

(A free translation of the original in Portuguese)

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Company information / Capital composition

Number of shares (units)	Current Quarter 06/30/2021
Paid-up capital	
Common shares	190,595,000
Preferred shares	0
Total	190,595,000
Treasury shares	
Common shares	2,648,464
Preferred shares	0
Total	2,648,464

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

Code of account	Account description	Accumulated of	Accumulated of
		the current year	the previous year
		06/30/2021	12/31/2020
1	Total assets	11,279,104	9,341,075
1.01	Current assets	4,058,511	3,561,155
1.01.01	Cash and cash equivalents	1,031,621	1,319,290
1.01.01.01	Cash and cash equivalents	1,031,621	1,319,290
1.01.03	Accounts receivable	205,792	278,782
1.01.03.01	Customers	79,767	178,085
1.01.03.02	Other Accounts Receivable	126,025	100,697
1.01.03.02.01	Advances to suppliers	1,891	3,221
1.01.03.02.02	Derivative	121,387	89,721
1.01.03.02.04	Credits Related Party	967	2,475
1.01.03.02.05	Other Accounts Receivable	1,780	5,280
1.01.04	Inventories	1,072,950	1,179,014
1.01.05	Biological assets	1,655,402	739,267
1.01.06	Recoverable taxes	59,098	28,521
1.01.06.01	Current recoverable taxes	59,098	28,521
1.01.07	Prepaid expenses	33,099	15,471
1.01.08	Other Current Assets	549	810
1.01.08.02	Discontinued Operations Assets	549	810
1.02	Non-current assets	7,220,593	5,779,920
1.02.01	Long-term assets	238,954	213,478
1.02.01.03	Financial investments at amortized cost	669	663
1.02.01.08	Prepaid expenses	27	378
1.02.01.09	Credits with related parties	15,051	25,246
1.02.01.09.02	Loans to subsidiaries	15,051	25,246
1.02.01.10	Other Non-current Assets	223,207	187,191
1.02.01.10.03	Taxes to recover	73,910	64,236
1.02.01.10.04	Derivative	144,060	118,126
1.02.01.10.05	Other Accounts Receivable	2,464	2,071
1.02.01.10.06	Advances to suppliers	2,773	2,758
1.02.02	Investments	2,352,655	2,212,789
1.02.02.01	Shareholdings	2,352,655	2,212,789
1.02.02.01.02	Interest in Subsidiaries	2,352,655	2,212,789
1.02.03	PP&E	4,575,607	3,318,413
1.02.03.01	PP&E in operation	912,381	846,110
1.02.03.02	Right-of-Use in Progress	3,608,283	2,463,254
1.02.03.02.01	Asset use rights	3,608,283	2,463,254
1.02.03.03	Construction in Progress	54,943	9,049
1.02.04	Intangible	53,377	35,240
1.02.04.01	Intangibles	53,377	35,240
1.02.04.01.02	New Systems Implementation	48,899	30,661
1.02.04.01.03	Other (systems)	4,478	4,579

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

Code of account	Account description	Accumulated of the current year 06/30/2021	Accumulated of the previous year 12/31/2020
2	Total liabilities	11,279,104	9,341,075
2.01	Current liabilities	2,363,071	2,177,039
2.01.01	Payroll and Related Charges	4,851	5,960
2.01.01.01	Social obligations	3,759	5,349
2.01.01.02	Labor obligations	1,092	611
2.01.02	Suppliers	351,060	933,146
2.01.02.01	National suppliers	351,060	933,146
2.01.02.01.01	National suppliers	351,060	933,146
2.01.03	Tax obligations	94,713	49,452
2.01.03.01	Federal Taxes	93,600	47,345
2.01.03.01.01	Income Tax and Social Contribution Payable	81,669	40,374
2.01.03.01.02	Taxes and Contributions Several	11,931	6,971
2.01.03.02	State Taxes	782	1,784
2.01.03.03	Municipal Taxes	331	323
2.01.04	Loans and Financing	910,836	297,692
2.01.04.01	Loans and Financing	910,836	297,692
2.01.04.01.01	In Local Currency	910,836	297,692
2.01.05	Other obligations	940,702	827,990
2.01.05.01	Related Party Liabilities	386	1,310
2.01.05.01.02	Debts with Subsidiaries	338	1,294
2.01.05.01.04	Other Payables to Related Parties	48	16
2.01.05.02	Others	940,316	826,680
2.01.05.02.01	Dividends and Interest on equity Payable	9	83,680
2.01.05.02.04	Advances from Customers	187,991	57,233
2.01.05.02.05	Operations with Derivatives	241,949	318,242
2.01.05.02.08	Other debts	9,192	12,112
2.01.05.02.09	Lease liabilities with related parties	212,494	204,525
2.01.05.02.10	Third's leasing Liabilities	288,681	150,888
2.01.06	Provisions	60,909	62,799
2.01.06.01	Tax provisions Social Security Labor and Civil	60,380	62,469
2.01.06.01.01	Tax provisions	1,052	1,052
2.01.06.01.02	Social Security and Labor Provisions	26,544	17,921
2.01.06.01.03	Provisions for Employee Benefits	30,708	41,354
2.01.06.01.04	Civil provisions	0	403
2.01.06.01.05	Labor Provisions for contingencies	2,076	1,739
2.01.06.02	Other Provisions	529	330
2.01.06.02.03	Provisions for environmental liabilities and Deactivation	529	330
2.02	Non-current liabilities	5,216,446	4,223,657
2.02.01	Loans and Financing	1,431,883	1,753,056

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2.02.01.01	Loans and Financing	1,431,883	1,753,056
2.02.01.01.01	In Local Currency	1,431,883	1,753,056
2.02.02	Other obligations	3,381,954	2,317,048
2.02.02.02	Others	3,381,954	2,317,048
2.02.02.02.04	Derivative	72,953	56,965
2.02.02.02.05	Other debts	92	114
2.02.02.02.06	Lease liabilities with related parties	1,768,470	1,517,643
2.02.02.02.07	Third's leasing Liabilities	1,540,439	742,326
2.02.03	Deferred taxes	402,609	153,553
2.02.03.01	Income Tax and Social Contribution Deferred	402,609	153,553
2.03	Shareholder's Equity	3,699,587	2,940,379
2.03.01	Capital Stock	947,522	947,522
2.03.02	Capital reserves	53,231	44,583
2.03.02.01	Premium on issue of shares	37,278	38,923
2.03.02.04	Options Granted	62,511	58,581
2.03.02.05	Treasury shares	(46,558)	(52,921)
2.03.04	Profit Reserves	862,055	978,074
2.03.04.01	Legal reserve	87,136	87,136
2.03.04.02	Statutory reserve	754,249	754,249
2.03.04.05	Retained Earnings Reserve	5,628	5,628
2.03.04.08	Additional Dividend Proposed	0	116,019
2.03.04.10	Incentivized Investment reserve	15,042	15,042
2.03.05	Profits / Losses	763,389	0
2.03.08	Other Comprehensive Income	1,073,390	970,200

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

Code of account	Account description	Same quarter	Same quarter	Accumulated of the	
		Current Quarter 04/01/2021 to 06/30/2021	previous year 01/01/2020 to 06/30/2020	previous year 04/01/2020 to 06/30/2020	Previous year 01/01/2020 to 06/30/2020
3.01	Revenue from Sale of Goods and / or Services	1,438,678	2,717,977	840,538	1,616,652
3.01.01	Operating Revenue of Products	887,406	1,564,987	465,670	1,006,484
3.01.02	Change in fair value of biological assets	551,272	1,152,990	374,868	610,168
3.02	Cost of Goods and / or Services Sold	(769,494)	(1,483,043)	(505,754)	(1,016,898)
3.02.01	Cost of Products	(465,620)	(895,306)	(341,401)	(690,168)
3.02.02	Realization of Fair Value of Biological Assets	(303,874)	(587,737)	(164,353)	(326,730)
3.03	Gross income	669,184	1,234,934	334,784	599,754
3.04	Operating Income / Expenses	27,114	23,800	(19,410)	(42,861)
3.04.01	Selling Expenses	(28,234)	(74,177)	(32,714)	(68,554)
3.04.02	General and Administrative Expenses	(42,014)	(80,000)	(24,286)	(51,936)
3.04.02.01	General and Administrative	(38,974)	(69,080)	(21,885)	(43,430)
3.04.02.02	Management's fees	(3,040)	(10,920)	(2,401)	(8,506)
3.04.04	Other Operating Income	10,755	13,366	1,829	5,482
3.04.05	Other Operating Expenses	(5,339)	(8,831)	(1,696)	(4,649)
3.04.06	Equity income	91,946	173,442	37,457	76,796
3.05	Income before financial result and taxes	696,298	1,258,734	315,374	556,893
3.06	Financial result	(111,443)	(180,971)	(52,778)	(95,040)
3.06.01	Financial income	80,014	159,261	58,392	195,218
3.06.02	Financial expenses	(191,457)	(340,232)	(111,170)	(290,258)
3.07	Income Before Taxes on Profit	584,855	1,077,763	262,596	461,853
3.08	Income Tax and Social Contribution on Profit	(166,131)	(316,179)	(76,901)	(132,633)
3.08.01	Current	(81,675)	(117,287)	2	(507)
3.08.02	Deferred	(84,456)	(198,892)	(76,903)	(132,126)
3.09	Net Income from Continuing Operations	418,724	761,584	185,695	329,220
3.11	Profit / Loss for the Period	418,724	761,584	185,695	329,220
3.99	Earnings per share - (R \$ / Share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	2.22903	4.05421	0.99228	1.75922
3.99.02	Diluted earnings per share				
3.99.02.01	ON	2.21569	4.02995	0.99162	1.75804

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Individual financial statements / Statement of Comprehensive Income**(In thousands of Reais)**Code of Account description
account

		Current Quarter	Same quarter previous year	Same quarter previous year	Accumulated of the Previous year
		04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020
4.01	Net income for the period	418,724	761,584	185,695	329,220
4.02	Other Comprehensive Income	243,586	104,995	(31,376)	(259,783)
4.02.01	Cash flow hedge derivatives	341,725	147,543	(41,507)	(361,617)
	Cash flow hedge derivatives -				
4.02.02	Controlled	18,048	7,616	(4,003)	(21,116)
4.02.03	Income tax and social contribution	(116,187)	(50,164)	14,113	122,950
4.02.05	Gain (loss) participation capital's	0	0	21	0
4.03	Results Comprehensive Period	662,310	866,579	154,319	69,437

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

Code of account	Account description	Accumulated of the	Accumulated of the
		current year	previous quarter
		01/01/2021 to 06/30/2021	01/01/2020 to 06/30/2020
6.01	Net Cash Operating Activities	(3,454)	(100,569)
6.01.01	Cash Flow From Operating Activities	627,905	386,003
6.01.01.01	Net Income (loss) before income taxes	1,077,763	461,853
6.01.01.02	Depreciation and amortization - in search results	40,821	32,264
6.01.01.03	Write-off of fixed assets	8,225	4,414
6.01.01.04	Equity Loss	(173,442)	(76,796)
6.01.01.05	Interest, exchange and monetary variation	(1,684)	119,056
6.01.01.06	Stock-based compensation	3,930	3,054
6.01.01.07	Variation of Biological Assets	(565,253)	(283,438)
6.01.01.08	Provision (reversal) Partic. the results and labor contingencies	27,984	13,499
6.01.01.09	Provision (reversal) for Inventory Adjustment to market value	0	245
6.01.01.10	APV - Liabilities rental	136,952	69,711
6.01.01.11	Amortization of Right of Use	70,161	42,022
6.01.01.12	Others	2,448	119
6.01.02	Changes in Assets and Liabilities	(631,359)	(486,572)
6.01.02.01	Accounts receivable	98,318	111,052
6.01.02.02	Inventories and biological assets	(163,993)	(114,041)
6.01.02.03	Recoverable Taxes	(39,643)	(16,929)
6.01.02.05	Financial investments	(6)	31,938
6.01.02.06	Other accounts receivable	(20,715)	6,940
6.01.02.07	Suppliers	(581,130)	(508,421)
6.01.02.09	Fiscal and social obligations	(42,751)	(12,981)
6.01.02.10	Obligations with related parties	10,779	(3,193)
6.01.02.11	Derivative transactions	29,637	(100,394)
6.01.02.12	Advances from customers	130,758	188,931
6.01.02.13	Rentals payable	0	(71)
6.01.02.14	Other bills to pay	(2,298)	(2,875)
6.01.02.15	Dividends Received	41,321	20,000
6.01.02.16	Advance to suppliers	2,537	501
6.01.02.17	Interest Paid	(30,364)	(49,705)
6.01.02.18	Income tax and social contribution paid	(63,809)	(37,324)
6.02	Net cash investing activities	(192,987)	(113,064)
6.02.02	In fixed assets	(175,968)	(101,978)
6.02.03	In intangible	(17,019)	(11,086)
6.03	Net cash from financing activities	(91,228)	211,754
6.03.01	Loans and financing	499,990	712,124
6.03.02	Loans and financing paid	(177,194)	(308,761)
6.03.03	Sale or repurchase of Shares	4,718	2,661
6.03.04	Paid leases	(219,052)	(120,475)
6.03.05	Dividends paid	(199,690)	(73,748)
6.03.06	Payment of Capital	0	(47)
6.05	Increase (Decrease) in Cash	(287,669)	(1,879)
6.05.01	Opening balance of cash and cash equivalents	1,319,290	649,548
6.05.02	Closing balance of cash and cash equivalents	1,031,621	647,669

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**Consolidated financial statements / Statement of changes in shareholders' equity /
DMPL - 01/01/2021 to 06/30/2021****(In thousands of Reais)**

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	947,522	44,583	978,074	0	970,200	2,940,379
5.03	Initial Adjusted Balances	947,522	44,583	978,074	0	970,200	2,940,379
5.04	Capital transactions with Partners	0	8,648	0	0	0	8,648
5.04.03	Recognized Granted Options	0	3,930	0	0	0	3,930
5.04.08	Goodwill on the delivery of shares	0	6,363	0	0	0	6,363
5.04.09	Premium on Delivery of Shares	0	(1,645)	0	0	0	(1,645)
5.05	Total Comprehensive Income	0	0	0	763,389	103,190	866,579
5.05.01	Net income for the period	0	0	0	761,584	0	761,584
5.05.02	Other Comprehensive Income	0	0	0	1,805	103,190	104,995
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	147,543	147,543
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	(50,164)	(50,164)
5.05.02.03	Equity in the comprehensive income of subsidiaries and affiliates	0	0	0	0	7,616	7,616
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	1,540	(1,540)	0
5.05.02.07	Realization of sales of the deemed cost a to fixed assets	0	0	0	124	(124)	0
5.05.02.08	Realization of depreciation of the deemed cost a to fixed assets- Subsidiaries	0	0	0	141	(141)	0
5.06	Internal Changes in Equity	0	0	(116,019)	0	0	(116,019)
5.06.04	Dividend paid on reserve balance	0	0	(116,019)	0	0	(116,019)
5.07	Ending balances	947,522	53,231	862,055	763,389	1,073,390	3,699,587

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

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	947,522	33,439	680,719	0	1,122,997	2,784,677
5.02	Adjustments from Previous	0	0	0	0	0	0
5.03	Initial Adjusted Balances	947,522	33,439	680,719	0	1,122,997	2,784,677
5.04	Capital transactions with Partners	0	5,715	0	0	0	5,715
5.04.03	Recognized Granted Options	0	3,054	0	0	0	3,054
5.04.08	Goodwill on the delivery of shares	0	4,959	0	0	0	4,959
5.04.09	Premium on Delivery of Shares	0	(2,298)	0	0	0	(2,298)
5.05	Total Comprehensive Income	0	0	0	330,694	(261,257)	69,437
5.05.01	Net income for the period	0	0	0	329,220	0	329,220
5.05.02	Other Comprehensive Income	0	0	0	1,474	(261,257)	(259,783)
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	(361,617)	(361,617)
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	122,950	122,950
5.05.02.03	Equity in the comprehensive income of subsidiaries and affiliates	0	0	0	0	(21,116)	(21,116)
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	1,344	(1,344)	0
5.05.02.07	Realization of sales of the deemed cost a to fixed assets	0	0	0	270	(270)	0
5.05.02.08	Realization of depreciation of the deemed cost a to fixed assets- Subsidiaries	0	0	0	(140)	140	0
5.07	Ending balances	947,522	39,154	680,719	330,694	861,740	2,859,829

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

Code of account	Account description	Accumulated of the	Accumulated of the
		current year 01/01/2021 to 06/30/2021	previous year 01/01/2020 to 06/30/2020
7.01	Revenue	3,029,354	1,820,117
7.01.01	Sales of Goods, Products and Services	1,808,511	1,185,445
7.01.02	Other Revenues	1,166,501	612,325
7.01.02.01	Other Revenues	13,511	2,157
7.01.02.02	Change in fair value of Biological Assets	1,152,990	610,168
7.01.03	Revenue from the Construction of Own Assets	54,342	22,347
7.02	Inputs Acquired from Third Parties	(1,437,196)	(968,568)
7.02.01	Costs of Products, merchandises and services sold	(8,101)	(858)
7.02.02	Materials, Energy, Third Parties Services and Others	(335,724)	(245,857)
7.02.03	Loss / Recovery Asset Values	0	(259)
7.02.04	Others	(1,093,371)	(721,594)
7.02.04.01	Raw materials consumed	(505,634)	(394,864)
7.02.04.02	Adjustment to fair value of biological assets	(587,737)	(326,730)
7.03	Gross Added Value	1,592,158	851,549
7.04	Retentions	(110,982)	(74,286)
7.04.01	Depreciation, Amortization and Depletion	(40,821)	(32,264)
7.04.02	Others	(70,161)	(42,022)
7.04.02.01	Amortization of Right of Use	(70,161)	(42,022)
7.05	Net Produced Added Value	1,481,176	777,263
7.06	Added Value Received in Transfer	335,950	274,263
7.06.01	Equity income	173,442	76,796
7.06.02	Financial income	159,261	195,218
7.06.03	Others	3,247	2,249
7.07	Total Ditrutable Added Value	1,817,126	1,051,526
7.08	Added Value Distribution	1,817,126	1,051,526
7.08.01	Expenses with personnel	172,086	120,829
7.08.01.01	Direct compensation	97,548	70,283
7.08.01.02	Benefits	64,204	42,501
7.08.01.03	F.G.T.S.	10,334	8,045
7.08.02	Taxes, fees and contributions	323,739	149,265
7.08.02.01	Federal	321,944	146,053
7.08.02.02	State	1,572	2,989
7.08.02.03	Municipal	223	223
7.08.03	Third parties' assets	559,717	452,212
7.08.03.01	Interest	553,720	438,139
7.08.03.02	Rents	5,997	14,073
7.08.04	Equity Compensation	761,584	329,220
7.08.04.03	Retained Earnings / Loss for the Period	761,584	329,220

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

Code of account	Account description	Accumulated of the current year 06/30/2021	Accumulated of the Previous Year 12/31/2020
1	Total assets	10,248,415	8,589,691
1.01	Current assets	4,723,424	4,201,380
1.01.01	Cash and cash equivalents	1,270,308	1,604,053
1.01.01.01	Cash and cash equivalents	1,270,308	1,604,053
1.01.03	Accounts receivable	283,000	346,882
1.01.03.01	Customers	93,682	207,283
1.01.03.02	Other Accounts Receivable	189,318	139,599
1.01.03.02.01	Advances to suppliers	2,547	3,580
1.01.03.02.02	Derivative	147,234	98,587
1.01.03.02.03	Titles and credits receivable	31,619	31,207
1.01.03.02.04	Credits Related Party	27	8
1.01.03.02.05	Other Accounts Receivable	7,891	6,217
1.01.04	Inventories	1,217,472	1,301,082
1.01.05	Biological assets	1,838,781	891,804
1.01.06	Recoverable taxes	77,981	39,447
1.01.06.01	Current recoverable taxes	77,981	39,447
1.01.06.01.01	Current taxes recoverable	77,981	39,447
1.01.07	Prepaid expenses	35,285	17,141
1.01.08	Other Current Assets	597	971
1.01.08.02	Discontinued Operations Assets	597	971
1.02	Non-current assets	5,524,991	4,388,311
1.02.01	Long-term assets	364,750	355,787
1.02.01.03	Financial investments at amortized cost	669	663
1.02.01.07	Deferred taxes	5,429	20,480
1.02.01.07.01	Income Tax and Social Contribution Deferred	5,429	20,480
1.02.01.08	Prepaid expenses	27	437
1.02.01.10	Other Non-current Assets	358,625	334,207
1.02.01.10.03	Taxes to recover	123,712	111,203
1.02.01.10.04	Derivative	159,075	146,785
1.02.01.10.05	Other Accounts Receivable	14,787	13,705
1.02.01.10.06	Advances to suppliers	61,051	59,814
1.02.01.10.07	Titles and credits receivable	0	2,700
1.02.02	Investments	224,095	224,194
1.02.02.02	Investment Property	224,095	224,194
1.02.03	PP&E	4,882,732	3,773,040
1.02.03.01	PP&E in operation	2,997,099	2,933,711
1.02.03.02	Right-of-Use in Progress	1,828,635	828,496
1.02.03.02.01	Asset use rights	1,828,635	828,496
1.02.03.03	Construction in Progress	56,998	10,833
1.02.04	Intangible	53,414	35,290
1.02.04.01	Intangibles	53,414	35,290
1.02.04.01.02	New Systems Implementation	48,899	30,661
1.02.04.01.03	Others (system)	4,515	4,629

(A free translation of the original in Portuguese)

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

Code of	Account description	Accumulated of the current year	Accumulated of the Previous Year
account		06/30/2021	12/31/2020
2	Total liabilities	10,248,415	8,589,691
2.01	Current liabilities	2,546,371	2,337,097
2.01.01	Payroll and Related Charges	13,651	13,157
2.01.01.01	Social obligations	12,443	12,458
2.01.01.02	Labor obligations	1,208	699
2.01.02	Suppliers	405,898	1,101,769
2.01.02.01	National suppliers	405,898	1,101,769
2.01.02.01.01	National suppliers	405,898	1,101,769
2.01.03	Tax obligations	115,165	57,186
2.01.03.01	Federal Taxes	113,902	54,689
2.01.03.01.01	Income Tax and Social Contribution Payable	101,634	47,449
2.01.03.01.02	Taxes and Contributions Several	12,268	7,240
2.01.03.02	State Taxes	881	2,126
2.01.03.03	Municipal Taxes	382	371
2.01.04	Loans and Financing	1,130,885	377,547
2.01.04.01	Loans and Financing	1,130,885	377,547
2.01.04.01.01	In Local Currency	1,130,885	377,547
2.01.05	Other obligations	811,257	715,177
2.01.05.01	Related Party Liabilities	149	118
2.01.05.01.04	Other Payables to Related Parties	149	118
2.01.05.02	Others	811,108	715,059
2.01.05.02.01	Dividends and Interest on equity Payable	9	83,680
2.01.05.02.02	Mandatory minimum dividend payable	0	2,652
2.01.05.02.04	Advances from Customers	199,672	68,264
2.01.05.02.05	Operations with Derivatives	278,185	358,969
2.01.05.02.06	Lease payable	0	5,283
2.01.05.02.07	Titles to pay	12,273	12,273
2.01.05.02.08	Other debts	19,841	21,680
2.01.05.02.10	Third's leasing Liabilities	301,128	162,258
2.01.06	Provisions	69,515	72,261
2.01.06.01	Tax provisions Social Security Labor and Civil	68,986	71,931
2.01.06.01.01	Tax provisions	1,123	1,123
2.01.06.01.02	Social Security and Labor Provisions	29,528	20,131
2.01.06.01.03	Provisions for Employee Benefits	34,425	46,701
2.01.06.01.04	Civil provisions	1,590	1,993
2.01.06.01.05	Labor Provisions for contingencies	2,320	1,983
2.01.06.02	Other Provisions	529	330
2.01.06.02.03	Provisions for environmental liabilities and Deactivation	529	330

(A free translation of the original in Portuguese)

2.02	Non-current liabilities	3,725,211	3,101,536
2.02.01	Loans and Financing	1,556,453	2,039,736
2.02.01.01	Loans and Financing	1,556,453	2,039,736
2.02.01.01.01	In Local Currency	1,556,453	2,039,736
2.02.02	Other obligations	1,636,284	830,998
2.02.02.02	Others	1,636,284	830,998
2.02.02.02.03	Titles to pay	0	706
2.02.02.02.04	Derivative	73,162	58,152
2.02.02.02.05	Other debts	92	114
2.02.02.02.07	Third's leasing Liabilities	1,563,030	772,026
2.02.03	Deferred taxes	532,474	230,802
2.02.03.01	Income Tax and Social Contribution Deferred	532,474	230,802
2.03	Shareholder's Equity	3,976,833	3,151,058
2.03.01	Capital Stock	947,522	947,522
2.03.02	Capital reserves	53,231	44,583
2.03.02.01	Premium on issue of shares	37,278	38,923
2.03.02.04	Options Granted	62,511	58,581
2.03.02.05	Treasury shares	(46,558)	(52,921)
2.03.04	Profit Reserves	862,055	978,074
2.03.04.01	Legal reserve	87,136	87,136
2.03.04.02	Statutory reserve	754,249	754,249
2.03.04.05	Retained Earnings Reserve	5,628	5,628
2.03.04.08	Additional Dividend Proposed	0	116,019
2.03.05	Profits / Losses	763,389	0
2.03.08	Other Comprehensive Income	1,073,390	970,200
2.03.09	Shareholders Non-controlling interest	277,246	210,679

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of income

(In thousands of Reais)			Same	Same	Accumulated
Code of	Account description	Current	quarter	quarter	of the
account		Quarter	previous	previous	Previous
		04/01/2021	01/01/2020	04/01/2020	Previous
		to	to	to	year
		06/30/2021	06/30/2020	06/30/2020	01/01/2020 to
					06/30/2020
3.01	Revenue from Sale of Goods and / or Services	1,687,896	3,253,276	983,909	1,910,715
3.01.01	Operating Revenue of Products	1,043,853	1,871,343	562,629	1,195,261
3.01.02	Change in fair value of biological assets	644,043	1,381,933	421,280	715,454
3.02	Cost of Goods and / or Services Sold	(895,667)	(1,763,685)	(596,454)	(1,195,712)
3.02.01	Cost of Products	(526,392)	(1,038,477)	(400,933)	(813,816)
3.02.02	Realization of Fair Value of Biological Assets	(369,275)	(725,208)	(195,521)	(381,896)
3.03	Gross income	792,229	1,489,591	387,455	715,003
3.04	Operating Income / Expenses	(72,338)	(164,463)	(63,408)	(134,219)
3.04.01	Selling Expenses	(32,786)	(86,165)	(36,850)	(78,623)
3.04.02	General and Administrative Expenses	(46,194)	(87,335)	(26,748)	(56,238)
3.04.02.01	General and Administrative	(43,041)	(76,168)	(24,214)	(47,354)
3.04.02.02	Management's fees	(3,153)	(11,167)	(2,534)	(8,884)
3.04.04	Other Operating Income	11,907	17,527	2,159	5,712
3.04.05	Other Operating Expenses	(5,265)	(8,490)	(1,969)	(5,070)
3.05	Income before financial result and taxes	719,891	1,325,128	324,047	580,784
3.06	Financial result	(68,834)	(102,639)	(34,739)	(60,464)
3.06.01	Financial income	100,341	192,893	73,235	238,025
3.06.02	Financial expenses	(169,175)	(295,532)	(107,974)	(298,489)
3.07	Income Before Taxes on Profit	651,057	1,222,489	289,308	520,320
3.08	Income Tax and Social Contribution on Profit	(203,817)	(398,445)	(93,218)	(167,833)
3.08.01	Current	(102,583)	(139,468)	(2,945)	(4,315)
3.08.02	Deferred	(101,234)	(258,977)	(90,273)	(163,518)
3.09	Net Income from Continuing Operations	447,240	824,044	196,090	352,487
3.11	Profit / Loss Consolidated Period	447,240	824,044	196,090	352,487
3.11.01	Assigned to Company Partners Company	418,724	761,584	185,695	329,220
3.11.02	Assigned to non-controlling Partners	28,516	62,460	10,395	23,267
3.99	Earnings per share - (R \$ / Share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	2.22903	4.05421	0.99228	1.75922
3.99.02	Diluted earnings per share				
3.99.02.01	ON	2.21569	4.02995	0.99162	1.75804

Consolidated financial statements / Statement of Comprehensive Income

(In thousands of Reais)			Same quarter previous year	Same quarter previous year	Accumulated of the Previous year
Code of account	Account description	Current Quarter	01/01/2021 to	04/01/2020 to	01/01/2020 to
		04/01/2021 to 06/30/2021	06/30/2021	06/30/2020	06/30/2020
4.01	Consolidated Net Income for the Period	447,240	824,044	196,090	352,487
4.02	Other Comprehensive Income	260,291	112,097	(35,053)	(279,062)
4.02.01	Cash flow hedge derivatives	394,378	169,843	(53,111)	(422,821)
4.02.03	Income tax and social contribution	(134,087)	(57,746)	18,058	143,759
4.03	Consolidated Comprehensive Income for the Period	707,531	936,141	161,037	73,425
4.03.01	Assigned to Company Partners Company	662,310	866,579	154,319	69,437
4.03.02	Assigned to non-controlling Partners	45,221	69,562	6,718	3,988

(A free translation of the original in Portuguese)

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

Code of account	Account description	Accumulated of the current year 01/01/2021 to 06/30/2021	Accumulated of the previous year 01/01/2020 to 06/30/2020
6.01	Net Cash Operating Activities	(33,086)	(155,892)
6.01.01	Cash Flow From Operating Activities	756,131	469,041
6.01.01.01	Net Income (loss) before income taxes	1,222,489	520,320
6.01.01.02	Depreciation and amortization - in search results	60,757	49,491
6.01.01.03	Write-off of fixed assets	8,282	4,830
6.01.01.05	Interest, exchange and monetary variation	(10,730)	154,970
6.01.01.06	Stock-based compensation	3,930	3,054
6.01.01.07	Variation of Biological Assets	(656,725)	(333,558)
6.01.01.08	Provision (reversal) Partic. the results and labor contingencies	30,767	14,861
6.01.01.09	Provision (reversal) for Inventory Adjustment to market value	0	331
6.01.01.10	APV - Liabilities rental	53,959	28,594
6.01.01.11	Amortization of Right of Use	40,182	25,913
6.01.01.12	Others	3,121	119
6.01.01.13	Fair value of investment properties	99	116
6.01.02	Changes in Assets and Liabilities	(789,217)	(624,933)
6.01.02.01	Accounts receivable	113,601	139,581
6.01.02.02	Inventories and biological assets	(149,516)	(144,958)
6.01.02.03	Recoverable Taxes	(51,129)	(22,093)
6.01.02.05	Financial investments	(6)	33,628
6.01.02.06	Other accounts receivable	(23,255)	(780)
6.01.02.07	Suppliers	(691,430)	(601,097)
6.01.02.08	Fiscal and social obligations	(45,986)	(10,647)
6.01.02.09	Obligations with related parties	12	(6)
6.01.02.10	Derivative transactions	43,133	(145,392)
6.01.02.11	Advances from customers	131,408	230,196
6.01.02.12	Rentals payable	(5,283)	(71)
6.01.02.13	Other bills to pay	(3,412)	5,325
6.01.02.15	Advance to suppliers	1,018	392
6.01.02.16	Interest Paid	(37,156)	(61,821)
6.01.02.17	Income tax and social contribution paid	(71,216)	(46,484)
6.01.02.18	Titles to pay	0	(706)
6.02	Net cash investing activities	(212,425)	(130,344)
6.02.02	In fixed assets	(194,644)	(119,213)
6.02.03	In intangible	(17,075)	(11,131)
6.02.04	Land Return Payment	(706)	0
6.03	Net cash from financing activities	(88,234)	326,291
6.03.01	Loans and financing	554,990	858,124
6.03.02	Loans and financing paid	(238,699)	(352,012)
6.03.03	Sale or repurchase of Shares	4,718	2,661
6.03.04	Paid leases	(203,904)	(108,734)
6.03.05	Dividends paid	(205,339)	(73,748)
6.05	Increase (Decrease) in Cash	(333,745)	40,055
6.05.01	Opening balance of cash and cash equivalents	1,604,053	829,427
6.05.02	Closing balance of cash and cash equivalents	1,270,308	869,482

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2021 to 06/30/2021**(In thousands of Reais)**

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity	Interest of non-controlling shareholders	Consolidated shareholders' equity
5.01	Opening balances Initial Adjusted	947,522	44,583	978,074	0	970,200	2,940,379	210,679	3,151,058
5.03	Balances	947,522	44,583	978,074	0	970,200	2,940,379	210,679	3,151,058
5.04	Capital transactions with Partners	0	8,648	0	0	0	8,648	0	8,648
5.04.03	Recognized Granted Options	0	3,930	0	0	0	3,930	0	3,930
5.04.08	Premium on issuance of Delivery	0	6,363	0	0	0	6,363	0	6,363
5.04.09	Premium on Delivery of Shares	0	(1,645)	0	0	0	(1,645)	0	(1,645)
5.05	Total Comprehensive Income	0	0	0	763,389	103,190	866,579	69,562	936,141
5.05.01	Net income for the period	0	0	0	761,584	0	761,584	62,460	824,044
5.05.02	Other Comprehensive Income	0	0	0	1,805	103,190	104,995	7,102	112,097
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	159,082	159,082	10,761	169,843
5.05.02.02	Taxes s / Adjustments	0	0	0	0	(54,087)	(54,087)	(3,659)	(57,746)
5.05.02.06	Financial Instruments Realization of depreciation of the deemed cost a to fixed assets	0	0	0	1,664	(1,664)	0	0	0
5.05.02.07	Conducting Cost Assigned Fixed Assets - Depreciation	0	0	0	141	(141)	0	0	0
5.06	Internal Changes in Equity	0	0	(116,019)	0	0	(116,019)	(2,995)	(119,014)
5.06.04	Dividend paid on reserve balance	0	0	(116,019)	0	0	(116,019)	0	(116,019)
5.06.05	Minimum mandatory dividend and JSCP	0	0	0	0	0	0	(2,995)	(2,995)
5.07	Ending balances	947,522	53,231	862,055	763,389	1,073,390	3,699,587	277,246	3,976,833

(A free translation of the original in Portuguese)

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

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity	Interest of non-controlling shareholders	Consolidated shareholders' equity
5.01	Opening balances	947,522	33,439	680,719	0	1,122,997	2,784,677	199,744	2,984,421
5.03	Initial Adjusted Balances	947,522	33,439	680,719	0	1,122,997	2,784,677	199,744	2,984,421
5.04	Capital transactions with Partners	0	5,715	0	0	0	5,715	0	5,715
5.04.03	Recognized Granted Options	0	3,054	0	0	0	3,054	0	3,054
5.04.08	Premium on issuance of Delivery	0	4,959	0	0	0	4,959	0	4,959
5.04.09	Premium on Delivery of Shares	0	(2,298)	0	0	0	(2,298)	0	(2,298)
5.05	Total Comprehensive Income	0	0	0	330,694	(261,257)	69,437	3,988	73,425
5.05.01	Net income for the period	0	0	0	329,220	0	329,220	23,267	352,487
5.05.02	Other Comprehensive Income	0	0	0	1,474	(261,257)	(259,783)	(19,279)	(279,062)
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	(393,611)	(393,611)	(29,210)	(422,821)
5.05.02.02	Taxes s / Adjustments Financial Instruments	0	0	0	0	133,828	133,828	9,931	143,759
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	1,614	(1,614)	0	0	0
5.05.02.09	Attributed cost of fixed assets	0	0	0	(140)	140	0	0	0
5.07	Ending balances	947,522	39,154	680,719	330,694	861,740	2,859,829	203,732	3,063,561

(A free translation of the original in Portuguese)

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

Code of account	Account description	Accumulated of the current year 01/01/2021 to 06/30/2021	Accumulated of the previous year 01/01/2020 to 06/30/2020
7.01	Revenue	3,642,738	2,143,387
	Sales of Goods, Products and		
7.01.01	Services	2,183,205	1,396,986
7.01.02	Other Revenues	1,401,480	718,959
7.01.02.01	Other Revenues	19,547	3,505
	Change in fair value of		
7.01.02.02	Biological Assets	1,381,933	715,454
	Revenue from the		
7.01.03	Construction of Own Assets	58,053	27,442
	Inputs Acquired from Third		
7.02	Parties	(1,745,706)	(1,149,053)
	Costs of Products,		
	merchandises and services		
7.02.01	sold	(12,794)	(2,051)
	Materials, Energy, Third		
7.02.02	Parties Services and Others	(390,771)	(284,148)
7.02.03	Loss / Recovery Asset Values	0	(259)
7.02.04	Others	(1,342,141)	(862,595)
7.02.04.01	Raw materials consumed	(616,933)	(480,699)
	Adjustment to fair value of		
7.02.04.02	biological assets	(725,208)	(381,896)
7.03	Gross Added Value	1,897,032	994,334
7.04	Retentions	(100,939)	(75,404)
	Depreciation, Amortization		
7.04.01	and Depletion	(60,757)	(49,491)
7.04.02	Others	(40,182)	(25,913)
7.04.02.01	Amortization of Right of Use	(40,182)	(25,913)
7.05	Net Produced Added Value	1,796,093	918,930
	Added Value Received in		
7.06	Transfer	196,610	253,113
7.06.02	Financial income	192,893	238,025
7.06.03	Others	3,717	15,088
	Total Distributable Added		
7.07	Value	1,992,703	1,172,043
7.08	Added Value Distribution	1,992,703	1,172,043
7.08.01	Expenses with personnel	200,064	143,530
7.08.01.01	Direct compensation	115,670	85,536
7.08.01.02	Benefits	73,004	49,076
7.08.01.03	F.G.T.S.	11,390	8,918
7.08.02	Taxes, fees and contributions	415,133	190,302
7.08.02.01	Federal	405,910	184,192
7.08.02.02	State	8,986	5,887
7.08.02.03	Municipal	237	223
7.08.03	Third parties' assets	553,462	485,724
7.08.03.01	Interest	544,546	473,901
7.08.03.02	Rents	8,916	11,823
7.08.04	Equity Compensation	824,044	352,487
	Retained Earnings / Loss for		
7.08.04.03	the Period	761,584	329,220
	Non controllers in Retained		
7.08.04.04	Earnings participation	62,460	23,267

(A free translation of the original in Portuguese)

Message from Management

Operational Performance – 2020/21 Crop Year

SLC Agrícola ended the soybean harvest setting a new record yield for the fourth straight year. The final soybean yield was 3,970 kg/ha (vs. 3,906 kg/ha in 2019/20 crop year), which is 5.7% higher than our initial projection and 12.5% above the national average (Jul/21 estimate from CONAB).

For cotton, with 37.9% of the area harvested (base date: July 29), the estimated yield, based on a weighted average of 1st crop and 2nd crop cotton, is 1,821 kg/ha, down 1.7% from the initial forecast, but 3.7% higher than in the previous crop year and 6.3% above the national average, based on July estimates from CONAB. Lastly, for 2nd crop corn, with 66.4% of the area harvested as of July 29, the estimated yield is 22.5% below the forecast, at 5,878 kg/ha. Even so, the result is 30.6% above the national average for 2nd crop corn published by CONAB. The decline in estimated yields for cotton and corn reflects mainly the irregular distribution of precipitation in March and April, especially at the farms in the states of Mato Grosso and Mato Grosso do Sul.

Financial Performance

Net Revenue. Net Revenue amounted to R\$1.04 billion in 2Q21 and R\$1.87 billion in 1S21, increasing 85.5% and 56.6% from 2020, respectively. This significant variation was due to the higher sales prices and higher volumes invoiced (in this case, cotton and soybean) in relation to the year-ago period.

Adjusted EBITDA. Adjusted EBITDA was R\$505.2 million in 2Q21, with EBITDA Margin of 48.4%, representing a significant increase of 248.8% compared to 2Q20. In the year to date, Adjusted EBITDA was R\$777.7 million, up 137.3% from 1S20, with Adjusted EBITDA margin of 41.6%, expanding 14.2 p.p. in relation to 1S20. The main factor contributing to this variation in Adjusted EBITDA variation was the growth in Gross Income, supported by the higher volume invoiced and by higher prices, especially for cotton and soybean. Note also that this result reflects in large part the performance of soybean crop, which registered high margins.

Net Income. Net Income advanced by 133.8% in 1S21 reaching R\$824.1 million, and, in the quarter, had an increase of 128.1%, ending the period at R\$447.2 million. This record result in the period was notably due to the higher prices invoiced combined with the higher volumes of cotton and soybean invoiced, as well as the positive effect of the accounting dynamics of Biological Assets (Revenue – Cost), given the expectation of margins above those registered last crop year.

Cash Flow and Debt. Free Cash Flow was negative in both the quarter and six-month periods. This performance is natural in the cash conversion cycle of the business, which has higher working capital needs in the first half of the year for the payment of inputs. Adjusted net debt ended the period at R\$1.4 billion, increasing R\$694.3 million compared to a year earlier, with the Net Debt/EBITDA ratio at 0.99 times.

Hedge Position

We made progress in our hedge position for the 2020/21 crop year, achieving excellent international prices levels for all our crops (more details in Table 24). For the 2021/22 crop year, note that the calculation of the hedged percentages already considers the expected production from the areas of Agrícola Xingú and Terra Santa Propriedades Agrícolas.

(A free translation of the original in Portuguese)

Acquisition of Inputs 2021/22 Crop Year

With regard to input purchases for the 2021/22 crop year, to date we have acquired the majority of the estimated demand for the new crop year. Considering the current scenario for dollar-denominated costs and prices, as well as the current FX rate, we expect to maintain our good profitability levels into 2021/22.

Conclusion of Business Combination with Terra Santa.

On August 2, we announced through a Material Fact notice the conclusion of the business combination with Terra Santa (which excludes land and improvements), via the incorporation of Terra Santa's shares by SLC.

With this important transaction, as already announced by the Company, there is a potential to expand our planted area by approximately 145,000 hectares for the 2021/22 crop year.

The total amount attributed to the agricultural operation of Terra Santa (excluding the value of land and improvements), as announced, is of approximately seven hundred and fifty-three million reais (R\$753,000,000.00), which reflects the valuation of the items working capital, fixed assets and other assets. The exchange ratio of the Stock Merger is based on a net equity value of sixty-five million reais (R\$65,000,000.00), with the remainder corresponding to the cash and/or debt assumed, as determined by the variation in the balance of the items, **to be determined.**

The amount of sixty-five million reais (R\$65,000,000.00) was realized on August 1, 2021, when the first capital increase of SLC Agrícola was carried out, upon the issue of two million, five hundred and sixteen thousand, four hundred fifty-four (2,516,454) common shares, for the total subscription price of one hundred thirty-eight million reais (R\$138,000,000.00), corresponding to fifty-four reais and eighty-four centavos (R\$54.84) per share. Of this total, sixty-five million reais (R\$65,000,000.00) was allocated to the capital stock account, and the remainder, corresponding to seventy-three million reais (R\$73,000,000.00), was allocated to the Company's capital reserve. Accordingly, the Company's capital stock changed from nine hundred forty-seven million, five hundred twenty-one thousand, five hundred and nine reais and eighty-five cents (R\$947,521,509.85), divided into one hundred and ninety million, five hundred ninety-five thousand (190,595,000) common shares, to one billion, twelve million, five hundred twenty-one thousand, five hundred and nine reais and eighty-five cents (R\$1,012,521,509.85), divided into one hundred ninety-three million, one hundred and eleven thousand, four hundred fifty-four (193,111,454) registered, book-entry common shares without par value. The debts assumed will be settled by the Company as soon as possible.

Note that this operation is aligned with the Company's strategic pillar of Asset Light Growth.

We truly believe that the successful execution of our strategy reflects the tripod formed by People, Technology and Processes. In this context, the Company's management has been focusing on integrating the people coming from the business combination.

ESG

In this earnings release, the ESG section is dedicated to the topic of **Sustainable Financing**, which is already used by the Company and consists of allocating financial resources to projects that adopt or comply with sustainable practices.

COVID-19

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

(A free translation of the original in Portuguese)

Awards

- We were the 5th best Agro company to work for within the “large companies” category, on the GPTW Agro award;
- Pamplona Farm was champion of the national Maximum Productivity challenge promoted by the *Strategic Committee Brazil Soybean* (CESB), under the dryland category for the midwestern region, with an yield of 100.3 bags/ha (6,019.8 kg/ha), in the 2020/21 crop year.
- For the sixth straight time, we won the main categories in the Latin America Executive Team Awards, which is carried out by Institutional Investor magazine to measure the performance of organizations on various fronts, such as the performance of CEOs, CFOs and Investor Relations teams, as well as Environmental, Sustainability and Governance (ESG) practices.

The results of this award is shown below:

Table 1 Institucional Investor Awards 2021

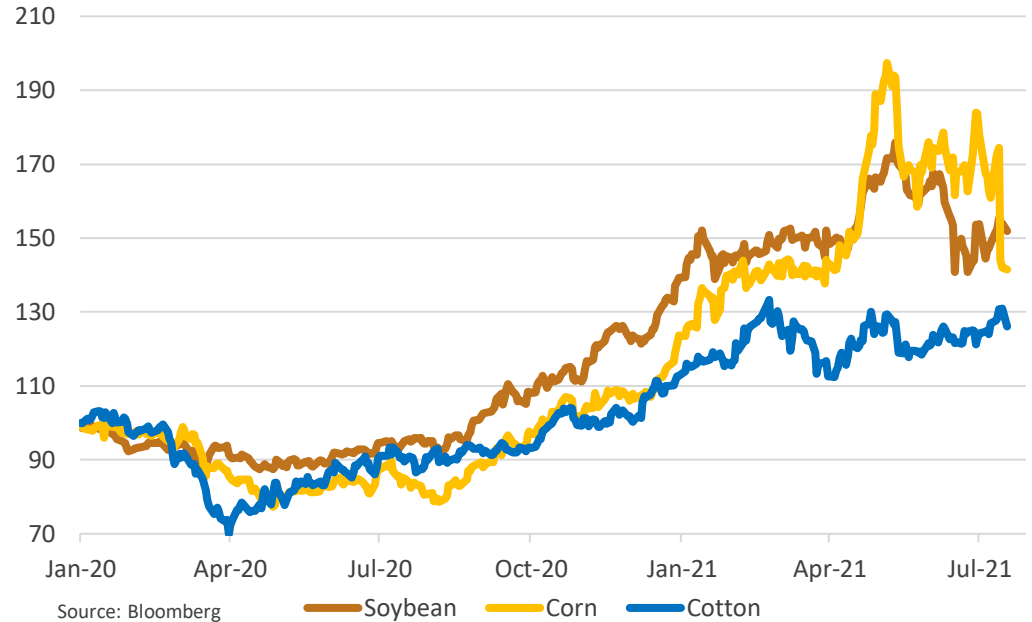
	General Ranking- Agrobusiness Sector	Small Caps - Agrobusiness Sector (combined - Sell Side and Buy Side)
Best CEO	1st - Aurélio Pavinato	1st Aurélio Pavinato
Best CFO	1st Ivo Brum	1st Ivo Brum
Best IR Program	2nd SLC Agrícola	1st SLC Agrícola
Best IR Professional	2nd Frederico Logemann	1st Frederico Logemann
Best IR Team	2nd SLC Agrícola	1st SLC Agrícola
Best investor/analyst events	1st SLC Agrícola	1st SLC Agrícola
Best ESG	1st SLC Agrícola	1st SLC Agrícola
Crisis Management amid COVID 19	2nd SLC Agrícola	1st SLC Agrícola

The Management

Market Overview

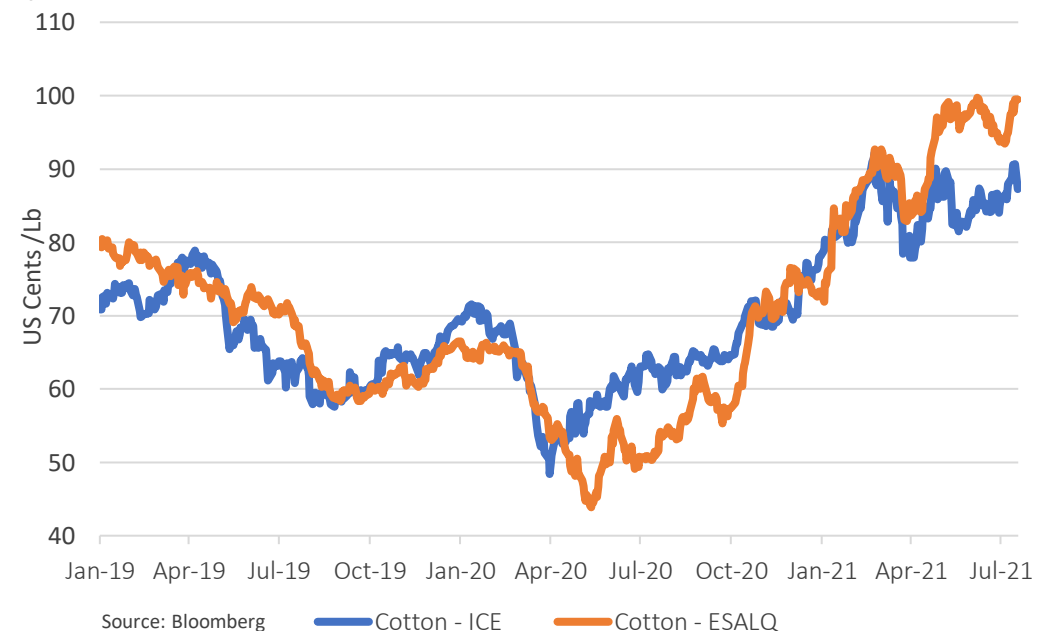
Commodities

Figure 1 Price Variations, Select Commodities, Jan/2020 to Ju/2021- Base 100



Cotton

Figure 2 Cotton Prices in International Market vs. Brazil

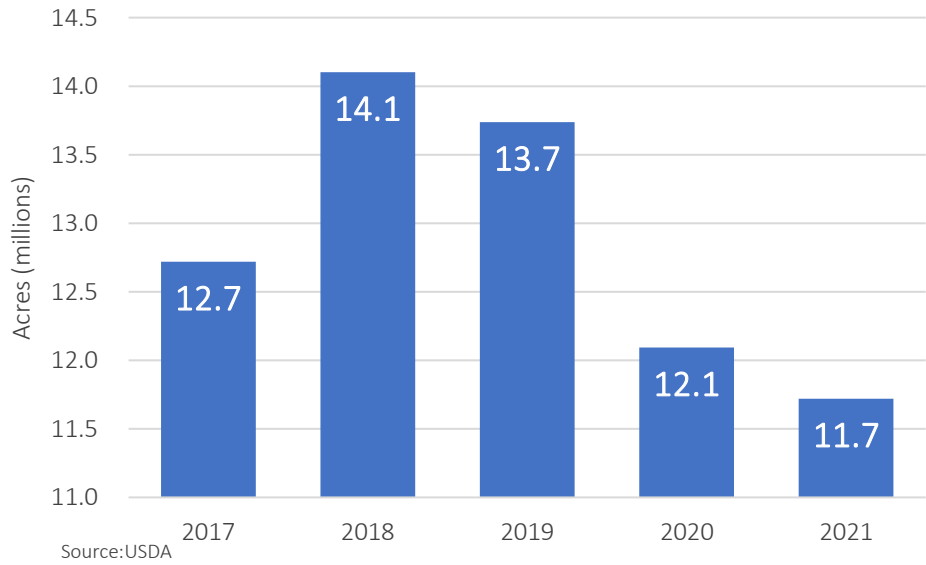


The stabilization in the global cotton supply-demand deficit for the second straight year has been a major support factor, keeping cotton prices between 80 and 90 ct/lb.

In the United States, the confirmation of a 4% contraction in the planted area for the current crop year (vs. the previous crop year) is an important factor to be monitored, since the level will be the lowest of the last five years and could adversely affect the country's total cotton production.

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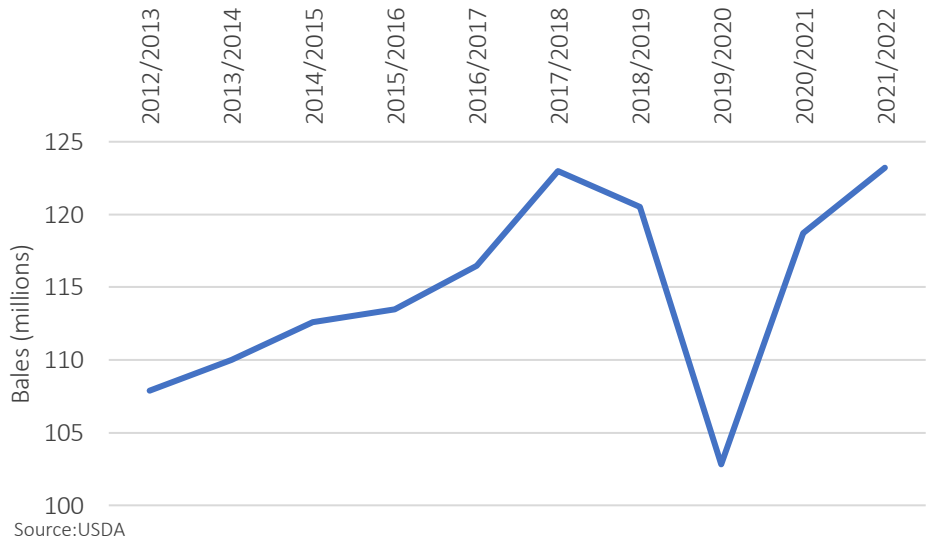
Figure 3 Cotton – Planted area in the USA



The smaller planted area, combined with the risks inherent to agriculture, could create opportunities for Brazilian exports, since the United States is the world’s leading cotton exporter, followed by Brazil.

The expectation of a recovery and increase in global cotton consumption, combined with the surmounting of the uncertainties that emerged in past cycles caused by the Covid-19 pandemic, are factors contributing to the expectation that global cotton consumption will exceed 123 million bales, which would be the highest volume of the data series.

Figure 4 Cotton - World Consumption

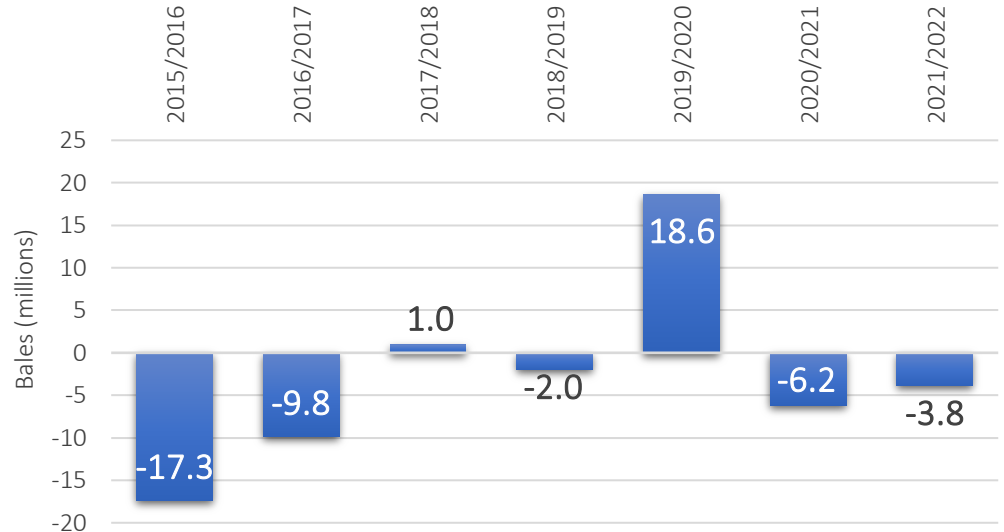


“expectation that global cotton demand will exceed 123 million bales, which would be the highest of the data series.”

For the global supply-demand balance, the expectation is for another year of demand surpassing supply by approximately 3.8 million bales, which should provide support for cotton prices.

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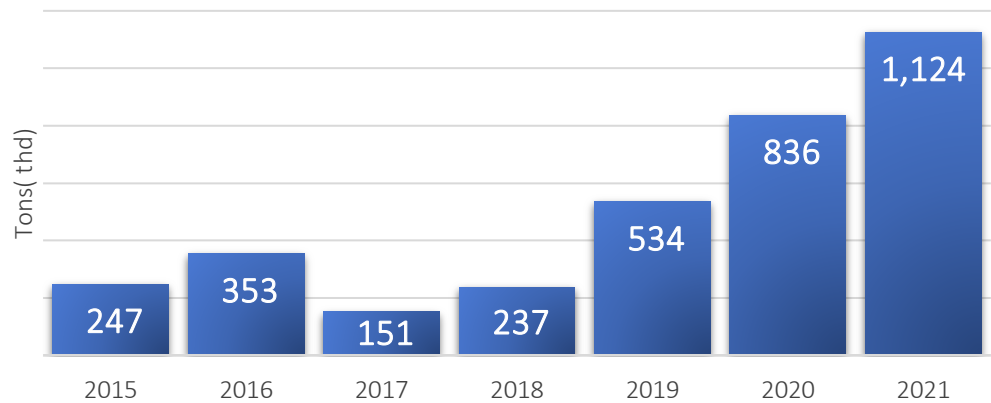
Figure 5 Cotton – World Supply-Demand Balance



Source:USDA

Brazilian cotton exports in the first half of 2021 were 34% higher than in the same period of 2020, reflecting the appetite for Brazilian fiber and maintaining the country as the world’s second largest exporter.

Figure 6 Cotton – Brazilian Cotton Exports, 1S21



Source: MDIC

(A free translation of the original in Portuguese)

Soybean

After soybean prices on the Chicago Board of Trade (CBOT) surpassed the mark of 16.50 USD/Bushel, with momentary corrections, current price levels are finding support at around 13.50 USD/Bushel, which is significantly above the average prices of the last five years.

Figure 7 Soybean - Price in International Market vs. Brazil



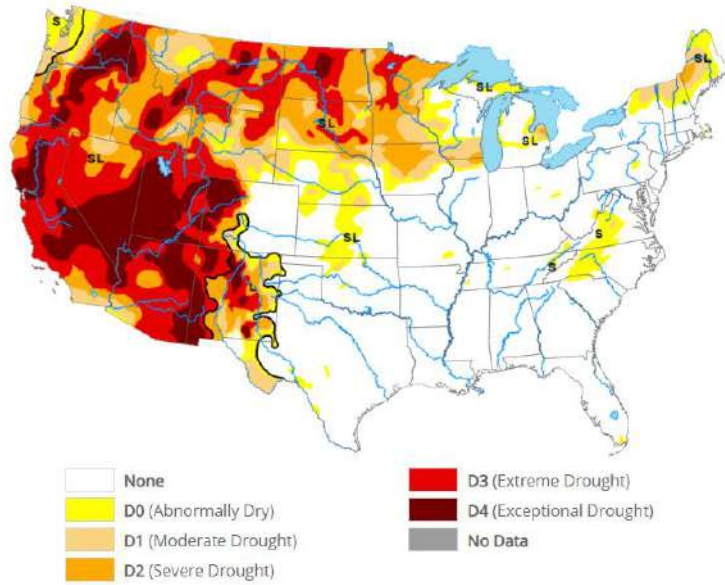
Source: Bloomberg

“Soybean prices continue to find support at levels around 13.50 USD/Bushel, significantly above average prices of the last five years.”

The high prices in Chicago, combined with the premiums paid and local currency depreciation, enabled soybean prices to reach levels above those in the same period last year and, more recently, led to quotes of over 170.00 R\$/bag, according to CEPEA data for Paranaguá. In a quarter marked by resilience and a subsequent correction in prices for the soy complex in Chicago, the market is currently focusing on the weather in the United States (monitoring of conditions in soybean areas in the western region of the Corn Belt), where the scenario of extreme and exceptional drought for some crops could limit the production and consequently supply of soybean in the country.

Figure 8 Soybean – Drought Monitor

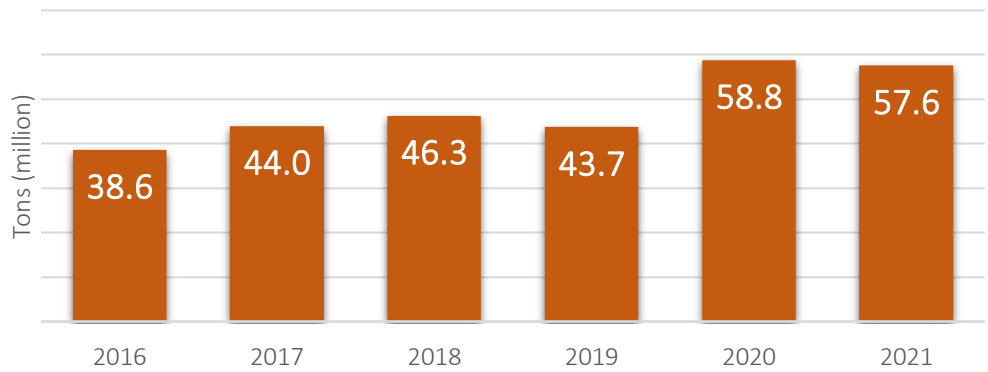
Map released: July 22, 2021
Data valid: July 20, 2021



Source: <https://droughtmonitor.unl.edu/>

In Brazil, soybean exports in 1S21 maintained the upward trend observed in recent years, but with volume slightly lower than in 1S20. Exports in the period from January to June 2021 amounted to 57.6 million tons, down 2% from 1S20, although still confirming Brazil's position as an important soybean supplier to the global market.

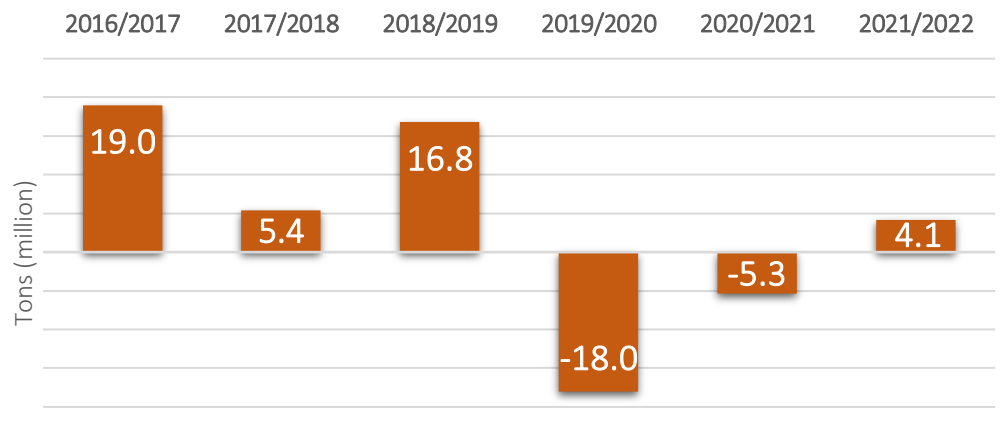
Figure 9 Soybean – Brazilian Exports in 1S21



Source:MDIC

At the global level, for the current cycle of 2021/22, the supply-demand balance should register a surplus, after two straight years of deficits of approximately 4.1 million tons.

Figure 10 Soybean – World Supply-Demand Balance

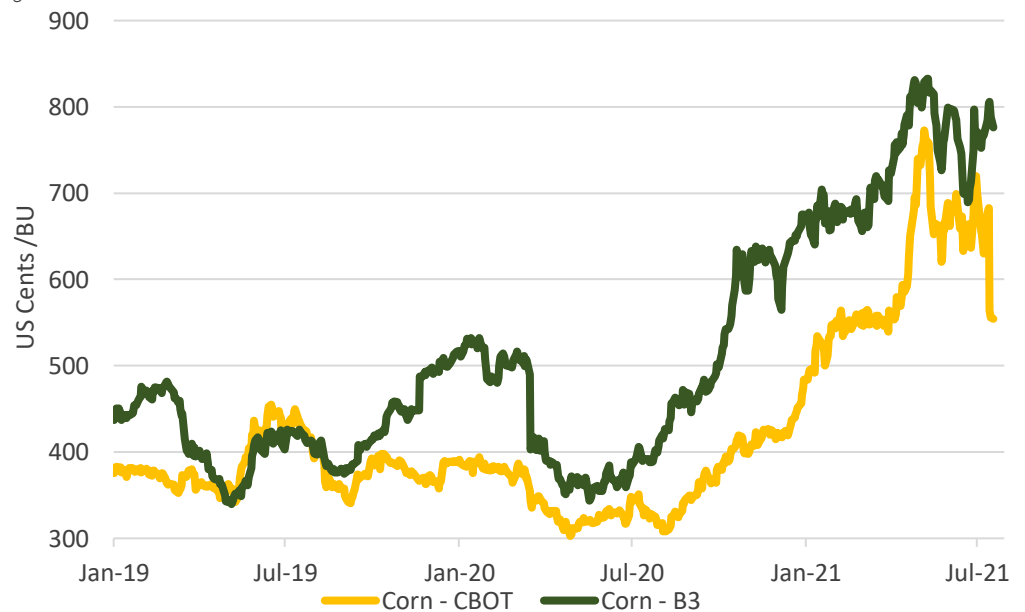


Source: USDA

Corn

In the international scenario, corn prices in the second half of 2021 registered a correction due to the U.S. weather market (improvement in moisture levels), although the drought remains a factor to be monitored. In Brazil, however, prices found more support due to local supply-demand dynamics.

Figure 11 Corn - Price in International Market vs. Brazil



Source: Bloomberg

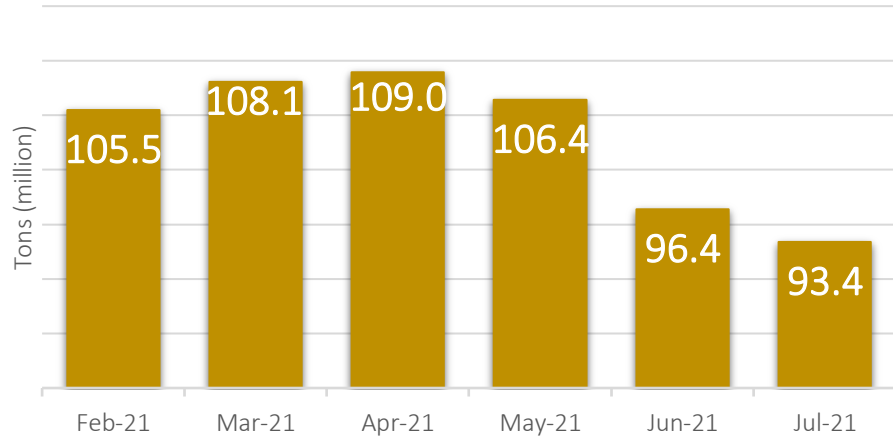
(A free translation of the original in Portuguese)

Similarly to soybean, where important producing regions in the Corn Belt are experiencing drought conditions, the weather situation, as measured by temperature and precipitation data, will be a key factor to be monitored to determine the size of harvests in the United States, which plays a leading role in the world scenario.

The volume of U.S. corn sales has been an important factor supporting corn prices on the CBOT, since the total committed volume is already significantly higher than in prior crop years, therefore creating the expectation of ending stocks in the country below recent historical levels.

However, uncertainty regarding the size of U.S. ending stocks, as well as the total production of the Brazilian crop and the size of its export program are factors that should continue to increase price volatility in domestic and international markets, given that Brazil, which is still harvesting its second-crop corn, continues to face a scenario of adverse production conditions. The unfavorable weather of the 2020/21 crop year has been responsible for reducing the country's estimated total corn production by approximately 15%, according to official data from CONAB.

Figure 12 Corn – Total Brazilian Production

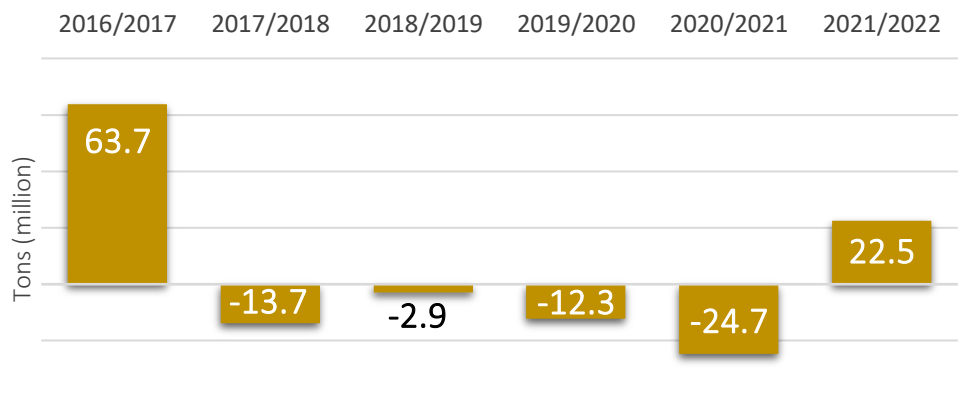


Source: CONAB

“reduction in Brazil's estimated total corn production of around 15%, according to official data from CONAB.”

In the global scenario, the difference in supply and demand should result in a surplus of 22.5 million tons, after four straight cycles of deficits.

Figure 13 Corn – Global Supply-Demand Balance



Source: USDA

“The difference in world supply and demand should result in a surplus of 22.5 million tons, after four straight cycles of deficits.”

(A free translation of the original in Portuguese)

Operational Performance – 2020/21 Crop Year

The second quarter of 2021 was marked by the end of the soybean harvest and the start of harvest operations for second-crop corn and cotton.

Planted Area

The latest data on planted area for the 2020/21 crop year is presented in the following table. Compared to the initial estimate announced in November 2020, the planted area suffered a slight reduction to 463,000 hectares, due to isolated adjustments to the planning still related to the delay to the start of rains in the Midwest. For more details on the planted area, see the Additional Information section of this document.

Table 2 Planted Area by Crop, 2019/20 vs. 2020/21

Crop Mix	Planted Area	Planted Area	Share	Δ%
	2019/20	2020/21 ⁽¹⁾	2020/21	
	-----ha-----		%	
Cotton	125,462	109,613	23.7%	-12.6%
Cotton lint 1st crop	74,054	78,019	16.8%	5.4%
Cotton lint 2nd crop	51,408	31,594	6.8%	-38.5%
Soybean (Commercial + Seed)	235,444	229,449	49.5%	-2.5%
Corn 2nd crop	82,392	106,470	23.0%	29.2%
Other Crops ⁽²⁾	5,270	17,688	3.8%	235.6%
Total Area	448,568	463,220	100.0%	3.3%

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

⁽²⁾ Other crops (Corn 1st crop 6,394 ha, Corn Seed 461 ha, Popcorn Corn 987 ha, Wheat 676 ha, Livestock 3,527, Brachiaria Seed 5,259 ha and Mung Beans 386.10)

Yields

Table 3 Projected Yields, 2020/21 Crop Year

Yields (kg/ha)	2019/20	2020/21	2020/21	Δ%	Δ%	Δ%
	Crop Year	Crop Year	Crop Year			
	Achieved (a)	Budget (b)	Forecast (c)	(c) x (a)	(b) x (a)	(c) x (b)
Cotton lint 1 st crop	1,785	1,878	1,883	5.5%	5.2%	0.3%
Cotton lint 2 nd crop	1,713	1,792	1,665	-2.8%	4.6%	-7.1%
Cotton seed	2,161	2,328	2,274	5.2%	7.7%	-2.3%
Soybean (Commercial + Seed)	3,867	3,753	3,970	2.7%	-2.9%	5.8%
Corn 2 nd crop	7,300	7,589	5,878	-19.5%	4.0%	-22.5%

Commercial Soybean

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

Soybean Seed

We estimate total production of 670,6 thousand bags of soybean seeds, of which 258.5 thousand will be used for internal consumption and 168.5 thousand for sales to third parties under the brand SLC Sementes. Through the vertically oriented production model, 243.6 thousand bags of soybean seeds will be produced. The final production figure will be disclosed in the third quarter, after proper assessment of the quality indicators.

(A free translation of the original in Portuguese)

Cotton Seed

The production estimate is of 80 thousand bags of cotton seed. 74.5 thousand bags will be destined for internal consumption, and 5.5 thousand bags for external sales, through the SLC Sementes brand. The final production figure will be disclosed in the third quarter, after proper assessment of the quality indicators.

Brachiaria Seed

We have currently a forecast of producing 100,000 kg for brachiaria seed, which will be externally sold through the SLC Sementes brand.

Cotton First Crop

Harvesting started on June 8 and, as of July 30, 47.3% of the area had been harvested. Our current cotton lint yield estimate is 1,883 kg/ha, which is 0.3% higher than the original forecast and 5.5% higher than the yield last crop year.

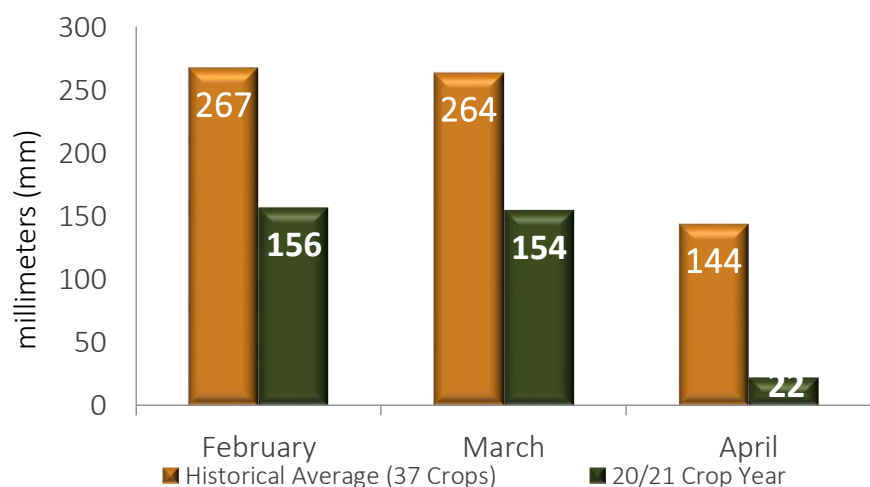
Cotton Second Crop

As of July 30, we had harvested 15.0% of the total area. Our current yield estimate is 7.1% and 2.8% below the initial forecast and the yield registered in the 2019/20 crop year, respectively. This decline in estimated yield reflects the irregular distribution of precipitation in March and April, especially at the farms in the state of Mato Grosso.

Corn Second Crop

As of July 30, we had harvested 64.4% of the total area. Our current estimate is to produce 5,878 kg/ha, which is 22.5% below the initial estimate and 19.5% lower than the previous crop year. As in the case of cotton, irregular precipitation also affected the corn areas in Mato Grosso. Meanwhile, in Mato Grosso do Sul, low precipitation resulted in crop shortfalls at our farms. The precipitation chart for Mato Grosso do Sul below shows how precipitation was lower in relation to the historical average during the crop's most important phases: flowering and seed-filling.

Figure 14 Precipitation in Mato Grosso do Sul – Historical Average vs. 2019/20 Crop Year



(A free translation of the original in Portuguese)

Production Cost - 2020/21 Crop Year

Table 4 Breakdown of Budget Production Cost by Crop (R\$/ha), 2020/21 Crop Year

%	Cotton	Soybean	Corn	Average 2020/21	Average 2019/20
Variable Costs	80.8	76.9	81.4	79.2	79.5
Seeds	8.3	13.0	16.1	11.1	12.1
Fertilizers	20.0	20.9	35.9	22.3	22.1
Chemicals	29.5	22.8	16.1	24.7	23.8
Air Spraying	1.9	1.3	1.3	1.5	1.7
Fuels and Lubricants	2.7	4.6	3.5	3.4	3.6
Labor	0.7	0.8	0.6	0.7	0.6
Ginning	8.3	2.7	2.3	5.3	6.2
Maintenance	3.5	4.6	3.5	3.8	4.1
Others	5.8	6.2	2.1	6.0	5.3
Fixed Costs	19.2	23.1	18.6	20.8	20.5
Labor	6.7	9.2	7.4	7.8	8.1
Depreciation and amortizations	4.1	6.3	4.8	5.1	4.8
Right-of-Use Amortization - Leasing	6.0	4.9	4.1	5.3	5.1
Others	2.4	2.7	2.3	2.7	2.5

Table 5 Production Cost in R\$/hectare, 2020/21 Crop Year

Total (R\$/ha)	Achieved 2019/20 ⁽¹⁾ (a)	Budget 2020/21 (b)	Forecast 2020/21 (c)	Δ% (b x a)	Δ% (c x b)
Cotton 1 st crop	9,362	9,899	10,535	5.7%	6.4%
Cotton 2 nd crop	8,264	9,306	10,205	12.6%	9.7%
Soybean	3,015	3,300	3,469	9.5%	5.1%
Corn 2 nd crop	2,545	2,858	2,936	12.3%	2.7%
Total average cost	4,735⁽²⁾	5,168⁽²⁾	5,494⁽²⁾	9.1%	6.3%

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

The costs per hectare estimated for the 2020/21 crop year registered an average increase in Brazilian real of 9.1% compared to actual costs in the 2019/20 crop year, basically due to the depreciation of the Brazilian real against the U.S. dollar in the period, since approximately 60% of costs are denominated in the currency.

With regard to the Budgeted vs. Forecast production cost in 2020/21, we registered an increase of 6.3% explained by the effects of the weaker Brazilian real on the acquisition of inputs in U.S. dollar, as well as by the impacts from fuel and energy prices, whose increases exceeded the inflation estimates considered in the budget.

Financial Performance

Income Statement Analysis

Adjusted EBITDA

Adjusted EBITDA in both 2Q21 and 1S21 set new records.

In the quarter, Adjusted EBITDA was R\$505.2 million, with Adjusted EBITDA margin of 48.4%, representing growth of 248.8% compared to 2Q21.

In the year to date, Adjusted EBITDA was R\$777.7 million, with Adjusted EBITDA margin of 41.6%, advancing 14.2 p.p. from 1S20.

The strong growth in Adjusted EBITDA in both periods reflects substantially the higher sales prices of products invoiced and the higher volumes invoiced of cotton lint and soybean.

Table 6 Adjusted EBITDA Reconciliation

(R\$ thd)	1S20	1S21	HA	2Q20	2Q21	HA
Net Revenue	1,195,261	1,871,343	56.6%	562,629	1,043,853	85.5%
Change in Fair Value of Biological Assets	715,454	1,381,933	93.2%	421,280	644,043	52.9%
(-) Cost of Goods Sold	(1,195,712)	(1,763,685)	47.5%	(596,453)	(895,667)	50.2%
Cost of Goods	(813,816)	(1,038,477)	27.6%	(400,933)	(526,392)	31.3%
Realiz. of the Fair Value of Bio. Assets	(381,896)	(725,208)	89.9%	(195,520)	(369,275)	88.9%
Gross Income	715,003	1,489,591	108.3%	387,456	792,229	104.5%
(-) Sales Expenses	(78,623)	(86,165)	9.6%	(36,849)	(32,786)	-11.0%
(-) General and administrative expenses	(47,354)	(76,168)	60.8%	(24,216)	(43,041)	77.7%
General and administrative	(32,550)	(45,738)	40.5%	(16,258)	(25,775)	58.5%
Profit share program	(14,804)	(30,430)	105.6%	(7,958)	(17,266)	117.0%
(-) Administrative Fees	(8,884)	(11,167)	25.7%	(2,534)	(3,153)	24.4%
(-) Other operating revenues	642	9,037	n.m.	189	6,642	n.m.
(=) Income from Activity	580,784	1,325,128	128.2%	324,046	719,891	122.2%
(+) Depreciation and amortization	49,491	60,757	22.8%	30,257	35,380	16.9%
EBITDA	630,275	1,385,885	119.9%	354,303	755,271	113.2%
(-) Variation Fair Val. of Biological Assets ⁽³⁾	(715,454)	(1,381,933)	93.2%	(421,280)	(644,043)	52.9%
(+) Realization Fair Val. of Biolog. Assets ⁽⁴⁾	381,896	725,208	89.9%	195,520	369,275	88.9%
(+) Low Fixed Assets	4,830	7,781	61.1%	1,920	2,707	41.0%
(+) Other Trans. Prop., Plant and Equip	239	623	160.7%	48	437	810.4%
(+) Amortization adjustment - IFRS 16 ⁽⁵⁾	25,913	40,182	55.1%	14,354	21,574	50.3%
Adjusted EBITDA^(1 and 2)						
(farming operation)	327,699	777,746	137.3%	144,865	505,221	248.8%
Adjusted EBITDA Margin^(1 and 2)						
(farming operation)	27.4%	41.6%	14.2p.p	25.7%	48.4%	22.7p.p

⁽¹⁾ Excludes the effects from Biological Assets, since they are noncash. ⁽²⁾ Excludes Write-offs of Property, Plant and Equipment and Other Property, Plant and Equipment Transactions which are noncash; ⁽³⁾ Change in Fair Value of Biological Assets (Note 27 of the Quarterly Financial Information) ⁽⁴⁾ Realization of the Fair Value of Biological Assets (Note 26 of the Quarterly Financial Information); ⁽⁵⁾ Amortization of right-of-use assets - leases.

(A free translation of the original in Portuguese)

Net Revenue*Table 7 Net Revenue*

(R\$ thd)	1S20	1S21	HA	2Q20	2Q21	HA
Net Revenue	1,195,261	1,871,343	56.6%	562,629	1,043,853	85.5%
Cotton lint	478,967	844,101	76.2%	232,274	455,233	96.0%
Cotton seed	29,730	36,409	22.5%	8,829	1,245	-85.9%
Soybean	810,391	1,153,328	42.3%	403,357	657,432	63.0%
Corn	48,675	26,650	-45.2%	24,219	23,777	-1.8%
Others	3,892	49,183	n.m	2,696	18,491	585.9%
FX Hedge income	(176,394)	(238,328)	35.1%	(108,746)	(112,325)	3.3%

Table 8 Volume Invoiced (tons)

Tons	1S20	1S21	HA	2Q20	2Q21	HA
Volume Invoiced	857,501	853,535	-0.5%	399,699	422,109	5.60%
Cotton lint	64,110	89,671	39.9%	28,112	45,394	61.5%
Cotton seed	57,553	43,513	-24.4%	16,106	1,354	-91.6%
Soybean	633,799	660,472	4.2%	294,312	332,383	12.9%
Corn	92,037	41,822	-54.6%	54,503	38,145	-30.0%
Other	10,002	18,057	80.5%	6,666	4,833	-27.7%

Net Revenue registered robust growth in 2Q21 (+85.5%) and 1S21 (+56.6%) compared to the same periods of 2020.

The higher unit prices invoiced for all crops and the higher volume invoiced (for cotton and soybean) were the main drivers of Net Revenue growth in both periods.

Table 9 Variation in Fair Value of Biological Assets

(R\$ thd)	1S20	1S21	HA	2Q20	2Q21	HA
Effect of Biological Asset on Net Revenue	715,454	1,381,933	93.2%	421,280	644,043	52.9%
Cotton lint	324,635	461,533	42.2%	324,635	461,533	42.2%
Cotton seed	29,917	74,601	149.4%	29,917	74,601	149.4%
Soybean	233,115	725,639	211.3%	1,527	5,699	273.2%
Corn	60,948	112,782	85.0%	60,948	99,067	62.5%
Other	66,839	7,378	-89.0%	4,253	3,143	-26.1%

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

In 2Q21, we began the apportionment of the Fair Value Variation for the cotton crop. Cotton VFBVA increased 42.2% compared to 2Q20, to R\$461.5 million, reflecting the improvement in yield expectations and the better cotton prices in relation to the previous crop year, despite the smaller planted area for cotton in the current crop year.

Corn VFBVA increased 62.5% in 2Q21 and 85.0% in 1S21 compared to the prior-year periods. Despite the lower estimated yield, the sharp increase in fair value was due to the expansion in planted area and the higher prices used in the calculation compared to those used in the previous crop year.

For soybean, VFBVA increased 273.2% in 2Q21 and 211.3% in 1S21 in relation to 2020, reflecting the expectation of higher margins for soybean in the current crop year compared to the estimate for the 2019/20 crop year (reflecting the higher yield, larger planted area and better prices).

Cost of Goods Sold

Table 10 Cost of Goods Sold

(R\$ thd)	2S20	2S21	HA	2Q20	2Q21	HA
Cost of Goods Sold	(813,816)	(1,038,477)	27.6%	(400,933)	(526,392)	31.3%
Cotton lint	(273,579)	(422,706)	54.5%	(118,295)	(206,188)	74.3%
Cotton seed	(14,115)	(11,254)	-20.3%	(3,766)	(988)	-73.8%
Soybean	(472,262)	(529,014)	12.0%	(250,690)	(269,601)	7.5%
Corn	(26,965)	(19,523)	-27.6%	(16,927)	(16,292)	-3.8%
Other	(26,895)	(55,980)	108.1%	(11,255)	(33,323)	196.1%

Cost of goods sold increased by 31.3% in 2Q21 and 27.6% in 1S21, mainly due to the higher volume invoiced in the period for cotton and soybean, as well as the higher unit cost, with variations in line with the increase in cost per hectare in relation to the previous crop year. In the case of corn, the increase in unit cost was due to two factors: the higher cost per hectare and the lower yield in the comparison of 2020/21 with 2019/20.

Table 11 Realization of Fair Value of Biological Assets

(R\$ thd)	2S20	2S21	HA	2Q20	2Q21	HA
Realiz. of the Fair Value of Biological Assets	(381,896)	(725,208)	89.9%	(195,520)	(369,275)	88.9%
Cotton lint	(73,229)	(110,957)	51.5%	(26,428)	(57,232)	116.6%
Cotton seed	(3,359)	(4,281)	27.4%	(907)	(499)	-45.0%
Soybean	(237,770)	(599,662)	152.2%	(113,549)	(301,701)	165.7%
Corn	(6,115)	(8,718)	42.6%	(4,742)	(8,733)	84.2%
Other	(61,423)	(1,590)	-97.4%	(49,894)	(1.110)	-97.8%

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

RFVBA increased 88.9% in 2Q21 and 89.9% in 1S21, due to the higher margin expectation at the time of apportioning Fair Value of Biological Assets.

Gross Income by Crop

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

Cotton Lint and Cotton Seed

Table 12 Gross Income - Cotton Lint

Cotton lint		1S20	1S21	HA	2Q20	2Q21	HA
Volume Invoiced	Ton	64,110	89,671	39.9%	28,112	45,394	61.5%
Net Revenue	R\$/thd	478,967	844,101	76.2%	232,274	455,233	96.0%
Result of currency hedge	R\$/thd	(110,259)	(217,776)	97.5%	(91,436)	(109,889)	20.2%
Net Rev. adj. for the result of cur. hedging	R\$/thd	368,708	626,325	69.9%	140,838	345,344	145.2%
Unit Price	R\$/ton	5,751	6,985	21.5%	5,010	7,608	51.9%
Total Cost	R\$/thd	(273,579)	(422,706)	54.5%	(118,295)	(206,188)	74.3%
Unit Cost	R\$/ton	(4,267)	(4,714)	10.5%	(4,208)	(4,542)	7.9%
Unitary Gross Income	R\$/ton	1,484	2,271	53.0%	802	3,066	282.3%

The cotton invoiced in the second quarter of 2021 was produced in the 2019/20 crop year. Unit Gross Income in 2Q21 and 1S21 increased 282.3% and 53.0%, respectively, mainly due to the higher unit prices invoiced, with this factor partially offset by the higher unit costs.

(A free translation of the original in Portuguese)

Table 13 Gross Income - Cotton Seed

Cotton Seed		1S20	1S21	HA	2Q20	2Q21	HA
Volume Invoiced	Ton	57,553	43,513	-24.4%	16,106	1,354	-91.6%
Net Revenue	R\$/Thd	29,730	36,409	22.5%	8,829	1,245	-85.9%
Net Rev. adj. for the result of cur. Hedging	R\$/Thd	-	-	0.0%	-	-	0.0%
Unit Price	R\$/ton	517	837	61.9%	548	919	67.7%
Cost Total	R\$/Thd	(14,115)	(11,254)	-20.3%	(3,766)	(988)	-73.8%
Unit Cost	R\$/ton	(245)	(259)	5.7%	(234)	(730)	212.0%
Unitary Gross Income	R\$/ton	272	578	112.5%	314	189	-39.8%

Unit Gross Income for cotton seed decreased 39.8% in the quarter, mainly due to the mix of farms that invoiced the product in the period (with above-average cost). In 1S21, Unit Gross Income increased 112.5%, mainly due to the higher unit price (+61.9% vs. 1S20), reflecting the domestic demand for cotton seed for animal feed supplements and biodiesel production.

Soybean

Table 14 Gross Income – Soybean

Soybean		1S20	1S21	HA	2Q20	2Q21	HA
Volume Invoiced	Ton	633,799	660,472	4.2%	294,312	332,383	12.9%
Net Revenue	R\$/Thd	810,391	1,153,328	42.3%	403,357	657,432	63.0%
Result of currency hedge	R\$/Thd	(62,105)	(20,380)	-67.2%	(13,280)	(2,264)	-83.0%
Net Rev. adj. for the result of cur. Hedging	R\$/Thd	748,286	1,132,948	51.4%	390,077	655,168	68.0%
Unit Price	R\$/ton	1,181	1,715	45.2%	1,325	1,971	48.8%
Cost Total	R\$/Thd	(472,262)	(529,014)	12.0%	(250,690)	(269,601)	7.5%
Unit Cost	R\$/ton	(745)	(801)	7.5%	(852)	(811)	-4.8%
Unitary Gross Income	R\$/ton	436	914	109.6%	473	1,160	145.2%

Soybean Unit Gross Income increased 145.2% in 2Q21 and 109.6% in 1S21, reflecting the higher unit prices invoiced, with this factor partially offset by the higher unit cost. Note that unit cost decreased 4.8% in 2Q21 compared to 2Q20 due to the mix of farms that invoiced the product (with above-average yield).

Corn

Tabela 15 Gross Income – Corn

Corn		1S20	1S21	HA	2Q20	2Q21	HA
Volume Invoiced	Ton	92,037	41,822	-54.6%	54,503	38,145	-30.0%
Net Revenue	R\$/Thd	48,675	26,650	-45.2%	24,219	23,777	-1.8%
Result of currency hedge	R\$/Thd	(4,030)	-	-100.0%	(4,030)	-	-100.0%
Net Rev. adj. for the result of cur. Hedging	R\$/Thd	44,645	26,650	-40.3%	20,189	23,777	17.8%
Unit Price	R\$/ton	485	637	31.3%	370	623	68.4%
Cost Total	R\$/Thd	(26,965)	(19,523)	-27.6%	(16,927)	(16,292)	-3.8%
Unit Cost	R\$/ton	(293)	(467)	59.4%	(311)	(427)	37.3%
Unitary Gross Income	R\$/ton	192	170	-11.5%	59	196	232.2%

Unit Gross Income increased 232.2% in 2Q21, due to the sharp increase in unit price, which was partially offset by the higher unit cost. We also had a mix of farms invoiced this quarter with good yields, which also contributed to the growth in Unit Gross Income.

In 1S21, 91% of the corn invoiced was produced in the 2020/21 crop year. Unit Gross Income in the period decreased 11.5%, reflecting the higher unit cost, due to the lower yield in 2020/21 compared to 2019/20.

Gross Income

Table 16 - Gross Income

(R\$ thd)	1S20	1S21	HA	2Q20	2Q21	HA
Gross Income	715,003	1,489,591	108.3%	387,456	792,229	104.5%
Cotton lint	95,128	203,619	114.0%	22,543	139,156	517.3%
Cotton seed	15,615	25,155	61.1%	5,063	257	-94.9%
Soybean	276,024	603,934	118.8%	139,388	385,567	176.6%
Corn	17,680	7,127	-59.7%	3,262	7,485	129.5%
Others	(23,002)	(6,969)	-69.7%	(8,561)	(15,004)	175.3%
Biological Assets	333,558	656,725	96.9%	225,761	274,768	21.7%

To support the analysis of consolidated Gross Income, we excluded the effects from Biological Assets (Variation and Realization of Fair Value) to show the actual margins of products invoiced in the period. In this analysis, Gross Income increased 220.0% in 2Q21 compared to 2Q20, mainly due to margin expansion for all crops (explained by better prices and higher volume invoiced, as mentioned above). In the year to date, Gross Income increased 118.3%, with improvement in all crops except corn, due to the lower yield, as explained in the section Gross Income by Crop.

Selling Expenses

Selling Expenses decreased 11.0% in 2Q11 but increased 9.6% in 1S21.

Selling Expenses decreased by 11.0% in the quarter, but with an increase of 9.6% in the semester. In the quarter, there was an increase on the Freight account, due to the higher volumes invoiced. In addition, in the Other expenses account, in 2Q20 expenses with soybean seed royalties were recognized in advance, which was later adjusted in 3Q20, impairing the comparative basis between the periods. These factors were partially offset by the increase in Freight and Export Expenses, the variation arising from the higher volume billed in the period.

In the year to date, the increase was mainly due to the lines Commissions and Freight Expenses, reflecting the higher volume invoiced in the period.

Table 17 - Selling Expenses

(R\$ Thd)	1S20	1S21	H.A	2Q20	2Q21	H.A
Freight	22,400	26,242	17.2%	7,517	10,897	45.0%
Storage	20,770	23,298	12.2%	9,220	7,650	-17.0%
Commissions	8,463	12,491	47.6%	4,653	4,838	4.0%
Classification of Goods	458	565	23.4%	98	58	-40.8%
Export Expenses	15,543	22,390	44.1%	4,747	8,807	85.5%
Others	10,989	1,179	-89.3%	10,614	536	-95.0%
Total	78,623	86,165	9.6%	36,849	32,786	-11.0%
% Net Revenue	6.6%	4.6%	-2.0p.p	6.5%	3.1%	-3.4p.p

Administrative Expenses

Administrative Expenses (excluding amounts related to the Profit Sharing Program) increased 58.5% in 2Q21 and 40.5% in 1S21 in relation to the prior-year periods.

- (i) Increase in Personnel Expenses, mainly due to expenses with personnel adjustments/changes;
- (ii) Increase in Outsourcing expenses, mostly related to legal advisory services in connection with the business combination with Terra Santa and incorporation of Agrícola Xingu S.A.;
- (iii) Increase in Software Maintenance Expenses.

Table 18 Administrative Expenses

(R\$ Thd)	1S20	1S21	HA	2Q20	2Q21	HA
Expenses with personnel	18,315	23,110	26.2%	8,935	12,226	36.8%
Fees	2,441	8,667	255.1%	1,466	6,430	338.6%
Depreciations and amortizations	1,038	1,235	19.0%	536	653	21.8%
Expenses with travels	850	386	-54.6%	255	98	-61.6%
Software maintenance	2,337	3,101	32.7%	1,085	1,562	44.0%
Marketing/Advertisement	1,343	1,456	8.4%	358	270	-24.6%
Expenses with Communications	1,593	1,910	19.9%	823	966	17.4%
Rentals	511	999	95.5%	257	529	105.8%
Labor, Tax and Environmental Contingencies	48	133	177.1%	16	522	n.m
Electricity	99	85	-14.1%	30	36	20.0%
Taxes and other fees	622	1,284	106.4%	247	826	234.4%
Contributions and donations	1,632	1,461	-10.5%	1,477	1,152	-22.0%
Other	1,721	1,911	11.0%	773	505	-34.7%
Subtotal	32,550	45,738	40.5%	16,258	25,775	58.5%
% Net Revenue	2.7%	2.4%	-0.3p.p	2.9%	2.5%	-0.4p.p
Provision for profit share program	14,804	30,430	105.6%	7,958	17,266	117.0%
Total	47,354	76,168	60.8%	24,216	43,041	77.7%

Net Financial Result

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

Table 19 Adjusted Net Financial Income (Expense)

(R\$ Thd)	1S20	1S21	HA	2Q20	2Q21	HA
Interest	(35,989)	(30,417)	-15.5%	(18,227)	(14,951)	18.0%
FX Variation	7,851	(13,699)	-274.5%	(863)	(15,565)	n.m.
Monetary Variation	-	5	n.m.	-	5	n.m.
Ad. to pres. value of leas. contracts (IFRS16)	(28,594)	(53,959)	88.7%	(14,707)	(35,144)	139.0%
Outras receitas (despesas) financeiras	(3,732)	(4,568)	22.4%	(945)	(3,178)	236.3%
Total	(60,464)	(102,638)	69.7%	(34,742)	(68,833)	98.1%
% Net Revenue	5.1%	5.5%	0.4p.p	6.2%	6.6%	0.4p.p.

In 2Q21 and 1S21, the adjusted Net Financial Result increased in relation to the same periods last year. The main impact came from the Adjustment to Present Value of Leases in the quarter, which reflected the longer terms of certain agreements and the higher soybean bag price in BRL (index adopted in agreements) and the FX Variation loss, given the appreciation in the Brazilian real in 2Q21 and 1S21, which affected amounts payable to suppliers denominated in U.S. dollar. The line Interest expenses decreased in 2Q21 and 1S21 compared to the same periods last year, reflecting mainly the contribution from the declines in the balance of net debt and in the average CDI rate in the period.

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Net Income (Loss)

Table 20 Net Income

(R\$ Thd)	2S20	2S21	H.A	2Q20	2Q21	H.A
Income before taxes on profit	520,320	1,222,489	134.9%	289,304	651,057	125.0%
Income Tax and Social Contribution on Profit	(167,833)	(398,445)	137.4%	(93,219)	(203,817)	118.6%
Consolidated Net Income for the Period	352,487	824,044	133.8%	196,085	447,240	128.1%
Assigned to parent company	329,220	761,584	131.3%	185,695	418,724	125.5%
Assigned to non-controlling comp. members	23,267	62,460	168.4%	10,390	28,516	174.5%
% Net Revenue	29.5%	44.0%	14.5%	34.9%	42.8%	7.9%
Net Income Farming Operation	352,487	824,044	133.8%	196,085	447,240	128.1%
Net Margin Farming Operation	29.5%	44.0%	14.5%	34.9%	42.8%	7.9%

Net Income advanced 128.1% in 2Q21 and 133.8% in 1S21 compared to the same periods of 2020. The main drivers were the increases in Gross Income, especially for cotton and soybean (effect from higher sales prices and higher volumes invoiced) and the positive impact from the dynamics for recognizing Biological Assets (Net Income – Cost), given the expectations of higher margins in relation to the previous crop year.

Statement of Cash Flow Analysis

Cash generation was negative in 2Q21 and 1S21, basically due to the cash conversion cycle of the business (period of highest disbursements due to payment of inputs for the crop year). This situation will be reversed in the second half of the year, as typically occurs, given the combination of higher operating cash generation from cotton sales and lower disbursements with inputs.

Table 21 Summarized Cash Flow

(R\$ thd)	1S20	1S21	HA	2Q20	2Q21	HA
Cash generated in operations	469,041	756,131	61.2%	190,836	435,515	128.2%
Changes in assets and liabilities	(624,933)	(789,217)	26.3%	17,438	(396,567)	n.m.
Net cash used in investment activities	(130,344)	(212,425)	63.0%	(40,839)	(110,673)	171.0%
<i>In Fixed assets</i>	(119,213)	(194,644)	63.3%	(36,639)	(101,631)	177.4%
<i>In Intangible assets</i>	(11,131)	(17,075)	53.4%	(4,200)	(8,336)	98.5%
<i>Land return payment</i>	-	(706)	100.0%	-	(706)	100.0%
Presented Free Cash	(286,236)	(245,511)	-14.2%	167,435	(71,725)	n.m.
Net cash gen./ (cons.) in fin. act. ⁽¹⁾	(33,628)	6	n.m.	(15,630)	4	n.m.
Paid leases ⁽²⁾	(108,734)	(203,904)	87.5%	(95,323)	(189,976)	99.3%
Share buyback	-	168	100.0%	-	168	100.0%
Payment of CRA Costs	-	(10)	100.0%	-	-	-
Adjusted Free Cash	(428,598)	(449,251)	4.8%	56,482	(261,529)	n.m.

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

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

Property, Plant & Equipment / CAPEX

Table 22 Capital Expenditures

(R\$ Thd)	1S20	1S21	H.A	2Q20	2Q21	H.A
Machinery, implements and equipment	69,950	74,273	6.2%	12,766	34,970	173.9%
Land acquisition	102	322	215.7%	102	120	17.6%
Soil correction	11,354	21,309	87.7%	8,771	18,969	116.3%
Buildings and facilities	11,659	27,390	134.9%	5,170	12,485	141.5%
Cotton ginning plant	1,909	471	-75.3%	1,266	378	-70.1%
Grains storage	1,788	140	-92.2%	1,055	139	-86.8%
Soil cleaning	4,274	7,995	87.1%	1,955	5,233	167.7%
Vehicles	219	920	320.1%	182	421	131.3%
Aircraft	21	-	-100.0%	21	-	n.m
Software	8,807	18,834	113.9%	4,297	9,498	121.0%
Improvements in own properties	-	-	n.m	-	-	n.m
Improvements in Third Party Real Estate	676	938	38.8%	452	120	-73.5%
Buildings	106	-	n.m	-	-	n.m
Others	5,016	11,108	121.5%	2,662	8,797	230.5%
Total	115,881	163,700	41.3%	38,699	91,130	135.5%

(A free translation of the original in Portuguese)

Capital expenditures increased 135.5% in 2Q21 compared to 2Q20. The main investments in the quarter were in Machinery, Tools & Equipment and Soil Correction. In the line Machinery, Tools & Equipment, the main acquisitions included planters and sprayers for the Paiguás, Planeste, Pamplona, Parceiro and Palmeira farms. In Soil Correction, investments were made in the Piratini, Parceiro, Parnaíba and Pioneira farms, among others.

Debt

Adjusted Net Debt ended the second quarter of 2021 at R\$1.4 billion, representing **an increase of R\$694.3 million** from the end of 2020. Net debt was affected mainly by the higher Working Capital Needs, which in turn were influenced by the higher payments for agricultural inputs for the 2020/21 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 Company strategically maintained a high cash position in the period in order to assume the operations of Terra Santa.

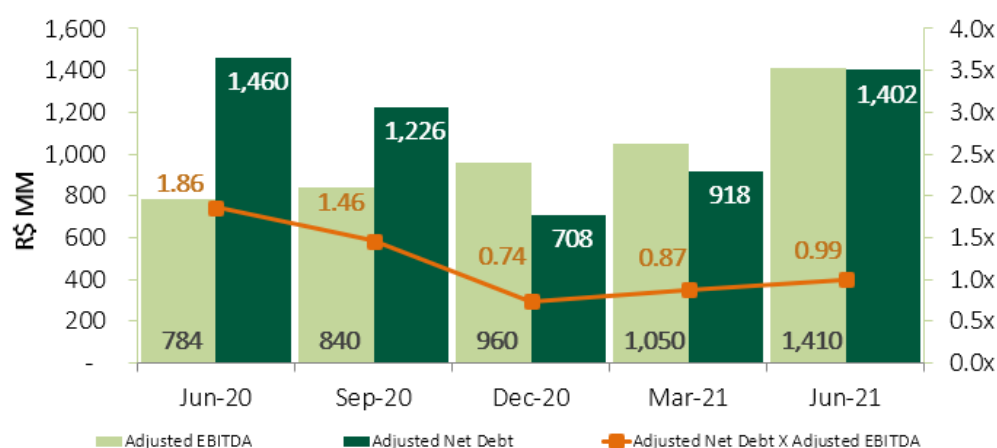
Table 23 Financial Net Debt

Credit Line (R\$ thd)	Average Rate (%)		Consolidated		
	Indexador	2020	1S21	2020	1S21
Applied in Fixed Assets				57,053	48,911
Finame – BNDES	Pré e Cesta de Moedas	5.4%	5.5%	57,053	48,911
Applied in Working Capital				2,377,936	2,654,024
Rural Credit	Prefixed	4.3%	4.3%	12,186	12,443
CRA	CDI ⁽¹⁾	2.9%	5.2%	841,616	864,460
Working Capital	CDI ⁽¹⁾	3.1%	5.3%	577,936	795,789
Export Loans	CDI ⁽¹⁾	3.2%	5.3%	946,198	981,332
Total Indebtedness⁽³⁾		3.1%	5.3%	2,434,989	2,702,935
(+/-) Gains and losses with deriv. connected with applications and debts ⁽²⁾				121,794	29,158
(=) Adjusted Debt				2,313,195	2,673,777
(-) Cash				1,604,716	1,270,977
(=) Adjusted Net Debt				708,479	1,402,800
Adjusted EBITDA (Last 12 months)				960,262	1,410,293
Adjusted Net Debt/EBITDA				0.74	0.99

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

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

Figure 15 Change in Net Debt/Adjusted EBITDA Ratio



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 Adjusted EBITDA margin with a combination of factors such as Price, Foreign Exchange 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 mark-to-market adjustments of future, swap and option transactions are recorded under financial income (expense). The hedge positions for commodities (in relation to the estimated total volume invoiced) and currency (in relation to the total estimated revenue in U.S. Dollar) are shown below, broken down by commercial hedge and financial hedge and updated as of August 2:

Table 24 Hedge Position

FX Hedge – Soybean				Commercial Hedge - Soybean			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	100.0	82.8	26.5	%	100.0	81.4	42.1
R\$/USD	4.4814	5.1721	5.5685	USD/bu ⁽²⁾	10.29	11.66	12.12
Commitments % ⁽¹⁾	0.0	0.6	31.6	Commitments % ⁽¹⁾	-	0.5	14.1

FX Hedge – Cotton				Commercial Hedge - Cotton			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	98.8	65.3	15.3	%	99.8	74.4	60.2
R\$/USD	4.5012	5.3727	5.9078	US\$/lb ⁽²⁾	74.55	68.14	76.38
Commitments % ⁽¹⁾	0.0	15.7	34.7	Commitments % ⁽¹⁾	-	-	-

FX Hedge – Corn				Commercial Hedge – Corn			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	100.0	80.6	26.9	%	100.0	84.1	53.1
R\$/USD	4.4681	5.1651	5.7109	R\$/bag ⁽³⁾	35.38	36.59	53.07
Commitments % ⁽¹⁾	0.0	6.1	19.2	Commitments % ⁽¹⁾	-	-	-

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

Environment, Social & Corporate Governance (ESG)

SUSTAINABLE FINANCING

Agribusiness Receivables Certificates (CRA)

In 2020, we carried out our first issue of green bonds, in the form Agribusiness Receivables Certificates (CRA) with a second-party opinion and report, in the amount of R\$480 million. The bonds are due in 2025 and all proceeds will be used in eligible projects approved and included in the Digital Agriculture, Low Carbon and Soil Conservation, and Green Fertilizer programs.

Digital and Low Carbon Agriculture

Objective: investments in the acquisition of equipment and machinery with higher operating efficiency and lower consumption of non-renewable natural resources, combined with the use of connectivity, resulting in higher operational performance and a lower carbon footprint.

Environmental KPIs: Potential Reduction by end of financing transaction.

- Grain Harvester: 28% of fuel (liters/ha)
- Sprayer: 16% of fuel (liters/ha)
- Cotton Harvester: 18% of fuel (liters/ha)
- Trimble WeedSeeker: 90% of agricultural inputs and water (liters/ha)

Soil Conservation and Green Fertilization

Objective: investments in the acquisition of inputs and development of soil cover, with millet, crotalaria, signalgrass, among others, aiming to increase the amount of straw on the soil surface.

Environmental KPIs: Potential Reduction of 10% of the Company's overall emissions by end of the financing transaction.

Sustainability Linked Loan

In 2020, the Company raised R\$100 million in a bilateral transaction classified as sustainability linked loan, with the target of achieving 11 units certified in environmental management, social responsibility and occupational health and safety, by April 2022.

In the second quarter of 2021, the Company raised over R\$200 million, with the target of reducing carbon emissions and increasing the water reuse rate, by 2023. The conditions also include investments in reducing the risk of occupational accidents and hiring an independent audit firm to validate all indicators.

Return Indicators

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

Table 25 Return on Equity

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

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

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

⁽³⁾ Adjusted for land price appreciation.

Table 26 Return on Net Assets

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

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

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

⁽³⁾ Adjusted for land price appreciation.

Table 27 Return on Invested Capital

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

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

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

⁽³⁾ Adjusted for land price appreciation.

Additional Information

Planted Area – 2020/21 Crop Year

Table 28 Planted Area - 2020/21 Crop Year

Area Mix	Planted Area	Planted Area	Share	Δ%
	2019/20	2020/21 ⁽¹⁾	2020/21	
	----- ha -----		%	
1st crop Area	313,458	322,043	69.5%	2.7%
Owned Area	111,101	110,281	23.8%	-0.7%
Leased Area	129,946	135,006	29.1%	3.9%
Joint Ventures Areas ⁽²⁾	40,148	41,594	9.0%	3.6%
SLC LandCo Areas ⁽³⁾	32,263	35,162	7.6%	9.0%
2nd crop Area	135,110	141,177	30.5%	4.5%
Owned Area	54,156	51,200	11.1%	-5.5%
Leased Area	53,604	60,757	13.1%	13.3%
Joint Ventures Areas ⁽²⁾	9,876	14,228	3.1%	44.1%
SLC LandCo Areas ⁽³⁾	17,474	14,992	3.2%	-14.2%
Total Area	448,568	463,220	100.0%	3.3%

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

⁽²⁾ Areas owned by Grupo Roncador and Mitsui.

⁽³⁾ A SLC Agrícola holds an 81.23% interest in SLC LandCo.

Property portfolio

The portfolio of properties under our management on **August 12, 2021** is presented below:

Table 29 Property Portfolio

Crop 2020/21 (ha)		Owned ⁽¹⁾	SLC LandCo ⁽²⁾	Leased	Joint Ventures	Under Control	Total Planted ⁽³⁾	
Farm	State	-----ha-----						
Pamplona	GO	17,994		3,854		21,848	21,905	
Pantanal	MS			25,996		25,996	43,995	
Planalto	MS	15,006		1,635		16,641	22,522	
Planorte	MT	23,454				23,454	29,685	
Paiaguás	MT	28,129		17,318		45,447	62,366	
Perdizes ⁽⁵⁾	MT	28,893	13,289			42,182	25,617	
Pioneira ⁽⁴⁾	MT				19,705	19,705	33,933	
Panorama	BA		10,373	14,253		24,626	21,806	
Paladino ⁽⁵⁾	BA				21,889	21,889	21,889	
Piratini	BA		25,356			25,356	8,446	
Palmares	BA	16,195	831	16,446		33,472	24,642	
Parceiro	BA	27,564	3,680	9,441		40,685	14,365	
Parnaíba	MA	26,193		11,270		37,463	40,660	
Palmeira	MA		10,200	14,459		24,659	20,974	
Planeste	MA		22,783	20,334		43,117	61,193	
Paineira ⁽⁶⁾	PI	12,892				12,892		
Parnaguá	PI	19,416				19,416	9,222	
Total	-	215,736	86,512	135,006	41,594	478,848	463,220	

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

Landbank

The current position of our landbank is presented below:

Table 30 Landbank

Hectares	Under Transformation*	Under Licensing
SLC Agrícola		
Parnaíba	1,464	-
Parnaguá	-	2,872
Parceiro	5,627	-
Subtotal	7,091	2,872
SLC LandCo		
Palmeira ⁽¹⁾	4,749	-
Piratini	9,993	-
Parceiro ⁽¹⁾	-	-
Subtotal	14,742	-
Total	21,833	2,872

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

Machinery Base and Storage Capacity

Table 31 Machinery Base and Storage Capacity

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

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

Net Asset Value

Table 32 Net Asset Value – NAV

(R\$ Million)	2Q21
SLC Agrícola Farms ⁽¹⁾	2,767
SLC LandCo Farms ⁽¹⁾	755
Infrastructure (excl. land)	1,138
Accounts Receivable (excl. derivatives)	33
Inventories	1,121
Biological Assets	1,727
Cash	1,197
Subtotal	8,738
Suppliers	379
Gross debt adjusted by results of operations with derivatives	2,502
Outstanding debt related to land acquisition	-
Subtotal	2,880
Net asset value	5,857
Net Asset value per share (190,595,000 shares)	30.7

⁽¹⁾ Based on the independent appraisal report (Deloitte, 2020), net of taxes.
NOTE: All accounts are adjusted by SLC Agrícola's interests in subsidiaries/joint ventures.

Debt

Figure 16 Change in Adjusted Gross Debt (R\$ '000)

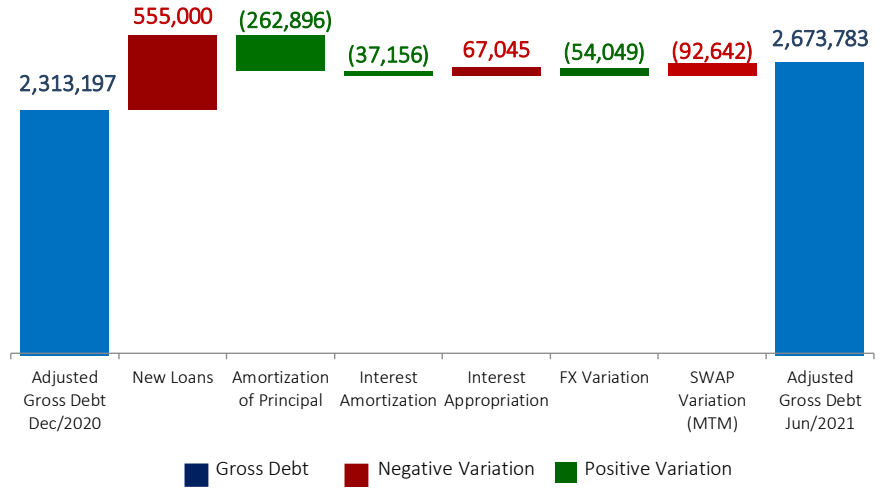


Figure 17 Adjusted gross Debt Amortization Schedule (R\$ '000)

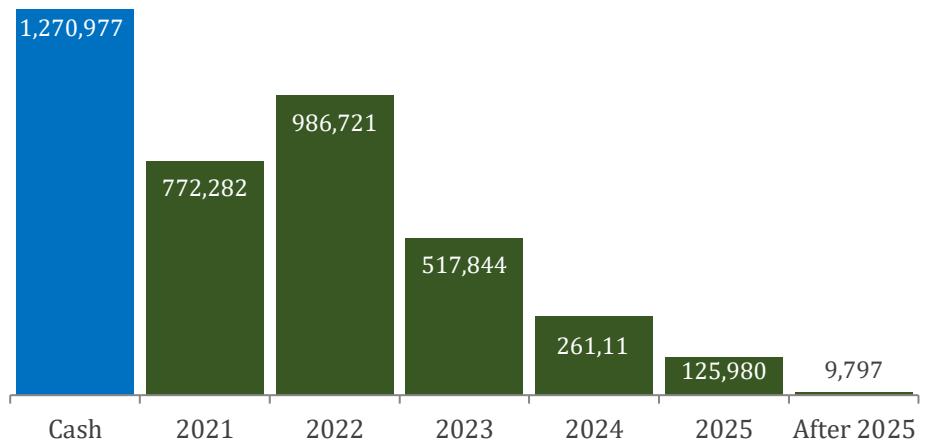


Figure 18 Adjusted Gross Debt Profile

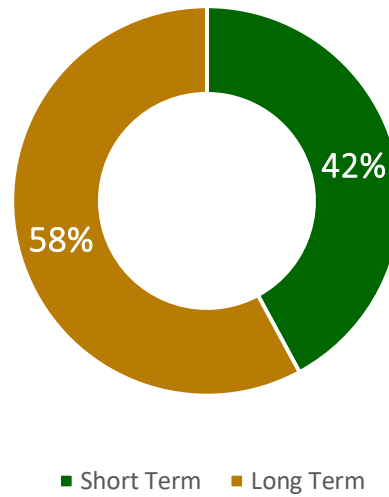
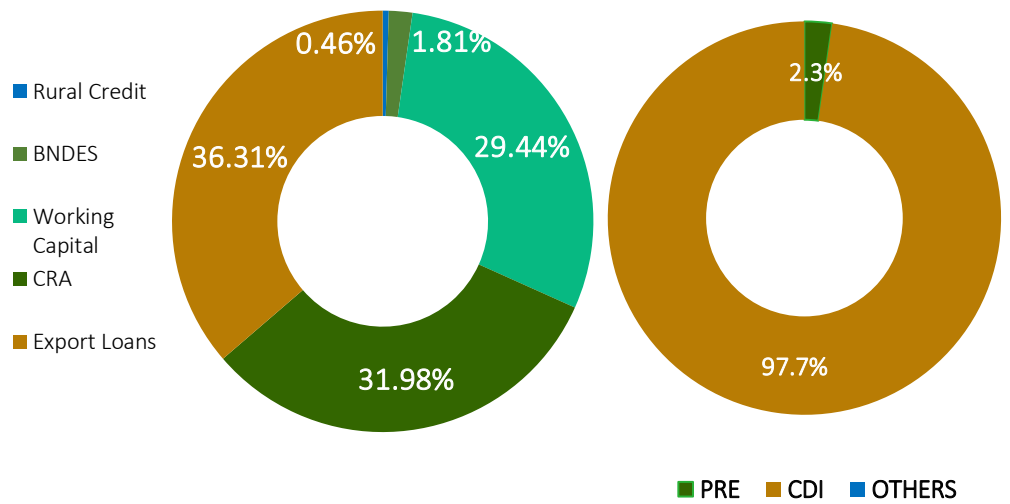


Figure 19 Gross Debt by Index and Instrument



Location of Production Units and Headquarters



SLC Agrícola Farms

- | | |
|--|---|
| 1. Pioneira (MT) – 33,933 ha ⁽¹⁾ | 11. Planalto (MS) -22,522 ha ⁽¹⁾ |
| 2. Perdizes (MT) – 25,617 ha ⁽¹⁾ | 12. Parnaíba (MA) – 40,660 ha ⁽¹⁾ |
| 3. Paiaguás (MT) – 62,366 ha ⁽¹⁾ | 13. Palmeira (MA) – 20,974 ha ⁽¹⁾ |
| 4. Planorte (MT) – 29,685 ha ⁽¹⁾ | 14. Planeste (MA) – 61,193 ha ⁽¹⁾ |
| 5. Terra Santa (MT) ⁽²⁾ | 15. Parnaguá (PI) – 9,222 ha ⁽¹⁾ |
| 6. Guapirama (MT) - ⁽²⁾ | 16. Parceiro (BA) – 14,365 ha ⁽¹⁾ |
| 7. Ribeiro do Céu (MT) - ⁽²⁾ | 17. Palmares (BA) -24,642 ha ⁽¹⁾ |
| 8. São José (MT) - ⁽²⁾ | 18. Paladino (BA) -21,889 ha ⁽¹⁾ |
| 9. Mãe Margarida (MT) - ⁽²⁾ | 19. Piratini (BA) – 8,446 ha ⁽¹⁾ |
| 10. Pantanal (MS) – 43,995 ha ⁽¹⁾ | 20. Panorama (BA) – 21,806 ha ⁽¹⁾ |
| | 21. Paysandu (BA) – ⁽²⁾ |
| | 22. Pamplona (GO) -21,905 ha ⁽¹⁾ |

Observations:

⁽¹⁾ Includes 1st and 2nd crop

⁽²⁾ First crop in 2021/22

Disclaimer

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

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2021

(in thousands of Reais)

1 Operations

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

On September 1, 2020, the Company and subsidiaries began its cultivation of the 2020/2021 crop with operations at sixteen production units and a total planted area of 463.2 thousand hectares, including company-owned areas and areas leased from third parties and realted parties, which are located in six Brazilian states: Mato Grosso, Mato Grosso do Sul, Goiás, Bahia, Piauí and Maranhão.

Effects of COVID-19 on the Financial Statements

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

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

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

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2021
(in thousands of Reais)

1 Operations (Continued)

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

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

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

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

Business Combination with Terra Santa Agro S.A.

As mentioned in the Material Fact published by the Company on November 26, 2020, the Company was negotiating with Terra Santa Agro S.A. ("Terra Santa") of a document that established the premises, terms and conditions indicative of a transaction through which the Company would assume the agricultural operations of Terra Santa through the merger of shares of Terra Santa by SLC Agrícola, pursuant to articles 252, 224 and 225 of Law nº 6,404 / 76 ("Merger of shares").

In preparation for the business combination with Terra Santa, the parties submitted the Transaction for approval by the Administrative Council for Economic Defense - CADE ("CADE"), and the Transaction was approved on January 7, 2021 without restrictions.

At the same time, a diligence was carried out by Terra Santa, which ended in the first week of March of this year.

Continuing the events related to the operation, on March 26, 2021, the Company and Terra Santa signed an Association and Other Covenants Agreement ("Agreement"), through which the terms and conditions for the implementation of the combination between the companies, through which the Company would take over the agricultural operations of Terra Santa through the merger of Terra Santa shares by SLC Agrícola, in accordance with articles 252, 224 and 225 of Law nº 6,404 / 76 ("Merger of Shares"), according to the Material Fact published by the Company.

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2021
(in thousands of Reais)

1 Operations (Continued)

Business Combination with Terra Santa Agro S.A. (Continued)

The main terms of the Transaction were described in the relevant Fact published on March 25, 2021, elucidating the issues involving (i) the corporate reorganization; (ii) the exchange ratio; (iii) Terra Santa subscription bonuses; (iv) shareholder approval, other conditions precedent and approval by antitrust authorities; (v) the voting commitment of the shareholders; (vi) the indemnity; (vii) non-competition and non-entitlement; (viii) the fine for breach; (ix) the right of withdrawal; and (x) the withholding of IRRF from foreign shareholders.

The Agreement and the presentation of the transaction were made available to the Company's shareholders, in accordance with the applicable law and regulations, on the Investor Relations website.

As disclosed to the market, the Company concludes the business combination agreements with Terra Santa Agro S.A., detailed in note 28.

2 Summary of significant accounting practices

a) Basis of preparation and presentation of the individual and consolidated quarterly information

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

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

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

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2021
(in thousands of Reais)

2 Summary of significant accounting practices (Continued)

a) Basis of preparation and presentation of the individual and consolidated quarterly information

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

The issue of the individual and consolidated quarterly information was authorized by the Executive Board on August 12, 2021.

Business combination and goodwill

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

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

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

2 Summary of significant accounting practices (Continued)

a) Basis of preparation and presentation of the individual and consolidated quarterly information (Continued)

Business combination and goodwill (Continued)

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

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

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

Seasonality

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

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

b) Presentation of the notes to the quarterly information

To avoid redundancy in the presentation of the Interim Financial Information and for the purposes of Article 29 of CVM Instruction 480/09, the Company indicates below the number of notes disclosed in the individual and consolidated financial statements as of December 31, 2020, and not repeated in full or part in this interim financial information: 3 - Accounting policies, 12 - Investment property, 27 - Profit-sharing program and 29 - Insurance coverage.

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2021
(in thousands of Reais)

2 Summary of significant accounting practices (Continued)

c) Basis of measurement

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

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

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

d) Functional and reporting currency

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

e) New or revised standards

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

SLC Agrícola S.A.

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3 Consolidated financial statements

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

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

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

4 Cash and cash equivalents and short-term interest earning bank deposits

Description	Yields	Parent company		Consolidated	
		06/30/2021	12/31/2020	06/30/2021	12/31/2020
Cash and cash equivalents in R\$	-	60	80,080	93	80,104
Forex exchange cash **	-	7,264	15,073	7,264	15,073
CDB-DI	101.85% of CDI*	1,024,297	1,224,137	1,262,951	1,508,558
LAM	100.00% of CDI*	-	0	0	318
Other investments	70.58% of CDI*	669	663	669	663
		1,032,290	1,319,953	1,270,977	1,604,716
Cash and cash equivalents		1,031,621	1,319,290	1,270,308	1,604,053
LP Interest earnings bank deposits		669	663	669	663

(*) Average yield on June 30, 2021.

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

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

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

Long-term financial investments are reciprocated (collateralized operations), which represent in the non-current assets the amount of R\$ 669 of the portfolio in the parent company and in the consolidated (R\$ 663 as of December 31, 2020).

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 23.

5 Trade accounts receivable

	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Domestic market	16,521	11,510	29,019	13,870
Foreign market	63,246	166,575	64,663	193,413
Total	79,767	178,085	93,682	207,283

The group's exposure to credit and currency risk related to trade accounts receivable is disclosed in note 23.

6 Inventories

	Parent company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Agricultural products	561,432	518,292	617,311	541,467
Agricultural products - formation costs	329,983	402,266	337,911	421,670
Agricultural products – Adjustment at fair value for biological assets	231,449	116,026	279,400	119,797
Seeds, composts, fertilizers and pesticides	309,912	561,228	355,120	646,305
Packages and containerization material	56,261	10,822	63,375	12,240
Spare parts	12,151	10,960	14,437	12,928
Other inventories	45,367	34,500	53,340	38,407
Advances to suppliers	87,827	43,212	113,889	49,735
	1,072,950	1,179,014	1,217,472	1,301,082

The Company has no provision for losses on inventories recorded on June 30, 2021 and December 31, 2020.

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7 Biological assets

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

	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Biological assets - culture in formation	1,584,761	723,600	1,757,554	871,048
Biological assets -herd of cattle	70,641	15,667	81,227	20,756
Total	1,655,402	739,267	1,838,781	891,804

a) Biological assets culture

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

	Parent Company				
	Soybean ¹	Cotton	Corn	Other crops ³	Total
Balances at december 31, 2020	359,038	230,145	54,256	80,161	723,600
Expenditures with planting	301,731	635,622	209,959	11,102	1,158,414
Reclassifications ²	73,219	-	-	(73,219)	-
Variation of the fair value ⁴	582,763	483,087	82,696	-	1,148,546
Harvesting and production adjustment - agricultural products	(1,301,137)	(83,239)	(56,261)	(5,162)	(1,445,799)
Balances at June 30, 2021	15,614	1,265,615	290,650	12,882	1,584,761
Agricultural products – formation costs	15,614	815,964	225,654	12,882	1,070,114
Biological assets – adjustment at fair value	-	449,651	64,996	-	514,647

	Consolidated				
	Soybean ¹	Cotton	Corn	Other crops ³	Total
Balances at december 31, 2020	447,027	271,298	58,337	94,386	871,048
Expenditures with planting	362,353	728,632	252,890	12,148	1,356,023
Reclassifications ²	89,743	-	-	(89,743)	-
Variation of the fair value ⁴	725,639	536,134	112,782	-	1,374,555
Harvesting and production adjustment - agricultural products	(1,608,418)	(128,446)	(99,417)	(7,791)	(1,844,072)
Balances at June 30, 2021	16,344	1,407,618	324,592	9,000	1,757,554
Agricultural products – formation costs	16,344	912,775	245,899	9,000	1,184,018
Biological assets – adjustment at fair value	-	494,843	78,693	-	573,536

(1) Areas of soy and seed soy.

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

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

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

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7 Biological assets (Continued)

a) Biological assets culture (Continued)

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

	Parenty Company	
	06/30/2021(*)	06/30/2020(**)
Soybean		
Harvested area (ha)	184,879	164,833
Productivity achieved (sc/ha)	66	63
Average price (R\$/sc) (***)	R\$ 113.70	R\$ 73.79
Corn		
Harvested area (ha)	10,416	16,353
Productivity achieved (sc/ha)	139	137
Area at harvest point (ha)(****)	68,287	49,788
Estimated Productivity (sc/ha)(*****)	102	123
Average price (R\$/sc) (***)	R\$ 42.43	R\$ 30.65
Cotton seed		
Harvested area (ha)	5,771	12,321
Productivity achieved (sc/ha)	276	258
Area at harvest point (ha)(****)	70,468	77,983
Estimated Productivity (sc/ha)(*****)	305	297
Average price (R\$/sc) (***)	R\$ 51.71	R\$ 41.17

	Consolidated	
	06/30/2021(*)	06/30/2020(**)
Soybean		
Harvested area (ha)	229,449	205,508
Productivity achieved (sc/ha)	66	64
Average price (R\$/sc) (***)	R\$ 113.57	R\$ 73.33
Corn		
Harvested area (ha)	17,909	22,281
Productivity achieved (sc/ha)	139	128
Area at harvest point (ha)(****)	78,770	58,256
Estimated Productivity (sc/ha)(*****)	101	120
Average price (R\$/sc) (***)	R\$ 43.08	R\$ 29.94
Cotton seed		
Harvested area (ha)	7,487	14,416
Productivity achieved (sc/ha)	277	256
Area at harvest point (ha)(****)	80,897	92,424
Estimated Productivity (sc/ha)(*****)	304	294
Average price (R\$/sc) (***)	R\$ 51.40	R\$ 41.25

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

(**) Data referring to the 2019/20 crop on the calculation date

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

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

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

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7 Biological assets (Continued)

a) Biological assets culture (Continued)

Soybean, corn and cotton crops occur in the following periods:

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

(*) Paysandu Farm, established on May 14, 2021, as a branch of SLC Agrícola, comprises 39,034 hectares, distributed between the municipalities of Correntina/BA (34,284 hectares) and Unai/MG (4,749 hectares), leased from Agrícola Xingú SA, with a term of fifteen (15) years for the areas of Bahia and ten (10) years for the areas of Minas Gerais. The areas are developed and duly licensed, already destined for the planting of grains and cotton, which will include agricultural planning from the 2021/22 harvest onwards. The execution of the lease agreement was disclosed on April 8, 2021 through a Material Fact.

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

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

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

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7 Biological assets (Continued)

b) Biological assets – cattle raising

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

As of the 2020/21 harvest, in addition to the ILP, the Company will also maintain a permanent herd of cattle in specific areas for livestock.

The fair value of cattle is calculated based on the market value, due to the existence of an active market. The gain or loss, in the variation in the fair value of biological assets, is recognized in the income for the year in which it occurs.

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

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

	<u>Parenty company</u>	<u>Consolidated</u>
Balances at December 31, 2020	15,667	20,756
Purchase cost	55,586	60,367
Variation in fair value adjustment(*)	4,444	7,378
Low por sale	(5,056)	(7,274)
Balances at June 30, 2021	70,641	81,227
Biological assets - cattle	62,866	69,574
Biological assets – adjustment at fair value	7,775	11,653

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

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8 Recoverable taxes

	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Income tax	49	49	1,303	708
Social contribution	17	0	27	12
ICMS	92,543	77,895	130,199	112,967
COFINS	30,288	10,381	49,719	26,993
PIS	6,598	2,295	10,927	5,635
IRRF recoverable	3,138	1,787	3,677	3,667
Other	375	350	5,841	668
	133,008	92,757	201,693	150,650
Portion classified in current assets	59,098	28,521	77,981	39,447
Portion classified in non-current assets	73,910	64,236	123,712	111,203

Income and social contribution taxes

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

Recoverable IRRF

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

ICMS, PIS and COFINS to be offset/recovered

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

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

As of June 30, 2021, a provision was recorded in the amount of R\$ 23,191 (R\$ 24,904 as of December 31, 2020), referring to ICMS tax credits whose loss is estimated due to non-realization. The estimated recovery of ICMS credits was based on the projection of ICMS debts and transfers of ICMS credits to third parties. The amount was recorded in "other operating expenses" in the income statement for the period.

Deadline	Parent Company			Consolidated		
	ICMS	COFINS	PIS	ICMS	COFINS	PIS
up to 1 year	21,995	27,528	5,996	27,803	32,128	7,202
1 to 2 years	34,606	45	9	46,582	6,490	1,502
2 to 3 years	19,607	-	-	27,252	-	-
over 3 years	16,335	2,715	593	28,562	11,101	2,223
	92,543	30,288	6,598	130,199	49,719	10,927

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8 Recoverable taxes (Continued)

Social security contribution

In March 2021, a credit was recorded for the process that recognized the right, to the subsidiary SLC MIT Empreendimentos Agrícolas S / A, to exclude the revenues resulting from indirect exports from the calculation base of the social security contribution referred to in art. 25 of Law nº 8,870 / 94. The amount of accumulated credit recorded in the subsidiary was R\$ 4,757, of which R\$ 3,822 was principal and R\$ 935 was adjusted for the Selic rate, recorded in the income statement for the period.

9 Securities and credits receivable

At June 30, 2021, the consolidated balance of securities receivable is comprised of an amount of R\$ 31,619 (R\$ 33,907 at December 31, 2020) as follows:

	<u>Consolidated</u>
Balance at december 31, 2020	33,907
Monetary variation	429
Others (*)	<u>(2,717)</u>
Balance at june 30, 2021	<u>31,619</u>
Portion classified in current assets	31,619

(*) Amount with no cash effect, having been offset with amounts payable.

Sale of land in the subsidiaries Fazenda Paiaguás and Fazenda Parceiro

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

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

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9 Securities and credits receivable (Continued)

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

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

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

As of June 30, 2021, the balance of receivables related to this transaction is R\$ 29,880 (R\$ 29,506 as of December 31, 2020).

Complements the item "securities receivable" balances of other amounts receivable in the amount of R\$ 1,739 on June 30, 2021 (R\$ 4,401 on December 31, 2020).

10 Investments (Parent company)

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

	<u>06/30/2021</u>	<u>12/31/2020</u>
Investments parent company	<u>2,352,655</u>	<u>2,212,789</u>
	<u>2,352,655</u>	<u>2,212,789</u>

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10 Investments (Parent company) (Continued)

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

Investment	Capital stock	Shareholders' equity	Unrealized gain in equity	Adjustments to IFRS 16 / CPC 06 (R2) in shareholder's equity	Net income for the period	Unrealized profit for the period income	Adjustments to IFRS 16 / CPC 06 (R2) for the period	Percentage of interest	Equity in income of subsidiaries and associated companies	Equity participation
Fazenda Parnaíba Emp. Agr. Ltda.	21,053	208,458	-	(29,101)	13,737	-	(255)	100.00%	13,482	179,357
Fazenda Planorte Emp. Agr. Ltda.	57,099	260,574	-	(14,781)	16,970	-	2,903	100.00%	19,873	245,793
Fazenda Pioneira Emp. Agr. S.A.	91,672	141,886	-	-	44,074	-	-	50.00%	22,037	70,943
SLC-MIT Emp. Agr. S.A	109,981	219,928	(12,694)	551	90,382	(12,694)	2,385	52.20%	41,799	105,689
SLC Invest. Agrícolas Ltda.	279,405	747,559	-	2,373	14,292	-	1,107	100.00%	15,399	749,932
Fazenda Pamplona Emp. Agr. Ltda.	31,766	181,426	-	(11,394)	9,791	-	(3,630)	100.00%	6,161	170,032
Fazenda Planalto Emp. Agr. Ltda.	9,137	255,258	-	(12,665)	14,253	-	(2,174)	100.00%	12,079	242,593
Fazenda Palmares Emp. Agr. Ltda.	109,800	191,389	-	(6,272)	9,722	17	(1,354)	100.00%	8,385	185,117
Fazenda Parnaguá Emp. Agr. Ltda.	34,291	51,761	-	4,057	1,969	-	2,209	100.00%	4,178	55,818
Fazenda Paineira Emp. Agr. Ltda.	73,985	154,999	-	-	3,765	-	-	6.082%	227	9,419
Fazenda Paiaguás Emp. Agr. Ltda.	20,347	241,262	-	(15,942)	19,012	-	4,126	100.00%	23,138	225,320
SLC Perdizes Emp. Agr. Ltda.	77,163	116,455	-	(3,813)	5,492	-	1,192	100.00%	6,684	112,642
									173,442	2,352,655

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

Investment	Balance on 12/31/2020	Equity accounting	Unrealized gain/(loss) with hedge instruments	Balance on 06/30/2021
Fazenda Parnaíba Emp. Agr. Ltda.	165,875	13,482	-	179,357
Fazenda Planorte Emp. Agr. Ltda.	229,920	19,873	-	245,793
Fazenda Pioneira Emp. Agr. S.A. ¹	47,386	22,037	1,520	70,943
SLC-MIT Emp. Agr. S.A. ¹	57,794	41,799	6,096	105,689
SLC Invest. Agrícolas Ltda.	747,508	15,399	-	749,932
Fazenda Pamplona Emp. Agr. Ltda.	166,371	6,161	-	170,032
Fazenda Planalto Emp. Agr. Ltda.	236,514	12,079	-	242,593
Fazenda Palmares Emp. Agr. Ltda.	179,732	8,385	-	185,117
Fazenda Parnaguá Emp. Agr. Ltda. ²	54,357	4,178	-	55,818
Fazenda Paineira Emp. Agr. Ltda.	9,192	227	-	9,419
Fazenda Paiaguás Emp. Agr. Ltda.	212,182	23,138	-	225,320
SLC Perdizes Emp. Agr. Ltda.	105,958	6,684	-	112,642
	2,212,789	173,442	7,616	2,352,655

(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) The dividend received from the company Fazenda Parnagua Emp. Ag. Ltda, in the amount of R\$ 2,717 with no cash effect.

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10 Investments (Parent company) (Continued)

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

Investments	Directly and indirectly controlled						
	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity	Income	Expenses
Fazenda Parnaíba Emp. Agr. Ltda.	5,153	217,858	2,634	11,919	208,458	16,573	2,837
Fazenda Planorte Emp. Agr. Ltda.	6,331	265,432	1,451	9,738	260,574	20,226	3,256
Fazenda Pioneira Emp. Agr. S.A.	170,574	114,158	76,464	66,382	141,886	219,321	175,247
SLC-MIT Emp. Agr. S.A.	434,635	312,455	316,361	210,801	219,928	392,277	301,894
SLC Investimentos Agrícolas Ltda	975	771,564	11,569	13,411	747,559	15,270	978
Fazenda Pamplona Emp. Agr. Ltda	5,576	183,860	755	7,255	181,426	11,672	1,881
Fazenda Planalto Emp. Agr. Ltda.	5,960	261,187	1,127	10,762	255,258	16,926	2,673
Fazenda Palmares Emp. Agr. Ltda	8,195	188,673	1,804	3,675	191,389	11,483	1,761
Fazenda Parnaguá Emp. Agr. Ltda.	5,060	47,691	149	841	51,761	2,383	414
Fazenda Paineira Emp. Agr. Ltda.	15,726	143,026	1,340	2,413	154,999	4,421	656
Fazenda Paiaguás Emp. Agr. Ltda.	18,386	236,610	2,063	11,671	241,262	22,462	3,450
SLC Perdizes Emp. Agrícolas Ltda.	1,758	127,901	12,660	544	116,455	8,726	3,235
SLC LandCo Emp. Agrícolas S.A.	12,178	543,837	725	-	555,290	12,456	1,002
Fazenda Planeste Emp. Agr. Ltda.	16,888	131,706	2,958	3,365	142,271	5,420	1,088
Fazenda Piratini Emp. Agr. Ltda	8,162	120,661	1,620	1,999	125,204	2,960	514
Fazenda Panorama Emp. Agr. Ltda.	13,908	111,202	2,098	1,804	121,208	3,813	888
Fazenda Palmeira Emp. Agr. Ltda.	1,238	7,202	280	2	8,158	522	80
Fazenda Parceiro Emp. Agr. Ltda.	28,047	92,372	772	846	118,801	1,526	326

11 Leasing operations

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

	Parent company	Consolidated
Balance at 12/31/2020	2,463,254	828,496
Remeasurement	617,363	419,560
Additions of new contracts	666,116	666,116
(-) Amortization of the right to use asset	(138,450)	(85,537)
Balance at 06/30/2021	3,608,283	1,828,635
Cotton rental	16,063	21,496
Culture lands	3,569,961	1,783,770
Leasing of buildings	1,330	1,330
Machinery	13,239	13,239
Rental cars	7,690	8,800
	3,608,283	1,828,635
Amortization of right of use in the period:		
Cotton rental	(737)	(1,214)
Culture lands	(133,593)	(79,951)
Leasing of buildings	(363)	(363)
Machinery	(1,951)	(1,951)
Rental cars	(1,806)	(2,058)
Total period	(138,450)	(85,537)

SLC Agrícola S.A.

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11 Leasing operations (Continued)

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

	Parent company	Consolidated
Balance at 12/31/2020	2,615,382	934,284
Additions of new contracts and remeasurement lease liability	1,279,519	1,082,536
Realization of the APV on lease liabilities	136,952	53,959
(-) Payments (*)	(221,769)	(206,621)
Balance at 06/30/2021	3,810,084	1,864,158
Liabilities current	501,175	301,128
Intercompany(note 14.a)	212,494	-
Third-party	288,681	301,128
Liabilities non-current	3,308,909	1,563,030
Intercompany(note 14.a)	1,768,470	-
Third-party	1,540,439	1,563,030

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

The incremental rate of funding used by the Company for discount is composed by the "CDI / Pre weighted curve", added to the Company's credit risk and to a risk spread of the underlying asset. The applied rates are informed in notes 14.c and 22.2.

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

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

11 Leasing operations (Continued)

Impacts on the result

With the implementation of CPC 06 (R2) (IFRS 16) in 2019, all leases are now accounted for under a single model, similar to the accounting for finance leases, bringing a new financial component, which reduced the cost of production, due to the effect of recording the adjustment to present value in the financial result. The amount recorded in the financial result for the period represents R\$ 136,952 in the parent company and R\$ 53,959 in the consolidated (R\$ 69,711 in the parent company and R\$ 28,594 in the consolidated for the same period in 2020).

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

The Company has land lease agreements with its subsidiaries, as described in note 14. The adoption of said rule caused differences between the results of the parent company and the consolidated, which were adjusted in the calculation of equity of the parent company, so that the results of the parent company's period and the consolidated result attributed to the controlling shareholders were equal, based on ICPC 09 (R2) - Individual Financial Statements, Separate Statements, Consolidated Statements and Application of the Equity Method. The calculation of the equity method is shown in note 10.

Sub-lease of right of use asset

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

The Parent Company's revenue in the period, resulting from the subleasing of rights-of-use assets, was R\$ 2,273 (R\$ 2,033 in parent company revenue for the same period in 2020)

Additional information

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

As of June 30, 2021, the gross contractual flow of lease agreements entitled to PIS / COFINS credit is R\$ 6,686,524 at the parent company and R\$ 2,866,702 at the consolidated (R\$ 4,448,983 at the parent company and R\$ 1,300,043 in the consolidated, as of December 31, 2020). The potential PIS and COFINS credit on the gross contractual flow, brought to present value, is R\$ 507,581 in the parent company and R\$ 221,070 in the consolidated (R\$ 283,066 in the parent company and R\$ 86,245 in the consolidated, as of December 31, 2020).

SLC Agrícola S.A.

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11 Leasing operations (Continued)

Additional information (Continued)

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

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

	Parent company	
	Considerations without inflation ⁽¹⁾	Considerations with inflation ⁽²⁾
Right of use asset	3,608,283	4,228,058
Liabilities leasing - current	501,175	501,471
Liabilities leasing - non current	3,308,909	3,898,335

	Consolidated	
	Considerations without inflation ⁽¹⁾	Considerations with inflation ⁽²⁾
Right of use asset	1,828,635	2,124,448
Liabilities leasing - current	301,128	301,291
Liabilities leasing - non current	1,563,030	1,839,239

(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	525,950	526,335	321,719	321,960
1 to 2 years	515,766	587,431	309,002	354,345
2 to 3 years	471,214	546,881	263,821	306,926
3 to 4 years	460,959	539,371	241,513	282,953
4 to 5 years	457,932	538,542	237,146	279,139
over 5 years	4,338,980	5,178,351	1,561,199	1,859,942
	6,770,801	7,916,911	2,934,400	3,405,265

(1) Discounted cash flow without considering projected future inflation

(2) Discounted cash flow considering projected future inflation

11 Leasing operations (Continued)

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

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

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

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

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

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2021

(in thousands of Reais)

12 Property, plant and equipment

a) Composition of fixed assets

Cost of the gross fixed assets	Parent Company					Balance on 06/30/2021
	Balance on 12/31/2020	Additions	Write-offs	Transfers	Reclassification	
Soil correction and development	466,245	25,233	-	(62)	-	491,416
Buildings and improvements	296,623	836	(25)	2,741	-	300,175
Agricultural equipment and industrial facilities	843,611	87,297	(28,096)	808	-	903,620
Vehicles	52,671	850	(1,219)	(139)	(5)	52,158
Furniture and fixtures	16,231	1,033	(62)	(116)	-	17,086
Equipment and facilities of the office	28,420	8,774	(243)	(495)	-	36,456
Other	3,787	397	(87)	-	-	4,097
Works in progress	9,049	48,631	-	(2,737)	-	54,943
Plants carrier	4,239	-	-	-	-	4,239
Total	1,720,876	173,051	(29,732)	-	(5)	1,864,190

Depreciation	Balance on 12/31/2020	Depreciation	Write-offs	Reclassification	Balance on 06/30/2021
Soil correction and development	(315,626)	(13,247)	-	-	(328,873)
Buildings and improvements	(54,227)	(5,196)	2	-	(59,421)
Agricultural equipment and industrial facilities	(448,721)	(29,012)	20,395	-	(457,338)
Vehicles	(21,425)	(2,304)	858	3	(22,868)
Furniture and fixtures	(7,915)	(641)	38	-	(8,518)
Equipment and facilities of the office	(13,504)	(2,277)	216	-	(15,565)
Others	(60)	16	-	-	(44)
Plants carrier	(4,239)	-	-	-	(4,239)
Total	(865,717)	(52,661)	21,509	3	(896,866)

Net residual value	12/31/2020	06/30/2021
Soil correction and development	150,619	162,543
Buildings and improvements	242,396	240,754
Agricultural equipment and industrial facilities	394,890	446,282
Vehicles	31,246	29,290
Furniture and fixtures	8,316	8,568
Equipment and facilities of the office	14,916	20,891
Other	3,727	4,053
Works in progress	9,049	54,943
Total	855,159	967,324

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2021

(in thousands of Reais)

12 Property, plant and equipment (Continued)

a) Composition of fixed assets (Continued)

Cost of the gross fixed assets	Consolidated					Balance on 06/30/2021
	Balance on 12/31/2020	Additions	Write-offs	Transfers	Reclassification (*)	
Crop lands	1,720,026	322	-	-	-	1,720,348
Soil correction and development	720,472	29,398	-	(62)	-	749,808
Buildings and improvements	513,291	938	(25)	4,392	-	518,596
Agricultural equipment and industrial facilities	988,945	96,197	(28,119)	988	-	1,058,011
Vehicles	59,431	921	(1,385)	(139)	(5)	58,823
Furniture and fixtures	18,944	1,140	(70)	(113)	-	19,901
Equipment and facilities of the office	35,837	9,458	(434)	(488)	-	44,373
Other	8,092	539	(87)	-	-	8,544
Works in progress	10,833	50,743	-	(4,578)	-	56,998
Plants carrier	4,239	-	-	-	-	4,239
Total	4,080,110	189,656	(30,120)	-	(5)	4,239,641

Depreciation	Balance on 12/31/2020	Depreciation	Write-offs	Reclassification (*)	Balance on 06/30/2021
Soil correction and development	(454,551)	(19,697)	-	-	(474,248)
Buildings and improvements	(122,079)	(10,330)	2	20	(132,387)
Agricultural equipment and industrial facilities	(504,554)	(35,968)	20,403	6	(520,113)
Vehicles	(24,973)	(2,484)	977	3	(26,477)
Furniture and fixtures	(8,919)	(768)	42	-	(9,645)
Equipment and facilities of the office	(15,870)	(2,558)	397	-	(18,031)
Other	(381)	(23)	-	-	(404)
Plants carrier	(4,239)	-	-	-	(4,239)
Total	(1,135,566)	(71,828)	21,821	29	(1,185,544)

Net residual value	12/31/2020	06/30/2021
Crop lands	1,720,026	1,720,348
Soil correction and development	265,921	275,560
Buildings and improvements	391,212	386,209
Agricultural equipment and industrial facilities	484,391	537,898
Vehicles	34,458	32,346
Furniture and fixtures	10,025	10,256
Equipment and facilities of the office	19,967	26,342
Other	7,711	8,140
Works in progress	10,833	56,998
Total	2,944,544	3,054,097

(*) Reclassification to intangible assets, available for sale and investment property in the amount of R\$ 24.

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2021

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12 Property, plant and equipment (Continued)

b) Construction in progress

As of June 30, 2021, the balance of works in progress in the amount of R\$ 54,943 in the parent company and R\$ 56,998 in the consolidated, is substantially represented by works in cotton, well drilling, construction of warehouses, sheds, integration of crops livestock, expansion of the expedition, fire prevention project and other improvements.

The amount of capitalized interest for works in progress in the period ended June 30, 2021 was R\$ 770 (R\$ 728 as of December 31, 2020). The capitalization rate used to determine the amount of borrowing costs eligible for capitalization was approximately 4.36% y.y.

c) Guarantees

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

Assets under secure	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Hypothec	-	-	134,962	134,753
Pledge of financing	8,971	10,514	15,926	17,661
Assets in legal proceedings	14,232	14,232	14,232	14,232
	23,203	24,746	165,120	166,646

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13 Intangible

Parent Company			
Gross intangible cost	Balance on 12/31/2020	Additions	Balance on 06/30/2021
Software	21,915	595	22,510
Import of new system	30,661	18,238	48,899
Total	52,576	18,833	71,409

Amortization	Balance on 12/31/2020	Additions	Balance on 06/30/2021
Software	(17,336)	(696)	(18,032)
Total	(17,336)	(696)	(18,032)

Net residual value	Balance on 12/31/2020	Balance on 06/30/2021
Software	4,579	4,478
Import of new system	30,661	48,899
Total	35,240	53,377

Consolidated			
Gross intangible cost	Balance on 12/31/2020	Additions	Balance on 06/30/2021
Software	22,342	595	22,937
Import of new system	30,661	18,238	48,899
Total	53,003	18,833	71,836

Amortization	Balance on 12/31/2020	Additions	Reclassification	Balance on 06/30/2021
Software	(17,713)	(703)	(6)	(18,422)
Total	(17,713)	(703)	(6)	(18,422)

Net residual value	Balance on 12/31/2020	Balance on 06/30/2021
Software	4,629	4,515
Import of new system	30,661	48,899
Total	35,290	53,414

As of June 30, 2021, the balance of implementation of new systems, in the amount of R\$ 48,899, is mainly represented by the implementation of the SAP operating system.

SLC Agrícola S.A.

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June 30, 2021
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14 Balances and transactions with related parties

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

a) Related-party balances

Balances receivable from related parties:

	Parent company		Consolidated	
	Other accounts receivable		Other accounts receivable	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Direct subsidiaries				
Fazenda Parnaíba Empr. Agr. Ltda	-	1,046	-	-
Fazenda Perdizes Empr. Agr. Ltda	4,710	2,545	-	-
Fazenda Pioneira Empr. Agr. S.A	182	255	-	-
SLC Perdizes Empr. Agr. Ltda	10,560	23,028	-	-
Indirect subsidiaries				
SLC LandCo Emp. Agr. S.A.	6	-	-	-
SLC - MIT Empr. Agr. S.A	533	455	-	-
Fazenda Parceiro Empr. Agr. Ltda	-	384	-	-
Parent company				
SLC Participações S.A.	20	-	20	-
Other related parties	7	8	7	8
	16,018	27,721	27	8
Portion classified as current	967	2,475	27	8
Portion classified as non-current	15,051	25,246	-	-

Balances payable to related parties:

	Parent company						Consolidated	
	Leases payable		Other accounts payable		Total payable		Other accounts payable	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Direct subsidiaries								
Fazenda Parnaíba Empr. Agr. Ltda	239,460	228,545	-	-	239,460	228,545	-	-
Fazenda Planorte Empr. Agr. Ltda	401,365	338,495	-	-	401,365	338,495	-	-
Fazenda Pamplona Empr. Agr. Ltda	200,569	157,921	-	-	200,569	157,921	-	-
Fazenda Planalto Empr. Agr. Ltda	292,734	230,491	-	-	292,734	230,491	-	-
Fazenda Palmares Empr. Agr. Ltda	119,286	113,870	-	-	119,286	113,870	-	-
Fazenda Parnagua Empr. Agr. Ltda	58,052	55,406	-	-	58,052	55,406	-	-
Fazenda Parceiro Empr. Agr. Ltda	35,020	34,335	-	-	35,020	34,335	-	-
Fazenda Paiaguás Emp. Agr. Ltda.	445,362	361,399	-	-	445,362	361,399	-	-
Indirect subsidiaries								
Fazenda Planeste Empr. Agr. Ltda	69,493	75,891	-	-	69,493	75,891	-	-
Fazenda Panorama Empr. Agr. Ltda	48,500	53,359	-	-	48,500	53,359	-	-
Fazenda Piratini Empr. Agr. Ltda	38,672	42,547	-	-	38,672	42,547	-	-
Fazenda Perdizes Empr. Agr. Ltda	-	-	22	573	22	573	-	-
SLC - MIT Empr. Agr. S.A	-	-	316	721	316	721	-	-
Fazenda Palmeira Emp. Agr. Ltda.	7,680	8,319	-	-	7,680	8,319	-	-
SLC Landco Empr. Agr. Ltda	24,771	21,590	-	-	24,771	21,590	-	-
Subsidiaries								
SLC Participações S.A.	-	-	48	16	48	16	48	16
Other related parties								
	-	-	-	-	-	-	101	102
	1,980,964	1,722,168	386	1,310	1,981,350	1,723,478	149	118
Liabilities current	212,494	204,525	386	1,310	212,880	205,835	149	118
Liabilities non-current	1,768,470	1,517,643	-	-	1,768,470	1,517,643	-	-

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2021

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14 Balances and transactions with related parties (Continued)

a) Related-party balances (Continued)

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

b) Transactions with related parties

	Amortization of the right to use (IFRS 16)		APV-Liabilities Rental (IFRS16)	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Direct subsidiaries				
Fazenda Parnaíba Empr. Agr. Ltda	5,319	2,351	10,915	4,948
Fazenda Planorte Empr. Agr. Ltda	5,827	3,091	16,884	6,620
Fazenda Pamplona Empr. Agr. Ltda	1,298	1,139	8,116	3,756
Fazenda Planalto Empr. Agr. Ltda	2,764	1,226	11,845	6,354
Fazenda Palmares Empr. Agr. Ltda	1,917	413	5,627	3,995
Fazenda Parnagua Empr. Agr. Ltda	1,851	1,300	2,646	1,693
Fazenda Parceiro Empr. Agr. Ltda	441	505	1,558	781
Fazenda Paiaguás Emp. Agr. Ltda.	7,918	3,145	18,322	6,305
Indirect subsidiaries				
Fazenda Planeste Empr. Agr. Ltda	3,361	2,350	3,495	3,526
Fazenda Panorama Empr. Agr. Ltda	1,366	733	2,448	2,446
Fazenda Piratini Empr. Agr. Ltda	-	13	1,952	1,443
Fazenda Perdizes Empr. Agr. Ltda	257	-	-	-
SLC MIT Empr. Agr. S.A	-	-	-	-
Fazenda Palmeira Empr. Agr. Ltda.	224	38	388	81
SLC Landco Empr. Agr. S.A.	1,390	1,380	565	658
Subsidiaries				
SLC Participações S.A.	-	67	14	7
	33,933	17,751	84,775	42,613

	Sales of goods/products/ property, plant and equipment		Purchases of goods/products/ Corporate TI		Financial expenses - Warranty Fee
	06/30/2021	06/30/2020	06/30/2020	06/30/2020	06/30/2020
Direct subsidiaries					
Fazenda Pioneira Empr. Agr. Ltda	1,788	1,058	-	-	-
Indirect subsidiaries					
Fazenda Perdizes Empr. Agr. Ltda	1,506	1,500	-	-	-
SLC MIT Empr. Agr. S.A	2,563	2,445	33,259	4,535	-
Subsidiaries					
SLC Participações S.A.	-	-	11	67	7
Other related parties					
Outras Empresas	-	-	1,523	-	-
	5,857	5,003	34,793	4,602	7

SLC Agrícola S.A.

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14 Balances and transactions with related parties (Continued)

c) Rental contracts payable

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

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

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

Farm	Localization	Accounting value	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
Parnaíba	Tasso Fragoso - MA	239,460	28,443	7,628	8,380	9,151	10,109	175,749
Planorte	Sapezal - MT	401,365	41,062	8,068	8,811	9,530	10,495	323,399
Pamplona	Cristalina - GO	200,569	20,280	3,887	4,242	4,583	5,044	162,533
Planalto	Costa Rica - MS	292,734	29,599	5,676	6,190	6,689	7,363	237,217
Palmares	Barreiras - BA	125,939	15,423	4,565	5,013	5,477	6,044	89,417
Parnaçuá	Santa Filomena - PI	58,052	3,709	4,288	4,288	5,144	6,003	34,620
Parceiro	Formosa do Rio Preto - BA	35,020	2,765	2,366	2,743	3,120	3,503	20,523
Paiaguás	Diamantino - MT	445,362	45,032	8,634	9,419	10,176	11,201	360,900
Planeste	Balsas - MA	69,493	9,618	3,816	4,184	4,577	5,035	42,263
Panorama	Correntina - BA	48,500	6,712	2,664	2,920	3,194	3,514	29,496
Piratini	Jaborandi - BA	38,672	5,352	2,124	2,328	2,547	2,802	23,519
Palmeira	Alto Parnaíba - MA	7,680	941	278	305	334	368	5,454
Matriz	Porto Alegre - RS	18,118	3,558	2,559	2,692	2,906	3,100	3,303
		1,980,964	212,494	56,553	61,515	67,428	74,581	1,508,393
Liabilities current		212,494						
Liabilities non current		1,768,470						

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

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2021

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14 Balances and transactions with related parties (Continued)

c) Rental contracts payable (Continued)

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

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

d) Management fees

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

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

	Parent company		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Directors fee	(3,384)	(2,957)	(3,583)	(3,146)
Bonuses	(3,826)	(2,972)	(3,826)	(3,083)
Charges	(2,577)	(1,696)	(2,625)	(1,774)
Stock option plan	(1,110)	(857)	(1,110)	(857)
Other benefits	(23)	(24)	(23)	(24)
Total	(10,920)	(8,506)	(11,167)	(8,884)

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

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

SLC Agrícola S.A.

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June 30, 2021

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15 Suppliers

	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Suppliers	161,561	732,358	184,545	870,902
Suppliers risk drawn	189,499	200,788	221,353	230,867
Total	351,060	933,146	405,898	1,101,769

The balance of suppliers on June 30, 2021 consists of R\$ 351,060 in the parent company and R\$ 405,898 in the consolidated, of which R\$ 189,499 in the parent company and R\$ 221,353 in the consolidated correspond to the withdrawn risk operations, with an average maturity 151 days and an average rate of 5.96% p.a. The operation is a result of commercial negotiation resulting from the need for advance payment by suppliers, noting that there were no changes in the terms of payments and prices negotiated with suppliers as a result of this transaction.

16 Loans and financing

	Index	Average annual interest rates (%)		Parent company		Consolidated	
		06/30/2021	12/31/2020	06/30/2021	12/31/2020	06/30/2021	12/31/2020
<u>Used in the property, plant and equipment</u>							
Finame – BNDES	Pre and Coin Basket	5.50%	5.43%	29,897	34,866	48,911	57,053
				29,897	34,866	48,911	57,053
<u>Invested in working capital</u>							
Rural credit	Pré	4.30%	4.30%	3,111	3,046	12,443	12,186
Working capital (CRA)	CDI	4.11%	1.88%	360,697	360,346	360,697	360,346
Working capital (CRA)	IPCA + Pré	11.73%	8.19%	503,763	481,270	503,763	481,270
Working capital	CDI	5.54%	3.51%	502,258	298,384	573,092	361,959
Working capital	Swap CDI	6.28%	6.28%	222,698	215,977	222,698	215,977
Export financing	CDI	5.40%	3.24%	275,700	328,928	395,750	481,671
Export financing	Swap EUR/US\$	1.40%	1.33%	460,192	345,637	585,581	464,527
				2,328,419	2,033,588	2,654,024	2,377,936
				2,358,316	2,068,454	2,702,935	2,434,989
(-)Transaction cost working capital (CRA)				(15,597)	(17,706)	(15,597)	(17,706)
				2,342,719	2,050,748	2,687,338	2,417,283
Portion classified in current assets				910,836	297,692	1,130,885	377,547
Installment classified in non-current				1,431,883	1,753,056	1,556,453	2,039,736

Finame – BNDES – Investment Lines of the National Development Bank (BNDES). They are guaranteed by fiduciary alienation or pledge of the financed assets and by guarantee of the Company and SLC Participações S.A. (Parent Company). Amortizations are carried out on a monthly, semi-annual and annual basis, after the grace period, and will take place between the periods from 07/15/2021 to 05/15/2032.

SLC Agrícola S.A.

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16 Loans and financing (Continued)

Rural Credit – Resources intended for the costing and marketing of crops, whose rules, purposes and conditions are established in the Rural Credit Manual (MCR) prepared by the Central Bank of Brazil. They are guaranteed by the Company, and, in some operations, by the pledge of the crop. The periodicity of their depreciation is annual, with maturities between 07/12/2021 and 08/12/2021.

Working Capital – Line for the purpose of meeting cash requirements, due on 07/19/2021 and 10/30/2023 backed in stock or production.

Export Financing – Export financing with short and long term lines raised in reais, euro or dollar indexed at a pre-fixed rate: CCE (Export Credit Note), NCE (Export Credit Note) and FINEX (Financing for Export) Export). The amortization periodicity is annual, semiannual or according to the negotiated term, with maturities between the periods from 08/09/2021 to 09/30/2024. They are guaranteed by the guarantee of the Company with a land mortgage or with a “clean” guarantee.

CRA – Certificate of Agribusiness Receivables – Fixed income securities, issued by the securitizer on behalf of SLC Agrícola, backed by receivables originating from business between rural producers, or their cooperatives, and third parties, covering financing or loans related to the production, commercialization, processing or industrialization of products, agricultural inputs or machines and implements used in agricultural production. The costs of these transactions, recorded under loans and financing, total R\$ 15,597 (parent and consolidated) as of June 30, 2021. Below are information on the issues:

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

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

16 Loans and financing (Continued)

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

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

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

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

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

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

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

SLC Agrícola S.A.

Notes to the quarterly information

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16 Loans and financing (Continued)

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

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

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

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

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

Years of maturity	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
2021	729,614	297,692	767,336	377,547
2022	773,826	919,646	1,019,816	1,161,958
2023	487,483	345,625	516,210	382,750
2024	220,412	238,683	248,693	242,028
2025	124,517	242,235	125,486	243,757
After 2025	6,867	6,867	9,797	9,243
	2,342,719	2,050,748	2,687,338	2,417,283

The Group's exposure to liquidity risk is disclosed in note 23.

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2021

(in thousands of Reais)

17 Provisions for tax, environmental, labor and civil risks

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

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

a) Provisions

The Company records provisions for civil, labor and environmental lawsuits classified as probable loss, which presented the following movement:

	Parenty Company				
	Labor	Environmental	Tributary	Civil	Total
Balance in 12/31/2020	1,739	330	1,052	403	3,524
Addition of provision	352	199	-	-	551
Reverse of provision	(15)	-	-	(403)	(418)
Balance in 06/30/2021	2,076	529	1,052	-	3,657

	Consolidated				
	Labor	Environmental	Tributary	Civil	Total
Balance in 12/31/2020	1,983	330	1,123	1,993	5,429
Addition of provision	352	199	-	-	551
Reverse of provision	(15)	-	-	(403)	(418)
Balance in 06/30/2021	2,320	529	1,123	1,590	5,562

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.

Nature	Parenty Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Labor (i)	2,539	546	2,539	546
Environmental (ii)	6,471	3,754	6,783	3,754
Tributary (iii)	15,999	14,352	47,454	46,052
Civil (iv)	4,171	9,005	27,956	36,471
	29,180	27,657	84,732	86,823

SLC Agrícola S.A.

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17 Provisions for tax, environmental, labor and civil risks (Continued)

b) Contingents liabilities (Continued)

(i) *Labor lawsuits*

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

(ii) *Environmental actions*

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

(iii) *Tax*

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

(iv) *Civil*

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

c) Contingents assets

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

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

d) Judicial deposits

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

<u>Nature</u>	<u>Parenty Company</u>		<u>Consolidated</u>	
	<u>06/30/2021</u>	<u>12/31/2020</u>	<u>06/30/2021</u>	<u>12/31/2020</u>
Labor (i)	430	8	616	530
Environmental (ii)	-	-	20	20
Tributary (iii)	1,741	1,176	11,651	11,338
Civil (iv)	-	-	1,046	1,046
	<u>2,171</u>	<u>1,184</u>	<u>13,333</u>	<u>12,934</u>

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18 Deferred income and social contribution taxes

Deferred income and social contribution taxes are presented as follows:

Description	Parent Company					
	06/30/2021			12/31/2020		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for profit-sharing	7,677	2,764	10,441	10,339	3,722	14,061
Provision for tax losses	206	74	280	169	61	230
Operations with derivatives	35,384	12,738	48,122	64,927	23,374	88,301
Provision for Senar	1,297	467	1,764	1,286	463	1,749
APV - Lease liability	9,754	3,511	13,265	10,784	3,882	14,666
Provision for ICMS credit losses	5,798	2,087	7,885	5,950	2,142	8,092
Others	6,187	2,228	8,415	6,222	2,240	8,462
	66,303	23,869	90,172	99,677	35,884	135,561
Liabilities:						
Incentivized depreciation from rural activity	(165,703)	(59,653)	(225,356)	(156,523)	(56,348)	(212,871)
Bargain gain on acquisition of equity interest	(3,747)	(1,349)	(5,096)	(3,855)	(1,388)	(5,243)
Deemed cost from property, plant and equipment	(4,421)	(1,592)	(6,013)	(5,051)	(1,818)	(6,869)
Fair value of biological assets	(188,468)	(67,848)	(256,316)	(47,155)	(16,976)	(64,131)
	(362,339)	(130,442)	(492,781)	(212,584)	(76,530)	(289,114)
Total net	(296,036)	(106,573)	(402,609)	(112,907)	(40,646)	(153,553)
Classified in the non-current liabilities	(296,036)	(106,573)	(402,609)	(112,907)	(40,646)	(153,553)

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2021

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18 Deferred income and social contribution taxes (Continued)

Description	Consolidated					
	06/30/2021			12/31/2020		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for profit-sharing	8,607	3,098	11,705	11,676	4,203	15,879
Provision to tax losses	206	74	280	169	61	230
Operations with derivatives	36,747	12,450	49,197	68,492	23,878	92,370
Provision for Senar	1,396	503	1,899	1,384	498	1,882
APV - Lease liability	7,520	2,707	10,227	10,458	3,765	14,223
Provision for ICMS credit losses	6,247	2,249	8,496	6,226	2,241	8,467
Others	9,097	3,275	12,372	8,941	3,218	12,159
Tax losses and negative basis	13,743	5,433	19,176	30,284	11,411	41,695
	83,563	29,789	113,352	137,630	49,275	186,905
Liabilities:						
Incentivized depreciation from rural activity	(194,798)	(70,004)	(264,802)	(185,782)	(66,758)	(252,540)
Bargain gain on acquisition of equity interest	(3,747)	(1,349)	(5,096)	(3,747)	(1,349)	(5,096)
Deemed cost from property, plant and equipment	(26,085)	(13,291)	(39,376)	(26,828)	(13,558)	(40,386)
Fair value for investment property	(1,992)	(1,076)	(3,068)	(1,992)	(1,076)	(3,068)
Fair value of biological assets	(216,148)	(77,813)	(293,961)	(51,967)	(18,708)	(70,675)
Others	(24,998)	(9,096)	(34,094)	(18,653)	(6,809)	(25,462)
	(467,768)	(172,629)	(640,397)	(288,969)	(108,258)	(397,227)
Net total	(384,205)	(142,840)	(527,045)	(151,339)	(58,983)	(210,322)
Classified in non-current assets	3,992	1,437	5,429	15,059	5,421	20,480
Classified in the non-current liabilities	(388,197)	(144,277)	(532,474)	(166,398)	(64,404)	(230,802)

The Company and its subsidiaries, based on the expectation of generating future taxable income, based on a technical study approved by management, recognized tax credits on tax losses, negative social contribution base and temporary differences, which have no statute of limitations. The book value of deferred charges 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.

SLC Agrícola S.A.

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June 30, 2021

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18 Deferred income and social contribution taxes (Continued)

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

	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
2021	51,141	110,660	68,258	140,780
2022	15,488	4,441	17,659	6,246
2023	11,647	3,358	15,296	11,358
2024	11,896	833	12,139	8,755
2025	-	16,269	-	19,766
	90,172	135,561	113,352	186,905

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

Reconciliation of tax expense with official rates

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

	Parent Company			
	06/30/2021		06/30/2020	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	1,077,763	1,077,763	461,853	461,853
Income and social contribution taxes at the nominal rate from 25% to 9%, respectively	(269,441)	(96,999)	(115,463)	(41,567)
Adjustments for calculation of effective rate				
Equity income	43,360	15,610	19,199	6,912
Permanent additions	(1,279)	(61)	(1,240)	(121)
Other	(4,742)	(2,627)	(400)	47
Value recorded in the income	(232,102)	(84,077)	(97,904)	(34,729)
Total income and social contribution taxes		(316,179)		(132,633)
Deferred taxes		(198,892)		(132,126)
Current taxes		(117,287)		(507)
Effective rate		29.34%		28.72%

SLC Agrícola S.A.

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(in thousands of Reais)

18 Deferred income and social contribution taxes (Continued)

Reconciliation of tax expense with official rates (Continued)

	Consolidated			
	06/30/2021		06/30/2020	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	1,222,489	1,222,489	520,320	520,320
Income and social contribution taxes at the nominal rate of 25% and 9%, respectively	(305,622)	(110,024)	(130,080)	(46,829)
Adjustments for calculation of effective rate				
Permanent additions and exclusions	(4,737)	(1,306)	(3,897)	(1,067)
Tax incentives of subsidiaries	2,468	8	19	7
Income and social contribution taxes in companies taxed by the deemed profit system	24,109	8,625	14,610	5,066
Elimination Unrealized profit	(3,556)	(1,280)	1,339	482
IFRS 16 effects	1,627	585	(5,303)	(1,909)
Other	(6,830)	(2,512)	(420)	149
Value recorded in the income	(292,541)	(105,904)	(123,732)	(44,101)
Total income and social contribution taxes		(398,445)		(167,833)
Deferred taxes		(258,977)		(163,518)
Current taxes		(139,468)		(4,315)
Effective rate		32.59%		32.26%

Reconciliation of deferred Income and social contribution taxes variation

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

Description	Parent Company			
	Balance on 12/31/2020	Recognized in income	Recognized in comprehensive income	Balance on 06/30/2021
Provision for profit-sharing	14,061	(3,620)	-	10,441
Provision to tax losses	230	50	-	280
Operations with derivatives	88,301	9,985	(50,164)	48,122
Provision for Senar	1,749	15	-	1,764
Others	8,462	(47)	-	8,415
Provision for ICMS credit losses	8,092	(207)	-	7,885
Incentivized depreciation from rural activity	(212,871)	(12,485)	-	(225,356)
Bargain gain on acquisition of equity interest	(5,243)	147	-	(5,096)
Deemed cost from property, plant and equipment	(6,869)	856	-	(6,013)
Fair value of biological assets	(64,131)	(192,185)	-	(256,316)
Capitalization of interest on borrowings	14,666	(1,401)	-	13,265
Total	<u>(153,553)</u>	<u>(198,892)</u>	<u>(50,164)</u>	<u>(402,609)</u>
Non-current liabilities	(153,553)			(402,609)

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18 Deferred income and social contribution taxes (Continued)

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

Description	Consolidated			Balance on 06/30/2021
	Balance on 12/31/2020	Recognized in income	Recognized in comprehensive income	
Provision for profit-sharing	15,879	(4,174)	-	11,705
Provision to tax losses	230	50	-	280
Operations with derivatives	92,370	14,573	(57,746)	49,197
Provision for Senar	1,882	17	-	1,899
Others	12,159	213	-	12,372
Tax losses and negative basis	41,695	(22,519)	-	19,176
APV - Lease liability	14,223	(3,996)	-	10,227
Provision for ICMS credit losses	8,467	29	-	8,496
Incentivized depreciation from rural activity	(252,540)	(12,262)	-	(264,802)
Bargain gain on acquisition of equity interest	(5,096)	-	-	(5,096)
Deemed cost from property, plant and equipment	(40,386)	1,010	-	(39,376)
Fair value for investment property	(3,068)	-	-	(3,068)
Fair value of biological assets	(70,675)	(223,286)	-	(293,961)
Others	(25,462)	(8,632)	-	(34,094)
Total	<u>(210,322)</u>	<u>(258,977)</u>	<u>(57,746)</u>	<u>(527,045)</u>
Non-current assets	20,480			5,429
Non-current liabilities	(230,802)			(532,474)

Income tax and social contribution payable

The balance of income tax and social contribution on profit payable on June 30, 2021 is R\$ 81,669 and R\$ 101,634 for the parent company and consolidated, respectively (R\$ 40,374 and R\$ 47,449 on December 31, 2020, in the Parent Company and Consolidated, respectively).

19 Securities payable (Consolidated)

The Company, through its subsidiaries, has contracts for the purchase of land for its use and exploration. The balance as of June 30, 2021 is shown as follows:

	Fixed amount payable
Balance at december 31, 2020	12,979
Payments	(706)
Balance at june 30, 2021	<u>12,273</u>
Current liabilities	<u>12,273</u>

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20 Equity

a) Capital stock

On June 30, 2021, the subscribed capital in the amount of R\$ 947,522 is represented by 190,595,000 common, nominative, book-entry shares with no par value.

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

<u>Shareholder</u>	<u>Quantity of shares</u>	
	<u>06/30/2021</u>	<u>12/31/2020</u>
SLC Participações S.A.	100,938,742	100,977,822
Management	486,963	347,967
Treasury shares	2,648,464	3,010,430
Other	86,520,831	86,258,781
Total shares of paid-in capital	190,595,000	190,595,000
(-) Treasury shares	(2,648,464)	(3,010,430)
Total shares - ex-treasury	187,946,536	187,584,570

b) Capital reserve – goodwill in the issue of shares

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

c) Treasury shares

The balance of treasury shares on June 30, 2021 is R\$ 46,558 and consists of 2,648,464 shares (R\$ 52,921 on December 31, 2020, consisting of 3,010,430 shares). The change in the number of treasury shares in the period was as follows:

	<u>Treasury shares</u>	
	<u>In nº shares</u>	<u>In R\$</u>
Balance at December 31, 2020	3,010,430	(52,921)
Shares exercised under the stock option plans	(361,966)	6,363
Balance at June 30, 2021	2,648,464	(46,558)

The market value of treasury shares, calculated based on the last stock exchange quote, prior to the period's closing date was R\$ 135,919 (R\$ 51.32 per share) on June 30, 2021 and R\$ 82,636 (R\$ 27.45 per share) as of December 31, 2020.

20 Equity (Continued)

d) Legal reserve

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

e) Reserve for expansion

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

f) Profit retention reserve

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

g) Incentive investment reserve

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

h) Dividends

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

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

20 Equity (Continued)

i) Earning per share

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

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

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

	<u>06/30/2021</u>	<u>06/30/2020</u>
<i>Numerator</i>		
Net income for the period (a)	761,584	329,220
<i>Denominator</i>		
Weighted average of common shares (b)	187,849,929	187,139,541
Weighted average of common shares considering dilutive effects (c)	188,980,935	187,264,958
Basic (loss) income per common share (a/b)	4.05421	1.75922
Diluted (loss) income per common share (a/c)	4.02995	1.75804

j) Other comprehensive income

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

	<u>06/30/2021</u>	<u>12/31/2020</u>
<i>Hedge accounting</i>	(102,644)	(207,640)
Cost assigned fixed assets and fair value adjustment related to property for investments	1,150,125	1,151,931
Gain in the variation of interest	25,909	25,909
Other comprehensive income	<u>1,073,390</u>	<u>970,200</u>

21 Finance income (loss)

	Parent company		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Financial expenses:				
Interest paid	(63,828)	(39,400)	(69,148)	(46,881)
Foreign exchange	(75,821)	(175,305)	(88,157)	(216,344)
APV - Liabilities Lease	(136,952)	(69,711)	(53,959)	(28,594)
Losses with derivative operations	(58,892)	(2,474)	(78,489)	(2,474)
Others	(4,739)	(3,368)	(5,779)	(4,196)
	(340,232)	(290,258)	(295,532)	(298,489)
Financial income:				
Income from interest-earning bank deposits	12,250	7,572	16,588	11,238
Foreign exchange	113,204	104,859	134,463	115,356
Monetary variation	5	-	5	-
Gains with derivative operations	32,814	82,340	40,626	110,967
Others	988	447	1,211	464
	159,261	195,218	192,893	238,025
Financial income (loss)	(180,971)	(95,040)	(102,639)	(60,464)

22 Commitments

22.1. Sales contracts for future delivery

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

Parent Company					
Product	Delivery Date	Quantity	Agreements	Unit	Price
<u>2019/20 crop</u>					
Cotton lint	Jul/21	1,100	3	ton	US\$ 1,886.48
<u>2020/21 crop</u>					
Cotton lint	Aug/21- Jul/22	87,150	14	ton	US\$ 1,586.82
Soybean	Jul/21	263,643	5	sc	R\$ 166.75
Corn	Jul/21-Oct/21	5,655,000	43	sc	R\$ 30.53
<u>2021/22 crop</u>					
Cotton lint	Aug/22-Jul/23	105,275	27	ton	US\$ 1,691.48
Soybean	Jan/22-Apr/22	3,935,000	37	sc	US\$ 23.24
Soybean	Jan/22-May/22	834,133	40	sc	R\$ 146.38
Corn	Jun/22-Aug/22	7,060,000	50	sc	R\$ 27.60
Consolidated					
Product	Delivery Date	Quantity	Agreements	Unit	Price
<u>2019/20 crop</u>					
Cotton lint	Jul/21	1,800	5	ton	US\$ 1,866.94
<u>2020/21 crop</u>					
Cotton lint	Aug/21- Jul/22	96,350	18	ton	US\$ 1,581.42
Soybean	Jul/21	323,643	6	sc	R\$ 164.93
Corn	Jul/21-Aug/21	6,260,000	51	sc	R\$ 29.76
<u>2020/21 crop</u>					
Cotton lint	Aug/22-Jul/23	119,275	33	ton	US\$ 1,683.91
Soybean	Jan/22-Apr/22	4,900,000	48	sc	US\$ 22.86
Soybean	Jan/22-May/22	834,133	40	sc	R\$ 146.38
Corn	Jun/22-Aug/22	8,139,000	63	sc	R\$ 26.20

22 Commitments (Continued)

22.2. Third party lease agreements

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

Unit	Location	Currency	Lease liability (CPC 06(R2)scope)		Leases payable
			06/30/2021	12/31/2020	12/31/2020
Palmares	Barreiras - BA	R\$	100,095	99,477	-
Panorama	Correntina - BA	R\$	93,473	93,219	-
Paladino	São Desidério - BA	R\$	34,167	40,005	5,283
Parceiro	Formosa do Rio Preto - BA	R\$	32,031	19,031	-
Paysandu	São Desidério - BA	R\$	623,416	-	-
Piratini	Jaborandi - BA	R\$	133	155	-
Pantanal	Chapadão do Céu - GO e Chapadão do Sul - MS	R\$	437,801	329,762	-
Pamplona	Cristalina - GO	R\$	72,351	15,636	-
Planeste	Balsas - MA	R\$	154,596	101,527	-
Parnaíba	Tasso Fragoso - MA	R\$	71,655	51,748	-
Palmeira	Alto Parnaíba - MA	R\$	31,723	30,991	-
Paiaguás	Diamantino - MT	R\$	200,326	141,115	-
Planorte	Sapezal - MT	R\$	2,991	3,326	-
Perdizes	Porto dos Gaúchos - MT	R\$	478	567	-
Pioneira	Querência - MT	R\$	394	499	-
Planalto	Costa Rica - MS	R\$	6,595	6,240	-
Parnaguá	Santa Filomena - PI	R\$	282	213	-
Matriz	Porto Alegre - RS	R\$	1,651	773	-
			1,864,158	934,284	5,283
Liabilities current			301,128	162,258	5,283
Liabilities non-current			1,563,030	772,026	-

22 Commitments (Continued)

22.2. Third party lease agreements (Continued)

Liabilities for land and cotton leasing have a discount rate with a range of 5.76% to 9.45%. For other lease liabilities (machinery, buildings and vehicles), we have a discount rate ranging from 3.11% to 9.34%.

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

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

The statement of the maturity flows of lease and lease liabilities payable is presented in note 23.

23 Management of risks and financial instruments

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

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

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

The estimated fair value of the long-term loans of the parent company and consolidated at June 30, 2021 was R\$ 1,408,701 and R\$ 1,538,809, respectively, calculated at prevailing market rates, considering the nature, term and risks similar to those of the contracts recorded, and can be compared with the book value of R\$ 1,431,883 and R\$ 1,556,453.

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

23 Management of risks and financial instruments (Continued)

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

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

	Parent Company			
	Book value		Fair value	
			Level 2	Level 2
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Assets				
<u>Fair value through profit or loss</u>				
Cash and cash equivalents	1,031,621	1,319,290	1,031,621	1,319,290
Short term financial Investments	669	663	669	663
Subtotal	1,032,290	1,319,953	1,032,290	1,319,953
<u>Amortized cost</u>				
Trade accounts receivable	79,767	178,085	79,767	178,085
Receivables from related parties	16,018	27,721	16,018	27,721
Subtotal	95,785	205,806	95,785	205,806
<u>Fair value of hedge instruments</u>				
Operations with Derivatives	265,447	207,847	265,447	207,847
Subtotal	265,447	207,847	265,447	207,847
Total assets	1,393,522	1,733,606	1,393,522	1,733,606
Liabilities				
<u>Liabilities at the amortized cost</u>				
Loans and financing	2,342,719	2,050,748	2,332,804	2,061,685
Suppliers	351,060	933,146	351,060	933,146
Payables to related parties	386	1,310	386	1,310
Liabilities - lease with related parties	1,980,964	1,722,168	1,980,964	1,722,168
Third-party lease liability	1,829,120	893,214	1,829,120	893,214
Other accounts payable	197,284	153,139	197,284	153,139
Subtotal	6,701,533	5,753,725	6,691,618	5,764,662
<u>Fair value of hedge instruments</u>				
Derivatives payable	314,902	375,207	314,902	375,207
Subtotal	314,902	375,207	314,902	375,207
Total liabilities	7,016,435	6,128,932	7,006,520	6,139,869

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23 Management of risks and financial instruments (Continued)

	Consolidated			
	Book Value		Fair Value	
	06/30/2021	12/31/2020	Level 2 06/30/2021	Level 2 12/31/2020
Assets				
<u>Fair value through profit or loss</u>				
Cash and cash equivalents	1,270,308	1,604,053	1,270,308	1,604,053
Short term financial Investments	669	663	669	663
Subtotal	1,270,977	1,604,716	1,270,977	1,604,716
<u>Amortized cost</u>				
Trade accounts receivable	93,682	207,283	93,682	207,283
Receivables from related parties	27	8	27	8
Other accounts receivable	31,619	33,907	31,619	33,907
Subtotal	125,328	241,198	125,328	241,198
<u>Fair value of hedge instruments</u>				
Operations with Derivatives	306,309	245,372	306,309	245,372
Subtotal	306,309	245,372	306,309	245,372
Total assets	1,702,614	2,091,286	1,702,614	2,091,286
Liabilities				
<u>Liabilities at the amortized cost</u>				
Loans and financing	2,687,338	2,417,283	2,649,551	2,422,429
Suppliers	405,898	1,101,769	405,898	1,101,769
Payables to related parties	149	118	149	118
Other accounts payable	219,614	176,390	219,614	176,390
Third-party lease liability	1,864,158	934,284	1,864,158	934,284
Leases to pay	-	5,283	-	5,283
Securities payable	12,273	12,979	12,273	12,979
Subtotal	5,189,430	4,648,106	5,151,643	4,653,252
<u>Fair value of hedge instruments</u>				
Derivatives payable	351,347	417,121	351,347	417,121
Subtotal	351,347	417,121	351,347	417,121
Total liabilities	5,540,777	5,065,227	5,502,990	5,070,373

23 Management of risks and financial instruments (Continued)

a) Policy of use, objectives and strategies

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

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

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

Forward contract (NDF) and commodity swap transactions (see note 23.h) are fixed to protect future sales exposure in dollars. In addition, debt swap operations aim to protect the future exchange rate variation of dollar loans. These operations are documented for registration through the hedge accounting methodology in accordance with CPC 48 and IFRS 9. The Company records in a specific shareholders' equity account the unrealized effects of these instruments contracted for its own operations or those contracted on a consolidated basis to cover future sales.

c) Currency risk

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

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23 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

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

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

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

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

Description	Reference value (notional)			Fair value (MTM)		
	Currency	06/30/2021	12/31/2020	Currency	06/30/2021	12/31/2020
Forward contracts (NDF):						
Foreign currency - Short position						
Maturity in 2021	USD	229,260	384,710	R\$	51,257	(80,586)
Maturity in 2022	USD	227,680	47,100	R\$	89,017	3,496
TOTAL	USD	456,940	431,810	R\$	140,274	(77,090)

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

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23 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

<u>Maturity</u>	<u>Currency</u>	<u>Forward Contracts (NDF)</u>
Up to 09/30/2021	R\$	30,835
Up to 12/31/2021	R\$	20,423
Up to 03/31/2022	R\$	38,214
Up to 06/30/2022	R\$	7,434
Up to 09/30/2022	R\$	13,122
Up to 12/31/2022	R\$	30,246
TOTAL	R\$	140,274

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

<u>Description</u>	<u>Reference value (notional)</u>			<u>Fair value</u>		
	<u>Currency</u>	<u>06/30/2021</u>	<u>12/31/2020</u>	<u>Currency</u>	<u>06/30/2021</u>	<u>12/31/2020</u>
Banco Itaú BBA S/A	USD	88,830	63,350	R\$	40,102	(18,953)
Banco BTG Pactual S.A.	USD	54,000	53,000	R\$	24,462	17,675
Banco Bradesco S/A	USD	53,750	23,050	R\$	13,964	2,140
Banco BNP Paribas Brasil S.A.	USD	48,600	79,910	R\$	7,604	3,475
Morgan Stanley S/A	USD	45,870	24,570	R\$	19,713	(14,188)
XP Investimentos S.A.	USD	43,600	15,470	R\$	21,680	3,356
Banco J.P. Morgan S/A	USD	37,960	58,260	R\$	(6,958)	(26,378)
Banco Votorantim S/A	USD	32,650	20,490	R\$	7,184	(7,781)
Banco Safra S.A.	USD	30,130	26,450	R\$	14,970	(1,212)
Banco Santander Brasil S/A	USD	15,100	38,530	R\$	(2,581)	(16,864)
Banco ABC Brasil S.A.	USD	3,800	17,730	R\$	(728)	(13,169)
Rabobank International Brasil S.A.	USD	2,650	11,000	R\$	862	(5,191)
Total	USD	456,940	431,810	R\$	140,274	(77,090)

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

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23 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

Risks of exchange rate variation

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

- Probable Scenario: Based on the FOCUS report (BACEN) released on June 25, 2021, we have defined the probable scenario with the dollar quotation of R\$ 5.3300 varying to the Ptax rate of R\$ 4.9450 on June 30, 2021.
- Exchange rate Decrease of 25%: in this scenario the operations would be settled at the rate of R\$ 3.8250, 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\$ 2.5500, 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\$ 6.3750, 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\$ 7.6500, equivalent to 50% higher than the rate in the Probable Scenario.

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

Description	Parent Company				
	Remote scenario Quotation R\$	Possible scenario Quotation R\$	Scenario by the closing price of the fiscal period R\$	Possible scenario Quotation R\$	Remote scenario Quotation R\$
	2.5500	3.8250	4.9450	6.3750	7.6500
Year 2021					
Highly probable estimated revenue in USD (1)	(662,985)	(331,492)	(40,299)	331,492	662,985
Estimated commitments in USD (2)	215,424	107,712	13,094	(107,712)	(215,424)
Forward Contracts (NDF) (3)	259,845	129,923	15,794	(129,923)	(259,845)
Net exposure in USD (1)-(2)-(3)	(187,716)	(93,857)	(11,411)	93,857	187,716
Year 2022					
Highly probable estimated revenue in USD (1)	(1,869,183)	(934,592)	(113,617)	934,592	1,869,183
Estimated commitments in USD (2)	304,980	152,490	18,538	(152,490)	(304,980)
Forward Contracts (NDF) (3)	202,980	101,490	12,338	(101,490)	(202,980)
Net exposure in USD (1)-(2)-(3)	(1,361,223)	(680,612)	(82,741)	680,612	1,361,223
Total	(1,548,939)	(774,469)	(94,152)	774,469	1,548,939

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23 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

Risks of exchange rate variation (Continued)

Description	Consolidated				
	Remote scenario Quotation R\$	Possible scenario Quotation R\$	Scenario by the closing price of the fiscal period R\$	Possible scenario Quotation R\$	Remote scenario Quotation R\$
Year 2021					
Highly probable estimated revenue in USD (1)	(780,563)	(390,281)	(47,446)	390,281	780,563
Estimated commitments in USD (2)	256,428	128,214	15,587	(128,214)	(256,428)
Forward contracts (NDF) (3)	291,720	145,860	17,732	(145,860)	(291,720)
Net exposure in USD (1)-(2)-(3)	(232,415)	(116,207)	(14,127)	116,207	232,415
Year 2022					
Highly probable estimated revenue in USD (1)	(2,165,906)	(1,082,953)	(131,653)	1,082,953	2,165,906
Estimated commitments in USD (2)	338,130	169,065	20,553	(169,065)	(338,130)
Forward contracts (NDF) (3)	242,454	121,227	14,737	(121,227)	(242,454)
Net exposure in USD (1)-(2)-(3)	(1,585,322)	(792,661)	(96,363)	792,661	1,585,322
Total	(1,817,737)	(908,868)	(110,490)	908,868	1,817,737

The following shows the net exposure to currency risk:

	Parent Company			
	06/30/2021		12/31/2020	
	Amount in Reais (R\$)	Amount in Dólares (USD)	Amount in Reais (R\$)	Amount in Dólares (USD)
Trade accounts receivable (note 5)	63,246	12,790	166,575	32,054
Suppliers	(10,795)	(2,183)	(145,921)	(28,080)
Net exposure of the shareholders' equity	52,451	10,607	20,654	3,974

	Consolidated			
	06/30/2021		12/31/2020	
	Amount in Reais (R\$)	Amount in Dólares (USD)	Amount in Reais (R\$)	Amount in Dólares (USD)
Trade accounts receivable (note 5)	64,663	13,076	193,413	37,218
Suppliers	(13,448)	(27,120)	(176,010)	(33,869)
Net exposure of the shareholders' equity	51,215	(14,044)	17,403	3,349

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23 Management of risks and financial instruments (Continued)

d) Price risk

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

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

Description	Reference value (notional)			Fair value		
	Currency	06/30/2021	12/31/2020	Currency	06/30/2021	12/31/2020
Year of Maturity at 2021						
Financial operations						
Commodities - Cotton	USD	91,125	180,673	R\$	(197,768)	(209,486)
Commodities - Fat ox	USD	35,123	799	R\$	(496)	25
Subtotal	USD	126,248	181,472	R\$	(198,264)	(209,461)
Year of Maturity at 2022						
Financial operations						
Commodities - Cotton	USD	57,781	9,644	R\$	(15,741)	(6,992)
	USD	57,781	9,644	R\$	(15,741)	(6,992)
Year of Maturity at 2023						
Financial operations						
Commodities - Cotton	USD	4,657	-	R\$	(465)	-
	USD	4,657	-	R\$	(465)	-
Total	USD	188,686	191,116	R\$	(214,470)	(216,453)

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Notes to the quarterly information
June 30, 2021
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23 Management of risks and financial instruments (Continued)

d) Price risk (Continued)

Commodity price risk

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

- Probable Scenario: Based on the closing price on 06/30/2021 of the reference future contract on the stock exchange where production is priced.
- 25% drop in the price of the reference futures contract on the exchange where production is priced.
- 50% drop in the price of the reference futures contract on the exchange where production is priced.
- 25% increase in the price of the reference future contract on the stock exchange where production is priced.
- 50% increase in the price of the reference future contract on the stock exchange where production is priced.

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

The following is a summary of the impacts in each projected scenario converted into R\$ 4.9450 by the PTAX sale at the end of June 30, 2021:

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23 Management of risks and financial instruments (Continued)

d) Price risk (Continued)

Commodity price risk (Continued)

Income variation highly to price scenarios					
Description	Remote scenario -50%	Possible scenario -25%	Probable scenario	Possible scenario + 25%	Remote scenario +50%
Cotton - Year 2021					
Highly probable income	1,797,255	1,797,255	1,797,255	1,797,255	1,797,255
Highly probable income protected	1,797,255	1,797,255	1,797,255	1,797,255	1,797,255
Net exposure	-	-	-	-	-
Change in net exposure	-	-	-	-	-
Soybean - Year 2021					
Highly probable income	1,389,207	1,474,614	1,560,020	1,645,426	1,730,833
Highly probable income protected	1,218,394	1,218,394	1,218,394	1,218,394	1,218,394
Net exposure	170,813	256,219	341,626	427,032	512,439
Change in net exposure	(170,813)	(85,406)	-	85,406	170,813
Cotton - Year 2022					
Highly probable income	1,493,840	1,609,316	1,724,793	1,840,269	1,955,745
Highly probable income protected	1,262,888	1,262,888	1,262,888	1,262,888	1,262,888
Net exposure	230,952	346,429	461,905	577,381	692,857
Change in net exposure	(230,952)	(115,476)	-	115,476	230,952
Soybean - Year 2022					
Highly probable income	1,059,999	1,338,092	1,616,186	1,894,280	2,172,373
Highly probable income protected	503,811	503,811	503,811	503,811	503,811
Net exposure	556,188	834,281	1,112,375	1,390,469	1,668,562
Change in net exposure	(556,188)	(278,094)	-	278,094	556,187

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Notes to the quarterly information

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23 Management of risks and financial instruments (Continued)

e) Interest risk

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

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

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

Counterparty	Hedge instrument	Hedged object	MTM	Financial income	Shareholders' equity
Itaú	Swap de R\$ 150MM (Assets VC / Liability CDI+Pré)	Debit of USD 31.7MM interest of 0.95% y.y.	35,848	35,529	319
Rabobank	Swap de R\$ 200MM (Assets VC / Liability CDI+Pré)	Debit of USD 37.8MM interest of 1.87% y.y.	(12,169)	(13,846)	1,677
Bradesco	Swap of R\$ 200MM (Assets Pré / Liability CDI+Pré)	Debit of R\$ 200MM interest of 6.28% y.y.	7,256	10,096	(2,840)
Bradesco	Swap of R\$ 240MM (Assets Pré / Liability CDI+Pré)	Debit of R\$ 240MM interest IPCA of 3.6726% y.y.	(786)	11,274	(12,060)
Santander	Swap of R\$ 240MM (Assets Pré / Liability CDI+Pré)	Debit of R\$ 240MM interest IPCA of 3.6726% y.y.	(786)	11,274	(12,060)
Rabobank	Swap de R\$ 100MM (Assets VC / Liability CDI+Pré)	Debit of USD 17.2MM interest of 0.81% y.y.	(15,248)	(15,633)	385
Rabobank	Swap de R\$ 30MM (Assets VC / Liability CDI+Pré)	Debit of EUR 6.9MM interest of 1.11% y.y.	8,706	8,528	178
CCB	Swap de R\$ 20MM (Assets VC / Liability CDI+Pré)	Debit of USD 3.7MM interest of 1.92% y.y.	(1,498)	(1,660)	162
CCB	Swap de R\$ 15MM (Assets VC / Liability CDI+Pré)	Debit of USD 2.6MM interest of 2.38% y.y.	(2,218)	(2,339)	121
Rabobank	Swap de R\$ 5MM (Assets VC / Liability CDI+Pré)	Debit of EUR 1.15MM interest of 1.11% y.y.	1,451	1,421	30
Rabobank	Swap de R\$ 17,5MM (Assets VC / Liability CDI+Pré)	Debit of EUR 3.8MM interest of 0.81% y.y.	4,301	4,241	60
Rabobank	Swap de R\$ 17,5MM (Assets VC / Liability CDI+Pré)	Debit of EUR 3.8MM interest of 0.81% y.y.	4,301	4,241	60
			29,158	53,126	(23,968)

In addition to the operations above, the Company has a dollar purchase transaction (NDF) in the amount of USD 14,300, to hedge the exposure of loan operations.

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23 Management of risks and financial instruments (Continued)

e) Interest risk

Risk of variations in interest rates

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

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

	Interest rate *	Balance on 06/30/2021	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Debt in reais - prefixed rate							
Rural credit	4.30%	12,443	N/A	N/A	N/A	N/A	N/A
Constitutional Funds	-	-	N/A	N/A	N/A	N/A	N/A
BNDES	5.50%	48,733	N/A	N/A	N/A	N/A	N/A
Debt in reais – post-fixed rate							
BNDES	UMBDES	178	(7)	(8)	(8)	(10)	(12)
Working Capital	133.54% CDI	573,092	(19,551)	(25,496)	(31,442)	(37,388)	(43,334)
Export financing	130.06% CDI	395,750	(12,957)	(17,063)	(21,169)	(25,275)	(29,381)
CRA	99% CDI	360,697	(7,341)	(11,083)	(14,825)	(18,567)	(22,310)
Debits in dólares							
CRA	IPCA + 3,67% y.y.	503,763	152	(9,999)	(20,150)	(30,301)	(40,451)
Debits in dólares							
NCE	1.92%	18,484	N/A	N/A	N/A	N/A	N/A
NCE	2.38%	12,856	N/A	N/A	N/A	N/A	N/A
NCE	1.56%	85,739	N/A	N/A	N/A	N/A	N/A
NCE	1.87%	186,920	N/A	N/A	N/A	N/A	N/A
Debits in euro							
CCE	0.95%	187,533	N/A	N/A	N/A	N/A	N/A
NCE	0.81%	22,738	N/A	N/A	N/A	N/A	N/A
NCE	0.81%	22,738	N/A	N/A	N/A	N/A	N/A
NCE	1.11%	6,939	N/A	N/A	N/A	N/A	N/A
NCE	1.11%	41,634	N/A	N/A	N/A	N/A	N/A
Debits in dólares							
CPR-F	6.28%	222,698	N/A	N/A	N/A	N/A	N/A

(*) Average annual rates.

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(in thousands of Reais)

23 Management of risks and financial instruments (Continued)

e) Interest risk (Continued)

Risk of variations in interest rates (Continued)

	Interest rate *	Balance on 06/30/2021	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Swaps - debits in dólares							
Swap VC x CDI + PRÉ**	Assets: 0.81% y.y. Liability: CDI + 0.85% y.y.	4,301	(126)	(170)	(215)	(260)	(304)
Swap VC x CDI + PRÉ**	Assets: 0.81% y.y. Liability: CDI + 0.85% y.y.	4,301	(126)	(170)	(215)	(260)	(304)
Swap VC x CDI + PRÉ**	Assets: 1.11% y.y. Liability: CDI + 0.75% y.y.	1,451	(41)	(56)	(71)	(86)	(101)
Swap VC x CDI + PRÉ**	Assets: 1.11% y.y. Liability: CDI + 0.75% y.y.	8,706	(246)	(336)	(427)	(517)	(607)
Swap VC x CDI + PRÉ**	Assets: 0.95% y.y. Liability: CDI + 1.07% y.y.	35,848	(1,127)	(1,499)	(1,871)	(2,243)	(2,615)
Swap PRÉ x CDI + PRÉ**	Assets: 6.28% y.y. Liability: CDI + 0.55% y.y.	7,256	(190)	(266)	(341)	(416)	(492)
Swap VC x CDI + PRÉ**	Assets: 1.92% y.y. Liability: CDI + 0.97% y.y.	(1,498)	46	61	77	92	108
Swap VC x CDI + PRÉ**	Assets: 2.38% y.y. Liability: CDI + 1.25% y.y.	(2,218)	74	97	120	143	166
Swap VC x CDI + PRÉ**	Assets: 1.56% y.y. Liability: CDI + 1.56% y.y.	(15,248)	554	712	871	1,029	1,187
Swap VC x CDI + PRÉ**	Assets: 1.87% y.y. Liability: CDI + 1.15% y.y.	(12,169)	480	606	733	859	985
Swap VC x IPCA + PRÉ**	Assets: 3.6726% y.y. Liability: CDI + 1.85% y.y.	(786)	31	39	47	55	63
Swap VC x IPCA + PRÉ**	Assets: 3.6726% y.y. Liability: CDI + 1.85% y.y.	(786)	31	39	47	55	63
Interest earnings bank deposits							
CDB and Debentures	101.84%	1,263,620	26,446	39,668	52,891	66,114	79,337

(*) Average annual rates.

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

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23 Management of risks and financial instruments (Continued)

f) Credit risk

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

Depending on the above, the credit risk assumed is not relevant. The Company considers the balance of accounts receivable from customers as exposed to this risk. At June 30, 2021, the balance is R\$ 79,767 in the Parent Company and R\$ 93,682 in the consolidated (R\$ 178,085 in the Parent Company and R\$ 207,283 in the consolidated at December 31, 2020).

g) Liquidity risk

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

	Parent Company							
	Book Value	Contractual cash flow	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
June 30, 2021								
Financial liabilities								
Non Derivatives								
Loans and financing	2,342,719	2,573,529	937,680	1,089,091	314,660	220,880	2,331	8,887
Suppliers	351,060	351,060	351,060	-	-	-	-	-
Lease liabilities	3,810,084	6,770,801	525,950	515,766	471,214	460,959	457,932	4,338,980
	6,503,863	9,695,390	1,814,690	1,604,857	785,874	681,839	460,263	4,347,867
Derivatives								
Operations with Derivatives	49,455	49,455	120,562	(38,867)	39,348	(28,350)	(43,238)	-
	49,455	49,455	120,562	(38,867)	39,348	(28,350)	(43,238)	-
	6,553,318	9,744,845	1,935,252	1,565,990	825,222	653,489	417,025	4,347,867

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23 Management of risks and financial instruments (Continued)

g) Liquidity risk (Continued)

	Consolidated							
	Book Value	Contractual cash flow	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
June 30, 2021								
Financial liabilities								
Non Derivatives								
Loans and financing	2,687,338	2,910,152	1,141,528	1,211,878	319,460	222,308	3,247	11,731
Suppliers	405,898	405,898	405,898	-	-	-	-	-
Securities payable	12,273	12,273	12,273	-	-	-	-	-
Lease liabilities	1,864,158	2,934,400	321,719	309,002	263,821	241,513	237,146	1,561,199
	4,969,667	6,262,723	1,881,418	1,520,880	583,281	463,821	240,393	1,572,930
Derivatives								
Operations with Derivatives	45,038	45,036	130,950	(53,674)	39,348	(28,350)	(43,238)	-
	45,038	45,036	130,950	(53,674)	39,348	(28,350)	(43,238)	-
	5,014,705	6,307,759	2,012,368	1,467,206	622,629	435,471	197,155	1,572,930

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

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

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23 Management of risks and financial instruments (Continued)

h) Summary of outstanding derivative transactions

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

Description	Currency	Reference value (notional)		Currency	Fair value recorded in assets		Fair value recorded in liabilities	
		06/30/2021	12/31/2020		06/30/2021	12/31/2020	06/30/2021	12/31/2020
Hedge operations for exchange rates								
Non Deliverable Forwards - 23.c	USD	456,940	431,810	R\$	164,429	62,292	24,155	139,382
Subtotal	USD	456,940	431,810	R\$	164,429	62,292	24,155	139,382
Hedge operations for products								
Cotton - Financial operations 23.d	USD	153,563	190,317	R\$	2,437	6,977	216,411	223,455
Corn - Financial operations 23.d	USD	35,123	799	R\$	789	25	1,285	-
Subtotal	USD	188,686	191,116	R\$	3,226	7,002	217,696	223,455
Hedge operations for inputs								
Swap VC+Pré x CDI+Pré -23.e	USD	61,306	6,667	R\$	2,875	10,055	34,008	-
Subtotal	USD	61,306	6,667	R\$	2,875	10,055	34,008	-
Hedge operations for inputs								
Swap VC+Pré x CDI+Pré - 23.e	EUR	47,417	66,782	R\$	54,607	93,391	-	1,252
Subtotal	EUR	47,417	66,782	R\$	54,607	93,391	-	1,252
Interest protection operations								
Swap Pré x CDI+Pré	BRL	200,000	200,000	R\$	7,256	13,610	-	-
Swap IPCA+Pré x CDI+Pré	BRL	480,000	480,000	R\$	73,916	59,022	75,488	53,032
Subtotal	BRL	680,000	680,000	R\$	81,172	72,632	75,488	53,032
Total		-		R\$	306,309	245,372	351,347	417,121
Portion classified in current assets				R\$	147,234	98,587	278,185	358,969
Portion in noncurrent liabilities				R\$	159,075	146,785	73,162	58,152

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23 Management of risks and financial instruments (Continued)

i) Gains/losses on derivative transactions

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

Description	Currency	Gains and Losses recorded in the income				Gains and Losses recorded in shareholders' equity		
		Allocated in the gross income at		Allocated in the financial income at		06/30/2021	Movement	12/31/2020
		06/30/2021	06/30/2020	06/30/2021	06/30/2020			
Foreign exchange hedge operations								
Non deliverable forwards	R\$	(110,555)	(186,115)	(6,284)	-	141,934	204,964	(63,030)
Sub-total	R\$	(110,555)	(186,115)	(6,284)	-	141,934	204,964	(63,030)
Hedge operations for commodities								
Agricultural commodities swap								
Cotton	R\$	(127,773)	9,720	192	1	(219,529)	1,547	(221,076)
Sub-total	R\$	(127,773)	9,720	192	1	(219,529)	1,547	(221,076)
Interest Hedge Transactions								
Swap VC+Pré x CDI+Pré	R\$	-	-	(55,774)	106,285	2,991	2,354	637
Sub-total	R\$	-	-	(55,774)	106,285	2,991	2,354	637
Interest Hedge Transactions								
Swap Pré x CDI+Pré	R\$	-	-	3,478	2,207	(2,840)	(9,833)	6,993
Swap IPCA+Pré x CDI+Pré	R\$	-	-	20,525	-	(24,119)	(29,189)	5,070
Sub-total	R\$	-	-	24,003	2,207	(26,959)	(39,022)	12,063
Total		(238,328)	(176,395)	(37,863)	108,493	(101,563)	169,843	(271,406)

j) Management of capital stock

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

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

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

	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Short and long-term loans and financing	2,342,719	2,050,748	2,687,338	2,417,283
(-) Cash and cash equivalents and short-term interest earnings bank deposits	(1,032,290)	(1,319,953)	(1,270,977)	(1,604,716)
Gains and losses on derivatives linked to investments and debt	(14,116)	(92,761)	(29,158)	(121,794)
Net debt	1,296,313	638,034	1,387,203	690,773
Shareholders' equity	3,699,587	2,940,379	3,976,833	3,151,058
Financial leverage index	35.04%	21.70%	34.88%	21.92%

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24 Share-based payments

a) Stock option plan

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

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

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

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

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

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

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

<u>Grant year</u>	<u>Strike price - R\$ (*)</u>	<u>Quantity of shares</u>		
		<u>Balance in 12/31/2020</u>	<u>Exercised</u>	<u>Balance in 06/30/2021</u>
2016	R\$ 11.64	14,600	(14,600)	-
2017	R\$ 18.02	220,400	(208,000)	12,400
2018	R\$ 46.25	295,906	(87,240)	208,666
2019	R\$ 14.23	531,525	(52,126)	479,399
2020	R\$ 20.03	637,450	-	637,450
		<u>1,699,881</u>	<u>(361,966)</u>	<u>1,337,915</u>

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

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24 Share-based payments (Continued)

a) Stock option plan (Continued)

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

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

<u>Grace periods beginning as of grant date</u>	<u>% of options released to be exercised</u>	<u>Maximum quantity of shares</u>
As from– 11/13/2019	2%	26,056
As from– 11/08/2020	3%	38,456
As from– 11/12/2020	13%	173,996
As from– 11/06/2021	27%	365,231
As from– 11/12/2021	50%	670,080
As from– 11/06/2022	64%	861,315
As from– 11/12/2022	81%	1,082,935
As from– 11/06/2023	100%	1,337,915

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

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

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

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

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24 Share-based payments (Continued)

a) Stock option plan (Continued)

Reconciliation of outstanding stock options

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

	<u>Weighted average of the exercise</u>	<u>Number of options</u>	<u>Weighted average of the exercise</u>	<u>Number of options</u>
	<u>06/30/2021</u>	<u>06/30/2021</u>	<u>12/31/2020</u>	<u>12/31/2020</u>
Outstanding at January 1	R\$30.91	1,699,881	R\$30.73	1,737,186
Granted during the period	-	-	R\$20.03	613,750
Exercised during the period	R\$24.02	(361,966)	R\$20.11	(449,725)
Canceled during the period	-	-	R\$20.33	(225,030)
Outstanding	R\$32.77	1,337,915	R\$30.91	1,699,881
Exercisable	R\$27.39	173,996	R\$25.11	535,962

Options outstanding as of June 30, 2021 have a Strike price in the range of R\$ 24.02 to R\$ 32.77 (R\$ 20.11 to R\$ 30.91 as of December 31, 2020).

The weighted average stock price on the exercise date for stock options exercised in the period ended June 30, 2021 was R\$ 27.39 (R\$ 25.11 at December 31, 2020).

b) Restricted Share Plan

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

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

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

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24 Share-based payments (Continued)

b) Restricted Share Plan (Continued)

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

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

Grant year	Fair value at grant - R\$ (*)	Quantity of shares	
		Balance on 12/31/2020	Balance on 06/30/2021
2018	R\$ 54.60	34,663	34,663
2019	R\$ 18.46	96,972	96,972
2020	R\$ 27.20	159,363	159,363
		<u>290,998</u>	<u>290,998</u>

(*) The 2017 and 2018 plans have the value of their shares before the capital split.

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

	Plan of restricted shares	
	06/30/2021	06/30/2020
Expense	R\$ 1,777	R\$ 1,320
INSS Expense	R\$ 701	R\$ 120
FGTS Expense	R\$ 640	R\$ 109

In compliance with CPC 10 (R1), based on the grace periods presented, the amounts with stock options plan and restricted stock plan were recognized in the statement of income, due to the expiration of the vesting period, with a corresponding entry in shareholders' equity in a specific capital reserve account, the amount of R\$ 3,930 (expense) at June 30, 2021 (R\$ 3,054 at June 30, 2020).

SLC Agrícola S.A.

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25 Net sales revenue

We present below the gross operating revenue:

	Parent company		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Gross operating income	1,597,056	1,038,423	1,917,730	1,235,429
Sale of goods	1,811,574	1,187,548	2,156,058	1,411,824
Income (loss) from hedge operations	(214,518)	(149,125)	(238,328)	(176,395)
Deductions, taxes and contributions	(32,069)	(31,939)	(46,387)	(40,168)
Net operating income	1,564,987	1,006,484	1,871,343	1,195,261

26 Nature of expenses

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

	Parent company		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Expenses according to the role				
Cost of goods sold	(1,483,043)	(1,013,107)	(1,763,685)	(1,192,349)
Sales expenses	(74,177)	(68,554)	(86,165)	(78,623)
General and administrative expenses	(69,080)	(43,430)	(76,168)	(47,354)
Other operating expenses	(8,831)	(4,649)	(8,490)	(5,070)
	(1,635,131)	(1,129,740)	(1,934,508)	(1,323,396)
Expenses per type				
Depreciation and amortization	(40,821)	(32,264)	(60,757)	(49,491)
Personnel expenses	(155,333)	(116,148)	(184,326)	(139,290)
Raw material and material	(742,080)	(573,617)	(879,174)	(687,887)
Rents and leases	(5,996)	(14,073)	(8,916)	(11,823)
Amortization of right of use	(70,161)	(42,022)	(40,182)	(25,913)
COGS biological asset variation	(587,737)	(326,730)	(725,208)	(381,896)
Freight	(24,172)	(20,237)	(27,455)	(22,026)
Other expenses	(8,831)	(4,649)	(8,490)	(5,070)
	(1,635,131)	(1,129,740)	(1,934,508)	(1,323,396)

SLC Agrícola S.A.

Notes to the quarterly information

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27 Reporting by segment

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

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

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

Information on reportable segments

	Agricultural Production		Land		Eliminations		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Net revenue	1,906,323	1,202,201	124,673	86,024	(159,653)	(92,964)	1,871,343	1,195,261
Biologic assets	1,381,933	715,454	-	-	-	-	1,381,933	715,454
Products Costs	(1,819,455)	(1,219,360)	(2,990)	(3,366)	58,760	27,014	(1,763,685)	(1,195,712)
Gross income	1,468,801	698,295	121,683	82,658	(100,893)	(65,950)	1,489,591	715,003
Operating expenses/ income	5,332	(60,049)	(798)	(1,308)	(168,997)	(72,862)	(164,463)	(134,219)
Sales expenses	(86,165)	(78,623)	-	-	-	-	(86,165)	(78,623)
General and administrative expenses	(78,815)	(50,608)	(1,805)	(1,033)	4,452	4,288	(76,168)	(47,353)
Management compensation	(10,952)	(8,537)	(215)	(348)	-	-	(11,167)	(8,885)
Other operating income (expenses)	181,264	77,719	1,222	73	(173,449)	(77,150)	9,037	642
Income before financial income and taxes	1,474,133	638,246	120,885	81,350	(269,890)	(138,812)	1,325,128	580,784
Net financial income	(193,145)	(109,070)	1,778	2,444	88,728	46,162	(102,639)	(60,464)
Income before income tax	1,280,988	529,176	122,663	83,794	(181,162)	(92,650)	1,222,489	520,320
Income and social contribution taxes	(384,947)	(155,431)	(15,046)	(11,819)	1,548	(583)	(398,445)	(167,833)
Consolidated Income for the period	896,041	373,745	107,617	71,975	(179,614)	(93,233)	824,044	352,487

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27 Reporting by segment (Continued)

Information on reportable segments (Continued)

	Agricultural Production		Land		Eliminations		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Current assets	4,663,720	4,093,468	150,338	166,105	(90,634)	(58,193)	4,723,424	4,201,380
Non-current assets	7,647,204	6,242,100	2,341,689	2,255,731	(4,463,902)	(4,109,520)	5,524,991	4,388,311
Total assets	12,310,924	10,335,568	2,492,027	2,421,836	(4,554,536)	(4,167,713)	10,248,415	8,589,691
Current liabilities	2,755,897	2,547,435	44,005	46,707	(253,531)	(257,045)	2,546,371	2,337,097
Non-current liabilities	5,493,627	4,635,116	80,246	70,779	(1,848,662)	(1,604,359)	3,725,211	3,101,536
Shareholders' equity	4,061,400	3,153,017	2,367,776	2,304,350	(2,452,343)	(2,306,309)	3,976,833	3,151,058
Total liabilities and shareholders' equity	12,310,924	10,335,568	2,492,027	2,421,836	(4,554,536)	(4,167,713)	10,248,415	8,589,691

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

Consolidated domestic and foreign sales are thus represented:

	06/30/2021	06/30/2020
Domestic market	334,353	226,526
Sale of goods	334,353	226,526
Foreign market	1,583,377	1,008,903
Sale of goods - indirect export	979,029	704,209
Income from hedge operations indirect	(20,552)	(66,135)
Sale of goods - direct export	842,676	481,088
Income from hedge operations direct	(217,776)	(110,259)
Gross operating income	1,917,730	1,235,429
Deductions, taxes and contributions	(46,387)	(40,168)
Net operating income	1,871,343	1,195,261

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27 Reporting by segment (Continued)

Information on reportable segments (Continued)

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

Country	06/30/2021		06/30/2020	
	Value	% Participation	Value	% Participation
Indonesia	188,718	22.40	160,150	33.29
Turkey	188,520	22.37	44,891	9.33
China	139,073	16.50	76,025	15.80
Vietnam	119,127	14.14	48,921	10.17
Bangladesh	116,410	13.81	84,692	17.60
Pakistan	36,666	4.35	45,287	9.41
Malaysia	29,862	3.54	8,208	1.71
Korea	12,578	1.49	8,225	1.71
Thailand	2,633	0.31	2,022	0.43
India	1,511	0.19	-	-
Others	7,578	0.90	2,667	0.55
	842,676	100.00	481,088	100.00

The amount of revenue from major customers is thus represented:

Customer	Agricultural Product			Total	% on product sales (without effect of hedge operations)
	Fheated cotton	Bulk corn	Bulk soybeans		
Cargill Agrícola S.A.	-	5,933	470,118	476,051	22.08%
Omnicon, INC	259,957	-	-	259,957	12.06%
Loius Dreyfus Company Suisse S.A.	218,582	-	-	218,582	10.14%
	478,539	5,933	470,118	954,590	44.28%

SLC Agrícola S.A.

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28 Subsequent event

Business Combination with Terra Santa Agro S.A.

On November 26, 2020, the Company signed a non-binding Memorandum of Understanding with Terra Santa Agro S.A. ("Terra Santa") that established premises, terms and conditions indicative of a transaction for SLC Agrícola to acquire the agricultural operations of Terra Santa, through the incorporation of Terra Santa shares by the Company. In preparation for the business combination with Terra Santa, the parties submitted the transaction to the approval of the Administrative Council for Economic Defense – CADE, and the transaction was approved on January 7, 2021, without restrictions. Subsequently, on March 25, 2021, SLC Agrícola and Terra Santa entered into the Association Agreement and Other Covenants ("Agreement"), where the terms and conditions for the transaction were finally detailed and agreed upon. At the same time, an investigation was carried out in Terra Santa, which ended in March 2021 and, on June 21, 2021, approvals were obtained for the incorporation of shares in extraordinary general meetings of the Company and of Terra Santa.

On June 30, 2021, part of the conditions precedent for the implementation of the combination of the Company's businesses with those of the agricultural operation of Terra Santa were completed, excluding land and improvements, except (i) obtaining registration with the Brazilian Securities Commission publicly-held company of TS Agro S.A. ("TS Agro"), in the category A of issuers and listing in the Novo Mercado segment of B3 S.A. - Brasil, Bolsa, Balcão; and (ii) the implementation of the effective consummation of the capital reduction of Terra Santa (items (i) and (ii) together, "Remaining Condition"). On this date, the Company, TS Agro and their shareholders signed the 1st Amendment to the Association Agreement and Other Covenants and the Pre-Closing Agreement, through which the parties agree to carry out a pre-closing of the transaction. Through these instruments, an operational transition was established, in which SLC started, as of July 1, 2021 (acquisition date for the application of IFRS 3 and CPC 15), to have management control and business guidelines of the Holy Land, to the greatest extent possible, for all legal purposes, until the Remaining Condition is fulfilled, after which the consummation of the merger of shares will be formalized.

This transaction will enable greater value generation for the shareholders of both companies, optimizing results, given the synergies and improvement in the capital structure, enabling an increase in production, cost reduction and the consequent increase in the supply of food and fiber, produced in a sustainable manner on mature farms located in Mato Grosso. From an economic-financial point of view, the integration of the businesses should promote synergies and increases in efficiency. After the consummation of the merger of shares, new common shares issued by SLC Agrícola were issued to the shareholders of Terra Santa, traded on the Novo Mercado segment of B3, replacing the shares issued by Terra Santa previously held by them, according to the share exchange ratio, described below.

SLC Agrícola S.A.

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28 Subsequent event

Business Combination with Terra Santa Agro S.A. (Continued)

On August 1, 2021, TS Agro also entered into lease agreements with TS LandCo. (owner of land assets and improvements until then belonging to Terra Santa), with an initial term of 20 years and prices at market conditions. The value of the right to use land and lease liabilities arising from these contracts are estimated at R\$ 937,893 on the inception date of the contracts, and were measured in accordance with CPC06 (R2) (IFRS16) in accordance with the Company's accounting policies.

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

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

	<u>07/01/2021</u>
Assets	
Current assets	
Cash and cash equivalents	6,703
Accounts receivable from customers	16,396
Stocks	232,157
Biological asset	416,221
Derivative transactions	19,214
Prepaid expenses	4,032
Other assets	12,108
Total current assets	<u>706,831</u>
non-current assets	
Deferred income tax and social contribution	307,260
Related parts	23,424
Other assets	15,286
Right to use assets	397,960
Immobilized	208,992
Intangible	936
Total non-current assets	<u>953,858</u>
Total assets	<u>1,660,689</u>

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28 Subsequent event

Business Combination with Terra Santa Agro S.A. (Continued)

	<u>07/01/2021</u>
Liabilities	
Current liabilities	
Suppliers	322,104
Loans and financing	282,844
Tax obligations	10,608
Social and labor obligations	11,953
Advances from customers	16,863
Derivative transactions	52,596
Titles to pay	12,772
Taxes in installments	6,293
Leases	64,654
Total current liabilities	<u>780,687</u>
Non-current liabilities	
Loans and financing	494,636
Taxes in installments	6,625
Leases	262,773
Total non-current liabilities	<u>764,034</u>
Acquired net assets	<u>115,968</u>

The values of assets and liabilities presented above are still provisional since, in view of the nature of the assets and liabilities acquired, the Company is still carrying out assessments of their fair values, and this business combination and the values presented herein are provisional, thus as the preliminary determination of goodwill shown below.

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2021
(in thousands of Reais)

28 Subsequent event

Business Combination with Terra Santa Agro S.A. (Continued)

Fair value of transferred consideration and goodwill

A preliminary estimate of the consideration to be transferred by SLC Agrícola to Terra Santa is presented below:

	<u>07/01/2021</u>
Number of common shares to be issued by SLC Agrícola on the transaction date	2,516,454
Multiplied by the share price of SLC Agrícola on the transaction date (a) (in R\$)	<u>51.4</u>
Fair value of shares issued in the transaction (In thousands of reais)	129,346
Cash consideration arising from the right to use the lease between Terra Santa and TS LandCo (b)	70,000
Change in assets and liabilities (c)	(241,120)
Price adjustment - biological asset (d)	34,727
Present value of tax credits (e)	<u>220,134</u>
Fair value of transferred consideration	<u>213,087</u>

(a) The fair value of the common shares transferred by the Company was determined based on the quotation of the Company's shares, traded on B3, on the transaction date.

(b) Refers to the consideration to be transferred in cash in the amount of R\$ 70,000, arising from the additional remuneration, complementary to the payment of the lease (which already reflects the fair value of a lease under similar conditions) referring to lease agreements to be entered into between Terra Santa and TS LandCo in connection with the Transaction. This remuneration is being treated as part of the Transaction price and included as an adjustment in the pro forma given: (i) the nature of the contracts; (ii) that the lease agreements were negotiated in conjunction with the transaction; and (iii) that it was a condition for signing the Transaction Agreement, that is, a condition for obtaining control of Terra Santa and obtaining this agreement (right of use asset and lease liability).

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2021

(in thousands of Reais)

28 Subsequent event

Business Combination with Terra Santa Agro S.A. (Continued)

- (c) Variation from June 30, 2020 to June 30, 2021 of property, plant and equipment, net debt, tax credits and working capital, as provided for and under the terms defined in the Transaction Agreement, still pending final validation and agreement between the parties on the balance sheet balances as of June 30, 2021, to be carried out within the terms stipulated in the Agreement. Working capital is defined in the agreement as - (i) the sum of items of current assets; and (ii) the sum of current liability items. Among the items of current assets that come under the definition of working capital, the following items are included: (a) accounts receivable; (b) stocks; (c) biological assets; (d) miscellaneous advances to Third Parties and employees; (e) prepaid expenses. Among the items of current liabilities that come under the definition of working capital, the following items are included: (a) salaries and social contributions; (b) suppliers; (c) taxes to be collected; (d) advances from customers; (e) taxes in installments – current and non-current. For clarification purposes, items that have been used to calculate the Indebtedness will not be computed in the Working Capital calculation.
- (d) As described in the Agreement, for working capital purposes, biological assets must be adjusted considering the assumption of fair value on the date of harvest, which, according to the date indicated in the Agreement, is scheduled for September 15, 2021. Biological assets will be calculated and the amount shall be net of deferred taxes.
- (e) As described in the Agreement, the price paid in cash also includes an amount equivalent to 50% of the final value of the tax benefit arising from tax losses and negative social contribution base, calculated by Terra Santa and validated by SLC Agrícola through the report of the credits, which will be brought to present value at a discount rate of future CDI plus 1.5%, considering 4 annual installments from the closing date, 30% each in the first three years and 10% in the fourth year.

Thus, the preliminary value of the goodwill on the transaction, which arises from the factors and synergies explained above, is as follows:

	<u>07/01/2021</u>
Fair value of transferred consideration	213,087
Preliminary value of acquired assets and liabilities	115,968
Preliminary value of goodwill	<u>97,119</u>

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2021
(in thousands of Reais)

28 Subsequent event

Business Combination with Terra Santa Agro S.A. (Continued)

Other information

Costs related to the acquisition (included in general and administrative expenses) totaled R\$ 16,920.

If the acquisition had taken place on January 1, 2021, the Company's consolidated net sales revenues for the six-month period ended June 30, 2021 would have been R\$ 2,481,677 (R\$ 1,245,411 in the period of three months ended June 30, 2021) and the Company's consolidated net income would have been R\$ 779,765 (R\$ 441,243 in the three months period ended June 30, 2021).

(A free translation of the original in Portuguese)

PROJECTIONS MAINTENANCE

The publicized change projections though 2Q21 Earnings Release, in 2021, August 12th, as you can see below:

PLANTED AREA PER CROP (Hectares)

Crop Mix	Planted Area	Planted Area	Share	Δ%
	2019/20	2020/21 ⁽¹⁾	2020/21	
	-----ha-----		%	
Cotton	125,462	109,613	23.7%	-12.6%
Cotton lint 1st crop	74,054	78,019	16.8%	5.4%
Cotton lint 2nd crop	51,408	31,594	6.8%	-38.5%
Soybean (Commercial + Seed)	235,444	229,449	49.5%	-2.5%
Corn 2nd crop	82,392	106,470	23.0%	29.2%
Other Crops ⁽²⁾	5,270	17,688	3.8%	235.6%
Total Area	448,568	463,220	100.0%	3.3%

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

⁽²⁾ Other crops (Corn 1st crop 6,394 ha, Corn Seed 461 ha, Popcorn Corn 987 ha, Wheat 676 ha, Livestock 3,527, Brachiaria Seed 5,259 ha and Mung Beans 386.10)

YIELDS (kg/ha)

Yields (kg/ha)	2019/20	2020/21	2020/21	Δ%	Δ%	Δ%
	Crop Year	Crop Year	Crop Year			
	Achieved (a)	Budget (b)	Forecast (c)	(c) x (a)	(b) x (a)	(c) x (b)
Cotton lint 1 st crop	1,785	1,878	1,883	5.5%	5.2%	0.3%
Cotton lint 2 nd crop	1,713	1,792	1,665	-2.8%	4.6%	-7.1%
Cotton seed	2,161	2,328	2,274	5.2%	7.7%	-2.3%
Soybean (Commercial + Seed)	3,867	3,753	3,970	2.7%	-2.9%	5.8%
Corn 2 nd crop	7,300	7,589	5,878	-19.5%	4.0%	-22.5%

PRODUCTION COST (R\$/ha)

Total (R\$/ha)	Achieved 2019/20 ⁽¹⁾	Budget 2020/21	Forecast 2020/21	Δ%	Δ%
	(a)	(b)	(c)	(b x a)	(c x b)
Cotton 1 st crop	9,362	9,899	10,535	5.7%	6.4%
Cotton 2 nd crop	8,264	9,306	10,205	12.6%	9.7%
Soybean	3,015	3,300	3,469	9.5%	5.1%
Corn 2 nd crop	2,545	2,858	2,936	12.3%	2.7%
Total average cost	4,735⁽²⁾	5,168⁽²⁾	5,494⁽²⁾	9.1%	6.3%

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

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

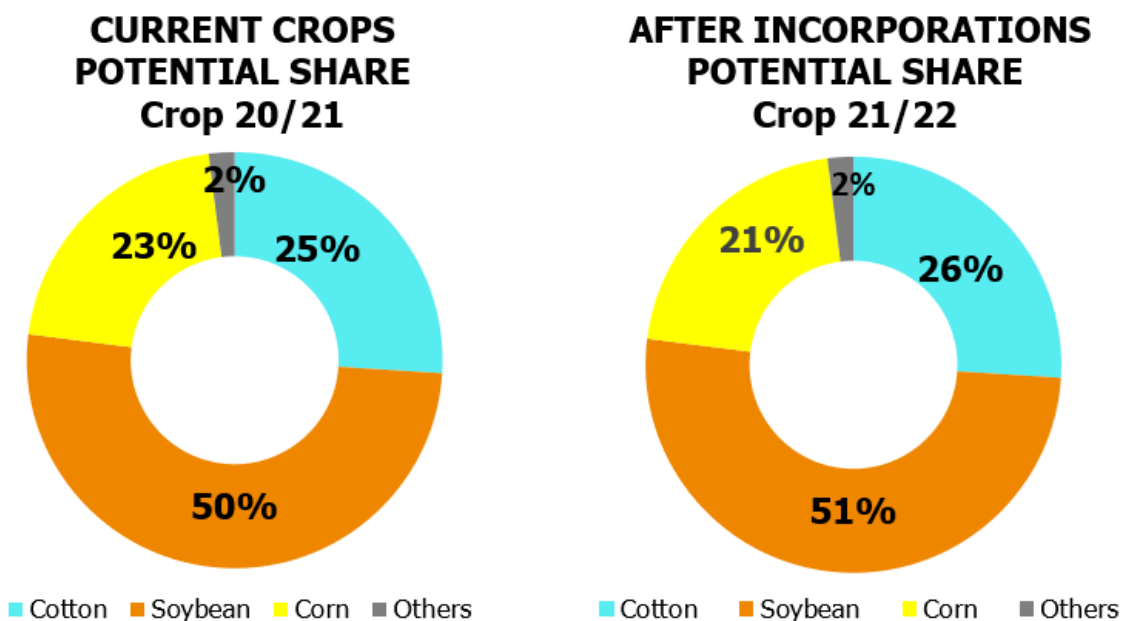
HEDGE POSITION

The following is our current FX and commodity hedging position:

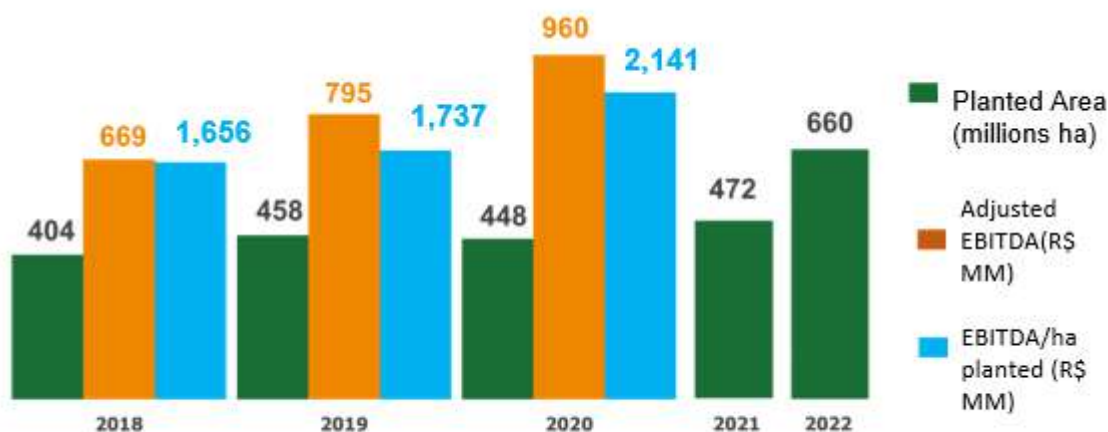
FX Hedge – Soybean				Commercial Hedge - Soybean			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	100.0	82.8	26.5	%	100.0	81.4	42.1
R\$/USD	4.4814	5.1721	5.5685	USD/bu ⁽²⁾	10.29	11.66	12.12
Commitments % ⁽¹⁾	0.0	0.6	31.6	Commitments % ⁽¹⁾	-	0.5	14.1
FX Hedge – Cotton				Commercial Hedge - Cotton			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	98.8	65.3	15.3	%	99.8	74.4	60.2
R\$/USD	4.5012	5.3727	5.9078	USC/lb ⁽²⁾	74.55	68.14	76.38
Commitments % ⁽¹⁾	0.0	15.7	34.7	Commitments % ⁽¹⁾	-	-	-
FX Hedge – Corn				Commercial Hedge – Corn			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	100.0	80.6	26.9	%	100.0	84.1	53.1
R\$/USD	4.4681	5.1651	5.7109	R\$/bag ⁽³⁾	35.38	36.59	53.07
Commitments % ⁽¹⁾	0.0	6.1	19.2	Commitments % ⁽¹⁾	-	-	-

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

According to the webinar held with investors on April 9, 2021, we share below our planted area projections for the 21/22 crop year after the business combination with Terra Santa S.A. and the combination of a leasing operation with Agrícola Xingu S.A..



PLANTED AREA, EBITDA AND EBITDA/HECTARE



Other Information the company deems to be relevant

Ownership Breakdown Balance on 06/30/2021						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	101,028,523	53.01%	-	-	101,028,523	53.01%
SLC Participações S.A.	100,938,742	52.96%	-	-	100,938,742	52.96%
Related Persons to Controller	89,781	0.05%	-	-	89,781	0.05%
Board of Director	397,182	0.21%	-	-	397,182	0.21%
Board	67,300	0.04%	-	-	67,300	0.04%
Directoror	329,882	0.17%	-	-	329,882	0.17%
Fiscal Council	-	0.00%	-	-	-	0.00%
Shareholders over 5%	17,408,700	9.13%	-	-	17,408,700	9.13%
Odey Asset Management LLC	17,408,700	9.13%	-	-	17,408,700	9.13%
Treasury Shares	2,648,464	1.39%	-	-	2,648,464	1.39%
Others Shareholders	69,112,131	36.26%	-	-	69,112,131	36.26%
Total	190,595,000	100.00%	-	-	190,595,000	100.00%
Free Float	86,520,831	45.40%	-	-	86,520,831	45.40%

Ownership Breakdown Balance on 03/31/2021						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	100,977,822	52.98%	-	-	100,977,822	52.98%
SLC Participações S.A.	100,977,822	52.98%	-	-	100,977,822	52.98%
Board of Director	375,467	0.20%	-	-	375,467	0.20%
Board	66,700	0.03%	-	-	66,700	0.03%
Directoror	303,767	0.16%	-	-	303,767	0.16%
Fiscal Council	5,000	0.00%	-	-	5,000	0.00%
Shareholders over 5%	17,408,700	9.13%	-	-	17,408,700	9.13%
Odey Asset Management LLC	17,408,700	9.13%	-	-	17,408,700	9.13%
Treasury Shares	2,746,780	1.44%	-	-	2,746,780	1.44%
Others Shareholders	69,086,231	36.25%	-	-	69,086,231	36.25%
Total	190,595,000	100.00%	-	-	190,595,000	100.00%
Free Float	86,258,781	45.26%	-	-	86,258,781	45.26%

(A free translation of the original in Portuguese)

Ownership Breakdown Balance on 12/31/2020						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	100,977,822	52.98%	-	-	100,977,822	52.98%
SLC Participações S.A.	100,977,822	52.98%	-	-	100,977,822	52.98%
Board of Director	347,967	0.18%	-	-	347,967	0.18%
Board	65,200	0.03%	-	-	65,200	0.03%
Directoror	282,767	0.15%	-	-	282,767	0.15%
Fiscal Council	-	0.00%	-	-	-	0.00%
Shareholders over 5%	17,408,700	9.13%	-	-	17,408,700	9.13%
Odey Asset Management LLC	17,408,700	9.13%	-	-	17,408,700	9.13%
Treasury Shares	3,010,430	1.58%	-	-	3,010,430	1.58%
Others Shareholders	68,850,081	36.12%	-	-	68,850,081	36.12%
Total	190,595,000	100.00%	-	-	190,595,000	100.00%
Free Float	86,258,781	45.26%	-	-	86,258,781	45.26%

Ownership Breakdown Balance on 09/30/2020						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	100,974,342	52.98%	-	-	100,974,342	52.98%
SLC Participações S.A.	100,974,342	52.98%	-	-	100,974,342	52.98%
Board of Director	253,448	0.13%	-	-	253,448	0.13%
Board	65,200	0.03%	-	-	65,200	0.03%
Directoror	188,248	0.10%	-	-	188,248	0.10%
Fiscal Council	-	0.00%	-	-	-	0.00%
Shareholders over 5%	17,408,700	9.13%	-	-	17,408,700	9.13%
Odey Asset Management LLC	17,408,700	9.13%	-	-	17,408,700	9.13%
Treasury Shares	3,271,492	1.72%	-	-	3,271,492	1.72%
Others Shareholders	68,687,018	36.04%	-	-	68,687,018	36.04%
Total	190,595,000	100.00%	-	-	190,595,000	100.00%
Free Float	86,095,718	45.17%	-	-	86,095,718	45.17%

Ownership Breakdown						
Balance on 06/30/2020						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	100,974,342	52.98%	-	-	100,974,342	52.98%
SLC Participações S.A.	100,974,342	52.98%	-	-	100,974,342	52.98%
Board of Director	221,472	0.12%	-	-	221,472	0.12%
Board	65,200	0.03%	-	-	65,200	0.03%
Director	156,272	0.08%	-	-	156,272	0.08%
Fiscal Council	-	0.00%	-	-	-	0.00%
Shareholders over 5%	18,473,292	9.69%	-	-	18,473,292	9.69%
Odey Asset Management LLC	18,473,292	9.69%	-	-	18,473,292	9.69%
Treasury Shares	3,312,972	1.74%	-	-	3,312,972	1.74%
Others Shareholders	67,612,922	35.47%	-	-	67,612,922	35.47%
Total	190,595,000	100.00%	-	-	190,595,000	100.00%
Free Float	86,086,214	45.17%	-	-	86,086,214	45.17%

Independent auditor's review report on quarterly information

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

Introduction

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

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

Scope of review

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

Conclusion on the individual and consolidated interim financial information

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

Other matters

Statements of value added

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

Porto Alegre, August 12, 2021.

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

Guilherme Ghidini Neto
Accountant CRC RS-067795/O-5

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

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

The Fiscal Council also examined the report of Ernst&Young Auditores Independentes S.S., dated August 12, 2021, as well as how did you receive the information and clarifications requested during the quarter

Porto Alegre, State of Rio Grande do Sul, August 12, 2021.

João Carlos Sfreddo
Chairman of the Fiscal Council

Paulo Roberto Kruse
Advisor

Mauricio Rocha Alves de Carvalho
Advisor

Declarations Board of Executive Officers on the Financial Statements

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

Porto Alegre, August 12, 2021.

Aurelio Pavinato
Chief Executive Officer

Ivo Marcon Brum
CFO and Investor Relations

Gustavo Macedo Lunardi
Director of Production and Supplies

Aldo Roberto Tisott
Director of Sales and New Business

Alvaro Luis Dilli
Director of Human Resources and Sustainability

Declarations Board of Executive Officers on the Report of Independent Auditors

In compliance with the established in Article 25 of CVM Instruction No. 480/09 of 7 December 2009, the Board declares that reviewed, discussed and agreed with the opinion expressed in the Independent Auditors' Report, dated on May 12, 2021, on to the Financial Statements (Parent Company and Consolidated) for the year ended June 30, 2021.

Porto Alegre, August 12, 2021.

Aurelio Pavinato
Chief Executive Officer

Ivo Marcon Brum
CFO and Investor Relations

Gustavo Macedo Lunardi
Director of Production and Supplies

Aldo Roberto Tisott
Director of Sales and New Business

Alvaro Luis Dilli
Director of Human Resources and Sustainability