CTC - Centro de Tecnologia Canavieira S.A.

Individual and consolidated financial statements
March 31, 2020

(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 Board of Directors and Executive Board of

CTC - Centro de Tecnologia Canavieira S.A.

Piracicaba – SP

Opinion

We have examined the individual and consolidated financial statements of CTC - Centro de Tecnologia Canavieira S.A. ("Company"), identified as Parent Company and Consolidated, respectively, comprising the balance sheet as of March 31, 2020 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 CTC - Centro de Tecnologia Canavieira S.A. as of March 31, 2020, 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 standards on auditing. 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 of the Company and its subsidiary, according to the significant ethical principles provided in the Accountant's Code of Professional Ethics and the professional standards issued by the Federal

Accounting Council, and we comply with the other ethical responsibilities according to such standards. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

The key audit matters are those who, in our professional judgment, were the most significant in our audit of current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and, therefore, we do not express a separate opinion on these matters.

Expenditures with intangible assets

See Notes 6d (i) and 16 to the individual and consolidated financial statements

Key audit matters	How our audit addressed this matter
The business in which the Company operates requires relevant investments in the development of research and development projects for new technologies. Development expenditures are capitalized only if costs can be measured reliably, if the product is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and sell the asset. Due to the high degree of judgment exercised by the Company to determine whether said expenditures meet the definition of an intangible asset and whether the criteria for recognition and measurement are being met, we consider this matter to be significant for our audit.	Our audit procedures included: – Assessment of the design of the Company's internal key controls related to development projects, including the criteria for: i) determination of the accounting classification between capitalized costs of intangible assets and research and development costs recognized directly in the profit or loss; ii) the Company's assessment of the likelihood of generating future economic benefits; and iii) the reliable measurement of the cost of the asset. – We also evaluated the process of transferring projects in progress to the final accounts to determine the beginning of the amortization record, and assessed, on a sampling basis, the supporting documentation for the expenditures considered and whether the criteria determined for the capitalization of development costs were met. Moreover, we assessed the adequacy of the disclosures made in the financial statements, especially those related to capitalization policies. Based on the audit procedures summarized above, we consider that, regarding capitalization of expenditures, the balance of intangible assets and their respective disclosures are acceptable in the context of the financial statements taken as a whole for the year ended March 31, 2020.

Other matters - Statements of added value

Individual and consolidated statement of added value (DVA) for the year ended March 31, 2020, 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 the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in CPC 09 Technical Pronouncement - Statement of Added Value. In our opinion, these statements of value added 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.

Other information accompanying individual and consolidated financial statements and the auditors' report

The Company's management is responsible for such other information that comprise the Management Report.
Our opinion on the individual and consolidated financial statements does not include the Management Report and we do not express any form of audit conclusion on such report.
Regarding the audit of individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is, in a material way, inconsistent with the financial statements or with our knowledge gained in the audit or otherwise appears to be materially misstated. If, based on the works performed, we conclude that there is a material misstatement in the Management Report, we are required to disclose this fact. We do not have anything to report on this respect.

Management's responsibilities and governance for the individual and consolidated interim financial statements

Management is responsible for the preparation and adequate presentation of the individual and consolidated interim 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 interim 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 subsidiary or cease its operations, or has no realistic alternative to avoid the closure of operations.

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

Auditors' responsibilities for the audit of the individual and consolidated interim financial statements

Our goals are to obtain reasonable assurance that the individual and consolidated financial statements, taken as a whole, are free from material misstatement, whether due to fraud or error, and issue the audit report with 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. In addition:

– We identified and assessed the risks of material misstatement in the individual and consolidated financial statements, whether caused by fraud or error, we planned and performed audit procedures in response to such risks, and we obtained proper and sufficient audit evidence to support our opinion. The risk of not detecting material misstatement resulting from fraud is higher than that arising from error, once the fraud may involve the act of dodging the internal controls, collusion, falsification, omission or false intentional representations.

- We obtained an understanding of the internal controls relevant to the audit to design auditing procedures suitable to the circumstances, but not with the aim of expressing an opinion on the effectiveness of the internal controls of the Company and its subsidiary.
- We assessed the adequacy of the accounting procedures used and the reasonableness of the accounting estimates and the respective disclosures made by the management.
- We conclude on the appropriateness of the use of the going concern accounting basis by management, and based on the audit evidence obtained, whether there is significant uncertainty in relation to events or conditions that may cast significant doubt on the ability of the Company and its subsidiary 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 evidences obtained until the date of our report. However, future events or conditions may cause the Company and its subsidiary to no longer continue as a going concern.
- We assessed the overall presentation, structure and content of financial statements, including disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner consistent with the objective of fair presentation.
- We obtained appropriate and sufficient audit evidence regarding the financial information of the entities or business activities of 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 communicated with the ones responsible for governance with respect to, among other aspects, the planned scope, time of the audit and significant audit findings, including possible material weaknesses in internal controls identified by us during our engagements.

We also provide to those responsible for governance an statement that we fulfilled the material ethical requirements, including the applicable independence requirements, and report all the possible relationships or issues that could considerably affect our independence, including, when applicable, the respective disclaimers.

Out of matters that were communicated to people responsible for governance, we determined those that were considered as the most significant in the audit of financial statements for current year and that, accordingly, comprise the main audit matters. We describe these issues in our audit report, unless a law or regulation has prohibited the public disclosure of the issue, or when, under extremely rare circumstances, we determine that the issue shall not be reported in our report, because the adverse consequences from such report may, from a reasonable perspective, exceed the benefits from the report for public interest.

Ribeirão Preto, June 19, 2020

KPMG Auditores Independentes
CRC 2SP014428/O-6

Original signed in Portuguese
Giovani Ricardo Pigatto
Accountant CRC 1SP263189/O-7

CTC - Centro de Tecnologia Canavieira S.A.

Balance sheets at March 31, 2020 and 2019

(In thousands of reais)

		Consolidated		Parent company	
Assets	**Note**	**31/03/2020**	**31/03/2019**	**31/03/2020**	**31/03/2019**
Cash and cash equivalents	8	265,971	151,631	265,893	151,131
Accounts receivable	10	22,185	27,859	22,185	27,859
Financial instruments	9	-	99,400	-	99,400
Inventories		2,381	350	2,381	350
Recoverable taxes		127	140	127	140
Biological assets		671	671	671	671
Current tax assets		3,700	3,963	3,700	3,963
Other accounts receivable	11	463	264	442	264
Total current assets		**295,498**	**284,278**	**295,399**	**283,778**
Financial instruments	9	38,898	46,133	38,898	46,133
Accounts receivable	10	10,167	19,325	10,167	19,325
Other accounts receivable	11	10,853	10,912	10,853	10,912
Recoverable taxes		913	3,735	913	3,735
Deferred tax assets	12	54,146	41,648	54,146	41,648
Total non-current assets		**114,977**	**121,753**	**114,977**	**121,753**
Investments	13	-	-	5,512	3,313
Property, plant and equipment	14	75,320	123,316	69,238	118,413
Right-of-use	15	27,550	-	24,613	-
Intangible assets	16	278,325	249,228	276,932	249,228
Total non-current assets		**496,172**	**494,297**	**491,272**	**492,707**
Total assets		**791,670**	**778,575**	**786,671**	**776,485**

		Consolidated		Parent company	
Liabilities	**Note**	**31/03/2020**	**31/03/2019**	**31/03/2020**	**31/03/2019**
Suppliers	17	11,497	9,127	8,258	9,127
Leases	15	4,301	-	4,301	-
Loans and financing	19	50,063	46,158	50,063	46,158
Taxes and contributions payable		2,895	2,443	2,895	2,443
Salaries, vacation and charges	18	23,328	20,455	22,553	20,455
Dividends payable		5,712	5,431	5,712	5,431
Unearned revenues	15	2,930	2,930	2,930	2,930
Other accounts payable		2,770	2,692	5,346	602
Total current liabilities		**103,496**	**89,236**	**102,058**	**87,146**
Suppliers	17	-	120	-	120
Leases	15	23,799	-	20,238	-
Loans and financing	19	66,642	107,617	66,642	107,617
Provision for lawsuits	20	1,791	1,981	1,791	1,981
Total non-current liabilities		**92,232**	**109,718**	**88,671**	**109,718**
Shareholders' equity	21				
Capital		562,202	562,202	562,202	562,202
Legal reserve		2,113	1,143	2,113	1,143
Reserve of shareholders' equity		30,108	16,292	30,108	16,292
Accumulated translation adjustments		1,519	(16)	1,519	(16)
Total shareholders' equity		**595,942**	**579,621**	**595,942**	**579,621**
Total liabilities		**195,728**	**198,954**	**190,729**	**196,864**
Total liabilities and shareholders' equity		**791,670**	**778,575**	**786,671**	**776,485**

See the accompanying notes to the financial statements

CTC - Centro de Tecnologia Canavieira S.A.

Statements of income

Years ended March 31, 2020 and 2019

(In thousands of reais)

	Note	Consolidated		Parent company	
		31/03/2020	31/03/2019	31/03/2020	31/03/2019
Operating revenue	24	244,801	186,731	244,801	186,731
Cost of research and services rendered	25	(104,238)	(106,080)	(99,136)	(104,461)
Gross income		**140,563**	**80,651**	**145,665**	**82,270**
Administrative and sales expenses	25	(71,905)	(57,141)	(70,933)	(53,396)
Equity in net income of subsidiaries	13	-	-	(5,963)	(5,364)
Other operating revenues (expenses)	26	(49,267)	(530)	(49,413)	(530)
Income (loss) before net financial revenues (expenses) and taxes		19,391	22,980	19,356	22,980
Financial income	27	16,925	19,761	16,925	19,761
Financial expenses	27	(8,594)	(11,314)	(8,559)	(11,314)
Net financial	27	**8,331**	**8,447**	**8,366**	**8,447**
Income before income tax and social contribution		27,722	31,427	27,722	31,427
Income tax and social contribution:					
Deferred assets	12	12,499	4,837	12,499	4,837
Current	12	(20,830)	(12,667)	(20,830)	(12,667)
Net income for the year		**19,391**	**23,597**	**19,391**	**23,597**
Net basic and diluted earnings per share in the year	22	**24.18**	**29.43**	**24.18**	**29.43**

See the accompanying notes to the financial statements

CTC - Centro de Tecnologia Canavieira S.A.

Statements of comprehensive income

Years ended March 31, 2020 and 2019

(In thousands of reais)

	Consolidated and parent company	
	31/03/2020	**31/03/2019**
Net income for the year	**19,391**	**23,597**
Comprehensive income:		
Items that are or may be reclassified to income (loss):		
Effect of foreign currency translation	1,535	(16)
	1,535	(16)
Total comprehensive income for the year	**20,926**	**23,581**

See the accompanying notes to the financial statements

CTC - Centro de Tecnologia Canavieira S.A.

Statements of changes in shareholders' equity

Years ended March 31, 2020 and 2019

(In thousands of reais)

	Capital	Legal reserve	Reserve of shareholders' equity	Accumulated translation	Retained earnings (loss)	Total
Balances at April 1, 2018	**556,550**	-	-	-	(731)	555,819
Paid-up capital	5,652	-	-	-	-	5,652
Net income for the year	-	-	-	-	23,597	23,597
Comprehensive income						
Effect of foreign currency translation	-	-	-	(16)	-	(16)
Legal reserve		1,143	-	-	(1,143)	
Dividends	-	-	-	-	(5,431)	(5,431)
Reserve of shareholders' equity	-	-	16,292	-	(16,292)	-
Balances at March 31, 2019	**562,202**	**1,143**	**16,292**	**(16)**	**-**	**579,621**
Net income for the year					19,391	19,391
Comprehensive income						
Effect of foreign currency translation	-	-	-	1,535	-	1,535
Legal reserve	-	970	-	-	(970)	-
Dividends	-	-	-	-	(4,605)	(4,605)
Reserve of shareholders' equity	-	-	13,816	-	(13,816)	-
Balances at March 31, 2020	**562,202**	**2,113**	**30,108**	**1,519**	**-**	**595,942**

See the accompanying notes to the financial statements

CTC - Centro de Tecnologia Canavieira S.A.

Statements of cash flows – Indirect method

Years ended March 31, 2020 and 2019

(In thousands of reais)

	Note	Consolidated		Parent company	
		31/03/2020	31/03/2019	31/03/2020	31/03/2019
Cash flow from operating activities					
Net income for the year		19,391	23,597	19,391	23,597
Adjustments for:					
Depreciation and amortization	14,15 e 16	38,223	32,401	37,122	32,401
Provision for expected credit losses	28	13,528	3,489	(0)	3,489
Provision for profit sharing		16,452	11,316	(19)	11,316
Equity in net income of subsidiaries	13	-	-	5,963	5,364
Provision for lawsuits		(190)	1,547	(190)	1,547
Provisions for interest	19	5,341	6,832	5,341	6,832
Income tax and social contribution		(12,499)	(4,837)	(12,499)	(4,837)
Impairment	14	33,154	17,962	33,154	17,962
		113,400	92,307	88,263	97,671
Changes in assets and liabilities					
(Increase) decrease in accounts receivable		1,304	(3,707)	14,832	(3,707)
(Increase) in inventories		(2,031)	(118)	(2,031)	(118)
Decrease in recoverable taxes and current tax asset		23,769	15,203	23,769	15,203
Increase in other accounts receivable		(140)	(1,699)	(119)	(1,699)
(Decrease) increase in suppliers		2,250	(2,916)	(989)	(2,916)
(Decrease) in lease and right-of-use		(3,863)	-	(4,487)	-
Increase in taxes and contributions payable and current tax liabilities		452	456	452	456
(Decrease) in salaries, vacation and charges payable		(13,579)	(14,296)	2,117	(14,296)
(Decrease) or increase in other accounts payable		(3,314)	2,369	3,453	280
Cash from operating activities		118,248	87,599	125,260	90,874
Taxes paid		(20,671)	(6,042)	(20,671)	(6,042)
Interest paid	19	(5,068)	(6,626)	(5,068)	(6,626)
Net cash flow from operating activities		92,509	74,931	99,521	78,206
Cash flow from investment activities					
Redemptions (investments) of financial instruments		106,635	(71,968)	106,635	(71,968)
Acquisition of property, plant and equipment	14	(14,250)	(21,996)	(14,214)	(17,093)
Funds from disposal of property, plant and equipment		-	1,640	-	1,640
Biological assets		-	149	-	149
Investments in subsidiary		-	-	(6,627)	(8,694)
Intangible assets	16	(34,746)	(47,196)	(33,210)	(47,196)
Net cash flow from (used in) investment activities		57,639	(139,371)	52,584	(143,162)
Cash flow from financing activities					
Paid-up capital		-	96,247	-	96,247
Loans paid	19	(37,343)	(37,455)	(37,343)	(37,455)
Net cash flow (used in) from financing activities		(37,343)	58,792	(37,343)	58,792
Effect of changes in exchange rate on cash and cash equivalents		1,535	(16)	-	-
Increase (Decrease) increase in cash and cash equivalents		114,340	(5,664)	114,762	(6,164)
Cash and cash equivalents at the beginning of the year		151,631	157,295	151,131	157,295
Cash and cash equivalents at the end of the year		265,971	151,631	265,893	151,131
Increase (Decrease) increase in cash and cash equivalents		114,340	(5,664)	114,762	(6,164)

See the accompanying notes to the financial statements

CTC - Centro de Tecnologia Canavieira S.A.

Statements of added value

Years ended March 31, 2020 and 2019

(In thousands of reais)

	Note	Consolidated		Parent company	
		31/03/2020	**31/03/2019**	**31/03/2020**	**31/03/2019**
Revenues		**256,678**	**202,990**	**256,678**	**202,990**
Sale of goods, products and services		262,445	200,678	262,445	200,678
Other revenues		7,761	5,801	7,761	5,801
Provision for expected credit losses	28	(13,528)	(3,489)	(13,528)	(3,489)
Inputs acquired from third parties		**(99,508)**	**(70,657)**	**(95,063)**	**(65,293)**
Cost of products and goods sold and services provided		(9,664)	(11,871)	(9,041)	(8,107)
Impairment loss	14	(31,929)	(17,962)	(31,929)	(17,962)
Materials, energy, outsourced services and other		(57,915)	(40,824)	(54,093)	(39,224)
Gross added value		**157,170**	**132,333**	**161,615**	**137,697**
Depreciation and amortization	4,15 e 16	**(38,223)**	**(32,401)**	**(37,122)**	**(32,401)**
Net added value produced by the Company		**118,947**	**99,932**	**124,493**	**105,296**
Added value received as transfer		**12,582**	**22,720**	**7,039**	**17,356**
Financial income		16,925	19,761	16,925	19,761
Equity in net income of subsidiaries		-	-	(5,963)	(5,364)
Other		(4,343)	2,959	(3,923)	2,959
Total added value payable		**131,529**	**122,652**	**131,532**	**122,652**
Distribution of added value		**(131,529)**	**(122,652)**	**(131,532)**	**(122,652)**
Personnel		**(69,812)**	**(60,163)**	**(69,812)**	**(60,163)**
Direct remuneration		(38,613)	(36,412)	(38,613)	(36,412)
Benefits		(27,714)	(19,906)	(27,714)	(19,906)
Severance Pay Fund (FGTS)		(3,485)	(3,845)	(3,485)	(3,845)
Taxes, duties and contributions		**(33,735)**	**(27,578)**	**(33,735)**	**(27,578)**
Federal - PIS / COFINS		(25,376)	(19,683)	(25,376)	(19,683)
Federal - Income tax and social contribution		(8,331)	(7,830)	(8,331)	(7,830)
Municipal		(28)	(65)	(28)	(65)
Third-party capital remuneration		**(8,591)**	**(11,314)**	**(8,594)**	**(11,314)**
Interest and bank expenses		(8,468)	(10,853)	(8,468)	(10,853)
Other		(123)	(461)	(126)	(461)
Remuneration of own capital		**(19,391)**	**(23,597)**	**(19,391)**	**(23,597)**
Net income for the year		(19,391)	(23,597)	(19,391)	(23,597)

See the accompanying notes to the financial statements

Notes to the financial statements

(In thousands of reais)

1 Operations

CTC - Centro de Tecnologia Canavieira S.A ("Company") is engaged in the research, development and commercialization of technologies for the sugar and alcohol industry, specially the development of new sugarcane varieties through genetic improvement and biotechnology, as well as new disruptive technologies.

Until January 2011, the Company was governed under Brazilian law as a not-for-profit private company under civil law. Its revenue comes mostly from associative contributions.

Through the General Minutes of Transformation, held on January 12, 2011, the Company became a privately-held corporation, with the purpose of generating profit and remunerating its shareholders and attracting more technological and funds to the industry research in order to maintain competitiveness and guarantee that Brazil has the leading position in global sugarcane industry.

On August 24, 2016, the Company joined the Bovespa Mais segment.

Aiming at continuing with the Company's strategy of accelerating sugarcane plant biotechnology research and development plans, on March 28, 2018, the Board of Directors approved the formation of a wholly-owned subsidiary, CTC Genomics LLC, in saint Louis, United States of America.

The Company has two large research focus areas, one of them is the Genetic Improvement; in which the CTC holds the biggest sugarcane germplasm bank of the world and is renowned in conventional and biotechnological improvement applied to sugarcane, as well in the New Technology areas, exploring disruptive technologies which may provide substantial productivity gains to the industry, such as artificial seeds.

In line with our strategy of developing disruptive technologies that increases agricultural productivity in the sugar-energy industry, we obtained, on July 08, 2017, after thorough analysis of CTNBio, approval for the first genetically-modified variety CTC 20 Bt. This variety is a milestone in the global sugar-energy industry. CTC 20 Bt is resistant to sugarcane borer (diatraea saccharalis), then main pest of Brazilian tillage and was developed with a 100% Brazilian technology. In 2018, the second genetically-modified variety, CTC 9001bt, was approved.

On January 31, 2020, the World Health Organization (WHO) announced that the coronavirus (COVID-19) is a global health emergency. The outbreak triggered major decisions by governments and private sector entities, which coupled with the potential impact of the outbreak, increased the degree of uncertainty for economic agents and can generate the impacts on the amounts recognized in the individual and consolidated financial statements.

Considering the possible impacts of this outbreak on the Company's financial position, Management assessed its ability to continue as a going concern in the foreseeable future considering relevant assumptions, such as the estimate of the US dollar exchange rate, the capacity to receive cash from its receivables and the improvement of sugarcane plantations of its clients. These assumptions have been updated to consider the main possible scenarios expected by the Company, based on all relevant information available up to the date of authorization for the issuance of these financial statements, considering specifically the uncertainties related to outbreak of COVID-19, as well as the measures taken by the Company to mitigate the impacts of the outbreak on operations and the financial statements, as disclosed in Note 30 - Subsequent Events.

Based on this assessment, and considering the unpredictability of the evolution of the outbreak and its impacts, Management concluded that there are no material uncertainties related to the Company's ability to continue as a going concern and that the assumption of going concern is still valid, considering all relevant information available up to the authorization date for issuing these financial statements. Therefore, the financial statements were prepared based on the going concern assumption.

2 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 also in accordance with the accounting practices adopted in Brazil (BR GAAP) and presented according to the standards issued by the Brazilian Securities Exchange Commission (CVM).

This is the first set of annual financial statements of the Company in which CPC 06(R2)/IFRS 16 – Leases have been applied. Related changes in significant accounting policies are described in Note 7.

Presentation of Statement of Value Added is required by the Brazilian corporate law and by accounting practices adopted in Brazil and applicable to listed companies. The presentation of this statement is not required by the IFRSs and is considered as a supplementary information without prejudice of the set of financial statements.

The issue of financial statements was authorized by the Board of Directors on June 18, 2020.

All relevant information specific to the financial statements, and only such information, is being evidenced, and corresponds to the information used by company Management.

3 Functional and presentation currency

These financial statements are being presented in Brazilian Real, functional currency of the Company. All financial information presented in reais (R$) has been rounded to the nearest value, unless otherwise indicated.

4 Use of estimates and judgments

The preparation of financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported values of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and assumptions are regularly reviewed. Estimates of reviews are recognized on a prospective basis.

a. Judgments

The information on critical judgments that refer to accounting policies adopted that have effects on amounts recognized in the financial statements is presented in the following notes:

- **Note 10 –** Provision for expected credit losses (Accounts receivable)
- **Note 16 -** Capitalization of development expenditures (Intangible)
- **Note 28 -** Financial instruments
- **Note 15** – Operating leases.

b. Uncertainties on assumptions and estimates

Information on uncertainties as to assumptions and estimates that pose a high risk of resulting in a material adjustment in the year ending March 31, 2021 are included in the following notes:

- **Note 6.c (iii) -** Useful life of fixed asset
- **Note 6.d (iii) -** Useful life of intangible assets
- **Note 6.e - Impairment;**
- **Note 12 -** Deferred tax assets
- **Note 20** – Provision for lawsuits.

c. Measurement of fair value

A series of company accounting policies and disclosures requires the measurement of fair values, for financial and non-financial assets and liabilities.

The Company established a control structure related to measurement of fair values. This includes an evaluation team with general responsibility of reviewing all significant fair value measurements, including Level 3 fair values, which are reported directly to the Chief Financial Officer (CFO).

The evaluation team regularly reviews the data required for the calculation and evaluation adjustments. If third-party information, such as brokerage firms or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third-parties to support the conclusion that such valuations meet the CPC/IFRS requirements, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring fair value of an asset or liability, the Company uses observable data as much as possible. Fair values are classified at different levels according to hierarchy based on information (inputs) used in valuation techniques, as follows:

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

- **Level 3**: inputs, for assets or liabilities, which are not based on observable market data (non-observable inputs).

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

Additional information on the assumptions adopted in the measurement of fair values is included in the following notes:

- **Note 10 -** Accounts receivable

- **Note 19 -** Loans and financing

- **Note 28 -** Financial instruments.

5 Measuring basis

The Company's financial statements were prepared based on the historical cost, except for the following material items recognized in the balance sheets; non-derivative financial instruments are designated at fair value through profit or loss are measured at fair value.

6 Significant accounting policies

The accounting policies described in detail below have been applied consistently to all the years presented in these financial statements, except for the new standard CPC 06 (R2)/IFRS 16 – Leases **and** IFRIC 23/ICPC 22 – Uncertainty over Income Tax Treatments.

a. Basis of consolidation

(i) Subsidiaries

The interim financial statements of the subsidiary are included in the consolidated interim 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.

In the individual interim financial statements of the parent company, financial information of subsidiary is recognized under the equity method.

(ii) Transactions eliminated in the consolidation

Intragroup balances and transactions, and any revenues or expenses derived from intragroup transactions, are eliminated in the preparation of the consolidated interim financial statements. Unrealized gains arising from transactions with investee are eliminated against the investment. Unrealized losses are also eliminated, unless the transaction shall provide evidence of asset impairment.

b. Financial instruments

(i) Non-derivative financial assets

The Company recognizes trade accounts receivable and other receivables initially at the date of the transaction that originated them. All the other financial assets are initially recognized on the date of the negotiation on which the Company becomes one of the parties of the contractual provisions of the instrument.

Financial assets or liabilities are offset and the net value reported in the balance sheet when, and only when, there is a legally enforceable right of the Company to offset the amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Financial assets measured at fair value through profit or loss

A financial asset is classified as measured at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. The transaction costs are recognized in income (loss) as incurred. Financial assets recorded at fair value through profit or loss are measured at fair value and changes in the fair value of such assets, including gains with interest and dividends, are recognized in the income for the year.

Cash and cash equivalents

Cash and cash equivalents comprise balances of cash and financial investments with original maturities of three months or less as of the contracting date, which are subject to an insignificant risk of change in value and are used to manage short-term obligations.

Accounts receivable - other receivables

Trade accounts receivable are recorded at the amount billed, adjusted to present value when applicable, and include the respective direct taxes for which the Company is responsible, less the taxes withheld, which are considered tax credits.

The provision for expected credit loss was formed in an amount considered sufficient to cover possible losses on realization of accounts receivable.

(ii) Non-derivative financial liabilities

The Company initially recognizes subordinated liabilities on the date that they are originated.

All other financial liabilities are recognized initially on the negotiation date on which the Company becomes a party to the contractual provisions of the instrument. The

Company writes off a financial liability when its contractual obligations are discharged or canceled or expired.

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to set off and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(iii) Capital

The shares are all common, nominative and with no par value, classified as shareholders' equity, deductible from any tax effects.

c. Property, plant and equipment

(iv) Recognition and measurement

Property, plant and equipment items are stated at historical acquisition, formation or construction cost, net of accumulated depreciation and impairment losses (when applicable).

The cost includes expenditures that are directly attributable to the acquisition of assets. The cost of assets built by the Company includes materials and direct labor, as well as any other costs attributable to bringing the assets to the location and condition requires for them to operate in the manner intended by Management, costs for dismantling and restoration of the site where they are located, and loan costs on qualifiable assets.

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 revenues" in the statement of income.

(v) Subsequent costs

The replacement cost of a component of property, plant and equipment is recognized in the book value of the item if it is probable that economic benefits embodied in the component will be used by the Company and its cost will be reliably measured. The book value of the component that is replaced is written off. The costs for routine maintenance of fixed assets are recognized as expenses as incurred.

(vi) Depreciation

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

Depreciation is recognized to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, since this method best reflects the standard of usage of the future economic benefits incorporated to the asset.

Annual weighted average depreciation rates for current and comparative years are as follows:

	Annual weighted average rate	
	03/31/2020	03/31/2019
Machinery and equipment	13%	13%
Furniture and fixtures	10%	10%
IT equipment	31%	31%
Vehicles	23%	23%
Buildings and improvements	5%	5%
Leasehold improvements	7%	7%

The depreciation methods, useful lives and residual values are reviewed at each reporting date and potential adjustments will be recognized as a change in accounting estimates.

d. Intangible assets

(i) Research and development projects

Development activities involve a plan or project for the production of new or substantially improved products. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and use or sell the asset. The expenditures capitalized include the cost of materials, direct labor and overhead costs that are directly attributable to preparing the asset for its intended use.

(ii) Software

Intangible assets acquired by the Company with defined useful lives are carried at cost, less accumulated amortization.

(iii) 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 a straight-line method over the estimated useful lives of the intangible assets from the date they are available for use, since this is the method that best reflects the consumption pattern of the future economic benefits embodied in the asset. The estimated average useful life for the current year and comparative are presented below:

Software	5 years
Research and development projects	12 years

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

Current royalty revenues are derived from sugarcane varieties that were developed before the Company's transformation into a corporation that occurred in 2011. Until then, the Company was a not-for-profit entity and did not maintain effective controls for the recognition of intangible assets. Therefore, all expenditures were allocated to income (loss) for the year.

e. Impairment

(i) Financial assets (including receivables)

Financial assets not classified as financial assets at fair value through profit or loss and are assessed at each reporting date for objective evidence of impairment loss. An asset is impaired when there is objective evidence that a loss event has occurred after the initial recognition of the asset, and that such loss event had a negative effect on the projected future cash flows of that asset that can be reliably estimated.

Objective evidences of financial assets' impairment include:

- Debtor's default or delays;
- Restructuring of an amount owed to the Company at conditions that would not be accepted under normal conditions;
- Indications that the debtor or issuer will face bankruptcy/court-ordered reorganization;
- Negative changes in payment situation of debtors or issuers;
- The disappearance of an active market for an instrument due to financial distress; or
- Observable data indicating that expected cash flow measurement of a group of financial assets decreased.

For investments in membership certificates, objective impairment evidences include a significant or prolonged decline in fair value, below cost. The Company considers a decline of 20% as significant, and the period of 12 months as long.

Financial assets measured at amortized cost

The Company considers as evidence of impairment of assets measured by amortized cost both individually and on an aggregate basis. All individually significant receivables are assessed for impairment. Those non-impaired on an individual basis are collectively assessed for any impairment loss not yet identified. Assets that are not individually significant are assessed on an aggregate basis in relation to impairment by grouping the assets with similar risk characteristics.

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

An impairment is calculated as the difference between the asset's book value and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The losses are recognized in an allowance in the income statement. When the Company considers that it is not possible to reasonably expect recovery, amounts are written-off. When a subsequent event indicates a decrease in loss, the provision is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the non-financial assets of the Company, except for deferred income tax and social contribution, inventories and tangible assets are reviewed at each reporting date for indication of impairment. If such indication exists, the asset's recoverable value is determined.

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 period of capital and the risks specific to the asset.

f. Inventories

Inventories are measured at the lower of cost and net realizable value. Inventory costs are based on mobile weighted average.

The net realizable value is the estimated price at which inventories can be realized in the normal course of business and selling expenses.

g. Employee benefits

Employee short-term benefits are measured on a non-discounted basis and incurred as expenses as the related service is rendered.

h. Provisions

A provision is set up 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. Provisions are calculated by discounting the expected future cash flows at a pre-tax rate which reflects the current market evaluations as to the value of the cash over time and the specific risks of the liability, except for provision for expected credit losses that follows the Company's policy.

i. Operating revenue

(i) Revenues from royalties

Revenues from the use of the Company's assets by third parties, which yield interest and royalties, must be recognized when it is probable that the economic benefits associated with the transaction will flow to the entity and the revenue amount can be measured reliably. Royalties must be recognized on an accrual basis according to the substance of the contract.

The revenues from royalties recognized by the Company refer to sugarcane varieties developed before the transformation into a corporation and are recognized in the income (loss) for the year under the straight-line method for the months of April to March, based on the planting area multiplied by an amount provided for in a contract signed between the parties. The issuing of invoices and receipts occur during the sugarcane crop period in September to December. If the revenue is greater than the portion already recognized in the income (loss), the difference is recognized as "deferred revenues" in current liabilities

(ii) Sale of goods and services

Operating revenue from sale of goods and services in the normal course of business is measured at the fair value of the consideration received or receivable. Operating revenue is recognized when there is convincing evidence that the risks and rewards inherent to the ownership of the assets have been transferred to the purchaser, it is probable that the financial economic benefits will flow to the Company, the related costs and potential return of products can be estimated, there is no continued involvement with the goods sold, and the amount of operating revenue can be reliably measured. In the event it is probable that discounts will be granted and their amounts can be measured, this is recognized according to the respective sales.

j. Financial revenues and costs

Financial revenues comprise revenue from interest and yield on interest earning bank deposits. Financial revenue is recognized in income (loss) under the effective interest method. Financial expenses are comprised of bank interest and discount expenses.

k. Income tax and social contribution

The income tax and social contribution for the year, both current and deferred, are calculated based on the rates of 15% plus a surcharge of 10% on taxable income in excess of R$ 240 for income tax and 9% on taxable income for social contribution on net income, and consider the offsetting of tax losses and negative basis of social contribution limited to 30% of annual taxable income.

Expense with income tax and social contribution comprises both current and deferred taxes.

Current taxes are the taxes payable or receivable on the taxable income or loss for the year, at tax rates enacted or substantively enacted on the date of presentation of the financial statements, and any adjustments to taxes payable in relation to prior years.

Deferred taxes are recognized in relation to the temporary differences between the book values of assets and liabilities for accounting purposes and the related amounts used for taxation purposes. Deferred taxes are not recognized for the following temporary differences.

Deferred tax is measured at rates that must be applied to temporary differences when they are reversed, based on effective laws on the presentation date of financial statements.

To determine current and deferred income tax, the Company takes into consideration the impact of uncertainties on positions taken on taxes and if the additional income tax and interest payment has to be made. The Company believes that the provision for income tax recorded in liabilities is adequate for all outstanding tax periods, based on its evaluation of several factors, including interpretations of tax laws and past experience. This evaluation is based on estimates and assumptions that may involve several judgments on future events. New information may be made available, leading the Company to change its judgment on the adequacy of existing provision; these changes may impact income tax expenses in the year in which they occur.
Deferred tax assets and liabilities may be offset if there is a legal right to offset current tax liabilities and assets, and they are related to taxes recorded by the same tax authority regarding the same taxable entity.

A deferred income and social contribution tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, 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 tax and social contribution assets are reviewed at each reporting date and reduced when their realization is no longer probable.

l. 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, including revenues and expenses relating to transactions with other components of the Company. All operating results are often reviewed by the Executive Board of the Company for decisions regarding the resources to be allocated to the segment to be taken and to assess their performance for which individual financial information is available.

The Company has a single operating business segment: Genetic improvement as disclosed in Note 23.

m. Net earnings per share

The basic earnings per share are calculated based on the income for the year attributable to the Company's controlling and non-controlling shareholders and the weighted average of common shares in the respective year. The diluted earnings per share are calculated based on the mentioned average of outstanding shares, adjusted by instruments that can potentially be converted into shares, with a dilution effect, in the periods presented, pursuant to CPC 41/IAS 33 – Earnings per share.

n. Statements of added value

The Company prepared the statement of added value under the terms of Technical Pronouncement CPC 09 - Statement of Added Value, which are presented as part of individual and consolidated financial statements under BRGAAP applicable to publicly-held companies.

o. Leased assets

The Company applied CPC 06(R2)/IFRS 16 using the modified retrospective approach; therefore, comparative information was not restated and continues to be reported pursuant to CPC 06(R1)/IAS 17 and ICPC 03/IFRIC 4. The details of the accounting policies in accordance with CPC 06(R1)/IAS 17 and ICPC 03/IFRIC 4 are disclosed separately.

Accounting policies applicable as of April 1, 2019

At the inception of an agreement, the Company evaluates whether the agreement is for or contains a lease. A contract is or contains a lease if it transfers the right to control the use of an identified asset for a period of time in exchange for consideration. The Company follows the definition of lease under CPC 06 (R2) to assess whether an agreement transfer the right to control the use of an identified asset.

At the inception or amendment of an agreement containing a lease component, the Company allocates the lease consideration to each lease and non-lease component based on its individual prices. However, for leases of real estate, the Company has chosen to not separate non-lease components and lease and non-lease components are calculated as a single component.

The Company recognizes a right-of-use asset and a lease liability on the lease inception 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 and an estimate of the costs to be incurred by the lessee to disassemble and remove the underlying asset, by returning it to the place where it is located or returning the underlying asset to the state required under the lease terms and conditions, less any lease incentives received accordingly.

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 fixed assets. 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. Usually, the Company uses their incremental loan rate as discount rate.

The Company sets its incremental rate on loans by obtaining interest rates from a number of external funding sources and making some adjustments to reflect the agreement terms and the type of leased asset.

Lease payments included in the measurement of lease liability are comprised by 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 initial date;
- amounts expected to be paid by the lessee, in accordance with the residual value guarantees; and
- the call option exercise price if the lessee is reasonably certain to exercise such option, and payments of fines due to termination of the lease agreement, if the term of the lease reflects the fact that the lessee is exercising their option to terminate the lease agreement

The lease liability is measured at amortized cost using the effective interest rate method. It is remeasured when a change occurs in future lease payments as a result of a change in an index or rate, if there is a change in the amounts expected to be paid in accordance with the residual value guarantee, if the Company changes its assessment to exercise a call option, extend or terminate it, or if there is a payment of a initially fixed revised lease.

When the lease liability is thus remeasured, an adjustment corresponding to the book value of the right-of-use asset is made or recorded in income (loss) if the right-of-use asset is reduced to zero.

(i) Leases of low value assets

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 an straight-line method expense during the lease term.

Accounting policies before April 1, 2019

(i) Leased assets

Leases of property, plant and equipment that substantially transfer to the Company and its subsidiaries all the risks and rewards of ownership are classified as financial lease. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.
Assets held under other leases are classified as operating leases and are not recognized in the balance sheet of the Company and its subsidiaries.

(ii) Lease payments

Payments for operating leasing are charged to income on the straight-line basis over the lease period. The incentives received are recognized as integral part of total lease expenses, over the lease period.
Minimum lease payments made under financial leasing are apportioned between financial expenses and reduction of the liability payable. Financial expenses are allocated in each period over the lease period in order to produce a continuous and periodic compounding interest rate over the remaining liability balance.

p. Environmental aspects

The Company considers that its facilities and activities are subject to environmental regulations. The Company manages the risks associated with environmental matters in all activities that may have an environmental impact. The Company believes that no allowance for loss relating to environmental matters is required at present, based on the current laws and regulations in force.

7 Changes in significant accounting policies

Except for the adoption of Technical Pronouncements CPC 06 (R2)/IFRS 16 – Leases and IFRIC23/ICPC 22 - Uncertainty on Corporate Income Tax Treatment, the accounting policies applied to these individual and consolidated financial statements are the same adopted in the financial statements of the Company and its subsidiary for the year ended March 31, 2019.
The Company adopted CPC 06 (R2)/IFRS 16 – Leases and IFRIC 23/ICPC 22 – Uncertainty on Corporate Income Tax Treatment starting April 1, 2019; however, with no material effect in financial statements. Accordingly, balances for the period ended March 31, 2020 are presented with respective accounting reflexes of this adoption.

a. CPC 06 (R2)/IFRS 16 – Leases

CPC 06 (R2)/IFRS 16 introduced a single model of accounting of leases in the financial statements to lessees. Thus, the Company, as a lessee, recognized the right-of-use assets that represent its rights-of use to use the underlying assets and the lease liabilities that represent its obligation to make lease payments.

The Company previously classified operating or financial leases based on its assessment as to whether the lease would transfer all the risks and rewards of the property. In accordance with CPC 06 (R2)/IFRS 16, the Company recognizes the right-of-use assets and the lease liabilities for most leases – that is, these leases are recorded in the balance sheet.

(i) Transition effects

The Company adopted CPC 06 (R2)/IFRS 16 using the modified retrospective approach, which does not require the restatement of the corresponding amounts, does not impact shareholders' equity, and does not alter the calculation of dividends and enables the adoption of practical expedients. Thus, the comparative information presented for March 2019 has not been restated – that is, it is presented as previously reported according to CPC 06/IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

In the transition to the leases classified as operating leases under CPC 06(R1)/IAS 17, the lease liabilities were measured at the present value of the remaining payments, discounted by the Company's incremental loan rate as of April 1, 2019. Right-of-use assets were measured at the amount equivalent to the lease liabilities on the date of first-time adoption.

The Company opted to use a transition practical device and not recognize the right-of-use assets and lease liabilities for certain low-value leases (for example, rent of printers) and on short-term basis. The Company recognizes payments associated to these leases as expense under the straight-line method over the lease term. Additionally, the Company excluded the initial direct costs of measuring the right-of-use asset at the date of first-time adoption.

When measuring the lease liabilities for those leases previously classified as leases, the Company discounted the operating lease payments using its incremental loan rate on April 1, 2019. The average nominal rate applied was 4.95% depending on the terms of the agreements, for reporting purposes, as required by Circular Letter/CVM/SNC/SEP/02/2019 if the accumulated effective interest rate TLP of 5.09% is applied, the effect on the long-term result would be R$ 149,000.

(ii) Impacts on adoption

	Consolidated		
	Previous balance	**Adjustment of first-time adoption - CPC 06 (R2)/IFRS 16**	**Balance after first-time adoption**
	04/01/2019		**04/01/2019**
Assets			
Current assets	283,778	-	283,778
Total current assets	283,778	-	283,778
Non-current assets	121,753	-	121,753
Deferred income tax and social contribution	41,648	-	41,648
Right of use - Lease	-	26,529	26,529
Other assets	492,707	-	492,707
Total non-current assets	614,460	26,529	640,989
Total assets	898,238	26,529	924,767
Liabilities			
Current liabilities	87,146	3,669	90,815
Total current liabilities	87,146	3,669	90,815
Non-current liabilities	109,718	22,860	132,578
Total non-current liabilities	109,718	22,860	132,578
Shareholders' equity	579,621	-	579,621
Total liabilities and shareholders' equity	776,485	26,529	803,014

	Parent company		
	Previous balance	First-time adoption adjustment - IFRS 16	Balance after first-time adoption
	04/01/2019		04/01/2019
Assets			
Current assets	284,278	-	284,278
Total current assets	284,278	-	284,278
Non-current assets	121,753	-	121,753
Deferred income tax and social contribution	43,205	-	43,205
Right-of-use - Lease	-	23,855	23,855
Other assets	494,297	-	494,297
Total non-current assets	616,050	23,855	639,905
Total assets	900,328	23,855	924,183
Liabilities			
Current liabilities	89,236	3,134	92,370
Total current liabilities	89,236	3,134	92,370
Non-current liabilities	109,718	20,721	130,439
Total non-current liabilities	109,718	20,721	130,439
Shareholders' equity	579,621	-	579,621
Total liabilities and shareholders' equity	778,575	23,855	802,430

b. IFRIC 23/ICPC 22 - Uncertainty over Income Tax Treatments.

The Company adopted the interpretation IFRIC 23/ICPC 22 - Uncertainty over Income Tax Treatments. The Interpretation addresses the calculation of income tax in the cases where the tax treatments involve uncertainties affecting the adoption of IAS 12 (CPC 32). The entity shall determine whether it considers each tax treatment to be uncertain separately or together with one or more uncertain tax treatments. The approach that best addresses the resolution of said uncertainty must be followed. The Company did not identify impacts in its adoption.

8 Cash and cash equivalents

	Accumulated average return on the portfolio in 2020	Consolidated		Parent company	
	% CDI	**2020**	**2019**	**2020**	**2019**
Cash and banks		192	745	114	245
CDB (i)	99%	215,500	59,973	215,500	59,973
FI Federal Extra (ii)	96%	41,994	52,434	41,994	52,434
Fundo High Grade Plus (iii)	87%	6,090	38,126	6,090	38,126
Other funds	60–79%	2,195	353	2,195	353
		265,971	151,631	265,893	151,131

(i) CDB: Investments made at Banco Bradesco, with fixed income based on the CDI rate;

ii) FI Federal Extra: Amounts mainly invested in government bonds, with low credit risk, seeking profitability that follows the CDI rates. Daily liquidity and long-term maturity

iii) High Grade Plus: Investment made at Banco Itaú. Represents amounts of private securities, aiming to surpass the CDI rate through investment in quotas of other investment funds. Such investment has low credit risk, with long-term maturity.

The analysis of the exposure of these assets to interest rate risk, among other, is disclosed in Note 28 - Financial Instruments.

9 Financial instruments

	Parent company and Consolidated	Parent company and Consolidated
	2020	**2019**
CDB (i)	-	99,400
Fundo High Grade Plus (ii)	38,898	46,133
	38,898	145,533
Current assets	-	99,400
Non-current assets	38,898	46,133

i) CDB; Investments made at Banco Bradesco, with fixed income based on the CDI rate;

ii) High Grade Plus: Investment made at Banco Itaú. Represents amounts of private securities, aiming to surpass the CDI rate through investment in quotas of other investment funds. Such investment has low credit risk, with long-term maturity.

10 Accounts receivable

	Parent company and Consolidated	Parent company and Consolidated
	2020	**2019**
Clients	30,495	26,764
Clients - related parties (Note 29)	47,718	52,754
Total (Note 28)	78,213	79,518
(-) Provision for expected credit loss - related parties	(24,014)	(14,504)
(-) Provision for expected credit loss	(21,848)	(17,830)
Total (Note 28)	(45,862)	(32,334)
Current	22,185	27,859
Non-current	10,167	19,325

Accounts Receivable represented mainly by balances related to variety licensing. The exposure of the Company to analysis and currency risks and a sensitivity analysis of financial assets and liabilities are disclosed in Note 28.

Trade accounts receivable are classified as receivables stated at amortized cost.

11 Other accounts receivable

	Consolidated		Parent company	
	2020	**2019**	**2020**	**2019**
Prepaid expenses (i)	9,489	9,596	9,489	9,596
Judicial deposits	1,363	1,316	1,363	1,316
Other accounts receivable	464	264	443	264
	11,316	11,176	11,295	11,176
Current	463	264	442	264
Non-current	10,853	10,912	10,853	10,912

(i) Prepaid expenses are characterized by availability of seedlings for multiplication of varieties in clients. These seedlings are monitored so that multiplication rate is effective in accordance with contract signed with the client. Values will be amortized upon billing of royalties.

12 Deferred tax assets

Deferred income tax and social contribution are calculated on income tax losses, accumulated negative calculation basis of social contribution and the corresponding temporary differences between the calculation basis of tax on assets and liabilities, and book values of financial statements.

Deferred tax assets are recognized inasmuch as it is likely that the calculation of future taxable income, based on projections of future income (loss) prepared and based on internal assumptions and on future economic scenarios that may, however, be subject to change.

On March 31, 2020, the Company reversed the impairment loss previously recorded to intangible assets and recognized the effective loss with the project. Although there is no effect on the statement of income, a provision for tax losses is recorded and, based on the Company's estimates, it will be consumed in less than 12 months.

	Parent company	**Parent company and Consolidated**			
	2018	**Recognized in income (loss)**	**2019**	**Recognized in income (loss)**	**2020**
Tax loss and negative basis	7,472	(5,537)	1,936	19,775	21,711
Provision for expected credit losses	9,807	1,186	10,993	4,600	15,593
Impairment loss	11,030	6,107	17,138	(16,096)	1,042
Unearned revenue	-	-	5,795	2,765	8,560
Provision for profit sharing	5,024	(704)	4,319	656	4,975
Timing differences	3,478	3,785	1,467	799	2,266
Net deferred tax	**36,811**	**4,837**	**41,648**	**12,499**	**54,146**

The reconciliation between the tax expense as calculated by the combined statutory rates and the income and social contribution tax expense charged to income (loss) is as follows for the parent company and consolidated:

	Parent company and Consolidated	
	2020	**2019**
Income before income tax and social contribution	27,722	31,427
Combined statutory rate	34%	34%
Income tax and social contribution:		
Calculated at combined statutory rate	(9,425)	(10,685)
Permanent additions and exclusions*	1,094	2,855
Income tax and social contribution in income for the year	(8,331)	(7,830)
Effective rate	30%	25%
Deferred tax	12,499	4,837
Current tax	(20,830)	(12,667)

(*) Substantially refers to permanent additions of wholly-owned subsidiary, CTC Genomics LLC, in the United States and permanent exclusions of Law 11196/05, “Lei do Bem”, which regulates concession of tax benefits to legal entities that conduct technological innovation research and development. Objects subject to MCTI analysis are Biotechnology and Artificial Seeds.

13 Investments (parent company)

Book value	Country	Business	Ownership interest	Investment 03/31/2020	Equity in net income of subsidiaries 03/31/2020
CTC Gemonics	USA	R&D	100%	5,512	(5,963)
				5,512	(5,963)

The changes in the investments in associated companies, is as follows:

Balance at March 31, 2018	-
Establishment of the investee - CTC Genomics (i)	8,693
Equity in net income of subsidiaries	
Additions	(5,364)
Accumulated translation adjustment	(16)
Balance at March 31, 2019	3,313
Investee’s contribution - CTC Genomics (i)	6,627
Equity in net income of subsidiaries	(5,963)
Accumulated translation adjustment	1,535
Balance at March 31, 2020	5,512

The main subsidiary’s captions are as follows:

March 31, 2020	CTC Genomics
Assets	13,776
Liabilities	8,265
Shareholders' equity	5,511
Loss for the year	(5,963)

14 Property, plant and equipment

Consolidated Cost or deemed cost:	**Machinery and equipment**	**Furniture and fixtures**	**IT equipment**	**Vehicles**	**Buildings and improvements**	**Leasehold improvements**	**Third-party assets - FINEP**	**Works in progress**	**Advances to suppliers**	**Sugarcane planting**	**Total**
Balance at March 31, 2018	**113,248**	**3,113**	**4,905**	**12,089**	**1,700**	**23,644**	**2,002**	**8,848**	**-**	**3,666**	**173,215**
Additions	10,551	206	531	986	-	4	-	7,882	88	1,748	21,996
Write-offs	(29)	(5)	(59)	(422)	-	-	-	-	(75)	-	(590)
Transfers	42	15	-	-	-	6,036	-	(7,423)	-	-	(1,330)
Balance at March 31, 2019	**123,812**	**3,329**	**5,377**	**12,653**	**1,700**	**29,684**	**2,002**	**9,307**	**13**	**5,414**	**193,292**
Additions	3,417	230	815	607	58	1,560	-	6,035	99	1,430	14,250
Write-offs (iii)	(70,557)	-	-	-	-	-	-	-	-	-	(70,557)
Right-of-use (first-time adoption of CPC 06 R2/IFRS 16)	-	-	-	(7,691)	-	-	-	-	-	-	(7,691)
Balance at March 31, 2020	**56,672**	**3,559**	**6,192**	**5,569**	**1,758**	**31,244**	**2,002**	**15,342**	**112**	**6,844**	**129,294**
Depreciation:											
Balance at March 31, 2018	**(21,984)**	**(1,307)**	**(3,510)**	**(5,721)**	**(119)**	**(8,193)**	**-**	**-**	**-**	**-**	**(40,834)**
Depreciation for the year	(22,565)	(226)	(350)	(3,031)	(120)	(1,720)	-	-	-	(1,409)	(29,421)
Write-off - depreciation	19	3	17	241	-	-	-	-	-	-	280
Balance at March 31, 2019	**(44,530)**	**(1,530)**	**(3,843)**	**(8,511)**	**(239)**	**(9,913)**	**-**	**-**	**-**	**(1,409)**	**(69,976)**
Depreciation for the period	(23,425)	(219)	(506)	(1,594)	(206)	(2,211)	-	-	-	-	(28,160)
Write-off - depreciation (iii)	37,764	-	-	-	-	-	-	-	-	-	37,764
Right-of-use (first-time adoption of CPC 06 R2/IFRS 16)	-	-	-	6,398	-	-	-	-	-	-	6,398
Balance at March 31, 2020	**(30,191)**	**(1,749)**	**(4,349)**	**(3,707)**	**(445)**	**(12,124)**	**-**	**-**	**-**	**(1,409)**	**(53,974)**
Balance at March 31, 2019	79,282	1,799	1,534	4,142	1,461	19,771	2,002	9,307	13	4,005	123,316
Balance at March 31, 2020	26,481	1,810	1,843	1,862	1,313	19,120	2,002	15,342	112	5,435	75,320

Parent company Cost or deemed cost:	Machinery and equipment	Furniture and fixtures	IT equipment	Vehicles	Buildings and improvements	Leasehold improvements	Third-party assets - FINEP	Works in progress	Advances to suppliers	Sugarcane planting	Total
Balance at March 31, 2018	**114,773**	**3,006**	**4,429**	**12,089**	**1,700**	**22,063**	**2,002**	**8,848**	-	**3,666**	**172,576**
Additions	5,648	206	531	986	-	4	-	7,882	88	1,748	17,093
Write-offs	(29)	(5)	(59)	(422)	-	-	-	-	(75)	-	(590)
Transfers	42	15	-	-	-	6,036	-	(7,423)	-	-	(1,330)
Balance at March 31, 2019	**120,434**	**3,222**	**4,901**	**12,653**	**1,700**	**28,103**	**2,002**	**9,307**	**13**	**5,414**	**187,749**
Additions	3,423	217	785	607	58	1,560	-	6,035	99	1,430	14,214
Write-offs and impairment (iii)	(72,300)	-	-	-	-	-	-	-	-	-	(72,300)
Right-of-use (first-time adoption of CPC 06 R2/IFRS 16)	-	-	-	(7,691)	-	-	-	-	-	-	(7,691)
Balance at March 31, 2020	**51,557**	**3,439**	**5,686**	**5,569**	**1,758**	**29,663**	**2,002**	**15,342**	**112**	**6,844**	**121,972**
Depreciation:											
Balance at March 31, 2018	**(21,668)**	**(1,297)**	**(3,469)**	**(5,721)**	**(119)**	**(7,921)**	**-**	**-**	**-**	**-**	**(40,195)**
Depreciation for the year	**(22,565)**	**(226)**	**(350)**	**(3,031)**	**(120)**	**(1,720)**	**-**	**-**	**-**	**(1,409)**	**(29,421)**
Write-off - depreciation	19	3	17	241	-	-	-	-	-	-	280
Depreciation transfer											-
Balance at March 31, 2019	**(44,214)**	**(1,520)**	**(3,802)**	**(8,511)**	**(239)**	**(9,641)**	**-**	**-**	**-**	**(1,409)**	**(69,336)**
Depreciation for the period	(22,768)	(208)	(445)	(1,594)	(206)	(1,982)	-	-	-	-	(27,203)
Write-off - depreciation (iii)	37,408	-	-	-	-	-	-	-	-	-	37,408
Right-of-use (first-time adoption of CPC 06 R2/IFRS 16)	-	-	-	6,398	-	-	-	-	-	-	6,398
Balance at March 31, 2020	**(29,574)**	**(1,728)**	**(4,247)**	**(3,707)**	**(445)**	**(11,623)**	**-**	**-**	**-**	**(1,409)**	**(52,733)**
Balance at March 31, 2019	76,220	1,702	1,099	4,142	1,461	18,462	2,002	9,307	13	4,005	118,413
Balance at March 31, 2020	21,983	1,711	1,439	1,862	1,313	18,039	2,002	15,342	112	5,435	69,238

(i) Pledged assets

On March 31, 2020, the Company has no assets subject to pledge to be offset.

(ii) Review of the useful life

As of March 31, 2020, the Company reviewed the remaining useful life of fixed asset items. The survey was performed with basis on a technical report issued by specialized professionals.

The estimated useful life of assets recorded in current fixed assets is shown in Note 6.c.

(iii) Recoverable value of fixed assets

The Company assesses every year whether there are indicators of an asset's loss of value. In the event such indicators are identified, the Company estimates the asset's recoverable amount.

For the year ended March 31, 2020, the Company wrote-off R$ 33,154 for the industrial plant related to the Cellulosic Ethanol Project - E2G based on an appraisal report from a specialized company already considering dismantling costs. From the remaining amount, an impairment loss in the amount of R$ 3,065 was recognized based on the proposals that the Company has for the acquisition of equipment. Said amounts were recognized in other operating expenses. Thus, the remaining balance in property, plant and equipment is R$ 1,580.

(iv) Third-party assets - FINEP

The Company has contracts with FINEP - Financiadora de Estudos e Projetos (financer of studies and projects) related to the development of projects and research defined in agreements signed by the parties.

According to contract, assets acquired, produced, transformed or built with these funds will be the property of the Company. In case rendering of accounts is not approved, the Company has the obligation of refunding FINEP for transferred funds.

15 Leases and right-of-use

In accordance with CVM/SNC/SEP Circular Letter No. 02/2019, the Company adopted the requirements of CPC06 (R2) in the measurement and remeasurement of its right-of-use and lease liabilities, and started using the discounted cash flow technique at the nominal rate.

Aiming to safeguard the reliable representation of the information in face of the requirements of CPC06 (R2) and to meet the guidelines of the Brazilian Securities and Exchange Commission (CVM) technical areas, the balances of assets and liabilities without inflation (actual flow x actual rate), and the estimate of inflated balances are provided in comparison periods (nominal flow x nominal rate).

Thus, as described in Note 7, the Company recognized the IFRS 16 (CPC 06 (R2)) on April 1, 2019.

Changes in the right-of-use during the current interim information were as follows:

Consolidated

Right-of-use	**Real estate**	**Vehicles**	**Total**
04/01/2019 - First-time adoption - CPC 06 (R2)/IFRS 16	27,691	-	27,691
Addition	970	4,201	5,171
Depreciation	(3,582)	(1,730)	(5,312)
March 31, 2020	**25,079**	**2,471**	**27,550**

Parent company

Right-of-use	**Real estate**	**Vehicles**	**Total**
04/01/2019 - First-time adoption - CPC 06 (R2)/IFRS 16	23,855	-	23,855
Addition	970	4,201	5,171
Depreciation	(2,683)	(1,730)	(4,413)
March 31, 2020	**22,142**	**2,471**	**24,613**

We present below the weighted average amortization rates by class of right-of-use as of March 31, 2020:

Class	**Average rate (% per annum)**
Real estate	9%
Vehicles	33%

Changes in lease liability during the current financial information were as follows:

Consolidated	**Real estate - Related parties (Note 29)**	**Real estate**	**Vehicles**	**Total**
Leases				
04/01/2019 - First-time adoption - CPC 06 (R2)/IFRS 16	23,855	3,836	-	27,691
Additions	970	-	4,201	5,171
Interest adjustment	70	-	21	91
Payments	(3,412)	(75)	(1,166)	(4,653)
March 31, 2020	**21,483**	**3,761**	**3,056**	**28,300**
Current	3,134	-	1,167	4,301
Non-current	18,349	3,761	1,889	23,799

Parent company	**Real estate - Related**	**Vehicles**	**Total**

		parties (Note 29)		
Leases				
04/01/2019 - First-time adoption - CPC 06 (R2)/IFRS 16	23,855	-	23,855
Additions	970	4,201	5,171
Interest adjustment	70	21	91
Payments	(3,412)	(1,166)	(4,578)
March 31, 2020	**21,483**	**3,056**	**24,539**
Current	3,134	1,167	4,301
Non-current	18,349	1,889	20,238

The weighted average incremental loan rate applied to the lease liabilities as of March 31, 2020 was 4.94% per annum.

months:	**Present value**	**Future value**
01–12	4,301	4,559
13–24	3,991	4,522
25–36	2,892	3,447
37–48	2,602	3,263
49–60	2,478	3,263
61–72	2,359	3,263
73–84	2,247	3,263
85–96	2,140	3,263
97–120	1,738	2,211
Gross total	24,539	31,054
Potential right of recoverable PIS and COFINS	(2,270)	(2,872)
Net total	22,269	28,182

16 Intangible assets

Consolidated

	Software	**Development costs**	**Use license**	**Total**
Balance at March 31, 2019	**17,128**	**245,015**	**-**	**262,143**
Additions	1,372	32,557	817	34,746
Balance at March 31, 2020	**18,500**	**277,572**	**817**	**296,889**
Amortization				
Balance at March 31, 2019	**(10,697)**	**(2,218)**	**-**	**(12,914)**
Amortization for the year	(1,818)	(3,832)	-	(5,650)
Balance at March 31, 2020	**(12,515)**	**(6,050)**	**-**	**(18,564)**
Balance at March 31, 2019	**6,432**	**242,797**	**-**	**249,228**
Balance at March 31, 2020	**5,986**	**271,522**	**817**	**278,325**

Parent company

	Software	Development costs	Total
Balance at March 31, 2019	**17,128**	**245,015**	**262,143**
Additions	653	32,557	33,210
Write-offs	-	-	-
Transfer	-	-	-
Balance at March 31, 2020	**17,781**	**277,572**	**295,353**
Amortization			
Balance at March 31, 2019	**(10,697)**	**(2,218)**	**(12,914)**
Amortization for the year	(1,674)	(3,832)	(5,506)
Balance at March 31, 2020	**(12,371)**	**(6,050)**	**(18,420)**
Balance at March 31, 2019	**6,432**	**242,797**	**249,228**
Balance at March 31, 2020	**5,411**	**271,522**	**276,932**

Additions and write-offs for the year refer to three projects related to the development of new technologies for the sugar-energy industry.

	2019	Additions	2020
Conventional Improvement Projects (a)	111,425	14,216	125,642
Transgenic Improvement Projects (b)	133,589	18,341	151,930
Use license (c)	-	817	817
Total	**245,014**	**33,374**	**278,388**

The costs with Conventional and Transgenic Improvement projects are classified as follows:

Phase 1: Applied research and proof of concept, which encompasses evaluation of attractiveness, technical merit and alignment, potential for application in real world, definition of protocols, and prototype and laboratory.

Phase 2: Early development, which encompasses refinement of processes and protocols, start-ups for field investigation, and potentially Pilot plants.

Phase 3: Advanced development, which encompasses field tests, regulatory analysis and potentially demo plants.

Phase 4: Pre-launch, which encompasses regulatory approvals, Seed bulk-up, detailing of business plan, and plants on semi-commercial or commercial scale.

Stage 3 is recognized under “Intangible assets” caption because, as it refers to advanced development, realization and effectiveness of future revenues are expected. This methodology was approved by the Company’s Board of Directors in accordance with IAS 38/CPC 04 – Intangible Assets.
The costs incurred in Phases 1, 2 and 4 are recognized in the Result.

(a) Conventional improvement projects
Genetic Improvement Program, through its regional centers strategically distributed all around the country (PR / MG/ MS/ MT / TO/ SP / GO), allows the Company to develop varieties increasingly productive and that cover all production conditions in different regions where the plant is cultivated in Brazil.

Diversification and modernization of varietal squad decisively contribute to agribusiness sustainability, not only through productivity gains, but also through improvement in quality, and reduction of phytosanitary risks and agricultural losses

CTC holds Intellectual Property rights over these varieties for 15 years counted as of concession date of respective protection certificates, as established by the Plant Variety Protection Law (Law 9,456, of April 25, 1997).

(b) Genetic improvement projects with use of biotechnology (transgenics)
Biotechnology, tool for the expected productivity leap of cane field, is able to accelerate the process of continued improvement of conventional varieties' productivity and also incorporate desirable traits to cane, which offer economic, environmental, and management benefits, such as those already enjoyed by soy bean, corn and cotton producers in Brazil for over two decades.

Genetically-modified plants are subject to approval by the National Biotechnology Technical Commission (CTNBio) in Brazil and products produced with them are subject to deregulation processes in countries to which they are exported.

CTC holds Intellectual Property rights over these varieties and related technologies for at least 15 years counted as of concession date of respective provisional protection certificates, as established by the Plant Variety Protection Law (Law 9456, of April 25, 1997) and/or for at least 20 years as of the deposit date of patent request, as established by Industrial Property Law (Law 9279, dated May 14, 1996).

(c) Use license
The Company has classified in intangible assets expenditures with license, acquired for use in more than one year, in connection with application and exploitation of technology for development of biotechnology abroad.

Impairment test

Impairment loss was recognized in relation to Cellulosic Ethanol project.
The book value of development costs as of March 31, 2020 includes R$ 50,404 related to the development of the Cellulosic Ethanol project. This cost, previously recognized as a provision for impairment, was reversed and the effective loss was recognized, considering that Management judges the project's commercialization expectation as low due to the cost of ethanol production and the financial situation of the industry, thus impairing the acquisition of industrial plants and the recoverable value, which includes such development costs (Cellulosic Ethanol Project - E2G).

17 Suppliers

Refer mainly to suppliers of machinery and equipment, materials and technical advisory, engineering advisory and consulting service providers.

	Consolidated		Parent company	
	2020	**2019**	**2020**	**2019**
Domestic suppliers	8,144	9,244	8,144	9,244
Foreign suppliers	3,353	3	114	3
	11,497	9,247	8,258	9,247
Current	11,497	9,127	8,258	9,127
Non-current	-	120	-	120

18 Salaries, vacation and charges payable

	Consolidated		Parent company	
	2020	**2019**	**2020**	**2019**
Provision for vacation and social security charges	5,192	4,895	5,192	4,895
Provision for 13th salary and charges	1,031	941	1,031	941
Participation in goal management program	15,386	12,704	14,611	12,704
INSS payable	947	1,080	947	1,080
IRRF on salaries	519	559	519	559
FGTS payable	253	231	253	231
Other	-	45	-	45
	23,328	20,455	22,553	20,455

19 Loans and financing

Parent company and Consolidated			**Maturity**			**Debit balance**	
Description	**Currency**	**Charges**	**from**	**to**	**Guarantees**	**2020**	**2019**
Finame	R$	2.5% p.a.	2013	2021	Lien of fixed assets	75	175
FINEP	R$	4% p.a.	2015	2022	Bank guarantee	80,773	110,145
BNDES	R$	4% p.a.	2013	2022	Bank guarantee	26,879	34,477
BNDES	R$	TJLP	2013	2022	Bank guarantee	8,978	8,978
						116,705	153,775
Current						50,063	46,158
Non-current						66,642	107,617

The amounts of liabilities are broken down per year of maturity:

Maturity year	2020	2019
months:		
Up to 12	50,063	46,158
13–24	35,992	40,975
25–36	28,114	35,485
37–48	2,536	28,114
49–60	-	3,043
	116,705	153,775

Covenants

The Company complied with the covenant as of March 31, 2020 and 2019.

Reconciliation of equity changes with cash flows from financing activities

		Cash flow				
	03/31/2018	Interest incurred	Payments	Interest paid	Transfers	03/31/2019
Current	46,291	6,832	(37,455)	(6,626)	37,116	46,158
Non-current	144,733	-	-	-	(37,116)	107,617
Total	191,024	6,832	(37,455)	(6,626)	-	153,775

		Cash flow				
	2019	Interest incurred	Payments	Interest paid	Transfers	2020
Loans and financing	153,775	5,341	(37,343)	(5,068)	-	116,705
Current	46,158	5,341	(37,343)	(5,068)	40,975	50,063
Non-current	107,617	-	-	-	(40,975)	66,642
Total	153,775	5,341	(37,343)	(5,068)	-	116,705

20 Provision for lawsuits

The Company, in the ordinary course of their business, is subject to judicial proceedings of tax, labor, civil and environmental nature. The Management, based on its legal advisors' opinion and, whenever applicable, grounded on specific opinion issued by experts at the same date, assesses the expectation of the outcome of the proceeding in course and determines the need or not for forming a provision for contingencies.

As of March 31, 2020, the amount of R$ 1,791 (R$ 1,981 as of March 31, 2019), was provisioned, which supported by the opinion of Management and legal advisors, is sufficient to cover losses expected from the outcome of the ongoing labor lawsuits. The counterparty of the contingency adjustment was made in the account of administrative and sales expenses.

In addition, the Company is subject to federal tax lawsuits classified as possible, restated at Selic over the year, in the amount of R$ 58,518 (R$ 56,517 on March 31, 2019), and labor lawsuits, in the amount of R$ 1,151 (R$ 1,080 on March 31, 2019), at different stages of procedural rules.

21 Shareholders' equity

Capital

The Company's capital is R$ 562,202 (identical to March 31, 2019), represented by 801,870 shares, all common and nominative, with no par value.

Profit distribution

Legal reserve
As of March 31, 2019 and 2018, the Company allocated 5% of net income determined in the year to the legal reserve, in accordance with the by-laws and in compliance with corporate law. As at March 31, 2020, the Company has the amount of R$ 2,113 (R$ 1,143 as at March 31, 2019) registered under Legal Reserve.

Dividends
In accordance with the Company's Bylaws, shareholders are entitled to a minimum mandatory dividend of 25% on net income calculated at the end of the year, adjusted in accordance with Article 202 of the Brazilian Corporation Law.

On June 18, 2020, the Board of Directors approved the distribution of dividends in the amount of R$ 4,605, which corresponds to 25% of net income for the year, adjusted as provided for in the Brazilian Corporation Law.

Reserve of shareholders' equity
The Company's Bylaws provides that remaining profit after legal destinations may be destined by shareholders in Annual Shareholders' Meeting through a proposal of the Board of Directors, obeying the limit of capital for a statutory reserve denominated Reserve of shareholders' equity.

On June 18, 2020, the Board of Directors defined a percentage of 100%, after legal destinations, for the formation of this reserve.

22 Net earnings per share

The table below shows the reconciliation of net income for the year with amounts used to calculate basic and diluted net earnings per share:

	Parent company and Consolidated 2020	**Parent company and Consolidated 2019**
Net income for the year attributable to the Company's shareholders (a)	19,391	23,597
Weighted average of outstanding shares (b)	801,870	801,870
Net earnings per common share at (a) / (b) x 1000	24.18	29.43

23 Operating segments (consolidated and parent company)

The Company's management uses its internal management reports for decision-making in its individual and consolidated financial statements, on the same basis as these statements are disclosed, that is, only one segment complying with the CPC 22 - Segment Reporting, considered internally as royalties. Other revenues are not material.

With respect to information on the main clients, in view of the own operation, the Company does not have any client that individually accounts for more than 10% of the total consolidated revenue.

24 Operating revenue

	Consolidated and Parent company	
	2020	**2019**
Revenues from royalties	86,225	59,795
Revenues from royalties - related parties (Note 29)	176,220	140,883
Other revenues	7,760	5,801
Taxes	(25,404)	(19,748)
Total	244,801	186,731

25 Operating expenses by type

	Consolidated		Parent company	
	2020	**2019**	**2020**	**2019**
Personnel expenses	(70,341)	(60,163)	(69,813)	(60,163)
Services engaged	(43,697)	(27,897)	(42,040)	(26,297)
Expenses with materials	(9,664)	(11,871)	(9,041)	(8,107)
Depreciation and amortization	(38,223)	(32,401)	(37,122)	(32,401)
Impairment loss	-	(17,962)	-	(17,962)
General expenses	(14,218)	(12,927)	(12,053)	(12,927)
	(176,143)	(163,221)	(170,069)	(157,857)
Reconciliation with operating expenses classified per function:				
Cost of research & development, products sold and services rendered	(104,238)	(106,080)	(99,136)	(104,461)
Administrative expenses	(71,905)	(57,141)	(70,933)	(53,396)
	(176,143)	(163,221)	(170,069)	(157,857)

26 Other operating revenues (expenses)

	Consolidated		Parent company	
	2020	**2019**	**2020**	**2019**
Loss for devaluation of fixed assets	(33,154)	-	(33,154)	-
Impairment loss	(3,065)	-	(3,065)	-
Provision for expected credit losses (Note 28)	(13,528)	(3,489)	(13,528)	(3,489)
Other operating income	480	2,959	334	2,959
	(49,267)	(530)	(49,413)	(530)

27 Net financial

	Consolidated		Parent company	
	2020	**2019**	**2020**	**2019**
Revenue from interest earning bank deposits	14,202	13,909	14,202	13,909
Other financial revenues	2,723	5,852	2,723	5,852
Financial income	16,925	19,761	16,925	19,761
Bank expenses	(3,276)	(4,239)	(3,276)	(4,239)
Interest on loans	(5,192)	(6,614)	(5,192)	(6,614)
Other financial expenses	(126)	(461)	(91)	(461)
Financial expenses	(8,594)	(11,314)	(8,559)	(11,314)
Net financial	8,331	8,447	8,366	8,447

28 Financial instruments

a. Accounting classification and fair values

The following table shows the book and fair values of financial assets and liabilities, including their fair value classifications.

Consolidated		Book value		Fair value	
Financial assets measured at fair value		**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
				Level 2	**Level 2**
Cash and cash equivalents (interest earning bank deposits)	Fair value through profit or loss	265,779	150,886	265,779	150,886
Interest earnings bank deposits	Fair value through profit or loss	38,898	145,533	38,898	145,533
Financial assets not measured at fair value					
Cash and cash equivalents (except for interest earning bank deposits)	Amortized cost	192	745	-	-
Accounts receivable	Amortized cost	78,213	79,518	-	-
Other accounts receivable	Amortized cost	11,316	11,176	-	-
Financial liabilities not measured at fair value					
Loans and financing	Amortized cost	116,705	153,775	-	-
Suppliers	Amortized cost	11,497	9,247	-	-
Leases	Amortized cost	28,100	-	28,100	-
Other accounts payable	Amortized cost	2,770	2,692	-	-

Parent company		**Book value**		**Fair value**	
Financial assets measured at fair value		**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
				Level 2	**Level 2**
Cash and cash equivalents (interest earning bank deposits)	Fair value through profit or loss	215,500	150,886	215,500	150,886
Financial instruments	Fair value through profit or loss	38,898	145,533	38,898	145,533
Financial assets not measured at fair value					
Cash and cash equivalents (except for interest earning bank deposits)	Amortized cost	114	245	-	-
Accounts receivable	Amortized cost	78,213	79,518	-	-
Other accounts receivable	Amortized cost	11,316	11,176	-	-
Financial liabilities not measured at fair value					
Loans and financing	Amortized cost	116,705	153,775	-	-
Suppliers	Amortized cost	8,258	9,247	-	-
Lease	Amortized cost	28,100	-	28,100	-
Other accounts payable	Amortized cost	5,346	602	-	-

Fair value vs. book value

The book values referring to the financial instruments contained in the balance sheet, when compared with the amounts that could be obtained in their trading in an active market or, in the absence hereof, with the net present value adjusted with a basis on the current interest rate in the market, are substantially close to their corresponding market values.

b. Financial risk management

The Company is exposed to the following risks resulting from financial instruments:

- Credit risk
- Liquidity risk
- Market risk.

This note presents information on the Company's exposure to each of the risks above, the Company's objectives, measurement policies, and the Company's risk and capital management proceedings.

c. Risk management structure

The Management is globally responsible for the establishment and supervision of the risk management framework of the Company. Management is responsible for the development and monitoring of the risk management policies. Managers of each department regularly report their activities to Management.

The Company's risk management policies are established to identify and analyzed the risks that it faces, to define appropriate limits and controls of risks, and to monitor risks and adherence to the limits. The risk management policies and systems are reviewed frequently to reflect changes in the market conditions and in the Company's activities. The Company, through its training and management rules and procedures, aims to develop a disciplined and constructive control environment, in which all the employees understand their roles and obligations.

d. Credit risk

Credit risk is the risk of a Company to incur in losses if a client or a counterparty of a financial instrument fails to fulfill its contractual obligations arising mainly from trade accounts receivable and other receivables and cash and cash equivalents.

Credit risk exposure

The book values of financial assets classified as loans and receivables represent the maximum credit exposure.

Credit risks

The Company restricts its credit risk exposure associated to banks and interest earning bank deposits by investing with reputable financial institutions. With respect to accounts receivable, the Company restricts its exposure to credit risks by selling to a broad client base and through ongoing credit analyses. As of March 31, 2020, there was no significant concentration of credit risk associated with clients.
Financial instruments that potentially subject the Company to concentration of credit risk consist mainly of bank balances, interest earning bank deposits and trade accounts receivable.

The balance of accounts receivable is distributed under sundry clients.

		Consolidated		Parent company	
Assets	**Note**	**2020**	**2019**	**2020**	**2019**
Cash and cash equivalents (except for interest earning bank deposits)	8	192	745	114	245
Cash and cash equivalents (interest earning bank deposits)	8	265,779	150,886	215,500	150,886
Financial instruments	9	38,898	145,533	38,898	145,533
Accounts receivable	10	78,213	79,518	78,213	79,518
Other accounts receivable	11	11,316	11,176	11,316	11,176
		394,398	387,858	344,040	387,358

Trade accounts receivable and other receivables

Expense with formation of this provision was recorded under other operating revenues (expenses) caption in the statement of income. When all efforts to recover trade accounts receivable, amounts credited to such provision, are, normally reversed against definitive write-off of the note.

The Company believes that no provision will be necessary for current accounts receivable.

The breakdown by maturity of loans and receivables on the date of the financial statements for which no impairment losses were recognized was as follows:

	Parent company and Consolidated	Parent company and Consolidated
	2020	**2019**
Falling due (days):	18,609	42,669
1–30	1,429	1,121
31–60	3,464	2,793
61–180	11,601	10,011
181–360	12,530	5,750
>360	30,580	17,174
Total (Note 10)	78,213	79,518
(-) Provision for expected credit loss - related parties	(24,014)	(14,504)
(-) Provision for expected credit loss	(21,848)	(17,830)
Total (Note 10)	(45,862)	(32,334)
	33,142	47,184

The changes in provision for impairment loss in relation to accounts receivable and other receivables during the year were as follows:

Balance at March 31, 2018	**28,845**
Provision for expected credit losses	3,489
Balance at March 31, 2019	**32,334**
Provision for expected credit losses	13,528
Balance at March 31, 2020	**45,862**

Sugarcane varieties' trading model by means of royalty charge is peculiar and directly affects Accounts Receivable and the way the Company mitigates credit risk.

Royalties are charged on a recurring and annual basis per planted hectare, In case a client is facing difficulties to honor its financial obligation with the Company, its default will be monitored so that at the end of sugarcane cycle, there is no debt balance.

Taking into consideration economic crisis that affected sugar-energy industry in the last years and the number of mills facing financial problems or under receivership, the Company adopted several measures to mitigate default risk.

Due to the Company's action to mitigate credit risk, more than 90% of clients are operating since 2012, and no loss was recognized for these clients.

e. Liquidity risk

The contractual maturities of financial liabilities are shown below, including payment of estimated interest.

Schedule of debt amortization

March 31, 2020	**Book value**	**Contractual cash flow**	**12 months**	**13–24 months**	**25–36 months**	**37–48 months**
Suppliers	8,258	8,258	11,497	-	-	-
Loans and financing	116,705	124,874	53,568	38,512	30,082	2,712
Lease	28,100	28,100	5,331	5,118	3,354	14,297
Other accounts payable	2,770	2,770	2,770			

March 31, 2019	**Book value**	**Contractual cash flow**	**12 months**	**13–24 months**	**25–36 months**	**37–48 months**
Suppliers	9,247	9,247	9,247	-	-	-
Loans and financing	153,775	163,832	47,707	43,222	38,444	34,459
Other accounts payable	2,662	2,662	2,662	-	-	-

Cash flows included in the Company's maturity analysis are not expected to be early realized.

f. Market risk

Market risk refers to changes in market prices, such as interest rates that affect the gains of the Company, or in the value of their interest in financial instruments. The objective of market risk management is to manage and control exposures to market risks according to acceptable parameters and optimize the return at the same. For outstanding transactions and operations, the relevant risk is the interest rate risk.

Interest rate risk

Interest rate risk is the risk of the Company incurring financial losses due to adverse changes in interest rates, which may be caused by economic crises and/or changes in the monetary policy of domestic market. This exposure refers mainly to changes in market interest rates that affect the Company's liabilities indexed at Interbank Deposit Certificate (CDI).

Profile

On the date of financial statements, the profile of financial instruments remunerated through Company's variable interest was:

		Book value	
Consolidated and parent company	**Risk**	**2020**	**2019**
Prefixed rate instruments			
Suppliers		11,497	9,247
Loans and financing		107,727	144,797
Variable rate instruments			
Interest earning bank deposit (financial instruments and cash and cash equivalents)	CDI	304,677	296,419
Loans and financing	TJLP	8,978	8,978

Sensitivity analysis

The Company has R$ 304,677 of interest earning bank deposits indexed to the post-fixed rate, mainly the “CDI” rate, and R$ 8,978 of loans and financing indexed to the post-fixed rate, mainly the “Libor’ rate. The table below considers three scenarios, taking into account their percentage changes for CDI and TJLP, where the probable scenario is 10% greater than effective average rate in 2020. Other scenarios consider CDI and TJLP appreciation of 25% and 50% on this rate and represent the impact of financial expenses on income (loss) for the year and shareholders’ equity.

Interest rate risk on financial assets and liabilities - depreciation of rates

			Scenarios					
	Exposure - 03/31/2020		Probable		Index reduction by 25%		Decrease of the index by 50%	
Instruments		**Risk**	**%**	**Amount**		**Amount**	**%**	**Amount**
Financial assets								
Interest earning bank deposit (financial instruments and cash and cash equivalents)	304,677	CDI decr.	5.94	18,098	4.46	13,573	2.97	9,049
Financial liabilities								
Loans and financing	8,978	TJLP decr.	5.95	(534)	4.4625	(401)	2.98	(267)
Projected financial income (loss)				18,632		13,974		9,316
Impact on income (loss) and shareholders' equity				-		(4,658)		(9,316)

			Scenarios					
	Exposure - 03/31/2019		Probable		Index reduction by 25%		Decrease of the index by 50%	
Instruments		**Risk**	**%**	**Amount**		**Amount**	**%**	**Amount**
Financial assets								
Interest earning bank deposit (financial instruments and cash and cash equivalents)	296,419	CDI decr.	5.94	17,607	4.46	13,205	2.97	8,804
Financial liabilities								
Loans and financing	8,978	TJLP decr.	5.95	(534)	4.4625	(401)	2.98	(267)
Projected financial income (loss)				18,141		13,606		9,071
Impact on income (loss) and shareholders' equity				-		(4,535)		(9,071)

Interest rate risk on financial assets and liabilities - appreciation of rates

			Scenarios					
	Exposure - 03/31/2020		**Probable**		**Increase in the index by 25%**		**Increase in the index by 50%**	
Instruments		**Risk**	**%**	**Amount**		**Amount**	**%**	**Amount**
Financial assets								
Interest earning bank deposit (financial instruments and cash and cash equivalents)	304,677	CDI decr.	5.94	18,098	7.43	22,622	8.91	27,147
Financial liabilities								
Loans and financing	8,978	TJLP decr.	5.95	(534)	7.4375	(668)	8.93	(801)
Projected financial income (loss)				18,632		23,290		27,948
Impact on income (loss) and shareholders' equity				-		4,658		9,316

			Scenarios					
	Exposure - 03/31/2019		**Probable**		**Increase in the index by 25%**		**Increase in the index by 50%**	
Instruments		**Risk**	**%**	**Amount**		**Amount**	**%**	**Amount**
Financial assets								
Interest earning bank deposit (financial instruments and cash and cash equivalents)	296,419	CDI decr.	5.94	17,607	7.43	22,009	8.91	26,411
Financial liabilities								
Loans and financing	8,978	TJLP decr.	5.95	(534)	7.4375	(668)	8.93	(801)
Projected financial income (loss)				18,141		22,677		27,212
Impact on income (loss) and shareholders' equity				-		4,535		9,071

The Company's goal is to manage the operational risk to avoid the occurrence of financial losses and damage to its reputation, and to pursue cost effectiveness and avoid control procedures that restrict initiative and creativeness.

g. Capital management

The purposes of the capital management of the Company are to safekeep the ability to continue to offer return to the shareholders and benefits to the other stakeholders, as well as to optimize the capital structure focused on the maintenance of indicators monitored by the Financial Management and Management. These indicators correspond to the following ratios:

Current liquidity (current assets to current liabilities)	Above or equal to 1

The liquidity and leverage ratios are shown below:

	Consolidated		Parent company	
	2020	**2019**	**2020**	**2019**
Current assets	295,498	284,278	295,399	283,778
Current liabilities	103,496	89,236	102,058	87,146
Liquidity ratio	2.86	3.19	2.89	3.26

29 Related parties

a. Parent company and ultimate parent company

Ultimate Parent company is formed by the control block composed by shareholders: Raízen Group, Copersucar S.A., São Martinho Group, Guarani S.A., Grupo Bunge e S.A. Usina Coruripe Açúcar e Álcool.

b. Remuneration of key management personnel

Key management personnel includes board members and directors. The remuneration paid to board members and directors is defined in the Annual Shareholders' Meeting and the amount paid in the year as remuneration was R$ 8,970 (R$ 6,312 as of March 31, 2019).

(iii) Other related party transactions

Main asset and liability balances, as well as transactions that influence income (loss) for the year, derive from transactions between the Company and its related parties for the following types of operations:

Accounts receivable (Note 6)	**03/31/2020**	**03/31/2019**
Virgolino de Oliveira Group	8,220	8,088
Eth Group	7,495	9,368
Biosev Group	5,121	1,904
Usina Alvorada Açúcar e Álcool Ltda	4,343	4,024
Ferrari Agroindustrial S.A.	3,709	6,461
Tonon Bioenergia S.A.	2,284	2,542
Usina Santa Rosa S.A.	1,728	1,728
S.A. Usina Coruripe Açúcar E Alcool	1,606	2,326
Adecoagro Group	1,423	2,041
Jalles Machado S.A.	1,392	1,219
Baldin Group	1,033	1,244
Nova America Agricola Ltda	1,024	809

Usina Açucareira Furlan S.A.	942	942
Usina Batatais S.A. Açúcar E Álcool	776	361
Usina Açucareira São Manoel S.A.	733	217
Denusa – Destilaria Nova União S.A.	678	769
Unialco Group	660	1,003
Usina Santa Fé S.A.	551	2,175
Dacalda Açúcar E Alcool Ltda	502	209
Raízen Group	492	-
Usina Melhoramentos	364	179
Wd Agroindustrial Ltda	331	140
Usina Ipiranga de Açúcar e Álcool S.A.	322	-
Antonio Ruette Agroindustrial Ltda	317	278
Usina Santa Adelia S.A.	282	210
Usina Açucareira Ester S.A.	267	1,030
U.S.A. – Usina Santo Angelo Ltda	247	135
Santa Vitória Açucar E Alcool Ltda	209	68
São Martinho Group	141	242
Agropeu - Agroindustrial de Pompeu S/A	133	112
Alto Alegre Group	120	39
J. Pilon Açucar E Alcool	108	-
Usina Santa Lucia S.A.	62	59
Usina Uberaba S.A.	58	21
Pedra Agroindustrial	45	-
Usina Maringa	-	98
Usina Trapiche S.A	-	124
Usina São José da Estiva S.A Açúcar e Álcool	-	2,009
Della Coletta Bioenergia S.A.	-	580
	47,718	**52,754**

A substantial portion of the Company’s operations is carried out with related parties, with revenues among shareholders:

Revenues (Note 24) (a))	**03/31/2020**	**03/31/2019**
Bunge Group	16,850	11,126
Biosev Group	15,364	13,452
Raízen Group	13,953	10,373
São Martinho Group	13,451	11,773
Pedra Agroindustrial	9,752	7,809
Tereos Group	8,287	6,763
Adecoagro Group	8,183	4,347
Eth Group	6,842	4,984
Usina Ipiranga de Açúcar e Álcool S.A.	6,680	4,862
Cocal Comercio E Industria Canaã Açucar E Alcool S.A.	6,630	4,127
Noble Do Brasil S.A	6,465	4,409
Bp Group	5,734	4,327
Jalles Machado S.A.	5,568	4,876
Usina de Açúcar Santa Terezinha Ltda	3,137	4,458
S.A. Usina Coruripe Açúcar E Alcool	5,193	4,458
Alto Alegre Group	5,098	3,991
Usina Batatais S.A. Açúcar E Álcool	3,102	1,444
Nova America Agrícola Ltda	3,032	2,921

Usina Melhoramentos	3,023	1,431
Zilor	2,813	2,026
Ferrari Agroindustrial S.A.	2,164	1,498
Usina Santa Fé S.A.	2,057	1,817
Usina Alvorada Açúcar e Álcool Ltda	1,718	1,399
Goiasa Goiatuba Álcool Ltda.	1,687	1,246
Usina Uberaba S.A.	1,657	1,115
Usina Santo Antônio S.A	1,534	1,373
Usina São Francisco S.A	1,495	1,406
Clealco Açúcar e Álcool S/A	1,440	-
Usina Açucareira Ester S.A.	1,395	1,532
J. Pilon Açúcar E Álcool	1,331	1,181
Antonio Ruette Agroindustrial Ltda	1,267	1,113
Usina Santa Adelia S.A.	1,126	839
Usina Açucareira S. Manoel S.A.	1,116	867
Santa Vitória Açucar E Alcool Ltda	838	272
USJ - Açúcar E Álcool S.A.	818	500
U.S.A. – Usina Santo Angelo Ltda	798	540
Usina Açucareira Furlan S.A.	747	1,395
Unialco Group	677	882
Denusa – Destilaria Nova União S.A.	642	561
Wd Agroindustrial Ltda	516	281
Dacalda Açúcar E Alcool Ltda	502	418
Usina Maringa	450	394
Companhia Muller de Bebidas	410	-
Usina Santa Lucia S.A.	247	234
Agropeu - Agroindustrial de Pompeu S/A	149	91
Virgolino de Oliveira Group	130	2,315
Usina Trapiche S.A	74	68
Lasa Linhares Agroindustrial S.A	67	81
Alcon - Cia de Álcool Conceição da Barra	11	12
Usina São José da Estiva S.A Açúcar e Álcool	-	2,009
Tonon Bioenergia S.A.	-	616
Della Coletta Bioenergia S.A.	-	495
Baldin Group	-	376
Grand Total	**176,220**	**140,883**

(a) Accounts receivable and revenue - Royalties' Contracts

Operations with sugarcane varieties and technology licensing. Royalties are recognized at the accrual system in conformity with the agreement's essence.

	Parent company	
	2020	**2019**
Lease liability (Note 15)	21,483	-

The balance presented above as related parties refers to the lease of the administrative building with IMOCOP, a subsidiary of the related party Copersucar, in which the amount of R$ 3,412,000 was paid.

30 Insurance

The Company has an insurance program and risk management that provides consistent coverage and protection for corporate assets and operations.

Contracted coverage is based on a thorough study of risks and losses and contracted insurance types are considered by Management as sufficient to cover possible claims that may arise, considering the nature of the Company's activities.

At March 31, 2020, operating risk insurance coverage was comprised of R$ 36,000 for material damage and R$ 37,000 for civil liability.

31 Subsequent events

On January 31, 2020, the World Health Organization (WHO) announced that the coronavirus (COVID-19) is a global health emergency. The outbreak triggered major decisions by governments and private sector entities, which coupled with the potential impact of the outbreak, increased the degree of uncertainty for economic agents and can significantly impact the amounts recognized in the financial statements.

Considering the current situation of the spread of the coronavirus, we understand that our projection of revenues and operating cash flows for the year 2020 shall be reviewed, which can lead to the need to recognize an impairment loss, mainly for receivables. Considering the unpredictability regarding the evolution of the outbreak and its impacts, it is not currently feasible to estimate the financial effect of coronavirus on estimated revenues and operating cash flows or recoverable value.

Management is constantly evaluating the impact of the outbreak on the Company's operations and financial position, with the purpose of implementing appropriate measures to mitigate the impacts of the outbreak on its operations and financial statements. As of the authorization date for the issuance of these financial statements, the following main measures were taken:

- Renegotiation of contracts with the Company's suppliers, in order to align the acquisition of inputs for production with expectations related to the future demand for the Company's products, considering the current outbreak scenario;

- Implementation of temporary measures in the staff, with the purpose of reducing salary expenses in the medium term, such as suspension of new hiring.

- Negotiation of the conditions regarding the Company's loans and financing with financial institutions to mitigate any liquidity risks.

- Postponement of payment of taxes, such as PIS/COFINS, INSS and FGTS according to ordinances and regulations in force.

*   *   *

CTC – Centro de Tecnologia Canavieira S.A.
EIN [CNPJ] 06.981.381/0001-13

Board of Directors

Board Members

Pedro Isamu Mizutani	Chairman of the Board of Directors
Fábio Venturelli	Vice Chairman
Luis Roberto Pogetti	Board Member
Mario Luiz Lorencatto	Board Member
Mario Lindenhayn	Board Member
Otávio Lage de Siqueira Filho	Board Member
Juliana Sá Vieira Baiardi	Board Member
Pierre Louis Joseph Santoul	Board Member
Fabio Lopes Junior	Board Member
Pedro Wongtschowski	Independent Board Member
Fernando de Castro Reinach	Independent Board Member
Rodrigo Correia Barbosa	Board Observer
Paulo Meneguetti	Board Observer
Juan José Blanchard	Board Observer

Executive Board

CEO
José Gustavo Teixeira Leite

Directors
Viler Corrêa Janeiro
Rinaldo Pecchio Jr

Accountant in charge: Evandro Rodrigues Ferreira
CRC 1SP270523/O-7