(*A free translation from Portuguese into English of the individual and consolidated financial statements originally issued in Portuguese*)

Individual and Consolidated Financial Statements

Companhia Mineira de Açúcar e Álcool Participações

March 31, 2022
with Independent Auditor's Report

Companhia Mineira de Açúcar e Álcool Participações

Individual and consolidated financial statements

March 31, 2022

Contents

Management Report	1
Independent auditor's report on individual and consolidated financial statements	11
Individual and consolidated financial statements	
Statements of financial position	17
Statements of income	19
Statements of comprehensive income	20
Statements of changes in equity	21
Statements of cash flows	22
Statements of value added	23
Notes to individual and consolidated financial statements	24

MANAGEMENT REPORT | 4Q22 CROP CALENDAR YEAR

Uberaba, June 03, 2022

Dear shareholders,

Companhia Mineira de Açúcar e Álcool Participações (CMAA), a publicly-held company registered with the Brazilian Securities and Exchange Commission (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 4Q22 – Crop calendar (period between 04/01/2021 and 03/31/2022).

Message from Management

In the 21/22 crop, despite the adverse weather factors in the period with scarcity of rains and occurrence of frost and fires, the Company's results were positive, leveraged by high commodity prices and higher production compared with the 20/21 crop. For the 22/23 crop, even with the scenario of high commodity prices (sugar and ethanol), the sugar-energy sector will face some challenges due to the economic instability generated mostly by the election year in Brazil, by the increase in prices of inputs and their availability, with part of this impact directly related to the Russia-Ukraine conflict. Even with the current scenario of economic instability, we remain confident in the Company's growth and results for the 22/23 crop.

With the advance of vaccination against the coronavirus, the Company's activities resumed normality and the CMAA Group continues to prioritize the various health measures. We remain 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.

In the 2021/2022 crop, 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 523.11 million tons of sugarcane, which represents a 13.6% decrease vis-à-vis the 2020/2021 crop This is mainly attributed to adverse climatic factors observed in the period, with the occurrence of frost and lack of rainfall.

Having prioritized the production of sugar in order to maximize results as well as take advantage of price levels set in advance, CMAA recorded an output of 572.5 thousand tons of sugar in the 2021/2022 crop, a 16.5% increase compared with the prior crop. Sugar sales increased 10.3%, totaling 563.2 thousand tons. The production of anhydrous ethanol was 49.3% higher, while hydrous ethanol showed a 0.3% decrease over the same comparable period. In this context, anhydrous ethanol sales increased by 10.7%, while hydrous ethanol sales decreased by 8.2%.

In the 2021/2022 crop, the Company's net revenue was 30.7% higher in relation to the same prior-year period, totaling R$1,797.7 million. Thus, the cost of goods sold in relation to net revenue was 0.7 p.p. lower, and operating expenses, which totaled R$160.6 million, were 65% higher in relation to the last crop same period.

For this 2022/2023 crop, we will maintain our strategy of maximizing the use of installed capacity, with the expansion of sugarcane planting and increase of efficiency, getting stricter in terms of cost control and management, as well as being judicious in investing in Capex due to the economic challenges that have been perceived involving cost inflation and scarcity of products in general. 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.

We should stress that Usina Canápolis was merged into the CMAA Group as of September 30, 2020, i.e. in the figures reported herein until 2Q21, the CMAA comprised Usinas Vale do Tijuco and Vale do Pontal only.

4Q22 vs. 4Q21 Highlights

Processing of 7,936.5 thousand tons of sugarcane in the 2021/2022 cycle, 15.1% up from the volume processed in the same period of the previous cycle. 572.5 thousand tons of VHP sugar, 316.8 thousand m³ of ethanol and 359.5 thousand MWh of energy were produced in the cycle.

Net revenue of R$1,797.7 million in the 2021/2022 cycle, 30.7% up from the R$1,375.0 million earned in the same prior-year period.

Operating income* of R$379.1 million in the 2021/2022 cycle, 23.9% up from the R$305.9 million earned in the same prior-year period.

Net income of R$195.1 million in the 2021/2022 cycle, 8.6% up from the R$176.2 million earned in the same prior-year period.

*Operating Income is equivalent to Income before finance income (expenses) and income taxes, as presented in the Statement of income.

About the CMAA Group

Companhia Mineira de Açúcar e Álcool Participações, based in the city of Uberaba, Minas Gerais State, 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. (Usina 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 Usina 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.

By the end of the 2021/2022 crop, the CMAA Group milled 7.9 million tons of sugarcane, and produced 572.5 thousand tons of VHP sugar, 316.8 thousand cubic meters of ethanol and 359.5 thousand MWH of energy.

Operating Performance

In the 2021/2022 crop, 7,936.5 thousand tons of sugarcane were processed, 15.1% up from the 6,894.2 thousand tons recorded in the 2020/2021 crop. The volume of processed third-party sugarcane was 1.0% lower, totaling 4,169.7 thousand tons, or 52.5% of the total sugarcane processed in the crop. At the beginning of the 2021/2022 crop, maintaining the trend observed in the prior crop, the Company prioritized sugar production due to future goals set in the prior crop.

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

Total Recoverable Sugar (ATR) was 137.5 kg/t in the 2021/2022 crop, 0.2% up from the 137.2 kg/t recorded in the 2020/2021 crop.

OPERATIONAL DATA	12M22	12M21	Var. (%)
CMAA - CONSOLIDATED			
Processed sugarcane (thousand tons)	7,936.5	6,894.2	15.1%
Own	3,766.8	2,683.0	40.4%
Third parties	4,169.7	4,211.1	-1.0%
Mechanized harvest	100%	100%	0.0%
ATR (kg/ton of sugarcane)	137.5	137.2	0.2%
Production			
Sugar (thousand tons)	572.5	491.4	16.5%
Anhydrous Ethanol (thousand cbm)	128.6	86.1	49.3%
Hydrous Ethanol (thousand cbm)	188.2	188.7	-0.3%
Energy (thousand Mwh)	359.5	403.3	-10.9%
Sales			
Sugar (thousand tons)	563.2	510.5	10.3%
Anhydrous Ethanol (thousand cbm)	104.3	94.2	10.7%
Hydrous Ethanol (thousand cbm)	206.7	225.2	-8.2%
Energy (thousand Mwh)	353.2	396.1	-10.8%
CBIOS (thousand units)	241.7	254.8	-5.2%
Inventories			
Sugar (thousand tons)	5.5	1.3	323.1%
Anhydrous Ethanol (thousand cbm)	6.2	2.9	113.8%
Hydrous Ethanol (thousand cbm)	2.1	1.4	50%

Sugar production in the 2021/2022 cycle was 572.5 thousand tons, a 16.5% increase over the same prior-year period. Anhydrous ethanol production totaled 128.6 thousand m3, a 49.3% increase over the same

prior-year period, while the production of hydrous ethanol totaled 188.2 thousand m3, a 0.3% decrease over the same period of the previous year.
In the 20221/2022 crop, bioenergy generation decreased by 10.9% compared with the same prior-year period, from 403.3 thousand MWh to 359.5 thousand MWh.

Economic and Financial Performance

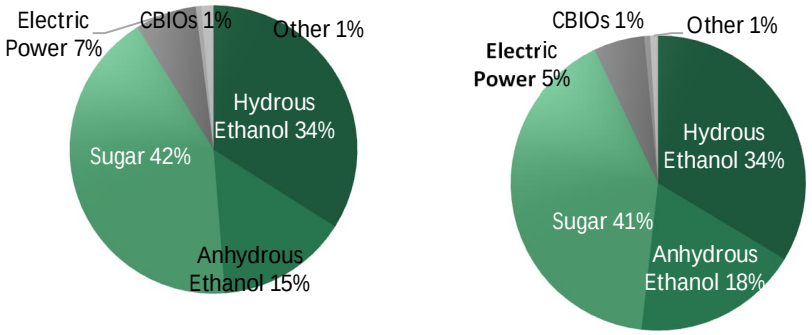
CMAA - CONSOLIDATED	12M22	12M21	Var. (%)
In thousands of Reais			
Gross revenue	1,933,365	1,489,052	29.8%
Net revenue	1,797,711	1,375,005	30.7%
Cost of sales and services	-1,258,042	-971,786	29.5%
% in relation to net revenue	*70.0%*	*70.7%*	*-0.7%*
Gross profit	539,669	403,219	33.8%
Gross margin (%)	*30.0%*	*29.3%*	*2.4%*
Operating Expenses	-160,605	-97,315	65.0%
Operating income (loss)	379,064	305,904	23.9%
Operating margin (%)	*21.1%*	*22.2%*	*-1.2%*
Depreciation and amortization	542,850	358,632	51.4%
Net income	195,085	176,161	8.6%
Net margin (%)	*10.8%*	*12.8%*	*-2.2%*

In the 2021/2022 crop, CMAA recorded accumulated net income of R$195.1 million, 8.6% up from the R$176.2 million recorded in the same period of the previous cycle. Net margin was 10.8%, and 12.8% over the comparable period.

Revenue

Gross revenue	12M22	12M21	Var. (%)
In thousands of Reais			
Domestic market	1,107,855	859,528	28.9%
Ethanol	1,035,191	725,604	42.7%
Hedge Accounting Ethanol	-96,918	-	-
VHP sugar	33,067	1,842	1,695.2%
Electric power	107,515	102,450	4.9%
CBIOs	12,520	9,147	36.9%
Other	16,482	20,485	-19.5%
Foreign market	825,507	629,524	31.1%
VHP sugar	990,281	734,777	34.8%
Hedge Accounting VHP Sugar	-227,703	-105,253	116.3%
Ethanol	62,929	-	-
Total gross revenue	1,933,365	1,489,052	29.8%
Hydrous ethanol	650,200	505,802	28.5%
Anhydrous ethanol	351,003	219,802	59.7%
Sugar	795,645	631,366	26.0%
Electric power	107,515	102,450	4.9%
CBIOs	12,520	9,147	36.9%
Other	16,482	20,485	-19.5%

Distribution – Gross Revenue

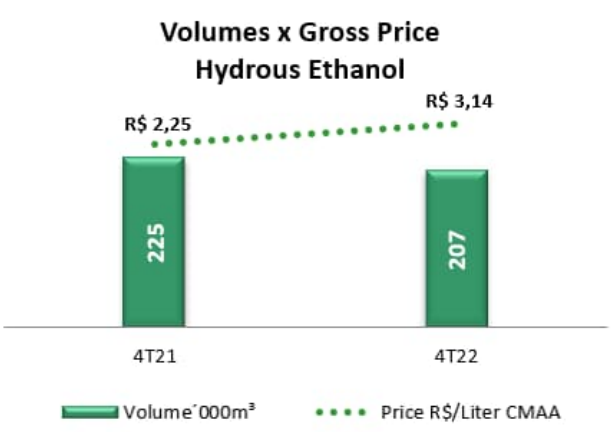


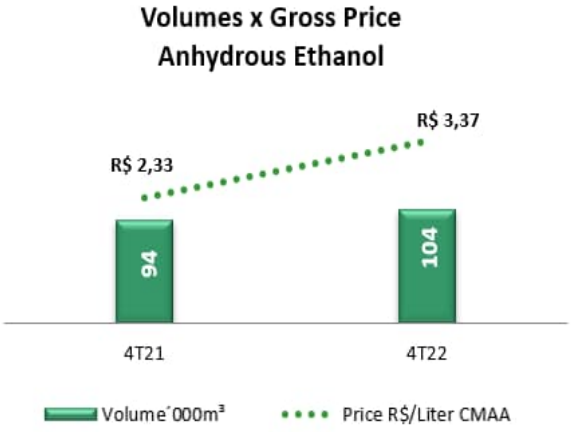
4Q21 4Q22

In the 2021/2022 crop, the share of each product in terms of total revenue was in line with the prior crop, considering the same comparison period. Gross revenue from the sale of ethanol increased by around 38.0%, and gross revenue from sale of sugar increased by around 26.0%. Revenue from sale of power also increased by 4.9% compared with the 2020/2021 crop.

Ethanol

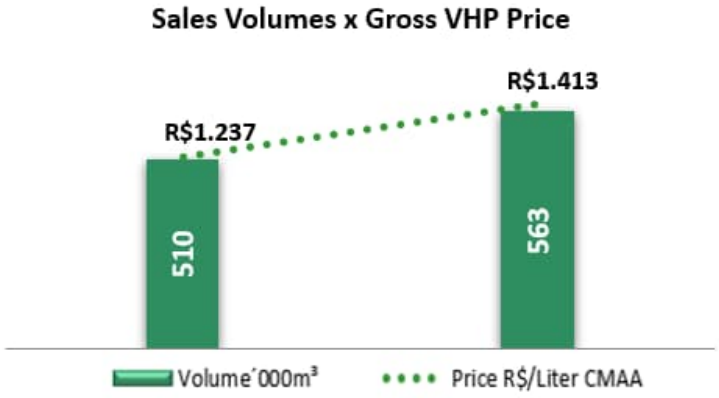
Driven by the increase in sugar price in the foreign market, the low supply of hydrous and anhydrous ethanol, and increase in gasoline prices, prices considerably increased in the 2021/2022 crop, reaching historically record levels. To seize this moment, CMAA sold 206.7 thousand cbm of hydrous ethanol, which represents a reduction of 8.2% compared with the same period of the prior crop, with an average price of R$3.14/liter, higher than the 2020/21 crop of R$2.25/liter. Anhydrous ethanol sold in the 2021/2022 crop totaled 104.3 m3, which represents a 10.7% increase over the volume sold in the previous cycle, but at an average price of R$3.37/liter, above the price for the 2020/21 cycle of R$2.33/liter.





VHP

CMAA prioritized the production of sugar in the 2021/2022 crop, in order to meet the future goals set in the prior crop. A total of 563.2 thousand tons were sold, which represents an increase of 10.3% compared with the 2020/2021 crop, at a gross price 14.2% higher of R$1,413/ton.
This price includes the effect of the Hedge Accounting for the period.



Cost of Goods Sold

CoGS	12M22	12M21	Var. (%)
In thousands of Reais			
Amortization of treatments costs	113,713	82,906	37.2%
Amortization of planting costs	93,620	51,754	80.9%
Purchase of sugarcane on conveyor	517,331	415,725	24.4%
Amortization of right of use and agricultural partnerships	125,971	72,281	74.3%
Depreciation	69,163	62,817	10.1%
Amortization of off-season costs	132,983	84,870	56.7%
Cutting, loading and transportation (CCT) costs	190,128	165,446	14.9%
Industrial costs	97,947	104,792	-6.5%
Cost of services rendered	20,081	9,578	109.7%
Other costs	726	4,800	-84.9%
Changes in fair value of biological assets	-51,947	-39,464	31.6%
PIS and COFINS credits on inputs	-51,674	-43,719	18.2%
Total cost of sales and services	1,258,042	971,786	29.5%
Breakdown per good			
Sugar	639,298	487,949	31.0%
Ethanol	623,624	474,668	31.4%
Energy	14,977	16,313	-8.2%
Other	-19,857	-7,143	178%
Total cost of sales and services	1,258,042	971,786	29.5%
ATR Sold ('000 Tons)	1,056	1,013	4.3%
Unit cost (CoGS Sugar and Ethanol/ATR)	1,196	951	25.8%

The cost of goods sold (CoGS) in the 2021/2022 crop increased by 29.5% over the same period of the previous year due to the merger of Usina Canápolis into the CMAA Group at 9/30/2020 and the increase in the volumes of sugar, ethanol and energy traded in the period. Another significant factor for this increase in costs was due to the impact of sugar and ethanol selling prices on the ATR price that

remunerates raw materials (sugarcane) in supply contracts and agricultural partnerships. Upon comparing the unit cost of sugar/ethanol over ATR sold, there was an increase of 20.6% over the prior crop.

Operating Expenses

The Company's selling expenses totaled R$128.7 million in the 2021/2022 crop, 49.2% up from the 2020/2021 crop, due to higher sales of VHP sugar, namely 26.0% higher than the same period of the previous cycle and due to the higher prices of road-rail freight.

Selling Expenses	12M22	12M21	Var. (%)
In thousands of Reais			
Freight and carriage	100,361	68,397	46.7%
Tariffs arising from distribution of electric power	7,919	5,489	44.3%
Personnel expenses	5,026	3,736	34.5%
Other selling expenses	12,564	6,796	84.9%
Depreciation and amortization	2,907	1,918	51.6%
Overall Total	128,777	86,336	49.2%

Administrative expenses increased by 42.0% in 2021/2022 compared with the previous cycle, mainly given the increase in personnel expenses due to the higher average monthly number of workers in the administrative department and higher expenses with third-party services, as a result of higher expenses with consultancy/advisory services and software use 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.

Administrative Expenses	12M22	12M21	Var. (%)
In thousands of Reais			
Personnel expenses	24,971	20,505	21.8%
Third-party services	19,635	12,713	54.4%
Other administrative expenses	8,741	5,419	61.3%
Depreciation and amortization	4,493	2,086	115.4%
Overall Total	57,840	40,723	42.0%

Finance income (expenses) and Bank Indebtedness

Finance income (expenses), net	12M22	12M21	Var. (%)
In thousands of Reais			
Finance income	238,875	228,351	4.6%
Finance expenses	-477,739	-332,115	43.8%
Overall Total	-238,864	-103,764	130.2%

The net finance income (expenses) calculated up to 2021/2022 crop was negative R$238.9 million, 130.2% down in relation to the negative R$103.8 million reported in the previous crop, impacted mainly by the hike in the interest rates and by the impact of Usina Canápolis in the Group's consolidated figures. Finance income showed a 4.6% increase in the 2021/2022 cycle compared with the previous year, while finance expenses increased by 43.8% in the same period.

Breakdown of Finance Income (Expenses)	12M22	12M21	Var. (%)
In thousands of Reais			
Interest on loans and financing	-161,715	-87,975	83.8%
Financial investment yield	18,421	6,020	206%
Gain/losses on fair value adjustment – derivatives	-7,936	35,424	-122.4%
Tax on Financial Transactions (IOF)	-7,642	-6,127	24.7%
Foreign exchange differences	19,465	-8,974	-316.9%
Bank fees	-11,733	-11,882	-1.3%
Other finance income and expenses	-14,869	-5,020	196.2%
Fair value adjustment - leases	-72,855	-25,230	188.8%
Overall Total	-238,864	-103,764	130.2%

Indebtedness	12M22	12M21	Var. (%)
In thousands of Reais			
ACC/CCE/NCE	148,111	167,737	-11.7%
FINAME	174,300	151,771	14.8%
Working capital	128,536	151,772	-15.3%
Agribusiness Receivables Certificate (CRA)	1,299,735	742,277	75.1%
Deferred expenses	-48,084	-24,857	93.4%
Total gross debt	1,702,598	1,188,700	43.2%
Cash and cash equivalents	900,795	526,241	71.2%
Net Debt	801,803	662,459	21.0%
Capital stock	503,892	503,892	0.0%
Processed sugarcane (thousand tons)	7,936	6,894	15.1%
EBITDA	866,410	625,091	38.6%
Ratio (Net debt / Capital)	1.59	1.31	21.4%
Ratio (Net debt / Processed sugarcane – thousand tons)	101.0	96.1	5.1%
Ratio (Net debt / EBITDA)	0.93	1.06	-12.3%

Net debt totaled R$801.8 million as of March 31, 2022, 21.0% higher in relation to March 31, 2021. This increase is substantially due to the merger of Usina Canápolis by CMAA as of September 30, 2020 and the investments made for the Company's continuous growth, consequently leading to the need to raise new funds.

Relationship with the independent auditor

Pursuant to CVM Ruling No. 381/03, we inform that in 2022, the Company did not engage its independent auditor Ernst Young Auditores Independentes to conduct services other than the external audit.

Edifício Walk Bueno Business
Rua T-55, N.930 - 11º Andar, Salas 1110 a 1115
Setor Bueno - Goiânia - GO - CEP: 74215-170

Tel: +55 62 3605-1100
ey.com.br

A free translation from Portuguese into English of independent auditor's report on individual and consolidated financial statements prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB)

Independent auditor's report on individual and consolidated financial statements

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

Opinion

We have audited the individual and consolidated financial statements of Companhia Mineira de Açúcar e Álcool Participações (the "Company"), identified as individual and consolidated, respectively, which comprise the statements of financial position as at March 31, 2022, and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of the Company as at March 31, 2022, and its individual and consolidated financial performance and cash flows for the year then ended in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing.
Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by Brazil's Federal Accounting Council (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

Uma empresa-membro da Ernst & Young Global Limited

Building a better working world

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Fair value measurement of biological assets

As disclosed in Notes 7g and 13 to the individual and consolidated financial statements, the Company measures the biological assets of its subsidiaries, which correspond to the sugarcane agricultural product under development, based on its fair value, calculated based on the discounted cash flow from the crop in formation. This measurement is a significant estimate based on various assumptions and methodologies adopted by the Company's executive board, for which internal and external information was used, mainly related to productivity, profitability, prices and discount rate. As at March 31, 2022, the Company had a balance of R$300,813 thousand under the biological assets account, in the consolidated current assets.

Due to the materiality of the amounts under biological assets recorded by the Company and the uncertainties inherent in the fair value estimate of biological assets, as well as the necessary judgment that must be exercised by the executive board in determining the assumptions for calculating their fair value, this matter was considered significant for our audit.

How our audit addressed this matter:

As part of our audit procedures, but not limited to, we (i) understood and analyzed the model used to estimate the fair value less selling expenses of biological assets; (ii) involved our valuation specialists to assist us in evaluating the assumptions and methods used by the Company, particularly relating to estimates of productivity, profitability, prices and interest rates for discounting cash flows; (iii) assessed the adequacy of the disclosures made by the Company regarding the assumptions used in the fair value measurement of biological assets, as well as their impact on the net income for the year.

Based on the audit procedures performed on the fair value measurement of biological assets, which is consistent with the executive board's assessment, we consider that the criteria and assumptions of the fair value of the respective biological assets, as well as the related disclosures in Notes 7g and 13, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Building a better working world

Recognition and measurement of derivative financial instruments and hedge accounting

As disclosed in Notes 7j and 25 to the individual and consolidated financial statements, the Company takes out derivative financial instruments, and for certain of them, the executive board uses hedge accounting in order to hedge against the volatility risks of the commodities price, exchange rates and interest rates. To be able to apply the hedge accounting method, the Company must comply with certain requirements set forth in the accounting standards, including, but not limited to, formal documentation of the designation for hedge accounting, realization of effectiveness test and accounting for any inefficiency in the statement of income. Given the technical requirements applicable to hedge accounting as well as in the event of a designation or proof of ineffectiveness with a potential risk of misstatement of the financial statements, this was considered a key audit matter.

How our audit addressed this matter:

As part of our audit procedures we conducted on a sampling basis, but not limited to, (i) the involvement of our specialists in derivative financial instruments to assist us with determining the adequacy of the supporting documentation of hedge relationships, as well as the reasonableness of the key assumptions used to measure the fair value of derivative financial instruments; (ii) the review of contracts; (iii) sending confirmation letters to the counterparties to the respective contracts; (iv) review of the executive board's policies and memoranda that formally document the designation for hedge accounting; (v) examination of effectiveness tests to assess whether the hedging relationships are effective and whether they have been properly derived; and (vi) analysis of the adequacy of the Company's disclosures in explanatory notes 7j and 25 to the financial statements.

Based on the audit procedures performed on the recognition and measurement of derivative financial instruments subject to hedge accounting, which is consistent with the executive board's assessment, we consider that the criteria used and documents maintained by the Company to use hedge accounting, as well as the respective disclosures in Notes 7j and 25, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added for the year ended March 31, 2022, prepared under the responsibility of Company's executive board, and presented as supplementary information for IFRS purposes, were submitted to audit procedures conducted together with the audit of the Company's financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by NBC TG 09 - Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in the above-mentioned accounting pronouncement, and are consistent in relation to the overall individual and consolidated financial statements.

Building a better working world

Other information accompanying the individual and consolidated financial statements and the auditor's report

The executive board is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive board and those charged with governance for the individual and consolidated financial statements

The executive board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as the executive board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, the executive board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Building a better working world

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal control.

- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.

- Concluded on the appropriateness of the executive board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Building a better working world

- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope, the timing of the audit and significant audit findings, including deficiencies in internal control that we may have identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements, including applicable independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Goiânia, June 03, 2022.

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 March 31, 2022 and 2021
(In thousands of reais)

		Individual		Consolidated	
	Note	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Assets					
Current assets					
Cash and cash equivalents	8	14	261	891,989	512,176
Short-term investments	9	-	-	6,481	5,168
Accounts receivable	10	8,850	-	53,591	66,550
Leases receivable	11	-	-	84,430	88,145
Inventories	12	-	-	91,878	51,309
Biological assets	13	-	-	300,813	188,988
Taxes recoverable	14	190	190	38,588	34,093
Advances to suppliers and other assets	15	-	89	14,443	18,128
Derivative financial instruments	25	-	-	52,962	1,047
Total current assets		9,054	540	1,535,175	965,604
Noncurrent assets					
Financial investments	9	-	-	2,325	8,897
Accounts receivable	10	-	50,659	43,285	59,251
Leases receivable	11	-	-	412,584	228,642
Taxes recoverable	14	66	66	26,570	29,360
Advances to suppliers and other assets	15	-	-	-	1,283
Judicial deposits		11	50	1,060	1,696
Derivative financial instruments	25	-	-	176,247	68,535
Deferred income taxes	26	-	-	216,911	217,347
Investments	16	445,067	219,802	9,514	4,927
Property, plant and equipment	17	-	-	1,283,474	1,186,843
Intangible assets		-	1,298	6,384	8,729
Right of use	18	-	-	1,025,033	507,368
Total noncurrent assets		445,144	271,875	3,203,387	2,322,878
Total assets		454,198	272,415	4,738,562	3,288,482

	Note	Individual		Consolidated	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
Liabilities and equity					
Current liabilities					
Loans and financing	19	-	-	226,576	252,656
Suppliers and other payables	20	337	67	230,296	223,562
Leases and agricultural partnerships payable	21	-	-	270,000	126,172
Advances from customers	22	-	-	218,854	78,454
Derivative financial instruments	25	-	-	400,520	296,409
Provisions and labor charges		-	-	46,160	36,133
Tax obligations		6,441	6,509	28,155	20,054
Other liabilities		-	236	67	1,023
Total current liabilities		6,778	6,812	1,420,628	1,034,463
Noncurrent liabilities					
Loans and financing	19	-	-	1,476,021	936,044
Suppliers and other payables	20	-	-	798	1,748
Leases and agricultural partnerships payable	21	-	-	1,215,939	620,000
Advances from customers	22	-	-	35,027	157,070
Provision for legal proceedings	23	-	-	1,459	2,228
Intercompany loans	31	1,337	1,961	-	-
Derivative financial instruments	25	-	-	142,607	269,858
Other liabilities		-	-	-	3,429
Total noncurrent liabilities		1,337	1,961	2,871,851	1,990,377
Equity	24				
Capital stock		503,892	503,892	503,892	503,892
Capital reserve		4,164	4,164	4,164	4,164
Income reserves		246,659	111,567	246,659	111,567
Equity adjustment		(308,632)	(355,981)	(308,632)	(355,981)
Total equity		446,083	263,642	446,083	263,642
Total liabilities and equity		454,198	272,415	4,738,562	3,288,482

Notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of income
Years ended March 31, 2022 and 2021
(In thousands of reais, except for earnings per share - in reais)

	Note	Individual		Consolidated	
		2022	2021	2022	2021
Net revenue	27	-	-	1,797,711	1,375,005
Cost of sales and services	28	-	-	(1,258,042)	(971,786)
Gross profit		-	-	539,669	403,219
Selling expenses	28	-	-	(128,777)	(86,336)
Administrative expenses	28	(2,724)	(2,851)	(57,840)	(40,723)
Other operating income (expenses), net	28	(3,681)	520	25,809	29,763
Equity pickup	16	201,600	179,825	203	(19)
		195,195	177,494	(160,605)	(97,315)
Income before finance income (expenses), net and income taxes		195,195	177,494	379,064	305,904
Finance expenses	29	(112)	(1,335)	(477,739)	(332,115)
Finance income	29	2	2	238,875	228,351
Finance (expenses), net		(110)	(1,333)	(238,864)	(103,764)
Income before income taxes		195,085	176,161	140,200	202,140
Current income taxes	26	-	-	(6,206)	(21,900)
Deferred income taxes	26	-	-	61,091	(4,079)
		-	-	54,885	(25,979)
Net income for the year		195,085	176,161	195,085	176,161
Basic and diluted earnings per share (in reais)	30	0.1550	0.1517	0.1550	0.1517

Notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of comprehensive income
Years ended March 31, 2022 and 2021
(In thousands of reais)

	Individual		Consolidated	
	2022	2021	2022	2021
Net income for the year	195,085	176,161	195,085	176,161
Other comprehensive income to be reclassified to the statement of income in subsequent years:				
Net losses on cash flow hedge - effective	-	-	(72,085)	-
Net gain (losses) on cash flow hedge - future	-	-	180,414	(469,841)
Actuarial liabilities – health care insurance			548	(598)
Tax effects on future hedge gains (losses) and actuarial liabilities	-	-	(61,527)	159,949
Equity pickup arising from effects on subsidiaries	47,350	(310,490)	-	-
Total comprehensive income (loss)	242,435	(134,329)	242,435	(134,329)

Notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of changes in equity
Years ended March 31, 2022 and 2021
(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	-	-	(45,492)	(64,680)	273,231
Capital increase	124,653	-	-	-	-	-	124,653
Net losses on cash flow hedge	-	-	-	-	(310,095)	-	(310,095)
Net income for the year	-	-	-	-	-	176,161	176,161
Establishment of legal reserve	-	-	8,808	-	-	(8,808)	-
Establishment of tax incentive reserve	-	-	-	102,759	-	(102,759)	-
Actuarial liabilities – health care insurance	-	-	-	-	(394)		(394)
Changes in net assets acquired	-	-	-	-	-	86	86
Balance at March 31, 2021	503,892	4,164	8,808	102,759	(355,981)	-	263,642
Balance at April 1, 2021	503,892	4,164	8,808	102,759	(355,981)	-	263,642
Net losses from cash flow hedge	-	-	-	-	46,988	-	46,988
Distribution of dividends	-	-	-	(60,000)	-	-	(60,000)
Net income for the year	-	-	-	-	-	195,085	195,085
Equity adjustments in investees	-	-	-	(2)	(1)	9	6
Establishment of legal reserve	-	-	9,754	-	-	(9,754)	-
Establishment of tax incentive reserve	-	-	-	185,340	-	(185,340)	-
Actuarial liabilities – health care insurance	-	-	-	-	362	-	362
Balance at March 31, 2022	503,892	4,164	18,562	228,097	(308,632)	-	446,083

Notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of cash flows
Years ended March 31, 2022 and 2021
(In thousands of reais)

	Individual		Consolidated	
	2022	2021	2022	2021
Cash flow from operating activities				
Income before income taxes	195,085	176,161	140,200	202,140
Adjustments to reconcile income:				
Interest on lease	-	-	72,855	25,230
Changes in fair value of biological assets	-	-	(51,947)	(39,464)
Depreciation and amortization	-	-	542,850	358,632
Equity pickup	(201,600)	(179,825)	(203)	19
Proceeds from disposal of property, plant and equipment	-	-	10,140	(1,851)
Interest on loans and financing	-	-	161,715	87,975
Interest and IOF on related-party transactions	-	-	6,041	(2,544)
Exchange differences and monetary adjustment	-	-	(22,349)	52,260
Unrealized gains on derivative financial instruments	-	-	(17,199)	(42,718)
Reversal of allowance for expected credit losses	-	-	(1,339)	1,326
Allowance (reversal of allowance) for inventory obsolescence	-	-	409	(2,838)
Provision for legal proceedings	-	-	(769)	1,629
Exchange differences and monetary adjustment - customers	-	-	(1,488)	-
Gain on debt relief	-	-	-	(22,929)
Restatement of other investments	-	-	(4,384)	-
Write-off of intangible assets	4,922	-	5,410	-
Write-off of rent and lease agreements	-	-	(10,347)	-
Reversal of actuarial liabilities	-	-	(2,148)	-
Other	-	-	-	6
	(1,593)	(3,664)	827,447	616,873
Decrease (increase) in accounts receivable	-	292	24,299	(11,388)
Increase (decrease) in financial instruments	-	-	(56,683)	-
Decrease (increase) in inventories	-	-	(38,339)	72,615
Decrease (increase) in taxes recoverable	(1)	-	(1,705)	(10,229)
Decrease (increase) in advances to suppliers and other assets	89	5	4,968	10,854
(Decrease) increase in suppliers and other payables	31	(12)	8,327	81,435
(Decrease) increase in provisions and labor charges	-	-	10,027	6,831
(Decrease) increase in tax obligations	(68)	(1,687)	9,594	16,413
(Decrease) increase in advances from customers	(27)	26	37,521	83,433
Other assets and other liabilities	(171)	(33)	(1,406)	2,401
Payment of legal claims	(31)	-	(2,541)	(2,777)
Payment of income taxes	-	-	(7,699)	(31,484)
Cash from (used in) operating activities	(1,771)	(5,073)	813,810	834,977
Cash flow from investing activities				
(Investment in) redemption of restricted financial investments	-	-	5,259	2,063
Formation of biological asset	-	-	(166,464)	(99,114)
Proceeds from disposal of property, plant and equipment	-	-	(3,198)	6,128
Acquisition of property, plant and equipment	-	-	(395,246)	(389,793)
Acquisition of intangible assets	(3,623)	(575)	(3,956)	(2,085)
Intercompany loans received (granted)	-	-	-	(78,975)
Proceeds from sale of equity interests	-	58,852	-	58,852
Cash and cash equivalents of merged entities	-	177	-	6,256
Dividend received	23,691	-	-	-
Cash from (used in) investing activities	20,068	58,454	(563,605)	(496,668)
Cash flow from financing activities				
Loans and financing taken out	-	-	761,771	423,549
Repayment of principal of loans and financing	-	-	(313,529)	(498,697)
Payment of exchange differences and interest on loans and financing	-	-	(92,876)	(93,115)
Intercompany loans (paid)/taken out	41,456	(53,213)	1,216	-
Payment of leases and agricultural partnerships, net of receipts	-	-	(166,974)	(111,180)
Dividend paid out	(60,000)	-	(60,000)	-
Cash from (used in) financing activities	(18,544)	(53,213)	129,608	(279,443)
Net increase (decrease) in cash and cash equivalents	(247)	168	379,813	58,866
Cash and cash equivalents at beginning of year	261	93	512,176	453,310
Cash and equivalents at end of year	14	261	891,989	512,176

Notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of value added
Years ended March 31, 2022 and 2021
(In thousands of reais)

	Individual		Consolidated	
	2022	2021	2022	2021
Revenues				
Sales of goods, products and services	-	-	1,933,365	1,489,052
Other revenues	87	555	33,887	49,888
	87	555	1,967,252	1,538,940
Inputs acquired from third parties				
Cost of goods and products sold and services rendered	-	-	(641,082)	(450,017)
Materials, electricity, third-party services and others	(1,461)	(2,817)	(187,390)	(152,036)
Other	(3,755)	-	(6,498)	(17,952)
	(5,216)	(2,817)	(834,970)	(620,005)
Gross value added	(5,129)	(2,262)	1,132,282	918,935
Depreciation and amortization	(1,275)	-	(542,850)	(358,632)
Net value added produced by the Company	(6,404)	(2,262)	589,432	560,303
Value added received in transfer				
Equity pickup	201,600	179,825	203	(19)
Finance income	1	2	238,875	228,351
Total value added to be distributed	195,197	177,565	828,510	788,635
Personnel	-	-	130,740	119,365
Direct compensation	-	-	91,210	83,543
Benefits	-	-	34,200	30,854
Unemployment Compensation Fund (FGTS)	-	-	5,330	4,968
Taxes, charges and contributions	-	86	25,467	104,496
Federal	-	18	(8,266)	73,772
State	-	18	33,700	20,863
Other taxes	-	50	33	9,861
Debt remuneration	112	1,318	477,218	388,613
Interest on loans and financing	-	-	161,715	87,975
Exchange differences and derivative expenses	-	-	165,077	165,881
Rents	-	-	108,543	55,492
Other	112	1,318	41,883	79,265
Equity remuneration	195,085	176,161	195,085	176,161
Net income for the year	195,085	176,161	195,085	176,161
Value added distributed	195,197	177,565	828,510	788,635

Notes to individual and consolidated financial statements.

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");
- Ituiutaba Energia Renovável Ltda. ("Ituiutaba Energia").

Subsidiary Vale do Tijuco started up on April 12, 2010. Its manufacturing unit has a milling capacity of approximately 5 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 Vale do Pontal is a privately held corporation 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.

Subsidiary Ituiutaba Energia, still in the pre-operating stage, became part of the CMAA Group on January 1, 2022. It was established for the purpose of generating and selling electricity through the burning of sugarcane bagasse.

CBIOS (carbon credits) - RenovaBio

At March 31, 2022, the Company had no CBIOS issued and not traded. In the year ended March 31, 2022, 241,678 thousand CBIOS were sold, 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.

Russia-Ukraine war

The war in Eastern Europe involving Russia and Ukraine has a significant impact on the international market. As Russia is one of the world's largest oil producers and an important producer of basic inputs for fertilizers, especially Phosphorus, Nitrate and Potassium, the conflict has a strong impact on the world prices of these products.

CMAA rapidly took actions and initiatives as soon as the first conflicts in this region were reported, with the objective of mitigating the effects and risks, especially in relation to the continuity of agricultural operations. To this end, manures, fertilizers and certain herbicides were purchased and stored in sufficient volumes for the planting in progress at that time, as well as for the planting of sugarcane in the 22/23 crop. In addition, to reduce the risks of such offers, the Company has developed new agronomic alternatives for substitute products, in addition to monitoring the activities of the international market for these commodities.

Management believes that the increase in fertilizer and oil costs currently observed in the market, resulting from the effect of the war, did not have an impact on its individual and consolidated financial statements.

Effects of COVID-19

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 financial statements. The most significant evaluations and the main effects of the COVID-19 pandemic on operating results are:

i) Going concern: the Company's financial statements were prepared and are 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 year has been impacted by the fluctuation in consumption in view of social distancing measures, there was no expected credit losses on inventories as at March 31, 2022.

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.

Based on the foregoing, the Company believes that there are no additional considerations to be made in connection with the individual and consolidated financial statements as at March 31, 2022.

2. Group Entities

The individual and consolidated financial statements for the years ended March 31, 2022 and 2021 include the Company and its subsidiaries (collectively referred to as the "Group"), listed below:

		Percentage of interest	
Subsidiaries	Country	2022	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. (Canápolis)	Brazil	100%	100%
Ituiutaba Energia Renovável Ltda. (Ituiutaba Energia)	Brazil	100%	-

3. Basis of preparation

3.1. Statement of compliance

The individual and consolidated financial statements were prepared by the Company's Management and are presented in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and also in accordance with the accounting practices adopted in Brazil (BR GAAP), which comprise the Brazilian corporations law, the standards of the Brazilian Securities and Exchange Commission (CVM), the pronouncements, interpretations and guidance issued by the Brazilian Financial

Accounting Standards Board – FASB (CPC), as approved by Brazil's Federal Accounting Council (CFC) and CVM.

The Company's financial statements for the year ended March 31, 2022 were authorized for issue by the executive board on June 3, 2022.

All relevant information in the financial statements is being disclosed and corresponds to the information used in managing the Company.

4. Functional and presentation currency

These financial statements are presented in reais, which is the Group's functional currency. All balances were rounded to the nearest thousand, unless otherwise stated.

5. Use of estimates and judgments

When preparing the individual and consolidated financial statements, management made judgments, estimates and assumptions that affect the application of Group accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates.

Estimates and assumptions are reviewed on a continuous basis. Reviews of estimates are recognized prospectively.

Uncertainties over assumptions and estimates

Information on uncertainties related to assumptions and estimates that pose a significant risk of resulting in a material adjustment in future years is included in the following notes:

- Notes 10 and 25 - realization of accounts receivable;
- Note 12 - allowance for inventory obsolescence;
- Note 17 – useful life of property, plant and equipment;
- Note 18 – amortization of right of use;
- Note 21 - discount rate for calculating lease liabilities and agricultural partnerships payable;
- Note 23 – recognition and measurement of provisions for legal proceedings: significant assumptions on the probability and magnitude of the outflows of funds; and
- Note 26 - recognition of deferred tax assets: estimate of future taxable profit against which tax losses may be used.

Fair value measurement

A series of Group accounting policies and disclosures require the fair value measurement of financial and nonfinancial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. Fair-value related disclosures for financial instruments and nonfinancial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes:

- Note 13 – Biological assets; and
- Note 25 – Financial instruments.

6. Basis of measurement

The financial statements were prepared based on the historical cost, except for the following material items recognized in the statement of financial position:

- Derivative financial instruments are measured at fair value;
- Nonderivative financial instruments designated at fair value through profit or loss are measured at fair; and
- Biological assets are measured at fair value less cost to sell.

7. Significant accounting policies

The Group applied the accounting policies described below consistently to all years presented in these financial statements.

a) Basis of consolidation

i) *Subsidiaries*

The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements as of the date the Group obtains control until the date on which the control ceases to exist.

The individual financial statements of the subsidiaries are accounted for under the equity method for the purposes of the Company's individual financial statements.

ii) *Transactions eliminated in consolidation*

Balances and intragroup transactions, and any unrealized income or expenses from intragroup transactions, are eliminated on consolidation. Unrealized gains from transactions with investees recorded under the equity method are eliminated against investment to the extent of the Group's interest in investee. Unrealized losses are eliminated in the same manner as unrealized gains are eliminated, but only to the extent that there is no evidence of impairment.

b) Revenue

i) *Sales of products*

Revenue is recognized when the Company fulfills its contractual obligations to the customer, and when it is probable that the Company will receive the consideration to which it is entitled in exchange for the goods or services. For the products sold by the Company, the performance obligations are completed upon delivery of the final product, which is also the moment of revenue recognition. Revenue is measured net of returns and trade discounts.

The timing of the transfer of risks and rewards varies depending on the specific conditions of each sales contract. For sales of sugar and ethanol in the domestic market, the transfer usually occurs when the product is delivered at the customer's site or when it is picked up by the customer at the Group's premises. In the case of sales in the foreign market the transfer takes place upon shipment of the goods onto the corresponding carrier in the seller's dock, given that ocean freight shipping takes place under free on board (FOB) contract.

ii) *Sale of electric power*

Revenue from the sale of electric power generation is recorded based on assured energy and at rates specified under the terms of the supply agreements or at the market price in force, as the case may be. Revenue is recognized when the power is made available in the grid.

As mentioned in Note 27, the Group has a future contract for the sale of electric power.

iii) *Sale of CBIOs*

Revenue from the sale of decarbonization credits ("CBIO") is recorded based on the value of the certificates traded with buyers, mainly fuel distributors, and is recognized when the certificates are transferred to the buyers

c) Finance income and finance expenses

The Group's finance income (expenses) comprise:

- gains/losses on derivative financial instruments;
- Exchange gains/losses, net on financial assets and liabilities;
- interest expenses on leases, loans and financing; and
- other finance income and expenses.

Interest income and expenses are recognized in the statement of income using the effective interest rate method.

d) Foreign currency

Foreign currency transactions

Foreign currency-denominated transactions are translated into the Group's functional currency (the real) at the exchange rate prevailing on the transaction dates.

Monetary assets and liabilities denominated and calculated in foreign currencies at the statement of financial position date are retranslated into the functional currency at the exchange rate prevailing on that date. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate prevailing at the transaction date. Foreign currency differences arising from the translation are usually recognized in the statement of income.

e) Income taxes (IRPJ and CSLL)

Income tax expenses comprise current and deferred income taxes. Current and deferred taxes are recognized in the statement of income unless they are related to items recognized directly in equity or in other comprehensive income.

i) *Current income taxes*

Current income tax is the tax payable calculated on taxable profit for the year. The amount of current taxes payable is recognized in the statement of financial position as a tax asset or liability taking into consideration management's best estimate of the expected amount of taxes to be paid that reflects the uncertainties related to its determination, if any. This amount is measured based on tax rates in effect at the reporting date.

ii) *Deferred income taxes*

Deferred tax assets and liabilities are recognized in relation to temporary differences between the carrying amounts of assets and liabilities for purposes of the financial statements and the corresponding figures used for taxation purposes.

A deferred tax asset is recognized in relation to unused deductible tax losses and temporary differences to the extent that it is probable that future taxable profits will be available against which they will be used. Deferred tax assets are reviewed every statement of financial position date and are reduced to the extent that their realization is no longer probable.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to temporary differences when they are reversed, based on the rates in force at the reporting date.

f) Grants

Government grants consist of economic contributions or benefits, usually in cash, directly granted by the (federal, state or municipal) Government to an entity, subject (or not) to the fulfillment of certain obligations. Although government grants can be in the form of donation of funds or goods, they usually involve arrangements for favorable tax treatments that consist of tax exemption or reduction, or even other mechanisms such as matching credits, tax deferral, etc.

The Group has tax benefits and incentives arising from matching credits and deferral of ICMS tax on the sale of ethanol, which is recorded as a tax deduction or reduction in the statement of income under revenue, and then excluded from federal income tax bases by allocating the related deducted amount in a specific reserve in equity, not subject to distribution to shareholders.

g) Biological assets

Biological assets correspond to agricultural products under development (uncut sugarcane) produced in the plantations of sugarcane (bearer plant), which will be used as raw material in the production of sugar and ethanol when harvested.

These assets are measured at fair value at each reporting date, and any changes in fair value from one period to another are recognized in the statement of income.

The fair value of biological assets was determined using the discounted cash flow method, considering the following assumptions:

(i) Cash inflows obtained by multiplying (i) estimated production, measured in kilos of ATR (Total Recoverable Sugar), and (ii) sugarcane futures market price, which is estimated based on public data and future price estimates of sugar and ethanol; and

(ii) Cash outflows represented by estimated (i) costs required for the biological processing of sugarcane (cultural treatments) until harvest; (ii) costs with Harvest/Cut, Loading and Transportation (CCT); (iii) cost of capital (land and machinery and equipment); (iv) lease and agricultural partnership costs; and (v) taxes on positive cash flow.

h) Inventories

Inventories are carried at the lower of historical cost and net realizable value. The inventory cost is assessed at the average cost of acquisition or production and includes the costs incurred in acquiring inventories, production and processing costs, and other costs incurred in bringing inventories to their existing locations and conditions. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs to sell.

i) Property, plant and equipment

i) *Recognition and measurement*

Property, plant and equipment items are measured at historical acquisition or construction cost, less accumulated depreciation and any accumulated impairment losses.

When significant parts of a PPE item have different useful lives, they are recorded as separate PPE items (significant components). Any gains and losses on disposal of a property, plant and equipment item are recognized in the statement of income.

ii) *Subsequent costs*

Subsequent costs are capitalized only when it is probable that the future economic benefits associated with the expenses will be earned by the Group. Recurring repair and maintenance costs are recognized in the statement of income when incurred.

iii) *Maintenance costs*

The maintenance cost of a property, plant and equipment component is recognized in the carrying amount of the item, when it is likely that the economic benefits embodied therein will flow to the Company and its cost can be reliably measured. The carrying amount of the component that has been replaced by another is derecognized. Daily maintenance costs of property, plant and equipment items are recognized in the statement of income as incurred.

The subsidiaries perform annual maintenance in their manufacturing units, usually in the period from December to March. Significant maintenance costs include labor costs, materials, external services and general overhead allocated during the intercrop period. These costs are accounted for as a component of the equipment cost and depreciated during the next cycle. Any other type of expense, which does not increase its useful life or maintain its milling capacity, is recognized in the statement of income as an expense.

iv) *Depreciation*

Depreciation is calculated to amortize the cost of intangible asset items, less their estimated residual values, using the straight-line method based on the estimated useful lives of the items.

Depreciation is recognized in the statement of income and in the production cost. Land is not depreciated.

The depreciation methods, useful lives and residual values are reviewed at each statement of financial position date and adjusted if appropriate.

The estimated useful lives as well as the weighted average annual rates for the years ended March 31, 2022 and 2021 are as follows:

	Consolidated	
	Years	Rates
Industrial equipment	13	7.69%
Constructions and buildings	20	5.00%
Paving	7	14.29%
Vehicles	5	20.00%
Agricultural equipment	5	20.00%
Machinery, equipment and tools	7	14.29%
Furniture and fixtures	8	12.50%
Computers and peripherals	4	25.00%
Other	6	16.67%

j) Financial instruments

i) *Financial assets*

Initial recognition and measurement

Financial assets are classified, upon initial recognition, and subsequently measured at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss.

The classification of financial assets upon initial recognition depends on the characteristics of the contractual cash flows of the financial asset and the Group's business model for the management of these financial assets. With the exception of trade and other receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus transaction costs in the case of an asset not measured at fair value through profit or loss. Accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined in accordance with CPC 47.

For a financial asset to be classified and measured at amortized cost or at fair value through other comprehensive income, it must generate cash flows that represent Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. This assessment is performed at an instrument level.

The Group's business model for managing financial assets refers to how financial assets are managed to generate cash flows. The business model determines whether cash flows will result from the collection of contractual cash flows, from sale of financial assets, or from both.

Purchases or sales of financial assets that require these assets to be delivered within a period established by market convention or regulations (regular negotiations) are recognized at transaction date, i.e. the date on which the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into four categories:

- Financial assets at amortized cost (debt instruments).
- Financial assets at fair value through other comprehensive income, with reclassification of cumulative gains and losses (debt instruments).
- Financial assets at fair value through other comprehensive income, with no reclassification of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

This category is the most significant for the Group. The Group measures financial assets at amortized cost if both the following conditions are met:

- The financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in the statement of income when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost include accounts receivable, advances to suppliers and related parties.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated at fair value through profit or loss on initial recognition, or financial assets mandatorily measured at fair value. Financial assets are classified as held for trading if acquired to be sold or repurchased within the short term. Derivatives, including separate embedded derivatives, are also classified as held for trading, unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria used to classify debt instruments at amortized cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if this eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are recognized in the statement of financial position at fair value, and variations net of fair value are stated in the statement of income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired.
- The Group has transferred its rights to receive cash flows from the asset or has undertaken to fully pay the cash flows received, without material delay, to a third party under a pass-through arrangement; and (a) the Group has substantially transferred all risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control over it.

When the Group has transferred its rights to receive cash flows from an asset or has assumed the obligation to pass those cash flows on under an arrangement, it evaluates whether, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control over the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In this case, the Group also recognizes a related liability. The transferred asset and the related liability are measured based on rights and obligations that the Group retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of (i) the amount of the asset and (ii) the maximum amount of consideration received that the entity could be required to repay (the guarantee amount).

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for 100% of the debt instruments not held at fair value through profit or loss. Expected credit losses are based on the

difference between contractual cash flows due under the agreement and all cash flows that the Group expects to receive, discounted at an effective interest rate that approximates the original transaction rate. Expected cash flows include cash flows from sale of guarantees held or other credit improvements that form part of the contractual terms.

Expected credit losses are recognized in two stages. For credit exposures for which there has been no significant increase in credit risk since the initial recognition, the expected credit losses are accrued for credit losses resulting from possible default events in the next 12 months (12-month expected credit loss). For credit exposures for which there has been a significant increase in credit risk since the initial recognition, an allowance is required for expected credit losses over the remaining life of that exposure, irrespective of the timing of the default (a lifetime expected credit loss).

For receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses. As such, the Company follows the changes in credit risk and records an allowance for losses based on lifetime expected credit losses at each reporting date.

The Group considers a financial asset to be in default when the contractual payments have been overdue for over 180 days. However, in certain cases, the Group may also consider that a financial asset is in default when internal or external information indicates that it is unlikely that contractual amounts outstanding will be received before taking into account any credit enhancements maintained by the Group. A financial asset is written off when there is no reasonable expectation of recovery of contractual cash flows.

ii) *Financial liabilities*

Initial recognition and measurement

Upon initial recognition, financial liabilities are classified as financial liabilities at fair value through profit or loss, financial liabilities at amortized cost, or derivatives designated as hedging instruments in an effective hedge, as the case may be.

All financial liabilities are initially measured at fair value increased or decreased by, in the case financial liabilities other than at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

The Group's financial liabilities include suppliers and other payables, loans and financing, advances from customers, leases payable and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities initially recognized at fair value through profit or loss.

Financial liabilities are classified as held for trading if incurred for repurchase in the short term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in the hedge relationships defined by CPC 48.

Gains or losses on liabilities held for trading are recognized in the statement of income.

Financial liabilities initially recognized at fair value through profit or loss are designated at the initial recognition date, and only if the CPC 48 criteria are met.

The Group did not designate any financial liability at fair value through profit or loss, except for derivative financial instruments that were not designated as hedging instruments.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost, using the effective interest rate method. Gains and losses are recognized in the statement of income when the liabilities are derecognized, and through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate method. The effective interest rate amortization is included as finance expenses in the statement of income.

This category generally applies to suppliers and other payables, lease and agricultural partnerships payable, and interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iii) *Derivative financial instruments, including hedge accounting*

The Group enters into derivative financial instruments to hedge its exposure to currency and interest rate risks.

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Upon initial designation of the derivative as a hedging instrument, the Group formally documents the relationship between the hedging instruments and the hedged items, including the risk management objectives and the strategy in the execution of the hedge transaction and the hedged risk, together with the methods that will be used to evaluate the effectiveness of the hedge. For a cash flow hedge of a forecast transaction, the transaction should be highly probable and should have an exposure to changes in the cash flows that in the end could affect the reported income. Derivatives are initially measured at fair value, and any attributable transaction costs are recognized in the statement of income as incurred. After their initial recognition, derivatives are measured at fair value, and changes in fair value are recognized in the statement of income.

Cash flow hedge

When a derivative is designated as a hedging instrument to hedge the changes in cash flows, the effective portion of changes in fair value of the derivative is recognized in other comprehensive income and presented within "equity adjustments" in equity. Any ineffective portion of changes in fair value of the derivative is recognized immediately in the statement of income. The accumulated amount held in Equity adjustments is reclassified to the statement of income in the same period in which the hedged item affects the statement of income. If (i) the forecast transaction is no longer expected to occur, (ii) the hedge no longer meets the criteria for hedge accounting, (iii) the hedging instrument expires or is sold, terminated or exercised, or has its designation revoked, hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, the balance in other comprehensive income is reclassified to the statement of income.

k) Impairment

i) *Nonfinancial assets*

The carrying amounts of the Group's nonfinancial assets are reviewed at each statement of financial position date to determine if there is any indication of impairment. If there is such indication, the asset's recoverable amount is estimated.

For impairment test purposes, the assets are grouped into Cash-Generating Units (CGUs), i.e. the smallest possible group of assets that generate cash inflows through their continuing use, which are largely independent from the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the higher of its value in use or its fair value less costs to sell. Value in use is based on estimated future cash flows, discounted to present value using a pre-tax discount rate that reflects current market valuations of time value of money and specific risks inherent in the asset or CGU.

Impairment losses are recognized in the statement of income and reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

An impairment loss is recognized when the asset's or CGU's carrying amount exceeds its estimated recoverable amount.

The Group's management did not identify any evidence to justify the need for a provision for impairment as at March 31, 2022 and 2021.

l) Provisions

Provisions are determined by discounting estimated future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the related liability. The effects of derecognition of the discount due to the passage of time are recognized in the statement of income as finance expenses.

m) Present value adjustment of assets and liabilities

Noncurrent monetary assets and liabilities are monetarily updated; therefore, adjusted to present value. For purposes of recording and determining materiality, the present value adjustment is calculated using contractual cash flows and the explicit interest rate, and in certain cases the implicit interest rate, of the related assets and liabilities, based on analyses performed and on management's best estimate.

n) Statement of value added

The Group prepared individual and consolidated statements of value added in accordance with accounting pronouncement CPC 09 - Statement of Value Added, which are presented as an integral part of the financial statements in accordance with the accounting practices applicable to publicly-held companies, while considered supplementary information by the IFRS.

o) Basic and diluted earnings per share

The basic earnings per share are calculated by dividing the profit for the year attributable to the Group's shareholders by the weighted average number of shares of the paid-in capital stock in the respective year. The Group has no instruments that could potentially dilute earnings per share.

p) Operating segments

Group management prepares its reports on the financial statements on the same basis as this information is disclosed, as these financial statements are regularly reviewed by the Group's chief decision maker about resource allocations. Accordingly, management has one single operating segment.

q) New or amended standards effective for the first time in the year ended March 31, 2021

i) Amendments to IAS 1: Classification of liabilities as current or noncurrent

Amendments to IFRS 9/CPC 48, IAS 39/CPC 38 and IFRS 7/CPC40 – Financial Instruments, IFRS 4 – Insurance Contracts and IFRS 16 – Leases: the amendments provided for in Phase 2 of the IBOR reform address issues that may affect the financial statements during the reform of a benchmark interest rate, including the effects of changes in contractual cash flows or hedging relationships arising from the replacement of a rate by an alternative benchmark rate (replacement issues). These amendments had no material impacts on the Company.

r) New or amended pronouncements applicable to the financial statements

The new and amended standards and interpretations issued but not yet in effect until the date of issue of the Company's financial statements are described below. The Company intends to adopt those new and amended standards, if applicable, when they become effective.

i) Amendments to IAS 1: Classification of liabilities as current or noncurrent

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1, equivalent to CPC 26, to specify the requirements for classifying liabilities as current or noncurrent. The amendments clarify:
• what is meant by a right to defer settlement;
• that a right to defer must exist at the end of the reporting period;
• that classification is unaffected by the likelihood that an entity will exercise its deferral right; and
• that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

ii) IFRS 17 – Insurance Contracts (CPC 50)

In May 2017, the IASB issued IFRS 17 - Insurance Contracts (IFRS 17) (CPC 50 – Insurance Contracts, which replaced CPC 11 - Insurance Contracts), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 (CPC 50) replaced IFRS 4 - Insurance Contracts (CPC 11) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and reinsurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all significant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation to contracts with characteristics of direct participation (variable rate approach);
- A simplified approach (premium allocation approach) mainly for short-term contracts.

IFRS 17 and CPC 50 are effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early adoption is permitted, provided the entity also adopts IFRS 9 and IFRS 15 on or before the date of first-time adoption of IFRS 17. This standard is not applicable to the Company.

iii) Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of accounting policies

In February 2021, the IASB issued amendments to IAS 1 (standard related to CPC 26 (R1)) and IFRS Practice Statement 2 Making Materiality Judgments), in which it provides guidance and

examples to help entities apply materiality judgment for the disclosure of accounting policies. The amendments are to assist entities in disclosing accounting policies that are most useful by replacing the requirement for disclosure of significant accounting policies to material accounting policies and adding guidance for how entities should apply the concept of materiality in making decisions about disclosure of accounting policies.

The amendments to IAS 1 are applicable for periods beginning on or after January 1, 2023 with early adoption permitted. Since the amendments to Practice Statement 2 provide non-mandatory guidance in applying the material definition to accounting policy information, an adoption date for this amendment is not required. The Company is currently evaluating the impacts of these changes on the accounting policies disclosed.

iv) Amendments to IAS 8: Definition of accounting estimates

In February 2021, the IASB issued amendments to IAS 8 (correlated with CPC 23), in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments should not significantly impact the Company's financial statements.

8. Cash and cash equivalents

	Individual		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Cash and banks	13	261	85,461	39,736
Cash equivalents	1	-	806,528	472,440
Total	14	261	891,989	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 March 31, 2022, these investments refer to Bank Deposit Certificates (CDB), which are deposited in top-tier banks, whose remuneration rate ranges from 97% to 107% (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 25.

9. Short-term investments

	Consolidated	
	03/31/2022	03/31/2021
Short-term investments	8,806	14,065
Total	8,806	14,065
Current assets	6,481	5,168
Noncurrent assets	2,325	8,897

The Company and its subsidiaries have short-term investments at March 31, 2022, which refer to balances restricted to financing transactions, bearing interest indexed 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 short-term investments is included in Note 25.

10. Accounts receivable

	Individual		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
From sales of ethanol	-	-	30,035	6,484
From sales of energy	-	-	1,522	11,131
From sales of sugar	-	-	8	34,402
From sales of sugarcane	-	-	-	731
Other (a)	-	-	11,980	15,886
Accounts receivable	-	-	43,545	68,634
Receivables from related parties (Note 31)	8,850	50,659	37,541	38,757
Other (b)	-	-	15,790	18,410
Other receivables	8,850	50,659	53,331	57,167
Total	8,850	50,659	96,876	125,801
Current assets	8,850	-	53,591	66,550
Noncurrent assets	-	50,659	43,285	59,251

(a) Refers mainly to accounts receivable in the amount of R$5,494, arising from the provision of sugarcane planting and treatment services and sale of inputs to BP Bioenergia, with final maturity in December 2023, recorded at present value at an annual rate of 6.50%.

(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, recorded at present value at an annual rate of 3.42%.

Information on the Group's exposure to credit, market and fair value measurement risks, as well as impairment losses related to accounts receivable is disclosed in Note 25.

11. Leases receivable

	Consolidated	
	03/31/2022	03/31/2021
Leases	497,014	316,787
Total	497,014	316,787
Current assets	84,430	88,145
Noncurrent assets	412,584	228,642

Changes in leases receivable are shown below:

	Consolidated	
	03/31/2022	03/31/2021
At beginning of year	316,787	196,834
Additions of new lease agreements	123,679	98,008
Interest	35,771	21,543
Transfer – right of use	12,039	-
Remeasurement	119,003	19,873
Receipts	(88,333)	(67,989)
Write-off due to termination of/amendments to contracts	(21,932)	(8,588)
Merger of Usina Canápolis	-	57,106
At end of year	497,014	316,787

to

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

Maturity	Consolidated
04/01/2023 to 03/31/2024	75,581
04/01/2024 to 03/31/2025	65,727
04/01/2025 to 03/31/2026	57,546
04/01/2026 to 03/31/2027	47,752
04/01/2027 to 03/31/2028	35,993
04/01/2028 to 03/31/2029	29,537
04/01/2029 to 03/31/2030	24,504
04/01/2030 to 03/31/2031	21,028
04/01/2031 to 03/31/2032	17,317
04/01/2033 onwards	37,599
	412,584

12. Inventories

	Consolidated	
	03/31/2022	03/31/2021
Finished product		
VHP sugar	6,982	1,429
Anhydrous ethanol	14,172	4,680
Hydrous ethanol	4,405	2,152
Storeroom		
Storeroom - sundry (a)	69,061	46,025
Allowance for obsolescence	(3,386)	(2,977)
Inventories held by third parties	644	-
Total	91,878	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.

Changes in allowance for obsolescence

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

	Consolidated	
	03/31/2022	03/31/2021
Opening balance	(2,977)	(5,815)
Additions	(2,418)	(1,138)
Reversals	2,009	3,976
Closing balance	(3,386)	(2,977)

13. Biological assets

Changes in biological assets (sugarcane) are as follows:

	Consolidated	
	03/31/2022	03/31/2021
Historical cost	113,188	80,050
Fair value	75,800	29,826
Opening balance of biological assets	188,988	109,876
Payment of capital - Usina Canápolis	-	18,164
Additions - sugarcane treatments	176,636	101,890
Absorption of harvested sugarcane costs	(116,758)	(80,406)
Fair value net of estimated selling expenses	51,947	39,464
Closing balance of biological assets	300,813	188,988
Historical cost	173,066	113,188
Fair value	127,747	75,800

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	
	03/31/2022	03/31/2021
Estimated harvest area (hectare)	50,687	47,402
Projected production (ton of sugarcane per hectare)	86.56	88.33
Total Recoverable Sugar - TRS (kg)	138.20	136
Price of TRS per kilo (R$)	1.18	0.87

The discount rate used in the cash flow for each year, denominated "Weighted Average Cost of Capital", corresponded to 7.81% 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.

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.

14. Taxes recoverable

	Individual		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Contribution Tax on Gross Revenue for Social Security Financing (COFINS) recoverable	-	-	20,245	25,733
State VAT (ICMS) recoverable – property, plant and equipment	-	-	16,560	17,920
Income (IRPJ) and social contribution (CSLL) taxes recoverable	-	-	12,447	6,894
Contribution Tax on Gross Revenue for Social Integration Program (PIS) recoverable	-	-	4,887	6,407
Withholding Income Tax (IRRF) on short-term investments	166	166	3,947	4,854
ICMS recoverable	-	-	6,501	943
Other taxes recoverable	90	90	571	702
Total	256	256	65,158	63,453
Current assets	190	190	38,588	34,093
Noncurrent assets	66	66	26,570	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.

ICMS – acquisition of property, plant and equipment

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.

ICMS recoverable

This balance refers to the matching credit calculated on Company sales, replacing the tax credit on input-purchase transactions.

Withholding Income Tax (IRRF)

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

15. Advances to suppliers and other assets

	Individual		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Advances to sugarcane suppliers	-	-	5,693	13,336
Advances to domestic suppliers	-	89	5,063	5,211
Unallocated insurance	-	-	3,641	864
Other	-	-	46	-
Total	-	89	14,443	19,411
Current assets	-	89	14,443	18,128
Noncurrent assets	-	-	-	1,283

16. Investments

Balance breakdown

	Individual	
	03/31/2022	03/31/2021
Investments measured by the equity method		
Vale do Tijuco Açúcar e Álcool S.A.	344,572	150,782
Vale do Pontal Açúcar e Etanol Ltda.	31,841	60,459
Canápolis Açúcar e Etanol S.A.	68,652	8,559
Ituiutaba Energia Renovável Ltda.	1	-
Total	445,066	219,800
Other investments measured at cost		
Other investments measured at cost	1	2
Total	445,067	219,802

	Consolidated	
	03/31/2022	03/31/2021
Investments measured by the equity method		
CZ Energy Comercializadora de Etanol S.A.	5,083	4,871
Total	5,083	4,871
Other investments		
Other investments (*)	4,431	56
Total	4,431	56
	9,514	4,927

(*) Substantially comprising units of interest in cooperatives.

Changes in investments in subsidiaries

	Individual	
	03/31/2022	03/31/2021
Opening balance	219,802	284,369
Merger of Livakovic	-	68,989
Merger of Usina Canápolis	-	11,830
Capital decrease in Vale do Tijuco	-	(1,671)
Capital decrease in Vale do Pontal	-	(12,798)
Equity adjustments from subsidiaries	47,349	(310,742)
Equity pickup	201,600	179,825
Dividend received	(23,691)	-
Other changes	7	-
Closing balance	445,067	219,802

	Consolidated	
	03/31/2022	03/31/2021
Opening balance	4,927	2,541
Merger of Usina Canápolis	-	2,397
Equity pickup	203	(19)
Units of interest in cooperatives	4,377	-
Other changes	7	8
Closing balance	9,514	4,927

Information on investees - Individual

									Year ended March 31, 2022			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent Liabilities	Equity	Total liabilities and equity	Revenues	Expenses	Net income	Equity pickup
March 31, 2022												
Vale do Tijuco Açúcar e Álcool S.A.	100.00%	1,265,039	1,905,077	3,170,116	985,237	1,840,307	344,572	3,170,116	1,337,171	(1,175,956)	161,215	161,215
Vale do Pontal Açúcar e Etanol Ltda	100.00%	155,297	859,236	1,014,533	297,731	684,961	31,841	1,014,533	448,389	(463,961)	(15,572)	(15,572)
Canápolis Açúcar e Etanol S.A.	100.00%	108,815	650,331	759,146	133,913	556,581	68,652	759,146	413,026	(357,069)	55,957	55,957
Ituiutaba Energia Renovável Ltda.	100.00%	1	-	1	-	-	1	1	-	-	-	-
		1,529,152	3,414,644	4,943,796	1,416,881	3,081,849	445,066	4,943,796	2,198,586	(1,996,986)	201,600	201,600

									Year ended March 31, 2021 (a)			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Equity	Total liabilities and equity	Revenues	Expenses	Net income	Equity pickup
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	150,782	2,189,106	1,160,116	(1,057,029)	103,087	103,087
Vale do Pontal Açúcar e Etanol Ltda	100.00%	139,525	589,490	729,015	186,490	482,066	60,459	729,015	479,269	(404,049)	75,220	75,220
Canápolis Açúcar e Etanol S.A. *(a)*	100.00%	78,065	454,526	532,591	115,127	408,905	8,559	532,591	153,972	(152,454)	1,518	1,518
		965,065	2,485,647	3,450,712	1,041,899	2,189,013	219,800	3,450,712	1,793,357	(1,613,532)	179,825	179,825

(a) Canápolis Açúcar e Etanol S.A. became a Company subsidiary as of September 30, 2020, and is only entitled to the income of Usina Canápolis after such period.

Information on investees - Consolidated

									Year ended March 31, 2022			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Equity	Total liabilities and equity	Revenues	Expenses	Net income	Equity pickup
March 31, 2022												
CZ Energy S.A.	51.00%	105,878	-	105,878	95,912	-	9,966	105,878	101,986	(101,588)	398	203
		105,878	-	105,878	95,912	-	9,966	105,878	101,986	(101,588)	398	203

									Year ended March 31, 2021			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Equity	Total liabilities and equity	Revenues	Expenses	Loss	Equity pickup
March 31, 2021												
CZ Energy S.A.	51.00%	93,177	-	93,177	83,625	-	9,552	93,177	203	(239)	(36)	(19)
		93,177	-	93,177	83,625	-	9,552	93,177	203	(239)	(36)	(19)

17. 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	Permanent crop	Other	Total
Balance at 03/31/2020	482,252	138,313	38,626	21,521	75,356	16,677	71,797	2,800	6,387	43,890	291,157	527,006	7,572	1,723,354
Payment of capital - Usina Canápolis	36,776	69,399	2,762	910	3,209	1,823	796	485	528	26,900	-	45,384	203	189,175
Payment of capital - Livakovic	-	-	-	-	6,219	-	-	-	-	-	-	62,770	-	68,989
Additions	2,255	4,899	-	334	143	122	408	76	252	117,169	131,476	134,710	3,376	395,220
Write-offs	(8)	-	-	(2,868)	(11,929)	(15,328)	(106)	(15)	(5)	-	-	(811)	(24)	(31,094)
Transfers	65,597	31,163	11,265	2,522	18,600	-	1,481	765	1,192	(134,462)	-	1,533	344	-
Balance at 03/31/2021	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
Balance at 04/01/2021	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	19,707	4,983	60	804	32,817	3	2,361	1,181	2,172	43,062	159,145	153,840	1,037	422,426
Write-offs	(151)	(3,733)	(65)	(1,537)	(4,196)	-	(195)	(8)	(18)	-	-	(2,641)	(479)	(14,277)
Transfers	28,396	7,009	15,039	(3)	26	-	1,079	96	40	(51,765)	-	-	83	-
Balance at 03/31/2022	634,824	252,033	67,687	21,683	120,245	3,297	77,621	5,380	10,548	44,794	581,778	921,791	12,112	2,753,793

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	Permanent crop	Other	Total
Balance at 03/31/2020	(204,391)	(52,954)	(28,842)	(13,655)	(56,862)	-	(64,195)	(2,055)	(3,805)	-	(205,550)	(323,713)	(6,007)	(962,029)
Payment of capital - Usina Canápolis	(1,149)	(885)	(282)	(138)	(407)	-	(51)	(17)	(61)	-	-	(1,436)	(16)	(4,442)
Additions	(33,980)	(6,929)	(8,967)	(1,835)	(11,461)	-	(2,094)	(177)	(943)	-	(85,618)	(47,847)	(5,054)	(204,905)
Write-offs	8	-	-	2,327	10,137	-	81	13	2	-	-	-	7	12,575
Balance at 03/31/2021	(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)
Balance at 01/04/2021	(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	(40,839)	(8,131)	(11,735)	(1,822)	(16,410)	-	(2,393)	(311)	(1,366)	-	(135,555)	(96,574)	(517)	(315,653)
Write-offs	85	155	-	948	2,698	-	161	8	10	-	-	-	70	4,135
Balance at 03/31/2022	(280,266)	(68,744)	(49,826)	(14,175)	(72,305)	-	(68,491)	(2,539)	(6,163)	-	(426,723)	(469,570)	(11,517)	(1,470,319)
Net balance at 03/31/2021	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 03/31/2022	354,558	183,289	17,861	7,508	47,940	3,297	9,130	2,841	4,385	44,794	155,055	452,221	595	1,283,474

Guarantee

Property, plant and equipment items were granted as guarantee for loans and financing, as described in Note 19.

Impairment test

In accordance with CPC 01 (R1) / IAS 36 - Impairment of Assets, the Group assessed the impairment indicators in the year ended March 31, 2022 and 2021, and concluded that there was no need to carry out an impairment test.

18. 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	Properties	Land	Total
Cost:					
Balance at March 31, 2020	11,261	3,992	-	295,433	310,686
Additions of new right-of-use agreements	5,871	10,072	-	247,076	263,019
Remeasurement	-	30	-	27,849	27,879
Write-off due to termination of/amendments to contracts	-	-	-	(32,725)	(32,725)
Merger of Usina Canápolis	297	267	-	72,565	73,129
Balance at March 31, 2021	17,429	14,361	-	610,198	641,988
Balance at April 1, 2021	17,429	14,361	-	610,198	641,988
Additions of new right-of-use agreements	14,584	52,790	2,809	323,445	393,628
Remeasurement	17	139	2	292,955	293,113
Transfers - assignment	-	-	-	(12,039)	(12,039)
Write-off due to termination of/amendments to contracts	-	-	-	(22,748)	(22,748)
Balance at March 31, 2022	32,030	67,290	2,811	1,191,811	1,293,942
Accumulated amortization:					
Balance at March 31, 2020	(2,501)	(682)	-	(52,869)	(56,052)
Amortization in the year	(6,803)	(3,894)	-	(54,524)	(65,221)
Write-offs	-	-	-	(6,194)	(6,194)
Merger of Usina Canápolis - accumulated amortization	(179)	(167)	-	(6,807)	(7,153)
Balance at March 31, 2021	(9,483)	(4,743)	-	(120,394)	(134,620)
Balance at April 1, 2022	(9,483)	(4,743)	-	(120,394)	(134,620)
Amortization in the year	(9,896)	(13,110)	(466)	(116,277)	(139,749)
Write-offs	-	-		5,460	5,460
Balance at March 31, 2022	(19,379)	(17,853)	(466)	(231,211)	(268,909)
Useful life (years)	1 to 2	1 to 2	1 to 25	-	
Residual value at March 31, 2021	7,946	9,618	-	489,804	507,368
Residual value at March 31, 2022	12,651	49,437	2,345	960,600	1,025,033

In addition, in compliance with CVM/SNC/SEP Circular Letter No. 02/2019, the Company presents below comparisons in accounts Right of use and Depreciation expense for the year ended March 31, 2022 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	04/01/2022 03/31/2023	04/01/2023 03/31/2024	04/01/2024 03/31/2025	04/01/2025 03/31/2026	04/01/2026 03/31/2027	04/01/2027 03/31/2028	04/01/2028 03/31/2052
Real flow discounted at nominal rate	869,453	722,054	597,068	482,791	383,016	291,566	-
Nominal flow discounted at nominal rate	919,231	782,984	662,263	546,630	442,395	345,155	-
	5.42%	7.78%	9.84%	11.68%	13.42%	15.53%	-

Depreciation expense	04/01/2022 03/31/2023	04/01/2023 03/31/2024	04/01/2024 03/31/2025	04/01/2025 03/31/2026	04/01/2026 03/31/2027	04/01/2027 03/31/2028	04/01/2028 3/31/2052
Real flow discounted at nominal rate	(155,579)	(147,399)	(124,985)	(114,277)	(99,775)	(91,460)	(291,556)
Nominal flow discounted at nominal rate	(142,740)	(136,247)	(120,721)	(115,633)	(104,236)	(97,240)	(345,155)
	8.99%	8.19%	3.53%	1.17%	4.28%	5.94%	15.53%

19. Loans and financing

This note discloses contractual information on loans and financing of the Company and its subsidiaries. Note 25 discloses additional information regarding the Company's and its subsidiaries' exposure to interest rate and currency risks.

Credit facility	RE.	Currency	Index	Consolidated	
				03/31/2022	03/31/2021
CCB	(c)	R$	CDI	47,219	65,704
CCB	(c)	R$	SELIC	12,135	17,563
CCE	(b)	R$	CDI	148,111	107,709
CPR	(c)	R$	CDI	59,109	48,389
CPR	(c)	R$	Fixed rate	10,073	20,116
CRA	(e)	R$	CDI	116,599	227,810
CRA	(e)	R$	IPCA	208,392	187,385
CRA	(e)	R$	IPCA	361,893	327,082
CRA	(e)	R$	IPCA	612,851	-
Finame	(a)	R$	Fixed rate	7,348	10,932
Finame	(a)	R$	TJLP	916	2,701
Finame	(a)	R$	SELIC	679	1,035
Finame	(a)	R$	TLP	76,822	42,820
Finem	(a)	R$	TLP	88,535	94,283
NCE	(b)	R$	CDI	-	60,028
				1,750,682	1,213,557
Transaction costs				(48,085)	(24,857)
Total (*)				1,702,597	1,188,700
Current liabilities				226,576	252,656
Noncurrent liabilities				1,476,021	936,044

(*) The weighted average rates of finance charges are 13.20% p.a.

Credit facility	RE.	Currency	Index	Year of maturity	Individual	
					03/31/2022	03/31/2021
Intercompany loan - noncurrent liabilities	(d)	R$	(d)	(d)	1,337	1,961

(a) This refers to loans taken out for 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 export credit notes signed with various financial institutions, which will be settled in reais backed by exports made in the period from 2022 to 2026.

(c) This refers to ban credit bills signed with various financial institutions, which will be settled between 2022 and 2024.

(d) Amount granted to the Parent Company by Vale do Tijuco Açúcar e Álcool S.A, without interest, which will be paid by the Company according to its cash availability, as described in Note 31.

(e) This refers to Agribusiness Receivables Certificates ("CRA"):

The second issue of CRA was on 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. Maturity is on October 19, 2022, with a one-year grace period, and amortization in two installments, with the first payment on October 19, 2021 and the last one on October 19, 2022.

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.

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 sixth issue was on December 20, 2021, under the terms of CVM Ruling No. 400, of December 29, 2003, as amended, relating to the 128th 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 6th issue of Vale do Tijuco Açúcar e Álcool S.A. The base offer corresponded to 500,000 CRAs, with the possibility of exercising an additional 20% lot, totaling 600,000 CRAs. The Offer ended on February 17, 2022; 600,000 registered and book-entry CRAs were subscribed and paid up, with a par value of R$1 on the issue date, i.e.

December 20, 2021, totaling R$600,000, with a grace period of 5 years and amortization by the end of the 6th and 7th year.

The maturity of consolidated loans and financing is as follows:

March 31, 2022	Book value	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 Years	4 to 5 years	More than 5 years
Loans and financing	1,750,682	236,531	274,838	270,517	217,015	79,120	672,661
Transaction costs	(48,085)	(9,955)	(7,668)	(7,507)	(6,752)	(4,627)	(11,576)
Loans and financing, net	1,702,597	226,576	267,170	263,010	210,263	74,493	661,085

March 31, 2021	Book value	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 Years	4 to 5 years	More than 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 the year end. Management has timely controls over those ratios and, at March 31, 2022, 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.

20. Suppliers and other payables

	Individual		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Local suppliers of materials and services	337	67	197,724	156,563
Sugarcane suppliers	-	-	29,989	68,178
Sugarcane suppliers (related parties)	-	-	3,381	569
Total	337	67	231,094	225,310
Current liabilities	337	67	230,296	223,562
Noncurrent liabilities	-	-	798	1,748

The crop period 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 (TRS) 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 suppliers at March 31, 2022 and 2021, and concluded that these balances do not generate material adjustments to present value in the individual and consolidated financial information. Information on the Group's exposure to liquidity and fair value measurement risks related to trade and other accounts payable is disclosed in Note 25.

21. Leases and agricultural partnerships payable

	Consolidated	
	03/31/2022	03/31/2021
Leases and agricultural partnerships payable	1,485,939	746,172
Total	1,485,939	746,172
Current liabilities	270,000	126,172
Noncurrent liabilities	1,215,939	620,000

Changes in lease liabilities and agricultural partnerships payable are as follows:

	Consolidated	
	03/31/2022	03/31/2021
At beginning of year	746,172	399,550
Additions of new lease agreements	517,260	347,913
Interest	110,043	46,773
Remeasurement	412,240	49,286
Payments	(255,307)	(179,169)
Write-offs due to termination of/amendments to contracts	(44,469)	(35,926)
Merger of Usina Canápolis	-	117,745
Closing balance	1,485,939	746,172
Current liabilities	270,000	126,172
Noncurrent liabilities	1,215,939	620,000

The maturity of estimated balances of noncurrent leases and agricultural partnerships payable is as follows:

Maturity	Consolidated
04/01/2023 to 03/31/2024	217,342
04/01/2024 to 03/31/2025	193,004
04/01/2025 to 03/31/2026	164,646
04/01/2026 to 03/31/2027	137,526
04/01/2027 to 03/31/2028	114,921
04/01/2028 to 03/31/2029	95,281
04/01/2029 to 03/31/2030	75,869
04/01/2030 to 03/31/2031	66,833
04/01/2031 to 03/31/2032	55,142
04/01/2033 onwards	95,375
	1,215,939

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

	Consolidated	
	Leases	Present value
Lease consideration	503,793	333,816
Potential PIS/COFINS (9.25%)	(46,601)	(30,878)
Total	457,192	302,938

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 year ended March 31, 2022 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	04/01/2022 03/31/2023	04/01/2023 03/31/2024	04/01/2024 03/31/2025	04/01/2025 03/31/2026	04/01/2026 03/31/2027	04/01/2027 03/31/2028	04/01/2028 03/31/2052
Real flow discounted at nominal rate	754,592	621,547	504,067	404,280	321,384	252,918	-
Nominal flow discounted at nominal rate	859,499	719,554	592,953	482,166	387,344	306,626	-
	12.21%	13.62%	14.99%	16.15%	17.03%	17.52%	-

Interest expenses	04/01/2022 03/31/2023	04/01/2023 03/31/2024	04/01/2024 03/31/2025	04/01/2025 03/31/2026	04/01/2026 03/31/2027	04/01/2027 03/31/2028	04/01/2028 03/31/2052
Real flow discounted at nominal rate	(71,212)	(62,844)	(54,704)	(46,710)	(39,072)	(32,099)	(91,464)
Nominal flow discounted at nominal rate	(81,578)	(73,513)	(65,397)	(57,126)	(48,903)	(41,108)	(128,699)
	12.71%	14.51%	16.35%	18.23%	20.10%	21.92%	28.93%

22. Advances from customers

	Consolidated	
	03/31/2022	03/31/2021
Advances from customers – sugar (a)	122,617	164,690
Advances from customers – ethanol	56,272	23,755
Advances from customers – energy	74,662	46,370
Other (b)	330	709
Total	253,881	235,524
Current liabilities	218,854	78,454
Noncurrent liabilities	35,027	157,070

(a) Vale do Tijuco has a bill-and-hold agreement for the purchase and sale of VHP sugar, to be delivered by March 2023, with Macquarie Bank Limited, in the volume of 100,000 (one hundred thousand) tons. The balance of this operation at March 31, 2022 was R$124,791 (R$143,955 at March 31, 2021).

(b) 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 sold by the Company.

23. 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 ordinary course of the Group's activities, involving labor, civil, tax and environmental matters.

Provisions are recognized taking into consideration 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:

	Consolidated			
	Labor	Tax	Environmental	Total
Closing balance at April 1, 2020	1,945	1,431	-	3,376
Additions	1,045	513	71	1,629
Write-offs	(2,478)	(299)	-	(2,777)
Closing balance at March 31, 2021	512	1,645	71	2,228
Closing balance at April 1, 2021	512	1,645	71	2,228
Additions	676	49	4	729
Write-offs	(463)	(963)	(72)	(1,498)
Closing balance at March 31, 2022	725	731	3	1,459

Labor

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

Environmental

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 claims related to Social Security Contribution on the Sale of Rural Production (Funrural).

Possible losses

The Company and its subsidiaries are parties to ongoing labor, civil, tax and environmental proceedings, in the restated amount of R$22,377 (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	03/31/2022	03/31/2021
Environmental	4,731	386
Civil	4,688	2,455
Labor	4,175	3,688
Tax	8,783	8,761
	22,377	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/SUPRAM) and/or the environmental police arising from environmental discussion about intervention in permanent preservation areas (APP), suppression of natural biome 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;

(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.

24. Equity

a) Capital stock

At March 31, 2022 and 2021, the Company's fully subscribed and paid-up capital stock amounts to R$503,892, divided into 1,258,415,912 registered common shares, held as follows:

	03/31/2022		03/31/2021	
	Shares	R$	Shares	R$
Ifar Brazil Pte Ltd.	455,687,717	182,466	455,687,717	203,298
Ápia SP Participações S.A.	372,428,777	149,127	372,428,777	127,898
Rio Grande Investment Pte Ltd.	173,520,239	69,481	173,520,239	72,432
JF Investimentos S.A.	83,258,941	33,338	83,258,941	27,833
Marseille Fundo de Investimentos em Participações	173,520,238	69,480	173,520,238	72,431
Total	1,258,415,912	503,892	1,258,415,912	503,892

At March 31, 2022 and 2021, the Company had no authorized capital stock.

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 issue 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 issue 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 issue 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 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.

On April 1, 2021, according to the minutes of the special general meeting, there was an increase in the Company's capital stock by R$0.2095 (two thousand and ninety-five ten-thousandths of a real), from R$503,892,367.20 (five hundred and three million, eight hundred and ninety-two thousand, three hundred and sixty-seven reais and twenty cents) to R$503,892,367.41 (five hundred and three million, eight hundred and ninety-two thousand, three hundred and sixty-seven reais and forty-one cents), through the issue of 1 (one) new registered common share, with no par value, at the issue price of R$0.2095 (two thousand and ninety-five ten-thousandths of a real). The new share issued was fully subscribed and paid in on this date, in local currency, by shareholder Ápia SP Participações S.A.

b) Capital reserve

Refers to special goodwill reserve in the amount of R$4,164, arising from capital increases made previous years.

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 stock.

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.

After allocation of the portion of net income for the year to the legal reserve, tax incentive reserves are recognized up to the limit of the mandatory amount or the remaining balance of net income for the year. Until March 31, 2022, the Company had recognized the amount of R$288,098, with the remaining amount to be recorded of R$141,312.

e) Equity adjustments

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).

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.

Approval of the distribution of dividends referring to the Company's retained earnings, recorded in the financial statements as at March 31, 2021, to shareholders was granted at the annual general meeting held on July 31, 2021, proportionally to the interest held in the capital stock, in the total amount of R$60,000.

Payments referring to the distribution of dividends were made on September 14, 2021.

25. Financial instruments

a) Accounting classification and fair values (consolidated)

The carrying amounts and fair values of financial assets and liabilities, including their fair value hierarchy levels are presented in the table below. 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.

March 31, 2022	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value						
Cash equivalents	806,528	-	806,528	-	806,528	-
Short-term investments	8,806	-	8,806	-	8,806	-
Derivative financial instruments	229,209	-	229,209	-	229,209	-
Total	1,044,543	-	1,044,543	-	1,044,543	-
Financial assets not measured at fair value						
Cash and banks	-	85,461	85,461			
Accounts receivable	-	59,335	59,335			
Accounts receivable from related parties	-	37,541	37,541			
Leases receivable	-	497,014	497,014			
Total	-	679,351	679,351			

March 31, 2022	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial liabilities measured at fair value						
Derivative financial instruments	543,127	-	543,127	-	543,127	-
Total	543,127	-	543,127	-	543,127	-
Financial liabilities not measured at fair value						
Loans and financing	-	1,702,597	1,702,597			
Leases and agricultural partnerships payable	-	1,485,939	1,485,939			
Suppliers and other payables	-	231,094	231,094			
Total	-	3,419,630	3,419,630			

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	-	87,044	87,044			
Accounts receivable from related parties	-	38,757	38,757			
Leases receivable	-	316,787	316,787			
Total	-	482,324	482,324			

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 March 31, 2022, 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 March 31, 2022 and 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.

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 individual and consolidated financial statements date is as follows:

	Individual		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Cash and cash equivalents	14	261	891,989	512,176
Short-term investments	-	-	8,806	14,065
Accounts receivable	8,850	50,659	96,876	125,801
Leases receivable	-	-	497,014	316,787
Derivative financial instruments	-	-	229,209	69,582
Total	8,864	50,920	1,723,894	1,038,411
Current assets	8,864	261	1,089,453	673,086
Noncurrent assets	-	50,659	634,441	365,325

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 crop 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 for which no impairment losses were recognized is as follows:

	Individual		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Falling due	8,850	50,659	96,876	117,055
Due within 30 days	-	-	-	7,890
Due from 31 to 90 days	-	-	-	67
Due from 91 to 180 days	-	-	-	1,104
Due above 181 days	-	-	-	1,017
	8,850	50,659	96,876	127,133
Allowance for expected losses	-	-	-	(1,332)
	8,850	50,659	96,876	125,801

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

	Consolidated	
	03/31/2022	03/31/2021
Opening balance at 03/31	(1,332)	(6)
Additions	(7)	(1,326)
Reversals	1,339	-
Closing balance	-	(1,332)

The Company and its subsidiaries reviewed the present value adjustment of their accounts receivable at March 31, 2022 and 2021.The Company recognized noncurrent receivables at their present value, less future installments referring to the amount recognized as interest at the initial moment of the transaction.

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, Vale do Pontal and Usina Canápolis 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 March 31, 2022, the amount guaranteed totals R$252,356 (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 restated by reference to the TJLP (Long-Term Interest Rate), plus 5.5% p.a. 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 its 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.

Liquidity risk exposure

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

	Individual		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Loans and financing	-	-	1,702,597	1,188,700
Intercompany loans	1,337	1,961	-	-
Leases and agricultural partnerships payable	-	-	1,485,939	746,172
Suppliers and other payables	337	67	231,094	225,310
Derivative financial instruments	-	-	543,127	566,267
Total	1,674	2,028	3,962,757	2,726,449
Current liabilities	337	67	1,127,391	898,799
Noncurrent liabilities	1,337	1,961	2,835,366	1,827,650

The maturity of financial liabilities is as follows:

Consolidated March 31, 2022	Book value	Contractual flow	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Loans and financing	1,702,597	1,750,682	236,531	274,838	270,517	217,015	79,120	672,661
Leases and agricultural partnerships payable	1,485,939	2,426,434	313,877	274,382	262,467	242,544	218,573	1,114,591
Suppliers and other payables	231,094	231,094	230,296	798	-	-	-	-
Derivative financial instruments	543,127	543,127	400,520	139,460	3,147	-	-	
Total	3,962,757	4,951,337	1,181,224	689,478	536,131	459,559	297,693	1,787,252

Consolidated March 31, 2021	Book value	Contractual flow	Within 12 months	1 to 2 5 years	2 to 3 5 years	3 to 4 5 years	4 to 5 5 years	More than 5 years
Loans and financing	1,188,700	1,213,557	260,121	177,214	119,450	221,162	205,821	229,789
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	-	-	-	-
Derivative financial instruments	566,267	566,267	296,410	244,554	22,024	2,340	939	-
Total	2,726,449	3,129,286	936,212	567,027	273,153	344,295	312,416	696,183

Changes in financial liabilities in consolidated financing activities

	Consolidated	
	Loans and financing	Leases and agricultural partnerships payable
Balances at April 1, 2020	1,026,602	399,550
Balance merged - Usina Canápolis	236,951	117,745
Additions	423,549	347,913
(-) Payments	(498,697)	(179,169)
(-) Payments of interest and exchange differences	(61,338)	-
(-) Deferred expenses	(31,777)	-
Interest incurred	87,975	46,773
Remeasurement of lease agreements	-	49,286
Write-offs due to termination of/ amendments to contracts	-	(35,926)
Exchange differences	8,007	-
Other	(2,572)	-
Balances at March 31, 2021	1,188,700	746,172
Additions	761,771	517,260
(-) Payments	(313,529)	(255,307)
(-) Payments of interest and exchange differences	(92,876)	-
Interest incurred	161,715	110,043
Remeasurement of lease agreements	-	412,240
Write-offs due to termination of/ amendments to contracts	-	(44,469)
Exchange differences	(3,184)	-
Balances at March 31, 2022	1,702,597	1,485,939

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 (TRS), 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.

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 March 31, 2022. As determined by CVM Ruling No. 475/08, which requires the presentation of two scenarios with 25% and 50% decrease in the risk variable considered, below are the possible impacts of how much the equity and the statement of

income for the year would have increased (decreased) according to the amounts shown below. These scenarios could bring impacts to the Group's statement of income and future cash flows as described below:

- Scenario I: This refers to the most probable scenario for interest rates, at the individual and consolidated financial statements date;
- Scenario II: 25% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario III: 50% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario IV: 25% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario; and
- Scenario V: 50% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario.

Interest rate risk on financial assets and liabilities – Consolidated

			Scenarios		Increase		Decrease	
Instruments	Exposure at March 31, 2022	Risk	Rate	Probable	Index variation of 25%	Index variation of 50%	Index variation of 25%	Index variation of 50%
Financial assets								
Cash equivalents	806,528	CDI	11.65%	93,960	23,490	46,980	(23,490)	(46,980)
Short-term investments	8,806	CDI	11.65%	1,026	256	513	(256)	(513)
Financial liabilities								
CCB	47,219	CDI	11.65%	(5,501)	(1,375)	(2,751)	1,375	2,751
CCB	12,135	SELIC	11.75%	(1,426)	(356)	(713)	356	713
CCE	148,111	CDI	11.65%	(17,255)	(4,314)	(8,627)	4,314	8,627
CPR	59,109	CDI	11.65%	(6,886)	(1,722)	(3,443)	1,722	3,443
CRA	116,599	CDI	11.65%	(13,584)	(3,396)	(6,792)	3,396	6,792
CRA	208,392	IPCA	10.55%	(21,981)	(5,495)	(10,991)	5,495	10,991
CRA	361,893	IPCA	10.55%	(38,173)	(9,543)	(19,086)	9,543	19,086
CRA	612,851	IPCA	10.55%	(64,644)	(16,161)	(32,322)	16,161	32,322
FINAME	916	TJLP	6.08%	(56)	(14)	(28)	14	28
FINAME	679	SELIC	11.75%	(80)	(20)	(40)	20	40
FINAME	76,822	TLP	10.55%	(8,103)	(2,026)	(4,052)	2,026	4,052
Finem	88,535	TLP	10.55%	(9,339)	(2,335)	(4,669)	2,335	4,669
Impact on P&L and equity				(92,042)	(23,011)	(46,021)	23,011	46,021

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

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.

Currency risk exposure

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

	Consolidated	
	03/31/2022	03/31/2021
Cash and cash equivalents	13,251	5,142
Swap	25,000	25,000
NDF	-	(3,500)
NDF - currency	(202,044)	(328,763)
Future revenue (VHP) – Hedged item	202,044	328,763
Net exposure	38,251	26,642

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 March 31, 2022. As required by CVM Ruling 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 statement of income for the year would have increased (decreased) according to the amounts shown below. These scenarios could bring impacts to the Group's statement of income and/or future cash flows as described below:

- Scenario I: For the probable scenario in US dollars, the exchange rate in effect at March 31, 2022 was considered;
- Scenario II: 25% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario III: 50% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario IV: 25% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario; and
- Scenario V: 50% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario.

Scenarios	US$ thousand	R$ (MTM)	Increase (R$)		Decrease (R$)	
Non-derivative financial instruments			25%	50%	25%	50%
Cash and cash equivalents	13,251	62,781	15,695	31,390	(15,695)	(31,390)
Derivative financial instruments						
Swap	25,000	(20,064)	33,906	66,226	(30,735)	(63,055)
NDF - currency	(202,044)	94,327	67,122	305,987	(410,608)	(649,473)
Future revenue (VHP) – Hedged item	202,044	(94,327)	(67,122)	(305,987)	410,608	649,473
Impact on the statement of income and equity	38,251	42,717	49,601	97,616	(46,430)	(94,445)

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 ethanol and VHP Sugar price hedge is shown in the table below, by principal amounts (in US$ thousand):

	Consolidated	
	03/31/2022	03/31/2021
NDF - Ethanol	-	142,252
Future revenue (Ethanol) – Hedged item	-	(142,252)
NDF - commodities	238,714	310,014
Options	1,105	6,272
Future revenue (VHP) – Hedged item	(239,819)	(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 in VHP sugar export prices based on the future curve of NY#11 screen prices, and ethanol NDF based on the future curve of B3 prices at March 31, 2021. Below, two scenarios are presented with a 25% and 50% decrease in the risk variable considering the possible impacts of how much the Group's equity and statement of income for the year would have increased (decreased), as follows:

- Scenario I: For this scenario, a probable increase in future NY#11 screen prices as at March 31, 2022;
- Scenario II: 25% increase in the main risk factor of the derivative financial instrument in relation to the level verified in the probable scenario;
- Scenario III: 50% increase in the main risk factor of the derivative financial instrument in relation to the level verified in the probable scenario;
- Scenario IV: 25% decrease in the main risk factor of the derivative financial instrument in relation to the level of the probable scenario; and
- Scenario V: 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	238,714	(449,584)	(327,713)	(675,384)	367,629	715,300
Future revenue (VHP) – Hedged item	(238,714)	449,584	327,713	675,384	(367,629)	(715,300)
Impact on the 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 – US$) against the risk of fluctuations in the US$/R$ 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:

	2022		2021	
	Realized income	Unrealized (equity)	Realized income	Unrealized (equity)
ACC, NCE and PPE	-	-	(44,835)	-
NDF – commodities and options	(227,704)	(430,490)	(60,418)	(502,007)
NDF	(96,917)	-	-	(36,812)
Total exposure	(324,621)	(430,490)	(105,253)	(538,819)
(-) Deferred IR/CS	110,371	121,858	35,786	183,198
Net exposure	(214,250)	(308,632)	(69,467)	(355,621)

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 following 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.

		03/31/2022		03/31/2021	
Consolidated	Type Currency	Notional (US$/R$ thousand)	Fair value (R$)	Notional (US$/R$ thousand)	Fair value (R$)
Swap	US$	25,000	(20,064)	25,000	9,811
Swap	R$	911,786	64,550	320,332	29,022
NDF - commodities - VHP	US$	238,714	(449,584)	310,014	(223,162)
NDF - currency	US$	202,044	94,327	328,763	(266,024)
NDF	US$	-	-	3,500	400
NDF - ethanol	R$	-	-	142,253	(36,812)
Options	US$	1,105	(3,147)	6,272	(9,920)
Total			(313,918)		(496,685)
Current assets			52,962		1,047
Noncurrent assets			176,247		68,535
			229,209		69,582
Current liabilities			(400,520)		(296,409)
Noncurrent liabilities			(142,607)		(269,858)
			(543,127)		(566,267)

Derivative financial instruments mature as follows:

			Consolidated						
March 31, 2022	Type	Notional	Book value	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 Years	Above years
Swap	US$	25,000	(20,064)	(20,064)	-	-	-	-	-
Swap	R$	911,786	64,550	(46,446)	(8,564)	6,515	12,943	(14,587)	114,689
NDF - commodities	US$	238,714	(449,584)	(310,124)	(139,460)	-	-	-	-
NDF - currency	US$	202,044	94,327	29,076	52,250	13,001	-	-	-
Options	US$	1,105	(3,147)	-	-	(3,147)	-	-	-
Total			(313,918)	(347,558)	(95,774)	16,369	12,943	(14,587)	114,689

			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	Above 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 year. At March 31, 2022 and 2021, the impacts recorded in the statement of income are shown below:

			Consolidated	
Derivatives	Market	Risk	03/31/2022	03/31/2021
NDF - currency and commodities	CETIP	USD	(227,704)	(58,192)
NDF - Ethanol	CETIP	ETH	(96,917)	-
ACC, NCE and PPE	CETIP	USD	-	(44,835)
Options	CETIP	USD	-	(2,226)
Gross revenue from sales and services			(324,621)	(105,253)
Swap	CETIP	USD	(8,854)	(11,231)
Call	CETIP	USD	-	4,836
NDF	CETIP	USD	5,426	-
NDF – currency and commodities - ineffective	CETIP	USD	(4,508)	-
Finance income (expenses)			(7,936)	(6,395)
Total			(332,557)	(111,648)
(-) IR/CS			113,069	37,960
Net effect in the statement of income			(219,488)	(73,688)

c) Capital management

The Company manages its capital to ensure that it can continue as a going concern, 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, financial 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.

	03/31/2022	03/31/2021
Loans and financing	1,702,597	1,188,700
Leases and agricultural partnerships payable	1,485,939	746,172
(-) Cash and cash equivalents	(891,989)	(512,176)
(-) Short-term investments	(8,806)	(14,065)
Net Debt	2,287,741	1,408,631
Equity	446,083	263,642
Equity and consolidated debt	2,733,824	1,672,273
Leverage ratio	5.13	5.34

26. Deferred income taxes

Consolidated	Assets/Liabilities		Statement of income		Equity	
	03/31/2022	03/31/2021	2022	2021	03/31/2022	03/31/2021
Provision for legal proceedings / actuarial reserve	(410)	1,026	(1,250)	(1,033)	(186)	(334)
Allowance for expected losses	-	455	(455)	453	-	-
Allowance for inventory losses	1,151	1,012	139	(965)	-	-
Effects of swap contracts	(15,125)	(13,203)	(1,922)	(13,724)	-	-
Income tax losses (a)	159,391	43,050	116,341	16,947	-	-
Fair value of biological asset	(43,434)	(19,018)	(24,416)	(13,418)	-	
Effects of ACC/NCE contracts and exchange differences	4,453	21,213	(16,760)	4,200	-	(62)
Effects of option contracts	1,070	-	-	-	1,070	-
Effects of forward contracts	96,278	170,546	(24,373)	(503)	(49,895)	159,526
Effects of forward ethanol contracts	-	12,516	-	-	(12,516)	-
Effects of tax vs. useful life depreciation difference	(10,809)	(10,288)	(521)	(2,383)	-	-
Effects of variation - IFRS 16/CPC 06	24,346	10,038	14,308	6,347	-	-
Net	216,911	217,347	61,091	(4,079)	(61,527)	159,130

(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 deferred income taxes on income tax loss carryforward recorded in tax obligations, less deferred tax assets for the year, and not recorded for accounting purposes, is approximately R$143,326.

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 consideration the increase in profitability and in the tax base in recent years. The expected realization of deferred taxes at March 31, 2022 is as follows:

	Consolidated
04/01/2022 to 03/31/2023	12,345
04/01/2023 to 03/31/2024	27,927
04/01/2024 to 03/31/2025	40,408
04/01/2025 to 03/31/2026	29,085
04/01/2026 to 03/31/2027	30,160
04/01/2027 to 03/31/2032	76,987
	216,912

Reconciliation of the effective rate	Consolidated	
	2022	2021
Income before income taxes	140,200	202,140
Statutory rate	34%	34%
Tax expense at statutory rate	(47,668)	(68,728)
Adjustments for effective rate calculation:		
Tax vs. useful life depreciation difference	(520)	(2,434)
Recognition of income tax losses	73,851	18,889
Offset of income tax losses	(2,980)	(6,587)
Grants	38,973	34,938
Other	(6,771)	(2,057)
Income taxes	54,885	(25,979)
Current	(6,206)	(21,900)
Deferred	61,091	(4,079)

Reconciliation of the effective rate	Individual	
	2022	2021
Income before income taxes	195,085	176,161
Statutory rate	34%	34%
Tax expense at statutory rate	(66,329)	(59,895)
Adjustments for effective rate calculation:		
Equity pickup	68,544	61,226
Unrecorded income tax losses	(2,215)	(1,331)
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.

27. Net revenue

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

	Consolidated	
	2022	2021
Gross revenue from sales and services:		
Ethanol – domestic market	1,035,191	725,604
Ethanol – foreign market	62,930	-
Sugar - domestic market	33,067	1,842
Sugar – foreign market	990,281	734,777
Hedge accounting (Note 25)	(324,621)	(105,253)
Electric power	107,515	102,450
CBIOs	12,520	9,147
Other revenues	16,482	20,485
Gross revenue	1,933,365	1,489,052
Sales taxes	(135,654)	(114,047)
Net revenue	1,797,711	1,375,005

Agreement commitments – Sugar – Foreign Market

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 March 31, 2022 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
22-23	330,000	118,000	88,800	536,800
23-24	124,000	56,000	-	180,000
Total	454,000	174,000	88,800	716,800

Ethanol - domestic market

The Company's subsidiaries have entered into agreements for the sale of hydrous ethanol for the 2022/2023 cycle, as shown below in cubic meters (cbm):

	Vale do Tijuco	Vale do Pontal	Usina Canápolis	Total
Anhydrous ethanol	8,313	54	56	8,423
Hydrous ethanol	7,603	-	3,517	11,120
Total	15,916	54	3,573	19,543

Electric power

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
2022 / 2023	138,762	73,810	212,572
2023 / 2024	209,992	89,996	299,988
2024 / 2025	238,680	15,000	253,680
Total	587,434	178,806	766,240

Leases and agricultural partnership agreements

Subsidiaries Vale do Tijuco, Vale do Pontal and Usina Canápolis have land lease and agricultural partnership agreements for sugarcane cultivation, whose rights of use were recognized as described in Note 18, and the related liabilities are described in Note 21.

28. 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	
	2022	2021
Cost of sales and services		
Amortization of treatment costs	(113,713)	(82,906)
Amortization of planting costs	(93,620)	(51,754)
Purchase of sugarcane on conveyor	(517,331)	(415,725)
Amortization of right of use and agricultural partnerships	(125,971)	(72,281)
Depreciation	(69,163)	(62,817)
Amortization of off-season costs	(132,983)	(84,870)
Cutting, loading and transportation (CCT) costs	(190,128)	(165,446)
Industrial costs	(97,947)	(104,792)
Cost of services	(20,081)	(9,578)
Other costs	(726)	(4,800)
Changes in fair value of biological assets	51,947	39,464
PIS and COFINS credits on inputs	51,674	43,719
Total	(1,258,042)	(971,786)

	Consolidated	
	2022	2021
Selling expenses		
Freight and carriage	(100,361)	(68,397)
Tariffs arising from distribution of electric power	(7,919)	(5,489)
Personnel expenses	(5,026)	(3,736)
Other selling expenses	(12,564)	(6,796)
Depreciation and amortization	(2,907)	(1,918)
Total	(128,777)	(86,336)

	Consolidated	
	2022	2021
Administrative expenses		
Personnel expenses	(24,971)	(20,505)
Third-party services	(19,635)	(12,713)
Other administrative expenses	(8,741)	(5,419)
Depreciation and amortization	(4,493)	(2,086)
Total	(57,840)	(40,723)

	Consolidated	
	2022	2021
Other operating income (expenses), net		
Income from debt relief (a)	-	22,929
Other investments – unit of interest of cooperative	3,612	-
Write-off of leases	10,408	665
Income (loss) from the sale of supplies	5,771	4,541
Reversal of actuarial obligations	2,148	-
Other income and expenses	3,870	1,628
Total	25,809	29,763

(a) At September 30, 2020, Bacuri Agrícola Ltda. granted a debt relief to Vale do Pontal in the amount of R$22,929, as provided for in the agreement for the sale of units of interest of company Bacuri Agrícola Ltda. by Vale do Pontal to Usina Cerradão Ltda.

29. Finance income (expenses), net

	Consolidated	
	2022	2021
Finance expenses:		
Interest on loans and financing	(161,715)	(87,975)
Tax on Financial Transactions (IOF)	(7,642)	(6,127)
Losses on fair value adjustment - derivatives	(88,903)	(87,117)
Effective losses – settlement of transactions - derivatives	(26,195)	(15,891)
Exchange losses	(49,979)	(62,873)
Other finance expenses	(23,029)	(13,477)
Interest on lease	(108,543)	(46,773)
Bank fees	(11,733)	(11,882)
Total	(477,739)	(332,115)
Finance income:		
Short-term investment yield	18,421	6,020
Gains on fair value adjustment - derivatives	106,102	128,936
Effective gains – settlement of transactions - derivatives	1,060	9,496
Exchange gains	69,444	53,899
Other finance income	8,160	8,457
Interest on lease	35,688	21,543
Total	238,875	228,351
Finance income (expenses), net	(238,864)	(103,764)

30. Earnings per share

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

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	
	2022	2021
Net income for the year	195,085	176,161
Average number of shares in the year	1,258,415,912	1,161,249,064
Earnings per share – basic and diluted (in reais)	0.1550	0.1517

31. 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 year ended March 31, 2022 as short-term benefits amounted to R$6,385 (R$8,018 at March 31, 2021), recorded in the general and administrative expenses group, and include salaries, bonuses, variable compensation 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, 2022 and 2021. However, the amount is subject to changes 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	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
Current assets					
Receivables from related parties					
Rio Grande Investment PTE. LTD.	(i)	4,425	-	4,425	-
JF Investimentos S.A.	(i)	4,425	-	4,425	-
Subtotal		8,850	-	8,850	-
Noncurrent assets					
Receivables from related parties					
Marseille Fundo de Investimentos em Participações	(i)	-	4,425	-	4,425
Rio Grande Investment PTE. LTD.	(i)	-	4,425	-	4,425
Terra Forte Empreendimentos e Participações S.A.	(ii)	-	-	28,691	29,901
Vale do Pontal Açúcar e Etanol Ltda.	(iii)	-	41,809	-	-
Other		-	-	-	6
Subtotal		-	50,659	28,691	38,757
Total		8,850	50,669	37,541	38,757
Right of use on agricultural partnerships					
Terra Forte Empreendimentos e Participações S.A.	(iv)	-	-	228,431	110,559
Subtotal		-	-	228,431	110,559
Total assets		8,850	50,659	259,689	149,316

		Individual		Consolidated	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
Liabilities	(v)				
Payables to related parties					
JF Citrus Agropecuária		-	-	-	67
Terra Forte Empreendimentos e Participações S.A.		-	-	396	502
Subtotal		-	-	396	569
Intercompany loans (Note 19)					
Canápolis Açúcar e Etanol S.A.		-	260	-	-
Vale do Tijuco Açúcar e Álcool S.A.	(vi)	1,337	1,701	-	-
Subtotal		1,337	1,961	-	-
Leases and agricultural partnerships payable					
Terra Forte Empreendimentos e Participações S.A.	(vii)	-	-	254,466	114,155
Total leases and agricultural partnerships payable		-	-	254,466	114,155
Total liabilities		1,337	1,961	254,862	114,724

	Consolidated	
	2022	2021
Statement of income		
Sale of products and provision of services		
CZ Energy comercializadora de etanol S.A	95,232	-
	95,232	-
Costs and expenses with the sale of products and provision of services		
CZ Energy comercializadora de etanol S.A	(87,517)	-
JF Citrus Agropecuária	-	(30,045)
	(87,517)	(30,045)
Amortization of right of use and interest allocated		
Marco Otávio Galvão	-	(6,310)
Terra Forte Empreendimentos e Participações S.A.	(45,268)	(7,651)
	(45,268)	(13,961)

(i) Balance arising from the merger of JLFIM by the Company. These refer to promissory notes receivable. At September 30, 2021, a debt assumption instrument was entered into for the balance of R$4,425, formerly owned by shareholder Marseille Fundo de Investimentos em Participações, to also shareholder JF Investimentos S.A., which became the holder of the obligation as of that date, due on September 30, 2022.

(ii) Amount granted to Terra Forte Empreendimentos e Participações S.A., bearing interest, calculated monthly based on the weighted rate of bank loans of the CMAA Group, with payment expected according to cash availability.

(iii) Intercompany loan between Vale do Pontal and the Company, without interest, settled in July 2021.

(iv) Balance referring to the right of use on land lease with Terra Forte Empreendimentos e Participações S.A.

(v) Amount related to operational transactions between related parties, such as sale of inputs, supplies and others.

(vi) Loan with subsidiary Vale do Tijuco, without interest, and which will be settled according to the Company's cash availability.

(vii) Balance referring to lease liabilities and assignments of agricultural partnerships with Terra Forte Empreendimentos e Participações S.A., which will be settled according to the contractual flow of maturities.

The Company provides surety for its subsidiaries in loan and financing agreements, as described in Note 19.

The Company and its subsidiaries provide financial guarantees for transactions with suppliers, as described in Note 25.

32. Supplemental cash flow information

Non-cash transactions

	Consolidated	
	2022	2021
Non-cash transactions		
Right of use	657,414	251,979
Right of use paid in	-	65,976
Assignment of leases and agricultural partnerships receivable	180,227	109,293
Assignment of leases and agricultural partnerships receivable - paid in	-	57,106
Biological assets paid in	-	18,164
PP&E paid in	-	253,722
Leases and agricultural partnerships payable	837,641	361,273
Leases and agricultural partnerships payable – paid in	-	117,745
Loans and financing – paid in	-	236,951

33. 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 March 31, 2022, 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	15,448
Vehicles	100% Fipe
Sundry machinery and equipment	122,219
Property	400,000
D&O (Senior Management)	30,000

34. Events after the reporting period

At the Special General Meeting held on May 13, 2022, the Company decided to approve the distribution of dividends to shareholders in the total amount of R$75,000,000.00 (seventy-five million reais), of which (i) R$42,759,968.66 (forty-two million, seven hundred fifty-nine thousand, nine hundred sixty-eight reais and sixty-six cents) referring to the Company's retained earnings, included in the statement of financial position as of March 31, 2021; and (ii) R$32,240,031.34 (thirty-two million, two hundred and forty thousand, thirty-one reais and thirty-four cents) as interim dividends, referring to profits recorded in the current year, to be credited against the value of the mandatory dividend for the year ended March 31, 2022.

On May 31, 2022, a new Special General Meeting was held, whereby a new distribution of dividends to shareholders was resolved, in the amount of R$40,000,000.00 (forty million reais), referring to the Company's retained earnings, included in the statement of financial position as of March 31, 2022.

The dividends approved will be distributed to shareholders in proportion to their share in the Company's capital stock.

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

Fernando Pereira Falheiros
CRC/GO nº GO-026087/O-4

* * *