

Agriculture at its best

EARNINGS RELEASE 4Q23

VIDEOCONFERENCE

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SLC *Agrícola*

GENERAL INFORMATION

Porto Alegre, March 06th, 2024 - SLC AGRÍCOLA S.A. (B3: SLCE3; ADR: SLCJY; Bloomberg: SLCE3BZ; Reuters: SLCE3.SA) announces today its results for the fourth quarter of 2023. The following financial and operating information is presented in accordance with International Financial Reporting Standards (IFRS). The information was prepared on a consolidated basis and is presented in thousands of Brazilian real, except where stated otherwise.

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

"4Q22": means the data, based on the consolidated interim financial statements, that consider the operations of the Company and its subsidiaries for the fourth quarter of 2022 (October to December).

"4Q23": means the data, based on the consolidated interim financial statements, that consider the operations of the Company and its subsidiaries for the fourth quarter of 2023 (October to December).

"2022": means the data, based on the consolidated interim financial statements, that consider the operations of the Company and its subsidiaries for the year 2022 (January to December 2022).

"2023": means the data, based on the consolidated interim financial statements, that consider the operations of the Company and its subsidiaries for the year 2023 (January to December 2023).

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

"VA": Vertical Analysis; refers to the percentage share of the account over a given total.

Cotton seed: Seed of cotton intended for planting cotton crops

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

Aviso Legal

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

FINANCIAL HIGHLIGHTS

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Net Revenue	7,373,034	7,230,583	-1.9%	1,945,970	1,918,694	-1.4%
Gross Income	3,131,299	2,620,694	-16.3%	557,029	133,675	-76.0%
<i>Gross Margin</i>	42.5%	36.2%	-6.3 p.p.	28.6%	7.0%	-21.6 p.p.
Operational Result	2,505,293	1,935,181	-22.8%	333,143	(97,066)	n.m.
<i>Operational Margin</i>	34.0%	26.8%	-7.2 p.p.	17.1%	-5.1%	-22.2 p.p.
Net Income	1,336,733	937,980	-29.8%	132,433	(152,986)	n.m.
<i>Net Margin</i>	18.1%	13.0%	-5.1 p.p.	6.8%	-8.0%	-14.8 p.p.
Adjusted EBITDA	3,118,444	2,708,699	-13.1%	648,251	673,376	3.9%
<i>Adjusted EBITDA Margin</i>	42.3%	37.5%	-4.8 p.p.	33.3%	35.1%	1.8 p.p.
Cash Flow	994,689	428,718	-57.0%	785,555	676,992	-13.8%

Invoiced Volume (tonnes)

Crops	4Q22	4Q23	Δ%
Cotton	97,399	81,516	-16.3%
Cottonseed (cottonseed + cotton seed)	104,808	152,606	45.6%
Soybeans (commercial+seed)	202,479	277,928	37.3%
Corn	152,047	310,155	104.0%
Other Crops	21,316	24,427	14.6%
Cattle Herd ^(head)	7,908	13,575	71.7%

Gross Income by Crop – R\$/tonnes

Crops	4Q22	4Q23	Δ%
Cotton	2,037	4,583	125.0%
Cottonseed (cottonseed + cotton seed)	857	514	-40.0%
Soybeans (commercial+seed)	1,779	1,026	-42.3%
Corn	504	55	-89.1%
Cattle Herd ^(R\$/head)	(292)	96	n.m.

Hedge Position - FX – Material Fact 12.04.2023 x 02.26.2024 Position

CROPS	Material Fact 12/04/23		02/26/2024		Variation	
SOYBEAN	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	99.4	45.8	99.6	68.4	0.20	22.60
R\$/USD	5.3698	5.2965	5.3683	5.2238	0.00	-0.07
Commitments%	0.6	29.2	-	15.6	-0.60	-13.60
COTTON	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	87.7	25	96.2	34.7	8.50	9.70
R\$/USD	5.5994	5.5005	5.5713	5.3857	-0.03	-0.11
Commitments %	-	13.9	-	4.4	0.00	-9.50
CORN	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	93.1	45.0	99.6	59.3	6.50	14.30
R\$/USD	5.6232	5.4472	5.5758	5.3538	-0.05	-0.09
Commitments %	-	-	-	3.4	-	-14.60

Hedge Position - Commodity - Material Fact 12.04.2023 x 02.26.2024 Position

CROPS	Material Fact 12/04/23		02/26/2024		Variation	
SOYBEAN	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	99.5	50.3	100.0	58.1	0.50	7.80
USD/bu	14.26	12.75	14.25	12.62	-0.01	-0.13
Commitments %	-	14.7	-	10.9	0.00	-3.80
COTTON	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	77.0	19.7	99.2	40.2	22.20	20.50
USD¢/lb	91.39	84.97	90.79	85.92	-0.60	0.95
Commitments %	-	-	-	-	0.00	0.00
CORN	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
%	3.9	3.4	3.9	3.3	0.00	-0.10
R\$/bag	56.64	45.00	56.64	45.00	0.00	0.00
%	94.9	35.0	96.1	34.1	1.20	-0.90
USD/bag	9.53	8.12	9.52	8.12	-0.01	0.00
Commitments %	-	-	-	-	0.00	0.00

Inputs – 2024/25 Crop Year - % acquired

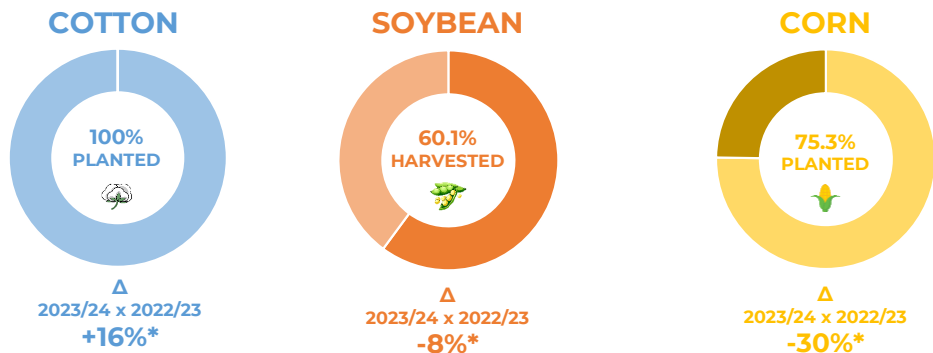
Fertilizers/Crop Protection	3Q23	4Q23 – 03/06/2024	Δ%
Nitrogen	-	16.0%	100.0%
Potassium Chloride	-	82.0%	100.0%
Phosphates	-	87.0%	100.0%
Crop Protection	-	-	-

OPERATIONAL HIGHLIGHTS

Planted Area 2023/24 crop year budget x forecast

Crop Mix	Planted Area 2022/23	Planted Area (a) 2023/24 Budget	Planted Area (b) 2023/24 ⁽¹⁾ Forecast	Share 2023/24 %	Δ% (bxa)
	-----ha-----				
Cotton lint	162,243	187,464	188,730	29.0%	0.7%
1 st crop	85,823	90,088	106,715	16.4%	18.5%
2 nd crop	76,420	97,376	82,015	12.6%	-15.8%
Soybean (Commercial + Seed)	346,941	336,770	320,009	49.1%	-5.0%
Corn 2nd crop	137,585	103,436	96,661	14.8%	-6.5%
Other croptst	27,615	46,733	46,316	7.1%	-0.9%
Total Area	674,384	674,403	651,716	100.0%	-3.4%

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



*Variation of planted area 2023/24 x 2022/23 crop year

Planting and Harvesting Schedule

	4Q23			1Q24			2Q24			3Q24		
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
SOYBEAN (commercial + seed)				SEED ginning								
	PLANTING CROP 2023/24			HARVESTING								
COTTON (lint + cotton seed + cottonseed)		PLANTING 1 st CROP							HARVESTING 1 st CROP	HARVESTING 1 st and 2 nd CROPS		
				PLANTING 2 nd CROP						SEED ginning		
CORN 2nd CROP					PLANTING					HARVESTING		

Yields for 2023/24 crop year Budget x 2023/24 Crop year Forecast

Crops	Material Fact 12/04/2023	Forecast 2023/24	Δ%
Cotton 1st crop	2,019	2,020	-
Cotton 2nd crop	1,863	1,869	0.3%
Cottonseed (cottonseed + cotton seed)	2,409	2,410	-
Soybeans (commercial + seed)	3,667	3,432	13.1%
Corn 2nd crop	7,588	7,580	-0.1%

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

Crops	2022/23 Budget	4Q23 2023/24-Budget ⁽¹⁾	Δ%
Cotton 1st crop	15,163	13,205	-12.9%
Cotton 2nd crop	13,677	11,906	-12.9%
Soybeans (commercial + seed)	5,223	5,081	-2.7%
Corn 2nd crop	4,867	4,303	-11.6%
Total Average Cost	7,985⁽¹⁾	7,177⁽¹⁾	-10.1%

⁽¹⁾ Weighted by the areas of the 2023/24 crop year, to avoid changes arising from variations in the product mix.

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MANAGEMENT'S LETTER TO OUR SHAREHOLDERS AND STAKEHOLDERS

The year 2023 was marked by high yields and healthy results.

Operational Scenario – 2022/23 Crop Year

In the 2022/23 crop year, we delivered excellent yields despite the 20% reduction in the use of fertilizers (potassium chloride and phosphates). We maintained great soybean yields (close to a record), while the production of second-crop cotton and second-crop corn were new Company records that surpassed the national average!

We achieved soybean yield of 3,904 kg/ha. 2023's yield was 1.8% lower than the previous year's record yield and in line with initial budget. In relation to the national average, we outperformed it by 11.3% (CONAB, February/2024).

The yield of first-crop cotton lint came to 2,000 kg per hectare, 3.8% above the initial projection, 18.9% higher than in the previous crop year. Second-crop cotton lint ended the period with a yield of 2,037 kg/ha of cotton lint, increasing 10.8% from the budget and 56.1% higher than 2021/22 crop year. In relation to the national average (CONAB – February/2024), the average yield of our first-crop and second-crop cotton lint was 5.8% higher.

Second-crop corn harvest achieved yield of 7,708 kg/ha, was record. In relation to the national average, yield was 29.5% higher (CONAB February/2024).

Costs per hectare achieved for the 2022/23 crop year registered an average decrease in Brazilian real of 0.9% from budget, mainly due to the decline in the price of soybean bag in leases and the reduction of the application of inputs due to the higher use of new localized application technologies. In addition, the higher yields had a positive impact on unit cost R\$/kg, which decreased 2.4% for first-crop cotton, 6.5% for second-crop cotton, 4.3% for soybean and 2.3% for second-crop corn.

In 2023, the seeds segment delivered EBITDA of R\$ 87 million, with EBITDA margin of 14.3%, a decline of 3.3 p.p. from 2022, due to the increase of general and administrative expenses. Net Income was R\$ 41.9 million, with net margin of 6.9%.

For 2024, the target is to sell 1,250,300 bags of 200,000 soybean seeds and 143,318 bags of 200,000 cotton seeds, an increase of 22.5% and 10.3% vs. 2023's achieved sales respectively.

Highlights 2023

In the financial performance of 2023, Net Revenue came to R\$7.2 billion, while Net Income was R\$938 million, reaching a net margin of 13%. Adjusted EBITDA was R\$2.7 billion, with Adjusted EBITDA margin of 37.5% and Free Cash Generation of R\$429 million. Cash generation was affected by delay cotton shipments (from cotton 2022/23 crop year, 101,000 tons were shipped in 2023, and the balance of 226,000 tons will be shipped in 2024) and by the acquisition of 12,000 ha of land from Paysandu Farm (disbursement of R\$290 million in 2023). Even so, our leverage remained resilient, at 1.06x.

In April 2023, our shareholders approved the distribution of R\$ 602 million, equivalent to 50% of Adjusted Net Income of the Parent Company (interest on own capital of R\$ 71 million, paid in January, and dividends of R\$531 million, paid in May). In addition, bonus shares were also approved, at the ratio of 10%, corresponding to one new share for ten common shares held on the base date of May 8th, 2023.

In 2023, we moved forward with our Share Buyback Programs, repurchasing in 2023 shares corresponding to 2.5% of the Company's capital stock. We also approved the cancelation of 5.2% of the Company's total capital stock. In November 2023, we approved a new buyback program, currently under way, for the acquisition of another 2% of the Company's capital stock. The Company also approved a stock split of all common shares issued by the Company, whereby one (1) common share will represent two (2) common shares.

The Management Proposal provides for the distribution of dividends corresponding to 50% of the Parent Company's net income (fiscal year 2023), i.e., R\$389 million. Of this amount, R\$24 million was paid as interest on own capital in January 2024, to be incorporated into the calculation of the mandatory dividends.

In June, we disclosed the appraisal of the land owned by the Company, conducted by the independent consulting firm Deloitte Touche Tohmatsu Ltda. The land was assessed at nearly R\$11 billion, a 12% appreciation of the adjusted portfolio in relation to the previous year.

Operational Scenario – 2023/24 Crop Year

Adverse weather conditions affected the beginning of 2023/24 crop year, due to the El Niño phenomenon. The Brazilian Cerrado region saw precipitation below the historical average and high temperatures. These weather conditions were not adequate for the development of soybean, especially in western Mato Grosso, the region worst affected by drought. As a result, planted area needed to be adjusted for optimizing the production potential of crops and financial results.

The drought in the state of Mato Grosso adversely affected soybean crops but did not have the same effect on the other regions with high production potential, demonstrating the resilience of the Company's portfolio, thanks to its geographic diversification. Cotton crops have a high production potential, as precipitation normalized in the Cerrado region in mid-December, benefiting not only cotton, and corn as well, whose planting was concluded in the beginning of March.

Costs per hectare in Brazilian Real budgeted for the 2023/24 crop year decreased 10% on average from the 2022/23 crop year, reflecting mainly the lower prices of our main inputs.

We advanced in our 23/24 hedge position: 70.7% for soybean, considering all commitments, 37.4% for corn, and increased our hedge position for cotton, with the recent market response, which came to 40%. At the same time, we benefited from the appreciation of the U.S. dollar by entering into forward contracts for the crops (details on table 35).

Acquisition of Inputs 2024/25 Crop Year

For the 2024/25 crop year, for which planting will begin in September 2024, we already began purchases, and hedging a part of fertilizer demand (87% of the demand for phosphate fertilizers, 82% of potassium chloride and 16% of nitrogen), seizing attractive market opportunities.

ESG

We certified two of our farms under the regenerative agricultural practices program (Regenagri), we became the largest area certified in cotton and soy from the Americas. In addition, SLC Agrícola obtained the A- rating in the Climate Change program of CDP Latin America, joining the Climate Change Leadership group. In addition, we rose 18 positions in the Corporate Sustainability Index (ISE B3), which tracks the performance of shares issued by companies that stand out for their commitment to corporate sustainability. In 2023, SLC Agrícola's stock completed 16 years on the B3 and we are currently present in three of B3's sustainability indexes: ISE, ICO2 and IGPTW.

We thank our shareholders, employees and stakeholders yet another year of healthy results!

The Management.

MARKET OUTLOOK

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

OPERATIONAL PERFORMANCE 2022/23 CROP YEAR

The fourth quarter of 2023 was marked by the cotton processing and beginning of shipments.

Planted Area

Below is an update on the planted area for the 2022/23 crop year:

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

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

⁽¹⁾ Other Crops (Brachiaria Seed 6,314.86 ha, Stylosanthes Seed 716.02 ha, Beans 1,430.58 ha, Sesame 2,494.26 ha, Millet Seed 8,786.01 ha, Corn 1st crop 1,133.88 ha, Corn Seed 667.46 ha, Cattle Herd 3,962.42 ha, Sorghum 1,041.77 ha and Wheat 1,067.74 ha) total 27,615 ha.

Yields

Table 2 - Projected Yields 2022/23 crop year

Yield (kg/ha)	2021/22 Crop Year Achieved (a)	2022/23 Crop Year Budget (b)	2022/23 Crop Year Achieved (c)	Δ% (c) x (a)	Δ% (c) x (b)
Cotton lint 1 st crop	1,682	1,927	2,000	18.9%	3.8%
Cotton lint 2 nd crop	1,305	1,839	2,037	56.1%	10.8%
Cottonseed	1,833	2,372	2,491	35.9%	5.0%
Soybean (Commercial + Seed)	3,974	3,918	3,904	-1.8%	-0.4%
Corn 2 nd crop	6,303	7,685	7,708	22.3%	0.3%

Commercial Soybean

We ended soybean harvest in late April, with yield of 3,904 kg/ha, 1.8% lower than the previous year's record yield, and 0.4% below initial forecast. However, we outperformed the national average by 11.3% (CONAB, February/2024).

Soybean Seed

In 2023, sales volume combined with domestic consumption totaled 1,020,575 bags of soybean seeds, down 8.9% from our initial estimate, due to lower sales in the vertical channel and direct sales to small and midsized producers. Today, we produce soybean seed in five states (Mato Grosso, Goiás, Tocantins, Minas Gerais and Bahia) and remain fully focused on quality and meeting our clients' needs.

First-Crop Cotton Lint

The final yield attained was 2,000 kg/ha, a new record, 3.8% above the initial projection, 18.9% higher than in the previous crop year.

Second-Crop Cotton Lint

Second-crop cotton lint ended the period with a yield of 2,037 kg/ha of cotton lint, a new record, increasing 10.8% from the budget, 56.1% from 2021/22 crop year.

Compared to the national average (CONAB February/2024), we were higher by 5.8%, average for the 1st and 2nd crops.

Cotton Seed

In 2023, sales volume combined with domestic consumption totaled 129,950 bags of soybean seeds, up 7.0% from our initial estimate.

Second-Crop Corn

The yield of second-crop corn was 7,708 kg/ha, a new record, 22.3% higher than in the 2021/22 crop year and 0.3% higher than the initial budget. In relation to the national average (CONAB, February /2024), the yield was 29.5% higher.

Production Costs 2022/23 Crop Year

Table 3 – Achieved Costs - 2022/23 Crop Year

%	Cotton	Soybean	Corn	Average Achieved 2022/23	Average Achieved 2021/22
Variable Costs	82.8	74.8	81.5	80.4	79.6
Seeds	8.5	14.2	18.4	11.4	12.7
Fertilizers	24.2	15.5	34.0	23.0	25.4
Chemicals	24.7	19.4	13.3	21.7	18.8
Air Spraying	1.9	1.7	1.5	1.7	1.3
Fuels and Lubricants	3.1	5.3	3.8	3.8	4.6
Labor	0.7	0.7	0.5	0.7	0.8
Ginning	9.0	3.8	2.4	6.7	4.8
Maintenance	4.9	4.8	3.2	4.6	4.1
Others	5.8	9.5	4.4	6.7	7.1
Fixed Costs	17.2	25.2	18.5	19.6	20.4
Labor	6.2	8.1	6.1	6.7	7.2
Depreciations and amortizations	3.6	5.8	3.8	4.3	4.4
Right-of-Use depreciation - Leasing	4.7	7.6	6.0	5.7	6.2
Others	2.7	3.6	2.6	2.9	2.6

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

Total (R\$/ha)	Achieved 2021/22 (a)	Budget 2022/23 (b)	Achieved 2022/23 (c)	Δ% (c x b)	Δ% (c x a)
Cotton lint 1 st crop	12,580	15,163	15,357	1.3%	22.1%
Cotton lint 2 nd crop	10,191	13,677	14,161	3.5%	39.0%
Soybean ⁽³⁾	4,283	5,377	5,128	-4.6%	19.7%
Corn 2 nd crop	3,711	4,867	4,767	-2.1%	28.5%
Total average cost	6,425	7,547	7,476	-0.9%	16.4%

Table 5 – Unitary Cost 2022/23 Crop Year

	Budget Yield (Kg/ha) 2022/23	Budget Cost (R\$/ha) 2022/23	Budget Cost (R\$/kg) 2022/23 (a)	Achieved Yield (Kg/ha) 2022/23	Achieved Cost (R\$/kg) 2022/23	Achieved Cost R\$/kg 2022/23(b)	Δ% b x a
Cotton lint 1 st crop	1,927	15,163	7.87	2,000	15,357	7.68	-2.4%
Cotton lint 2 nd crop	1,839	13,677	7.44	2,037	14,161	6.95	-6.5%
Soybean (commercial+seed)	3,918	5,377	1.37	3,904	5,128	1.31	-4.3%
Corn 2 nd crop	7,685	4,867	0.63	7,708	4,767	0.62	-2.3%

Actual costs per hectare in the 2022/23 crop year declined on average 0.9% in Brazilian real compared to budgeted costs for the crop year. Such reduction reflected savings due to lower amounts of Depreciation of Right of Use – Leases, thanks to the decline in soybean prices and mainly the reduction in the application of inputs due to the greater use of new technologies.

OPERATIONAL PERFORMANCE 2023/24 CROP YEAR

The fourth quarter of 2023 was marked by the planting and beginning of harvest of soybean and first-crop planting.

Planted Area

On December 4th, 2023, the Company disclosed a Material Fact notice on the adjustment to its planted area due to adverse weather conditions that affected the start of the crop year. Compared to last report, we made some changes during soybean planting that affected the planted areas for first- and second-crop cotton, second-crop corn and other crops. These changes were: Reduction of 16,761 hectares of soybean, area initially projected for planting of soybean and second-crop cotton, but where only first-crop cotton was planted, since it has a higher margin, considering the planting window. Reduction of 6,775 hectares of second-crop corn due to the replanting of 19,000 hectares of soybean.

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

Crop Mix	Planted Area 2022/23	Planted Area (a) 2023/24 Budget	Planted Area (b) 2023/24 ⁽¹⁾ Forecast	Share 2023/24 %	Δ% (b x a)
Cotton lint	162,243	187,464	188,730	29.0%	0.7%
Cotton lint 1 st crop	85,823	90,088	106,715	16.4%	18.5%
Cotton lint 2 nd crop	76,420	97,376	82,015	12.6%	-15.8%
Soybean (Commercial + Seed)	346,941	336,770	320,009	49.1%	-5.0%
Corn 2nd crop	137,585	103,436	96,661	14.8%	-6.5%
Other Crops ⁽²⁾	27,615	46,733	46,316	7.1%	-0.9%
Total Area	674,384	674,403	651,716	100.0%	-3.4%

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

⁽²⁾ Other Crops (First-crop corn 266 ha, Corn seed 767 ha, Wheat 9,306 ha, Mung bean 3,482 ha, Livestock 3,606 ha, Sorghum 262 ha, Sesame 2,624 ha, Brachiaria seed 12,042 ha, Buckwheat 519 ha, Pearl millet seed 6,522 ha, Crotalaria 1,859 ha, Forage Radish Seed 5,062 ha) Total 46,316 hectares.

Yields

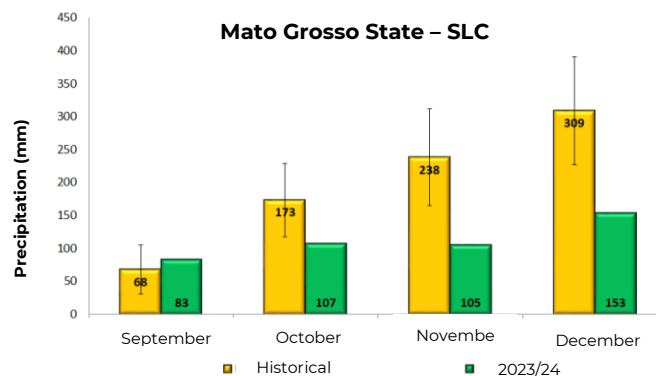
Table 7 - Budget Yields 2023/24 crop year

Yield (kg/ha)	2022/23 Crop Year Achieved (a)	2023/24 Crop Year Budget (b)	2023/24 Crop Year Forecast (c)	Δ% (c) x (a)	Δ% (c) x (b)
Cotton lint 1 st crop	2,000	2,020	2,020	1.0%	0.0%
Cotton lint 2 nd crop	2,037	1,869	1,869	-8.2%	0.0%
Cottonseed	2,491	2,410	2,410	-3.3%	0.0%
Soybean (Commercial + Seed)	3,904	3,948	3,432	-12.1%	-13.1%
Corn 2 nd crop	7,708	7,580	7,580	-1.7%	0.0%

Commercial Soybean

The 2023/24 crop year was characterized by the El Niño phenomenon, which affected mainly western Mato Grosso state, with a sharp reduction in precipitation in October, November and December, as shown in the figure below.

Figure 1 - Monthly distribution of precipitation in relation to the historical average of Mato Grosso farms.



Commercial Soybean--conti

Source: SLC Agrícola S.A. internal data

Soybean harvesting began on December 19th and, as of the base date of March 1st, 60.1% of the 320,009 ha planted had been harvested. The replanted area will be harvested in March and currently has a good production potential. The Company's current estimate for soybean crops is 3,432 kg/ha, a reduction of 13.1% from the initial estimate.

Soybean Seed

Soybean processing began in January, and our current estimate of sales to third parties plus internal consumption is 1,250,300 bags of soybean seeds in 2024, an increase of 18.4% from the previous year.

First-Crop Cotton Lint

Planting was within the ideal window, i.e., until early January. The areas already are transitioning from the plant development phase to the flowering phase and presenting good potential to achieve the budgeted yield.

Second-Crop Cotton Lint

The planting of second-crop cotton lint began after the harvest of the early soybean varieties in December 2023. This year, planting began earlier, as the soybean cycle in Mato Grosso was advanced due to the drought. Planting was within the ideal window, and areas are currently in the vegetative phase, with a high potential yield.

Cotton Seed

Cotton seed processing begins in July, and the estimate of sales to third parties plus internal consumption is 143,318 bags of cotton seeds in 2024, an increase of 9.4% from the previous year.

Second-Crop Corn

The planting of second-crop corn began in the last week of January 2024, accompanying the progress in harvesting early soybean varieties and the conclusion of planting of second-crop cotton. As of March 1st, 75.3% of the 96.7 ha area had been planted, and planting should be concluded by first fortnight of March.

Production Costs 2023/24 Crop Year

Table 8 – Budgeted Costs 2023/24 Crop Year

%	Cotton	Soybean	Corn	Average budget 2023/24	Average budget 2022/23
Variable Costs	79.6	74.8	80.0	77.8	79.8
Seeds	10.1	15.2	21.5	13.2	11.1
Fertilizers	21.1	18.7	32.0	21.3	23.2
Chemicals	20.4	16.8	10.9	18.1	20.6
Air Spraying	2.3	1.4	1.6	1.9	1.6
Fuels and Lubricants	3.4	3.5	3.6	3.5	4.3
Labor	0.9	0.7	0.6	0.8	0.6
Ginning	9.7	3.0	2.4	6.4	6.3
Maintenance	4.3	4.1	3.3	4.1	4.0
Others	7.5	11.4	4.0	8.6	8.1
Fixed Costs	20.4	25.2	20.0	22.2	20.2
Labor	7.2	8.1	6.4	7.4	6.6
Depreciation and amortizations	4.6	6.5	4.6	5.3	4.4
Right-of-Use depreciation - Leasing	5.8	7.2	6.3	6.4	6.4
Others	2.8	3.4	2.7	3.0	2.8

Table 9 – Budget Production Costs in R\$/ha 2023/24 crop year

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

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

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

Table 10 – Unitary Cost 2023/24 Crop Year

	Budget Yield (Kg/ha) 2022/23	Budget Cost (R\$/ha) 2022/23	Budget Cost (R\$/Kg) 2022/23 (a)	Budget Yield (Kg/ha) 2023/24	Budget Cost (R\$/ha) 2023/24	Budget Cost R\$/Kg 2023/24 (b)	Δ% b x a
Cotton 1 st crop	1,927	15,163	7.87	2,020	13,205	6.54	-16,9%
Cotton 2 nd crop	1,839	13,677	7.44	1,869	11,906	6.37	-14,3%
Soybean (commercial + seed)	3,918	5,377	1.37	3,948	5,081	1.29	-6,2%
Corn 2 nd crop	7,685	4,867	0.63	7,580	4,303	0.57	-10,4%

Costs per hectare budgeted for the 2023/24 crop year registered an average decrease in Brazilian real of 10.1% compared to budgeted costs in the 2022/23 crop year, mainly reflecting lower prices of our main inputs. Currently, 59.0% of the costs are indexed to the U.S. dollar (seeds, fertilizers, pesticides and leases), with a strong correlation to commodity prices. In addition, the remaining part of production costs is in Brazilian real, that is, 41.0% is impacted by inflation.

FINANCIAL PERFORMANCE

As from 4Q23, the Company began to classify soybean seed and cotton seed, previously registered under “Other crops,” as follows: soybean seed (commercial soybean + soybean seed) and cotton seed (cottonseed + cotton seed).

Net Revenue decreased 1.4% in 4Q23 compared to 4Q22, mainly due to the lower prices invoiced for all crops, except cotton. Although cotton prices invoiced were lower, the volume sold was postponed due to high demand in port terminals. Cotton invoiced in 4Q23 came from 2022/23 crop year, which had good yields and prices higher compared to 2021/22.

In 2023, Net Revenue decreased 1.9%, due to the decline in prices invoiced, except for cotton lint, whose unit price increased 5.7%. Despite higher cotton prices, cotton sales were lower in 2023 vs. 2022, due to delays in port terminals. In the year, 42% of the cotton lint invoiced corresponds to the 2022/23 crop year, whose margins outperformed those of 2021/22 crop year.

Table 11 – Net Revenue

(R\$ thd)	2022 Published	2022 New	2023	HA	4Q22 Published	4Q22 New	4Q23	HA
Net Revenue	7,373,034	7,373,034	7,230,583	-1.9%	1,945,970	1,945,970	1,918,694	-1.4%
Cotton lint	2,930,972	2,930,972	2,189,209	-25.3%	916,576	916,576	787,137	-14.1%
Cottonseed (cottonseed + cotton seed)	380,070	402,920	349,283	-13.3%	126,479	148,345	136,974	-7.7%
Soybean (commercial + seed)	2,973,363	3,092,736	3,055,726	-1.2%	522,263	559,969	555,824	-0.7%
Corn	710,473	710,473	846,036	19.1%	170,702	170,702	213,091	24.8%
Cattle Herd	110,862	110,862	121,007	9.2%	34,938	34,938	51,463	47.3%
Others	272,919	130,696	61,390	-53.0%	101,935	42,363	13,955	-67.1%
Hedge income	(5,625)	(5,625)	607,932	n.m.	73,077	73,077	160,250	119.3%

Table 12 – Volume Invoiced

(Tonnes)	2022 Published	2022 New	2023	HA	4Q22 Published	4Q22 New	4Q23	HA
Volume Invoiced	2,737,381	2,733,549	3,026,622	10.7%	579,351	578,049	846,632	46.5%
Cotton lint	277,222	277,222	239,303	-13.7%	97,399	97,399	81,516	-16.3%
Cottonseed (cottonseed + cotton seed)	300,647	300,932	346,374	15.1%	104,525	104,808	152,606	45.6%
Soybean (commercial + seed)	1,274,552	1,299,941	1,309,363	0.7%	195,277	202,479	277,928	37.3%
Corn	783,768	783,768	1,071,551	36.7%	152,047	152,047	310,155	104.0%
Other	101,192	71,686	60,031	-16.3%	30,103	21,316	24,427	14.6%

Table 13 – Volume Invoiced (heads)

(Heads)	2022	2023	HA	4Q22	4Q23	HA
Volume Invoiced	24,318	30,295	24.6%	7,908	13,575	71.7%
Cattle Herd	24,318	30,295	24.6%	7,908	13,575	71.7%

The calculation of Variation in Fair Value of Biological Assets (“VFVBA”) for soybean, cotton and corn crops reflects the estimated gross margin for these crops, at market value, less production costs and opportunity costs of owned land properties, related to crops undergoing significant biological transformation and products at the point of harvest. In relation to Cattle, VFVBA is calculated based on the market value of cattle on the reporting date.

Table 14 – Variation in Fair Value of Biological Assets

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Variation in Fair Value of Biological Assets	2,216,676	1,920,465	-13.4%	376,191	(72,709)	n.m.
Cotton lint	581,567	916,278	57.6%	-	-	-
Cottonseed (cottonseed + seed)	43,928	149,162	239.6%	-	-	-
Soybean (commercial + seed)	1,464,402	739,220	-49.5%	385,638	(74,637)	n.m.
Corn	127,214	102,793	-19.2%	(1,574)	10	n.m.
Cattle Herd	1,650	13,012	688.6%	(7,873)	1,918	n.m.
Other	(2,085)	-	n.m.	-	-	n.m.

In the quarter, VFVBA for soybean decreased due to the projection of lower margins for 2023/24 crop year, reflecting the lower yield and prices.

In the year, cotton lint and cottonseed were the main positive VFVBA highlights, explained by the expectation of higher margins in the 2022/23 crop year vs. 2021/22 crop year. VFVBA for soybean decreased due to the projection of lower margins for 2023/24 crop year, reflecting the lower yield and prices. Despite the higher corn yield, corn prices were lower, reflecting the expectation of worse margins for the 2022/23 vs. 2021/22.

Breakdown of Net Realizable Value of Agricultural Products

The calculation of the variation in Net Realizable Value of Agricultural Products (NRVAP) reflects the adjustment between the inventory cost of Agricultural Products and its realization amount in each assessment period, based on the value of forward contracts, in terms of the volumes sold, and on market value, in terms of volumes to be sold, deducting expenses inherent to sales (taxes, logistics, port costs, etc.).

As from 4Q23, for better demonstration of amounts, we will report in a specific line the variation in Net Realizable Value of Agricultural Products (NRVAP). Until then, such amounts were recognized under Cost of Goods Sold (other crops). Below is the reclassification:

Table 15 – Reclassification of the Net Realizable Value of Agricultural Products 2022

	2022 Published	2022 New	2023	HA	4Q22 Published	4Q22 New	4Q23	HA
Net Operating Revenue	7,373,034	7,373,034	7,230,582	-1.9%	1,945,970	1,945,970	1,918,694	-1.4%
VFBVA ⁽¹⁾	2,216,676	2,216,676	1,920,465	-13.4%	376,191	376,191	(72,709)	n.m.
NRVAP ⁽²⁾	-	(71,366)	(28,924)	-59.5%	-	(58,623)	66,720	n.m.
Cost of Goods Sold	(4,220,730)	(4,149,364)	(4,414,771)	6.4%	(1,299,266)	(1,240,643)	(1,173,057)	-5.4%
RFVBA ⁽³⁾	(2,237,681)	(2,237,681)	(2,086,659)	-6.7%	(465,866)	(465,866)	(605,973)	30.1%
Gross Income	3,131,299	3,131,299	2,620,694	-16.3%	557,029	557,029	133,675	-76.0%

⁽¹⁾ Variation in Fair Value of Biological Assets (VFBVA)

⁽²⁾ Net Realizable Value of Agricultural Products (NRVAP)

⁽³⁾ Realization of the Fair Value of Biological Assets (RFVBA)

The variation in Net Realizable Value of Agricultural Products (NRVAP) in the quarter was positive, basically due to the reversal of negative VRLPA registered for soybean and corn in previous quarters, reflecting effective invoicing of products in inventory.

In 2023, NRVAP decreased 59.5% from 2022. The positive NRVAP of 2023 reflects the reversal of negative NRVAP registered in 2022, due to the invoicing of products in inventory.

Table 16 – Variation in the Net Realizable Value of Agricultural Products (NRVAP)

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
NRVAP ⁽¹⁾	(71,366)	(28,924)	-59.5%	(58,623)	66,720	n.m.
Cotton lint	(68,344)	13,348	n.m.	(56,604)	(41,204)	-27.2%
Cottonseed	-	(39,654)	n.m.	-	(29,177)	n.m.
Soybean	(4,088)	108	n.m.	(2,019)	111,769	n.m.
Corn	1,066	(2,726)	n.m.	-	25,332	n.m.

(1) Variation in Net Realizable Value of Agricultural Products (NRVAP)

Costs of Goods Sold

As from 4Q23, for better demonstration of amounts, the Company will reclassify the Variation in Net Realizable Value of Agricultural Products in a specific line of the Income Statement. In addition, the item "Other crops" and "Costs with seeds" was reclassified as well, now registered under "Cottonseed (cottonseed + cotton seed)" and "Soybean (commercial + seeds)." Such reclassification changes the reported cost of goods sold by crop. The information for comparison purposes follows:

Table 17 – Cost of Goods Sold (COGS)

(R\$ thd)	2022 Published	2022 New	2023	HA	4Q22 Published	4Q22 ⁽¹⁾ New	4Q23	HA
Cost of Goods Sold	(4,220,730)	(4,149,364)	(4,414,771)	6.4%	(1,299,266)	(1,240,643)	(1,173,057)	-5.4%
Cotton lint	(1,831,639)	(1,763,295)	1,636,704	-7.2%	(824,506)	(767,902)	(541,735)	-29.5%
Cottonseed (cottonseed + cotton seed)	(140,849)	(149,063)	(205,003)	37.5%	(55,134)	(58,512)	(58,640)	0.2%
Soybean (commercial + seed)	(1,449,659)	(1,461,190)	(1,634,559)	11.9%	(263,883)	(213,765)	(284,863)	33.3%
Corn	(542,399)	(543,465)	(693,868)	27.7%	(101,944)	(101,944)	(203,924)	100.0%
Cattle Herd	(119,413)	(119,413)	(143,966)	20.6%	(38,705)	(38,705)	(60,308)	55.8%
Other	(136,771)	(112,938)	(100,672)	-10.9%	(15,094)	(59,815)	(23,587)	-60.6%

Cost of goods sold decreased 5.4% in 4Q23, due to the lower sales of cotton lint and decline in unit cost for all crops, except cotton.

In 2023, COGS increased 6.4% from 2022, due to the higher volume of corn and cottonseed invoiced. In addition, 58% of the cotton invoiced in 2023 came from the 2021/22 crop year, whose unit cost was higher than that of the 2022/23 crop year, due to the lower yield.

Table 18 – Realization of the Fair Value of Biological Assets

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Realization of the Fair Value of Biological Assets	(2,237,681)	(2,086,659)	-6.7%	(465,866)	(605,973)	30.1%
Cotton lint	(619,495)	(644,668)	4.1%	(163,603)	(226,851)	38.7%
Cottonseed (cottonseed + cotton seed)	(47,622)	(110,766)	132.6%	(17,432)	(52,903)	203.5%
Soybean (commercial + seed)	(1,429,939)	(1,207,452)	-15.6%	(246,746)	(293,721)	19.0%
Corn	(122,613)	(111,555)	-9.0%	(36,281)	(28,246)	-22.1%
Cattle Herd	(15,642)	(12,218)	-21.9%	(1,804)	(4,252)	135.7%
Other	(2,370)	-	n.m.	-	-	n.m.

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

In the year, RFVBA decreased 6.7%. Despite the lower volume invoiced for cotton, its estimated margins were higher in 2022/23 vs. 2021/22, with a 4.1% increase in RFVBA. The RFVBA for cottonseed reflects the higher volume invoiced. The lower RFVBA for soybean and corn is explained basically by the expectation of lower margins.

In the quarter, RFVBA increased 30.1%, due to the higher volume invoiced for cottonseed, soybean and corn. In addition, despite the lower volume of cotton, its estimated margins were higher than in the previous crop year.

Gross Income by Crop

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

Despite the reclassification of the Net Realizable Value of Agricultural Products, the Company's Gross Income did not change. However, Gross Income by Crop was adjusted as shown below:

Cotton lint and Cottonseed

Table 19 – Gross Income – Cotton Lint

Cotton Lint		2022 Published	2022 New	2023	HA	4Q22 Published	4Q22 New	4Q23	HA
Volume Invoiced	Ton	277,222	277,222	239,303	-13.7%	97,399	97,399	81,516	-16.3%
Net Revenue	R\$/thd	2,930,972	2,930,972	2,189,209	-25.3%	916,576	916,576	787,137	-14.1%
Result of currency hedge	R\$/thd	(160,865)	(160,865)	337,690	n.m.	49,746	49,746	128,235	157.8%
Net Rev. adj. for res. of cur. hedging	R\$/thd	2,770,107	2,770,107	2,526,899	-8.8%	966,322	966,322	915,372	-5.3%
Unit Price	R\$/ton	9,992	9,992	10,559	5.7%	9,921	9,921	11,229	13.2%
Total Cost	R\$/thd	(1,831,639)	(1,763,295)	(1,636,704)	-7.2%	(824,506)	(767,902)	(541,735)	-29.5%
Unit Cost	R\$/ton	(6,607)	(6,361)	(6,839)	7.5%	(8,465)	(7,884)	(6,646)	-15.7%
Unitary Gross Income	R\$/ton	3,385	3,631	3,720	2.5%	1,456	2,037	4,583	125.0%

The unit Gross Income from cotton lint increased 125.0% in 4Q23 vs. 4Q22, reflecting the higher prices invoiced and lower unit cost. The cotton invoiced in 4Q23 corresponds to the 2022/23 crop year, whose margins outperformed those of 2021/22 crop year.

Unit Gross Income from cotton lint increased 2.5%, due to the higher prices invoiced and lower unit cost. Of the cotton invoiced in 2023, 58% corresponds to the 2021/22 and crop year and 42% to the 2022/23 crop year. Margins of the 2022/23 crop year were higher than those of 2021/22, thanks to the higher yield.

Table 20 – Gross Income – Cottonseed (cottonseed + cotton seed)

Cottonseed (cottonseed + cotton seed)		2022 Published	2022 New	2023	HA	4Q22 Published	4Q22 New	4Q23	HA
Volume Invoiced	Ton	300,647	300,932	346,374	15.1%	104,525	104,808	152,606	45.6%
Net Revenue	R\$/thd	380,070	402,920	349,283	-13.3%	126,479	148,345	136,974	-7.7%
Unit Price	R\$/ton	1,264	1,339	1,008	-24.7%	1,210	1,415	898	-36.5%
Total Cost	R\$/thd	(140,849)	(149,063)	(205,003)	37.5%	(55,134)	(58,512)	(58,640)	0.2%
Unit Cost	R\$/ton	(468)	(495)	(592)	19.6%	(527)	(558)	(384)	-31.2%
Unitary Gross Income	R\$/ton	796	844	416	-50.7%	683	857	514	-40.0%

In the quarter, cottonseed (cottonseed + cotton seed) margin contracted 40.0%, due to the decline in unit price and increase in unit cost.

In the year, cottonseed (cottonseed + cotton seed) margin decreased sharply, reflecting the lower prices invoiced and higher unit cost.

Soybean

Table 21 – Gross Income – Soybean (commercial + seed)

Soybean (commercial + seed)		2022 Published	2022 New	2023	HA	4Q22 Published	4Q22 New	4Q23	HA
Volume Invoiced	Ton	1,274,552	1,299,941	1,309,363	0.7%	195,277	202,479	277,928	37.3%
Net Revenue	R\$/thd	2,973,363	3,092,736	3,055,725	-1.2%	522,263	559,969	555,824	-0.7%
Result of currency hedge	R\$/thd	114,114	114,114	136,600	19.7%	14,094	14,094	14,202	0.8%
Net Rev. adj. for res. of cur. hedging	R\$/thd	3,087,477	3,206,850	3,192,326	-0.5%	536,357	574,063	570,026	-0.7%
Unit Price	R\$/ton	2,422	2,467	2,438	-1.2%	2,747	2,835	2,051	-27.7%
Total Cost	R\$/thd	(1,449,659)	(1,461,190)	(1,634,559)	11.9%	(263,883)	(213,765)	(284,863)	33.3%
Unit Cost	R\$/ton	(1,137)	(1,124)	(1,248)	11.0%	(1,351)	(1,056)	(1,025)	-2.9%
Unitary Gross Income	R\$/ton	1,285	1,343	1,190	-11.4%	1,396	1,779	1,026	-42.3%

Unit Gross Income from soybean (commercial + seed) decreased 42.3% in the quarter, due to the mix of farms that invoiced the product in the period, with prices lower than the Company's overall average.

In 2023, Unit Gross Income from soybean (commercial + seed) decreased 11.4% from 2022, reflecting a decline in margins of 2022/23 vs. 2021/22, explained by lower prices invoices and higher unit cost.

Corn

Table 22 – Gross Income – Corn

Corn		2022 Published	2022 New	2023	HA	4Q22 Published	4Q22 New	4Q23	HA
Volume Invoiced	Ton	783,768	783,768	1,071,551	36.7%	152,047	152,047	310,155	104.0%
Net Revenue	R\$/thd	710,473	710,473	846,036	19.1%	170,702	170,702	213,091	24.8%
Result of currency hedge	R\$/thd	39,832	39,832	118,188	196.7%	7,783	7,783	7,654	-1.7%
Net Rev. adj. for res. of cur. hedging	R\$/thd	750,305	750,305	964,224	28.5%	178,485	178,485	220,745	23.7%
Unit Price	R\$/ton	957	957	900	-6.0%	1,174	1,174	712	-39.4%
Total Cost	R\$/thd	(542,399)	(543,465)	(693,868)	27.7%	(101,944)	(101,944)	(203,924)	100.0%
Unit Cost	R\$/ton	(692)	(693)	(648)	-6.5%	(670)	(670)	(657)	-1.9%
Unitary Gross Income	R\$/ton	265	264	252	-4.5%	504	504	55	-89.1%

Corn Unit Gross Income decreased 89.1% in 4Q23 vs. 4Q22, driven by the reduction in unit price, affecting the margin of the period, partially offset by a reduction in unit cost. The higher yield in 2022/23 vs. 2021/22 did not offset the decline in prices invoiced.

In 2023, Unit Gross Income from corn decreased 4.5% compared to 2022, driven by the lower corn prices invoiced, despite the strong yields achieved in 2022/23 vs. 2021/22.

Cattle Herd

Table 23 – Gross Income – Cattle Herd

Cattle Herd		2022	2023	HA	4Q22	4Q23	HA
Volume Invoiced	Heads	24,318	30,295	24.6%	7,908	13,575	71.7%
Net Revenue	R\$/thd	110,862	121,007	9.2%	34,938	51,463	47.3%
Result of currency hedge	R\$/thd	1,294	15,454	n.m.	1,454	10,159	598.7%
Net Rev. adj. for res. of cur. hedging	R\$/thd	112,156	136,461	21.7%	36,392	61,622	69.3%
Unit Price	R\$/Head	4,612	4,504	-2.3%	4,602	4,539	-1.4%
Total Cost	R\$/thd	(119,413)	(143,966)	20.6%	(38,705)	(60,308)	55.8%
Unit Cost	R\$/Head	(4,910)	(4,752)	-3.2%	(4,894)	(4,443)	-9.2%
Unitary Gross Income	R\$/Head	(298)	(248)	-16.8%	(292)	96	n.m.

In 4Q23, unit Gross Income from cattle was positive due to the decline in costs of cattle acquisition and fattening.

Unit Gross Income from cattle decreased in 2023, since invoiced prices declined, not following the increase in costs of cattle acquisition and fattening. Gross Income from cattle does not consider the higher yield from crops due to Crop-Livestock Integration, which is the main purpose of this segment.

Gross Income

Table 24 – Gross Income

(R\$ thd)	2022 Published	2022 New	2023	HA	4Q22 Published	4Q22 New	4Q23	HA
Gross Income	3,131,299	3,131,299	2,620,694	-16.3%	557,029	557,029	133,675	-76.0%
Cotton lint	938,468	1,006,812	890,196	-11.6%	141,816	198,420	373,637	88.3%
Cottonseed (cottonseed + seed)	239,221	253,857	144,280	-43.2%	71,345	89,833	78,334	-12.8%
Soybean (commercial + seed)	1,637,818	1,745,659	1,557,766	-10.8%	272,474	360,298	285,163	-20.9%
Corn	207,906	206,840	270,356	30.7%	76,541	76,541	16,821	-78.0%
Cattle Herd	(12,061)	(7,257)	(7,505)	3.4%	(2,313)	(2,313)	1,314	n.m.
Others	140,952	17,759	(39,280)	n.m.	86,841	(17,452)	(9,633)	-44.8%
VFVBA – RFVBA ⁽¹⁾	(21,005)	(21,005)	(166,194)	691.2%	(89,675)	(89,675)	(678,682)	656.8%
NRVAP ⁽²⁾	-	(71,366)	(28,924)	-59.5%	-	(58,623)	66,720	n.m.

(1) Variation in Fair Value of Biological Assets (VFVBA) and Realization of the Fair Value of Biological Assets (RFVBA)

(2) Variation in net realizable value of agricultural products (NRVAP)

Gross Income decreased 76.0% in 4Q23, mainly due to the apportionment of Biological Assets (revenue minus cost), reflecting the expectation of lower margins and yields for soybean in 2023/24 crop year.

In 2023, Gross Income decreased 16.3% from 2022, driven by lower soybean margins and negative variation in Biological Assets (revenue minus cost) of soybean.

Selling Expenses

Selling expenses increased 7.0% in 4Q23 vs. 4Q22, driven by expenses with royalties, linked to the higher volume of seeds invoiced, and higher expenses with commissions, reflecting the higher cost.

In 2023, expenses with royalties were higher than in 2022, thanks to the higher seed volume invoiced and bigger storage expenses. Selling expenses remained practically stable, corresponding to 5.4% of Net Revenue in 2023, an increase of 0.3 p.p.

Table 25 – Selling Expenses

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Freight	(139,491)	(125,083)	-10.3%	(57,218)	(52,725)	-7.9%
Storage	(56,582)	(61,574)	8.8%	(10,695)	(11,618)	8.6%
Commissions	(27,178)	(29,263)	7.7%	(4,907)	(8,085)	64.8%
Classification of Goods	(2,577)	(2,495)	-3.2%	(1,620)	(1,609)	-0.7%
Export Expenses	(47,704)	(42,687)	-10.5%	(15,592)	(15,226)	-2.4%
Royalties	(92,665)	(111,901)	20.8%	(50,892)	(60,448)	18.8%
Others	(13,467)	(15,856)	17.7%	(3,642)	(5,000)	37.3%
Total	(379,664)	(388,859)	2.4%	(144,566)	(154,711)	7.0%
% Net Revenue	5.1%	5.4%	0.3p.p.	7.4%	8.1%	0.7p.p.

Administrative Expenses

Table 26 – Administrative Expenses

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Personnel Expenses	(74,921)	(87,572)	16.9%	(20,672)	(21,968)	6.3%
Administration Fees	(29,761)	(22,579)	-24.1%	(8,048)	(6,884)	-14.5%
Depreciations and amortizations	(17,514)	(23,781)	35.8%	(5,054)	(6,709)	32.7%
Expenses with travels	(4,633)	(5,232)	12.9%	(1,888)	(1,235)	-34.6%
Software maintenance	(6,808)	(17,467)	156.6%	(2,115)	(3,555)	68.1%
Marketing/Advertisement	(6,312)	(7,633)	20.9%	(2,712)	(3,116)	14.9%
Communications Expenses	(6,186)	(7,193)	16.3%	(1,618)	(1,679)	3.8%
Rentals	(5,316)	(4,452)	-16.3%	(1,429)	(1,336)	-6.5%
Labor, Tax and Environmental Contingencies	(1,059)	84	n.m.	(145)	(211)	45.4%
Electricity	(214)	(229)	6.9%	(24)	(69)	187.5%
Taxes and other fees	(2,458)	(2,813)	14.5%	(544)	(981)	80.3%
Contributions and donations	(10,043)	(10,145)	1.0%	(3,759)	(2,660)	-29.2%
Other	(10,589)	(6,880)	-35.0%	(4,048)	(1,931)	-52.3%
Subtotal	(175,814)	(195,892)	11.4%	(52,056)	(52,334)	0.5%
% Net Revenue	-2.4%	-2.7%	-0.3 p.p	-2.7%	-2.7%	0.0 p.p
Provision for profit share program	(84,416)	(89,260)	5.7%	(16,639)	(3,906)	-76.5%
Total	(260,230)	(285,152)	9.6%	(68,695)	(56,240)	-18.1%

Administrative Expenses (excluding amounts related to the Profit Sharing Program) remained practically stable, increasing 0.5% in 4Q23 vs. 4Q22, corresponding to 2.7% of Net Revenue. In 2023, Administrative Expenses increased 11.4% from 2022, corresponding to 2.7% of Net Revenue, an increase of 0.3 p.p., practically stable.

The main variations were:

- (i) Personnel Expenses: Higher expenses with the Stock Option/Restricted Share Program and adjustments to headcount;
- (ii) Depreciation and Amortization: Increase due to the implementation/acquisition of software systems used by the Company.

Adjusted EBITDA

Adjusted EBITDA came to R\$673.4 million in 4Q23, 3.9% higher than in 4Q22, mainly due to higher prices invoiced and lower unit cost. Adjusted EBITDA margin was 35.1%, up 1.8 p.p. from 4Q22.

In 2023, Adjusted EBITDA was R\$2.7 billion, with margin of 37.5%, 13.1% lower than in 2022, corresponding to a reduction of 4.8 p.p., due to the lower margins and lower cotton volume invoiced.

Table 27 – Adjusted EBITDA Reconciliation

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Net Revenue	7,373,034	7,230,583	-1.9%	1,945,970	1,918,694	-1.4%
(+/-) Variation in Fair Value of Biological Assets⁽³⁾	2,216,676	1,920,465	-13.4%	376,191	(72,709)	n.m.
(+/-) Variation in net realizable value of agri. products⁽⁴⁾	(71,366)	(28,924)	-59.5%	(58,623)	66,720	n.m.
(-) Cost of Goods and/or Services Sold	(6,387,045)	(6,501,430)	1.8%	(1,706,509)	(1,779,030)	4.2%
Cost of Goods	(4,149,364)	(4,414,771)	6.4%	(1,240,643)	(1,173,057)	-5.4%
Realization of the Fair Value of Biological Assets ⁽⁴⁾	(2,237,681)	(2,086,659)	-6.7%	(465,866)	(605,973)	30.1%
Gross Income	3,131,299	2,620,694	-16.3%	557,029	133,675	-76.0%
(-) Sales Expenses	(379,664)	(388,859)	2.4%	(144,566)	(154,711)	7.0%
(-) General and administrative expenses	(260,230)	(285,152)	9.6%	(68,695)	(56,240)	-18.1%
General and administrative	(175,815)	(195,892)	11.4%	(52,056)	(52,334)	0.5%
Profit share program	(84,415)	(89,260)	5.7%	(16,639)	(3,906)	-76.5%
(-) Administrative Fees	(24,374)	(23,608)	-3.1%	(4,903)	(4,470)	-8.8%
(-) Other operating revenues (loss)	38,262	12,106	-68.4%	(5,722)	(15,320)	167.7%
(=) Operational Result	2,505,293	1,935,181	-22.8%	333,143	(97,066)	n.m.
(+) Depreciation and amortization	177,813	219,688	23.5%	52,693	62,130	17.9%
EBITDA	2,683,106	2,154,869	-19.7%	385,836	(34,936)	n.m.
(-) Variation in Fair Value of Biological Assets ⁽³⁾	(2,216,676)	(1,920,465)	-13.4%	(376,191)	72,709	n.m.
(+) Realization of Fair Value of Biological Assets ⁽⁴⁾	2,237,681	2,086,659	-6.7%	465,866	605,973	30.1%
(+/-) Variation in net realizable value of agricultural products	71,366	28,924	-59.5%	58,623	(66,720)	n.m.
(+) Other Trans. Property, Plant & Equipment ⁽²⁾	32,222	59,170	83.6%	11,479	8,017	-30.2%
(+) Depreciation adjustment of right-of-use assets - IFRS 16 ⁽⁵⁾	310,745	299,542	-3.6%	102,638	88,333	-13.9%
Adjusted EBITDA^(1,2,5)	3,118,444	2,708,699	-13.1%	648,251	673,376	3.9%
Adjusted EBITDA Margin^(1,2,5)	42.3%	37.5%	-4.8 p.p	33.3%	35.1%	1.8 p.p

⁽¹⁾ Excludes the effects from Biological Assets, since they are noncash. ⁽²⁾ Excludes Write-offs of Property, Plant and Equipment and Other Property, Plant and Equipment Transactions, which are noncash. ⁽³⁾ Variation in the fair value of Biological Assets (Note 33 of the Financial Statements). ⁽⁴⁾ Realization of the fair value of Biological Assets (Note 31 of the Financial Statements). ⁽⁵⁾ Depreciation adjustment of right-of-use assets - leasing. ⁽⁶⁾ Variation in the Net Realizable Value of Agricultural Products

Adjusted Net Financial Income

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

Table 28 – Adjusted Net Financial Income (with the swap effect)

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Interest	(459,171)	(454,331)	-1.1%	(179,648)	(105,378)	-41.3%
FX Variation	58,533	65,751	12.3%	25,451	23,089	-9.3%
Monetary Variation	(155)	4,217	n.m.	6	2	n.m.
APV-Liability Lease. (IFRS16) ⁽¹⁾	(280,423)	(283,004)	0.9%	(70,219)	(103,609)	47.6%
APV Securities payable	-	(29,795)	n.m.	-	(9,316)	n.m.
Other financial revenue (expenses)	(18,252)	(14,114)	-22.7%	1,281	(4,769)	n.m.
Total	(699,468)	(711,276)	1.7%	(223,129)	(199,981)	-10.4%
% Net Revenue	9.5%	9.8%	0.3p.p.	11.5%	10.4%	-1.1p.p.

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

In 4Q23, Adjusted Net Financial Expense decreased 10.4% vs. 4Q22. Interest was 41.3% lower than in the prior-year period, mainly because the comparison base (4Q22) was affected by the early settlement of a transaction involving certificates of agribusiness receivables (CRA) and swaps linked to them. In addition, the CDI rate, main indexer of the Company's debt, decreased in 4Q23 vs. 4Q22.

In 2023, Adjusted Net Financial Expenses increased 1.7% in relation to 2022, mainly due to the inclusion of present value adjustment to notes payable in 2023, linked to land acquired and paid in installments, which was partially offset by a decrease in interest and in exchange variation, reflecting the local currency appreciation, which affected amounts payable to suppliers in USD.

Net Income

Table 29 – Net Income

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Income before taxes on profit	1,805,825	1,223,905	-32.2%	110,014	(297,046)	n.m.
Income Tax and Social Contribution on Profit	(469,092)	(285,925)	-39.0%	22,419	144,060	542.6%
Consolidated Net Income for the Period	1,336,733	937,980	-29.8%	132,433	(152,986)	n.m.
Attributed to the partners of SLC Agrícola S.A.	1,267,459	895,600	-29.3%	112,071	(142,328)	n.m.
Attributed to the partners of Joint-Ventures/Partnerships	69,274	42,380	-38.8%	20,362	(10,658)	n.m.
% Net Revenue	18.1%	13.0%	-5.1p.p.	6.8%	-8.0%	-14.8p.p.

In 4Q23, the Company delivered net loss of R\$153.0 million, a reduction of R\$285.4 million from 4Q22. The main factors were the reduction of Gross Income by R\$423.4 million, which mainly affected the negative mark-to-market adjustment of the Variation of Fair Value of Biological Assets (Revenue less Cost) of the first soybean crops planted, adversely affected by the drought, partially offset by the NRVP, which remeasured inventories at realization price.

In 2023, the Company delivered Net Income of R\$938.0 million, a decrease of R\$398.8 million (29.8%) from 2022, with net margin of 13.0%, while Gross Income decreased R\$510.6 million, driven by the negative mark-to-market adjustment of the Variation of Fair Value of Biological Assets (Revenue less Cost) measured on crops to be harvested in Mato Grosso relative 2023/24 crop year.

Operations by Segment – Breakdown of the Seeds Segment

SLC Sementes sells its products directly to producers, retailers and/or breeders (verticalized production) and carries out transactions that correspond to sales and/or transfers of seeds between subsidiary or related and controlled companies of SLC Agrícola. To encompass managerial aspects, allowing a better understanding of the economic-financial scenario of this operation, the Company calculates a managerial added value in intercompany transactions. This calculation is carried out for Revenue and Cost, maintaining parity between the cost price and the market price.

Below we show the breakdown of operations by segment, with emphasis on the seed operation:

Table 30 – Operations per segment

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

(1) Biological Assets – Fair Value of the Biological Assets (VFVBA – RFVBA)

(2) NRVAP - Net Realizable Value of Agricultural Products

Below we demonstrate the comparison of the seed operation:

Table 31 – Operations per segment 2022 x 2023 Crop Year – Seed Business

(R\$ thd)	Seed Operation 2022 Published	Seed Operation 2022 New	Seed Operation 2023	HA
Net Revenue (Products and Leasing)	444,666	569,653	608,275	6.8%
Revenue from third parties	220,690	220,690	202,914	-8.1%
Seeds - internal transactions	223,976	348,963	405,361	16.2%
Products and Leasing Costs	(169,822)	(294,809)	(333,046)	13.0%
Costs of products sold	(97,790)	(97,790)	(83,796)	-14.3%
Seeds - internal transactions	(72,032)	(197,019)	(249,250)	26.5%
Gross Income	274,844	274,844	275,229	0.1%
Gross Margin	61.2%	48.2%	45.2%	-3.0 p.p.
Operational Expenses / Incomes	-174,652	(174,652)	(188,372)	7.9%
Sales Expenses	(164,644)	(164,644)	(171,938)	4.4%
General & administrative expenses	(10,008)	(10,008)	(16,434)	64.2%
Operational Result	100,193	100,193	86,857	-13.3%
Adjusted EBITDA	100,193	100,193	86,857	-13.3%
Adjusted EBITDA Margin	22.5%	17.6%	14.3%	-3.3 p.p.
Income (loss) before financial income (loss) and taxes	100,193	100,193	86,857	-13.3%
Net financial result	(18,089)	(18,089)	(23,406)	29.4%
Income before income tax	82,104	82,104	63,451	-22.7%
Income and social contribution taxes	(24,688)	(24,688)	(21,573)	-12.6%
Net Income for the period	57,415	57,415	41,878	-27.1%
Net Margin	12.9%	10.1%	6.9%	-3.2 p.p.

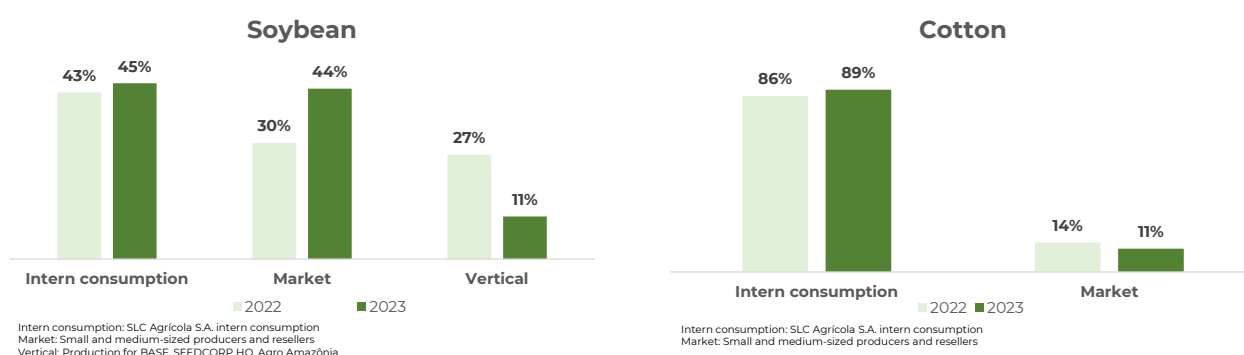
To improve the comparison between periods, the Company adjusted Royalties expenses in 2022 by opening Revenue and Cost, previously considered on a net basis.

The sales volume of soybean seed plus domestic consumption reached 1,020,575 thousand bags (200 thousand seeds), 19.2% growth compared to 2022. In relation to the budget sold volume for 2023 (1,119,800 bags of 200,000 seeds) there was a drop of 8.9%, substantially due to the decline in sales in the vertical channel. We sold 129,950 bags (200 thousand seeds) of cotton seed, 7.0% increase in invoiced volume compared to 2022's budget volume. The sales channels showed good evolution, mainly sales to small and medium producers (market) to the detriment of the vertical sales channel, demonstrating the brand's growth.

Table 32 – Seeds Invoiced Volume

(R\$ thd)	2022	2023	HA
Invoiced Volume (in 200 thousand bags of seeds)	972,471	1,150,525	18.3%
Soybean Seed	856,000	1,020,575	19.2%
Cotton Seed	116,471	129,950	11.6%

Figure 2- Soybean and cotton seed - Sales Channel 2022 x 2023



Net revenue grew 6.8% compared to 2022, mainly due to the greater volume destined for internal consumption.

The majority of production costs are made up of the cost of grains (valued at market price) and other costs such as processing and transportation. There was an increase of 13.0% due to the formation of the production cost (origination cost) being carried out during the period in which the price of soybeans was highest. Additionally, the cost was also impacted by the higher volume sold with TSI (Industrial Seed Treatment).

Sales Expenses represented 28.1% of Net Revenue in 2023, practically stable when compared to 2022. These expenses are basically made up of royalty expenses, passed on in the sales price.

Administrative Expenses increased by 64.2% due to the increase in staff due to the growth of the operation. These expenses refer to expenses with personnel in the sales area (administrative, sales and marketing).

The financial result is calculated in a managerial manner, the need for working capital is assessed and the amount of interest is calculated using the average financial cost incurred by the Company as a premise.

EBITDA was R\$87 million, down 13.3% versus 2023 due to the increase in General and Administrative expenses.

To calculate income tax and social contribution we are using the rate of 34.0%.

This seed sales segment reached a net profit of R\$41.9 million in 2023, with a net margin of 6.9% and a Gross Margin of 45.2%, demonstrating added value to the Company's core business.

Statement of Cash Flow Analysis

In 4Q23, adjusted free cash generation was a positive R\$677 million, down 13.8% from 4Q22, mainly due to the delayed cotton shipments (of the cotton from 2022/23 crop year, 101,000 tons were shipped in 2023, and the remaining balance of 226,000 tons will be shipped in 2024). In addition, the Company paid a part of the land lot acquired in 2023 (Paysandu Farm).

In 2023, the Company generated R\$429 million in cash, a 56.9% decrease from 2022. The main factors contributing to such reduction were: (i) reduction of Gross Income, affected by the lower commodity prices invoiced and the lower cotton volume invoiced; (ii) investment in the acquisition of 12,400 hectares of the Paysandu Farm, with payment of R\$290 million in 2023 (the balance of R\$180 million will be paid in January 2025).

Table 33 – Summarized Cash Flow

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Cash generated from operations	3,073,066	2,813,813	-8.4%	617,087	710,028	15.1%
Changes in Assets and Liabilities	(1,081,289)	(960,994)	-11.1%	192,578	217,748	13.1%
Net Cash Investing Activities	(485,813)	(856,414)	76.3%	(4,071)	(203,474)	n.m.
In fixed assets	(428,320)	(515,115)	20.3%	16,658	(48,876)	n.m.
In intangible	(36,433)	(17,069)	-53.1%	(1)	(7,016)	n.m.
Receipt for the sale of land	1,643	-	-100.0%	-	-	n.m.
Land purchase	-	(290,000)	n.m.	-	(110,000)	n.m.
Receipt for Land Return	-	3,352	n.m.	-	-	n.m.
Other Investments	(22,703)	(37,582)	65.5%	(20,728)	(37,582)	81.3%
Net Cash Before Financing Activities	1,505,964	996,405	-33.8%	805,594	724,302	-10.1%
Change in financial investments account ⁽¹⁾	63	323	412.7%	18	45	150.0%
Payment of leases and other rentals ⁽²⁾	(511,338)	(568,010)	11.1%	(20,057)	(47,355)	136.1%
Adjusted Free Cash	994,689	428,718	-56.9%	785,555	676,992	-13.8%

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

⁽²⁾ Due to the adoption of IFRS 16, the payment of leases is now accounted in the Statement of Cash Flows under Financing Activities. However, it should be considered as operating cash disbursement. Details of payments (cotton ginning plant, crop land, leasing of buildings and machines and vehicles), see explanatory note 12 of the Financial Statement.

Property, Plant & Equipment /CAPEX

Table 34 – CAPEX ⁽¹⁾

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Machinery, implements and equipment	247,530	148,518	-40.0%	20,538	9,906	-51.8%
Land acquisition	188	365,855	n.m.	2	-	n.m.
Soil correction	145,633	173,899	19.4%	19,208	22,404	16.6%
Buildings and facilities	104,544	110,734	5.9%	29,507	23,946	-18.8%
Cotton ginning plant	2,138	12,738	495.8%	562	1,234	119.5%
Grains storage	12,325	32,602	164.5%	7,900	14,498	83.5%
Soil cleaning	41,695	24,369	-41.6%	10,719	9,770	-8.9%
Vehicles	4,900	78,548	n.m.	1,000	920	-8.0%
Software	28,692	19,657	-31.5%	4,779	7,013	46.8%
Improvements in own properties	1,036	1,208	16.6%	-	-	-
Improvements in Third Party Real Estate	912	762	-16.4%	512	279	-45.5%
Buildings	136	32,907	n.m.	136	-	n.m.
Others	19,619	23,678	20.7%	5,335	7,619	42.8%
Total	609,348	1,025,475	68.3%	100,198	97,589	-2.6%

⁽¹⁾ See Explanatory Notes 14 and 15 of the Financial Statement

In 2023, investments came to R\$1,025 billion, up 68.3% from 2022, with the highest allocation related to the acquisition of 12,473.88 ha of land in Paysandu Farm, per the material fact notice disclosed on February 23, 2023, which accounted for 40.5% of the Capex. The Capex amount for the acquisition of the Paysandu Farm was R\$414 million (R\$366 million for land acquisition, R\$34 million for infrastructure and R\$15 million for the cotton processing unit). The Company's total CAPEX excluding the investment in Paysandu Farm was R\$611.7 million. The main investments in 2023 were in: (i) R\$173.9 million in soil correction; (ii) R\$148.5 million in the acquisition of machinery, tools and equipment; and (iii) R\$95.7 million in Buildings and Facilities. In addition, the Company highlights it is advancing in the lease of machinery and equipment, which led to a 40% reduction in investments in machinery, tools and equipment in 2023 vs. 2022.

In the quarter, CAPEX came to R\$97.6 million, of which 24.5% in Buildings and Facilities, 23.0% in Soil Correction and 14.9% in Grain Storage Facilities. In soil correction, the Perdizes, Paiguás and Paysandu farms received the highest investments. Investments in Buildings and Facilities were allocated to the Piratini, Pamplona and Paysandu farms. In Grain Storage Facilities, the Parnaguá, Paiguás and Próspera farms received the highest investments.

Debt

Adjusted Net Debt ended 2023 at R\$2.874 billion, representing an increase of R\$536 million from the end of 2022, mainly due to the acquisition of land and buildings of the Paysandu Farm and decline in cotton volumes shipped.

The Net Debt/Adjusted EBITDA ratio increased from 0.75x at the end of 2022 to 1.06x at the end of 2023, thanks to the increase in net debt and reduction in Adjusted EBITDA, affected by the delay in cotton shipments. Even with the increase, leverage is at a comfortable level.

Table 35 – Financial Net Debt

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

⁽¹⁾ Final interest rate with swap; ⁽²⁾ Transactions with gains and losses from Derivatives (note 25 letter "e" of the Financial Statement); ⁽³⁾ Total debt is different from the accounting position due to the costs of CRA transactions (see note 18 of the Financial Statement).

Figure 3 - Change in Net Debt/Adjusted EBITDA Ratio

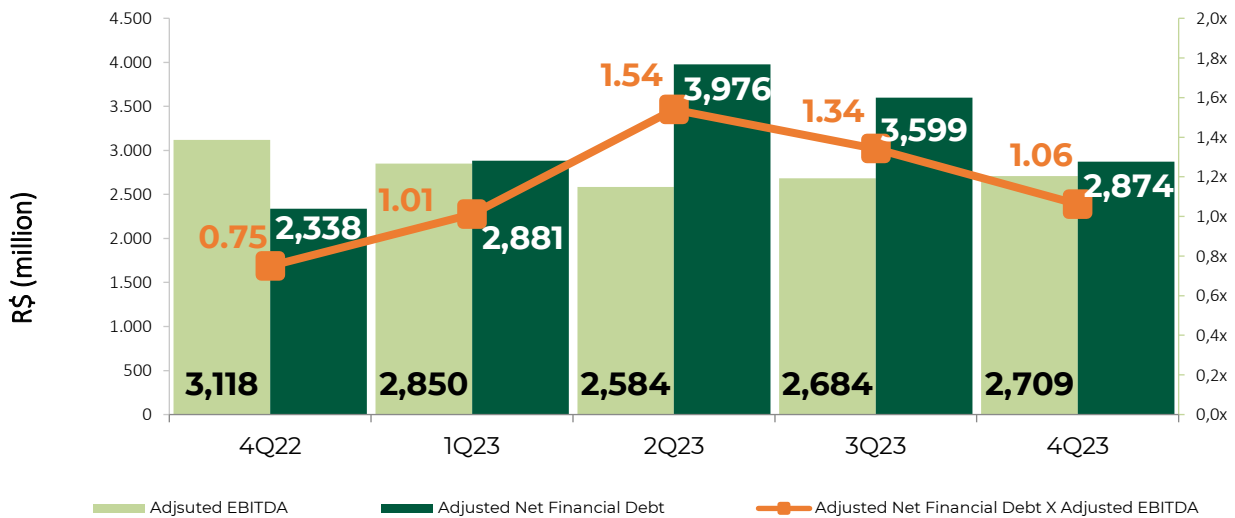


Figure 4 – Change in Adjusted Gross Debt (R\$ thd)

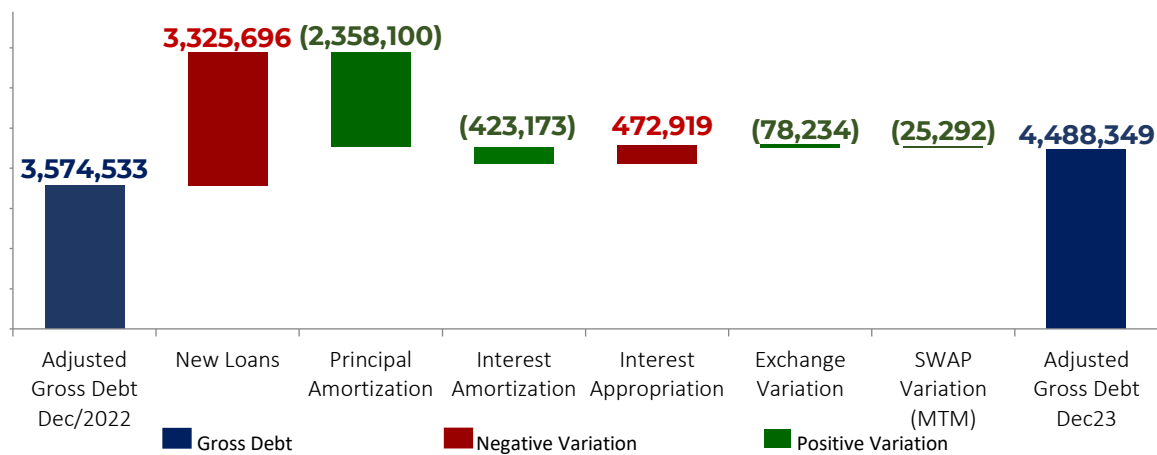


Figure 5 – Adjusted Gross Debt Amortization Schedule (R\$ thd)

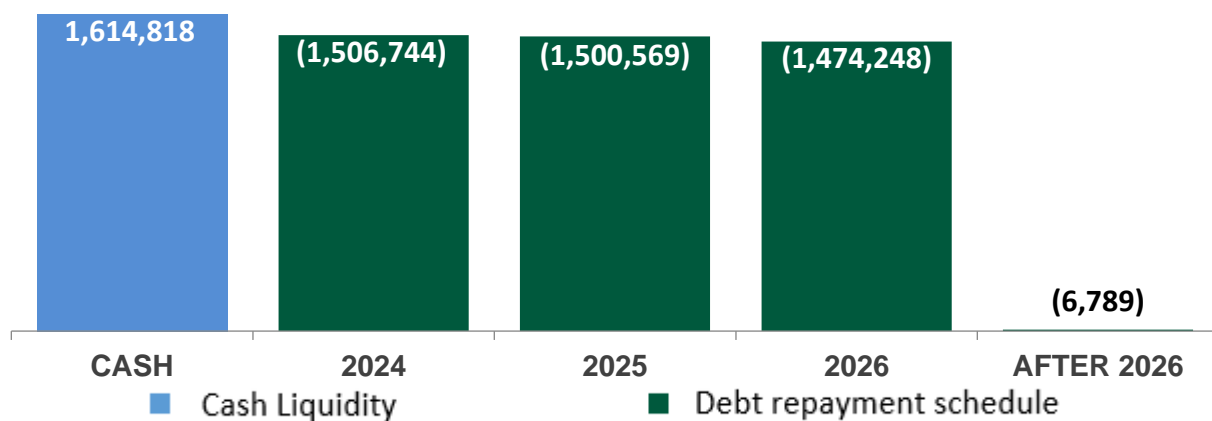


Figure 6 – Adjusted Gross Debt Profile

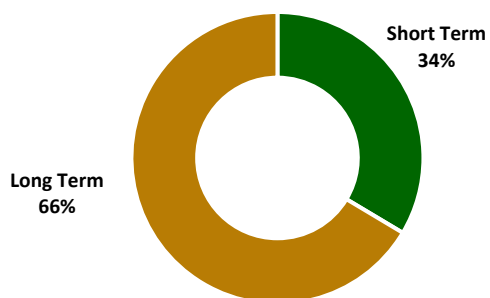
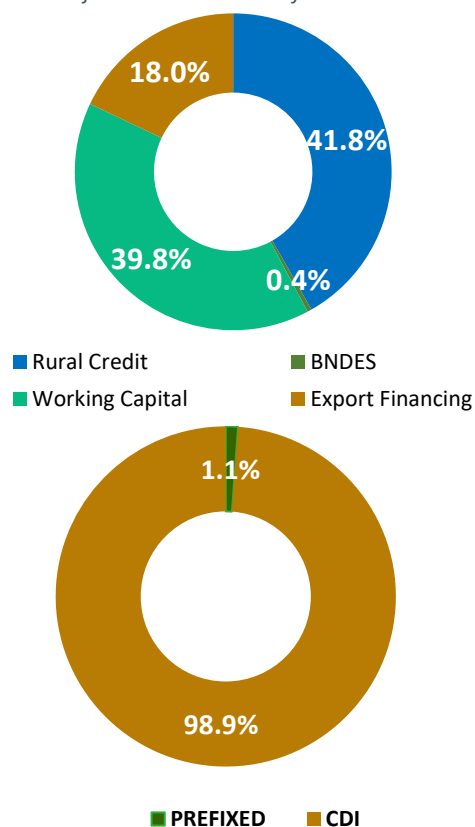


Figure 7 - Adjusted Gross Debt Profile



Hedge Position

Currency and agricultural commodity hedge

The Company's sales revenues are generated mainly by the trading of agricultural commodities such as cotton, soybean and corn, which are quoted in U.S. dollar on international exchanges, such as the Chicago Board of Trade (CBOT) and the Intercontinental Exchange Futures US (ICE). Therefore, we are actively exposed to variations in foreign exchange rates and in the prices of these commodities. To protect our exposure from currency variation we use derivative instruments, whose portfolio basically comprises non-deliverable forwards (NDFs). In line with the Company's Risk Management Policy, whose goal is to obtain a pre-established operating margin from a combination of factors such as Price, Exchange Rate and Cost, most of the instruments for protecting against variations in commodity prices are accomplished through advanced sales directly to our clients (forward contracts). We also use futures and options contracts negotiated on the exchange and transactions involving swaps and options with financial institutions. The hedge position of commodities (in relation to the estimated total volume invoiced) and currency (in relation to total estimated revenue in U.S. dollar) is shown below, broken down by commercial hedge and financial hedge and updated **as of February 26:**

Table 36 – Hedge Position

FX Hedge – Soybean		
Crop Year	2022/23	2023/24
%	99.6	68.4
R\$/USD	5.3683	5.2238
Commitments % ⁽¹⁾	-	15.6
FX Hedge – Cotton lint		
Crop Year	2022/23	2023/24
%	96.2	34.7
R\$/USD	5.5713	5.3857
Commitments % ⁽¹⁾	-	4.4
FX Hedge – Corn		
Crop Year	2022/23	2023/24
-	-	-
-	-	-
%	99.6	59.3
R\$/USD	5.5758	5.3538
Commitments % ⁽¹⁾	-	3.4

Commercial Hedge– Soybean		
Crop Year	2022/23	2023/24
%	100.0	58.1
USD/bu ⁽²⁾	14.25	12.62
Commitments % ⁽¹⁾	-	10.9
Commercial Hedge – Cotton lint		
Crop Year	2022/23	2023/24
%	99.2	40.2
US¢/pd ⁽²⁾	90.79	85.92
Commitments % ⁽¹⁾	-	-
Commercial Hedge – Corn		
Crop Year	2022/23	2023/24
%	3.9	3.3
R\$/bag ⁽³⁾	56.64	45.00
%	96.1	34.1
USD/bag ⁽³⁾	9.52	8.12
Commitments % ⁽¹⁾	-	-

(1) 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 COMMUNICATION WITH STAKEHOLDERS

SLC AGRÍCOLA IS RECOGNIZED BY CDP FOR ITS LEADERSHIP IN CLIMATE CHANGE

SLC Agrícola obtained the rating A- in the Climate Change program of CDP Latin America. The Company also advanced in the Water Security and Forests programs, increasing its scores to B.

The Company has been completing the CDP questionnaire since 2021, with its ratings improving year after year. In 2023, it joined the Climate Change Leadership group.

Program	2021	2022	2023
Climate Change	D	B-	A-
Forests	Soybean: C Cattle: C	Soybean: B Cattle: B-	Soybean: B Cattle: B
Water Security	D	B-	B

CDP is a global non-profit organization that manages the world's leading environmental disclosure platform for initiatives aimed at the strategic management of climate change, forests and water security, featuring several categories, including reduction of greenhouse gas emissions and management of risks and opportunities.

The 2023 questionnaire was completed by over 23,000 companies that disclosed information on management and environmental initiatives implemented by CDP.

SLC AGRÍCOLA ADVANCES IN B3'S CORPORATE SUSTAINABILITY INDEX (ISE B3)

SLC Agrícola made remarkable progress in its environmental, social and governance performance, as evidenced by its advance in B3's Corporate Sustainability Index - ISE B3. The Company, which previously ranked 55th, is now placed 37th, a position achieved in the third preliminary portfolio of the index, demonstrating its ongoing commitment to sustainability.

The B3 ISE index is the main sustainability indicator for Brazilian companies listed on the B3 stock exchange. It tracks the average performance of the prices of stock issued by companies that stand out for their commitment to corporate sustainability. One of the goals of ISE B3 is to support investors in the investment decision-making process and encourage companies to adopt the best Environmental, Social and corporate Governance (ESG) sustainability practices. This achievement demonstrates how the Company's strategy is aligned with the goal of being a benchmark in ESG practices, creating value to its shareholders and society and being a positive influence to future generations.

Link for consulting the index (3rd preliminary portfolio on December 27, 2023): https://www.b3.com.br/pt_br/market-data-e-indices/indices/indices-de-sustentabilidade/indice-de-sustentabilidade-empresarial-ise-b3-composicao-da-carteira.htm

B3'S CARBON EFFICIENT INDEX (ICO2) – SLC JOINS PORTFOLIO AGAIN

SLC Agrícola will be a component of 13th portfolio of B3's Carbon Efficient Index (ICO2), making it the third straight participation of the Company in the index. ICO2's goal is to encourage discussions on climate change in Brazil. It lists the shares of companies that adopted transparent practices in relation to their greenhouse gas emissions. The 13th portfolio of ICO2 will take effect in the next four-month period (January to April 2024).

The inclusion of SLC Agrícola's shares reflects its ongoing commitment to sustainability practices that create value to its shareholders and society and contribute to the perpetuity of its business. Link for consulting the index (3rd preliminary portfolio on December 27, 2023): https://www.b3.com.br/pt_br/market-data-e-indices/indices/indices-de-sustentabilidade/indice-carbono-eficiente-ico2-composicao-da-carteira.htm

SLC AGRÍCOLA JOINS B3'S IGPTW INDEX

SLC Agrícola, one of Brazil's leading grain producers, was included as a component of the theoretical portfolio of assets of B3's IGPTW. This portfolio was prepared according to certified companies and best companies to work, based on the national ranking cycle, both compiled by Great Place to Work (GPTW).

The purpose of this B3 index is to be an indicator of average performance of assets owned by companies whose shares are traded on the stock exchange and which were certified by GPTW as the best companies to work. The initiative supports investors in investment decisions, highlighting companies that focus on people relations and employee development, creating a positive impact on business.

This participation was possible due to SLC Agrícola's achievements in GPTW Brasil, GPTW Agro and GPTW RS awards, which were celebrated by the Company. Once again, SLC Agrícola was elected one of the Best Companies to Work in Brazil, according to the Great Place to Work (GPTW) Brazil ranking. This year, the Company was featured in the Agricultural and RS rankings as well. This achievement was based on the participation of employees, who answered the GPTW climate survey assessing the organizational environment.

REGENERATIVE AGRICULTURE - SLC AGRÍCOLA HAS BRAZIL'S LARGEST CERTIFIED AREA

SLC Agrícola ended 2023 with the certification of two farms (Planalto and Pamplona) under the Regenagri program, totaling 39,456 hectares certified with regenerative agricultural practices – the largest area certified in cotton and soy from the Americas. The initiative targets soil health and actions to combat climate change. The certification supports and attests to organizations transitioning to regenerative agricultural techniques that increase organic matter in the soil, promote biodiversity, reduce greenhouse gas emissions, remove CO₂e and improve water and energy management. Some regenerative agricultural practices adopted by the Company are direct seeding, use of cover crops, crop rotation, use of biochemicals, as well as biofertilizer projects based on circular economy of organic waste subject to composting at our farms.

SLC AGRÍCOLA WINS PLANETA CAMPO AWARD FOR SECOND TIME

In November, SLC Agrícola celebrated another achievement, as it won the Planeta Campo Awards, ranking 1st in the Agroindustry category.

The Planeta Campo Award is an initiative that recognizes the importance of sustainability for agribusiness. The practices adopted and recognized by the award contribute to environmental preservation, social welfare and improvement of the economic efficiency of the sector. The winning initiatives cover a wide range of issues, such as reduced use of pesticides, more efficient use of water, promotion of biodiversity, valuing of rural labor and integration of agricultural production with other activities. One of the practices adopted by SLC Agrícola is the Circular Economy, focusing on zeroing out waste sent to landfills and reusing waste by sending it for composting and using it to produce biofertilizers, which in turn are applied as nutrients to crops, ending the cycle.

Therefore, the Company stands out for its commitment to innovation and ongoing pursuit of efficient and sustainable production processes by adopting solutions that drive yields, optimize resources and minimize environmental impacts.

For more information, read our Integrated Report: <https://www.slcagricola.com.br/ri2022/>

FINANCIAL TABLES

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

OPERATIONAL DATA

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

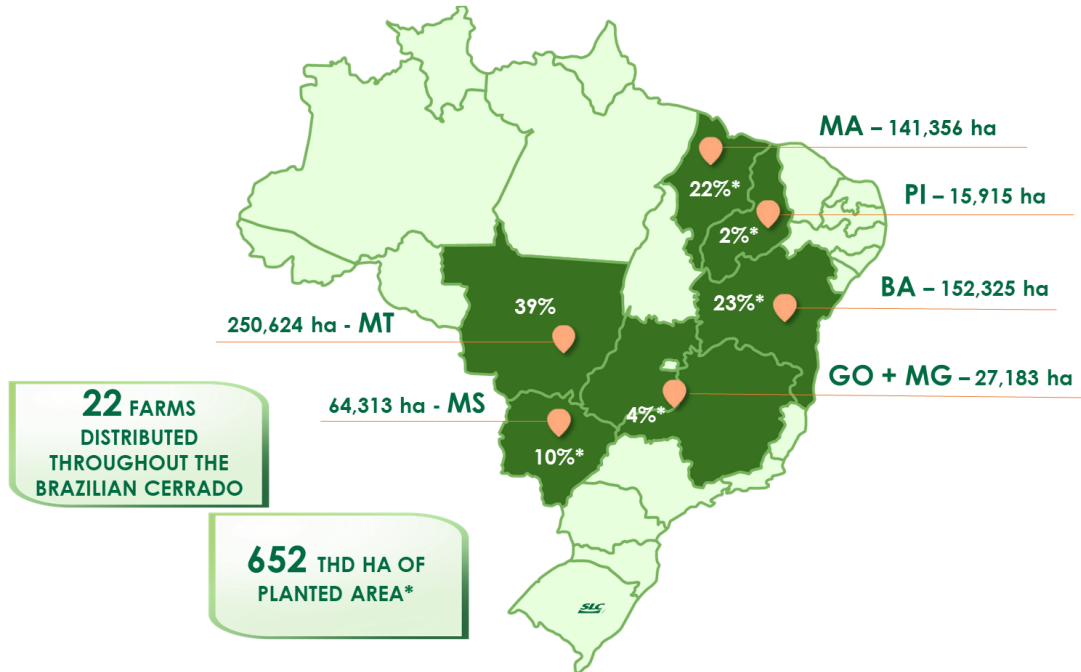
LAND TABLES

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

PRODUCTION UNITS AND HEADQUARTERS LOCATION

STRATEGICALLY POSITIONED FARMS

A PORTFOLIO RESILIENT TO CLIMATIC VARIATIONS



* The percentage numbers are the planted area of each region in relation to the Company's total

Planted area of SLC Agrícola's operated farms (1st and 2nd crops) – 2023/24 crop year forecast

651.716 hectares

MT	250,624	BA	152,325
1. Pampeira	30,978	12. Panorama	24,404
2. Piracema	17,818	13. Paladino	23,832
3. Pirapora	20,437	14. Paysandu	41,340
4. Próspera	30,755	15. Piratini	19,574
5. Planorte	27,699	16. Palmares	26,284
6. Paiguás	55,291	17. Parceiro	16,891
7. Perdizes	33,167	MA	141,356
8. Pioneira	34,479	18. Parnaíba	44,967
MS	64,313	19. Palmeira	34,032
9. Pantanal	42,956	20. Planeste	62,357
10. Planalto	21,357	PI	15,915
GO & MG	27,183	21. Parnaguá	12,444
11. Pamplona	27,183	22. Paineira	3,471

Irrigated área (ha)	Planted	Physical
1. Palmares	2,781	1,551
2. Pamplona	6,048	3,355
3. Paysandu	14,423	7,223
4. Piratini	1,197	748
Total	24,449	12,877
% área plantada	3.8%	2.0%

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

EXHIBIT 1 – BALANCE SHEET: ASSETS

R\$ (thd)	12/31/2022	VA	12/31/2023	VA	HA
Current Assets	7,032,683	47.3%	7,367,273	46.5%	4.8%
Short-term interest earning bank deposits	1,235,775	8.3%	1,613,703	10.2%	30.6%
Accounts receivable	174,291	1.2%	143,694	0.9%	-17.6%
Advances to suppliers	14,924	0.1%	9,098	0.1%	-39.0%
Inventories	3,343,980	22.5%	3,656,261	23.1%	9.3%
Biological assets	1,799,576	12.1%	1,488,540	9.4%	-17.3%
Income tax and social contribution recoverable	1,195	0.0%	4,455	0.0%	272.8%
Recoverable taxes	138,622	0.9%	122,781	0.8%	-11.4%
Securities and credits receivable	25,852	0.2%	27,590	0.2%	6.7%
Operations with derivatives	272,728	1.8%	265,314	1.7%	-2.7%
Intercompany transactions	-	0.0%	1,235	0.0%	n.m.
Other accounts receivable	15,012	0.1%	19,980	0.1%	33.1%
Prepaid expenses	10,183	0.1%	10,982	0.1%	7.8%
Assets held for sale	545	0.0%	3,640	0.0%	567.9%
Non-current assets	7,835,706	52.7%	8,489,045	53.5%	8.3%
Financial investments	747	0.0%	1,115	0.0%	49.3%
Income tax and social contribution recoverable	9,789	0.1%	11,675	0.1%	19.3%
Recoverable taxes	194,305	1.3%	222,013	1.4%	14.3%
Deferred income and social contribution taxes	281,819	1.9%	254,080	1.6%	-9.8%
Operations with derivatives	61,677	0.4%	19,746	0.1%	-68.0%
Securities and credits receivable	31,650	0.2%	-	0.0%	n.m.
Advances to suppliers	79,805	0.5%	75,410	0.5%	-5.5%
Prepaid expenses	458	0.0%	1,798	0.0%	292.6%
Other credits	40,174	0.3%	49,656	0.3%	23.6%
	700,424	4.7%	635,493	4.0%	-9.3%
Investments	3,618	0.0%	3,657	0.0%	1.1%
Investment Property's	385,817	2.6%	430,889	2.7%	11.7%
Right of use asset	2,881,262	19.4%	2,885,337	18.2%	0.1%
Immobilized	3,733,112	25.1%	4,395,692	27.7%	17.7%
Intangible	131,473	0.9%	137,977	0.9%	4.9%
	7,135,282	48.0%	7,853,552	49.5%	10.1%
TOTAL ASSETS	14,868,389	100.0%	15,856,318	100.0%	6.6%

EXHIBIT 2 – BALANCE SHEET: LIABILITIES

R\$ (thd)	12/31/2022	VA	12/31/2023	VA	HA
Liabilities	4,589,690	30.9%	4,040,317	25.5%	-12.0%
Suppliers	1,564,582	10.5%	1,258,175	7.9%	-19.6%
Loans and financing	1,281,537	8.6%	1,413,552	8.9%	10.3%
Income tax and social contribution payable	159,219	1.1%	92,829	0.6%	-41.7%
Taxes, rates and sundry contributions	48,469	0.3%	16,197	0.1%	-66.6%
Social charges and labor legislation obligations	149,756	1.0%	135,279	0.9%	-9.7%
Advances from clients	238,942	1.6%	354,070	2.2%	48.2%
Debts with related parties	2,482	0.0%	2,539	0.0%	2.3%
Operations with derivatives	139,585	0.9%	113,012	0.7%	-19.0%
Securities payable	86,102	0.6%	53,899	0.3%	-37.4%
Provisions for tax, environm., civil and labor risks	38,257	0.3%	13,594	0.1%	-64.5%
Dividends payable	302,370	2.0%	197,404	1.2%	-34.7%
Leases payable	14,146	0.1%	16,762	0.1%	18.5%
Third party lease liability	523,573	3.5%	298,644	1.9%	-43.0%
Others accounts payables	40,670	0.3%	74,361	0.5%	82.8%
Non-current liabilities	5,382,267	36.2%	6,574,135	41.5%	22.1%
Loans and financing	2,172,734	14.6%	2,979,827	18.8%	37.1%
Deferred income tax and social contribution	443,717	3.0%	435,872	2.7%	-1.8%
Operations with derivatives	20,546	0.1%	21,864	0.1%	6.4%
Securities payable	14,276	0.1%	154,056	1.0%	979.1%
Other debits	520	0.0%	5,217	0.0%	903.3%
Third party lease liability	2,730,474	18.4%	2,977,299	18.8%	9.0%
Shareholders' equity	4,896,432	32.9%	5,241,866	33.1%	7.1%
Capital	1,512,522	10.2%	2,012,522	12.7%	33.1%
Capital reserves	168,544	1.1%	168,704	1.1%	0.1%
(-) Treasury shares	-280,170	-1.9%	-57,707	-0.4%	-79.4%
Profit reserves	1,891,460	12.7%	1,395,452	8.8%	-26.2%
Retained Earnings/Losses	0	0.0%	0	0.0%	n.m.
Other comprehensive income	1,306,441	8.8%	1,408,087	8.9%	7.8%
Non-controlling shareholders in subsidiaries	297,635	2.0%	314,808	2.0%	5.8%
TOTAL LIABILITIES	14,868,389	100.0%	15,856,319	100.0%	6.6%

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

EXHIBIT 3 – INCOME STATEMENT

(R\$ thd)	2022	2023	HA	4Q22	4Q23	HA
Net Operating Revenue	7,373,034	7,230,583	-1.9%	1,945,970	1,918,694	-1.4%
Cotton lint	2,930,972	2,189,209	-25.3%	916,576	787,137	-14.1%
Cottonseed (cottonseed + cotton seed)	402,920	349,283	-13.3%	148,345	136,974	-7.7%
Soybean (commercial + seed)	3,092,736	3,055,726	-1.2%	559,969	555,824	-0.7%
Corn	710,473	846,036	19.1%	170,702	213,091	24.8%
Cattle Herd	110,862	121,007	9.2%	34,938	51,463	47.3%
Others	130,696	61,390	-53.0%	42,363	13,955	-67.1%
Hedge revenue	(5,625)	607,932	n.m.	73,077	160,250	119.3%
Variation in the Fair Value of Biological Assets	2,216,676	1,920,465	-13.4%	376,191	(72,709)	n.m.
Variation in net realizable value of agri. products	(71,366)	(28,924)	-59.5%	(58,623)	66,720	n.m.
Cost of goods sold	(4,149,364)	(4,414,771)	6.4%	(1,240,643)	(1,173,057)	-5.4%
Cotton lint	(1,763,295)	(1,636,704)	-7.2%	(767,902)	(541,735)	-29.5%
Cottonseed (cottonseed + cotton seed)	(149,063)	(205,002)	37.5%	(58,512)	(58,640)	0.2%
Soybean (commercial + seed)	(1,461,190)	(1,634,560)	11.9%	(213,765)	(284,863)	33.3%
Corn	(543,465)	(693,868)	27.7%	(101,944)	(203,924)	100.0%
Cattle Herd	(119,413)	(143,966)	20.6%	(38,705)	(60,308)	55.8%
Others	(112,938)	(100,672)	-10.9%	(59,815)	(23,587)	-60.6%
Realization of the Fair Value of Biological Assets	(2,237,681)	(2,086,659)	-6.7%	(465,866)	(605,973)	30.1%
Gross Income	3,131,299	2,620,694	-16.3%	557,029	133,675	-76.0%
Operating expenses/income	(626,006)	(685,513)	9.5%	(223,886)	(230,741)	3.1%
Sales expenses	(379,664)	(388,859)	2.4%	(144,566)	(154,711)	7.0%
General and administrative expenses	(260,230)	(285,152)	9.6%	(68,695)	(56,240)	-18.1%
General and administrative	(175,815)	(195,892)	11.4%	(52,056)	(52,334)	0.5%
Provision for profit share program	(84,415)	(89,260)	5.7%	(16,639)	(3,906)	-76.5%
Management compensation	(24,374)	(23,608)	-3.1%	(4,903)	(4,470)	-8.8%
Other operating income (expenses)	38,262	12,106	-68.4%	(5,722)	(15,320)	167.7%
Income (loss) before financial income (loss) and taxes	2,505,293	1,935,181	-22.8%	333,143	(97,066)	n.m.
Financial income	846,817	524,182	-38.1%	125,612	128,575	2.4%
Financial expenses	(1,546,285)	(1,235,458)	-20.1%	(348,741)	(328,556)	-5.8%
Income (loss) before income tax	1,805,825	1,223,905	-32.2%	110,014	(297,046)	n.m.
Income and social contribution taxes	(469,092)	(285,925)	-39.0%	22,419	144,060	542.6%
Current	(544,401)	(320,959)	-41.0%	(158,443)	(99,206)	-37.4%
Deferred	75,309	35,034	-53.5%	180,862	243,266	34.5%
Net Income (loss) for the period	1,336,733	937,980	-29.8%	132,433	(152,986)	n.m.
Attributed to the partners of SLC Agrícola S.A.	1,267,459	895,600	-29.3%	112,071	(142,328)	n.m.
Attributed to the partners of Joint-Ventures/Partnerships	69,274	42,380	-38.8%	20,362	(10,658)	n.m.

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

EXHIBIT 4 – CASH FLOW STATEMENT

R\$ (thd)	2022	2023	HA	4Q22	4Q23	HA
Net cash from operating activities	1,991,777	1,852,819	-7.0%	809,665	927,776	14.6%
Cash generated from operations	3,073,066	2,813,813	-8.4%	617,087	710,028	15.1%
Net profit (loss) before IRPJ / CSLL	1,805,825	1,223,905	-32.2%	110,015	(297,045)	n.m.
Depreciation and amortization	177,814	219,688	23.5%	52,693	62,130	17.9%
Result on write-off of fixed assets	8,858	44,193	398.9%	1,686	(2,000)	n.m.
Interest, FX and Monetary Correction	319,329	412,180	29.1%	104,490	105,040	0.5%
Share-based compensation	15,800	18,432	16.7%	4,321	4,351	0.7%
Variation of Biological Assets	21,005	166,194	691.2%	89,678	678,682	656.8%
Net Realizable Value of Agricultural Products (NRVAP)	71,366	28,924	-59.5%	58,623	(66,720)	n.m.
Provision part. Results and labor contingencies	85,356	89,157	4.5%	16,713	4,098	-75.5%
Provision for loss of recuperable taxes	13,278	810	-93.9%	2,319	(1,235)	n.m.
Doubtful Debts Provision	-	14,389	n.m.	-	-	n.m.
Fair Value of Investment Properties	(52,549)	(59,135)	12.5%	-	-	n.m.
Realization of the adjustment of fair value of leasings	280,423	283,004	0.9%	70,219	103,609	47.6%
APV - Titles payable	-	29,795	n.m.	-	9,316	n.m.
Depreciation of Right of Use	310,743	299,542	-3.6%	102,637	88,332	-13.9%
Others	15,818	42,735	170.2%	3,693	21,470	481.4%
Changes in Assets and Liabilities	(1,081,289)	(960,994)	-11.1%	192,578	217,748	13.1%
Accounts receivable from customers	(26,876)	16,207	n.m.	39,637	(1,207)	n.m.
Stocks and biological assets	(685,879)	(119,647)	-82.6%	(276,556)	(99,996)	-63.8%
Taxes to recover	(77,563)	(16,857)	-78.3%	31,719	16,617	-47.6%
Financial investments	(63)	(368)	484.1%	(18)	(45)	150.0%
Other accounts receivable	(19,656)	(31,298)	59.2%	38,996	49,606	27.2%
Advance to suppliers	10,102	339	-96.6%	(3,541)	(2,823)	-20.3%
Suppliers	434,178	(391,392)	n.m.	447,676	597,646	33.5%
Tax and social obligations	(136,550)	(252,007)	84.6%	(10,580)	(40,817)	285.8%
Obligations with controlled companies	2,422	58	-97.6%	2,224	2,165	-2.7%
Derivative transactions	411,830	380,992	-7.5%	165,821	42,714	-74.2%
Securities payable	(8,259)	(4,221)	-48.9%	7,568	(402)	n.m.
Advances from customers	(329,101)	115,128	n.m.	(36,476)	(186,385)	411.0%
Other bills to pay	50,013	40,434	-19.2%	14,146	42,337	199.3%
Operational leasing to pay	(902)	2,616	n.m.	16,562	15,628	-5.6%
Income tax and social contribution paid	(376,330)	(274,365)	-27.1%	(1,991)	(41,329)	n.m.
Interest on loans paid	(328,655)	(426,613)	29.8%	(242,609)	(175,961)	-27.5%
Net Cash Investing Activities	(485,813)	(856,414)	76.3%	(4,071)	(203,474)	n.m.
In fixed assets	(428,320)	(515,115)	20.3%	16,658	(48,876)	n.m.
In intangible	(36,433)	(17,069)	-53.1%	(1)	(7,016)	n.m.
Receipt of Land Sales	1,643	-	-100.0%	-	-	n.m.
Receipt for Land Return	-	3,352	n.m.	-	-	n.m.
Land Purchase	-	(290,000)	n.m.	-	(110,000)	n.m.
Other Investments	(22,703)	(37,582)	65.5%	(20,728)	(37,582)	81.3%
Net Cash Before Financing Activities	1,505,964	996,405	-33.8%	805,594	724,302	-10.1%
Net Cash Financing Activities	(409,969)	(618,477)	50.9%	(894,638)	(773,411)	-13.6%
Sale and repurchase of shares	(175,533)	(193,762)	10.4%	(108,693)	(10,778)	-90.1%
Loans and financing taken	2,602,726	3,325,696	27.8%	604,998	510,541	-15.6%
Loans and financing paid	(1,676,238)	(2,358,100)	40.7%	(1,332,987)	(1,121,847)	-15.8%
Derivatives Paid/Received	(52,199)	(195,367)	274.3%	(10,230)	(103,972)	916.3%
Credit Assignment	(39,004)	-	-100.0%	-	-	n.m.
Dividends paid	(558,383)	(628,934)	12.6%	(27,669)	-	n.m.
Paid Leases	(511,338)	(568,010)	11.1%	(20,057)	(47,355)	136.1%
Increase (Decrease) in Cash and Cash Equivalents	1,095,995	377,928	-65.5%	(89,044)	(49,109)	-44.8%
Opening Balance of Cash and Cash Equivalents	139,780	1,235,775	784.1%	1,324,819	1,662,812	25.5%
Final Balance of Cash and Cash Equivalents	1,235,775	1,613,703	30.6%	1,235,775	1,613,703	30.6%
Presented Free Cash	1,505,964	996,405	-33.8%	805,594	724,302	-10.1%
Change in financial investments account ⁽¹⁾	63	323	412.7%	18	45	150.0%
Paid Leases ⁽²⁾	(511,338)	(568,010)	11.1%	(20,057)	(47,355)	136.1%
Adjusted Free Cash	994,689	428,718	-56.9%	785,555	676,992	-13.8%

(1) The variations of said account are non-cash. (2) Due to the adoption of IFRS 16, the payment of leases is now accounted in the Statement of Cash Flows under Financing Activities. However, it should be considered as operating cash disbursement. Details of payments (cotton ginning plant, crop land, leasing of buildings and machines and vehicles), see explanatory note 12 of the Financial Statement.

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