Interim Financial Information

Companhia Mineira de Açúcar e Álcool Participações

June 30, 2021
with Independent Auditor's Review Report

Companhia Mineira de Açúcar e Álcool Participações

Individual and consolidated interim financial information

June 30, 2021

Contents

MANAGEMENT REPORT | 1Q22 CROP CALENDAR YEAR

Uberaba, August 13, 2021

Dear shareholders,

Companhia Mineira de Açúcar e Álcool Participações (CMAA), a publicly-held company registered with the CVM (category B), and one of the major *players* in the ethanol, VHP sugar and bioelectricity industries in the state of Minas Gerais, presents its consolidated results for the 1Q22 – Crop calendar year (period between 4/1/2021 to 6/30/2021).

Message from Management

In a year of rising commodity prices (sugar and ethanol) and prospects for economic recovery, we remain confident in the Company's growth and its results. We are prepared for the challenges that may arise.

Usina Canápolis (Usina Canápolis) was merged into CMAA Group as of 9/30/2020, i.e., until 2Q21, CMAA only had Vale do Tijuco and Vale do Pontal mills.

Due to the coronavirus pandemic, the CMAA Group continued to prioritize the various social distancing measures adopted in the first quarter of the 21/22 cycle. Throughout the period, CMAA remained focused on the commitment to the life and safety of our people and their families, acting quickly to mitigate the adverse effects of the current scenario, while maintaining the business and activities in full operation.

Despite the coronavirus pandemic, according to data published by the Brazilian Sugarcane Industry Association (*UNICA, União da Indústria de Cana-de-Açúcar*), the mills in the Center-South area processed 45.0 million tons of sugarcane from the beginning of the cycle to the end of June 2021, or 4.4% up from the same period of the previous cycle. Of the total, 47.6% of the mix was allocated to the production of sugar and 52.4% to ethanol.

Having prioritized the production of sugar in order to meet future goals set in the previous cycle, CMAA recorded an output of 244.7 thousand tons of sugar in the 1Q22 period, 35.8% up from the same period of the previous cycle. Sugar sales grew 21.1%, totaling 137.5 thousand tons. The production of anhydrous ethanol was 16.6% lower, while hydrous ethanol showed a 75.3% increase over the same comparable period. In this context, anhydrous ethanol sales increased by 73.3%, while hydrous ethanol sales increased by 137.5% in the quarter.

In the 1Q22, the Company's net revenue was 80.0% higher than in the 1Q21, totaling R$486.7 million. Thus, the cost of goods sold in relation to net revenue was 5.5 percentage points (p.p.) lower, while operating expenses, totaling R$42.6 million in 1Q22, were 45.5% higher than the same period of the previous cycle.

For this 2020/22 cycle, we maintain our motivation and continue with our strategy of maximizing installed capacity by expanding sugarcane plantation and increasing efficiency. Amidst an extremely challenging scenario, we also focus on our people in order to ensure their integrity and ideal working conditions. Finally, we remain committed to strengthening agribusiness in the country and adding value for our shareholders and society as a whole.

1Q22 vs. 1Q21 Highlights

3,687.3 thousand tons of sugarcane were processed in the 1Q22 period, **26.2% up** from the volume processed in the same period of the previous cycle. 244.7 thousand tons of VHP sugar, 138.8 thousand m³ of ethanol and 135.4 thousand MWh of energy were produced in the cycle.

Net revenue of R$486.7 million, **80.0% up** from the R$270.3 million recorded in the 1Q21 period.

Operating Income of R$116.4 million up to 6/30/2020 for the 2021/2022 cycle, with a margin of **23.9%.**

Net revenue of R$62.2 million, **48.1%** up from the R$42.0 million recorded up to 6/30/2021 of the 2021/2022 cycle.

*Operating Income is equivalent to Income before finance income and income and social contribution taxes, as presented in the statement of income.

About the CMAA Group

Companhia Mineira de Açúcar e Álcool Participações, headquartered in Uberaba/MG, is the controlling shareholder of Vale do Tijuco Açúcar e Álcool S/A. (Vale do Tijuco), Vale do Pontal Açúcar e Etanol Ltda. (Vale do Pontal), and Canápolis Açúcar e Etanol S.A. (Canápolis).

The three units are located in the region known as Triângulo Mineiro and produce sugar, anhydrous ethanol, hydrous ethanol and energy (only for consumption at Canápolis), as well as by-products fusel oil and sugarcane bagasse.

Vale do Tijuco, which started operating in April 2010, has a milling capacity of some 5.0 million tons of sugarcane/year. The activities of Vale do Pontal started in May 2016 and the company became part of the Group in July 2018. The milling capacity in its facilities totals some 2.7 million tons of sugarcane/year. Usina Canápolis started its activities in May 2020 and became part of the CMAA Group in September 30, 2020, with a current milling capacity of 2.0 million tons of sugarcane/year.

At the end of the first quarter of the 2021/2022 cycle, the CMAA Group milled 3.7 million tons of sugarcane, and produced 244.7 thousand tons of VHP sugar, 138.8 thousand m³ of ethanol and 135.4 thousand MWH of energy.

Operating Performance

The 1Q22 processed 3,687.3 thousand tons of sugarcane, 26.2% up from the 2,921.7 thousand tons recorded for the 1Q21. The volume of processed third-party sugarcane was 13.0% higher, totaling 1,839.6 thousand tons, or 49.9% of the total processed sugarcane in the quarter. At the beginning of the 2021/22 harvest, maintaining the trend observed in the previous cycle, the Company prioritized sugar production due to future goals set in the previous cycle.

The volumes of electric energy in the table below illustrate the Company's performance with the generation and sale of its own energy.

Total Recoverable Sugar (ATR) was 128.6 kg/t in the 1Q22, 4.9% up from the 122.5 kg/t recorded in the 1Q21.

OPERATIONAL DATA	1Q22	1Q21	Var. (%)
CMAA - CONSOLIDATED			
Processed sugarcane (thousand tons)	3,687.3	2,921.7	26.2%
Own	1,847.7	1,294.3	42.8%
Third parties	1,839.6	1,627.4	13.0%
Machine harvested	100%	100%	0.0%
ATR (kg/ton of sugarcane)	128.6	122.5	4.9%
Production			
Sugar (thousand tons)	244.7	180.2	35.8%
Anhydrous Ethanol (thousand m³)	42.4	50.8	-16.6%
Hydrous Ethanol (thousand m³)	96.4	55.0	75.3%
Energy (thousand Mwh)	135.4	134.3	0.8%
Sales			
Sugar (thousand tons)	137.5	113.5	21.1%
Anhydrous Ethanol (thousand m³)	21.0	12.1	73.3%
Hydrous Ethanol (thousand m³)	88.4	37.2	137.5%
Energy (thousand Mwh)	133.0	132.0	0.7%
Inventories			
Sugar (thousand tons)	108.4	75.6	43.5%
Anhydrous Ethanol (thousand m³)	22.4	49.3	-54.6%
Hydrous Ethanol (thousand m³)	10.9	18.8	-42.0%

Sugar production in the first quarter of the 2021/22 cycle was 244.7 thousand tons, a 35.8% increase over the same period of the previous cycle. Anhydrous ethanol production totaled 42.4 thousand m³, a 16.6% decrease over the 1Q21, while the production of hydrous ethanol totaled 96.4 thousand m³, a 75.3%

increase over the same quarter of the previous cycle. Due to the future goals set in the previous cycle, CMAA prioritized the production of sugar.

In the 1Q22, bioenergy generation increased by 1% over the 1Q21, from 134.3 thousand MWh to 134.3 thousand MWh in the quarter.

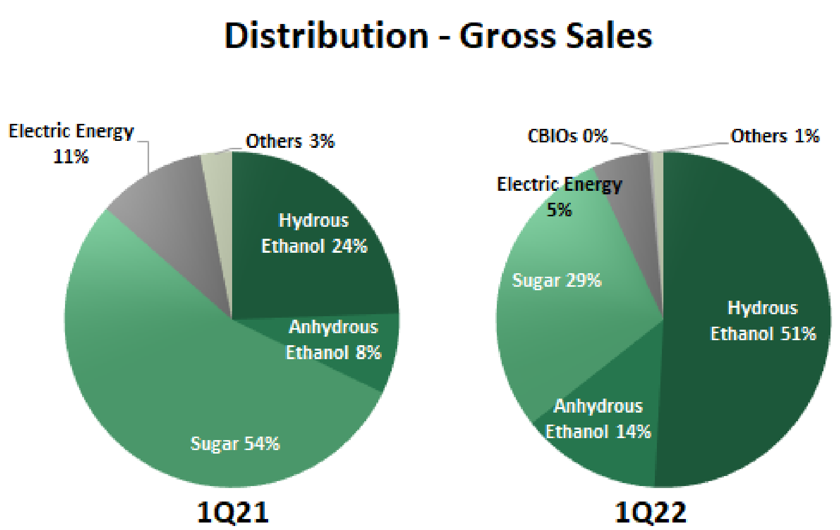
Economic and Financial Performance

IN THOUSANDS OF REAIS	1Q22	1Q21	Var. (%)
CMAA - CONSOLIDATED			
Gross revenue	538,233	285,464	88.5%
Net revenue	**486,685**	**270,310**	**80.0%**
CoGS	(327,622)	(166,965)	96.2%
CoGS margin (%)	*67.3%*	*61.8%*	*5.5 p.p.*
Gross profit	**159,063**	**103,345**	**53.9%**
Gross margin (%)	*32.7%*	*38.2%*	*-14.5 p.p.*
General and selling expenses and other	(42,645)	(29,308)	45.5%
Operating income (loss)	**116,418**	**74,037**	**57.2%**
Operating margin (%)	*23.9%*	*27.4%*	*-3.5 p.p.*
Depreciation and amortization	128,930	49,912	158.3%
Net income	**62,184**	**41,986**	**48.1%**
Net margin (%)	***12.8%***	***15.5%***	**-2.8 p.p.**

In the first quarter of the 2021/2022 cycle, CMAA recorded net income of R$62.2 million, 48.1% up from the R$42.0 million recorded in the 1Q21. The net margin was 12.8%, and 15.5% over the comparable period.

Revenue

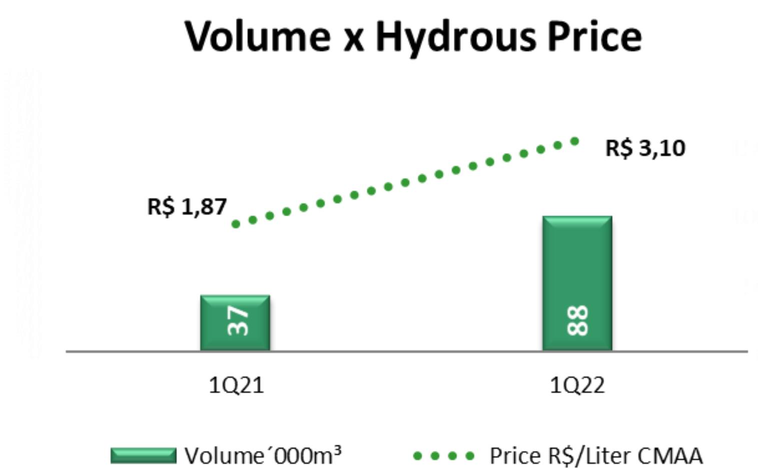
BREAKDOWN OF GROSS PROFIT	1Q22	1Q21	Var. (%)
In thousands of Reais			
Domestic market	**385,433**	**130,465**	**195.4%**
Ethanol	346,714	91,884	277.3%
Sugar	1,238	-	0.0%
Electric energy	29,715	29,859	-0.5%
CBIOs	1,852	-	0.0%
Other	5,914	8,722	-32.2%
Foreign market	**152,799**	**154,999**	**-1.4%**
Sugar - foreign market	240,833	149,829	60.7%
Hedge accounting	(88,034)	5,170	-1,933.1%
Total gross revenue	**538,233**	**285,464**	**88.5%**
Hydrous ethanol	273,791	69,726	292.7%
Anhydrous ethanol	72,923	22,158	229.1%
Sugar	154,037	154,999	-0.6%
Electric energy	29,715	29,859	-0.5%
CBIOs	1,852	-	0.0%
Other	5,915	8,722	-32.2%

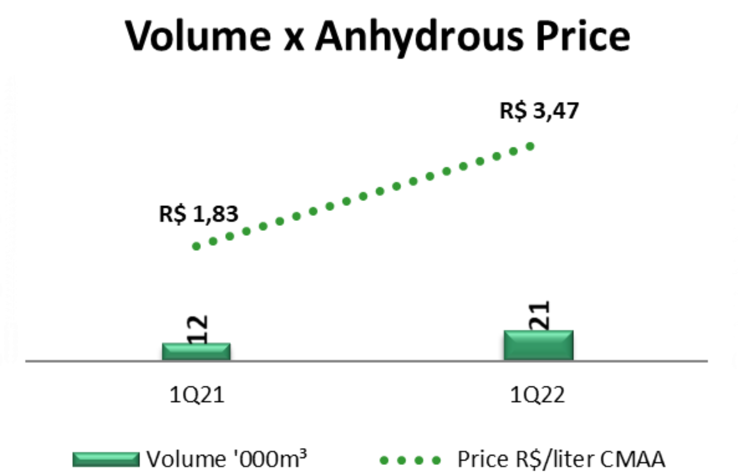


Until June 2021, the main highlight of the current cycle was the increase in the sales of hydrous and anhydrous ethanol, by 292.7% for hydrous ethanol and 229.1% for anhydrous ethanol, respectively, as compared to the same period of the previous year. Considering the same period of comparison, gross revenue from the sale of sugar decreased by approximately 5%.

Ethanol

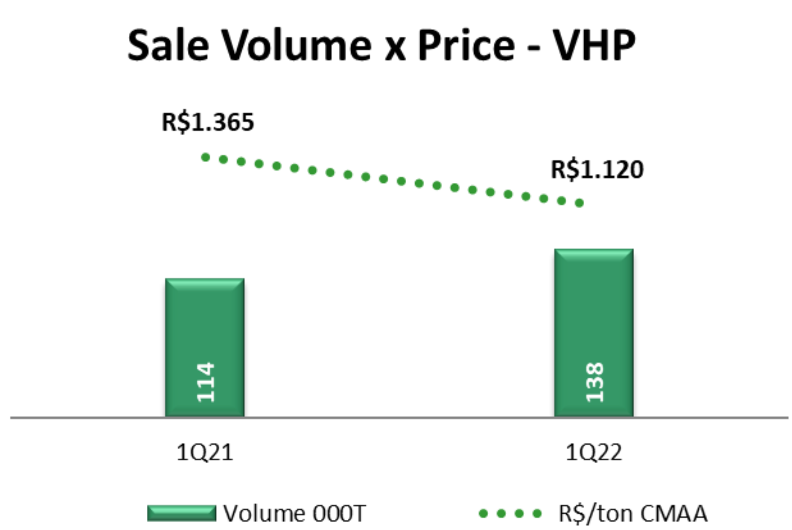
Driven by the high sugar price in the foreign market and the low supply of hydrous and anhydrous ethanol, in the 1Q22, prices increased in the period. To seize this moment, CMAA sold 88 thousand m³ of hydrous ethanol in 1Q22, which represents an increase of 137.5% compared to the same period of the previous cycle, with an average price of R$ 3.10 / liter, higher than the 2020/21 cycle of R$ 1.87 / liter. 21 thousand m³ of anhydrous ethanol were sold in the 1Q22 period, which represents a 73.3% increase over the volume sold in the previous cycle, but at a 89.9% higher price compared to the 2020/21 cycle, of R$3.47/liter.





VHP

CMAA prioritized the production of sugar in 1Q22, in order to meet the future goals set in the previous cycle. Until June 2021, 137.5 thousand tons were sold, representing an increase of 21.1% compared to the same period last year, with a price lower by 18.0%, of R$1,120 / ton. That price was impacted by the hedge accounting carried out in the period.



Cost of sales

CoGS	1Q22	1Q21	Var. (%)
In thousands of Reais			
Amortization of treatment costs	34,833	19,359	79.9%
Amortization of planting costs	28,815	11,663	147.1%
Purchase of sugarcane on conveyor	132,843	76,626	73.4%
Amortization of right of use and agricultural partnerships	13,341	8,476	57.4%
Amortization of off-season costs	12,413	9,651	28.6%
Depreciation	35,627	18,403	93.6%
Costs with harvesting/cutting, loading and transportation	56,333	36,707	53.5%
Industrial processing costs	27,247	20,156	35.2%
Costs of services rendered	4,448	1,559	185.3%
Other costs	2,139	1,332	60.6%
Changes in fair value of biological assets	(8,226)	(30,367)	-72.9%
Recovery of PIS and COFINS	(12,192)	(6,600)	84.7%
Total	327,622	166,965	96.2%
Breakdown of CoGS per good			
Sugar	134,467	112,346	19.7%
Ethanol	187,755	72,404	159.3%
Energy	4,620	4,454	3.7%
Other	780	(22,239)	-103.5%
Total CoGS	327,622	166,965	96.2%
ATR Sold ('000 Tons)	307	193	59.3%
Unit cost (CoGS Sugar and Ethanol/ATR)	1,050	959	9.5%

The cost of goods sold (CoGS) in the 1Q22 increased by 96.2% over the same period of the previous year due to the merger of Canápolis into the CMAA Group at 9/30/2020 and the increase in the volumes of sugar, ethanol and energy traded in the quarter. Comparing the unit cost of sugar/ethanol over ATR sold, there was an increase of 9.5%.

Operating expenses

Selling expenses	1Q22	1Q21	Var. (%)
In thousands of Reais			
Freight and cartage	25,924	15,897	63.1%
Tariffs arising from distribution of electric energy	2,089	1,244	67.9%
Personnel expenses	1,187	750	58.3%
Other selling expenses	1,932	1,203	60.6%
Depreciation and amortization	694	340	104.1%
Grand total	**31,826**	**19,434**	**63.8%**

Administrative expenses	1Q22	1Q21	Var. (%)
In thousands of Reais			
Personnel expenses	5,979	4,570	30.8%
Third-party services	4,392	1,866	135.4%
Other administrative expenses	2,081	1,000	108.1%
Depreciation and amortization	684	550	24.4%
Grand total	**13,136**	**7,986**	**64.5%**

Selling Expenses: the Company's selling expenses totaled R$31.8 million in the 1Q22, 63.8% up from the 1Q21, due to higher sales of VHP sugar, namely 21.1% higher than the same period of the previous cycle and due to the higher prices of fuels.

Administrative Expenses: administrative expenses increased by 64.5% in the 1Q22 compared to the same previous year quarter, mainly due to the hike in personnel expenses given the higher average number of staff in the administrative department and higher expenses on third party services, reflecting the higher expenses on consulting/advisory services and software licenses. This increase in administrative expenses in the 2021/2022 cycle is associated with the measures adopted to face the Covid-19 crisis and the adequacy of the structure in view of the growth of the CMAA Group.

Finance income (expenses) and Bank Indebtedness

Net finance income (expenses)	1Q22	1Q21	Var. (%)
In thousands of Reais			
Finance income	47,463	74,527	-36.3%
Finance expenses	(97,010)	(94,944)	2.2%
Grand total	**(49,547)**	**(20,417)**	**142.7%**

The net finance income (expenses) calculated up to 6/30/2021 was a negative R$49.6 million, 142.7% worse than the negative R$20.4 million reported in the same period of the previous year, impacted mainly by the hike in the interest rates. Finance income showed a 36.3% decrease in the 2021/2022 cycle compared to the previous year, while finance costs increased by 2.2% in the same period.

Breakdown of finance income (expenses)	1Q22
In thousands of Reais	
Interest on loans and financing	(28,493)
Gains/Losses on fair value adjustment – derivatives	(17,227)
Tax on Financial Transactions (IOF)	(2,215)
Gains (losses) on exchange differences	11,395
Other income and expenses	(2,654)
Present value adjustment of leases	(10,353)
Total	**(49,547)**

	06/30/21	03/31/21	Var. (%)
In thousands of Reais			
ACC	35,242	-	0.0%
FINAME/FINEM	172,008	151,771	13.3%
Working capital	310,064	319,509	-3.0%
CRA	750,003	742,277	1.0%
Deferred expenses	(24,157)	(24,857)	-2.8%
Total gross debt	**1,243,160**	**1,188,700**	**4.6%**
Cash and cash equivalents	352,920	526,241	-32.9%
Net debt	**890,240**	**662,459**	**34.4%**
Capital	503,892	503,892	0.0%
Processed sugarcane (thousand tons)	3,687	6,894	-46.5%
EBITDA	230,199	625,091	-63.2%
Ratio (Net debt / Capital)	**1.77**	**1.31**	**35.1%**
Ratio (Net debt / Processed sugarcane – thousand tons)	**241.4**	**96.1**	**151.3%**
Ratio (Net debt / EBITDA)	**3.87**	**1.06**	**264.9%**

The net indebtedness reached 890.2 million at 6/30/2021, 34.4% higher than that recorded at 3/31/2021. This increase is basically due to the strategy of maintaining inventories of finished products for sale during off season with better prices and investments made for the constant growth of the Company, which consequently led to the need for new funding.

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A free translation from Portuguese into English of Independent auditor's review report on quarterly information prepared in Brazilian currency in accordance with Accounting Pronouncement NBC TG 21 - Interim Financial Reporting and the international standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB)

Independent auditor's review report on quarterly information

To the Shareholders, Board of Directors and Officers of
Companhia Mineira de Açúcar e Álcool Participações
Uberaba - MG

Introduction

We have reviewed the accompanying individual and consolidated interim financial information contained in the Quarterly Information Form (ITR) of Companhia Mineira de Açúcar e Álcool Participações (the "Company") for the quarter ended June 30, 2021, comprising the statement of financial position as at June 30, 2021 and the related statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended, including explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 - Interim Financial Reporting and the international standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as for the presentation of this information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (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 the 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 was 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).

Building a better working world

Other matters

Statements of value added

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

Goiânia, August 13, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-6

Wagner dos Santos Junior
Partner – Accountant CRC-1SP-216386/O-T

Companhia Mineira de Açúcar e Álcool Participações

Statements of financial position
As of June 30 and March 31, 2021
(In thousands of Reais)

		Individual		Consolidated	
	Note	06/30/2021	03/31/2021	06/30/2021	03/31/2021
Assets					
Current assets					
Cash and cash equivalents	3	143	261	340,564	512,176
Short-term investments	4	-	-	4,973	5,168
Accounts receivable	5	-	-	84,246	66,550
Leases receivable	6	-	-	105,576	88,145
Inventories	7	-	-	215,188	51,309
Biological assets	8	-	-	184,945	188,988
Taxes recoverable	9	191	190	32,332	34,093
Advances to suppliers and other assets	10	48	89	30,493	18,128
Derivative financial instruments	20	-	-	41,695	1,047
Total current assets		**382**	**540**	**1,040,012**	**965,604**
Noncurrent assets					
Short-term investments	4	-	-	7,383	8,897
Accounts receivable	5	47,960	50,659	78,514	59,251
Leases receivable	6	-	-	216,063	228,642
Taxes recoverable	9	66	66	29,926	29,360
Advances to suppliers and other assets	10	-	-	1,272	1,283
Judicial deposits		20	50	1,635	1,696
Derivative financial instruments	20	-	-	92,958	68,535
Deferred income taxes	21	-	-	173,131	217,347
Investments	11	241,765	219,802	5,113	4,927
Property, plant and equipment	12	-	-	1,160,434	1,186,843
Intangible assets		1,360	1,298	9,524	8,729
Right of use	13	-	-	607,933	507,368
Total noncurrent assets		**291,171**	**271,875**	**2,383,886**	**2,322,878**
Total assets		**291,553**	**272,415**	**3,423,898**	**3,288,482**

	Note	Individual 06/30/2021	Individual 03/31/2021	Consolidated 06/30/2021	Consolidated 03/31/2021
Liabilities and equity					
Current liabilities					
Loans and financing	14	-	-	268,071	252,656
Suppliers and other payables	15	1,417	67	352,735	223,562
Leases and agricultural partnerships payable	16	-	-	153,606	126,172
Advance from customers	17	-	27	17,654	78,454
Derivative financial instruments	20	-	-	440,802	296,409
Provisions and labor charges		-	-	45,182	36,133
Tax obligations		6,609	6,509	18,032	20,054
Other liabilities		210	209	607	1,023
Total current liabilities		**8,236**	**6,812**	**1,296,689**	**1,034,463**
Noncurrent liabilities					
Loans and financing	14	-	-	975,089	936,044
Suppliers and other payables	15	-	-	1,851	1,748
Leases and agricultural partnerships payable	16	-	-	652,944	620,000
Advances from customers	17	-	-	117,830	157,070
Provision for legal proceedings	18	-	-	2,351	2,228
Intercompany loans	26	1,506	1,961	-	-
Derivative financial instruments	20	-	-	91,904	269,858
Other liabilities		-	-	3,429	3,429
Total noncurrent liabilities		**1,506**	**1,961**	**1,845,398**	**1,990,377**
Equity	19				
Capital stock		503,893	503,893	503,893	503,893
Capital reserve		4,164	4,164	4,164	4,164
Income reserves		111,567	111,567	111,567	111,567
Retained earnings		62,184	-	62,184	-
Equity adjustment		(399,997)	(355,982)	(399,997)	(355,982)
Total equity		**281,811**	**263,642**	**281,811**	**263,642**
Total liabilities and equity		**291,553**	**272,415**	**3,423,898**	**3,288,482**

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of income
Three-month period ended June 30, 2021 and 2020
(In thousands of Reais, except for earnings per share - in reais)

		Individual		Consolidated	
	Note	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Net revenue	22	-	-	486,685	270,310
Cost of sales and services	23	-	-	(327,622)	(166,965)
Gross profit		**-**	**-**	**159,063**	**103,345**
Selling expenses	23	-	-	(31,826)	(19,434)
Administrative expenses	23	(316)	(213)	(13,136)	(7,986)
Other operating income (expenses), net		(3,465)	-	2,132	(1,884)
Equity pick-up	11	65,977	42,227	185	(4)
		62,196	**42,014**	**(42,645)**	**(29,308)**
Income before finance Income (expenses) and income taxes		**62,196**	**42,014**	**116,418**	**74,037**
Finance expenses	24	(12)	(29)	(97,010)	(94,944)
Finance income	24	-	1	47,463	74,527
Finance income (expenses)		**(12)**	**(28)**	**(49,547)**	**(20,417)**
Income before income taxes		**62,184**	**41,986**	**66,871**	**53,620**
Current income taxes	21	-	-	1,900	(2,790)
Deferred income taxes	21	-	-	(6,587)	(8,844)
		-	-	(4,687)	(11,634)
Net income for the period		**62,184**	**41,986**	**62,184**	**41,986**
Basic and diluted earnings per share (in reais)	25	0.0494	0.0395	0.0494	0.0395

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of comprehensive income
Three-month period ended June 30, 2021 and June 30, 2020
(In thousands of Reais)

	Individual		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Net income for the period	**62,184**	**41,986**	**62,184**	**41,986**
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Net losses on cash flow hedge - effective	-	-	(117,055)	-
Net gain (loss) on cash flow hedge - future	-	-	110,669	(146,018)
Tax effects on future hedge losses	-	-	(37,629)	49,646
Equity pickup arising from effects on subsidiaries	(44,015)	(96,372)	-	-
Total comprehensive income	**18,169**	**(54,386)**	**18,169**	**(54,386)**

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of changes in equity
Three-month period ended June 30, 2021 and 2020
(In thousands of Reais)

			Income reserve				
	Capital stock	**Capital reserve**	**Legal reserve**	**Tax incentive reserve**	**Equity adjustment**	**Retained earnings (accumulated losses)**	**Total equity**
Balance at April 1, 2020	**379,239**	**4,164**	**-**	**-**	**(46,868)**	**(10,571)**	**325,964**
Net losses on cash flow hedge	-	-	-	-	(96,372)	-	(96,372)
Net income for the period	-	-	-	-	-	41,986	41,986
Balance at June 30, 2020	**379,239**	**4,164**	**-**	**-**	**(143,240)**	**31,415**	**271,578**
Balance at April 1, 2021	**503,893**	**4,164**	**8,808**	**102,759**	**(355,982)**	**-**	**263,642**
Net losses on cash flow hedge	-	-	-	-	(44,015)	-	(44,015)
Net income for the period	-	-	-	-	-	62,184	62,184
Balance at June 30, 2021	**503,893**	**4,164**	**8,808**	**102,759**	**(399,997)**	**62,184**	**281,811**

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of cash flows
Three-month period ended June 30, 2021 and 2020
(In thousands of Reais)

	Individual		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Cash flow from operating activities				
Income before income taxes	62,184	41,986	66,871	53,620
Adjustments to reconcile profit or loss:				
Interest on lease	-	-	10,352	4,632
Changes in fair value of biological assets	-	-	(8,226)	(30,367)
Depreciation and amortization	-	-	126,407	68,442
Equity pick-up	(65,997)	(42,227)	(185)	4
Proceeds from disposal of property, plant and equipment	-	-	(5)	6
Interest on loans and financing	-	-	28,493	12,886
Interest - related parties	-	-	(2,040)	1,235
Exchange differences and monetary adjustment	-	-	(3,476)	4,794
Unrealized gains on derivative financial instruments	-	-	12,041	(6,729)
Allowance for expected losses	-	-	6	-
Reversal of allowance for inventory obsolescence	-	-	(235)	(1,601)
Provision for losses of goods in transit	-	-	1,950	-
Provision for legal proceedings	-	-	164	239
Exchange differences and monetary adjustment	-	-	(976)	-
Exchange differences and interest on advances from customers	-	-	(17,749)	-
Other	20	-	-	-
	(3,793)	**(241)**	**213,392**	**107,161**
Decrease (increase) in accounts receivable	-	(1)	(13,918)	(59,240)
Decrease (increase) in inventories	-	-	(110,359)	(98,533)
Decrease (increase) in taxes recoverable	(1)	-	1,194	(4,557)
Decrease (increase) in advances to suppliers and other assets	41	-	(12,354)	6,553
(Decrease) increase in suppliers and other payables	-	(71)	120,941	20,185
(Decrease) increase in provisions and labor charges	-	-	9,049	12,318
(Decrease) increase in tax obligations	100	7	584	7,740
(Decrease) increase in advances from customers	(27)	-	(82,291)	12,782
(Decrease) increase in derivative financial instruments	-	-	(117,055)	-
Other assets and other liabilities	30	-	(356)	352
Payment of legal claims	-	-	(42)	(212)
Payment of income taxes	-	-	(706)	(4,179)
Cash from (used in) operating activities	**(3,650)**	**(306)**	**8,079**	**370**
Cash flows from investing activities				
(Investment in)/redemption of restricted short-term investments	-	-	1,709	(47)
Formation of biological assets	-	-	(36,415)	(21,939)
Proceeds from disposal of property, plant and equipment	-	-	222	9
Acquisition of property, plant and equipment	-	-	(81,639)	(73,810)
Acquisition of intangible assets	(62)	-	(795)	(109)
Intercompany loans received (granted)	-	227	-	(53,956)
Cash from (used in) investing activities	**(62)**	**227**	**(116,918)**	**(149,852)**
Cash flows from financing activities				
Loans and financing taken out	-	-	113,731	23,560
Repayment of principal of loans and financing	-	-	(60,993)	(59,716)
Payment of exchange differences and interest on loans and financing	-	-	(23,295)	(19,178)
Intercompany loans (paid)/taken out	3,594	-	(11,696)	(11,062)
Payment of leases and agricultural partnerships, net of receipts	-	-	(80,520)	(35,013)
Cash from (used in) financing activities	**3,594**	-	**(62,773)**	**(101,409)**
Net decrease in cash and cash equivalents	**(118)**	(79)	**(171,612)**	**(250,891)**
Cash and cash equivalents at beginning of period	261	93	512,176	453,310
Cash and cash equivalents at end of period	143	14	340,564	202,419

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of value added
Three-month period ended June 30, 2021 and 2020
(In thousands of Reais)

	Individual		Consolidated	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Revenues				
Sales of goods, products and services	**-**	-	**538,233**	284,064
Other revenues	**87**	-	**7,487**	1,310
	87	-	**545,720**	285,374
Inputs acquired from third parties				
Cost of goods and products sold, and services rendered	**-**	-	**(142,492)**	(47,421)
Materials, electricity, third-party services and others	**(313)**	-	**(10,722)**	(22,565)
Other	**(3,572)**	(196)	**(10,988)**	(4,134)
	(3,885)	(196)	**(164,202)**	(74,120)
Gross value added	**(3,798)**	(196)	**381,518**	211,254
Depreciation and amortization	**-**	-	**(126,407)**	(68,442)
Net value added produced by the Company	**(3,798)**	(196)	**255,111**	142,812
Value added received in transfer				
Equity pick-up	**65,997**	42,227	**185**	(4)
Finance income	**-**	1	**47,463**	74,527
Total value added to be distributed	**62,199**	42,032	**302,759**	217,335
Personnel	**-**	-	**59,527**	43,350
Direct compensation	**-**	-	**39,929**	28,456
Benefits	**-**	-	**16,676**	12,905
Unemployment Compensation Fund (FGTS)	**-**	-	**2,922**	1,989
Taxes, charges and contributions	**3**	35	**45,244**	15,348
Federal	**-**	18	**25,646**	13,379
State	**3**	4	**16,644**	(128)
Other taxes	**-**	13	**2,954**	2,097
Debt remuneration	**12**	11	**135,804**	116,651
Interest on loans and financing	**-**	1	**28,493**	12,886
Foreign exchange losses and derivative expenses	**-**	-	**41,381**	67,847
Rents	**-**	-	**40,965**	22,373
Other	**12**	10	**24,965**	13,545
Equity remuneration	**62,184**	41,986	**62,184**	41,986
Net income for the period	**62,184**	41,986	**62,184**	41,986
Value added distributed	**62,199**	42,032	**302,759**	217,335

See accompanying notes.

1. Operations

Companhia Mineira de Açúcar e Álcool Participações ("Company," "Group," or "CMAA Group"), located at Rodovia BR 050 (KM 116) - Rural Area of the city of Uberaba, Minas Gerais State, is a joint-stock corporation engaged in holding interests in other entities engaged in the production, sale and export of sugar, ethanol, energy, CBIOs and other sugarcane processing by-products. On March 4, 2009, the Company was registered as a category B publicly held company through Circular Letter CVM/SEP/RIC No. 001/2009 for trading of common shares in the over-the-counter market.

The Company is jointly controlled through a shareholder agreement between Ifar Brazil Pte Ltd., JF Investimentos S.A, Marseille Fundo de Investimentos em Participações, Ápia SP Participações S.A. and Rio Grande Investment PTE. LTD.

The Company is the Parent of the following entities:

- Vale do Tijuco Açúcar e Álcool S.A. ("Vale do Tijuco")
- Vale do Pontal Açúcar e Etanol Ltda. ("Vale do Pontal")
- Canápolis Açúcar e Etanol S.A. ("Usina Canápolis")

Subsidiary Vale do Tijuco Açúcar started up on April 12, 2010. Its manufacturing unit has a milling capacity of approximately 5 million tons of sugarcane per annum, producing sugar, anhydrous ethanol, hydrous ethanol and energy, as well as fusel oil and sugarcane bagasse by-products.

Subsidiary Vale do Pontal is a privately held company whose operations started on July 1, 2006. It became a subsidiary of the CMAA Group on July 1, 2018. Its manufacturing unit has a milling capacity of approximately 2.7 million tons of sugarcane per year, producing sugar, anhydrous ethanol, hydrous ethanol and energy, as well as fusel oil and sugarcane bagasse by-products.

Subsidiary Usina Canápolis started its milling operations on May 15, 2020, and became part of the CMAA Group after a corporate reorganization process completed on September 30, 2020. Its manufacturing unit has a milling capacity of approximately 2 million tons of sugarcane per annum, producing sugar, anhydrous ethanol, hydrous ethanol and energy, as well as fusel oil and sugarcane bagasse by-products.

CBIOS (carbon credits) - RenovaBio

As of June 30, 2021, the Company did not have CBIOS (carbon credits) issued and not traded; however, for the period ended June 30, 2021, 105,318 CBIOS were traded and classified in net revenue. These certificates are mainly traded, after registration, with fuel distributors, which have acquisition targets established by RenovaBio.

RenovaBio is the National Biofuels Policy established by Law No. 13576/2017, with the main purpose of establishing annual national decarbonization targets for the fuel sector, in order to encourage increased production and share of biofuels in the transportation energy matrix of the country.

Working capital

At June 30, 2021, the Company recorded a consolidated negative working capital of R$256,677. The main impact arises from the amount recorded in Current Liabilities, referring to Derivative Financial Instruments in the amount of R$440,802, which were used to set the sale price of VHP sugar to be produced and sold in the 21/22 cycle. Due to the evolution of the current cycle, with production and billing associated with the recognition of revenue from VHP sugar, the Company's Current Assets will increase and, consequently, it will be possible to cover all associated liabilities.

Effects of COVID-19

On March 11, 2020, the World Health Organization (WHO) declared the COVID-19 outbreak to be a pandemic. The outbreak triggered significant decisions by governments and private entities, which added to the potential impact of the pandemic, increasing the level of uncertainty among business players, and potentially generating impacts on the interim financial information. Aware of its responsibility with the health and safety of its employees, partners, customers, as well as the community, due to the spread of COVID-19, the Company took a series of preventive actions from March 23, 2020.

Significant measures adopted were:

- Distribution of face mask kits made of fabric in accordance with the Ministry of Health's recommendations to all Company employees. When given the kit, each employee receives guidance on how to use and clean them;
- Mandatory recommendation for and inspection of face mask use, both when commuting and at work;
- Testing the body temperature of all employees, third parties and visitors at all entrances to the company, as well as before taking public transportation;

- Provision of dispensers with 70% rubbing alcohol or gel-based hand sanitizers in all areas of the Company;
- Implementation of a periodic communication plan, with the disclosure of significant information relating to preventive aspects and the management of COVID-19 infections, through posters, email marketing, videos posted via WhatsApp, radio insertions and strengthening the DDS (Daily Safety Dialogue);
- More passenger transportation vans to reduce the number of employees in the same vehicle;
- Increase in cleaning teams in order to increase the frequency of cleaning, especially in high-contact spots and places;
- Increased cleaning routines in common use areas, such as breakrooms, restaurants, changing rooms, HR, administration and clinic, and surface areas have been disinfected in shorter intervals. All areas receive sanitizers and/or disinfectants on a daily basis;
- Reduced occupancy of operational and administrative areas, with employees keeping a distance during their working hours. Communal areas, such as the Main Entrance and the Restaurant, have had the floor and tables marked to show the adequate distance;
- Better ventilation in closed areas, where doors and windows have remained open, despite the use of air conditioning, thus favoring ventilation and air renewal;
- Resizing the restaurant to keep the distance between people, by reducing the number of chairs per table, establishing turns and delimiting the distance between employees. The floor and tables have been marked to show the adequate distance between people;
- All meetings or training sessions have been held preferably using alternative communication means, such as videocalls. When in-person meetings are required, the distance between attendees have been observed and the occupancy of the rooms is limited.
- Employees’ breakrooms have been reorganized in order to limit the number of employees and ensure distancing;
- All employees showing flu-like symptoms are put on leave from work and referred for an RT-PCR or COVID-Ag diagnostic test (both nasal swabs), remaining on leave until they receive the result and the doctor’s opinion on their case;

- Active and passive identification of contacts of confirmed cases, with analysis and categorization of the type of contact to determine the need for preventive leave from work and for a diagnostic test of individuals considered to be close contacts of confirmed cases;
- Daily telemonitoring of confirmed COVID cases by the occupational health team, in order to provide informational assistance and minimize the risk of complications;
- Earlier introduction of the H1N1 vaccination campaign, with the advance purchase of quadrivalent vaccine doses.

Additionally, the Company has been monitoring the effects on its business and on the evaluation of the main critical accounting estimates and judgments, as well as other balances that may potentially bring uncertainties to and impacts on the interim financial information. The most significant evaluations and the main effects of the COVID-19 pandemic on operating results are:

i) Going concern: the Company's interim financial information was prepared and is being disclosed based on the going concern assumption.

ii) Expected credit losses: impairment losses associated with credit risk on financial assets are calculated based on future expected losses, considering each customer individually. Given that the Company mostly operates with large trading companies and prepayments, mainly for ethanol sales, there was no recognition of COVID-19-related material losses.

iii) Impairment of nonfinancial assets: the Company assessed indications of impairment losses on non-financial assets and concluded that the value in use of its cash-generating unit continues to be significantly higher than its book value.

iv) Impairment of inventories: the Company uses the estimated selling price in the ordinary course of business, net of selling expenses, as an assumption of the net realizable value. Thus, according to the price curve in Brazil, which throughout the period has been impacted by the fluctuation in consumption in view of social distancing measures, there was no expected credit losses on inventories as at June 30, 2021.

v) Leases and agricultural partnerships: there were no changes in the amounts previously recorded as right-of-use assets or lease liabilities and agricultural partnerships as a result of contractual amendment as a consequence of COVID-19.

vi) Capital investments: the Company adopted an investment strategy to expand the Group's storage capacity, thus managing to ensure the regular operation of the industrial plants, and to reduce the impact on prices during the pandemic.

vii) Futures contracts: the Company fixed the production of VHP Sugar at good prices for virtually the entire 21/22 cycle, and approximately 30% of the total volume of ethanol.

Based on the foregoing, the Company believes that there are no additional considerations to be made in connection with the individual and consolidated interim financial information at June 30, 2021.

2. Presentation of interim financial information and significant accounting policies

2.1 Basis of preparation

The individual interim financial information has been prepared in accordance with Accounting Pronouncement CPC 21 - Interim Financial Reporting, while the consolidated interim financial information has been prepared in accordance with CPC 21 (R1) - Interim Financial Reporting and with International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and is presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR).

This individual and consolidated interim financial information has been prepared based on the basis of preparation and accounting policies consistent with those adopted in preparing the annual individual and consolidated financial statements as at March 31, 2021, authorized and issued by management on June 24, 2021, and should be read together with the referred to annual financial statements. The explanatory note information that did not suffer material changes compared with that contained in the financial statements as at March 31, 2021 is not fully disclosed in this interim financial information. However, selected information was included to explain significant events and transactions occurred in order to enable the understanding of changes in the Company's financial position and performance since the publication of the annual financial statements at March 31, 2021.

In preparing this interim financial information, management used judgments, estimates and assumptions that affect the application of the Group's accounting practices and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates. Estimates and assumptions are reviewed on an ongoing basis and had no significant changes upon preparing this interim financial information in relation to the annual financial statements as at March 31, 2021.

(In thousands of Brazilian reais, unless otherwise stated)

The presentation of the Statement of Value Added (SVA) is required by the Brazilian Corporation Law and by accounting practices adopted in Brazil applicable to publicly held companies. The IFRS do not require SVA presentation. As a result, under the IFRS, this statement is presented as supplementary information, without detriment to the set of quarterly information. Management authorized the issue of this interim financial information on August 13, 2021.

2.2 Basis of consolidation

The consolidated interim financial information for the period ended June 30, 2021 comprises the Company and its subsidiaries (collectively referred to as the "Group"), listed below:

		Percentage of interest	
Subsidiaries	**Country**	**06/30/2021**	**03/31/2021**
Vale do Tijuco Açúcar e Álcool S.A. ("Vale do Tijuco")	Brazil	**100%**	100%
Vale do Pontal Açúcar e Álcool Ltda. ("Vale do Pontal")	Brazil	**100%**	100%
Canápolis Açúcar e Etanol S.A. ("Usina Canápolis")	Brazil	**100%**	100%

3. Cash and cash equivalents

	Individual		Consolidated	
	06/30/2021	**03/31/2021**	**06/30/2021**	**03/31/2021**
Cash and banks	142	261	39,841	39,736
Cash equivalents	1	-	300,723	472,440
Total	**143**	**261**	**340,564**	**512,176**

Short-term investments classified as cash equivalents are readily convertible into a known cash amount and subject to an insignificant risk of change in value.

At June 30, 2021, these investments refer to Bank Deposit Certificates (CDB), which are deposited in top-tier banks, whose remuneration rate ranges from 95% to 110% (95% to 110% in March 2021) of the Interbank Deposit Certificate (CDI) variation. These investments have no maturity date and may be redeemed to meet the immediate cash needs of the Company and its subsidiaries.

Information on the Group's exposure to market, credit and fair value measurement risks related to cash and cash equivalents is included in Note 20.

(In thousands of Brazilian reais, unless otherwise stated)

4. Short-term investments

	Consolidated	
	06/30/2021	03/31/2021
Short-term investments	12,356	14,065
Total	**12,356**	**14,065**
Current assets	4,973	5,168
Noncurrent assets	7,383	8,897

The Company and its subsidiaries maintain short-term investments at June 30, 2021, which refer to balances restricted to financing transactions, bearing interest that ranges from 95% to 100% (95% to 100% in March 2021) of the Interbank Deposit Certificate Interbank (CDI) variation.

Information on the Group's exposure to market, credit and fair value measurement risks related to restricted short-term investments is included in Note 20.

5. Accounts receivable and other receivables

	Individual		Consolidated	
	06/30/2021	03/31/2021	06/30/2021	03/31/2021
From sales of ethanol	**-**	-	**12,784**	6,484
From sales of energy	**-**	-	**19,489**	11,131
From sales of sugar	**-**	-	**36,201**	34,402
From sales of sugarcane	**-**	-	**1,735**	731
Other (a)	**-**	-	**14,970**	15,886
Accounts receivable	**-**	-	**85,179**	68,634
Receivables from related parties (Note 26)	**47,960**	50,659	**58,788**	38,757
Other (b)	**-**	-	**18,793**	18,410
Other receivables	**47,960**	50,659	**77,581**	57,167
Total	**47,960**	50,659	**162,760**	125,801
Current assets	**-**	-	**84,246**	66,550
Noncurrent assets	**47,960**	50,659	**78,514**	59,251

(a) Refers mainly to accounts receivable in the amount of R$7,789, arising from the provision of planting and treatment services for plant-cane with BP Bioenergia, with final maturity in December 2023.
(b) This mainly refers to accounts receivable for the sale of Bacuri Agrícola Ltda. On November 27, 2017, Bacuri Agrícola Ltda. was sold by its parent JFLIM Participações S.A., which transferred the receivables from the referred to transaction to Vale do Pontal for settlement of loans between the parties. This amount is annually adjusted by reference to the Extended Consumer Price Index (IPCA) until its final maturity in 2026.

(In thousands of Brazilian reais, unless otherwise stated)

Information on the Group's exposure to credit, market and fair value measurement risks, as well as impairment losses related to accounts receivable and other receivables is disclosed in Note 20.

6. Leases receivable

	Consolidated	
	06/30/2021	**03/31/2021**
Leases	321,639	316,787
Total	**321,639**	**316,787**
Current assets	105,576	88,145
Noncurrent assets	216,063	228,642

The changes in leases receivable are shown below:

	Consolidated	
	06/30/2021	**06/30/2020**
Balance at beginning of year	316,787	**196,834**
Additions of new lease agreements	32,032	14,558
Interest	5,568	3,985
Remeasurement	598	(760)
Receipts	(16,610)	(64,098)
Write-off due to termination of/amendments to contracts	(16,736)	(6,821)
Balance at end of period	**321,639**	**143,698**

The aging list of long-term contracts is as follows:

Maturity	**Consolidated**
07/01/2022 to 06/30/2023	44,018
07/01/2023 to 06/30/2024	36,695
07/01/2024 to 06/30/2025	30,310
07/01/2025 to 06/30/2026	25,232
07/01/2026 to 06/30/2027	19,719
07/01/2027 to 06/30/2028	13,612
07/01/2028 to 06/30/2029	11,115
07/01/2029 to 06/30/2030	9,188
07/01/2030 to 06/30/2031	7,671
07/01/2031 onwards	18,503
	216,063

(In thousands of Brazilian reais, unless otherwise stated)

7. Inventories

	Consolidated	
	06/30/2021	**03/31/2021**
Finished product		
VHP sugar	123,119	1,429
Anhydrous ethanol	42,651	4,680
Hydrous ethanol	15,487	2,152
Storeroom		
Storeroom - sundry (a)	38,538	46,025
Allowance for obsolescence	(2,742)	(2,977)
Inventories held by third parties	85	-
Provision for losses of goods in transit fand retentions (b)	(1,950)	-
Total	**215,188**	**51,309**

(a) The most significant storeroom amounts refer to consumer goods and inventory of agricultural inputs and pesticides to be used in the planting areas.

(b) (b) Provisions for losses of goods in transit and customs retentions at the port of VHP are recorded based on a percentage of 0.85% of the total volume transported from the plants to the port, and correspond to 0.25% retention at the port and 0.60% average losses during road and rail transportation. At the end of the cycle, the provision is reversed, and the effective loss is determined.

<u>Changes in allowance for obsolescence</u>

The Company records an allowance for storeroom items that have not been moved for more than 365 days. Changes in the allowance for obsolescence:

	Consolidated	
	06/30/2021	**03/31/2021**
Opening balance	**(2,977)**	**(5,815)**
Additions	-	(1,138)
Reversals	235	3,976
Total	**(2,742)**	**(2,977)**

(In thousands of Brazilian reais, unless otherwise stated)

8. Biological assets

Changes in biological assets (sugarcane) are as follows:

	Consolidated	
	06/30/2021	**06/30/2020**
Historical cost	113,188	80,050
Fair value	75,800	29,826
Opening balance of biological assets	**188,988**	**109,876**
Additions - sugarcane treatments	37,294	21,939
Absorption of harvested sugarcane costs	(49,563)	(35,984)
Fair value net of estimated selling expenses	8,226	30,367
Closing balance of biological assets	**184,945**	**126,198**
Historical cost	100,919	66,005
Fair value	84,026	60,193
Total	**184,945**	**126,198**

Sugarcane ratoon crops

Planted areas consider only sugarcane crops and not the land where such crops are located. The following assumptions were used to determine fair value using the discounted cash flow method:

	Consolidated	
	06/30/2021	**03/31/2021**
Estimated harvest area (hectare)	49,722	47,402
Projected production (ton of sugarcane per hectare)	81.06	88.33
Total Recoverable Sugar - ATR (kg)	136	136
Price of ATR per kilo (R$)	0.97	0.87

The discount rate used in the cash flow for each period, denominated "Weighted Average Cost of Capital", corresponded to 6.91% p.a. (5.85% at March 31, 2021), which was reviewed and approved by Company management. The Group is exposed to a number of risks related to its plantations:

Regulatory and environmental risks

The Group is subject to laws and regulations and established environmental policies and procedures focused on compliance with environmental and other laws. Management conducts regular analysis to identify environmental risks and ensure that systems in place are adequate to manage those risks.

(In thousands of Brazilian reais, unless otherwise stated)

Supply and demand risks

The Group is exposed to risks arising from fluctuation in prices and volume of sales of its plantations. Whenever possible, the Group manages this risk by aligning its extraction volume with market supply and demand. Management conducts regular reviews of the industry trend to ensure that the Group's price structure is in line with the market and that projected extraction volumes are consistent with expected demand.

Climate risks and other

The Group's plantations are exposed to the risks of damage caused by climate change, diseases, forest fires and other natural forces. The Group has extensive procedures in place to monitor and reduce these risks, including regular inspections of the sugarcane plantation health and analysis of industrial diseases and pests. The Group also takes out insurance against natural disasters.

9. Taxes recoverable

	Individual		Consolidated	
	06/30/2021	**03/31/2021**	**06/30/2021**	**03/31/2021**
COFINS recoverable	-	-	20,455	25,733
ICMS recoverable – property, plant and equipment	-	-	17,519	17,920
IRPJ and CSLL recoverable	-	-	9,653	6,894
PIS recoverable	-	-	5,436	6,407
IRRF on short-term investments	166	166	5,139	4,854
ICMS recoverable	-	-	3,559	943
Other taxes recoverable	91	90	497	702
Total	**257**	**256**	**62,258**	**63,453**
Current assets	191	190	32,332	34,093
Noncurrent assets	66	66	29,926	29,360

PIS and COFINS

This balance comprises credits arising from PIS and COFINS non-cumulative payment, referring to the acquisitions of parts and pieces used in the maintenance of manufacturing facilities and agricultural fleet, maintenance services of manufacturing and agricultural facilities, freight and warehousing in sales transactions, electric power and other credits on acquisitions of machinery and equipment, and buildings and constructions intended for production. These credits may be offset against other federal taxes and are not time-barred by statutes.

(In thousands of Brazilian reais, unless otherwise stated)

<u>ICMS – acquisition of property, plant and equipment</u>

This balance basically comprises credits determined on acquisitions of property, plant and equipment items, which are being realized at the ratio of 1/48, and may be offset against taxes of the same nature.

<u>ICMS recoverable</u>

This balance mainly refers to the matching credit calculated on Company sales, replacing the tax credit on receiving transactions.

<u>Withholding Income Tax (IRRF)</u>

This refers to Withholding Income Tax (IRRF) on short-term investments and prepaid income taxes, which may be offset against federal taxes payable.

10. Advances to suppliers and other assets

	Individual		Consolidated	
	06/30/2021	**03/31/2021**	**06/30/2021**	**03/31/2021**
Advances to sugarcane suppliers	**-**	-	**15,268**	13,336
Advances to local suppliers	**48**	89	**11,987**	5,211
Insurance to be appropriated	**-**	-	**4,477**	864
Other	**-**	-	**33**	-
Total	**48**	89	**31,765**	19,411
Current assets	**48**	89	**30,493**	18,128
Noncurrent assets	**-**	-	**1,272**	1,283

11. Investments

<u>Balance breakdown</u>

	Individual	
	06/30/2021	**03/31/2021**
Investments measured by the equity method		
Vale do Tijuco Açúcar e Álcool S.A.	195,796	150,782
Vale do Pontal Açúcar e Etanol Ltda.	35,226	60,459
Canápolis Açúcar e Etanol S.A.	10,741	8,559
Total	**241,763**	**219,800**
Other investments measured at cost		
Other investments measured at cost	2	2
Total	**2**	**2**
	241,765	**219,802**

(In thousands of Brazilian reais, unless otherwise stated)

	Consolidated	
	06/30/2021	03/31/2021
Investments measured by the equity method		
CZ Energy Comercializadora de Etanol S.A.	5,056	4,871
Total	**5,056**	**4,871**
Other investments measured at cost		
Other investments measured at cost	57	56
Total	**57**	**56**
	5,113	**4,927**

Changes in investments in subsidiaries

	Individual	
	06/30/2021	06/30/2020
Investment opening balance	219,802	284,369
Equity adjustments from subsidiaries	(44,014)	(96,373)
Equity pick-up	65,977	42,227
Total	**241,765**	**230,223**

	Consolidated	
	06/30/2021	06/30/2020
Investment opening balance	**4,927**	2,541
Equity pick-up	185	(4)
Acquisition of other investments	1	-
Investment closing balance	**5,113**	**2,537**

(In thousands of Brazilian reais, unless otherwise stated)

Information on investees - Individual

									Period ended June 30, 2021			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Total liabilities	Equity	Revenues	Expenses	Net income (loss)	Equity pick-up
June 30, 2021												
Vale do Tijuco Açúcar e Álcool S.A.	100.00%	721,580	1,481,922	2,203,502	868,427	1,139,279	2,007,706	195,796	334,252	(268,833)	65,419	65,419
Vale do Pontal Açúcar e Etanol Ltda	100.00%	208,450	581,163	789,613	293,228	461,159	754,387	35,226	130,721	(127,679)	3,042	3,042
Canápolis Açúcar e Etanol S.A.	100.00%	109,600	510,642	620,242	126,800	482,701	609,501	10,741	69,359	(71,843)	(2,484)	(2,484)
		1,039,630	**2,573,727**	**3,613,357**	**1,288,455**	**2,083,139**	**3,371,594**	**241,763**	**534,332**	**(468,355)**	**65,977**	**65,977**

									Period ended June 30, 2020			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Total liabilities	Equity	Revenues	Expenses	Net income	Equity Pick-up
March 31, 2021												
Vale do Tijuco Açúcar e Álcool S.A.	100.00%	747,475	1,441,631	2,189,106	740,282	1,298,042	2,038,324	150,782	291,770	(257,746)	34,024	34,024
Vale do Pontal Açúcar e Etanol Ltda	100.00%	139,525	589,490	729,015	186,490	482,066	668,556	60,459	97,187	(88,984)	8,203	8,203
Canápolis Açúcar e Etanol S.A. *(a)*	100.00%	78,065	454,526	532,591	115,127	408,905	524,032	8,559	-	-	-	-
		965,065	**2,485,647**	**3,450,712**	**1,041,899**	**2,189,013**	**3,230,912**	**219,800**	**388,957**	**(346,730)**	**42,227**	**42,227**

(a) Canápolis Açúcar e Etanol S.A. became a Company subsidiary at September 30, 2020, and is not entitled to the profit or loss of Usina Canápolis for the period ended June 30, 2020.

(In thousands of Brazilian reais, unless otherwise stated)

Information on investees - Consolidated

	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Total liabilities	Equity	Revenues	Expenses	Net income	Equity pick-up
											Period ended June 30, 2021	
June 30, 2021												
CZ Energy S.A.	**51.00%**	27,053	177	27,230	17,316	-	17,316	9,914	69,505	(69,143)	362	185
		27,053	**177**	**27,230**	**17,316**	**-**	**17,316**	**9,914**	**69,505**	**(69,143)**	**362**	**185**

	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Total liabilities	Equity	Revenues	Expenses	Net income (loss)	Equity pick-up
												Period ended June 30, 2020
March 31, 2021												
CZ Energy S.A.	**51.00%**	93,177	-	93,177	83,625	-	83,625	9,552	165	(177)	(12)	(4)
		93,177	**-**	**93,177**	**83,625**	**-**	**83,625**	**9,552**	**165**	**(177)**	**(12)**	**(4)**

(In thousands of Brazilian reais, unless otherwise stated)

12. Property, plant and equipment

Consolidated - cost	Industrial equipment	Constructions and buildings	Paving	Vehicles	Agricultural equipment	Land	Machinery, equipment and tools	Furniture and fixtures	Computers and peripherals	Construction in progress	Expenses with off-season maintenance	Crop in formation	Other	Total
Balance at March 31, 2020	482,251	138,313	38,626	21,522	75,356	16,677	71,796	2,800	6,387	43,890	291,156	527,007	7,572	1,723,353
Additions	12	-	-	-	77	-	56	7	3	40,972	-	32,654	870	74,651
Write-offs	-	-	-	-	(3)	-	(76)	(8)	-	-	-	-	-	(87)
Transfers	20,197	1,018	8,264	960	18,204	-	72	54	203	(49,022)	-	-	50	-
Balance at June 30, 2020	502,460	139,331	46,890	22,482	93,634	16,677	71,848	2,853	6,593	35,840	291,156	559,661	8,492	1,797,917
Balance at March 31, 2021	586,872	243,774	52,653	22,419	91,598	3,294	74,376	4,111	8,354	53,497	422,633	770,592	11,471	2,345,644
Additions	**1,885**	**233**	**-**	**-**	**24,646**	**3**	**454**	**158**	**779**	**12,668**	**2,222**	**42,612**	**321**	**85,981**
Write-offs	**(151)**	**-**	**-**	**-**	**(219)**	**-**	**(6)**	**-**	**(5)**	**-**	**-**	**(604)**	**(217)**	**(1,202)**
Transfers	**2,797**	**1,208**	**15,034**	**(3)**	**-**	**-**	**48**	**78**	**20**	**(19,197)**	**-**	**-**	**15**	**-**
Cost balance at June 30, 2021	**591,403**	**245,215**	**67,687**	**22,416**	**116,025**	**3,297**	**74,872**	**4,347**	**9,148**	**46,968**	**424,855**	**812,600**	**11,590**	**2,430,423**

(In thousands of Brazilian reais, unless otherwise stated)

Consolidated - depreciation	Industrial equipment	Constructions and buildings	Paving	Vehicles	Agricultural equipment	Land	Machinery, equipment and tools	Furniture and fixtures	Computers and peripherals	Construction in progress	Expenses with off-season maintenance	Crop in formation	Other	Total
Balance at March 31, 2020	(204,391)	(52,955)	(28,842)	(13,655)	(56,861)	-	(64,195)	(2,055)	(3,805)	-	(205,550)	(323,713)	(6,007)	(962,029)
Additions	(7,400)	(1,254)	(2,116)	(354)	(2,571)	-	(485)	(32)	(203)	-	(35,282)	(19,400)	(110)	(69,207)
Write-offs	-	-	-	-	-	-	66	8	-	-	-	-	-	74
Balance at June 30, 2020	(211,791)	(54,209)	(30,958)	(14,009)	(59,432)	-	(64,614)	(2,079)	(4,008)	-	(240,832)	(343,113)	(6,117)	(1,031,162)
Balance at March 31, 2021	(239,512)	(60,768)	(38,091)	(13,301)	(58,593)	-	(66,259)	(2,236)	(4,807)	-	(291,168)	(372,996)	(11,070)	(1,158,801)
Additions	**(9,901)**	**(2,139)**	**(2,958)**	**(449)**	**(3,648)**	**-**	**(600)**	**(69)**	**(310)**	**-**	**(52,306)**	**(38,999)**	**(121)**	**(111,500)**
Write-offs	**85**	**-**	**-**	**-**	**218**	**-**	**5**	**-**	**-**	**-**	**-**	**-**	**4**	**312**
Transfers	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation balance at June 30, 2021	**(249,328)**	**(62,907)**	**(41,049)**	**(13,750)**	**(62,023)**	**-**	**(66,854)**	**(2,305)**	**(5,117)**	**-**	**(343,474)**	**(411,995)**	**(11,187)**	**(1,269,989)**
Net balance at March 31, 2021	347,360	183,006	14,562	9,118	33,005	3,294	8,117	1,875	3,547	53,497	131,465	397,596	401	1,186,843
Net balance at June 30, 2021	**342,075**	**182,308**	**26,638**	**8,666**	**54,002**	**3,297**	**8,018**	**2,042**	**4,031**	**46,968**	**81,381**	**400,605**	**403**	**1,160,434**

Guarantee

Property, plant and equipment items were granted as guarantee for loans and financing, as described in Note 20.

Impairment test

In accordance with CPC 01 (R1)/IAS 36 - Impairment of Assets, the Group assessed the impairment indicators in the period ended June 30, 2021 and year ended March 31, 2021, and concluded that there was no need to carry out an impairment test.

(In thousands of Brazilian reais, unless otherwise stated)

13. Right of use on leases and agricultural partnerships

The changes in the right of use on leases and agricultural partnerships are shown below:

	Machinery and equipment	Vehicles	Land	Total
Cost:				
Balance at April 1, 2020	11,261	3,992	295,433	310,686
Additions of new right-of-use agreements	-	-	15,366	15,366
Remeasurement	-	-	3,491	3,491
Write-off due to termination of/amendments to contracts	-	-	(18,826)	(18,826)
Balance at June 30, 2020	11,261	3,992	295,464	310,717
Balance at April 1, 2021	17,429	14,361	610,198	641,988
Additions of new right-of-use agreements	**-**	**-**	**84,268**	**84,268**
Remeasurement	**-**	**-**	**60,608**	**60,608**
Write-off due to termination of/amendments to contracts	**-**	**-**	**(19,185)**	**(19,185)**
Balance at June 30, 2021	**17,429**	**14,361**	**735,889**	**767,679**
Accumulated amortization:				
Balance at April 1, 2020	(6,272)	(2,223)	(47,557)	(56,052)
Amortization for the period	(79)	(28)	(15,121)	(15,228)
Write-offs	-	-	9,647	9,647
Balance at June 30, 2020	(6,351)	(2,251)	(53,031)	(61,633)
Balance at April 1, 2021	(9,483)	(4,743)	(120,394)	(134,620)
Amortization for the period	**(926)**	**(946)**	**(23,254)**	**(25,126)**
Balance at June 30, 2021	**(10,409)**	**(5,689)**	**(143,648)**	**(159,746)**
Useful life (years)	1 to 2	1 to 2	1 to 17	
Residual value at March 31, 2021	7,946	9,618	489,804	507,368
Residual value at June 30, 2021	**7,020**	**8,672**	**592,241**	**607,933**

(In thousands of Brazilian reais, unless otherwise stated)

In addition, in compliance with CVM/SNC/SEP Circular Letter No. 02/2019, we present below comparisons in accounts Right of use and Depreciation expense for the period ended June 30, 2021 and future years using the discounted cash flow considering inflation projected in the payment flows, discounted at the nominal rate used by the Company:

Right of use	07/01/2021 to 06/30/2022	07/01/2022 to 06/30/2023	07/01/2023 to 06/30/2024	07/01/2024 to 06/30/2025	07/01/2025 to 06/30/2026	07/01/2026 to 06/30/2027	07/01/2027 to 06/30/2051
Real flow discounted at nominal rate	512,783	421,592	346,146	283,019	226,729	175,470	-
Nominal flow discounted at nominal rate	590,540	493,173	411,021	341,080	277,267	218,256	-
	13.17%	14.51%	15.78%	17.02%	18.23%	19.60%	-

Depreciation expense	07/01/2021 to 06/30/2022	07/01/2022 to 06/30/2023	07/01/2023 to 06/30/2024	07/01/2024 to 06/30/2025	07/01/2025 to 06/30/2026	07/01/2026 to 06/30/2027	07/01/2027 to 06/30/2051
Real flow discounted at nominal rate	(95,149)	(91,191)	(75,446)	(63,126)	(56,290)	(51,259)	(175,470)
Nominal flow discounted at nominal rate	(100,853)	(97,367)	(82,152)	(69,941)	(63,813)	(59,010)	(218,256)
	5.66%	6.34%	8.16%	9.74%	11.79%	13.14%	19.60%

14. Loans and financing

This note discloses contractual information on loans and financing of the Company and its subsidiaries. Note 20 discloses additional information regarding the Company's and its subsidiaries' exposure to interest rate and currency risks.

Credit facility	RE.	Currency	Index	Consolidated	
				06/30/2021	03/31/2021
ACC	(b)	USD	Fixed rate	35,242	-
CCB	(c)	R$	CDI	50,101	65,704
CCB	(c)	R$	SELIC	16,284	17,563
CCE	(b)	R$	CDI	163,244	107,709
CPR	(c)	R$	CDI	63,666	48,389
CPR	(c)	R$	Fixed rate	16,769	20,116
CRA	(f)	R$	CDI	227,723	227,810
CRA	(f)	R$	IPCA	522,280	514,467
Finame	(a)	R$	Fixed rate	10,175	10,932
Finame	(a)	R$	TJLP	2,206	2,701
Finame	(a)	R$	SELIC	942	1,035
Finame	(a)	R$	TLP	64,770	42,820
Finem	(a)	R$	TLP	93,915	94,283
NCE	(b)	R$	CDI	-	60,028
				1,267,317	**1,213,557**
Transaction costs				(24,157)	(24,857)
Total (*)				**1,243,160**	**1,188,700**
Current liabilities				268,071	252,656
Noncurrent liabilities				975,089	936,044

(*) The weighted average rates of finance charges are 9.25% p.a. in June 2021 and 7.51% in March 2021.

(In thousands of Brazilian reais, unless otherwise stated)

					Individual	
Credit facility	**RE.**	**Currency**	**Index**	**Year of maturity**	**06/30/2021**	**03/31/2021**
Intercompany loan - noncurrent liabilities	(d)	R$	(d)	(d)	1,506	1,961

(a) This refers to loans taken out with the purpose of financing the acquisition of industrial and agricultural equipment. These loans have a grace period for payment of the first installment of principal from 6 to 24 months from the agreement execution date. The agreements are guaranteed by assignment in trust upon disposal of financed assets.

(b) This refers to loans with various financial institutions which will be settled through exports made in the period from 2021 to 2026.

(c) This refers to loans with various financial institutions which will be settled in the period from 2021 to 2024.

(d) Amount granted to the Parent Company by subsidiaries Vale do Tijuco Açúcar e Álcool S.A. and Vale do Pontal Açúcar e Etanol Ltda., without interest, which will be paid by the Company according to its cash availability, as described in Note 26.

(e) This refers to Agribusiness Receivables Certificates (“CRA”):

The first issue was on October 7, 2014, in the amount of R$99 million. The Agribusiness Credit Rights Certificates (“CDCA”) installments will be increased by annual conventional interest, from the CRA payment date up to the payment date of each CDCA interest installment. These agreements were guaranteed by assignment in trust upon disposal of financed assets, binding of VHP sugar receivables, agricultural pledge as well as corporate surety. The agreements were fully settled on September 10, 2019.

The second issue was in October 15, 2018, in the amount of R$150 million. The installments are increased by semiannual conventional interest, from the CRA payment date up to the payment date of each debenture interest installment, calculated on nominal value.

The third issue was in January 31, 2019, in the amount of R$75 million. The installments are increased by semiannual conventional interest, from the CRA payment date up to the payment date of each debenture interest installment, calculated on nominal value. The grace period is 3 years and amortization will occur at the end of the 3rd and 4th years.

The fourth issue was on November 14, 2019, under the terms of CVM Ruling No. 400 of December 29, 2003, as amended, relating to the 26th issue of Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. (“Offer”), backed by agribusiness receivables represented by non-privileged nonconvertible debentures, with additional personal guarantee, issued within the scope of the 4th issue of Vale do Tijuco Açúcar e Álcool S.A. The base offer corresponded to 250,000 CRAs, with the possibility of exercising an additional 20% lot, totaling 300,000 CRAs. The Offer ended on February 4, 2020; 300,000 registered and book-entry CRAs were subscribed and paid up, with a par value of R$1 on the issue date, i.e. November 14, 2019, totaling R$300,000, with a grace period of 4 years and amortization by the end of the 4th, 5th and 6th year.

(In thousands of Brazilian reais, unless otherwise stated)

The fifth issue was on November 16, 2020, under the terms of CVM Ruling No. 400 of December 29, 2003, as amended, relating to the 69th issue of Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. ("Offer"), backed by agribusiness receivables represented by non-privileged nonconvertible debentures, with additional personal guarantee, issued within the scope of the 5th issue of Vale do Tijuco Açúcar e Álcool S.A. The base offer corresponded to 150,000 CRAs, with the possibility of exercising an additional 20% lot, totaling 180,000 CRAs. The Offer ended on December 21, 2020; 180,000 registered and book-entry CRAs were subscribed and paid up, with a par value of R$1 on the issue date, i.e. November 16, 2019, totaling R$180,000, with a grace period of 4 years and amortization by the end of the 4th, 5th and 6th year.

The aging list of consolidated loans and financing is as follows:

June 30, 2021	**Book value**	**Within 12 months**	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**Above 5 years**
Loans and financing	1,267,317	276,358	198,883	230,234	215,387	210,157	136,298
Transaction costs	(24,157)	(8,287)	(4,909)	(3,454)	(3,239)	(2,155)	(2,113)
Loans and financing, net	**1,243,160**	**268,071**	**193,974**	**226,780**	**212,148**	**208,002**	**134,185**

March 31, 2021	**Book value**	**Within 12 months**	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**Above 5 years**
Loans and financing	1,213,557	260,121	177,214	119,450	221,162	205,821	229,789
Transaction costs	(24,857)	(7,465)	(5,679)	(3,668)	(3,501)	(2,398)	(2,146)
Loans and financing, net	**1,188,700**	**252,656**	**171,535**	**115,782**	**217,661**	**203,423**	**227,643**

Covenants

The Company has contractual obligations arising from financing agreements related to the maintenance of certain financial and nonfinancial ratios established in those agreements (covenants), whose calculation period is at year-end. Management has timely controls over those ratios and, at June 30, 2021, understands that pre-established requirements have been met and any requirement by creditors before the original long-term maturity as well as the need for reclassification are unlikely.

(In thousands of Brazilian reais, unless otherwise stated)

15. Suppliers and other payables

	Individual		Consolidated	
	06/30/2021	03/31/2021	06/30/2021	03/31/2021
Local suppliers of materials and services	**1,417**	67	**205,986**	156,563
Sugarcane suppliers	**-**	-	**139,696**	68,178
Sugarcane suppliers (Related Parties)	**-**	-	**8,904**	569
Total	**1,417**	67	**354,586**	225,310
Current liabilities	**1,417**	67	**352,735**	223,562
Noncurrent liabilities	**-**	-	**1,851**	1,748

The production cycle of sugarcane, between April and December of each year, on average, has a direct impact on the balance of sugarcane suppliers and cutting, loading and transportation services. The amounts payable to sugarcane suppliers and agricultural partners take into consideration sugarcane delivered and not yet paid, as well as the price supplement calculated based on the final crop price through the Total Recoverable Sugar (ATR) index disclosed by the São Paulo State Council of Sugarcane, Sugar and Ethanol Producers (Consecana). The Company and its subsidiaries evaluated the present value adjustment of their trade accounts payable at June 30, 2021 and March 31, 2021, and concluded that these balances do not generate material adjustments to present value in the individual and consolidated interim financial information. Information on the Group’s exposure to liquidity and fair value measurement risks related to suppliers and other accounts payable is disclosed in Note 20.

16. Leases and agricultural partnerships payable

	Consolidated	
	06/30/2021	03/31/2021
Leases and agricultural partnerships payable	806,550	746,172
Total	**806,550**	**746,172**
Current liabilities	**153,606**	126,172
Noncurrent liabilities	**652,944**	620,000

(In thousands of Brazilian reais, unless otherwise stated)

Changes in leases and agricultural partnerships payable are as follows:

	Consolidated	
	06/30/2021	06/30/2020
Balance at beginning of year	**746,172**	399,550
Additions of new lease agreements	**116,226**	29,924
Interest	**16,849**	8,955
Remeasurement	**61,206**	2,731
Payments	**(98,056)**	(99,111)
Write-off due to termination of/amendments to contracts	**(35,847)**	(16,000)
Closing balance	**806,550**	326,049

The aging list of estimated balances of noncurrent leases and agricultural partnership payable is as follows:

Maturity	Consolidated
07/01/2022 to 06/30/2023	118,533
07/01/2023 to 06/30/2024	103,399
07/01/2024 to 06/30/2025	88,253
07/01/2025 to 06/30/2026	73,374
07/01/2026 to 06/30/2027	62,172
07/01/2027 to 06/30/2028	50,282
07/01/2028 to 06/30/2029	40,060
07/01/2029 to 06/30/2030	34,104
07/01/2030 to 06/30/2031	29,293
07/01/2031 onwards	53,474
	652,944

Below is the potential right to PIS/COFINS recoverable embedded in the lease consideration:

	Consolidated	
	Leases	Present value
Lease consideration	351,017	239,183
Potential PIS/COFINS (9.25%)	(32,469)	(22,124)
Total	**318,548**	**217,059**

(In thousands of Brazilian reais, unless otherwise stated)

In addition, in compliance with CVM/SNC/SEP Circular Letter No. 02/2019, we present below the comparisons in accounts Leases and agricultural partnerships payable and Interest expenses for the period ended June 30, 2021 and future years, using the discounted cash flow method and considering inflation projected in the payment flows, discounted at the nominal rate used by the Company:

Leases payable	07/01/2021 to 06/30/2022	07/01/2022 to 06/30/2023	07/01/2023 to 06/30/2024	07/01/2024 to 06/30/2025	07/01/2025 to 06/30/2026	07/01/2026 to 06/30/2027	07/01/2027 to 06/30/2051
Real flow discounted at nominal rate	652,944	556,515	462,502	373,111	290,228	211,884	-
Nominal flow discounted at nominal rate	892,974	799,301	704,176	609,707	518,437	428,516	-
	26.88%	30.37%	34.32%	38.80%	44.02%	50.55%	-

Interest expenses	07/01/2021 to 06/30/2022	07/01/2022 to 06/30/2023	07/01/2023 to 06/30/2024	07/01/2024 to 06/30/2025	07/01/2025 to 06/30/2026	07/01/2026 to 06/30/2027	07/01/2027 to 06/30/2051
Real flow discounted at nominal rate	(65,160)	(57,595)	(50,188)	(43,043)	(36,265)	(29,955)	(84,127)
Nominal flow discounted at nominal rate	(75,555)	(68,358)	(61,016)	(53,616)	(46,285)	(39,170)	(121,088)
	13.76%	15.74%	17.75%	19.72%	21.65%	23.53%	30.52%

17. Advances from customers

	Consolidated	
	06/30/2021	**03/31/2021**
Advances from customers - sugar	**133,449**	164,690
Advances from customers - ethanol	**685**	23,755
Advances from customers - energy	**-**	46,370
Other (a)	**1,350**	709
Total	**135,484**	235,524
Current liabilities	**17,654**	78,454
Noncurrent liabilities	**117,830**	157,070

(a) The balance of other advances basically refers to advances to customers for other revenues, such as the sale of soy and services that are not related to the products normally sold by the Company.

(In thousands of Brazilian reais, unless otherwise stated)

18. Provision for legal proceedings

The Group is a party to legal and administrative proceedings in progress in courts and government agencies. Such proceedings arise from the normal course of the Group's activities, involving labor, civil, tax and environmental matters.

Provisions are recognized taking into account the individuality of each proceeding and the classification of the likelihood of loss as probable in the assessment of the Group's internal and external legal advisors.

The consideration for the recognition of the obligation is an expense for the year. That obligation can be measured with reasonable certainty and is adjusted according to the development of the legal and administrative proceedings or financial charges incurred and can be reversed if the estimated loss is no longer considered probable, or written off when the obligation is settled.

Probable losses

Changes in the provisions are as follows:

	Labor	Tax	Environmental	Total
Balance at April 1, 2020	**1,945**	**1,431**	**-**	**3,376**
Additions	239	-	-	239
Write-offs	(212)	-	-	(212)
Balance at June 30, 2020	**1,972**	**1,431**	**-**	**3,403**
Balance at April 1, 2021	**512**	**1,645**	**71**	**2,228**
Additions	115	49	-	164
Write-offs	-	-	(41)	(41)
Balance at June 30, 2021	**627**	**1,694**	**30**	**2,351**

Labor

Labor claims are mostly related to: (i) differences in overtime pay; (ii) elimination of breaks during work shifts; (iii) hazard pay / unhealthy work additional; (iv) travel time payment prior to the labor reform; and (v) fulfillment of quotas for disabled people.

Civil and Environmental

Civil and environmental proceedings mainly refer to claims related to: (i) compensation for administrative easement related to the construction of a power line; and (ii) compensation in general.

Tax

This refers mainly to Social Security Contribution on the Sale of Rural Production (Funrural).

(In thousands of Brazilian reais, unless otherwise stated)

Possible Losses

The Company and its subsidiaries are parties to ongoing labor, civil, tax and environmental proceedings in the restated amount of R$16,198 (R$15,290 at March 31, 2021), whose likelihood of a favorable outcome was estimated as possible, not requiring a provision to be recognized.

	Consolidated	
Nature	**06/30/2021**	**03/31/2021**
Environmental	1,201	386
Civil	3,933	2,455
Labor	3,914	3,688
Tax	7,150	8,761
	16,198	**15,290**

Labor

Labor lawsuits whose likelihood of loss has been assessed as possible mainly relate to: (i) claims for overtime pay and related charges and earnings; (ii) night-shift bonus; and (v) request for secondary/joint liability in severance pay, Unemployment Compensation Fund (FGTS) and compensation for service providers retained by the Group.

Civil

Civil lawsuits mostly refer to contractual discussions and revisions and recovery suits claiming refund of social security benefit.

Environmental

Environmental proceedings address violation notices issued by the State Department for the Environment and Sustainable Development (SEMAD) and/or the environmental police arising from environmental discussion about intervention in permanent preservation areas (APP) and/or stump removal of scattered trees.

Tax

Tax discussions particularly refer to the disallowance of taxes and tax assessment notices issued by the Brazilian IRS, the main ones being:

(i) One (1) tax assessment notice referring to the disallowance by the Brazilian IRS of PIS/COFINS credits used in 2013 and 2014, referring to the noncumulative chain of goods and services used as inputs by the Group and goods earmarked for property, plant and equipment items acquired in the calculation periods of 2011 and 2012;

(In thousands of Brazilian reais, unless otherwise stated)

(ii) Two (2) tax assessment notices issued by the Brazilian IRS relating to the calculation of Withholding Income Taxes (IRRF) and Tax on Financial Transactions (IOF) on intercompany loans and future capital contributions, all carried out in the calculation period from 2009 to 2012.

19. Equity

a) Capital stock

At June 30, 2021, the Company's fully subscribed and paid-up capital stock amounts to R$503,893, divided into 1,258,415,911 registered common shares.
At June 30, 2021 and March 31, 2021, the Company had no authorized capital stock. At June 30, 2021 and March 31, 2021, the Company's capital stock is distributed as follows:

	06/30/2021 and 03/31/2021	
	Shares	**R$**
Ifar Brazil Pte Ltd.	455,687,717	203,298
Ápia SP Participações S.A.	372,428,776	127,898
Rio Grande Investment Pte Ltd.	173,520,239	72,432
JF Investimentos S.A.	83,258,941	27,833
Marseille Fundo de Investimentos em Participações	173,520,238	72,432
Total	**1,258,415,911**	**503,893**

Due to the corporate reorganization that took place in 2020, especially due to the merger of Livakovic Participações S.A., Canápolis Holding S.A. and IndoAgri Brazil Participações Ltda., the Company increased capital stock through the issuance of new registered common shares and transfer of shares between the companies of the same controlling conglomerate, as described below:

(i) Merger of Livakovic Participações S.A.: Capital increase in the amount of R$68,989, through the issuance of 27,815,812 new registered common shares with no par value, subscribed and paid-up, under the following conditions: 27,815,812 common shares were placed for subscription at the total issue price of R$68,989, that is, R$2.4802 per share, set based on the criteria of the Brazilian Corporation Law; 13,907,906 of these new common shares were fully subscribed and paid up by shareholder Rio Grande Investimentos Ltda. through the transfer of 34,494,600 shares, in the total amount of R$ 34,495, of Livakovic Participações S.A. and 13,907,906 of these new common shares were fully subscribed and paid up by shareholder Marseille Fundo de Investimentos em Participações, through the transfer of 34,494,600 shares, in the total amount of R$ 34,495, of Livakovic Participações S.A.

(ii) Merger of Canápolis Holding S.A.: R$55,665, through the issuance of 166,517,882 new registered common shares with no par value, which were subscribed and paid up, in equal proportion among the shareholders of the merged company (Canápolis Holding S.A.), IndoAgri Brazil Participações Ltda. and JF Investimentos S.A. through the merger of that company's net assets.

(iii) Merger of IndoAgri Brazil Participações Ltda.: Merger of company Indoagri Brazil Participações Ltda. with no capital increase, resulting in the division of 455,687,717 shares among the members of the merged company in the proportion of i) 1 (one) to Indo Agri Resources Ltd.; and (ii) 455,687,716 to Ifar Brazil Pte Ltd. At March 31, 2021, the share of Indo Agri Resources Ltd. was transferred to Ifar Brazil Pte Ltd.

Additionally, at the Special General Meeting held on September 30, 2020, the Company's shareholders approved the merger of shareholder JFLIM Participações S.A. with an equity valued at R$55,670 on August 31, 2020. Considering that the merged company's equity reflects only the investment in the Company's equity, the Company's capital remained unchanged.

b) Capital reserve

As a result of the capital increase on July 13, 2007, the Company recorded a special premium reserve in the amount of R$4,164.

c) Legal reserve

The legal reserve is set up at 5% of the net income for each year, under the terms of Law No. 6404/76, article 193, capped at 20% of the capital.

d) Tax incentive reserve

The Company enjoys ICMS tax benefits and incentives in the state of Minas Gerais, which are provided for under an agreement with the National Council of Treasury Policies (CONFAZ) and regulated in Decree No. 47394 of 2018, complying with the requirements of article 10 of Supplementary Law No. 160/2017.

These benefits, denominated grants, arise from previously unused ICMS credits and deferral of ICMS on sales operations. The grant amounts are recorded as income and excluded from the income tax base.

Since these amounts cannot be allocated as dividends, a reserve for tax incentives is set up, matched against the retained earnings account in the amount calculated for the grant or up to the limit of the balance of profits to be allocated, after the mandatory reserves are recognized.

(In thousands of Brazilian reais, unless otherwise stated)

e) Equity adjustment

This includes the effective portion of the cumulative net foreign exchange difference of liabilities denominated in US dollar and derivatives designated as hedging instruments for cash flows from its future exports (hedged item).

The Company also has comprehensive income referring to actuarial liabilities of employee benefit plans, in accordance with CPC 33 (R1), as approved and reviewed by CVM Rule No. 695/12.

f) Dividends

The Company's Articles of Incorporation determine a percentage not lower than 25% of net income, as adjusted, for payment of mandatory minimum dividends.

20. Financial instruments

a) Accounting classification and fair values (consolidated)

The table below shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include information on the fair value of assets and liabilities not measured at fair value, if the book value is a reasonable approximation of fair value.

June 30, 2021	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value						
Cash equivalents	300,723	-	300,723	-	300,723	-
Short-term investments	12,356	-	12,356	-	12,356	-
Derivative financial instruments	134,653	-	134,653	-	134,653	-
Total	**447,732**	**-**	**447,732**	**-**	**447,732**	**-**
Financial assets not measured at fair value						
Cash and banks	-	39,841	39,841			
Accounts receivable and other receivables	-	103,972	103,972			
Accounts receivable from related parties	-	58,788	58,788			
Leases receivable	-	321,639	321,639			
Total	**-**	**524,240**	**524,240**			

(In thousands of Brazilian reais, unless otherwise stated)

June 30, 2021	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial liabilities measured at fair value						
Derivative financial instruments	532,706	-	532,706	-	532,706	-
Total	**532,706**	**-**	**532,706**	**-**	**532,706**	**-**
Financial liabilities not measured at fair value						
Loans and financing	-	1,243,160	1,243,160			
Leases and agricultural partnerships payable	-	806,550	806,550			
Suppliers and other payables	-	354,586	354,586			
Total	**-**	**2,404,296**	**2,404,296**			

March 31, 2021	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value						
Cash equivalents	472,440	-	472,440	-	472,440	-
Short-term investments	14,065	-	14,065	-	14,065	-
Derivative financial instruments	69,582	-	69,582	-	69,582	-
Total	**556,087**	**-**	**556,087**	**-**	**556,087**	**-**
Financial assets not measured at fair value						
Cash and banks	-	39,736	39,736			
Accounts receivable and other receivables	-	87,044	87,044			
Accounts receivable from related parties	-	38,757	38,757			
Leases receivable	-	316,787	316,787			
Total	**-**	**482,324**	**482,324**			

(In thousands of Brazilian reais, unless otherwise stated)

March 31, 2021	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial liabilities measured at fair value						
Derivative financial instruments	566,267	-	566,267	-	566,267	-
Total	**566,267**	**-**	**566,267**	**-**	**566,267**	**-**
Financial liabilities not measured at fair value						
Loans and financing	-	1,188,700	1,188,700			
Leases and agricultural partnerships payable	-	746,172	746,172			
Suppliers and other payables	-	225,310	225,310			
Total	**-**	**2,160,182**	**2,160,182**			

b) Fair value measurement

The book value of financial instruments recorded in the statement of financial position, when compared to the amounts that could be obtained from their trading in an active market, or in the absence of such markets, using the net present value adjusted for the current market interest rate, substantially approximates the related market value.

There were no transfers between levels to be considered as at June 30, 2021, in relation to the disclosures as at March 31, 2021.

Financial risk management

The Group engages in transactions involving financial instruments to meet its own needs. At June 30, 2021 and March 31, 2021, the Group does not have financial instruments that are not recorded in the accounting books and does not carry out transactions involving financial instruments for speculative purposes. The main risks related to the Group's operations are the following:

- Credit risk;
- Liquidity risk; and
- Market risk.

This Note brings information about the Group's exposure to each of the aforementioned risks, the Group's objectives, policies and processes for measuring and managing risks, and its capital management.

(In thousands of Brazilian reais, unless otherwise stated)

Risk management structure

The Board of Directors is responsible for monitoring the Group's risk management policies, and each manager regularly reports the department activities to the Board.

The Group’s risk management policies are intended to identify and analyze any risks to which the Group is exposed, to define limits and appropriate risk controls, and to monitor risks and compliance with these limits. These risk management systems and policies are regularly reviewed to reflect changes in market conditions and in the Group’s activities. Through its standards and training and management procedures, the Groups seeks to develop a disciplined and constructive control environment, where all employees understand their duties and obligations.

Credit risk

Credit risk is the risk of the Group incurring losses in the event a customer or a counterparty in a financial instrument fails to comply with its contractual obligations. That risk basically arises from cash and cash equivalents, short-term investments, accounts receivable and other debts, leases receivable and derivative financial instruments – assets, as presented below.

Credit risk exposure

The book values of financial assets represent the maximum credit risk exposure. The maximum credit risk exposure at the reporting date is as follows:

	Individual		Consolidated	
	06/30/2021	**03/31/2021**	**06/30/2021**	**03/31/2021**
Cash and cash equivalents	143	261	340,564	512,176
Short-term investments	-	-	12,356	14,065
Accounts receivable and other receivables	47,960	50,659	162,760	125,801
Leases receivable	-	-	321,639	316,787
Derivative financial instruments	-	-	134,653	69,582
Total	**48,103**	**50,920**	**971,972**	**1,038,411**
Current assets	143	261	577,054	673,086
Noncurrent assets	47,960	50,659	394,918	365,325

(In thousands of Brazilian reais, unless otherwise stated)

Cash and cash equivalents

The principle adopted by the Company and its subsidiaries is to handle a limited number of financial institutions, seeking to do business with solid institutions. In addition, another policy intended to mitigate credit risk is the policy of holding balances of short-term investments in proportion to the balance of loans and financing with each institution.

The Group has not recorded losses on cash and cash equivalents.

Accounts receivable

The exposure of the Company and its subsidiaries to credit risk is mainly influenced by the individual characteristics of each customer. In addition, sales are well-distributed throughout the fiscal year (mainly in the production cycle period, from March to December of each calendar year), which enables the Company and its subsidiaries to interrupt deliveries to customers that may be a potential credit risk.

Impairment losses

The aging list of accounts receivable recorded in current assets at the reporting date of the interim financial statements for which no impairment losses were recognized is as follows:

	Individual		Consolidated	
	06/30/2021	**03/31/2021**	**06/30/2021**	**03/31/2021**
Falling due	47,960	50,659	160,752	117,055
Due within 30 days	-	-	3,277	7,890
Due from 31 to 90 days	-	-	69	67
Due from 91 to 180 days	-	-	-	1,104
Due above 181 days	-	-	-	1,017
	47,960	50,659	164,098	127,133
Allowance for expected losses	-	-	(1,338)	(1,332)
	47,960	**50,659**	**162,760**	**125,801**

Changes in the allowance for expected credit losses are as follows:

	Consolidated	
	06/30/2021	**06/30/2020**
Opening balance	(1,332)	(6)
Addition	(6)	-
Closing balance	**(1,338)**	**(6)**

The Company and its subsidiaries reviewed the present value adjustment of their accounts receivable at June 30, 2021 and March 31, 2021, and concluded that the amounts approximate the related book value, since the receivables turnover is in the short term.

For customers with a history of non-compliance with their financial obligations, the Company and its subsidiaries seek to require prepayments.

Guarantees

Subsidiaries Vale do Tijuco and Vale do Pontal are guarantors with financial entities and credit cooperatives for transactions involving purchase of inputs and financing to be used in the planting and harvesting of sugarcane of their suppliers. At June 30, 2021, the total amount guaranteed is R$199,342 (R$196,482 at March 31, 2021). The subsidiaries will assume the debt of their suppliers within the limit of the guarantee provided, in case they fail to pay their obligations. Any amounts disbursed by the Company to pay the suppliers' obligations, in the event of default, will be adjusted by reference to the TJLP (Long-Term Interest Rate), plus 5.5% per annum on a daily "pro-rata" basis, and will be discounted when the sugarcane is supplied by the supplier.

Liquidity risk

Liquidity risk is the risk that the Group may have difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The responsibility for managing liquidity risk lies with the Group's Management and Board of Directors, which manages liquidity risk based on the need for funding and short, medium and long-term liquidity management, having credit facilities according to cash needs, combining the maturity profiles of their financial assets and liabilities.

The Group uses information systems and management tools that provide the conditions for monitoring cash flow requirements and optimizing its cash return on investments. The Group's policy is to operate with high liquidity to ensure compliance with operating and financial obligations for at least one operating cycle; this includes the potential impact of extreme circumstances that cannot be reasonably anticipated, such as natural disasters and cyclical changes in the commodities market.

The Company does expect that the cash flows included in the Group's aging list may occur significantly earlier or at amounts significantly different.

(In thousands of Brazilian reais, unless otherwise stated)

Liquidity risk exposure

The carrying amount of financial liabilities with liquidity risk is shown below:

	Individual		Consolidated	
	06/30/2021	03/31/2021	06/30/2021	03/31/2021
Loans and financing	-	-	1,243,160	1,188,700
Intercompany loans	1,506	1,961	-	-
Leases and agricultural partnerships payable	-	-	806,550	746,172
Suppliers and other payables	1,417	67	354,586	225,310
Advances from customers	-	-	135,484	235,524
Derivative financial instruments	-	-	532,706	566,267
Total	**2,923**	**2,028**	**3,072,486**	**2,961,973**
Current liabilities	1,417	67	1,232,868	977,253
Noncurrent liabilities	1,506	1,961	1,839,618	1,984,720

The aging list of financial liabilities is as follows:

Consolidated June 30, 2021	Book value	Contractual flow	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Above 5 years
Loans and financing	1,243,160	1,243,160	268,071	193,974	226,780	212,148	208,002	134,185
Leases and agricultural partnerships payable	806,550	1,172,882	218,766	154,024	144,201	132,433	119,149	404,309
Suppliers and other payables	354,586	354,586	352,735	1,851	-	-	-	-
Advances from customers	135,484	135,484	17,654	117,830	-	-	-	-
Derivative financial instruments	532,706	532,706	440,802	71,439	19,491	974	-	-
Total	**3,072,486**	**3,438,818**	**1,298,028**	**539,118**	**390,472**	**345,555**	**327,151**	**538,494**

Consolidated March 31, 2021	Book value	Contractual flow	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Above 5 years
Loans and financing	1,188,700	1,213,188	260,489	214,638	182,101	222,230	207,308	126,422
Leases and agricultural partnerships payable	746,172	1,124,152	156,119	143,511	131,679	120,793	105,656	466,394
Suppliers and other payables	225,310	225,310	223,562	1,748	-	-	-	-
Advances from customers	235,524	235,524	78,454	157,070	-	-	-	-
Derivative financial instruments	566,267	566,267	296,410	244,554	22,024	2,340	939	-
Total	**2,961,973**	**3,364,441**	**1,015,034**	**761,521**	**335,804**	**345,363**	**313,903**	**592,816**

(In thousands of Brazilian reais, unless otherwise stated)

<u>Changes in financial liabilities in consolidated financing activities</u>

	Loans and financing	Leases and agricultural partnerships payable
Balances at April 1, 2020	**1,026,602**	**399,550**
Additions	**23,560**	**29,924**
(-) Payments	**(59,716)**	**(99,111)**
(-) Payments of interest	**(19,178)**	**-**
Interest incurred	**12,886**	**8,955**
New leases and remeasurements	**-**	**2,731**
Write-off due to contract terminations	**-**	**(16,000)**
Exchange differences	**4,794**	**-**
Balance at June 30, 2020	**988,948**	**326,049**
Balances at April 1, 2021	**1,188,700**	**746,172**
Additions	113,731	116,226
(-) Payments	(60,993)	(98,056)
(-) Payments of interest	(23,295)	-
Interest incurred	28,493	16,849
New leases and remeasurements	-	61,206
Write-off due to contract terminations	-	(35,847)
Exchange differences	(3,476)	-
Balance at June 30, 2021	**1,243,160**	**806,550**

Market risk

Market risk is the risk that changes in market prices, such as exchange rates and interest rates, will affect the Group’s income or the amount of its financial instruments. Through its activities, the Group is also exposed to financial risks resulting from changes in the price of Total Recoverable Sugar (ATR), used to calculate the fair value of the biological asset, and in the price of VHP (Very High Polarization) sugar.

Interest rate risk

The Group is exposed to interest rate risks related to loans and financing taken out and short-term investments, which are exposed mainly to changes in CDI, Selic, Libor, TJLP and TLP rates. The Group's management monitors fluctuations in variable interest rates linked to certain debts, using derivative instruments to minimize the impact from these risks.

(In thousands of Brazilian reais, unless otherwise stated)

Profile

At the date of the individual and consolidated interim financial statements, the profile of the Group's interest-earning financial instruments is as follows:

	Individual		Consolidated	
	06/30/2021	03/31/2021	06/30/2021	03/31/2021
Financial assets				
Cash and cash equivalents	143	261	340,564	512,176
Leases receivable	-	-	321,639	316,787
Short-term investments	-	-	12,356	14,065
Total	143	261	674,559	843,028
Financial liabilities				
Loans and financing	-	-	1,243,160	1,188,700
Advances from customers	-	-	135,484	235,524
Leases and agricultural partnerships payable	-	-	806,550	746,172
Total	-	-	**2,185,194**	**2,170,396**

Cash flow sensitivity analysis for variable rate instruments - consolidated

The sensitivity analysis is determined based on the exposure to interest rates of non-derivative financial instruments as at June 30, 2021. As determined by CVM Instruction No. 475/08, which requires the presentation of two scenarios with 25% and 50% decrease in the risk variable considered, we show below the possible impacts of how much the equity and the result for the period would have increased (decreased) according to the amounts shown below. These scenarios could bring impacts to the Group's profit or loss and future cash flows as described below:

- Scenario I: This refers to the most probable scenario for interest rates, at the reporting date of the individual and consolidated interim financial statements;

- Scenario II: 25% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario; and

- Scenario III: 50% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario.

(In thousands of Brazilian reais, unless otherwise stated)

Interest rate risk on financial assets and liabilities – Consolidated

Instruments	Exposure at June 30, 2021	Risk	Scenarios	Probable	Appreciation: Index variation of 25%	Appreciation: Index variation of 50%	Depreciation: Index variation of 25%	Depreciation: Index variation of 50%
Financial assets								
Cash equivalents	300,723	CDI	4.15%	12,480	3,120	6,240	(6,503)	(8,495)
Short-term investments	12,356	CDI	4.15%	513	128	256	(267)	(349)
Financial liabilities								
CCB	50,101	CDI	4.15%	(2,079)	(520)	(1,040)	1,046	1,390
CCB	16,284	SELIC	4.25%	(692)	(173)	(346)	368	476
CCE	163,244	CDI	4.15%	(6,775)	(1,694)	(3,387)	3,530	4,612
CPR	63,666	CDI	4.15%	(2,642)	(661)	(1,321)	1,377	1,799
CRA	227,723	CDI	4.15%	(9,451)	(2,363)	(4,725)	966	3,794
CRA	522,280	IPCA	8.35%	(43,610)	(10,903)	(21,805)	26,414	32,146
Finame	2,206	TJLP	4.61%	(102)	(25)	(51)	56	71
Finame	942	SELIC	4.25%	(40)	(10)	(20)	5	17
Finame	64,770	TLP	8.48%	(5,492)	(1,373)	(2,746)	3,079	3,884
Finem	93,915	TLP	8.48%	(7,964)	(1,991)	(3,982)	4,465	5,631
Impact on Statement of income and equity				**(65,854)**	**(16,465)**	**(32,927)**	**34,536**	**44,976**

Source: Information on CDI was obtained from the CETIP database, TJLP and TLP were obtained from the Brazilian IRS; SELIC was obtained from the Central Bank of Brazil and IPCA from IBGE.

Currency risk

The Group is subject to currency risk (US dollar) in part of its loans and financing denominated in a currency other than the functional currency.

With respect to other monetary assets and liabilities denominated in foreign currency, the Group ensures that its net exposure is kept at an acceptable level by buying or selling foreign currencies at spot rates, when necessary, to address short-term instabilities.

The short-term portions of monetary liabilities denominated in foreign currency are backed by assets also denominated in foreign currency (export of sugar with a price fixed in foreign currency).

The long-term portion of these liabilities is backed by the Company's sugar exports, which represent 100% of exports, and has prices denominated in foreign currency and with little sensitivity to exchange rate fluctuations.

(In thousands of Brazilian reais, unless otherwise stated)

Currency risk exposure

The net exposure in foreign currency is shown in the table below by principal amounts (in US$ thousand):

	Consolidated	
	06/30/2021	03/31/2021
Cash and cash equivalents	7,500	5,142
Swap	32,000	25,000
NDF	7,500	3,500
Advances from customers	(25,535)	(25,267)
Loans and financing	(7,046)	-
NDF - currency	(274,991)	(328,763)
Future revenue (VHP) – Hedged item	274,991	328,763
Net exposure	**14,419**	**8,375**

The net currency exposure shown above is substantially offset by highly probable revenues from product exports.

Sensitivity analysis - currency risk - Consolidated

The sensitivity analysis is based on the exposure of loans and financing to the US dollar fluctuation as at June 30, 2021. As required by CVM Instruction No. 475/08, which requires the presentation of two scenarios with 25% and 50% decrease in the risk variable considered, we show below the possible impacts of how much the equity and the result for the period would have increased (decreased) according to the amounts shown below. These scenarios could bring impacts to the Group’s profit or loss and/or future cash flows as described below:

- Scenario I: For the probable scenario in US dollars, the exchange rate in effect on June 30, 2021 was considered;
- Scenario II: 25% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario; and
- Scenario III: 50% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario.

(In thousands of Brazilian reais, unless otherwise stated)

Scenarios	USD thousand	R$ (MTM)	Increase (R$)		Decrease (R$)	
Financial instruments			**25%**	**50%**	**25%**	**50%**
Cash and cash equivalents	7,500	37,517	9,379	18,759	(9,379)	(18,759)
Loans and financing	(7,046)	(35,242)	(8,813)	(17,624)	8,809	17,620
Advances from customers	(25,535)	(127,729)	(31,932)	(63,865)	31,932	63,865
Derivative financial instruments						
Swap	32,000	(31,892)	60,037	93,422	(6,735)	(40,120)
NDF	7,500	5,161	(9,492)	(27,331)	9,977	19,711
NDF - currency	(274,991)	(25,509)	391,149	731,280	(289,113)	(629,244)
Future revenue (VHP) – Hedged item	274,991	25,509	(391,149)	(731,280)	289,113	629,244
Impact on statement of income and equity	**14,419**	**(152,185)**	**19,179**	**3,361**	**34,604**	**42,317**

The information used to calculate the sensitivity analysis shown above was obtained from external market sources such as Bloomberg and B3.

Price risk

That risk arises from possible fluctuations in the market prices of the main products sold by the Company. These price fluctuations may cause substantial changes in sales revenues, mainly related to the export of VHP Sugar. To mitigate that risk, the Company constantly monitors the market to anticipate price movements.

Exposures to price risks

The net exposure of derivative instruments to VHP Sugar price hedge is shown in the table below, by principal amounts (in US$ thousand):

	Consolidated	
	06/30/2021	**03/31/2021**
NDF - commodities	169,097	310,014
Options	-	6,272
Future revenue (VHP) – Hedged item	(169,097)	(316,286)
Net exposure	**-**	**-**

Sensitivity analysis - currency risk - Consolidated

The sensitivity analysis below is determined based on the exposure of derivative financial instruments (NDF – commodities) to the variation of export prices based on the future curve of NY#11 screen prices as of June 30, 2021. Below are two scenarios with a 25% and 50% decrease in the risk variable considering the possible impacts on how much the Group’s equity and statement of income for the period would have increased (decreased), as follows:

(In thousands of Brazilian reais, unless otherwise stated)

- Scenario I: For this scenario, a probable increase in future NY#11 screen prices as at June 30, 2021;
- Scenario II: 25% decrease in the main risk factor of the derivative financial instrument in relation to the level of the probable scenario; and
- Scenario III: 50% decrease in the main risk factor of the derivative financial instrument in relation to the level of the probable scenario.

Scenarios	USD	R$ (MTM)	Increase (R$)		Decrease (R$)	
			25%	50%	25%	50%
NDF - commodities	169,097	(223,572)	(539,337)	(943,220)	268,429	672,311
Future revenue (VHP) – Hedged item	(169,097)	223,572	539,337	943,220	(268,429)	(672,311)
Impact on statement of income and equity	**-**	**-**	**-**	**-**	**-**	**-**

Hedge accounting

Cash flow hedge involving Group exports

The Group adopts a cash flow hedge accounting structure that consists of hedging an expected highly probable export transaction in foreign currency (US dollar - USD) against the risk of fluctuations in the USD/BRL exchange rate, using as hedging instruments non-derivative financial instruments – such as ACC (Advances on Foreign Exchange Contracts) and NCE (Export Credit Note) – and derivative financial instruments – such as NDF (Non-Deliverable Forward) – in amounts and maturities equivalent to those of exports. The following is a hedging relationship designated for hedge accounting:

	06/30/2021		03/31/2021		06/30/2020	
	Realized income (loss)	Unrealized (equity)	Realized income (loss)	Unrealized (equity)	Realized income (loss)	Unrealized (equity)
ACC, NCE and PPE	-	-	(44,835)	-	(9,308)	32,211
NDF – currency, commodities and options	(76,592)	485,455	(60,418)	501,723	14,478	183,424
NDF	(11,442)	59,748	-	36,812	-	-
Total exposure	**(88,034)**	**545,203**	**(105,253)**	**538,535**	**5,170**	**215,635**
(-) Deferred IR/CS	29,931	(145,756)	35,786	(183,102)	(1,758)	(73,924)
Net exposure	**(58,103)**	**399,447**	**(69,467)**	**355,433**	**3,412**	**141,711**

(In thousands of Brazilian reais, unless otherwise stated)

The effective portion of the change in the fair value of derivatives designated and qualified as cash flow *hedge*, and not settled, and the foreign exchange differences on non-derivative hedging instruments are recognized in equity as "Equity adjustments". This portion is realized upon the elimination of the risk for which the hedging instruments were designated. Upon settlement of financial instruments, gains and losses previously deferred in other comprehensive income are transferred to the statement of income.

Derivative financial instruments

The Group is exposed to the currency risk of future cash flows in foreign currency, due to revenue from sugar exports. In order to mitigate this risk, the Group adopts hedging procedures based on the exchange exposure calculated by the commercial credit amount for the next 12 months, which is monthly reviewed. The future cash flow hedge is reviewed and discussed by the Group's Board of Directors, which approves and authorizes the purchase and designation of derivative financial instruments for hedge accounting.

The table below shows the major financial instrument transactions, as well as their respective fair values calculated by the Group's management.

		06/30/2021		03/31/2021	
Consolidated	**Type Currency**	**Notional (US$/R$ thousand)**	**Fair value (R$)**	**Notional (US$/R$ thousand)**	**Fair value (R$)**
Swap	US$	32,000	(31,892)	25,000	9,811
Swap	R$	317,402	56,825	320,332	29,022
NDF - commodities - VHP	US$	251,190	(342,891)	310,014	(223,162)
NDF - currency	US$	274,991	(25,509)	328,763	(266,024)
NDF	US$	7,500	5,161	3,500	400
NDF - ethanol	R$	118,544	(59,747)	142,253	(36,812)
Options	US$	-	-	6,271	(9,920)
Total			**(398,053)**		**(496,685)**
Current assets			41,695		1,047
Noncurrent assets			92,958		68,535
			134,653		**69,582**
Current liabilities			(440,802)		(296,409)
Noncurrent liabilities			(91,904)		(269,858)
			(532,706)		**(566,267)**

(In thousands of Brazilian reais, unless otherwise stated)

Derivative financial instruments mature as follows:

			Consolidated					
June 30, 2021	Type	Notional	Book value	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years
Swap	US$	32,000	(31,892)	(14,313)	(14,240)	(2,364)	(975)	-
Swap	R$	317,402	56,825	1,067	644	14,052	18,621	22,441
NDF - commodities - VHP	US$	251,190	(342,891)	(286,747)	(39,208)	(16,936)	-	-
NDF - currency	US$	274,991	(25,509)	(39,368)	4,173	9,686	-	-
NDF	US$	7,500	5,161	-	5,161	-	-	-
NDF - ethanol	R$	118,544	(59,747)	(59,747)	-	-	-	-
Total			**(398,053)**	**(399,108)**	**(43,470)**	**4,438**	**17,646**	**22,441**

			Consolidated					
March 31, 2021	Type	Notional	Book value	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years
Swap	US$	25,000	9,811	-	9,811	-	-	-
Swap	R$	320,332	29,022	(9,780)	(8,575)	9,320	16,163	21,894
NDF - commodities - VHP	US$	310,014	(223,162)	(66,611)	(153,054)	(3,497)	-	-
NDF - currency	US$	328,763	(266,024)	(172,239)	(81,908)	(11,877)	-	-
NDF	US$	3,500	400	-	400	-	-	-
NDF - ethanol	R$	142,253	(36,812)	(36,812)	-	-	-	-
Options	US$	6,271	(9,920)	(9,920)	-	-	-	-
Total			**(496,685)**	**(295,362)**	**(233,326)**	**(6,054)**	**16,163**	**21,894**

Income (loss) from derivative financial instruments

The Group recorded gains and losses arising from these transactions in the statement of income for the period. At June 30, 2021 and 2020, the impacts recorded in the statement of income are shown below:

			Consolidated	
Derivative	**Market**	**Risk**	**06/30/2021**	**06/30/2020**
NDF - currency and commodities	CETIP	USD	(76,593)	14,478
NDF	CETIP	USD	(11,441)	-
ACC, NCE and PPE	CETIP	USD	-	(9,308)
Gross revenue from sales and services			**(88,034)**	**5,170**
Swap	CETIP	USD	(19,088)	(4,025)
NDF	CETIP	USD	4,760	-
Finance expenses			**(14,328)**	**(4,025)**
Total			**(102,362)**	**1,145**
(-) IR/CS			34,803	(389)
Net effect on the Group's statement of income			**(67,559)**	**756**

(In thousands of Brazilian reais, unless otherwise stated)

c) Capital management

The Company manages its capital to ensure that it can continue as a going concern and while maximizing the return of all its stakeholders by optimizing its debt and equity balance.

The Company's capital structure consists of its net debt (loans and financing and leases and agricultural partnerships payable, less cash and cash equivalents, short-term investments and its equity).

Management reviews the Company's capital structure on a regular basis. As part of this review, management considers the capital cost, asset liquidity, the risks associated to each class of capital and debt-to-equity ratio.

	06/30/2021	**03/31/2021**
Loans and financing	1,243,160	1,188,700
Leases and agricultural partnerships payable	806,550	746,172
(-) Cash and cash equivalents	(340,564)	(512,176)
(-) Short-term investments	(12,356)	(14,065)
Net debt	**1,696,790**	**1,408,631**
Equity	**281,811**	**263,640**
Equity and consolidated debt	**1,978,601**	**1,672,271**
Leverage ratio	6.02	5.34

(In thousands of Brazilian reais, unless otherwise stated)

21. Deferred income taxes

	Assets / Liabilities		Income (loss)		Equity	
	06/30/2021	**03/31/2021**	**06/30/2021**	**06/30/2020**	**06/30/2021**	**06/30/2020**
Provision for legal proceedings / actuarial reserves	1,100	1,026	74	576	-	-
Allowance for expected losses	4	455	(451)	-	-	-
Allowance for inventory losses	932	1,012	(80)	(544)	-	-
Effects of swap contracts	(8,477)	(13,203)	4,726	(2,701)	-	-
Income tax losses (a)	45,791	43,050	2,741	3,508	-	-
Fair value of biological assets	(21,814)	(19,017)	(2,797)	(10,325)	-	-
Effects of ACC / NCE	42,218	33,729	691	3,123	7,798	(1,672)
Effects of forward contracts	123,501	170,546	(1,618)	(329)	(45,427)	51,318
Effects of depreciation difference - tax vs. book useful life	(10,686)	(10,289)	(397)	(484)	-	-
Effect of variation of IFRS 16 adoption	562	10,038	(9,476)	(1,668)	-	-
Net	**173,131**	**217,347**	**(6,587)**	**(8,844)**	**(37,629)**	**49,646**

(a) The Company management recognized deferred income tax assets arising from income tax loss carryforwards based on expected generation of future taxable profits. The remaining balance of unrecorded deferred income tax losses is approximately of R$220,453.

Deferred income tax assets were recognized as a result of studies prepared by management, demonstrating the generation of future taxable profits in amount sufficient for full realization of these amounts within a maximum period of ten years. The Company also took into account the increase in profitability and the tax base in recent years. The expected realization of deferred taxes at June 30, 2021 is as follows:

	Consolidated
07/01/2021 to 06/30/2022	17,878
07/01/2022 to 06/30/2023	23,227
07/01/2023 to 06/30/2024	28,204
07/01/2024 to 06/30/2025	19,831
07/01/2025 to 06/30/2026	19,736
07/01/2026 to 06/30/2031	64,255
	173,131

(In thousands of Brazilian reais, unless otherwise stated)

Reconciliation of the effective rate

	Consolidated	
	06/30/2021	**06/30/2020**
Income before income taxes	**66,871**	53,620
Statutory rate	**34%**	34%
Tax expense at statutory rate	**(22,736)**	(18,231)
Adjustments for effective rate calculation:		
Tax vs. useful life depreciation difference	**(397)**	-
Recognition of prior-period income loss carryforwards	**1,901**	-
Offset of income tax losses	**-**	3,291
Grants	**10,919**	4,966
Other	**5,626**	(1,660)
Income taxes	**(4,687)**	(11,634)
Current	**1,900**	(2,790)
Deferred	**(6,587)**	(8,844)

Reconciliation of the effective rate

	Individual	
	06/30/2021	**06/30/2020**
Income before income taxes	62,184	41,986
Statutory rate	34%	34%
Tax expense at statutory rate	(21,142)	(14,275)
Adjustments for effective rate calculation:		
Offset of income tax losses in the year	(1,290)	(82)
Equity pick-up	22,432	14,357
Income taxes	**-**	-
Current	-	-
Deferred	-	-

The statutory tax rate is 34% on adjusted income, according to the current legislation in Brazil for annual taxable profit. According to the current tax legislation, deductible temporary differences and accumulated tax losses are not barred by the statute of limitations.

(In thousands of Brazilian reais, unless otherwise stated)

22. Net revenue

The Group’s operating revenue comprises sugar and ethanol sales to the domestic and foreign markets and electric power.

	Consolidated	
	06/30/2021	**06/30/2020**
Gross revenue from sales and services:		
Ethanol - domestic market	346,714	91,884
Sugar - domestic market	1,238	-
Sugar - foreign market	240,833	149,829
Hedge accounting (Note 20)	(88,034)	5,170
Electric energy	29,715	29,859
CBIOs	1,852	-
Other revenues	5,915	8,722
Gross revenue	**538,233**	**285,464**
Sales taxes	(51,548)	(15,154)
Net revenue	**486,685**	**270,310**

<u>Agreement commitments – Sugar – Foreign Market</u>

The Company’s subsidiaries operate mainly in the commodities market and have various agreements in the sugar market, through which they undertake to sell volumes of these products in future cycles. Sugar sales commitments at June 30, 2021 in accordance with the production cycle per producing unit, in tons (t), are as follows:

Cycle	Vale do Tijuco	Vale do Pontal	Usina Canápolis	Total
21-22	330,000	120,000	90,300	540,300
22-23	315,000	30,000	-	345,000
23-24	124,000	56,000	-	180,000
Grand total	**769,000**	**206,000**	**90,300**	**1,065,300**

(In thousands of Brazilian reais, unless otherwise stated)

Ethanol - domestic market

The Company's subsidiaries have entered into agreements for the sale of hydrous ethanol for the 2021/2022 cycle, as shown below in cubic meters (m³):

	Vale do Tijuco	Vale do Pontal	Usina Canápolis	Total
Anhydrous ethanol	1,408	1,285	1,962	4,655
Hydrous ethanol	413	1,277	1,600	3,290
Grand total	**1,821**	**2,562**	**3,562**	**7,945**

Electric energy

Subsidiary Vale do Tijuco has an electric power supply agreement with the Electric Energy Trading Chamber (CCEE), entered into through an auction held by the Brazilian Electricity Regulatory Agency - ANEEL, which provides for the supply of 876,000 MWh in the period from April 2010 to March 2025, with monetary restatement by reference to the Extended Consumer Price Index (IPCA).

Subsidiary Vale do Pontal has an electric power supply agreement with the Electric Energy Trading Chamber (CCEE), entered into through an auction held by the Brazilian Electricity Regulatory Agency - ANEEL, which provides for the supply of 2,125,000 MWh in the period from April 2023 to March 2048, with monetary restatement by reference to the Extended Consumer Price Index (IPCA).

Subsidiaries Vale do Tijuco and Vale do Pontal also have electric power sales agreements with other companies until the 2024/2025 cycle. Below is the delivery flow for the next cycles in MWh:

Cycle	Vale do Tijuco	Vale do Pontal	Total
2021 / 2022	161,340	-	161,340
2022 / 2023	161,340	-	161,340
2023 / 2024	61,320	85,000	146,320
2024 / 2025	61,320	85,000	146,320
Total	**445,320**	**170,000**	**615,320**

Leases and agricultural partnership agreements

Subsidiaries Vale do Tijuco, Vale do Pontal and Usina Canápolis have land lease and partnership agreements for sugarcane cultivation, whose rights of use were recognized as described in Note 6, and the related liabilities are described in Note 16.

(In thousands of Brazilian reais, unless otherwise stated)

23. Expenses by nature

The Company presented its statements of income using a classification of expenses based on their function. Information on the nature of these expenses recognized in the statements of income is as follows:

	Consolidated	
	06/30/2021	**06/30/2020**
Cost of sales and services		
Amortization of treatment costs	**(34,833)**	(19,359)
Amortization of planting costs	**(28,815)**	(11,663)
Purchase of sugarcane on conveyor	**(132,843)**	(76,626)
Amortization of right of use and agricultural partnerships	**(13,341)**	(8,476)
Depreciation	**(12,413)**	(9,651)
Amortization of off-season costs	**(35,627)**	(18,403)
Cutting, loading and transportation (CCT) costs	**(56,333)**	(36,707)
Industrial processing costs	**(27,247)**	(20,156)
Costs of services rendered	**(4,448)**	(1,559)
Other costs	**(2,140)**	(1,332)
Changes in fair value of biological assets	**8,226**	30,367
PIS and COFINS credits on input material	**12,192**	6,600
Total	**(327,622)**	(166,965)

	Consolidated	
	06/30/2021	**06/30/2020**
Selling expenses		
Freight and cartage	**(25,924)**	(15,897)
Tariffs arising from distribution of electric energy	**(2,089)**	(1,244)
Personnel expenses	**(1,187)**	(750)
Other selling expenses	**(1,932)**	(1,203)
Depreciation and amortization	**(694)**	(340)
Total	**(31,826)**	(19,434)

	Consolidated	
	06/30/2021	**06/30/2020**
Administrative expenses		
Personnel expenses	**(5,979)**	(4,570)
Third-party services	**(4,392)**	(1,866)
Other administrative expenses	**(2,081)**	(1,000)
Depreciation and amortization	**(684)**	(550)
Total	**(13,136)**	(7,986)

(In thousands of Brazilian reais, unless otherwise stated)

24. Finance income (expenses), net

	Consolidated	
	06/30/2021	06/30/2020
Finance expenses:		
Interest on loans and financing	(28,493)	(12,886)
Tax on Financial Transactions (IOF)	(2,215)	(1,247)
Losses on fair value adjustment – derivatives	(25,039)	(49,175)
Effective losses - settlement of transactions - derivatives	(5,523)	(4,107)
Foreign exchange losses	(10,819)	(14,565)
Other finance expenses	(6,158)	(1,927)
Interest on lease	(15,921)	(8,617)
Bank fees	(2,842)	(2,420)
Total	**(97,010)**	**(94,944)**
Finance income:		
Gains on fair value adjustment – derivatives	12,999	57,117
Short-term investment yield	2,265	1,484
Effective gains - settlement of transactions - derivatives	337	82
Foreign exchange gains	22,214	10,932
Other finance income	4,081	927
Interest on lease	5,568	3,985
Total	**47,463**	**74,527**
Finance income (expenses), net	**(49,547)**	**(20,417)**

25. Earnings per share

Basic earnings per share are calculated by dividing net income for the period attributed to holders of the Company's common shares by the weighted average number of common shares in the years.

Basic and diluted earnings per share are the same, since there are no financial instruments or equity instruments that could potentially dilute the number of common shares The table below shows net income data and the number of shares used to calculate basic and diluted earnings per share:

	Consolidated and Individual	
	06/30/2021	06/30/2020
Net income for the period	62,184	41,986
Average number of shares in the year	1,258,415,911	1,064,082,217
Basic and diluted earnings per share (in reais)	**0.0494**	**0.0395**

(In thousands of Brazilian reais, unless otherwise stated)

26. Related parties

a) Key management personnel compensation

Key management personnel comprises the Company's Executive Board and Board of Directors. Key management personnel compensation for the period ended June 30, 2021 as short-term benefits amounted to R$1,489 (R$1,398 at June 30, 2020), recorded in the general and administrative expenses group, and include salaries, bonuses, variable compensations and direct and fringe benefits. The global annual compensation of key management personnel was approved at the General Meeting in the total amount of R$5,750 for the years ended March 31, 2021 and 2020. However, the amount is subject to change according to the bonus policy approved by the Company.

b) Significant balances and transactions

Transactions with related parties, other than purchase of raw materials, which are performed at market price, are carried out based on conditions negotiated between the Company and related parties, which could differ if performed with unrelated parties. The balances with related parties, which comprise transactions with shareholders or companies related to shareholders, are as follows:

		Individual		Consolidated	
		06/30/2021	**03/31/2021**	**06/30/2021**	**03/31/2021**
Noncurrent assets					
Receivables from related parties					
Marseille Fundo de Investimentos em Participações	ii	4,425	4,425	4,425	4,425
Rio Grande Investment PTE. LTD.	ii	4,425	4,425	4,425	4,425
Terra Forte Empreendimentos e Participações S.A.	iii	-	-	49,938	29,901
Vale do Pontal Açúcar e Etanol Ltda.	iv	39,110	41,809	-	-
Other		-	-	-	6
Subtotal		**47,960**	**50,659**	**58,788**	**38,757**
Right of use on agricultural partnerships					
Terra Forte Empreendimentos e Participações S.A.	iii	-	-	**168,519**	**110,559**
Subtotal		**-**	**-**	**168,519**	**110,559**
Total assets		**47,960**	**50,659**	**227,307**	**149,316**

(In thousands of Brazilian reais, unless otherwise stated)

		Individual		Consolidated	
		06/30/2021	03/31/2021	06/30/2021	03/31/2021
Liabilities					
Payables to related parties					
JF Citrus Agropecuária		-	-	**-**	67
Terra Forte Empreendimento e Participações S.A.	v	-	-	**8,904**	502
Subtotal		**-**	**-**	**8,904**	**569**
Intercompany loans (Note 14)					
Canápolis Açúcar e Etanol S.A.	vi	-	**260**	**-**	-
Vale do Tijuco Açúcar e Álcool S.A.	vii	1,506	**1,701**	**-**	-
Subtotal		**1,506**	**1,961**	**-**	**-**
Leases and agricultural partnerships payable					
Terra Forte Empreendimentos e Participações S.A.	viii	-	-	**194,689**	114,155
Total lases and agricultural partnerships payable		**-**	**-**	**194,689**	**114,155**
Total liabilities		**1,506**	**1,961**	**203,593**	**114,724**

	Consolidated	
	06/30/2021	06/30/2020
Income (loss)		
Sale of sugarcane seedlings and agricultural inputs		
JF Citrus Agropecuária	**-**	1,235
	-	1,235
Purchase of raw material (sugarcane)		
JF Citrus Agropecuária	-	(8,788)
	-	**(8,788)**
Amortization of Right of Use and Interest Allocated		
Marco Otávio Galvão	-	1,391
Terra Forte Empreendimentos e Participações S.A.	7,484	735
	7,484	**2,126**

(i) Amount related to sales of agricultural inputs and assets between associates.

(ii) Balance arising from the merger of JLFIM by the Company. These refer to promissory notes receivables, which were settled at July 31, 2021.

(iii) Amount granted to company Terra Forte, bearing interest calculated monthly based on the weighted average interest rate of the CMAA Group’s bank loans (6.91% p.a. in March/21). Maturity expected for March/22.

(iv) Intercompany loan between Vale do Pontal and the Company, bearing no interest. Maturity expected for March/22.

(v) Intercompany loan between Canápolis Açúcar e Etanol S.A. and the Company, bearing no interest. Maturity expected for March/22.

(vi) Intercompany loan between Vale do Tijuco and the Company, bearing no interest. Maturity expected for March/22.

(vii) Amount referring to purchase of sugarcane between associates.

(In thousands of Brazilian reais, unless otherwise stated)

The Company provides surety for its subsidiaries in loan and financing agreements, as described in Note 14.

Subsidiary Vale do Tijuco provides financial guarantees for transactions with suppliers, as described in Note 20.

27. Supplemental cash flow information

a) Noncash transactions

	Consolidated	
	06/30/2021	06/30/2020
Noncash transactions		
Right of use	125,691	15,197
Assignment of leases and agricultural partnerships receivable	4,852	10,962
Leases and agricultural partnerships payable	130,543	25,610

28. Insurance coverage

The Group's policy is to take out insurance coverage for assets subject to risks at amounts deemed sufficient to cover losses, if any, considering the nature of its activities.

At June 30, 2021, the Group has insurance coverage at amounts deemed sufficient by its management to cover losses, if any, which are described below:

Insured assets	Amount insured
Civil liability	60,000
Agricultural pledge	9,612
Vehicles	100% Fipe
Sundry machinery and equipment	84,050
Property	400,000
D&O (Senior Management)	30,000

Board of Directors

Members

José Francisco de Fátima Santos
President

Luiz Gustavo Turchetto Santos
Hansjorg Suelzle
Moleonoto Tjang
Surjadi Tirtarahardia
Mark Julian Wakeford

Executive Board

Carlos Eduardo Turchetto Santos
Alisson Venturini Colonhezi
Jeferson Degaspari
Eduardo Scandiuzzi Lopes
Marcelo Bosquetti

Accountant

Wanessa de Araújo Nunes Costa
CRC/GO nº GO-026301/O-6
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