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Company information / Capital composition

Number of shares (units)	Current Quarter 03/31/2021
Paid-up capital	
Common shares	190,595,000
Preferred shares	0
Total	190,595,000
Treasury shares	
Common shares	2,746,780
Preferred shares	0
Total	2,746,780

(A free translation of the original in Portuguese)

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

Code of account	Account description	Accumulated of	Accumulated of
		the current year	the previous year
		03/31/2021	12/31/2020
1	Total assets	10,032,762	9,341,075
1.01	Current assets	4,072,287	3,561,155
1.01.01	Cash and cash equivalents	1,387,951	1,319,290
1.01.01.01	Cash and cash equivalents	1,387,951	1,319,290
1.01.03	Accounts receivable	151,476	278,782
1.01.03.01	Customers	88,467	178,085
1.01.03.02	Other Accounts Receivable	63,009	100,697
1.01.03.02.01	Advances to suppliers	9,893	3,221
1.01.03.02.02	Derivatives	48,377	89,721
1.01.03.02.04	Credits related parties	287	2,475
1.01.03.02.05	Other Accounts Receivable	4,452	5,280
1.01.04	Inventories	1,445,700	1,179,014
1.01.05	Biological assets	1,031,153	739,267
1.01.06	Recoverable taxes	37,055	28,521
1.01.06.01	Current taxes recoverable	37,055	28,521
1.01.07	Prepaid expenses	18,224	15,471
1.01.08	Other Current Assets	728	810
1.01.08.02	Discontinued Operations Assets	728	810
1.02	Non-current assets	5,960,475	5,779,920
1.02.01	Long-term assets	193,489	213,478
1.02.01.03	Financial investments at cost amortized	665	663
1.02.01.03.01	Securities held to maturity	665	663
1.02.01.08	Prepaid expenses	31	378
1.02.01.09	Credits related parties	13,581	25,246
1.02.01.09.02	Loans to subsidiaries	13,581	25,246
1.02.01.10	Other Non-current Assets	179,212	187,191
1.02.01.10.03	Recoverable taxes	61,963	64,236
1.02.01.10.04	Derivatives	112,261	118,126
1.02.01.10.05	Other Accounts Receivable	2,203	2,071
1.02.01.10.06	Advances to suppliers	2,785	2,758
1.02.02	Investments	2,283,853	2,212,789
1.02.02.01	Equity	2,283,853	2,212,789
1.02.02.01.02	Interest in Subsidiaries	2,283,853	2,212,789
1.02.03	PP&E	3,438,900	3,318,413
1.02.03.01	PP&E in operation	856,916	846,110
1.02.03.02	Right to Use in Rent	2,558,372	2,463,254
1.02.03.02.01	Asset use rights	2,558,372	2,463,254
1.02.03.03	Construction in Ppogress	23,612	9,049
1.02.04	Intangible	44,233	35,240
1.02.04.01	intangible assets	44,233	35,240
1.02.04.01.02	New Systems implementation	39,839	30,661
1.02.04.01.03	Other (systems)	4,394	4,579

Individual financial statements / Balance sheet - Liabilities

(In thousands of Reais)

Code of account	Account description	Accumulated of the current year 03/31/2021	Accumulated of the previous year 12/31/2020
2	Total liabilities	10,032,762	9,341,075
2.01	Current liabilities	2,728,919	2,177,039
2.01.01	Payroll and related Charges	5,208	5,960
2.01.01.01	Social obligations	4,504	5,349
2.01.01.02	Labor obligations	704	611
2.01.02	Suppliers	607,675	933,146
2.01.02.01	National suppliers	607,675	933,146
2.01.02.01.01	National suppliers	607,675	933,146
2.01.03	Tax obligations	39,030	49,452
2.01.03.01	Federal Taxes	36,775	47,345
2.01.03.01.01	Income Tax and Social Contribution Payable	27,656	40,374
2.01.03.01.02	Taxes and Contributions Several	9,119	6,971
2.01.03.02	State Taxes	1,400	1,784
2.01.03.03	Municipal Taxes	855	323
2.01.04	Loans and Financing	862,044	297,692
2.01.04.01	Loans and Financing	862,044	297,692
2.01.04.01.01	In Local Currency	862,044	297,692
2.01.05	Other obligations	1,173,841	827,990
2.01.05.01	Liabilities related parties	24,485	1,310
2.01.05.01.02	Debts with Subsidiaries	24,469	1,294
2.01.05.01.04	Other Payables to Related Parties	16	16
2.01.05.02	Others	1,149,356	826,680
2.01.05.02.01	Dividends and interest on capital payable	83,680	83,680
2.01.05.02.04	Advances from Customers	301,186	57,233
2.01.05.02.05	Operations with Derivatives	384,976	318,242
2.01.05.02.08	Other debts	9,135	12,112
2.01.05.02.09	lease liabilities with related parties	209,358	204,525
2.01.05.02.10	Liabilities third leasing	161,021	150,888
2.01.06	Provisions	41,121	62,799
2.01.06.01	Tax provisions Social Security Labor and Civil	40,791	62,469
2.01.06.01.01	Tax provisions	1,052	1,052
2.01.06.01.02	Social Security and Labor Provisions	22,767	17,921
2.01.06.01.03	Provisions for Employee Benefits	15,219	41,354
2.01.06.01.04	Civil provisions	0	403
2.01.06.01.05	Labor Provisions for contingencies	1,753	1,739
2.01.06.02	Other Provisions	330	330
2.01.06.02.03	Provisions for environmental liabilities and Deactivation	330	330
2.02	Non-current liabilities	4,153,931	4,223,657
2.02.01	Loans and Financing	1,425,866	1,753,056
2.02.01.01	Loans and Financing	1,425,866	1,753,056
2.02.01.01.01	In Local Currency	1,425,866	1,753,056
2.02.02	Other obligations	2,526,099	2,317,048

(A free translation of the original in Portuguese)

2.02.02.02	Others	2,526,099	2,317,048
2.02.02.02.04	Derivatives	74,490	56,965
2.02.02.02.05	Other debts	103	114
2.02.02.02.06	Lease liabilities with related parties	1,689,230	1,517,643
2.02.02.02.07	Liabilities third leasing	762,276	742,326
2.02.03	Deferred taxes	201,966	153,553
2.02.03.01	Income Tax and Social Contribution Deferred	201,966	153,553
2.03	Equity	3,149,912	2,940,379
2.03.01	Capital Stock	947,522	947,522
2.03.02	Capital reserves	49,847	44,583
2.03.02.01	Premium on issue of shares	37,630	38,923
2.03.02.04	Options Granted	60,503	58,581
2.03.02.05	Treasury shares	(48,286)	(52,921)
2.03.04	Profit Reserves	978,074	978,074
2.03.04.01	Legal reserve	87,136	87,136
2.03.04.02	Statutory reserve	754,249	754,249
2.03.04.05	Retained Earnings Reserve	5,628	5,628
2.03.04.08	Additional Dividend Proposed	116,019	116,019
2.03.04.10	Investment incentivized reserve	15,042	15,042
2.03.05	Profits / Losses	344,069	0
2.03.08	Other Comprehensive Income	830,400	970,200

Individual financial statements / Statement of income

(In thousands of Reais)

Code of account	Account description	Current Quarter 01/01/2021 to 03/31/2021	Same quarter previous year 01/01/2020 to 03/31/2020
3.01	Sales revenue of Goods and / or Services	1,279,299	776,114
3.01.01	Operating Revenue of Products	677,581	540,814
3.01.02	Change in fair value of biological assets	601,718	235,300
3.02	Cost of Goods and / or Services Sold	(713,549)	(511,144)
3.02.01	Cost of Products	(429,686)	(348,767)
3.02.02	Realization of Fair Value of Biological Assets	(283,863)	(162,377)
3.03	Gross income	565,750	264,970
3.04	Operating Income / Expenses	(3,314)	(23,451)
3.04.01	Selling Expenses	(45,943)	(35,840)
3.04.02	General and Administrative Expenses	(37,986)	(27,650)
3.04.02.01	General and Administrative	(30,106)	(21,545)
3.04.02.02	Management's fees	(7,880)	(6,105)
3.04.04	Other Operating Income	6,689	3,653
3.04.05	Other Operating Expenses	(7,570)	(2,953)
3.04.06	Equity income	81,496	39,339
3.05	Income before financial result and taxes	562,436	241,519
3.06	Financial result	(69,528)	(42,262)
3.06.01	Financial income	79,247	136,826
3.06.02	Financial expenses	(148,775)	(179,088)
3.07	Income before Income Taxes	492,908	199,257
3.08	Income Tax and Social Contribution on Net Income	(150,048)	(55,732)
3.08.01	Current	(35,612)	(509)
3.08.02	deferred	(114,436)	(55,223)
3.09	Net Income from Continuing Operations	342,860	143,525
3.11	Profit / Loss for the Period	342,860	143,525
3.99	Earnings per share - (R \$ / Share)		
3.99.01	Basic earnings per share		
3.99.01.01	ON	1.82569	0.76723
3.99.02	Diluted earnings per share		
3.99.02.01	ON	1.81525	0.76688

Individual financial statements / Statement of Comprehensive Income

(In thousands of Reais)

Code of account	Account description	Current Quarter 01/01/2021 to 03/31/2021	Same quarter previous year 01/01/2020 to 03/31/2020
4.01	Net income for the period	342,860	143,525
4.02	Other Comprehensive Income	(138,591)	(228,407)
4.02.01	Cash flow hedge derivatives	(194,182)	(320,110)
4.02.02	Cash flow hedge derivatives - Controlled	(10,432)	(17,113)
4.02.03	Income tax and social contribution	66,023	108,837
4.02.04	Others	0	(21)
4.03	Results Comprehensive Period	204,269	(84,882)

(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 01/01/2021 to 03/31/2021	Accumulated of the previous quarter 01/01/2020 to 03/31/2020
6.01	Net Cash Operating Activities	(53,277)	(273,821)
6.01.01	Funds From Operations	259,643	239,433
6.01.01.01	Net Income (loss) before income taxes	492,908	199,257
6.01.01.02	Depreciation and amortization - in search results	17,328	13,617
6.01.01.03	Results at the writes off of fixed assets	5,576	2,764
6.01.01.04	Equity	(81,496)	(39,339)
6.01.01.05	Interest,exchange and monetary variation	35,417	75,485
6.01.01.06	stock-based compensation	1,922	1,527
6.01.01.07	Variation of Biological Assets	(317,855)	(72,924)
6.01.01.08	Provision (reversal) Partic. the results and labor contingencies	12,173	6,397
6.01.01.10	APV - Liabilities rental	58,054	34,373
6.01.01.11	Amortization of Right of Use	30,434	18,308
6.01.01.12	Others	3,432	(32)
6.01.01.14	Provision / Loss Tax Recovery	1,750	0
6.01.02	Changes in Assets and Liabilities	(312,920)	(513,254)
6.01.02.01	Accounts receivable	89,618	(16,535)
6.01.02.02	Inventories and biological assets	(206,054)	(29,678)
6.01.02.03	Taxes to recover	(8,072)	735
6.01.02.05	Financial investments	(2)	16,309
6.01.02.06	Other accounts receivable	(1,627)	4,094
6.01.02.07	Providers	(304,182)	(450,130)
6.01.02.09	fiscal and social obligations	(15,256)	(13,788)
6.01.02.10	Obligations with related parties	37,028	646
6.01.02.11	Derivative transactions	(62,714)	(98,597)
6.01.02.12	Advances from customers	243,953	121,568
6.01.02.13	Rentals payable	0	(70)
6.01.02.14	Other bills to pay	(23,239)	(13,625)
6.01.02.15	dividends Received	0	20,000
6.01.02.16	Advance to suppliers	(6,172)	657
6.01.02.17	interest Paid	(9,657)	(18,656)
6.01.02.18	Income tax and social contribution paid	(46,544)	(36,184)
6.02	Net cash investing activities	(89,456)	(78,617)
6.02.02	in fixed assets	(80,734)	(71,692)
6.02.03	in intangible	(8,722)	(6,925)
6.03	Net cash from financing activities	211,394	269,756
6.03.01	Loans and financing	299,990	410,000
6.03.02	Loans and financing paid	(89,116)	(138,205)
6.03.03	Sale or repurchase of Shares	3,342	917
6.03.04	Paid leases	(2,822)	(2,956)
6.05	Increase (Decrease) in Cash	68,661	(82,682)
6.05.01	Opening balance of cash and cash equivalents	1,319,290	649,548
6.05.02	Closing balance of cash and cash equivalents	1,387,951	566,866

(A free translation of the original in Portuguese)

Individual financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2021 to 03/31/2021

(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	947,522	44,583	978,074	0	970,200	2,940,379
5.03	Initial Adjusted Balances	947,522	44,583	978,074	0	970,200	2,940,379
5.04	Capital transactions	0	5,264	0	0	0	5,264
5.04.03	Recognized Granted Options	0	1,922	0	0	0	1,922
5.04.05	Treasury shares sold	0	4,635	0	0	0	4,635
5.04.08	Goodwill on the delivery of shares	0	(1,293)	0	0	0	(1,293)
5.05	Total Comprehensive Income	0	0	0	344,069	(139,800)	204,269
5.05.01	Net income for the period	0	0	0	342,860	0	342,860
5.05.02	Other Comprehensive Income	0	0	0	1,209	(139,800)	(138,591)
5.05.02.01	Financial instruments adjustments	0	0	0	0	(194,182)	(194,182)
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	66,023	66,023
5.05.02.03	Equity in the comprehensive income of subsidiaries and affiliates	0	0	0	0	(10,432)	(10,432)
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	1,027	(1,027)	0
5.05.02.07	Realization of sales of the deemed cost a to fixed assets	0	0	0	112	(112)	0
5.05.02.08	Realization of depreciation of the deemed cost a to fixed assets-Subsidiaries	0	0	0	70	(70)	0
5.07	Ending balances	947,522	49,847	978,074	344,069	830,400	3,149,912

(A free translation of the original in Portuguese)

Individual financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2020 to 03/31/2020**(In thousands of Reais)**

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	947,522	33,439	680,719	0	1,122,997	2,784,677
5.03	Initial Adjusted Balances	947,522	33,439	680,719	0	1,122,997	2,784,677
5.04	Capital transactions with Partners	0	2,444	0	0	0	2,444
5.04.03	Recognized Granted Options	0	1,527	0	0	0	1,527
5.04.05	Treasury shares sold	0	1,859	0	0	0	1,859
5.04.08	Goodwill on the delivery of shares	0	(942)	0	0	0	(942)
5.05	Total Comprehensive Income	0	0	0	144,323	(229,205)	(84,882)
5.05.01	Net income for the period	0	0	0	143,525	0	143,525
5.05.02	Other Comprehensive Income	0	0	0	798	(229,205)	(228,407)
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	(320,110)	(320,110)
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	108,837	108,837
5.05.02.03	Equity in the comprehensive income of subsidiaries and affiliates	0	0	0	0	(17,113)	(17,113)
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	655	(655)	0
5.05.02.07	Realization of sales of the deemed cost a to fixed assets	0	0	0	214	(214)	0
5.05.02.08	Realization of depreciation of the deemed cost a to fixed assets-Subsidiaries	0	0	0	(71)	71	0
5.05.02.09	Gain on the Reduction of Interest in Subsidiary	0	0	0	0	(21)	(21)
5.07	Ending balances	947,522	35,883	680,719	144,323	893,792	2,702,239

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
		01/01/2021 to 03/31/2021	01/01/2020 to 03/31/2020
7.01	Revenue	1,439,420	858,558
7.01.01	Sales of Goods, Products and Services	810,497	613,191
7.01.02	Other Revenues	606,514	235,877
7.01.02.01	Other Revenues	4,796	577
7.01.02.02	Change in fair value of assets Biologicos	601,718	235,300
7.01.03	Revenue in the Construction of Own Assets	22,409	9,490
7.02	Inputs Acquired from Third Parties	(697,737)	(494,338)
7.02.01	Prods costs., Merchs. and Servs. sold	(5,235)	318
7.02.02	Materials, Energy, Servs. Third Party and Other	(152,307)	(122,680)
7.02.04	Others	(540,195)	(371,976)
7.02.04.01	Raw materials consumed	(256,332)	(209,600)
7.02.04.02	Adjustment to fair value of assets Biologicos	(283,863)	(162,376)
7.03	Gross Added Value	741,683	364,220
7.04	Retentions	(47,762)	(31,171)
7.04.01	Depreciation, Amortization and Depletion	(17,328)	(13,618)
7.04.02	Others	(30,434)	(17,553)
7.04.02.01	Amortization of Right of Use	(30,434)	(17,553)
7.05	Value Added Net Produced	693,921	333,049
7.06	Valued Added Received in Transfer	161,933	177,249
7.06.01	Equity income	81,496	39,339
7.06.02	Financial income	79,248	136,826
7.06.03	Others	1,189	1,084
7.07	Value Added Total Distributable	855,854	510,298
7.08	Distribution of Value Added	855,854	510,298
7.08.01	Staff	82,063	61,407
7.08.01.01	Direct compensation	45,710	35,137
7.08.01.02	benefits	29,452	20,837
7.08.01.03	F.G.T.S.	6,901	5,433
7.08.02	Taxes, fees and contributions	164,348	65,009
7.08.02.01	federal	156,268	63,094
7.08.02.02	State	7,969	1,799
7.08.02.03	Municipal	111	116
7.08.03	Third parties' assets	266,583	240,357
7.08.03.01	Interest	263,882	233,101
7.08.03.02	Rents	2,701	7,256
7.08.04	Equity Compensation	342,860	143,525
7.08.04.03	Retained Earnings / Loss for the Period	342,860	143,525

(A free translation of the original in Portuguese)

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

Code of account	Account description	Accumulated of the current year 03/31/2021	Accumulated of the Previous Year 12/31/2020
1	Total assets	9,108,328	8,589,691
1.01	Current assets	4,700,400	4,201,380
1.01.01	Cash and cash equivalents	1,597,610	1,604,053
1.01.01.01	Cash and cash equivalents	1,597,610	1,604,053
1.01.03	Accounts receivable	201,012	346,882
1.01.03.01	Customers	97,378	207,283
1.01.03.02	Other Accounts Receivable	103,634	139,599
1.01.03.02.01	Advances to suppliers	13,831	3,580
1.01.03.02.02	Derivatives	48,867	98,587
1.01.03.02.03	Bonds and credits receivable	31,350	31,207
1.01.03.02.04	Credits related parties	16	8
1.01.03.02.05	Other accounts receivable	9,570	6,217
1.01.04	Inventories	1,657,049	1,301,082
1.01.05	Biological assets	1,171,228	891,804
1.01.06	Recoverable taxes	52,120	39,447
1.01.06.01	Current taxes recoverable	52,120	39,447
1.01.06.01.01	Current taxes recoverable	52,120	39,447
1.01.07	Prepaid expenses	20,554	17,141
1.01.08	Other current assets	827	971
1.01.08.02	Discontinued operations assets	827	971
1.02	Non-current assets	4,407,928	4,388,311
1.02.01	Long-term assets	353,006	355,787
1.02.01.03	Financial investments at cost amortized	665	663
1.02.01.03.01	Securities held to maturity	665	663
1.02.01.07	Deferred taxes	16,916	20,480
1.02.01.07.01	Income tax and social contribution deferred	16,916	20,480
1.02.01.08	Prepaid expenses	31	437
1.02.01.10	Other Non-current Assets	335,394	334,207
1.02.01.10.03	Recoverable taxes	112,866	111,203
1.02.01.10.04	Derivatives	145,540	146,785
1.02.01.10.05	Other accounts receivable	13,899	13,705
1.02.01.10.06	Advances to suppliers	60,368	59,814
1.02.01.10.07	Bonds and credits receivable	2,721	2,700
1.02.02	Investments	224,141	224,194
1.02.02.02	Investment properties	224,141	224,194
1.02.03	PP&E	3,786,507	3,773,040
1.02.03.01	Construction in operation	2,943,755	2,933,711
1.02.03.02	Right to use in rent	817,984	828,496
1.02.03.02.01	Asset use rights	817,984	828,496
1.02.03.03	Construction in progress	24,768	10,833
1.02.04	Intangible	44,274	35,290
1.02.04.01	Intangible assets	44,274	35,290
1.02.04.01.02	New Systems Implementation	39,839	30,661
1.02.04.01.03	Others (system)	4,435	4,629

Consolidated financial statements / Balance sheet - Liabilities

(In thousands of Reais)

Code of account	Account description	Accumulated of the current year 03/31/2021	Accumulated of the Previous Year 12/31/2020
2	Total liabilities	9,108,328	8,589,691
2.01	Current liabilities	2,928,588	2,337,097
2.01.01	Payroll and Related Charges	14,693	13,157
2.01.01.01	Social obligations	13,861	12,458
2.01.01.02	Labor obligations	832	699
2.01.02	Suppliers	733,392	1,101,769
2.01.02.01	National suppliers	733,392	1,101,769
2.01.02.01.01	National suppliers	733,392	1,101,769
2.01.03	Tax obligations	41,755	57,186
2.01.03.01	Federal Taxes	39,120	54,689
2.01.03.01.01	Income Tax and Social Contribution Payable	29,700	47,449
2.01.03.01.02	Taxes and Contributions Several	9,420	7,240
2.01.03.02	State Taxes	1,582	2,126
2.01.03.03	Municipal Taxes	1,053	371
2.01.04	Loans and Financing	1,007,863	377,547
2.01.04.01	Loans and Financing	1,007,863	377,547
2.01.04.01.01	In Local Currency	1,007,863	377,547
2.01.05	Other obligations	1,083,284	715,177
2.01.05.01	Liabilities Related Party	116	118
2.01.05.01.04	Other Payables to Related Parties	116	118
2.01.05.02	Others	1,083,168	715,059
2.01.05.02.01	Dividends and interest on capital payable	83,680	83,680
2.01.05.02.02	Mandatory minimum dividend payable	2,651	2,652
2.01.05.02.04	Advances from Customers	360,434	68,264
2.01.05.02.05	Operations with Derivatives	434,660	358,969
2.01.05.02.06	Lease payable	5,283	5,283
2.01.05.02.07	Bonds to pay	12,273	12,273
2.01.05.02.08	Other debts	20,526	21,680
2.01.05.02.10	Liabilities third leasing	163,661	162,258
2.01.06	Provisions	47,601	72,261
2.01.06.01	Tax provisions Social Security Labor and Civil	47,271	71,931
2.01.06.01.01	Tax provisions	1,123	1,123
2.01.06.01.02	Social Security and Labor Provisions	25,401	20,131
2.01.06.01.03	Provisions for Employee Benefits	17,160	46,701
2.01.06.01.04	Civil provisions	1,590	1,993
2.01.06.01.05	Labor Provisions for contingencies	1,997	1,983
2.01.06.02	Other Provisions	330	330
2.01.06.02.03	Provisions for environmental liabilities and Deactivation	330	330
2.02	Non-current liabilities	2,794,808	3,101,536
2.02.01	Loans and Financing	1,614,038	2,039,736

(A free translation of the original in Portuguese)

2.02.01.01	Loans and Financing	1,614,038	2,039,736
2.02.01.01.01	In Local Currency	1,614,038	2,039,736
2.02.02	Other obligations	872,130	830,998
2.02.02.02	Others	872,130	830,998
2.02.02.02.03	Bonds to pay	706	706
2.02.02.02.04	Derivative	76,968	58,152
2.02.02.02.05	Other debts	103	114
2.02.02.02.07	Liabilities third leasing	794,353	772,026
2.02.03	Deferred taxes	308,640	230,802
2.02.03.01	Income Tax and Social Contribution Deferred	308,640	230,802
2.03	Consolidated Shareholders' Equity	3,384,932	3,151,058
2.03.01	Capital Stock	947,522	947,522
2.03.02	Capital reserves	49,847	44,583
2.03.02.01	Premium on issue of shares	37,630	38,923
2.03.02.04	Options Granted	60,503	58,581
2.03.02.05	Treasury shares	(48,286)	(52,921)
2.03.04	Profit Reserves	978,074	978,074
2.03.04.01	Legal reserve	87,136	87,136
2.03.04.02	Statutory reserve	754,249	754,249
2.03.04.05	Retained Earnings Reserve	5,628	5,628
2.03.04.08	Additional Dividend Proposed	116,019	116,019
2.03.04.09	Actions in Treasury	15,042	15,042
2.03.05	Profits / Losses	344,069	0
2.03.08	Other Comprehensive Income	830,400	970,200
2.03.09	Shareholders Non-controlling interest	235,020	210,679

Consolidated financial statements / Statement of income

(In thousands of Reais)

Code of account	Account description	Same quarter	
		Current Quarter 01/01/2021 to 03/31/2021	previous year 01/01/2020 to 03/31/2020
3.01	Sales revenue of Goods and / or Services	1,565,380	926,806
3.01.01	Operating Revenue of Products	827,490	632,632
3.01.02	Change in fair value of biological assets	737,890	294,174
3.02	Cost of Goods and / or Services Sold	(868,018)	(599,258)
3.02.01	Cost of Products	(512,085)	(412,883)
3.02.02	Realization of Fair Value of Biological Assets	(355,933)	(186,375)
3.03	Gross income	697,362	327,548
3.04	Operating Income / Expenses	(92,125)	(70,811)
3.04.01	Selling Expenses	(53,379)	(41,773)
3.04.02	General and Administrative Expenses	(41,141)	(29,490)
3.04.02.01	General and Administrative	(33,127)	(23,140)
3.04.02.02	Management's fees	(8,014)	(6,350)
3.04.04	Other Operating Income	9,860	3,553
3.04.05	Other Operating Expenses	(7,465)	(3,101)
3.05	Income before financial result and taxes	605,237	256,737
3.06	Financial result	(33,805)	(25,725)
3.06.01	Financial income	92,552	164,790
3.06.01.01	Financial income	92,552	164,790
3.06.02	Financial expenses	(126,357)	(190,515)
3.07	Income before Income Taxes	571,432	231,012
3.08	Income Tax and Social Contribution on Net Income	(194,628)	(74,615)
3.08.01	Current	(36,885)	(1,370)
3.08.02	Deferred	(157,743)	(73,245)
3.09	Net Income from Continuing Operations	376,804	156,397
3.11	Profit / Loss Consolidated Period	376,804	156,397
3.11.01	Assigned to Company Partners Company	342,860	143,525
3.11.02	Assigned to non-controlling Partners	33,944	12,872
3.99	Earnings per share - (R \$ / Share)		
3.99.01	Basic earnings per share		
3.99.01.01	ON	1.82569	0.76723
3.99.02	Diluted earnings per share		
3.99.02.01	ON	1.81525	0.76688

Consolidated financial statements / Statement of Comprehensive Income

(In thousands of Reais)

Code of account	Account description	Current Quarter	Same quarter previous year
		01/01/2021 to 03/31/2021	01/01/2020 to 03/31/2020
4.01	Consolidated Net Income for the Period	376,804	156,397
4.02	Other comprehensive income	(148,194)	(244,009)
4.02.01	Cash flow hedge derivatives	(224,535)	(369,710)
4.02.03	Income tax and social contribution	76,341	125,701
4.03	Consolidated Comprehensive Income for the Period	228,610	(87,612)
4.03.01	Assigned to Company shareholders	204,269	(84,882)
4.03.02	Assigned to non-controlling shareholders	24,341	(2,730)

(A free translation of the original in Portuguese)

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

Code of account	Account description	Accumulated of the current year 01/01/2021 to 03/31/2021	Accumulated of the previous year 01/01/2020 to 03/31/2020
6.01	Net Cash Operating Activities	(72,034)	(364,167)
6.01.01	Funds From Operations	320,616	278,199
6.01.01.01	Net Income (loss) before income taxes	571,432	231,012
6.01.01.02	Depreciation and amortization - in search results	25,377	19,233
6.01.01.03	Result in low of fixed assets	5,593	2,910
6.01.01.05	Interest,exchange and monetary variation	41,512	98,971
6.01.01.06	Stock-based compensation	1,922	1,527
6.01.01.07	Variation of Biological Assets	(381,957)	(107,799)
6.01.01.08	Provision (reversal) Partic. the results and labor contingencies	13,178	6,847
6.01.01.10	APV - Liabilities rental	18,815	13,888
6.01.01.11	Amortization of Right of Use	18,608	11,559
6.01.01.12	Others	3,877	(7)
6.01.01.13	Fair value of investment properties	53	58
6.01.01.14	Provision / Loss recoverable taxes	2,206	0
6.01.02	Changes in Assets and Liabilities	(392,650)	(642,366)
6.01.02.01	Accounts receivable	109,905	8,965
6.01.02.02	Inventories and biological assets	(232,335)	(35,056)
6.01.02.03	Recoverable taxes	(16,603)	(1,905)
6.01.02.05	Financial investments	(2)	17,999
6.01.02.06	Other accounts receivable	(6,410)	1,593
6.01.02.07	Suppliers	(342,077)	(541,126)
6.01.02.08	Fiscal and social obligations	(14,446)	(13,431)
6.01.02.09	Obligations with related parties	(10)	2
6.01.02.10	Derivative transactions	(79,059)	(127,993)
6.01.02.11	Advances from customers	292,170	135,071
6.01.02.12	Rentals payable	0	(70)
6.01.02.13	Other	(25,640)	(13,108)
6.01.02.15	Advance to suppliers	(10,278)	586
6.01.02.16	interest Paid	(15,513)	(29,669)
6.01.02.17	Income tax and social contribution paid	(52,352)	(44,224)
6.02	Net cash investing activities	(101,752)	(89,505)
6.02.02	In fixed assets	(93,013)	(82,574)
6.02.03	In intangible assets	(8,739)	(6,931)
6.03	Net cash from financing activities	167,343	360,686
6.03.01	Loans and financing	314,990	541,000
6.03.02	Loans and financing paid	(137,061)	(167,821)
6.03.03	Sale or repurchase of Shares	3,342	918
6.03.04	Paid leases	(13,928)	(13,411)
6.05	Increase (Decrease) in Cash	(6,443)	(92,986)
6.05.01	Opening balance of cash and cash equivalents	1,604,053	829,427
6.05.02	Closing balance of cash and cash equivalents	1,597,610	736,441

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2021 to 03/31/2021**(In thousands of Reais)**

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity	Interest of non-controlling shareholders	Consolidated shareholders' equity
5.01	Opening balances	947,522	44,583	978,074	0	970,200	2,940,379	210,679	3,151,058
5.03	Initial Adjusted Balances	947,522	44,583	978,074	0	970,200	2,940,379	210,679	3,151,058
5.04	Capital transactions with shareholders	0	5,264	0	0	0	5,264	0	5,264
5.04.03	Recognized Granted Options	0	1,922	0	0	0	1,922	0	1,922
5.04.05	Treasury shares sold	0	4,635	0	0	0	4,635	0	4,635
5.04.08	Premium on issuance of Delivery	0	(1,293)	0	0	0	(1,293)	0	(1,293)
5.05	Total Comprehensive Income	0	0	0	344,069	(139,800)	204,269	24,341	228,610
5.05.01	Net income for the period	0	0	0	342,860	0	342,860	33,944	376,804
5.05.02	Other Comprehensive Income	0	0	0	1,209	(139,800)	(138,591)	(9,603)	(148,194)
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	(209,987)	(209,987)	(14,548)	(224,535)
5.05.02.02	Taxes s / Adjustments Financial Instruments	0	0	0	0	71,396	71,396	4,945	76,341
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	1,139	(1,139)	0	0	0
5.05.02.08	Conducting Cost Assigned Fixed Assets - Sales	0	0	0	70	(70)	0	0	0
5.07	Ending balances	947,522	49,847	978,074	344,069	830,400	3,149,912	235,020	3,384,932

(A free translation of the original in Portuguese)

Consolidated financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2020 to 03/31/2020**(In thousands of Reais)**

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity	Interest of non-controlling shareholders	Consolidated shareholders' equity
5.01	Opening balances	947,522	33,439	680,719	0	1,122,997	2,784,677	199,744	2,984,421
5.03	Initial Adjusted Balances	947,522	33,439	680,719	0	1,122,997	2,784,677	199,744	2,984,421
5.04	Capital transactions with Partners	0	2,444	0	0	0	2,444	0	2,444
	Recognized Granted								
5.04.03	Options	0	1,527	0	0	0	1,527	0	1,527
5.04.05	Treasury shares sold	0	1,859	0	0	0	1,859	0	1,859
5.04.08	Premium on issuance of Delivery	0	(942)	0	0	0	(942)	0	(942)
5.05	Total Comprehensive Income	0	0	0	144,323	(229,205)	(84,882)	(2,730)	(87,612)
5.05.01	Net income for the period	0	0	0	143,525	0	143,525	12,872	156,397
5.05.02	Other Comprehensive Income	0	0	0	798	(229,205)	(228,407)	(15,602)	(244,009)
5.05.02.01	Financial Instruments Adjustments	0	0	0	0	(346,037)	(346,037)	(23,673)	(369,710)
5.05.02.02	Taxes s / Adjustments Financial Instruments	0	0	0	0	117,651	117,651	8,050	125,701
5.05.02.06	Realization of depreciation of the deemed cost a to fixed assets	0	0	0	869	(869)	0	0	0
5.05.02.07	Conducting Cost Assigned Fixed Assets - Depreciation	0	0	0	(71)	71	0	0	0
5.05.02.08	Conducting Cost Assigned Fixed Assets - Sales	0	0	0	0	(21)	(21)	21	0
5.07	Ending balances	947,522	35,883	680,719	144,323	893,792	2,702,239	197,014	2,899,253

Consolidated financial statements / Statement of added value

(In thousands of Reais)

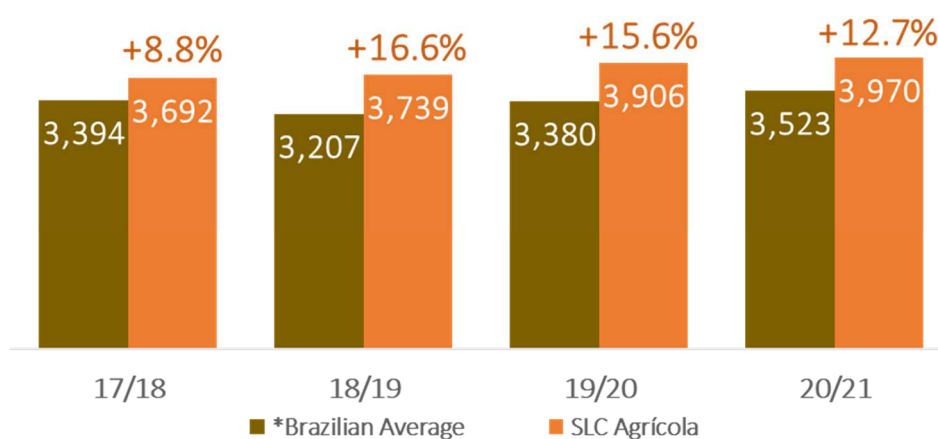
Code of account	Account description	Accumulated of the current year 01/01/2021 to 03/31/2021	Accumulated of the previous year 01/01/2020 to 03/31/2020
7.01	Revenue	1,748,336	1,024,124
7.01.01	Sales of Goods, Products and Services	978,721	716,433
7.01.02	Other Revenues	746,638	296,370
7.01.02.01	Other Revenues	8,748	2,196
7.01.02.02	Change in fair value of assets Biologicos	737,890	294,174
7.01.03	Revenue in the Construction of Own Assets	22,977	11,321
7.02	Inputs Acquired from Third Parties	(857,085)	(586,137)
7.02.01	Prods costs., Mercs. and Servs. sold Materials, Energy, Servs. Third Party and	(8,381)	(1,477)
7.02.02	Other	(178,719)	(142,116)
7.02.04	Others	(669,985)	(442,544)
7.02.04.01	Raw materials consumed	(314,052)	(256,169)
7.02.04.02	Adjustment to fair value of assets Biologicos	(355,933)	(186,375)
7.03	Gross Added Value	891,251	437,987
7.04	Retentions	(43,985)	(25,279)
7.04.01	Depreciation, Amortization and Depletion	(25,377)	(19,234)
7.04.02	Others	(18,608)	(6,045)
7.04.02.01	Amortization of Right of Use	(18,608)	(6,045)
7.05	Value Added Net Produced	847,266	412,708
7.06	Value Added Received in Transfer	93,757	171,215
7.06.02	Financial income	92,552	164,773
7.06.03	Others	1,205	6,442
7.07	Value Added Total Distributable	941,023	583,923
7.08	Distribution of Value Added	941,023	583,923
7.08.01	Folks	95,609	72,502
7.08.01.01	Direct compensation	54,960	42,948
7.08.01.02	benefits	33,267	23,706
7.08.01.03	F.G.T.S.	7,382	5,848
7.08.02	Taxes, fees and contributions	213,370	88,759
7.08.02.01	Federal	201,367	84,614
7.08.02.02	State	11,892	4,029
7.08.02.03	Municipal	111	116
7.08.03	Third parties' assets	255,240	266,265
7.08.03.01	Interest	251,246	257,188
7.08.03.02	Rents	3,994	9,077
7.08.04	Equity Compensation	376,804	156,397
7.08.04.03	Retained Earnings / Loss for the Period	342,860	143,525
7.08.04.04	No controllers in Retained Earnings participation	33,944	12,872

Message from Management

Operational Performance – 2020/21 Crop Year

In line with a key pillar of our current strategy, which is distancing ourselves from the industry average in terms of operating efficiency, we ended another crop year with record soybean yields, for the fourth straight year. The final soybean yield was 3,970 kg/ha (3,906 kg/ha in 2019/20 crop year), which is 5.7% higher than our initial projection and 12.7% higher than the national average (Apr/21 estimate from CONAB). Despite the postponement of planting due to the late start of rains, rapid adjustments to agricultural planning and accelerated planting operations enabled the Company to set yet another yield record.

Figure 1 Soy Productivity Evolution - Last 4 crop years in Kg / ha



*Source: Monitoring of the Brazilian Crop - Grains- CONAB - Months: 09/18, 09/19/ 09/20, 04/21

The cotton and corn crops are in the flowering and seed-filling phases, respectively. In the case of cotton, the crop presents high productive potential, and we are maintaining our initially disclosed yield expectation. For corn, however, the delay in soybean planting in Mato Grosso, and the drought in April, which impacted especially farms in Mato Grosso do Sul, caused a loss in production potential, leading to a reduction of 19.8% in expected yield. In relation to peers, our cotton lint yield will be 2.0% higher than the national average, while our corn yield will be 8.9% above the national average for the second crop, based on CONAB estimates for April (which should still suffer downward revisions).

Note that, given the sharp increases in the commodity's price over recent months and the advances in the Company's hedge position, the loss in corn yield should be fully offset by the better scenario for corn sales prices, and as such should not adversely affect margins this year.

Financial Performance

Net revenue advanced 30.8% in 1Q21 compared to 1Q20. For cotton lint, a higher-value product, the volume invoiced in 1Q21 was 23.0% higher than in 1Q20. All crops reported higher unit prices compared to the same quarter last year.

In 1Q21, Adjusted EBITDA was R\$272.5 million, representing growth of 49.1% on 1Q20. The main factors contributing to this variation were the higher realized Gross Income for soybean and cotton seed in the comparison periods. The lower cotton margin in the quarter reflects the mix of farms invoicing the products in the period.

Net Income advanced 140.9% in 1Q21 compared to 1Q20, to R\$376.8 million. The main factor contributing to the increase was the variation in the Fair Value of Biological Assets for soybean (increase of R\$425.7 million in 1Q21 vs. 1Q20). The variation is explained mainly by higher prices and yields than in the previous crop year, in other words, the expectation of better margins for the 2020/21 crop year compared to the 2019/20 crop year.

(A free translation of the original in Portuguese)

Free Cash Flow was negative in 1Q21, which basically reflects the higher Working Capital Needs due to the payment of inputs for the 2020/21 crop year, which is natural during this period of the year.

As a result, the Company's Adjusted Net Debt ended the first quarter of 2021 at R\$918 million, increasing R\$209.5 million from 4Q20, with a Net Debt/EBITDA ratio of 0.87x.

Hedge Position

The excellent level of international prices for all our crops, combined with the continued depreciation in Brazilian real against the U.S. dollar, supported good progress in the prices hedged to date (see table 24 for more details) for the current (2020/21) crop. As for the 2021/22 crop, we highlight that, for the calculation of the percentage hedged, we are already considering expected volumes from "Agricola Xingu" areas.

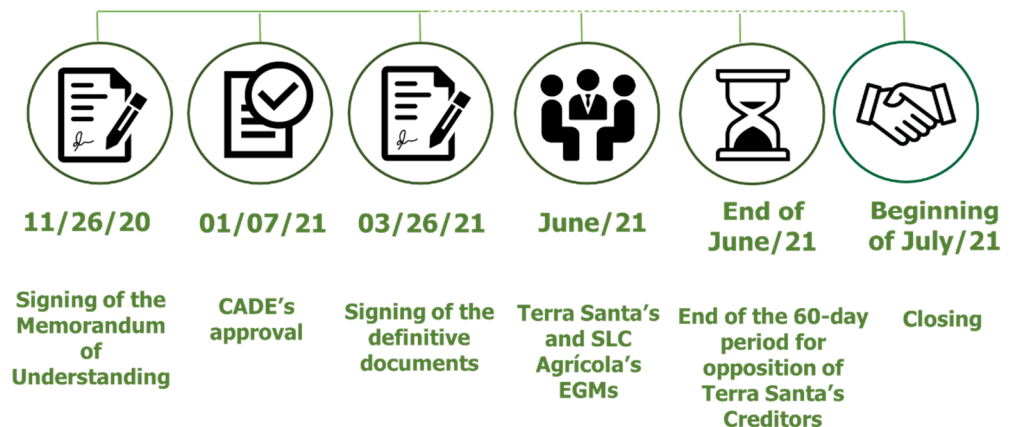
Acquisition of Inputs 2021/22 Crop Year

With regard to input purchases for the 2021/22 crop year, to date, we have acquired all the phosphate and potassium chloride fertilizers needed, as well as a good part of the chemicals required for the new crop year. Considering the current scenario for dollar-denominated costs and prices, as well as the current FX rate, our expectation is for the good levels of profitability to be maintained for 2021/22.

Business Combination with Terra Santa

Complementing the Material Fact notice dated November 26, 2020 and the Notice to the Market dated January 7, 2021, on March 26, 2021, we announced to the market, via a Material Fact notice, the signing of the agreement establishing the terms and conditions for the combination of SLC Agrícola's business with Terra Santa's agricultural operation (excluding land and infrastructure), through the incorporation of Terra Santa's shares by SLC. The total amount attributed to the agricultural operation of Terra Santa (excluding the value of land and improvements) is equivalent to five hundred and fifty million reais (R\$550,000,000.00), plus approximately two hundred and three million reais (R\$203,000,000.00) for other assets, amounting to approximately seven hundred, fifty-three million reais (R\$753,000,000.00), which reflects values in working capital, some fixed assets and other assets. The exchange ratio of the Incorporation of Shares is based on a net equity value of sixty-five million reais (R\$65,000,000.00), with the remainder corresponding to the cash and/or debt to be taken over by SLC, as the case may be and as determined by the variation in the balance of the items until the consummation of the operation. For the next steps related to the agreement, see the estimated timeline until the closing of the operation:

Figure 2 Timeline of Operation with Terra Santa



We reiterate that the business combination with Terra Santa is aligned with and accelerates significantly the Asset Light growth strategy pursued by the Company and will support important synergies given the geographic proximity of the production units of Terra Santa and SLC Agrícola in Mato Grosso state. Based on the current planting area intentions for the

2020/21 crop year disclosed by Terra Santa, the potential exists to expand our planted area by approximately 145,000 hectares for the 2021/22 crop year.

Lease Agreement with Agrícola Xingú

On April 8, 2021, we announced, through a Material Fact notice, the execution of a lease agreement with Agrícola Xingú S.A., under which the company will commercially explore an area of **39,034 hectares in the municipalities of Correntina/BA (34,284 hectares) and Unaí/MG (4,749 hectares)**. The areas are developed, duly licensed and already used for planting grains and cotton. **The term of the agreement is fifteen (15) years for the areas in Bahia and ten (10) years for the areas in Minas Gerais**. The lease amount, which was entered into on an arm's length basis for the region, also covers the right to use the operational facilities existing on the properties, which feature irrigation infrastructure on 6,618 hectares, grain storage capacity and cotton processing units, with the only investment requirement the acquisition of machines from Agrícola Xingu S.A. Most of the employees will be incorporated into the SLC Agrícola team. This operation is subject to approval by Brazil's antitrust authority CADE, with such approval to be disclosed to the market when obtained.

SLC Agrícola Post-Incorporations

In the 2020/21 crop year, the Company's initial planting potential disclosed was 472,000 hectares. Considering Terra Santa's initial planting potential of 145,000 hectares and the lease agreement with Agrícola Xingú, which adds planting potential of 43,000 hectares, we estimate a planting area for the 2021/22 crop year of approximately **660,000 hectares**, which represents **growth of 40% compared to the 2020/21 crop year**. Note that the production mix after the incorporations remains practically unchanged, leading to positive expectations in terms of Adjusted EBITDA per hectare.

Important Events

On April 29, we held our second Virtual Annual Shareholders Meeting, with the attendance of 70.57% of our shareholders. On the date, the distribution of R\$232.0 million was approved, **corresponding to 50% of the parent company's adjusted net income**, of which R\$32.3 million already had been approved for distribution by the Board of Directors in a meeting held on November 6, 2020, as interest on equity to be considered towards the calculation of the mandatory dividend. Accordingly, the total amount left to be distributed is **R\$199.7 million**, corresponding to **R\$1.06271439** per common share, excluding treasury shares, which represents a **dividend yield of around 2%**. The amount will be distributed on May 13, 2021, with the Company's shares trading ex-dividend as of April 30, 2021.

ESG

As to the Leadership in ESG pillar of our strategy, we point out that the leased areas resulting from the business combination with Terra Santa and Agrícola Xingú are aligned with the Company's expansion strategy on **mature land, with high production potential and in compliance with environmental adequacy requirements**.

The Company draws on all resources required to ensure that its activities are sustainable and responsible and adopts best global practices to cause positive environmental and social impacts on its operating sites, **supported by its low-carbon production model**, which helps to minimize climate change, in line with its Big Dream.

In this earnings release, the section dedicated to this topic is **ESG Communication with Our Stakeholders**.

Covid-19

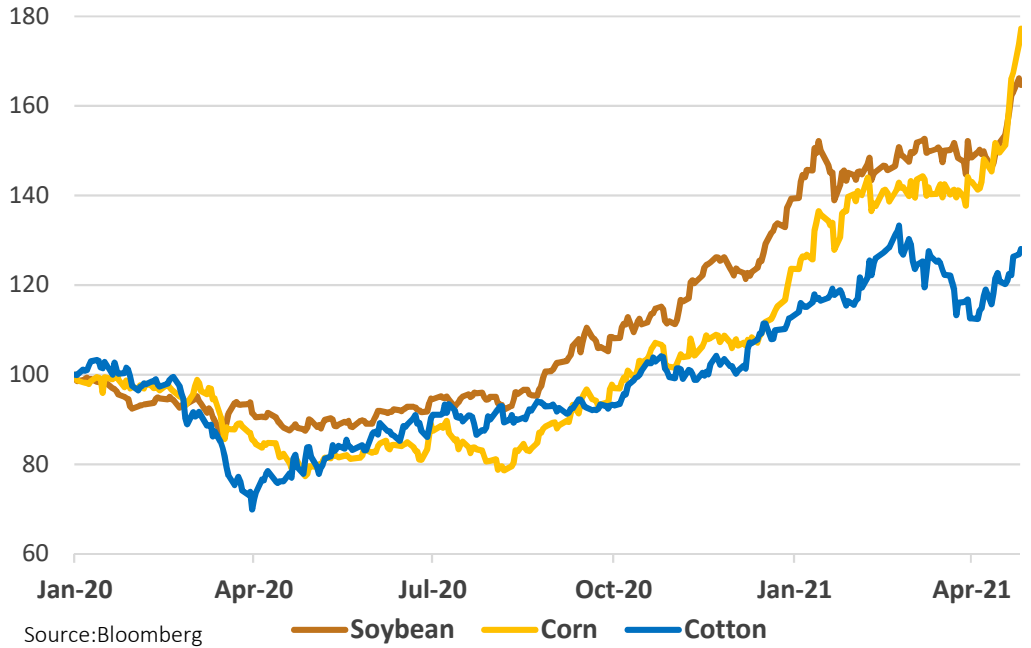
The Crisis Committee remains responsible for preparing and monitoring continuously the "Covid-19 Contingency Plan" and the "Guide to Combating Covid-19." The Company has registered cases of Covid-19 among its employees, but emphasizes that, **to date, its operations have not been affected and it continues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

The Management

Market Overview

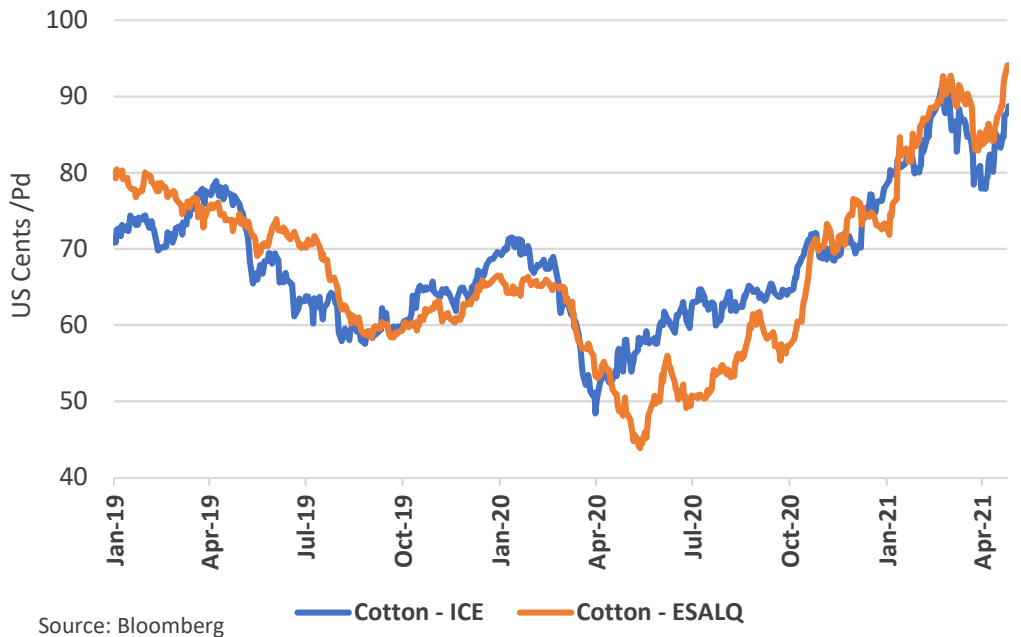
Commodities

Figure 3 Price Variations, Select Commodities, Jan/2020 to Apr/2021- Base 100



Cotton

Figure 4 Cotton Prices in International Market vs. Brazil.

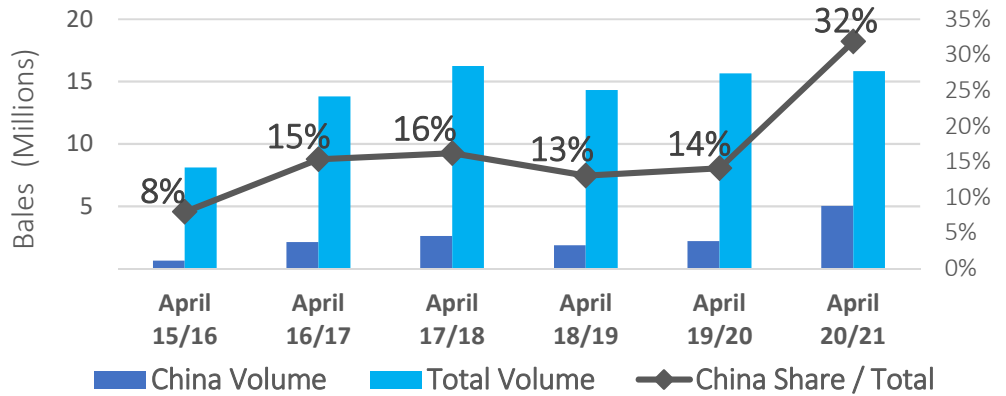


The first quarter of 2021 was marked by high volatility in cotton prices in the international and Brazilian markets. The scenario of downward revisions in production estimates in the United States over the closing months of the 2020/21 crop year, combined with the initial expectation of a slight reduction in the country's planted area for the 2021/22 cycle, of approximately 1%, according to USDA data, were in large part responsible for the variation in prices from the

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supply standpoint. On the demand side, the Chinese share in U.S. cotton sales is especially noteworthy. According to USDA data, the volume of U.S. cotton sales already committed currently stands at around 16 million bales, with sales to China accounting for over 30% of that, which represents a significant increase from the last cycle, when sales to China accounted for 14% of the total.

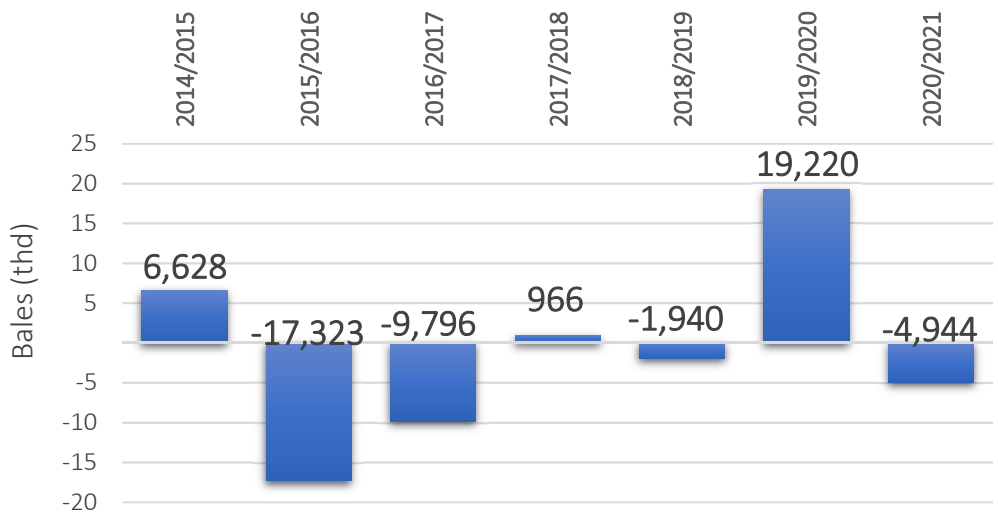
Figure 5 Cotton – Annual Comparison of U.S. Cotton Sales to China vs. all other countries



Source: USDA

The expected stabilization in global cotton consumption and the scenario of crop shortfall in the United States, combined with the surmounting of uncertainties in the last cycle caused by the Covid-19 pandemic at the global level, are factors that have been contributing for the global supply-demand balance to end the current cycle with a deficit of around 4.9 million bales, according to USDA estimates.

Figure 6 World Supply-Demand Balance

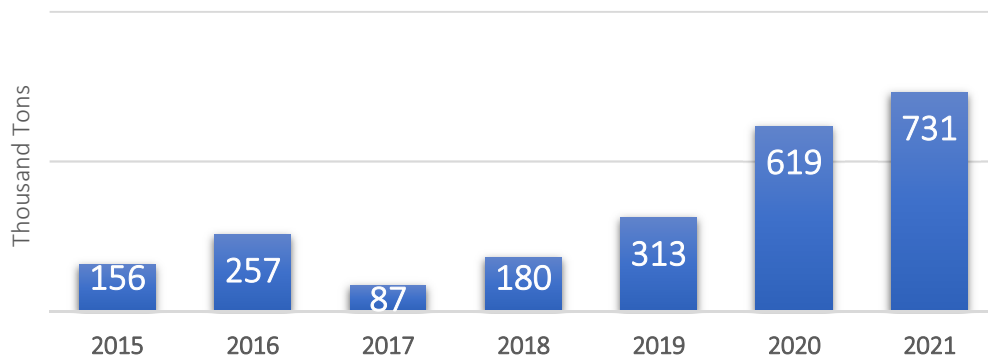


Source:USDA

Brazilian exports ended 2020 at 2.1 million tons, approximately 30% higher than in 2019. Demand for Brazilian cotton maintained its growth trend during the first quarter of 2021, with record monthly shipment volumes (+18% y/y), which contributed to the country maintaining its position as the world’s second largest cotton exporter.

“global supply-demand balance should end the current cycle with a deficit of around 4.9 million bales”

Figure 7 Brazilian Cotton Exports, 1Q21

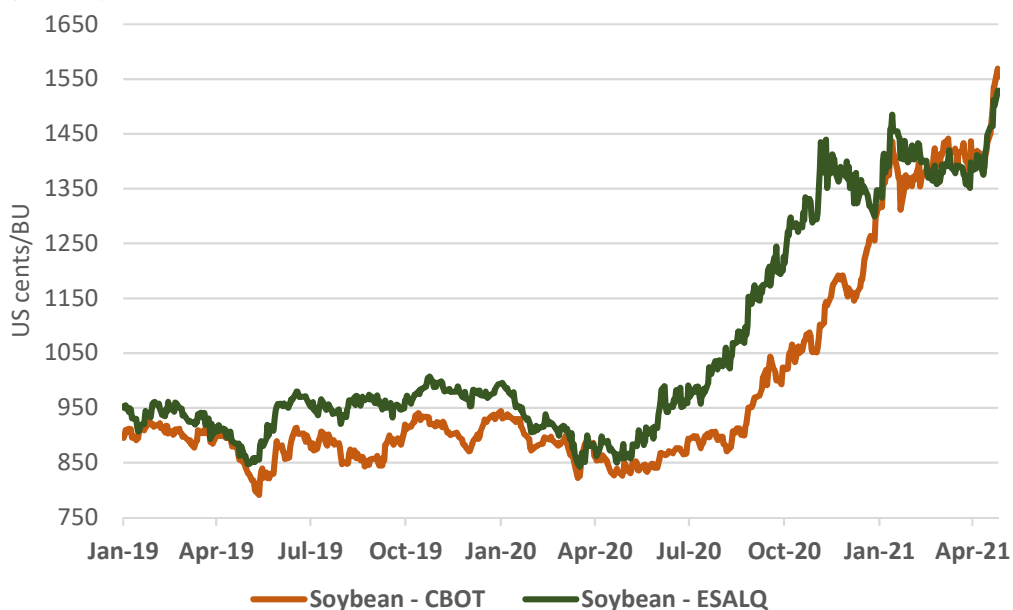


Source: MDIC

Soybean

Soybean spot prices quoted on the Chicago Board of Trade (CBOT) and the prices paid for the grain based on the Paranaguá/CEPEA reference maintained their upward trend during the first quarter of 2021.

Figure 8 Soybean Price in International Market vs. Brazil



Source: Bloomberg

"prices of soybeans and soymeal ended the period from January 2020 to January 2021 with cumulative gains of over 60% and 40%, respectively, while soybean oil prices rose around 80%."

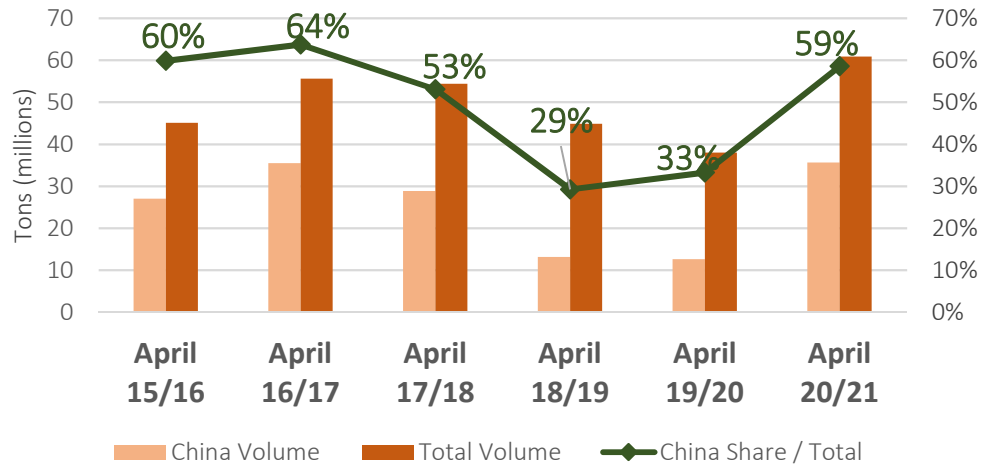
The high prices in Chicago, combined with the premiums paid and local currency depreciation enabled soybean prices to reach levels above those in the same period last year and, more recently, led to quotes of over 180.00 R\$/bag, according to CEPEA data for Paranaguá.

In a quarter marked by the resilience and subsequent increase in prices for the soybean complex in Chicago, the prices of soybeans and soymeal ended the period from January 2020 to January 2021 with cumulative gains of over 60% and 40%, respectively, while soybean oil prices rose around 80%.

The recovery in Chinese imports to meet domestic demand remains the main factor supporting prices, as well as the share of China on the U.S. soybean sales, with current data surpassing recent historical data for import volumes, according to USDA data.

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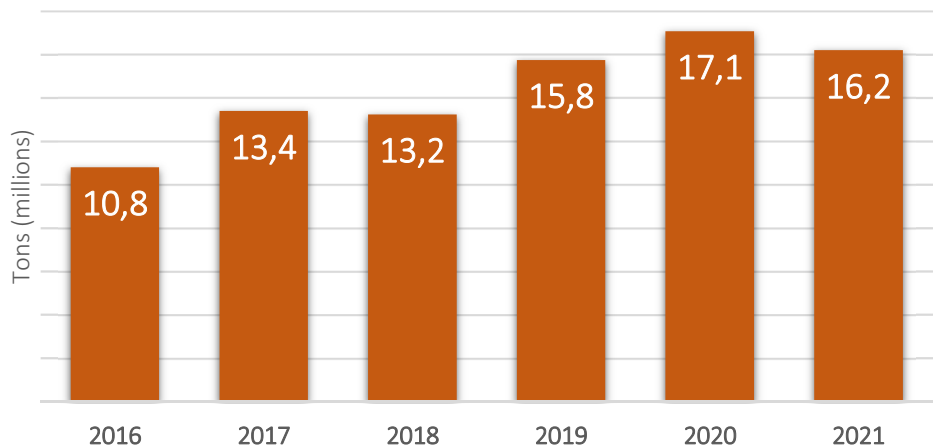
Figure 9 Soja – Soybean – Annual Comparison of U.S. Soybean Sales to China vs. all other countries



Source: USDA

In Brazil, soybean exports in the first quarter of 2021 maintained their upward trend observed in recent years, with shipments of 16.2 million tons, consolidating the country’s position as an important soybean supplier in the international market.

Figure 10 Soybean – Brazilian Soybean Exports in 1Q21

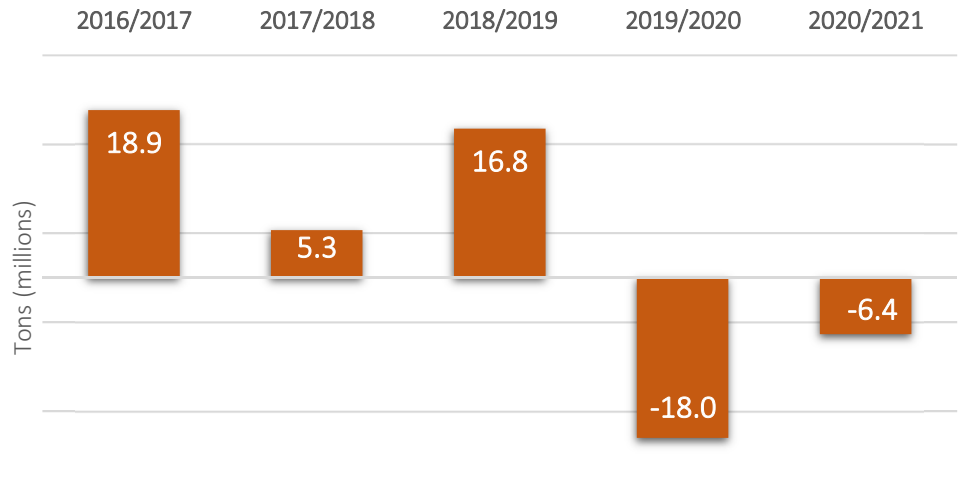


Source:MDIC

At the global level, in the current cycle (2020/21), the global supply-demand balance should register a deficit for the second straight year, with consumption expected to outstrip production by approximately 6.4 million tons, following the deficit of 18.1 million tons in 2019/20.

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Figure 11 Soybean World Supply-Demand Balance

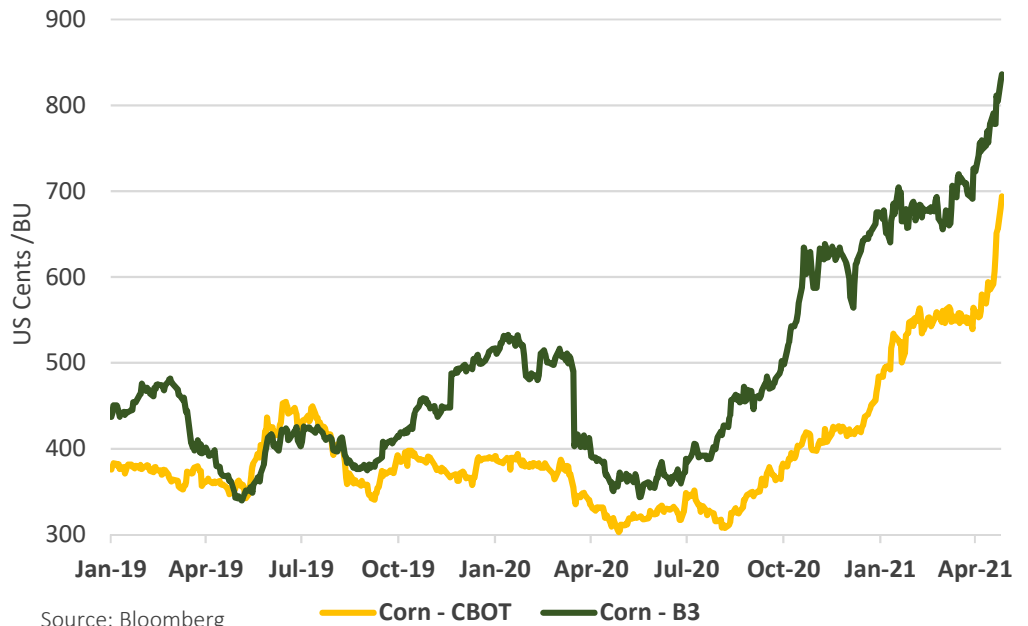


Source: USDA

Corn

Corn prices in CBOT spot contracts and in the Brazilian market continued to rise in the first quarter of 2021, maintaining the upward trend observed in the last months of 2020.

Figure 12 Corn Price in International Market vs. Brazil



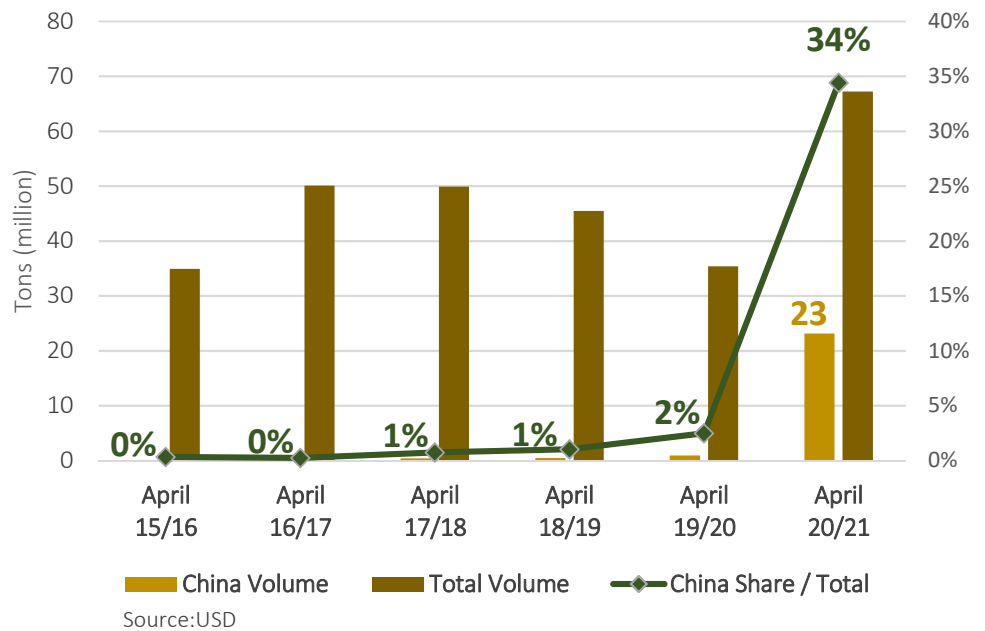
Source: Bloomberg

“In April, prices in the U.S. market consolidated their upward trend after the planting intentions report disclosed in the United States estimated an expansion in planted area for the 2020/21 crop year of only 1%, to around 91 million acres”

In April, prices in the U.S. market consolidated their upward trend after the planting intentions report disclosed in the United States estimated an expansion in planted area for the 2021/22 crop year of only 1%, to around 91 million acres. In the last quarter of 2020 and first months of 2021, the scenario marked by strong demand, measured especially by U.S. corn sales to China, continued to support corn prices in Chicago.

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Figure 13 Corn – Annual Comparison of U.S. Corn Sales to China vs. all other countries

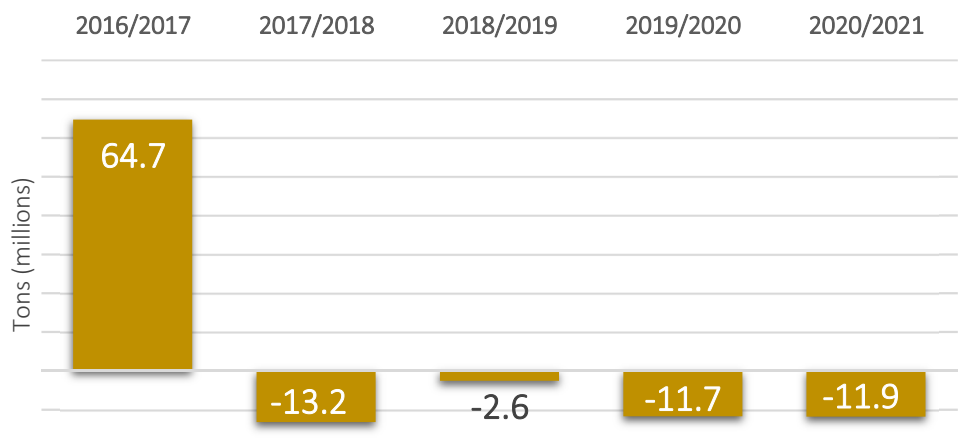


“the scenario marked by strong demand, measured especially by U.S. corn sales to China, continued to support corn prices in Chicago.”

The volume of U.S. corn sales has been an important factor supporting corn prices on the CBOT, since the total committed volume significantly higher than in prior crop years creates an expectation of ending stocks in the country below recent historical levels. However, uncertainty regarding the size of the U.S. export program, as well as the total production of the Brazilian crop and the size of its export program, are factors that should continue to increase price volatility in domestic and international markets.

In Brazil, production regions in the South faced adverse weather conditions for the development of first-crop corn, and there is still significant uncertainty regarding the size of the country’s second crop, with production data for both cases still pending to confirm actual volumes. In the global scenario, the supply and demand imbalance should result in a deficit of 11.9 million tons, with the persistence of this global deficit expected to accelerate the global destocking trend, which is another important factor sustaining future corn prices in the international market.

Figure 14 Corn – Global Supply-Demand Balance



“global deficit expected to accelerate the global destocking trend, which is another important factor sustaining future corn prices in the international market.”

Operational Performance – 2020/21 Crop Year

The first quarter of 2021 was marked by the conclusion of planting operations on second-crop areas for corn and cotton, as well as the conclusion of the soybean harvest, in late April.

Planted Area

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

For more details on the planted area, see the Additional Information section of this document.

Table 1 Planted Area by Crop, 2019/20 vs. 2020/21

Crop Mix	Planted Area	Planted Area	Share	Δ%
	2019/20	2020/21 ⁽¹⁾	2020/21	
	-----ha-----		%	
Cotton	125,462	109,608	23.7	-12.6
Cotton lint 1 st crop	74,054	78,015	16.8	5.3
Cotton lint 2 nd crop	51,408	31,593	6.8	-38.5
Soybean (Commercial + Seed)	235,444	229,449	49.5	-2.5
Corn 2nd crop	82,392	106,505	23.0	29.3
Other Crops ⁽²⁾	5,270	17,683	3.8	235.5
Total Area	448,568	463,245	100.0	3.3

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

⁽²⁾ Other crops (Corn 1st crop 6,391.89 ha, Corn Seed 460.79 ha, Popcorn Corn 987.17 ha, Wheat 675.77 ha, Livestock 3,526.71, Brachiaria Seed 5,258.62 ha and Mung Beans 382.36) total 17,683.31.

Yields

Table 2 Projected Yields, 2020/21 Crop Year

Yields (kg/ha)	2019/20	2020/21	2020/21	Δ%	Δ% (b x a)
	Crop Year	Crop Year	Crop Year	(c x b)	
	Budget (a)	Budget (b)	Forecast (c)		
Cotton lint 1 st crop	1,842	1,863	1,863	-	1.1
Cotton lint 2 nd crop	1,749	1,638	1,638	-	-6.3
Cotton seed	2,261	2,221	2,253	1.4	-1.8
Soybean (Commercial + Seed)	3,607	3,755	3,970	5.7	4.1
Corn 2 nd crop	7,385	7,567	6,065	-19.8	2.5

Commercial Soybean

For the **fourth straight year, we set a new yield record**, which is in line with the Company's current strategy of focusing on maximizing operating efficiency. The yield was 5.7% higher than our initial projection and 12.7% higher than the national average (Apr/21 estimate from CONAB).

Soybean Seed

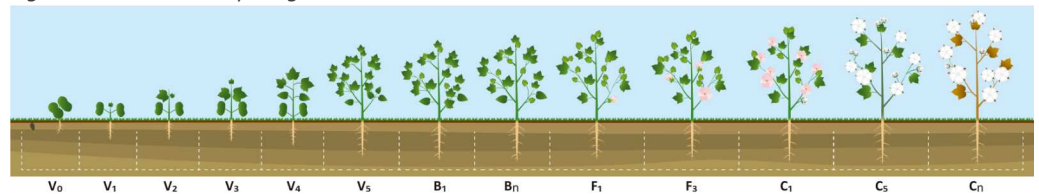
We estimate total production of 470,000 bags of soybean seeds, of which 120,000 will be used for internal consumption, 150,000 sold directly to other farmers, under the SLC Sementes brand. 200,000 bags will be produced under the verticalized model. Final production will be disclosed on the third quarter, after the validation of the quality indicators.

Cotton 1st Crop

First-crop cotton is presenting good production potential for achieving the initially estimated yield.

The crop is evolving from the flowering to cotton-boll development phase. As shown in the figure below, we are between stages F12 (twelfth flower, twelfth reproductive node, in the first position) and C1 (first boll, first reproductive node).

Figure 15 Cotton 1st Crop Stages

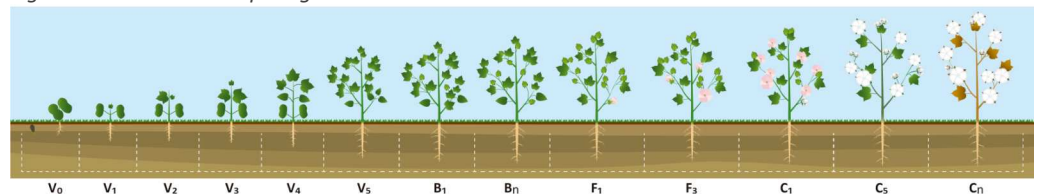


Cotton 2nd Crop

Second-crop cotton is presenting good production potential, with our yield estimate unchanged at 1,638 kg/ha.

The crop is in the flowering stage. As shown in the figure below, we are between stages F9 and F12 (ninth flower, ninth reproductive node, in the first position).

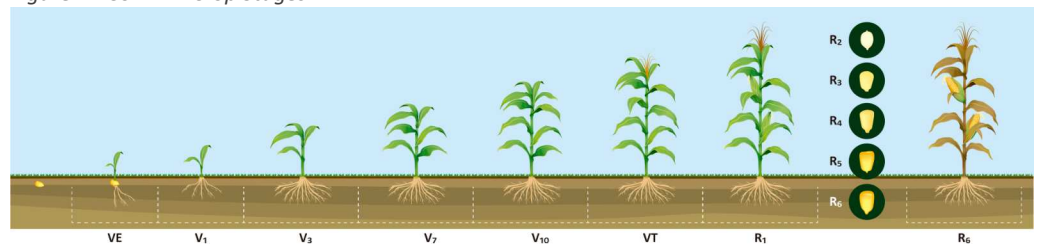
Figure 16 Cotton 2nd Crop Stages



Corn 2nd Crop

Our current estimate of yield for corn is 6,065 kg /ha, about 19.8% less than initially budgeted, reflecting the delay in planting and consequently loss of productive potential. Corn, as shown in the following figure, is between stages V9 and R4 (ninth expanded leaf, fourth stage of chalky grain).

Figure 17 Corn 2nd Crop Stages



Production Cost - 2020/21 Crop Year

Table 3 Breakdown of Projected Production Cost by Crop (R\$/ha), 2020/21 Crop Year

%	Cotton	Soybean	Corn	Average 2020/21	Average 2019/20
Variable Costs	83.1	77.5	81.8	80.8	79.5
Seeds	9.8	14.7	18.2	12.4	12.1
Fertilizers	21.3	21.3	36.4	22.5	22.1
Chemicals	28.6	24.3	14.5	25.3	23.8
Air Spraying	1.6	1.0	1.5	1.4	1.7
Fuels and Lubricants	2.9	3.3	3.0	3.0	3.6
Labor	0.9	0.7	0.4	0.6	0.6
Ginning	8.3	2.6	2.4	5.8	6.2
Maintenance	3.5	4.3	3.2	3.7	4.1
Others	6.2	5.3	2.2	6.1	5.3
Fixed Costs	16.9	22.5	18.2	19.2	20.5
Labor	7.3	9.3	7.4	8.0	8.1
Depreciation and amortizations	4.5	6.2	4.5	5.1	4.8
Right-of-Use Amortization - Leasing	3.1	4.5	4.3	3.8	5.1
Others	2.0	2.5	2.0	2.3	2.5

Table 4 Production Cost in R\$/hectare, 2020/21 Crop Year

Total (R\$/ha)	Achieved 2019/20 ⁽¹⁾	Budget 2020/21	Δ%
Cotton 1st crop	9,362	9,899	5.7%
Cotton 2nd crop	8,264	9,306	12.6%
Soybean	3,015	3,300	9.5%
Corn 2nd crop	2,545	2,858	12.3%
Total average cost	4,735⁽²⁾	5,168⁽²⁾	9.1%

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

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

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

Financial Performance

Income Statement Analysis

Highlight: On this quarter, we start reporting detailed results on the Livestock operation.

Adjusted EBITDA

Adjusted EBITDA was of R\$272.5 million in 1Q21, with Adjusted EBITDA margin of 32.9%. The EBITDA growth of 49.1% versus 1Q20 was due to the significant improvement in prices for soybean and cotton seed in the comparison period. For more details, see the section Gross Income by Crop.

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Table 5 Adjusted EBITDA Reconciliation

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Net Revenue	2,535,905	3,097,547	22.1%	632,632	827,490	30.8%
Change in Fair Value of Biological Assets	504,751	775,534	53.6%	294,174	737,890	150.8%
(-) Cost of Goods and/or Services Sold	(2,257,472)	(2,802,782)	24.2%	(599,258)	(868,018)	44.8%
Cost of Goods	(1,733,206)	(2,051,786)	18.4%	(412,883)	(512,085)	24.0%
Realiz. of the Fair Value of Bio. Assets	(524,266)	(750,996)	43.2%	(186,375)	(355,933)	91.0%
Gross Income	783,184	1,070,299	36.7%	327,548	697,362	112.9%
(-) Sales Expenses	(152,972)	(173,964)	13.7%	(41,773)	(53,379)	27.8%
(-) General and administrative expenses	(89,324)	(115,452)	29.3%	(23,140)	(33,127)	43.2%
General and administrative	(63,236)	(70,058)	10.8%	(16,293)	(19,963)	22.5%
Participations Results	(26,088)	(45,394)	74.0%	(6,847)	(13,164)	92.3%
(-)Administrative Fees	(13,827)	(14,716)	6.4%	(6,350)	(8,014)	26.2%
(-)Other operating revenues (loss)	31,651	14,763	-53.4%	452	2,395	429.9%
(=) Income from Activity	558,712	780,930	39.8%	256,737	605,237	135.7%
(+) Depreciation and amortization	105,810	119,686	13.1%	19,234	25,377	31.9%
EBITDA	664,522	900,616	35.5%	275,971	630,614	128.5%
(-) Variation Fair Val. of Biological Assets ⁽³⁾	(504,751)	(775,534)	53.6%	(294,174)	(737,890)	150.8%
(+) Realization Fair Val. of Biolog. Assets ⁽⁴⁾	524,266	750,996	43.2%	186,375	355,933	91.0%
(+) Low Fixed Assets	12,228	8,067	-34.0%	2,910	5,593	92.2%
(+) Other Trans. Prop., Plant and Equip	425	2,455	477.6%	191	(334)	n.m
(+) Sale of Land Costs	36,029	-	-100.0%	-	-	-
(+) Retained Earnings - IFRS 16	19,466	-	-100.0%	-	-	-
(+) Amortization adjustment - IFRS 16 ⁽⁵⁾	43,336	73,663	70.0%	11,559	18,608	61.0%
Adjusted EBITDA ^(1 and 2)						
(farming operation + sale of land)	795,521	960,263	20.7%	182,832	272,524	49.1%
Adjusted EBITDA Margin ^(1 and 2)						
(farming operation + sale of land)	31.4%	31.0%	-0.4p.p	28.9%	32.9%	4.0p.p
Adjusted EBITDA ^(1 and 2)						
(farming operation)	715,314	960,263	34.2%	182,832	272,524	49.1%
Adjusted EBITDA Margin ^(1 and 2)						
(farming operation)	28.2%	31.0%	2.8p.p	28.9%	32.9%	4.0p.p

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

Net Revenue

Table 6 Net Revenue

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Net Revenue	2,535,905	3,097,547	22.1%	632,632	827,490	30.8%
Cotton lint	1,212,573	1,697,671	40,0%	246,693	388,868	57.6%
Cotton seed	77,154	156,269	102,5%	20,901	35,164	68.2%
Soybean	1,036,218	1,291,803	24,7%	407,034	495,896	21.8%
Corn	253,376	383,504	51,4%	24,457	2,873	-88.3%
Cattle Herd	7,910	29,528	273,3%	-	1,812	100.0%
Others	64,964	70,379	8,3%	1,196	28,880	n.m
FX income	(116,290)	(531,607)	357,1%	(67,649)	(126,003)	86.3%

Table 7 Volume Invoiced (tons / head)

(Tons)	2019	2020	HA	1Q20	1Q21	HA
Volume Invoiced	2,004,697	2,107,949	5.2%	457,802	431,426	-5.8%
Cotton lint	Ton 185,374	215,965	16.5%	35,998	44,277	23.0%
Cotton seed	Ton 234,986	281,613	19.8%	41,447	42,159	1.7%
Soybean	Ton 898,368	899,278	0.1%	339,487	328,089	-3.4%
Corn	Ton 634,644	662,840	4.4%	37,534	3,677	-90.2%
*Others	Ton 51,325	48,253	-6.0%	3,336	13,224	296.4%
(Heads)	2019	2020	HA	1Q20	1Q21	HA
Volume Invoiced	6,363	12,346	94.0%	-	485	100.0%
Cattle Herd	Heads 6,363	12,346	94.0%	-	485	100.0%

Net Revenue grew 30.8% in 1Q21 compared to 1Q20, basically due to the lower prices invoiced for all crops, despite the lower volume of soybean and corn invoiced.

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Table 8 Variation in Fair Value of Biological Assets

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Variation in Fair Value of Biol. Assets	504,751	775,534	53.6%	294,174	737,890	150.8%
Cotton lint	224,433	298,465	33.0%	-	-	-
Cotton seed	15,411	28,208	83.0%	-	-	-
Soybean	229,668	315,535	37.4%	294,210	719,940	144.7%
Corn	17,933	62,353	247.7%	-	13,715	100.0%
Cattle Herd	(32)	5,648	n.m	(35)	4,235	n.m.
Others	17,338	65,325	276.8%	(1)	-	-100.0%

The calculation of Variation in Fair Value of Biological Assets (“VFVBA”) reflects the estimated gross margin (sale price at farm less unit costs incurred) of crops presenting significant biological transformation in the calculation period. For cattle herds, the methodology is similar, but in such case biological transformation occurs through estimated weight gain.

VFVBA attributed to soybean crop increased R\$443.4 million, up 144.7% from the mark-to-market adjustment made in 1Q20. The variation reflects the expectation of higher margins for the current soybean crop compared to the estimate made in 1Q20, for soybean in the 2019/20 crop year.

This quarter we also recognized VFVBA for first-crop corn.

For the Cattle Herd, the increase in VFVBA reflected the number of heads at point of transformation (1Q20: 1,000 heads; 1Q21: 9,500 heads).

Cost of Goods Sold

Table 9 Cost of Goods Sold

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Cost of Goods Sold	(1,733,206)	(2,051,786)	18.4%	(412,883)	(512,085)	24.0%
Cotton lint	(762,874)	(945,782)	24.0%	(155,284)	(216,518)	39.4%
Cotton seed	(61,257)	(98,128)	60.2%	(10,349)	(10,266)	-0.8%
Soybean	(644,331)	(697,641)	8.3%	(221,572)	(259,413)	17.1%
Corn	(198,182)	(230,112)	16.1%	(10,038)	(3,231)	-67.8%
Cattle Herd	(7,871)	(25,027)	218.0%	(16)	(1,523)	n.m
Others	(58,691)	(55,096)	-6.1%	(15,624)	(21,134)	35.3%

Cost of goods sold in the quarter increased 24.0% compared to 1Q20, due to the higher volume of cotton invoiced and the increase in unit cost for all crops.

Cotton and soybean registered variations in line with the increase in cost per hectare compared to the previous crop year. In the case of corn, the increase in unit cost was due to two factors: the higher cost per hectare and the lower yield in the comparison of the 2019/20 crop year with 2018/19.

Table 10 Realization of Fair Value of Biological Assets

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Realiz. of the Fair Value of Biological Assets	(524,266)	(750,996)	43.2%	(186,375)	(355,933)	91.0%
Cotton lint	(254,413)	(281,368)	10.6%	(46,801)	(53,725)	14.8%
Cotton seed	(15,898)	(21,114)	32.8%	(2,451)	(3,782)	54.3%
Soybean	(217,389)	(317,382)	46.0%	(124,221)	(297,961)	139.9%
Corn	(19,593)	(63,591)	224.6%	(1,374)	15	-101.1%
Cattle Herd	-	(7)	100.0%	-	(264)	100.0%
Others	(16,973)	(67,534)	297.9%	(11,528)	(216)	-98.1%

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

In 1Q21, RFVBA was 91.0% higher than in 1Q20, due to the higher margin estimated upon the recording of fair value of biological assets.

(A free translation of the original in Portuguese)

Gross Income by Crop

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

Cotton Lint and Cotton Seed

Table 11 Gross Income - Cotton Lint

Cotton Lint		2019	2020	HA	1Q20	1Q21	HA
Volume Invoiced	Ton	185,374	215,965	16.5%	35,998	44,277	23.0%
Net Revenue	R\$/thd	1,212,573	1,697,671	40.0%	246,693	388,868	57.6%
Result of currency hedge	R\$/thd	(61,699)	(398,374)	545.7%	(18,823)	(107,887)	473.2%
Net inc. adj. for the result of cur. hed.	R\$/thd	1,150,874	1,299,297	12.9%	227,870	280,981	23.3%
Unit Price	R\$/ton	6,208	6,016	-3.1%	6,330	6,346	0.3%
Total Cost	R\$/thd	(762,874)	(945,782)	24.0%	(155,284)	(216,518)	39.4%
Unit Cost	R\$/ton	(4,115)	(4,379)	6.4%	(4,314)	(4,890)	13.4%
Unitary Gross Income	R\$/ton	2,093	1,637	-21.8%	2,016	1,456	-27.8%

The cotton invoiced in the first quarter of 2021 was produced in the 2019/20 crop year.

Unit Gross Income decreased 27.8%, mainly due to the 13.4% increase in unit cost. In 1Q20, most of the cotton invoiced was produced at farms located in the country's Midwest, which delivered yields above the Company's average in that crop year (2018/19). Meanwhile, in 1Q21, there was no concentration per region, which makes comparative analyses between periods more difficult.

Table 12 Gross Income - Cotton Seed

Cotton Seed		2019	2020	HA	1Q20	1Q21	HA
Volume Invoiced	Ton	234,986	281,613	19.8%	41,447	42,159	1.7%
Net Revenue	R\$/thd	77,154	156,269	102.5%	20,901	35,164	68.2%
Net inc. adj. for the result of cur. hedging	R\$/thd	77,154	156,269	102.5%	20,901	35,164	68.2%
Unit Price	R\$/ton	328	555	69.2%	504	834	65.5%
Total Cost	R\$/thd	(61,257)	(98,128)	60.2%	(10,349)	(10,266)	-0.8%
Unit Cost	R\$/ton	(261)	(348)	33.3%	(250)	(244)	-2.4%
Unitary Gross Income	R\$/ton	67	207	209.0%	254	590	132.3%

Cotton seed unit gross income increased 132.3% in the quarter. In addition to the decline in unit cost, unit price increased sharply (65.5% in 1Q21 vs. 1Q20), reflecting the domestic demand for animal food supplements and biodiesel production.

Soybean

Table 13 Gross Income - Soybean

Soybean		2019	2020	HA	1Q20	1Q21	HA
Volume Invoiced	Ton	898,368	899,278	0.1%	339,487	328,089	-3.4%
Net Revenue	R\$/thd	1,036,218	1,291,803	24.7%	407,034	495,896	21.8%
Resultado de hedge cambial	R\$/thd	(46,758)	(106,204)	127.1%	(48,826)	(18,116)	-62.9%
Net inc. adj. for the result of cur. hedging	R\$/thd	989,460	1,185,599	19.8%	358,208	477,780	33.4%
Unit Price	R\$/ton	1,101	1,318	19.7%	1,055	1,456	38.0%
Total Cost	R\$/thd	(644,331)	(697,641)	8.3%	(221,572)	(259,413)	17.1%
Unit Cost	R\$/ton	(717)	(776)	8.2%	(653)	(791)	21.1%
Unitary Gross Income	R\$/ton	384	542	41.1%	402	665	65.4%

Soybean Unit Gross Income increased sharply in 1Q21 compared to 1Q20, by 65.4%, mainly due to higher prices invoiced (+38% vs. 1Q20). Soybean unit cost increased 21.1% in 1Q21, affected by the higher volume invoiced in the Midwest region, where yields were lower than the Company's average in the current crop year (2020/21).

Corn

Table 14 – Gross Income – Corn

Corn		2019	2020	HA	1Q20	1Q21	HA
Volume Invoiced	Ton	634,644	662,840	4.4%	37,534	3,677	-90.2%
Net Revenue	R\$/thd	253,376	383,504	51.4%	24,457	2,873	-88.3%
Result of currency hedge	R\$/thd	(7,833)	(23,165)	195.7%	-	-	-
<i>Net inc. adj. for the result of cur. hedging</i>	R\$/thd	245,543	360,339	46.8%	24,457	2,873	-88.3%
Unit Price	R\$/ton	387	544	40.6%	652	781	19.8%
Total Cost	R\$/thd	(198,182)	(230,112)	16.1%	(10,038)	(3,231)	-67.8%
Unit Cost	R\$/ton	(312)	(347)	11.2%	(267)	(879)	229.2%
Unitary Gross Income	R\$/ton	75	197	162.7%	385	(98)	n.m.

In 1Q21, only 3,677 tons of corn were invoiced, since practically all corn from the 2019/20 crop year was invoiced in 2020. In the quarter, unit gross was negative, mainly due to the higher unit cost, which is basically explained by the mix of farms that invoiced the product in the period, which had higher costs.

Livestock

Table 15 Gross Income – Livestock

Cattle Herd		2019	2020	HA	1Q20	1Q21	HA
Volume Invoiced	Heads	6,363	12,346	94.0%	-	485	100.0%
Net Revenue	R\$/thd	7,910	29,528	273.3%	-	1,812	100.0%
Result of currency hedge	R\$/thd	-	(3,864)	100.0%	-	-	-
<i>Net inc. adj. for the result of cur. hedging</i>	R\$/thd	7,910	25,664	224.5%	-	1,812	100.0%
Unit Price	R\$/head	1,243	2,079	67.3%	-	3,736	100.0%
Total Cost	R\$/thd	(7,871)	(25,027)	218.0%	(16)	(1,523)	n.m
Unit Cost	R\$/head	(1,237)	(2,027)	63.9%	-	(3,140)	100.0%
Unitary Gross Income	R\$/head	6	52	766.7%	-	596	100.0%

The Unit Gross Income of the Cattle operation was R\$596 per head in 1Q21, which is not comparable to 1Q20, given the lack of cattle sales in that period.

Gross Income

Table 16 – Gross Income

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Gross Profit	783,184	1,070,299	36.7%	327,548	697,361	112.9%
Cotton lint	388,000	353,515	-8.9%	72,586	64,463	-11.2%
Cotton seed	15,897	58,141	265.7%	10,552	24,898	136.0%
Soybean	345,129	487,958	41.4%	136,636	218,367	59.8%
Corn	47,361	130,227	175.0%	14,419	(358)	n.m
Cattle Herd	39	5,031	n.m	(6)	289	n.m
Others	6,273	10,889	73.6%	(14,438)	7,745	n.m
Biological Assets	(19,515)	24,538	n.m	107,799	381,957	254.3%

To support the analysis of consolidated Gross Income, we excluded the effects from Biological Assets (Variation and Realization of Fair Value) to show the actual margins of products invoiced in the period. Considering only the Gross Income from crops, the indicator grew 143.5% compared to 1Q20, mainly due to the expansion in the gross margins for soybean and cotton seed.

Selling Expenses

Selling Expenses increased 27.8% in the quarter. The main variations contributing to this increase were in Expenses with Storage, Commissions and Exports, given the higher cotton volume invoiced in the period, as well as the Brazilian real depreciation against the U.S. dollar, since these amounts are pegged to the foreign currency.

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Table 17 - Selling Expenses

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Freight	58,191	63,602	9.3%	13,732	14,179	3.3%
Storage	32,458	36,424	12.2%	11,549	15,648	35.5%
Commissions	13,359	13,979	4.6%	3,809	7,653	100.9%
Classification of Goods	2,070	2,130	2.9%	360	507	40.8%
Export Expenses	28,535	40,228	41.0%	10,796	13,583	25.8%
Others	18,359	17,601	-4.1%	1,527	1,809	18.5%
Total	152,972	173,964	13.7%	41,773	53,379	27.8%
% Net Revenue	6.0%	5.6%	-0.4p.p	6.6%	6.5%	-0.1p.p

Administrative Expenses

Administrative Expenses (excluding amounts related to the Profit Sharing Program) increased 22.5% in relation to the prior-year quarter.

The main variations were:

- (i) Increase of 16.0% in Personnel expenses, mainly due to expenses with Stock Options/Restricted shares (inclusion of a new plan) and headcount adjustments/promotions;
- (ii) Increase of 129.4% in Outsourcing expenses, due to expenses with legal advisory services in connection with the business combination with Terra Santa. Communication and HR services also contracted in the period;
- (iii) Increase of 48.3% in Other expenses. The variation was mainly due to expenses with the balance sheet publication, which in the previous year were recognized in April.

Table 18 Administrative Expenses

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Expenses with personnel	31,952	38,989	22.0%	9,380	10,884	16.0%
Fees	5,058	5,877	16.2%	975	2,237	129.4%
Depreciations and amortizations	1,897	2,094	10.4%	502	582	15.9%
Expenses with travels	2,694	1,176	-56.3%	595	288	-51.6%
Software maintenance	6,161	5,090	-17.4%	1,252	1,539	22.9%
Marketing/Advertisement	2,674	2,692	0.7%	985	1,186	20.4%
Expenses with Communications	2,707	3,798	40.3%	771	944	22.4%
Rentals	904	1,293	43.0%	254	470	85.0%
Labor, Tax and Environmental Contingencies	1,734	186	-89.3%	32	(389)	n.m
Electricity	193	175	-9.3%	69	49	-29.0%
Taxes and other fees	1,275	1,332	4.5%	375	458	22.1%
Contributions and donations	2,322	4,283	84.5%	155	309	99.4%
Other	3,665	3,073	-16.2%	948	1,406	48.3%
Subtotal	63,236	70,058	10.8%	16,293	19,963	22.5%
% Net Revenue	2.5%	2.3%	-0.2p.p	2.6%	2.4%	-0.2p.p
Provision for profit share program	26,088	45,394	74.0%	6,847	13,164	92.3%
Total	89,324	115,452	29.3%	23,140	33,127	43.2%

Net Financial Result

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

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Table 19 Adjusted Net Financial Income (Expense)

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Interest	(101,197)	(53,637)	-47.0%	(17,763)	(15,466)	-12.9%
FX Variation	5,940	28,775	384.4%	8,714	1,866	-78.6%
Monetary Variation	139	-	-100.0%	-	-	-
Ad. to pres. value of leas. contracts (IFRS16)	(47,607)	(61,106)	28.4%	(13,888)	(18,815)	35.5%
Other financial revenues (expenses)	(1,325)	(5,783)	336.5%	(2,787)	(1,391)	-50.1%
Total	(144,050)	(91,751)	-36.3%	(25,724)	(33,806)	31.4%
% Net Revenue	5.7%	3.0%	-2.7p.p.	4.1%	4.1%	-

In the quarter, the Adjusted Net Financial Expense increased in relation to the same period last year. The main impact came from the Adjustment to Present Value of Leases, which reflected the extension of certain leasing contracts and the higher price of the soybean bag in BRL (the index adopted on such agreements and future interest). Values on the "Interest" line decreased in 1Q21 compared to 1Q20, mainly reflecting the contribution from the declines in the balance of net debt and in the CDI rate in the period.

Net Income (Loss)

Table 20 Net Income

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Income before taxes on profit	414,662	689,179	66.2%	231,012	571,432	147.4%
Income Tax and Social Contrib. on Profit	(99,621)	(178,231)	78.9%	(74,615)	(194,628)	160.8%
Consolidated Net Income for the Period	315,041	510,948	62.2%	156,397	376,804	140.9%
Assigned to parent company	311,514	488,674	56.9%	143,525	342,860	138.9%
Assigned to non-controlling comp. members	3,527	22,274	531.5%	12,872	33,943	163.7%
% Net Revenue	12.4%	16.5%	4.1p.p.	24.7%	45.5%	20.8p.p.
Net Income Farming Operation	292,893	510,948	74.4%	156,397	376,804	140.9%
Net Margin Farming Operation	11.5%	16.5%	5.0p.p.	24.7%	45.5%	20.8p.p.
Net Profit Sale of Land	22,148	-	-100.0%	-	-	-

Net Income in 1Q21 was R\$376.8 million, increasing 140.9% compared to 1Q20. The main factor driving net income growth in the period were the accounting dynamics of Biological Assets (Net Income – Cost), with a contribution of R\$274.1 million, led by the variation in soybean, which reflects the expectation of higher margins for this crop in relation to the prior crop year.

Statement of Cash Flow Analysis

Cash generation was negative in 1Q21, which basically reflects the higher Working Capital Needs due to the payment of inputs for the 2020/21 crop year, which is characteristic of this period of the year.

Table 21 Summarized Cash Flow

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Cash generated in operations	778,746	1,155,649	48.4%	278,199	320,616	15.2%
Changes in assets and liabilities	(245,880)	(370,788)	50.8%	(642,366)	(392,650)	-38.9%
Net cash used in investment activities	(161,005)	(169,846)	5.5%	(89,505)	(101,752)	13.7%
<i>In Fixed assets</i>	(235,175)	(190,129)	-19.2%	(82,574)	(93,013)	12.6%
<i>In Intangible assets</i>	(5,746)	(21,654)	276.9%	(6,931)	(8,739)	36.7%
<i>Receipt from sale of land</i>	80,621	42,643	-47.1%	-	-	-
<i>Land return payment</i>	(705)	(706)	0.1%	-	-	-
Presented Free Cash	371,861	615,015	65.4%	(453,672)	(173,786)	-61.7%
Net cash gen./ (cons.) in fin. act. ⁽¹⁾	(74,436)	(55,329)	-25.7%	(17,998)	2	n.m.
Paid leases ⁽²⁾	(78,929)	(129,634)	64.2%	(13,411)	(13,928)	3.9%
Share buyback	-	(268)	100.0%	-	-	-
Payment of CRA Costs	(5,423)	(14,700)	171.1%	-	(10)	100.0%
Adjusted Free Cash	213,073	415,084	94.8%	(485,081)	(187,722)	-61.3%

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

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

(A free translation of the original in Portuguese)

Property, Plant & Equipment / CAPEX

Table 22 Capital Expenditures

(R\$ thd)	2019	2020	HA	1Q20	1Q21	HA
Machinery, implements and equipment	109,101	91,999	-15.7%	57,184	39,303	-31.3%
Land acquisition	3,072	102	-96.7%	-	202	100.0%
Soil correction	42,772	56,156	31.3%	2,583	2,340	-9.4%
Buildings and facilities	49,575	22,154	-55.3%	6,489	14,905	129.7%
Cotton ginning plant	33,710	3,687	-89.1%	643	93	-85.5%
Grains storage	1,763	2,380	35.0%	734	-	-100.0%
Soil cleaning	3,630	20,009	451.2%	2319	2,762	19.1%
Vehicles	4,029	2,506	-37.8%	38	499	n.m
Aircraft	7,542	21	-99.7%	-	-	-
Software	9,798	21,111	115.5%	4,510	9,336	107.0%
Improvements in own properties	2	39	n.m	-	-	-
Improvements in Third Party Real Estate	1,917	1,324	-30.9%	225	818	263.6%
Buildings	-	106	100.0%	106	-	-100.0%
Others	9,620	12,652	31.5%	2,354	2,311	-1.8%
Total	276,531	234,246	-15.3%	77,185	72,569	-6.0%

Total capital expenditures in 1Q21 were 6.0% lower than in 1Q20. The largest investments made in the quarter were in the “Machinery, Tools and Equipments”, “Buildings and Facilities” and “Software” lines.

In “Machinery”, the main acquisitions included planters and sprayers for the Planeste Farm, a tractor for the Parnaíba Farm and subsoilers for the Paiaguás and Planorte Farms. Meanwhile, investments in Buildings and facilities increased 129.7%, mainly due to the amounts allocated to the Piratini Farm. The investments in Software, which increased 107.0%, are related to the new integrated management system being implemented.

Debt

Adjusted Net Debt ended the first quarter of 2021 at R\$918 million, representing an **increase of R\$209.5 million** from the end of 2020. Net debt was affected mainly by the higher Working Capital Needs, which in turn were influenced by payments for agricultural inputs for the 2020/21 crop year. Note that the higher debt in this period of the year is expected, given the cash conversion cycle of the business.

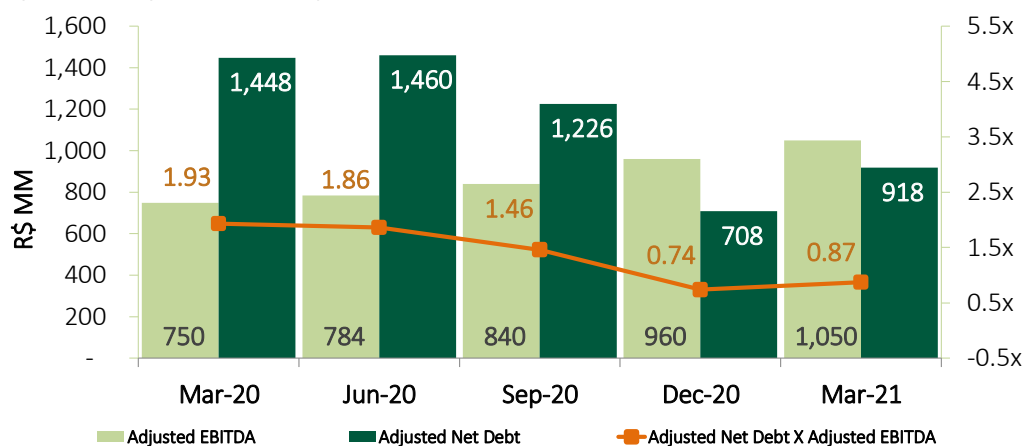
Table 23 Financial Net Debt

Credit Line (R\$ thd)	Average Rate (%) Index	Consolidated			
		2020	1Q21	2020	1Q21
Applied in Fixed Assets				57,053	53,483
Finame – BNDES	Pref, Bask. of Curr.	5.4%	5.0%	57,053	53,483
Applied in Working Capital				2,377,936	2,585,070
Rural Credit	Prefixed	4.3%	4.3%	12,186	12,313
CRA	CDI ⁽¹⁾	2.9%	3.7%	841,616	859,556
Working Capital	CDI ⁽¹⁾	3.1%	3.8%	577,936	769,864
Export Loans	Prefixed	-	-	-	-
Export Loans	CDI ⁽¹⁾	3.2%	3.8%	946,198	943,337
Total Indebtedness⁽³⁾		3.1%	3.8%	2,434,989	2,638,553
(+/-) Gains and losses with deriv. connected with applications and debts ⁽²⁾				121,794	122,290
(=) Adjusted Debt				2,313,195	2,516,263
(-) Cash				1,604,716	1,598,275
(=) Adjusted Net Debt				708,479	917,988
Adjusted EBITDA (Last 12 months)				960,263	1,049,955
Adjusted Net Debt/EBITDA				0.74	0.87

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

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

Figure 18 Change in Net Debt/Adjusted EBITDA Ratio



Hedge Position

Currency and agricultural commodity hedge

The Company's sales revenues are generated mainly by the trading of agricultural commodities such as cotton, soybean and corn, which are quoted in U.S. dollar on international exchanges, such as the Chicago Board of Trade (CBOT) and the Intercontinental Exchange Futures US (ICE). Therefore, we are actively exposed to variations in foreign exchange rates and in the prices of these commodities. To protect from currency variation we use derivative instruments, with the portfolio of these instruments basically comprising non-deliverable forwards (NDFs). In line with the Company's Risk Management Policy, whose purpose is to obtain a pre-established Adjusted EBITDA margin with a combination of factors such as Price, Foreign Exchange and Cost, most of the instruments for protecting against commodity price variation are accomplished through advanced sales directly with our clients (forward contracts). We also use futures and options contracts negotiated on the exchange and swap and option transactions contracted with financial institutions. The mark-to-market adjustments of future, swap and option transactions are recorded under financial income (expense). The hedge position for commodities (in relation to the estimated total volume invoiced) 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 May 3:

Table 24 Hedge Position

FX Hedge – Soybean				Commercial Hedge - Soybean			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	100.0	71.8	14.6	%	100.0	74.8	22.6
R\$/USD	4.4814	5.1551	5.7003	USD/bu ⁽²⁾	10.29	11.24	11.28
Commitments ⁽¹⁾	-	-	-	Commitments ⁽¹⁾	-	0.9	15.5

FX Hedge – Cotton				Commercial Hedge - Cotton			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	98.3	74.2	18.8	%	99.7	72.0	37.8
R\$/USD	4.4694	5.3343	5.9415	US\$/lb ⁽²⁾	74.33	66.44	74.32
Commitments ⁽¹⁾	-	-	-	Commitments ⁽¹⁾	-	-	-

FX Hedge – Corn				Commercial Hedge - Corn			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	100.0	78.7	28.7	%	100.0	74.1	36.2
R\$/USD	4.4681	5.2420	5.7526	R\$/bag ⁽³⁾	35.38	37.29	49.82
Commitments ⁽¹⁾	-	-	-	Commitments ⁽¹⁾	-	-	-

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

ESG - Environment, Social and Governance

COMMUNICATION WITH STAKEHOLDERS



Integrated Report

Since 2016, SLC Agrícola has published annual sustainability reports in conformity with the framework of the Global Reporting Initiative (GRI), under the “Core” option, and aligned with the principles of the UN Global Compact and UN Sustainable Development Goals (SDG), through which it effectively undertakes the commitment expected from the private sector to achieving the goals of the UN 2030 Agenda. Since the third cycle, which covers the period from January 1st to December 31st, 2018, we have made progress by adopting the international framework. The goal is to keep our capital providers and other stakeholders informed on how we create and share value sustainably.

The Integrated Report enables us to improve the quality of our financial and non-financial information in harmony with our good management practices. Since the 2018 cycle, the Integrated Report and the Management Report of SLC Agrícola have been published simultaneously, given that, together, they express the integrated vision of the Company. In the 2019 cycle, we made further progress and added to the report the Company’s Sustainability Positioning and Priority Vectors regarding our main challenges in Sustainability-related topics. This effectively integrated the entire process with our Big Dream, which is “to positively impact future generations as the world leader in efficient agricultural business and respect for the planet.”

Despite some differences in scope, the understanding of the GRI, International Framework and SDGs present similarities in that material topics represent everything that could affect an organization’s capacity, extending to its entire production chain, to create value in the short, medium and long term. SLC Agrícola’s materiality process was carried out in 2016, in accordance with GRI standards. In 2018, the materiality topics were revised to consider the relevance of the matrix from the perspective of the Integrated Report framework, when the adherence of the material topics previously identified was confirmed. Engagement with key stakeholder groups is maintained through formal relationship channels and the work climate survey, which identify the demands from internal and external stakeholders. The mapping of stakeholders was carried out based on the Survey of Social Aspects and Impacts under NBR 16001, with the following stakeholders listed as priorities: employees, clients, suppliers, shareholders and local communities.

Learn more about the Integrated Report at: <https://www.slccagricola.com.br/ri2020/>

Management Report

Since the 2018 cycle, the Integrated Report and the Management Report of SLC Agrícola have been published simultaneously, given that, together, they express the integrated vision of the Company. And the change did not just involve the reporting period; the two reports captured synergy gains and connected to create a systemic vision of the Company in terms of business performance and sustainability challenges.

Learn more about the Management Report at: <https://www.slccagricola.com.br/ra2020/>

Reference Form

The Reference Form is an electronic document submitted periodically and as applicable, as established in Article 24 of CVM Instruction 480/09. With regard to ESG topics, the Company describes in the Reference Form the risk factors related to regulation of the sectors in which it operates and to social and environmental issues and policies.

Learn more about the Reference Form at: <http://ri.slccagricola.com.br/publicacoes-e-documentos/formulario-de-referencia-e-cadastral/>

Quarterly Earnings Release

Since “ESG Stewardship” is a key part of our strategy, we dedicated a section in the earnings release to explore the topic, as of 2Q20, seeking to give greater visibility to the goals and actions being taken in connection with Environment, Social and Governance aspects. In the second quarter of 2020, we talked about Creating Value through the six capitals, our main goals and our governance structure. In the third quarter of 2020, we presented information on two of the three main action fronts, namely Water & Biodiversity, Climate Change and Soil. In the fourth quarter of 2020, we explained our efforts on the Stakeholder Relations front. In 2021, we continue to report in our quarterly earnings reports on our main ESG actions and achievements.

Learn more about the Quarterly Earnings Release at: <http://ri.slccagricola.com.br/informacoes-financeiras/central-de-resultados/>

Presentation to Investors

In early 2020, we reformulated our Presentation to Investors by including a section dedicated to ESG Management, where we present to investors our Sustainability as Strategy approach and how we create value for stakeholders. We also cover our governance model, the product certifications currently adopted at units, our Sustainability Positioning and key performance indicators for our priority vectors in ESG: Climate & Soil Change; Water & Biodiversity and Stakeholder Relations.

Learn more about the Presentation to Investors at: https://s3.amazonaws.com/mz-filemanager/a975c39b-3eca-4ad8-9330-2c0a0b8d1060/64523666-191e-4e6f-89bd-98280eeb3b9e_Apresenta%25C3%25A7%25C3%25A3o%2520para%2520Investidores.pdf

Return Indicators

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

Table 25 Return on Equity

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

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

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

⁽³⁾ Adjusted for land price appreciation.

Table 26 Return on Net Assets

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

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

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

⁽³⁾ Adjusted for land price appreciation.

Table 27 Return on Invested Capital

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

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

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

⁽³⁾ Adjusted for land price appreciation.

Additional Information

Planted Area – 2020/21 Crop Year

Table 28 Planted Area - 2020/21 Crop Year

Area Mix	Planted Area	Planted Area	Share	Δ%
	2019/20	2020/21 ⁽¹⁾		
	ha		%	
1st crop Area	313,458	322,037	69.5%	2.7%
Owned Area	111,101	109,975	23.7%	-1.0%
Leased Area	129,946	135,306	29.2%	4.1%
Joint Ventures Areas ⁽²⁾	40,148	41,594	9.0%	3.6%
SLC LandCo Areas ⁽³⁾	32,263	35,162	7.6%	9.0%
2nd crop Area	135,110	141,208	30.5%	4.5%
Owned Area	54,156	51,173	11.0%	-5.5%
Leased Area	53,604	60,816	13.1%	13.5%
Joint Ventures Areas ⁽²⁾	9,876	14,227	3.1%	44.1%
SLC LandCo Areas ⁽³⁾	17,474	14,992	3.2%	-14.2%
Total Area	448,568	463,245	100.0%	3.3%

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

⁽²⁾ Areas owned by Grupo Roncador and Mitsui.

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

Property portfolio

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

Table 29 Property Portfolio

Crop 2020/21 (ha)		Owned ⁽¹⁾	SLC LandCo ⁽²⁾	Leased	Joint Ventures	Under Control	Total Planted ⁽⁹⁾
Farm	State						
		ha					
Pamplona	GO	17,994		3,854		21,848	21,892
Pantanal	MS			25,996		25,996	43,995
Planalto	MS	15,006		1,635		16,641	22,522
Planorte	MT	23,454				23,454	29,685
Paiguás	MT	28,129		17,318		45,447	62,363
Perdizes ⁽⁵⁾	MT	28,893	13,288			42,181	25,617
Pioneira ⁽⁴⁾	MT				19,705	19,705	33,932
Panorama	BA		10,373	14,253		24,626	21,806
Paladino ⁽⁵⁾	BA				21,889	21,889	21,889
Piratini	BA		25,356			25,356	8,446
Palmares	BA	16,195	831	16,446		33,472	24,642
Parceiro	BA	27,564	3,680	9,441		40,685	14,365
Parnaíba	MA	26,193		11,570		37,763	40,644
Palmeira	MA		10,200	14,459		24,659	20,974
Planeste	MA		22,784	20,334		43,118	61,252
Paineira ⁽⁶⁾	PI	12,892				12,892	-
Parnaguá	PI	19,416				19,416	9,221
Total	-	215,736	86,512	135,306	41,594	479,148	463,245

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

Landbank

The current position of our landbank is presented below:

Table 30 Landbank

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

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

Machinery Base and Storage Capacity

Table 31 Machinery Base and Storage Capacity

	2018	2019	2020	1Q21
Machinery (quantity)	867	873	871	858
Tractors	216	212	211	213
Grains Combiners	209	206	196	179
Cotton Pickers	76	85	92	92
Planters	212	209	210	211
Self propelled sprayers	154	161	162	163
Storage capacity (tons)				
Grains	764,000	764,000	764,000	764,000
% Production ⁽¹⁾	52%	52%	44%	44%
Cotton	125,148	125,148	125,148	125,148
% Production ⁽¹⁾	60%	60%	63%	63%

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

Net Asset Value

Table 32 Net Asset Value – NAV

(R\$ million)	1Q21
SLC Agrícola Farms ⁽¹⁾	2,767
SLC LandCo Farms ⁽¹⁾	755
Infrastructure (excl. land)	1,138
Accounts Receivable (excl. derivatives)	28
Inventories	1,534
Biological Assets	1,092
Cash	1,548
Subtotal	8,862
Suppliers	671
Gross debt adjusted by results of operations with derivatives	2.350
Outstanding debt related to land acquisition	-
Subtotal	3,021
Net asset value	5,841
Net Asset value per share (190,595,000 shares)	30.6

⁽¹⁾ Based on the independent appraisal report (Deloitte, 2020), net of taxes.

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

Debt

Figure 19 Change in Adjusted Gross Debt (R\$ '000)

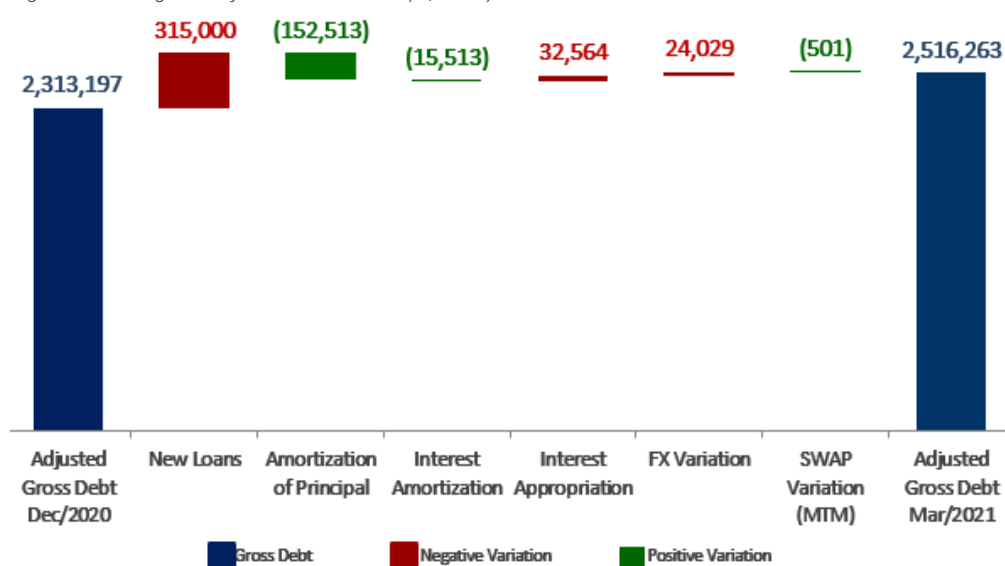


Figure 20 Adjusted gross Debt Amortization Schedule (R\$ '000)

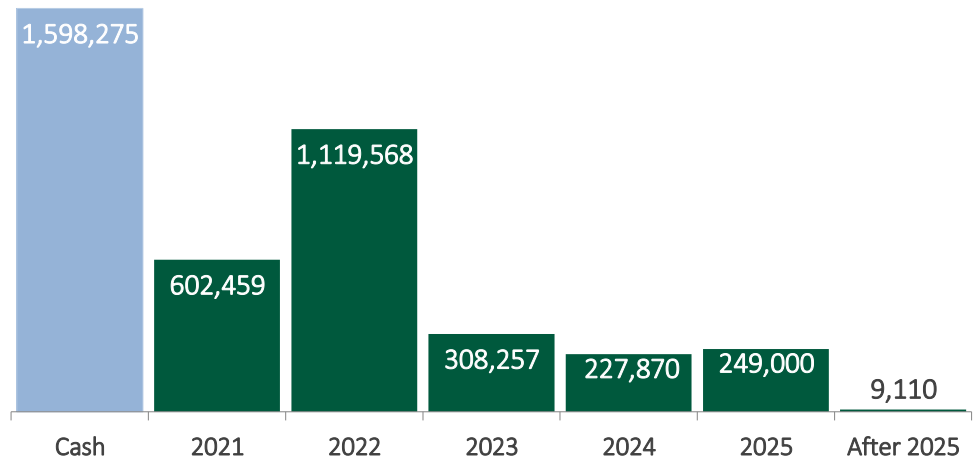


Figure 21 Adjusted Gross Debt Profile

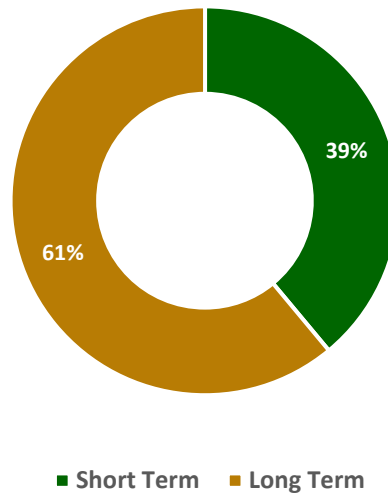
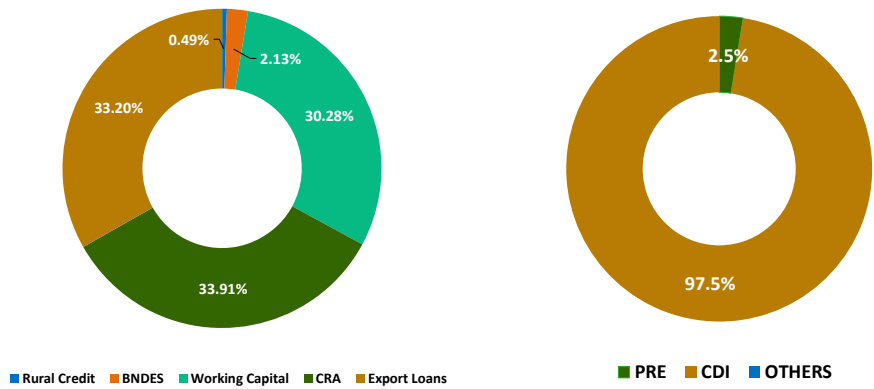
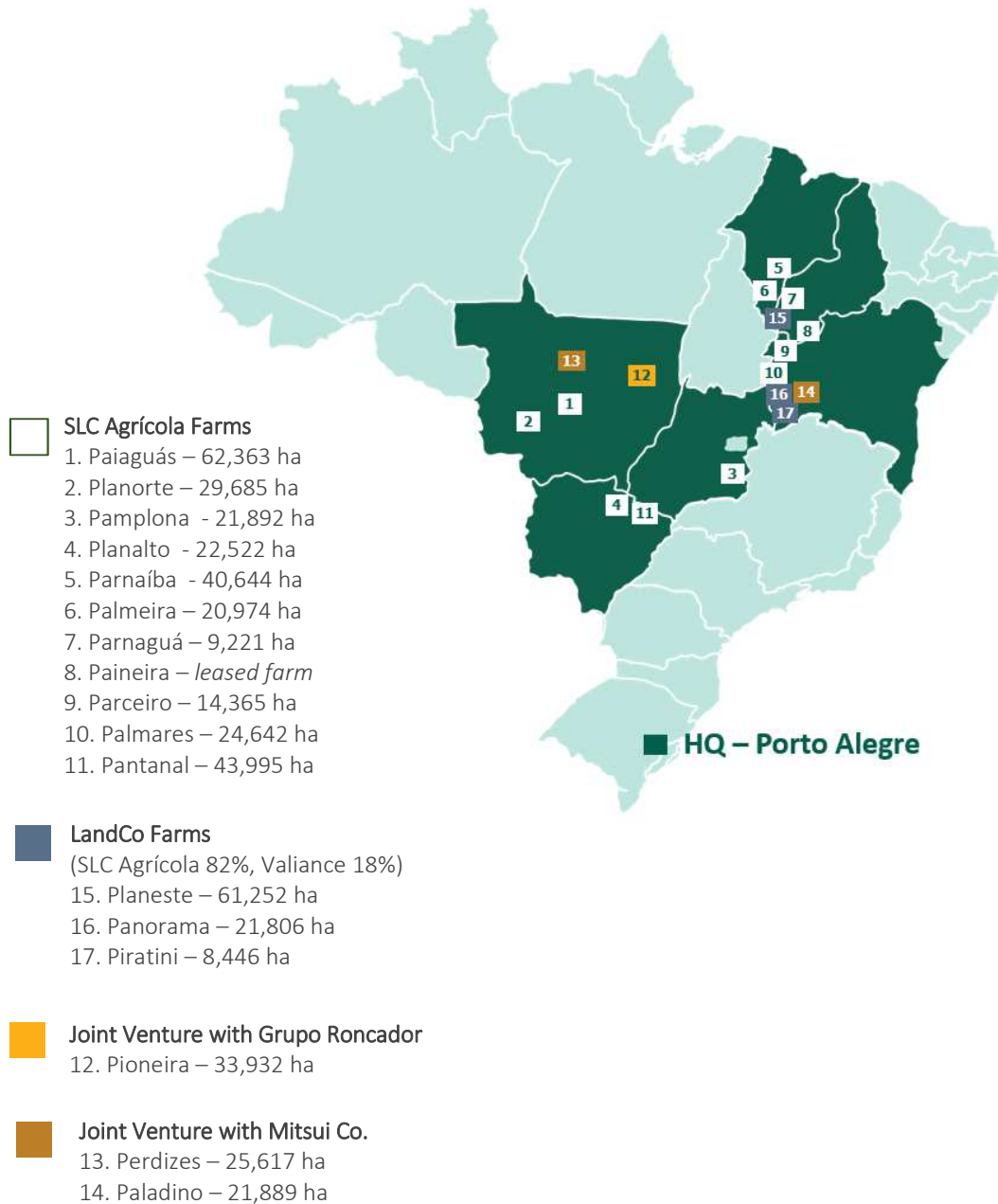


Figure 22 Gross Debt by Index and Instrument



Location of Production Units and Headquarters



SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

1 Operations

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

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

Effects of COVID-19 on the Financial Statements

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

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

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

SLC Agrícola S.A.

Notes to the quarterly information
March 31, 2021
(in thousands of Reais)

1 Operations (Continued)

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

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

Regarding firm sales commitments to customers, the Company does not expect material changes in its composition, since its origin lies in a strong correlation with the way in which negotiations are carried out and the players chosen as commercial partners, having not been identified, to date, issues related to these commitments.

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

Business Combination with Terra Santa Agro S.A.

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

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

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

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

SLC Agrícola S.A.

Notes to the quarterly information
March 31, 2021
(in thousands of Reais)

1 Operations (Continued)

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

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

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

The notices will be disclosed to the market in accordance with best practices and in compliance with the legal and regulatory requirements required.

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 March 31, 2021 was prepared in accordance with CPC 21 (R1) - Interim Financial Statements and IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB) and presented in accordance with the standards established by the Securities and Exchange Commission of Brazil (CVM) applicable to the preparation of the Quarterly Information (ITR).

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

The Company followed, in the preparation of these interim financial statements, the same accounting policies and calculation methods as applied in the individual and consolidated financial statements of December 31, 2020. 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 March 31, 2021.

SLC Agrícola S.A.

Notes to the quarterly information
March 31, 2021
(in thousands of Reais)

2 Summary of significant accounting practices (Continued)

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

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

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

Seasonality

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

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

b) Presentation of the notes to the quarterly information

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

SLC Agrícola S.A.

Notes to the quarterly information
March 31, 2021
(in thousands of Reais)

2 Summary of significant accounting practices (Continued)

c) Basis of measurement

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

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

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

d) Functional and reporting currency

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

e) New or revised standards

There are no other standards and interpretations issued and not yet adopted that may, in Management's opinion, have a significant impact on the results or shareholders' equity disclosed by the Company in the interim financial statements of March 31, 2021.

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

3 Consolidated financial statements

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

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

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

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

Description	Yields	Parent company		Consolidated	
		03/31/2021	12/31/2020	03/31/2021	12/31/2020
Cash and cash equivalents in R\$	-	62	80,080	105	80,104
Forex exchange cash **	-	13,415	15,073	13,693	15,073
CDB-DI	101.82% of CDI*	1,374,474	1,224,137	1,583,492	1,508,557
LAM	100.00% of CDI*	-	-	320	319
Other investments	70.58% of CDI*	665	663	665	663
		1,388,616	1,319,953	1,598,275	1,604,716
Cash and cash equivalents		1,387,951	1,319,290	1,597,610	1,604,053
LP Interest earnings bank deposits		665	663	665	663

(*) Average yield on March 31, 2021.

(**) Amounts in reais, converted by the dollar P-tax purchase on March 30, 2021.

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

The financial operations contracted by the Company are represented by investments in bank certificates of deposit and lease bills, at market prices and rates, updated by the income earned up to March 31, 2021, not exceeding the trading value.

Long-term financial investments are reciprocated (collateralized operations), which represent in the non-current assets the amount of R\$ 665 of the portfolio in the parent company and in the consolidated (R\$ 663 as of December 31, 2020).

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

5 Trade accounts receivable

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Domestic market	30,066	11,510	38,977	13,870
Foreign market	58,401	166,575	58,401	193,413
Total	88,467	178,085	97,378	207,283

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

6 Inventories

	Parent company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Agricultural products	852,269	518,292	961,351	541,467
Agricultural products - formation costs	472,266	402,266	515,253	421,670
Agricultural products – Adjustment at fair value for biological assets	380,003	116,026	446,098	119,797
Seeds, composts, fertilizers and pesticides	337,905	561,228	396,945	646,305
Packages and containerization material	14,581	10,822	16,707	12,240
Spare parts	11,508	10,960	13,630	12,928
Other inventories	44,491	34,500	47,906	38,407
Advances to suppliers	184,946	43,212	220,510	49,735
	1,445,700	1,179,014	1,657,049	1,301,082

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

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7 Biological assets

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

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Biological assets - culture in formation	996,792	723,600	1,129,616	871,048
Biological assets -herd of cattle	34,361	15,667	41,612	20,756
Total	1,031,153	739,267	1,171,228	891,804

a) Biological assets culture

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

	Parent Company				
	Soybean ¹	Cotton	Corn	Other crops ³	Total
Balances at december 31, 2020	359,038	230,145	54,256	80,161	723,600
Expenditures with planting	190,830	358,179	135,298	5,946	690,253
Reclassifications ²	73,219	-	-	(73,219)	-
Variation of the fair value ⁴	585,382	-	13,715	-	599,097
Harvesting and production adjustment - agricultural products	(1,011,306)	(2,418)	110	(2,544)	(1,016,158)
Balances at march 31, 2021	197,163	585,906	203,379	10,344	996,792
Agricultural products – formation costs	91,154	585,906	189,664	10,344	877,068
Biological assets – adjustment at fair value	106,009	-	13,715	-	119,724

	Consolidated				
	Soybean ¹	Cotton	Corn	Other crops ³	Total
Balances at december 31, 2020	447,027	271,298	58,337	94,386	871,048
Expenditures with planting	232,478	407,637	161,952	6,422	808,489
Reclassifications ²	89,743	-	-	(89,743)	-
Variation of the fair value ⁴	719,940	-	13,715	-	733,655
Harvesting and production adjustment - agricultural products	(1,275,042)	(5,059)	(419)	(3,056)	(1,283,576)
Balances at march 31, 2021	214,146	673,876	233,585	8,009	1,129,616
Agricultural products – formation costs	93,758	673,876	219,870	8,009	995,513
Biological assets – adjustment at fair value	120,388	-	13,715	-	-

(1) Areas of soy and seed soy.

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

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

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

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7 Biological assets (Continued)

a) Biological assets culture (Continued)

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

	Parenty company	
	03/31/2021 ¹	03/31/2020 ²
Soybean³		
Harvested area (ha)	152,802	142,788
Productivity achieved (sc/ha)	66	63
Area at harvest point (ha)	32,014	21,514
Estimated productivity	63	62
Average price (R\$/sc) ⁴	113.85	73.8
Corn³		
Area at harvest point (ha)	4,482	-
Estimated productivity	165	-
Average price (R\$/sc) ⁴	47	-

	Consolidated	
	03/31/2021 ¹	03/31/2020 ²
Soybean³		
Harvested area (ha)	192,652	177,758
Productivity achieved (sc/ha)	66	64
Area at harvest point (ha)	36,735	27,218
Estimated productivity	62	62
Average price (R\$/sc) ⁴	113.62	73.29
Corn³		
Area at harvest point (ha)	4,482	-
Estimated productivity	165	-
Average price (R\$/sc) ⁴	47	-

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

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

(3) Data from soybean and soybean areas

(4) Average prices on the date of calculating the fair value of the crop.

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7 Biological assets (Continued)

a) Biological assets culture (Continued)

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

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

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

Crops	Area	Planned area 2020/21**	Planted area 2019/20
Cotton	ha	109,608	125,462
Soybean	ha	229,449	235,444
Corn	ha	112,897	82,392
Other Crops *	ha	11,291	5,270
		463,245	448,568

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

(**) Planned area, subject to changes in crops that are under planting.

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7 Biological assets (Continued)

b) Biological assets – cattle raising

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

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

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

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

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

	<u>Parenty company</u>	<u>Consolidated</u>
Balances at december 31, 2020	15,667	20,756
Purchase cost	16,726	18,135
Variation in fair value adjustment(*)	2,621	4,235
Low por sale	(653)	(1,514)
Balances at march 31, 2021	34,361	41,612
Biological assets - cattle	27,615	31,992
Biological assets – adjustment at fair value	6,746	9,620

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

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8 Recoverable taxes

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Income tax	49	49	952	708
Social contribution	30	-	40	12
ICMS	80,151	77,895	117,378	112,967
COFINS	12,185	10,381	30,995	26,993
PIS	2,684	2,295	6,664	5,635
IRRF recoverable	3,607	1,787	4,353	3,667
Other	312	350	4,604	668
	99,018	92,757	164,986	150,650
Portion classified in current assets	37,055	28,521	52,120	39,447
Portion classified in non-current assets	61,963	64,236	112,866	111,203

Income and social contribution taxes

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

Recoverable IRRF

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

ICMS, PIS and COFINS to be offset/recovered

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

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

As of March 31, 2021, a provision was recorded in the amount of R\$ 25,549 (R\$ 24,904 as of December 31, 2020), referring to ICMS tax credits whose loss is estimated due to non-realization. The estimated recovery of ICMS credits was based on the projection of ICMS debts and transfers of ICMS credits to third parties. The amount was recorded in "other operating expenses" in the income statement for the period.

Deadline	Parent Company			Consolidated		
	ICMS	COFINS	PIS	ICMS	COFINS	PIS
up to 1 year	21,550	9,425	2,082	26,276	13,044	2,850
1 to 2 years	33,950	45	9	45,430	6,850	1,591
2 to 3 years	18,820	-	-	25,971	-	-
over 3 years	5,831	2,715	593	19,701	11,101	2,223
	80,151	12,185	2,684	117,378	30,995	6,664

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8 Recoverable taxes (Continued)

Social security contribution

In March 2021, a credit was recorded for the process that recognized the right, to the subsidiary SLC MIT Empreendimentos Agrícolas S / A, to exclude the revenues resulting from indirect exports from the calculation base of the social security contribution referred to in art. 25 of Law nº 8,870 / 94. The amount of accumulated credit recorded in the subsidiary was R\$ 3,579, of which R\$ 3,000 was principal and R\$ 579 was adjusted for the Selic rate, recorded in the income statement for the period.

9 Securities and credits receivable

At March 31, 2021, the consolidated balance of securities receivable is comprised of an amount of R\$ 34,071 (R\$ 33,907 at December 31, 2020) as follows:

	<u>Consolidated</u>
Balance at december 31, 2020	33,907
Monetary variation	<u>164</u>
Balance at march 31, 2021	<u>34,071</u>
Portion classified in current assets	31,350
Portion classified in non-current assets	2,721

Sale of land in the subsidiaries Fazenda Paiaguás and Fazenda Parceiro

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

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

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9 Securities and credits receivable (Continued)

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

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

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

As of March 31, 2021, the balance of receivables related to this transaction is R\$ 29,648 (R\$ 29,506 as of December 31, 2020).

Complements the item "securities receivable" balances of other amounts receivable in the amount of R\$ 4,423 on March 31, 2021 (R\$ 4,401 on December 31, 2020).

10 Investments (Parent company)

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

	<u>03/31/2021</u>	<u>12/31/2020</u>
Investments parent company	<u>2,283,853</u>	<u>2,212,789</u>
	<u>2,283,853</u>	<u>2,212,789</u>

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10 Investments (Parent company) (Continued)

The relevant investments in subsidiaries, valued by the equity method, with a balance on March 31, 2021, are shown in the table below:

Investment	Capital stock	Shareholders' equity	Unrealized gain in equity	Adjustments to IFRS 16 / CPC 06 (R2) in shareholders' equity	Net income for the period	Unrealized profit for the period income	Adjustments to IFRS 16 / CPC 06 (R2) for the period	Percentage of interest	Equity in income of subsidiaries and associated companies	Equity participation
Fazenda Parnaíba Emp. Agr. Ltda.	21,053	205,194	-	(34,054)	10,473	-	(5,208)	100.00%	5,265	171,140
Fazenda Planorte Emp. Agr. Ltda.	57,099	260,192	-	(21,425)	12,588	1	(3,742)	100.00%	8,847	238,767
Fazenda Pioneira Emp. Agr. S.A.	91,672	117,370	-	-	23,704	-	-	50.00%	11,852	58,685
SLC-MIT Emp. Agr. S.A	109,981	142,679	-	(1,594)	43,736	-	242	52.20%	22,957	70,872
SLC Invest. Agrícolas Ltda.	279,405	753,931	-	1,130	7,690	-	(137)	100.00%	7,553	755,061
Fazenda Pamplona Emp. Agr. Ltda.	31,766	181,364	-	(12,510)	7,229	-	(4,746)	100.00%	2,483	168,854
Fazenda Planalto Emp. Agr. Ltda.	9,137	257,382	-	(16,462)	10,377	-	(5,971)	100.00%	4,406	240,920
Fazenda Palmares Emp. Agr. Ltda.	109,800	191,546	(14)	(7,785)	6,879	2	(2,866)	100.00%	4,015	183,747
Fazenda Parnaguá Emp. Agr. Ltda.	34,291	53,972	-	1,503	1,463	-	(345)	100.00%	1,118	55,475
Fazenda Paineira Emp. Agr. Ltda.	73,985	153,284	-	-	2,050	-	-	6.082%	123	9,315
Fazenda Paiaguás Emp. Agr. Ltda.	20,347	245,856	-	(23,561)	13,606	-	(3,493)	100.00%	10,113	222,295
SLC Perdizes Emp. Agr. Ltda.	77,163	113,241	-	(4,519)	2,279	-	485	100.00%	2,764	108,722
									81,496	2,283,853

The main movements in investments in direct permanent equity interests, as at March 31, 2021, are as follows:

Investment	Balance on 12/31/2020	Equity accounting	Unrealized gain/(loss) with hedge instruments	Balance on 03/31/2021
Fazenda Parnaíba Emp. Agr. Ltda.	165,875	5,265	-	171,140
Fazenda Planorte Emp. Agr. Ltda.	229,920	8,847	-	238,767
Fazenda Pioneira Emp. Agr. S.A. ¹	47,386	11,852	(553)	58,685
SLC-MIT Emp. Agr. S.A. ¹	57,794	22,957	(9,879)	70,872
SLC Invest. Agrícolas Ltda.	747,508	7,553	-	755,061
Fazenda Pamplona Emp. Agr. Ltda.	166,371	2,483	-	168,854
Fazenda Planalto Emp. Agr. Ltda.	236,514	4,406	-	240,920
Fazenda Palmares Emp. Agr. Ltda.	179,732	4,015	-	183,747
Fazenda Parnaguá Emp. Agr. Ltda. ²	54,357	1,118	-	55,475
Fazenda Paineira Emp. Agr. Ltda.	9,192	123	-	9,315
Fazenda Paiaguás Emp. Agr. Ltda.	212,182	10,113	-	222,295
SLC Perdizes Emp. Agr. Ltda.	105,958	2,764	-	108,722
	2,212,789	81,496	(10,432)	2,283,853

(1)The Company controls Fazenda Pioneira Empreendimentos Agrícolas S.A. and SLC-MIT Empreendimentos Agrícolas S.A. because it is responsible for managing the relevant activities of these companies and is exposed to variable returns on investment due to its influence over them.

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10 Investments (Parent company) (Continued)

The following is the main information on investments in permanent equity investments as of March 31, 2021:

Investments	Directly and indirectly controlled				Equity	Income	Expenses
	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities			
Fazenda Parnaíba Emp. Agr. Ltda.	5,197	213,989	2,522	11,470	205,194	12,497	2,024
Fazenda Planorte Emp. Agr. Ltda.	10,323	260,288	1,231	9,188	260,192	14,899	2,311
Fazenda Pioneira Emp. Agr. S.A.	144,297	113,724	78,247	62,404	117,370	118,139	94,435
SLC-MIT Emp. Agr. S.A.	413,607	350,481	345,083	276,326	142,679	187,628	143,892
SLC Investimentos Agrícolas Ltda	177	778,497	11,568	13,175	753,931	7,889	199
Fazenda Pamplona Emp. Agr. Ltda	8,042	180,875	625	6,928	181,364	8,567	1,338
Fazenda Planalto Emp. Agr. Ltda.	11,899	256,686	914	10,289	257,382	12,265	1,888
Fazenda Palmares Emp. Agr. Ltda	10,512	186,484	1,277	4,173	191,546	8,102	1,223
Fazenda Parnaguá Emp. Agr. Ltda.	5,032	49,834	125	769	53,972	1,747	284
Fazenda Paineira Emp. Agr. Ltda.	12,995	143,053	172	2,592	153,284	2,417	367
Fazenda Paiaguás Emp. Agr. Ltda.	28,210	230,435	1,776	11,013	245,856	16,031	2,425
SLC Perdizes Emp. Agrícolas Ltda.	4,105	127,432	17,870	426	113,241	4,107	1,828
SLC LandCo Emp. Agrícolas S.A.	11,046	554,756	314	-	565,488	6,175	496
Fazenda Planeste Emp. Agr. Ltda.	15,495	137,892	225	4,072	149,090	2,693	542
Fazenda Piratini Emp. Agr. Ltda	2,450	124,022	124	2,379	123,969	1,468	257
Fazenda Panorama Emp. Agr. Ltda.	13,600	115,616	156	2,327	126,733	1,892	443
Fazenda Palmeira Emp. Agr. Ltda.	488	7,535	23	67	7,933	259	43
Fazenda Parceiro Emp. Agr. Ltda.	29,865	92,109	741	810	120,423	1,025	203

11 Leasing operations

The movement of the right-of-use assets in the period ended March 31, 2021 is shown below:

	Parent company	Consolidated
Balance at 12/31/2020	2,463,254	828,496
Remeasurement	148,483	16,055
Additions of new contracts	2,788	2,788
(-) Amortization of the right to use asset	(56,153)	(29,355)
Balance at 03/31/2021	2,558,372	817,984
Cotton rental	16,414	22,524
Culture lands	2,517,936	770,202
Leasing of buildings	1,328	1,328
Machinery	14,215	14,215
Rental cars	8,479	9,715
	2,558,372	817,984
Amortization of right of use in the period:		
Cotton rental	(395)	(590)
Culture lands	(53,718)	(26,599)
Leasing of buildings	(167)	(167)
Machinery	(975)	(975)
Rental cars	(898)	(1,024)
Total period	(56,153)	(29,355)

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11 Leasing operations (Continued)

The change in lease liabilities in the period ended March 31, 2021 is shown below:

	<u>Parent company</u>	<u>Consolidated</u>
Balance at 12/31/2020	2,615,382	934,284
Additions of new contracts and remeasurement lease liability	151,271	18,843
Realization of the APV on lease liabilities	58,054	18,815
(-) Payments	(2,822)	(13,928)
Balance at 03/31/2021	2,821,885	958,014
Liabilities current	370,379	163,661
Intercompany(note 14.a)	209,358	-
Third-party	161,021	163,661
Liabilities non-current	2,451,506	794,353
Intercompany(note 14.a)	1,689,230	-
Third-party	762,276	794,353

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

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

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

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11 Leasing operations (Continued)

Impacts on income for the year

With the implementation of IFRS 16 / CPC 06 (R2), all leases were accounted for under a single model, similar to the accounting of financial leases, bringing a new financial component, which reduced the cost of production, due to the effect of recording the adjustment to present value in the financial result. The amount recorded in the financial result for the period represents R\$ 58,054 in the parent company and R\$ 18,815 in the consolidated.

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

Sub-lease of right of use asset

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

The Parent Company's revenue in the period, resulting from the subleasing of rights-of-use assets, was R\$ 926.

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 March 31, 2021, the gross contractual flow of lease agreements entitled to PIS / COFINS credit is R\$ 5,153,441 at the parent company and R\$ 1,314,241 at the consolidated (R\$ 4,448,983 at the parent company and R\$ 1,300,043 in the consolidated, as of December 31, 2020). The potential PIS and COFINS credit on the gross contractual flow, brought to present value, is R\$ 390,276 in the parent company and R\$ 102,363 in the consolidated (R\$ 283,066 in the parent company and R\$ 86,245 in the consolidated, as of December 31, 2020).

SLC Agrícola S.A.

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11 Leasing operations (Continued)

Additional information (Continued)

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

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

	Parent company	
	Considerations without inflation ⁽¹⁾	Considerations with inflation ⁽²⁾
Right of use asset	2,558,372	3,312,489
Liabilities leasing - current	370,379	375,072
Liabilities leasing - non current	2,451,506	3,205,215

	Consolidated	
	Considerations without inflation ⁽¹⁾	Considerations with inflation ⁽²⁾
Right of use asset	817,984	961,488
Liabilities leasing - current	163,661	165,023
Liabilities leasing - non current	794,353	938,220

(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	380,923	385,798	166,530	167,961
1 to 2 years	372,722	391,882	166,480	173,886
2 to 3 years	366,189	399,571	159,327	172,411
3 to 4 years	337,779	382,466	129,280	144,418
4 to 5 years	331,308	390,484	110,914	128,248
over 5 years	3,427,851	5,413,010	627,588	841,148
	5,216,772	7,363,211	1,360,119	1,628,072

(1) Discounted cash flow without considering projected future inflation

(2) Discounted cash flow considering projected future inflation

11 Leasing operations (Continued)

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

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

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

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

During the year ended March 31, 2021, there was no change in the Company's lease contracts related to COVID-19, which would result in remeasurement of the lease liability

SLC Agrícola S.A.

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12 Property, plant and equipment

a) Composition of fixed assets

	Parent Company				
Cost of the gross fixed assets	Balance on 12/31/2020	Additions	Write-offs	Transfers	Balance on 03/31/2021
Soil correction and development	466,245	4,874	-	(62)	471,057
Buildings and improvements	296,623	723	-	1,530	298,876
Agricultural equipment and industrial facilities	843,611	32,700	(15,213)	255	861,353
Vehicles	52,671	500	(179)	(140)	52,852
Furniture and fixtures	16,231	256	(43)	(117)	16,327
Equipment and facilities of the office	28,420	1,518	(72)	-	29,866
Other	3,787	270	(74)	-	3,983
Works in progress	9,049	16,029	-	(1,466)	23,612
Plants carrier	4,239	-	-	-	4,239
Total	1,720,876	56,870	(15,581)	-	1,762,165

Depreciation	Balance on 12/31/2020	Depreciation	Write-offs	Balance on 03/31/2021
Soil correction and development	(315,626)	(6,714)	-	(322,340)
Buildings and improvements	(54,227)	(2,593)	-	(56,820)
Agricultural equipment and industrial facilities	(448,721)	(14,149)	9,761	(453,109)
Vehicles	(21,425)	(1,162)	159	(22,428)
Furniture and fixtures	(7,915)	(315)	22	(8,208)
Equipment and facilities of the office	(13,504)	(1,018)	64	(14,458)
Others	(60)	25	-	(35)
Plants carrier	(4,239)	-	-	(4,239)
Total	(865,717)	(25,926)	10,006	(881,637)

Net residual value	12/31/2020	03/31/2021
Soil correction and development	150,619	148,717
Buildings and improvements	242,396	242,056
Agricultural equipment and industrial facilities	394,890	408,244
Vehicles	31,246	30,424
Furniture and fixtures	8,316	8,119
Equipment and facilities of the office	14,916	15,408
Other	3,727	3,948
Works in progress	9,049	23,612
Total	855,159	880,528

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

12 Property, plant and equipment (Continued)

a) Composition of fixed assets (Continued)

Cost of the gross fixed assets	Consolidated				Balance on 03/31/2021
	Balance on 12/31/2020	Additions	Write-offs	Transfers	
Crop lands	1,720,026	202	-	-	1,720,228
Soil correction and development	720,472	5,101	-	(61)	725,512
Buildings and improvements	513,291	818	-	2,521	516,630
Agricultural equipment and industrial facilities	988,945	39,422	(15,225)	436	1,013,578
Vehicles	59,431	500	(179)	(140)	59,612
Furniture and fixtures	18,944	297	(48)	(115)	19,078
Equipment and facilities of the office	35,837	1,632	(86)	6	37,389
Other	8,092	396	(74)	-	8,414
Works in progress	10,833	16,582	-	(2,647)	24,768
Plants carrier	4,239	-	-	-	4,239
Total	4,080,110	64,950	(15,612)	-	4,129,448

Depreciation	Balance on 12/31/2020	Depreciation	Write-offs	Reclassification	Balance on 03/31/2021
Soil correction and development	(454,551)	(9,941)	-	-	(464,492)
Buildings and improvements	(122,079)	(5,123)	-	-	(127,202)
Agricultural equipment and industrial facilities	(504,554)	(17,549)	9,763	6	(512,334)
Vehicles	(24,973)	(1,252)	159	-	(26,066)
Furniture and fixtures	(8,919)	(378)	26	-	(9,271)
Equipment and facilities of the office	(15,870)	(1,147)	71	-	(16,946)
Other	(381)	6	-	-	(375)
Plants carrier	(4,239)	-	-	-	(4,239)
Total	(1,135,566)	(35,384)	10,019	6	(1,160,925)

Net residual value	12/31/2020	03/31/2021
Crop lands	1,720,026	1,720,228
Soil correction and development	265,921	261,020
Buildings and improvements	391,212	389,428
Agricultural equipment and industrial facilities	484,391	501,244
Vehicles	34,458	33,546
Furniture and fixtures	10,025	9,807
Equipment and facilities of the office	19,967	20,443
Other	7,711	8,039
Works in progress	10,833	24,768
Total	2,944,544	2,968,523

(*) Reclassification to intangible assets in the amount of R \$ 6.

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

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12 Property, plant and equipment (Continued)

b) Construction in progress

As of March 31, 2021, the balance of works in progress in the amount of R\$ 23,612 in the parent company and R\$ 24,768 in the consolidated, is substantially represented by works in cotton, well drilling, construction of warehouses, sheds and warehouses, integration of crops livestock, expansion of the expedition, fire prevention project and other improvements.

The amount of capitalized interest for works in progress in the period ended March 31, 2021 was R\$ 220 (R\$ 728 as of December 31, 2020). The capitalization rate used to determine the amount of borrowing costs eligible for capitalization was approximately 4.41% y.y.

c) Guarantees

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

Assets under secure	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Hypothec	-	-	134,962	134,753
Pledge of financing	9,655	10,514	17,381	17,661
Assets in legal proceedings	14,232	14,232	14,232	14,232
	23,887	24,746	166,575	166,646

SLC Agrícola S.A.

Notes to the quarterly information

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13 Intangible

Parent Company				
Gross intangible cost	Balance on 12/31/2020	Additions	Balance on 03/31/2021	
Software	21,915	158	22,073	
Implantation of new systems	30,661	9,178	39,839	
Total	52,576	9,336	61,912	

Amortization	Balance on 12/31/2020	Additions	Balance on 03/31/2021	
Software	(17,336)	(343)	(17,679)	
Total	(17,336)	(343)	(17,679)	

Net residual value	Balance on 12/31/2020	Balance on 03/31/2021		
Software	4,579	4,394		
Implantation of new systems	30,661	39,839		
Total	35,240	44,233		

Consolidated				
Gross intangible cost	Balance on 12/31/2020	Additions	Balance on 03/31/2021	
Software	22,342	158	22,500	
Implantation of new systems	30,661	9,178	39,839	
Total	53,003	9,336	62,339	

Amortization	Balance on 12/31/2020	Additions	Reclassification	Balance on 03/31/2021
Software	(17,713)	(346)	(6)	(18,065)
Total	(17,713)	(346)	(6)	(18,065)

Net residual value	Balance on 12/31/2020	Balance on 03/31/2021		
Software	4,629	4,435		
Implantation of new systems	30,661	39,839		
Total	35,290	44,274		

As of March 31, 2021, the balance of implementation of new systems, in the amount of R\$39,839, is mainly represented by the implementation of the SAP operating system.

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

14 Balances and transactions with related parties

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

a) Related-party balances

Balances receivable from related parties:

	Parent company		Consolidated	
	Other accounts receivable		Other accounts receivable	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Direct subsidiaries				
Fazenda Parnaíba Empr. Agr. Ltda	-	1,046	-	-
Fazenda Perdizes Empr. Agr. Ltda	3,144	2,545	-	-
Fazenda Pioneira Empr. Agr. S.A	9	255	-	-
SLC Perdizes Empr. Agr. Ltda	10,438	23,028	-	-
Indirect subsidiaries				
SLC - MIT Empr. Agr. S.A	261	455	-	-
Fazenda Parceiro Empr. Agr. Ltda	-	384	-	-
Parent company				
SLC Participações S.A.	2	-	2	-
Other related parties	14	8	14	8
	13,868	27,721	16	8
Portion classified as current	287	2,475	16	8
Portion classified as non-current	13,581	25,246	-	-

Balances payable to related parties:

	Parent company				Consolidated			
	Leases payable		Other accounts payable		Total payable		Other accounts payable	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Direct subsidiaries								
Fazenda Parnaíba Empr. Agr. Ltda	233,908	228,545	-	-	233,908	228,545	-	-
Fazenda Planorte Empr. Agr. Ltda	374,461	338,495	-	-	374,461	338,495	-	-
Fazenda Pamplona Empr. Agr. Ltda	187,215	157,921	-	-	187,215	157,921	-	-
Fazenda Planalto Empr. Agr. Ltda	273,242	230,491	-	-	273,242	230,491	-	-
Fazenda Palmares Empr. Agr. Ltda	116,532	113,870	-	-	116,532	113,870	-	-
Fazenda Parnagua Empr. Agr. Ltda	56,706	55,406	-	-	56,706	55,406	-	-
Fazenda Parceiro Empr. Agr. Ltda	35,104	34,335	-	-	35,104	34,335	-	-
Fazenda Paiaguás Emp. Agr. Ltda.	414,608	361,399	-	-	414,608	361,399	-	-
Indirect subsidiaries								
Fazenda Planeste Empr. Agr. Ltda	78,219	75,891	-	-	78,219	75,891	-	-
Fazenda Panorama Empr. Agr. Ltda	54,589	53,359	-	-	54,589	53,359	-	-
Fazenda Piratini Empr. Agr. Ltda	43,528	42,547	-	-	43,528	42,547	-	-
Fazenda Perdizes Empr. Agr. Ltda	-	-	-	573	-	573	-	-
SLC - MIT Empr. Agr. S.A	-	-	24,469	721	24,469	721	-	-
Fazenda Palmeira Emp. Agr. Ltda.	8,513	8,319	-	-	8,513	8,319	-	-
SLC Landco Empr. Agr. Ltda	21,963	21,590	-	-	21,963	21,590	-	-
Subsidiaries								
SLC Participações S.A.	-	-	16	16	16	16	16	16
Other related parties							100	102
	1,898,588	1,722,168	24,485	1,310	1,923,070	1,723,478	116	118
Liabilities current	209,358	204,525	24,485	1,310	233,843	205,835	116	118
Liabilities non-current	1,689,230	1,517,643	-	-	1,689,230	1,517,643	-	-

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

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14 Balances and transactions with related parties (Continued)

a) Related-party balances (Continued)

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

b) Transactions with related parties

	Amortization of the right to use (IFRS 16)		APV-Liabilities Rental (IFRS16)	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Direct subsidiaries				
Fazenda Parnaíba Empr. Agr. Ltda	1,891	1,068	5,364	2,445
Fazenda Planorte Empr. Agr. Ltda	2,799	1,515	7,969	3,271
Fazenda Pamplona Empr. Agr. Ltda	92	391	3,691	1,856
Fazenda Planalto Empr. Agr. Ltda	851	446	5,387	3,140
Fazenda Palmares Empr. Agr. Ltda	1,046	227	2,756	1,972
Fazenda Parnagua Empr. Agr. Ltda	66	268	1,300	836
Fazenda Parceiro Empr. Agr. Ltda	13	27	769	386
Fazenda Paiaguás Emp. Agr. Ltda.	3,921	1,770	8,481	3,115
Fazenda Pioneira Empr. Agr. Ltda	-	-	-	-
Indirect subsidiaries				
Fazenda Planeste Empr. Agr. Ltda	1,504	1,134	1,750	1,777
Fazenda Panorama Empr. Agr. Ltda	714	206	1,231	1,229
Fazenda Piratini Empr. Agr. Ltda	-	-	981	725
Fazenda Perdizes Empr. Agr. Ltda	-	-	-	-
SLC MIT Empr. Agr. S.A	-	-	-	-
Fazenda Palmeira Empr. Agr. Ltda.	71	21	195	41
SLC Landco Empr. Agr. S.A.	695	685	279	333
Subsidiaries				
SLC Participações S.A.	34	33	2	4
Other related parties				
	13,697	7,791	40,155	21,130

	Sales of goods/products/ property, plant and equipment		Purchases of goods/products/ Corporate TI		Financial expenses - Warranty Fee	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Direct subsidiaries						
Fazenda Pioneira Empr. Agr. Ltda	1,236	528	-	-	-	-
Indirect subsidiaries						
Fazenda Perdizes Empr. Agr. Ltda	707	643	-	-	-	-
SLC MIT Empr. Agr. S.A	1,113	1,148	27,047	684	-	-
Subsidiaries						
SLC Participações S.A.	-	-	45	33	1	5
	3,056	2,319	27,092	717	1	5

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

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14 Balances and transactions with related parties (Continued)

c) Rental contracts payable

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

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

As of March 31, 2021, the lease liability with its subsidiaries can be demonstrated as follows:

Farm	Localization	Accounting value	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
Parnaíba	Tasso Fragoso - MA	233,908	27,784	7,451	8,186	8,939	9,875	171,674
Planorte	Sapezal - MT	374,461	40,062	6,966	7,658	8,324	9,239	302,215
Pamplona	Cristalina - GO	187,215	19,789	3,342	3,672	3,987	4,424	151,999
Planalto	Costa Rica - MS	273,242	28,883	4,881	5,358	5,820	6,458	221,844
Palmares	Barreiras - BA	120,664	14,760	4,356	4,784	5,226	5,767	85,770
Parnaçuá	Santa Filomena - PI	56,706	3,623	2,153	2,125	2,950	3,810	42,046
Parceiro	Formosa do Rio Preto - BA	35,104	2,769	1,394	1,768	2,155	2,565	24,452
Paiaguás	Diamantino - MT	414,608	43,935	7,369	8,096	8,794	9,762	336,650
Planeste	Balsas - MA	78,219	10,309	3,729	4,091	4,470	4,920	50,698
Panorama	Correntina - BA	54,589	7,195	2,603	2,855	3,120	3,434	35,382
Piratini	Jaborandi - BA	43,528	5,737	2,075	2,276	2,488	2,738	28,213
Palmeira	Alto Parnaíba - MA	8,513	1,010	272	298	326	360	6,248
Matriz	Porto Alegre - RS	17,831	3,502	2,518	2,649	2,860	3,050	3,253
		1,898,588	209,358	49,109	53,816	59,459	66,402	1,460,444
Liabilities current		209,358						
Liabilities non current		1,689,230						

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

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

14 Balances and transactions with related parties (Continued)

c) Rental contracts payable (Continued)

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

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

d) Management fees

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

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

	Parent company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Directors fee	(1,640)	(1,466)	(1,748)	(1,549)
Bonuses	(3,826)	(2,973)	(3,826)	(3,083)
Charges	(1,864)	(1,230)	(1,891)	(1,282)
Stock option plan	(542)	(428)	(542)	(428)
Other benefits	(8)	(8)	(7)	(8)
Total	(7,880)	(6,105)	(8,014)	(6,350)

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

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

SLC Agrícola S.A.

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March 31, 2021

(in thousands of Reais)

15 Suppliers

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Suppliers	409,401	732,358	500,563	870,902
Suppliers risk drawn	198,274	200,788	232,829	230,867
Total	607,675	933,146	733,392	1,101,769

The balance of suppliers on March 31, 2021 consists of R\$ 607,675 in the parent company and R\$ 733,392 in the consolidated, of which R\$ 198,274 in the parent company and R\$ 232,829 in the consolidated correspond to the withdrawn risk operations, with an average maturity 248 days and an average rate of 5.74% pa. The operation is a result of commercial negotiation resulting from the need for advance payment by suppliers, noting that there were no changes in the terms of payments and prices negotiated with suppliers as a result of this transaction.

16 Loans and financing

	Index	Average annual interest rates (%)		Parent company		Consolidated	
		03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020
<u>Used in the property, plant and equipment</u>							
Finame – BNDES	Pre and Coin Basket	5.49%	5.43%	32,557	34,866	53,483	57,053
				32,557	34,866	53,483	57,053
<u>Invested in working capital</u>							
Rural credit	Pré	4.30%	4.30%	3,078	3,046	12,313	12,186
Working capital (CRA)	CDI	2.62%	1.88%	362,059	360,346	362,059	360,346
Working capital (CRA)	IPCA + Pré	8.77%	8.19%	497,497	481,270	497,497	481,270
Working capital	CDI	4.06%	3.51%	500,555	298,384	550,571	361,959
Working capital	Swap EUR/CDI	6.28%	6.28%	219,293	215,977	219,293	215,977
Export financing	CDI	4.00%	3.24%	327,101	328,928	470,108	481,671
Export financing	Swap EUR/US\$/CDI	1.83%	1.33%	362,422	345,637	473,229	464,527
				2,272,005	2,033,588	2,585,070	2,377,936
(-)Transaction cost working capital (CRA)				(16,652)	(17,706)	(16,652)	(17,706)
				2,287,910	2,050,748	2,621,901	2,417,283
Portion classified in current assets				862,044	297,692	1,007,863	377,547
Installment classified in non-current				1,425,866	1,753,056	1,614,038	2,039,736

Finame – BNDES – Investment Lines of the National Development Bank (BNDES). They are guaranteed by fiduciary alienation or pledge of the financed assets and by guarantee of the Company and SLC Participações S.A. (Parent Company). Amortizations are carried out on a monthly, semi-annual and annual basis, after the grace period, and will take place between the periods from 04/15/2021 to 05/15/2032.

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

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16 Loans and financing (Continued)

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

Working Capital – Line for the purpose of meeting cash requirements, due on 03/29/2021 and 10/30/2023 backed in stock or production.

Export Financing – Export financing with short and long term lines raised in reais, euro or dollar indexed at a pre-fixed rate: CCE (Export Credit Note), NCE (Export Credit Note) and FINEX (Financing for Export) Export). The amortization periodicity is annual, semiannual or according to the negotiated term, with maturities between the periods from 04/05/2021 to 05/29/2023. They are guaranteed by the guarantee of the Company with a land mortgage or with a “clean” guarantee.

CRA – Certificate of Agribusiness Receivables – Fixed income securities, issued by the securitizer on behalf of SLC Agrícola, backed by receivables originating from business between rural producers, or their cooperatives, and third parties, covering financing or loans related to the production, commercialization, processing or industrialization of products, agricultural inputs or machines and implements used in agricultural production. The costs of these transactions, recorded under loans and financing, total R\$ 16,652 (parent and consolidated) as of March 31, 2021. Below are information on the issues:

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

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

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

16 Loans and financing (Continued)

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

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

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

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

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

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

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

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

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16 Loans and financing (Continued)

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

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

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

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

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

Years of maturity	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
2021	589,410	297,692	629,850	377,547
2022	904,263	919,646	1,158,131	1,161,958
2023	294,878	345,625	327,890	382,750
2024	247,624	238,683	250,769	242,028
2025	245,188	242,235	246,157	243,757
After 2025	6,547	6,867	9,104	9,243
	<u>2,287,910</u>	<u>2,050,748</u>	<u>2,621,901</u>	<u>2,417,283</u>

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

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

17 Provisions for tax, environmental, labor and civil risks

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

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

a) Provisions

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

	Parenty Company				
	Labor	Environmental	Tributary	Civil	Total
Balance in 12/31/2020	1,739	330	1,052	403	3,524
Addition of provision	14	-	-	-	14
Reverse of provision	-	-	-	(403)	(403)
Balance in 03/31/2021	1,753	330	1,052	-	3,135

	Consolidated				
	Labor	Environmental	Tributary	Civil	Total
Balance in 12/31/2020	1,983	330	1,123	1,993	5,429
Addition of provision	14	-	-	-	14
Reverse of provision	-	-	-	(403)	(403)
Balance in 03/31/2021	1,997	330	1,123	1,590	5,040

b) Contingents liabilities

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

Nature	Parenty Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Labor (i)	546	546	546	546
Environmental (ii)	3,761	3,754	3,761	3,754
Tributary (iii)	14,833	14,352	46,276	46,052
Civil (iv)	7,544	9,005	35,305	36,471
	26,684	27,657	85,888	86,823

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

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

b) Contingents liabilities (Continued)

(i) *Labor lawsuits*

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

(ii) *Environmental actions*

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

(iii) *Tax*

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

(iv) *Civil*

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

c) Contingents assets

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

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

d) Judicial deposits

The Company's judicial deposits on March 31, 2021 and December 31, 2020, recorded under the caption "other credits" in non-current assets, have the following composition:

Nature	Parenty Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Labor (i)	380	8	495	530
Environmental (ii)	19	-	19	20
Tributary (iii)	1,511	1,176	11,420	11,338
Civil (iv)	-	-	1,046	1,046
	1,910	1,184	12,980	12,934

SLC Agrícola S.A.

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March 31, 2021

(in thousands of Reais)

18 Deferred income and social contribution taxes

Deferred income and social contribution taxes are presented as follows:

Description	Parent Company					
	03/31/2021			12/31/2020		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for profit-sharing	3,805	1,370	5,175	10,339	3,722	14,061
Provision for tax losses	659	237	896	169	61	230
Operations with derivatives	97,793	35,206	132,999	64,927	23,374	88,301
Provision for Senar	1,290	464	1,754	1,286	463	1,749
APV - Lease liability	31,707	11,414	43,121	10,784	3,882	14,666
Provision for ICMS credit losses	6,402	2,305	8,707	5,950	2,142	8,092
Others	5,025	1,809	6,834	6,222	2,240	8,462
	146,681	52,805	199,486	99,677	35,884	135,561
Liabilities:						
Incentivized depreciation from rural activity	(160,200)	(57,672)	(217,872)	(156,523)	(56,348)	(212,871)
Bargain gain on acquisition of equity interest	(3,747)	(1,349)	(5,096)	(3,855)	(1,388)	(5,243)
Deemed cost from property, plant and equipment	(4,620)	(1,663)	(6,283)	(5,051)	(1,818)	(6,869)
Fair value of biological assets	(126,618)	(45,583)	(172,201)	(47,155)	(16,976)	(64,131)
	(295,185)	(106,267)	(401,452)	(212,584)	(76,530)	(289,114)
Total net	(148,504)	(53,462)	(201,966)	(112,907)	(40,646)	(153,553)
Classified in the non-current liabilities	(148,504)	(53,462)	(201,966)	(112,907)	(40,646)	(153,553)

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

18 Deferred income and social contribution taxes (Continued)

Description	Consolidated					
	03/31/2021			12/31/2020		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for profit-sharing	4,291	1,544	5,835	11,676	4,203	15,879
Provision to tax losses	659	238	897	169	61	230
Operations with derivatives	104,858	36,970	141,828	68,492	23,878	92,370
Provision for Senar	1,388	500	1,888	1,384	498	1,882
APV - Lease liability	27,342	9,843	37,185	10,458	3,765	14,223
Provision for ICMS credit losses	6,793	2,445	9,238	6,226	2,241	8,467
Others	7,844	2,823	10,667	8,941	3,218	12,159
Tax losses and negative basis	29,849	11,255	41,104	30,284	11,411	41,695
	183,024	65,618	248,642	137,630	49,275	186,905
Liabilities:						
Incentivized depreciation from rural activity	(189,539)	(68,111)	(257,650)	(185,782)	(66,758)	(252,540)
Bargain gain on acquisition of equity interest	(3,747)	(1,349)	(5,096)	(3,747)	(1,349)	(5,096)
Deemed cost from property, plant and equipment	(26,287)	(13,363)	(39,650)	(26,828)	(13,558)	(40,386)
Fair value for investment property	(1,992)	(1,076)	(3,068)	(1,992)	(1,076)	(3,068)
Fair value of biological assets	(147,455)	(53,084)	(200,539)	(51,967)	(18,708)	(70,675)
Others	(25,198)	(9,165)	(34,363)	(18,653)	(6,809)	(25,462)
	(394,218)	(146,148)	(540,366)	(288,969)	(108,258)	(397,227)
Net total	(211,194)	(80,530)	(291,724)	(151,339)	(58,983)	(210,322)
Classified in non-current assets	12,438	4,478	16,916	15,059	5,421	20,480
Classified in the non-current liabilities	(223,632)	(85,008)	(308,640)	(166,398)	(64,404)	(230,802)

The Company and its subsidiaries, based on the expectation of generating future taxable income, based on a technical study approved by management, recognized tax credits on tax losses, negative social contribution base and temporary differences, which have no statute of limitations. The book value of deferred charges is reviewed annually by the Company and the resulting adjustments have not been significant in relation to management's initial forecast. The technical study considers the investments and incentives that farms may be entitled to.

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18 Deferred income and social contribution taxes (Continued)

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

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
2021	111,845	110,660	138,368	140,780
2022	69,769	4,441	67,213	6,246
2023	2,204	3,358	11,556	11,358
2024	15,668	833	3,573	8,755
2025	-	16,269	27,932	19,766
	199,486	135,561	248,642	186,905

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

Reconciliation of tax expense with official rates

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

	Parent Company			
	03/31/2021		03/31/2020	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	492,908	492,908	199,257	199,257
Income and social contribution taxes at the nominal rate from 25% to 9%, respectively	(123,227)	(44,362)	(49,814)	(17,933)
Adjustments for calculation of effective rate				
Equity income	20,374	7,335	9,835	3,541
Permanent additions	(942)	60	(965)	(22)
Other	(6,655)	(2,631)	(415)	41
Value recorded in the income	(110,450)	(39,598)	(41,359)	(14,373)
Total income and social contribution taxes		(150,048)		(55,732)
Deferred taxes		(114,436)		(55,223)
Current taxes		(35,612)		(509)
Effective rate		30.44%		27.97%

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

18 Deferred income and social contribution taxes (Continued)

Reconciliation of tax expense with official rates (Continued)

	Consolidated			
	03/31/2021		03/31/2020	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on profit	571,432	571,432	231,012	231,012
Income and social contribution taxes at the nominal rate of 25% and 9%, respectively	(142,858)	(51,429)	(57,753)	(20,791)
Adjustments for calculation of effective rate				
Permanent additions and exclusions	(2,784)	(603)	(993)	(22)
Tax incentives of subsidiaries	511	3	5	2
Income and social contribution taxes in companies taxed by the deemed profit system	15,275	5,499	5,906	1,975
Elimination Unrealized profit	1	-	921	332
IFRS 16 effects	(6,445)	(2,320)	(1,598)	(575)
Other	(6,920)	(2,558)	(1,695)	(329)
Value recorded in the income	(143,220)	(51,408)	(55,207)	(19,408)
Total income and social contribution taxes		(194,628)		(74,615)
Deferred taxes		(157,743)		(73,245)
Current taxes		(36,885)		(1,370)
Effective rate		34.06%		32.30%

Reconciliation of deferred Income and social contribution taxes variation

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

Description	Parent Company			
	Balance on 12/31/2020	Recognized in income	Recognized in comprehensive income	Balance on 03/31/2021
Provision for profit-sharing	14,061	(8,886)	-	5,175
Provision to tax losses	230	666	-	896
Operations with derivatives	88,301	(21,325)	66,023	132,999
Provision for Senar	1,749	5	-	1,754
Others	8,462	(1,628)	-	6,834
Provision for ICMS credit losses	8,092	615	-	8,707
Incentivized depreciation from rural activity	(212,871)	(5,001)	-	(217,872)
Bargain gain on acquisition of equity interest	(5,243)	147	-	(5,096)
Deemed cost from property, plant and equipment	(6,869)	586	-	(6,283)
Fair value of biological assets	(64,131)	(108,070)	-	(172,201)
Capitalization of interest on borrowings	14,666	28,455	-	43,121
Total	<u>(153,553)</u>	<u>(114,436)</u>	<u>66,023</u>	<u>(201,966)</u>
Non-current liabilities	(153,553)			(201,966)

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Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

18 Deferred income and social contribution taxes (Continued)

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

Description	Consolidated			Balance on 03/31/2021
	Balance on 12/31/2020	Recognized in income	Recognized in comprehensive income	
Provision for profit-sharing	15,879	(10,044)	-	5,835
Provision to tax losses	230	667	-	897
Operations with derivatives	92,370	(26,883)	76,341	141,828
Provision for Senar	1,882	6	-	1,888
Others	12,159	(1,492)	-	10,667
Tax losses and negative basis	41,695	(591)	-	41,104
APV - Lease liability	14,223	22,962	-	37,185
Provision for ICMS credit losses	8,467	771	-	9,238
Incentivized depreciation from rural activity	(252,540)	(5,110)	-	(257,650)
Bargain gain on acquisition of equity interest	(5,096)	-	-	(5,096)
Deemed cost from property, plant and equipment	(40,386)	736	-	(39,650)
Fair value for investment property	(3,068)	-	-	(3,068)
Fair value of biological assets	(70,675)	(129,864)	-	(200,539)
Others	(25,462)	(8,901)	-	(34,363)
Total	<u>(210,322)</u>	<u>(157,743)</u>	<u>76,341</u>	<u>(291,724)</u>
Non-current assets	20,480			16,916
Non-current liabilities	(230,802)			(308,640)

Income tax and social contribution payable

The balance of income tax and social contribution on profit payable on March 31, 2021 is R\$ 29,656 and R\$ 29,700 for the parent company and consolidated, respectively (R\$ 40,374 and R\$ 47,449 on December 31, 2020, in the Parent Company and Consolidated, respectively).

19 Securities payable (Consolidated)

The Company, through its subsidiaries, has contracts related to the purchase of land, for its use and exploration. The balance on March 31, 2021 and December 31, 2020 is R\$ 12,273 classified in current liabilities and R\$ 706 classified in non-current liabilities.

SLC Agrícola S.A.

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March 31, 2021

(in thousands of Reais)

20 Equity

a) Capital stock

On March 31, 2021, the subscribed capital in the amount of R\$ 947,522 is represented by 190,595,000 common, nominative, book-entry shares with no par value.

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

<u>Shareholder</u>	<u>Quantity of shares</u>	
	<u>03/31/2021</u>	<u>12/31/2020</u>
SLC Participações S.A.	100,977,822	100,977,822
Management	375,467	347,967
Treasury shares	2,746,780	3,010,430
Other	86,494,931	86,258,781
Total shares of paid-in capital	190,595,000	190,595,000
(-) Treasury shares	(2,746,780)	(3,010,430)
Total shares - ex-treasury	187,848,220	187,584,570

b) Capital reserve – goodwill in the issue of shares

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

c) Treasury shares

The balance of treasury shares on March 31, 2021 is R\$ 48,286 and consists of 2,746,780 shares (R\$ 52,921 on December 31, 2020, consisting of 3,010,430 shares). The change in the number of treasury shares in the period was as follows:

	<u>Treasury shares</u>	
	<u>In nº shares</u>	<u>In R\$</u>
Balance at december 31, 2020	3,010,430	(52,921)
Shares exercised under the stock option plans	(263,650)	4,635
Balance at march 31, 2021	2,746,780	(48,286)

The market value of treasury shares, calculated based on the last stock exchange quote, prior to the period's closing date was R\$ 122,616 (R\$ 44.64 per share) on March 31, 2021 and R\$ 82,636 (R\$ 27.45 per share) as of December 31, 2020.

20 Equity (Continued)

d) Legal reserve

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

e) Reserve for expansion

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

f) Profit retention reserve

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

g) Incentive investment reserve

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

h) Dividends

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

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

20 Equity (Continued)

i) Earning per share

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

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

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

	<u>03/31/2021</u>	<u>03/31/2020</u>
Numerator		
Net income for the period (a)	342,860	143,525
Denominator		
Weighted average of common shares (b)	187,797,914	187,069,040
Weighted average of common shares considering dilutive effects (c)	188,877,825	187,155,023
Basic (loss) income per common share (a/b)	1.82569	0.76723
Diluted (loss) income per common share (a/c)	1.81525	0.76688

j) Other comprehensive income

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

	<u>03/31/2021</u>	<u>12/31/2020</u>
<i>Hedge accounting</i>	(346,231)	(207,640)
Cost assigned fixed assets and fair value adjustment related to property for investments	1,150,722	1,151,931
Gain in the variation of interest	25,909	25,909
Other comprehensive income	830,400	970,200

21 Finance income (loss)

	Parent company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Financial expenses:				
Interest paid	(31,731)	(19,569)	(34,002)	(23,831)
Foreign exchange	(49,088)	(122,837)	(61,942)	(149,938)
APV - Liabilities Lease	(58,054)	(34,373)	(18,815)	(13,888)
Losses with derivative operations	(8,349)	-	(9,736)	-
Others	(1,553)	(2,309)	(1,862)	(2,858)
	(148,775)	(179,088)	(126,357)	(190,515)
Financial income:				
Income from interest-earning bank deposits	5,245	3,742	6,979	5,732
Foreign exchange	41,607	76,811	46,741	83,249
Gains with derivative operations	31,947	56,170	38,360	75,738
Others	448	103	472	71
	79,247	136,826	92,552	164,790
Financial income (loss)	(69,528)	(42,262)	(33,805)	(25,725)

22 Commitments

22.1. Sales contracts for future delivery

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

Parent Company					
Product	Delivery Date	Quantity	Agreements	Unit	Price
<u>2019/20 crop</u>					
Cotton lint	Apr/21- Jul/21	42,503	41	ton	US\$ 1,892.87
<u>2020/21 crop</u>					
Cotton lint	Aug/21- Jul/22	87,150	14	ton	US\$ 1,558.09
Soybean	Apr/21-Jun/21	951,072	34	sc	US\$ 24.96
Soybean	Apr/21-Jul/21	985,135	24	sc	R\$ 129.24
Corn	Jun/21-Aug/21	7,240,000	40	sc	R\$ 29.26
<u>2021/22 crop</u>					
Cotton lint	Aug/22-Jul/23	93,275	23	ton	US\$ 1,663.75
Soybean	Jan/22-Feb/22	2,525,000	24	sc	US\$ 20.34
Soybean	Jan/22-Feb/22	43,000	2	sc	R\$ 118.50
Corn	Jun/22-Aug/22	4,500,000	29	sc	R\$ 31.27
Consolidated					
Product	Delivery Date	Quantity	Agreements	Unit	Price
<u>2019/20 crop</u>					
Cotton lint	Apr/21- Jul/21	45,986	50	ton	US\$ 1,891.53
<u>2020/21 crop</u>					
Cotton lint	Aug/21- Jul/22	96,350	18	ton	US\$ 1,559.07
Soybean	Apr/21-Jun/21	1,121,259	37	sc	US\$ 24.97
Soybean	Apr/21-Jul/21	1,294,461	28	sc	R\$ 133.02
Corn	Jun/21-Aug/21	8,595,000	50	sc	R\$ 28.72
<u>2021/22 crop</u>					
Cotton lint	Aug/22-Jul/23	106,175	28	ton	US\$ 1,657.20
Soybean	Jan/22-Feb/22	3,070,000	31	sc	US\$ 20.17
Soybean	Jan/22-Feb/22	43,000	2	sc	R\$ 118.50
Corn	Jun/22-Aug/22	5,184,000	37	sc	R\$ 30.46

22 Commitments (Continued)

22.2. Third party lease agreements

As of March 31, 2021, the Company and its subsidiaries have third-party lease agreements and building leases, thus distributed:

Unit	Location	Currency	Lease liability (scope CPC 06 (R2) (IFRS 16))		Leases payable	
			03/31/2021	12/31/2020	03/31/2021	12/31/2020
Palmares	Barreiras - BA	R\$	101,771	99,477	-	-
Panorama	Correntina - BA	R\$	95,381	93,219	-	-
Paladino	São Desidério - BA	R\$	33,741	40,005	5,283	5,283
Parceiro	Formosa do Rio Preto - BA	R\$	19,396	19,031	-	-
Piratini	Jaborandi - BA	R\$	145	155	-	-
Pantanal	Chapadão do Céu - GO e Chapadão do Sul - MS	R\$	337,398	329,762	-	-
Pamplona	Cristalina - GO	R\$	17,228	15,636	-	-
Planeste	Balsas - MA	R\$	105,036	101,527	-	-
Parnaíba	Tasso Fragoso - MA	R\$	52,505	51,748	-	-
Palmeira	Alto Parnaíba - MA	R\$	38,900	30,991	-	-
Paiaguás	Diamantino - MT	R\$	143,713	141,115	-	-
Planorte	Sapezal - MT	R\$	3,334	3,326	-	-
Perdizes	Porto dos Gaúchos - MT	R\$	527	567	-	-
Pioneira	Querência - MT	R\$	450	499	-	-
Planalto	Costa Rica - MS	R\$	6,552	6,240	-	-
Parnaguá	Santa Filomena - PI	R\$	193	213	-	-
Matriz	Porto Alegre - RS	R\$	1,744	773	-	-
			958,014	934,284	5,283	5,283
Liabilities current			163,661	162,258	5,283	5,283
Liabilities non-current			794,353	772,026	-	-

22 Commitments (Continued)

22.2. Third party lease agreements (Continued)

Liabilities for land and cotton leasing have a discount rate with a range of 6.48% to 9.45%. For other lease liabilities (machinery, buildings and vehicles), we have a discount rate ranging from 3.00% to 7.70%.

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

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

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

23 Management of risks and financial instruments

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

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

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

The estimated fair value of the long-term loans of the parent company and consolidated at March 31, 2021 was R\$ 1,389,483 and R\$ 1,567,484, respectively, calculated at prevailing market rates, considering the nature, term and risks similar to those of the contracts recorded, and can be compared with the book value of R\$ 1,425,865 and R\$ 1,614,037.

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

23 Management of risks and financial instruments (Continued)

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

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

	Parent Company			
	Book value		Fair value	
	03/31/2021	12/31/2020	Level 2 03/31/2021	Level 2 12/31/2020
Assets				
<u>Fair value through profit or loss</u>				
Cash and cash equivalents	1,387,951	1,319,290	1,387,951	1,319,290
Short term financial Investments	665	663	665	663
Subtotal	1,388,616	1,319,953	1,388,616	1,319,953
<u>Amortized cost</u>				
Trade accounts receivable	88,467	178,085	88,467	178,085
Receivables from related parties	13,868	27,721	13,868	27,721
Subtotal	102,335	205,806	102,335	205,806
<u>Fair value of hedge instruments</u>				
Operations with Derivatives	160,638	207,847	160,638	207,847
Subtotal	160,638	207,847	160,638	207,847
Total assets	1,651,589	1,733,606	1,651,589	1,733,606
Liabilities				
<u>Liabilities at the amortized cost</u>				
Loans and financing	2,287,910	2,050,748	2,267,278	2,061,685
Suppliers	607,675	933,146	607,675	933,146
Payables to related parties	24,485	1,310	24,485	1,310
Liabilities - lease with related parties	1,898,588	1,722,168	1,898,588	1,722,168
Third-party lease liability	923,297	893,214	923,297	893,214
Other accounts payable	394,104	153,139	394,104	153,139
Subtotal	6,136,059	5,753,725	6,115,427	5,764,662
<u>Fair value of hedge instruments</u>				
Derivatives payable	459,466	375,207	459,466	375,207
Subtotal	459,466	375,207	459,466	375,207
Total liabilities	6,595,525	6,128,932	6,574,893	6,139,869

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23 Management of risks and financial instruments (Continued)

	Consolidated			
	Book Value		Fair Value	
	03/31/2021	12/31/2020	Level 2 03/31/2021	Level 2 12/31/2020
Assets				
<u>Fair value through profit or loss</u>				
Cash and cash equivalents	1,597,610	1,604,053	1,597,610	1,604,053
Short term financial Investments	665	663	665	663
Subtotal	1,598,275	1,604,716	1,598,275	1,604,716
<u>Amortized cost</u>				
Trade accounts receivable	97,378	207,283	97,378	207,283
Receivables from related parties	16	8	16	8
Other accounts receivable	34,071	33,907	34,071	33,907
Subtotal	131,465	241,198	131,465	241,198
<u>Fair value of hedge instruments</u>				
Operations with Derivatives	194,407	245,372	194,407	245,372
Subtotal	194,407	245,372	194,407	245,372
Total assets	1,924,147	2,091,286	1,924,147	2,091,286
Liabilities				
<u>Liabilities at the amortized cost</u>				
Loans and financing	2,621,901	2,417,283	2,590,791	2,422,429
Suppliers	733,392	1,101,769	733,392	1,101,769
Payables to related parties	116	118	116	118
Other accounts payable	467,394	176,390	467,394	176,390
Third-party lease liability	958,014	934,284	958,014	934,284
Leases to pay	5,283	5,283	5,283	5,283
Securities payable	12,979	12,979	12,979	12,979
Subtotal	4,799,079	4,648,106	4,767,969	4,653,252
<u>Fair value of hedge instruments</u>				
Derivatives payable	511,628	417,121	511,628	417,121
Subtotal	511,628	417,121	511,628	417,121
Total liabilities	5,310,707	5,065,227	5,279,597	5,070,373

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23 Management of risks and financial instruments (Continued)

a) Policy of use, objectives and strategies

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

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

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

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

c) Currency risk

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

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23 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

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

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

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

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

Description	Reference value (notional)		Fair value (MTM)			
	Currency	03/31/2021	12/31/2020	Currency	03/31/2021	12/31/2020
Forward contracts (NDF):						
Foreign currency - Short position						
Maturity in 2021	USD	283,650	384,710	R\$	(126,086)	(80,586)
Maturity in 2022	USD	203,030	47,100	R\$	(42,977)	3,496
TOTAL	USD	486,680	431,810	R\$	(169,063)	(77,090)

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

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23 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

Maturity	Currency	Forward Contracts (NDF)
Up to 06/30/2021	R\$	(34,840)
Up to 09/30/2021	R\$	(31,531)
Up to 12/31/2021	R\$	(59,715)
Up to 03/31/2022	R\$	(22,973)
Up to 06/30/2022	R\$	(8,272)
Up to 09/30/2022	R\$	(3,283)
Up to 12/31/2022	R\$	(8,449)
TOTAL	R\$	(169,063)

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	03/31/2021	12/31/2020	Currency	03/31/2021	12/31/2020
Banco Itaú BBA S/A	USD	83,980	63,350	R\$	(17,336)	(18,953)
XP Investimentos S.A.	USD	46,030	15,470	R\$	(6,826)	3,356
Banco Safra S.A.	USD	30,890	26,450	R\$	(4,379)	(1,212)
Banco BNP Paribas Brasil S.A.	USD	74,900	79,910	R\$	(29,591)	3,475
Banco Bradesco S/A	USD	31,850	23,050	R\$	(6,842)	2,140
Banco Votorantim S/A	USD	35,250	20,490	R\$	(18,362)	(7,781)
Morgan Stanley S/A	USD	63,970	24,570	R\$	(21,021)	(14,188)
Banco J.P. Morgan S/A	USD	40,960	58,260	R\$	(33,620)	(26,378)
Banco Santander Brasil S/A	USD	21,150	38,530	R\$	(18,582)	(16,864)
Banco ABC Brasil S.A.	USD	3,800	17,730	R\$	(3,229)	(13,169)
Rabobank International Brasil S.A.	USD	4,900	11,000	R\$	(1,400)	(5,191)
Banco BTG Pactual S.A.	USD	49,000	53,000	R\$	(7,875)	17,675
Total	USD	486,680	431,810	R\$	(169,063)	(77,090)

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

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23 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

Risks of exchange rate variation

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

- Probable Scenario: Based on the FOCUS report (BACEN) released on March 26, 2021, we have defined the probable scenario with the dollar quotation of R\$ 5.3300 varying to the Ptax rate of R\$ 5.7642 on March 31, 2021.
- Exchange rate Decrease of 25%: in this scenario the operations would be settled at the rate of R\$ 3.9975, 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\$ 2.6650, 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\$ 6.6625, equivalent to 25% higher than the rate in the Probable Scenario.
- Increase of 50% in the exchange rate: in this scenario the operations would be settled at the rate of R\$ 7.9950, 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\$	Probable Scenario Quotation R\$	Possible scenario Quotation R\$	Remote scenario Quotation R\$
	2.6650	3.9975	5.3300	6.6625	7.9950
Year 2021					
Highly probable estimated revenue in USD (1)	(994,152)	(497,076)	161,974	497,076	994,152
Estimated commitments in USD (2)	296,028	148,014	(48,231)	(148,014)	(296,028)
Forward Contracts (NDF) (3)	360,308	180,154	(58,704)	(180,154)	(360,308)
Net exposure in USD (1)-(2)-(3)	(337,816)	(168,908)	55,039	168,908	337,816
Year 2022					
Highly probable estimated revenue in USD (1)	(1,666,670)	(833,335)	271,545	833,335	1,666,670
Estimated commitments in USD (2)	255,307	127,654	(41,596)	(127,654)	(255,307)
Forward Contracts (NDF) (3)	212,134	106,067	(34,562)	(106,067)	(212,134)
Net exposure in USD (1)-(2)-(3)	(1,199,229)	(599,614)	195,387	599,614	1,199,229
Total	(1,537,045)	(768,522)	250,426	768,522	1,537,045

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23 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

Risks of exchange rate variation (Continued)

Description	Consolidated				
	Remote scenario Quotation R\$	Possible scenario Quotation R\$	Probable Scenario Quotation R\$	Possible scenario Quotation R\$	Remote scenario Quotation R\$
Year 2021					
Highly probable estimated revenue in USD (1)	(1,157,433)	(578,717)	188,577	578,717	1,157,433
Estimated commitments in USD (2)	352,713	176,356	(57,466)	(176,356)	(352,713)
Forward contracts (NDF) (3)	403,215	201,607	(65,694)	(201,607)	(403,215)
Net exposure in USD (1)-(2)-(3)	(401,505)	(200,754)	65,417	200,754	401,505
Year 2022					
Highly probable estimated revenue in USD (1)	(1,942,684)	(971,342)	316,515	971,342	1,942,684
Estimated commitments in USD (2)	287,687	143,843	(46,872)	(143,843)	(287,687)
Forward contracts (NDF) (3)	253,388	126,694	(41,284)	(126,694)	(253,388)
Net exposure in USD (1)-(2)-(3)	(1,401,609)	(700,805)	228,359	700,805	1,401,609
Total	(1,803,114)	(901,559)	293,776	901,559	1,803,114

The following shows the net exposure to currency risk:

	Parent Company			
	03/31/2021		12/31/2020	
	Amount in Reais (R\$)	Amount in Dólares (USD)	Amount in Reais (R\$)	Amount in Dólares (USD)
Trade accounts receivable (note 5)	58,401	10,132	166,575	32,054
Suppliers	(15,911)	(2,760)	(145,921)	(28,080)
Net exposure of the shareholders' equity	42,490	7,372	20,654	3,974

	Consolidated			
	03/31/2021		12/31/2020	
	Amount in Reais (R\$)	Amount in Dólares (USD)	Amount in Reais (R\$)	Amount in Dólares (USD)
Trade accounts receivable (note 5)	58,401	10,132	193,413	37,218
Suppliers	(19,789)	(3,433)	(176,010)	(33,869)
Net exposure of the shareholders' equity	38,612	6,699	17,403	3,349

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23 Management of risks and financial instruments (Continued)

d) Price risk

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

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

Description	Reference value (notional)			Fair value		
	Currency	03/31/2021	12/31/2020	Currency	03/31/2021	12/31/2020
Year of Maturity at 2021						
Financial operations						
Commodities - Cotton	USD	89,102	180,673	R\$	(256,723)	(209,486)
Commodities - Fat ox	USD	17,865	799	R\$	(1,782)	25
Subtotal	USD	106,967	181,472	R\$	(258,505)	(209,461)
Year of Maturity at 2022						
Financial operations						
Commodities - Cotton	USD	9,944	9,644	R\$	(11,944)	(6,992)
Total	USD	116,911	191,116	R\$	(270,449)	(216,453)

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23 Management of risks and financial instruments (Continued)

d) Price risk (Continued)

Commodity price risk

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

- Probable Scenario: Based on the closing price on 03/31/2021 of the reference future contract on the stock exchange where production is priced.
- 25% drop in the price of the reference futures contract on the exchange where production is priced.
- 50% drop in the price of the reference futures contract on the exchange where production is priced.
- 25% increase in the price of the reference future contract on the stock exchange where production is priced.
- 50% increase in the price of the reference future contract on the stock exchange where production is priced.

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

The following is a summary of the impacts in each projected scenario converted into R\$ 5.7642 by the PTAX sale at the end of March 31, 2021:

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23 Management of risks and financial instruments (Continued)

d) Price risk (Continued)

Commodity price risk (Continued)

Income variation highly to price scenarios					
Description	Remote scenario -50%	Possible scenario -25%	Probable scenario	Possible scenario + 25%	Remote scenario +50%
Cotton - Year 2021					
Highly probable income	2,051,406	2,051,406	2,051,406	2,051,406	2,051,406
Highly probable income protected	2,051,406	2,051,406	2,051,406	2,051,406	2,051,406
Net exposure	-	-	-	-	-
Change in net exposure	-	-	-	-	-
Soybean - Year 2021					
Highly probable income	1,434,103	1,560,290	1,686,477	1,812,664	1,938,851
Highly probable income protected	1,181,729	1,181,729	1,181,729	1,181,729	1,181,729
Net exposure	252,374	378,561	504,748	630,935	757,122
Change in net exposure	(252,374)	(126,187)	-	126,187	252,374
Cotton - Year 2022					
Highly probable income	1,402,561	1,624,561	1,846,561	2,068,561	2,290,561
Highly probable income protected	958,561	958,561	958,561	958,561	958,561
Net exposure	444,000	666,000	888,000	1,110,000	1,332,000
Change in net exposure	(444,000)	(222,000)	-	222,000	444,000
Soybean - Year 2022					
Highly probable income	1,013,086	1,335,298	1,657,510	1,979,722	2,301,934
Highly probable income protected	368,662	368,662	368,662	368,662	368,662
Net exposure	644,424	966,636	1,288,848	1,611,060	1,933,272
Change in net exposure	(644,424)	(322,212)	-	322,212	644,424

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23 Management of risks and financial instruments (Continued)

e) Interest risk

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

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

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

Counterparty	Hedge instrument	Hedged object	MTM	Financial income	Shareholders' equity
Itaú	Swap de R\$ 25MM (Assets VC / Liability CDI+Pré)	Debit of USD 6.7MM interest of 4.37% yy.	13,114	13,769	(655)
Itaú	Swap de R\$ 150MM (Assets VC / Liability CDI+Pré)	Debit of EUR 31.7MM interest of 0.95% yy.	64,101	64,306	(205)
Rabobank	Swap de R\$ 8MM (Assets VC / Liability CDI+Pré)	Debit of EUR 1.3MM interest of 2.05% yy.	909	883	26
Bradesco	Swap of R\$ 200MM (Assets Pré / Liability CDI+Pré)	Debit of R\$ 200MM interest of 6.28% yy.	7,956	8,634	(678)
Bradesco	Swap of R\$ 240MM (Assets Pré / Liability CDI+Pré)	Debit of R\$ 240MM interest IPCA of 3.6726% yy.	3,199	6,282	(3,083)
Santander	Swap of R\$ 240MM (Assets Pré / Liability CDI+Pré)	Debit of R\$ 240MM interest IPCA of 3.6726% yy.	3,199	6,282	(3,083)
Rabobank	Swap de R\$ 100MM (Assets VC / Liability CDI+Pré)	Debit of USD 17.2MM interest of 0.81% yy.	(2,637)	(2,437)	(200)
Rabobank	Swap de R\$ 30MM (Assets VC / Liability CDI+Pré)	Debit of EUR 6.9MM interest of 1.11% yy.	14,974	14,840	134
CCB	Swap de R\$ 15MM (Assets VC / Liability CDI+Pré)	Debit of EUR 2.6MM interest of 1.00% yy.	(407)	(135)	(272)
Rabobank	Swap de R\$ 5MM (Assets VC / Liability CDI+Pré)	Debit of EUR 1.15MM interest of 1.11% yy.	2,498	2,478	20
Rabobank	Swap de R\$ 17,5MM (Assets VC / Liability CDI+Pré)	Debit of EUR 3.8MM interest of 0.81% yy.	7,692	7,730	(38)
Rabobank	Swap de R\$ 17,5MM (Assets VC / Liability CDI+Pré)	Debit of EUR 3.8MM interest of 0.81% yy.	7,693	7,731	(38)
			122,291	130,363	(8,072)

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23 Management of risks and financial instruments (Continued)

e) Interest risk

Risk of variations in interest rates

In order to verify the sensitivity of the indexes on the Company's debt, based on the position as of March 31, 2021, 5 different scenarios were defined. Based on the FOCUS report (Bacen) of March 26, 2021 we have defined the key figures for CDI. Foreign Exchange and IPCA. Based on this information we defined the Probable Scenario for the analysis and from this we calculated the variations of 25% and 50%. For each scenario, the financial expense or gross financial revenue was considered, not considering the incidence of taxes and the flow of maturities of debts and redemptions of financial investments scheduled for 2021. The base date for the portfolio was March 31, 2021, projecting the indexes for one year and checking their sensitivity in each scenario.

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

	Interest rate *	Balance on 03/31/2021	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Debt in reais - prefixed rate							
Rural credit	4.30%	12,313	N/A	N/A	N/A	N/A	N/A
BNDES	5.44%	52,654	N/A	N/A	N/A	N/A	N/A
Debt in reais – post-fixed rate							
BNDES	UMBDES	829	(32)	(38)	(44)	(50)	(56)
Working Capital	153.14% CDI	550,571	(14,847)	(18,495)	(22,143)	(25,790)	(29,438)
Export financing	151.00% CDI	473,234	(12,501)	(15,636)	(18,771)	(21,906)	(25,041)
CRA	99% CDI	362,058	(3,356)	(5,068)	(6,779)	(8,491)	(10,203)
CRA	IPCA + 3.6726% y.y.	497,497	(15,558)	(18,854)	(22,150)	(25,446)	(28,742)
Debits in dólares							
NCE	4.17%	38,961	N/A	N/A	N/A	N/A	N/A
Debits in euro							
NCE	0.95%	214,725	N/A	N/A	N/A	N/A	N/A
NCE	0.81%	26,044	N/A	N/A	N/A	N/A	N/A
NCE	0.81%	26,044	N/A	N/A	N/A	N/A	N/A
NCE	1.11%	7,942	N/A	N/A	N/A	N/A	N/A
NCE	1.11%	47,655	N/A	N/A	N/A	N/A	N/A
NCE	3.65%	99,550	N/A	N/A	N/A	N/A	N/A
NCE	2.05%	9,187	N/A	N/A	N/A	N/A	N/A
Debits in dólares							
CPR-F	6.28%	219,293	N/A	N/A	N/A	N/A	N/A

(*) Average annual rates.

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23 Management of risks and financial instruments (Continued)

e) Interest risk (Continued)

Risk of variations in interest rates (Continued)

	Interest rate *	Balance on 03/31/2021	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Swaps - debits in dólares							
Swap VC x CDI + PRÉ**	Assets: 0.81% y.y. Liability: CDI + 0.85% y.y.	7,692	(167)	(218)	(269)	(320)	(371)
Swap VC x CDI + PRÉ**	Assets: 0.81% y.y. Liability: CDI + 0.85% y.y.	7,692	(167)	(218)	(269)	(320)	(371)
Swap VC x CDI + PRÉ**	Assets: 1.11% y.y. Liability: CDI + 0.75% y.y.	2,498	(52)	(68)	(85)	(101)	(118)
Swap VC x CDI + PRÉ**	Assets: 1.11% y.y. Liability: CDI + 0.75% y.y.	14,974	(311)	(410)	(510)	(609)	(708)
Swap VC x CDI + PRÉ**	Assets: 1.55% y.y. Liability: CDI + 2.17% y.y.	(407)	10	13	16	19	21
Swap VC x CDI + PRÉ**	Assets: 2.05% y.y. Liability: CDI + 1.99% y.y.	909	(30)	(36)	(42)	(48)	(54)
Swap VC x CDI + PRÉ**	Assets: 4.37% y.y. Liability: CDI + 0.50% y.y.	13,114	(239)	(326)	(413)	(500)	(587)
Swap VC x CDI + PRÉ**	Assets: 0.95% y.y. Liability: CDI + 1.07% y.y.	64,101	(1,535)	(1,960)	(2,385)	(2,809)	(3,234)
Swap VC x CDI + PRÉ**	Assets: 6.28% y.y. Liability: CDI + 0.55% y.y.	7,956	(149)	(202)	(255)	(307)	(360)
Swap VC x IPCA + PRÉ**	Swap de R\$ 240MM (Ativo Pré / Passivo CDI+Pré)	3,199	(101)	(123)	(144)	(165)	(186)
Swap VC x IPCA + PRÉ**	Swap de R\$ 240MM (Ativo Pré / Passivo CDI+Pré)	3,199	(101)	(123)	(144)	(165)	(186)
Swap PRÉ x CDI + PRÉ**	Assets: 1.56% y.y. Liability: CDI + 0.85% y.y.	(2,637)	57	75	92	110	127
Interest earnings bank deposits							
CDB and Debentures	101.82%	1,583	21	32	42	53	63

(*) Average annual rates.

(**) Amounts refer to the calculation of the adjustment of the transaction on March 31, 2021.

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23 Management of risks and financial instruments (Continued)

f) Credit risk

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

Depending on the above, the credit risk assumed is not relevant. The Company considers the balance of accounts receivable from customers as exposed to this risk. At March 31, 2021, the balance is R\$ 88,767 in the Parent Company and R\$ 97,378 in the consolidated (R\$ 178,085 in the Parent Company and R\$ 207,283 in the consolidated at December 31, 2020).

g) Liquidity risk

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

	Parent Company							
	Book Value	Contractual cash flow	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
March 31, 2021								
Financial liabilities								
Non Derivatives								
Loans and financing	2,287,910	2,466,282	882,601	1,167,915	197,878	206,338	2,375	9,175
Suppliers	607,675	607,675	607,675	-	-	-	-	-
Lease liabilities	2,821,885	5,216,772	380,923	372,722	366,189	337,779	331,308	3,427,851
	5,717,470	8,290,729	1,871,199	1,540,637	564,067	544,117	333,683	3,437,026
Derivatives								
Operations with Derivatives	298,828	298,828	336,599	(7,802)	18,937	(14,358)	(34,548)	-
	298,828	298,828	336,599	(7,802)	18,937	(14,358)	(34,548)	-
	6,016,298	8,589,557	2,207,798	1,532,835	583,004	529,759	299,135	3,437,026

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23 Management of risks and financial instruments (Continued)

g) Liquidity risk (Continued)

	Consolidated							over 5 years
	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	
March 31, 2021								
Financial liabilities								
Non Derivatives								
Loans and financing	2,621,901	2,810,717	1,031,009	1,353,279	203,263	207,856	3,291	12,019
Suppliers	733,392	733,392	733,392	-	-	-	-	-
Securities payable	12,979	12,979	12,273	706	-	-	-	-
Lease liabilities	958,014	1,360,119	166,530	166,480	159,327	129,280	110,914	627,588
	4,326,286	4,917,207	1,943,204	1,520,465	362,590	337,136	114,205	639,607
Derivatives								
Operations with Derivatives	317,221	317,221	385,793	(38,602)	18,937	(14,359)	(34,548)	-
	317,221	317,221	385,793	(38,602)	18,937	(14,359)	(34,548)	-
	4,643,507	5,234,428	2,328,997	1,481,863	381,527	322,777	79,657	639,607

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

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

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23 Management of risks and financial instruments (Continued)

h) Summary of outstanding derivative transactions

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

Description	Currency	Reference value (notional)		Currency	Fair value recorded in assets		Fair value recorded in liabilities	
		03/31/2021	12/31/2020		03/31/2021	12/31/2020	03/31/2021	12/31/2020
Hedge operations for exchange rates								
Non Deliverable Forwards - 23.c	USD	486,680	431,810	R\$	7,814	62,292	176,877	139,382
Subtotal	USD	486,680	431,810	R\$	7,814	62,292	176,877	139,382
Hedge operations for products								
Cotton - Financial operations 23.d	USD	99,046	190,317	R\$	830	6,977	269,497	223,455
Corn - Financial operations 23.d	USD	17,865	799	R\$	-	25	1,782	-
Subtotal	USD	116,911	191,116	R\$	830	7,002	271,279	223,455
Hedge operations for inputs								
Swap VC+Pré x CDI+Pré	USD	26,504	6,667	R\$	13,114	10,055	3,044	-
Subtotal	USD	26,504	6,667	R\$	13,114	10,055	3,044	-
Hedge operations for inputs								
Swap VC+Pré x CDI+Pré	EUR	48,751	66,782	R\$	97,866	93,391	-	1,252
Subtotal	EUR	48,751	66,782	R\$	97,866	93,391	-	1,252
Interest protection operations								
Swap Pré x CDI+Pré	BRL	200,000	200,000	R\$	7,956	13,610	-	-
Swap IPCA+Pré x CDI+Pré	BRL	480,000	480,000	R\$	66,827	59,022	60,428	53,032
Subtotal	BRL	680,000	680,000	R\$	74,783	72,632	60,428	53,032
Total				R\$	194,407	245,372	511,628	417,121
Portion classified in current assets				R\$	48,867	98,587	434,660	358,969
Portion in noncurrent liabilities				R\$	145,540	146,785	76,968	58,152

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23 Management of risks and financial instruments (Continued)

i) Gains/losses on derivative transactions

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

Description	Currency	Gains and Losses recorded in the income				Gains and Losses recorded in shareholders' equity		
		Allocated in the gross income at		Allocated in the financial income at		03/31/2021	Movement	12/31/2020
		03/31/2021	03/31/2020	03/31/2021	03/31/2020			
Foreign exchange hedge operations								
Non deliverable forwards	R\$	(96,576)	(76,346)	(7,469)	-	(181,305)	(118,276)	(63,030)
Sub-total	R\$	(96,576)	(76,346)	(7,469)	-	(181,305)	(118,276)	(63,030)
Hedge operations for commodities								
Agricultural commodities swap								
Cotton	R\$	(29,427)	8,697	(627)	1	(306,559)	(85,483)	(221,076)
Sub-total	R\$	(29,427)	8,697	(627)	1	(306,559)	(85,483)	(221,076)
Interest Hedge Transactions								
Swap VC+Pré x CDI+Pré	R\$	-	-	23,055	75,737	(1,228)	(1,865)	637
Sub-total	R\$	-	-	23,055	75,737	(1,228)	(1,865)	637
Interest Hedge Transactions								
Swap Pré x CDI+Pré	R\$	-	-	2,016	-	(678)	(7,671)	6,993
Swap IPCA+Pré x CDI+Pré	R\$	-	-	11,649	-	(6,166)	(11,236)	5,070
Sub-total	R\$	-	-	13,665	-	(6,844)	(18,907)	12,063
Total		(126,003)	(67,649)	28,624	75,738	(495,936)	(224,531)	(271,406)

j) Management of capital stock

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

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

There was no change in the dividend policy in the Company's capital management objectives, policies or processes in the period ended March 31, 2021.

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Short and long-term loans and financing	2,287,910	2,050,748	2,621,901	2,417,283
(-) Cash and cash equivalents and short-term interest earnings bank deposits	(1,388,616)	(1,319,953)	(1,598,275)	(1,604,716)
Gains and losses on derivatives linked to investments and debt	(92,761)	(92,761)	(122,290)	(121,794)
Net debt	806,533	638,034	901,336	690,773
Shareholders' equity	3,149,912	2,940,379	3,384,932	3,151,058
Financial leverage index	25.60%	21.70%	26.63%	21.92%

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24 Share-based payments

a) Stock option plan

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

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

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

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

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

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

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

<u>Grant year</u>	<u>Strike price - R\$ (*)</u>	<u>Quantity of shares</u>		
		<u>Balance in 12/31/2020</u>	<u>Exercised</u>	<u>Balance in 03/31/2021</u>
2016	R\$ 11.64	14,600	(14,600)	-
2017	R\$ 18.02	220,400	(152,200)	68,200
2018	R\$ 46.25	295,906	(57,020)	238,886
2019	R\$ 14.23	531,525	(39,830)	491,695
2020	R\$ 20.03	637,450	-	637,450
		<u>1,699,881</u>	<u>(263,650)</u>	<u>1,436,231</u>

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

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24 Share-based payments (Continued)

a) Stock option plan (Continued)

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

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

<u>Grace periods beginning as of grant date</u>	<u>% of options released to be exercised</u>	<u>Maximum quantity of shares</u>
As from– 11/13/2019	3%	41,126
As from– 11/08/2020	8%	109,326
As from– 11/12/2020	19%	272,312
As from– 11/06/2021	32%	463,547
As from– 11/12/2021	54%	768,396
As from– 11/06/2022	67%	959,631
As from– 11/12/2022	82%	1,181,251
As from– 11/06/2023	100%	1,436,231

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

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

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

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

(*) Fair value calculated based on the share price on the grant date of each plan.

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

24 Share-based payments (Continued)

a) Stock option plan (Continued)

Reconciliation of outstanding stock options

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

	<u>Weighted average of the exercise</u>	<u>Number of options</u>	<u>Weighted average of the exercise</u>	<u>Number of options</u>
	<u>03/31/2021</u>	<u>03/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2020</u>
Outstanding at January 1	R\$30.91	1,699,881	R\$30.73	1,737,186
Granted during the period	-	-	R\$20.03	613,750
Exercised during the period	R\$23.20	(263,650)	R\$20.11	(449,725)
Canceled during the period	-	-	R\$20.33	(225,030)
Outstanding	R\$32.33	1,436,231	R\$30.91	1,699,881
Exercisable	R\$26.97	272,312	R\$25.11	535,962

Options outstanding as of March 31, 2021 have a Strike price in the range of R\$ 23.20 to R\$ 32.33 (R\$ 20.11 to R\$ 30.91 as of December 31, 2020).

The weighted average stock price on the exercise date for stock options exercised in the period ended March 31, 2021 was R\$ 26.97 (R\$ 25.11 at December 31, 2020).

b) Restricted Share Plan

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

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

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

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

24 Share-based payments (Continued)

b) Restricted Share Plan (Continued)

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

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

Grant year	Fair value at grant - R\$ (*)	Quantity of shares	
		Balance on 12/31/2020	Balance on 03/31/2021
2018	R\$ 54.60	34,663	34,663
2019	R\$ 18.46	96,972	96,972
2020	R\$ 27.20	159,363	159,363
		<u>290,998</u>	<u>290,998</u>

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

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

	Plan of restricted shares	
	03/31/2021	03/31/2020
Expense	R\$ 1,145	R\$ 660
INSS Expense	R\$ 407	R\$ 26
FGTS Expense	R\$ 363	R\$ 27

In compliance with CPC 10 (R1), based on the grace periods presented, the amounts with stock options plan and restricted stock plan were recognized in the statement of income, due to the expiration of the vesting period, with a corresponding entry in shareholders' equity in a specific capital reserve account, the amount of R\$ 1,922 (expense) at March 31, 2021 (R\$ 1,527 at December 31, 2020).

SLC Agrícola S.A.

Notes to the quarterly information
March 31, 2021
(in thousands of Reais)

25 Net sales revenue

We present below the gross operating revenue:

	Parent company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Gross operating income	695,622	559,401	853,807	656,044
Sale of goods	811,585	614,197	979,810	723,693
Income (loss) from hedge operations	(115,963)	(54,796)	(126,003)	(67,649)
Deductions, taxes and contributions	(18,041)	(18,587)	(26,317)	(23,412)
Net operating income	677,581	540,814	827,490	632,632

26 Nature of expenses

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

	Parent company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Expenses according to the role				
Cost of goods sold	(713,549)	(511,144)	(868,018)	(599,258)
Sales expenses	(45,943)	(35,840)	(53,379)	(41,773)
General and administrative expenses	(30,106)	(21,545)	(33,127)	(23,140)
Other operating expenses	(686)	(9,830)	(802)	(10,597)
	(790,284)	(578,359)	(955,326)	(674,768)
Expenses per type				
Depreciation and amortization	(17,328)	(13,617)	(25,377)	(19,233)
Personnel expenses	(70,940)	(57,164)	(85,548)	(68,220)
Raw material and material	(371,769)	(297,748)	(448,918)	(360,460)
Rents and leases	(2,702)	(7,256)	(3,994)	(9,077)
Amortization of right of use	(30,434)	(17,552)	(18,608)	(6,044)
COGS biological asset variation	(283,863)	(162,377)	(355,933)	(186,375)
Freight	(12,562)	(12,815)	(14,179)	(13,732)
Other expenses	(686)	(9,830)	(2,769)	(11,627)
	(790,284)	(578,359)	(955,326)	(674,768)

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

27 Reporting by segment

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

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

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

Information on reportable segments

	Agricultural Production		Land		Eliminations		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Net revenue	829,638	635,700	84,688	37,858	(86,836)	(40,926)	827,490	632,632
Biologic assets	737,890	294,174	-	-	-	-	737,890	294,174
Products Costs	(883,204)	(610,943)	(1,508)	(1,683)	16,694	13,368	(868,018)	(599,258)
Gross income	684,324	318,931	83,180	36,175	(70,142)	(27,558)	697,362	327,548
Operating expenses/ income	(12,646)	(32,784)	(227)	(655)	(79,252)	(37,372)	(92,125)	(70,811)
Sales expenses	(53,379)	(41,774)	-	-	-	-	(53,379)	(41,774)
General and administrative expenses	(34,715)	(24,856)	(635)	(425)	2,223	2,143	(33,127)	(23,138)
Management compensation	(7,895)	(6,121)	(119)	(230)	-	-	(8,014)	(6,351)
Other operating income (expenses)	83,343	39,967	527	-	(81,475)	(39,515)	2,395	452
Income before financial income and taxes	671,678	286,147	82,953	35,520	(149,394)	(64,930)	605,237	256,737
Net financial income	(76,594)	(49,979)	666	1,368	42,123	22,886	(33,805)	(25,725)
Income before income tax	595,084	236,168	83,619	36,888	(107,271)	(42,044)	571,432	231,012
Income and social contribution taxes	(184,784)	(68,172)	(9,844)	(6,041)	-	(402)	(194,628)	(74,615)
Consolidated Income for the period	410,300	167,996	73,775	30,847	(107,271)	(42,446)	376,804	156,397

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

27 Reporting by segment (Continued)

Information on reportable segments (Continued)

	Agricultural Production		Land		Eliminations		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Current assets	4,630,191	4,093,468	166,193	166,105	(95,984)	(58,193)	4,700,400	4,201,380
Non-current assets	6,424,679	6,242,100	2,331,270	2,255,731	(4,348,021)	(4,109,520)	4,407,928	4,388,311
Total assets	11,054,870	10,335,568	2,497,463	2,421,836	(4,444,005)	(4,167,713)	9,108,328	8,589,691
Current liabilities	3,152,251	2,547,435	39,661	46,707	(263,324)	(257,045)	2,928,588	2,337,097
Non-current liabilities	4,492,661	4,635,116	79,678	70,779	(1,777,531)	(1,604,359)	2,794,808	3,101,536
Shareholders' equity	3,409,958	3,153,017	2,378,124	2,304,350	(2,403,150)	(2,306,309)	3,384,932	3,151,058
Total liabilities and shareholders' equity	11,054,870	10,335,568	2,497,463	2,421,836	(4,444,005)	(4,167,713)	9,108,328	8,589,691

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

Consolidated domestic and foreign sales are thus represented:

	03/31/2021	03/31/2020
Domestic market	183,801	108,197
Sale of goods	183,801	108,197
Foreign market	670,006	547,847
Sale of goods - indirect export	409,638	367,398
Income from hedge operations indirect	(18,116)	(18,823)
Sale of goods - direct export	386,371	248,098
Income from hedge operations direct	(107,887)	(48,826)
Gross operating income	853,807	656,044
Deductions, taxes and contributions	(26,317)	(23,412)
Net operating income	827,490	632,632

SLC Agrícola S.A.

Notes to the quarterly information

March 31, 2021

(in thousands of Reais)

27 Reporting by segment (Continued)

Information on reportable segments (Continued)

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

Country	03/31/2021		03/31/2020	
	Value	% Participation	Value	% Participation
Indonesia	97,370	25.20	113,202	45.63
China	51,021	13.21	30,184	12.17
Vietnam	62,146	16.08	18,545	7.47
Bangladesh	60,534	15.67	44,166	17.80
Turkey	44,426	11.50	16,803	6.77
Pakistan	34,771	9.00	18,903	7.62
Malaysia	25,392	6.57	2,157	0.87
Korea	5,672	1.47	2,112	0.85
Others	5,039	1.30	2,026	0.82
	386,371	100.00	248,098	100.00

The amount of revenue from major customers is thus represented:

Customer	Agricultural Product				Total	% on product sales (without effect of hedge operations)
	Fheated cotton	Cottonseed	Bulk corn	Bulk soybeans		
Cargill Agrícola S.A.	-	-	1,070	228,633	229,703	23.44%
Loius Dreyfus Company Suisse S.A.	129,935	31	-	56,476	186,442	19.03%
Omnicoton, INC.	106,355	-	-	-	106,355	10.85%
	236,290	31	1,070	285,109	522,500	53.32%

28 Subsequent event

Lease operation with Agrícola Xingu S.A.

As mentioned in the Material Fact published on April 8, 2021, the Company. signed a lease agreement, as a lessee, with Agrícola Xingu S.A., through which it will explore an area of 39,034 hectares, distributed between the municipalities of Correntina / BA (34,284 hectares) and Unaí / MG (4,749 hectares).

The leased areas follow the Company's expansion strategy in mature lands, already destined for the planting of grains and cotton, with high productive potential and meeting the requirements of environmental adequacy, with a contract term of fifteen years for the areas of Bahia and ten years for the areas of Minas Gerais.

(A free translation of the original in Portuguese)

PROJECTIONS MAINTENANCE

The publicized change projections though Relevant Fact, in 2020, November 6th, as you can see below:

PLANTED AREA PER CROP (Hectares)

Crop Mix	Planted Area	Planted Area	Share	Δ%
	2019/20	2020/21 ⁽¹⁾	2020/21	
	-----ha-----		%	
Cotton	125,462	109,608	23.7	-12.6
Cotton lint 1 st crop	74,054	78,015	16.8	5.3
Cotton lint 2 nd crop	51,408	31,593	6.8	-38.5
Soybean (Commercial + Seed)	235,444	229,449	49.5	-2.5
Corn 2nd crop	82,392	106,505	23.0	29.3
Other Crops ⁽²⁾	5,270	17,683	3.8	235.5
Total Area	448,568	463,245	100.0	3.3

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

⁽²⁾ Other crops (Corn 1st crop 6,391.89 ha, Corn Seed 460.79 ha, Popcorn Corn 987.17 ha, Wheat 675.77 ha, Livestock 3,526.71, Brachiaria Seed 5,258.62 ha and Mung Beans 382.36) total 17,683.31.

YIELDS (kg/ha)

Yields (kg/ha)	2019/20	2020/21	2020/21	Δ%	Δ% (b x a)
	Crop Year Budget (a)	Crop Year Budget (b)	Crop Year Forecast (c)	(c x b)	
Cotton lint 1 st crop	1,842	1,863	1,863	-	1.1
Cotton lint 2 nd crop	1,749	1,638	1,638	-	-6.3
Cotton seed	2,261	2,221	2,253	1.4	-1.8
Soybean (Commercial + Seed)	3,607	3,755	3,970	5.7	4.1
Corn 2 nd crop	7,385	7,567	6,065	-19.8	2.5

PRODUCTION COST (R\$/ha)

Total (R\$/ha)	Achieved 2019/20 ⁽¹⁾	Budget 2020/21	Δ%
Cotton 1st crop	9,362	9,899	5.7%
Cotton 2nd crop	8,264	9,306	12.6%
Soybean	3,015	3,300	9.5%
Corn 2nd crop	2,545	2,858	12.3%
Total average cost	4,735⁽²⁾	5,168⁽²⁾	9.1%

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

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

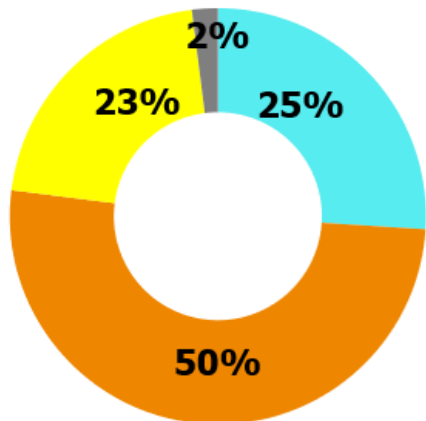
HEDGE POSITION

The following is our current FX and commodity hedging position:

FX Hedge – Soybean				Commercial Hedge - Soybean			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	100.0	71.8	14.6	%	100.0	74.8	22.6
R\$/USD	4.4814	5.1551	5.7003	USD/bu ⁽²⁾	10.29	11.24	11.28
Commitments ⁽¹⁾	-	-	-	Commitments ⁽¹⁾	-	0.9	15.5
FX Hedge – Cotton				Commercial Hedge - Cotton			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	98.3	74.2	18.8	%	99.7	72.0	37.8
R\$/USD	4.4694	5.3343	5.9415	US\$/lb ⁽²⁾	74.33	66.44	74.32
Commitments ⁽¹⁾	-	-	-	Commitments ⁽¹⁾	-	-	-
FX Hedge – Corn				Commercial Hedge - Corn			
Crop	2019/20	2020/21	2021/22	Crop	2019/20	2020/21	2021/22
%	100.0	78.7	28.7	%	100.0	74.1	36.2
R\$/USD	4.4681	5.2420	5.7526	R\$/bag ⁽³⁾	35.38	37.29	49.82
Commitments ⁽¹⁾	-	-	-	Commitments ⁽¹⁾	-	-	-

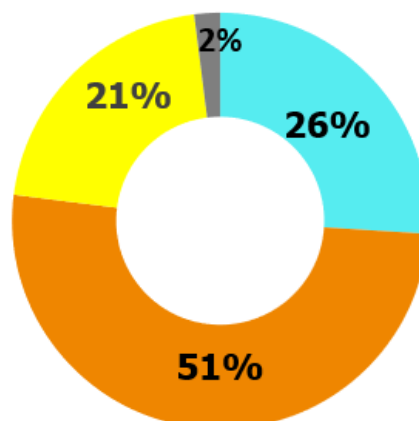
⁽¹⁾ Commitments with payments for fixed-rate securities in U.S. dollar, natural hedge with payments related to land acquisitions and lease agreements based on soybean bags. ⁽²⁾ Based on FOB Port - prices at our production units also are influenced by transport expenses and any discounts for quality.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

**CURRENT CROPS
 POTENTIAL SHARE
 Crop 20/21**



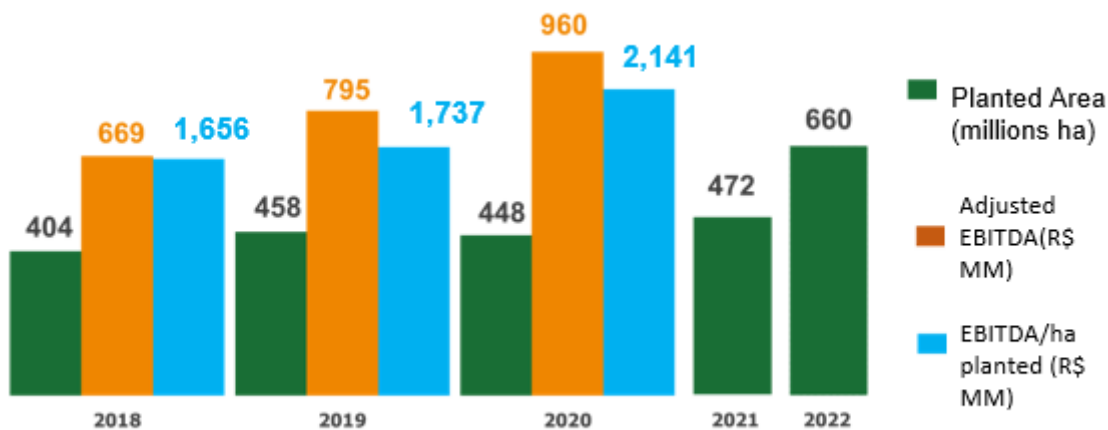
■ Cotton ■ Soybean ■ Corn ■ Others

**AFTER INCORPORATIONS
 POTENTIAL SHARE
 Crop 21/22**



■ Cotton ■ Soybean ■ Corn ■ Others

PLANTED AREA, EBITDA AND EBITDA/HECTARE



Other Information the company deems to be relevant

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

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

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

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

Ownership Breakdown						
Balance on 03/31/2020						
Shareholders	Common Shares Unit	%	Preferred Shares Unit	%	Total Shares Unit	%
Controllers	100,974,342	52.98%	-	-	100,974,342	52.98%
SLC Participações S.A.	100,938,742	52.96%	-	-	100,938,742	52.96%
Board of Director	248,296	0.13%	-	-	248,296	0.13%
Board	65,100	0.03%	-	-	65,100	0.03%
Director	183,196	0.10%	-	-	183,196	0.10%
Fiscal Council	-	0.00%	-	-	-	0.00%
Shareholders over 5%	18,473,292	9.69%	-	-	18,473,292	9.69%
Odey Asset Management LLC	18,473,292	9.69%	-	-	18,473,292	9.69%
Treasury Shares	3,486,012	1.83%	-	-	3,486,012	1.83%
Others Shareholders	67,413,058	35.37%	-	-	67,413,058	35.37%
Total	190,595,000	100.00%	-	-	190,595,000	100.00%
Free Float	85,886,350	45.06%	-	-	85,886,350	45.06%

INDEPENDENT AUDITOR'S REVIEW REPORT ON QUARTERLY INFORMATION

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

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of SLC Agrícola S.A. ("Company") for the quarter ended March 31, 2021, comprising the statement of financial position as of March 31, 2021 and the related statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

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

Scope of review

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

Conclusion on the individual and consolidated interim financial information

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

Other matters

Statements of value added

The abovementioned quarterly information includes the individual and consolidated statements of value added (SVA) for the three-month period ended March 31, 2021, prepared under Company's Management responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

Porto Alegre, May 12, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP15199/O-6

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

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

The Fiscal Council of SLC Agrícola S.A., in compliance with the legal and statutory provisions, examined the Management Report and the individual and consolidated Financial Statements of SLC Agrícola S.A., all referring to the quarter ended on March 31, 2021.

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

João Carlos Sfreddo
Chairman of the Fiscal Council

Paulo Roberto Kruse
Advisor

Mauricio Rocha Alves de Carvalho
Advisor

Declarations Board of Executive Officers on the Financial Statements

In compliance with the established in Article 25 of CVM Instruction No. 480/09 of 7 December 2009, the Board declares that reviewed, discussed and agreed with the Financial Statements (Parent Company and Consolidated) for the year ended March 31, 2021.

Porto Alegre, May 12, 2021.

Aurelio Pavinato
Chief Executive Officer

Ivo Marcon Brum
CFO and Investor Relations

Gustavo Macedo Lunardi
Director of Production and Supplies

Aldo Roberto Tisott
Director of Sales and New Business

Alvaro Luis Dilli
Director of Human Resources and Sustainability

Declarations Board of Executive Officers on the Report of Independent Auditors

In compliance with the established in Article 25 of CVM Instruction No. 480/09 of 7 December 2009, the Board declares that reviewed, discussed and agreed with the opinion expressed in the Independent Auditors' Report, dated on May 12, 2021, on to the Financial Statements (Parent Company and Consolidated) for the year ended March 31, 2021.

Porto Alegre, May 12, 2021.

Aurelio Pavinato
Chief Executive Officer

Ivo Marcon Brum
CFO and Investor Relations

Gustavo Macedo Lunardi
Director of Production and Supplies

Aldo Roberto Tisott
Director of Sales and New Business

Alvaro Luis Dilli
Director of Human Resources and Sustainability