administrative expenses	(281,141)	(256,665)	(4,011)	(3,565)	-	-	(285,152)	(260,230)
Administration fees	(23,300)	(24,085)	(308)	(289)	-	-	(23,608)	(24,374)
Realization of added value from investment	(26,146)	(25,861)	-	-	-	-	(26,146)	(25,861)
Other operating income (expenses)	29,497	10,368	8,755	53,755	-	-	38,252	64,123
Income before financial income and taxes	**1,733,191**	**2,382,206**	**298,989**	**398,945**	**(96,999)**	**(275,858)**	**1,935,181**	**2,505,293**
Net financial income	(957,827)	(978,664)	4,473	25,861	242,078	253,335	(711,276)	(699,468)
Income before income tax	**775,364**	**1,403,542**	**303,462**	**424,806**	**145,079**	**(22,523)**	**1,223,905**	**1,805,825**
Income and social contribution taxes	(235,303)	(422,042)	(47,485)	(52,391)	(3,137)	5,341	(285,925)	(469,092)
Consolidated Income for the exercise	**540,061**	**981,500**	**255,977**	**372,415**	**141,942**	**(17,182)**	**937,980**	**1,336,733**

	Agricultural Production		Land		Eliminations		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current assets	7,594,430	7,283,164	215,932	232,443	(443,089)	(482,924)	7,367,273	7,032,683
Non-current assets	12,666,443	12,101,282	2,858,587	2,379,641	(7,035,985)	(6,645,217)	8,489,045	7,835,706
Total assets	**20,260,873**	**19,384,446**	**3,074,519**	**2,612,084**	**(7,479,074)**	**(7,128,141)**	**15,856,318**	**14,868,389**
Current liabilities	4,274,616	5,033,569	16,629	30,599	(250,928)	(474,478)	4,040,317	4,589,690
Non-current liabilities	9,107,476	7,887,784	350,417	82,649	(2,883,758)	(2,588,166)	6,574,135	5,382,267
Shareholders' equity	6,878,781	6,463,093	2,707,473	2,498,836	4,344,388	(4,065,497)	5,241,866	4,896,432
Total liabilities	**20,260,873**	**19,384,446**	**3,074,519**	**2,612,084**	**(7,479,074)**	**(7,128,141)**	**15,856,318**	**14,868,389**

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:

	12/31/2023	12/31/2022
Domestic market	**1,098,175**	**1,643,731**
Sale of goods	1,082,721	1,642,438
Result of internal market hedge operation	15,454	1,293
Foreign market	**6,290,726**	**5,899,125**
Sale of goods - indirect export	3,592,792	3,079,801
Income from hedge operations indirect	254,787	153,947
Sale of goods - direct export	2,105,456	2,826,242
Income from hedge operations direct	337,691	(160,865)
Gross operating income	**7,388,901**	**7,542,856**
Deductions, taxes and contributions	(158,318)	(169,822)
Net operating income	**7,230,583**	**7,373,034**

Product gross sales information, by geographic segment, is attributed to following countries:

	12/31/2023		12/31/2022	
Country	**Value**	**% Participation**	**Value**	**% Participation**
Brasil	4,675,513	68.95	4,722,239	62.56
China	589,770	8.70	593,766	7.87
Indonesia	403,390	5.95	522,077	6.91
Bangladesh	278,830	4.11	206,969	2.74
Türkiye	275,913	4.07	271,606	3.60
Vietnam	237,602	3.50	396,820	5.26
Pakistan	176,099	2.60	354,660	4.70
Malaysia	89,389	1.32	147,880	1.96
Others	54,463	0.80	332,464	4.40
Total	**6,780,969**	**100.00**	**7,548,481**	**100.00**

The amount of gross product revenue from the main customers, per agricultural product, is represented as follows:

Customer	Featured cotton	Cottonseed	Bulk corn	Bulk soybeans	Other cultures	Total	% on product sales (without effect of hedge operations)
Cargill Agrícola S.A.	330,209	17,421	399,111	1,665,916	28,970	**2,441,627**	36.00
Amaggi Exp. and Imp.	-	4,331	149,336	532,768	4,923	**691,358**	10.20
Other customers[1]	1,906,405	344,299	310,973	744,612	341,695	**3,647,984**	53.80
Total	**2,236,614**	**366,051**	**859,420**	**2,943,296**	**375,588**	**6,780,969**	**100.00**

1 The balance presented in other customers individually does not exceed 10% of the sales revenue with products

34. Subsequent event

Fire in the cotton storage shed at Fazenda Panorama

According to a relevant fact disclosed, on January 2, 2024, a fire occurred in the cotton storage warehouse at Fazenda Panorama, in Bahia. The accident caused the loss of 1,100 tons of cotton, at a cost of R$ 7,059, stock of other materials worth R$ 1,495, in addition to damage to the infrastructure and equipment of the aforementioned warehouse, the exact values of which will be known when they are repaired. It is estimated that the total cost of the claim could reach R$ 24,000. The Company has property insurance covering damaged stock and infrastructure, with a 20% deductible for damages to be compensated.

Credits and corporate information

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