Copersucar S.A.

Financial statements
March 31, 2021

(A free translation of the original report in Portuguese containing individual and consolidated financial statements prepared in accordance with the accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board - IASB)

Contents

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Independent auditors' report on the individual and consolidated financial statements

(A free translation of the original report in Portuguese containing individual and consolidated financial statements prepared in accordance with the accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board - IASB)

To the Administrators and Board Members of Copersucar S.A.

São Paulo – SP

Opinion

We have examined the individual and consolidated financial statements of Copersucar S.A. (“Company”), identified as Parent Company and Consolidated, respectively, comprising the balance sheet as of March 31, 2021 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as well as the corresponding notes, comprising the significant accounting policies and other clarifying information.

In our opinion, the aforementioned individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of Copersucar S.A. as of March 31, 2021, the individual and consolidated performance of its operations and its individual and consolidated cash flows for the year then ended, in conformity with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in conformity with these standards, are described in the following section denominated "Auditor's responsibilities for the audit of the individual and consolidated financial statements". We are independent in relation to the Company and its subsidiaries, in accordance with the relevant ethical principles provided for in the Accountant's Code of Professional Ethics and in professional standards issued by the Federal Accounting Council, and we comply with other ethical responsibilities according to these standards. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters - Statement of added value

Individual and consolidated statement of added value (DVA) for the year ended March 31, 2021, prepared under responsibility of Company's management, and presented as supplementary information for IFRS purposes, were submitted to audit procedures carried out together with the audit of Company's financial statements. In order to form our opinion, we evaluated whether these statements are reconciled with other financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in the Technical Pronouncement CPC 09 - Statement of Added Value. In our opinion, these statements of added value were prepared, in all material respects, in accordance with the criteria defined in this Technical Pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Responsibilities of management and governance for the individual and consolidated financial statements

Management is responsible for the preparation and adequate presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and International Financial Reporting Standards - IFRS issued by the International Accounting Standards Board (IASB), and the internal controls it deemed necessary to enable the preparation of these financial statements free of significant distortions, regardless of whether the latter were caused by fraud or error.

In the preparation of individual and consolidated financial statements, management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, where applicable, the matters relating to its going concern and the use of this basis of accounting in preparing the financial statements, unless management intends to wind-up the Company and its subsidiaries or cease its operations, or has no realistic alternative to avoid the closure of operations.

Those charged with governance of the Company and its subsidiaries are the people responsible for overseeing the process of preparation of the financial statements.

Auditors' Responsibilities for the Audit of the Individual and Consolidated Financial Statements

Our purposes are to obtain reasonable assurance that the individual and consolidated financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error, and to issue audit report containing our opinion. Reasonable assurance means a high level of security, but not a guarantee that an audit conducted in accordance with Brazilian and international auditing standards always detects any existing material misstatements. Misstatements may be due to fraud or error and are considered material when, individually or taken as a whole, can influence, within a reasonable perspective, the economic decisions of users taken based on these financial statements.

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain our professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.

- Obtain 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 internal control of the Company and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management'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 ability of the Company and its subsidiaries to continue as a going concern. If we conclude that there is a material uncertainty, we must highlight the related disclosures in the individual and consolidated financial statements in our report, or include a modification in our opinion if disclosures are inadequate. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiary to no longer continue as a going concern.

- Evaluate 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for directing, supervising and carrying out the group's audit and, therefore, for the audit opinion.

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

São Paulo, May 24, 2021

KPMG Auditores Independentes
CRC 2SP-027666/F

Original signed in Portuguese
Fernando Rogério Liani
Accountant CRC 1SP229193/O-2

Copersucar S.A.

Balance sheets at March 31, 2021 and 2020

(In thousands of reais)

Assets	Note	Consolidated 2021	Consolidated 2020 Restated	Consolidated 2019 Restated	Parent company 2021	Parent company 2020 Restated	Parent company 2019 Restated
Current assets							
Cash and cash equivalents	8	1,899,182	2,730,745	1,975,453	1,440,705	1,956,204	1,664,633
Interest earning bank deposits	9	434,883	-	-	434,883	-	
Trade accounts receivable	10	2,510,584	1,478,554	1,360,827	754,505	603,288	551,589
Inventories	11	2,341,023	1,454,450	1,192,738	1,627,023	1,087,067	772,738
Recoverable taxes and contributions	12	149,241	178,211	173,162	193,700	168,370	161,221
Recoverable income tax and social contribution	12	128,903	132,723	76,002	123,365	124,913	73,383
Advances to suppliers		157,807	383,212	60,561	4,863	8,992	9,106
Stock exchange operations	13	183,773	18,941	5,463	128,693	452	91
Unrealized derivative financial instruments	23	1,224,277	1,730,940	575,066	774,469	845,232	257,229
Other accounts receivable		141,055	139,889	88,471	25,803	56,960	17,536
Total current assets		**9,170,728**	**8,247,665**	**5,507,743**	**5,508,009**	**4,851,478**	**3,507,526**
Non-current assets							
Deferred tax assets	14	1,009,004	851,267	603,665	751,104	642,143	447,945
Judicial deposits	22	55,217	55,865	96,892	40,206	39,709	81,737
Unrealized derivative financial instruments	23	202,346	135,398	85,195	145,991	108,530	75,071
Recoverable taxes and contributions	12	9,238	9,242	9,235	9,238	9,242	9,235
Loan operations	25	-	-	-	-	5,913	5,520
Other accounts receivable		5,866	20,509	13,152	-	-	10,233
Investments	15	1,514,008	1,669,242	1,358,402	2,679,668	2,485,927	2,283,692
Property, plant and equipment	16	880,168	849,251	679,506	5,705	6,716	4,047
Intangible assets	17	297,939	284,559	276,872	5,361	7,553	4,007
Right-of-use in lease	16	420,190	409,764	-	17,386	16,810	-
Total non-current assets		**4,393,976**	**4,285,097**	**3,122,919**	**3,654,659**	**3,322,543**	**2,921,487**
Total assets		**13,564,704**	**12,532,762**	**8,630,662**	**9,162,668**	**8,174,021**	**6,429,013**

Liabilities	Note	Consolidated 2021	Consolidated 2020 Restated	Consolidated 2019 Restated	Parent company 2021	Parent company 2020 Restated	Parent company 2019 Restated
Current liabilities							
Suppliers	18	3,085,684	1,483,161	887,449	1,310,587	710,233	857,294
Loans and financing	19	1,175,561	1,186,867	547,375	1,038,552	842,624	296,784
Lease liability	19	85,639	77,652	-	1,629	1,304	-
Labor payroll obligations		40,114	31,817	32,561	28,761	21,277	23,406
Provision for income tax and social contribution		8,021	17,264	29,231	-	-	5,649
Taxes and contributions payable	20	68,161	46,069	54,332	35	25	25,565
Stock exchange operations	13	1	319,894	2,963	-	319,893	2,962
Advances from clients	21	204,363	834,492	777,608	2,736	24,617	623
Dividends payable		3,051	-	-	3,051	-	-
Unrealized derivative financial instruments	23	1,200,950	1,121,333	478,349	792,890	511,683	201,565
Other accounts payable		164,876	208,872	75,167	94,408	97,025	36,660
Total current liabilities		**6,036,421**	**5,327,421**	**2,885,035**	**3,272,649**	**2,528,681**	**1,450,508**
Non-current liabilities							
Loans and financing	19	4,851,248	4,913,981	4,650,413	3,939,927	3,963,058	4,061,381
Lease liability	19	360,823	350,267	-	16,380	15,554	-
Employee benefits	33	54,668	19,317	19,355	39,234	-	-
Provisions for contingencies	22	16,915	17,380	20,243	129	513	628
Unrealized derivative financial instruments	23	627,237	703,992	84,126	610,599	698,329	78,680
Deferred tax liabilities	14	331,569	245,670	146,449	-	-	-
Other accounts payable		2,073	3,213	1,408	-	16,365	14,183
Total non-current liabilities		**6,244,533**	**6,253,820**	**4,921,994**	**4,606,269**	**4,693,819**	**4,154,872**
Shareholders' equity				-			
Capital		947,847	180,301	180,301	947,847	180,301	180,301
Capital reserve		8,153	8,153	8,153	8,153	8,153	8,153
Treasury shares		(15,140)	(15,140)	(15,140)	(15,140)	(15,140)	(15,140)
Legal reserve		52,116	36,060	36,061	52,116	36,060	36,061
Profit retention		529	-	11,233	529	-	11,233
Investment reserves		-	675,125	663,364	-	675,125	663,364
Accumulated loss		-	(54,324)	(54,324)	-	(54,324)	(54,324)
Equity valuation adjustment		(11,757)	3,459	(6,015)	(11,757)	3,459	(6,015)
Additional dividend proposed		302,002	117,887	-	302,002	117,887	-
Shareholders' equity attributable to controlling sharel	26	**1,283,750**	**951,521**	**823,633**	**1,283,750**	**951,521**	**823,633**
Total liabilities		**12,280,954**	**11,581,241**	**7,807,029**	**7,878,918**	**7,222,500**	**5,605,380**
Total liabilities and shareholders' equity		**13,564,704**	**12,532,762**	**8,630,662**	**9,162,668**	**8,174,021**	**6,429,013**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of income

Years ended March 31, 2021 and 2020

(In thousands of reais)

	Note	Consolidated 2021	Consolidated 2020		Parent company 2021	Parent company 2020	
Net revenues	27	40,030,899	29,928,726	*	11,292,897	10,546,068	*
Unrealized derivative financial instruments	23	(1,374,286)	181,032	*	(1,183,184)	71,158	*
Cost of sales	28	(37,767,907)	(29,440,434)		(9,896,240)	(10,337,838)	
Gross income		**888,706**	**669,324**		**213,473**	**279,388**	
Sales expenses	28	(60,290)	(95,175)	*	(29,737)	(30,903)	
Administrative expenses	28	(346,939)	(253,917)		(126,310)	(97,993)	
Other revenues	29	87,364	93,039	*	2,472	5,142	
Other expenses	30	(57,535)	(116,169)		(7,477)	(13,332)	
Income before net financial		**511,306**	**297,102**		**52,421**	**142,302**	
Financial revenues	31	14,535,914	4,828,950		977,473	1,213,687	
Financial expenses	31	(14,687,747)	(5,053,998)	*	(1,055,677)	(1,384,940)	
Net financial	31	**(151,833)**	**(225,048)**		**(78,204)**	**(171,253)**	
Equity in net income of subsidiaries	15	78,675	73,991		381,079	144,002	
Income (loss) before taxes		**438,148**	**146,045**		**355,296**	**115,051**	
Current income tax and social contribution	32	(46,316)	(5,484)		-	5,649	
Deferred income tax and social contribution	32	(16,398)	(21,483)		20,138	(1,622)	
Total income tax and social contribution		**(62,714)**	**(26,967)**		**20,138**	**4,027**	
Net income for the year		**375,434**	**119,078**		**375,434**	**119,078**	
Income (loss) attributed to							
Controlling shareholders		375,434	119,078		375,434	119,078	
Net income for the year		**375,434**	**119,078**		**375,434**	**119,078**	

** Reclassification for better presentation (Note 5.b.)*

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of comprehensive income

Years ended March 31, 2021 and 2020

(In thousands of reais)

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Net income for the year	375,434	119,078	375,434	119,078
Comprehensive income				
Reflexive accumulated translation adjustment	25,989	(4,233)	25,989	(4,233)
Accumulated translation adjustment	-	338,636	-	338,636
Exchange-rate change on foreign investment	130,605	-	130,605	-
Non-Deliverable Forward - Investment hedge	(226,965)	(503,735)	(226,965)	(503,735)
Non-Deliverable Forward - Cash flow hedge	(1,369)	3,749	(3,280)	5,335
Swap hedge accounting	(31,181)	5,723	(31,000)	10,101
Income tax and social contribution	88,235	169,864	88,823	167,835
Total comprehensive income	**360,748**	**129,082**	**359,606**	**133,017**
Comprehensive income attributable to:				
Controlling shareholders	360,748	129,082	359,606	133,017
Total comprehensive income	**360,748**	**129,082**	**359,606**	**133,017**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of changes in shareholders’ equity

Years ended March 31, 2021 and 2020

(In thousands of reais)

		Reserves								
	Capital	**Capital reserve**	**Treasury shares**	**Legal reserve**	**Profit retention**	**Reserve for investment**	**Equity valuation adjustment**	**Accumulated loss**	**Additional dividend proposed**	**Shareholders’ equity attributed to controlling shareholders**
In 2019, as previously disclosed	**180,301**	**8,153**	**(15,140)**	**36,060**	**11,233**	**663,362**	**(6,014)**	**-**	**-**	**877,955**
Impact from rectification of errors	-	-	-	-	-	-	-	(54,324)	-	(54,324)
In 2019 (Restated)	**180,301**	**8,153**	**(15,140)**	**36,060**	**11,233**	**663,362**	**(6,014)**	**(54,324)**	**-**	**823,631**
										-
Realization of deemed cost	-	-	-	-	-	-	(530)	530	-	-
Comprehensive income for the year:										-
Reflexive accumulated translation adjustment	-	-	-	-	-	-	(4,492)	-	-	(4,492)
Hedge of a net investment in a foreign operation	-	-	-	-	-	-	2,736	-	-	2,736
Net cash flow hedge	-	-	-	-	-	-	1,658	-	-	1,658
Swap hedge accounting	-	-	-	-	-	-	10,101	-	-	10,101
Net income for the year	-	-	-	-	-	-	-	119,078	-	119,078
Legal reserve	-	-	-	-	-	-	-	-	-	-
Minimum mandatory dividends (R$ 0.00093 per share)	-	-	-	-	-	-	-	(1,191)	-	(1,191)
Additional dividends proposed	-	-	-	-	-	-	-	(117,887)	117,887	-
Profit retention - "Ad referendum“ Annual Shareholders’ Meeting	-	-	-	-	(11,233)	11,763		(530)	-	-
Payment of additional dividends proposed	-	-	-	-	-	-	-	-	-	-
In 2020	**180,301**	**8,153**	**(15,140)**	**36,060**	**-**	**675,125**	**3,459**	**(54,324)**	**117,887**	**951,521**
Capital increase in cash	92,421	-	-	-	-	-	-	-	-	92,421
Capital increase upon translation of investment reserve	675,125	-	-	-	-	(675,125)	-	-	-	-
Payment of additional dividends proposed	-	-	-	-	-	-	-	-	(117,888)	(117,888)
Realized deemed cost	-	-	-	-	-	-	(529)	529	-	-
Comprehensive income for the year:	-	-	-	-	-	-	-	-	-	-
Reflexive accumulated translation adjustment	-	-	-	-	-	-	3,053	-	-	3,053
Hedge of a net investment in a foreign operation	-	-	-	-	-	-	(10,817)	-	-	(10,817)
Net cash flow hedge	-	-	-	-	-	-	24,077	-	-	24,077
Swap hedge accounting	-	-	-	-	-	-	(31,000)	-	-	(31,000)
Net income for the year	-	-	-	-	-	-	-	375,434	-	375,434
Distribution of income:										
Legal reserve	-	-	-	16,056	-	-	-	(16,056)	-	-
Minimum mandatory dividends (R$ 0.00226 per share)	-	-	-	-	-	-	-	(3,051)	-	(3,051)
Additional dividends proposed	-	-	-	-	-	-	-	(302,002)	302,002	-
Profit retention	-	-	-	-	530	-	-	(530)	-	-
2021	**947,847**	**8,153**	**(15,140)**	**52,116**	**530**	**-**	**(11,757)**	**-**	**302,001**	**1,283,750**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of cash flows

Years ended March 31, 2021 and 2020

(In thousands of reais)

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Cash flow from operating activities				
Net income for the year	**375,434**	**119,078**	**375,434**	**119,078**
Adjusted by:				
Equity in income of subsidiaries and associated companies	(78,675)	(73,991)	(381,079)	(144,002)
Subsidiary gains with exchange rate changes	(221,655)	(246,864)	-	-
Change in fair value of stock exchange	(2,536)	(64)	-	-
Depreciation and amortization	177,715	77,245	6,293	3,160
Deferred taxes	16,398	21,483	(20,138)	1,622
Interest and exchange rate on loans and financings	316,910	934,365	309,102	602,706
Net value of write-offs of fixed and intangible assets	40,127	93,395	208	1,411
Increase in provision for contingencies	(465)	(2,863)	(384)	(115)
Employee benefits	35,351	(38)	39,234	-
Change in inventories' fair values	(491,814)	176,563	(349,206)	88,826
Change in fair value of derivative financial instruments	132,605	(433,451)	(95,608)	(181,289)
Gains in bargain purchase	-	(25,444)	-	-
Lease expense	-	13,978	-	-
Remeasurement and exchange-rate changes of lease	(107)	-		
Estimated losses	1,749	21,081	41	1,475
Changes in assets and liabilities				
(Increase) in interest earning bank deposits	(434,883)	-	(434,883)	-
(Increase) in trade accounts receivable	(1,033,243)	(130,454)	(151,258)	(53,174)
(Increase) Decrease in operations with related parties	(630,129)	56,884	(14,776)	23,601
(Increase) in inventories	(394,759)	(438,274)	(190,751)	(403,155)
Decrease/(Increase) in recoverable taxes	32,794	(61,777)	(23,779)	(58,536)
Decrease (Increase) in other accounts receivable	28,347	(58,810)	24,812	(39,531)
Decrease (Increase) in advance to supplier	219,344	(318,858)	4,129	314
(Increase) decrease in stock exchange operations	(484,475)	304,876	(448,134)	316,570
Decrease (Increase) in judicial deposits	648	41,027	(497)	42,028
Increase (Decrease) in suppliers	1,601,853	593,439	600,355	(147,068)
Increase (Decrease) in social and labor obligations	8,297	(744)	7,484	(2,129)
Increase (decrease) in taxes and contributions payable	33,631	13,429	632	(22,430)
Increase (Decrease) in other accounts payable	71,450	90,801	(18,983)	62,893
Interest on loans and financing – paid	(215,134)	(380,248)	(154,873)	(321,599)
Income tax and social contribution	(20,782)	(33,658)	(621)	(8,920)
Dividends received	382,794	60,898	392,281	263,582
Net cash flow generated in operating activities	**(533,210)**	**413,004**	**(524,966)**	**145,318**
Cash flows from investing activities				
Cash deriving from acquisition of subsidiary	-	-	-	19,651
Application of funds in investments	(40,862)	(23,363)	(40,863)	(23,362)
Application of funds in property, plant and equipment	(91,970)	(94,260)	(1,254)	(5,320)
Application of funds in intangible assets	(1,718)	(5,916)	(9)	(5,208)
Net cash used in investment activities	**(134,550)**	**(123,539)**	**(42,126)**	**(14,239)**
Cash flows from financing activities				
Capital increase	92,421	-	92,421	-
Payment of lease liability	(113,423)	(8,072)	(2,832)	(211)
Dividends paid	(119,078)	(1,775)	(119,078)	(1,775)
Operations with financial instrument	71,631	(4,040)	61,142	(4,040)
Loans and financing obtained	2,874,655	3,330,066	1,577,422	2,520,354
Payments of loans and financing	(3,013,584)	(3,030,870)	(1,557,482)	(2,353,836)
Net cash (used) generated by financing activities	**(207,378)**	**285,309**	**51,593**	**160,492**
Net (decrease)/increase in cash and cash equivalents	**(875,138)**	**574,774**	**(515,499)**	**291,571**
Statement of changes in cash and cash equivalents				
At the end of the year	1,899,182	2,730,745	1,440,705	1,956,204
Effect in exchange-rate change on cash and cash equivalents	43,575	180,518	-	-
At the beginning of the year	2,730,745	1,975,453	1,956,204	1,664,633
Net (decrease)/increase in cash and cash equivalents	**(875,138)**	**574,774**	**(515,499)**	**291,571**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of added value

Years ended March 31, 2021 and 2020

(In thousands of reais)

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Revenues				
Sale of goods, products and services	42,322,167	31,338,987	12,592,317	11,828,215
Other revenues	(1,042,307)	(85,497)	(67,755)	29,374
Change in fair value of financial instruments	(1,374,286)	181,032	(1,183,184)	71,158
Estimated allowance for doubtful accounts	(14,145)	(3,827)	(41)	(1,475)
	39,891,429	**31,430,695**	**11,341,337**	**11,927,272**
Inputs acquired from third parties				
Cost of products, goods, and services sold	(37,779,144)	(29,561,917)	(10,165,656)	(10,697,622)
Materials, outsourced services and other	(171,636)	(211,849)	(45,934)	(49,418)
Other	(41,730)	(45,922)	(4,013)	(5,939)
	(37,992,510)	**(29,819,688)**	**(10,215,603)**	**(10,752,979)**
Gross added value	**1,898,919**	**1,611,007**	**1,125,734**	**1,174,293**
Depreciation and amortization	(177,715)	(163,270)	(6,293)	(3,264)
Added value received as transfer				
Equity in net income of subsidiaries	78,675	73,991	381,079	144,002
Financial revenues	14,535,914	4,828,950	977,473	1,213,687
Other	86,516	90,581	2,464	5,094
	14,701,105	4,993,522	1,361,016	1,362,783
Total added value payable	**16,422,309**	**6,441,259**	**2,480,457**	**2,533,812**
Distribution of added value	**(16,422,309)**	**(6,441,259)**	**(2,480,457)**	**(2,533,812)**
Personnel				
Direct remuneration	(153,916)	(135,657)	(36,184)	(31,591)
Benefits	(132,535)	(65,194)	(62,698)	(33,956)
FGTS	(8,760)	(8,667)	(2,732)	(2,872)
	(295,211)	(209,518)	(101,613)	(68,419)
Taxes, duties and contributions				
Federal	(74,986)	(57,282)	16,202	28,483
State	(967,215)	(987,312)	(962,626)	(983,668)
Municipal	(14,074)	(10,313)	(373)	(842)
	(1,056,275)	(1,054,907)	(946,797)	(956,027)
Third parties' capital remuneration				
Interest	(14,687,747)	(5,053,998)	(1,055,677)	(1,384,940)
Rentals	(7,642)	(3,758)	(936)	(5,348)
	(14,695,389)	(5,057,756)	(1,056,613)	(1,390,288)
Remuneration of own capital				
Dividends	(117,887)	-	(117,887)	-
(Income) for the year	(257,547)	(119,078)	(257,547)	(119,078)
	(375,434)	(119,078)	(375,434)	(119,078)

See the accompanying notes to the financial statements.

Notes to the financial statements

(In thousands of reais)

1 Operations

The Company, established as a privately held corporation, is domiciled in Brazil and headquartered in the city of São Paulo (SP), at Avenida das Nações Unidas, 14.261. It is mainly engaged in: importing, exporting, trading, manufacturing, storing, loading and unloading sugar, ethanol and by-products in the domestic and foreign markets; acting as a sales representative for sugar, ethanol, and by-products; land, river and sea logistics; cargo transportation services, including hazardous cargo transportation, and acting as a multimodal transportation operator; providing technical and advisory services related to the above-mentioned activities and holding interests in the capital of other entities.

The individual and consolidated financial statements of the Company for the year ended March 31, 2021 comprise the parent company and its subsidiaries.

The Company and its subsidiaries' fiscal year ends on March 31 of each year.

Impact of Coronavirus (COVID-19) on the financial statements

Copersucar guarantees the supply of natural food and renewable energy to the world. Due to the essential nature of its activities, the company fully kept its operations, even breaking records in the shipping and loading of sugar.

Therefore, far beyond strict formal compliance with rules, the company has adopted strict health protocols, which ensured the safety of employees and third parties in its operations.

During the entire period, the Occupational Medicine area continuously monitored suspected cases, restrictions on access to the company's premises for suspected cases and the routine of weekly meetings of the Action Team for Special Affairs (EASE), which discusses the health and safety actions, communication and assistance to the team and their families at this time of pandemic, with periodic reports of events and developments related to the coronavirus to the executive board.

Office work remained remote throughout the crop, with only sporadic use of the headquarters' facilities and the terminals' administrative facilities.

Acquisition of Alvean Sugar S.L.

Copersucar signed a definitive agreement for the acquisition of Cargill shares in Alvean on March 30, 2021. The operation is still conditioned to the approval of the Administrative Council for Economic Defense (CADE).

Once the transaction is authorized by the Brazilian antitrust agency, Copersucar will become the sole shareholder of the global leader in the sugar market, handling over 12 million tons of the product from operations in the main origination, sales and trade centers. Alvean will be an independent subsidiary of Copersucar, with autonomous management and its own governance, maintaining its activities and the strength of its brand, in addition to its global presence and scale.

2 Company's entities

Entity	City/State - Country	2021 and 2020	Main Activities
Subsidiaries - Direct:			
Companhia Auxiliar de Armazéns Gerais S.A.	São Paulo/SP - Brazil	100.00000%	Sale of food products and goods in general on the wholesale market, rent warehouses, provide storage facilities, export sugar and other products of vegetable origin and undertake port operating activities.
Copersucar Trading A.V.V.	Orangestad – Aruba	100.00000%	Importing and exporting sugar and ethanol, which are purchased from Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo (Cooperative).
Copersucar North America, LLC	Franklin/TN – USA	100.00000%	To hold capital in other companies.
Copersucar Europe Espanha	Bilbao - Spain	100.00000%	Originates, sell and operates in sugar and ethanol global trading.
Subsidiary - Indirect:			
Eco-Energy Global Biofuels LLC	Franklin/TN – USA	100.00000%	Operates in an integrated manner in the biofuel supply chain, focusing on trade, logistics and marketing services.
Sugar Express Transportes S.A.	Ribeirão Preto/SP – Brazil	100.00000%	Responsible for the road transport of sugar and ethanol.
Terminal de Combustível de Paulínia	Paulínia/SP - Brazil	50.00000%	Ethanol storage.
Associated companies:			
Centro de Tecnologia Canavieira S.A.	São Paulo/SP - Brazil	16.93150%	Research and development of new technologies to be applied in the agricultural activities, logistics and manufacturing processes of the sugarcane and sugar and alcohol sectors; research and development of sugarcane varieties, especially the genetic improvement of sugarcane; control of diseases and pests, particularly for biological control purposes; and transfer of agricultural, industrial and laboratory technologies.
Uniduto Logística S.A.	São Paulo/SP - Brazil	39.07370%	Develops, builds and operates pipelines to move liquids for marketing in domestic and foreign markets, intermodal terminals and port terminals for the export of such liquids; moreover, to participating in other companies whose business purpose is one or more activities listed in the previous items.
Jointly controlled entities:			
Logum Logística S.A.	Rio de Janeiro/RJ - Brazil	30.00000%	Implements the construction and operates the intermodal and multimodal networks for the transport of ethanol, oil by-products and other biofuels to the domestic and international markets; explores activities directly or indirectly related to intermodal and multimodal transport of ethanol, oil by-products and other biofuels; participates in projects whose aim is to promote the development of intermodal and multimodal transport of ethanol, oil by-products and other biofuels; imports, exports, acquires, sells, distributes or leases all the machinery and equipment related to the aforementioned activities, and exploration and development of opportunities in business related to the installation of optic fiber cables in its rights of way.
Alvean Sugar Intermediação e Agenciamento Ltda.	São Paulo/SP - Brazil	50.00000%	Agency and intermediation in trading of white and raw sugar.
Alvean Sugar, S.L.	Bilbao - Spain	50.00000%	Originates, sells and acts in the global trading global of raw and white sugar.

3 Preparation basis

a. Statement of compliance (in relation to IFRS standards and CPC standards)

The individual and consolidated financial statements were prepared in accordance with the International Financial Reporting System (IFRS) issued by the International Accounting Standards Board (IASB) and accounting practices adopted in Brazil (BR GAAP).

The Fiscal Council issued a favorable opinion on the Company's financial statements, pursuant to the meeting held on May 24, 2021.

Details on the Group's accounting policies are shown in Note 6.

All relevant information specific to the financial statements, and only such information, is evidenced, and corresponds to the information used by Management in its administration.

b. Functional and presentation currency

These individual and consolidated financial statements are presented in Reais, which is the functional currency of the all the Company's entities, except for Copersucar North America LLC and Eco-Energy Global Biofuels LLC determined by translation of balance sheet, whose functional currency is the USD. All financial information presented in reais (R$) has been rounded to the nearest value, except otherwise indicated.

c. Use of estimates and judgments

The preparation of Company's individual and consolidated financial statements requires Management to make judgments, use estimates and adopt assumptions that affect the amounts presented for revenues, expenses, assets and liabilities, including contingent liabilities. However, uncertainty relating to these judgments, assumptions and estimates could lead to results that require a significant adjustment to the book value of certain assets and liabilities in future years.

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

Main estimates, assumptions and significant accounting judgments: useful life of property, plant and equipment (Note 6.i.iii), useful life of intangible assets (Note 6.j.iv), inventories (Note 11), deferred tax assets and liabilities and use of tax losses (Note 14), provisions for contingencies (Note 22), financial instrument (Note 23) and operating leases (Note 34).

d. Measurement of fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The Company uses observable market data, as much as possible and the fair values are classified on hierarchical basis, according to evaluation techniques as follows:

- **Level 1**: prices quoted (not adjusted) in active markets for identical assets, liabilities.

- **Level 2**: inputs, except for quoted prices, included in Level 1 which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices).

For this fiscal year, there are no fair value evaluations made by the Company that fits into Level 3 defined by CPC 40/IFRS 7 (item 27A.c.).

The Company recognizes transfers between fair value hierarchic levels at the end of the financial statements year in which changes occurred.

When applicable to fair values, additional information about the assumptions made in the determination is disclosed in the notes specific to that asset or liability.

4 Measuring basis

The individual and consolidated financial statements were prepared based on the historical cost, except for the following material items recognized in the balance sheets:

- Derivative financial instruments measured at fair value;
- Non-derivative financial instruments designated at fair value through profit or loss are measured at fair value;
- Property, plant and equipment is measured at acquisition and deemed cost;
- Inventories are calculated at fair value less sales expenses, mark-to-market, except for Anhydrous compounds' inventory, which is evaluate at average acquisition cost, not exceeding the net realizable value, as mentioned in Note 6(h).

5 Rectification of errors and reclassifications

The corresponding amounts related to the balance sheets as at March 31, 2020, as well as the statements of changes in shareholders' equity, originally presented in the financial statements for that year, are being restated in compliance with CPC 23 – Accounting Policies, Changes in Estimates (IAS 8) and Correction of Errors and CPC 26 (R1) – Presentation of Financial Statements (IAS 1) as follows:

The following table summarizes the impacts on the Company's financial statements:

a) Balance sheet

Consolidated balance sheet

April 1, 2019	Previously disclosed	Adjustments - rectification of errors	Restated
Deferred tax assets	575,680	27,985	603,665
Other assets	8,026,997		8,026,997
Total assets	8,602,677	27,985	8,630,662
Suppliers	805,139	82,310	887,449
Other liabilities	6,919,581	-	6,919,581
Total liabilities	7,724,720	82,310	7,807,030
Capital	180,301	-	180,301
Capital reserve	8,153	-	8,153
Treasury shares	(15,140)	-	(15,140)
Legal reserve	36,061	-	36,061
Profit retention	11,233	-	11,233
Accumulated loss	-	(54,324)	(54,324)
Investment reserves	663,364	-	663,364
Equity valuation adjustment	(6,015)	-	(6,015)
Additional dividend proposed	-	-	
Total shareholders' equity	877,957	54,324	823,633

March 31, 2020	Previously disclosed	Adjustments - rectification of errors	Restated
Deferred tax assets	823,282	27,985	851,267
Other assets	11,681,495	-	11,681,495
Total assets	12,504,777	27,985	12,532,762
Suppliers	1,400,851	82,310	1,483,161
Other liabilities	10,098,081	-	10,098,081
Total liabilities	11,498,932	82,310	11,581,241
Capital	180,301	-	180,301
Capital reserve	8,153	-	8,153
Treasury shares	(15,140)	-	(15,140)
Legal reserve	36,060	-	36,060
Accumulated loss	-	(54,324)	(54,324)
Investment reserves	675,125	-	675,125
Equity valuation adjustment	3,459	-	3,459
Additional dividend proposed	117,887	-	117,887
Total shareholders' equity	1,005,845	(54,324)	951,521

Balance sheet- Parent company

April 1, 2019	Previously disclosed	Adjustments - rectification of errors	Reclassification	Restated
Deferred tax assets	508,671	-	(60,726)	447,945
Investment	2,338,016	(54,324)	-	2,283,692
Other assets	3,697,376	-	-	3,697,376
Total assets	**6,544,063**	**(54,324)**	**(60,726)**	**6,429,013**
Deferred tax liabilities	60,726	-	(60,726)	-
Other liabilities	5,605,380	-	-	5,605,380
Total liabilities	**5,666,106**	**-**	**(60,726)**	**5,605,380**
Capital	180,301	-	-	180,301
Capital reserve	8,153	-	-	8,153
Treasury shares	(15,140)	-	-	(15,140)
Legal reserve	36,061	-	-	36,061
Profit retention	11,233	-	-	11,233
Accumulated loss	-	(54,324)	-	(54,324)
Investment reserves	663,364	-	-	663,364
Equity valuation adjustment	(6,015)	-	-	(6,015)
Additional dividend proposed	-	-	-	-
Total shareholders' equity	**877,957**	**(54,324)**	**-**	**823,633**

March 31, 2020	Previously disclosed	Adjustments - rectification of errors	Reclassification	Restated
Deferred tax assets	726,108	-	(111,950)	614,158
Investment	2,568,236	(54,324)	-	2,513,912
Other assets	5,045,951	-	-	5,045,951
Total assets	**8,340,295**	**(54,324)**	**(111,950)**	**8,174,021**
Deferred tax liabilities	111,950	-	(111,950)	-
Other liabilities	7,222,500	-	-	7,222,500
Total liabilities	**7,334,450**	**-**	**(111,950)**	**7,222,500**
Capital	180,301	-	-	180,301
Capital reserve	8,153	-	-	8,153
Treasury shares	(15,140)	-	-	(15,140)
Legal reserve	36,060	-	-	36,060
Accumulated loss	-	(54,324)	-	(54,324)
Investment reserves	675,125	-	-	675,125
Equity valuation adjustment	3,459	-	-	3,459
Additional dividend proposed	117,887	-	-	117,887
Total shareholders' equity	**1,005,845**	**(54,324)**	**-**	**951,521**

b) Statement of income

Consolidated

March 31, 2020	Previously disclosed	Reclassifications	After reclassifications	
Net revenues	29,907,421	21,305	29,928,726	(a)
Unrealized derivative financial instruments	202,971	(21,939)	181,032	(a)/(b)
Sales expenses	(50,281)	(44,894)	(95,175)	(c)
Other revenues	48,145	44,894	93,039	(c)
Financial expenses	(5,054,632)	634	(5,053,998)	(b)
Other lines of result	(24,934,546)	-	(24,934,546)	
Net income for the year	**119,078**	**-**	**119,078**	

Parent company

March 31, 2020	Previously disclosed	Reclassifications	After reclassifications	
Net revenues	10,524,763	21,305	10,546,068	(a)
Unrealized derivative financial instruments	92,463	(21,305)	71,158	(a)
Other lines of result	(10,498,148)	-	(10,498,148)	
Net income for the year	**119,078**	**-**	**119,078**	

Rectifications of errors

During the year, the subsidiary Trading Aruba identified that in the 13/14, 14/15 and 15/16 crops, the costs of sales of performance operations were understated in the financial statements. Thus, the balances previously presented in the consolidated financial statements as costs and suppliers were understated. The errors have been corrected by the restatement of values corresponding to the former years affected.

At the Parent Company, the impact was R$ 54,324 in investments resulting from the adjustment to the previous results of the Subsidiary Trading Aruba.

Reclassifications for better presentation

In the Parent Company's Balance Sheet, there was a reclassification of Deferred Tax to present the net result between assets and liabilities, in accordance with CPC 32 – Income Taxes.

The reclassifications in the statement of income are described below:

(a) They correspond to the exchange variations of the NDF-Non-Deliverable Forward for the price of commodities, which, despite being settled, do not have the corresponding entry in sales revenue, reclassified from "Net revenue" to "Unrealized financial instrument" (reclassifications reflected in notes 23 ii and 27);

(b) They correspond to the exchange variations of the NDF-Non-Deliverable Forward for price of the increase carried out in the Subsidiary Companhia Auxiliar, which were allocated in the "financial result" (reclassifications reflected in notes 23 ii and 31); and

(c) Corresponds to revenue from the lease of wagons to third parties practiced by the subsidiary Eco Energy, reclassified from Selling expenses to Other operating revenues (reclassifications reflected in notes 28 and 29).

6 Significant accounting policies

The accounting practices described below are consistently applied to all the years presented in these individual and consolidated financial statements in accordance with IFRS and the accounting pronouncements issued by the Accounting Pronouncement Committee (CPC), unless otherwise stated.

a. Changes in significant accounting policies

The Company initially adopted the amendments to CPC 15/IFRS 3 on definition of a business, and amendments to CPC 48/IFRS 9, CPC 38/IAS 39 and CPC 40/IFRS 7 on the Benchmark Interest Rate Reform as of April 1, 2020. A series of other new standards also became effective as of April 1, 2020, but without material impact on Company's financial statements.

The Company applied the Business Definition (Amendments to CPC 15/IFRS 3) to business combinations whose acquisition dates occurred on or after April 1, 2020 to assess whether it had acquired a business or a group of assets. No acquisitions were made for the year.

b. Basis of consolidation

(i) Subsidiaries

The financial statements of the subsidiaries are included in the consolidated financial statements as from the date they start to be controlled by the Company until the date such control ceases. The accounting policies of the subsidiaries are aligned with the policies adopted by the Company.

The individual financial statements of the parent company, financial information of subsidiaries are recognized under the equity method.

(ii) Investments in jointly-controlled subsidiaries

A joint venture is a contractual agreement that joins together two or more parties for the purpose of executing a particular business undertaking which is subject to joint control.

The individual financial statements of the parent company, financial information from joint ventures are recognized under the equity method.

(iii) Investments in associates

Associates are the entities in which the Company has, directly or indirectly, significant influence but not control on financial and operating policies. Significant influence supposedly occurs when the Company holds 20% or more of the investee's voting capital without controlling it. However, the equity percentage is an assumed concept of influence; that is, this assumption can be refuted.

In the parent company's individual financial statements, investments in associates are accounted for at the equity method and are initially recognized at cost. When the participation of the Company in the losses of an investee, whose shareholders' equity has been accounted for, exceeds its ownership interest in the investee recorded at the equity method, the book value of that ownership interest, including long-term investments, is reduced to zero and the recognition of additional losses is completed.

(iv) Transactions eliminated in the consolidation

Balances, transactions, revenues or expenses from intragroup transactions are eliminated in the preparation of consolidated financial statements. Unrealized gains arising from transactions with investees are eliminated against the investment. Unrealized losses are also eliminated, unless the transaction shall provide evidence of asset impairment.

(v) Non-controlling interest

The Group chose to measure a non-controlling interest in the acquiree at their proportion in identifiable net assets on the acquisition date. Changes to the Company's interest in a subsidiary that do not result in loss of control are accounted for as transactions from shareholders' equity.

c. Operating revenue

(i) Trading of sugar, ethanol and natural gas

Operating revenue from sale of sugar, ethanol and natural gas in the normal course of business is measured at the fair value of the consideration received or receivable, net of returns, commercial discounts and bonus. Operating revenue is recognized when: (a) the parties to the contract approve it (in writing, verbally or according to other usual business practices) and are committed to fulfill their respective obligations; (b) the Entity can identify the rights of each party related to the goods (or services) to be transferred; (c) the entity can identify the payment terms for the goods (or services) to be transferred; (d) the contract has commercial substance (that is, the risk, timing or amount of future cash flows of the entity are expected to change as a result of the contract); and (e) it is probable that the Entity will receive the consideration to which it will be entitled in exchange for the goods or services which will be transferred to the client. When evaluating if the likelihood of receiving the consideration amount is probable, the entity shall only consider the client capacity and intention to pay such amount when due. The consideration amount to which the Entity is entitled may be lower than the price established in the contract if the consideration is variable, because the Entity may offer to the client a price reduction.

Most of the Company's operations occurs Free on Board (FOB), which is not responsible for contracting freight and insurance. Moreover, the sale is recognized when the control is transferred. For sales in the Cost, Insurance and Freight (CIF) Incoterm modality, they are only recognized after delivery of the product at the destination.

For sugar and ethanol, the Company is classified as the operation's Principal, as it controls the specified asset before the asset is transferred to the client.

The subsidiary Copersucar Europe has a supply contract established with Alvean Sugar SL for 100% of sugar (according to Note 25). The Cooperative is responsible for storing this product until delivery in the Port of Santos. The sale modality is Free on Board (FOB) Incoterm and in this scenario the subsidiary is classified as Agent (intermediary) of the operation, since it does not control the product before the sale to the client. For Ethanol, it is necessary to analyze each contract separately.

The Subsidiary Eco-Energy recognizes the revenue from biofuels, natural gas and energy credits when the control is transferred. The transfer of control is determined considering the client's acceptance, including when clients have legal ownership and physical possession of the product.

(ii) Rendering of services

Income (loss) from the rendering of storage, logistics services and loading of sugar and ethanol are recognized in the same way as the criteria above (items “a” to “e”); however, to the service category. The performance obligation occurs when the service is provided.

d. Financial revenues and costs

Financial revenues substantially comprise revenue from interest earning bank deposits, Foreign exchange gain of financial items and positive changes in the fair value of financial instruments used to hedge currency and interest rate risks, as well as gains on the settlement of these instruments. Interest revenue is recognized in income (loss) using the effective interest method.

Financial expenses substantially comprise interest expenses on loans, foreign exchange losses of financial items and negative changes in the fair value of financial instruments used to hedge currency and interest risks, as well as losses on the settlement of these instruments. Loan costs which are not directly attributable to the acquisition, construction, or production of a qualifying asset are accounted for in profit or loss using the effective interest rate method.

e. Foreign currency

(i) Foreign currency transactions

Transactions in foreign currency are translated into reais R$ (Company’s functional currency) at the exchange rates on the dates of the transactions. The balances of balance sheet accounts in foreign currency are translated at the exchange rates in effect on the closing date of financial statements and the gains or losses on changes in the exchange rates are recognized in financial income (loss).

(ii) Foreign group companies

Regarding subsidiaries with Dollar as functional currency, assets and liabilities of foreign transactions are translated into Brazilian reais (parent company’s functional currency) at the exchange rate prevailing on presentation date. Revenues and expenses from foreign transactions are converted into reais at the average exchange rates (sale PTAX) calculated in the year.

Regarding the subsidiaries with functional currency - reais, foreign currency differences generated in the translation to the currency presentation are recognized in the income (loss) for the year, since the functional currency of the operation abroad is the Real.

Theses exchange-rate changes are recognized in earnings or losses in the individual financial statements of the parent company or subsidiary.

For the translation of transactions in US dollar (Dollar) to the functional currency of the Company (Brazilian real), the following exchange rates were used for the Consolidated and Parent company:

	Average annual interest		**Spot closing rate**	
	2021	**2020**	**2021**	**2020**
R$/USD	5.4095	4.1170	5.6973	5.1987

f. Employee benefits

(i) *Defined contribution plans*

The Company offers to its employees a Private Defined Contribution Pension Plan, aimed to ensure to the employee the possibility of accumulating funds in order to guarantee a monthly income in the future, for the employee to maintain a dignified life standard after retirement. The Company's pension plan is accessible to all the employees and administrators, on optional basis.

The employee who elects to join the plan may opt for two types: 1- Free Benefit Plan (PGBL) or 2- Free Benefit Life Insurance (VGBL). According to the approved rules of the plan, the employee may participate through basic or complementary contributions, and the Company contributes the equivalent of basic contributions that the employee makes, up to the limit of 6% of the salary of contribution. In addition, the employee may make extraordinary contributions without compensation by the Company.

(ii) *Profit sharing and bonuses*

The employees' participation in the profits and the variable remuneration of the executives are linked to the attainment of operating and financial goals. The Company recognizes liabilities and expenses allocated to the production cost and to general and administrative expenses, when these goals are attained (Note 33).

g. Income tax and social contribution

The current and deferred income tax and social contribution charge is calculated based on tax acts in force, at the balance sheet date of countries in which the Group's entities operate and generate taxable income. Management periodically evaluates the positions taken by the Group in the calculations of income tax with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.
Income tax is computed on taxable income at the rate of 15%, plus a 10% surtax for income exceeding R$ 240 in the 12-month year, whereas social contribution is computed at the rate of 9% on taxable income, recognized on the accrual basis. Additionally, the offset of tax losses and negative basis of social contribution on net income can be carried out, limited to 30% of annual taxable income.

Expense with income tax and social contribution comprises both current and deferred taxes. Current and deferred taxes are recognized in income (loss), except for items directly recognized in Shareholders' equity or in other comprehensive income.

Current tax assets and liabilities are offset only if certain criteria are met.

(i) *Current tax*

Current tax is the tax payable or receivable on the taxable income or loss for the year and any adjustment to taxes payable of prior years, at abovementioned rates.

(ii) *Deferred tax*

Deferred tax is calculated on tax losses and negative calculation basis of social contribution, as well as temporary differences between tax calculation basis of on assets and liabilities and book values of financial statements.

A deferred income tax and social contribution asset is recognized to the extent that it is probable that future taxable income will be available against which the unused tax losses and credits can be utilized.

Deferred income and social contribution tax assets are reviewed at each preparation date of financial statements and reduced when their realization is no longer probable.

(iii) Tax exposures

When determining deferred and current income tax, the Company takes into consideration the impact of uncertainties related to tax positions taken. The Company believes that the provision for income tax recorded in liabilities is adequate for all outstanding tax years, based on its evaluation of several factors, including interpretations of tax laws and past experience. This evaluation is based on estimates and assumptions and may involve several judgments on future events. New information may be provided, making the Company change its judgment on the adequacy of existing provisions and as a result, impact income tax expenses for the year in which they are made.

h. Inventories

The Company inventory is adjusted to market value ("mark to market") less selling costs, except for Anhydrous compounds' inventory for the Domestic Market, which is evaluated at average acquisition cost, not exceeding the net realizable value. The net realizable amount is the sales price estimated for the normal course of the businesses, less estimated costs required to carry out the sale. In determining fair value, the Company uses as a reference the indices disclosed by public sources and related to the products and active markets where it operates. Changes in the fair value of these inventories are recognized in the income (loss) for the year.

i. Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment items are stated at historical acquisition or construction cost, net of depreciation and accumulated impairment losses, when applicable. Software acquired as an integral part of equipment functionalities are capitalized as part of the equipment.
The cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of assets built includes materials and direct labor; any other costs directly attributable to bringing the assets to a working condition, dismantling and restoring the site on which they are located, and loan costs on qualifiable assets.

When parts of a property, plant and equipment item have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of a property, plant and equipment item are determined by comparing the proceeds from disposal with the book value of Property, plant and equipment and are recognized net within "Other operating revenues/expenses" in the income (loss).

(ii) Subsequent costs

The replacement cost of a component of property, plant and equipment is recognized in the book value of the item when it is probable that the future economic benefits embodied in the component will flow to the Company and its cost can be reliably measured. Book value of the component that has been replaced by another component and maintenance cost are accounted for in surplus and losses for the year as incurred.

(iii) Depreciation

Property, plant and equipment items are depreciated from the date they are available for use, or, in the case of assets constructed by the Company, as of the date the construction is concluded and the asset is available for use. Depreciation is recognized in income (loss) under straight-line method in relation to estimated useful lives.

Depreciation is calculated on the depreciable values, which is the cost of an asset, or other amount that substitutes cost, less residual values.

The annual weighted average rates for the current and comparative year are as follow:

Annual weighted average rate:	**2021 and 2020**	
	Consolidated	**Parent company**
Constructions and improvements	1.90%	1.90%
Machinery and equipment	3.77%	2.86%
Data processing equipment	19.52%	19.52%
Furniture and fixtures	6.94%	6.95%
Vehicles	8.59%	8.50%
Leasehold improvements	4.92%	-

The depreciation methods, useful lives and residual values are reviewed at each reporting date, and adjusted if appropriate.

j. Intangible assets and goodwill

(i) Intangible assets with defined useful life

Intangible assets acquired by the Company with finite useful lives are measured at cost, less accumulated amortization and accumulated impairment losses, when applicable.

(ii) Intangible assets with undefined useful life

Goodwill

The goodwill calculated on the acquisition of Eco-Energy Global Biofuels, LLC shares is supported by expected future earnings. Every year and whenever there are indices of impairment loss, the Company assesses annually the likelihood of recovering the goodwill on these investments, to this end employing practices applied in the market regarding the subsidiary's cash flow.

(iii) Subsequent expenditures

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally-generated goodwill and trademarks, are recognized in profit or loss as incurred. Book value of the intangible assets that has been replaced by another component is accounted for in the statement of income for the year in which replacement occurred. Costs of maintenance on PP&E are charged to the income statement as incurred.

(iv) Amortization

Amortization Is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in income (loss) under “Administrative expenses” on a straight-line basis over the estimated useful lives of the intangible assets, except goodwill, as of the date they are available for use. Software estimated useful life for current and comparative years is 5 years.

k. Financial instruments

(i) Recognition and initial measurement

Trade accounts receivable and loans and financing are initially recognized on the date that they were originated. All other financial assets and liabilities are initially recognized when the Company becomes a party to the instrument's contractual provisions.

A financial asset (unless it is trade accounts receivable without a material financing component) or a financial liability is initially measured at fair value, plus, for an item not measured at fair value through profit or loss (FVTPL), transaction costs which are directly attributable to its acquisition or issue. Trade accounts receivable without a significant financing component are initially measured at the transaction price.

(ii) Classification and subsequent measurement

In the initial recognition, a financial asset is classified as measured: at amortized cost, at fair value through other comprehensive income (FVTOCI) or at fair value through profit or loss (FVTPL).

Financial assets are not reclassified after initial recognition, unless the Company changes the business model for the management of financial assets, in which case all affected financial assets are reclassified on the first day of the reporting year subsequent to the change in the business model.
A financial asset is measured at amortized cost if it meets both conditions below:

- It is held within a business model whose purpose is to maintain financial assets to receive contractual cash flows.

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company’s financial assets are measured at amortized cost since cash flows refer only to the payment of principal and interest.

A financial asset is measured at fair value through other comprehensive income (FVTOCI) if both conditions are not complied with:

- It is maintained within a business model whose purpose is achieved by both the receipt of contractual cash flows and the sale of financial assets.

- Its contractual terms generate, on specific dates, cash flows which are only payments of principal and interest on outstanding principal value.

In the initial recognition of an investment in an equity instrument not held for trading, the Company may irrevocably choose to present subsequent changes in the fair value through profit or loss (FVTPL) of the investment in other comprehensive income (FVTOCI). This choice is made on an investment basis.

All financial assets not classified as measured at amortized cost or at fair value through other comprehensive income (FVTOCI), as described above, are classified at fair value through profit or loss (FVTPL). It includes all derivative financial assets.

Financial liabilities are classified as measured as amortized cost or at fair value through profit or loss (FVTPL). A financial liability is classified as measured at fair value through profit or loss (FVTPL) if it is classified as held for trading, if it is a derivative or assigned as such in initial recognition. Financial liabilities measured at FVTPL are measured at fair value and net income (loss), plus interest, is recognized in income (loss). Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iii) Derecognition of a financial asset

The Company derecognizes a financial asset when the contractual rights (risks, benefits and control) to the cash flows of the asset expire or transferred to other entity.

The Company carries out transactions in which it transfers assets recognized in the balance sheet, but retains all or substantially all risks and rewards of the assets transferred. In such cases, financial assets are not derecognized.

(iv) Derecognition of a financial liability

The Company derecognizes a financial liability when its contractual obligation is settled, canceled or expires. A financial liability is also derecognized when terms are modified, and the cash flows of the liability are substantially different if a new financial liability based on the terms changed is recognized at fair value.

In the derecognition of a financial liability, the difference between the extinct book value and the consideration paid (including assets transferred that do not pass through the cash or assumed liabilities) is recognized in income (loss).

(v) Derivative financial instruments

The Company has derivative financial instruments: futures, swaps and NDFs (Non-Deliverable Forward) to hedge against interest, exchange and commodity price risks.

The objective of transactions involving derivatives is always related to the operation of the Company and the reduction of its exposure to currency and market risks, duly identified by established policies and guidelines. Income (loss) obtained from such operations are consistent with the policies and strategies defined by Management of the Company and all the gains or losses from these transactions with derivative financial instruments are recognized at its fair value.

Gains/losses related to unrealized derivative financial instruments arising from commodity price hedging are recognized in gross profit. Effects of derivatives related to foreign exchange risks of realized financial items and interest are recognized in the financial income (loss).

Derivatives are initially recognized at their fair value, while the attributable transaction costs are recognized in profit or loss when incurred. After the initial recognition, they are measured at fair value and changes accounted for in profit or loss for the year.

(vi) Hedge of foreign investment, net

The Company uses hedge accounting for foreign currency differences between the operation's functional currency abroad of the investee and functional currency of the parent company (Brazilian Real).

Within the conditions related to hedge effectiveness, exchange differences arising from the conversion of a financial liability designated as hedge, of a net investment in a foreign operation are recognized in other comprehensive income, and accumulated in equity valuation adjustments in the shareholders' equity.

(vii) Cash flow hedge

The Company uses hedge accounting for foreign currency differences and interest rates between the operation currency linked to Dollar and functional currency of the parent company (Brazilian Real).

Within the conditions related to hedge effectiveness, exchange differences arising from the conversion of a financial asset designated as hedge, of a net debt in a foreign operation are recognized in other comprehensive income, and accumulated in equity valuation adjustments in the shareholders' equity.

l. Capital

Common and preferred shares are classified as shareholders' equity.

The minimum mandatory dividends, as established in the By-laws, are recognized as liabilities. Additional dividends proposed should be approved by the Board of Directors of the Company and recognized in the Shareholders' equity under this caption.

m. Impairment

The Company carries out a review on each reporting date to determine if there is any indication of impairment. This occurs when there is objective evidence that a loss event has occurred after the initial recognition of the asset, and that such loss event has a negative effect on the projected future cash flows of that asset that can be reliably estimated. When it is possible to estimate the individual recoverable amount of an asset, the Company calculates the recoverable amount of the cash generating unit to which the asset belongs.

When assessing impairment loss on an aggregate basis the Company makes use of historical trends of probability of default, the recovery term and the amounts of losses incurred. They are adjusted to reflect the management's judgment in relation to the assumptions, if the current economic and credit conditions are such that the actual losses will be higher or lower than those suggested by historical trends.

Provisions for estimated credit losses on receivables from the trade receivable portfolio are recognized in the income (loss) for the year under “Sales expenses" caption as Estimated credit losses on each year for evaluation of recoverable value, in accordance with CPC 48/IFRS 9 - "Financial Instruments".

The recoverable value of an asset or cash-generating unit is the greater of its value in use and its fair value less selling expenses. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market conditions as to the recoverability year of capital and the risks specific to the asset or CGU (Cash Generating Unit).

The Company's corporate assets do not generate separate cash inflows. If there is indication that a corporate asset is impaired, the recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs in a reasonable and consistent manner.

An impairment loss is recognized when the book value of an asset or its CGU exceeds its recoverable value. Impairment losses are recorded in the income (loss) for the year. Impairment losses recognized for CGUs are initially allocated to reduce the book value of any goodwill attributed to the CGUs and then, if there was a remaining loss, to reduce the book value of the other assets within the CGU or group of CGUS on a pro-rata basis.

On March 31, 2021, the Company did not identify traces that the amount of these assets is lower than the realization value.

n. Provisions

A provision is recognized when the Company has a legal or constructive obligation as a result of a past event, which can be reliably estimated, and it is probable that an outflow of funds will be required to settle the obligation.

o. Leases

An agreement is or contains a lease if it transfers the right to control the use of an identified asset for a year in exchange for consideration. The Company follows the definition of lease under CPC 06(R2) / IFRS 16 to assess whether an agreement transfer the right to control the use of an identified asset.

(i) Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration of the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the value of initial measurement of the lease liability adjusted to any lease payments made to the initial date, plus any initial direct costs incurred by the lessee.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date to the end of the lease term, unless the lease transfers ownership of underlying asset to the lessee at the end of lease term, or if the cost of the right-of-use asset reflects that the lessee will exercise the call option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as that of property, plant and equipment. Moreover, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the inception date, and discounted using the interest rate implied in the lease or, if that rate cannot be immediately determined, the incremental loan rate of the Company.

The Company determines its incremental loan rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of asset leased.
Lease payments included in the measurement of lease liability comprise the following:

- Fixed payments (including initial fixed payments).
- Variable lease payments based on an index or rate, initially measured based on the index or rate at the start date.

(ii) Low-value asset leases

The Company opted not to recognize the assets of right-of-use and the lease liabilities for low-value lease assets and short-term lease, including IT equipment. The Company recognizes payments of those leases as straight-line method expense during the lease term.

(iii) Lessor

The Group subleased some of its properties. Pursuant to CPC 06(R1)/IAS 17, lease and sublease agreements were classified as operating leases. In the transition to CPC 06 (R2)/IFRS 16, the right-of-use assets recognized from the leases are presented in investment properties and measured at fair value on said date. The Group assessed the classification of sublease agreements with reference to the right-of-use assets, and not the underlying assets, and concluded that they are operating leases in accordance with CPC 06 (R2)/IFRS 16. The Group also entered into a sublease during 2019, which was classified as a financial lease under CPC 06 (R2)/IFRS 16. The Group adopted CPC 47/IFRS 15 - Revenue from Contracts with Customers to allocate the consideration in the agreement to each lease and non-lease component.

p. Segment information

An operating segment is a component of the Company which engages in business activities from which it may earn revenues and incur expenses. Operating segments reflect the way the Company's management reviews financial information for decision-making. Management defined the Group's operating areas based on reports employed to make decisions as follows: Trading of Sugar, Ethanol, Natural Gas and Provision of Services.

q. Statements of added value

The Company prepared individual and consolidated statements of added value in accordance with the terms of technical pronouncement CPC 09 - Statement of Added Value, which are presented as an integral part of the financial statements as accounting practices adopted in Brazil, whereas under IFRS they represent supplementary financial information.

r. New standards and interpretations not yet effective

Several new standards will become effective for the years started after April 1, 2021.

The Company has not adopted these standards in the preparation of these financial statements.

(a) Onerous Contracts– Costs to fulfill a contract (amendments to CPC 25/IAS 37)

These amendments specify which costs an entity must include to determine the cost of fulfilling a contract to assess if the contract is onerous. The amendments apply to annual periods beginning on or after April 01, 2022 for existing contracts, on the date such changes are adopted for the first time. On the date of initial application, the cumulative effect of applying the changes is recognized as an adjustment to the opening balance in retained earnings or other components of shareholders' equity, as appropriate. The comparisons are not restated.

(b) Benchmark Interest Rate Reform - Phase 2 (amendments to CPC 48/IFRS 9, CPC 38/IAS 39, CPC 40/IFRS 7, CPC 11/IFRS 4 and CPC 06/IFRS 16)

These amendments address issues that may affect financial statements as a result of Benchmark Interest Rate Reform, including effects of changes in contractual cash flows or hedge relations arising from replacement of reference interest rate by an alternative benchmark rate. The amendments provide practical expedient for certain requirements of standards CPC 48/IFRS 9, CPC 38/IAS 39, CPC 40/IFRS 7, CPC 11/IFRS 4 and CPC 06/IFRS 16, related to the following:

- Changes in the basis for determining the contractual cash flows of financial assets, financial liabilities, and lease liabilities; and

- Hedge accounting.

(i) Change in the basis for determining cash flows

The changes will require an entity to record changes in the basis for determining the contractual cash flows of a financial asset or financial liability, required according to the reference interest rate reform, by updating the effective interest rate of the financial asset or financial liability.

As of March 31, 2021, the Company has US$ 183,000 in the Consolidated and US$ 75,000 in the Parent Company in bank loans bearing interests at LIBOR rates that will be subject to the benchmark interest rate reform. The Company is evaluating the benchmark interest rate that will replace the LIBOR and it is expected that no significant gain or loss in the modification arises due to changes being applied.

There is a clause in the contracts in which the parties agree that the replacement of the benchmark interest rate will not harm both parties.

(ii) Hedge accounting

The amendments establish exceptions to hedge accounting requirements in the following areas:

- Allow a change in the designation of a hedge relationship to reflect the changes that are required by the reform.

- When a hedged item in a cash flow hedge is altered to reflect the changes required by the reform, the amount accumulated in the cash flow hedge reserve will be considered based on the alternative reference rate at which the hedged future cash flows are determined.

- When a group of items is designated as a hedged item, and an item in the group is altered to reflect the changes that are required under the reform, the hedged items are allocated to subgroups based on the reference rates being subjected to hedging.

- If an entity reasonably expects that an alternative reference rate will be separately identifiable within a 24-month period, it is not prohibited from designating the rate as a non-contractually specified risk component, if it is not separately identifiable on the designation date.

  As of March 31, 2021, the Company has cash flow hedges for LIBOR risk. The Company expects the indexation of hedged items and hedge instruments to LIBOR to be replaced by the new rate. Whenever replacement occurs, the Group expects to apply amendments to the standard related to hedge accounting. However, there is uncertainty about when and how replacement can take place. When the change occurs in the hedged item or in the hedge instrument, the Company will remeasure the accumulated change in the fair value of the hedged item or in the fair value of the interest rate swap, respectively, based on the new rate. The Company does not expect the amounts accumulated in the cash flow hedge reserve to be immediately reclassified to income (loss) due to the LIBOR transition.

(iii) Disclosure

The changes will require the Company to disclose additional information about the entity's exposure to risks arising from the reference interest rate reform and related risk management activities.

(iv) Transition

The Company plans to apply the amendments as of April 1, 2021. Application of these changes will have no impact on the amounts reported for March 31, 2021 or previous periods.

(c) Other operations

The following new and amended standards are not expected to have a significant impact on the Company’s financial statements:

- Property, plant and equipment: Revenue before intended use (amendments to CPC 27/IAS 16).

- Reference to the Conceptual Framework (amendments to CPC 15/IFRS 3).

- Classification of Liabilities in Current or Non-Current (amendments to CPC 26/IAS 1); and

- IFRS 17 - Insurance Contracts.

7 Operating segments

Management defined the Group's operating areas based on reports employed to make decisions as follows: Trading of Sugar and Ethanol, Natural Gas and Provision of Service.

- Trading of Sugar and Ethanol – Purchase and sale in the domestic and international market of raw sugar, white sugar, anhydrous ethanol and hydrous ethanol.

- Natural Gas - Purchase and sale of natural gas in the international market through Eco-Energy, a direct subsidiary of the Company.

- Rendering of services – Comprises the results from the provision of storage, logistics and loading services for sugar and ethanol.

The selected information on results by segment, measured based on the same accounting policies used in the preparation of the consolidated financial statements, are as follows:

	2021				2020			
	Sugar/Ethanol	**Natural gas**	**Services**	**Total**	**Sugar/Ethanol**	**Natural gas**	**Services**	**Total**
Net revenue (a)	26,239,588	11,950,476	466,549	38,656,613	24,667,925	5,078,405	363,428	30,109,758
Cost of sales	(25,730,540)	(11,733,869)	(303,498)	(37,767,907)	(24,160,284)	(5,009,305)	(270,845)	(29,440,434)
Gross margin	**509,048**	**216,607**	**163,051**	**888,706**	**507,641**	**69,100**	**92,583**	**669,324**

(a) The amounts shown as net revenue include the Revenue from unrealized derivative financial instruments, separately disclosed in the statements of income.

Breakdown of consolidated net operating revenue per geographic area is as follows:

Region/Country	**2021**	**2020**
United States	22,072,197	16,052,413
Brazil	10,730,845	10,297,988
Switzerland	5,457,770	2,358,413
Canada	1,278,676	1,164,404
Great Britain	351,895	-
Japan	92,064	51,715
Spain	47,452	3,793
Total	**40,030,899**	**29,928,726**

8 Cash and cash equivalents

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Cash	25	25	25	25
Bank – Checking account	512,991	1,226,503	77,725	536,077
Investment fund	363,175	376,917	363,175	376,917
Interest earning bank deposits	1,022,991	1,127,300	999,780	1,043,185
Total	**1,899,182**	**2,730,745**	**1,440,705**	**1,956,204**

The balances of interest earning bank deposits are represented by fixed income securities (CDB), substantially remunerated at 101% of CDI-CETIP (Certificate of Interbank Deposit) changes. The balances of investment funds are remunerated by quotas, equivalent to 103% of CDI, considering the average of funds' performance in 12 months, with daily liquidity and possibility of immediate redemption with no yield fine or loss.

For more information on the Company's exposure to interest, foreign currency and liquidity risks, see Note 23.

9 Interest earning bank deposits

The Company has interest earning bank deposits in the amount of R$ 434,883 as of March 31, 2021, referring to Bank Deposit Certificates (CDBs) and Investment Funds, remunerated at the rate mentioned above.

10 Trade accounts receivable

	Note	Consolidated		Parent company	
		2021	**2020**	**2021**	**2020**
Domestic market clients		461,522	514,753	464,662	511,033
Foreign market clients		1,871,899	904,059	137	185
Estimated losses		(22,830)	(21,081)	(1,516)	(1,475)
Related parties	25	199,993	80,823	291,222	93,545
Total		**2,510,584**	**1,478,554**	**754,505**	**603,288**

The Company's exposure to credit risks, as well as balances average age, currency risk and impairment losses related to trade accounts receivable are disclosed in note 23.

Trade accounts receivable are classified as receivables stated at amortized cost. The Company assessed the adjustment to present value, with the CDI – Interbank Deposit Certificate market rate, of its balances of accounts receivable as of March 31, 2021 and 2020, and concluded that the amounts substantially match the book values presented on the balance sheet.

The criteria for evaluation of the "expected credit losses" are disclosed in Note 6, item (m).

The amounts related to Estimated Losses total R$ 1,516 for the Parent Company, which refer to 0.3% of net overdue balances of Related Parties, and R$ 36 in the Subsidiary Companhia Auxiliar and R$ 11 in the Subsidiary Sugar Express referring to overdue trade notes, as adoption of CPC 48/IFRS 9 - Financial Instruments. The estimated losses of the indirect subsidiary, Eco – Energy, totaled R$ 18,967.

11 Inventories

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Sugar	844,712	354,105	844,712	354,105
Ethanol	1,374,024	1,005,693	780,750	732,427
RIN / LCFS	15,739	31,465	-	-
Natural Gas	91,841	50,835	-	-
Stocks, packaging, and others	14,707	12,352	1,561	535
Total	**2,341,023**	**1,454,450**	**1,627,023**	**1,087,067**

Sugar inventories aimed at the foreign market, in compliance with CPCs 16 (R1)/ IAS 2 (IASB) - Inventories and CPC 47 / IFRS 15 - Revenue from Contracts with Customers were not recognized, in the amounts of R$ 831,977 as of March 31, 2021 (R$ 704,888 as of March 31, 2020), respectively, due to the fact that the investee Trading Europe is an intermediary - agent of the transaction, since it does not control the product supplied by the other party (Cooperative – related party) before the asset is transferred to the final client. As a counterparty, there is an advance from clients in liability (prepayment) in the amount of R$ 200,332 on March 31, 2021 and R$ 809,754 on March 31, 2020, as Note 21, of the jointly-controlled subsidiary Alvean Sugar S.L.

The inventory volumes of Anhydrous Ethanol of the Company as of March 31, 2021 are in compliance with the requirements of ANP Resolution 67 of December 2011 (article 10), and are evaluated at average acquisition cost, not exceeding the net realizable value.

The inventories of tradable products – sugar, ethanol (except for anhydrous compounds), gasoline (and gasoline by-products), RINs and LCFS (Renewable Identification Numbers and Low Carbon Fuel Standard) are valued at fair value based on quoted market prices (mark to market) less costs to sell. On a monthly basis, the acquisition cost, without including freight and storage expenditures and recoverable taxes, is compared with the equivalent quoted market price as of the reporting date. Reference prices are available to the public and obtained from active markets, as follows:

- Prices of raw sugar contracts negotiated on the Intercontinental Exchange (ICE) (sugar contract *#11*) / NYBOT;
- Prices of domestic sugar contracts disclosed by the Center for Advanced Studies on Applied Economics (CEPEA) of the Luiz de Queiroz School of Agriculture from the University of São Paulo (USP);
- Prices of anhydrous and hydrated ethanol disclosed by the Center for Advanced Studies on Applied Economics (CEPEA) of the Luiz de Queiroz School of Agriculture from the University of São Paulo (USP);
- Prices of anhydrous ethanol over-the-counter contracts, based on *Ethanol (Platts) T2 FOB Rotterdam*, disclosed by CME Group;

- Prices of anhydrous ethanol over-the-counter contracts, based on *Chicago Ethanol (Platts) Swap Futures*, disclosed by CME Group.

- Prices of Renewable Identification Numbers (RINs)/ Low Carbon Fuel Standards (LCFs), with different expiry dates, as published by the Oil Price Information Service (OPIS)/ Heating Oil Bio Reference;

- Price of natural gas - Nymex henry hub gas futures, disclosed by the CME Group.

The adjustment amount is accounted for under "Selling costs" on the income statement for the year.

The reference prices used to determine the fair value of inventories each year are as follows - in reais (R$):

Commodity	Market index	Unit	2021	2020
Raw sugar	Sugar #11 (ICE/NYBOT)	¢lb	14.74	10.66
White sugar	Crystal Sugar (CEPEA/ESALQ)	R$/ton	2,083.00	1,512.80
Anhydrous ethanol	Anhydrous ethanol (CEPEA/ESALQ)	R$/m3	2,980.60	2,134.40
Hydrous ethanol	Hydrous ethanol (CEPEA/ESALQ)	R$/m3	2,676.80	1,875.10
Anhydrous ethanol (Europe)	Ethanol (Platts) T2 FOB Rotterdam (CME Group)	EUR/m3	551.89	497.25
Anhydrous ethanol (USA)	Ethanol (Platts) Chicago Platts (CME Group)	USD/GL	2.00	0.95
RIN/LCFS	OPIS / Heating Oil Reference	US$/unit	1.30	0.23
Natural gas	Nymex henry hub gas futures	USD/mmbtu	2.53	2.11

12 Recoverable taxes and contributions

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
ICMS	118,052	85,975	118,052	85,975
IPI	9,238	9,242	9,238	9,242
PIS	26,556	31,041	22,091	22,352
COFINS	54,107	60,569	53,558	60,043
Other	159	626	-	-
Total recoverable taxes and contributions	**208,112**	**187,453**	**202,939**	**177,612**
IRPJ	70,154	123,355	114,653	116,946
CSLL	9,116	9,368	8,711	7,967
Total recoverable income tax and social contribution	**79,270**	**132,723**	**123,364**	**124,913**
Total	**287,382**	**320,176**	**326,303**	**302,525**
Current	**278,144**	**310,934**	**317,065**	**293,283**
Non-current	**9,238**	**9,242**	**9,238**	**9.242**

13 Stock exchange operations

Refer to the balances receivable and payable of deposited amounts related to the premiums and adjustments paid or received in transactions with derivative instruments not settled on the Stock Exchange.

14 Deferred tax assets and liabilities

Deferred tax assets and liabilities were allocated as follows:

Consolidated	Assets		Liabilities		Net assets	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Intangible assets	14,974	14,974	-	-	14,974	14,974
Deferred exchange-rate change	114,954	73,737	-	-	114,954	73,737
Provisions	53,685	20,989	-	(4,745)	53,685	16,244
Adjustment to fair value	92	286	(116,389)	(79,282)	(116,297)	(78,996)
Depreciation	-	-	(84,498)	(83,377)	(84,498)	(83,377)
Tax loss carryforwards	336,214	307,787	-	-	336,214	307,787
Fair value of inventories	-	25,185	(93,545)	-	(93,545)	25,185
Derivatives	-	-	(31,708)	(72,565)	(31,708)	(72,565)
Deemed cost	-	-	(5,429)	(5,701)	(5,429)	(5,701)
Hedge from foreign investment	447,437	359,202	-	-	447,437	359,202
Other	41,648	49,107	-	-	41,648	49,107
Total	1,009,004	851,267	(331,569)	(245,670)	677,435	605,597

Parent company	Assets		Liabilities		Net assets	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Intangible assets	14,974	14,974	-	-	14,974	14,974
Deferred exchange-rate change	98,545	60,428	-	-	98,545	60,428
Provisions	38,104	13,360	-	-	38,104	13,360
Adjustment to fair value	-	-	(116,389)	(79,281)	(116,389)	(79,281)
Tax loss carryforwards	325,011	243,402	-	-	325,011	243,402
Fair value of inventories	-	25,185	(93,546)	-	(93,546)	25,185
Derivatives	-	-	(1,358)	(32,669)	(1,358)	(32,669)
Hedge from foreign investment	445,832	357,009	-	-	445,832	357,009
Other	39,931	39,735	-	-	39,931	39,735
Total	**962,397**	**754,093**	**(211,293)**	**(111,950)**	**751,104**	**642,143**

Changes in temporary differences during the year:

Consolidated	2019	Recognized in income (loss)	Recognized in other comprehensive income	2020	Recognized in income (loss)	Recognized in other comprehensive income	2021
Intangible assets	14,974	-	-	14,974	-	-	14,974
Deferred exchange-rate change	97,254	(23,517)	-	73,737	41,217	-	114,954
Provisions	24,799	(8,555)	-	16,244	37,441	-	53,685
Adjustment to fair value	(25,272)	(53,721)	-	(78,993)	(37,303)	-	(116,296)
Depreciation	(64,170)	(19,207)	-	(83,377)	(1,121)	-	(84,498)
Tax loss carryforwards	225,115	82,672	-	307,787	28,427	-	336,215
Fair value of inventories	(5,016)	30,201	-	25,185	(118,730)	-	(93,545)
Derivatives	(40,650)	(31,915)	-	(72,565)	40,857	-	(31,708)
Deemed cost	(10,960)	5,258	-	(5,702)	273	-	(5,429)
Hedge from foreign investment	189,338	-	169,864	359,202	-	88,235	447,437
Other	51,804	(2,699)	-	49,105	(7,459)	-	41,646
Total	**457,216**	**(21,843)**	**169,864**	**605,597**	**(16,398)**	**88,235**	**677,435**

Parent company	2019	Recognized in income (loss)	Recognized in other comprehensive income	2020	Recognized in income (loss)	Recognized in other comprehensive income	2021
Intangible assets	14,974	-	-	14,974	-	-	14,974
Deferred exchange-rate change	95,486	(35,058)	-	60,428	38,117	-	98,545
Provisions	15,409	(2,049)	-	13,360	24,744	-	38,104
Adjustment to fair value	(25,654)	(53,626)	-	(79,280)	(37,109)	-	(116,389)
Tax loss carryforwards	181,895	61,507	-	243,402	81,609	-	325,011
Fair value of inventories	(5,016)	30,201	-	25,185	(118,730)	-	(93,545)
Derivatives	(30,056)	(2,613)	-	(32,669)	31,311	-	(1,358)
Hedge from foreign investment	189,173	-	167,835	357,008	-	88,823	445,831
Other	39,719	16	-	39,735	196	-	39,931
Total	**475,930**	**(1,622)**	**167,835**	**642,143**	**20,138**	**88,823**	**751,104**

Deferred tax assets were recognized, since Management analyzed its estimates of future earnings and considered it probable that future taxable earnings against which these expenses can be charged will be available.

15 Investments

The Company recorded a gain of R$ 381,079 in parent company and R$ 78,675 in consolidated as of March 31, 2021 (gain of R$ 144,002 in parent company and R$ 73,991 in consolidated as of March 31, 2020) arising from equity in net income of its associated companies, subsidiaries and joint ventures in individual financial statements.

The chart above presents a summary of the equity income of subsidiaries, associates and joint ventures.

	% interest	Number of shares/quotas	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Shareholders' equity	Revenues	Other income (losses)	Income or loss for the year	Equity in net income of subsidiaries	
2021													**Parent company**	**Consolidated**
Companhia Auxiliar de Armazéns Gerais **(a)**	100.00000	2,019,843	73,814	381,477	455,291	48,370	294,418	342,788	112,503	255,281	(242,564)	12,717	12,717	-
TCP – Terminal de Combustíveis Paulínia **(b)**	50.00000	16,957,908	9,259	127,471	136,730	17,599	19,546	37,145	99,585	26,731	(22,163)	4,568	2,284	2,284
Copersucar Europe Spain **(a)**	100.00000	60,000	560,389	383,421	943,810	429,063	199,568	628,631	315,179	19,239,560	(19,117,659)	121,901	121,901	-
Copersucar Trading A.V.V. **(a)**	100.00000	24,253,702	297,929	10,059	307,988	39,559	-	39,559	268,429	160,090	(175,490)	(15,400)	(15,400)	-
Copersucar North America LLC **(a)**	100.00000	100	3,078,977	1,283,443	4,362,420	2,785,656	1,088,954	3,874,610	487,810	23,462,953	(23,279,857)	183,096	183,097	-
CTC-Centro de Tecnologia Canavieira S.A. **(c)**	16.93155	54,307,600	363,998	480,419	844,417	83,401	46,270	129,671	714,746	343,478	(236,447)	107,031	18,122	18,122
Uniduto Logística S.A. **(c)**	39.07370	355,406,689	1,108	90,496	91,604	9	-	9	91,595	-	(24,510)	(24,510)	(9,577)	(9,577)
Logum Logística S.A. **(b)**	30.00000	4,689,858,333	103,495	2,704,510	2,808,005	360,804	1,547,986	1,908,790	899,215	426,594	(671,541)	(244,947)	(73,484)	(73,484)
Alvean Sugar Intermediação e Agenciamento Ltda. **(b)**	50.00000	100,000	11,009	1,936	12,945	3,066	38	3,104	9,841	24,294	(20,932)	3,362	1,681	1,681
Alvean Sugar, S.L. **(b)**	50.00000	764,020	11,582,639	60,056	11,642,695	9,591,226	34,121	9,625,347	2,017,348	21,068,107	(20,788,633)	279,474	139,738	139,737
Terminal de Richmond, VA **(b)**	50.00000	-	3,891	13,184	17,075	724	-	724	16,351	(175)	-	(175)	-	(88)
													381,079	78,675
2020													**Parent company**	**Consolidated**
Companhia Auxiliar de Armazéns Gerais **(a)**	100.00000	2,019,843	126,306	363,945	490,251	101,342	287,124	388,466	101,785	208,138	(181,421)	26,717	26,717	-
Copersucar Armazéns Gerais **(d)**	-	-	-	-	-	-	-	-	-	747	(432)	315	315	-
TCE Participações **(e)**	-	-	-	-	-	-	-	-	-	3,396	(3,189)	207	104	104
TCP – Terminal de Combustíveis Paulínia **(b)**	50.00000	16,957,908	8,870	130,435	139,305	17,829	24,000	41,829	97,476	12,024	(9,906)	2,118	1,059	1,059
Copersucar Europe Spain **(a)**	100.00000	3,000	1,137,900	475,073	1,612,973	1,200,645	238,218	1,438,863	174,110	5,501,461	(5,434,997)	66,464	66,464	-
Copersucar Trading A.V.V. **(a)**	100.00000	24,253,702	399,784	6,068	405,852	41,720	-	41,720	364,132	1,009,736	(1,010,096)	(360)	(360)	-
Copersucar North America LLC **(a)**	100.00000	100	2,012,097	1,213,194	3,225,291	1,887,330	1,063,964	2,951,294	273,997	17,404,481	(17,426,038)	(21,557)	(21,557)	-
CTC-Centro de Tecnologia Canavieira S.A. **(c)**	16.93155	135,769	296,189	490,241	786,430	95,847	88,671	184,518	601,912	255,200	(234,446)	20,754	3,514	3,514
Uniduto Logística S.A. **(c)**	39.07370	310,238,406	36	103,183	103,219	8	-	8	103,211	-	(8,536)	(8,536)	(3,335)	(3,335)
Logum Logística S.A. **(b)**	30.00000	4,118,071,462	54,747	2,303,902	2,358,649	72,533	1,264,225	1,336,758	1,021,891	219,106	(304,230)	(85,124)	(25,537)	(25,537)
Alvean Sugar Intermediação e Agenciamento Ltda. **(b)**	50.00000	100,000	7,767	987	8,754	2,246	30	2,276	6,478	22,739	(20,087)	2,652	1,326	1,326
Alvean Sugar, S.L. **(b)**	50.00000	764,020	6,453,914	55,936	6,509,850	4,068,747	145,803	4,214,550	2,295,300	11,818,603	(11,628,020)	190,583	95,292	95,292
Terminal de Richmond, VA **(b)**	50.00000	-	3,691	12,555	16,246	780	-	780	15,466	3,137	-	3,137	-	1,568
													144,002	73,991

(a) Subsidiary

(b) Joint control

(c) Associate

(d) Merged in December 2019

(e) Merged in October 2019

The table below presents the breakdown of investments:

	Consolidated		Parent company		
	2021	**2020**	**2021**	**2020 Restated**	**April 1, 2019 Restated**
Copersucar Armazéns Gerais S.A.	-	-	-	**-**	19,280
Companhia Auxiliar de Armazéns Gerais	-	-	112,503	101,784	271,350
Logum Logística S.A.	268,459	306,567	268,459	306,567	311,435
Uniduto Logística S.A.	35,849	44,468	35,849	44,468	45,111
CTC – Centro de Tecnologia Canavieira S.A.	121,017	103,524	121,017	103,524	99,750
Copersucar North America LLC	-	-	487,810	273,997	233,855
Copersucar Trading A.V.V.	-	-	268,430	281,823	306,730
TCE Participações S.A.	-	-	-	-	47,575
TCP-Terminal de Combustíveis Paulínia	50,661	48,738	50,661	48,738	-
Copersucar Europe Espanha	-	-	315,179	174,111	105,750
Alvean Sugar Intermediação e Agenciamento Ltda.	4,920	3,239	4,920	3,239	1,913
Alvean Sugar, S.L.	1,008,674	1,147,649	1,008,674	1,147,649	840,810
	1,489,580	**1,654,185**	**2,673,502**	**2,485,900**	**2,283,559**
Other unconsolidated investments – valued at fair value:					
Other investments	24,428	15,057	6,166	27	133
	24,428	**15,057**	**6,166**	**27**	**133**
Total investments	**1,514,008**	**1,669,242**	**2,679,668**	**2,485,927**	**2,283,692**

Dividend distributions of the jointly-owned subsidiary Alvean Sugar S.L.:

- On July 31, 2020, the dividends amounting to R$ 103,474 were distributed.
- At the general meeting held on March 12, 2021, the distribution of dividends of US$ 100,000 based on the investee's interest in the capital was approved.

Logum - Share subscription:
The share subscriptions carried out at the jointly-controlled subsidiary Logum and approved at the Board of Directors' Meeting are as follows:

- As of May 7, 2020, 188,571,429 shares were subscribed, in the amount of R$ 13,200;
- On July 08, 2020, 60,000,000 shares were subscribed, in the amount of R$ 3,600;
- On September 03, 2020, 43,000,000 shares were subscribed, in the amount of R$ 2,580;
- On October 8, 2020, 141,000,000 shares were subscribed, in the amount of R$ 8,460;
- As of January 6, 2021, 57,500,000 shares were subscribed, in the amount of R$ 3,450;
- As of February 24, 2021, 81,715,442 shares were subscribed, in the amount of R$ 4,086.

Uniduto - Share subscription:
The share subscriptions carried out at the jointly-controlled subsidiary Uniduto and approved at the Board of Directors' Meeting are as follows:

- As of May 7, 2020, 13,225,853 common shares were subscribed, in the amount of R$ 1,719;
- As of July 8, 2020, 3,640,763 common shares were subscribed, in the amount of R$ 469;
- As of September 3, 2020, 3,318,853 common shares were subscribed, in the amount of R$ 336;
- As of October 8, 2020, 10,865,201 common shares were subscribed, in the amount of R$ 1,102;
- As of January 6, 2021, 4,469,815 common shares were subscribed, in the amount of R$ 449;
- As of February 5, 2021, 9,647,365 common shares were subscribed, in the amount of R$ 957.

16 Property, plant and equipment and right-of-use in lease

a. Property, plant and equipment

Consolidated	Land	Constructions and improvements	Machinery and equipment	Data processing equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Construction in progress (i)	Total
Cost									
2019	**17,201**	**76,774**	**425,830**	**3,209**	**12,825**	**46,606**	**331,122**	**64,542**	**978,109**
Exchange-rate change	3,934	20,090	87,010	-	3,287	5,705	23,872	36,136	180,034
Additions	-	33	1,491	160	609	1,446	54	90,466	94,259
Write-offs	-	-	(2,578)	(1,674)	(2,298)	(26,165)	-	(270)	(32,985)
Transfers	5,580	71,015	19,313	290	1,048	322	4,381	(77,293)	24,656
2020	**26,715**	**167,912**	**531,066**	**1,985**	**15,471**	**27,914**	**359,429**	**113,581**	**1,244,073**
Exchange-rate change	2,041	13,943	33,674	-	1,379	1,694	8,870	12,225	73,826
Additions	-	63	3,280	160	1,712	54	3,418	83,282	91,969
Write-offs	-	(10,930)	(16,631)	(106)	(16)	(19,647)	(5,316)	(10,234)	(62,880)
Transfers	-	33,977	48,937	371	117	-	12,604	(97,628)	(1,622)
2021	**28,756**	**204,965**	**600,326**	**2,410**	**18,663**	**10,015**	**379,005**	**101,226**	**1,345,366**
Depreciation									
2019	**-**	**(17,059)**	**(166,624)**	**(2,680)**	**(9,425)**	**(15,682)**	**(87,133)**	**-**	**(298,603)**
Exchange-rate change	-	(6,504)	(34,734)	-	(2,745)	(2,431)	(6,132)	-	(52,546)
Depreciation for the year	-	(6,883)	(31,165)	(302)	(1,309)	(3,028)	(16,046)	-	(58,733)
Write-offs	-	-	2,621	1,342	1,763	9,316	18	-	15,060
2020	**-**	**(30,446)**	**(229,902)**	**(1,640)**	**(11,716)**	**(11,825)**	**(109,293)**	**-**	**(394,822)**
Exchange-rate change	-	(2,866)	(14,453)	-	(1,128)	(861)	(2,665)	-	(21,973)
Depreciation for the year	-	(9,772)	(38,393)	(455)	(1,434)	(2,908)	(18,192)	-	(71,155)
Write-offs	-	3,204	9,872	95	10	8,486	1,085	-	22,752
2021	**-**	**(39,880)**	**(272,876)**	**(2,000)**	**(14,268)**	**(7,107)**	**(129,067)**	**-**	**(465,198)**
Net book value									
2020	**26,715**	**137,466**	**301,164**	**345**	**3,755**	**16,089**	**250,136**	**113,581**	**849,251**
2021	**28,756**	**165,085**	**327,452**	**410**	**4,394**	**2,907**	**249,938**	**101,226**	**880,168**

(i) Construction in progress refers to:

(a) For Copersucar S.A. refers to expansion of projects of systemic functionalities;

(b) For Companhia Auxiliar de Armazéns Gerais refers to constructions and acquisitions for improvement in operations and security of Santos, Ribeirão Preto, and São José do Rio Preto terminals;

(c) At Eco Energy, the balance refers to the new Stockton terminal, with completion scheduled for March 2022, and compression improvements at Stone Mountain to increase capacity, with completion scheduled for July 2021.

Parent company	**Machinery and equipment**	**Data processing equipment**	**Furniture and fixtures**	**Vehicles**	**Leasehold improvements**	**Construction in progress**	**Total**
Cost							
2019	**514**	**2,612**	**2,640**	**1,290**	**-**	**1,224**	**8,280**
Additions	-	33	-	669	-	4,618	5,320
Write-offs	(741)	(1,675)	(2,298)	(163)	-	(40)	(4,917)
Transfers	227	290	1,048	-	2,556	(4,910)	(789)
2020	-	**1,260**	**1,390**	**1,796**	**2,556**	**892**	**7,894**
Additions	-	99	2	-	-	1,153	1,254
Write-offs	-	(78)	(11)	(346)	-	-	(435)
Transfers	-	230	116	-	342	(1,737)	(1,049)
2021	**-**	**1,511**	**1,497**	**1,450**	**2,898**	**308**	**7,664**
Depreciation							
2019	**(485)**	**(1,743)**	**(1,791)**	**(214)**	**-**	**-**	**(4,233)**
Depreciation for the year	(51)	(198)	(162)	(159)	-	-	(570)
Write-offs	536	1,342	1,743	4	-	-	3,625
2020	**-**	**(599)**	**(210)**	**(369)**	**-**	**-**	**(1,178)**
Depreciation for the year	-	(375)	(138)	(162)	(307)	-	(982)
Write-offs	-	71	8	122	-	-	201
2021	**-**	**(903)**	**(340)**	**(409)**	**(307)**	**-**	**(1,959)**
Net book value							
2020	**-**	**661**	**1,180**	**1,427**	**2,556**	**892**	**6,716**
2021	**-**	**608**	**1,157**	**1,041**	**2,591**	**308**	**5,705**

b. Right-of-use in lease

The Company recognized right-of-use assets in the transition to CPC 06 (R2)/IFRS 16, as the table with changes:

Parent company	**Real estate**
Cost	
First-time adoption at 04/01/2019	-
Additions	16,961
In 2020	**16,961**
Additions	2,611
2021	**19,572**
Accumulated depreciation	
Additions	(151)
In 2020	**(151)**
Additions	(2,035)
2021	**(2,186)**
Total right-of-use in 2020	**16,810**
Total right-of-use in 2021	**17,386**
Amortization period	8 years

Consolidated	**Real estate and land**	**Vehicles and wagons**	**Warehouses**	**Machinery and equipment**	**Total**
Cost					
First-time adoption at 04/01/2019	103,440	147,735	133,514	9,793	394,482
Additions	21,234	16,335	47,907	15,563	101,039
In 2020	**124,674**	**164,070**	**181,421**	**25,356**	**495,521**
Additions	21,316	(9,319)	30,484	13,640	56,121
2021	**145,990**	**154,751**	**211,905**	**38,996**	**551,642**
Accumulated depreciation					
Additions	(8,835)	(34,722)	(31,839)	(10,361)	(85,757)
In 2020	**(8,835)**	**(34,722)**	**(31,839)**	**(10,361)**	**(85,757)**
Additions	(11,775)	(29,905)	(35,096)	(3,673)	(80,449)
2021	**(20,610)**	**(64,627)**	**(66,935)**	**(14,034)**	**(166,206)**
Exchange rate change					
Additions	6,953	12,406	14,346	1,049	34,754
2021	**6,953**	**12,406**	**14,346**	**1,049**	**34,754**
Total right-of-use in 2020	**115,839**	**129,348**	**149,582**	**14,995**	**409,764**
Total right-of-use in 2021	**132,333**	**102,530**	**159,316**	**26,011**	**420,190**
Amortization period	5–20 years	up to 03 years	5 years	2–3 years	

17 Intangible assets

Consolidated	Software	Brands	Goodwill	Relationship with customers and other parties	Total
Cost					
2019	**63,644**	**8,263**	**241,207**	**62,389**	**375,503**
Exchange-rate change	8,146	2,856	60,995	22,078	94,075
Additions	5,915	-	-	-	5,915
Write-offs	(768)	-	(55,750)	-	(56,518)
Transfers	789	-	-	-	789
2020	**77,726**	**11,119**	**246,452**	**84,467**	**419,764**
Exchange-rate change	3,206	1,094	23,637	8,455	36,392
Additions	1,717	-	-	-	1,717
Write-offs	-	-	-	-	-
Transfers	1,623	-	-	-	1,623
2021	**84,272**	**12,213**	**270,089**	**92,922**	**459,496**
Amortizations					
2019	**(55,050)**	**(4,968)**	-	**(38,613)**	**(98,631)**
Exchange-rate change	(7,162)	(2,027)	-	(15,817)	(25,006)
Write-offs	755	-	-	-	755
Amortization for the year	(4,606)	(917)	-	(6,800)	(12,323)
2020	**(66,063)**	**(7,912)**	-	**(61,230)**	**(135,205)**
Exchange-rate change	(2,878)	(849)	-	(6,596)	(10,323)
Write-offs	-	-	-	-	-
Amortization for the year	(5,899)	(1,204)	-	(8,926)	(16,029)
2021	**(74,840)**	**(9,965)**	-	**(76,752)**	**(161,557)**
Net book value					
In 2020	**11,663**	**3,207**	**246,452**	**23,237**	**284,559**
2021	**9,432**	**2,248**	**270,089**	**16,170**	**297,939**

The amortization period is mentioned in note 6 j. iv.

The recoverable value of an asset or cash-generating unit is the greater of its value in use and its fair value less sales expenses. In the last crop, as of March 31, 2020, the subsidiary Eco-Energy carried out an impairment testing and an impairment loss was recognized in the amount of R$ 55,750 in the "*Ethanol Marketing & Trading*" unit.

After the acquisition of Eco-Energy, through Copersucar North America in the 12/13 crop, it added some cash generating units in its business, such as natural gas, logistics and terminals.

Parent company	Software	Brands	Total
Cost			
2019	**38,873**	**137**	**39,010**
2020	**44,123**	**137**	**44,260**
Additions	9	-	9
Write-offs	-	-	-
Transfers	1,049	-	1,049
2021	**45,181**	**137**	**45,318**
Amortizations			
2019	**(35,003)**	**-**	**(35,003)**
Write-offs	735	-	735
Amortization for the year	(2,439)	-	(2,439)
2020	**(36,707)**	**-**	**(36,707)**
Write-offs	-	-	-
Amortization for the year	(3,250)	-	(3,250)
2021	**(39,957)**	**-**	**(39,957)**
Net book value			
In 2020	**7,416**	**137**	**7,553**
2021	**5,224**	**137**	**5,361**

18 Suppliers

	Note	Consolidated		Parent company	
		2021	**2020**	**2021**	**2020**
Suppliers		1,961,769	884,870	42,361	33,250
Related parties	25	1,123,915	598,291	1,268,226	676,983
Total		**3,085,684**	**1,483,161**	**1,310,587**	**710,233**

The balances of suppliers and related parties mainly correspond to the item “Accounts payable for sugar, ethanol and natural gas purchases".

The exposure of the Company to liquidity risks related to accounts payable to suppliers and other accounts payable, is disclosed in Note 23.

19 Loans and financing and lease liabilities

a. Loans and financing

This note provides information on contract terms of loans bearing interest, which are measured at the amortized cost. For more information on the Company's exposure to interest, foreign currency and liquidity risks, see Note 23.

Description	**Currency**	**Index**	**Average annual interest rate**	**Year of maturity**	**Consolidated**		**Parent company**	
					2021	**2020**	**2021**	**2020**
Direct External Borrowing	EUR	Prefixed rate	0.73%	2021–2023	298,091	-	298,091	-
Direct External Borrowing	US$	Prefixed rate	2.37%	2022–2023	573,523	-	573,523	-
Direct External Borrowing	US$	Pre-fixed rate/Libor	1.71%	2021–2022	427,521	351,855	427,521	351,855
Working capital	US$	Pre-fixed rate/Libor	3.51%	2021–2024	788,159	252,406	-	252,406
NCE - Export Credit Note	US$	Pre-fixed rate/Libor	1.71%	2021–2024	228,106	629,483	-	629,483
BNDES-FINEN	R$	Prefixed rate	2.50%	2021–2022	1,135	999,953	-	-
BNDES-FINEN	R$	Pre-fixed rate/TJLP	7.87%	2021–2024	30,798	333,416	-	333,416
BNDES-FINEN	R$	TJLP	6.12%	2021–2024	132	1,514	-	-
CCB - Bank Credit Bill	R$	CDI	6.92%*	2020	-	142,121	-	142,121
CDCA - Agribusiness credit receivables certificate	R$	Prefixed rate	6.49%*	2020–2023	-	208,224	-	-
CDCA - Agribusiness credit receivables certificate	R$	Fixed rate/CDI	4.79%*	2021–2027	2,799,405	44,547	2,799,405	-
CDCA - Agribusiness credit receivables certificate	R$	CDI	3.48%*	2021–2025	544,427	174	544,427	-
CRA - Certificate of Agribusiness receivables	R$	CDI	6.39%*	2020	-	2,253,673	-	2,253,673
NCE - Export Credit Note	R$	CDI	7.20%*	2021–2022	335,512	363,612	335,512	322,858
NCE - Export Credit Note	R$	Fixed rate/CDI	10.05%*	2019–2021	-	519,870	-	519,870
Total loans and financing					**6,026,809**	**6,100,848**	**4,978,479**	**4,805,682**
Current liabilities					**1,175,561**	**1,186,867**	**1,038,552**	**842,624**
Non-current liabilities					**4,851,248**	**4,913,981**	**3,939,927**	**3,963,058**

(*) Including operating costs.

Terms and schedule of debt amortization

Terms and conditions of outstanding loans are as follows:

Consolidated	**2021**		**2020**	
	Book value	**Fair value**	**Book value**	**Fair value**
Working capital (in US$)	788,159	788,159	999,953	999,952
Foreign direct loan (in USD and EUR)	1,299,135	1,111,340	1,512,965	1,450,085
Export credit note (in US$)	228,106	191,003	208,224	192,997
BNDES - FINEM	32,065	32,065	46,235	46,235
CCB - Bank Credit Bill	-	-	252,406	252,104
CDCA - Agribusiness credit receivables certificate	3,343,832	3,566,257	2,395,794	2,399,467
CRA - Certificates of Agribusiness receivables	-	-	351,855	351,634
Export credit note	335,512	334,703	333,416	341,605
Total	**6,026,809**	**6,023,527**	**6,100,848**	**6,034,079**

Parent company	**2021**		**2020**	
	Book value	**Fair value**	**Book value**	**Fair value**
Foreign direct loan (in USD and EUR)	1,299,135	1,111,340	1,472,211	1,417,712
CCB - Bank Credit Bill	-	-	252,406	252,104
CDCA - Agribusiness credit receivables certificate	3,343,832	3,566,257	2,395,793	2,399,467
CRA - Certificates of Agribusiness receivables	-	-	351,855	351,634
Export credit note	335,512	334,703	333,416	341,605
Total	**4,978,479**	**5,012,300**	**4,805,681**	**4,762,522**

Maturities of the principal and interest of borrowings as of March 31, 2021

	Consolidated	**Parent company**
Up to 06 months	346,994	217,052
06–12 months	828,567	821,500
01–02 years	2,850,271	2,344,874
02–05 years	1,975,977	1,570,053
05–06 years	25,000	25,000
Total	**6,026,809**	**4,978,479**

The Company and its subsidiaries have non-financial covenants in loan and financing agreements in effect which were complied with. There are no agreements in force with restrictive clauses (covenants), except for Eco-Energy, related to financial indicators.

Guarantees

Guarantees are provided on contracting of bank credit facilities needed to maintain parent company and subsidiaries' cash balance, however, there are guarantees received and granted to the related party. Of the amount presented above,
R$ 5,309,637 is guaranteed by the related party - Cooperative (refer to Note 25).

(i) Reconciliation of equity changes with cash flows from financing activities:

Consolidated	**Bank loans**
2019	**5,197,788**
Loans and financing obtained	3,330,066
Payments of loans and financing	(3,030,870)
Total changes in financing cash flows	**299,196**
Other changes	
Interest and exchange rate on loans and financings	934,365
Interest paid on loans and financing	(325,180)
Other changes	(5,321)
Other change total	**603,864**
2020	**6,100,848**
Loans and financing obtained	2,874,655
Payments of loans and financing	(3,013,584)
Total changes in financing cash flows	**(138,929)**
Other changes	
Interest and exchange rate on loans and financings	286,727
Interest paid on loans and financing	(215,134)
Other changes	(6,703)
Other change total	**64,890**
2021	**6,026,809**

Parent company	**Bank loans**
2019	**4,358,165**
Loans and financing obtained	2,520,354
Payments of loans and financing	(2,353,836)
Total changes in financing cash flows	**166,518**
Other changes	
Interest and exchange rate on loans and financings	602,706
Interest paid on loans and financing/lease	(321,599)
Other changes	(108)
Other change total	**280,999**
2020	**4,805,682**
Loans and financing obtained	1,577,422
Payments of loans and financing	(1,557,482)
Total changes in financing cash flows	**19,940**
Other changes	
Interest and exchange rate on loans and financings	307,730
Interest paid on loans and financing/lease	(154,873)
Other change total	**152,857**
2021	**4,978,479**

b. Lease liabilities

The Company leases the following assets:

The area located in Santos Port of approximately 50,392 square meters is used to store and export bulk goods, where its facilities are built by means of a concession contract up to 2036.

Equipment for storage and handling of products (wheel loaders and tractors) used at the Transshipment Terminals in Ribeirão Preto-SP and São José do Rio Preto-SP, as well as at the Sugar Export Terminal in Santos-SP.

Waste cleaning and suction equipment (suction truck and sweeper truck) used in the Sugar Export Terminal in Santos-SP.

Property comprising two floors of the undertaking called Condomínio WT Morumbi in São Paulo-SP, with a total area of 3,059 square meters, intended for the Company’s administrative activities, effective until 2029.

Through its indirect subsidiary Eco-Energy, the Company is the lessee of equipment for ethanol and gasoline storage and moving (tank-cars, trucks, railroad wagons, tanks and transshipment equipment), and office equipment; it also rents a property in the city of Franklin, TN, USA, for administrative purposes.

The discount rates for the property in the Parent Company is 7.81%, and 9.31% and 7.81% for machinery and equipment in Santos. At the subsidiary Eco-Energy, the discount rates are as follows: 8% - real estate; 6% - wagons; 7% - warehouses; and 6% of machinery and equipment.

Parent company	Minimum future payments of leases	Interest	Present value of minimum lease payments
2021			
< 1 year	2,932	1,303	1,629
1–5 years	11,727	3,814	7,913
>5 years	9,529	1,062	8,467
Total	**24,188**	**6,179**	**18,009**

Consolidated	Minimum future payments of leases	Interest	Present value of minimum lease payments
2021			
< 1 year	113,548	27,909	85,639
1–5 years	283,279	70,825	212,454
>5 years	217,776	69,407	148,369
Total	**614,603**	**168,141**	**446,462**

20 Taxes and contributions payable

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
ICMS	58,541	40,923	-	-
ISS	1,290	998	35	18
Other	8,330	4,148	-	7
Total Current	**68,161**	**46,069**	**35**	**25**
Total	**68,161**	**46,069**	**35**	**25**

21 Advances from clients

	Note	Consolidated		Parent company	
		2021	**2020**	**2021**	**2020**
Customers domestic market		4,031	24,738	2,736	24,617
Related parties	25	200,332	809,754	-	-
Total		**204,363**	**834,492**	**2,736**	**24,617**

The aforementioned advances of the related party Alvean Sugar S.L., in the amount of R$ 200,332 as of March 31, 2021, are prepayments of products not yet shipped by the Company (R$ 809,754 as of March 31, 2020).

22 Provision for contingencies

Management, based on information from its legal advisors, analyzed the outstanding legal proceedings, and in respect of tax and labor claims previous experience with regards to amounts claimed, recorded provisions for amounts considered sufficient to cover estimated losses from current lawsuits, as follows:

	Consolidated			Parent company	
	Tax	**Labor**	**Total**	**Labor**	**Total**
2019	**16,217**	**4,026**	**20,243**	**628**	**628**
Provisions formed and restatements during the year	40	1,154	1,194	65	65
Provisions used during the year	(3,439)	(618)	(4,057)	(180)	(180)
2020	**12,818**	**4,562**	**17,380**	**513**	**513**
Provisions formed and restatements during the year	14	991	1,005	8	8
Provisions used during the year	-	(1,470)	(1,470)	(392)	(392)
2021	**12,832**	**4,083**	**16,915**	**129**	**129**

In relation to the contingencies presented above, there are judicial deposits for the Consolidated and Parent Company totaling R$ 55,217 and R$ 40,206, respectively as of March 31, 2021 (R$ 55,865 and R$ 39,709 as of March 31, 2020).

The Company has other tax, civil and labor lawsuits and based on the evaluations carried out by legal advisors, they have a risk of possible loss and financial losses were measured in the amount of R$ 117,995 as of March 31, 2021 (R$ 100,993 as of March 31, 2020).

23 Financial instruments

a. Classification of financial instruments and fair value

During the years ended March 31, 2021 and 2020, no reclassification of financial instruments was performed.

Fair value vs. book value

The fair values of the financial assets and liabilities, together with the book values presented in the balance sheet, are as follows:

Consolidated	Book value		Fair value	
	2021	2020	2021	2020
Fair value (a)				
Interest earning bank deposits (Notes 08 and 09)	1,821,049	1,504,242	1,821,049	1,504,242
Inventories	2,341,023	1,454,450	2,341,023	1,454,450
Stock exchange derivative - assets	183,773	18,941	183,773	18,941
Unrealized derivative financial instruments - assets	1,426,623	1,866,338	1,426,623	1,866,338
Stock exchange derivative - liabilities	1	319,894	1	319,894
Unrealized derivative financial instruments - liabilities	1,828,187	1,825,325	1,828,187	1,825,325
Amortized cost				
Bank – checking account	513,016	1,226,503	513,016	1,226,503
Trade accounts receivable	2,510,584	1,478,554	2,510,584	1,478,554
Advances to suppliers	157,807	383,212	157,807	383,212
Other accounts receivable	146,921	160,398	146,921	160,398
Suppliers	3,085,684	1,483,161	3,085,684	1,483,161
Loans and financing	6,026,809	6,100,848	6,023,527	6,034,079
Advances from clients	204,363	834,492	204,363	834,492
Related parties	-	-	-	-
Other accounts payable	166,949	212,086	166,949	212,086

Parent company	Book value		Fair value	
	2021	2020	2021	2020
Fair value (a)				
Interest earning bank deposits (Notes 08 and 09)	1,797,838	1,420,127	1,797,838	1,420,127
Inventories	1,627,023	1,087,067	1,627,023	1,087,067
Stock exchange derivative - assets	128,693	452	128,693	452
Unrealized derivative financial instruments - assets	920,460	953,762	920,460	953,762
Stock exchange operations - liabilities	-	319,893	-	319,893
Unrealized derivative financial instruments - liabilities	1,403,489	1,210,012	1,825,326	1,210,012
Amortized cost				
Bank – checking account	77,750	536,077	77,750	536,077
Trade accounts receivable	754,505	603,288	754,505	603,288
Advances to suppliers	4,863	8,992	4,863	8,992
Other accounts receivable	25,803	56,960	25,803	56,960
Granted loans – related parties	-	5,913	-	5,913
Suppliers	1,310,587	710,233	1,310,587	710,233
Loans and financing	4,978,479	4,805,681	5,012,300	4,762,522
Advances from clients	2,736	24,617	2,736	24,617
Other accounts payable	94,408	113,390	94,408	113,390

(a) the table above provides an analysis of financial instruments that are measured at fair value after first-time recognition, grouped in Level 2 based on the observable level of fair value. The descriptions of the hierarchies are shown in note 3 d.

Fair values are substantially equivalent to book values presented in the balance sheet, except for loans aforementioned.

b. Risk management

The Company, following the best market practices, has a risk management system that identifies, assesses and protects it from financial risks, market risks – such as commodity prices, interest rates and foreign exchange – liquidity risk and operating risk, to which it understands to be exposed due to the nature of its business and operating structure. The Company's Management defines the operating strategies, risk limits and use of capital in the Global Risk Policy and Financial Policy, as well as the rules for monitoring and reporting. Risk management policies are reviewed and approved by the Board of Directors annually.

As part of the Company's governance structure, the Risk Management area reports to the Financial Executive Board, Strategy, Participation and Plant Relationship area and it is responsible for monitoring and reporting the main risks incurred by Copersucar to the business areas, Executive Board and Audit Committee, Risk and Finance Management.

Audit, Risk Management and Finance Committee

The Company is in line with the best Corporate Governance practices. It also has an Audit, Risk Management and Financial Committee that advises the Board of Directors on finance, audit, risk and internal control matters. The Committee is composed of at least three (3) members, all members or appointed members of the Board of Directors and/or Advisory Board and/or appointed by them, elected by the Board of Directors for a term of office of two (2) years, and reelection is permitted. Members meet monthly, and extraordinary calls may be made. Any change in the Risk Global Policy or in the Financial Policies should be recommended by the Committee and approved by the Board of Directors.

The Audit and Internal Controls area is responsible for evaluating the Company's internal control environment and proposing improvements in this environment, when necessary.

Credit risk

It is the risk of Company's financial loss if a client or a counterpart fails to fulfill its contractual obligations arising mainly from trade accounts receivable.

In order to reduce this risk, Copersucar establishes a credit limit for term purchases and for such, adopts the practice of performing a detailed analysis of the equity and financial position of its clients, besides permanently following up their debt balance. The Company has a Credit Committee comprised by the Commercial, Financial and Risk Management that evaluate credit requests. The analyses are valid for up to one year and are basically composed of three parameters: (i) quantitative analysis that includes a careful evaluation of the economic and financial indexes, related to the balance sheets for the last three years; (ii) qualitative analysis that must contain consultations to tax bodies, consultation of restrictive information and payment behavior, client's relevance within the industry in which it operates, time in the market, commercial references; and (iii) analysis of guarantees, examined by Finance and Legal areas and requested under the criteria defined by Management.

(i) *Trade accounts receivable*

Management seeks to mitigate credit risk by monitoring sales financing terms by business segment. The average collection period for the domestic market is 39 days for sugar clients and 15 days for ethanol clients.

Maximum credit risk exposure is substantially focused on financial instruments below:

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Interest earning bank deposits (Notes 08 and 09)	1,821,049	1,504,242	1,797,838	1,420,127
Bank – checking account	513,016	1,226,503	77,750	536,077
Trade accounts receivable	2,510,584	1,478,554	754,505	603,288
Advances to suppliers	157,807	383,212	4,863	8,992
Stock exchange operations	183,773	18,941	128,693	452
Unrealized derivative financial instruments - assets	1,426,623	1,866,338	920,460	953,762
Other accounts receivable	146,921	160,398	25,803	56,960

The interest earning bank deposit operations follow rules established in the financial policy regarding maximum concentration and minimum rating of a financial institution (first line), being then dispersed in several financial institutions classified as investment grade by rating agencies.

Impairment losses

Trade accounts rec mature as follows:

Consolidated	**2021**		**2020**	
	Gross	**Estimated losses**	**Gross**	**Estimated losses**
Not overdue	2,465,777	(1,504)	1,406,085	-
Overdue for 0-30 days	45,551	(21,320)	54,795	(15,010)
Overdue for 31-120 days	10,714	-	23,866	-
> 120 days	11,372	(6)	10,293	(1,475)
Total	**2,533,414**	**(22,830)**	**1,495,039**	**(16,485)**

Parent company	**2021**		**2020**	
	Gross	**Estimated losses**	**Gross**	**Estimated losses**
Not overdue	749,095	(1,504)	601,163	-
Overdue for 0-30 days	2,261	(6)	-	-
> 120 days	4,665	(6)	3,600	(1,475)
Total	**756,021**	**(1,516)**	**604,763**	**(1,475)**

The expense on the formation of estimated credit losses was recorded under "Sales expenses" caption in the statement of income. Whenever provisioned amounts is not expected to be recovered, the amount in this caption is realized against the definite write-off of the receivable, and this provision becomes tax deductible.

Liquidity risk

Liquidity risk is the risk of the Company encountering difficulties in performing the obligations associated with its financial liabilities. The Company's approach in liquidity management is to guarantee that it always has sufficient liquidity to perform its obligations upon maturity, under normal and stress conditions, without causing unacceptable losses or with a risk of sullying the Company's reputation. To this end, the financial policy provides for the minimum cash conditions, instruments allowed for investment and liquidity of these instruments.

We present below the contractual maturities of financial liabilities including payment of estimated interest and excluding, the impact of the negotiation agreements of currencies by the net position.

Consolidated	**Accounting cash flow**	**≤ 6 months**	**6–12 months**	**1–2 years**	**2–5 years**	**>5 years**
2021						
Suppliers	3,085,684	3,085,684	-	-	-	-
Loans and financing	6,026,809	346,994	828,567	2,850,271	1,975,977	25,000
Lease liability	446,462	43,979	41,659	83,622	128,999	148,202
Advance from clients	204,363	204,363	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	1,728,577	905,724	221,390	559,782	41,681	-
- *Swap*	13,133	887	3,111	1,800	7,335	-
- Commodity future	86,477	69,839	-	16,638	-	-
Other accounts payable	166,949	164,876	-	2,073	-	-
2020						
Suppliers	1,483,161	1,483,161	-	-	-	-
Loans and financing	6,100,848	429,293	757,574	1,061,055	3,852,926	-
Lease liability	427,919	40,611	37,041	73,908	134,981	141,378
Advance from clients	834,492	834,492	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	1,369,101	679,204	-	510,592	179,305	-
- *Swap*	298,263	289,831	-	8,432	-	-
- Commodity future	157,961	157,961	-	-	-	-
Other accounts payable	212,086	208,873	-	3,213	-	-

Parent company	**Accounting cash flow**	**≤ 6 months**	**6–12 months**	**1–2 years**	**2–5 years**	**>5 years**
2021						
Suppliers	1,310,587	1,310,587	-	-	-	-
Loans and financing	4,978,479	217,052	821,500	2,344,874	1,570,053	25,000
Lease liability	18,009	799	830	1,758	6,155	8,467
Advance from clients	2,736	2,736	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	1,320,517	497,891	221,162	559,783	41,681	-
- *Swap*	13,133	887	3,111	1,800	7,335	-
- Commodity future	69,839	69,839	-	-	-	-
Other accounts payable	94,408	94,408	-	-	-	-
2020						
Suppliers	710,233	710,233	-	-	-	-
Loans and financing	4,805,682	420,374	422,250	1,046,923	2,916,135	-
Lease liability	16,858	640	664	1,406	6,835	7,313
Advance from clients	24,617	24,617	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	1,048,781	358,884	-	510,592	179,305	-
- *Swap*	8,933	501	-	8,432	-	-
- Commodity future	152,298	152,298	-	-	-	-
Other accounts payable	113,390	97,025	-	16,365	-	-

Market risk

Market risk represents the likelihood of financial losses to which the Company is exposed, resulting from changes in prices and/or market rate, whether they are, volatility on commodities price, foreign exchange or interest rates (domestic or foreign). The purpose of market risk management is to control, monitor and/or mitigate all exposures to these risks so that they remain within acceptable parameters defined by the Board of Directors.

The Company purchases and sells derivatives to hedge its exposures, and meets is financial obligations to properly manage its market risks. All these actions are conducted according to guidelines established in Company's Global Risk Policy which is established by Audit and Risk Committee and approved by the Board of Directors.

(i) Currency risk

The Company is subject to foreign exchange risk deriving from differences in currency in which sales, purchases and loans and investments are denominated and the Company's respective functional currency is real (R$).

The Company uses Over-the-counter Contracts to hedge its currency risk. When necessary, these contracts are renewed on maturity.

Monetary assets and liabilities denominated in foreign currency are managed by their net exposure, through purchase and sale of foreign currency at demand or future rates (forwards), when necessary, substantially for short-term exposures.

Amounts of the Company's main bank loans in USD are hedged using swap contracts, over-the-counter contracts or are offset against assets indexed at the same currency.

Exposure to this type of risk is continuously adjusted along with the Company's normal course of business. Therefore, management of this exposure is a dynamic process conducted through derivative contracts, aiming at carrying out hedge adjustments according to the new need. The use of these derivative contracts is defined every year, at the risk limit pre-established by the Board of Directors and monitored by Executives of the Company and Audit and Risk Committee.

The Company's Global Risk Policy determines that there must be no exposure to foreign exchange risks.

a. Hedge accounting of foreign investment

The Company adopts the Hedge Accounting for Investments abroad, recording the effects of financial instruments (NDF - Non-Deliverable Forwards) designated as hedge against the exchange exposure of its investments abroad (Alvean Spain and Copersucar North America), whose functional currency is the US Dollar, in Other Comprehensive Income under Shareholders' Equity. The balance recorded as of March 31, 2021 is R$ 844,833, reducer of the shareholders' equity (R$ 695,036 as of March 31, 2020).

From the balance mentioned in the previous paragraph, there was no reclassification of shareholders' equity to income (loss) for the year. During the 20/21 crop, the Company reduced the amount of R$ 10,817 recorded in other comprehensive income from Hedge Accounting of investments abroad (R$ 2,736 as of March 31, 2020).

The notional of the object as of March 31, 2021 is R$ 2,075,794 (R$ 2,126,607 as of March 31, 2020).

b. Cash flow hedge

The subsidiary Companhia Auxiliar de Armazéns Gerais has cash flow hedge to cover exposure to changes in the exchange rate of the agreement entered into with Alvean Sugar S.L.

Copersucar S.A. has NDF hedge account against exchange-rate changes with impact on assets and liabilities in foreign currency.

Copersucar S.A. has swap hedge accounting to hedge against its exposure of exchange-rate change in debts in dollar pegged to the Libor interest rate (adoption of CPC 48/IFRS 9, CPC 38/IAS 39 and CPC 40/IFRS 7 on Benchmark Interest Rate Reform mentioned in Note 6 a.), fixed (or not) plus exchange-rate change due to debts in CDI.

On March 31, 2021, the amount of R$ 24,077 was recorded in other comprehensive income of Cash flow hedge (R$ 1,658 as of March 31, 2020).

Foreign exchange exposure

The Company's exposure to foreign currency is substantially linked to changes in the Dollar and Euro rate on the following basis dates:

Consolidated	**2021**	**2020**
Assets		
Cash and cash equivalents	354,750	961,614
Trade accounts receivable	40,556	185,329
Inventories	68	68
Advances to suppliers	-	18,511
Stock exchange operations	128,693	495
Recoverable taxes	1,991	2,467
Other accounts receivable	211,130	308,592
Investments	1,496,484	1,421,646
Liabilities		
Suppliers	(15,162)	(21,874)
Loans and financing	(1,527,242)	(1,721,189)
Advance from clients	(203,825)	(977,112)
Social charges and labor legislation obligations	(65)	(39)
Taxes and contributions payable	(6,986)	(3,303)
Stock exchange operations	(1)	(319,894)
Other accounts payable	(10,917)	(21,302)
Gross exposure of the shareholders' equity	**469,474**	**(165,991)**
Notional derivatives contracted to hedge against the foreign exchange risk	**(318,010)**	**212,959**
Net exposure (a)	**151,464**	**46,968**

Parent company	**2021**	**2020**
Assets		
Cash and cash equivalents	69,388	512,324
Stock exchange operations	128,693	452
Investments	1,496,484	1,421,646
Liabilities		
Suppliers	(187,536)	(105,434)
Loans and financing	(1,299,135)	(1,472,211)
Stock exchange operations	-	(319,893)
Gross exposure of the shareholders' equity	**207,894**	**36,884**
Notional derivatives contracted to hedge against the foreign exchange risk	**(90,146)**	**(31,737)**
Net exposure (a)	**117,748**	**5,147**

(a) The aforementioned exposure amounts of US$ 21,304 (R$ 121,376) refer to the contracting of investment hedge in the crop result of the last month (March 2021) of the subsidiary Copersucar North America. The hedge contracting occurs in the following month, April 2021, when the Subsidiary sends the Report.

Amounts below comprise the Notional balance presented above:

		Consolidated		**Parent company**	
Description	**Maturity**	**2021**	**2020**	**2021**	**2020**
Foreign Exchange NDF (Investment and Goods)	2020–2022	(1,840,587)	(1,504,906)	(1,384,831)	(1,501,231)
Swap Foreign exchange	2022–2024	1,522,577	1,717,865	1,294,685	1,469,494
Total		**(318,010)**	**212,959**	**(90,146)**	**(31,737)**
Exchange NDF (Signed contracts)		**(3,780,489)**	**(5,775,678)**	**(1,695,556)**	**(3,474,567)**
		(4,098,499)	**(5,562,719)**	**(1,785,702)**	**(3,506,304)**

Foreign exchange sensitivity analysis

The Company adopted three scenarios for the sensitivity analysis, being one of them the probable scenario presented below, and two other scenarios that may present the impairment of the Company's financial instruments' fair values.

Probable scenario was internally defined by Market Intelligence area and represents the Company’s expectations on this indicator change over the following 12 months. Possible and Remote scenarios are those proposed by CPC.

Methodology used was the fair value recalculation with each scenario focused on market rate on March 31, 2021 less amounts already recognized, and calculation of income value by which the Company would be affected according to each scenario. The analysis considers that all the remaining variables, especially interest rates, are kept constant.

Consolidated	**Scenarios**		
Foreign exchange risk	**Probable**	**Possible**	**Remote**
Scenarios and price levels	**-4.45% (5.4440 BRL/USD)**	**25% (7.1216 BRL/USD)**	**50% (8.5460 BRL/USD)**
Assets	(99,308)	558,408	1,116,856
Liabilities	78,436	(441,042)	(882,114)
Derivatives	14,139	(79,501)	(159,008)
Total effects	**(6,733)**	**37,865**	**75,734**

Brazilian Real appreciation against currencies above, on March 31, 2021, would have the same effect in the module, but with the opposite result on currencies presented above, considering that all other variables would remain constant.

(i) Commodity price risk

The Company maintains commodity derivatives to minimize income fluctuation caused by recognition of assets and liabilities, and rights and obligations at fair value, evaluated according to commodities' quotation disclosed by Domestic and Foreign stock exchanges (BM&F, ICE/NYBOT, OPIS, PLATTS and LIFFE) and exchange and CEPEA/ESALQ indices. Exposure to this type of risk is continuously adjusted along with the Company's normal course of business. Therefore, management of this exposure is a dynamic process conducted through derivative contracts, aiming at carrying out hedge adjustments according to the new need.

Sugar and ethanol are traded in domestic and foreign markets and sugar sale price is formed by *Sugar #11/ICE* sugar price of the New York Stock Exchange and ethanol price is formed by the CEPEA/ESALQ index. This turns them into the main portfolio risk factors. Net exposure of sugar purchases and sales is managed and hedged by means of *Sugar #11/ICE* derivative financial instruments (future or over-the-counter) referred to the same stock exchange. Regarding ethanol, due to the lack of net derivative financial instruments for hedge, its exposure is managed/monitored so as to limit is exposure to the price change risk. Monitoring of exposure and risks is carried out through limits pre-established by the Board of Directors.

Gains or losses originated from these hedging instruments are recorded in income for the year.

To minimize the risk and volatility effects of the changes in commodity prices, particularly related to ethanol, natural gas and other commodities, the subsidiary Eco-Energy uses several derivative financial instruments, including futures traded in stock exchanges or over-the-counter, swaps and option contracts. Eco-Energy monitors and manages this exposure following its risk management global policy. As such, the Company seeks to reduce the potentially negative effects that the volatility of these markets may have on its operating income (loss).

Commodities risk

Consolidated	**Volume**		**Notional**	
	2021	**2020**	**2021**	**2020**
Forward contracts				
Long position				
Goods				
Sugar (tons)	6,902,710	8,446,561	501,907	559,798
Ethanol (m3)	2,052,998	3,255,259	5,291,645	4,960,927
Corn (bushel)	209,463	194,503	1,691,464	919,070
RIN (gallon per RIN)	13,020	152,878	75,396	436,054
LCFS (credit unit)	25	-	28,045	-
Natural gas (mmbtu)	252,352	220,902	2,056,400	1,269,332
Total			**9,644,857**	**8,145,181**
Future contracts (Forward)				
Short position				
Goods				
Sugar (ton)	(6,848,362)	(8,377,393)	(528,368)	(597,126)
Ethanol (m3)	(2,245,649)	(3,499,571)	(6,070,512)	(5,930,640)
Gasoline (m3)	-	-	-	-
Corn (bushel)	(266,145)	(161,385)	(2,421,682)	(1,071,827)
RIN (gallon per RIN)	(11,930)	(159,876)	(70,241)	(619,612)
LCFS (credit unit)	(15)	-	(16,152)	-
Natural gas (mmbtu)	(275,865)	(183,374)	(2,723,632)	(1,456,988)
Total			**(11,830,587)**	**(9,676,193)**

The Company uses basically two categories of price instruments to control commodities' exposure:

a. Futures derivative contracts negotiated directly by the Company in Stock Exchange (ICE/NYBOT) or over-the-counter with prime financial institutions, including NDF (*Non-Deliverable Forward*). Although the policy permits to operate with other financial instruments, considering certain restrictions, currently the Company does not holder them in its portfolio.

b. Forward contracts traded directly with clients and suppliers.

Fair value of futures and options derivative contracts in stock exchange is equivalent to market value for reversal of such positions. Transactions conducted in stock exchange environment need to have initial margins available and adjustments are made on a daily basis.

For over-the-counter contracts, measurement at fair value is given by market values, through public information. This measurement follows usual market models and is monthly calculated both by the Company and by banks that intermediate transactions. For these contracts, margin calls are not needed. The impact on the Company's cash flow only occurs on the settlement date of the contracts.

Measurement at fair value of forward contracts with customers and suppliers is carried at the market price on basis date. To determine market prices, the same setting indicators are used, that is Sugar #11/ICE quotations for sugar contracts. For each future contract of AA (*Against Actuals*), SEO (*Seller Execution Order*) and BEO (*Buyer Execution Order*) types, there is a physical contract with the same price and volume variables.

Forward contracts include balances related to the Supply Agreement with the Cooperative (see note 25) as well as balances related to sales to the foreign and domestic market. These volumes represent contract portion whose price is already defined according to pricing methodology of the respective contract. The calculation also considers the assumptions of pure change in FOB prices (freight costs and increases), which are adjusted to the base price of the contract, aiming to leave it on the same basis as the market price to be used.

Sensitivity analysis for commodities risk

The Company adopted three scenarios for the sensitivity analysis, being one of them the probable scenario presented below, and two other scenarios that may present the impairment of the Company's financial instruments' fair values.

Probable scenario was internally defined by Market Intelligence area and represents the Company’s expectations on this indicator change over the following 12 months. The assumption adopted is the percentage of the market price for sugar and ethanol commodities in relation to the probable scenario. The scenarios: Possible and Remote scenarios are those proposed by CVM Instruction 475.

Used methodology was to recalculate fair value with the change of each scenario on market rate as of March 31, 2021.

	Scenarios		
Commodities price risk - *Sugar*	**Probable**	**Possible**	**Remote**
Scenarios and price levels	***5.6%***	***-25.0%***	***-50.0%***
Non-derivative	229,444	(1,038,907)	(2,066,399)
Derivatives	(221,023)	995,278	1,990,557
Total effects	**8,421**	**(43,629)**	**(75,843)**

	Scenarios		
Commodities price risk - *Ethanol*	**Probable**	**Possible**	**Remote**
Scenarios and price levels	***16.4%***	***-25.0%***	***-50.0%***
Non-derivative	(4,713)	7,171	14,341
Derivatives	14,655	(22,297)	(44,593)
Total effects	**9,942**	**(15,126)**	**(30,252)**

Due to this commodity (sugar) quotation behavior seasonality, this scenario is subject to changes during the year/crop.

(i) Interest rate risk

The Company's debt is linked to fixed and floating rates, therefore, it is exposed to interest rate fluctuations. CDI exposure risk is partially offset by financial investments.

The purpose of managing the Company's total financial cost is to make its financial costs be in line with those practiced in the market, considering entities of similar size.

Fixed rate instruments
The Company does not record any fixed interest rate financial assets or liabilities at fair value through profit or loss. Therefore, a change in the interest rates on the reporting date would not change income (loss).

Variable rate instruments

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Financial assets	1,821.049	1,504,217	1,797,838	1,420,101
Financial liabilities	5,154,060	5,073,729	4,106,865	3,820,832

The Company does not perform sensitivity analysis for financial instruments linked to interest variable rates, as it considers that they are partially mitigated by financial assets.

Gains (losses) with unrealized derivative financial instruments
Summary of gains (losses) recorded on March 31, 2021 and 2020 that affected balance sheet, and amounts that affected the Company's accumulated income (loss) on those dates:

Consolidated	**2021**			**2020**		
	Effects on the balance sheet		**Effects on income (loss)**	**Effects on the balance sheet**		**Effects on income (loss)**
	Assets	**Liabilities**		**Assets**	**Liabilities**	
Commodities	829,746	86,477	(1,374,286)	854,950	157,961	181,032
	829,746	86,477	(1,374,286)	854,950	157,961	181,032
Non deliverable forwards	363,236	1,728,577	28,421	399,296	1,369,101	160,955
SWAP	233,641	13,133	(126,625)	612,092	298,263	24,095
	596,877	1,741,710	(98,204)	1,011,388	1,667,364	185,050
Total	**1,426,623**	**1,828,187**		**1,866,338**	**1,825,325**	
Current	**1,224,277**	**1,200,950**		**1,730,940**	**1,121,333**	
Non-current	**202,346**	**627,237**		**135,398**	**703,992**	

Parent company	**2021**			**2020**		
	Effects on the balance sheet		**Effects on income (loss)**	**Effects on the balance sheet**		**Effects on income (loss)**
	Assets	**Liabilities**		**Assets**	**Liabilities**	
Commodities	682,450	69,839	(1,183,184)	845,038	152,298	71,158
	682,450	69,839	(1,183,184)	845,038	152,298	71,158
Non deliverable forwards	41,107	1,320,517	109,195	194	1,048,781	60,415
SWAP	196,903	13,133	(115,174)	108,530	8,933	(12,082)
	238,010	1,333,650	(5,979)	108,724	1,057,714	48,333
Total	**920,460**	**1,403,489**		**953,762**	**1,210,012**	
Current	**774,469**	**792,890**		**845,232**	**511,683**	
Non-current	**145,991**	**610,599**		**108,530**	**698,329**	

Operating risk
Non-financial operating risk is the risk of direct or indirect losses arising from different causes related to the Company's business processes, personnel, technology and infrastructure and external factors, as those arising from legal and regulatory requirements and from generally accepted corporate behavior standards.

The purpose of the Company is to monitor possible operating risks and mitigate financial losses and damages to reputation and business continuity, thus seeking cost effectiveness and avoiding non-effective control procedures.

Capital management
Management’s policy is to maintain capital basis sufficient to maintain investor, creditor and market trust. The main objective is future development of business.

The Company operates with several financial instruments, as follows: interest earning bank deposits, receivables from clients, payables to suppliers and loans and financing. Transactions with derivative financial instruments contracted to hedge against market volatility, as well as forward merchandise purchase and sale transactions with Cooperative and clients, are also part of financial instruments’ portfolio. The following hedging instruments are used for this purpose: Exchange swap, transactions with NDF - *Non-Deliverable Forwards*, futures and options of commodities and currency.

24 Contractual commitments

Sales

Considering that the Company operates mainly in the commodities market, sales are substantially made at the sales date price. However, most contracts are short-term contracts. As of March 31, 2021, sugar contracted volume is 4,853 thousand tons (3,298 thousand tons on March 31, 2020) and ethanol contracted volume is 2,447 thousand m^3 as of March 31, 2021 (3,004 thousand m^3 on March 31, 2020).

Purchasing

In accordance with the contract entered into by the Company and its related party - Cooperative, committed volumes on March 31, 2021 were 5,382 thousand tons of sugar (3,529 thousand tons as of March 31, 2020) and 4,385 thousand m^3 of ethanol (4,987 thousand m^3 as of March 31, 2020).

Logistics

The Company has strategic partnerships for the provision of railroad transportation services with the following suppliers:

América Latina Logística - ALL

Provision of sugar transportation services in wagons of ALL railroad to Santos Port terminal (São Paulo State - SP), maturing in 2028;

Ethanol transportation through ALL railroads with destination indicated by Copersucar. This contract effectiveness follows ALL railroad concessions.

Ferrovia Centro Atlântica - FCA

Transportation of sugar from Ribeirão Preto (SP) terminal to Santos Port (SP) terminal, maturing in 2026.

25 Related parties

Parent company and part of the final parent company

The Company's final controlling parties are the following groups:

Shareholders – Group	CNPJ [EIN]:	Quantity of common shares	Quantity of preferred shares	Total shares	% Interest
Açucareira Quatá S.A.	60.855.574/0001-73	165,760,285	3	165,760,288	12.29%
Pedra Agroindustrial S.A.	71.304.687/0001-05	156,917,717	1	156,917,718	11.64%
COCAL - Comércio e Indústria Canaã Açúcar e Álcool Ltda.	44.373.108/0001-03	122,364,254	1	122,364,255	9.08%
Ipiranga Agroindustrial S.A.	07.280.328/0001-58	97,159,638	2	97,159,640	7.21%
Usina Santa Adélia S.A.	50.376.938/0001-89	71,887,371	1	71,887,372	5.33%
Viralcool Açúcar e Álcool Ltda.	53.811.006/0001-05	67,586,331	1	67,586,332	5.01%
Usina Açucareira S. Manoel S.A.	60.329.174/0001-24	61,357,594	1	61,357,595	4.55%
Treasury shares	10.265.949/0001-77	59,280,800	9	59,280,809	4.41%
Usina São José da Estiva S.A. - Açúcar e Álcool	53.172.300/0001-14	50,621,637	1	50,621,638	3.75%
Ferrari Agroindústria S.A.	54.846.951/0001-05	48,844,416	1	48,844,417	3.62%
Usina Santo Antônio S.A.	71.324.784/0001-51	47,069,027	1	47,069,028	3.49%
Usina Cerradão Ltda.	08.056.257/0001-77	42,506,589	1	42,506,590	3.15%
Companhia Melhoramentos Norte do Paraná	61.082.962/0001-21	40,576,292	2	40,576,294	3.01%
Usina São Luiz S.A.	53.408.860/0001-25	36,226,182	1	36,226,183	2.69%
Pitangueiras Açúcar e Álcool Ltda.	44.870.939/0001-82	35,951,225	1	35,951,226	2.67%
UMOE Bioenergy S.A.	03.445.208/0001-02	33,953,264	1	33,953,265	2.52%
Companhia Agrícola Usina Jacarezinho	61.231.478/0001-17	33,151,484	1	33,151,485	2.46%
Usina Açucareira Furlan S.A.	56.723.257/0001-26	32,611,459	1	32,611,460	2.42%
Caçu Comércio e Indústria de Açúcar e Álcool Ltda.	07.996.345/0001-96	28,865,819	1	28,865,820	2.14%
Usina Uberaba S.A.	07.674.341/0001-91	26,892,037	1	26,892,038	1.99%
Pioneiros Bioenergia S.A.	51.096.477/0001-53	24,463,118	1	24,463,119	1.81%
J. Pilon S.A. - Açúcar e Álcool	47.254.396/0001-67	23,125,423	1	23,125,424	1.72%
Usina Santa Lúcia S.A.	44.207.249/0001-48	20,142,464	1	20,142,465	1.49%
Usina São Francisco S.A.	71.324.792/0001-06	10,693,314	1	10,693,315	0.79%
Irmãos Toniello Ltda.	71.321.566/0001-63	10,288,139	1	10,288,140	0.76%
		1,348,295,879	**37**	**1,348,295,916**	**100.00%**

Remuneration of key management staff

The Company's key personnel are the president of the Board of Directors, the Executive president and officers of the following areas: Commercial and Operations, Financial, Strategy. Interests and Relationships with Plants, Legal and Governance and Human Resources areas.

Remuneration of key management personnel includes:

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Short-term employee benefits (a)	9,100	9,086	9,100	9,086
Post-employment benefits	2,046	2,282	2,046	2,282
Total	**11,146**	**11,368**	**11,146**	**11,368**

(a) Includes salaries, compensation, short- and long-term benefits and post-employment benefits.

Other related party balances

	Note	Consolidated 2021	Consolidated 2020	Parent company 2021	Parent company 2020
Current assets					
Accounts receivable					
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP		181,061	60,650	181,062	61,029
Companhia Auxiliar de Armazéns Gerais		-	-	778	778
Copersucar Trading A.V.V.		-	-	8,393	-
Alvean Sugar Intermediação e Agenciamento Ltda.		226	193	226	193
Alvean Sugar S.L.		18,607	19,763	-	6,686
Terminal de Combustíveis Paulínia		99	217	99	217
Copersucar Europe S.A		-	-	100,664	24,642
Total	**9**	**199,993**	**80,823**	**291,222**	**93,545**
Dividends receivable					
Companhia Auxiliar de Armazéns Gerais		-	-	3,140	6,336
Total		**-**	**-**	**3,140**	**6,636**
Advance to suppliers					
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP		112,920	327,116	-	-
Total		**112,920**	**327,116**	**-**	**-**
Non-current assets					
Granted loans and others					
Sugar Express Transportes S.A.		-	-	-	5,913
		-	**-**	**-**	**5,913**
Current liabilities					
Suppliers					
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP		1,121,850	595,986	1,121,849	595,987
Copersucar Trading A.V.V.		-	-	80,312	80,312
Terminal de Combustíveis Paulínia		195	450	195	450
Companhia Auxiliar de Armazéns Gerais		-	-	-	234
Copersucar Europe S.A		-	-	65,855	-
Logum Logística S.A.		15	-	15	-
Alvean Sugar S.L.		1,855	1,855	-	-
Total	**17**	**1,123,915**	**598,291**	**1,268,226**	**676,983**
Advances from clients					
Alvean Sugar S.L.	**20**	200,517	809,754	-	-

Other related party transactions

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Value of the transaction for the year				
Sale of goods				
Copersucar Europe	-	-	513,676	321,752
Alvean Sugar S.L.	5,420,117	2,348,939	-	-
Total	**5,420,117**	**2,348,939**	**513,676**	**321,752**
Sale of services				
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP	5,046	2,301	-	-
Alvean Sugar Intermediação e Agenciamento Ltda.	2,508	4,126	2,508	4,126
Alvean Sugar S.L.	140,955	92,823	-	23,264
Logum Logistica S.A.	1,872	68,453	1,872	68,453
Total	**150,382**	**167,703**	**4,380**	**95,843**
Product acquisition				
Copersucar Trading A.V.V.	-	-	-	(51,523)
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP	(16,070,198)	(12,100,923)	(11,268,458)	(10,264,533)
Total	**(16,070,198)**	**(12,100,923)**	**(11,268,458)**	**(10,316,056)**
Acquisition of Services				
Terminal de Combustíveis Paulínia	(2,163)	(1,992)	(2,163)	(1,992)
Companhia Auxiliar de Armazéns Gerais	-	-	(2,746)	(5,622)
Logum Logistica S.A.	(7,796)	(2,731)	(7,796)	(2,731)
Total	**(9,959)**	**(4,723)**	**(12,705)**	**(10,344)**
Financial – Interest receivable				
Sugar Express Transportes S.A.	-	-	123	393
Total	**-**	**-**	**123**	**393**

Related-party transactions are transactions carried out between the Parent company and its direct and indirect subsidiaries or other related parties (Cooperative) and refer basically to:

- ***Sale/Acquisition of assets and services*** – Products (sugar and ethanol) purchase and sale transactions and port services traded in accordance with contract entered into by the parties, at conditions similar to those agreed on with third parties, considering volumes, involved risks and corporate policies.

  At the year-end, the subsidiary Companhia Auxiliar de Armazéns Gerais recorded accounts receivable in the amount of R$ 7,052 as "Take or Pay" with the client Alvean Sugar S.L., a contractual modality where we charge a penalty for non-compliance with the expected crop increase amount, since it provides an operational structure to meet the volumes contracted by clients.

- ***Asset amounts*** - Sale of products and services; rent of properties; and transfer of shared expenses.

- ***Liability amounts*** - Purchase of products and services.

Supply contract with Cooperative

The Company has exclusivity agreements, a three-year term, being renewed each crop year.

Guarantee of products supply is linked to continuity of contract with Cooperativa. The contract also guarantees access to certain facilities that are essential to carry out the Company's business, such as those intended for storage of ethanol and sugar deriving from Cooperativa and associated plants. Prices practiced in this contract are related to CEPEA/ESALQ index.

Pursuant to the contract, guarantors of sugar and ethanol sale transactions are plants associated to Cooperativa.

Sugar supply agreement for Alvean Sugar S.L.

The Company has a sugar supply agreement through its subsidiary Copersucar Europe with Alvean Sugar S.L., effective as from October 2014, with no established termination term.

The agreement aims at guaranteeing the supply of sugar from Copersucar Europe à Alvean Sugar S.L., where the parties agreed that Copersucar Europe undertakes to sell exclusively to Alvean, and it undertakes to purchase 100% of the production quota in each crop year. Prices practiced in this contract are related to CEPEA/ESALQ index (equivalents in USD).

Contract for provision of services with Terminal de Combustíveis Paulínia S.A.

The Company has a contract for the provision of services, reception, storage and handling of liquid bulk in tanks with Terminal de Combustíveis Paulínia S.A. The products aimed at Terminal de Combustíveis de Paulínia are anhydrous and hydrated.

The term of Company's contract with Terminal de Combustíveis Paulínia is up to August 2021, effective as of March 23, 2019.

Guarantees or collateral signatures received from related parties

Loans and financing listed below are collateralized by related party Cooperativa:

Borrower	Type of financing	Maturity	2021	
Cia. Auxiliar de Armazéns Gerais S.A.	NCE - Export Credit Note (in USD)	2021–2024	228,106	(2)
Cia. Auxiliar de Armazéns Gerais S.A.	BNDES - FINEM	2021–2024	32,065	(1)
Copersucar S.A.	Foreign direct loan (in US$)	2021–2022	725,613	(2)
Copersucar S.A.	Foreign direct loan (in US$)	2021–2023	573,523	(1)
Copersucar S.A.	CDCA - Agribusiness credit receivables certificate (In BRL)	2021–2025	3,343,832	(4)
Copersucar S.A.	NCE - Export Credit Note (In BRL)	2021–2022	335,512	(3)
Copersucar North America	Working capital (in US$)	2021–2024	70,986	(2)
Total			**5,309,637**	

(1) Promissory Note (120%) and Cooperative as Guarantor

(2) Promissory Note (100%) and Cooperative as Guarantor

(3) Aval of Cooperative / Guarantee Sugar Pledge

(4) CPR (Rural Product Bill) issued by Cooperative as a guarantee

26 Shareholders' equity

The Company's paid-in capital is R$ 947,847 on March 31, 2021, represented by 1,348,295,916 shares, and 1,348,295,879 are common shares and 37 preferred shares, all of them nominative, registered and with no par value.

The Company is authorized to increase its capital stock up to the limit of R$ 2,500,000, by resolution of Board of Directors, regardless of any amendment to its bylaws.

The Company's management is proposing an increase in the Company's capital within the authorized capital limit, from R$ 947,847 to R$ 1,189,435, of which (i) R$ 241,058 with the issuance of new shares, referring to the additional capital contribution from Shareholders; and (ii) realization of deemed cost of R$ 530, without issuing new shares. Both will be submitted for approval at a board meeting to be held as of June 29, 2021.

Legal reserve

It is set up at the rate of 5% of the net income determined in each financial year, pursuant to article 193 of Law 6404/76 up to the limit of 20% of the capital.

Equity valuation adjustment

The reserve for equity valuation adjustments includes:

- Adjustments for the adoption of deemed cost of property, plant and equipment on the transition date;
- Reflexive accumulated translation adjustment includes foreign currency differences deriving from the translation of financial statements of foreign operations;
- Adjustment of hedge accounting of investment abroad, as described in Note 23 (item i a); and
- adjustment of the cash flow hedge as described in Note 23 (item i b).

The amounts recorded in adjustments to asset valuation are reclassified to the result for the year wholly or partially, through asset impairment to which they refer.

Proposal for allocation of income for the year 2021

Net income for the year	**375,434**
Subsidiary's prior year adjustments (Note 5)	(54,324)
Net income	**321,110**
Legal reserve	**(16,056)**
Income distributable	**305,053**
- Minimum mandatory dividends (1%)	(3,051)
- Additional dividend proposed	(302,002)

27 Operating revenue

Revenue flows

The Company generates revenue mainly from sale of products (sugar and ethanol) and their delivery to client.

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Sales of goods	39,562,419	29,564,664	11,144,638	10,347,194
Rendering of services	468,480	364,062	148,259	198,874
Total	**40,030,899**	**29,928,726**	**11,292,897**	**10,546,068**

We present below the reconciliation between gross revenue and revenues presented in the statement of income for the year:

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Tax gross revenue	42,330,979	31,334,166	12,606,857	11,834,109
Less:				
Sales tax	(1,216,483)	(1,295,141)	(1,216,479)	(1,295,137)
Sales taxes	(32,478)	(29,624)	(15,186)	(16,384)
Returns/rebates	(20,748)	(6,723)	(20,748)	(6,721)
	41,061,270	**30,002,678**	**11,354,444**	**10,515,867**
Realized derivative financial instrument	(1,030,371)	(73,952)	(61,547)	30,201
Total	**40,030,899**	**29,928,726**	**11,292,897**	**10,546,068**

Breakdown of revenue from contracts with clients

The following table presents the breakdown of revenue per category of products and services.

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Breakdown per category of products				
Ethanol	18,361,286	19,814,470	7,672,937	8,158,357
Natural gas	12,619,132	5,062,285	-	-
Sugar	8,438,135	4,122,030	3,533,248	2,158,634
RIN_LCFS (registration of renewable fuel)	1,125,713	622,039	-	-
Gasoline	33,759	17,792	-	-
Corn	14,766	-	-	-
Realized derivative financial instrument	(1,030,371)	(73,952)	(61,547)	30,202
Total revenue from products	**39,562,419**	**29,564,664**	**11,144,638**	**10,347,193**
Breakdown per rendering of services				
Rendering of services	468,480	364,062	148,259	198,875
Total revenue from services	468,480	**364,062**	**148,259**	**198,875**
Total	**40,030,899**	**29,928,726**	**11,292,897**	**10,546,068**

28 Expenses per type

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Cost of products, except freights, transshipment and storage	(37,998,612)	(29,019,793)	(10,246,241)	(10,249,069)
Change in inventories' fair values	491,813	(176,563)	349,204	(88,826)
Depreciation and amortization	(176,664)	(161,902)	(6,290)	(3,255)
Personnel expenses	(295,211)	(209,518)	(101,616)	(68,420)
Freights, transshipment, warehousing and shipping expenses	(40,603)	(75,758)	(17,300)	(17,382)
Other expenses	(155,859)	(145,992)	(30,044)	(39,782)
Total	**(38,175,136)**	**(29,789,526)**	**(10,052,287)**	**(10,466,734)**
Classified as:				
Cost of sales	(37,767,907)	(29,440,434)	(9,896,240)	(10,337,838)
- Administrative	(346,939)	(253,917)	(126,310)	(97,993)
- Sales	(60,290)	(95,175)	(29,737)	(30,903)
Total	**(38,175,136)**	**(29,789,526)**	**(10,052,287)**	**(10,466,734)**

29 Other operating revenues

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Purchase Gain – Stone Mountain	-	30,632	-	-
Legal provisions	1,409	4,488	386	666
Property Rental	51,003	49,320	711	614
Other revenues from services	1,157	3,279	1,157	3,279
Premium for shipment anticipation (Dispatch)	831	259	-	-
Interest gain / Sale of goods (a)	32,619	711	168	266
Other	345	4,350	50	317
Total	**87,364**	**93,039**	**2,472**	**5,142**

(a) On October 30, 2020, the subsidiary Eco Energy entered into a purchase agreement to sell its terminal assets located in Alexandria, VA. The sale included the right, title and interest in all of the Company's assets and property relating to business operations at the Norfolk Southern Railway facilities. The Company recorded a gain on the sale of assets of US$ 6,007 (R$ 31,867).

30 Other operating expenses

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Expenses with ship stay in port (Demurrage)	(23,010)	(26,800)	-	-
Brokerage/rates	(17,778)	(17,499)	(4,011)	(5,385)
Donations	(851)	(1,549)	(9)	(47)
Labor legal claim	(943)	(1,625)	(2)	(551)
PIS and COFINS on other revenues	(2,632)	(3,837)	(2,540)	(3,803)
Impairment (Note 17)	-	(55,751)	-	-
Other	(12,321)	(9,108)	(915)	(3,546)
Total	**(57,535)**	**(116,169)**	**(7,477)**	**(13,332)**

31 Net financial income (loss)

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Financial revenues				
Transactions with derivative asset	13,355,495	3,705,310	604,602	608,682
Foreign-exchange income	1,140,558	1,045,920	336,452	533,602
Asset interest	39,861	77,720	36,419	71,403
	14,535,914	**4,828,950**	**977,473**	**1,213,687**
Financial expenses				
Transactions with derivative liabilities	(13,014,920)	(3,212,265)	(304,043)	(244,163)
Foreign exchange costs	(1,372,441)	(1,485,012)	(541,387)	(864,552)
Liability interest	(250,487)	(309,720)	(197,998)	(262,600)
Financial charges on lease liability	(30,188)	(28,140)	(1,373)	(107)
Bank fees	(15,650)	(15,078)	(7,084)	(10,026)
Other financial expenses	(4,061)	(3,783)	(3,792)	(3,492)
	(14,687,747)	**(5,053,998)**	**(1,055,677)**	**(1,384,940)**
Total net financial income	**(151,833)**	**(225,048)**	**(78,204)**	**(171,253)**

A substantial portion of the amounts presented in the captions foreign exchange gains and losses is related to the Company's hedge policies and respective hedged counterparties are presented in Net Sales and Cost of Sales following the accounting policies in force.

32 Expense with income tax and social contribution

The reconciliation between the tax expense as calculated by the combined statutory rates and the income tax and social contribution expense charged to net income is presented below:

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Income before income tax and social contribution	438,148	146,045	355,296	115,051
Combined statutory rate	34%	34%	34%	34%
Income tax and social contribution:				
Calculated at combined statutory rate	(148,969)	(49,655)	(120,800)	(39,118)
Permanent additions/exclusions:				
Equity in net income of subsidiaries	26,750	25,157	129,566	48,961
Transfer price adjustment	(611)	-	(611)	-
Fines	(1)	(1,755)	-	(1,729)
Donations/Sponsorship	26	(238)	(3)	(136)
Change in interest	-	-	-	-
Other	(3,738)	(17,064)	(189)	(955)
Differential of tax rate Copersucar North America	57,000	19,778	-	-
Deferred in prior year	-	-	-	-
Overseas earnings	8,841	1,388	14,077	1,511
Long-term compensation	(2,172)	(4,836)	(1,902)	(4,406)
IRPJ - PAT deductions and Sponsorship	160	258	-	(101)
Income tax and social contribution in income for the year	(76,790)	(28,477)	6,061	2,517
Income tax and social contribution on foreign income	14,076	1,510	14,077	1,510
Effective rate	**14%**	**18%**	**-6%**	**-4%**
Current taxes	(46,316)	(5,484)	-	5,649
Deferred taxes	(16,398)	(21,483)	20,138	(1,622)
Total	**(62,714)**	**(26,967)**	**20,138**	**4,027**

33 Employee benefits

Other short and long-term benefits

Based on its benefit program, the Company recorded a provision for bonus that is effective for one year, for the following professionals:

	2021	**2020**
Key personnel	44,274	30,680
Other executives	11,068	7,670
	55,342	**38,350**

34 Operational leases

Leases as lessor

Through its indirect subsidiary Eco-Energy, the Company sub-rents tank-cars. Minimum future payments under non-cancelable leases are as follows:

	Consolidated		Parent company	
	2021	**2020**	**2021**	**2020**
Years:				
Up to 1	54,216	49,491	774	673
1–5	106,002	111,438	2,652	2,314
>5	5,998	12,032	4,768	5,322
Total	**166,216**	**172,961**	**8,194**	**8,309**

During the year ended March 31, 2021, the amount of R$ 56,994 (R$ 55,597 as of March 31, 2020) was recognized as rent revenue in the Company's statement of income.

	2021	**2020**
Revenue from operating lease	56,994	55,597

35 Statement of added value - SAV

Statement of Added Value - According to the requirement of accounting practices adopted in Brazil, and as additional information for IFRS purposes, the Company prepared an individual and consolidated statement of added value.

This statement, supported by macro-economic concepts, is intended to present the Company's portion in Gross Domestic Product formation by determining values added by the Company and those received from other entities; distribution of these amounts to employees, government spheres, asset leases, loan, financing and debt security creditors, controlling and minority shareholders, and other remuneration that represents wealth transfer to third parties; said added value represents wealth created by the Company, in general, measured at revenues from sale of assets and from services provided less respective inputs acquired from third parties, including value added produced by third parties and transferred to the entity.

36 Subsequent events

The Company, in its ongoing search for efficient financing instruments, decided that part of the loans and financing in the next year will be replaced by Capital acquired through the Capital Market (Agribusiness Receivables Certificate).

The contracting took place on May 24, 2021, in the amount of R$ 500,000,000.00 and maturing in 7 years.

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President

Tomás Caetano Manzano
Director

Accountant in charge

Vanessa Siqueira Samejima
CRC 1SP 238.292/O-0