

Agriculture at its best

# EARNINGS RELEASE 3Q23

VIDEOCONFERENCE

**November 09<sup>th</sup>**

10:00 a.m. Brasília

08:00 a.m. New York

01:00 p.m. London

Simultaneous translation to English and Brazilian Sign Language



**SLC** *Agrícola*

## GENERAL INFORMATION

**Porto Alegre, November 8<sup>th</sup>, 2023 - SLC AGRÍCOLA S.A.** (B3: SLCE3; ADR: SLCJY; Bloomberg: SLCE3BZ; Reuters: SLCE3.SA) announces today its results for the third quarter of 2023. The following financial and operating information is presented in accordance with International Financial Reporting Standards (IFRS). The information was prepared on a consolidated basis and is presented in thousands of Brazilian real, except where stated otherwise.

### **In this Earnings Release, the terms below will have the following meaning:**

**"3Q22":** means the data, based on the consolidated interim financial statements, that consider the operations of the Company and of its subsidiaries, for the third quarter of 2022 (July to September).

**"3Q23":** means the data, based on the consolidated interim financial statements, that consider the operations of the Company and of its subsidiaries, for the third quarter of 2023 (July to September).

**"9M22":** means the data, based on the consolidated interim financial statements, that consider the operations of the Company and of its subsidiaries for the first nine months of 2022 (January to September).

**"9M23":** means the data, based on the consolidated interim financial statements, that consider the operations of the Company and of its subsidiaries for the first nine months of 2023 (January to September).

**"HA":** HA (Horizontal Analysis) refers to the horizontal percentage variation between periods.

**"VA":** VA (Vertical Analysis) refers to the percentage representativeness of the account over a given total.

**Cotton seed:** It means seed of cotton.

**Cottonseed:** There is a subproduct from cotton production used for vegetable oil and bran for animal food

### **Disclaimer**

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

## FINANCIAL HIGHLIGHTS

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Net Revenue</b>	<b>5,427,063</b>	<b>5,311,889</b>	<b>-2.1%</b>	<b>1,353,093</b>	<b>1,648,152</b>	<b>21.8%</b>
Variation in Fair Value of Biological Assets	1,840,487	1,993,174	8.3%	30,068	452,533	n.m.
<b>Gross Income</b>	<b>2,574,272</b>	<b>2,487,018</b>	<b>-3.4%</b>	<b>167,227</b>	<b>586,252</b>	<b>250.6%</b>
Gross Margin	47.4%	46.8%	-0.6p.p.	12.4%	35.6%	23.2p.p.
<b>Operational Result</b>	<b>2,172,149</b>	<b>2,032,245</b>	<b>-6.4%</b>	<b>48,232</b>	<b>414,965</b>	<b>760.4%</b>
Operational Margin	40.0%	38.3%	-1.7p.p.	3.6%	25.2%	21.6p.p.
<b>Net Income</b>	<b>1,204,300</b>	<b>1,090,966</b>	<b>-9.4%</b>	<b>(78,345)</b>	<b>167,272</b>	<b>n.m.</b>
Net Margin	22.2%	20.5%	-1.7p.p.	-5.8%	10.1%	15.9p.p.
<b>Adjusted EBITDA</b>	<b>2,470,192</b>	<b>2,035,322</b>	<b>-17.6%</b>	<b>391,893</b>	<b>491,913</b>	<b>25.5%</b>
Adjusted EBITDA Margin	45.5%	38.3%	-7.2p.p.	29.0%	29.8%	0.8p.p.
<b>Cash Flow</b>	<b>209,134</b>	<b>(248,229)</b>	<b>n.m.</b>	<b>340,622</b>	<b>580,400</b>	<b>70.4%</b>

### Invoiced Volume (tonnes)

Crops	3Q22	3Q23	Δ%
Cotton	36,773	56,893	54.7%
Cottonseed	136,094	122,140	-10.3%
Soybean	81,235	59,436	-26.8%
Corn	567,922	670,452	18.1%
Other Crops	23,943	28,318	18.3%
Cattle <sup>(heads)</sup>	4,863	8,540	75.6%

### Gross Income by Crop – R\$/tonnes

Crop	3Q22	3Q23	Δ%
Cotton	3,697	4,205	13.7%
Cottonseed	791	168	-78.8%
Soybean	248	151	-39.1%
Corn	183	319	74.3%
Cattle <sup>(<sup>1</sup>)</sup>	(326)	(496)	-52.1%

<sup>(1)</sup>R\$/head

### Hedge Position - FX – Material Fact 10.02.2023 x 11.06.2023 Position

CROPS	Material Fact 10.02.2023		11.06.2023		Variation	
SOYBEAN	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	96.6	35.5	99.1	37.9	2.5	2.4
R\$/USD	5.3738	5.3275	5.3692	5.3219	-0.0046	-0.0056
Commitments%	1.4	32.0	0.6	29.1	-0.8	-2.9
COTTON	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	86.0	21.6	85.8	23.0	-0.2	1.4
R\$/USD	5.5902	5.5601	5.5979	5.5421	0.0077	-0.0180
Commitments %	0.1	18.3	-	16.4	-0.1	-1.9
CORN	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	92.7	37.7	93.3	38.5	0.6	0.8
R\$/USD	5.6287	5.4760	5.6231	5.4752	-0.0056	-0.0008
Commitments %	-	22.7	-	19.4	-	-3.3

### Hedge Position - Commodity - Material Fact 10.02.2023 x 11.06.2023 Position

CROPS	Material Fact 10.02.2023		11.06.2023		Variation	
SOYBEAN	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	87.8	43.6	99.0	45.8	11.2	2.2
USD/bu	14.37	12.74	14.26	12.74	-0.11	-
Commitments %	0.8	15.3	-	14.14	-0.8	-1.16
COTTON	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	76.0	9.2	76.2	13.5	0.2	4.3
USD€/lb	91.45	86.23	91.32	86.04	-0.13	-0.19
Commitments %	-	-	-	-	-	-
CORN	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	3.8	3.1	3.9	3.2	0.1	0.1
R\$/bag	57.08	45.00	56.64	45.00	-0.44	-
%	80.2	31.7	89.5	32.2	9.3	0.5
USD/bag	9.77	8.12	9.65	8.12	-0.12	-
Commitments %	-	-	-	-	-	-

### Inputs –2023/24 Crop Year - % acquired

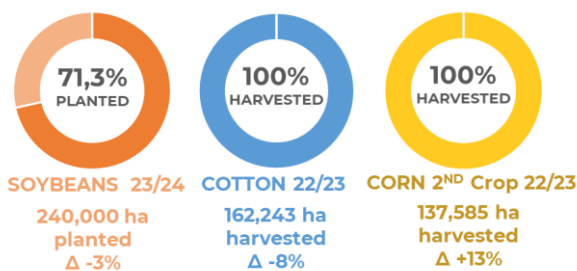
Fertilizers/Crop Protection	2Q23	3Q23	Δ%
Nitrogen	100%	100%	0.0p.p
Potassium chloride	100%	100%	0.0p.p
Phosphates	97%	100%	3.0p.p
Crop Protection	87%	100%	13.0p.p.

## OPERATIONAL HIGHLIGHTS

### Planted Area 2022/23 x 2023/24 Crop Year




Crops	2022/23	2023/24	Share %	Δ %
<b>Cotton</b>	<b>162,243</b>	<b>187,464</b>	<b>27.8%</b>	<b>15.5%</b>
1 <sup>st</sup> crop	85,823	90,088	13.4%	5.0%
2 <sup>nd</sup> crop	76,420	97,376	14.4%	27.4%
<b>Soybean (commercial + seed)</b>	<b>346,941</b>	<b>336,770</b>	<b>49.9%</b>	<b>-2.9%</b>
<b>Corn 2<sup>nd</sup> crop</b>	<b>137,585</b>	<b>103,436</b>	<b>15.3%</b>	<b>-24.8%</b>
Other Crops	27,615	46,733	6.9%	69.2%
<b>Total Area</b>	<b>674,384</b>	<b>674,403</b>	<b>100.0%</b>	<b>0.0%</b>

### PLANTING AND HARVEST STATUS



VARIAION (Δ) TOWARDS LAST CROP YEAR

### Planting and Harvesting Schedule

	3Q23			4Q23			1Q24			2Q24		
	JUL	AUG	SEP	OCT	NOV	DEZ	JAN	FEB	MAR	APR	MAY	JUN
 <b>SOYBEAN</b>												
			PLANTING CROP 2023/24				HARVESTING					
 <b>COTTON</b>		HARVESTING 1 <sup>st</sup> CROP				PLANTING 1 <sup>st</sup> CROP						HARVESTING 1 <sup>st</sup> CROP
		HARVESTING 2 <sup>nd</sup> CROP					PLANTING 2 <sup>nd</sup> CROP					
 <b>CORN 2<sup>nd</sup> CROP</b>		HARVESTING						PLANTING				

### Budget Yields for 2022/23 x 2023/24 crop year

Crops	2022/23 Budget	2023/24 Budget	Δ%
Cotton 1 <sup>st</sup> crop	1,927	1,996	3.6%
Cotton 2 <sup>nd</sup> crop	1,839	1,863	1.3%
Cottonseed	2,372	2,377	0.2%
Soybean (commercial+seed)	3,918	3,954	0.9%
Corn 2 <sup>nd</sup> crop	7,685	7,588	-1.3%

### Production Cost - R\$/hectare - 2022/23 x 2023/24 crop year

Crops	2022/23 Budget	2023/24 Budget	Δ%
Cotton 1 <sup>st</sup> crop	15,163	13,205	-12.9%
Cotton 2 <sup>nd</sup> crop	13,677	11,906	-12.9%
Soybean(commercial+seed) <sup>(2)</sup>	5,223	5,081	-2.7%
Corn 2 <sup>nd</sup> crop	4,867	4,303	-11.6%
<b>Total Average Cost</b>	<b>7,985<sup>(1)</sup></b>	<b>7,177<sup>(1)</sup></b>	<b>-10.1%</b>

<sup>(1)</sup> Weighted by the areas of the 2023/24 harvest, to avoid changes arising from variations in the product mix. <sup>(2)</sup> Including seed production costs.

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## MANAGEMENT'S LETTER TO OUR SHAREHOLDERS AND STAKEHOLDERS

The quarter marked the end of the 2022/23 crop year and the start of soybean planting for the 2023/24 crop year.

### 2022/23 Crop Year

We faced a major challenge in the 2022/23 crop year: to maintain the record soybean yield and recover cotton and corn yields, which were adversely affected at the end of the 2021/22 crop year. Since the Russia - Ukraine conflict drove up input prices, we used the soil residual, which, according to soil analyses, averaged 20%, and so we could purchase only 80% of the phosphorus and potassium package.

We successfully concluded the 2022/23 crop year with yield of 3,904 kg/ha, which is just 1.8% lower than the previous year's record yield and 11.3% higher than the national average (CONAB, October 2023).

We completed cotton harvest with 2,025 kg/ha of cotton lint, 7% higher than forecast and 36% higher than in the 2021/22 crop year. As processing progresses, cotton crops have been delivering above-average cotton lint yields, adding value to the crop.

We also concluded the corn harvest for 2022/23, with yield of 7,666 kg/ha, practically in line with our initial forecasts, but 22% higher than the previous crop year and 29% higher than the national average (CONAB, October 2023).

### 2023/24 Crop Year

Total planted area remained practically unchanged in relation to the 2022/23 crop year, but we made significant migrations in crops, mainly due to margins. Cotton planted area will increase 16%, while corn planted area should be reduced by almost 25%.

The planting of super-early and early soybean varieties, which enables the planting of cotton and corn second-crop, began on September 14. The area sown until November 02 was approximately 240,000 ha, which represents 71,3% of the area planned for soybean. We managed to plant 100% of the super-early and early soybean varieties and, so far, the crops have been developing well without major impacts from El Niño.

As for seeds, we announced our soybean seed sales target to third parties plus internal consumption for 2024, which is 1,250,300 bags, an increase of 11.7% from the previous year. We also increased our sales to producers and resellers in order to improve profitability. For cottonseeds, our sales target to third parties plus internal consumption is 143,318 bags, an increase of 18.0% from the previous year.

The acquisition of inputs for the 2023/24 crop year was concluded. The budgeted costs in reais per hectare registered an average decrease of 10% compared to the budget for the 2021/23 crop year, mainly reflecting the lower prices of our main inputs.

### Financial Performance

In 3Q23, Net Revenue grew 22% compared to 3Q22, thanks to higher volume and prices. In 9M23, Net Revenue decreased slightly, primarily due to lower invoiced volume of cotton lint, reflecting the lower yield in the 2021/22 crop year.

Free cash generation was a positive R\$580 million in 3Q23 and a negative R\$248 million in 9M23, reflecting the seasonality of the cash conversion cycle, i.e. the end of agricultural inputs payments and the start of cotton and corn invoicing for the 2022/23 crop year. Net Debt/Adjusted EBITDA ratio was 1.34 times, which is a comfortable level for a period of high working capital needs.

On October 19, we concluded the share buyback program for 5 million shares and, on November 8, we approved a new program for 4 million shares, which will be held in treasury for sale and/or cancellation. Additionally, the cancellation of 5 million shares was also approved.

Moreover, the proposal to split all existing common shares issued by the Company was also approved, with each 1 (one) existing common share corresponding to 2 (two) common shares. This way, the Company's share capital will be represented by 443,329,716 (four hundred and forty-three million, three hundred and twenty-nine thousand, seven hundred and sixteen) common shares with no par value. The splitting will be based on the shareholding position on the date of the ESM - to be called in due course - on which the splitting is approved; this aims to increase the liquidity of the company's shares, as well as facilitate access to lower potential investors and/or non-professional investors, in negotiations involving shares issued by the company in circulation in the market.

On October 24, we held the 2023 Public Meeting, during which we addressed shareholders, market analysts and other stakeholders of SLC Agrícola, bringing up themes such as the evolution of Brazilian agriculture, strategy, Asset Light model, ESG, commodities market, inputs, SLC Sementes, 2023/24 crop year, technology and financial indicators. We closed the event with the launch of the Farm Day platform in the Metaverse environment, where users can get a virtual experience of the farm, create their own avatar and visit all the stations while interacting with the SLC team and watching presentations recorded on the day of the event.

### **ESG and Awards**

On the ESG front, we made significant achievements in the company's environmental practices. In connection with the Zero Waste to Landfills by 2026 target, we completed the implementation of the circular economy in waste treatment at the Pioneira Farm. Thus, we have now implemented the Circular Economy program and its composting in four farms. By 2026, the program will have been implemented in all farms. We also received two important awards: 1) Great Place To Work (GPTW), for the fifth straight year, in the Agribusiness, Rio Grande do Sul and Brazil categories; 2) ANEFAC Transparency Trophy – recognition for transparency in financial statements.

We thank our shareholders, employees and other stakeholders for their trust at the start of one more important crop year!

The Management.



## MARKET OUTLOOK

[Click here to download the market outlook pdf](#)

## OPERATIONAL PERFORMANCE 2022/23 CROP YEAR

The third quarter of 2023 was marked by the end of cotton (first and second crop) and corn (second crop) harvests.

### Planted Area

The latest data on planted area for the 2022/23 crop year is shown in the following table.

Table 1 - Planted Area by Crop 2021/22 vs. 2022/23 crop years

Crop Mix	Planted Area 2021/22 -----ha-----	Planted Area 2022/23 <sup>(1)</sup>	Share 2022/23 %	Δ%
<b>Cotton</b>	<b>176,985</b>	<b>162,243</b>	<b>24.1%</b>	<b>-8.3%</b>
Cotton 1 <sup>st</sup> crop	86,357	85,823	12.7%	-0.6%
Cotton 2 <sup>nd</sup> crop	90,628	76,420	11.3%	-15.7%
<b>Soybean (Commercial + Seed)</b>	<b>334,891</b>	<b>346,941</b>	<b>51.4%</b>	<b>3.6%</b>
<b>Corn 2<sup>nd</sup> crop</b>	<b>121,633</b>	<b>137,585</b>	<b>20.4%</b>	<b>13.1%</b>
Other Crops <sup>(2)</sup>	38,437	27,615	4.1%	-28.2%
<b>Total Area</b>	<b>671,946</b>	<b>674,384</b>	<b>100.0%</b>	<b>0.4%</b>

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

(2) Other Crops (Brachiaria Seed 6,569.95 ha, Stylosanthes Seed 716.02 ha, Beans ,1.430.58 ha, Sesame 2.494,26 ha, Millet Seed 8,530.88 ha, Corn 1st crop 1,133.88 ha, Corn Seed 667.46 ha, Cattle Herd 3,962,42 ha, Sorghum 1,041.77 ha and Wheat 1,067.74 ha) total 27,615 ha.

### Yields

Table 2 - Projected Yields 2022/23 crop year

Yield (kg/ha)	2021/22 Crop Year Achieved (a)	2022/23 Crop Year Budget (b)	2022/23 C. Year Forecast (c)	Δ% (c) x (a)	Δ% (c) x (b)
Cotton lint 1 <sup>st</sup> crop	1,682	1,927	2,001	19.0%	3.8%
Cotton lint 2 <sup>nd</sup> crop	1,305	1,839	2,053	57.3%	11.6%
Cottonseed	1,833	2,372	2,484	35.5%	4.7%
Soybean (Commercial + Seed)	3,974	3,918	3,904	-1.8%	-0.4%
Corn 2 <sup>nd</sup> crop	6,303	7,685	7,666	21.6%	-0.2%

### Soybean

The soybean harvest ended in late April, with yield of 3,904 kg/ha, 1.8% lower than the previous year's record yield, 0.4% below initial forecast, but 11.3% higher than the national average (CONAB, October 2023)

### Soybean Seed

We maintained our estimate of sales to third parties plus internal consumption of 1,119,800 bags of soybean seed, with an average quality indicator of over 90% germination (SLC Seeds Guarantee). Currently, we produce soybean seed in five states (Mato Grosso, Goiás, Tocantins, Minas Gerais and Bahia) and remain fully focused on quality and meeting our clients' needs.

### Cotton seed

We maintained our estimate of sales to third parties plus internal consumption of 121,500 bags of cottonseed, with a minimum average quality indicator of 90% official germination (SLC Seeds Guarantee).

### 1<sup>st</sup> crop Cotton

The harvest ended on September 18, with cotton lint yield of 2,001 kg/ha, 3.8% above forecast and 5.0% higher than the national average (CONAB, October 2023).

### 2<sup>nd</sup> crop Cotton

The harvest ended on September 11, with cotton lint yield of 2,053 kg/ha, 11.6% above forecast and 7.8% higher than the national average (CONAB, October 2023).

### 2<sup>nd</sup> crop Corn

The corn harvest ended on September 26, with yield of 7,666 kg/ha, practically in line with the initial forecast and 28.9% higher than the national average (CONAB, October 2023).



Table 3 - Budgeted Costs – 2022/23 Crop Year

%	Cotton	Soybean	Corn	Average 2022/23	Average 2021/22
<b>Variable Costs</b>	<b>82.7</b>	<b>74.8</b>	<b>81.7</b>	<b>79.8</b>	<b>79.6</b>
Seeds	8.6	11.6	17.7	11.1	12.7
Fertilizers	24.9	15.2	36.9	23.2	25.4
Chemicals	23.5	18.8	13.2	20.6	18.8
Air Spraying	1.7	1.5	1.2	1.6	1.3
Fuels and Lubricants	3.6	5.1	4.5	4.3	4.6
Labor	0.6	0.6	0.4	0.6	0.8
Ginning	9.1	3.7	2.4	6.3	4.8
Maintenance	4.4	3.8	2.9	4.0	4.1
Others	6.3	14.5	2.5	8.1	7.1
<b>Fixed Costs</b>	<b>17.3</b>	<b>25.2</b>	<b>18.3</b>	<b>20.2</b>	<b>20.4</b>
Labor	5.9	7.8	5.7	6.6	7.2
Depreciation and amortizations	3.6	5.5	3.9	4.4	4.4
Right-of-Use Amortization - Leasing	5.2	8.5	6.3	6.4	6.2
Others	2.6	3.4	2.4	2.8	2.6

Table 4 - Production Cost in R\$/hectare, 2022/23 Crop Year

Total (R\$/ha)	Budget 2022/23	Forecast 2022/23 <sup>(1)</sup>	Δ%
Cotton 1 <sup>st</sup> crop	15,163	15,414	1,7%
Cotton 2 <sup>nd</sup> crop	13,677	13,840	1,2%
Soybean <sup>(3)</sup>	5,223	5,135	-1,7%
Corn 2 <sup>nd</sup> crop	4,867	4,744	-2,5%
<b>Total average cost</b>	<b>7,547<sup>(2)</sup></b>	<b>7,444<sup>(2)</sup></b>	<b>-1,4%</b>

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

<sup>(2)</sup> Weighted by areas in the 2022/23 crop year to avoid impacts from changes in the product mix.

<sup>(3)</sup> Including seed production costs.

Table 5 – Unitary Cost 2022/23 Crop Year

	Budget Yield (R\$/ha) 2022/23	Budget Cost (R\$/ha) 2022/23	Budget R\$/Kg (a) 2022/23	Yield Forecast (R\$/ha) 2022/23	Cost Forecast (R\$/ha) 2022/23	Forecast R\$/Kg (b) 2022/23	Δ% b x a
Cotton 1 <sup>st</sup> crop	1,927	15,163	<b>7,87</b>	2,001	15,414	<b>7,70</b>	-2.2%
Cotton 2 <sup>nd</sup> crop	1,839	13,677	<b>7,44</b>	2,053	13,840	<b>6,74</b>	-9.4%
Soybean <sup>(1)</sup>	3,918	5,223	<b>1,33</b>	3,904	5,135	<b>1,32</b>	-0.8%
Corn 2 <sup>nd</sup> crop	7,685	4,867	<b>0,63</b>	7,666	4,744	<b>0,62</b>	-1.6%

<sup>(1)</sup> Including seed production costs

The forecasted costs per hectare for the 2022/23 crop year registered an average decrease in Brazilian real of 1.4% from budget, due to the intensive use of new digital agricultural technologies, lower fuel prices and lower Amortization of Right of Use of Leases, reflecting the decline in soybean prices. Moreover, the higher yields had a positive impact on unit cost per crop, due to higher production and less use of inputs.

## OPERATIONAL PERFORMANCE 2023/24 CROP YEAR

### Planted Area

The planted area remained practically unchanged year on year, but we made significant migrations in crops, mainly due to margins. Cotton planted area will increase 15.5%, while corn planted area should contract by almost 24.8%.

The following table presents data on planted area for the 2023/24 crop year and a comparison with the previous crop year.

Table 6 - Planted Area by Crop 2022/23 vs. 2023/24 crop years

Crop Mix	Planted Area 2022/23 -----ha-----	Planted Area 2023/24 <sup>(1)</sup> -----	Share 2023/24 %	Δ%
<b>Cotton</b>	<b>162,243</b>	<b>187,464</b>	<b>27.8%</b>	<b>15.5%</b>
Cotton 1 <sup>st</sup> crop	85,823	90,088	13.4%	5.0%
Cotton 2 <sup>nd</sup> crop	76,420	97,376	14.4%	27.4%
<b>Soybean (Commercial + Seed)</b>	<b>346,941</b>	<b>336,770</b>	<b>49.9%</b>	<b>-2.9%</b>
<b>Corn 2<sup>nd</sup> crop</b>	<b>137,585</b>	<b>103,436</b>	<b>15.3%</b>	<b>-24.8%</b>
Other Crops <sup>(2)</sup>	27,615	46,733	6.9%	69.2%
<b>Total Area</b>	<b>674,384</b>	<b>674,403</b>	<b>100.0%</b>	<b>0.0%</b>

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

(2) Other Crops (First-crop corn 269 ha, Corn seed 767 ha, Wheat 6,951 ha, Mung bean 3,940 ha, Livestock 3,599 ha, Sorghum 539 ha, Sesame 1,669 ha, Brachiaria seed 14,994 ha, Buckwheat 540 ha, Pearl millet 6,296 ha, Crotalaria 2,076 ha, Forage Radish 5,093 ha).

### Yields

Table 7 - Budget Yields 2023/24 crop year

Yield (kg/ha)	2022/23 Crop Year Budget	2023/24 Crop Year Budget	Δ%
Cotton lint 1 <sup>st</sup> crop	1,927	1,996	3.6%
Cotton lint 2 <sup>nd</sup> crop	1,839	1,863	1.3%
Cottonseed	2,372	2,377	0.2%
Soybean (Commercial + Seed)	3,918	3,954	0.9%
Corn 2 <sup>nd</sup> crop	7,685	7,588	-1.3%

### Soybean

The planting of super-early and early soybean varieties, which enables the planting of cotton and corn second-crop, began on September 14. The area sown until November 02 was 240,000 ha, in the states of Mato Grosso, Mato Grosso do Sul, Goiás, Maranhão and Bahia, which represents 71.3% of the soybean planned area. We managed to plant 100% of the super-early and early soybean varieties and, so far, the crops have been developing well.

### Soybean Seed

Our sales estimates to third parties plus internal consumption is 1,250,300 bags of soybean seed, with an average quality indicator of over 90% germination (SLC Seeds Guarantee), an increase of 11.7% from the previous year.

### Cotton seed

Our sales estimates to third parties plus internal consumption is 143,318 bags of cotton seed, with a minimum average quality indicator of 90% official germination (SLC Seeds Guarantee), an increase of 18% from the previous year.

Table 8 - Budgeted Costs – 2023/24 Crop Year

%	Cotton	Soybean	Corn	Average 2023/24	Average 2022/23
<b>Variable Costs</b>	<b>79.6</b>	<b>74.8</b>	<b>80.0</b>	<b>77.8</b>	<b>79.8</b>
Seeds	10.1	15.2	21.5	13.2	11.1
Fertilizers	21.1	18.7	32.0	21.3	23.2
Chemicals	20.4	16.8	10.9	18.1	20.6
Air Spraying	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
Maintenance	4.3	4.1	3.3	4.1	4.0
Others	7.4	11.4	4.0	8.5	8.1
<b>Fixed Costs</b>	<b>20.4</b>	<b>25.2</b>	<b>20.0</b>	<b>22.2</b>	<b>20.2</b>
Labor	7.2	8.1	6.4	7.4	6.6
Depreciation and amortizations	4.6	6.5	4.6	5.3	4.4
Right-of-Use Amortization - Leasing	5.8	7.2	6.3	6.4	6.4
Others	2.8	3.4	2.7	3.1	2.8

Table 9 - Production Cost in R\$/hectare, 2022/23 Crop Year

Total (R\$/ha)	2022/23 Budget	2023/24 <sup>(1)</sup> Budget	Δ%
Cotton 1 <sup>st</sup> crop	15,163	13,205	-12.9%
Cotton 2 <sup>nd</sup> crop	13,677	11,906	-12.9%
Soybean <sup>(3)</sup>	5,223	5,081	-2.7%
Corn 2 <sup>nd</sup> crop	4,867	4,303	-11.6%
<b>Total average cost</b>	<b>7,985<sup>(2)</sup></b>	<b>7,177<sup>(2)</sup></b>	<b>-10.1%</b>

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

<sup>(2)</sup> Weighted by areas in the 2023/24 crop year to avoid impacts from changes in the product mix.

<sup>(3)</sup> Including seed production costs.

Table 10 – Unitary Cost 2023/24 Crop Year

	Budget Yield (R\$/ha) 2023/24	Budget Cost (R\$/ha) 2023/24	Budget R\$/Kg (a) 2023/24
Cotton 1 <sup>st</sup> crop	1,996	13,205	<b>6.62</b>
Cotton 2 <sup>nd</sup> crop	1,863	11,906	<b>6.39</b>
Soybean <sup>(1)</sup>	3,954	5,081	<b>1.29</b>
Corn 2 <sup>nd</sup> crop	7,588	4,303	<b>0.57</b>

<sup>(1)</sup> Including seed production costs

The budgeted costs per hectare for the 2023/24 crop year registered an average decrease in Brazilian real of 10.1% compared to budgeted costs in the 2022/23 crop year, mainly reflecting lower prices of our main inputs. Currently, 59% of the costs is indexed to the U.S. dollar (seeds, fertilizers, pesticides, and leasing), and has a strong correlation on commodity prices. The remaining part of production costs is expressed in Brazilian real, that is, 41% is impacted by inflation.

## FINANCIAL PERFORMANCE

The 3Q23 Net Revenue grew 21.8% compared to 3Q22, thanks to higher invoiced volume and prices for cotton lint and corn. In 9M23, Net Revenue decreased slightly in relation to 9M22, mainly due to the lower invoiced volume for cotton lint, reflecting the lower yield during the 2021/22 crop year

Table 11 – Net Revenue

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Net Revenue</b>	<b>5,427,063</b>	<b>5,311,889</b>	<b>-2.1%</b>	<b>1,353,093</b>	<b>1,648,152</b>	<b>21.8%</b>
Cotton lint	2,014,395	1,402,072	-30.4%	368,712	521,410	41.4%
Cottonseed	253,592	212,308	-16.3%	167,591	123,860	-26.1%
Soybean	2,451,102	2,417,356	-1.4%	212,550	123,204	-42.0%
Corn	539,770	632,945	17.3%	478,941	540,570	12.9%
Cattle Herd	75,923	69,544	-8.4%	23,755	33,886	42.6%
Others	170,984	129,982	-24.0%	89,961	106,369	18.2%
Hedge result	(78,703)	447,682	n.m.	11,583	198,853	n.m.

Table 12 – Invoiced Volume (tonnes)

(Tonnes)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Invoiced Volume</b>	<b>2,158,030</b>	<b>2,179,990</b>	<b>1.0%</b>	<b>845,967</b>	<b>937,239</b>	<b>10.8%</b>
Cotton lint	179,823	157,787	-12.3%	36,773	56,893	54.7%
Cottonseed	196,122	193,767	-1.2%	136,094	122,140	-10.3%
Soybean	1,079,275	1,022,073	-5.3%	81,235	59,436	-26.8%
Corn	631,721	761,396	20.5%	567,922	670,452	18.1%
Other	71,089	44,967	-36.7%	23,943	28,318	18.3%

Table 13 – Invoiced Volume (heads)

(Heads)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Invoiced Volume</b>	<b>16,410</b>	<b>16,720</b>	<b>1.9%</b>	<b>4,863</b>	<b>8,540</b>	<b>75.6%</b>
Cattle Herd	16,410	16,720	1.9%	4,863	8,540	75.6%

Table 14 – Variation in Fair Value of Biological Assets

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Variation in Fair Value of Biological Assets</b>	<b>1,840,487</b>	<b>1,993,174</b>	<b>8.3%</b>	<b>30,068</b>	<b>452,533</b>	<b>n.m.</b>
Cotton lint	581,567	916,278	57.6%	9,655	369,640	n.m.
Cottonseed	43,928	149,161	239.6%	(812)	60,173	n.m.
Soybean	1,078,764	813,857	-24.6%	-	-	-
Corn	128,788	102,783	-20.2%	15,712	16,613	5.7%
Cattle Herd	9,523	11,095	16.5%	5,513	6,107	10.8%
Other	(2,083)	-	n.m.	-	-	-

The calculation of Variation in Fair Value of Biological Assets ("VFVBA") reflects the estimated gross margin (sale price at farm/sales agreements less production costs) of crops undergoing significant biological transformation in the calculation period and of harvested crops.

The main variation in 3Q23 and 9M23 was the higher margin in cotton lint and cotton seed, due to higher yields in 2022/23 vs. 2021/22.

### Costs of Goods Sold

Table 15 – Costs of Goods Sold

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Cost of Goods Sold</b>	<b>(2,921,464)</b>	<b>(3,337,359)</b>	<b>14.2%</b>	<b>(959,558)</b>	<b>(1,188,215)</b>	<b>23.8%</b>
Cotton lint	(995,394)	(1,094,969)	10.0%	(212,890)	(368,918)	73.3%
Cottonseed	(85,715)	(146,022)	70.4%	(59,821)	(103,390)	72.8%
Soybean	(1,183,707)	(1,304,160)	10.2%	(192,036)	(118,300)	-38.4%
Corn	(441,521)	(489,945)	11.0%	(406,700)	(430,362)	5.8%
Cattle Herd	(85,512)	(83,658)	-2.2%	(25,410)	(42,564)	67.5%
Other	(129,615)	(218,605)	68.7%	(62,701)	(124,681)	98.8%

Cost of goods sold in 3Q23 increased 23.8% compared to 3Q22, due to the higher volume of cotton and corn invoiced in the period. In both periods, unit costs was higher for all crops except corn mainly due to two factors: (i) most of the cotton invoiced in 3Q23 (64%) and 9M23 (87%) refers to the 2021/22 crop year, whose unit cost was higher due to lower yield; and (ii) higher costs per hectare in the 2022/23 crop year, due to the increase in prices of our main inputs (seeds, fertilizers and crop protection), which are denominated in U.S. dollar.

Table 16 – Realization of Fair Value of Biological Assets

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Realization of the Fair Value of Biological Assets</b>	<b>(1,771,814)</b>	<b>(1,480,686)</b>	<b>-16.4%</b>	<b>(256,376)</b>	<b>(326,218)</b>	<b>27.2%</b>
Cotton lint	(455,892)	(417,817)	-8.4%	(64,132)	(151,351)	136.0%
Cottonseed	(30,190)	(57,863)	91.7%	(12,845)	(44,367)	245.4%
Soybean	(1,183,193)	(913,732)	-22.8%	(102,609)	(60,523)	-41.0%
Corn	(86,333)	(83,309)	-3.5%	(68,774)	(66,512)	-3.3%
Cattle Herd	(13,836)	(7,965)	-42.4%	(5,646)	(3,465)	-38.6%
Other	(2,370)	-	n.a.	(2,370)	-	n.a.

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

RFVBA increased 27.2% in 3Q23, mainly due to the higher invoiced volume of cotton lint and cottonseed (100% of the cottonseed volume pertained to the 2022/23 crop year, whose estimated margins are higher than those in 2021/22). In 9M23, RFVBA decreased 16.4%, mainly dragged down by lower soybean sales in relation to 9M22.

## Gross Income by Crop

To give a better understanding of margins by crop, in this section the gain (loss) from currency and price hedge are allocated among cotton, cottonseed, soybean, corn and cattle.

### Cotton lint and Cottonseed

Table 17 – Gross Income – Cotton lint

<b>Cotton lint</b>		9M22	9M23	HA	3Q22	3Q23	HA
Invoiced Volume	Tonnes	179,823	157,787	-12.3%	36,773	56,893	54.7%
Net Revenue	R\$/thd	2,014,395	1,402,072	-30.4%	368,712	521,410	41.4%
Result of currency hedge	R\$/thd	(210,612)	209,456	n.m.	(19,881)	86,731	n.m.
Net Rev. adj. for res. of cur. hedging	R\$/thd	1,803,783	1,611,528	-10.7%	348,831	608,141	74.3%
Unit Price	R\$/ton	10,031	10,213	1.8%	9,486	10,689	12.7%
Total Cost	R\$/thd	(995,394)	(1,094,969)	10.0%	(212,890)	(368,918)	73.3%
Unit Cost	R\$/ton	(5,535)	(6,940)	25.4%	(5,789)	(6,484)	12.0%
<b>Unitary Gross Income</b>	<b>R\$/ton</b>	<b>4,496</b>	<b>3,273</b>	<b>-27.2%</b>	<b>3,697</b>	<b>4,205</b>	<b>13.7%</b>

Unit Gross Income from cotton increased 13.7% in 3Q23 vs. 3Q22, due to the 12.7% increase in unit price, but decreased 27.2% in 9M23 vs. 9M22, mainly because 87% of the cotton invoiced in the period is associated with the 2021/22 crop year, whose yield was lower than in 2020/21.

Table 18 – Gross Income – Cottonseed

<b>Cottonseed</b>		9M22	9M23	HA	3Q22	3Q23	HA
Invoiced Volume	Tonnes	196,122	193,767	-1.2%	136,094	122,140	-10.3%
Net Revenue	R\$/thd	253,592	212,308	-16.3%	167,591	123,860	-26.1%
Unit Price	R\$/ton	1,293	1,096	-15.2%	1,231	1,014	-17.6%
Total Cost	R\$/thd	(85,715)	(146,022)	70.4%	(59,821)	(103,390)	72.8%
Unit Cost	R\$/ton	(437)	(754)	72.5%	(440)	(846)	92.3%
<b>Unitary Gross Income</b>	<b>R\$/ton</b>	<b>856</b>	<b>342</b>	<b>-60.0%</b>	<b>791</b>	<b>168</b>	<b>-78.8%</b>

The decline in invoiced prices and increase in unit cost in both periods affected the Unit Gross Income from cottonseed, mainly due to the increase in production cost and the decrease in yield in 2021/22 compared to 2020/21.

## Soybean

Table 19 – Gross Income – Soybean

<b>Soybean</b>		9M22	9M23	HA	3Q22	3Q23	HA
Invoiced Volume	Tonnes	1,079,275	1,022,073	-5.3%	81,235	59,436	-26.8%
Net Revenue	R\$/thd	2,451,102	2,417,356	-1.4%	212,550	123,204	-42.0%
Result of currency hedge	R\$/thd	100,021	122,398	22.4%	(335)	4,075	n.m.
Net Rev. adj. for res. of cur. hedging	R\$/thd	2,551,123	2,539,754	-0.4%	212,215	127,279	-40.0%
Unit Price	R\$/ton	2,364	2,485	5.1%	2,612	2,141	-18.0%
Total Cost	R\$/thd	(1,183,707)	(1,304,160)	10.2%	(192,036)	(118,300)	-38.4%
Unit Cost	R\$/ton	(1,097)	(1,276)	16.3%	(2,364)	(1,990)	-15.8%
<b>Unitary Gross Income</b>	<b>R\$/ton</b>	<b>1,267</b>	<b>1,209</b>	<b>-4.6%</b>	<b>248</b>	<b>151</b>	<b>-39.1%</b>

Unit Gross Income from soybean decreased 39.1% in 3Q23 vs. 3Q22, reflecting lower price and higher unit cost, which was affected by the mix of farms that invoiced soybean during the period. In 9M23, soybean unit cost was 16.3% higher than in 9M22, which mainly contributed to the decrease in Unit Gross Income during the period. This higher unit cost reflects the increase in cost per hectare in the 2022/23 crop year.

## Corn

Table 20 – Gross Income – Corn

Corn		9M22	9M23	HA	3Q22	3Q23	HA
Invoiced Volume	Tonnes	631,721	761,396	20.5%	567,922	670,452	18.1%
Net Revenue	R\$/thd	539,770	632,945	17.3%	478,941	540,570	12.9%
Result of currency hedge	R\$/thd	32,049	110,533	244.9%	31,732	103,607	226.5%
Net Rev. adj. for res. of cur. hedging	R\$/thd	571,819	743,478	30.0%	510,673	644,177	26.1%
Unit Price	R\$/ton	905	976	7.8%	899	961	6.9%
Total Cost	R\$/thd	(441,521)	(489,945)	11.0%	(406,700)	(430,362)	5.8%
Unit Cost	R\$/ton	(699)	(643)	-8.0%	(716)	(642)	-10.3%
<b>Unitary Gross Income</b>	<b>R\$/ton</b>	<b>206</b>	<b>333</b>	<b>61.7%</b>	<b>183</b>	<b>319</b>	<b>74.3%</b>

The increase in Unit Gross Income in both periods reflects higher prices invoiced in 3Q23 and 9M23 vs. 3Q22 and 9M22 and contributed positively to the decrease in unit cost on account of higher yields in 2022/23 vs. 2021/22.

## Cattle Herd

Table 21 – Gross Income – Cattle Herd

Cattle Herd		9M22	9M23	HA	3Q22	3Q23	HA
Invoiced Volume	Heads	16,410	16,720	1.9%	4,863	8,540	75.6%
Net Revenue	R\$/thd	75,923	69,544	-8.4%	23,755	33,886	42.6%
Result of currency hedge	R\$/thd	(161)	5,295	n.m.	67	4,440	n.m.
Net Rev. adj. for res. of cur. hedging	R\$/thd	75,762	74,839	-1.2%	23,822	38,326	60.9%
Unit Price	R\$/Head	4,617	4,476	-3.1%	4,899	4,488	-8.4%
Total Cost	R\$/thd	(85,512)	(83,658)	-2.2%	(25,410)	(42,564)	67.5%
Unit Cost	R\$/Head	(5,211)	(5,003)	-4.0%	(5,225)	(4,984)	-4.6%
<b>Unitary Gross Income</b>	<b>R\$/Head</b>	<b>(594)</b>	<b>(527)</b>	<b>11.3%</b>	<b>(326)</b>	<b>(496)</b>	<b>-52.1%</b>

The invoiced prices did not accompany the increase in cattle acquisition and fattening costs. Gross Income from cattle does not consider the higher yield from crops due to Crop-Livestock Integration, which is the main purpose of this segment.

## Gross Income

Table 22 – Gross Income

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Gross Income</b>	<b>2,574,272</b>	<b>2,487,018</b>	<b>-3.4%</b>	<b>167,227</b>	<b>586,252</b>	<b>250.6%</b>
Cotton lint	808,389	516,559	-36.1%	135,941	239,223	76.0%
Cottonseed	167,877	66,286	-60.5%	107,770	20,470	-81.0%
Soybean	1,367,416	1,235,594	-9.6%	20,179	8,979	-55.5%
Corn	130,298	253,533	94.6%	103,973	213,815	105.6%
Cattle Herd	(9,750)	(8,819)	-9.5%	(1,588)	(4,238)	166.9%
Others	41,369	(88,623)	n.m.	27,260	(18,312)	n.m.
Biological Assets	68,673	512,488	646.3%	(226,308)	126,315	n.m.

Excluding the effects of Biological Assets (Variation and Realization of Fair Value) shows the actual margins from the invoiced products. In this analysis, Gross Income increased by about 16.9% in the quarter, due to higher Gross Income from cotton and corn. In 9M23, Gross Income decreased 21.2% due to lower revenue from sales (lower carryover stock and lower cotton yield in the 2021/22 crop year) and lower margins from soybean in 2022/23 vs. 2021/22.

## Selling Expenses

Selling Expenses increased 33.6% in 3Q23 vs. 3Q22, driven by higher cotton invoiced volume in the period, which affected freight, commissions and exports expenses. In addition, expenses with corn storage, such as fuel and electricity, increased due to the higher produced volume. The Other line was affected by royalties payments related to soybean seeds sales. In 9M23, expenses decreased 0.4% due to lower cotton invoiced volume (lower carryover stock from the 2021/22 crop year to 2023).

Table 23 – Selling Expenses

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
Freight	(82,273)	(72,358)	-12.1%	(27,567)	(29,366)	6.5%
Storage	(45,887)	(49,956)	8.9%	(11,467)	(16,194)	41.2%
Commissions	(22,271)	(21,177)	-4.9%	(4,046)	(6,259)	54.7%
Classification of Goods	(957)	(886)	-7.4%	(777)	(518)	-33.3%
Export Expenses	(32,112)	(27,461)	-14.5%	(4,517)	(9,264)	105.1%
Others	(51,598)	(62,310)	20.8%	(15,257)	(23,391)	53.3%
<b>Total</b>	<b>(235,098)</b>	<b>(234,148)</b>	<b>-0.4%</b>	<b>(63,631)</b>	<b>(84,992)</b>	<b>33.6%</b>
<b>% Net Revenue</b>	<b>4.3%</b>	<b>4.4%</b>	<b>0.1p.p.</b>	<b>4.7%</b>	<b>5.2%</b>	<b>0.5p.p.</b>

## Administrative Expenses

Table 24 – Administrative Expenses

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
Personnel Expenses	(54,253)	(65,604)	20.9%	(18,964)	(22,374)	18.0%
Fees	(21,714)	(15,695)	-27.7%	(6,863)	(3,582)	-47.8%
Depreciations and amortizations	(12,460)	(17,072)	37.0%	(4,283)	(5,805)	35.5%
Expenses with travels	(2,745)	(3,996)	45.6%	(1,310)	(1,678)	28.1%
Software maintenance	(4,692)	(13,911)	196.5%	(1,238)	(2,543)	105.4%
Marketing/Advertisement	(3,599)	(4,517)	25.5%	(1,486)	(1,282)	-13.7%
Communications Expenses	(4,568)	(5,514)	20.7%	(1,312)	(1,832)	39.6%
Rentals	(3,888)	(3,115)	-19.9%	(1,834)	(1,335)	-27.2%
Labor, Tax and Environmental Contingencies	(914)	295	n.m.	(896)	(40)	-95.5%
Electricity	(190)	(160)	-15.8%	(67)	(56)	-16.4%
Taxes and other fees	(1,914)	(1,833)	-4.2%	(994)	(388)	-61.0%
Contributions and donations	(6,284)	(7,485)	19.1%	(1,717)	(3,377)	96.7%
Other	(6,541)	(4,951)	-24.3%	(982)	(1,164)	18.5%
<b>Subtotal</b>	<b>(123,762)</b>	<b>(143,558)</b>	<b>16.0%</b>	<b>(41,946)</b>	<b>(45,456)</b>	<b>8.4%</b>
% Net Revenue	2.3%	2.7%	0.4p.p.	3.1%	2.8%	-0.3p.p.
Provision for profit share program	(67,777)	(85,354)	25.9%	(18,585)	(29,477)	58.6%
<b>Total</b>	<b>(191,539)</b>	<b>(228,912)</b>	<b>19.5%</b>	<b>(60,531)</b>	<b>(74,933)</b>	<b>23.8%</b>

Administrative Expenses (excluding amounts related to the Profit Sharing Program) increased 8.4% in 3Q23 and 16.0% in 9M23 vs. 3Q22 and 9M22. The main variations were:

- (i) Personnel Expenses: Higher expenses with the Stock Option/Restricted Share Program and adjustments to headcount;
- (ii) Depreciation and amortization: Increase due to the implementation/acquisition of software systems used by the company;
- (iii) Software maintenance: Higher expenses with software use licenses activated in 2022, when the new ERP software became operational, and recognized under profit or loss in 2023.
- (iv) Travel expenses: Increase in travel expenses incurred by strategic areas of the company to provide regular support to operational activities;
- (v) Contributions and donations: Social projects that are part of incentive donation programs. The respective amounts will be deducted directly from the tax payable.



## Adjusted EBITDA

From this quarter onwards we began to consider in Adjusted EBITDA the provision that determines the assessment of the cost of agricultural product inventories at the end of each period and their subsequent recognition as an expense in profit or loss, including any reduction to the net realizable value, restating the EBITDA Adjusted from 2022.

Adjusted EBITDA in 3Q23 was R\$492 million, increasing 25.5% from 3Q22, chiefly driven by the increase in Gross Income from cotton and corn. Adjusted EBITDA Margin was 29.8%, up 0.8 p.p. from 3Q22. Adjusted EBITDA in 9M23 came to R\$2.035 billion, with margin of 38.3%, down 17.6% from 9M23, mainly due to the lower invoiced volume of cotton and soybean in the period.

Table 25 - Adjusted EBITDA Reconciliation

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Net Revenue</b>	<b>5,427,063</b>	<b>5,311,889</b>	<b>-2.1%</b>	<b>1,353,093</b>	<b>1,648,152</b>	<b>21.8%</b>
<b>Variation in Fair Value of Biological Assets<sup>(3)</sup></b>	<b>1,840,487</b>	<b>1,993,174</b>	<b>8.3%</b>	<b>30,068</b>	<b>452,533</b>	<b>n.m.</b>
<b>(-) Cost of Goods and/or Services Sold</b>	<b>(4,693,278)</b>	<b>(4,818,045)</b>	<b>2.7%</b>	<b>(1,215,934)</b>	<b>(1,514,433)</b>	<b>24.5%</b>
Cost of Goods	(2,921,464)	(3,337,359)	14.2%	(959,558)	(1,188,215)	23.8%
Realization of the Fair Value of Biological Assets <sup>(4)</sup>	(1,771,814)	(1,480,686)	-16.4%	(256,376)	(326,218)	27.2%
<b>Gross Income</b>	<b>2,574,272</b>	<b>2,487,018</b>	<b>-3.4%</b>	<b>167,227</b>	<b>586,252</b>	<b>250.6%</b>
<b>(-) Sales Expenses</b>	<b>(235,098)</b>	<b>(234,148)</b>	<b>-0.4%</b>	<b>(63,631)</b>	<b>(84,992)</b>	<b>33.6%</b>
<b>(-) General and administrative expenses</b>	<b>(191,539)</b>	<b>(228,912)</b>	<b>19.5%</b>	<b>(60,531)</b>	<b>(74,933)</b>	<b>23.8%</b>
General and administrative	(123,762)	(143,558)	16.0%	(41,946)	(45,456)	8.4%
Profit share program	(67,777)	(85,354)	25.9%	(18,585)	(29,477)	58.6%
<b>Administrative Fees</b>	<b>(19,471)</b>	<b>(19,138)</b>	<b>-1.7%</b>	<b>(3,964)</b>	<b>(4,503)</b>	<b>13.6%</b>
<b>(-) Other operating revenues (loss)</b>	<b>43,985</b>	<b>27,425</b>	<b>-37.6%</b>	<b>9,131</b>	<b>(6,859)</b>	<b>n.m.</b>
<b>(=) Operational Result</b>	<b>2,172,149</b>	<b>2,032,245</b>	<b>-6.4%</b>	<b>48,232</b>	<b>414,965</b>	<b>760.4%</b>
(+) Depreciation and amortization	125,121	157,558	25.9%	35,744	57,371	60.5%
<b>EBITDA</b>	<b>2,297,270</b>	<b>2,189,803</b>	<b>-4.7%</b>	<b>83,976</b>	<b>472,336</b>	<b>462.5%</b>
(-)Variation in Fair Value of Biological Assets <sup>(3)</sup>	(1,840,487)	(1,993,174)	8.3%	(30,068)	(452,533)	n.m.
(+)Realization of Fair Value of Biological Assets <sup>(4)</sup>	1,771,814	1,480,686	-16.4%	256,376	326,218	27.2%
(+)Other Trans. Property, Plant & Equipment <sup>(2)</sup>	20,747	51,153	146.6%	1,511	13,084	765.9%
(+)Amortization adjustment - IFRS 16 <sup>(5)</sup>	208,106	211,210	1.5%	65,963	77,254	17.1%
(+) Net realizable value (NRV)	12,743	95,644	650.6%	14,135	55,554	293.0%
<b>Adjusted EBITDA<sup>(1,2,5)</sup></b>	<b>2,470,192</b>	<b>2,035,322</b>	<b>-17.6%</b>	<b>391,893</b>	<b>491,913</b>	<b>25.5%</b>
<b>Adjusted EBITDA Margin<sup>(1,2,5)</sup></b>	<b>45.5%</b>	<b>38.3%</b>	<b>-7.2p.p.</b>	<b>29.0%</b>	<b>29.8%</b>	<b>0.8p.p.</b>

<sup>(1)</sup>Excludes the effects from Biological Assets, since they are noncash. <sup>(2)</sup> Excludes Write-offs of Property, Plant and Equipment and Other Property, Plant and Equipment Transactions, which are noncash. <sup>(3)</sup> Variation in the fair value of Biological Assets (Note 28 of the Quarterly Financial Information-ITR). <sup>(4)</sup> Realization of the fair value of Biological Assets (Note 27 of the Quarterly Financial Information-ITR). <sup>(5)</sup> Amortization of right-of-use assets - leases.

## Adjusted Net Financial Income (Expense)

Adjusted Net Financial Expense in the quarter decreased 0.9% but increased 7.3% in in the year to date, compared to the same periods last year. The main variation was in interest, largely due to the increase in average net debt balance. In the exchange variation account, the drop in the Brazilian real affected the amounts payable to suppliers in U.S. dollar.

Table 26 - Adjusted Net Financial Income (with the swap effect)

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
Interest	(275,242)	(346,719)	26.0%	(109,317)	(137,077)	25.4%
FX Variation	28,558	40,428	41.6%	(11,369)	(486)	-95.7%
Monetary Variation	83	4,215	n.m.	149	-	-100.0%
APV-Liability Lease. (IFRS16) <sup>(1)</sup>	(210,204)	(179,395)	-14.7%	(68,332)	(40,979)	-40.0%
APV Securities payable	-	(20,479)	n.m.	-	(8,987)	n.m.
Other financial revenue (expenses)	(19,534)	(9,345)	-52.2%	(3,895)	(3,404)	-12.6%
<b>Total</b>	<b>(476,339)</b>	<b>(511,295)</b>	<b>7.3%</b>	<b>(192,764)</b>	<b>(190,933)</b>	<b>-0.9%</b>
<b>% Net Revenue</b>	<b>8.8%</b>	<b>9.6%</b>	<b>0.8p.p.</b>	<b>14.2%</b>	<b>11.6%</b>	<b>-2.6p.p.</b>

<sup>(1)</sup> APV: Adjustment to Present Value - Lease liabilities (IFRS16).

Adjusted Net Financial Expense in the quarter decreased 0.9% but increased 7.3% in the nine-month period, compared to the same periods last year. The main variation was in interest, largely due to the increase in average net debt balance. In the exchange variation account, the drop in the Brazilian real affected the amounts payable to suppliers in U.S. dollar.

## Net Income

Table 27 – Net Income

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Income before taxes on profit</b>	<b>1,695,810</b>	<b>1,520,950</b>	<b>-10.3%</b>	<b>(144,531)</b>	<b>224,032</b>	<b>n.m.</b>
Income Tax and Social Contribution on Profit	(491,510)	(429,984)	-12.5%	66,186	(56,760)	n.m.
<b>Consolidated Net Income for the Period</b>	<b>1,204,300</b>	<b>1,090,966</b>	<b>-9.4%</b>	<b>(78,345)</b>	<b>167,272</b>	<b>n.m.</b>
Attributed to the partners of SLC Agrícola S.A.	1,155,388	1,037,928	-10.2%	(63,657)	164,827	n.m.
Attributed to the partners of Joint-Ventures/Partnerships	48,912	53,038	8.4%	(14,688)	2,445	n.m.
<b>% Net Revenue</b>	<b>22.2%</b>	<b>20.5%</b>	<b>-1.7p.p.</b>	<b>-5.8%</b>	<b>10.1%</b>	<b>15.9p.p.</b>

In 3Q23, Net Income reached R\$167.3 million, increasing R\$245.6 million from 3Q22. This variation happened mainly due to the following factors: (i) increase of R\$419 million in Gross Income due to the good yield of cotton and corn crops, partially offset by General and Administrative Expenses, Financial Expenses and Income Tax and Social Contribution amounting to (R\$173.4 million). Net Income in 9M23 decreased 9.4% from 9M22, that is R\$ 113.3 million. Determining factors were: (i) the decrease of Gross Income (R\$ 87.3 million) adding the increase in General and Administrative Expenses (R\$ 53 million), increase in Financial Expenses (R\$ 35 million) and reduction of Income Tax and Social Contribution in the amount of R\$62 million.

## Statement of Cash Flow Analysis

Free cash generation was a positive R\$580 million in 3Q23 and negative R\$248 million in 9M23, reflecting the seasonality of the cash conversion cycle, i.e. the end of agricultural inputs payments and the start of cotton and corn invoicing for the 2022/23 crop year.

Table 28 – Summarized Cash Flow

R\$ (thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Cash generated from operations</b>	<b>2,455,979</b>	<b>2,103,785</b>	<b>-14.3%</b>	<b>417,768</b>	<b>537,775</b>	<b>28.7%</b>
<b>Changes in Assets and Liabilities</b>	<b>(1,273,867)</b>	<b>(1,178,742)</b>	<b>-7.5%</b>	<b>29,608</b>	<b>208,456</b>	<b>604.1%</b>
<b>Net Cash Investing Activities</b>	<b>(481,742)</b>	<b>(652,940)</b>	<b>35.5%</b>	<b>(93,271)</b>	<b>(128,732)</b>	<b>38.0%</b>
In fixed assets	(444,978)	(466,239)	4.8%	(82,632)	(121,803)	47.4%
In intangible	(36,432)	(10,053)	-72.4%	(9,339)	(6,929)	-25.8%
Receipt for the sale of land	1,643	-	n.m.	-	-	-
Land return payment	-	(180,000)	n.m.	-	-	-
Receipt for Land Return	-	3,352	n.m.	-	-	-
Other Investments	(1,975)	-	n.m.	(1,300)	-	n.m.
<b>Net Cash Before Financing Activities</b>	<b>700,370</b>	<b>272,103</b>	<b>-61.1%</b>	<b>354,105</b>	<b>617,499</b>	<b>74.4%</b>
Change in financial investments account <sup>(1)</sup>	45	323	617.8%	17	26	52.9%
Payment of leases and other rentals <sup>(2)</sup>	(491,281)	(520,655)	6.0%	(13,500)	(37,125)	175.0%
<b>Adjusted Free Cash</b>	<b>209,134</b>	<b>(248,229)</b>	<b>n.m.</b>	<b>340,622</b>	<b>580,400</b>	<b>70.4%</b>

<sup>(1)</sup> The variations of said account are non-cash.

<sup>(2)</sup> Due to the adoption of IFRS 16, the payment of leases is now accounted in the Statement of Cash Flows under Financing Activities. However, it must be considered as an operating cash disbursement. Details of payments (cotton ginning, farmland, rental of buildings and machinery and vehicles), see note 12 of the ITR.

## Property, Plant & Equipment /CAPEX

Table 29 – Capital Expenditures (CAPEX)<sup>(1)</sup>

(R\$ thd)	9M22	9M23	HA	3Q22	3Q23	HA
Machinery, implements and equipment	226,992	138,612	-38.9%	71,749	10,226	-85.7%
Land acquisition	185	365,855	n.m.	-	-	-
Soil correction	126,426	151,496	19.8%	73,825	72,611	-1.6%
Buildings and facilities	75,037	86,789	15.7%	23,269	31,681	36.2%
Cotton ginning plant	1,576	11,504	629.9%	763	3,437	350.5%
Grains storage	4,425	18,104	309.1%	1,032	8,533	726.8%
Soil cleaning	30,976	14,599	-52.9%	15,465	6,253	-59.6%
Vehicles	3,900	77,629	n.m.	2,454	5,541	125.8%
Software	23,913	12,644	-47.1%	7,636	6,766	-11.4%
Improvements in own properties	1,036	1,208	16.6%	940	-	n.m.
Improvements in Third Party Real Estate	401	483	20.4%	398	202	-49.4%
Buildings	-	32,907	n.m.	-	-	-
Others	14,282	16,055	12.4%	5,104	5,674	n.m.
<b>Total</b>	<b>509,149</b>	<b>927,885</b>	<b>82.2%</b>	<b>202,635</b>	<b>150,924</b>	<b>-25.5%</b>

<sup>(1)</sup> See Explanatory Notes 13 and 14 of the Quarterly Earnings Report

Investments in 3Q23 came to R\$151 million, down 25.5% from 3Q22, mostly in machinery, tools and equipment. The most important acquisitions to support the operation were made in the first quarter. In addition, investments were higher last year due to the modernization of the machinery base at the farms of SLC Centro-Oeste (former Terra Santa). Another factor that significantly affects Capex is the increase in leased machines and equipment, which removes the pressure for new acquisitions and shows the progress made in the Asset Light model. In 9M23, investments totaled R\$928 million, increasing 82.2% from 9M22, and mainly went to the acquisition of land and buildings at the Paysandu Farm.

## Debt

Adjusted Net Debt ended the third quarter of 2023 at R\$3.6 billion, representing an increase of R\$1.3 billion from the end of 2022. Net debt was affected mainly by higher working capital needs due to the payment for agricultural inputs for the 2022/23 crop year. Note that an increase in debt in this period of the year is expected, given the cash conversion cycle of the business.

The Net Debt/Adjusted EBITDA ratio increased from 0.77x at the end of 2022 to 1.34x at the end of 3Q23, mainly due to the increase in net debt during the period.

Table 30 – Financial Net Debt

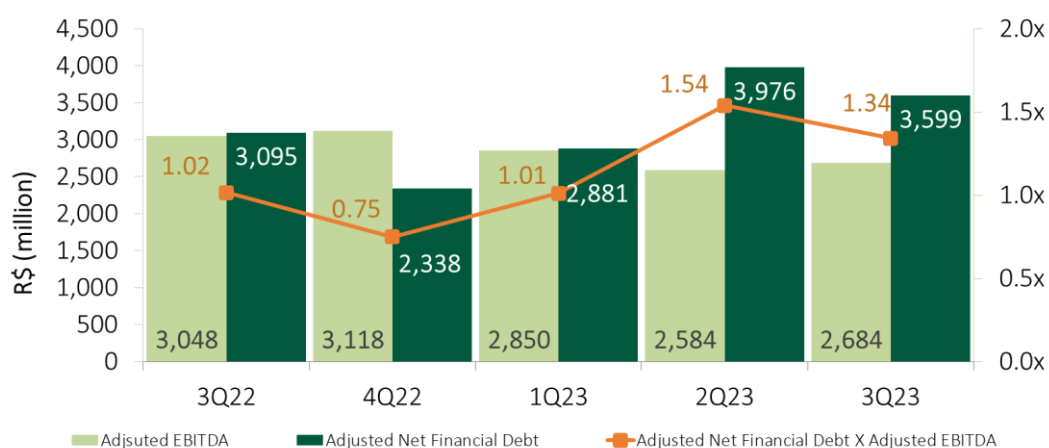
Table 30 – Financial Net Debt					
Credit Line	Average Interest Rate (%)			Consolidated	
(R\$ thd)	Indexer	4Q22	3Q23	4Q22	3Q23
Applied in Fixed Assets				40,986	22,217
Finame – BNDES	Prefixed	6.1%	6.1%	40,986	22,217
Applied in Working Capital				3,413,285	5,059,715
Rural Credit	Prefixed	12.0%	7.0%	15,283	10,957
Rural Credit	CDI <sup>(1)</sup>	14.7%	13.7%	631,199	1,598,640
Constitutional Funds	Prefixed	-	9.6%	-	61,616
Working Capital	CDI <sup>(1)</sup>	14.8%	13.8%	1,181,891	1,786,840
Export Loans	Prefixed	-	14.0%	-	53,414
Export Loans	CDI <sup>(1)</sup>	14.9%	13.6%	1,584,912	1,548,248
Total Indebtedness		14.7%	13.6%	3,454,271	5,081,932
(+)Gains and losses with deriv. connected with applications and debt <sup>(2)</sup>				120,262	180,851
(=) Adjusted Gross Debt				3,574,533	5,262,783
(-) Cash				(1,236,522)	(1,663,882)
(=)Adjusted Net Debt				2,338,011	3,598,901
Adjusted EBITDA (Last 12 months)				3,047,078	2,683,576
Adjusted Net Debt/EBITDA				0.77x	1.34x

<sup>(1)</sup> Final interest rate with swap

<sup>(2)</sup> Transactions with gains and losses from Derivatives (note 24 letter “e” of the Quarterly Financial Information-ITR)

<sup>(3)</sup> Total debt is different from the accounting position due to the costs of CRA transactions (see note 17 of the Quarterly Financial Information-ITR).

Figure 1 – Change in Net Debt/Adjusted EBITDA Ratio



## Debt

Figure 2 – Change in Adjusted Gross Debt (R\$ thd)

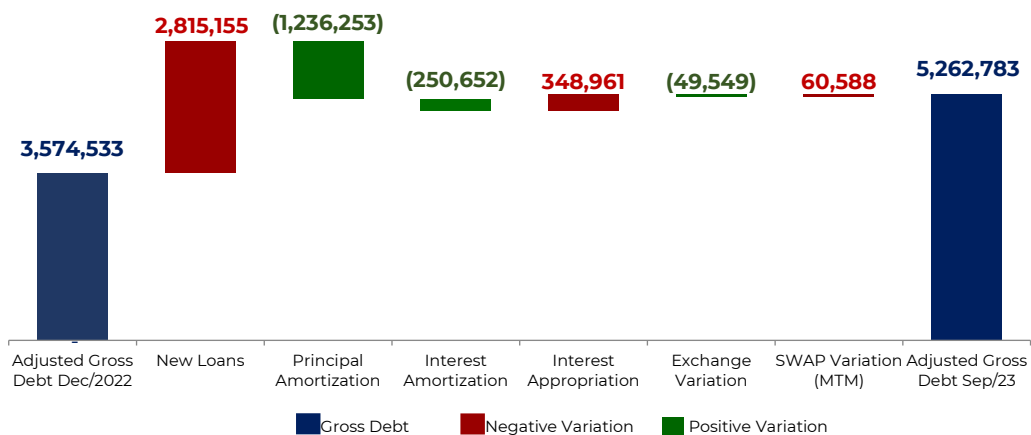


Figure 3 – Adjusted Gross Debt Amortization Schedule (R\$ thd)

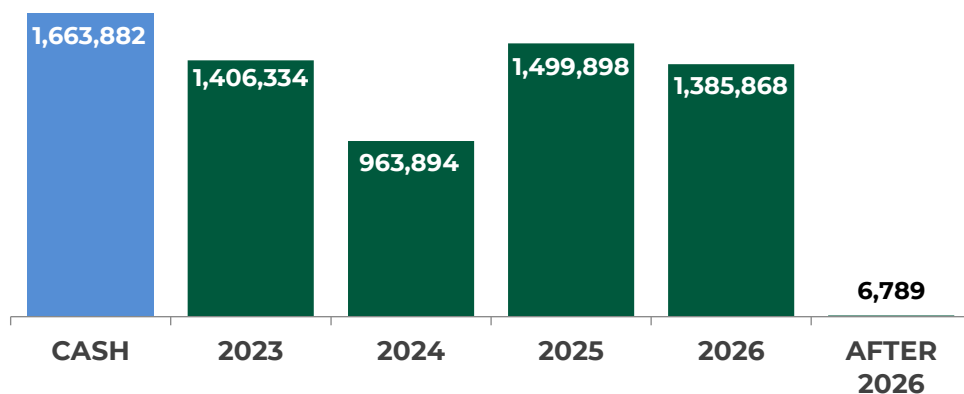


Figure 4 – Adjusted Gross Debt Profile

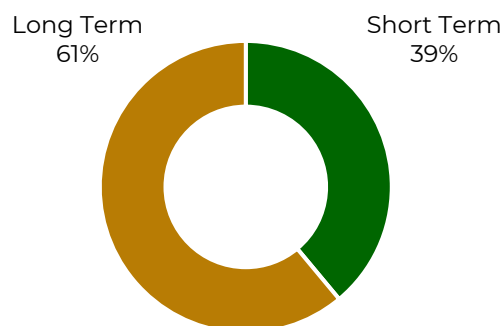
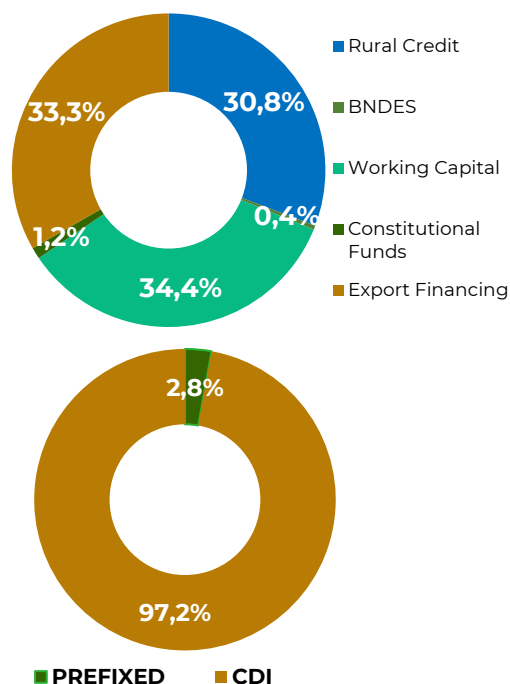


Figure 5 – Gross Debt by Index and Instrument



## 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 from currency variation we use derivative instruments, with the portfolio of these instruments basically comprising non-deliverable forwards (NDFs).

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

The hedge position for commodities (in relation to the estimated total invoiced volume) and currency (in relation to the total estimated revenue in U.S. dollar) is shown below, broken down by commercial hedge and financial hedge and updated **as of November 06<sup>th</sup>**:

Table 31 – Hedge Position

FX Hedge – Soybean		
Crop Year	2022/23	2023/24
%	99.1	37.9
R\$/USD	5.3692	5.3219
Commitments % <sup>(1)</sup>	0.6	29.1

FX Hedge – Cotton		
Crop Year	2022/23	2023/24
%	85.8	23.0
R\$/USD	5.5979	5.5421
Commitments % <sup>(1)</sup>	-	16.4

FX Hedge – Corn		
Crop Year	2022/23	2023/24
-	-	-
-	-	-
%	93.3	38.5
R\$/USD	5.6231	5.4752
Commitments	-	19.4

Commercial Hedge– Soybean		
Crop Year	2022/23	2023/24
%	99.0	45.8
USD/bu <sup>(2)</sup>	14.26	12.74
Commitments % <sup>(1)</sup>	-	14.1

Commercial Hedge – Cotton		
Crop Year	2022/23	2023/24
%	76.2	13.5
US¢/pd <sup>(2)</sup>	91.32	86.04
Commitments % <sup>(1)</sup>	-	-

Commercial Hedge – Corn		
Crop Year	2022/23	2023/24
%	3.9	3.2
R\$/bag <sup>(3)</sup>	56.64	45.00
%	89.5	32.2
USD/bag <sup>(3)</sup>	9.65	8.12
Commitments % <sup>(1)</sup>	-	-

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

## **ESG COMMUNICATION WITH STAKEHOLDERS**

### **SLC AGRÍCOLA MAKES FURTHER ADVANCES IN ITS SUSTAINABILITY PRACTICES**

The third quarter of 2023 was marked by important advances in the company's environmental practices. In connection with the Zero Waste to Landfills by 2026 target, we completed the implementation of the circular economy in waste treatment at the Pioneira Farm in August, after its implementing at the Pamplona (GO), Parnaguá (PI) and Parceiro (BA) Farms. As a result, we expect our waste recycling rate to increase from 39.2% to 98.9% at farms that joined the program, within six months. We have now implemented the Circular Economy program and its composting in four farms. By 2026, the program will have been implemented in all farms.

Regarding water resources, this quarter we completed the Waters Project at the Pamplona Farm – office I. This project establishes a remote reading system via telemetry, i.e., using automation to measure and transmit data from remote sources to digital receiving stations, not requiring a person to physically go to the water meter for reading, since the equipment is often installed kilometers away from the farm office. This way, water consumption can be measured quickly and accurately, and we can know in real time the different types of water consumption on each property. With this data, we can set targets and work on projects that minimize the use of water for certain types of consumption.

In 3Q23, we also began operating photovoltaic projects that generate electricity from solar power, totaling 377 kW. This renewable energy is used at our administrative and head offices, as well as houses, clubs and cafeterias at farms.

#### **FINANCIAL TABLES**

[Click here to download the financial, debt and return indicators in Excel](#)

#### **OPERATIONAL DATA**

[Click here to download the operational data tables in Excel:](#)

#### **LAND TABLES**

[Click here to download the land tables in Excel:](#)



## PRODUCTION UNITS AND HEADQUARTERS LOCATION



### SLC Agrícola Farms (1<sup>st</sup> and 2<sup>nd</sup> crops)

- |                               |                                   |
|-------------------------------|-----------------------------------|
| 1. Pioneira (MT) – 36,738 ha  | 12. Palmeira (MA) – 35,502 ha     |
| 2. Perdizes (MT) – 34,167 ha  | 13. Planeste (MA) – 62,436 ha     |
| 3. Paiaguás (MT) – 64,264 ha  | 14. Parnaguá (PI) – 11,941 ha     |
| 4. Planorte (MT) – 31,281 há  | 15. Parceiro (BA) – 16,883 ha     |
| 5. Próspera (MT) – 31,644 ha  | 16. Palmares (BA) – 24,814 ha     |
| 6. Piracema (MT) – 19,789 ha  | 17. Paladino (BA) – 23,834ha      |
| 7. Pampeira (MT) – 31,717 ha  | 18. Piratini (BA) – 19,574 ha     |
| 8. Pirapora (MT) – 20,384 ha  | 19. Panorama (BA) – 23,903 ha     |
| 9. Pantanal (MS) – 43,164 ha  | 20. Paysandu (BA) – 41,566 ha     |
| 10. Planalto (MS) – 22,542ha  | 21. Pamplona (GO e MG) -26,929 ha |
| 11. Parnaíba (MA) – 47,443 ha | 22. Paineira (PI) 3,471           |

[Click here and download the following Balance Sheets in Excel:](#)

#### EXHIBIT 1 – BALANCE SHEET – ASSETS

R\$ (thd)	12/31/2022	VA	09/30/2023	VA	HA
<b>Current Assets</b>	<b>7,032,683</b>	<b>47.3%</b>	<b>7,972,235</b>	<b>48.2%</b>	<b>13.4%</b>
Short-term interest earning bank deposits	1,235,775	8.3%	1,662,812	10.0%	34.6%
Accounts receivable	174,291	1.2%	142,488	0.9%	-18.2%
Advances to suppliers	14,924	0.1%	10,580	0.1%	-29.1%
Inventories	3,343,980	22.5%	5,110,295	30.9%	52.8%
Biological assets	1,799,576	12.1%	544,328	3.3%	-69.8%
Income tax and social contribution recoverable	1,195	0.0%	10,052	0.1%	741.2%
Recoverable taxes	138,622	0.9%	141,477	0.9%	2.1%
Securities and credits receivable	25,852	0.2%	27,182	0.2%	5.1%
Operations with derivatives	272,728	1.8%	263,083	1.6%	-3.5%
Other accounts receivable	15,012	0.1%	15,192	0.1%	1.2%
Prepaid expenses	10,183	0.1%	44,201	0.3%	334.1%
Assets held for sale	545	0.0%	545	0.0%	0.0%
<b>Non-current assets</b>	<b>7,835,706</b>	<b>52.7%</b>	<b>8,576,713</b>	<b>51.8%</b>	<b>9.5%</b>
Financial investments valued at fair value	747	0.0%	1,070	0.0%	43.2%
Income tax and social contribution recoverable	9,789	0.1%	11,453	0.1%	17.0%
Recoverable taxes	194,305	1.3%	213,326	1.3%	9.8%
Deferred income and social contribution taxes	281,819	1.9%	226,605	1.4%	-19.6%
Operations with derivatives	61,677	0.4%	40,537	0.2%	-34.3%
Securities and credits receivable	31,650	0.2%	-	0.0%	-100.0%
Advances to suppliers	79,805	0.5%	73,257	0.4%	-8.2%
Prepaid expenses	458	0.0%	2,238	0.0%	388.6%
Other credits	40,174	0.3%	48,282	0.3%	20.2%
	<b>700,424</b>	<b>4.7%</b>	<b>616,768</b>	<b>3.7%</b>	<b>-11.9%</b>
Investments	3,618	0.0%	3,618	0.0%	0.0%
Investment Property's	385,817	2.6%	430,889	2.6%	11.7%
Right of use asset	2,881,262	19.4%	2,999,177	18.1%	4.1%
immobilized	3,733,112	25.1%	4,398,913	26.6%	17.8%
Intangible	131,473	0.9%	127,348	0.8%	-3.1%
	<b>7,135,282</b>	<b>48.0%</b>	<b>7,959,945</b>	<b>48.1%</b>	<b>11.6%</b>
<b>TOTAL ASSETS</b>	<b>14,868,389</b>	<b>100.0%</b>	<b>16,548,948</b>	<b>100.0%</b>	<b>11.3%</b>

## EXHIBIT 2 – BALANCE SHEET – LIABILITIES

R\$ (thd)	12/31/2022	VA	09/30/2023	AV	HA
<b>Liabilities</b>	<b>4,589,690</b>	<b>30.9%</b>	<b>4,039,894</b>	<b>24.4%</b>	<b>-12.0%</b>
Suppliers	1,564,582	10.5%	616,387	3.7%	-60.6%
Loans and financing	1,281,537	8.6%	1,918,472	11.6%	49.7%
Income tax and social contribution payable	159,219	1.1%	68,950	0.4%	-56.7%
Taxes, rates and sundry contributions	48,469	0.3%	37,280	0.2%	-23.1%
Social charges and labor legislation obligations	149,756	1.0%	152,548	0.9%	1.9%
Advances from clients	238,942	1.6%	540,454	3.3%	126.2%
Debts with realted parties	2,482	0.0%	374	0.0%	-84.9%
Operations with derivatives	139,585	0.9%	237,910	1.4%	70.4%
Securities payable	86,102	0.6%	151,202	0.9%	75.6%
Provisions for tax, environmental and labor risks	38,257	0.3%	13,343	0.1%	-65.1%
Dividends payable	302,370	2.0%	215	0.0%	-99.9%
Leases payable	14,146	0.1%	1,134	0.0%	-92.0%
Third party lease liability	523,573	3.5%	268,923	1.6%	-48.6%
Others accounts payables	40,670	0.3%	32,702	0.2%	-19.6%
<b>Non-current liabilities</b>	<b>5,382,267</b>	<b>36.2%</b>	<b>6,982,203</b>	<b>42.2%</b>	<b>29.7%</b>
Loans and financing	2,172,734	14.6%	3,163,460	19.1%	45.6%
Deferred taxes	443,717	3.0%	613,224	3.7%	38.2%
Operations with derivatives	20,546	0.1%	51,404	0.3%	150.2%
Securities payable	14,276	0.1%	157,789	1.0%	n.m.
Other debits	520	0.0%	5,282	0.0%	915.8%
Third party lease liability	2,730,474	18.4%	2,991,044	18.1%	9.5%
<b>Shareholders' equity</b>	<b>4,896,432</b>	<b>32.9%</b>	<b>5,526,851</b>	<b>33.4%</b>	<b>12.9%</b>
Capital	1,512,522	10.2%	2,012,522	12.2%	33.1%
Capital reserves	168,544	1.1%	173,841	1.1%	3.1%
(-) Treasury shares	(280,170)	-1.9%	(236,716)	-1.4%	-15.5%
Profit reserves	1,891,460	12.7%	872,843	5.3%	-53.9%
Retained Earnings/Losses	-	0.0%	1,039,193	6.3%	n.m.
Other comprehensive income	1,306,441	8.8%	1,335,402	8.1%	2.2%
Non-controlling shareholders in subsidiaries	297,635	2.0%	329,766	2.0%	10.8%
<b>TOTAL LIABILITIES</b>	<b>14,868,389</b>	<b>100.0%</b>	<b>16,548,948</b>	<b>100.0%</b>	<b>11.3%</b>

[Click here to download the following Income Statements in Excel:](#)

### EXHIBIT 3 – INCOME STATEMENT

R\$ (thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Net Operating Revenue</b>	<b>5,427,063</b>	<b>5,311,889</b>	<b>-2.1%</b>	<b>1,353,093</b>	<b>1,648,152</b>	<b>21.8%</b>
Cotton lint	2,014,395	1,402,072	-30.4%	368,712	521,410	41.4%
Cottonseed	253,592	212,308	-16.3%	167,591	123,860	-26.1%
Soybean	2,451,102	2,417,356	-1.4%	212,550	123,204	-42.0%
Corn	539,770	632,945	17.3%	478,941	540,570	12.9%
Cattle Herd	75,923	69,544	-8.4%	23,755	33,886	42.6%
Others	170,984	129,982	-24.0%	89,961	106,369	18.2%
Hedge revenue	(78,703)	447,682	n.m.	11,583	198,853	n.m.
<b>Variation in the fair value of Biological assets</b>	<b>1,840,487</b>	<b>1,993,174</b>	<b>8.3%</b>	<b>30,068</b>	<b>452,533</b>	<b>n.m.</b>
<b>Cost of goods sold</b>	<b>(2,921,464)</b>	<b>(3,337,359)</b>	<b>14.2%</b>	<b>(959,558)</b>	<b>(1,188,215)</b>	<b>23.8%</b>
Cotton lint	(995,394)	(1,094,969)	10.0%	(212,890)	(368,918)	73.3%
Cottonseed	(85,715)	(146,022)	70.4%	(59,821)	(103,390)	72.8%
Soybean	(1,183,707)	(1,304,160)	10.2%	(192,036)	(118,300)	-38.4%
Corn	(441,521)	(489,945)	11.0%	(406,700)	(430,362)	5.8%
Cattle Herd	(85,512)	(83,658)	-2.2%	(25,410)	(42,564)	67.5%
Others	(129,615)	(218,605)	68.7%	(62,701)	(124,681)	98.8%
<b>Realization of the Fair Value of Biological Assets</b>	<b>(1,771,814)</b>	<b>(1,480,686)</b>	<b>-16.4%</b>	<b>(256,376)</b>	<b>(326,218)</b>	<b>27.2%</b>
<b>Gross Income</b>	<b>2,574,272</b>	<b>2,487,018</b>	<b>-3.4%</b>	<b>167,227</b>	<b>586,252</b>	<b>250.6%</b>
Operating expenses/income	(402,123)	(454,773)	13.1%	(118,995)	(171,287)	43.9%
Sales expenses	(235,098)	(234,148)	-0.4%	(63,631)	(84,992)	33.6%
General and administrative expenses	(191,539)	(228,912)	19.5%	(60,531)	(74,933)	23.8%
General and administrative	(123,762)	(143,558)	16.0%	(41,946)	(45,456)	8.4%
Provision for profit share program	(67,777)	(85,354)	25.9%	(18,585)	(29,477)	58.6%
Management compensation	(19,471)	(19,138)	-1.7%	(3,964)	(4,503)	13.6%
Other operating income (expenses)	43,985	27,425	-37.6%	9,131	(6,859)	n.m.
<b>Income (loss) before financial income (loss) and taxes</b>	<b>2,172,149</b>	<b>2,032,245</b>	<b>-6.4%</b>	<b>48,232</b>	<b>414,965</b>	<b>760.4%</b>
Financial income	721,204	395,607	-45.1%	126,272	84,199	-33.3%
Financial expenses	(1,197,543)	(906,902)	-24.3%	(319,035)	(275,132)	-13.8%
<b>Income (loss) before income tax</b>	<b>1,695,810</b>	<b>1,520,950</b>	<b>-10.3%</b>	<b>(144,531)</b>	<b>224,032</b>	<b>n.m.</b>
Income and social contribution taxes	(491,510)	(429,984)	-12.5%	66,186	(56,760)	n.m.
Current	(385,956)	(221,745)	-42.5%	(10,858)	(76,774)	607.1%
Deferred	(105,554)	(208,239)	97.3%	77,044	20,014	-74.0%
<b>Net Income (loss) for the period</b>	<b>1,204,300</b>	<b>1,090,966</b>	<b>-9.4%</b>	<b>(78,345)</b>	<b>167,272</b>	<b>n.m.</b>
Attributed to the partners of SLC Agrícola S.A.	1,155,388	1,037,928	-10.2%	(63,657)	164,827	n.m.
Attributed to the partners of Joint-Ventures/Partnerships	48,912	53,038	8.4%	(14,688)	2,445	n.m.

[Click here to download the following Statement of Cash Flows in excel:](#)

#### EXHIBIT 4 – CASH FLOWS STATEMENT

R\$ (thd)	9M22	9M23	HA	3Q22	3Q23	HA
<b>Net cash from operating activities</b>	<b>1,182,112</b>	<b>-143,263</b>	<b>-21.7%</b>	<b>447,376</b>	<b>746,231</b>	<b>66.8%</b>
<b>Cash generated from operations</b>	<b>2,455,979</b>	<b>2,103,785</b>	<b>-14.3%</b>	<b>417,768</b>	<b>537,775</b>	<b>28.7%</b>
Net profit (loss) before IRPJ / CSLL	1,695,810	1,520,950	-10.3%	(144,532)	224,032	n.m.
Depreciation and amortization	125,121	157,558	25.9%	35,744	57,371	60.5%
Result on write-off of fixed assets	7,172	46,193	544.1%	2,903	5,361	84.7%
Interest, FX and Monetary Correction	214,839	307,140	43.0%	122,723	126,387	3.0%
Share-based compensation	11,479	14,081	22.7%	3,868	4,622	19.5%
Variation of Biological Assets	(68,673)	(512,488)	646.3%	226,308	(126,315)	n.m.
Inventory adjustment provision at market value	12,743	95,644	650.6%	14,135	55,554	293.0%
Provision part. Results and labor contingencies	68,643	85,059	23.9%	19,406	30,356	56.4%
Provision for loss of recuperable taxes	10,959	2,045	-81.3%	2,162	610	-71.8%
Doubtful Debts Provision	-	14,389	n.m.	-	3,394	n.m.
Fair Value of Investment Properties	(52,549)	(59,135)	12.5%	-	-	-
Others	12,125	21,265	75.4%	757	17,691	n.m.
APV - Lease Liabilities	210,204	179,395	-14.7%	68,331	40,979	-40.0%
APV - Titles payable	-	20,479	n.m.	-	20,479	n.m.
Amortization of Right of Use	208,106	211,210	1.5%	65,963	77,254	17.1%
<b>Changes in Assets and Liabilities</b>	<b>(1,273,867)</b>	<b>(1,178,742)</b>	<b>-7.5%</b>	<b>29,608</b>	<b>208,456</b>	<b>604.1%</b>
Accounts receivable from customers	(66,513)	17,414	n.m.	(108,431)	52,839	n.m.
Stocks and biological assets	(409,323)	(19,651)	-95.2%	(190,837)	38,102	n.m.
Taxes to recover	(109,282)	(33,474)	-69.4%	971	8,712	797.2%
Financial investments	(45)	(323)	617.8%	(17)	(26)	52.9%
Other accounts receivable	(58,652)	(80,904)	37.9%	21,301	(12,198)	n.m.
Advance to suppliers	13,643	3,162	-76.8%	3,660	(14,162)	n.m.
Suppliers	(13,498)	(989,038)	n.m.	431,660	(76,789)	n.m.
Tax and social obligations	(125,970)	(156,269)	24.1%	(35,156)	(78,910)	124.5%
Obligations with controlled companies	198	(2,107)	n.m.	157	(2,831)	n.m.
Derivative transactions	246,009	283,357	15.2%	54,883	144,942	164.1%
Securities payable	(15,827)	(3,819)	-75.9%	(600)	-	n.m.
Advances from customers	(292,625)	301,513	n.m.	(75,256)	247,639	n.m.
Other bills to pay	33,451	(1,903)	n.m.	26,749	8,488	-68.3%
Operational leasing to pay	(15,048)	(13,012)	n.m.	-	-	-
Income tax and social contribution paid	(374,339)	(233,036)	-37.7%	(64,305)	(15,015)	-76.7%
Interest on loans paid	(86,046)	(250,652)	191.3%	(35,171)	(92,335)	162.5%
<b>Net Cash Investing Activities</b>	<b>(481,742)</b>	<b>(652,940)</b>	<b>35.5%</b>	<b>(93,271)</b>	<b>(128,732)</b>	<b>38.0%</b>
In fixed assets	(444,978)	(466,239)	4.8%	(82,632)	(121,803)	47.4%
In intangible	(36,432)	(10,053)	-72.4%	(9,339)	(6,929)	-25.8%
Receipt for the sale of land	1,643	-	n.m.	-	-	-
Receipt for Land Return	-	3,352	n.m.	-	-	-
Land return payment	-	(180,000)	n.m.	-	-	-
Other Investments	(1,975)	-	n.m.	(1,300)	-	n.m.
<b>Net Cash Before Financing Activities</b>	<b>700,370</b>	<b>272,103</b>	<b>-61.1%</b>	<b>354,105</b>	<b>617,499</b>	<b>74.4%</b>
<b>Net Cash Financing Activities</b>	<b>484,669</b>	<b>154,934</b>	<b>-68.0%</b>	<b>329,877</b>	<b>(115,472)</b>	<b>n.m.</b>
Sale and repurchase of shares	(66,840)	(182,984)	173.8%	(61,542)	(86,341)	40.3%
Loans and financing taken	1,997,728	2,815,155	40.9%	535,120	764,171	42.8%
Loans and financing paid	(343,251)	(1,236,253)	260.2%	(114,592)	(698,826)	509.8%
Derivatives Paid/Received	(41,969)	(91,395)	117.8%	(15,577)	(21,008)	34.9%
Credit Assignment	(39,004)	-	n.m.	(32)	-	n.m.
Dividends paid	(530,714)	(628,934)	18.5%	-	(36,343)	n.m.
Paid Leases	(491,281)	(520,655)	6.0%	(13,500)	(37,125)	175.0%
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,185,039</b>	<b>427,037</b>	<b>-64.0%</b>	<b>683,982</b>	<b>502,027</b>	<b>-26.6%</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>139,780</b>	<b>1,235,775</b>	<b>784.1%</b>	<b>640,837</b>	<b>1,160,785</b>	<b>81.1%</b>
<b>Final Balance of Cash and Cash Equivalents</b>	<b>1,324,819</b>	<b>1,662,812</b>	<b>25.5%</b>	<b>1,324,819</b>	<b>1,662,812</b>	<b>25.5%</b>
<b>Presented Free Cash</b>	<b>700,370</b>	<b>272,103</b>	<b>-61.1%</b>	<b>354,105</b>	<b>617,499</b>	<b>74.4%</b>
Change in financial investments account <sup>(1)</sup>	45	323	617.8%	17	26	52.9%
Payment of leases and other rentals <sup>(2)</sup>	(491,281)	(520,655)	6.0%	(13,500)	(37,125)	175.0%
<b>Adjusted Free Cash</b>	<b>209,134</b>	<b>(248,229)</b>	<b>n.m.</b>	<b>340,622</b>	<b>580,400</b>	<b>70.4%</b>

(1) The variations of said account are non-cash. (2) Due to the adoption of IFRS 16, the payment of leases is now accounted in the Statement of Cash Flows under Financing Activities. However, it must be considered as an operating cash disbursement. Details of payments (cotton ginning, farmland, rental of buildings and machinery and vehicles), see note 12 of the ITR.

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