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(A free translation of the original in Portuguese)

Company information / Capital composition

Number of shares (units)	Current Quarter 06/30/2023
Paid-up capital	
Common shares	226,664,858
Preferred shares	0
Total	226,664,858
Treasury shares	
Common shares	4,485,872
Preferred shares	0
Total	4,485,872

(A free translation of the original in Portuguese)

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

Code of account	Account description	Current quarter 06/30/2023	Previous year 12/31/2022
1	Total assets	15,467,369	15,061,652
1.01	Current assets	5,522,309	4,982,114
1.01.01	Cash and cash equivalents	701,008	845,445
1.01.01.01	Cash and cash equivalents	701,008	845,445
1.01.03	Accounts receivable	489,794	436,158
1.01.03.01	Customers	172,447	123,834
1.01.03.02	Other Accounts Receivable	317,347	312,324
1.01.03.02.01	Advances to suppliers	8,282	9,247
1.01.03.02.02	Derivative Transacions	257,805	192,100
1.01.03.02.03	Credits with Related Parties	7,976	63,637
1.01.03.02.04	Other Accounts Receivable	43,284	47,340
1.01.04	Inventories	1,866,254	2,360,370
1.01.05	Biological assets	2,299,825	1,257,897
1.01.06	Recoverable taxes	110,219	73,882
1.01.06.01	Current recoverable taxes	110,219	73,882
1.01.07	Prepaid expenses	54,711	7,864
1.01.08	Other Current Assets	498	498
1.01.08.02	Discontinued Operations Assets	498	498
1.02	Non-current assets	9,945,060	10,079,538
1.02.01	Long-term assets	203,562	191,893
1.02.01.03	Financial Applications at amortized cost	1,044	747
1.02.01.03.01	Securities Held to Maturity	1,044	747
1.02.01.08	Prepaid expenses	985	58
1.02.01.09	Credits with related parties	1,523	0
1.02.01.09.02	Loans to subsidiaries	1,523	0
1.02.01.10	Other Non-current Assets	200,010	191,088
1.02.01.10.03	Derivatives Transactions	59,300	51,138
1.02.01.10.04	Other Accounts Receivable	1,603	2,439
1.02.01.10.06	Recoverable taxes	139,107	137,511
1.02.02	Investments	4,495,918	4,008,749
1.02.02.01	Shareholdings	4,495,918	4,008,749
1.02.02.01.02	Investments in Subsidiaries	4,495,604	4,008,435
1.02.02.01.04	Other Investments	314	314
1.02.03	Fixed Assets	5,168,427	5,795,441
1.02.03.01	Fixed Assets in Operation	1,404,747	1,234,521
1.02.03.02	Right-of-Use in Progress	3,683,765	4,486,842
1.02.03.02.01	Asset use rights	3,683,765	4,486,842
1.02.03.03	Fixed Assets in Progress	79,915	74,078
1.02.04	Intangible	77,153	83,455
1.02.04.01	Intangibles	77,153	83,455
1.02.04.01.02	New Systems Implementation	8,997	15,710
1.02.04.01.03	Other (systems)	68,156	67,745

(A free translation of the original in Portuguese)

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

Code of account	Account description	Current quarter 06/30/2023	Previous year 12/31/2022
2	Total liabilities	15,467,369	15,061,652
2.01	Current liabilities	3,227,987	3,850,388
2.01.01	Social and Labor Obligations	8,636	10,621
2.01.01.01	Social obligations	8,622	10,728
2.01.01.02	Labor obligations	14	(107)
2.01.02	Suppliers	471,903	1,090,965
2.01.02.01	National suppliers	471,903	1,090,965
2.01.03	Tax obligations	29,212	189,140
2.01.03.01	Federal Taxes	27,071	186,716
2.01.03.01.01	Income Tax and Social Contribution Payable	37	149,167
2.01.03.01.02	Taxes and Contributions (Other)	27,034	37,549
2.01.03.02	State Taxes	1,112	1,626
2.01.03.03	Municipal Taxes	1,029	798
2.01.04	Loans and Financing	1,928,553	1,137,091
2.01.04.01	Loans and Financing	1,928,553	1,137,091
2.01.04.01.01	In Local Currency	1,928,553	1,137,091
2.01.05	Other obligations	712,992	1,320,503
2.01.05.01	Liabilities with Related Parties	11,489	6,386
2.01.05.01.02	Debts with Subsidiaries	8,984	4,106
2.01.05.01.04	Other Payables to Related Parties	2,505	2,280
2.01.05.02	Others	701,503	1,314,117
2.01.05.02.01	Dividends and interest on capital payable	215	291,852
2.01.05.02.04	Advances from Customers	187,508	159,845
2.01.05.02.05	Operations with Derivatives	210,356	137,320
2.01.05.02.07	Other Debts	7,492	30,413
2.01.05.02.08	Lease Liability with Related Parties	112,505	327,505
2.01.05.02.09	Lease Liabilities with Third Parties	183,427	367,182
2.01.06	Provisions	76,691	102,068
2.01.06.01	Provisions: Tax, Social, Security and Labor	76,649	102,028
2.01.06.01.01	Tax provisions	0	613
2.01.06.01.02	Social Security and Labor Provisions	36,982	26,926
2.01.06.01.03	Provisions for Employee Benefits	37,396	71,645
2.01.06.01.04	Civil provisions	54	54
2.01.06.01.05	Labor Provisions for contingencies	2,217	2,790
2.01.06.02	Other Provisions	42	40
2.01.06.02.03	Provisions for environmental liabilities and Deactivation	42	40
2.02	Non-current liabilities	6,940,503	6,612,467
2.02.01	Loans and Financing	2,690,563	2,016,280
2.02.01.01	Loans and Financing	2,690,563	2,016,280
2.02.01.01.01	In Local Currency	2,690,563	2,016,280
2.02.02	Other obligations	3,658,338	4,266,005
2.02.02.02	Others	3,658,338	4,266,005
2.02.02.02.03	Operations with Derivatives	40,871	20,074
2.02.02.02.04	Other Debts	451	520
2.02.02.02.05	Lease Liabilities with Related Parties	2,374,573	2,513,411
2.02.02.02.06	Third party lease liability	2,374,573	1,732,000
2.02.03	Deferred taxes	591,602	330,182

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2.02.03.01	Income Tax and Social Contribution Deferred	591,602	330,182
2.03	Shareholder's Equity	5,298,879	4,598,797
2.03.01	Capital Stock	2,012,522	1,512,522
2.03.02	Capital reserves	18,844	(111,626)
2.03.02.01	Premium on issue of shares	19,414	26,666
2.03.02.04	Options Granted	85,481	76,022
2.03.02.05	Treasury shares	(151,907)	(280,170)
2.03.02.07	Capital Reserve	65,856	65,856
2.03.04	Profit Reserves	872,843	1,891,460
2.03.04.01	Legal reserve	203,595	203,595
2.03.04.02	Statutory reserve	648,182	1,365,836
2.03.04.05	Retained Earnings Reserve	5,628	5,628
2.03.04.08	Additional Dividend Proposed	0	300,963
2.03.04.10	Incentivized Investment Reserve	15,438	15,438
2.03.05	Profits / Losses	873,907	0
2.03.08	Other Comprehensive Results	1,520,763	1,306,441

(A free translation of the original in Portuguese)

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

Code of account	Account description	Accumulated		Same	Accumulated
		Current Quarter	from Current Exercise	Quarter Previous Year	of the Previous year
		04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	04/01/2022 to 06/30/2023	01/01/2022 to 06/30/2022
3.01	Reven. from Sale of Goods and / or Services	1,590,992	3,853,622	1,841,518	4,309,149
3.01.01	Operating Revenue of Products	1,056,090	2,557,521	1,187,343	2,799,701
3.01.02	Variation in fair value of biological assets	534,902	1,296,101	654,175	1,509,448
3.02	Cost of Goods and / or Services Sold	(1,088,200)	(2,433,986)	(594,975)	(2,388,901)
3.02.01	Cost of Products	(706,388)	(1,554,028)	(594,940)	(1,302,550)
3.02.02	Realization of Fair Value of Biological Assets	(381,812)	(879,958)	(35)	(1,086,351)
3.03	Gross income	502,792	1,419,636	1,246,543	1,920,248
3.04	Operating Income / Expenses	104,083	116,121	24,829	92,994
3.04.01	Selling Expenses	(35,787)	(111,670)	(82,050)	(126,730)
3.04.02	General and Administrative Expenses	(63,877)	(144,558)	(57,459)	(126,947)
3.04.02.01	General and Administrative	(59,796)	(130,113)	(53,876)	(111,623)
3.04.02.02	Management's fees	(4,081)	(14,445)	(3,583)	(15,324)
3.04.04	Other Operating Income	25,334	31,062	1,887	2,104
3.04.05	Other Operating Expenses	(21,894)	(25,709)	(988)	(5,252)
3.04.06	Equity income	200,307	366,996	163,439	349,819
3.04.06.01	Equivalence Result for the Period	203,981	374,651	169,614	360,640
3.04.06.02	Added value of investment net IR	(3,674)	(7,655)	(6,175)	(10,821)
3.05	Income before financial result and taxes	606,875	1,535,757	1,271,372	2,013,242
3.06	Financial result	(201,117)	(390,639)	(170,827)	(357,340)
3.06.01	Financial income	136,959	248,083	192,534	412,549
3.06.02	Financial expenses	(338,076)	(638,722)	(363,361)	(769,889)
3.07	Income before Income Taxes	405,758	1,145,118	1,100,545	1,655,902
3.08	Income Tax Social Contrib. on Net Income	(71,561)	(272,017)	(158,683)	(436,859)
3.08.01	Current	(32)	(93,742)	(1,471)	(275,357)
3.08.02	Deferred	(71,529)	(178,275)	(157,212)	(161,502)
3.09	Net Income from Continuing Operations	334,197	873,101	941,862	1,219,043
3.11	Profit / Loss for the Period	334,197	873,101	941,862	1,219,043
3.99	Earnings per share - (R\$ / Share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	1.62025	4.23295	5.86384	5.86384
3.99.02	Diluted earnings per share				
3.99.02.01	ON	1.61069	4.20799	5.83169	5.83169

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Individual financial statements / Statement of Comprehensive Income (In thousands of Reais)

Code of account	Account description	Current	Accumulated	Same Quarter	Accumulated
		Quarter	from Current	Previous Year	of the
		04/01/2023 to	01/01/2023 to	04/01/2022 to	01/01/2022 to
		06/30/2023	06/30/2023	06/30/2023	06/30/2022
4.01	Net income for the period	334,197	873,101	473,919	1,219,043
4.02	Other Comprehensive Income	142,347	215,128	(73,957)	346,334
4.02.01	Cash flow hedge derivatives	166,532	244,546	(76,148)	408,483
4.02.02	Cash flow hedge derivatives - Controlled	32,435	53,727	(22,903)	77,532
4.02.03	Income tax and social contribution	(56,620)	(83,145)	25,891	(138,884)
4.02.06	Assigned cost adjustment fixed assets in subsidiary	0	0	(797)	(797)
4.03	Total Comprehensive Result for the Period	476,544	1,088,229	399,962	1,565,377

(A free translation of the original in Portuguese)

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

Code of account	Account description	Accumulated of the current year 01/01/2023 to 06/31/2023	Accumulated of the previous quarter 01/01/2022 to 06/30/2022
6.01	Net Cash from Operating Activities	269,204	596,971
6.01.01	Cash Flow From Operating Activities	1,099,386	1,418,632
6.01.01.01	Net Income (loss) before income taxes	1,145,118	1,655,902
6.01.01.02	Depreciation and amortization - in results	71,999	57,580
6.01.01.03	Write-off of fixed assets	25,566	1,510
6.01.01.04	Equity Equivalence	(374,651)	(360,640)
6.01.01.05	Interest, exchange and monetary variation	160,600	99,611
6.01.01.06	Stock-based compensation	9,459	7,611
6.01.01.07	Variation of Biological Assets	(416,143)	(423,097)
6.01.01.08	Provision (reversal) Partic. results and labor contingencies	44,667	39,282
6.01.01.09	Provision (reversal) for Inventory Adjust. to market value	38,156	(1,392)
6.01.01.10	APV - Liabilities rental	197,626	200,993
6.01.01.11	Amortization of Right of Use	185,743	127,408
6.01.01.12	Others	9,568	6,942
6.01.01.14	Provision / Loss Tax Recovery	1,143	6,922
6.01.01.15	Provision/Reversal of Credits. Doubtful Liquidationt	535	0
6.01.02	Changes in Assets and Liabilities	(830,182)	(821,661)
6.01.02.01	Accounts receivable	(49,148)	51,193
6.01.02.02	Inventories and biological assets	(100,571)	(276,377)
6.01.02.03	Recoverable Taxes	(39,076)	(87,484)
6.01.02.05	Financial investments	(297)	(28)
6.01.02.06	Other accounts receivable	(48,296)	(23,660)
6.01.02.07	Suppliers	(625,994)	(303,865)
6.01.02.09	Fiscal and social obligations	(60,656)	(53,617)
6.01.02.10	Obligations with related parties	59,241	(75,919)
6.01.02.11	Derivative transactions	234,288	122,488
6.01.02.12	Advances from customers	27,663	(117,945)
6.01.02.14	Other bills to pay	(24,913)	(14,557)
6.01.02.15	Dividends received	122,069	251,042
6.01.02.16	Advance to suppliers	6,230	7,305
6.01.02.17	Interest Paid	(149,630)	(43,413)
6.01.02.18	Income tax and social contribution paid	(181,092)	(256,824)
6.02	Net cash investing activities	(468,893)	(339,051)
6.02.02	In fixed assets	(282,503)	(235,017)
6.02.03	In intangible	(3,289)	(26,896)
6.02.04	Paid-in Capital	(183,101)	(77,138)
6.03	Net cash from financing activities	55,252	(89,490)
6.03.01	Loans and financing taken	2,030,984	1,267,609
6.03.02	Loans and financing paid	(511,086)	(135,397)
6.03.03	Sale or repurchase of Shares	(96,643)	(5,298)
6.03.04	Paid leases	(651,298)	(652,498)
6.03.05	Dividends paid	(592,591)	(504,421)
6.03.07	Paid/Received Derivatives	(124,114)	(28,513)
6.03.08	Credit Assignment	0	(30,972)
6.05	Increase (Decrease) in Cash	(144,437)	168,430
6.05.01	Opening balance of cash and cash equivalents	845,445	40,046
6.05.02	Closing balance of cash and cash equivalents	701,008	214,476

(A free translation of the original in Portuguese)

**Individual financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2023 to 06/30/2023
(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	1,512,522	(111,626)	1,891,460	0	1,306,441	4,598,797
5.03	Initial Adjusted Balances	1,512,522	(111,626)	1,891,460	0	1,306,441	4,598,797
5.04	Capital transactions with Partners	500,000	130,470	(717,654)	0	0	(87,184)
5.04.01	Capital Increases	500,000	0	(500,000)	0	0	0
5.04.03	Recognized Granted Options	0	9,459	0	0	0	9,459
5.04.04	Acquired Treasury Shares	0	(104,031)	0	0	0	(104,031)
5.04.08	Delivered Treasury Shares	0	14,640	0	0	0	14,640
5.04.09	Goodwill on Delivery of Shares	0	(7,252)	0	0	0	(7,252)
5.04.10	Canceled Treasury Shares	0	217,654	(217,654)	0	0	0
5.05	Total Comprehensive Income	0	0	0	873,907	214,322	1,088,229
5.05.01	Net income for the period	0	0	0	873,101	0	873,101
5.05.02	Other Comprehensive Income	0	0	0	806	214,322	215,128
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	244,546	244,546
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	(83,145)	(83,145)
5.05.02.03	Equity in the comprehensive income of subs. and affiliates	0	0	0	0	53,727	53,727
5.05.02.06	Realiz. of depreciation of deemed cost to fixed assets	0	0	0	667	(667)	0
5.05.02.07	Realization of sales of the deemed cost to fixed assets	0	0	0	139	(139)	0
5.06	Internal Changes in Shareholders' Equity	0	0	(300,963)	0	0	(300,963)
5.07	Ending balances	2,012,522	18,844	872,843	873,907	1,520,763	5,298,879

(A free translation of the original in Portuguese)

**Individual financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2022 to 06/30/2022
(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	1,512,522	48,107	1,174,813	0	789,306	3,524,748
5.03	Initial Adjusted Balances	1,512,522	48,107	1,174,813	0	789,306	3,524,748
5.04	Capital transactions with Partners	0	2,313	0	0	0	2,313
5.04.02	Spending on Share Issue	0	1	0	0	0	1
5.04.03	Recognized Granted Options	0	7,611	0	0	0	7,611
5.04.04	Acquired Treasury Shares	0	(9,278)	0	0	0	(9,278)
5.04.08	Delivered Treasury Shares	0	5,557	0	0	0	5,557
5.04.10	Goodwill on Delivery of Shares	0	(1,578)	0	0	0	(1,578)
5.05	Total Comprehensive Income	0	0	0	1,220,509	344,868	1,565,377
5.05.01	Net income for the period	0	0	0	1,219,043	0	1,219,043
5.05.02	Other Comprehensive Income	0	0	0	1,466	344,868	346,334
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	408,483	408,483
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	(138,884)	(138,884)
5.05.02.03	Equity in comprehensive income of subs. and affiliates	0	0	0	0	77,532	77,532
5.05.02.06	Realiz. of depreciation of deemed cost a to fixed assets	0	0	0	962	(962)	0
5.05.02.07	Realization Assigned Cost Fixed Assets - Subsidiaries	0	0	0	96	(96)	0
5.05.02.08	Realization of depreciation of the deemed cost a to fixed assets- Subsidiaries	0	0	0	408	(408)	0
5.05.02.09	Assigned Cost Adjustment Fixed Assets in Subsidiary	0	0	0	0	(797)	(797)
5.06	Internal Changes in Shareholders' Equity	0	0	(252,217)	0	0	(252,217)
5.06.04	Proposed additional dividend	0	0	(252,217)	0	0	(252,217)
5.07	Ending balances	1,512,522	50,420	922,596	1,220,509	1,134,174	4,840,221

(A free translation of the original in Portuguese)

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

Code of account	Account description	Accumulated of the current year	Accumulated of the previous year
		01/01/2023 to 06/30/2023	01/01/2022 to 06/30/2022
7.01	Revenue	4,138,253	4,525,343
7.01.01	Sales of Goods, Products and Services	2,599,675	2,916,572
7.01.02	Other Revenues	1,329,348	1,500,681
7.01.02.01	Other Revenues	33,247	(8,767)
7.01.02.02	Variation in fair value of Biological Assets	1,296,101	1,509,448
7.01.03	Revenue from the Construction of Own Assets	209,765	108,090
7.01.04	Provision/Reversal of Credits. Doubtful Liquidation	(535)	0
7.02	Inputs Acquired from Third Parties	(2,280,081)	(2,505,338)
7.02.01	Costs of Products, merchandises and services sold	(32,889)	(8,345)
7.02.02	Materials, Energy, Third Party Servs. and Other	(555,797)	(585,922)
7.02.03	Loss / Recovery Asset Values	(38,156)	0
7.02.04	Others	(1,653,239)	(1,911,071)
7.02.04.01	Raw materials consumed	(773,281)	(824,720)
7.02.04.02	Adjustment to fair value of Biological Assets	(879,958)	(1,086,351)
7.03	Gross Added Value	1,858,172	2,020,005
7.04	Retentions	(257,742)	(184,988)
7.04.01	Depreciation, Amortization and Depletion	(71,999)	(57,580)
7.04.02	Others	(185,743)	(127,408)
7.04.02.01	Amortization of Right of Use	(185,743)	(127,408)
7.05	Net Produced Added Value	1,600,430	1,835,017
7.06	Added Value Received in Transfer	622,969	777,543
7.06.01	Equity income	374,651	360,640
7.06.02	Financial income	248,083	412,549
7.06.03	Others	235	4,354
7.07	Total Ditrutable Added Value	2,223,399	2,612,560
7.08	Added Value Distribution	2,223,399	2,612,560
7.08.01	Expenses with personnel	255,844	209,859
7.08.01.01	Direct compensation	129,471	100,526
7.08.01.02	Benefits	116,237	94,874
7.08.01.03	F.G.T.S.	10,136	14,459
7.08.02	Taxes, fees and contributions	452,976	328,400
7.08.02.01	Federal	393,644	386,063
7.08.02.02	State	58,857	(58,029)
7.08.02.03	Municipal	475	366
7.08.03	Third parties' assets	641,478	855,258
7.08.03.01	Interest	637,320	847,238
7.08.03.02	Rents	4,158	8,020
7.08.04	Equity Compensation	873,101	1,219,043
7.08.04.03	Retained Earnings / Loss for the Period	873,101	1,219,043

(A free translation of the original in Portuguese)

Consolidated financial statements / Balance sheet - Assets

(In thousands of Reais)

Code of account	Account description	Current quarter 06/30/2023	Previous year 12/31/2022
1	Total assets	15,545,044	14,868,389
1.01	Current assets	7,689,956	7,032,683
1.01.01	Cash and cash equivalents	1,160,785	1,235,775
1.01.01.01	Cash and cash equivalents	1,160,785	1,235,775
1.01.03	Accounts receivable	664,879	502,807
1.01.03.01	Customers	198,721	174,291
1.01.03.02	Other Accounts Receivable	466,158	328,516
1.01.03.02.01	Advances to suppliers	11,876	14,924
1.01.03.02.02	Derivative Transacions	419,646	272,728
1.01.03.02.03	Credits with Related Parties	26,533	25,852
1.01.03.02.05	Other Accounts Receivable	8,103	15,012
1.01.04	Inventories	2,610,390	3,343,980
1.01.05	Biological assets	2,999,606	1,799,576
1.01.06	Recoverable taxes	184,832	139,817
1.01.06.01	Current recoverable taxes	184,832	139,817
1.01.07	Prepaid expenses	68,919	10,183
1.01.08	Other Current Assets	545	545
1.01.08.02	Discontinued Operations Assets	545	545
1.02	Non-current assets	7,855,088	7,835,706
1.02.01	Long-term assets	619,698	700,424
1.02.01.03	Financial Applications at amortized cost	1,044	747
1.02.01.03.01	Securities Held to Expiration	1,044	747
1.02.01.07	Deferred taxes	223,447	281,819
1.02.01.07.01	Income Tax and Social Contribution Defered	223,447	281,819
1.02.01.08	Prepaid expenses	1,271	458
1.02.01.10	Other Non-current Assets	393,936	417,400
1.02.01.10.01	Non-Current Assets for Sale	22,724	20,724
1.02.01.10.03	Taxes to recover	199,830	204,094
1.02.01.10.04	Derivative	82,041	61,677
1.02.01.10.05	Other Accounts Receivable	18,547	19,450
1.02.01.10.06	Advances to suppliers	0	79,805
1.02.01.10.07	Titles and credits receivable	70,794	31,650
1.02.02	Investments	434,507	389,435
1.02.02.01	Shareholdings	3,618	3,618
1.02.02.01.05	Other Investments	3,618	3,618
1.02.02.02	Investment Property	430,889	385,817
1.02.03	Fixed Assets	6,675,965	6,614,374
1.02.03.01	Fixed Assets in Operation	4,225,206	3,642,786
1.02.03.02	Right-of-Use in Progress	2,347,135	2,881,262
1.02.03.02.01	Asset use rights	2,347,135	2,881,262
1.02.03.03	Fixed Assets in Progress	103,624	90,326
1.02.04	Intangible	124,918	131,473
1.02.04.01	Intangibles	77,563	84,118
1.02.04.01.02	New Systems Implementation	8,997	15,882
1.02.04.01.03	Others (system)	68,566	68,236
1.02.04.02	Goodwill	47,355	47,355

(A free translation of the original in Portuguese)

Consolidated financial statements / Balance sheet - Liabilities

(In thousands of Reais)

Code of account	Account description	Current quarter 06/30/2023	Previous year 12/31/2022
2	Total liabilities	15,545,044	14,868,389
2.01	Current liabilities	3,856,777	4,589,690
2.01.01	Social and Labor Obligations	15,164	21,790
2.01.01.01	Social obligations	15,156	22,210
2.01.01.02	Labor obligations	8	-420
2.01.02	Suppliers	646,894	1,564,582
2.01.02.01	National suppliers	646,894	1,564,582
2.01.03	Tax obligations	55,405	207,688
2.01.03.01	Federal Taxes	51,277	198,587
2.01.03.01.01	Income Tax and Social Contribution Payable	22,474	159,219
2.01.03.01.02	Taxes and Contributions (Other)	28,803	39,368
2.01.03.02	State Taxes	2,604	7,770
2.01.03.03	Municipal Taxes	1,524	1,331
2.01.04	Loans and Financing	2,098,862	1,281,537
2.01.04.01	Loans and Financing	2,098,862	1,281,537
2.01.04.01.01	In Local Currency	2,098,862	1,281,537
2.01.05	Other obligations	932,747	1,347,870
2.01.05.01	Liabilities with Third Parties	3,206	2,482
2.01.05.01.04	Other Payables to Related Parties	3,206	2,482
2.01.05.02	Others	929,541	1,345,388
2.01.05.02.01	Dividends and interest on capital payable	215	291,852
2.01.05.02.02	Mandatory minimum dividend payable	8,710	10,518
2.01.05.02.04	Advances from Customers	292,816	238,942
2.01.05.02.05	Operations with Derivatives	210,635	139,585
2.01.05.02.06	Lease payable	1,134	14,146
2.01.05.02.07	Titles to pay	141,936	86,102
2.01.05.02.08	Other debts	29,207	40,670
2.01.05.02.09	Lease Liabilities with related parties	244,888	523,573
2.01.06	Provisions	107,705	166,223
2.01.06.01	Provisions: Tax, Social, Security and Labor	106,492	165,183
2.01.06.01.01	Tax provisions	3,660	4,185
2.01.06.01.02	Social Security and Labor Provisions	47,236	34,410
2.01.06.01.03	Provisions for Employee Benefits	47,342	93,556
2.01.06.01.04	Civil provisions	4,448	4,942
2.01.06.01.05	Labor Provisions for contingencies	3,806	28,090
2.01.06.02	Other provisions	1,213	1,040
2.01.06.02.03	Provisions for environmental liabilities and Deactivation	1,213	1,040
2.02	Non-current liabilities	6,037,014	5,382,267
2.02.01	Loans and Financing	2,826,279	2,172,734
2.02.01.01	Loans and Financing	2,826,279	2,172,734
2.02.01.01.01	In Local Currency	2,826,279	2,172,734
2.02.02	Other obligations	2,480,368	2,765,816
2.02.02.02	Others	2,480,368	2,765,816

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2.02.02.02.03	Titles to pay	157,789	14,276
2.02.02.02.04	Derivative	40,871	20,546
2.02.02.02.05	Other debts	5,323	520
2.02.02.02.06	Third's leasing Liabilities	2,276,385	2,730,474
2.02.03	Deferred taxes	730,367	443,717
2.02.03.01	Deferred Income Tax and Social Contribution	730,367	443,717
2.03	Shareholder's Equity	5,651,253	4,896,432
2.03.01	Capital Stock	2,012,522	1,512,522
2.03.02	Capital reserves	18,844	(111,626)
2.03.02.01	Premium on issue of shares	19,414	26,666
2.03.02.04	Options Granted	85,481	76,022
2.03.02.05	Treasury shares	(151,907)	(280,170)
2.03.02.07	Capital reserve	65,856	65,856
2.03.04	Profit Reserves	872,843	1,891,460
2.03.04.01	Legal reserve	203,595	203,595
2.03.04.02	Statutory reserve	648,182	1,365,836
2.03.04.05	Retained Earnings Reserve	5,628	5,628
2.03.04.08	Additional Dividend Proposed	0	300,963
2.03.04.10	Incentivized Investment Reserve	15,438	15,438
2.03.05	Profits / Losses	873,907	0
2.03.08	Other Comprehensive Results	1,520,763	1,306,441
2.03.09	Non-controlling Shareholders Share	352,374	297,635

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of income (In thousands of Reais)

Code of account	Account description	Current Quarter	Accumulated from Current exercise	Same Quarter Previous Year	Accumulated of the Previous year
		04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	04/01/2022 to 06/30/2023	01/01/2022 to 06/30/2022
3.01	Reven. from Sale of Goods and/or Services	2,130,192	5,204,378	2,388,582	5,884,387
3.01.01	Operating Revenue of Products	1,444,422	3,663,737	1,664,891	4,073,968
3.01.02	Variation in fair value of biological assets	685,770	1,540,641	723,691	1,810,419
3.02	Cost of Goods and / or Services Sold	(1,397,212)	(3,303,612)	(1,460,216)	(3,477,344)
3.02.01	Cost of Products	(925,782)	(2,149,144)	(840,963)	(1,961,906)
3.02.02	Realiz. of Fair Value of Biological Assets	(471,430)	(1,154,468)	(619,253)	(1,515,438)
3.03	Gross income	732,980	1,900,766	928,366	2,407,043
3.04	Operating Income / Expenses	(88,976)	(283,486)	(120,052)	(283,127)
3.04.01	Selling Expenses	(51,488)	(149,156)	(94,402)	(171,466)
3.04.02	General and Administrative Expenses	(75,554)	(168,614)	(71,770)	(146,516)
3.04.02.01	General and Administrative	(71,391)	(153,979)	(68,086)	(131,010)
3.04.02.02	Management's fees	(4,163)	(14,635)	(3,684)	(15,506)
3.04.04	Other Operating Income	65,795)	72,353)	57,916)	58,249)
3.04.05	Other Operating Expenses	(22,162)	(26,470)	(2,440)	(6,999)
3.04.06	Equity income	(5,567)	(11,599)	(9,356)	(16,395)
3.04.06.01	Added value investment, net income tax	644,004	1,617,280	808,314	2,123,916
3.05	Income before financial result and taxes	(172,609)	(320,362)	(131,594)	(283,574)
3.06	Financial result	169,639	311,408	286,986	594,933
3.06.01	Financial income	(342,248)	(631,770)	(418,580)	(878,507)
3.06.02	Financial expenses	471,395	1,296,918	676,720	1,840,342
3.07	Income before Income Taxes	(122,676)	(373,224)	(191,137)	(557,697)
3.08	Tax and Social Contribution on Net Income	(25,309)	(144,972)	(58,229)	(375,099)
3.08.01	Current	(97,367)	(228,252)	(132,908)	(182,598)
3.08.02	Deferred	348,719	923,694	485,583	1,282,645
3.09	Net Income from Continuing Operations	348,719	923,694	485,583	1,282,645
3.11	Profit / Loss Consolidated Period	334,197	873,101	473,919	1,219,043
3.11.01	Assigned to Company Partners Company	14,522	50,593	11,664	63,602
3.11.02	Assigned to non-controlling Partners	2,130,192	5,204,378	2,388,582	5,884,387
3.99	Earnings per share - (R\$ / Share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	1.62025	4.23295	5.86384	5.86384
3.99.02	Diluted earnings per share				
3.99.02.01	ON	1.61069	4.20799	5.83169	5.83169

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of Comprehensive Income
(In thousands of Reais)

Code of account	Account description	Current Quarter	Accumulated from Current exercise	Same Quarter Previous Year	Accumulated of the Previous year
		04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	04/01/2022 to 06/30/2023	01/01/2022 to 06/30/2022
4.01	Consolidated Net Income for the Period	348,719	923,694	485,583	1,282,645
4.02	Other Comprehensive Income	148,230	226,671	(79,109)	369,645
4.02.01	Cash flow hedge derivatives	224,591	343,441	(118,655)	561,277
4.02.03	Income tax and social contribution	(76,361)	(116,770)	40,343	(190,835)
4.02.07	Assigned cost adjustment, fixed assets in subsidiary	0	0	(797)	(797)
4.03	Consolidated Comprehensive Income for the Period	496,949	1,150,365	406,474	1,652,290
4.03.01	Assigned to Company Partners Company	476,544	1,088,229	399,962	1,565,377
4.03.02	Assigned to Non-Controlling Partners	20,405	62,136	6,512	86,913

(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	Accumulated of the
		current year 01/01/2023 to 06/30/2023	previous quarter 01/01/2022 to 03/31/2022
6.01	Net Cash from Operating Activities	255,524	734,736
6.01.01	Cash Flow From Operating Activities	1,566,010	2,038,211
6.01.01.01	Net Income (loss) before income taxes	1,296,918	1,840,342
6.01.01.02	Depreciation and amortization - in results	100,187	89,377
6.01.01.03	Write-off of fixed assets	40,832	4,269
6.01.01.05	Interest, exchange and monetary variation	180,753	92,116
6.01.01.06	Stock-based compensation	9,459	7,611
6.01.01.07	Variation of Biological Assets	(386,173)	(294,981)
6.01.01.08	Provision (reversal) Partic. the results and labor contingencies	54,703	49,237
6.01.01.09	Provision (reversal) for Inventory Adjust. to market value	40,090	(1,392)
6.01.01.10	APV - Liabilities rental	138,416	141,873
6.01.01.11	Amortization of Right of Use	133,956	142,143
6.01.01.12	Others	3,574	11,368
6.01.01.13	Fair value of investment properties	(59,135)	(52,549)
6.01.01.14	Provision / Loss Tax Recovery	1,435	8,797
6.01.01.15	Provision/Reversal of Credits. Doubtful Liquidation	10,995	0
6.01.02	Changes in Assets and Liabilities	(1,310,486)	(1,303,475)
6.01.02.01	Accounts receivable	(35,425)	41,918
6.01.02.02	Inventories and biological assets	18,959	(218,486)
6.01.02.03	Recoverable Taxes	(42,186)	(110,253)
6.01.02.05	Financial investments	(297)	(28)
6.01.02.06	Other accounts receivable	(68,706)	(79,953)
6.01.02.07	Suppliers	(912,249)	(445,158)
6.01.02.08	Tax and social obligations	(77,359)	(90,814)
6.01.02.09	Obligations with related parties	724	41
6.01.02.10	Derivative operations	138,415	191,126
6.01.02.11	Advance from customers	53,874	(217,369)
6.01.02.13	Other bills to pay	(13,012)	(15,048)
6.01.02.15	Advance to suppliers	(10,391)	6,702
6.01.02.16	Interest Paid	17,324	9,983
6.01.02.17	Income tax and social contribution paid	(158,317)	(50,875)
6.01.02.18	Titles to pay	(218,021)	(310,034)
6.02	Net cash investing activities	(524,208)	(388,471)
6.02.02	In fixed assets	(344,436)	(362,346)
6.02.03	In intangible	(3,124)	(27,093)
6.02.04	Advance for future capital increase	3,352	0
6.02.05	Receipt for sale of land	0	1,643
6.02.06	Other Investments	0	(675)
6.02.07	Land purchase	(180,000)	0
6.03	Net cash from financing activities	193,694	154,792
6.03.01	Loans and financing taken	2,050,984	1,462,608
6.03.02	Loans and financing paid	(537,427)	(228,659)
6.03.03	Sale or repurchase of Shares	(96,643)	(5,298)
6.03.04	Paid leases	(560,242)	(477,781)
6.03.05	Dividends paid	(592,591)	(530,714)
6.03.06	Paid/Received Derivatives	(70,387)	(26,392)
6.05	Increase (Decrease) in Cash	0	(38,972)
6.05.01	Opening balance of cash and cash equivalents	(74,990)	501,057
6.05.02	Closing balance of cash and cash equivalents	1,235,775	139,780

(A free translation of the original in Portuguese)

**Consolidated financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2023 to 06/30/2023
(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	1,512,522	(111,626)	1,891,460	0	1,306,441	4,598,797	297,635	4,896,432
5.03	Initial Adjusted Balances	1,512,522	(111,626)	1,891,460	0	1,306,441	4,598,797	297,635	4,896,432
5.04	Capital transactions with Partners	500,000	130,470	(717,654)	0	0	(87,184)	0	(87,184)
5.04.01	Capital Increases	500,000	0	(500,000)	0	0	0	0	0
5.04.03	Recognized Granted Options	0	9,459	0	0	0	9,459	0	9,459
5.04.04	Acquired Treasury Shares	0	(104,031)	0	0	0	(104,031)	0	(104,031)
5.04.08	Goodwill on Delivery of Shares	0	217,654	(217,654)	0	0	0	0	0
5.04.09	Premium on Delivery of Shares	0	(7,252)	0	0	0	(7,252)	0	(7,252)
5.04.10	Delivered Treasury Shares	0	14,640	0	0	0	14,640	0	14,640
5.05	Total Comprehensive Income	0	0	0	873,907	214,322	1,088,229	62,136	1,150,365
5.05.01	Net income for the period	0	0	0	873,101	0	873,101	50,593	923,694
5.05.02	Other Comprehensive Income	0	0	0	806	214,322	215,128	11,543	226,671
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	325,951	325,951	17,490	343,441
5.05.02.02	Taxes on Adjust. of Financial Instr.	0	0	0	0	(110,823)	(110,823)	(5,947)	(116,770)
5.05.02.06	Realization of depreciation of the deemed cost to fixed assets	0	0	0	667	(667)	0	0	0
5.05.02.07	Realization of Cost Assigned to Fixed Assets - Depreciation	0	0	0	139	(139)	0	0	0
5.06	Internal Chgs. in Sharehold. Equity	0	0	(300,963)	0	0	(300,963)	(7,397)	(308,360)
5.07	Ending balances	2,012,522	18,844	872,843	873,907	1,520,763	5,298,879	352,374	5,651,253

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2022 to 06/30/2022**(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	1,512,522	48,107	1,174,813	0	789,306	3,524,748	251,328	3,776,076
5.03	Initial Adjusted Balances	1,512,522	48,107	1,174,813	0	789,306	3,524,748	251,328	3,776,076
5.04	Capital transactions with Partners	0	2,313	0	0	0	2,313	0	2,313
5.04.03	Recognized Granted Options	0	7,611	0	0	0	7,611	0	7,611
5.04.04	Treasury Shares Acquired	0	(9,277)	0	0	0	(9,277)	0	(9,277)
5.04.08	Shares in Treasury Delivered	0	5,557	0	0	0	5,557	0	5,557
5.04.09	Goodwill on Delivery of Shares	0	(1,578)	0	0	0	(1,578)	0	(1,578)
5.05	Total Comprehensive Income	0	0	0	1,220,509	344,868	1,565,377	86,913	1,652,290
5.05.01	Net income for the period	0	0	0	1,219,043	0	1,219,043	63,602	1,282,645
5.05.02	Other Comprehensive Income	0	0	0	1,466	344,868	346,334	23,311	369,645
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	525,956	525,956	35,321	561,277
5.05.02.02	Taxes on Adjust. of Financial Instruments	0	0	0	0	(178,825)	(178,825)	-12,010	(190,835)
5.05.02.06	Realization of Cost Assigned to Fixed Assets - Depreciation	0	0	0	1,058	(1,058)	0	0	0
5.05.02.07	Cost attributed to property, plant and equip.	0	0	0	408	(408)	0	0	0
5.05.02.08	Cost Adjust. Assigned Fixed Assets in Subs.	0	0	0	0	(797)	(797)	0	(797)
5.06	Internal Changes in Equity	0	0	(252,217)	0	0	(252,217)	(15,631)	(267,848)
5.06.04	Mandatory min. divid. and Interest own Cap.	0	0	0	0	0	0	(4,971)	(4,971)
5.06.05	Proposed additional dividend	0	0	(252,217)	0	0	(252,217)	(10,660)	(262,877)
5.07	Ending balances	1,512,522	50,420	922,596	1,220,509	1,134,174	4,840,221	322,610	5,162,831

(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 01/01/2023 to 06/30/2023	Accumulated of the previous year 01/01/2022 to 06/30/2022
7.01	Revenue	5,591,472	6,217,151
7.01.01	Sales of Goods, Products and Services	3,737,752	4,241,871
7.01.02	Other Revenues	1,628,743	1,859,438
7.01.02.01	Other Revenues/Expenses	88,102	49,019
7.01.02.02	Variation in fair value of Biological Assets	1,540,641	1,810,419
7.01.03	Construction of Own Assets	235,972	115,842
7.01.04	Provision/Reversal of Credits. Doubtful Liquidation	(10,995)	0
7.02	Inputs Acquired from Third Parties	(3,156,381)	(3,567,773)
7.02.01	Costs of Products, merchandises and services sold	(40,272)	(25,575)
7.02.02	Materials, Energy, Third Party Servs. and Other	(713,151)	(755,770)
7.02.03	Loss / Recovery Asset Values	(40,090)	(394)
7.02.04	Others	(2,362,868)	(2,786,034)
7.02.04.01	Raw materials consumed	(1,208,400)	(1,270,596)
7.02.04.02	Adjustment to fair value of Biological Assets	(1,154,468)	(1,515,438)
7.03	Gross Added Value	2,435,091	2,649,378
7.04	Retentions	(234,143)	(231,520)
7.04.01	Depreciation, Amortization and Depletion	(100,187)	(89,377)
7.04.02	Others	(133,956)	(142,143)
7.04.02.01	Amortization of Right of Use	(133,956)	(142,143)
7.05	Net Produced Added Value	2,200,948	2,417,858
7.06	Added Value Received in Transfer	311,735	620,096
7.06.02	Financial income	311,408	614,636
7.06.03	Others	327	5,460
7.07	Total Value Added Distributable	2,512,683	3,037,954
7.08	Added Value Distribution	2,512,683	3,037,954
7.08.01	Expenses with personnel	327,353	265,470
7.08.01.01	Direct compensation	173,427	140,391
7.08.01.02	Benefits	141,233	107,411
7.08.01.03	F.G.T.S.	12,693	17,668
7.08.02	Taxes, fees and contributions	626,541	492,961
7.08.02.01	Federal	539,721	556,721
7.08.02.02	State	86,115	(64,182)
7.08.02.03	Municipal	705	422
7.08.03	Third parties assets	635,095	996,878
7.08.03.01	Interest	629,072	985,221
7.08.03.02	Rents	6,023	11,657
7.08.04	Equity Compensation	923,694	1,282,645
7.08.04.03	Retained Earnings / Loss for the Period	873,101	1,219,043
7.08.04.04	Non controllers in Retained Earnings participation	50,593	63,602

Agriculture at its best

EARNINGS RELEASE 2Q23

VIDEOCONFERENCE

August 10th

10:00 a.m. Brasília

09:00 a.m. New York

02:00 p.m. London

Simultaneous translation to English and Brazilian Sign Language



SLC
Agrícola

(A free translation of the original in Portuguese)



GENERAL INFORMATIONS

Porto Alegre, August 9th, 2023 - SLC AGRÍCOLA S.A. (B3: SLCE3; ADR: SLCJY; Bloomberg: SLCE3BZ; Reuters: SLCE3.SA) announces today its results for the second quarter of 2023. The following financial and operating information is presented in accordance with International Financial Reporting Standards (IFRS). The information was prepared on a consolidated basis and is presented in thousands of Brazilian real, except where stated otherwise.

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

"2Q22": means the data, based on the consolidated interim financial statements, that consider the operations of the Company and of its subsidiaries, for the second quarter of 2022 (April to June).

"2Q23": means the data, based on the consolidated interim financial statements, that consider the operations of the Company and of its subsidiaries, for the second quarter of 2023 (April to June).

"1S22": means the data, based on the consolidated interim financial statements, that consider the operations of the Company and of its subsidiaries for the first semester of 2022 (January to June).

"1S23": means the data, based on the consolidated interim financial statements, that consider the operations of the Company and of its subsidiaries for the first semester of 2023 (January to June).

"HA": HA refers to the horizontal percentage variation between two periods.

"VA": VA refers to the percentage representativeness of the account over a given total.

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.

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QUARTER'S FINANCIAL HIGHLIGHTS

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Net Revenue	4,073,968	3,663,737	-10.1%	1,664,892	1,444,422	-13.2%
Variation in Fair Value of Biological Assets	1,810,419	1,540,641	-14.9%	723,691	685,770	-5.2%
Gross Income	2,407,043	1,900,766	-21.0%	928,366	732,980	-21.0%
Gross Margin	59.1%	51.9%	-7.2p.p.	55.8%	50.7%	-5.1p.p.
Operational Result	2,123,916	1,617,280	-23.9%	808,316	644,004	-20.3%
Operational Margin	52.1%	44.1%	8.0p.p.	48.6%	44.6%	-4.0p.p.
Net Income	1,282,645	923,694	-28.0%	485,585	348,719	-28.2%
Net Margin	31.5%	25.2%	-6.3p.p.	29.2%	24.1%	-5.1p.p.
Adjusted EBITDA	2,079,692	1,503,319	-27.7%	820,262	569,743	-30.5%
Adjusted EBITDA Margin	51.0%	41.0%	-10.0p.p.	49.3%	39.4%	-9.9p.p.
Cash Flow	(131,488)	(828,629)	530.2%	(580,767)	(386,073)	-33.5%

Invoiced Volume (tonnes)

Crops	2Q22	2Q23	Δ%
Cotton	49,180	51,252	4.2%
Cotton seed	11,166	18,170	62.7%
Soybean	388,785	356,755	-8.2%
Corn	51,475	31,468	-38.9%
Other Crops	12,809	7,991	-37.6%

Gross Income by Crop – R\$/tonnes

Crop	2Q22	2Q23	Δ%
Cotton	5,721	2,864	-49.9%
Cotton seed	1,034	522	-49.5%
Soybean	1,378	962	-30.2%
Corn	382	428	12.0%
Cattle ⁽¹⁾	125	(562)	n.m.

⁽¹⁾R\$/head

Hedge Position - FX – Material Fact 07.03.2023 x 08.07.2023 Position

CROPS	Material Fact 07.03.2023		08.07.2023		Variation	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
SOYBEAN						
%	72.7	13.7	76.2	20.5	3.5	6.8
R\$/USD	5.48	5.79	5.46	5.49	-0.02	-0.30
Commitments%	1.7	49.1	1.7	36.9	-	-12.2
COTTON						
%	65.5	10.0	64.2	16.0	-1.3	6.0
R\$/USD	5.76	6.14	5.76	5.7	-	-0.44
Commitments %	0.1	27.0	0.1	21.1	-	-5.9
CORN						
%	72.3	19.5	75	31.6	2.7	12.1
R\$/USD	5.79	5.84	5.76	5.5	-0.03	-0.34
Commitments %	-	42.6	-	23.3	-	-19.3

Hedge Position - Commodity – Material Fact 07.03.2023 x 08.07.2023 Position

CROPS	Material Fact 07.03.2023		08.07.2023		Variation	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
SOYBEAN						
%	76.8	27.6	78.9	37.7	2.1	10.1
USD/bu	14.47	12.60	14.45	12.72	-0.02	0.12
Commitments %	1.7	17.5	1.1	16.7	-0.6	-0.8
COTTON						
%	59.0	1.3	64.5	3.6	5.5	2.3
USD¢/lb	91.78	70.19	91.13	75.6	-0.65	5.41
Commitments %	-	-	-	-	-	-
CORN						
%	1.9	2.9	1.9	3	-	0.1
R\$/bag	69.67	45.00	69.67	45.00	-	-
%	62.2	20.2	68.7	28.7	6.5	8.5
USD/bag	10.13	8.01	9.99	8.17	-0.14	0.16
Commitments %	-	-	-	-	-	-

Inputs –2023/24 Crop Year - % acquired

Fertilizers/Crop Protection	1Q23	2Q23	Δ%
Nitrogen	41%	100%	59p.p.
Potassium chloride	50%	100%	50p.p.
Phosphates	68%	97%	29p.p.
Crop Protection	22%	87% ⁽¹⁾	65p.p.

⁽¹⁾ This percentage refers to the total package of crop protection (100% of chemicals purchased and 13% of the biological package still to be purchased).

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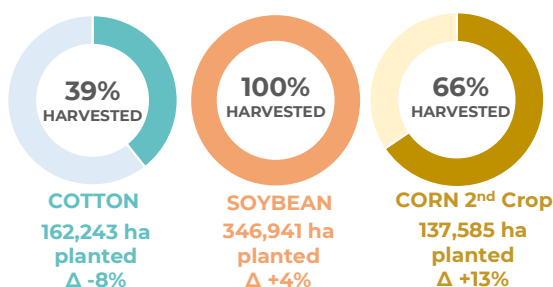


QUARTER'S OPERATIONS HIGHLIGHTS

Planted Area 2022/23 Crop Year (1Q23 x 2Q23)

Crops	1Q23	2Q23	Share %	Δ %
Cotton	162,274	162,243	24.1%	0.0%
1 st crop	85,854	85,823	12.7%	0.0%
2 nd crop	76,420	76,420	11.3%	0.0%
Soybean (commercial + seed)	346,941	346,941	51.4%	0.0%
Corn 2nd crop	137,823	137,585	20.4%	-0.2%
Other Crops	22,810	27,615	4.1%	21.1%
Total Area	669,848	674,384	100.0%	0.7%

2022/23 Crop Year Status



VARIATION (Δ) REGARDING THE PREVIOUS CROP YEAR

Planting and Harvesting Schedule



Budget Yields for 2022/23 crop year

Crops	Budget	2Q23 Forecast	Δ%
Cotton 1 st crop	1,933	2,005	3.7%
Cotton 2 nd crop	1,838	2,072	12.7%
Cotton seed	2,381	2,465	3.5%
Soybean (commercial+seed)	3,923	3,910	-0.3%
Corn 2 nd crop	7,679	7,750	0.9%

Production Cost - R\$/hectare - 2022/23 crop year

Crops	Budget	2Q23 Forecast ⁽¹⁾	Δ%
Cotton 1 st crop	15,163	15,308	1.0%
Cotton 2 nd crop	13,677	13,448	-1.7%
Soybean (commercial+seed) ⁽²⁾	5,377	5,188	-3.5%
Corn 2 nd crop	4,867	4,857	-0.2%
Total Average Cost	7,547	7,436	-1.5%

⁽¹⁾ Figures may suffer changes by the end of cotton processing and the sale of grains. ⁽²⁾ Including seed production costs.

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MANAGEMENT'S LETTER TO OUR SHAREHOLDERS AND STAKEHOLDERS

The second quarter was marked by the consolidation of yields of our main crops. We ended the soybean harvesting a yield of 3,910 kg/ha, which was in line with the prior crop year, when yield set a record, and with our projected budget. The soybean yield also was 11.5% above the national average (CONAB estimate Jul/2023).

In terms of cotton, we advanced in the harvesting of first-crop cotton, which reached 39% of total area. Our yield estimate for cotton lint is 2,005 kg/ha, 3.7% above budget and 0.8% higher than the yield disclosed in the material fact notice of July 3rd. Meanwhile, for the harvest of second-crop cotton, we expect to surpass the projected yield by 12.7%, achieving 2,072 kg/ha of cotton lint. The cotton crops have been delivering good production performance, with good cotton lint yields.

In the case of second-crop corn, we already have harvested 66% of the total area. The crops have been presenting excellent performance and we expect to surpass the budget. Our corn yield estimate is 7,750 kg/ha, which is 0.9% above budget and 23% higher than the last crop year's yield. In short, all crops have been delivering good yields for the 2022/23 crop year!

Higher yields and the intensive use of new digital agriculture technologies had a positive impact on the unit cost per crop. Due to higher production and lower use of inputs, the unit cost of cotton first crop dropped 2.6% and that of second crop dropped 12.8%, while soybean fell 2.9% and corn second crop remained stable.

Net Revenue ended the first half of the year at R\$3.7 billion. Adjusted EBITDA in 1S23 was R\$1.5 billion, with an adjusted EBITDA margin of 41%. Net Income in 1S23 reached R\$923.7 million with a Net Margin of 25.2%, while in 2Q23 this result came to R\$348.8 million, with Net Margin of 24.1%.

The Variation in Fair Value of Biological Assets for cotton lint and cotton seed increased 3.1% in 2Q23 vs. 2Q22, influenced by better yield estimates. In 1S23, mark-to-market adjustment came to R\$635.6 million, with 31,000 hectares (19%) still to be adjusted, since they were not ready for harvest as of the reporting date. For corn in 1S23, R\$86 million was registered, with 13,000 hectares (9%) still to be marked-to-market.

Adjusted cash generation in the quarter was negative R\$386 million, which is normal for this period when working capital needs are higher, mainly due to the crop year inputs payment and significant leasing payments. Despite the negative cash generation, the Net Debt/Adjusted EBITDA ratio ended the period at 1.61 times, which is a comfortable level for a period of high working capital needs.

Although the quarterly results were lower than in the same period last year, margins are healthy and in line with historical results. In the second half of 2023, we will have the sale/delivery of the cotton and corn crops, which are currently being harvested and whose costs have been mostly disbursed, effectively projecting a more positive scenario for cash and the net debt/ adjusted EBITDA ratio.

At the Annual and Extraordinary Shareholders Meeting, held on April 27th, 2023, shareholders approved the distribution of R\$602 million, equivalent to 50% of adjusted net income of the Parent Company (R\$71 million as interest on own capital, paid on January 13th, 2023, and R\$531 million as dividends, paid on May 18th, 2023). Based on the closing numbers of 2022, the dividend yield was 6.3% p.a., with dividends paid in the last five years totaling approximately R\$1.7 billion.

The Shareholders Meeting also approved bonus shares at the ratio of 10%, corresponding to one new share for ten common shares held on the base date of May 8th, 2023.

On April 19th, we concluded the Share Buyback Program for 4 million shares and, on May 15th, we approved a new program for 5 million shares, which will be held in treasury for sale and/or cancelation. Also on May 15th, the cancellation of 7 million shares held in treasury was approved.

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In June, the independent consulting firm Deloitte Touche Tohmatsu Ltda. conducted an appraisal of the land owned by the Company. The properties were assessed at ten billion, nine hundred twenty-eight million, three hundred and forty thousand reais (R\$10,928,340,000.00), which represents price appreciation of 12% of the adjusted portfolio, up from nine billion, three hundred fifty-two million, four hundred and seventy thousand reais (R\$9,352,470,000.00). The current average price of arable hectare owned by the Company corresponds to fifty-two thousand, eight hundred ninety-five reais (R\$52,895.00).

On July 4th, we hosted the FARM DAY, an event organized by SLC Agrícola to present to shareholders, market analysts and other stakeholders the daily operations of a production unit. We welcomed 81 participants at the Pamplona Farm, in Cristalina, Goiás state. The immersion day at the farm covered agricultural production, sustainability, technology and innovation, and agricultural efficiency. Panel discussions were held on High Operational Efficiency, Agricultural Intelligence, Circular Economy and the Zero Carbon by 2030 Target. Stations were assembled to provide demonstrations of the cotton harvest, functioning of irrigation pivots, use of drones and high-tech agricultural machinery, cotton processing at the cotton ginning unit and cotton grading process at the Take-up room. In addition, a platform elaborating in the Metaverse environment where users could enjoy a virtual experience at the farm, create their avatar and stop by all stations to interact with the SLC team and watch the presentations recorded on the day of the event. We are also developing a platform in a Metaverse environment where the user can have a virtual experience of the farm, being able to create his avatar and go through all the stations, interacting with the SLC team and watching the presentations recorded on the day of the event, which will be announced shortly.

We advanced in the acquisition of inputs for the 2023/24 crop year and practically concluded the purchase of fertilizers. Moreover, we have already acquired 87% of the crop protection package (100% of chemicals purchased and 13% of the biological package still to be purchased). Based on these hedged inputs, we also advanced in the hedging of grains for the 2023/24 crop year, reaching 38% for soybean in addition to 17% in commitments and 32% for corn.

On the ESG front, we implemented the Circular Economy at Pamplona Farm, linked to our target of Zero Waste sent to Landfills by 2026. And we are implanting the same program at the Pioneira (Mato Grosso), Parnaguá (Piauí), Parceiro (Bahia) and Planalto (Mato Grosso do Sul) farms. The initiative seeks to increase the recycling rate of waste generated by the operations and to zero the amount of material sent to landfills. In addition, we received two important awards: 1) Exame Best in ESG Award, which recognizes the actions of companies in social responsibility, environment and governance. 2) Best companies in the agricultural industry to work for, according to the Great Place To Work (GPTW) consulting firm.

More recently, SLC Agrícola was once again featured in the 2023 ranking of U.S. magazine *Institutional Investor*, being recognized in the categories Small Caps and Agribusiness, in which we won Best CEO, Best Chief Financial Officer, Best IR Professionals, Best IR Team, Best IR Program, Best ESG, Best Event For Analysts/Investors and Best Board of Directors.

We appreciate the trust placed in us by our shareholders, employees and stakeholders and remain focused on doing more and better for Brazil's agricultural industry!

The Management.

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MARKET OUTLOOK

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

OPERATIONAL PERFORMANCE 2022/23 CROP YEAR

The second quarter of 2023 was marked by the beginning of the cotton harvest (first and second crop) and corn (second crop).

Planted Area

The latest data on planted area for the 2022/23 crop year is presented in the following table. The line “Other crops” increased in the quarter due to the inclusion of the planting of 4,700 hectares of millet seed.

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

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

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

(2) Other Crops (Brachiaria Seed 6,569.95 ha, Stylosanthes Seed 716.02 ha, Beans, 1,430.58 ha, Sesame 2,494.26 ha, Millet Seed 8,530.88 ha, Corn 1st crop 1,133.88 ha, Corn Seed 667.46 ha, Cattle Herd 3,962.42 ha, Sorghum 1,041.77 ha and Wheat 1,067.74 ha) total 27,614.96 ha.

Yields

Table 2 - Projected Yields 2022/23 crop year

Yield (kg/ha)	2021/22 Crop Year Achieved (a)	2022/23 Crop Year Budget (b)	2022/23 C. Year Forecast (c)	Δ% (c) x (a)	Δ% (c) x (b)
Cotton lint 1 st crop	1,682	1,933	2,005	19.2%	3.7%
Cotton lint 2 nd crop	1,305	1,838	2,072	58.8%	12.7%
Cotton seed	1,833	2,381	2,465	34.5%	3.5%
Soybean (Commercial + Seed)	3,974	3,923	3,910	-1.6%	-0.3%
Corn 2 nd crop	6,303	7,679	7,750	23.0%	0.9%

Soybean

The soybean harvest was concluded in late April, with yield of 3,910 kg/ha, 1.6% lower than the previous year, 0.3% below the initial budget and 11.5% above the national average (CONAB, Jul/23).

Soybean Seed

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

Cotton Seed

We maintained our sales estimate to third parties and internal consumption of 121,500 bags of cotton seed, with a minimum average quality indicator of 90% official germination (SLC Sementes Garante).

1st crop Cotton

As of August 04th, we had harvested 60% of the area of 85,800 hectares. The cotton crops have been delivering good production performance, with good cotton lint yields. We estimate a cotton lint yield of 2,005 kg/ha, 3.7% above the budget.

2nd crop Cotton

As of August 04th, we had harvested 16% of the 76,400 hectares cultivated by the Company. The crop cycle is being concluded with excellent development, and we estimate a cotton lint yield of 2,072 kg/ha, 12.7% above budget.

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2nd crop Corn

As of August 04th, we had harvested 66% of the area of 137,585 hectares. The areas have been reaching excellent performance, and we expect to surpass the budgeted yield. Our cotton lint yield estimate is 7,750 kg/ha, which is 0.9% above budget and 23% higher than last crop year.

Table 3 - Budgeted Costs – 2022/23 Crop Year

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

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

Total (R\$/ha)	Budget 2022/23	Forecast 2022/23 ⁽¹⁾	Δ%
Cotton 1 st crop	15,163	15,308	1.0%
Cotton 2 nd crop	13,677	13,448	-1.7%
Soybean ⁽³⁾	5,377	5,188	-3.5%
Corn 2 nd crop	4,867	4,857	-0.2%
Total average cost	7,547⁽²⁾	7,436⁽²⁾	-1.5%

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

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

⁽³⁾ Including seed production costs.

Table 5 – Unitary Cost 2022/23 Crop Year

	Budget Yield (R\$/ha) 2022/23	Budget Cost (R\$/ha) 2022/23	Budget R\$/Kg (a) 2022/23	Yield Forecast (R\$/ha) 2022/23	Cost Forecast (R\$/ha) 2022/23	Forecast R\$/Kg (b) 2022/23	Δ% b x a
Cotton 1 st crop	1,933	15,163	7.84	2,005	15,308	7.64	-2.6%
Cotton 2 nd crop	1,838	13,677	7.44	2,072	13,448	6.49	-12.8%
Soybean ⁽¹⁾	3,923	5,377	1.37	3,910	5,188	1.33	-2.9%
Corn 2 nd crop	7,679	4,867	0.63	7,750	4,857	0.63	0.0

⁽¹⁾ Including seed production costs

The forecast of costs per hectare for the 2022/23 crop year registered an average decrease in Brazilian real of 1.5% compared to the budget, due to higher production and lower use of inputs, to the lower fuel prices, and lower Amortization of Right of Use of Leases, reflecting the decline in soybean prices. Additionally, higher yields and the intensive use of new digital agriculture technologies had a positive impact on the unit cost per crop. The unit cost of cotton first crop dropped 2.6% and that of second crop dropped 12.8%, while soybean fell 2.9% and corn second crop remained stable.

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FINANCIAL PERFORMANCE

Net Revenue decreased in the quarter reflecting the lower invoiced volume for soybean and corn. In addition, invoiced unit prices decreased for all crops except corn. In 1S23, the main variation was the lower volume and unit prices invoiced for cotton lint, thanks to the lower carryover stock for 2021/22 crop year, when yield was lower than that of 2020/21 crop year.

Table 6 – Net Revenue

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Net Revenue	4,073,968	3,663,737	-10.1%	1,664,892	1,444,422	-13.2%
Cotton lint	1,645,682	880,662	-46.5%	628,597	449,196	-28.5%
Cotton seed	86,001	88,449	2.8%	16,924	21,873	29.2%
Soybean	2,238,552	2,294,191	2.5%	986,373	807,955	-18.1%
Corn	60,829	92,375	51.9%	46,660	26,496	-43.2%
Cattle Herd	52,169	35,657	-31.7%	25,727	20,839	-19.0%
Others	81,020	23,574	-70.9%	26,303	14,659	-44.3%
Hedge result	(90,285)	248,829	n.m.	(65,692)	103,404	n.m.

Table 7 – Invoiced Volume (tonnes)

(Tonnes)	1S22	1S23	HA	2Q22	2Q23	HA
Invoiced Volume	1,300,213	1,242,751	-4.4%	513,415	465,636	-9.3%
Cotton lint	143,050	100,894	-29.5%	49,180	51,252	4.2%
Cotton seed	60,028	71,627	19.3%	11,166	18,170	62.7%
Soybean	998,040	962,637	-3.5%	388,785	356,755	-8.2%
Corn	63,799	90,944	42.5%	51,475	31,468	-38.9%
Other	35,296	16,649	-52.8%	12,809	7,991	-37.6%

Table 8 – Invoiced Volume (heads)

(Heads)	1S22	1S23	HA	2Q22	2Q23	HA
Invoiced Volume	11,547	8,180	-29.2%	5,687	4,709	-17.2%
Cattle Herd	11,547	8,180	-29.2%	5,687	4,709	-17.2%

Table 9 – Variation in Fair Value of Biological Assets

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Variation in Fair Value of Biological Assets	1,810,419	1,540,641	-14.9%	723,691	685,770	-5.2%
Cotton lint	571,912	546,638	-4.4%	571,912	546,638	-4.4%
Cotton seed	44,740	88,988	98.9%	44,740	88,988	98.9%
Soybean	1,078,764	813,857	-24.6%	(3,604)	(31,188)	765.4%
Corn	113,076	86,170	-23.8%	108,576	84,047	-22.6%
Cattle Herd	4,010	4,988	24.4%	2,146	(2,715)	n.m.
Other	(2,083)	-	n.m.	(79)	-	n.m.

The calculation of Variation in Fair Value of Biological Assets ("VFVBA") reflects the estimated gross margin (sale price at farm/sales agreements less production costs) of crops undergoing significant biological transformation in the calculation period and of harvested crops. The variation in fair value pertaining to the sum of cotton lint and cotton seed crops increased 3.1% in 2Q23 vs. 2Q22, influenced by the estimate of higher yields. The soybean crop, whose harvest ended in 2Q23, delivered margins lower in 2022/23 vs. 2021/22 crop years, influenced by the higher costs. Corn margin decreased 22.6% in the quarter, due to estimates of lower margins in 2022/23 vs. 2021/22 crop years, reflecting lower corn prices.

Costs of Goods Sold

Table 10 – Costs of Goods Sold

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Cost of Goods Sold	(1,961,906)	(2,149,144)	9.5%	(840,964)	(925,782)	10.1%
Cotton lint	(782,504)	(726,051)	-7.2%	(273,678)	(366,836)	34.0%
Cotton seed	(25,894)	(42,632)	64.6%	(5,379)	(12,400)	130.5%
Soybean	(991,671)	(1,185,859)	19.6%	(458,862)	(498,947)	8.7%
Corn	(34,820)	(59,583)	71.1%	(27,324)	(16,870)	-38.3%
Cattle Herd	(55,298)	(41,094)	-25.7%	(24,260)	(24,133)	-0.5%
Other	(71,719)	(93,925)	31.0%	(51,461)	(6,596)	-87.2%

Cost of goods sold (COGS) increased in 2Q23 vs. 2Q22, due to the higher unit costs in 2022/23 vs. 2021/22. Cost per hectare in the 2022/23 crop year was pressured by higher prices for our main inputs, especially seeds, fertilizers and crop protection, which are in U.S. dollar denominated.

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Table 11 – Realization of Fair Value of Biological Assets

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Realization of the Fair Value of Biological Assets	(1,515,438)	(1,154,468)	-23.8%	(619,253)	(471,430)	-23.9%
Cotton lint	(391,760)	(266,466)	-32.0%	(151,698)	(141,616)	-6.6%
Cotton seed	(17,345)	(13,496)	-22.2%	(3,161)	(3,459)	9.4%
Soybean	(1,080,584)	(853,209)	-21.0%	(445,752)	(321,988)	-27.8%
Corn	(17,559)	(16,797)	-4.3%	(14,338)	(1,042)	-92.7%
Cattle Herd	(8,190)	(4,500)	-45.1%	(4,304)	(3,325)	-22.7%

Realization of the Fair Value of Biological Assets (RFVBA) is the corresponding entry to Variation in Fair Value (calculated in the period between crop development and the point of harvest) and is recognized as the products are invoiced. RFVBA decreased 23.9% in 2Q23, mainly due to the lower invoiced volume of soybean and corn. In 1S23, RFVBA decreased 23.8%, due to the lower invoiced volume of cotton and soybean.

Gross Income by Crop

To contribute to a better understanding of margins by crop, in this section the gain (loss) from foreign exchange (FX) and commodity prices hedges are allocated to cotton, soybean, corn and cattle.

Cotton lint and Cotton seed

Table 12 – Gross Income – Cotton lint

Cotton lint		1S22	1S23	HA	2Q22	2Q23	HA
Invoiced Volume	Tonnes	143,050	100,894	-29.5%	49,180	51,252	4.2%
Net Revenue	R\$/thd	1,645,682	880,662	-46.5%	628,597	449,196	-28.5%
Result of currency hedge	R\$/thd	(190,730)	122,725	n.m.	(73,576)	64,410	n.m.
Net Rev. adj. for res. of cur. hedging	R\$/thd	1,454,952	1,003,387	-31.0%	555,021	513,606	-7.5%
Unit Price	R\$/ton	10,171	9,945	-2.2%	11,286	10,021	-11.2%
Total Cost	R\$/thd	(782,504)	(726,051)	-7.2%	(273,678)	(366,836)	34.0%
Unit Cost	R\$/ton	(5,470)	(7,196)	31.6%	(5,565)	(7,157)	28.6%
Unitary Gross Income	R\$/ton	4,701	2,749	-41.5%	5,721	2,864	-49.9%

In 2Q23 and 1S23, Unit Gross Income from cotton lint was affected by the higher production cost, due to higher costs of crop development, as well as a 19.4% decrease in yield, combined with the lower invoiced prices in the period, resulting in lower margins for the crop. The cotton invoiced in 2Q23 was produced in the 2021/22 crop year.

Table 13 – Gross Income – Cotton seed

Cotton seed		1S22	1S23	HA	2Q22	2Q23	HA
Invoiced Volume	Tonnes	60,028	71,627	19.3%	11,166	18,170	62.7%
Net Revenue	R\$/thd	86,001	88,449	2.8%	16,924	21,873	29.2%
Unit Price	R\$/ton	1,433	1,235	-13.8%	1,516	1,204	-20.6%
Total Cost	R\$/thd	(25,894)	(42,632)	64.6%	(5,379)	(12,400)	130.5%
Unit Cost	R\$/ton	(431)	(595)	38.1%	(482)	(682)	41.5%
Unitary Gross Income	R\$/ton	1,002	640	-36.1%	1,034	522	-49.5%

Cotton seed invoiced in the period is associated with the 2021/22 crop year. Invoiced prices for this crop were lower in 2Q23 and 1S23 compared to the same periods last year, and unit cost was higher, mainly due to the increase in production cost and decrease in yield in 2021/22 compared to 2020/21.

Soybean

Table 14 – Gross Income – Soybean

Soybean		1S22	1S23	HA	2Q22	2Q23	HA
Invoiced Volume	Tonnes	998,040	962,637	-3.5%	388,785	356,755	-8.2%
Net Revenue	R\$/thd	2,238,552	2,294,191	2.5%	986,373	807,955	-18.1%
Result of currency hedge	R\$/thd	100,356	118,323	17.9%	8,323	34,501	314.5%
Net Rev. adj. for res. of cur. hedging	R\$/thd	2,338,908	2,412,514	3.1%	994,696	842,456	-15.3%
Unit Price	R\$/ton	2,344	2,506	6.9%	2,558	2,361	-7.7%
Total Cost	R\$/thd	(991,671)	(1,185,859)	19.6%	(458,862)	(498,947)	8.7%
Unit Cost	R\$/ton	(994)	(1,232)	23.9%	(1,180)	(1,399)	18.6%
Unitary Gross Income	R\$/ton	1,350	1,274	-5.6%	1,378	962	-30.2%

Unit Gross Income from soybean fell in 2Q23 and 1S23, due to the increase in production cost in 2022/23 vs. 2021/22 and reduction in invoiced prices in the 2022/23 crop year. The prices invoiced in the period are affected by the seasonality of shipments between farms and do not reflect the overall average prices hedged by the Company.



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Corn

Table 15 – Gross Income – Corn

Corn		1S22	1S23	HA	2Q22	2Q23	HA
Invoiced Volume	Tonnes	63,799	90,944	42.5%	51,475	31,468	-38.9%
Net Revenue	R\$/thd	60,829	92,375	51.9%	46,660	26,496	-43.2%
Result of currency hedge	R\$/thd	317	6,926	n.m.	317	3,847	n.m.
Net Rev. adj. for res. of cur. hedging	R\$/thd	61,146	99,301	62.4%	46,977	30,343	-35.4%
Unit Price	R\$/ton	958	1,092	14.0%	913	964	5.6%
Total Cost	R\$/thd	(34,820)	(59,583)	71.1%	(27,324)	(16,870)	-38.3%
Unit Cost	R\$/ton	(546)	(655)	20.0%	(531)	(536)	0.9%
Unitary Gross Income	R\$/ton	412	437	6.1%	382	428	12.0%

Unit Gross Income from corn increased in 2Q23 and 1S23 compared to the same periods last year, mainly due to the higher invoiced prices, which was partially offset by the higher unit cost. Costs decreased due to the mix of farms that invoiced the product in the period, as well as higher yield in the 2022/23 vs. 2021/22 crop years.

Cattle Herd

Table 16 – Gross Income – Cattle Herd

Cattle Herd		1S22	1S23	HA	2Q22	2Q23	HA
Invoiced Volume	Heads	11,547	8,180	-29.2%	5,687	4,709	-17.2%
Net Revenue	R\$/thd	52,169	35,657	-31.7%	25,727	20,839	-19.0%
Result of currency hedge	R\$/thd	(228)	855	n.m.	(756)	646	n.m.
Net Rev. adj. for res. of cur. hedging	R\$/thd	51,941	36,512	-29.7%	24,971	21,485	-14.0%
Unit Price	R\$/Head	4,498	4,464	-0.8%	4,391	4,563	3.9%
Total Cost	R\$/thd	(55,298)	(41,094)	-25.7%	(24,260)	(24,133)	-0.5%
Unit Cost	R\$/Head	(4,789)	(5,024)	4.9%	(4,266)	(5,125)	20.1%
Unitary Gross Income	R\$/Head	(291)	(560)	92.4%	125	(562)	n.m.

Unit Gross Income from cattle decreased in 2Q23 and 1S23 vs. 2Q22 and 1S22, due to the higher costs with acquisition and fattening, while invoiced prices did not accompany the cost increase.

Gross Income

Table 17 – Gross Income

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Gross Income	2,407,043	1,900,766	-21.0%	928,366	732,980	-21.0%
Cotton lint	672,448	277,336	-58.8%	281,343	146,770	-47.8%
Cotton seed	60,107	45,817	-23.8%	11,545	9,473	-17.9%
Soybean	1,347,237	1,226,655	-9.0%	535,834	343,509	-35.9%
Corn	26,326	39,718	50.9%	19,653	13,473	-31.4%
Cattle Herd	(3,357)	(4,582)	36.5%	711	(2,648)	n.m.
Others	9,301	(70,351)	n.m.	(25,158)	8,063	n.m.
Biological Assets	294,981	386,173	30.9%	104,438	214,340	105.2%

Excluding the effects from Biological Assets (Variation and Realization of Fair Value) indicates the actual margins of the products invoiced. In this analysis, Gross Income decreased 31.1% in the quarter, mainly due to the lower soybean invoiced volume in the period. In the first half of the year, Gross Income decreased 28.3%, due to the lower invoiced volume for cotton and soybean. Margins decreased in both periods due to the lower price and higher unit cost.

Tabela 18 - Gross Income - Other Crops

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Other crops	9,301	(70,351)	n.m.	(25,158)	8,063	n.m.
Other Crops	7,909	(30,261)	n.m.	(25,158)	(8,227)	-67.3%
⁽¹⁾ NPV Cotton	-	44,438	n.m.	-	105,232	n.m.
⁽¹⁾ NPV Soybean	326	(84,528)	n.m.	-	(88,942)	n.m.
⁽¹⁾ NPV Corn	1,066	-	n.m.	-	-	n.m.

⁽¹⁾NPV: Net Present Value

Other crops in 2Q23 and 1S23 delivered a Gross Expense, due to the production costs of cover crops, such as Brachiaria and Stylosanthes. Cover crops are sources of nutrients and help structure the soil, with improved moisture retention, facilitating the penetration of water and air.



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In addition, Gross Income was affected by the apportionment of the provision for Net Present Value in both periods. Such provision complies with CPC 16 (IAS 2 – IASB), which determines the assessment of the cost of inventories of agricultural products at the end of each period, as well as its subsequent recognition as expense, including any net present value loss. The accounting of net present value is recorded in an inventory reduction account, with a corresponding entry to the cost of product. The assessment considers the existing inventory amounts and their costs, the amounts and prices of products sold under sales agreements and market prices, using level 3 of fair value hierarchy, in line with the methodology adopted for calculating fair value of biological assets.

Selling Expenses

Selling Expenses decreased in 2Q23 and 1S23. In the quarter, the lines Commissions and Export Expenses decreased reflecting the lower cotton invoiced volume. In addition, Other Expenses decreased due to royalties of cotton seed in 1Q23. In the first six months of the year, expenses with freight, commissions and exports decreased sharply, reflecting the lower cotton invoiced volume in the period.

Table 19 – Selling Expenses

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Freight	(54,706)	(42,992)	-21.4%	(21,066)	(20,731)	-1.6%
Storage	(34,419)	(33,762)	-1.9%	(14,497)	(13,092)	-9.7%
Commissions	(18,225)	(14,918)	-18.1%	(14,058)	(6,010)	-57.2%
Classification of Goods	(180)	(368)	104.4%	(59)	(6)	-89.8%
Export Expenses	(27,595)	(18,197)	-34.1%	(13,149)	(8,235)	-37.4%
Others	(36,341)	(38,919)	7.1%	(31,573)	(3,414)	-89.2%
Total	(171,466)	(149,156)	-13.0%	(94,402)	(51,488)	-45.5%
% Net Revenue	4.2%	4.1%	-0.1p.p	5.7%	3.6%	-2.1p.p

Administrative Expenses

Table 20 – Administrative Expenses

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Personnel Expenses	(35,287)	(43,230)	22.5%	(19,727)	(23,722)	20.3%
Fees	(14,850)	(12,113)	-18.4%	(9,084)	(5,827)	-35.9%
Depreciations and amortizations	(8,177)	(11,267)	37.8%	(4,094)	(5,649)	38.0%
Expenses with travels	(1,435)	(2,318)	61.5%	(1,286)	(1,240)	-3.6%
Software maintenance	(3,455)	(11,368)	229.0%	(2,043)	(3,799)	86.0%
Marketing/Advertisement	(2,113)	(3,235)	53.1%	(1,536)	(2,484)	61.7%
Communications Expenses	(3,256)	(3,682)	13.1%	(1,471)	(1,735)	17.9%
Rentals	(2,054)	(1,780)	-13.3%	25	(1,083)	n.m.
Labor, Tax and Environmental Contingencies	(18)	335	n.m.	(327)	143	n.m.
Electricity	(123)	(104)	-15.4%	(38)	(85)	123.7%
Taxes and other fees	(920)	(1,445)	57.1%	(508)	(471)	-7.3%
Contributions and donations	(4,567)	(4,108)	-10.1%	(974)	(1,738)	78.4%
Other	(5,562)	(3,787)	-31.9%	(3,117)	(1,161)	-62.8%
Subtotal	(81,817)	(98,102)	19.9%	(44,180)	(48,851)	10.6%
% Net Revenue	2.0%	2.7%	0.7p.p.	2.7%	3.4%	0.7p.p.
Provision for profit share program	(49,193)	(55,877)	13.6%	(23,902)	(22,540)	-5.7%
Total	(131,010)	(153,979)	17.5%	(68,082)	(71,391)	4.9%

Administrative Expenses (excluding amounts related to the Profit Sharing Program) increased 10.6% in 2Q23 and 19.9% in 1S23 vs. 2Q22 and 1S22. The main variations were:

- (i) Personnel Expenses: Higher expenses with the Stock Option/Restricted Share Program and adjustments to headcount;
- (ii) Third-party fees: Lower expenses with software maintenance consulting;
- (iii) Depreciation and amortization: Increase due to the implementation/acquisition of software systems used by the Company;
- (iv) Software maintenance: Higher expenses with software use licenses activated in 2022, when the new ERP software became operational, and recognized in 2023's results.

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Adjusted EBITDA

In the quarter, Adjusted EBITDA was R\$569.8 million, decreasing 30.5% from 2Q22, driven by the reduction in Gross Income. Adjusted EBITDA margin was 39.4%, contracting 9.9 p.p. on 2Q22. In 1S23, Adjusted EBITDA was R\$1.5 billion, with margin of 41.0%, 27.7% lower than in 1S22 due to the lower gross income from soybean and cotton. Note that cotton invoiced in the period is associated with 2021/22 crop year, whose yield was lower than in 2020/21 crop year.

Table 21 - Adjusted EBITDA Reconciliation

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Net Revenue	4,073,968	3,663,737	-10.1%	1,664,892	1,444,422	-13.2%
Variation in Fair Value of Biological Assets⁽³⁾	1,810,419	1,540,641	-14.9%	723,691	685,770	-5.2%
(-) Cost of Goods and/or Services Sold	(3,477,344)	(3,303,612)	-5.0%	(1,460,217)	(1,397,212)	-4.3%
Cost of Goods	(1,961,906)	(2,149,144)	9.5%	(840,964)	(925,782)	10.1%
Realization of the Fair Value of Biological Assets ⁽⁴⁾	(1,515,438)	(1,154,468)	-23.8%	(619,253)	(471,430)	-23.9%
Gross Income	2,407,043	1,900,766	-21.0%	928,366	732,980	-21.0%
(-) Sales Expenses	(171,466)	(149,156)	-13.0%	(94,402)	(51,488)	-45.5%
(-) General and administrative expenses	(131,010)	(153,979)	17.5%	(68,082)	(71,391)	4.9%
General and administrative	(81,817)	(98,102)	19.9%	(44,180)	(48,851)	10.6%
Profit share program	(49,193)	(55,877)	13.6%	(23,902)	(22,540)	-5.7%
Administrative Fees	(15,506)	(14,635)	-5.6%	(3,685)	(4,163)	13.0%
(-) Other operating revenues (loss)	34,855	34,284	-1.6%	46,119	38,066	-17.5%
(=) Operational Result	2,123,916	1,617,280	-23.9%	808,316	644,004	-20.3%
(+) Depreciation and amortization	89,377	100,187	12.1%	38,850	51,904	33.6%
EBITDA	2,213,293	1,717,467	-22.4%	847,166	695,908	-17.9%
(-)Variation in Fair Value of Biological Assets ⁽³⁾	(1,810,419)	(1,540,641)	-14.9%	(723,691)	(685,770)	-5.2%
(+)Realization of Fair Value of Biological Assets ⁽⁴⁾	1,515,438	1,154,468	-23.8%	619,253	471,430	-23.9%
(+)Other Trans. Property, Plant & Equipment ⁽²⁾	19,237	38,068	97.9%	11,556	27,728	139.9%
(+)Amortization adjustment - IFRS 16 ⁽⁵⁾	142,143	133,957	-5.8%	65,978	60,447	-8.4%
Adjusted EBITDA^(1,2,5)	2,079,692	1,503,319	-27.7%	820,262	569,743	-30.5%
Adjusted EBITDA Margin^(1,2,5)	51.0%	41.0%	-10.0p.p	49.3%	39.4%	-9.9p.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⁾ Variation in the fair value of Biological Assets (Note 28 of the Quarterly Financial Information-ITR). ⁽⁴⁾ Realization of the fair value of Biological Assets (Note 27 of the Quarterly Financial Information-ITR). ⁽⁵⁾ Amortization of right-of-use assets - leases.

Net Financial Income

Since a portion of the Company's debt in USD was swapped to BRL (in line with the Market Risk Management and Hedge 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 22 – Adjusted Net Financial Income (with the swap effect)

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Interest	(165,925)	(209,700)	26.4%	(102,760)	(118,771)	15.6%
FX Variation	39,927	40,972	2.6%	56,218	17,321	-69.2%
Monetary Variation	(66)	4,215	n.m.	(66)	4,132	n.m.
APV-Liability Lease. (IFRS16) ⁽¹⁾	(141,873)	(138,416)	-2.4%	(68,207)	(63,750)	-6.5%
APV Securities payable	-	(11,490)	n.m.	-	(8,670)	n.m.
Other financial revenue (expenses)	(15,638)	(5,943)	-62.0%	(16,710)	(2,870)	-82.8%
Total	(283,575)	(320,362)	13.0%	(131,525)	(172,608)	31.2%
% Net Revenue	7.0%	8.7%	1.7p.p.	7.9%	11.9%	4.0p.p.

⁽¹⁾ APV: Adjustment to Present Value – Lease liabilities (IFRS16).

In the quarter and six-month period, the Adjusted Net Financial Expense increased 31.2% and 13.0%, respectively, in relation to the same periods last year. Such increase was driven by the growth in the average debt balance in 2Q23. The exchange variation reflects mainly the local currency appreciation, which impacted amounts payable to suppliers in U.S. dollar.

Net Income

Table 23 – Net Income

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Income before taxes on profit	1,840,342	1,296,918	-29.5%	676,722	471,395	-30.3%
Income Tax and Social Contribution on Profit	(557,697)	(373,224)	-33.1%	(191,137)	(122,676)	-35.8%
Consolidated Net Income for the Period	1,282,645	923,694	-28.0%	485,585	348,719	-28.2%
Attributed to the partners of SLC Agrícola S.A.	1,219,043	873,101	-28.4%	473,920	334,197	-29.5%
Attributed to the partners of Joint-Ventures/Partnerships	63,602	50,593	-20.5%	11,665	14,522	24.5%
% Net Revenue	31.5%	25.2%	-6.3p.p	29.2%	24.1%	-5.1p.p

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In 2Q23, net income amounted to R\$348.8 million, decreasing 28.2% from 2Q22, with Net Margin of 24.1%, mainly due to the lower Gross Income in the period. In addition, the Financial Result decreased by R\$41 million, partially offset by the sum of General and Administrative Expenses, Management Compensation, Other Operating Income (Expense), and Selling Expenses, which made a positive contribution of R\$31 million. Net Income in 1S23 decreased 28.0% from 1S22, affected by the lower Gross Income from soybean and cotton, combined with the R\$37 million decrease in the financial result.

Statement of Cash Flow Analysis

Free cash flow was negative in both periods, which is a normal variation in the first six months of the year, when working capital needs are higher. The negative variations are explained by lease payments in 2Q23 and by payments to suppliers of crop inputs in 1S23.

Table 24 – Summarized Cash Flow

R\$ (thd)	1S22	1S23	HA	2Q22	2Q23	HA
Cash generated from operations	2,038,211	1,566,010	-23.2%	928,805	516,076	-44.4%
Changes in Assets and Liabilities	(1,303,475)	(1,310,486)	0.5%	(870,481)	(265,993)	-69.4%
Net Cash Investing Activities	(388,471)	(524,208)	34.9%	(172,840)	(103,421)	-40.2%
In fixed assets	(362,346)	(344,436)	-4.9%	(152,617)	(105,395)	-30.9%
In intangible	(27,093)	(3,124)	-88.5%	(20,157)	(1,378)	-93.2%
Receipt for the sale of land	1,643	-	-100.0%	(58)	-	-100.0%
Land return payment	-	(180,000)	n.m.	-	-	n.m.
Receipt for Land Return	-	3,352	n.m.	-	3,352	n.m.
Other Investments	(675)	-	-100.0%	(8)	-	-100.0%
Net Cash Before Financing Activities	346,265	(268,684)	n.m.	(114,516)	146,662	n.m.
Change in financial investments account ⁽¹⁾	28	297	960.7%	15	279	n.m.
Paid Leases ⁽²⁾	(477,781)	(560,242)	17.3%	(466,266)	(533,014)	14.3%
Adjusted Free Cash	(131,488)	(828,629)	530.2%	(580,767)	(386,073)	-33.5%

⁽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 operating cash disbursement.

Property, Plant & Equipment /CAPEX

Table 25 – Capital Expenditures (CAPEX)⁽¹⁾

(R\$ thd)	1S22	1S23	HA	2Q22	2Q23	HA
Machinery, implements and equipment	155,243	128,386	-17.3%	51,840	11,108	-78.6%
Land acquisition	185	365,855	n.m.	185	150	-18.9%
Soil correction	52,601	78,884	50.0%	43,948	58,356	32.8%
Buildings and facilities	51,769	46,185	-10.8%	29,817	21,575	-27.6%
Cotton ginning plant	813	8,067	892.3%	585	7,184	n.m.
Grains storage	3,393	9,571	182.1%	1,572	5,391	242.9%
Soil cleaning	15,511	8,346	-46.2%	13,713	7,156	-47.8%
Vehicles	1,446	72,088	n.m.	592	699	18.1%
Software	16,277	5,878	-63.9%	6,671	4,133	-38.0%
Improvements in own properties	96	1,208	n.m.	26	-	-100.0%
Improvements in Third Party Real Estate	2	281	n.m.	2	41	n.m.
Buildings	-	32,907	n.m.	-	-	n.m.
Others	9,178	10,381	13.1%	6,235	6,275	0.6%
Total	306,514	768,037	150.6%	155,186	122,068	-21.3%

⁽¹⁾ See Explanatory Notes 13 and 14 of the Quarterly Earnings Report

Investments came to R\$122 million in 2Q23, down 21.3% from 2Q22. The largest reduction was in the line machinery, tools and equipment, with the most relevant acquisitions made in the first quarter to support operations, while investments in the prior year were higher due to modernization of the machinery base at the farms of SLC Centro-Oeste. In addition, the Company points out that it is advancing more and more in the Asset Light model, also in the leasing of machinery and equipment. In 1S23, investments amounted to R\$768 million, 150.6% higher than in 1S22, with the main increase related to the acquisition of land and buildings at the Paysandu Farm.

(A free translation of the original in Portuguese)



Debt

Adjusted Net Debt ended the second quarter of 2023 at R\$3,976 billion, representing an increase of R\$1,638 billion from the end of 2022, mainly reflecting the payment of agricultural inputs for 2022/23 crop year and land lease payment. Note that an increase in debt in this period of the year is expected, given the cash conversion cycle of the business.

The Net Debt/Adjusted EBITDA ratio increased from 0.77x at end-2022 to 1.61x at the end of the second quarter of 2023, driven mainly by the increase in net debt in the period.

Table 26 – Financial Net Debt

Credit Line (R\$ thd)	Average Interest Rate (%)		Consolidated		
	Indexer	4Q22	2Q23	4Q22	2Q23
Applied in Fixed Assets				40,986	35,895
Finame – BNDES	Prefixed	6.1%	6.3%	40,986	35,895
Applied in Working Capital				3,413,285	4,889,246
Rural Credit	Prefixed	12.0%	12.0%	15,283	6,480
Rural Credit	CDI ⁽¹⁾	14.7%	14.8%	631,199	1,047,380
Constitutional Funds	Prefixed	-	9.6%	-	60,199
Working Capital	CDI ⁽¹⁾	14.8%	14.7%	1,181,891	2,150,590
Export Loans	Prefixed	-	14.0%	-	51,679
Export Loans	CDI ⁽¹⁾	14.9%	14.6%	1,584,912	1,572,918
Total Indebtedness⁽³⁾		14.7%	14.6%	3,454,271	4,925,141
(+/-)Gains and losses with deriv. connected with applications and debt ⁽²⁾				(120,262)	(213,005)
(=) Adjusted Gross Debt				3,574,533	5,138,146
(-) Cash				1,236,522	1,161,829
(=) Adjusted Net Debt				2,338,011	3,976,317
Adjusted EBITDA (Last 12 months)				3,047,078	2,470,702
Adjusted Net Debt/EBITDA				0.77x	1.61x

⁽¹⁾ Final interest rate with swap

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

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

Figure 1 – Change in Net Debt/Adjusted EBITDA Ratio



(A free translation of the original in Portuguese)



Debt

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

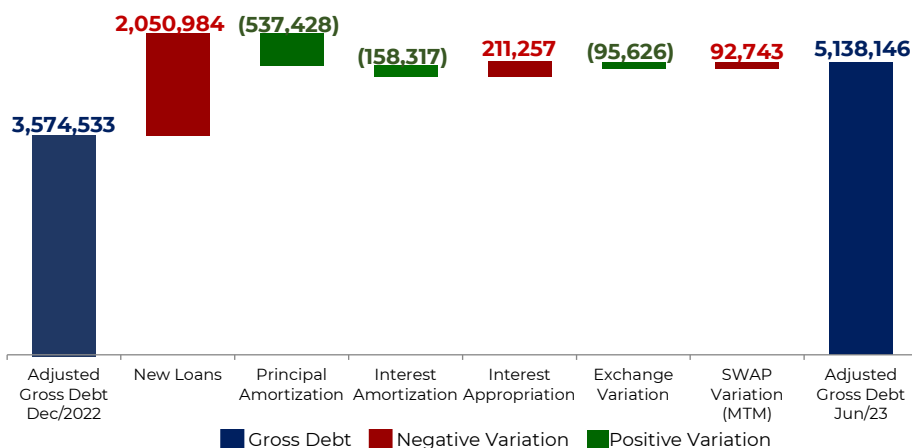


Figure 3 – Adjusted Gross Debt Amortization Schedule (R\$ thd)

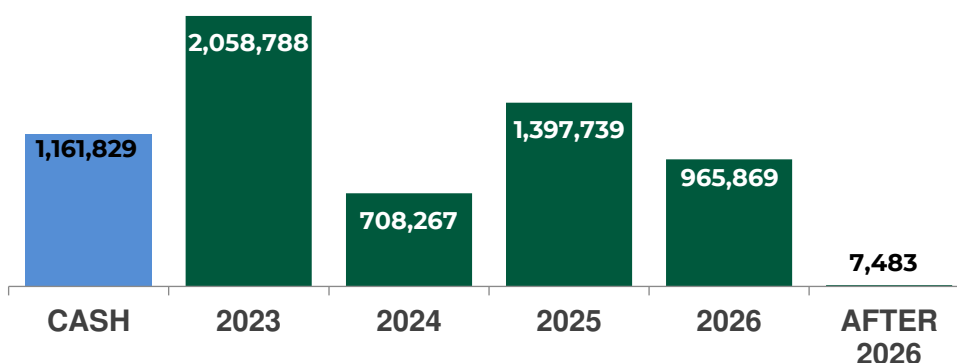


Figure 4 – Adjusted Gross Debt Profile

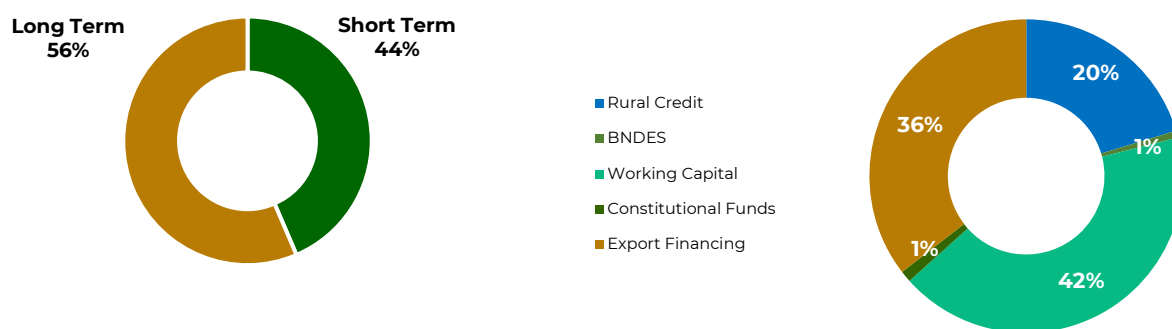
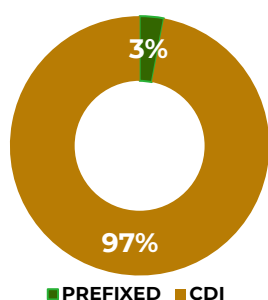


Figure 5 – Gross Debt by Index and Instrument



(A free translation of the original in Portuguese)



Hedge Position

Currency and agricultural commodity hedge

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

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

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

The hedge position for commodities (in relation to the estimated total invoiced volume) and currency (in relation to the total estimated revenue in U.S. dollar) is shown below, broken down by commercial hedge and financial hedge and updated **as of August 04th**:

Table 27 – Hedge Position

FX Hedge – Soybean			Commercial Hedge – Soybean		
Crop Year	2022/23	2023/24	Crop Year	2022/23	2023/24
%	76.2	20.5	%	78.9	37.7
R\$/USD	5.46	5.49	USD/bu ⁽²⁾	14.45	12.72
Commitments % ⁽¹⁾	1.7	36.9	Commitments % ⁽¹⁾	1.1	16.7

FX Hedge – Cotton			Commercial Hedge – Cotton		
Crop Year	2022/23	2023/24	Crop Year	2022/23	2023/24
%	64.2	16.0	%	64.5	3.6
R\$/USD	5.76	5.70	US\$/lb ⁽²⁾	91.13	75.60
Commitments % ⁽¹⁾	0.1	21.1	Commitments % ⁽¹⁾	-	-

FX Hedge – Corn			Commercial Hedge – Corn		
Crop Year	2022/23	2023/24	Crop Year	2022/23	2023/24
-	-	-	%	1.9	3.0
-	-	-	R\$/bag ⁽³⁾	69.67	45.00
%	75.0	31.6	%	68.7	28.7
R\$/USD	5.76	5.50	USD/bag ⁽³⁾	9.99	8.17
Commitments	-	23.3	Commitments % ⁽¹⁾	-	-

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

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ESG COMMUNICATION WITH STAKEHOLDERS

SLC Agrícola receives “Best in ESG” Award from Exame magazine for second time

On June 13th, SLC received, for the second straight time, important recognition for its ESG practices. SLC received accolades in the Exame’s Best in ESG Awards 2023, which recognizes the actions of companies in social responsibility, environment and governance, figuring among the winners in the Agribusiness, Food and Beverages category.

The recognition was created in 2000, with the Exame’s Guide in Good Corporate Citizenship. The name was later changed to the Exame’s Sustainability Guide and, most recently, to the Best in ESG Guide. Today, it is one of Brazil’s leading guides on corporate responsibility. The award recognizes organizations that are industry references and make a significant contribution to sustainable development and to a more responsible market in Brazil.

SLC Agrícola expands circular economy

In the second quarter, we implemented the Circular Economy, linked to our target of Zero Waste sent to Landfills by 2026, at the Pioneira (Mato Grosso), Parnaguá (Piauí), Parceiro (Bahia) and Planalto (Mato Grosso do Sul) farms. The initiative seeks to increase the recycling rate of waste generated at the operations and to zero the amount of materials sent to landfills. Through this project, we aim to achieve a recycling rate of up to 99.8%, which represents a significant increase from the average of 30% registered before the project’s implementation. The result was achieved through measures such as sending waste for composting (Ecofábrica project), which later can be used as biofertilizers on crops. One of SLC Agrícola’s targets is to send Zero Waste to Landfills by 2026.

In June, which is Environment Month, we implemented awareness-raising actions targeting all employees, at both the headquarters and farms. One action was a lecture with Andrea Pampanelli, a sustainability expert from The Green Factory, who talked about SLC Agrícola’s initiatives to achieve its Zero Waste to Landfills target. The lecture, which was held at the headquarters’ auditorium and live streamed to all Units, was attended by Aurélio Pavinato, CEO of SLC Agrícola.

SLC Agrícola among best companies to work for in agribusiness

SLC Agrícola was once again elected one of the best companies to work for in the agricultural industry, according to the consulting firm Great Place To Work (GPTW). In the 2023 edition, the company was featured among the best large-sized companies in the Agribusiness category. The audit is carried out by GPTW in partnership with Globo Rural magazine, with support from the Brazilian Agribusiness Association (Abag). This year, 199 companies were assessed.

(A free translation of the original in Portuguese)



FINANCIAL TABLES

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

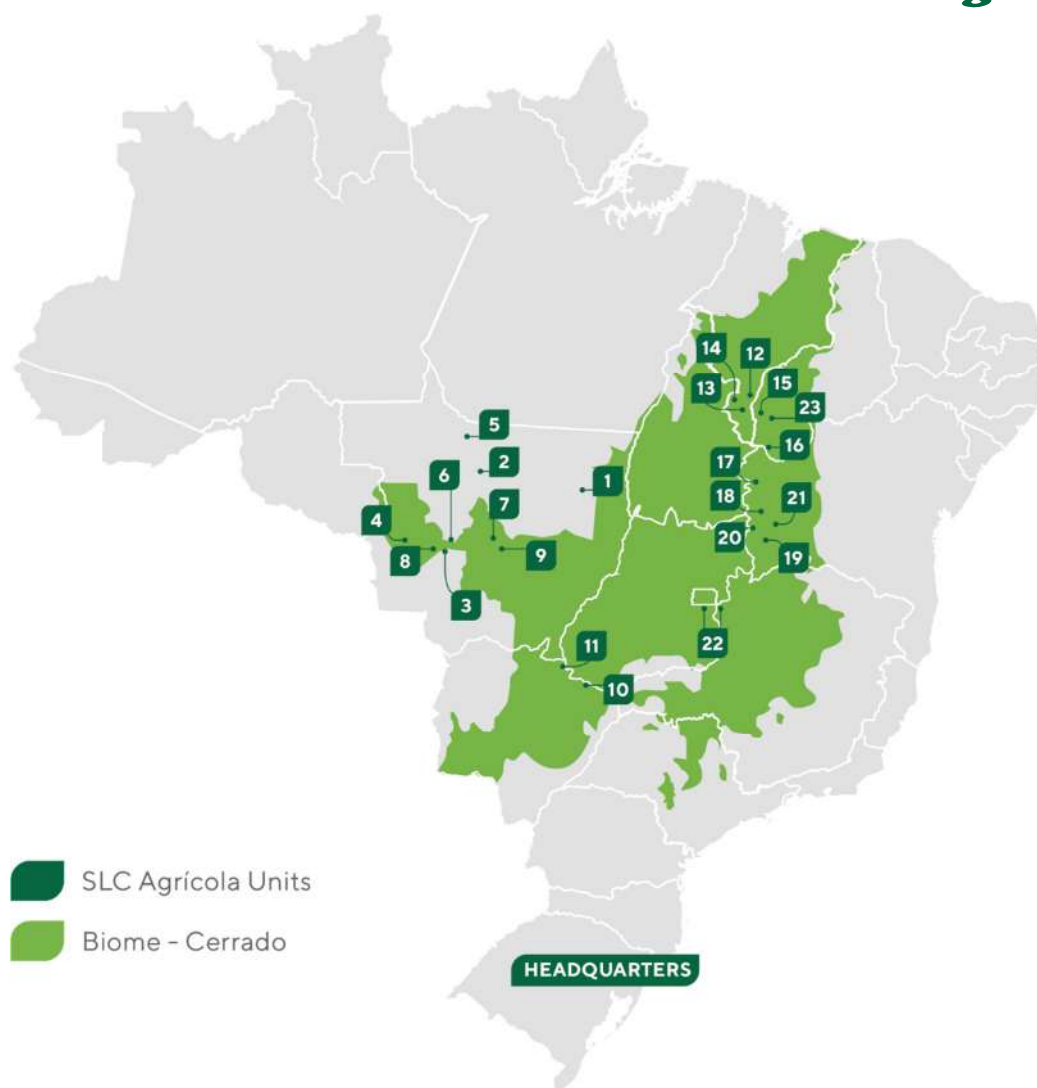
OPERATIONAL DATA

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

LAND TABLES

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

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PRODUCTION UNITS AND HEADQUARTERS LOCATION**SLC** *Agrícola***SLC Agrícola Farms (1st and 2nd crops)**

- | | |
|-------------------------------|-----------------------------------|
| 1. Pioneira (MT) – 33,552 ha | 13. Palmeira (MA) – 33,496 ha |
| 2. Perdizes (MT) – 27,163 ha | 14. Planeste (MA) – 59,061 ha |
| 3. Paiguás (MT) – 63,572 ha | 15. Parnaguá (PI) – 10,706 ha |
| 4. Planorte (MT) – 31,685 ha | 16. Parceiro (BA) – 13,035 ha |
| 5. Próspera (MT) – 32,382 ha | 17. Palmares (BA) – 25,269 ha |
| 6. Pejucara (MT) – 14,787 ha | 18. Paladino (BA) – 21,866 ha |
| 7. Piracema (MT) – 18,729 ha | 19. Piratini (BA) – 20,984 ha |
| 8. Pampeira (MT) – 41,089 ha | 20. Panorama (BA) – 22,409 ha |
| 9. Pirapora (MT) – 21,650 ha | 21. Paysandu (BA) – 42,820 ha |
| 10. Pantanal (MS) – 44,772 ha | 22. Pamplona (GO e MG) -27,710 ha |
| 11. Planalto (MS) – 21,953 ha | 23. Paineira (PI) - Leased |
| 12. Parnaíba (MA) – 45,695 ha | |

INVESTOR RELATIONS TEAM



IVO MARCO BRUM

CHIEF FINANCIAL AND INVESTOR RELATIONS OFFICER



RODRIGO GELAIN

FINANCIAL AND INVESTOR RELATIONS
MANAGER



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SLC *Agrícola*

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2023
(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 at Avenida Doutor Nilo Peçanha, 2900/301, in the city of Porto Alegre, RS, Brazil and has as its corporate purpose the activities of agriculture and cattle raising; production and marketing of seeds and seedlings; processing and marketing of its products, being able to export and import goods for its own use and consumption; supply of primary agricultural goods and products and goods in general; reception, cleaning, drying and storage services of cereals for third parties; provision of services with agricultural machinery and implements for third parties; trade, import and export of agricultural products; agro-industrial activity of industrialization of sugar cane, alcohol and its derivatives; and participation in other companies; lease of own property.

On September 1, 2022, the Company and subsidiaries began its cultivation of the 2022/2023 crop with operations at twenty-two production units and a total planted area of 674.38 thousand hectares, including company-owned areas and areas leased from third parties and realted parties, which are located in seven Brazilian states: Mato Grosso, Mato Grosso do Sul, Goiás, Bahia, Piauí, Maranhão and Minas Gerais.

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, 2023 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, 2022.

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, 2022. 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, 2023.

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 09, 2023.

SLC Agrícola S.A.

Notes to the quarterly information

June 30, 2023

(in thousands of Reais)

b) 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.

c) 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 31 of CVM Instruction 80/22, the Company indicates below the number of notes disclosed in the individual and consolidated financial statements as of December 31, 2022, and not repeated in full or part in this interim financial information: 3 - Accounting policies, 26 - Government subsidies, 27 - Profit-sharing program and 29 - Insurance coverage.

d) 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:

- Financial instruments measured at fair value;
- Biological assets, not classified as bearer plants, measured at fair value, using the market approach, less selling expenses and pre-harvest costs to be incurred;
- Investment properties, measured at fair value; and
- Share-based payment transactions, measured at fair value on the grant date.

e) Functional currency and transactions and balances in foreign currency

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

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

Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation at year-end exchange rates relating to monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except when deferred in equity as qualifying cash flow hedge transactions.

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2023
(in thousands of Reais)

f) New or revised standards

The following standards are effective for fiscal years beginning after January 1, 2023:

Classification of liabilities as current or non-current (amendments to CPC 26/IAS 1)

IAS 1 requires an enterprise to classify debt as non-current only if the enterprise can avoid settling the debt within 12 months after the reporting date. For example, a company may have a long-term debt that can be repaid in 12 months, if the company does not comply with the agreements in that same period.

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

The changes apply for annual periods beginning on or after January 1, 2024.

The group is monitoring future effects.

Disclosure of accounting policies (amendments to IAS 1 and IFRS Practice Statement)

In February 2021, the IASB issued amendments to IAS 1 (corresponding standard to CPC 26 (R1)), which provides guides and examples to help entities apply the judgment of materiality for the disclosure of accounting policies. The amendments are to help entities disclose accounting policies that are more useful by replacing the requirement to disclose significant accounting policies for material accounting policies and adding guidance for how entities should apply the concept of materiality to make decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for periods beginning on or after January 1, 2023 with early adoption permitted. As for the amendments to the Practice Statement, it provides non-mandatory guidance on applying the definition of material to accounting policy information. An adoption date for this amendment is not required.

According to the Company's evaluation, there were no impacts, since the Financial Statements present only relevant accounting policies.

Deferred taxes related to assets and liabilities arising from a single transaction (amendments to CPC 32/IAS 12)

The amendments limit the scope of the initial recognition exemption to exclude transactions that give rise to equal and compensating temporary differences, for example, leases and liabilities and dismantling costs.

The amendments apply for annual periods beginning on or after 1 January 2023. For leases and dismantling cost liabilities, the associated deferred tax assets and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other component of equity at that date. For all other transactions, the changes apply to transactions that occur after the beginning of the earliest period presented.

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2023
(in thousands of Reais)

In the initial recognition of the lease on January 1, 2019, the temporary tax differences were recognized, with no significant impacts on the financial statements.

Other patterns

The following rules will apply for periods beginning on or after January 1, 2023:

1. Property, plant and equipment: Revenue before intended use (amendments to CPC 27/IAS 16);
2. Reference to the Conceptual Framework (Amendments to CPC 15/IFRS 3);
3. IFRS 17 Insurance Contracts.

These changes had no impact on the individual and consolidated financial statements. There are no standards and interpretations issued and not yet adopted that, in the opinion of the Management, may have a significant impact on the result or on the shareholders' equity disclosed by the Company.

3 Consolidated financial statements

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

Main activity	Companies	Subsidiaries		Location (State)
		Directs %	Indirects %	
Culture of soybean, cotton, corn and herd.	Fazenda Pioneira Empreendimentos Agrícolas S.A.	50.0	-	Mato Grosso - MT
Culture of cotton and soybean.	SLC-MIT Empreendimentos Agrícolas S.A.	52.2	-	Rio Grande do Sul - RS
Culture of soybean, corn, cotton and herd.	Fazenda Perdizes Empreendimentos Agrícolas Ltda.	-	50.1	Mato Grosso - MT
Culture of cotton and soybean.	SLC Agrícola Centro Oeste S.A. (1)	100.0	-	Mato Grosso - MT
Investments in other companies or commercial ventures and leasing.	SLC Investimentos Agrícolas Ltda.	100.0	-	Rio Grande do Sul - RS
Purchasing and sale, lease, construction and managing of real estate.	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 Paysandu 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
	Fazenda Parceiro Empreendimentos Agrícolas Ltda.	-	100.0	Rio Grande do Sul - RS
	Fazenda Paineira Empreendimentos Agrícolas Ltda.	6.5	93.5	Rio Grande do Sul - RS

The period of the interim financial information 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.

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2023
(in thousands of Reais)

4 Cash and cash equivalents and interest earning bank deposits

Description	Yields	Parent company		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and cash equivalents in R\$	-	332	308	1,823	530
Forex exchange cash ⁽¹⁾	-	2,792	17,353	4,657	28,122
CDB-DI	101.55% of CDI ⁽²⁾	697,884	827,784	1,154,305	1,207,123
Cash and cash equivalents		701,008	845,445	1,160,785	1,235,775
Non-current Interest earnings bank deposits	79.37% of CDI ⁽²⁾	1,044	747	1,044	747

⁽¹⁾ Amounts in reais, converted by the dollar P-tax purchase on June 30, 2023.

⁽²⁾ Average yield on June 30, 2023.

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

Long-term financial investments are reciprocated (collateralized operations), which represent in the non-current assets the amount of R\$ 1,044 of the portfolio in the parent company and in the consolidated (R\$ 747 on December 31, 2022).

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

5 Trade accounts receivable

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Domestic market	122,200	37,186	136,893	52,987
Foreign market	50,247	86,648	61,828	121,304
Total	172,447	123,834	198,721	174,291

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

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

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6 Inventories

The composition of the Company's inventories on June 30, 2023 and December 31, 2022 is represented as follows:

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Agricultural products	1,060,733	1,085,707	1,457,107	1,456,169
Agricultural products - formation costs	648,240	731,811	926,278	1,029,726
Agricultural products – adjustment at fair value for biological assets	412,493	353,896	530,829	426,443
Seeds, composts, fertilizers and pesticides	647,350	1,161,678	939,788	1,703,443
Packages and containerization material	77,119	28,282	107,525	46,506
Spare parts	27,920	29,331	38,594	38,653
Other inventories	50,316	37,288	64,484	73,413
Advances to suppliers	2,816	18,084	2,892	25,796
Total	1,866,254	2,360,370	2,610,390	3,343,980

Inventories of agricultural products are stated at net realizable value. On June 30, 2023, in bulk soybeans and cotton lint, a provision in the amount of R\$ 100,793 was constituted in the parent company and R\$ 112,848 in the consolidated (R\$ 61,244 in the parent company and R\$ 70,977 in the consolidated on December 31, 2022). The contra entry to net realizable value is recorded in cost of goods sold.

7 Biological assets

The Company's biological assets are formed by temporary crops and a cattle herd and are represented below:

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Biological assets - culture in formation (a)	2,224,538	1,225,428	2,894,345	1,751,584
Biological assets - herd of cattle (b)	75,287	32,469	105,261	47,992
Total	2,299,825	1,257,897	2,999,606	1,799,576

a) Biological assets culture

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

	Parent Company				Total
	Soybean	Cotton	Corn	Other crops ⁽²⁾	
Balances at December 31, 2022	785,809	361,923	65,639	12,057	1,225,428
Expenditures with planting	565,399	1,011,987	361,427	40,540	1,979,353
Variation of the fair value ⁽¹⁾	722,850	476,386	87,103	-	1,286,339
Harvesting - agricultural products	(2,050,721)	(136,896)	(60,271)	(18,694)	(2,266,582)
Balances at June 30, 2023	23,337	1,713,400	453,898	33,903	2,224,538
Agricultural products - formation costs	23,337	1,272,084	380,669	33,903	1,709,993
Biological assets - adjustment at fair value	-	441,316	73,229	-	514,545

⁽¹⁾ Effect of biological assets on the income statement for the period.

⁽²⁾ Other crops include seed corn, seed millet, wheat, beans, sorghum, brachiaria, stylosanthes and sesame.

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	Consolidated				Total
	Soybean	Cotton	Corn	Other crops ⁽²⁾	
Balances at December 31, 2022	1,288,513	379,954	82,411	706	1,751,584
Expenditures with planting	833,077	1,427,942	523,381	58,064	2,842,464
Variation of the fair value ⁽¹⁾	813,858	635,626	86,170	-	1,535,654
Harvesting - agricultural products	(2,903,602)	(164,781)	(137,846)	(29,128)	(3,235,357)
Balances at June 30, 2023	31,846	2,278,741	554,116	29,642	2,894,345
Agricultural products - formation costs	31,846	1,686,731	479,407	29,642	2,227,626
Biological assets - adjustment at fair value	-	592,010	74,709	-	666,719

⁽¹⁾ Effect of biological assets on the income statement for the period.

⁽²⁾ The other crops are formed by seed corn, seed millet, wheat, beans, sorghum, brachiaria, stylosantes and sesame.

Crops are substantially made up of soybean, corn, cotton and other less relevant crops, whose agricultural products are sold to third parties. The biological assets of crops are measured by the expenses incurred with the formation of crops up to the point of significant biological transformation, when they start to be valued at fair value, deducting sales expenses and production costs for the current agricultural year to be incurred.

CPC 46, in item 72, to increase consistency and comparability in fair value measurements, establishes a fair value hierarchy. The fair value measurement of biological assets of crops includes prices quoted in an active market, adjusted to reflect new information, which results in the classification as level 3.

The Company measures the fair value of biological assets of cultures using the income approach, which considers a weighted average between market prices and contract prices.

Below we present the main assumptions and estimates adopted in determining the fair value of biological assets for the 2022/23 and 2021/22 harvest on the measurement date:

	Parenty Company		Consolidated	
	06/30/2023 ⁽¹⁾	06/30/2022 ⁽²⁾	06/30/2023 ⁽¹⁾	06/30/2022 ⁽²⁾
Soybean				
Harvested area (ha)	234,137	217,350	321,152	334,891
Productivity achieved (bag/ha)	65.58	67.59	65.21	65.31
Average price (R\$/bag) ⁽³⁾	R\$ 144.21	R\$ 148.79	R\$ 147.09	R\$ 147.22
Corn				
Harvested area (ha)	10,512	16,964	28,176	38,026
Productivity achieved (bag/ha)	137.19	118.62	125.83	106.08
Area at harvest point (ha)	70,930	67,522	97,364	88,379
Estimated productivity (bag/ha)	131.25	107.24	128.88	107.54
Average price (R\$/bag) ⁽³⁾	R\$ 46.02	R\$ 56.07	R\$ 44.13	R\$ 62.95
Cottonseed				
Harvested area (ha)	9,098	11,545	10,467	16,360
Productivity achieved (@/ha)	258.09	217.77	266.99	191.76
Area at harvest point (ha)	84,908	87,966	120,743	122,874
Estimated productivity (@/ha)	330.82	276.18	327.47	264.25
Average price (R\$/@) ⁽³⁾	R\$ 65.52	R\$ 72.18	R\$ 64.80	R\$ 71.49

⁽¹⁾ Data referring to the 2022/23 harvest.

⁽²⁾ Data referring to the 2021/22 harvest.

⁽³⁾ Average price on the calculation date.

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To determine the fair value of biological assets, the Company uses the valuation technique of observable prices on the income approach and starts measuring at fair value at the moment of the relevant biological transformation, represented by the phenological stage of each crop, starting from R5 for soybeans - where it corresponds to grain filling until they reach their potential size, R2 for corn – stage in which grain filling begins and C1 for cotton – the first ball (apple or bud) breaks initially, located on the first branch, in the boll. The Company records the fair value of crops, net of selling expenses and ginning and processing costs, in the case of seed cotton.

The 2022/23 Crop is distributed across 22 production units strategically located in seven Brazilian states. Below we present the cycles of the main cultures of the Company:

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

Planted Area

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

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

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

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b) Biological assets – cattle raising

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

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

The fair value measurement of cattle biological assets is classified as level 2 - quoted prices for identical or similar assets or liabilities in markets that are not active.

The Company considered the prices practiced in the cattle market in the regions considering the main market, and through the metrics used in the market. Thus, the measurement is based on the at sign, race and age group and the costs necessary to bring it into salable condition.

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

	<u>Parenty company</u>	<u>Consolidated</u>
Balances at December 31, 2022	32,469	47,992
Purchase cost and treat cattle	54,142	76,734
Variation in fair value adjustment ^(*)	9,762	4,987
Low por sale	(21,086)	(24,452)
Balances at June 30, 2023	75,287	105,261
Biological assets - cattle	67,846	103,406
Biological assets - adjustment at fair value	7,441	1,855

^(*) Effect of biological assets on income for the period.

8 Recoverable taxes

a) Income tax and social contribution recoverable

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>06/30/2023</u>	<u>12/31/2022</u>	<u>06/30/2023</u>	<u>12/31/2022</u>
Income tax	7,754	7,446	11,493	8,170
Social Contribution	2,779	2,642	2,963	2,814
Total	10,533	10,088	14,456	10,984
Portion classified in current assets	245	299	4,168	1,195
Portion classified in non-current assets	10,288	9,789	10,288	9,789

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

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b) Other taxes to be recovered

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
ICMS	164,059	148,037	209,749	195,743
COFINS	45,669	24,945	94,460	71,661
PIS	10,185	5,506	22,238	17,223
IRRF recoverable	5,296	9,581	10,196	15,394
IRPJ/CSLL Red BC ICMS	12,689	12,352	12,689	12,352
Indebted IRPJ/CSLL Selic	30	41	528	512
Others	865	843	20,346	20,042
Total	238,793	201,305	370,206	332,927
Portion classified in current assets	109,974	73,583	180,664	138,622
Portion classified in non-current assets	128,819	127,722	189,542	194,305

ICMS, PIS and COFINS to be offset/recovered

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

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

Deadline	Parent Company			Consolidated		
	ICMS	COFINS	PIS	ICMS	COFINS	PIS
up to 1 year	47,723	45,249	10,090	64,018	68,205	14,365
1 to 2 years	40,158	45	11	41,809	17,494	6,152
2 to 3 years	56,030	-	-	56,512	-	-
over 3 years	20,148	375	84	47,410	8,761	1,721
Total	164,059	45,669	10,185	209,749	94,460	22,238

On June 30, 2023, a provision was recorded in the amount of R\$ 40,833 (R\$ 35,368 on December 31, 2022), 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.

Recoverable IRRF

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

IRPJ/CSLL Red BC ICMS - Credit referring to exclusion of the IRPJ/CSLL tax base from the reduction of the ICMS tax base

On December 31, 2021, the Company recognized the amount of R\$ 11,556 of IRPJ and CSLL, referring to the subsidy to reduce the ICMS tax base, of which R\$ 9,936 is principal and R\$ 1,620 is restated by Selic. The period for raising this credit was from January 2012 to June 2021. This process became final on July 29, 2019, and the Company filed a lawsuit to repeat the undue payment for settlement by means of a precatory. As of June 30, 2023, the updated balance is R\$12,689.

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

On September 24, 2021, the Superior Federal Court - STF ("STF") unanimously ruled the non-levy of the IRPJ and CSLL on the amounts related to the SELIC rate, Received by the taxpayer due to the repetition of tax overdue. The Company has a Writ of Mandamus seeking recognition of the right to non-levy of IRPJ and CSLL on amounts arising from monetary restatement and interest on arrears, including SELIC, calculated on tax credits due to repeated tax overdue payments.

The amount of the benefit calculated and recognized in the period of 2023 is R\$ 528 (R\$ 30 in the Parent Company and R\$ 498 in the subsidiaries Fazenda Pioneira Empreendimentos Agrícolas S/ A and SLC-MIT Empreendimentos Agrícolas S/A). The Company awaits the final and unappealable decision of its process for effective tax offsetting of the amounts.

Other Recoverable Taxes

The amount of accumulated credit on June 30, 2023 recorded in the subsidiary is R\$ 20,346 in the consolidated. A large part of this amount refers to other taxes arising from the business combination with Terra Santa Agro.

9 Securities and credits receivable

As of June 30, 2023, the movement of securities receivable is presented as follows:

	<u>Consolidated</u>
Balance at December 31, 2022	57,502
CDI application yield	610
Variation of segregated accounts ⁽¹⁾	(31,579)
Balance at June 30, 2023	26,533

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

As of June 30, 2023 and December 31, 2022, we have the following composition of the securities receivable account:

	<u>Consolidated</u>	
	<u>06/30/2023</u>	<u>12/31/2022</u>
Amounts receivable from the sale of land (a)	14,151	13,541
Receivables - segregated account (b)	298	1,020
Active provision - counterpart of segregated accounts (b)	7,468	31,650
Basket receivable (b)	-	6,675
Others	4,616	4,616
Total	26,533	57,502
Portion classified in current assets	26,533	25,852
Portion classified in non-current assets	-	31,650

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

The subsidiaries Fazenda Paiaguás Empreendimentos Agrícolas Ltda. and Fazenda Parceiro Empreendimentos Agrícolas Ltda. sold 11,604 hectares of land to third parties in 2017, in the total amount of R\$ 176,654, of which R\$ 52,996 was received in that year, and the rest was deposited by the buyer, in February 2018, in a guaranteed account ("Escrow Account"), being invested in securities backed by an Interbank Deposit Certificate (CDI). The contract provided for some document formalizations such as transfer of reservations, registration of real estate in

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a notary's office with unfolding of its records and mortgage release, among others ("Precedent Conditions").

Fazenda Parceiro complied with all the preceding conditions, and all amounts were received. On June 30, 2023, Fazenda Paiaguas, still has precedent conditions precedent to be met, with a receivable balance in the amount of R\$ 14,151.

b) Receivables related to the business combination

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

Active segregated accounts (securities receivable, taxes recoverable, advances to suppliers, escrow deposits and investment properties) totaled R\$ 82,078 on the closing date of the transaction. On June 30, 2023, these assets amounted to R\$ 42,586 (see note 20 - Notes payable), which generate the need to set up a liability provision in the same amount, since, when the assets are effectively received by SLC Agrícola Centro-Oeste (former Terra Santa), will be paid to the former shareholders, with no benefit to the Company.

The passive segregated accounts (payable notes and provision for contingencies) totaled R\$ 28,250 on the closing date of the transaction. On June 30, 2023, these liabilities amounted to R\$ 7,468, which generate the need to set up an active provision in the same amount, since, when the liabilities are effectively paid by SLC Agrícola Centro-Oeste (old Terra Santa), will be received from former shareholders, without prejudice to the Company.

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

10 Investments (Parent company)

Total investments at June 30, 2023 and December 31, 2022 are comprised of the following:

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Investments parent company	4,402,683	3,907,858	-	-
Capital Gains in Fixed Assets, net of tax effects	46,784	54,596	-	-
Capital gains on leases, net of tax effects	(1,218)	(1,374)	-	-
Goodwill investment SLC Agrícola Centro-Oeste S.A (former Terra Santa Agro S.A.)	47,355	47,355	-	-
Subtotal	4,495,604	4,008,435	-	-
Other equity interests	314	314	3,618	3,618
Total	4,495,918	4,008,749	3,618	3,618

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The relevant investments in subsidiaries, valued by the equity method, with a balance on June 30, 2023, are shown in the table below:

Investment	Capital stock	Shareholders' equity	Unrealized profit in equity in transactions with related parties		Adjusted to IFRS 16 / CPC 06 (R2) in equity	Added value in business combination	Goodwill Investment	Percentage of interest	Equity participation
			with related parties	shareholders' equity					
Fazenda Parnaíba Emp. Agr. Ltda.	21,053	200,428	-	(4,702)	-	-	-	100,00%	195,726
Fazenda Planorte Emp. Agr. Ltda.	57,099	219,293	-	(6,520)	-	-	-	100,00%	212,773
Fazenda Pioneira Emp. Agr. S.A.	91,672	186,870	(2,200)	-	-	-	-	50,00%	91,235
SLC-MIT Emp. Agr. S.A.	109,981	307,478	3,572	(3,154)	-	-	-	52,20%	137,200
SLC Invest. Agrícolas Ltda.	282,405	937,003	-	30,557	-	-	-	100,00%	967,560
Fazenda Pamplona Emp. Agr. Ltda.	31,766	165,865	-	(3,976)	-	-	-	100,00%	161,889
Fazenda Planalto Emp. Agr. Ltda.	9,137	233,000	-	(2,094)	-	-	-	100,00%	230,906
Fazenda Palmares Emp. Agr. Ltda.	109,800	269,243	-	3,670	-	-	-	100,00%	272,913
Fazenda Parnaguá Emp. Agr. Ltda.	34,291	47,454	-	16,852	-	-	-	100,00%	64,306
Fazenda Paineira Emp. Agr. Ltda.	143,796	246,644	-	-	-	-	-	6,45%	15,327
Fazenda Paiaguás Emp. Agr. Ltda.	20,347	214,065	-	1,303	-	-	-	100,00%	215,368
SLC Perdizes Emp. Agr. Ltda.	77,163	133,649	-	(4,831)	-	-	-	100,00%	128,818
SLC Agrícola Centro-Oeste S.A.	1,324,121	1,591,271	(49,257)	-	45,567	47,355	-	100,00%	1,634,936
Fazenda Paysandu Emp. Agr. Ltda.	180,101	166,647	-	-	-	-	-	100,00%	166,647
									4,495,604

Investment	Net income for the period	Unrealized profit in income for the period in operations with related parties		Adjustments to IFRS 16 / CPC 06 (R2) for the period	Equity in income of subsidiaries and associated companies
		with related parties	shareholders' equity		
Fazenda Parnaíba Emp. Agr. Ltda.	8,643	-	-	14,881	23,524
Fazenda Planorte Emp. Agr. Ltda.	17,449	-	-	8,159	25,608
Fazenda Pioneira Emp. Agr. S.A.	24,330	3,776	-	-	15,941
SLC-MIT Emp. Agr. S.A.	61,437	13,215	-	2,998	48,713
SLC Invest. Agrícolas Ltda.	44,527	-	-	21,247	65,774
Fazenda Pamplona Emp. Agr. Ltda.	9,465	-	-	3,889	13,354
Fazenda Planalto Emp. Agr. Ltda.	13,582	-	-	6,605	20,187
Fazenda Palmares Emp. Agr. Ltda.	36,246	-	-	2,507	38,753
Fazenda Parnaguá Emp. Agr. Ltda.	2,532	-	-	6,290	8,822
Fazenda Paineira Emp. Agr. Ltda.	10,941	-	-	-	742
Fazenda Paiaguás Emp. Agr. Ltda.	19,602	-	-	13,292	32,894
SLC Perdizes Emp. Agr. Ltda.	4,354	-	-	4,628	8,982
SLC Agrícola Centro-Oeste S.A.	80,660	4,151	-	-	84,811
Fazenda Paysandu Emp. Agr. Ltda.	(13,454)	-	-	-	(13,454)
					374,651

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The main movements in investments in direct permanent equity interests, as at June 30, 2023, are as follows:

Investment	Balance on 12/31/2022	Increase in participation	Added value achievement	Distributed dividends or interest on equity	Equity	Unrealized gain with hedge instruments	Balance on 06/30/2023
Fazenda Parnaíba Emp. Agr. Ltda.	172,202	-	-	-	23,524	-	195,726
Fazenda Planorte Emp. Agr. Ltda.	226,105	-	-	(38,940)	25,608	-	212,773
Fazenda Pioneira Emp. Agr. S.A. ⁽¹⁾	73,854	-	-	-	15,941	1,440	91,235
SLC-MIT Emp. Agr. S.A. ⁽¹⁾	82,869	-	-	(5,411)	48,713	11,033	137,204
SLC Invest. Agrícolas Ltda.	898,782	3,000	-	-	65,774	-	967,556
Fazenda Pamplona Emp. Agr. Ltda.	159,924	-	-	(11,389)	13,354	-	161,889
Fazenda Planalto Emp. Agr. Ltda.	228,710	-	-	(17,991)	20,187	-	230,906
Fazenda Palmares Emp. Agr. Ltda.	246,162	-	-	(12,002)	38,753	-	272,913
Fazenda Parnaguá Emp. Agr. Ltda.	62,136	-	-	(6,652)	8,822	-	64,306
Fazenda Paineira Emp. Agr. Ltda.	14,585	-	-	-	742	-	15,327
Fazenda Paiaguás Emp. Agr. Ltda.	206,744	-	-	(24,270)	32,894	-	215,368
SLC Perdizes Emp. Agr. Ltda.	119,836	-	-	-	8,982	-	128,818
SLC Agrícola Centro-Oeste S.A.	1,516,526	-	(7,655)	-	84,811	41,254	1,634,936
Fazenda Paysandu Emp. Agr. Ltda. ⁽²⁾	-	180,101	-	-	(13,454)	-	166,647
	4,008,435	183,101	(7,655)	(116,655)	374,651	53,727	4,495,604

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

⁽²⁾ Fazenda Paysandu Empreendimentos Agrícolas Ltda. is a business company incorporated on January 27, 2023, whose main activities are the purchase and sale of real estate, leasing of real estate, construction and management of agricultural assets and enterprises. The Company's partners are SLC Agrícola S.A. with 99.99% of the share capital, and SLC Investimentos Agrícolas Ltda., with 0.01%.

The following is the main information on investments in permanent equity investments as of June 30, 2023:

Investments	Directly and indirectly controlled				Equity	Income	Expenses
	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities			
Fazenda Parnaíba Emp. Agr. Ltda.	33,037	188,177	11,642	9,144	200,428	11,323	(2,680)
Fazenda Planorte Emp. Agr. Ltda.	11,142	226,235	12,468	5,616	219,293	21,037	(3,588)
Fazenda Pioneira Emp. Agr. S.A.	190,907	125,696	83,339	46,394	186,870	194,411	(170,081)
SLC-MIT Emp. Agr. S.A.	607,123	252,590	313,701	238,534	307,478	334,240	(272,803)
SLC Investimentos Agrícolas Ltda	15,388	948,752	8,177	18,960	937,003	62,548	(18,021)
Fazenda Pamplona Emp. Agr. Ltda	14,488	163,210	6,664	5,169	165,865	11,467	(2,002)
Fazenda Planalto Emp. Agr. Ltda.	19,771	230,931	10,005	7,698	233,000	16,309	(2,727)
Fazenda Palmares Emp. Agr. Ltda	11,294	268,770	5,705	5,116	269,243	38,524	(2,278)
Fazenda Parnaguá Emp. Agr. Ltda.	8,640	41,077	1,792	471	47,454	3,112	(580)
Fazenda Paineira Emp. Agr. Ltda.	6,204	248,572	2,713	5,419	246,644	194,411	(183,470)
Fazenda Paiaguás Emp. Agr. Ltda.	43,586	193,028	14,500	8,049	214,065	24,198	(4,596)
SLC Perdizes Emp. Agrícolas Ltda.	18,233	117,672	726	1,530	133,649	6,624	(2,270)
SLC Agrícola Centro-Oeste S.A.	1,384,484	1,558,053	321,981	1,029,286	1,591,270	860,577	(779,917)
Fazenda Paysandu Emp. Agr. Ltda.	101	412,299	87,963	157,790	166,647	2	(13,456)
SLC LandCo Emp. Agrícolas S.A.	39,839	594,656	16,060	909	617,526	34,363	(2,813)
Fazenda Planeste Emp. Agr. Ltda.	8,889	137,516	5,484	3,388	137,533	10,772	(1,849)
Fazenda Piratini Emp. Agr. Ltda	17,820	151,123	6,328	2,058	160,557	10,481	(1,643)
Fazenda Panorama Emp. Agr. Ltda.	7,033	118,764	4,205	1,786	119,806	8,287	(1,660)
Fazenda Palmeira Emp. Agr. Ltda.	2,715	24,734	133	239	27,077	3,227	(501)
Fazenda Parceiro Emp. Agr. Ltda.	30,684	90,290	1,369	1,290	118,315	3,205	(888)

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11 Investment property

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

	Balance at 12/31/2022	Adjustment on fair value attributed to investment property	Write-offs ⁽¹⁾	Balance at 06/30/2023
Crop lands	92,614	-	(4,173)	88,441
Buildings and improvements	3,164	-	-	3,164
Soil correction and development	12,191	-	-	12,191
Gain on fair value	277,848	59,135	(9,890)	327,093
Total	385,817	59,135	(14,063)	430,889
Fair value adjustments- Income		59,135		59,135

⁽¹⁾ The amount refers to the devolution of 852 hectares of a total area of 4,739.01 hectares, acquired in September 2011, in the State of Piauí (part of Fazenda Paineira).

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

Investment properties are recorded at fair value, which was determined based on assessments carried out by independent appraisers in May 2023. The Company annually assesses the fair value of assets recorded as investment properties through a contracted specialized report with Deloitte.

The fair value of the properties was determined using the direct comparative method based on market data, which consists of determining the market value of an asset by comparing it with other similar assets, based on their sales prices, taking into account their similar characteristics. In this method, adjustments are made through the use of factors that aim to correct eventual differences between the goods available in the market and the good object of the valuation. To determine the fair value of investment properties, the Company adopts "Level 3". The variation in the fair value of investment properties was recorded against the income statement for the year, under "Other operating income (expenses)".

Investment property rental income

Investment property rental income is recognized in profit or loss on a straight-line basis over the lease term. Lease incentives granted are recognized as an integral part of total rental income, over the lease period. Revenue from rental of other properties is recognized as operating revenue, with a corresponding entry to other accounts receivable, in current assets. On June 30, 2023, the Company set up a provision for loss of credit on leases receivable, in the amount of R\$ 535 in the Parent Company and R\$ 10,995 in the consolidated (no provision set up on December 31, 2022).

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12 Leasing operations

The movement of the right-of-use assets is shown below:

	Parent company	Consolidated
Balance at January 01, 2022	4,400,728	3,042,185
Added value	-	(570)
Additions of new contracts and remeasurement lease liability	520,318	211,373
(-) Contract exclusion	-	(1,880)
(-) Amortization of the right to use asset	(434,204)	(369,846)
Balance at December 31, 2022	4,486,842	2,881,262
Cotton rental	15,434	54,676
Culture lands	4,403,502	2,741,188
Leasing of buildings	9,691	9,691
Machinery and rental cars	58,215	75,707
Total	4,486,842	2,881,262
Amortization of right of use in the period:		
Cotton rental	(1,768)	(4,896)
Culture lands	(414,656)	(343,517)
Leasing of buildings	(1,990)	(2,081)
Machinery and rental cars	(15,790)	(19,352)
Total period	(434,204)	(369,846)
	Parent company	Consolidated
Balance at December 31, 2022	4,486,842	2,881,262
Added value	-	(1,425)
Additions of new contracts and remeasurement lease liability	(573,478)	(311,184)
(-) Amortization of the right to use asset	(229,599)	(221,518)
Balance at June 30, 2023	3,683,765	2,347,135
Cotton rental	14,500	63,068
Culture lands	3,612,275	2,200,072
Leasing of buildings	9,873	9,873
Machinery and rental cars	47,117	74,122
Total	3,683,765	2,347,135
Amortization of right of use in the period:		
Cotton rental	(934)	(2,844)
Culture lands	(211,227)	(196,464)
Leasing of buildings	(636)	(636)
Machinery and rental cars	(16,802)	(21,574)
Total period	(229,599)	(221,518)

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The change in lease liabilities is shown below:

	Parent company	Consolidated
Balance at January 01, 2022	4,706,311	3,336,388
Added value	-	794
Additions of new contracts and remeasurement lease liability	520,318	211,373
Realization of the APV on lease liabilities	404,369	280,423
(-) Contract exclusion	-	(1,880)
(-) Payments	(690,900)	(573,051)
Balance at December 31, 2023	4,940,098	3,254,047
Liabilities current	694,687	523,573
Intercompany (note 14.a)	327,505	-
Third-party	367,182	523,573
Liabilities non-current	4,245,411	2,730,474
Intercompany (note 14.a)	2,513,411	-
Third-party	1,732,000	2,730,474
	Parent company	Consolidated
Balance at December 31, 2022	4,940,098	3,254,047
Added value	-	236
Additions of new contracts and remeasurement lease liability	(573,478)	(311,184)
Realization of the APV on lease liabilities	197,626	138,416
(-) Payments	(651,298)	(560,242)
Balance at June 30, 2023	3,912,948	2,521,273
Liabilities current	295,932	244,888
Intercompany (note 14.a)	112,505	-
Third-party	183,427	244,888
Liabilities non-current	3,617,016	2,276,385
Intercompany (note 14.a)	2,374,573	-
Third-party	1,242,443	2,276,385

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

The incremental funding rate used by the Company for discounting is made up of the "weighted curve of the CDI/Pre", added to the Company's credit risk and a risk spread of the underlying asset. The applied rates are informed in explanatory notes 15.c and 23.b.

It should be noted that land lease contracts are indexed by the price of a bag of soybeans in the region of each production unit, with the values of the right of use asset and lease liability converted into Reais using the price of soybeans in each region. Payment amounts may vary significantly up to the time of payment, depending on changes in the soybean market value in each region.

Impacts on the result

The amount recorded in the financial result for the period represents R\$ 197,626 in the parent company and R\$ 138,416 in the consolidated (R\$ 200,993 in the parent company and R\$ 141,873 in the consolidated, for the same period of 2022).

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

Sub-lease of right of use asset

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

The Parent Company's revenue in the period, resulting from the subleasing of rights-of-use assets, was R\$ 1,566 (R\$ 3,728 in parent company revenue for the same period in 2022).

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, 2023, the gross contractual flow of lease agreements entitled to PIS / COFINS credit is R\$ 7,145,836 at the parent company and R\$ 4,932,596 at the consolidated (R\$ 8,385,834 at the parent company and R\$ 3,063,945 in the consolidated, as of December 31, 2022). The potential PIS and COFINS credit on the gross contractual flow, brought to present value, is R\$ 455,343 in the parent company and R\$ 300,941 in the consolidated (R\$ 493,603 in the parent company and R\$ 191,085 in the consolidated, as of December 31, 2022).

In compliance with the guidance of CVM's technical areas, as required in circular letter CVM/SNC/SEP/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	3,683,765	5,070,156
Liabilities leasing - current	295,932	312,217
Liabilities leasing - non current	3,617,016	4,779,241

⁽¹⁾ Discounted cash flow without considering projected future inflation

⁽²⁾ Discounted cash flow considering projected future inflation

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	Consolidated	
	Considerations without inflation ⁽¹⁾	Considerations with inflation ⁽²⁾
Right of use asset	2,347,135	3,224,981
Liabilities leasing - current	244,888	258,365
Liabilities leasing - non current	2,276,385	3,002,499

⁽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	461,223	486,604	361,462	374,110
1 to 2 years	629,091	700,707	467,860	521,121
2 to 3 years	584,183	686,195	420,192	493,567
3 to 4 years	567,584	702,731	397,275	491,870
4 to 5 years	543,293	710,323	376,544	492,309
over 5 years	4,360,462	6,028,125	2,909,263	4,573,428
Total	7,145,836	9,314,685	4,932,596	6,946,405

⁽¹⁾ Discounted cash flow without considering projected future inflation

⁽²⁾ Discounted cash flow considering projected future inflation

13 Property, plant and equipment

a) Composition of fixed assets

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

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

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Cost of the gross fixed assets	Parent Company						Balance on 06/30/2023
	Balance on 12/31/2022	Additions	Write-offs	Transfers	Reclassification (1)	Depreciation	
Soil correction and development	318,467	73,301	-	-	-	(31,421)	360,347
Buildings and improvements	303,887	154	(2,181)	37,445	-	(7,892)	331,413
Agricultural equipment and industrial facilities	540,460	72,405	(1,285)	19,720	-	(40,307)	590,993
Vehicles	28,293	565	(21,717)	71,195	-	(2,716)	75,620
Furniture and fixtures	12,026	2,414	(302)	227	-	(925)	13,440
Equipment and facilities of the office	26,987	5,143	(81)	735	-	(4,374)	28,410
Others	4,401	229	-	65	(150)	(21)	4,524
Total fixed assets in operation	1,234,521	154,211	(25,566)	129,387	(150)	(87,656)	1,404,747
Works in progress	74,078	135,224	-	(129,387)	-	-	79,915
Total	1,308,599	289,435	(25,566)	-	(150)	(87,656)	1,484,662

(1) Reclassification regarding the cutting of firewood for fuel storage R\$ 150.

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

(1) Reclassification referring to cutting firewood for fuel R\$ 272.

(2) Depreciation of the surplus value in the period of items arising from the business combination with SLC Agrícola Centro-Oeste S.A. (formerly Terra Santa Agro S.A.), depreciated over their useful life, allocated to income for the period.

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Cost of the gross fixed assets	Consolidated							
	Balance on 12/31/2022	Additions	Write-offs	Transfers	Reclassification (1)	Added value achievement (2)	Depreciation	Balance on 06/30/2023
Crop lands	1,717,425	365,705	-	-	-	-	-	2,083,130
Soil correction and development	513,509	86,828	-	-	-	-	(45,773)	554,564
Buildings and improvements	446,759	34,398	(2,181)	42,435	-	(52)	(14,699)	506,660
Agricultural equipment and industrial facilities	844,123	115,373	(2,441)	22,460	172	(8,127)	(60,800)	910,760
Vehicles	59,710	958	(21,741)	71,842	-	(2,090)	(4,115)	104,564
Furniture and fixtures	16,110	3,462	(306)	287	-	(123)	(1,215)	18,215
Equipment and facilities of the office	35,796	6,515	(100)	776	-	(18)	(5,204)	37,765
Others	9,354	281	-	124	(150)	-	(61)	9,548
Total fixed assets in operation	3,642,786	613,520	(26,769)	137,924	22	(10,410)	(131,867)	4,225,206
Works in progress	90,326	151,229	-	(137,924)	(7)	-	-	103,624
Total	3,733,112	764,749	(26,769)	-	15	(10,410)	(131,867)	4,328,830

(1) Reclassification referring to cutting firewood for fuel R\$150 and R\$ 165 reclassified to intangible.

(2) Depreciation of the surplus value in the period of items arising from the business combination with SLC Agrícola Centro-Oeste S.A. (formerly Terra Santa Agro S.A.), depreciated over their useful life, allocated to income for the period.

b) Construction in progress

As of June 30, 2023, the balance of works in progress, in the amount of R\$ 79,915 in the parent company and R\$ 103,624 in the consolidated, is substantially represented by works in cotton farming, drilling of wells, construction of warehouses, civil construction, integration of livestock and other improvements in the production units.

The amount of interest capitalized on construction in progress in the period ended June 30, 2023 was R\$ 1,919 (R\$ 2,321 as of December 31, 2022). The capitalization rate used in determining the amount of borrowing costs eligible for capitalization was approximately 4.39% y.y.

c) Guarantees

At June 30, 2023 and December 31, 2022, property, plant and equipment were pledged as collateral, as shown below:

Assets under secure	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Pledge of financing	8,593	10,564	14,385	16,883

14 Intangible

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

(1) Backoffice system activation with SAP integration.

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	Parent Company				Balance on 06/30/2023
	Balance on 12/31/2022	Additions	Transfers ⁽¹⁾	Amortization	
Gross intangible cost					
Software	67,745	76	9,925	(9,591)	68,155
Import of new system	15,710	3,213	(9,925)	-	8,998
Total	83,455	3,289	-	(9,591)	77,153

⁽¹⁾ Backoffice system activation with SAP integration.

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

⁽¹⁾ Backoffice system activation with SAP integration.

	Consolidated					Balance on 06/30/2023
	Balance on 12/31/2022	Additions	Transfers ⁽¹⁾	Reclassification ⁽²⁾	Amortization	
Gross intangible cost						
Software	68,236	76	9,925	7	(9,679)	68,565
Import of new system	15,882	3,213	(9,925)	(172)	-	8,998
Goodwill	47,355	-	-	-	-	47,355
Total	131,473	3,289	-	(165)	(9,679)	124,918

⁽¹⁾ Backoffice system activation with SAP integration.

⁽²⁾ Reclassified to intangible.

Goodwill paid for expected future profitability

The goodwill for expected future profitability (goodwill) constituted in 2021, in the amount of R\$ 47,355, arising from the business combination with SLC Agrícola Centro-Oeste S.A, represents the expected future economic benefit of the synergy arising from the acquisition.

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15 Balances and transactions with related parties

At June 30, 2023 and December 31, 2022, the Parent Company's balances and transactions with related parties are as follows:

a) Related-party balances

Balances receivable from related parties:

	Parent company	
	Other accounts receivable	
	06/30/2023	12/31/2022
Direct subsidiaries		
Fazenda Perdizes Empr. Agr. Ltda	4,517	7,187
Fazenda Pioneira Empr. Agr. S.A.	441	840
SLC Agrícola Centro Oeste S.A.	4,058	42,779
Indirect subsidiaries		
SLC - MIT Empr. Agr. S.A.	483	12,831
Total	9,499	63,637
Portion classified as current	7,976	63,637
Portion classified as non-current	1,523	-

Balances payable to related parties:

	Parent company					
	Leases payable		Other accounts payable		Total payable	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Direct subsidiaries						
Fazenda Parnaíba Empr. Agr. Ltda	222,778	314,791	-	-	222,778	314,791
Fazenda Planorte Empr. Agr. Ltda	459,228	515,110	-	-	459,228	515,110
Fazenda Pamplona Empr. Agr. Ltda	240,532	268,140	-	-	240,532	268,140
Fazenda Planalto Empr. Agr. Ltda	355,234	389,850	-	-	355,234	389,850
Fazenda Palmares Empr. Agr. Ltda	109,434	128,833	-	-	109,434	128,833
Fazenda Parnagua Empr. Agr. Ltda	92,721	101,530	-	-	92,721	101,530
Fazenda Parceiro Empr. Agr. Ltda	80,538	96,001	-	-	80,538	96,001
Fazenda Paiaguás Emp. Agr. Ltda.	509,558	579,723	-	-	509,558	579,723
SLC Agrícola Centro-Oeste S.A.	-	-	6,146	158	6,146	158
Indirect subsidiaries						
Fazenda Planeste Empr. Agr. Ltda	120,206	132,501	-	-	120,206	132,501
Fazenda Panorama Empr. Agr. Ltda	89,521	98,011	-	-	89,521	98,011
Fazenda Piratini Empr. Agr. Ltda	126,188	134,211	-	-	126,188	134,211
Fazenda Perdizes Empr. Agr. Ltda	-	-	-	210	-	210
SLC - MIT Empr. Agr. S.A.	-	-	2,837	3,738	2,837	3,738
Fazenda Palmeira Emp. Agr. Ltda.	44,090	46,553	-	-	44,090	46,553
SLC Landco Empr. Agr. Ltda	37,050	35,662	-	-	37,050	35,662
Other related parties						
Other related parties	-	-	2,506	2,280	2,506	2,280
Total	2,487,078	2,840,916	11,489	6,386	2,498,567	2,847,302
Portion classified in liabilities current	112,505	327,505	11,489	6,386	123,994	333,891
Portion classified in non-current liabilities	2,374,573	2,513,411	-	-	2,374,573	2,513,411

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	Consolidated	
	Debts with related parties	
	06/30/2023	12/31/2022
Other related parties	3,026	2,482
Portion classified in non-current	3,026	2,482

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

b) Transactions with related parties

	Amortization of the right to use (IFRS 16)		APV-Liabilities Rental (IFRS16)	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Direct subsidiaries				
Fazenda Parnaíba Empr. Agr. Ltda	11,395	12,911	14,649	15,315
Fazenda Planorte Empr. Agr. Ltda	7,704	10,519	20,950	23,449
Fazenda Pamplona Empr. Agr. Ltda	3,877	2,494	10,905	11,899
Fazenda Planalto Empr. Agr. Ltda	6,112	2,678	16,026	17,235
Fazenda Palmares Empr. Agr. Ltda	3,419	4,552	5,491	4,852
Fazenda Parnagua Empr. Agr. Ltda	4,732	1,596	4,401	3,974
Fazenda Parceiro Empr. Agr. Ltda	2,557	158	4,981	2,486
Fazenda Paiaguás Emp. Agr. Ltda.	12,280	16,482	23,252	26,257
Indirect subsidiaries				
Fazenda Planeste Empr. Agr. Ltda	5,998	3,907	6,030	5,345
Fazenda Panorama Empr. Agr. Ltda	3,511	2,429	4,491	3,611
Fazenda Piratini Empr. Agr. Ltda	16,107	6,285	6,222	4,972
Fazenda Palmeira Emp. Agr. Ltda.	1,690	887	2,164	1,110
SLC Landco Empr. Agr. S.A.	4,056	760	1,135	519
Subsidiaries				
SLC Participações S.A.	-	23	-	-
Total	83,438	65,681	120,697	121,024

	Sales of goods/products/ property, plant and equipment		Purchases of goods/products/ Corporate TI	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Direct subsidiaries				
Fazenda Pioneira Empr. Agr. Ltda	1,451	2,753	181	-
SLC Agrícola Centro-Oeste S.A.	6,003	6,729	23,491	-
Indirect subsidiaries				
Fazenda Perdizes Empr. Agr. Ltda	1,568	1,917	-	-
SLC MIT Empr. Agr. S.A.	2,368	3,546	23,167	52,467
Subsidiaries				
SLC Participações S.A.	21,359	-	8	45
Other related parties				
Fundação SLC	-	-	8,742	3,396
Instituto SLC	-	-	273	647
Total	32,749	14,945	55,862	56,555

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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, 2023, 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	222,778	15,251	13,980	11,716	12,807	13,999	155,025
Planorte	Sapezal - MT	459,228	15,317	18,045	17,246	17,155	17,003	374,462
Pamplona	Cristalina - GO	240,532	7,852	10,518	9,563	8,215	8,922	195,462
Planalto	Costa Rica - MS	355,234	11,402	13,555	12,185	12,148	12,194	293,750
Palmares	Barreiras - BA	109,434	7,124	7,303	6,844	6,796	6,172	75,195
Parnaguá	Santa Filomena - PI	92,721	1,318	2,646	2,657	3,219	3,245	79,636
Parceiro	Formosa do Rio Preto - BA	80,537	1,980	2,343	2,477	2,566	2,629	68,542
Paiaguás	Diamantino - MT	509,558	16,003	24,313	21,996	21,373	19,870	406,003
Planeste	Balsas - MA	120,206	9,171	13,466	12,736	12,424	12,470	59,939
Panorama	Correntina - BA	89,521	6,830	9,287	8,794	8,508	8,287	47,815
Piratini	Jaborandi - BA	126,188	9,707	9,363	9,074	8,588	8,195	81,261
Palmeira	Alto Parnaíba - MA	44,090	2,151	2,568	2,459	2,687	2,937	31,288
Matriz	Porto Alegre - RS	37,051	8,399	7,956	7,815	6,901	5,980	-
Total		2,487,078	112,505	135,343	125,562	123,387	121,903	1,868,378
Liabilities current		112,505						
Liabilities non current		2,374,573						

The book value represents the lease liability with future payment flows adjusted to present value, considering the nominal discount rate. The Company has opted to use the practical expedient of using the single discount rate according to the respective terms for contracts with similar characteristics. For this reason, it presents an average rate of 9.35%.

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

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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	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Management fee	(4,781)	(4,033)	(4,931)	(4,182)
Bonuses	(4,948)	(6,299)	(4,948)	(6,299)
Charges	(2,640)	(3,095)	(2,680)	(3,128)
Stock option plan	(2,055)	(1,878)	(2,055)	(1,878)
Other benefits	(21)	(19)	(21)	(19)
Total	(14,445)	(15,324)	(14,635)	(15,506)

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

At the Annual Shareholders' Meeting, held on April 27, 2023, the global annual remuneration of the Parent Company's administrators was approved, in the amount of up to R\$ 25,082, with distribution to be made by the Board of Directors. It should be noted that the subsidiaries, which are public limited companies, also have approval of global annual amounts for their administrators independently.

16 Suppliers

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Suppliers in national currency	156,141	498,186	208,431	704,433
Foreign currency suppliers	315,762	592,779	438,463	860,149
Total	471,903	1,090,965	646,894	1,564,582

The Group's exposure to foreign exchange risks related to accounts payable is disclosed in Note 24.c.

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17 Loans and financing

	Indexador	Average annual interest rates		Parent company		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Used in the property, plant and equipment							
Finame – BNDES	Pré	6.29%	6.11%	21,011	23,920	35,895	40.986
Subtotal				21,011	23,920	35,895	40.986
Aplicados no Capital de giro							
Rural credit	Pré	12.00%	12.00%	3,240	3,063	6,480	15.283
Rural credit	CDI	14.63%	14.63%	233,947	297,285	353,645	409.229
Rural credit	Swap CDI	12.74%	13.11%	641,485	173,016	693,735	221.970
Constitutional Funds	Pré	9.59%	-	60,199	-	60,199	-
Working capital	CDI	14.73%	14.81%	1,860,976	1,086,391	1,956,457	1.181.891
Working capital	Swap CDI	6.05%	-	194,133	-	194,133	-
Export financing	Pré	14.00%	-	51,679	-	51,679	-
Export financing	CDI	15.03%	15.06%	536,949	802,825	557,421	818.041
Export financing	Swap CDI	3.68%	2.01%	1,015,497	766,871	1,015,497	766.871
Subtotal				4,598,105	3,129,451	4,889,246	3.413.285
Total				4,619,116	3,153,371	4,925,141	3.454.271
Portion classified in current assets				1,928,553	1,137,091	2,098,862	1,281,537
Portion classified in non-current				2,690,563	2,016,280	2,826,279	2,172,734

Finame – BNDES – Investment Lines of the National Development Bank (BNDES). They are guaranteed by fiduciary alienation or pledge of the financed assets and by guarantee of the Company and SLC Participações S.A. (Parent Company). Amortizations are carried out on a monthly, semi-annual and annual basis, after the grace period, and will take place between the periods from 07/15/2023 to 05/15/2032.

Rural Credit – Resources intended for the costing and marketing of crops, whose rules, purposes and conditions are established in the Rural Credit Manual (MCR) prepared by the Central Bank of Brazil. They are guaranteed by the Company, and, in some operations, by the pledge of the crop. The periodicity of their depreciation is annual, with maturities between 07/11/2023 and 02/18/2026.

Constitutional Funds – Investment lines and working capital of Fundo do Nordeste (FNE). They are secured by pledge of vintage.

Working Capital – Line for the purpose of meeting the need for cash, amortizations are carried out on a semi-annual basis or according to the negotiated term, with maturities between the periods of 07/07/2023 and 02/27/2026, operations backed by inventory or production.

Export Financing – Export financing with short and long term lines raised in reais, euro or dollar indexed at a pre-fixed rate: CCE (Export Credit Note), NCE (Export Credit Note) and FINEX (Financing for Export) Export). The amortization periodicity is annual, semiannual or according to the negotiated term, with maturities between the periods from 07/03/2023 to 12/22/2025. They are guaranteed by the guarantee of the Company with a land mortgage or with a “clean” guarantee.

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

Years of maturity	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
2023	1,757,301	1,137,091	1,907,332	1,281,537
2024	575,228	651,053	652,351	728,176
2025	1,307,023	1,359,054	1,382,965	1,435,454
2026	974,278	1,583	975,010	2,315
After 2026	5,286	4,590	7,483	6,789
Total	4,619,116	3,153,371	4,925,141	3,454,271

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

18 Provision for environmental, civil, labor and tax 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 environmental, civil, labor and tax claims classified as probable loss, as the source of the following changes:

	Parenty Company				
	Environmental	Civil	Labor	Tributary	Total
Balance in December 31, 2022	40	54	2,790	613	3,497
Addition of provision	2	3	187	-	192
Reverse of provision	-	(3)	(760)	(613)	(1,376)
Balance in June 30, 2023	42	54	2,217	-	2,313

	Consolidated				
	Environmental	Civil	Labor	Tributary	Total
Balance in December 31, 2022	1,040	4,943	28,090	4,184	38,257
Addition of provision	173	1,706	4,752	227	6,858
Reverse of provision	-	(2,201)	(29,036)	(751)	(31,988)
Balance in June 30, 2023	1,213	4,448	3,806	3,660	13,127

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

Of the consolidated balance on June 30, 2023, recorded in this account contingent liabilities, R\$ 7,468 refers to lawsuits from SLC Centro-Oeste S.A. (formerly Terra Santa Agro S.A.) and, when effective payment is made, will be reimbursed to the Company, in accordance with the Association Agreement and Other Covenants.

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b) Contingents liabilities

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

Below is a breakdown of the Company's contingent liabilities as of June 30, 2023:

Nature	Parenty Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Environmental (i)	6,082	5,716	9,397	9,145
Civil (ii)	6,078	6,033	131,068	124,047
Labor (iii)	514	514	1,650	1,838
Tributary (iv)	41,154	38,730	156,027	153,841
Total	53,828	50,993	298,142	288,871

Contingent liabilities include the lawsuits of SLC Centro-Oeste S.A. (formerly Terra Santa Agro S.A.) in the amount of R\$ 182,116. Former shareholders are responsible for the integrity of contingent liabilities arising from taxable events prior to July 1, 2021.

(i) *Environmental actions*

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

(ii) *Civil*

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

(iii) *Labor lawsuits*

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

(iv) *Tax*

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

c) Contingents assets

In February 2020 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.

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.

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d) Judicial deposits

The Company's judicial deposits on June 30, 2023 and December 31, 2022, recorded under "other accounts receivable" in non-current assets, are as follows:

Nature	Parenty Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Civil	-	-	1,046	1,046
Labor	845	1,031	945	1,142
Tributary	756	1,407	965	1,673
Total	1,601	2,438	2,956	3,861

19 Deferred income and social contribution taxes

Deferred income tax and social contribution were constituted as follow:

Description	Parenty Company					
	06/30/2023			12/31/2022		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
<i>Assets:</i>						
Temporary differences:						
Provision for inventory losses	26,194	9,430	35,624	15,659	5,637	21,296
Provision for profit-sharing	9,367	3,372	12,739	17,925	6,453	24,378
Provision for tax losses	857	308	1,165	287	103	390
Operations with derivatives	4,154	1,495	5,649	-	-	-
Provision for Senar	1,340	482	1,822	1,291	465	1,756
Lease	-	-	-	48,629	17,506	66,135
Realized profit	14,284	5,142	19,426	21,452	7,723	29,175
Provision for ICMS credit losses	8,528	3,070	11,598	8,268	2,976	11,244
Others	3,199	1,154	4,353	8,000	2,881	10,881
Tax losses and negative basis	2,642	950	3,592	-	-	-
Total	70,565	25,403	95,968	121,511	43,744	165,255
<i>Liabilities:</i>						
Incentivized depreciation from rural activity	(251,013)	(90,365)	(341,378)	(227,218)	(81,798)	(309,016)
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	(3,156)	(1,136)	(4,292)	(3,408)	(1,227)	(4,635)
Derivative operations	-	-	-	(335)	(121)	(456)
Fair value of biological assets	(233,620)	(84,103)	(317,723)	(129,584)	(46,650)	(176,234)
Lease	(14,030)	(5,051)	(19,081)	-	-	-
Total	(505,566)	(182,004)	(687,570)	(364,292)	(131,145)	(495,437)
Total net	(435,001)	(156,601)	(591,602)	(242,781)	(87,401)	(330,182)
Classified in the non-current liabilities	(435,001)	(156,601)	(591,602)	(242,781)	(87,401)	(330,182)

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Description	Consolidated					
	06/30/2023			12/31/2022		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for inventory losses	32,236	11,605	43,841	18,190	6,548	24,738
Provision for profit-sharing	11,852	4,267	16,119	23,402	8,425	31,827
Provision to tax losses	916	330	1,246	344	124	468
Provision for Senar	1,381	497	1,878	1,368	492	1,860
Lease	-	-	-	68,522	24,668	93,190
Realized profit	14,284	5,142	19,426	21,452	7,723	29,175
Provision for ICMS credit losses	8,959	3,225	12,184	8,842	3,183	12,025
Others	6,271	2,259	8,530	11,423	4,114	15,537
Tax losses and negative basis	279,306	101,196	380,502	318,205	115,318	433,523
Total	355,205	128,521	483,726	471,748	170,595	642,343
Liabilities:						
Incentivized depreciation from rural activity	(318,140)	(114,408)	(432,548)	(289,641)	(104,148)	(393,789)
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	(25,556)	(13,087)	(38,643)	(25,946)	(13,233)	(39,179)
Fair value for investment property	(6,175)	(3,335)	(9,510)	(5,164)	(2,789)	(7,953)
Fair value of biological assets	(1,540)	(554)	(2,094)	(203,308)	(73,191)	(276,499)
Lease	(299,851)	(107,946)	(407,797)	-	-	-
Derivative operations	(40,434)	(15,090)	(55,524)	(20,444)	(8,077)	(28,521)
Added Value	(17,260)	(6,214)	(23,474)	(20,160)	(7,257)	(27,417)
Others	(11,704)	(4,256)	(15,960)	(18,931)	(6,856)	(25,787)
Total	(724,407)	(266,239)	(990,646)	(587,341)	(216,900)	(804,241)
Net total	(369,202)	(137,718)	(506,920)	(115,593)	(46,305)	(161,898)
Classified in non-current assets	164,302	59,145	223,447	207,221	74,598	281,819
Classified in the non-current liabilities	(533,504)	(196,863)	(730,367)	(322,814)	(120,903)	(443,717)

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

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

Anos	Parenty Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
2023	34,416	86,568	231,609	236,290
2024	27,705	75,066	160,216	164,600
2025	32,651	2,461	90,467	100,737
2026	1,196	1,160	1,434	108,496
2027	-	-	-	32,220
Total	95,968	165,255	483,726	642,343

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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			
	06/30/2023		06/30/2022	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	1,145,118	1,145,118	1,655,902	1,655,902
Income and social contribution taxes at the nominal rate of 25% and 9%, respectively	(286,280)	(103,061)	(413,976)	(149,031)
Adjustments for calculation of effective rate				
Equity income	86,495	31,138	90,159	32,458
Permanent additions	(3,133)	(683)	(5,169)	(1,273)
Other	3,239	268	9,300	673
Value recorded in the income	(199,679)	(72,338)	(319,686)	(117,173)
Total income and social contribution taxes		(272,017)		(436,859)
Deferred taxes		(93,742)		(275,357)
Current taxes		(178,275)		(161,502)
Effective rate		23.75%		26.38%
	Consolidated			
	06/30/2023		06/30/2022	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	1,296,918	1,296,918	1,840,342	1,840,342
Income and social contribution taxes at the nominal rate of 25% and 9%, respectively	(324,230)	(116,723)	(460,086)	(165,631)
Adjustments for calculation of effective rate				
Permanent additions and exclusions	(3,117)	(677)	(5,388)	(1,352)
Tax incentives of subsidiaries	3,984	399	9,016	315
Income and social contribution taxes in companies taxed by the deemed profit system	26,739	9,442	42,529	15,042
IFRS 16 effects	21,126	7,605	2,054	739
Other	1,680	548	3,730	1,335
Value recorded in the income	(273,818)	(99,406)	(408,145)	(149,552)
Total income and social contribution taxes		(373,224)		(557,697)
Deferred taxes		(144,972)		(375,099)
Current taxes		(228,252)		(182,598)
Effective rate		28.78%		30.30%

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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 06/30/2023
	Balance on 12/31/2022	Recognized in income	Recognized in comprehensive income	
Provision for inventory losses	21,296	14,328	-	35,624
Provision for profit-sharing	24,378	(11,639)	-	12,739
Provision to tax losses	390	775	-	1,165
Operations with derivatives	(456)	89,250	(83,145)	5,649
Provision for Senar	1,756	66	-	1,822
Others	10,881	(6,528)	-	4,353
Tax losses and negative basis	-	3,592	-	3,592
Realized profit	29,175	(9,749)	-	19,426
Provision for ICMS credit losses	11,244	354	-	11,598
Incentivized depreciation from rural activity	(309,016)	(32,362)	-	(341,378)
Bargain gain on acquisition of equity interest	(5,096)	-	-	(5,096)
Deemed cost from property, plant and equipment	(4,635)	343	-	(4,292)
Fair value of biological assets	(176,234)	(141,489)	-	(317,723)
APV - Lease liability	66,135	(85,216)	-	(19,081)
Total	(330,182)	(178,275)	(83,145)	(591,602)
Non-current liabilities	(330,182)			(591,602)

Description	Consolidated			Balance on 06/30/2023
	Balance on 12/31/2022	Recognized in income	Recognized in comprehensive income	
Provision for inventory losses	24,738	19,103	-	43,841
Provision for profit-sharing	31,827	(15,708)	-	16,119
Provision to tax losses	468	778	-	1,246
Operations with derivatives	(28,521)	89,767	(116,770)	(55,524)
Provision for Senar	1,860	18	-	1,878
Others	15,537	(7,007)	-	8,530
Realized profit	29,175	(9,749)	-	19,426
Tax losses and negative basis	433,523	(53,021)	-	380,502
APV - Lease liability	93,190	(95,284)	-	(2,094)
Provision for ICMS credit losses	12,025	159	-	12,184
Incentivized depreciation from rural activity	(393,789)	(38,759)	-	(432,548)
Bargain gain on acquisition of equity interest	(5,096)	-	-	(5,096)
Deemed cost from property, plant and equipment	(39,179)	536	-	(38,643)
Fair value for investment property	(7,953)	(1,557)	-	(9,510)
Fair value of biological assets	(276,499)	(131,298)	-	(407,797)
Added Value	(27,417)	3,943	-	(23,474)
Others	(25,787)	9,827	-	(15,960)
Total	(161,898)	(228,252)	(116,770)	(506,920)
Non-current assets	281,819			223,447
Non-current liabilities	(443,717)			(730,367)

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Income tax and social contribution payable

The balance of income tax and social contribution on income payable as of June 30, 2023 is R\$ 37 in the Parent Company and R\$ 22,474 in the Consolidated (R\$ 149,167 in the Parent Company and R\$ 159,219 in the Consolidated on December 31, 2022).

20 Securities payable (Consolidated)

Movements for the period on June 30, 2023 are shown below:

	<u>Consolidated</u>
Balance at December 31, 2022	100,378
Variation in the balance of segregated accounts ⁽¹⁾	(42,586)
Partnership Contracts	(3,819)
Land purchase	470,000
Land Payment	(180,000)
(-) AVP - land	(44,248)
Balance at June 30, 2023	299,725

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

On June 30, 2023 and December 31, 2022, we have the following breakdown of the securities payable account:

	<u>Consolidated</u>	
	<u>06/30/2023</u>	<u>12/31/2022</u>
Land purchase	252,368	11,568
Agricultural partnership	402	4,221
Variation in the balance of segregated accounts	46,520	63,242
Payable effective basket ⁽¹⁾	435	21,347
Total	299,725	100,378
Current liabilities	141,936	86,102
Non-current liabilities	157,789	14,276

⁽¹⁾ See explanatory note 9 receivables

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21 Equity

a) Capital stock

On June 30, 2023, the subscribed capital in the amount of R\$ 2,012,522 is represented by 225,822,738 common, nominative, book-entry shares with no par value.

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

Shareholder	Quantity of shares	
	06/30/2023	12/31/2022
SLC Participações S.A.	110,035,877	100,032,616
Management and related persons	12,173,459	11,697,057
Treasury shares	4,485,872	8,197,429
Other	99,127,530	92,495,497
Total shares of paid-in capital	225,822,738	212,422,599
(-) Treasury shares	(4,485,872)	(8,197,429)
Total shares - ex-treasury	221,336,866	204,225,170

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

On May 15, 2023, at the Annual General Meeting, the cancellation of 7,000,000 treasury shares was approved.

The balance of treasury shares on June 30, 2023 is R\$ 151,907 and consists of 4,485,872 shares (R\$ 280,170 on December 31, 2022, consisting of 8,197,429 shares).

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

	Treasury shares	
	In nº shares	In R\$
Balance at December 31, 2022	8,197,429	(280,170)
Acquisition of treasury shares	3,506,249	(104,031)
Canceled shares	(7,000,000)	217,654
Bonus	174,608	-
Shares exercised from option plans	(392,414)	14,640
Balance at June 30, 2023	4,485,872	(151,907)

The market value of treasury shares calculated based on the last stock exchange quote, prior to the period's closing date was R\$ 171,450 (R\$ 38,22 per share) on June 30, 2023 and R\$ R\$ 384,541 (R\$ 46.91 per share) as of December 31, 2022.

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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 42, 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 42 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, 2023 and December 31, 2022 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 and interest on equity

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 27, 2023, the Annual Shareholders' Meeting approved the individual and consolidated financial statements for the year ended December 31, 2022, including the allocation of the result for that year. Among them, the distribution of dividends was approved, referring to the year ended December 31, 2022, in the total amount of R\$ 601,926, equivalent to 50% of adjusted net income, corresponding to R\$ 2.947363 for each common share. Of this amount, R\$71 million has already been distributed as interest on equity, paid in January 2023, incorporated into the calculation of the mandatory dividend. As the remaining balance, the amount of R\$ 229,963 as mandatory minimum dividend and R\$ 300,963 as additional dividend, based on the total number of shares (204,225,170) subtracted from the total number of treasury shares (8,197,429). The payment of dividends will take place on May 18, 2023.

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.

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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.

	06/30/2023	06/30/2022
Numerator		
Net income for the year (a)	873,101	1,219,043
Denominator		
Weighted average of common shares (b)	206,263,197	207,891,757
Weighted average of common shares considering dilutive effects (c)	207,486,395	209,037,652
Basic income per common share (a/b)	4.23295	5.86384
Diluted income per common share (a/c)	4.20799	5.83169

j) Other comprehensive income

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

	06/30/2023	12/31/2022
<i>Hedge accounting</i>	349,752	174,504
Cost assigned fixed assets and fair value adjustment related to property for investments	1,145,102	1,106,028
Gain in the variation of interest	25,909	25,909
Other comprehensive income	1,520,763	1,306,441

22 Finance income (loss)

	Parent company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Financial income:				
Income from interest-earning bank deposits	45,506	19,698	75,258	41,296
Foreign exchange	195,813	273,281	225,281	390,929
Monetary variation	55	-	4,215	-
Gains with derivative operations	6,457	118,923	6,299	155,453
Others	252	647	355	7,255
Total	248,083	412,549	311,408	594,933
Financial expenses:				
Interest paid	(191,566)	(143,098)	(212,909)	(157,610)
Foreign exchange	(73,213)	(184,829)	(89,868)	(268,390)
APV - Liabilities Lease	(197,626)	(200,993)	(138,416)	(141,873)
APV - Securities Payable	-	-	(11,492)	-
Losses with derivative operations	(171,703)	(235,507)	(172,789)	(287,741)
Others	(4,614)	(5,462)	(6,296)	(22,893)
Total	(638,722)	(769,889)	(631,770)	(878,507)
Financial income (loss)	(390,639)	(357,340)	(320,362)	(283,574)

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23 Commitments

a) Sales contracts for future delivery

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

Product	Parent Company					
	Delivery Date	Quantity	Agreements	Unit	Currency	Price
<u>2021/22 crop</u>						
Cotton lint	Jul/23	18,629	40	ton	US\$/Ton	1,842.28
Cotton lint	Jul/23	28	1	ton	R\$/Ton	6,000.00
<u>2022/23 crop</u>						
Cotton lint	Ago/23-Jul/24	155,200	41	ton	US\$/Ton	2,045.73
Corn	Jul/23-Ago/23	338,333	4	bag	R\$/SC	74.24
Corn	Jul/23-Set/23	7,489,004	57	bag	US\$/SC	10.29
Soybean	Jul/23-Set/23	185,961	12	bag	R\$/SC	139.11
Soybean	Jul/23-Set/23	649,570	15	bag	US\$/SC	25.94
<u>2023/24 crop</u>						
Cotton lint	Ago/24-Dez/24	4,483	1	ton	US\$/Ton	1,547.41
Corn	Jul/24	400,000	1	bag	R\$/SC	49.59
Corn	Jul/24-Set/24	1,950,000	10	bag	US\$/SC	8.34
Soybean	Jan/24-Mar/24	370,489	10	bag	R\$/SC	112.00
Soybean	Jan/24-Mar/24	3,470,000	21	bag	US\$/SC	22.36

Product	Consolidated					
	Delivery Date	Quantity	Agreements	Unit	Currency	Price
<u>2021/22 crop</u>						
Cotton lint	Jul/23	29,202	67	ton	US\$/Ton	1,842.34
Cotton lint	Jul/23	122	4	ton	R\$/Ton	6,000.00
<u>2022/23 crop</u>						
Cotton lint	Ago/23-Jul/24	205,050	61	ton	US\$/Ton	2,031.61
Corn	Jul/23-Nov/23	346,667	5	bag	R\$/SC	73.41
Corn	Jul/23-Nov/23	10,573,545	96	bag	US\$/SC	10.11
Soybean	Jul/23-Set/23	198,411	16	bag	R\$/SC	137.49
Soybean	Jul/23-Set/23	814,232	20	bag	US\$/SC	26.52
<u>2023/24 crop</u>						
Cotton lint	Ago/24-Dez/24	4,483	1	ton	US\$/Ton	1,547.41
Corn	Jun/24-Set/24	400,000	1	bag	R\$/SC	49.59
Corn	Jun/24-Set/24	2,765,000	17	bag	US\$/SC	8.01
Soybean	Jan/24-Mar/24	370,489	10	bag	R\$/SC	112.00
Soybean	Jan/24-Mar/24	4,385,000	28	bag	US\$/SC	22.07

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b) Third party lease agreements

As of June 30, 2023, the Company and its subsidiaries have third-party lease agreements for land, lease of vehicles, machinery and buildings, thus distributed:

Unit	Location	Currency	Lease liability (CPC 06) (IFRS 16)	
			06/30/2023	12/31/2022
Palmares	Barreiras - BA	R\$	91,655	147,517
Panorama	Correntina - BA	R\$	63,926	116,291
Paladino	São Desidério - BA	R\$	6,705	33,313
Parceiro	Formosa do Rio Preto - BA	R\$	39,665	47,904
Paysandu	São Desidério - BA	R\$	250,490	484,636
Piratini	Jaborandi - BA	R\$	997	257
Pantanal	Chapadão do Céu - GO e Chapadão do Sul - MS	R\$	467,822	602,455
Pamplona	Cristalina - GO	R\$	45,534	59,057
Planeste	Balsas - MA	R\$	78,787	174,040
Parnaíba	Tasso Fragoso - MA	R\$	81,873	78,483
Palmeira	Alto Parnaíba - MA	R\$	89,460	66,006
Paiguás	Diamantino - MT	R\$	176,905	284,182
Planorte	Sapezal - MT	R\$	7,042	7,224
Perdizes	Porto dos Gaúchos - MT	R\$	4,981	5,131
Pioneira	Querência - MT	R\$	1,633	726
Planalto	Costa Rica - MS	R\$	18,629	17,130
Pejuçara	São José do Rio Claro e Diamantino - MT	R\$	3,705	62,459
Pampeira	Novo Parecis - MT	R\$	444,753	432,444
Piracema	Diamantino - MT	R\$	204,202	206,883
Pirapora	Santa Rita do Trivelato - MT	R\$	135,097	144,306
Próspera	Taboporã, Nova Canaã do Norte e Itaúba - MT	R\$	292,482	267,521
Parnaguá	Santa Filomena - PI	R\$	64	2,158
Matriz	Porto Alegre - RS	R\$	14,866	13,924
Total			2,521,273	3,254,047
Liabilities current			244,888	523,573
Liabilities non-current			2,276,385	2,730,474

Liabilities for land and cotton leasing have a average discount rate of 8.93%. For other lease liabilities (machinery, buildings and vehicles), we have a average discount rate of 11.93%.

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

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

c) Leases payable

The Company has a balance of R\$ 1,134 of lease payable, which is not included in CPC 06. The amount refers to the additional productivity of Fazenda Paladino, headquartered in the city of São Desidério in the state of Bahia.

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24 Management of risks and financial instruments

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

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

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

The estimated fair value of the long-term loans of the parent company and consolidated at June 30, 2023 was R\$ 2,768,999 and R\$ 2,858,055, respectively, calculated at prevailing market rates, considering the nature, term and risks similar to those of the contracts recorded, and can be compared with the book value of R\$ 2,690,563 and R\$ 2,826,279.

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

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

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The table below presents the carrying amount of financial assets and liabilities:

	Parent company	
	Book value	
	06/30/2023	12/31/2022
Assets		
<u>Fair value through profit or loss</u>		
Cash and cash equivalents	701,008	845,445
Short term financial Investments	1,044	747
Subtotal	702,052	846,192
<u>Amortized cost</u>		
Trade accounts receivable	172,447	123,834
Receivables from related parties	9,499	63,637
Subtotal	181,946	187,471
<u>Fair value of hedge instruments</u>		
Operations with Derivatives	317,105	243,238
Subtotal	317,105	243,238
Total assets	1,201,103	1,276,901
Liabilities		
<u>Liabilities at the amortized cost</u>		
Loans and financing	4,619,116	3,153,371
Suppliers	471,903	1,090,965
Payables to related parties	11,489	6,386
Liabilities - lease with related parties	2,487,078	2,840,916
Third-party lease liability	1,425,870	2,099,182
Other accounts payable	195,666	482,630
Subtotal	9,211,122	9,673,450
<u>Fair value of hedge instruments</u>		
Derivatives payable	251,227	157,394
Subtotal	251,227	157,394
Total liabilities	9,462,349	9,830,844

The fair value of the above financial instruments approximates the book value, except for loans and financing whose fair value on June 30, 2023 is R\$ 4,657,821 (R\$ 3,222,659 on December 31, 2022). The measurement is classified as level 2 - quoted prices for identical or similar assets or liabilities in markets that are not active.

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	Consolidated	
	Book value	
	06/30/2023	12/31/2022
Assets		
<u>Fair value through profit or loss</u>		
Cash and cash equivalents	1,160,785	1,235,775
Short term financial Investments	1,044	747
Subtotal	1,161,829	1,236,522
<u>Amortized cost</u>		
Trade accounts receivable	198,721	174,291
Receivables from related parties	26,533	57,502
Subtotal	225,254	231,793
<u>Fair value of hedge instruments</u>		
Operations with Derivatives	501,687	334,405
Subtotal	501,687	334,405
Total assets	1,888,770	1,802,720
Liabilities		
<u>Liabilities at the amortized cost</u>		
Loans and financing	4,925,141	3,454,271
Suppliers	646,894	1,564,582
Payables to related parties	3,206	2,482
Other accounts payable	336,271	582,502
Liabilities - lease with related parties	2,521,273	3,254,047
Third-party lease liability	1,134	14,146
Titles to pay	299,725	100,378
Subtotal	8,733,644	8,972,408
<u>Fair value of hedge instruments</u>		
Derivatives payable	251,506	160,131
Subtotal	251,506	160,131
Total liabilities	8,985,150	9,132,539

The fair value of the above financial instruments approximates the book value, except for loans and financing whose fair value on June 30, 2023 is R\$ 4,913,928 (R\$ 3,471,552 on December 31, 2022). The measurement is classified as level 2 - quoted prices for identical or similar assets or liabilities in markets that are not active.

a) Policy of use, objectives and strategies

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

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

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

Forward contract (NDF) and commodity swap transactions (see note 24.i) 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.

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	06/30/2023	12/31/2022	Currency	06/30/2023	12/31/2022
Forward contracts (NDF):						
Foreign currency - Short position						
Maturity in 2023	USD	498,558	757,878	R\$	302,737	222,044
Maturity in 2024	USD	221,400	172,790	R\$	127,454	35,587
Total	USD	719,958	930,668	R\$	430,191	257,631

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

Maturity	Currency	Forward Contracts (NDF)
Up to 09/30/2023	R\$	153,566
Up to 12/31/2023	R\$	149,171
Up to 03/31/2024	R\$	71,608
Up to 06/30/2024	R\$	5,674
Up to 09/30/2024	R\$	39,725
Up to 12/31/2024	R\$	10,447
Total	R\$	430,191

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

Description	Reference value (notional)			Fair value		
	Currency	06/30/2023	12/31/2022	Currency	06/30/2023	12/31/2022
XP Investimentos S.A.	USD	161,398	208,227	R\$	53,241	51,714
Banco Itaú BBA S/A	USD	130,455	168,295	R\$	136,004	60,961
Banco do Brasil S.A.	USD	111,450	193,350	R\$	27,703	36,717
Banco Safra S.A.	USD	75,790	86,340	R\$	62,036	37,063
Morgan Stanley S/A	USD	74,040	-	R\$	30,840	-
Banco Votorantim S/A	USD	49,715	37,055	R\$	29,466	12,816
Banco Santander Brasil S/A	USD	33,860	42,430	R\$	31,058	20,419
Banco BTG Pactual S.A.	USD	31,200	54,120	R\$	24,797	7,897
Banco J.P. Morgan S/A	USD	23,440	60,391	R\$	10,084	9,328
Banco BNP Paribas Brasil S.A.	USD	12,900	12,900	R\$	13,213	4,169
BR Partners Banco de Investimento S.A.	USD	7,070	28,260	R\$	5,992	3,061
Banco ABC Brasil S.A.	USD	4,740	4,040	R\$	2,927	(118)
Banco Bradesco S/A	USD	2,800	35,260	R\$	2,248	13,604
Rabobank International Brasil S.A.	USD	1,100	-	R\$	582	-
Total	USD	719,958	930,668	R\$	430,191	257,631

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

Risks of exchange rate variation

The Company projected the potential impact of foreign exchange hedging operations and indebtedness in dollars in five scenarios for the years 2023 and 2024, as follows:

- Probable Scenario: Based on the FOCUS report (BACEN) released on June 30, 2023, we have defined the probable scenario with the dollar quotation of R\$ 5.0000 varying to the Ptax rate of R\$ 4.8584 on June 30, 2023.
- Exchange rate Decrease of 25%: in this scenario the operations would be settled at the rate of R\$ 3.7500, equivalent to 25% lower than the rate in the Probable Scenario.
- Decrease of 50% in the exchange rate: in this scenario the operations would be settled at the rate of R\$ 2.5000, equivalent to 50% less than the rate in the Probable Scenario.
- Increase of 25% in the exchange rate: in this scenario the operations would be settled at the rate of R\$ 6.2500, equivalent to 25% higher than the rate in the Probable Scenario.

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- Increase of 50% in the exchange rate: in this scenario the operations would be settled at the rate of R\$ 7.5000, equivalent to 50% higher than the rate in the Probable Scenario.

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

Description	Parent company				
	Remote scenario Quotation R\$	Possible scenario Quotation R\$	Scenario by the closing price of the fiscal period Quotation R\$	Possible scenario Quotation R\$	Remote scenario Quotation R\$
Year 2023	2,5000	3,7500	4,8584	6,2500	7,5000
Highly probable estimated revenue in USD (1)	(1,186,608)	(593,304)	(67,209)	593,304	1,186,608
Estimated commitments in USD (2)	469,150	234,575	26,573	(234,575)	(469,150)
Forward Contracts (NDF) (3)	420,250	210,125	23,803	(210,125)	(420,250)
Net exposure in USD (1)-(2)-(3)	(297,208)	(148,604)	(16,833)	148,604	297,208
Year 2024					
Highly probable estimated revenue in USD (1)	(2,143,095)	(1,071,548)	(121,385)	1,071,548	2,143,095
Estimated commitments in USD (2)	66,025	33,013	3,740	(33,013)	(66,025)
Forward Contracts (NDF) (3)	298,000	149,000	16,879	(149,000)	(298,000)
Net exposure in USD (1)-(2)-(3)	(1,779,070)	(889,535)	(100,766)	889,535	1,779,070
Total	(2,076,278)	(1,038,139)	(117,599)	1,038,139	2,076,278

Description	Consolidated Scenario by the closing price of the fiscal period				
	Remote scenario Quotation R\$	Possible scenario Quotation R\$	Scenario by the closing price of the fiscal period Quotation R\$	Possible scenario Quotation R\$	Remote scenario Quotation R\$
Year 2023	2,5000	3,7500	4,8584	6,2500	7,5000
Highly probable estimated revenue in USD (1)	(1,672,878)	(836,439)	(94,752)	836,439	1,672,878
Estimated commitments in USD (2)	644,570	322,285	36,508	(322,285)	(644,570)
Forward contracts (NDF) (3)	601,825	300,913	34,087	(300,913)	(601,825)
Net exposure in USD (1)-(2)-(3)	(426,483)	(213,241)	(24,157)	213,241	426,483
Year 2024					
Highly probable estimated revenue in USD (1)	(2,970,823)	(1,485,411)	(168,267)	1,485,411	2,970,823
Estimated commitments in USD (2)	136,525	68,263	7,733	(68,263)	(136,525)
Forward contracts (NDF) (3)	416,975	208,488	23,617	(208,488)	(416,975)
Net exposure in USD (1)-(2)-(3)	(2,417,323)	(1,208,660)	(136,917)	1,208,660	2,417,323
Total	(2,843,806)	(1,421,901)	(161,074)	1,421,901	2,843,806

The following shows the net exposure to currency risk:

	Parent company			
	06/30/2023		12/31/2022	
	Amount in Reais (R\$)	Amount in Dólares (USD)	Amount in Reais (R\$)	Amount in Dólares (USD)
Trade accounts receivable (note 5)	50,247	10,429	86,648	16,607
Suppliers (note 16)	(315,762)	(65,539)	(592,779)	(113,609)
Net exposure of the shareholders' equity	(265,515)	(55,110)	(506,131)	(97,002)

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	Consolidated			
	06/30/2023		12/31/2022	
	Amount in Reais (R\$)	Amount in Dólares (USD)	Amount in Reais (R\$)	Amount in Dólares (USD)
Trade accounts receivable (note 5)	61,828	12,833	121,304	23,249
Suppliers (note 16)	(438,463)	(91,007)	(860,149)	(164,852)
Net exposure of the shareholders' equity	(376,635)	(78,174)	(738,845)	(141,603)

d) Price risk

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

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

Description	Reference value (notional)			Fair value		
	Currency	06/30/2023	12/31/2022	Currency	06/30/2023	12/31/2022
Year of Maturity at 2023						
Financial operations						
Commodities – Cotton	USD	28,373	63,336	R\$	12,791	34,249
Commodities - Fat ox	USD	85,637	11,479	R\$	6,206	123
Total	USD	114,010	74,815	R\$	18,997	34,372
Year of Maturity at 2024						
Financial operations						
Commodities - Cotton	USD	14,953	1,841	R\$	3,994	2,533
Commodities - Soybean	USD	1,049	-	R\$	5,056	
Total	USD	16,002	1,841	R\$	9,050	2,533
Grand total	USD	130,012	76,656	R\$	28,047	36,905

Commodity price risk

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

- Probable Scenario: Based on the closing price on 06/30/2023 of the reference future contract on the stock exchange where production is priced.
- 25% drop in the price of the reference futures contract on the exchange where production is priced.
- 50% drop in the price of the reference futures contract on the exchange where production is priced.

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- 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\$ 4.8584 by the PTAX sale at the end of June 30, 2023:

Description	Income variation highly to price scenarios				
	Remote scenario -50%	Possible scenario -25%	Probable scenario	Possible scenario +25%	Remote scenario +50%
Cotton - Year 2023					
Highly probable income	2,921,634	3,007,758	3,093,883	3,180,007	3,266,131
Highly probable income protected	2,749,386	2,749,385	2,749,386	2,749,386	2,749,386
Net exposure	172,248	258,373	344,497	430,621	516,745
Change in net exposure	(172,248)	(86,124)	-	86,124	172,248
Soybean - Year 2023					
Highly probable income	2,543,875	2,682,198	2,820,522	2,958,845	3,097,169
Highly probable income protected	2,267,228	2,267,228	2,267,228	2,267,228	2,267,228
Net exposure	276,647	414,970	553,294	691,617	829,941
Change in net exposure	(276,647)	(138,323)	-	138,323	276,647
Livestock - Year 2023					
Highly probable income	1,002,371	1,414,781	1,827,191	2,239,601	2,652,010
Highly probable income protected	177,552	177,552	177,552	177,552	177,552
Net exposure	824,819	1,237,229	1,649,639	2,062,049	2,474,458
Change in net exposure	(824,819)	(412,410)	-	412,410	824,819
Cotton - Year 2024					
Highly probable income	1,871,036	2,651,738	3,432,441	4,213,143	4,993,846
Highly probable income protected	309,631	309,630	309,631	309,630	309,631
Net exposure	1,561,405	2,342,108	3,122,810	3,903,513	4,684,215
Change in net exposure	(1,561,405)	(780,703)	-	780,703	1,561,405
Soybean - Year 2024					
Highly probable income	1,343,619	1,635,021	1,926,423	2,217,825	2,509,226
Highly probable income protected	760,816	760,816	760,816	760,816	760,816
Net exposure	582,803	874,205	1,165,607	1,457,009	1,748,410
Change in net exposure	(582,803)	(291,402)	-	291,402	582,803

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.

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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
Bradesco	Swap of R\$ 153MM (Active FX Var / Passive CDI+Prefixed)	Debt of USD 30MM at rates of 6,02% p.a.	(16,414)	(13,758)	(2,656)
Itaú	Swap of R\$ 250MM (Active FX Var / Passive CDI+Prefixed)	Debt of R\$ 250MM at rates of 12,83% p.a.	7,661	(897)	8,558
Itaú	Swap of R\$ 200MM (Active FX Var / Passive CDI+Prefixed)	Debt of USD 39,2MM at rates of 6,05% p.a.	(25,222)	(18,465)	(6,757)
Itaú	Swap of R\$ 150MM (Active FX Var / Passive CDI+Prefixed)	Debt of R\$ 150MM at rates of 12,85% p.a.	(1,459)	(1,860)	401
Itaú	Swap of R\$ 150MM (Active FX Var / Passive CDI+Prefixed)	Debt of USD 28,6MM at rates of 2,153% p.a.	(25,325)	(18,517)	(6,808)
Itaú	Swap of R\$ 103MM (Active FX Var / Passive CDI+Prefixed)	Debt of R\$ 103MM at rates of 12,15% p.a.	1,303	(266)	1,569
Itaú	Swap of R\$ 97MM (Active FX Var / Passive CDI+Prefixed)	Debt of R\$ 97MM at rates of 12,20% p.a.	1,343	(245)	1,588
Itaú	Swap of R\$ 45MM (Active Prefixed / Passive CDI+Prefixed)	Debt of R\$ 45MM at rates of 14,04% p.a.	478	(544)	1,022
Rabobank	Swap of R\$ 107,3MM (Active FX Var / Passive CDI+Prefixed)	Debt of USD 20MM at rates of 1,95% p.a.	(39,084)	(33,531)	(5,553)
Rabobank	Swap of R\$ 100MM (Active FX Var / Passive CDI+Prefixed)	Debt of USD 18,9MM at rates of 1,87% p.a.	(16,176)	(10,081)	(6,095)
Santanofr	Swap of R\$ 314,7MM (Active FX Var / Passive CDI+Prefixed)	Debt of USD 60MM at rates of 5,54% p.a.	(41,069)	(34,764)	(6,305)
Votorantim	Swap of R\$ 165MM (Active FX Var / Passive CDI+Prefixed)	Debt of USD 30MM at rates of 2,3% p.a.	(29,889)	(21,483)	(8,406)
Votorantim	Swap of R\$ 112,6MM (Active FX Var / Passive CDI+Prefixed)	Debt of USD 20MM at rates of 2,15% p.a.	(29,151)	(22,956)	(6,195)
Total			(213,004)	(177,367)	(35,637)

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, 2023, 5 different scenarios were defined. Based on the FOCUS report (Bacen) of June 30, 2023 we have defined the key figures for CDI. Foreign Exchange and IPCA. Based on this information we defined the Probable Scenario for the analysis and from this we calculated the variations of 25% and 50%. For each scenario, the financial expense or gross financial revenue was considered, not considering the incidence of taxes and the flow of maturities of debts and redemptions of financial investments scheduled for 2023. The base date for the portfolio was June 30, 2023, projecting the indexers for one year and checking their sensitivity in each scenario.

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

	Interest rate (¹)	Balance on 06/30/2023	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Debt in reais - prefixed rate							
Rural credit	12.00%	6,480	N/A	N/A	N/A	N/A	N/A
Constitutional Funds	9.59%	60,199	N/A	N/A	N/A	N/A	N/A
BNDES	6.29%	35,895	N/A	N/A	N/A	N/A	N/A
Export Financing	14.00%	51,679	N/A	N/A	N/A	N/A	N/A
Debt in reais – post-fixed rate							
Rural credit	107.19% CDI	353,645	(27,190)	(39,258)	(51,326)	(63,394)	(75,462)
Working Capital	107.94% CDI	1,956,457	(152,180)	(218,944)	(285,708)	(352,472)	(419,236)
Export financing	110.09% CDI	557,421	(44,799)	(63,821)	(82,843)	(101,865)	(120,887)
Debits in dólares							
PPE	2.24%	242,382	N/A	N/A	N/A	N/A	N/A
NCE	3.71%	339,265	N/A	N/A	N/A	N/A	N/A
4131	2.15%	138,861	N/A	N/A	N/A	N/A	N/A
FINEX	5.54%	294,989	N/A	N/A	N/A	N/A	N/A
CPR-F	6.05%	194,133	N/A	N/A	N/A	N/A	N/A
Pre-swapped debts							
Rural credit	12.74%	693,735	N/A	N/A	N/A	N/A	N/A

(¹) Average annual rates.

Swap	Interest rate (¹)	Balance on 06/30/2023	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Swap FX VAR x CDI + Prefixed (²)	Active: 1,95% p.a. Passive: CDI + 1,20% p.a.	(39,084)	3,136	4,470	5,804	7,138	8,471
Swap Prefixed x CDI + Prefixed (²)	Active: 14,04% p.a. Passive: CDI + 1,40% p.a.	478	(39)	(56)	(72)	(88)	(105)
Swap Prefixed x CDI + Prefixed (²)	Active: 12,85% p.a. Passive: CDI + 1,12% p.a.	(1,459)	116	166	216	265	315
Swap FX VAR x CDI + Prefixed (²)	Active: 6,05% p.a. Passive: CDI + 1,17% p.a.	(25,222)	2,017	2,877	3,738	4,599	5,459
Swap FX VAR x CDI + Prefixed (²)	Active: 5,54% p.a. Passive: CDI + 0,40% p.a.	(41,069)	2,967	4,369	5,770	7,172	8,573
Swap FX VAR x CDI + Prefixed (²)	Active: 6,02% p.a. Passive: CDI + 0,055% p.a.	(16,414)	1,129	1,689	2,250	2,810	3,370
Swap FX VAR x CDI + Prefixed (²)	Active: 2,15% p.a. Passive: CDI + 1,25% p.a.	(25,325)	2,045	2,909	3,773	4,638	5,502
Swap FX VAR x CDI + Prefixed (²)	Active: 2,30% p.a. Passive: CDI + 1,02% p.a.	(29,889)	2,345	3,365	4,385	5,405	6,425
Swap FX VAR x CDI + Prefixed (²)	Active: 2,15% p.a. Passive: CDI + 0,95% p.a.	(29,151)	2,266	3,261	4,256	5,251	6,246
Swap Prefixed x CDI + Prefixed (²)	Active: 12,83% p.a. Passive: CDI + 1,20% p.a.	7,661	(615)	(876)	(1,138)	(1,399)	(1,660)
Swap Prefixed x CDI + Prefixed (²)	Active: 12,15% p.a. Passive: CDI + 1,30% p.a.	1,303	(106)	(150)	(195)	(239)	(284)
Swap Prefixed x CDI + Prefixed (²)	Active: 12,20% p.a. Passive: CDI + 1,30% p.a.	1,343	(109)	(155)	(201)	(247)	(292)
Swap FX VAR x CDI + Prefixed (²)	Active: 1,87% p.a. Passive: CDI + 1,15% p.a.	(16,176)	1,290	1,842	2,394	2,946	3,498
Financial Investments							
CDB and Committed	101,13%	1,155,349	87,003	130,505	174,006	217,508	261,010

(¹) Average annual rates.

(²) Amounts refer to the calculation of the adjustment of the transaction on June 30, 2023.

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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, 2023, the balance is R\$ 172,477 in the Parent Company and R\$ 198,721 in the consolidated (R\$ 123,834 in the Parent Company and R\$ 174,291 in the consolidated at December 31, 2022).

g) Liquidity risk

The gross outflows, disclosed below, represent the contractual undiscounted cash flows related to derivative and non-derivative financial liabilities held for risk management purposes and that are not normally closed before the contractual maturity.

The table presents net cash flows for cash derivatives settled by net exposure and gross cash outflows for derivatives that have simultaneous gross settlement.

	Parent company							
	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, 2023								
Financial liabilities								
Non Derivatives								
Loans and financing	4,619,116	5,309,265	2,021,014	2,635,233	644,450	2,241	1,393	4,934
Suppliers	471,903	471,903	471,903	-	-	-	-	-
Lease liabilities	3,912,948	7,145,836	461,223	629,091	584,183	567,584	543,293	4,360,462
Subtotal	9,003,967	12,927,004	2,954,140	3,264,324	1,228,633	569,825	544,686	4,365,396
Derivatives								
Operations with Derivatives	(65,878)	(65,878)	(47,449)	(18,429)	-	-	-	-
Subtotal	(65,878)	(65,878)	(47,449)	(18,429)	-	-	-	-
Total	8,938,089	12,861,126	2,906,691	3,245,895	1,228,633	569,825	544,686	4,365,396

	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, 2023								
Financial liabilities								
Non Derivatives								
Loans and financing	4,925,141	5,640,172	2,186,017	2,797,437	645,328	3,149	2,334	5,907
Suppliers	646,894	646,894	646,894	-	-	-	-	-
Securities payable	299,725	299,725	141,936	157,789	-	-	-	-
Lease liabilities	2,521,273	4,932,597	361,462	467,860	420,192	397,275	376,544	2,909,264
Subtotal	8,393,033	11,519,388	3,336,309	3,423,086	1,065,520	400,424	378,878	2,915,171
Derivatives								
Operations with Derivatives	(250,181)	(250,181)	(209,011)	(41,170)	-	-	-	-
Subtotal	(250,181)	(250,181)	(209,011)	(41,170)	-	-	-	-
Total	8,142,852	11,269,207	3,127,298	3,381,916	1,065,520	400,424	378,878	2,915,171

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

On February 23, 2021, S&P Global Ratings released a new corporate rating for the Company, classifying it as “[br AA]” in the national scale category (Brazil). On June 30, 2023, a review was carried out, with the rating remaining stable at [br AA].

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	
		06/30/2023	12/31/2022		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Hedge operations for exchange rates								
Non Deliverable Forwards - 24.c	USD	719,958	930,668	R\$	430,191	264,969	-	7,338
Subtotal	USD	719,958	930,668	R\$	430,191	264,969	-	7,338
Hedge operations for products								
Cotton - Financial operations - 24.d	USD	43,326	65,177	R\$	27,783	41,017	6,049	4,235
Soybean - Financial operations - 24.d		1,049	-		6,385	-	235	-
Herd - Financial operations - 24.d	USD	85,637	11,479	R\$	5,459	144	347	21
Subtotal	USD	130,012	76,656	R\$	39,627	41,161	6,631	4,256
Hedge operations for inputs								
Swap FX Var+Prefixed x CDI+Prefixed - 24.e	USD	246,686	136,342	R\$	-	5,164	222,331	126,903
Subtotal	USD	246,686	136,342	R\$	-	5,164	222,331	126,903
Hedge operations for inputs								
Swap FX Var+Prefixed x CDI+Prefixed - 24.e	EUR	-	7,937	R\$	-	4,813	-	-
Subtotal	EUR	-	7,937	R\$	-	4,813	-	-
Interest protection operations								
Swap Prefixed x CDI+Prefixed	BRL	645,000	195,000	R\$	31,869	18,298	22,544	21,634
Subtotal	BRL	645,000	195,000	R\$	31,869	18,298	22,544	21,634
Total				R\$	501,687	334,405	251,506	160,131
Portion classified in current assets				R\$	419,646	272,728	210,635	139,585
Portion in non-current liabilities				R\$	82,041	61,677	40,871	20,546

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i) Gains/losses on derivative transactions

The following table presents the consolidated gains and losses on derivative transactions in the period, 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		06/30/2023	Movement	12/31/2022
		06/30/2023	06/30/2022	06/30/2023	06/30/2022			
Foreign exchange hedge operations								
Non deliverable forwards	R\$	235,866	200,225	2,083	(11,716)	624,003	340,710	283,293
Sub-total	R\$	235,866	200,225	2,083	(11,716)	624,003	340,710	283,293
Hedge operations for commodities								
Agricultural commodities swap	R\$	12,963	(290,510)	(37)	1,005	32,051	(2,676)	34,727
Sub-total	R\$	12,963	(290,510)	(37)	1,005	32,051	(2,676)	34,727
Interest Hedge Transactions								
Swap Prefixed x CDI+Prefixed	R\$	-	-	(3,264)	(5,057)	13,137	15,925	(2,788)
Swap IPCA+Prefixed x CDI+Prefixed	R\$	-	-	-	9,795	-	-	-
Swap FX Var+Prefixed xCDI+Prefixed	R\$	-	-	(165,272)	(126,315)	(48,774)	(10,518)	(38,256)
Sub-total	R\$	-	-	(168,536)	(121,577)	(35,637)	5,407	(41,044)
Total		248,829	(90,285)	(166,490)	(132,288)	620,417	343,441	276,976

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, 2023.

	Parent company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2023
Short and long-term loans and financing	4,619,116	3,153,371	4,925,141	3,454,271
(-) Cash and cash equivalents and short-term interest earnings bank deposits	(702,052)	(846,192)	(1,161,829)	(1,236,522)
Gains and losses on derivatives linked to investments and debt	213,483	119,791	213,005	-
Net debt	4,130,547	2,426,970	3,976,317	2,217,749
Shareholders' equity	5,298,879	4,598,797	5,651,253	4,896,432
Financial leverage index	77.95%	52.77%	70.36%	45.29%

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25 Share-based payments

a) Stock option plan

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

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

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

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

<u>Grant date</u>	<u>Plan ⁽¹⁾</u>	<u>Number of shres granted</u>
11/13/2018	2018	195,893
11/13/2019	2019	613,750
11/06/2020	2020	637,450
11/10/2021	2021	773,100
11/04/2022	2022	811,000

⁽¹⁾ The 2018 to 2022 plans have their number of shares granted before the capital split.

The movements of the shares granted in the 2018, 2019, 2020, 2021 and 2022 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 06/30/2023</u>
		<u>Balance in 12/31/2022</u>	<u>Bonus⁽¹⁾</u>	<u>Canceled</u>	<u>Exercised</u>	
2018	R\$ 46.25	53,346	2,940	(6,435)	(29,500)	20,351
2019	R\$ 14.23	333,577	7,486	(26,381)	(232,332)	82,350
2020	R\$ 20.03	577,738	43,989	(24,997)	(113,282)	483,448
2021	R\$ 41.23	827,653	71,675	(33,612)	(17,300)	848,416
2022	R\$ 40.27	796,750	77,870	(18,000)	-	856,620
Total		2,589,064	203,960	(109,425)	(392,414)	2,291,185

⁽¹⁾ Plan balances from 2018 to 2022 were subsidized by 10% according to the AGOE of April 24, 2023.

At the Ordinary and Extraordinary General Meeting held on April 27, 2023, the share bonus was approved, as a result of the increase in the Company's capital stock, 21,242,259 (twenty-one million, two hundred and forty-two thousand, two hundred and fifty-nine) registered common shares, book-entry and without par value, which will be attributed to the holders of shares, as bonus shares, at the rate of 10% (ten percent), corresponding to 1 (one) new share for every 10 (ten) common shares held on the base date. Shares held in treasury will also be subsidized.

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The Strike price of the 2018, 2019, 2020, 2021 and 2022 annual programs were set based on the average of the 90 closing prices of the Company's shares at Bovespa, prior to the approval of the plan, with a 20% discount.

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

Grace periods beginning as of grant date	% of options released to be exercised	Maximum quantity of shares
As from – 11/13/2019	1%	6,105
As from – 11/12/2020	5%	36,915
As from – 11/06/2021	11%	181,950
As from – 11/12/2021	15%	214,795
As from – 11/06/2022	22%	359,829
As from – 11/10/2022	32%	614,354
As from – 11/12/2022	36%	647,294
As from – 11/04/2022	46%	904,280
As from – 11/06/2023	55%	1,097,659
As from – 11/10/2023	64%	1,352,184
As from – 11/04/2024	74%	1,609,170
As from – 11/10/2024	87%	1,948,537
As from – 11/04/2025	100%	2,291,185

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 2018, 2019, 2020, 2021 and 2022 plans.

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

	2018	2019	2020	2021	2022
Weighted average fair value	R\$ 46.25	R\$ 14.23	R\$ 20.03	R\$ 41.23	R\$ 40.27
Awards	R\$ 18.16	R\$ 6.05	R\$ 8.31	R\$ 14.44	R\$ 14.38
Dividends	1.00%	3.50%	5.80%	5.50%	5.50%
Volatility of share price	36.80%	41.45%	41.03%	41.20%	39.30%
Risk-free rate of return					
1 st maturity	6.95%	4.57%	3.11%	11.82%	13.16%
2 nd maturity	8.01%	5.14%	4.72%	11.91%	11.85%
3 rd maturity	8.86%	5.68%	5.81%	11.66%	11.55%
Period expected up to the maturity					
1 st maturity	365	365	365	365	365
2 nd maturity	730	730	730	730	730
3 rd maturity	1,095	1,095	1,095	1,095	1,095

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Reconciliation of outstanding stock options

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

	Weighted average of the exercise	Number of options	Weighted average of the exercise	Number of options
	06/30/2023	06/30/2023	12/31/2022	12/31/2022
Outstanding at January 1	R\$ 39.00	2,589,064	R\$ 36.15	2,265,222
Granted during the period	-	-	R\$ 40.27	811,000
Exercised during the period	R\$ 19.50	(392,414)	R\$ 27.60	(435,666)
Canceled during the period	R\$ 40.67	(109,425)	R\$ 30.15	(51,492)
Share bonus	R\$ 30.22	203,960	-	-
Outstanding	R\$ 41.48	2,291,185	R\$ 39.00	2,589,064
Exercisable	R\$ 28.45	647,294	R\$ 25.61	981,861

Options outstanding as of June 30, 2023 have a Strike price in the range of R\$ 19.50 to R\$ 41.48 (R\$ 25.61 to R\$ 40.27 as of December 31, 2022).

The weighted average stock price on the exercise date for stock options exercised in the period ended June 30, 2023 was R\$ 28.45 (R\$ 25.61 at December 31, 2022).

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.

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.

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At meetings of the Board of Directors held on November 6, 2020, November 10, 2021 and November 4, 2022, the Restricted Stock Granting Programs for 2020, 2021 and 2022 were approved, granting 159,363 shares, 193,275 shares and 202,750 shares (before bonus), respectively.

At the Ordinary and Extraordinary General Meeting held on April 27, 2023, the share bonus was approved, as a result of the increase in the Company's capital stock, 21,242,259 (twenty-one million, two hundred and forty-two thousand, two hundred and fifty-nine) registered common shares, book-entry and without par value, which will be attributed to the holders of shares, as bonus shares, at the rate of 10% (ten percent), corresponding to 1 (one) new share for every 10 (ten) common shares held on the base date.

Grant year	Fair value at grant	Quantity of shares		
		Balance on 12/31/2022	Bonus	Canceled Balance on 06/30/2023
2020	R\$ 27.20	65,657	6,273	(2,809)
2021	R\$ 48.07	133,372	20,761	(1,000)
2022	R\$ 47.75	199,187	19,436	(4,500)
Total		398,216	46,470	(8,309)

In compliance with CPC 10 (R1) (IFRS 2), based on the grace periods presented, the amounts with restricted share plans were recognized in the statement of income according to the length of the *vesting* period, with a corresponding entry in shareholders' equity in a specific capital reserve account. In current liabilities, in a specific account for labor obligations, the amounts of INSS and FGTS (expenses), as presented below:

	Restricted Stock Plan	
	06/30/2023	06/30/2022
Expense	4,297	3,443
INSS Expense	94	375
FGTS Expense	100	366

In compliance with CPC 10 (R1) (IFRS 2), based on the grace periods presented, the amounts with stock options plan and restricted stock plan were recognized in the statement of income, due to the expiration of the vesting period, with a corresponding entry in shareholders' equity in a specific capital reserve account, the amount of R\$ 9,459 (expense) at June 30, 2023 (R\$ 7,611 at June 30, 2022).

26 Net sales revenue

We present below the gross operating revenue:

	Parent company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Gross operating income	2,599,675	2,841,048	3,737,752	4,154,941
Sale of goods	2,432,082	2,920,702	3,488,923	4,245,226
Income (loss) from hedge operations	167,593	(79,654)	248,829	(90,285)
Deductions, taxes and contributions	(42,154)	(41,347)	(74,015)	(80,973)
Net operating income	2,557,521	2,799,701	3,663,737	4,073,968

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27 Expenses by nature

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

	Parent company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Expenses according to the role				
Cost of goods sold	(2,433,986)	(2,388,901)	(3,303,612)	(3,477,344)
Sales expenses	(111,670)	(126,730)	(149,156)	(171,466)
General and administrative expenses	(130,113)	(111,623)	(153,979)	(131,010)
Added Value investment	(7,655)	(10,821)	(11,599)	(16,395)
Other operating expenses	(25,709)	(5,252)	(26,470)	(6,999)
	(2,709,133)	(2,643,327)	(3,644,816)	(3,803,214)
Expenses per type				
Depreciation and amortization	(71,999)	(57,580)	(100,187)	(89,377)
Personnel expenses	(244,135)	(198,167)	(316,096)	(254,919)
Raw material and material	(1,267,046)	(1,125,931)	(1,864,624)	(1,727,975)
Rents and leases	(4,158)	(8,020)	(6,023)	(11,657)
Amortization of right of use	(185,743)	(127,408)	(133,956)	(142,143)
COGS biological asset variation	(879,958)	(1,086,351)	(1,154,468)	(1,515,438)
Freight	(30,385)	(34,618)	(42,992)	(54,706)
Other expenses	(25,709)	(5,252)	(26,470)	(6,999)
Total	(2,709,133)	(2,643,327)	(3,644,816)	(3,803,214)

28 Reporting by segment

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

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

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

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Information on reportable segments

	Agricultural Production		Land		Eliminations		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Net revenue	3,626,375	4,111,302	133,636	189,476	(96,274)	(226,810)	3,663,737	4,073,968
Biologic assets	1,540,641	1,810,419	-	-	-	-	1,540,641	1,810,419
Products Costs	(3,371,086)	(3,581,026)	(4,801)	(3,086)	72,275	106,768	(3,303,612)	(3,477,344)
Gross income	1,795,930	2,340,695	128,835	186,390	(23,999)	(120,042)	1,900,766	2,407,043
Operating expenses/ income	(324,969)	(343,467)	36,798	51,726	4,685	8,614	(283,486)	(283,127)
Sales expenses	(149,156)	(171,466)	-	-	-	-	(149,156)	(171,466)
General and administrative expenses	(160,685)	(138,662)	(1,923)	(591)	8,629	8,243	(153,979)	(131,010)
Management compensation	(14,489)	(15,371)	(146)	(135)	-	-	(14,635)	(15,506)
Other operating income (expenses)	7,016	(1,573)	38,867	52,452	-	371	45,883	51,250
Added value on investment	(7,655)	(16,395)	-	-	(3,944)	-	(11,599)	(16,395)
Income before financial income and taxes	1,470,961	1,997,228	165,633	238,116	(19,314)	(111,428)	1,617,280	2,123,916
Net financial income	(448,867)	(419,405)	6,097	10,839	122,408	124,992	(320,362)	(283,574)
Income before income tax	1,022,094	1,577,823	171,730	248,955	103,094	13,564	1,296,918	1,840,342
Income and social contribution taxes	(357,081)	(534,320)	(22,126)	(27,133)	5,983	3,756	(373,224)	(557,697)
Consolidated Income for the period	665,013	1,043,503	149,604	221,822	109,077	17,320	923,694	1,282,645

	Agricultural Production		Land		Eliminations		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current assets	7,704,823	7,283,164	292,976	232,443	(307,843)	(482,924)	7,689,956	7,032,683
Non-current assets	11,881,399	12,101,282	2,841,628	2,379,641	(6,867,939)	(6,645,217)	7,855,088	7,835,706
Total assets	19,586,222	19,384,446	3,134,604	2,612,084	(7,175,782)	(7,128,141)	15,545,044	14,868,389
Current liabilities	3,972,032	5,033,569	182,295	30,599	(272,527)	(474,478)	3,881,800	4,589,690
Non-current liabilities	8,229,692	7,887,784	234,448	82,649	(2,452,149)	(2,588,166)	6,011,991	5,382,267
Shareholders' equity	7,384,498	6,463,093	2,717,861	2,498,836	(4,451,106)	(4,065,497)	5,651,253	4,896,432
Total liabilities	19,586,222	19,384,446	3,134,604	2,612,084	(7,175,782)	(7,128,141)	15,545,044	14,868,389

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

Consolidated domestic and foreign sales are thus represented:

	06/30/2023	06/30/2022
Domestic market	417,656	625,107
Sale of goods	416,801	625,334
Result of internal market hedge operation	855	(227)
Foreign market	3,320,096	3,529,834
Sale of goods - indirect export	2,268,983	2,009,089
Income from hedge operations indirect	125,249	100,673
Sale of goods - direct export	803,139	1,610,802
Income from hedge operations direct	122,725	(190,730)
Gross operating income	3,737,752	4,154,941
Deductions, taxes and contributions	(74,015)	(80,973)
Net operating income	3,663,737	4,073,968

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

Country	06/30/2023		06/30/2022	
	Value	% Participation	Value	% Participation
Brazil	2,685,785	76.98	2,634,424	62.06
Indonesia	158,529	4.54	243,173	5.73
Türkiye	156,563	4.49	186,325	4.39
Bangladesh	143,126	4.10	122,278	2.88
Vietnam	142,447	4.08	252,972	5.96
Pakistan	93,704	2.69	131,828	3.11
China	55,307	1.59	325,617	7.67
Malasya	25,768	0.74	32,580	0.77
Other	27,694	0.79	316,029	7.45
Total	3,488,923	100.00	4,245,226	100.00

The amount of revenue from the main customers, by agricultural product, is represented as follows:

Customer						Total	% on product sales (without effect of hedge operations)
	Fheated cotton	Cottonseed	Bulk corn	Bulk soybeans	Other cultures		
Cargill Agrícola S.A.	106,485	-	28,538	1,307,297	-	1,442,320	41.34
Amaggi Exp. e Imp.	-	-	47,544	387,885	290	435,719	12.49
Others customers ⁽¹⁾	805,796	94,235	18,582	540,010	152,261	1,610,884	46.17
Total	912,281	94,235	94,664	2,235,192	152,551	3,488,923	100.00

⁽¹⁾ The balance presented in other customers individually does not exceed 10% of the sales revenue with products

SLC Agrícola S.A.

Notes to the quarterly information
June 30, 2023
(in thousands of Reais)

Administrative Council

Eduardo Silva Logemann
President

Jorge Luiz Silva Logemann
Vice President

Adriana Waltrick dos Santos
Independent Board Member

Oswaldo Burgos Schirmer
Independent Board Member

André Souto Maior Pessoa
Independent Board Member

Fernando de Castro Reinach
Independent Board Member

Fiscal Council

Edirceu Rossi Werneck
Counselor

Paulo Roberto Kruse
Counselor

Rosângela Süffert
Counselor

Board

Aurélio Pavinato
CEO

Ivo Marcon Brum
Director of Finance and Relations
with Investors

Aldo Roberto Tisott
Director of Sales and New Business

Gustavo Macedo Lunardi
Director of Operations

Aline Antunes e Silva
Accountant CRC MA – 010576/O-0

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CROP PROJECTIONS 2022/23 and 2023/24

MAINTENANCE OF DATA DISCLOSED ON EARNINGS RELEASE 2Q23

PLANTED AREA PER CROP

Firstly, the Planted Area per Crop Position of 2022/23 crop year disclosed in the 1Q23 Earnings Release of 05/15/2023 was:

PLANTED AREA PER CROP (Hectares) – Source: Earnings Release 1Q23 05/15/2023

Crop Mix	Planted Area	Planted Area	Share	Δ%
	2021/22	2022/23 ⁽¹⁾	2022/23	
	-----ha-----		%	
Cotton	176,985	162,274	24.2%	-8.3%
<i>Cotton lint 1st crop</i>	86,357	85,854	12.8%	-0.6%
<i>Cotton lint 2nd crop</i>	90,628	76,420	11.4%	-15.7%
Soybean (Commercial + Seed)	334,891	346,941	51.8%	3.6%
Corn 2nd crop	121,633	137,823	20.6%	13.3%
Other Crops ⁽²⁾	38,437	22,810	3.4%	-40.7%
Cotton	671,946	669,848	100.0%	-0.3%

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

⁽²⁾ Other Crops (Brachiaria Seed 6,552.94 ha, Stylosanthes Seed 716.02 ha, Beans ,.340.94 ha, Sesame 2.494,26 ha, Millet Seed 3,840.97 ha, Corn 1st crop 1,133.88 ha, Corn Seed 667.46 ha, Cattle Herd 3,96.,42 ha, Sorghum 1,031.07 ha and Wheat 1,070.13 ha) total 22,810.09 ha.

In the 2Q23 earnings release of 08/09/2023, the Planted Area per Crop Position for 2022/23 crop year was changed to:

PLANTED AREA PER CROP (Hectares) – Source: Earnings Release 2Q23 08/09/2023

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

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

⁽²⁾ Other Crops (Brachiaria Seed 6,569.95 ha, Stylosanthes Seed 716.02 ha, Beans ,.1.430.58 ha, Sesame 2.494,26 ha, Millet Seed 8,530.88 ha, Corn 1st crop 1,133.88 ha, Corn Seed 667.46 ha, Cattle Herd 3,962.,42 ha, Sorghum 1,041.77 ha and Wheat 1,067.74 ha) total 27,613.96 ha.

Explanation of the variation:

Small adjustments were made to each of the cultures, with minimal variation. Millet seed was increased in Other Crops.

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PLANTED AREA GROWTH. Source: Material Fact 08/02/2023

The Company's target is to continue growing, at an average of 5% in the coming years in terms of planted area, mainly through leased areas.

Explanation of the variation:

No variation.

GROWTH OF CROP-LIVESTOCK INTEGRATION PROJECT. Source: Material Fact 08/02/2023

The Company's budget for the 2022/23 crop year was the acquisition of 25 thousand heads of cattle, but due to the improvement in the origination process, we adjusted the quantity to 40 thousand heads.

Explanation of the variation:

No variation.

CAPEX - CAPITAL INVESTMENTS. Source: Material Fact 08/02/2023

Capital investments for 2023 should reach around R\$600 million planned for machinery and soil correction, among others. This amount does not consider the acquisition of land disclosed by the Company via Material Fact disclosed on 2/23/2023.

Explanation of the variation:

No variation.

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**YIELDS****YIELDS (kg/ha) – Source: Material Fact 07/03/2023**

Yields (kg/ha)	2022/23	2022/23	Δ%
	Crop Year	Crop Year	
	Budget (b)	Forecast (c)	(c) x (b)
Cotton lint 1 st crop	1,927	1,989	3.2%
Cotton lint 2 nd crop	1,839	1,996	8.5%
Cotton seed	2,372	2,479	4.5%
Soybean (Commercial + Seed)	3,918	3,908	-0.3%
Corn 2 nd crop	7,685	7,809	1.6%

In the 2Q23 earnings release of 08/09/2023, the 2022/23 yields were changed to:

YIELDS (kg/ha) – Source: Earnings Release 2Q23 08/09/2023

Yield (kg/ha)	2021/22 Crop Year	2022/23 Crop Year	2022/23 C. Year	Δ%	Δ%
	Achieved (a)	Budget (b)	Forecast (c)	(c) x (a)	(c) x (b)
Cotton lint 1 st crop	1,682	1,933	2,005	19.2%	3.7%
Cotton lint 2 nd crop	1,305	1,838	2,072	58.8%	12.7%
Cottonseed	1,833	2,381	2,465	34.5%	3.5%
Soybean (Commercial + Seed)	3,974	3,923	3,910	-1.6%	-0.3%
Corn 2 nd crop	6,303	7,679	7,750	23.0%	0.9%

Explanation of the variation:

The 2022/23 Crop year Budget was slightly modified due adjustments of planted areas. The 2022/23 Crop Year Forecast was updated according to the latest Company's projections.

COST PER HECTARE PER CROP (R\$/ha)

In the Material Fact of 07/03/2023, the following cost projections were disclosed:

COST PER HECTARE PER CROP (R\$/ha) – Source: Earnings Release 2Q23 08/09/2023

Total (R\$/ha)	Budget 2022/23	Forecast 2022/23 ⁽¹⁾	Δ%
Cotton 1 st crop	15,163	15,308	1.0%
Cotton 2 nd crop	13,677	13,448	-1.7%
Soybean ⁽³⁾	5,377	5,188	-3.5%
Corn 2 nd crop	4,867	4,857	-0.2%
Total average cost	7,547⁽²⁾	7,436⁽²⁾	-1.5%

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

⁽²⁾ Weighted by areas in the 2021/22 crop year to avoid impacts from changes in the product mix.

⁽³⁾ Including seed production costs.

There weren't any variations in the 2Q23 Earnings Release of 09/08/2023

Explanation of the variation:

No Variations.

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HEDGE POSITION PER CROP

The following is our updated currency and commodities hedging position:

Firstly, the Hedge Position of 2022/23 and 2023/2024 crop year disclosed in the Material Fact of 07/03/2023 was:

HEDGE POSITION 2022/2023 and 2023/2024 – Source: Material Fact 07/03/2023

FX Hedge – Soybean		
Crop Year	2022/23	2023/24
%	72.7	13.7
R\$/USD	5.4844	5.7932
Commitments % ⁽¹⁾	1.7	49.1

FX Hedge – Cotton		
Crop Year	2022/23	2023/24
%	65.5	10.0
R\$/USD	5.7563	6.1364
Commitments % ⁽¹⁾	0.1	27.0

FX Hedge – Corn		
Crop Year	2022/23	2023/24
-	-	-
%	72.3	19,5
R\$/USD	5.7859	5,8407
Commitments	-	42.6

Commercial Hedge– Soybean		
Crop Year	2022/23	2023/24
%	76.8	27.6
USD/bu ⁽²⁾	14.47	12.60
Commitments % ⁽¹⁾	1.7	17.5

Commercial Hedge – Cotton		
Crop Year	2022/23	2023/24
%	59.0	1.3
US\$/lb ⁽²⁾	91.78	70.19
Commitments % ⁽¹⁾	-	-

Commercial Hedge – Corn		
Crop Year	2022/23	2023/24
%	1,9	2,9
R\$/bag ⁽³⁾	69,67	45,00
%	62,2	20,2
USD/bag ⁽³⁾	10,13	8,01
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

In the 2Q23 earnings release of 09/08/2023, the Hedge Position for 2022/23 and 2023/24 crop years were changed to:

HEDGE POSITION 2022/23 and 2023/24 – Source: Earnings Release 2Q23 09/08/2023

FX Hedge – Soybean		
Crop Year	2022/23	2023/24
%	76.2	20.5
R\$/USD	5.46	5.49
Commitments % ⁽¹⁾	1.7	36.9

FX Hedge – Cotton		
Crop Year	2022/23	2023/24
%	64.2	16.0
R\$/USD	5.76	5.70
Commitments % ⁽¹⁾	0.1	21.1

FX Hedge – Corn		
Crop Year	2022/23	2023/24
-	-	-
%	75.0	31.6
R\$/USD	5.76	5.50
Commitments	-	23.3

Commercial Hedge– Soybean		
Crop Year	2022/23	2023/24
%	78.9	37.7
USD/bu ⁽²⁾	14.45	12.72
Commitments % ⁽¹⁾	1.1	16.7

Commercial Hedge – Cotton		
Crop Year	2022/23	2023/24
%	64.5	3.6
US\$/lb ⁽²⁾	91.13	75.60
Commitments % ⁽¹⁾	-	-

Commercial Hedge – Corn		
Crop Year	2022/23	2023/24
%	1.9	3.0
R\$/bag ⁽³⁾	69.67	45.00
%	68.7	28.7
USD/bag ⁽³⁾	9.99	8.17
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.

Explanation of the variation:

The position presents alterations, due to the evolution of the contracting of foreign exchange and commodities hedge positions, as established by the Company's risk management policy.

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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.

Any clarifications may be obtained through the e-mail of the Investor Relations Department – ri@slcagricola.com.br.

Porto Alegre, August 09th, 2023

Ivo Marcon Brum
Chief Financial and Investor Relations Officer

SLC AGRÍCOLA S.A.

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Other Information the company deems to be relevant

Ownership Breakdown						
Balance on 06/30/2023						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	122.209.336	53,92%	-	-	122.209.336	53,92%
SLC Participações S.A.	110.035.877	48,55%	-	-	110.035.877	48,55%
Related Persons to Controller	12.173.459	5,37%	-	-	12.173.459	5,37%
Board of Director	842.120	0,37%	-	-	842.120	0,37%
Board	85.433	0,04%	-	-	85.433	0,04%
Director	756.687	0,33%	-	-	756.687	0,33%
Statutory Audit Committee	-	0,00%	-	-	-	0,00%
Fiscal Council	-	0,00%	-	-	-	0,00%
Shareholders over 5%	21.064.527	9,29%	-	-	21.064.527	9,29%
Odey Asset Management LLC	21.064.527	9,29%	-	-	21.064.527	9,29%
Treasury Shares	4.485.872	1,98%	-	-	4.485.872	1,98%
Free Float	99.127.530	43,73%	-	-	99.127.530	43,73%
Total	226.664.858	100,00%	-	-	226.664.858	100,00%

Ownership Breakdown						
Balance on 03/31/2023						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	111.099.403	52,30%	-	-	111.099.403	52,30%
SLC Participações S.A.	100.032.616	47,09%	-	-	100.032.616	47,09%
Related Persons to Controller	11.066.787	5,21%	-	-	11.066.787	5,21%
Board of Director	543.620	0,26%	-	-	543.620	0,26%
Board	74.030	0,03%	-	-	74.030	0,03%
Director	469.590	0,22%	-	-	469.590	0,22%
Statutory Audit Committee	-	0,00%	-	-	-	0,00%
Fiscal Council	-	0,00%	-	-	-	0,00%
Shareholders over 5%	19.149.570	9,01%	-	-	19.149.570	9,01%
Odey Asset Management LLC	19.149.570	9,01%	-	-	19.149.570	9,01%
Treasury Shares	8.096.625	3,81%	-	-	8.096.625	3,81%
Free Float	92.682.951	43,63%	-	-	92.682.951	43,63%
Total	212.422.599	100,00%	-	-	212.422.599	100,00%

(A free translation of the original in Portuguese)

Ownership Breakdown Balance on 12/31/2022						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	111,186,053	52.34%	-	-	111,186,053	52.34%
SLC Participações S.A,	100.032.616	47.09%	-	-	100.032.616	47,09%
Related Persons to Controller	11.153.437	5.25%			11.153.437	5.25%
Board of Director	543,620	0.26%	-	-	543,620	0.26%
Board	74.030	0.03%	-	-	74.030	0.03%
Director	469.590	0.22%	-	-	469.590	0.22%
Fiscal Council	-	0.00%	-	-	-	0.00%
Shareholders over 5%	19,149,570	9.01%	-	-	19,149,570	9.01%
Odey Asset Management LLC	19.149.570	9.01%			19.149.570	9.01%
Treasury Shares	8,197,429	3.86%	-	-	8,197,429	3.86%
Other Shareholders (Free Float)	92,495,497	43.54%	-	-	92,495,497	43.54%
Total	212,422,599	100.00%	-	-	212,422,599	100.00%

Ownership Breakdown Balance on 09/30/2022						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	111,182,135	52.34%	-	-	111,182,135	52.34%
SLC Participações S.A,	100,032,616	47,09%	-	-	100,032,616	47,09%
Related Persons to Controller	11,149,519	5,25%			11,149,519	5,25%
Board of Director	482,572	0,23%	-	-	482,572	0.23%
Board	74,030	0.03%	-	-	74.030	0.03%
Director	408,542	0.19%	-	-	408.542	0.19%
Fiscal Council	-	0.00%	-	-	-	0.00%
Shareholders over 5%	19,149,570	9,01%	-	-	19,149,570	9.01%
Odey Asset Management LLC	19,149,570	9.01%			19,149,570	9.01%
Treasury Shares	6,015,774	2,83%	-	-	6,015,774	2.83%
Other Shareholders (Free Float)	94,742,118	44,60%	-	-	94,742,118	44.60%
Total	212,422,599	100.00%	-	-	212,422,599	100.00%

(A free translation of the original in Portuguese)

Ownership Breakdown Balance on 06/30/2022						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	111,161,135	52.33%	-	-	111,161,135	52.33%
SLC Participações S,A,	100,032,616	47.09%	-	-	100,032,616	47.09%
Related Persons to Controller	11,128,519	5.24%	-	-	11,128,519	5.24%
Board of Director	482,572	0.23%	-	-	482,572	0.23%
Board	74,030	0.03%	-	-	74,030	0.03%
Director	408,542	0.19%	-	-	408,542	0.19%
Fiscal Council	-	0.00%	-	-	-	0.00%
Shareholders over 5%	19,149,570	9.01%	-	-	19,149,570	9.01%
Odey Asset Management LLC	19,149,570	9.01%	-	-	19,149,570	9.01%
Treasury Shares	4,610,697	2.17%	-	-	4,610,697	2.17%
Other Shareholders (Free Float)	96,168,195	45.27%	-	-	96,168,195	45.27%
Total	212,422,599	100.00%	-	-	212,422,599	100.00%

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Independent auditor's review report on quarterly information - ITR

(A free translation of the original report in Portuguese, as filed with the Brazilian Securities Commission – CVM, prepared in accordance with the Technical Pronouncement CPC 21 (R1) – Interim Financial Reporting and the international standard IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standard Board – IASB)

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

Introduction

We have reviewed the individual and consolidated interim financial information of SLC Agrícola S.A. ("Company"), included in the quarterly financial information – ITR, for the quarter ended June 30, 2023, which comprises the statement of financial position as of June 30, 2023, and the respective statements of profit or loss and comprehensive income for the three and six-month periods then ended and statements of changes in equity and of cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with accounting standard CPC 21 (R1) and with international standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB, as well as for the presentation of this information in accordance with the standards issued by Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information – ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in accordance with the Brazilian and international review standards for interim financial information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily to the persons in charge of financial and accounting matters, and applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the 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 referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly

Information - ITR, and presented in accordance with the standards issued by the Brazilian Securities Commission.

Other matters

Statements of added value

The interim financial information referred to above includes the individual and consolidated statements of added value (DVA) for the six-month period ended June 30, 2023, prepared under responsibility of Company's management, and presented as supplementary information for IAS 34 purposes. These statements were submitted to review procedures carried out together with the review of the Company's interim financial information to conclude that they are reconciled with interim financial information and accounting records, as applicable, and its form and content are in accordance with the criteria defined in CPC 09 Technical Pronouncement - Statement of Added Value. Based on our review, nothing has come to our attention that cause us to believe that those statements were not prepared, in all material respects, in accordance with the criteria set forth in this Standard with respect to the individual and consolidated interim financial information taken as a whole.

Porto Alegre, August 9, 2023.

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

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

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 30th 2023.

The Fiscal Council also examined the report of KPMG Auditores Independentes, dated August 09th, 2023, as well as received the information and clarifications requested during the quarter.

Porto Alegre, State of Rio Grande do Sul, August 09th, 2023.

Edirceu Rossi Werneck
Chairman of the Fiscal Council

Paulo Roberto Kruse
Advisor

Rosângela Costa Süffert
Advisor

Declarations Board of Executive Officers on the Financial Statements

In compliance with the established in Article 31 of CVM Resolution No. 80 of 29th March 2022, the Board declares that reviewed, discussed and agreed with the Financial Statements (Parent Company and Consolidated) for the quarter ended on June 30th, 2023.

Porto Alegre/RS, August 09th, 2023.

Aurélio Pavinato
Chief Executive Officer

Ivo Marcon Brum
CFO and Investor Relations

Gustavo Macedo Lunardi
Supplies and Seed Production Director

Aldo Roberto Tisott
Director of Sales and New Business

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

Leonardo Celini
Chief Operating Officer

Declarations Board of Executive Officers on the Report of Independent Auditors

In compliance with the established in Article 31 of CVM Resolution No. 80 of March 29th, 2022, the Board declares that reviewed, discussed and agreed with the opinion expressed in the Independent Auditors' Report, dated on August 09th, 2023, on to the Financial Statements (Parent Company and Consolidated) for the quarter ended on June 30th, 2023.

Porto Alegre/RS, August 09th, 2023.

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