Individual and Consolidated Interim Financial Information

CTC - Centro de Tecnologia Canavieira S.A.

September 30, 2020
with Independent Auditor's Report

CTC - Centro de Tecnologia Canavieira S.A.

Individual and consolidated interim financial information

September 30, 2020

Contents

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A free translation from Portuguese into English of Independent Auditor's Review Report on quarterly information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting and the accounting practices adopted in Brazil

Independent auditor's review report on quarterly information

To the Shareholders, Board of Directors and Officers of
CTC - Centro de Tecnologia Canavieira S.A.
Fazenda Santo Antonio, s/nº - Bloco 1 Bairro Santo Antonio
Piracicaba - SP

Introduction

We have reviewed the individual and consolidated interim financial information of CTC - Centro de Tecnologia Canavieira S.A. ("Company") contained in the Quarterly Information Form (ITR) for the quarter ended September 30, 2020, which comprises the statement of financial position as at September 30, 2020 and the related statements of profit or loss and of comprehensive income for the three- and six-month periods then ended, and the statements of changes in equity and of cash flows for the six-month period then ended, including explanatory information.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the presentation of this financial information in accordance with the rules issued by the Brazilian Securities and Exchange Commission ("CVM") applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this individual and consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Statements of value added

The quarterly information referred to above includes the individual and consolidated Statements of Value Added (SVA) for the six-month period ended September 30, 2020, prepared under the responsibility of Company management and presented as supplementary information for IAS 34 purposes. These statements have been subject to review procedures performed in conjunction with the review of the quarterly information to conclude whether they are reconciled with the individual and consolidated interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG 09 - Statement of Added Value. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria defined in referred to Standard and consistently with the individual and consolidated interim financial information taken as a whole.

Audit and review of corresponding figures

The individual and consolidated statements of financial position as at March 31, 2020 and the individual and consolidated statements of profits and loss and of comprehensive income for the three- and six-month periods ended September 30, 2020, and the statements of changes in equity, of cash flows and of value added for the six-month period then ended, were audited and reviewed, respectively, by other independent auditors, who issued an unmodified independent auditor's report and an unmodified independent auditor's review report thereon on June 19, 2020 and November 14, 2019, respectively.

Campinas, October 21, 2020.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

José Antonio de A. Navarrete
Accountant CRC-1SP198698/O-4

CTC - Centro de Tecnologia Canavieira S.A.

Statements of financial position
September 30, 2020 and March 31, 2020
(In thousands of reais)

		Consolidated		Individual	
	Note	09/30/2020	03/31/2020	09/30/2020	03/31/2020
Assets					
Cash and cash equivalents	3	**267,981**	265,971	**267,778**	265,893
Accounts receivable	5	**63,750**	22,185	**63,750**	22,185
Inventories		**3,285**	2,381	**3,285**	2,381
Taxes recoverable		**502**	127	**502**	127
Biological asset		**624**	671	**624**	671
Current tax assets		**2,894**	3,700	**2,894**	3,700
Other accounts receivable	6	**2,614**	463	**2,576**	442
Total current assets		**341,650**	295,498	**341,409**	295,399
Investments not immediately redeemable	4	**32,709**	38,898	**32,709**	38,898
Accounts receivable	5	**13,304**	10,167	**13,304**	10,167
Other accounts receivable	6	**10,297**	10,853	**10,297**	10,853
Taxes recoverable		**1,069**	913	**1,069**	913
Deferred tax assets	7	**33,822**	54,146	**33,823**	54,146
Total noncurrent assets		**91,201**	114,977	**91,202**	114,977
Investments	8	**-**	-	**6,672**	5,512
Property and equipment	9	**70,446**	75,320	**64,483**	69,238
Right of use	10	**26,091**	27,550	**23,307**	24,613
Intangible assets	11	**286,453**	278,325	**284,635**	276,932
Total noncurrent assets		**474,191**	496,172	**470,299**	491,272
Total assets		**815,841**	791,670	**811,708**	786,671

Statements of financial position
September 30, 2020 and March 31, 2020
(In thousands of reais)

		Consolidated		Individual	
	Note	**09/30/2020**	**03/31/2020**	**09/30/2020**	**03/31/2020**
Liabilities and equity					
Suppliers	12	**6,979**	11,497	**6,492**	8,258
Lease obligations	10	**6,143**	4,301	**5,093**	4,301
Loans and financing	15	**37,123**	50,063	**37,123**	50,063
Taxes and contributions payable	13	**10,556**	2,895	**10,556**	2,895
Salaries, vacation pay and related charges	14	**20,572**	23,328	**20,240**	22,553
Dividends payable	23c	**5,654**	5,712	**5,654**	5,712
Other accounts payable		**2,811**	5,699	**2,881**	8,275
Total current liabilities		**89,838**	103,495	**88,039**	102,057
Lease obligations	10	**20,784**	23,799	**18,450**	20,238
Loans and financing	15	**52,054**	66,642	**52,054**	66,642
Provision for contingencies	16	**1,316**	1,791	**1,316**	1,791
Total noncurrent liabilities		**74,154**	92,232	**71,820**	88,671
Shareholder's Equity	17				
Capital		**562,203**	562,203	**562,203**	562,203
Capital reserve		**5,353**	-	**5,353**	-
Legal reserve		**2,113**	2,113	**2,113**	2,113
Capital payment reserve		**30,108**	30,108	**30,108**	30,108
Retained earnings		**50,058**	-	**50,058**	-
Cumulative translation adjustments		**2,014**	1,519	**2,014**	1,519
Total equity		**651,849**	595,943	**651,849**	595,943
Total liabilities		**163,992**	195,727	**159,859**	190,728
Total liabilities and equity		**815,841**	791,670	**811,708**	786,671

See accompanying notes.

CTC - Centro de Tecnologia Canavieira S.A.

Statements of profit or loss
Six and three-month periods ended September 30, 2020 and 2019
(In thousands of reais)

		Consolidated				Individual			
	Note	04/01/2020 to 09/30/2020 (6 months)	07/01/2020 to 09/30/2020 (3 months)	04/01/2019 to 09/30/2019 (6 months)	07/01/2019 to 09/30/2019 (3 months)	04/01/2020 to 09/30/2020 (6 months)	07/01/2020 to 09/30/2020 (3 months)	04/01/2019 to 09/30/2019 (6 months)	07/01/2019 to 09/30/2019 (3 months)
Net revenue	18	**152,676**	**88,066**	115,124	65,774	**152,676**	**88,066**	115,124	65,774
Cost of research and services rendered	19	**(50,832)**	**(29,654)**	(53,526)	(28,397)	**(47,991)**	**(27,307)**	(51,192)	(26,063)
Gross profit		**101,844**	**58,412**	61,598	37,377	**104,685**	**60,759**	63,932	39,711
Selling and administrative expenses	19	**(39,817)**	**(24,872)**	(31,379)	(15,583)	**(39,456)**	**(25,483)**	(31,379)	(16,800)
Equity pickup	8	**-**	**-**	-	-	**(3,142)**	**(1,712)**	(2,278)	(1,094)
Other operating income (expenses)	19	**7,447**	**7,417**	(7,647)	(7,732)	**7,352**	**7,369**	(7,716)	(7,768)
Income before net finance income (costs) and taxes		**69,474**	**40,957**	22,572	14,062	**69,439**	**40,933**	22,559	14,049
Finance income		**5,284**	**2,864**	9,465	4,157	**5,284**	**2,864**	9,465	4,157
Finance costs		**(4,376)**	**(2,505)**	(4,559)	(2,156)	**(4,341)**	**(2,481)**	(4,546)	(2,143)
Finance income (costs), net	20	**908**	**359**	4,906	2,001	**943**	**383**	4,919	2,014
Income before income and social contribution taxes		**70,382**	**41,316**	27,478	16,063	**70,382**	**41,316**	27,478	16,063
Income and social contribution taxes:									
Deferred	7	**(20,324)**	**(9,989)**	572	(55)	**(20,324)**	**(9,989)**	572	(55)
For the year	7	**-**	**-**	(6,131)	(1,616)	**-**	**-**	(6,131)	(1,616)
Net income for the period		**50,058**	**31,327**	21,919	14,392	**50,058**	**31,327**	21,919	14,392
Earnings per share	17								
Basic earnings for the year attributable to controlling shareholders holding common shares		**62.43**	**39.07**	27.33	17.95	**62.43**	**39.07**	27.33	17.95
Diluted earnings for the year attributable to controlling shareholders holding common shares		**62.38**	**39.04**	27.32	17.94	**62.38**	**39.04**	27.32	17.94

See accompanying notes.

CTC - Centro de Tecnologia Canavieira S.A.

Statements of comprehensive income
Six-month and three-month periods ended September 30, 2020 and 2019
(In thousands of reais)

	Consolidated and Individual			
	04/01/2020 to 09/30/2020 (6 months)	**07/01/2020 to 09/30/2020 (3 months)**	**04/01/2019 to 09/30/2019 (6 months)**	**07/01/2019 to 09/30/2019 (3 months)**
Net income for the period	**50,058**	**31,327**	21,919	14,392
Comprehensive income:				
Items that are or may be reclassified to P&L:				
Foreign currency translation effect - CTA	**495**	**210**	392	22
	495	**210**	392	22
Total comprehensive income for the year	**50,553**	**31,537**	22,311	14,414

See accompanying notes.

CTC - Centro de Tecnologia Canavieira S.A.

Statements of changes in equity
Six-month periods ended September 30, 2020 and 2019
(In thousands of reais)

	Note	Capital	Capital reserve Share-based payment	Legal reserve	Capital payment reserve	Cumulative translation adjustments	Retained earnings	Total
Balances at April 1, 2019		562,203	-	1,143	16,292	(16)	-	579,622
Net income for the period		-		-	-	-	14,392	14,392
Comprehensive income:								
Foreign currency translation effect - CTA		-		-	-	8	-	8
Balances at September 30, 2019		562,203	-	1,143	16,292	(8)	14,392	594,022
Balances at April 1, 2020		**562,203**		**2,113**	**30,108**	**1,519**	**-**	**595,943**
Share-based payment	17	**-**	**5,353**	**-**	**-**	**-**	**-**	**5,353**
Net income for the period		**-**	**-**	**-**	**-**	**-**	**50,058**	**50,058**
Comprehensive income:								
Foreign currency translation effect - CTA	8	**-**		**-**	**-**	**495**	**-**	**495**
Balances at September 30, 2020		**562,203**	**5,353**	**2,113**	**30,108**	**2,014**	**50,058**	**651,849**

See accompanying notes.

CTC - Centro de Tecnologia Canavieira S.A.

Statements of cash flows - Indirect method
Six-month periods ended September 30, 2020 and 2019
(In thousands of reais)

		Consolidated		Individual	
	Note	04/01/2020 to 09/30/2020	04/01/2019 to 09/30/2019	04/01/2020 to 09/30/2020	04/01/2019 to 09/30/2019
Cash flow from operating activities					
Net income for the period		**50,058**	21,919	**50,058**	21,919
Adjustments:					
Depreciation and amortization	9 10.11	**14,831**	20,443	**13,713**	19,953
Allowance for expected credit losses		**-**	7,970	**-**	7,949
Provision for profit sharing	14	**7,105**	9,640	**3,110**	9,619
Equity pickup in subsidiaries	8	**-**	-	**3,142**	2,278
Provision for contingencies		**(475)**	-	**(475)**	-
Revenue from grants	15	**(8,978)**	-	**(8,978)**	-
Share-based payment	17	**5,353**	-	**5,353**	-
Provisions for interest		**2,103**	2,955	**2,103**	2,955
Income and social contribution taxes	7	**20,324**	(572)	**20,324**	(572)
		90,321	62,355	**88,350**	64,101
Changes in assets and liabilities					
Accounts receivable		**(44,702)**	(45,821)	**(44,702)**	(45,800)
Inventories		**(904)**	(1,569)	**(904)**	(1,536)
Taxes recoverable and current tax asset		**275**	7,817	**275**	7,817
Other accounts receivable		**(1,595)**	(1,647)	**(1,578)**	(1,610)
Suppliers		**(4,518)**	(4)	**(1,766)**	(1,103)
Taxes and contributions payable and current tax liability		**7,761**	217	**7,761**	216
Salaries, vacation pay and related charges payable		**(9,861)**	(11,969)	**(5,423)**	(12,035)
Other accounts payable		**333**	(3,881)	**(2,158)**	(522)
Cash used in operating activities		**37,110**	5,498	**39,855**	9,528
Taxes paid		**-**	(5,064)	**-**	(5,064)
Interest paid	15	**(2,007)**	(2,780)	**(2,007)**	(2,780)
Net cash flow used in operating activities		**35,103**	(2,346)	**37,848**	1,684
Cash flow from investing activities					
Redemption of financial investments		**6,189**	104,954	**6,189**	104,954
Acquisition of property and equipment	9	**(7,246)**	(9,176)	**(6,608)**	(8,296)
Biological assets		**47**	(188)	**47**	(188)
Investments in subsidiary		**-**	-	**(3,807)**	(5,095)
Intangible assets	11	**(10,601)**	(17,834)	**(9,984)**	(17,169)
Net cash flow used in investing activities		**(11,611)**	77,756	**(14,163)**	74,206
Cash flow from financing activities					
Repayment of lease obligations		**(3,331)**	(2,347)	**(3,154)**	(2,317)
Loans repaid	15	**(18,646)**	(18,688)	**(18,646)**	(18,688)
Net cash flow used in financing activities		**(21,977)**	(21,035)	**(21,800)**	(21,005)
Effects of foreign exchange rate variation on cash and cash equivalents		**495**	393	-	-
Increase in cash and cash equivalents		**2,010**	54,768	**1,885**	54,885
Cash and cash equivalents at beginning of period		**265,971**	151,631	**265,893**	151,131
Cash and cash equivalents at end of period		**267,981**	206,399	**267,778**	206,016
Increase in cash and cash equivalents		**2,010**	54,768	**1,885**	54,885

See accompanying notes.

CTC - Centro de Tecnologia Canavieira S.A.

Statements of value added
Six-month periods ended September 30, 2020 and 2019
(In thousands of reais)

	Note	Consolidated 04/01/2020 to 09/30/2020	Consolidated 04/01/2019 to 09/30/2019	Individual 04/01/2020 to 09/30/2020	Individual 04/01/2019 to 09/30/2019
Revenues		**177,192**	119,054	**177,192**	119,054
Sales of goods, products and services		**164,164**	122,455	**164,164**	122,455
Other income		**13,028**	4,569	**13,028**	4,569
Allowance for expected credit losses		**-**	(7,970)	**-**	(7,970)
Bought-in inputs		**(32,777)**	(28,247)	**(30,869)**	(26,402)
Cost of products, goods and services sold		**(19,489)**	(16,088)	**(18,716)**	(16,088)
Materials, energy, third-party services and other		**(13,288)**	(12,159)	**(12,153)**	(10,314)
Gross value added		**144,415**	90,807	**146,323**	92,652
Depreciation and amortization	9 10.11	**(14,831)**	(20,443)	**(13,713)**	(19,953)
Net value added produced by the Company		**129,584**	70,364	**132,610**	72,699
Value added received in transfer		**4,865**	10,361	**1,804**	8,025
Finance income		**5,284**	9,465	**5,284**	9,465
Equity pickup in subsidiaries		**-**	-	**(3,142)**	(2,278)
Other		**(419)**	896	**(338)**	838
Total value added to be distributed		**134,449**	80,725	**134,414**	80,724
Distribution of value added		**(134,449)**	(80,725)	**(134,414)**	(80,724)
Personnel		**(44,153)**	(36,215)	**(44,153)**	(36,215)
Direct compensation		**(23,131)**	(19,381)	**(23,131)**	(19,381)
Benefits		**(18,942)**	(14,805)	**(18,942)**	(14,805)
Unemployment Compensation Fund (FGTS)		**(2,080)**	(2,029)	**(2,080)**	(2,029)
Taxes, charges and contributions		**(35,862)**	(18,031)	**(35,862)**	(18,031)
Federal - Contribution Taxes on Gross Revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS)		**(15,510)**	(11,835)	**(15,510)**	(11,835)
Federal - Income and social contribution taxes		**(20,324)**	(6,131)	**(20,324)**	(6,131)
Local		**(28)**	(65)	**(28)**	(65)
Debt remuneration		**(4,376)**	(4,559)	**(4,341)**	(4,559)
Bank expenses and interest		**(3,556)**	(4,467)	**(3,556)**	(4,467)
Other		**(820)**	(92)	**(785)**	(92)
Equity remuneration		**(50,058)**	(21,919)	**(50,058)**	(21,919)
Net income for the year		**(50,058)**	(21,919)	**(50,058)**	(21,919)

See accompanying notes.

1. Operations

CTC - Centro de Tecnologia Canavieira S.A. (“Company”) is engaged in the research, development and sale of technologies for the sugar-ethanol industry, with emphasis on the development of new sugarcane varieties, through genetic improvement and biotechnology, in addition to new disruptive technologies. The Company’s head office is located in the city of Piracicaba, in the state of São Paulo.

Since August 24, 2016, the Company is registered as a publicly-held corporation in “B” category with the Brazilian Securities and Exchange Commission (“CVM”), and is part of the Bovespa Mais segment.

The Company has two major research focus areas, one of which is that of Genetic Improvement, in which CTC holds a large bank of sugarcane germplasm and major role in the fields of conventional improvement and biotechnology applied to sugarcane, corresponding to only one segment that follows CPC 22 – Operating Segments. The other focus is in the area of New Technologies, exploiting disruptive technologies that may bring substantial productivity gains to the industry, such as artificial seeds.

The Company has a wholly-owned subsidiary named CTC Genomics LLC, in Saint Louis, United States of America (“CTC Genomics” or “Subsidiary”), engaged in the research and development of new technologies. The Company and its subsidiaries are jointly referred to as the “Group”, in this interim financial information.

In line with the Company’s strategy of developing disruptive technologies that increase agricultural productivity in the sugar-ethanol industry, on August 6, 2018, CTNBio approved the Company’s first genetically modified variety, CTC 20 Bt. This variety represents a milestone in the global sugar-ethanol industry. As the first variety developed with 100% Brazilian technology by the Group, CTC 20 Bt is resistant to the sugarcane borer (diatraea saccharalis), the main pest in Brazilian crops. In 2018, the Company had the second genetically modified variety approved, CTC 9001Bt. In the third quarter of 2019, CTNBio published the approval of the commercial use of the third genetic modification event in sugarcane variety, “CTC 9003 Bt”. The new variety is also resistant to the sugarcane borer, the main pest that threatens the crop. Another elite variety transformed and adapted to different regions was approved for commercialization. Lastly, in the third quarter of 2020, CTNBio published the approval of the commercial use of the fourth genetic modification event in sugarcane variety, “CTC 7515BT”. The new variety is one of the most rapidly deregulated genetically modified varieties for commercialization.

On September 21, 2020, the Board of Directors’ Special Meeting approved the budget for a potential public offering of Company shares (“Offering”), considering the other expenses necessary for said operation. On October 21, 2020, the Special General Meeting approved the migration of the Company’s listing segment,

1. Operations (Continued)

from the special segment named Bovespa Mais to the special trading segment named Novo Mercado, both at BR S.A. - Brasil, Bolsa, Balcão ("B3") ("Listing Segment Migration"), and the consequent submission to B3 of the Listing Segment Migration request, under the terms of the Issuer Manual and B3's Novo Mercado Regulation.

Impact of the Coronavirus (Covid-19) on the interim financial information

On March 11, 2020, the World Health Organization (WHO) declared the coronavirus (COVID-19) a pandemic. The outbreak triggered significant decisions by governments and private sector entities, which added to the potential impact of the outbreak, increased the degree of uncertainty for economic agents and can impact the financial statements. The main economies in the world and the main economic blocs have been studying expressive economic incentive packages to overcome the potential economic recession that the measures to mitigate the spread of COVID-19 may cause.

In Brazil, the Federal Government's Executive and Legislative Branches published several regulatory acts to prevent and contain the pandemic, with emphasis on Legislative Decree No. 6, published on March 20, 2020, which declares the state of public calamity. State and municipal governments have also published several regulatory acts seeking to restrict the free movement of people and commercial and service activities, in addition to facilitating emergency investments in the health area.

Considering the current situation of the spread of the outbreak, the Company understands that its projected revenues and operating cash flows for 2020 is being reviewed in a timely manner, which may cause the need to recognize an impairment loss mainly for receivables. Considering the unpredictable progress of the outbreak and its impacts, currently it is not feasible to estimate the financial effect therefrom on estimated revenues and operating cash flows, or still on the recoverable amount.

Management constantly assesses the impact of the outbreak on the Group's operations and financial position in order to implement the appropriate measures to mitigate the outbreak impacts on operations and on the interim financial information. The following major measures were taken:

- Rescheduling of contracts with the Group's suppliers, in order to align the acquisition of inputs for production with expectations relating to future demand for the Group's products, considering the current outbreak scenario.
- Implementation of temporary or definitive measures for the staff, in order to reduce payroll expenses in the medium term, such as suspension of new hires, which have already been resumed.
- Negotiation of payment terms with the Group's suppliers to mitigate any liquidity risks.

1. Operations (Continued)

- Deferral of payment of taxes such as PIS/COFINS, Social Security Tax (INSS) and Unemployment Compensation Fund (FGTS), pursuant to the legislation in force.

On the date of approval of this interim financial information, the Group's management assessed that there were no significant uncertainties that would cast doubt on the Group's ability to continue as a going concern in the future, and did not identify any situation that could affect the interim financial information as at September 30, 2020. The Group and its subsidiary will continue to constantly monitor the effects of the crisis and the impacts on its operations and financial statements.

2. Presentation of interim financial information and significant accounting policies

a) Basis of preparation

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

This interim financial information was prepared following the basis of preparation and accounting policies consistent with those adopted in preparing the financial statements at March 31, 2020 and should be read in conjunction with those financial statements. The explanatory note information that did not suffer material changes compared with December 31, 2020 is not fully disclosed in this quarterly information. Certain selected information has been included to explain significant events and transactions that have occurred to enable the understanding of changes in the Group's financial position and financial performance since the publication of the financial statements at March 31, 2020.

The individual and consolidated interim financial information is presented in Brazilian reais, which is the Group's functional currency. The functional currency of the subsidiary that operates in an international economic environment is the US dollar. All balances were rounded to the nearest thousand, unless otherwise stated. The financial information of the subsidiary included in the Group's consolidation, as well as that used as a basis for investments measured by the equity method, is prepared based on the functional currency of the subsidiary.

2. Presentation of interim financial information and significant accounting policies (Continued)

a) Basis of preparation (Continued)

In preparing this individual and consolidated interim financial information, management used judgments, estimates and assumptions that affect the application of the Group's accounting policies and the amounts reported referring to assets, liabilities, revenues and expenses. Actual results may differ from these estimates. These estimates and assumptions are reviewed on a continuous basis and have not undergone material changes in preparing this individual and consolidated interim financial information in relation to the financial statements at March 31, 2020.

The Group prepared the individual and consolidated Statements of Value Added (SVA) in accordance with Accounting Pronouncement CPC 09 - Statement of Added Value, which are presented as an integral part of the interim financial information in accordance with the accounting practices adopted in Brazil and as supplementary information to the interim financial information under IFRS, as it is not an statement provided for in nor mandatory under IFRS.

Group management affirms that all significant information of the quarterly information itself, and only such information, is highlighted and corresponds to that used to manage the Group's operations.

The issue of this individual and consolidated interim financial information was authorized by the Executive Board on October 21, 2020.

b) Basis of consolidation

The consolidated interim financial information includes information of CTC and its direct subsidiary CTC Genomics in which the Company holds 100% interest.

The Parent Company's investments are accounted for by the equity method.

Intragroup balances and transactions are eliminated upon consolidation.

Significant groups of accounts that make up the statements of financial position as at September 30 and March 31, 2020, and the result of operations for the periods and year then ended, respectively, of the subsidiary are presented in Note 8.

(In thousands of reais)

3. Cash and cash equivalents

	Accumulated average profitability of the portfolio in 2020	Consolidated		Individual	
	% of CDI	09/30/2020	03/31/2020	09/30/2020	03/31/2020
Cash:					
In domestic currency		**4**	4	**4**	4
In foreign currency		**6**	10	**6**	5
Total cash		**10**	14	**10**	9
Banks:					
In domestic currency		**52,216**	105	**52,126**	105
In foreign currency		**113**	73	**-**	-
Total banks		**52,329**	178	**52,126**	105
Short-term investments (i):					
CDB (ii)	100%	**182,645**	215,500	**182,645**	215,500
FI Federal Extra	96%	**-**	41,994	**-**	41,994
Fundo High Grade Plus (iii)	101%	**12,596**	6,090	**12,596**	6,090
Repurchase agreements (v)	60%	**20,401**	2,195	**20,401**	2,195
Total short-term investments		**215,642**	265,779	**215,642**	265,779
		267,981	265,971	**267,778**	265,893

(i) Short-term investments in the amount of R$215,642 (March 31, 2019 - R$265,779) have as main objective the maintenance of the Company's daily liquidity, which can be redeemed at any time within 90 days without significant loss of profitability.

(ii) CDB: Investments carried out with first-tier banks and fixed rate yielding pegged to the CDI;

(iii) High Grade Plus: An investment in investment fund shares administered by first-tier banks. This represents corporate bonds and aims to overcome the CDI by investing in shares of other investment funds.

(iv) Repurchase agreement: Investment carried out at first-tier banks. Fixed income investment in which the bank sells a security (debenture), with a commitment to repurchase it at any time, according to remuneration in Interbank Deposit ("DI").

The financial statement analysis as to the exposure of these assets to interest rate risks, among others, is disclosed in Note 21 - Financial Instruments.

(In thousands of reais)

4. Financial statements not immediately redeemable

	Accumulated average profitability of the portfolio in 2020	Individual and Consolidated	Individual and Consolidated
	% of CDI	**09/30/2020**	**03/31/2020**
High Grade Plus Fund (i)	101%	**32,709**	38,898
		32,709	38,898

(i) High Grade Plus: An investment in investment fund shares administered by first-tier banks. This represents corporate bonds and aims to overcome the CDI by investing in shares of other investment funds. It has low credit risk. These securities are recorded as noncurrent in accordance with the contractual clause of current loans and financing, as mentioned in Note 15.

The financial statement analysis as to the exposure of these assets to interest rate risks, among others, is disclosed in Note 21 - Financial Instruments.

5. Accounts receivable

The balance of trade accounts receivable is represented substantially by balances related to the licensing of varieties, as follows:

	Individual and Consolidated	Individual and Consolidated
	09/30/2020	**03/31/2020**
Trade accounts receivable – third parties	**41,055**	30,496
Trade accounts receivable - related parties (Note 22)	**80,257**	47,718
Total	**121,312**	78,214
(-) Allowance for expected credit losses - related parties	**(32,790)**	(24,014)
(-) Allowance for expected credit losses	**(11,468)**	(21,848)
Total (Note 21)	**(44,258)**	(45,862)
Current (Note 22)	**63,750**	22,185
Noncurrent (Note 22)	**13,304**	10,167

(In thousands of reais)

5. Accounts receivable (Continued)

Changes in the allowance for ECL are as follows:

	Individual/Consolidated 09/30/2020	Individual/Consolidated 09/30/2019
Opening balance at March 31	**(45,862)**	(32,333)
Reversals	**1,604**	-
Amounts recognized	**-**	(7,970)
Closing balance at September 30	**(44,258)**	(40,303)

The reversals and/or recognition of allowances are recorded under “Other operating income (expenses)”.

The financial statement analysis as to the exposure of these assets to interest rate risks, among others, is disclosed in Note 21.

6. Other accounts receivable

	Consolidated		Individual	
	09/30/2020	03/31/2020	09/30/2020	03/31/2020
Prepaid expenses (i)	**9,224**	9,489	**9,489**	9,489
Prepayment of 13th monthly salaries	**1,522**	-	**1,522**	-
Judicial deposits (Note 16)	**807**	1,363	**807**	1,363
Other	**1,358**	464	**1,055**	443
	12,911	11,316	**12,873**	11,295
Current assets	**2,614**	463	**2,576**	442
Noncurrent assets	**10,297**	10,853	**10,297**	10,853

(i) Prepaid expenses are characterized by the availability of seedlings to multiply the varieties in customers. These seedlings are monitored so that the multiplication rate is effective according to the contract entered into with the customer. The amounts will be amortized proportionally to the revenue from royalties.

7. Deferred tax assets

Deferred income and social contribution taxes are calculated on income and social contribution tax losses and the corresponding temporary differences between the tax bases of tax on assets and liabilities and the book values of the financial statements.

(In thousands of reais)

7. **Deferred tax assets** (Continued)

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available, based on deferred income projections prepared and based on the Company's internal assumptions and future economic scenarios which may, therefore, be subject to changes.

	Individual and Consolidated				
	03/31/2020	Recognized in P&L for the quarter	06/30/2020	Recognized in P&L for the quarter	09/30/2020
Income and social contribution tax losses	21,711	(12,399)	9,312	**(9,312)**	**-**
Expected credit losses	15,593	-	15,593	**(546)**	**15,047**
Unearned revenues	8,560	1,041	9,601	**116**	**9,717**
Provision for profit sharing	4,975	1,057	6,032	**(3,565)**	**2,467**
Temporary differences	3,307	(34)	3,273	**3,318**	**6,592**
Deferred tax, net	54,146	(10,335)	43,811	**(9,989)**	**33,822**

	Individual and Consolidated		
	03/31/2020	Recognized in P&L for the six-month period	09/30/2020
Income and social contribution tax losses	21,711	**(21,711)**	**-**
Expected credit losses	15,593	**(546)**	**15,047**
Unearned revenues	8,560	**1,157**	**9,717**
Provision for profit sharing	4,975	**(2,508)**	**2,467**
Temporary differences	3,307	**3,284**	**6,591**
Deferred tax, net	54,146	**(20,324)**	**33,822**

Reconciliation of the expense calculated by applying the combined tax rates and the income and social contribution tax expenses charged to P&L is as follows:

	09/30/2020	09/30/2019
Income as per books before income and social contribution taxes	**70,382**	27,478
Combined tax rate	**34%**	34%
Income and social contribution taxes:		
Combined tax rate	**(23,930)**	(9,343)
Equity pickup	**1,068**	775
Permanent additions and exclusions (*)	**2,538**	3,009
Income and social contribution taxes on P&L for the period	**(20,324)**	(5,559)
Effective rate	**29%**	20%
Deferred taxes	**(20,324)**	572
Current taxes	**-**	(6,131)

(*) These substantially refer to the permanent additions of the wholly owned subsidiary CTC Genomics, and permanent exclusions from Law No. 11196/05, "Lei do Bem", which regulates the granting of tax incentives to legal entities that carry out research and development of technological innovation.

(In thousands of reais)

8. Investments (parent Company)

				Investment		Equity pickup			
Book value	**Country**	**Business activity**	**Equity interest**	**09/30/2020**	**03/31/2020**	**04/01/2020 to 09/30/2020**	**07/01/2020 to 09/30/2020**	**04/01/2019 to 09/30/2019**	**07/01/2019 to 09/30/2019**
						(6 months)	(3 months)	(6 months)	(3 months)
CTC Gemonics	USA	R&D	100%	**6,672**	5,512	**(3,142)**	**(1,712)**	(2,278)	(1,094)
				6,672	5,512	**(3,142)**	**(1,712)**	(2,278)	(1,094)

Changes in investments in associates are as follows:

Balance at March 31, 2019	3,313
Contribution - investee	5,095
Equity pickup	(2,278)
Cumulative translation adjustment	392
Balance at September 30, 2019	6,523
Contribution - investee	**3,807**
Equity pickup	**(3,142)**
Cumulative translation adjustment	**495**
Balance at September 30, 2020	**6,672**

Significant accounting headings of the subsidiary are as follows:

	09/30/2020	**03/31/2020**
Assets	**11,516**	13,776
Liabilities	**4,844**	8,825
Equity	**6,672**	5,511
Loss for the period/year	**(3,142)**	(5,963)

CTC - Centro de Tecnologia Canavieira S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2020
(In thousands of reais)

9. Property and equipment

	Machinery and equipment	Furniture and fixtures	IT equipment	Vehicles	Buildings and improvements	Leasehold improvements	Working in progress	Advances to suppliers	Sugarcane plantation	Total
Individual – Cost:										
Balance at March 31, 2020	51,558	3,439	5,686	5,569	1,758	31,663	15,342	112	6,844	121,971
Additions	**1,353**	**317**	**168**	**330**	**80**	**-**	**3,255**	**1,063**	**42**	**6,608**
Write-offs	**(107)**	**(3)**	**(32)**	**-**	**-**	**-**	**(2,001)**	**(5)**	**(733)**	**(2,881)**
Transfers	**2**	**-**	**-**	**-**	**-**	**4,733**	**(8,061)**	**-**	**-**	**(3,326)**
Balance at September 30, 2020	**52,806**	**3,753**	**5,822**	**5,899**	**1,838**	**36,396**	**8,535**	**1,170**	**6,153**	**122,372**
Depreciation:										
Balance at March 31, 2020	(29,574)	(1,728)	(4,247)	(3,707)	(445)	(11,623)	-	-	(1,409)	(52,733)
Depreciation for the period	**(3,317)**	**(109)**	**(208)**	**(319)**	**(70)**	**(1,133)**	**-**	**-**	**-**	**(5,156)**
Balance at September 30, 2020	**(32,891)**	**(1,837)**	**(4,455)**	**(4,026)**	**(515)**	**(12,756)**	**-**	**-**	**(1,409)**	**(57,889)**
Balance at March 31, 2020	21,984	1,711	1,439	1,862	1,313	20,040	15,342	112	5,435	69,238
Balance at September 30, 2020	**19,915**	**1,916**	**1,367**	**1,873**	**1,323**	**23,640**	**8,535**	**1,170**	**4,744**	**64,483**
Depreciation rate	**13%**	**10%**	**31%**	**23%**	**5%**	**7%**				

	Machinery and equipment	Furniture and fixtures	IT equipment	Vehicles	Buildings and improvements	Leasehold improvements	Working in progress	Advances to suppliers	Sugarcane plantation	Total
Consolidated – Cost:										
Balance at March 31, 2020	56,672	3,559	6,192	5,569	1,758	31,244	17,342	112	6,844	129,292
Additions	**1,727**	**333**	**221**	**330**	**80**	**195**	**3,255**	**1,063**	**42**	**7,246**
Write-offs	**(91)**	**(3)**	**(32)**	**-**	**-**	**-**	**(2,001)**	**(5)**	**(733)**	**(2,865)**
Transfers to intangible assets	**2**	**-**	**-**	**-**	**-**	**4,733**	**(8,061)**	**-**	**-**	**(3,326)**
Balance at September 30, 2020	**58,310**	**3,889**	**6,381**	**5,899**	**1,838**	**36,172**	**10,535**	**1,170**	**6,153**	**130,347**
Depreciation:										
Balance at March 31, 2020	(30,191)	(1,749)	(4,349)	(3,705)	(445)	(12,124)	-	-	(1,409)	(53,972)
Depreciation for the period	**(3,704)**	**(122)**	**(285)**	**(319)**	**(70)**	**(1,429)**	**-**	**-**	**-**	**(5,929)**
Balance at September 30, 2020	**(33,895)**	**(1,871)**	**(4,634)**	**(4,024)**	**(515)**	**(13,553)**	**-**	**-**	**(1,409)**	**(59,901)**
Balance at March 31, 2020	26,481	1,810	1,843	1,864	1,313	19,120	17,342	112	5,435	75,320
Balance at September 30, 2020	**24,415**	**2,018**	**1,747**	**1,875**	**1,323**	**22,619**	**10,535**	**1,170**	**4,744**	**70,446**
Depreciation rate	**13%**	**10%**	**31%**	**23%**	**5%**	**7%**				

(In thousands of reais)

9. Property and equipment (Continued)

	Machinery and equipment	Furniture and fixtures	IT equipment	Vehicles	Buildings and improvements	Leasehold improvements	Third-party assets - FINEP	Construction in progress	Advances to suppliers	Sugarcane plantation	Total
Individual – Cost:											
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	1,644	88	588	399	33	615	-	3,610	16	1,304	8,296
Balance at September 30, 2019	122,078	3,310	5,489	13,052	1,733	28,718	2,002	12,917	29	6,718	196,045
Depreciation:											
Balance at March 31, 2019	(44,214)	(1,520)	(3,802)	(8,511)	(239)	(9,641)	-	-	-	(1,409)	(69,336)
Depreciation for the period	(11,307)	(103)	(211)	(2,172)	(324)	(1,558)	-	-	-	-	(15,674))
Balance at September 30, 2019	(55,521)	(1,623)	(4,013)	(10,653)	(563)	(11,199)	-	-	-	(1,409)	(85,010)
Balance at March 31, 2019	76,220	1,702	1,099	4,142	1,461	18,462	2,002	9,307	13	4,005	116,683
Balance at September 30, 2019	66,557	1,687	1,476	2,369	1,170	17,519	2,002	12,917	29	5,309	111,035

	Machinery and equipment	Furniture and fixtures	IT equipment	Vehicles	Buildings and improvements	Leasehold improvements	Third-party assets - FINEP	Construction in progress	Advances to suppliers	Sugarcane plantation	Total
Consolidated – Cost:											
Balance at March 31, 2019	123,106	3,329	5,377	12,653	1,700	29,932	2,002	9,307	13	5,414	192,833
Additions	2,523	88	588	399	33	615	-	3,610	16	1,304	9,176
Balance at September 30, 2019	125,629	3,417	5,965	13,052	1,733	30,547	2,002	12,917	29	6,718	202,009
Depreciation:											
Balance at March 31, 2019	(44,300)	(1,523)	(3,797)	(8,511)	(239)	(9,738)	-	-	-	(1,409)	(69,517)
Depreciation for the period	(11,537)	(110)	(257)	(2,172)	(324)	(1,733)	-	-	-	-	(16,133)
Balance at September 30, 2019	(55,837)	(1,633)	(4,054)	(10,683)	(563)	(11,471)	-	-	-	(1,409)	(85,650)
Balance at March 31, 2019	78,806	1,806	1,580	4,142	1,461	20,194	2,002	9,307	13	4,005	123,316
Balance at September 30, 2019	69,792	1,784	1,911	2,369	1,170	19,076	2,002	12,917	29	5,309	116,358

(In thousands of reais)

9. Property and equipment (Continued)

The residual value and useful life of the assets and the depreciation methods are reviewed annually and adjusted prospectively, if necessary. This assessment was carried out based on a technical report issued by specialized professionals at March 31, 2020.

Sugarcane crops correspond to bearer plants that are used exclusively to grow sugar cane. Sugarcane is classified as a permanent crop, whose economically viable production cycle is, on average, five years after its first harvest.

The amount allocated to works in progress refers mainly to improvements in research laboratories, including systemic improvements.

The Group evaluates on an annual basis whether there are indicators of impairment loss of an asset. When such indications are found, the Company estimates the recoverable amount of the asset. For the period ended September 30, 2020, management did not identify the need to set up a provision for the asset's recoverable amount.

10. Leases and right-of-use

Changes in the right of use for the six-month period ended September 30 are as follows:

Consolidated

Right of use	Properties - related parties (Note 22)	Vehicles	Total
April 1, 2019 – Initial adoption	26,529	-	26,529
Addition/remeasurement	**-**	**4,254**	**4,254**
Amortization	**(1,596)**	-	**(1,596)**
September 30, 2019	**24,933**	**4,254**	**29,187**

Right of use	Properties - related parties (Note 22)	Vehicles	Agricultural lease	Total
March 31, 2020	24,836	2,714	-	27,550
Addition/remeasurement	**-**	**-**	**1,644**	**1,644**
Amortization	**(1,766)**	**(697)**	**(640)**	**(3,103)**
September 30, 2020	**23,070**	**2,017**	**1,004**	**26,091**

(In thousands of reais)

10. Lease and right-of-use (Continued)

Individual

Right of use	Properties - related parties (Note 22)	Vehicles	Total
April 1, 2019 – Initial adoption	**23,855**	**-**	**23,855**
Addition/remeasurement	**-**	**4,254**	**4,254**
Amortization	**(1,566)**	**-**	**(1,566)**
September 30, 2019	**22,289**	**4,254**	**26,543**
Amortization rate	**9%**	**33%**	**-**

Right of use	Properties - related parties (Note 22)	Vehicles	Agricultural lease	Total
March 31, 2020	22,142	2,471	-	24,613
Addition/remeasurement	**-**	**-**	**1,644**	**1,644**
Amortization	**(1,613)**	**(697)**	**(640)**	**(2,950)**
September 30, 2020	**20,529**	**1,774**	**1,004**	**23,307**
Amortization rate	**9%**	**33%**	**10%**	**-**

Changes in the lease liability for the six-month period ended September 30 are as follows:

Consolidated	Properties - related parties (Note 22)	Vehicles	Total
Leases			
April 1, 2019 – Initial adoption	25,171	2,929	26,529
Annual addition/remeasurement	**262**	**-**	**4,254**
Appropriation of financial charges	**(151)**	**(43)**	**(55)**
Payments	**(1,664)**	**(611)**	**(2,233)**
September 30, 2019	**23,618**	**2,275**	**28,495**
Current	**4,744**	**1,127**	**6,143**
Noncurrent	**18,874**	**1,148**	**20,784**

Consolidated	Properties - related parties (Note 22)	Vehicles	Agricultural lease – related parties (Note 22)	Agricultural lease	Total
Leases					
March 31, 2020	25,171	2,929	-	-	28,100
Annual addition/remeasurement	**262**	**-**	**1,217**	**447**	**1,926**
Appropriation of financial charges	**(151)**	**(43)**	**(42)**	**(16)**	**(252)**
Payments	**(1,664)**	**(611)**	**(416)**	**(156)**	**(2,847)**
September 30, 2020	**23,618**	**2,275**	**759**	**275**	**26,927**
Current	**4,744**	**1,127**	**221**	**51**	**6,143**
Noncurrent	**18,874**	**1,148**	**538**	**224**	**20,784**

(In thousands of reais)

10. Lease and right-of-use (Continued)

Individual	Properties - related parties (Note 22)	Vehicles	Total
Leases			
April 1, 2019 – Initial adoption	23,855	-	23,855
Annual addition/remeasurement	**-**	**4,254**	**4,254**
Appropriation of financial charges	**(30)**	**-**	**(30)**
Payments	**(1,551)**	**(617)**	**(2,168)**
September 30, 2020	**21,657**	**3,637**	**25,911**
Current	**3,694**	**1,127**	**5,093**
Noncurrent	**16,540**	**1,148**	**18,450**

Individual	Properties - related parties (Note 22)	Vehicles	Agricultural lease – related parties (Note 22)	Agricultural lease	Total
Leases					
March 31, 2020	21,610	2,929	-	-	24,539
Annual addition/remeasurement	**262**	**-**	**1,217**	**447**	**1,926**
Appropriation of financial charges	**(151)**	**(43)**	**(42)**	**(16)**	**(252)**
Payments	**(1,487)**	**(611)**	**(416)**	**(156)**	**(2,670)**
September 30, 2020	**20,234**	**2,275**	**759**	**275**	**23,543**
Current	**3,694**	**1,127**	**221**	**51**	**5,093**
Noncurrent	**16,540**	**1,148**	**538**	**224**	**18,450**

(In thousands of reais)

11. Intangible assets

Consolidated

	Software	Development costs	Total
Cost:			
Balance at March 31, 2019	17,128	245,015	262,143
Additions	277	17,557	17,843
Balance at September 30, 2019	17,405	262,572	279,977
Balance at March 31, 2020	18,500	278,389	296,889
Additions	**493**	**10,108**	**10,601**
Transfer of property and equipment	**3,326**	**-**	**3,326**
Balance at September 30, 2020	**22,319**	**288,497**	**310,816**
Amortization:			
Balance at March 31, 2019	(10,696)	(2,218)	(12,914)
Amortization	(797)	(1,916)	(2,713)
Balance at September 30, 2019	(11,494)	(4,134)	(15,627)
Balance at March 31, 2020	(12,514)	(6,050)	(18,564)
Amortization	**(1,179)**	**(4,620)**	**(5,799)**
Balance at September 30, 2020	**(13,693)**	**(10,670)**	**(24,363)**
Balance at March 31, 2020	**5,986**	**272,339**	**278,325**
Balance at September 30, 2020	**8,626**	**277,827**	**286,453**

(In thousands of reais)

11. Intangible assets (Continued)

Individual

	Software	Development costs	Total
Cost:			
Balance at March 31, 2019	17,128	245,015	262,143
Additions	98	17,071	17,169
Balance at September 30, 2019	17,226	262,086	279,312
Balance at March 31, 2020	17,782	277,572	295,354
Additions	**64**	**9,920**	**9,984**
Transfer of property and equipment	**3,326**	**-**	**3,326**
Balance at September 30, 2020	**21,172**	**287,492**	**308,664**
Amortization:			
Balance at March 31, 2019	(10,697)	(2,218)	(12,915)
Amortization for the year	(797)	(1,916)	(2,713)
Balance at September 30, 2019	(11,494(	(4,134)	(15,628)
Balance at March 31, 2020	(12,372)	(6,050)	(18,422)
Amortization for the period	**(1,016)**	**(4,591)**	**(5,607)**
Balance at September 30, 2020	**(13,388)**	**(10,641)**	**(24,029)**
Balance at March 31, 2020	**5,410**	**271,522**	**276,932**
Balance at September 30, 2020	**7,784**	**276,851**	**284,635**

Development costs refer to expenditures incurred with new technologies for the sugar-energy sector, segregated as follows:

	03/31/2020	Additions	09/30/2020
Conventional Improvement Projects (a)	125,642	**3,483**	**129,125**
Transgenic Improvement Projects (b)	152,747	**6,625**	**159,372**
Total	278,389	**10,108**	**288,497**

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

Phase 1: Applied research and proof of concept, which covers the assessment as to the attractiveness, technical merit, the potential for application in the market, definition of protocols and laboratory prototype.

11. Intangible assets (Continued)

Phase 2: Early development, which covers the refinement of processes and protocols, field research startups and potentially Experimental plants.

Phase 3: Advanced development, which covers field tests, regulatory analysis and potentially demonstration plants.

Phase 4: Pre-launch, which includes regulatory approvals, seed bulk-up, details of the business plan and semi-commercial or commercial scale plants.

Research expenditures are recognized in P&L. Development expenses are capitalized only as intangible assets generated internally if the recognition criteria of IAS 38/CPC 4 - Intangible assets are met. That includes sufficient certainty that the development activity will give rise to future financial cash flows that also cover the respective development expenses. In the case of the Group, this occurs when the project is in Phase 3.

The costs with Conventional and Transgenic Improvement projects incurred in Phases 1, 2 and 4 are recognized in P&L under “Cost of research and services rendered”.

The amortization of intangible assets for product development and registration is recognized under “Cost of development and services rendered” (Note 19).

a) Conventional improvement projects

The Genetic Improvement Program, through its regional poles strategically distributed throughout the country (states of Paraná, Minas Gerais, Mato Grosso do Sul, Mato Grosso, Tocantins, São Paulo and Goiás), allows the Group to develop increasingly productive varieties that contemplate all the production conditions of the different regions where the plant is grown in Brazil.

The diversification and modernization of the varietal stock contribute decisively to the sustainability of agribusiness, not only by productivity gains, but also by improving quality, reducing phytosanitary risks and agricultural losses.

CTC holds the Intellectual Property rights of these varieties for the period of 15 years as of the concession date of their respective protection certificates, as established by the Variety Protection Law (Law No. 9456 of April 25, 1997).

11. Intangible assets (Continued)

b) Genetic improvement projects using biotechnology (transgenics)

Biotechnology, tool for the expected productivity leap of sugarcane plantation, is able to accelerate the process of continued improvement of conventional varieties' productivity and also incorporate desirable traits to sugarcane, which offer economic, environmental and handling benefits, such as those already enjoyed by soybean, corn and cotton producers in Brazil.

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 the Intellectual Property rights of these varieties and related technologies for at least 15 years counted as of concession date of respective provisional protection certificates, as established by the Plat Variety Protection Law (Law No. 9456, of April 25, 1997) and/or for at least 20 years as of the deposit date of invention patent request, as established by Industrial Property Law (Law No. 9279, dated May 14, 1996).

Use license

The Group has classified in intangible assets expenses 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

The Group evaluates on an annual basis whether there are indicators of impairment loss of an asset. When such indications are found, the Group estimates the recoverable amount of the asset. For the period ended September 30, 2020, management has not identified any evidence of impairment.

(In thousands of reais)

12. Suppliers

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

	Consolidated		Individual	
	09/30/2020	03/31/2020	09/30/2020	03/31/2020
Trade accounts payable – domestic suppliers	**6,490**	8,144	**6,492**	8,144
Trade accounts payable – foreign suppliers	**489**	3,353	**-**	114
	6,979	11,497	**6,492**	8,258

13. Taxes and contributions payable

	09/30/2020	03/31/2020
PIS/COFINS	**9,786**	2,258
Other taxes	**770**	637
	10,556	2,895

14. Salaries, vacation pay and related charges payable

	Consolidated		Individual	
	09/30/2020	03/31/2020	09/30/2020	03/31/2020
Provision for vacation pay, 13th monthly salary and related charges	**8,728**	6,223	**8,728**	6,223
Provision for profit sharing - goal management program (i)	**7,588**	15,386	**7,235**	14,611
Labor charges payable	**3,846**	1,719	**3,846**	1,719
Other	**410**	-	**431**	-
	20,572	23,328	**20,240**	22,553

(i) The Group recognizes a liability and an expense for profit sharing based on a methodology that takes into account previously defined goals for employees. The Group recognizes a provision when it is contractually obligated or when a past practice has created an obligation.

(In thousands of reais)

15. Loans and financing

Individual and Consolidated			Maturity			Debt balance	
Type	**Currency**	**Charges**	**From**	**To**	**Guarantees**	**09/30/2020**	**03/31/2020**
FINAME	R$	2.5% p.a.	2013	2021	Assignment in trust of property and equipment	**51**	75
FINEP	R$	4% p.a.	2015	2022	Bank guarantee	**66,087**	80,773
BNDES	R$	4% p.a.	2013	2023	Bank guarantee	**23,039**	26,879
BNDES	R$	TJLP	2013	2023	Bank guarantee	**-**	8,978
						89,177	116,705
Current						**37,123**	50,063
Noncurrent						**52,054**	66,642

Liabilities per year/crop of maturity are broken down as follows:

	09/30/2020	**03/31/2020**
Year of maturity:		
Up to 12 months	**37,123**	50,063
From 13 to 24 months	**37,683**	35,992
From 25 to 36 months	**14,371**	28,114
From 37 to 48 months	**-**	2,536
	89,177	116,705

Covenants

The Company constantly monitors significant indicators, such as the consolidated financial leverage ratio, which is the total net debt divided by Adjusted Earnings Before Interest, Tax, Depreciation and Amortization - EBITDA.

Covenants on net debt:

(i) Net debt/EBITDA equal to or lower than 1.0.

(ii) EBITDA/Net debt services equal to or greater than 1.5.

The financial covenants of the Company's debts come from bank guarantees where the collaterals pledged are receivables from royalty contracts and minimum financial investments not immediately redeemable, as explained in Note 4.

(In thousands of reais)

15. Loans and financing (Continued)

Covenants (Continued)

The Group has contractual obligations requiring the maintenance of certain financial and operational ratios and financial performance. At March 31, 2020, the Group complied with all the required clauses. In 2021, the Group has been monitoring the ratios to request waivers, if necessary. The requirement date is at the end of the year (March 31, 2021), so as at September 30, 2020, compliance with covenants is not required.

Reconciliation of changes in equity with cash flows from financing activities

				Cash flow			
	03/31/2020	**Grant write-off**	**Interest incurred**	**(-) Payments**	**Interest paid**	**Transfers**	**09/30/2020**
Loans and financing	116,705	**(8,978)**	**2,103**	**(18,646)**	**(2,007)**	**-**	**89,177**
Current	50,063	**(8,978)**	**2,103**	**(18,646)**	**(2,007)**	**14,588**	**37,123**
Noncurrent	66,642	**-**	**-**	**-**	**-**	**(14,588)**	**52,054**
Total	116,705	**(8,978)**	**2,103**	**(18,646)**	**(2,007)**	**-**	**89,177**

16. Provision for lawsuits

In the ordinary course of its business, the Group is subject to tax, labor, civil and other proceedings. Based on the opinion of its legal advisors and, when applicable, based on specific opinions issued by experts, management assesses the expected outcome of outstanding proceedings and determines whether or not a provision for contingencies needs to be set up.

At September 30, 2020, the amount of R$1,316 (R$1,791 at March 31, 2020), 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 claims. The matching entry of the contingency adjustment was made in account Selling and administrative expenses. The amount of R$807 at September 30, 2020 (R$1,363 at March 31, 2020) is recorded in the account of Judicial deposits referring to these claims, according to Note 6 - Other accounts receivable.

(In thousands of reais)

16. Provision for lawsuits (Continued)

	Labor provisions	**Judicial deposits**
Balance at March 31, 2020	(1,791)	1,363
Provisions reversed/used	**475**	**(556)**
Balance at September 30, 2020	**(1,316)**	**807**

In addition, the Group is subject to federal tax proceedings whose likelihood of loss is assessed as possible in the amount of R$59,246 (R$58,518 at March 31, 2020), and labor claims, in the amount of R$1,165 (R$1,151 at March 31, 2020), at different procedural stages.

17. Shareholder's Equity

a) Capital

The Company's capital amounts to R$562,202 (same amount at March 31, 2020), represented by 801,870 common registered no-par-value shares, fully subscribed and paid-up.

Allocation of income:

b) Legal reserve

At September 30, 2020, the Company recorded the amount of R$2,113 (same amount at March 31, 2020) in Legal reserve.

c) Capital payment reserve

The Company's Articles of Incorporation provides that remaining profit after legal allocations may be allocated by shareholders at the Annual General Meeting through a proposal of the Board of Directors, in compliance with the limit of capital for a statutory reserve denominated capital payment reserve.

On July 23, 2020, the Annual General Meeting defined the percentage of 100%, after legal allocation, for the formation of this reserve.

(In thousands of reais)

17. Equity (Continued)

d) Capital reserve

Share-based payment

The Company has a share-based Compensation Plan, approved at the Special General Meeting held on January 14, 2016, whereby certain members of the Statutory and Non-Statutory Board of Executive Officers and managing members are eligible to receive common shares, at the discretion of the Board of Directors ("Beneficiaries").

The shares will be granted annually, according to the achievement of organizational and individual goals, in virtual form (without any relation to a phantom stock option), that is, they will represent a mere expectation of right, and will be delivered to the Beneficiaries only in the event of a liquidity event.

A Liquidity Event is understood as the realization of an initial public offering for the distribution of securities issued by the Company ("IPO") in the future, with the trading of Company issued shares in the listing segment called Novo Mercado of BM&FBOVESPA, as well as any other private liquidity event considered by the Board of Directors and whose financial volume is equivalent to the IPO. If a Liquidity Event does not occur, the Beneficiary will lose the right to receive the shares, and will not be entitled to any right to indemnity under the terms of the Plan.

If the Company has its shares listed and traded on a stock exchange, the exercise price will be equivalent to the number of shares distributed, multiplied by the value of the share measured based on the IPO valuation.

The 2016 Program grants the option of five round lots, with no grace period. The last grant is linked to a possible liquidity event.

The exercise prices of each plan were determined based on the estimated fair value of the Company's shares on each grant date.

Plan	1st grant	2nd grant	3rd grant	4th grant	Total
Grant date	20/07/2017	25/06/2018	19/07/2019	20/07/2020	
Shares granted	525	569	624	558	2,276
Shares canceled (i)		(43)	(68)	-	(111)
Shares effectively granted	525	526	556	558	2,165

(i) This refers to shares granted to former beneficiaries that are no longer part of the Company's staff.

(In thousands of reais)

17. **Equity** (Continued)

d) Capital reserve (Continued)

The Company recognized an administrative expense of R$7,227 in the period with stock options.

Due to the granting of shares being linked to the occurrence of the Liquidity Event, they have not been exercised since the plan was created. The total number of shares granted at September 30, 2020, 2,165 shares (1,607 shares at March 31, 2020) was recognized in equity under Capital reserve. The weighted average fair value of the options granted during the period was R$5.04 (2019: R$4.07).

e) Net earnings per share

The reconciliation of net income for the period with the amounts used to calculate basic and diluted net earnings per share is as follows:

	Individual and Consolidated 09/30/2020	**Individual and Consolidated 03/31/2020**
Basic:		
Net income for the period attributed to the Company's shareholders (a)	**50,058**	19,931
Weighted average number of outstanding shares (b)	**801,808**	801,870
Net income per common share at (a)/(b) x 1000	**62.43**	27.33
Diluted		
Weighted average number of potentially dilutive outstanding shares (c)	**802,407**	802,162
Net income per common share at (a)/(c) x 1000	**62.38**	27.32

18. Net revenue – Individual and Consolidated

	04/01/2020 to 09/30/2020 (6 months)	**07/01/2020 to 09/30/2020 (3 months)**	**04/01/2019 to 09/30/2019 (6 months)**	**07/01/2019 to 09/30/2019 (3 months)**
Royalty revenue – third parties	**57,822**	**29,744**	38,570	22,337
Royalty revenue - related parties (Note 22)	**106,342**	**63,527**	83,885	45,864
Other	**4,050**	**3,484**	4,569	4,266
(-) Deductions:				
Taxes	**(15,538)**	**(8,689)**	(11,900)	(6,693)
Total	**152,676**	**88,066**	115,124	65,774

(In thousands of reais)

19. Costs and expenses by nature

	Consolidated				Individual			
	04/01/2020 to 09/30/2020 (6 months)	07/01/2020 to 09/30/2020 (3 months)	04/01/2019 to 09/30/2019 (6 months)	07/01/2019 to 09/30/2020 (3 months)	04/01/2020 to 09/30/2020 (6 months)	07/01/2020 to 09/30/2020 (3 months)	04/01/2019 to 09/30/2019 (6 months)	07/01/2019 to 09/30/2019 (3 months)
Personnel expenses	**(44,572)**	**(27,723)**	(36,215)	**(18,716)**	**(44,491)**	**(27,926)**	(36,215)	(18,716)
Services acquired	**(19,489)**	**(11,258)**	(16,088)	**(7,252)**	**(18,716)**	**(10,873)**	(16,088)	(7,252)
Expenses with materials	**(4,525)**	**(2,979)**	(6,279)	**(4,929)**	**(4,525)**	**(3,140)**	(6,279)	(4,929)
Depreciation and amortization	**(14,831)**	**(8,259)**	(20,443)	**(11,348)**	**(13,713)**	**(7,546)**	(19,953)	(10,858)
Other general income (expenses)	**215**	**3,110**	(13,527)	**(9,467)**	**1,350**	**4,064**	(11,752)	(8,876)
	(83,2020)	**(47,109)**	(92,552)	**(51,712)**	**(80,095)**	**(45,421)**	(90,287)	(50,631)
Reconciliation with operating expenses classified by function:								
Costs with R&D, products sold and services rendered	**(50,832)**	**(29,654)**	(53,526)	**(28,397)**	**(47,991)**	**(27,307)**	(51,192)	(26,063)
Administrative expenses	**(39,817)**	**(24,872)**	(31,379)	**(15,583)**	**(39,456)**	**(25,483)**	(31,379)	(16,800)
Other operating income (expenses)	**7,447**	**7,417**	(7,647)	**(7,732)**	**7,352**	**7,369**	(7,716)	(7,768)
	(83,202)	**(47,109)**	(92,552)	**(51,712)**	**(80,095)**	**(45,421)**	(90,287)	(50,631)

(In thousands of reais)

20. Finance income (costs), net

	Consolidated				Individual			
	04/01/2020 to 09/30/2020 (6 months)	07/01/2020 to 09/30/2020 (3 months)	04/01/2019 to 09/30/2019 (6 months)	07/01/2019 to 09/30/2019 (3 months)	04/01/2020 to 09/30/2020 (6 months)	07/01/2020 to 09/30/2020 (3 months)	04/01/2019 to 09/30/2019 (6 months)	07/01/2019 to 09/30/2019 (3 months)
Financial investment yield	**3,135**	**1,274**	7,605	3,484	**3,135**	**1,274**	7,605	3,484
Earnings	**1,287**	**771**	1,757	650	**1,287**	**771**	1,757	650
Other	**862**	**819**	103	23	**862**	**819**	103	23
Finance income	**5,284**	**2,864**	9,465	4,157	**5,284**	**2,864**	9,465	4,157
Bank expenses	**(1,556)**	**(766)**	(1,623)	(778)	**(1,556)**	**(766)**	(1,623)	(778)
Interest on loans	**(2,000)**	**(946)**	(2,844)	(1,333)	**(2,000)**	**(946)**	(2,844)	(1,333)
Other	**(820)**	**(793)**	(92)	(45)	**(785)**	**(769)**	(79)	(32)
Finance costs	**(4,376)**	**(2,505)**	(4,559)	(2,156)	**(4,341)**	**(2,841)**	(4,546)	(2,143)
Finance income (costs), net	**908**	**359**	4,906	2,001	**943**	**383**	4,919	2,014

21. Financial instruments

a) Accounting classification and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows:

Consolidated		Book value		Fair value	
Financial instruments		September 30, 2020	March 31, 2020	September 30, 2020	March 31, 2020
				Level 2	Level 2
Financial assets measured at fair value					
Financial investments (Note 3)	Fair value through profit or loss	**215,642**	265,779	**215,642**	265,779
Financial statements not immediately redeemable (Note 4)	Fair value through profit or loss	**32,709**	38,898	**32,709**	38,898
Financial assets not measured at fair value					
Demand deposits (Note 3)	Amortized cost	**10**	14	**-**	-
Checking account (Note 3)	Amortized cost	**52,329**	178		
Accounts receivable (Note 5)	Amortized cost	**121,312**	78,214	**-**	-
Other accounts receivable	Amortized cost	**12,911**	11,316	**-**	-
Financial liabilities not measured at fair value					
Loans and financing (Note 14)	Other financial liabilities	**(89,177)**	(116,705)	**-**	-
Trade accounts payable (Note 13)	Other financial liabilities	**(6,979)**	(11,497)	**-**	-
Other accounts payable	Other financial liabilities	**(2,712)**	(2,769)	**-**	-

(In thousands of reais)

21. Financial instruments (Continued)

Individual		Book value		Fair value	
Financial instruments		September 30, 2020	March 31, 2020	September 30, 2020	March 31, 2020
				Level 2	Level 2
Financial assets measured at fair value					
Financial investments (Note 3)	Fair value through profit or loss	**215,642**	265,779	**215,642**	265,779
Financial statements not immediately redeemable (Note 4)	Fair value through profit or loss	**32,709**	38,898	**32,709**	38,898
Financial assets not measured at fair value					
Demand deposits (Note 3)	Amortized cost	**10**	9		
Checking account (Note 3)	Amortized cost	**52,126**	105	**-**	-
Accounts receivable (5)	Amortized cost	**121,312**	78,214	**-**	-
Other accounts receivable	Amortized cost	**12,911**	11,316	**-**	-
Financial liabilities not measured at fair value					
Loans and financing (Note 14)	Other financial liabilities	**(89,177)**	(116,705)	**-**	-
Trade accounts payable (Note 13)	Other financial liabilities	**(6,492)**	(8,258)	**-**	-
Other accounts payable	Other financial liabilities	**(2,781)**	(5,345)	**-**	-

a) Accounting classification and fair values (Continued)

Fair value vs. carrying amount

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

b) Financial risk management

The Group has the following risk exposures arising from the use of financial instruments:

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

This Note reports information on the Group’s exposure to each of the foregoing risks, as well as its objectives, policies and processes for measuring and managing such risks, as well as capital management.

21. Financial instruments (Continued)

c) Risk management structure

Management has global responsibility for the establishment and supervision of the Group's risk management framework. Management is responsible for developing and monitoring the risk management policies. Managing officers of each department regularly report their activities to management.

The Group's risk management policies are established in order to identify and assess the risks faced by the Group, to set appropriate limits and risk controls, and to monitor risks and adherence to limits. These risk management systems and policies are regularly reviewed to reflect changes in market conditions and in the Group's activities.

d) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, which arise mainly from trade accounts receivable, other receivables and cash and cash equivalents.

Credit risk exposure

The book values of financial assets represent the maximum credit risk exposure.

Credit risk

Credit risk is the risk that a counterparty to a business transaction will not meet an obligation under a financial instrument or agreement with the customer, which would lead to financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade accounts receivable), including deposits in banks and financial institutions, and other financial instruments. The maximum exposure to credit risk at the reporting date is the recorded amount of each class of contractual assets mentioned in Notes 3, 4 and 5.

Financial instruments and bank deposits
The Group limits its exposure to credit risks associated with banks and short-term investments by investing at large-sized financial institutions.

(In thousands of reais)

21. Financial instruments (Continued)

d) Credit risk (Continued)

Accounts receivable
As regards trade accounts receivable, the Company limits its exposure to credit risks through sales to a wide customer base and ongoing customer credit analyses and also by taking the necessary measures in accordance with the policy in force. At September 30, 2020, there was no significant concentration of credit risk associated with customers.

Trade and other accounts receivable

Expense on setting up the allowance for doubtful accounts was recorded under "Other operating income (expenses)" in the statement of profit or loss. When all efforts to recover trade accounts receivable are exhausted, the amounts credited to such allowance are usually reversed against the definitive write-off of the note.

The aging list of receivables on the reporting date of the interim financial information was as follows:

	Individual and Consolidated 09/30/2020	**Individual and Consolidated 03/31/2020**
Falling due	**48,167**	18,610
Overdue from 1 to 30 days	**18,266**	1,429
Overdue from 31 to 60 days	**2,618**	3,464
Overdue from 61 to 180 days	**4,674**	11,601
Overdue from 181 to 360 days	**12,474**	12,530
Overdue above 360 days	**35,112**	30,580
Total (Note 6)	**121,312**	78,214
(-) Allowance for expected credit losses - related parties	**(32,790)**	(24,014)
(-) Allowance for expected credit losses	**(11,649)**	(21,848)
Total (Note 5)	**(44,258)**	(45,862)
	77,054	32,352
Current (Note 5)	**63,750**	22,185
Noncurrent (Note 5)	**13,304**	10,167

(In thousands of reais)

21. Financial instruments (Continued)

e) Liquidity risk

Maturities of financial liabilities including estimated interest payments are as follows:

Debt amortization schedule

September 30, 2020	Book value	Contractual cash flow	12 months	13 to 24 months	25 to 36 months	37 to 48 months
Trade accounts payable	**6,679**	**6,679**	**6,679**	**-**	**-**	**-**
Loans and financing	**89,177**	**95,864**	**39,907**	**40,509**	**15,448**	**-**

March 31, 2020	Book value	Contractual cash flow	12 months	13 to 24 months	25 to 36 months	37 to 48 months
Trade accounts payable	11,497	11,497	11,497	-	-	-
Loans and financing	116,705	124,874	53,568	38,512	30,082	2,712

f) Market risk

Market risk refers to changes in market prices, such as interest rates that affect the gains of the Group, or the amount of its interest held in financial instruments. The purpose of market risk management is to manage and control exposures to market risks within acceptable parameters, while optimizing returns. For outstanding transactions and operations, interest rate risk is the most significant.

interest rate risk

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

Profile

At the reporting date, the profile of the Group's variable interest-bearing financial instruments was:

(In thousands of reais)

21. Financial instruments (Continued)

f) Market risk (Continued)

Consolidated and Individual	Risk	Book value 09/30/2020	Book value 03/31/2020
Fixed rate instruments			
Trade accounts payable		**6,679**	9,247
Loans and financing		**89,177**	144,797
Floating rate instruments			
Financial investments (immediately and not immediately redeemable)	CDI	**248,351**	304,677
Loans and financing	TJLP	**-**	8,978

Sensitivity analysis

The Company has R$300,298 of financial investments pegged to the CDI. The table below presents three scenarios, taking into consideration their percentage variations for the CDI and TJLP, where the probable scenario is 10% greater than the average effective interest rate for 2020. The other scenarios consider CDI and TJLP appreciation by 25% and 50% on this rate and represent the impact of finance costs on P&L for the period and equity.

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

Instruments	Exposure at 09/30/2020	Risk	Scenarios: Probable %	Probable Amount	Reduction of rate by 25% %	Reduction of rate by 25% Amount	Reduction of rate by 50% %	Reduction of rate by 50% Amount
Financial assets								
Financial investments (immediately and not immediately redeemable)	**248,351**	**CDI decrease**	**5.94**	**14,752**	**4.46**	**11,076**	**2.97**	**(7,376)**
Projected loans and financing				**14,752**		**(11,076)**		**(7,376)**
Impact on P&L and equity				**-**		**(11,076)**		**(7,376)**

(In thousands of reais)

21. Financial instruments (Continued)

f) Market risk (Continued)

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

			Scenarios					
	Exposure at 09/30/2020	Risk	Probable		Increase in rate by 25%		Increase in rate by 50%	
Instruments			%	Amount	%	Amount	%	Amount
Financial assets								
Financial investments (immediately and not immediately redeemable)	**248,351**	**Increase in CDI**	**5.94**	**14,752**	**7.43**	**18,452**	**8.91**	**22,128**
Projected loans and financing				**14,752**		**18,452**		**22,128**
Impact on P&L and equity				**-**		**18,452**		**22,128**

The Group’s objective is to manage operational risk to avoid financial losses and damage to its reputation, and to pursue cost effectiveness and avoid control procedures that restrict technological initiatives.

g) Capital management

The Group’s objectives in managing its capital are to safeguard its ability to continue as a going concern in order to provide return for shareholders and benefits for 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:

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

The liquidity and leverage ratios are as follows:

	Consolidated		Individual	
	09/30/2020	03/31/2020	09/30/2020	03/31/2020
Current assets	**341,650**	295,498	**341,409**	295,399
Current liabilities	**89,838**	103,495	**88,039**	102,057
Liquidity ratio	**3.80**	2.86	**3.88**	2.89

(In thousands of reais)

22. Related parties

a) Parent Company and ultimate parent company

The group of ultimate parent company is formed by the control block composed by shareholders: Raízen Group, Copersucar S.A., São Martinho Group, Guarani S.A., Bunge Group and S.A. Usina Coruripe Açúcar e Álcool.

b) Key management personnel compensation

The compensation paid to management is defined at the Annual General Meeting and the amounts paid in the period as compensation totaled R$1,534 (R$1,763 at September 30, 2019).

In addition to the expenses mentioned above, the Company has a share-based compensation plan as disclosed in Note 17.

c) Other transactions with related parties

Significant asset and liability balances, as well as transactions that influence P&L for the year, derive from transactions between the Group and its related parties for the following types of operations:

	Note	09/30/2020	03/31/2020
Assets			
Accounts receivable (a)	5	**80,257**	47,718
Liabilities			
Dividends payable (b)		**5,654**	5,712
Lease obligations (c)	10	**21,406**	25,171
		09/30/2020	**09/30/2019**
P&L			
Sales revenue (a)	18	**106,342**	88,885

(In thousands of reais)

22. Related parties (Continued)

c) Other transactions with related parties (Continued)

(a) Accounts receivable and revenue - royalties

Operations with sugarcane varieties and technology licensing. Royalties are recognized on an accrual basis in conformity with the agreement’s essence.

Accounts receivable (Note 5)	09/30/2020	03/31/2020
Eth Group	**8,593**	7,495
Virgolino de Oliveira Group	**8,220**	8,220
Adecoagro Group	**7,236**	1,423
Raízen Group	**5,939**	492
Usina Alvorada Açúcar e Álcool Ltda	**4,131**	4,343
Noble Do Brasil S.A.	**4,051**	-
Biosev Group	**2,556**	5,121
Usinas Itamarati S.A.	**2,353**	
Tonon Bioenergia S.A.	**2,284**	2,284
São Martinho Group	**2,256**	141
Ferrari Agroindustrial S.A.	**2,156**	3,709
Bunge Group	**2,090**	-
Tereos Group	**2,026**	-
Usina Santa Adelia S.A.	**1,757**	282
Usina Santa Rosa S.A.	**1,728**	1,728
Zilor	**1,660**	-
Pedra Agroindustrial	**1,623**	45
Usina Santa Fé S.A.	**1,581**	551
Jalles Machado S.A.	**1,510**	1,392
Usina Ipiranga de Açúcar e Álcool S.A.	**1,404**	322
Alto Alegre Group	**1,086**	120
Baldin Group	**1,071**	1,033
Bp Group	**1,020**	-
Cocal Comercio E Industria Canaã Açucar E Alcool S.A.	**1,007**	-
Goiasa Goiatuba Álcool Ltda.	**965**	-
S.A. Usina Coruripe Açúcar E Alcool	**945**	1,606
Usina De Açucar Santa Terezinha Ltda	**942**	-
Usina Açucareira Furlan S.A.	**942**	942
Nova America Agricola Ltda	**941**	1,024
Unialco Group	**931**	660
Usina Açucareira São Manoel S.A.	**795**	733
Denusa - Destilaria Nova União S.A.	**585**	678
Dacalda Açúcar E Alcool Ltda	**413**	502
Antonio Ruette Agroindustrial Ltda	**372**	317
Wd Agroindustrial Ltda.	**350**	331
Santa Vitória Açucar E Alcool Ltda	**335**	209
J. Pilon Açucar E Alcool	**331**	108
Usina Uberaba S.A.	**328**	58
Usina Batatais S.A. Açúcar E Álcool	**310**	776
U.S.A. - Usina Santo Angelo Ltda.	**284**	247
Usina São Francisco S.A.	**271**	-
Usina Santo Antônio S.A.	**213**	-
Naoum	**156**	-
Usj - Açucar E Alcool S.A.	**123**	-
Usina Petribu S/A	**115**	-
Agropeu - Agroindustrial de Pompeu S/A	**115**	133
Usina Maringa	**74**	-
Lasa Linhares Agroindustrial S.A	**36**	-
Companhia Muller de Bebidas	**26**	-
Usina Trapiche S.A	**14**	-
Alcon - Cia de Álcool Conceição da Barra	**6**	-
Destilaria Nova Era Ltda.	**1**	
Usina Melhoramentos	**-**	364
Usina Açucareira Ester S.A.	**-**	267
Usina Santa Lucia S.A.	**-**	62
	80,257	47,389

(In thousands of reais)

22. Related parties (Continued)

c) Other transactions with related parties (Continued)

Revenues (Note 18)	09/30/2020	09/30/2019
Bunge Group	**9,682**	7,945
Biosev Group	**8,745**	7,602
Raízen Group	**8,736**	6,487
São Martinho Group	**8,026**	6,612
Pedra Agroindustrial	**5,787**	4,747
Adecoagro Group	**5,547**	3,512
Tereos Group	**4,843**	3,983
Usina Ipiranga de Açúcar e Álcool S.A.	**4,072**	3,104
Cocal Comercio E Industria Canaã Açucar E Alcool S.A.	**4,061**	3,099
Noble Do Brasil S.A	**4,051**	3,063
Eth Group	**4,014**	3,237
Usina De Açucar Santa Terezinha Ltda	**3,922**	2,413
Alto Alegre Group	**3,117**	2,420
Jalles Machado S.A.	**3,066**	2,755
Bp Group	**3,065**	2,678
S.A. Usina Coruripe Açúcar E Alcool	**2,746**	2,536
Usina Melhoramentos	**2,193**	1,245
Usinas Itamarati S.A.	**2,000**	-
Nova America Agricola Ltda	**1,975**	1,603
Usina Santa Adelia S.A.	**1,892**	527
Zilor	**1,660**	1,285
Ferrari Agroindustrial S.A.	**1,339**	992
Usina Santa Fé S.A.	**1,244**	1,014
Goiasa Goiatuba Álcool Ltda.	**965**	787
Usina Uberaba S.A.	**963**	783
Santa Vitória Açucar E Alcool Ltda	**894**	283
Antonio Ruette Agroindustrial Ltda	**813**	627
Usina São Francisco S.A	**785**	750
Usina Batatais S.A. Açúcar E Álcool	**760**	1,397
J. Pilon Açucar E Alcool	**758**	647
Usina Açucareira São Manoel S.A.	**749**	529
Usina Santo Antônio S.A	**746**	765
U.S.A. - Usina Santo Angelo Ltda	**521**	364
Usj - Açucar E Alcool S.A.	**504**	363
Unialco Group	**458**	260
Denusa - Destilaria Nova União S.A.	**358**	297
Dacalda Açúcar E Alcool Ltda	**298**	226
Wd Agroindustrial Ltda	**276**	223
Usina Maringa	**261**	223
Usina Petribu S/A	**135**	-
Companhia Muller de Bebidas	**132**	262
Agropeu - Agroindustrial de Pompeu S/A	**103**	69
Usina Trapiche S.A	**38**	37
Lasa Linhares Agroindustrial S.A	**36**	41
Alcon - Cia de Álcool Conceição da Barra	**6**	6
Tonon Bioenergia S.A.	**-**	-
Usina Açucareira Ester S.A.	**-**	742
Usina Alvorada Açúcar e Álcool Ltda	**-**	825
Usina Açucareira Furlan S.A.	**-**	375
Usina Santa Lucia S.A.	**-**	124
Virgolino De Oliveira Group	**-**	21
Overall total	**106,342**	83,885

(b) In accordance with the Company's Articles of Incorporation, shareholders are entitled to mandatory minimum dividends of 25% on the profit determined at the end of the fiscal year, adjusted in accordance with article 202 of the Brazilian Corporation Law. The Company recorded under Dividends payable the amount of R$5,654 (R$5,712 at March 31, 2020).

(c) At September 30 and March 31, 2020, the Company had lease agreements for transactions with related parties recorded in liabilities.

(In thousands of reais)

22. Related parties (Continued)

c) Other transactions with related parties (Continued)

Property lease obligations (Note 10)	09/30/2020	03/31/2020
Copersucar S.A.	**23,618**	25,171
	23,618	25,171

Agricultural lease obligations (Note 10)	09/30/2020
Sao Martinho S.A.	**284**
Usina Açúcar Santa Terezinha Ltda.	**278**
Raizen Energia S.A.	**138**
Pedra Agroindustrial S.A.	**27**
Nova America Agricola Ltda.	**11**
Cocal Com Ind Cana Açúcar e Alcool Ltda	**11**
Jallles Machado S.A.	**8**
S.A. Usina Coruripe Açúcar Alcool	**1**
Nova America Agrícola Ltda.	**1**
	759

23. Insurance coverage

The Group has an insurance and risk management program that provides coverage and protection compatible with its assets and operation.

The insurance coverage taken out is based on loss and risk assessment and contracted insurance types are deemed sufficient by management to cover claims, if any, that may arise, considering the nature of the Group's activities.

At September 30, 2020, the insurance coverage against operational risks was made up of property damage in the amount of R$36,000 and civil liability in the amount of R$40,000.

24. Events after the reporting period

New stock option plan

A new long-term incentive plan based on the Company's stock option was approved by the Board of Directors on September 21, 2020 and approved to shareholders at the Special General Meeting held on October 21, 2020.
The program aims to reinforce retention of key executives and align their interests with those of shareholders, in creating sustainable and long-term value for the business.

24. Events after the reporting period (Continued)

New stock option plan (Continued)

When launching each Program, the Board of Directors will set the terms and conditions for each option in the Stock Option Agreement (“Agreement”), to be entered into by and between the Company and each beneficiary. This agreement will set out: (i) the number of shares that the beneficiary will be entitled to acquire or subscribe with the exercise of the options, (ii) the price per share, in accordance with the Company’s Stock Option Program, and (iii) any other additional terms and conditions, provided that they are not in disagreement with the provisions of the respective Company’s Stock Option Plan or Program.

The purpose of the Company’s Stock Option Plan is to grant the Company’s managers and employees the opportunity to become Company shareholders. In this way, the Group intends to better align the interests of such managers and employees with the interests of the Company’s shareholders, as well as enable the Company to attract and keep managers and employees linked to it.

Within the scope of the Company’s Share-based Plans, a maximum of 2.5% of the total shares of the Company’s capital may be granted, which is verified on the granting date. In this total, the effect of the dilution resulting from the exercise of all options granted and not exercised is considered.

Considering that the Company does not have shares being traded on the Stock Exchange for the first grant, the share price at the time of the IPO will be used as the exercise price of the program, which is conditional upon the formal approval of the plan by the AGM before the event, as well as approval of the grant at the Board of Directors’ Meeting. For the other grants, the exercise price of the programs will be calculated according to the weighted average value of the share in the last 60 trading sessions weighted by volume, without adjustments.

The program has a total term of 6 years, so that the participant (Beneficiary) acquires the right to advance 25% of the options granted annually until completing the full 4-year vesting period of the plan. The first advance must occur at the end of the 12 months after the Grant.

Until the issue date of these financial statements, the Company did not grant any shares in the Stock Option Program.

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