

# 1Q23 Results



## Earnings Videoconference

May 5, 2023

10 a.m. (Brasília) | 9 a.m. (NY)



Event in Portuguese  
with simultaneous  
translation into  
English

## Investor Relations

Ticker: TTEN3 (B3:NM)

Stock Price (5/4/23): R\$ 11.18

Market Cap: R\$ 5.6 billion

Free Float: 22,8%

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## Net Income grows 82% in 1Q23

*3tentos ecosystem begins 2023 with strong growth*

**Santa Bárbara do Sul, May 4, 2023 – 3tentos (“3tentos” or “Company”),** Brazil’s most complete agricultural ecosystem, announces its results for the first quarter of 2023 (“1Q23”). Except where stated otherwise, the information in this document is denominated in local currency (R\$ million) and consolidated basis.

### 1Q23 Highlights

- **Net Operating Revenue** of R\$1,804.7 million in 1Q23 (+41.7%), with growth in all segments, particularly Industry (+57.8%).
- **Adjusted Gross Profit<sup>1</sup>** of R\$245.4 million in 1Q23 (+22.9%), with adjusted gross margin of 13.6% (-2.1 p.p.).
- **Adjusted EBITDA<sup>1</sup>** of R\$107.7 million in 1Q23 (+12.1%), with adjusted EBITDA margin of 6.0% (-1.5 p.p.).
- **Net Income** of R\$103.3 million in 1Q23 (+82.0%), with net margin of 5.7% (+1.3 p.p.).
- **ROE<sup>2</sup>** of 39.5% and **ROIC** of 22.1% in 1Q23.

In thousands of reais except for percentages and indexes	1Q23	1Q22	Δ % or p.p.
<b>Net operating revenue</b>	<b>1,804,696</b>	<b>1,273,235</b>	<b>41.7%</b>
Gross profit	260,156	158,193	64.5%
Gross Margin (%)	14.4%	12.4%	2.0
<b>Adjusted Gross Profit<sup>1</sup></b>	<b>245,401</b>	<b>199,752</b>	<b>22.9%</b>
Adjusted Gross Profit (%)	13.6%	15.7%	(2.1)
EBITDA	122,485	54,560	124.5%
EBITDA Margin (%)	6.8%	4.3%	2.5
<b>Adjusted EBITDA<sup>1</sup></b>	<b>107,730</b>	<b>96,119</b>	<b>12.1%</b>
Adjusted EBITDA Margin (%)	6.0%	7.5%	(1.5)
<b>Net Income</b>	<b>103,339</b>	<b>56,782</b>	<b>82.0%</b>
Net Margin (%)	5.7%	4.5%	1.3
Adjusted Net Income	93,601	84,211	11.2%
Adjusted Net Margin (%)	5.2%	6.6%	(1.4)
ROE <sup>2</sup>	39.5%	42.1%	(2.6)
ROIC	22.1%	21.2%	0.8

<sup>1</sup> Adjusted Gross Profit and Adjusted EBITDA exclude the effects from the Fair Value Adjustment (FVA) of R\$14.8 million in 1Q23 and (R\$41.6) million in 1Q22.

<sup>2</sup> ROE adjusted by IPO proceeds.

## Message from Management

3tentos began 2023 with a strong performance, expanding our share in the markets where we operate, both in Rio Grande do Sul and Mato Grosso. In Rio Grande do Sul, we participated in corn origination during the harvest and increased the volume of originated grains, thanks to our broad network of stores distributed across the state. Our technical team of consultants was in the field, in the summer harvest, helping clients with the use of crop protection.

In Mato Grosso, we are expanding our operations organically, replicating our business model with the opening of new stores and construction of a new soybean processing and biodiesel production plant. Such expansion, which began in the second half of 2021, already accounts for a relevant share of the Company's business, in this moment with Ag Inputs and Grains. The conclusion of the new plant is estimated for the month of June, when we will operate in Mato Grosso with the complete 3tentos ecosystem.

We have been observing a downward trend in the prices of inputs and commodities since the end of 2022, but it did not limit the Company's growth. We remain strong and focusing on supporting our clients, providing the best solution to their crops, which has been reflecting as higher market share.

In the first quarter of the year, our net revenue came to R\$1.8 billion, with growth in our three segments: Ag Inputs (+19%), Grains (+39%) and Industry (+58%).

Such result demonstrates that, despite the challenge scenario, with soybean and corn crops affected by the drought in Rio Grande do Sul and reduction in the prices, we were able to maintain our growth rates.

In 2023, we will open new stores in Rio Grande do Sul and Mato Grosso, to be disclosed as from 2Q23. We currently have 57 stores (52 in Rio Grande do Sul and 5 in Mato Grosso).

The new soybean processing and biodiesel production plant in Mato Grosso (in final construction stage) will be an important milestone for 3tentos, completing our ecosystem in the region and expanding our total soybean processing capacity by 65%. Our current total soybean processing capacity (Ijuí/RS and Cruz Alta/RS plants) is 4,000 ton/day, which will increase to 6,600 ton/day with the new plant.

Rural producers will always be in the heart of our business, whether in Rio Grande do Sul or Mato Grosso. We will always strive to add value to our clients, so they achieve the best yield in their crops in a safe and profitable manner, which strengthens the Company's values, such as Field, Partnership and Safety.

**Luiz Osório Dumoncel**

CEO and Founder

## Operational and Financial Performance by Segment

### Net Operating Revenue in 1Q23

Figures in R\$ thousand

Net Revenue				Contr.
Per Segment	1Q23	1Q22	Var. %	Var. %
Ag Inputs	444,069	373,790	18.8%	5.5%
Grain	460,080	328,730	40.0%	10.3%
Industry	900,547	570,715	57.8%	25.9%
<b>Total</b>	<b>1,804,696</b>	<b>1,273,235</b>	<b>41.7%</b>	<b>41.7%</b>

Net Operating Revenue (NOR) was R\$1,804.7 million in 1Q23, increasing 41.7% from 1Q22, with all Company segments delivering growth, driven by the higher volumes of its main products.

In the Ag Inputs segment, the 1Q23 performance was driven by a better soybean crop in Rio Grande do Sul compared to the previous year, leading to an increase in crop protection volume. In addition, the volume of fertilizers grew exponentially with the start of second-crop corn in Mato Grosso. In the Grains segment, Corn performed well with the harvest in Rio Grande do Sul, while the Wheat crop harvested in 4Q22 set a new record. The performance of the Industry segment reflects mainly the higher capacity of the Cruz Alta/RS plant and the higher number of days of operation of the plants in 1Q23.

Detailed analyses of each segment are presented below.

### Adjusted Gross Profit in 1Q23

Figures in R\$ thousand

Gross Profit					
Per Segment	1Q23	Margin	1Q22	Margin	Var.
Ag Inputs	78,866	17.8%	78,322	21.0%	0.7%
Grain	51,630	11.2%	36,654	11.2%	40.9%
Industry	114,905	12.8%	84,776	14.9%	35.5%
<b>Total</b>	<b>245,401</b>	<b>13.6%</b>	<b>199,752</b>	<b>15.7%</b>	<b>22.9%</b>

Adjusted Gross Profit was R\$245.4 million in 1Q23, increasing 22.9% from 1Q22, with adjusted gross margin of 13.6% (-2.1 p.p.). Note that Adjusted Gross Profit excludes the effects from the Fair Value Adjustment (FVA) of positive R\$14.8 million in 1Q23.

Some factors adversely affected the margin of the quarter. In Ag Inputs, the product mix was one of these factors, with the higher share of fertilizers (whose margin is lower), as well as crop protection, which pressured the margin due to the reduction in prices. In Industry, the margin continued to be affected by the higher cost of soybean originated in the 21/22 crop year. However, compared to 4Q22, the margin is recovering alongside the better conditions of soybean meal prices.

Note that the comparison of margins of the Aq Inputs and Grains segments must be made always with the same period of the previous year, given the seasonality of the trading of products. However, the Industry margin can be compared with that of the previous quarter because the product mix does not change significantly.

## Fair Value Adjustment (FVA)

Fair value adjustment (FVA) considers the difference in the mark-to-market (MTM) value of the Company's commodities between periods. Meanwhile, mark-to-market adjustment reflects the difference between the book value and market value of each commodity in a given period. In 1Q23, we registered a positive AVJ effect of R\$14.8 million.



# Ag Inputs

## 1Q23 Operational Performance

Net Revenue  
**R\$444.1 million**  
+18.8%

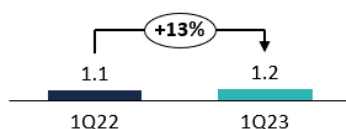
Gross Profit  
**R\$78.9 million**  
+0.7%



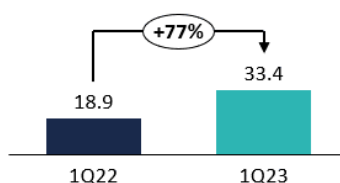
### Volume

*thousand tons or kg/l*

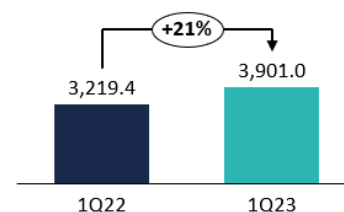
#### Seeds



#### Fertilizers



#### Crop Protection



The Ag Inputs segment delivered growth for all products in 1Q23. Considering the seasonality, Crop Protection has a higher share in trading this quarter, since it is when producers make the applications of crop protection products to combat the main pests (fungi, insects and weeds). The 22/23 crop year was impacted by a drought in Rio Grande do Sul, affecting the number of applications of crop protection, especially fungicides.

We delivered a strong growth in Fertilizers, explained by both the performance of stores in Rio Grande do Sul and the new stores in Mato Grosso (30% of total volume). Seasonally, the first quarter is the weakest of the year, since it is when producers focus on crop protection, with crop harvest beginning in late March. With our entry in Mato Grosso, we will continuously increase this region's share in the sales of the first quarter.

Likewise Fertilizers, the Seeds volume is not significant in the first quarter, as the main crop has already been planted in Rio Grande do Sul. In Mato Grosso, the Company had a small share in the market of corn seeds, with second-crop corn.

## Net Revenue

*Figures in R\$ thousand*

Net Revenue				Contr.
Per Product	1Q23	1Q22	Gr. %	Gr. %
Seeds	12,911	9,152	41.1%	1.0%
Fertilizers	121,508	89,342	36.0%	8.6%
Crop Protection	309,650	275,296	12.5%	9.2%
<b>Total</b>	<b>444,069</b>	<b>373,790</b>	<b>18.8%</b>	<b>18.8%</b>

Net Operating Revenue from the Ag Inputs segment in 1Q23 amounted to R\$444.1 million, growing 18.8% from 1Q22, explained by the increase in volume for all products year over year, offset by the decrease in the prices of main products, such as Fertilizers and Crop Protection.

The scenario of decline in the prices of inputs has been observed since late 2022, with the prices of some inputs decreasing more than 50%. To minimize these impacts on our business, the Company has a risk policy establishing that we must have a maximum of 10% of products sold or purchased considering the products we sell, avoiding that these scenarios severely impact the Company's result.

Among the inputs, we maintain a Crop Protection inventory level to be traded in 22/23 crop year and, as it happens in years affected by droughts, the sales of crop protection products were lower, but within expectation with the current inventory levels.

Note that, in 1Q22, the prices of fertilizers increased due to the war between Russia and Ukraine, which affected the supply chain of the product, since Russia is a major global supplier of fertilizers.

The Mato Grosso stores accounted for approximately 20% of the ROL from the Ag Inputs segment, already a significant contribution from the five recently opened stores.

## Gross Profit and Gross Margin

Figures in R\$ million, %



Gross Profit from the Ag Inputs segment increased 0.7% in 1Q23, to R\$78.9 million, with gross margin of 17.8% (-2.2 p.p.). Such margin reduction is linked to the higher share of Fertilizers, whose margin is lower than that of Crop Protection, as well as Crop Protection, which pressured the margin due to the lower prices observed since early 2023.

The Company remains competitive in prices and margins, with its well-established risk policy mitigating any major impact from such price volatility.





# Grains

## 1Q23 Operational Performance

Net Revenue  
**R\$460.1 million**  
+40.0%

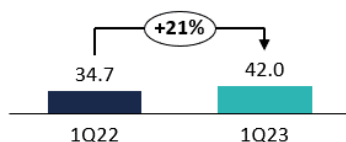
Gross Profit  
**R\$51.6 million**  
+40.9%



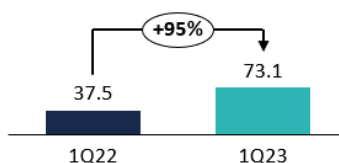
### Volume

thousand tons (Grain: +50% in 1Q23 vs. 1Q22)

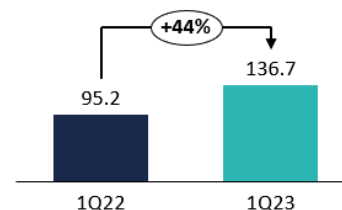
#### Soybean



#### Corn



#### Wheat and Others



In the Grains segment, Corn delivered strong growth in 1Q23, with the harvest of the crop in Rio Grande do Sul and, despite the effects of the drought, the Company performed significant corn origination. Due to the record Wheat crop in Rio Grande do Sul and better performance of stores in origination, we increased wheat sales mainly to the export market, as well as domestic consumption, such as mills in Rio Grande do Sul.

The Soybean volume of 1Q23 came mostly from Mato Grosso, since the harvest took place in January 2023. In Rio Grande do Sul, the harvest period began in late March.

For 2023, the Company maintain expectation to originate 2,100,000 tons of Soybean, 320,000 tons of Corn and 400,000 tons of Wheat, based on the information disclosed in section 11 of its Reference Form. Note that grain origination does not necessarily affect revenue from grain sales in the same calendar year, especially in the case of Wheat.

## Net Revenue

*Figures in R\$ thousand*

Net Revenue				Contr.
Per Product	1Q23	1Q22	Gr. %	Gr. %
Soybean	107,773	110,373	(2.4%)	(0.8%)
Corn	113,644	59,024	92.5%	16.6%
Wheat and Others	238,663	159,333	49.8%	24.1%
<b>Total</b>	<b>460,080</b>	<b>328,730</b>	<b>40.0%</b>	<b>40.0%</b>

Net Operating Revenue from the Grains segment in 1Q23 amounted to R\$460.1 million, increasing 40.0% from 1Q22, driven by Corn and Wheat, which delivered significant growth.

The Corn crop was harvested in January in Rio Grande do Sul and, despite the shortfall observed in the state, we managed to increase corn origination with the opening of new stores and higher share of origination in mature stores.

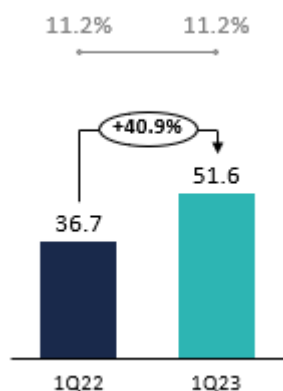
Wheat sales increased, continuing the upward trend of the last quarter, due to the strong demand for the cereal and higher origination compared to the previous crop year. We were able to use our logistic structure more efficiently with the investment in the railway terminal of the Cruz Alta plant in 2022, for the transportation of wheat by railway to the Port of Rio Grande. For the next quarters, we maintain a volume of around 90,000 tons to be traded.

While the traded volumes of corn and wheat came mostly from Rio Grande do Sul, Soybean volumes came almost entirely from Mato Grosso. Since soybean is harvested in Mato Grosso mainly in January, some of the volume harvested was traded in the quarter.

In 1Q23, we observed a reduction in the prices of commodities, especially soybean, due to the global supply-demand scenario for the grain. In the next quarter, with the soybean harvest in Rio Grande do Sul, we will have soybean volumes traded at higher prices due to the barter agreement entered into by producers during the planting in Rio Grande do Sul.

## Gross Profit and Gross Margin

Figures in R\$ million, %



Gross Profit from the Grains segment increased 40.0% in 1Q23, to R\$51.6 million. Our origination capacity in the three crops (soybean, corn and wheat), combined with our structure, which currently has 57 stores, as well as our capacity to manage the entire grain logistics, enable us to serve our clients with agility and safety in grain origination. Therefore, we have been increasing our traded volumes, especially corn in 1Q23, with the harvest in Rio Grande do Sul.

Gross margin came to 11.2% in 1Q23, same level compared to the previous year.



# Industry

## 1Q23 Operational Performance

Net Revenue  
**R\$900.5 million**  
+57.8%

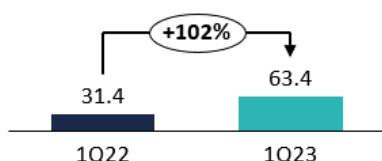
Gross Profit  
**R\$114.9 million**  
+35.5%



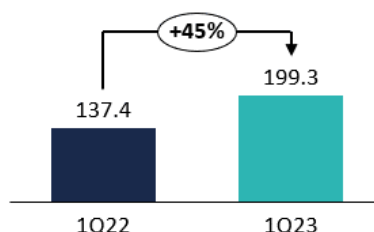
## Volume

(thousand tons and thousand m<sup>3</sup>) (Industry: +56% in 1Q23 vs. 1Q22)

### Biodiesel



### Meal and Others



The performance of the Industry segment in 1Q23 reflects a few factors compared to the prior-year period: (i) higher soybean processing capacity with the expansion of the Cruz Alta plant; (ii) higher number of days of operation of the plants; (iii) biodiesel market affected in 1Q22 by the change in the trading system (auction model to free market).

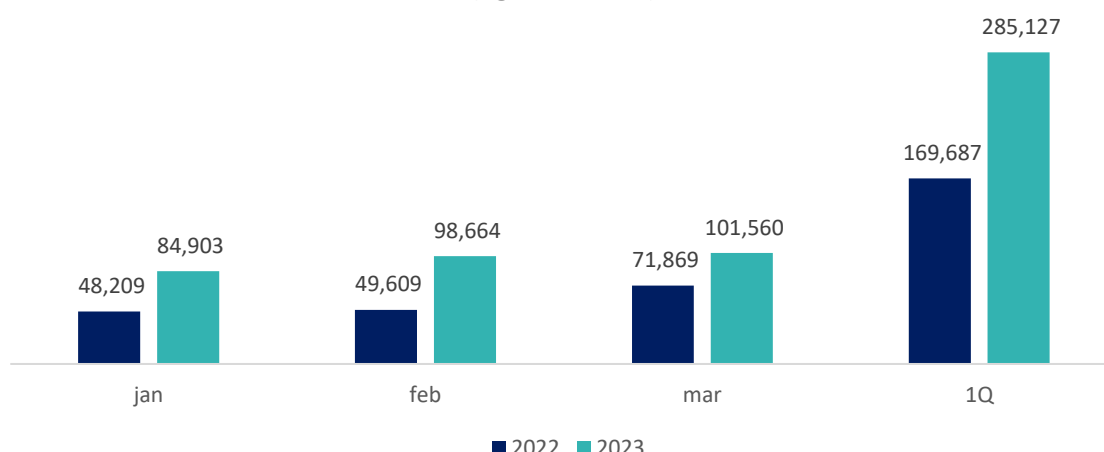
The strong volume growth in 1Q23 is linked to the main factors mentioned above. In Biodiesel, although the market operated with B10, we maintained our biodiesel plant producing and serving our clients. However, on some occasions we participated in the sale of soybean oil, whose volume amounted to 9,000 tons in the quarter.

In March 2023, the National Council on Energy Policy (CNPE) defined the new period of Biodiesel with the following timetable: B12 as from April/23, B13 as from April /24, B14 as from April/25 and B15 as from April/26. Such increase will provide better conditions for the biodiesel industry compared to B10, which has been in force since November/21 and created a challenging scenario for the biofuel sector.

Meal demonstrated a strong demand, with most of meal volumes sold to the export market. In addition, we carried out some cabotage operations for Meal in the Port of Rio Grande, serving clients from the protein industry in the Northeast region. The drought in the southern region of South America has been affecting Argentina, which is the world's main meal supplier. Therefore, the demand for meal from Rio Grande do Sul has been increasing, a trend that should remain in the next quarters.

The volume of processed soybean in the quarter is shown below. The higher processed soybean volume in the quarter is explained by the expansion in soybean processing capacity of the Cruz Alta/RS plant. In addition, we had a preventive maintenance shutdown in the Ijuí/RS plant in 1Q22, which did not happen in 1Q23, as it was anticipated to the end of 2022.

Soybean Crushing, Ijuí and Cruz Alta industrial plants  
(figures in tons)



For 2023, the Company maintain expectation to produce 1,088,000 tons of Meal and 326,000 m<sup>3</sup> of Biodiesel, as disclosed in section 11 of the Reference Form.

### Net Revenue

Figures in R\$ thousand

Net Revenue				Contr.
Per Product	1Q23	1Q22	Gr. %	Gr. %
Biodiesel	360,902	240,973	49.8%	21.0%
Meal and Others	539,645	329,742	63.7%	36.8%
<b>Total</b>	<b>900,547</b>	<b>570,715</b>	<b>57.8%</b>	<b>57.8%</b>

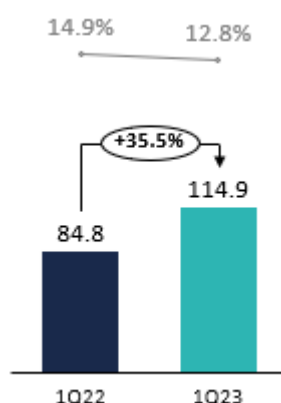
Net Operating Revenue from the Industry segment came to R\$900.5 million in 1Q23, increasing 57.8% from 1Q22, explained mainly by the higher volume of Biodiesel and Meal, as well as the higher meal prices, reflecting the strong demand in the Port of Rio Grande.

Revenue from Biodiesel increased in the quarter, thanks to the higher volume compared to the prior-year period. In 1Q22, the volume traded was lower due to the change in trading model, which was auction until late 2021 and changed to free market as from January 2022. Due to the uncertainties about the operationalization of agreements, on the part of producers and distributors, there was a reduction in the volume traded in the period.

Meal began 2023 with a strong performance, explained mainly by the higher production, thanks to the expansion in soybean processing capacity in the Cruz Alta/RS plant, and high meal demand in the Port of Rio Grande. The current production level enables the Company to seize export opportunities, negotiating directly with end clients.

## Gross Profit and Gross Margin

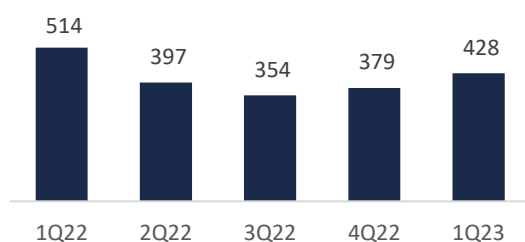
Figures in R\$ million, %



Gross Profit from the Industry segment increased 35.5% in 1Q23, to R\$114.9 million, with gross margin of 12.8% (-1.1 p.p.), mainly due to the performance of Meal, with higher premiums compared to those of soybean. Despite the lower margin in 1Q23 compared to 1Q22, it was our best Industry margin of the last three quarters.

The Company is still experiencing the effects of the 21/22 crop shortfall, acquiring soybean at higher prices. With the origination of soybean from the 22/23 crop year as from 2Q23, we expect to recover our margin in the next quarters.

Gross Profit (R\$/ton)



The improvement in crushing margin is linked to the conditions of meal prices, which maintain higher premiums compared to those of soybean. With the expected increase in biodiesel consumption in Brazil resulting from the change of B10 to B12, we expect a recovery of the Biodiesel margin, therefore contributing to the crushing margin.

## Financial Performance

### Selling, General and Administrative Expenses

In thousands of reais, except for percentage and indexes					
	1Q23	VA %	1Q22	VA %	HA %
<b>Net operating revenue</b>	<b>1,804,696</b>	<b>100.0%</b>	<b>1,273,235</b>	<b>100.0%</b>	<b>41.7%</b>
<b>SG&amp;A</b>	<b>(149,494)</b>	<b>(8.3%)</b>	<b>(111,693)</b>	<b>(8.8%)</b>	<b>33.8%</b>
Selling expenses	(139,027)	(7.7%)	(98,014)	(7.7%)	41.8%
Administrative expenses	(16,101)	(0.9%)	(17,456)	(1.4%)	(7.8%)
Other oper. income/expenses	5,634	0.3%	3,777	0.3%	49.2%

Selling, General and Administrative Expenses (SG&A) amounted to R\$149.5 million in 1Q23, up 33.8% from 1Q22. As a ratio of net operating revenue, SG&A expenses corresponded to 8.3% in 1Q23, decreasing 0.5 p.p. from 1Q22. The increase in expenses is mainly related to:

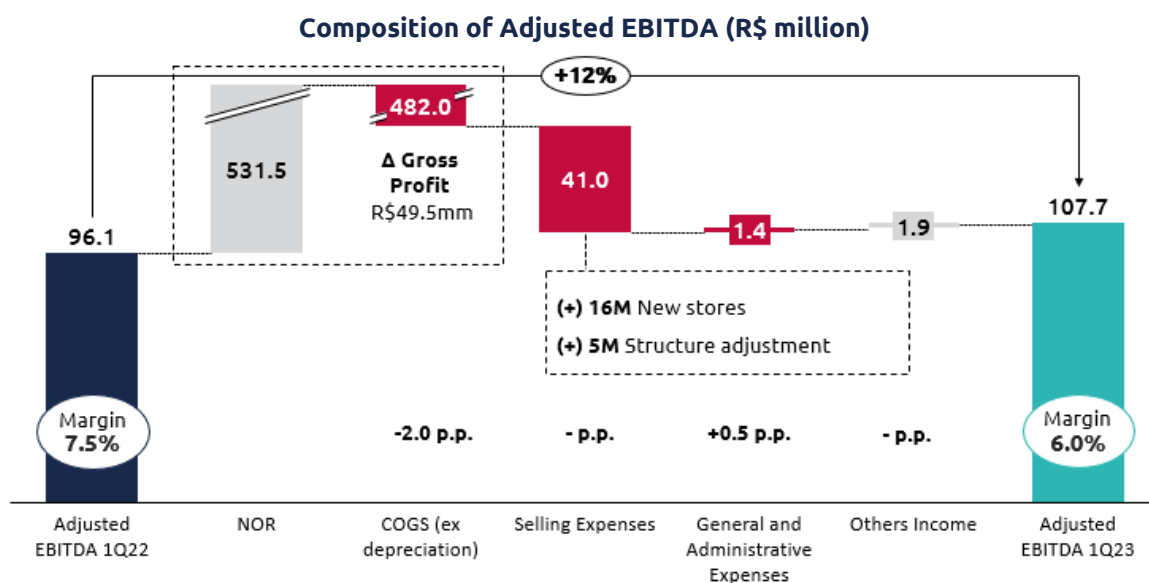
#### Selling Expenses

- (i) R\$16 million for the opening of new stores and hiring of sales teams;
- (ii) R\$5 million in expenses for restructuring to support the Company's expansion, including benefits and promotions.

In addition, expenses with freight and storage increased as well, due to the strong performance of the Grains and Industry segments.

### Adjusted EBITDA

Adjusted EBITDA was R\$107.7 million in 1Q23, representing growth of 12.1% on 1Q22. Adjusted EBITDA margin came to 6.0% in the quarter, contracting 1.5 p.p. in relation to the prior-year period. The result considers Fair Value Adjustment (FVA). In 1Q23, EBITDA (excluding the FVA effect) was R\$122.5 million, representing growth of 124.5% and margin of 6.8%, mainly explained by the performance of the Grains and Industry segments, whose gross margins decreased due to the following factors: (i) higher share of fertilizers in the segment and crop protection, which pressured the margins due to the sharp decrease in prices; and (ii) higher costs of originated soybean for processing in the industry.



### Net Financial Result

The Company reported net financial expense of R\$16.5 million in 1Q23, mainly explained by the increase in the Company's debt due to the need for working capital to support its expansion, as well as higher interest rates on funding transactions compared to the prior-year period. In addition, the yield on financial investments decreased in 1Q23 vs. 1Q22, as the amount of financial investments was higher last year due to the proceeds from the IPO in 2021. In 2022, such proceeds were gradually invested in new stores and the new soybean processing plant in Mato Grosso.

In thousands of reais, except for percentage and indexes			
	1Q23	1Q22	Variation
Active exchange and monetary variation	28,675	48,034	(40%)
Interest and discounts obtained	25,868	32,043	(19%)
Financial instruments	7,732	-	N.A.
<b>Financial income</b>	<b>62,275</b>	<b>80,077</b>	<b>(22%)</b>
Passive exchange and monetary variation	(27,812)	(28,246)	(2%)
Interest on loans and financing	(35,349)	(24,044)	47%
Financial instruments	(15,569)	(22,023)	(29%)
<b>Financial expenses</b>	<b>(78,730)</b>	<b>(74,313)</b>	<b>6%</b>
<b>Net Financial result</b>	<b>(16,455)</b>	<b>5,764</b>	<b>N.A.</b>



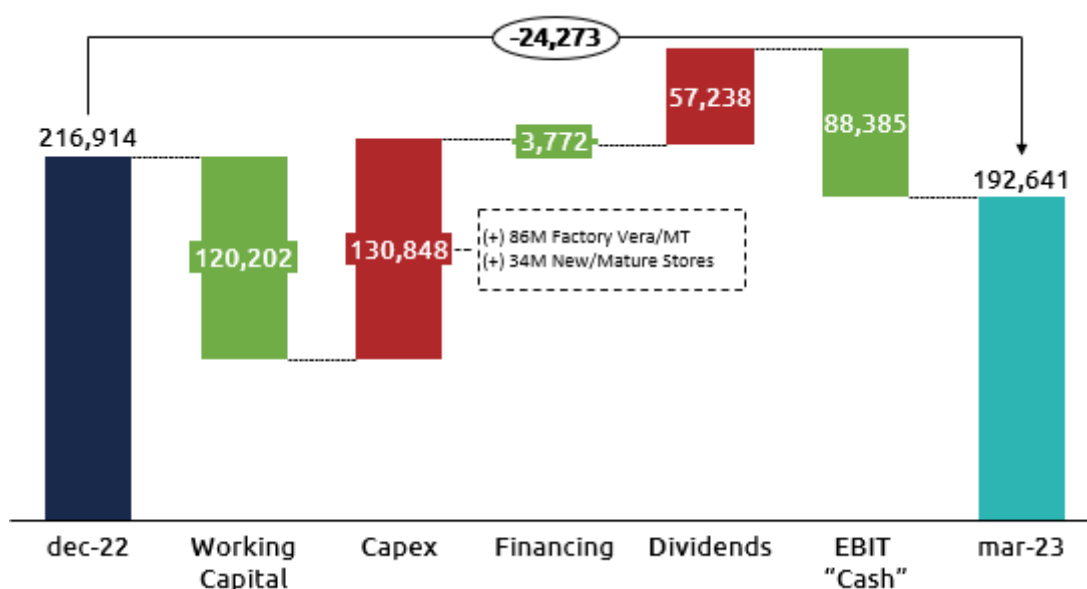
## Net Income

The Company reported Net Income of R\$103.3 million in 1Q23, 82.0% higher than in 1Q22. Net margin was 5.7%, up 1.3 p.p. from the prior-year period.

## Cash, Cash Equivalents and Debt

The Company ended 1Q23 with net debt of R\$192.6 million, a reduction of R\$24.3 million in relation to December 2022. The variation is related to the contribution of working capital accounts, especially suppliers of grains to be fixed, with the origination of the Corn and Wheat crops in Rio Grande do Sul, and our cash generation in the quarter resulted in earnings before interest and taxes (EBIT), with cash effect, of R\$88.4 million.

**Net Debt Variation (R\$ thousand)**



## Update on Company's Expansion Plan

## New stores in Rio Grande do Sul and Mato Grosso



In 2022, we announced the opening of nine stores (shown above). Construction works began in 2022, according to schedule, and most of these stores were concluded between 4Q22 and 1Q23. While these stores are under construction, we operate in leased properties in these regions, serving producers with our technical and commercial teams selling Ag Inputs.

We currently have 57 stores (52 in Rio Grande do Sul and 5 in Mato Grosso). In 2023, we plan to open seven new stores, (more or less 4) in Rio Grande do Sul and (more or less 3) in Mato Grosso, to be disclosed as from 2Q23.

## New Soybean Processing and Biodiesel Production Plant in Mato Grosso

The new plant in Mato Grosso is in final construction stage. In April, we carried out the first tests in the plant, which should be operational in June 2023, in line with the schedule established in the IPO.

In 1Q23, thanks to the harvest in Mato Grosso, soybean origination volume was high, and the Company plans to process soybean in the plant. For 2023, our expected consumption is 500,000 tons of soybean for the production of soybean meal, soybean oil and biodiesel.

The initial soybean processing capacity of the plant is 2,600 tons of soybean/day and biodiesel production capacity of 1.0 million liters/day.

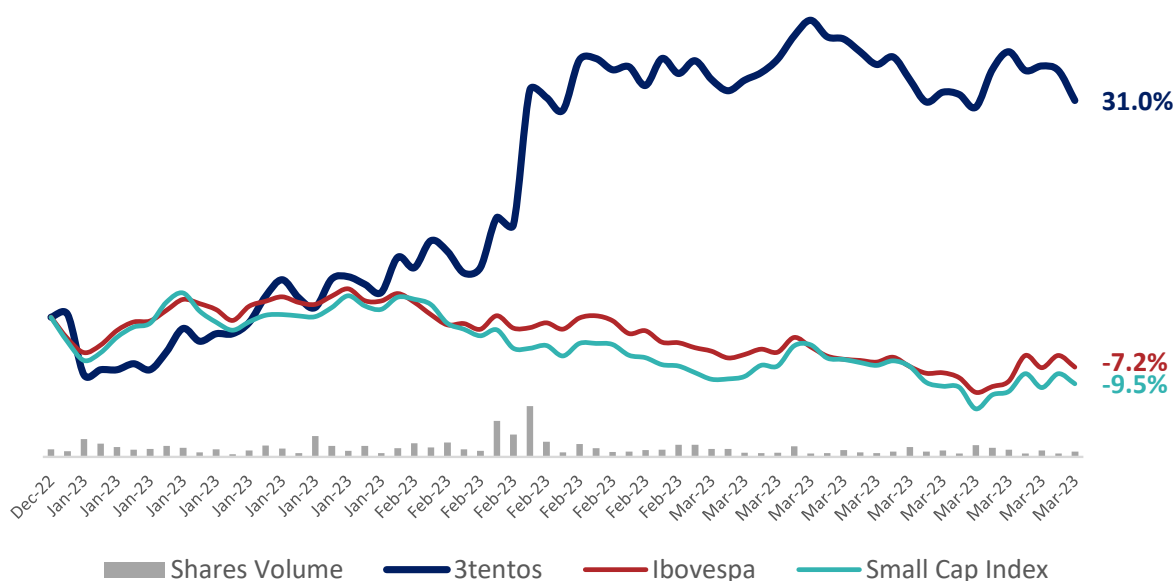


## Capital Markets

3tentos shares are traded on the B3 stock exchange under the ticker TTEN3 and ended the last trading session of March 2023 quoted at R\$12.21/share, representing market capitalization of R\$6.1 billion. The price of the Company's stock increased 31.0% in the year to date.

The price of the Company's shares decoupled from that of the market (Ibovespa index) after the 4Q22 results were disclosed.

### Stock performance (TTEN3 vs. Ibovespa)



Average daily trading volume was 1.153 million shares (R\$12.7 million) in 1Q23 and 0.898 million shares (R\$8.6 million) in 1Q22.

## Share Buyback

On April 12, the Board of Directors approved the Company's share buyback program, with a total of 2.0 million shares, aiming to hold these shares in treasury and direct them in the future to the Company management, due to the stock option programs in force.

The period of the share buyback program will be of 18 months as from April 2023.

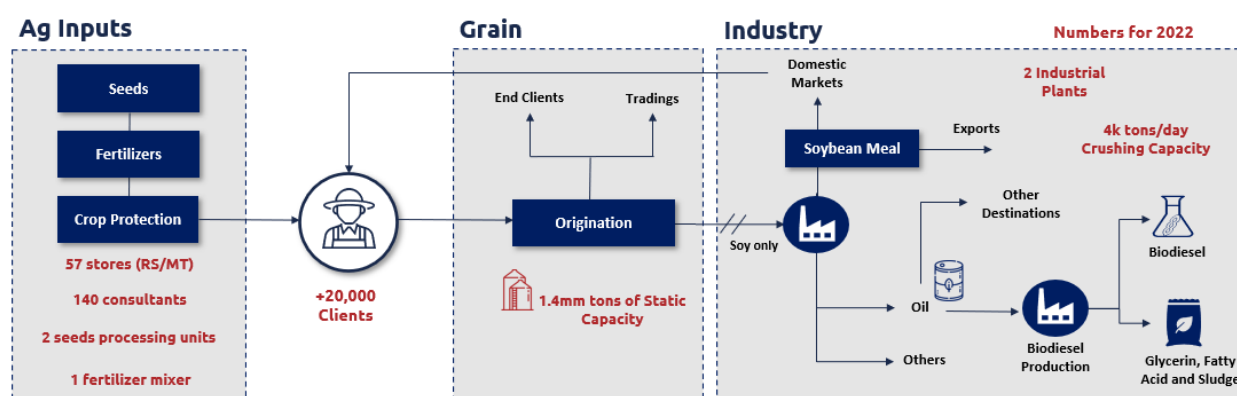


## About 3tentos

3tentos, Brazil's most complete agricultural ecosystem, is a family-owned business in operation for over 28 years that offers vertically oriented and integrated solutions to farmers and a wide range of retail products in the agricultural input, grain and industrial segments. The business model is based on forging long-term relationships with farmers, with the Company currently managing a portfolio of 20,000 active clients. In addition to supplying inputs and acquiring production, 3tentos also offers farmers training, consulting and technical services to add value through technical sales and by helping them achieve the highest yields and profits from their crops. We operate mainly in three business segments:

- **Agricultural input retailing ("Ag Inputs")**, which has complete range of agricultural inputs to meet all the needs of rural producers by selling various types of seeds, crop fertilizers and agrochemicals for soybean, corn, wheat and rice.
- **Grain origination and trading ("Grains")**, which involves the purchase and sale of grains from farmers, with static storage capacity of over 1.4 million tons of soybean, corn and wheat.
- **Grain processing ("Industry")**, with two plants located in Ijuí and Cruz Alta in the state of Rio Grande do Sul, where the Company processes soybean into meal, which is an important component of animal feed for poultry, swine and cattle farming, soybean oil and biodiesel.

The following flowchart of our business model shows the synergies in the ecosystem, which are based on (i) a large network of stores, (ii) sales of inputs to rural producers, (iii) technical consulting for crop management, (iv) purchase of grains from rural producers, (v) grain processing and (vi) developing lasting relationships with clients based on credibility and trust.



## Annex – Income Statement

In thousands of reais, except for percentages and indexes	1Q23	1Q22	Var. %
<b>Net operating revenue</b>	<b>1,804,696</b>	<b>1,273,235</b>	<b>41.7%</b>
Cost of goods	(1,544,540)	(1,115,042)	38.5%
<b>Gross profit</b>	<b>260,156</b>	<b>158,193</b>	<b>64.5%</b>
<b>Selling, Administrative and General Expenses</b>	<b>(149,494)</b>	<b>(111,693)</b>	<b>33.8%</b>
Selling expenses	(139,027)	(98,014)	41.8%
Administrative expenses	(16,101)	(17,456)	(7.8%)
Other operating income/expenses	5,634	3,777	49.2%
<b>Operating income</b>	<b>110,662</b>	<b>46,500</b>	<b>138.0%</b>
<b>Financial income (loss)</b>	<b>(16,455)</b>	<b>5,764</b>	<b>N.A.</b>
Financial income	62,275	80,077	(22.2%)
Financial expenses	(78,730)	(74,313)	5.9%
<b>Income (loss) before taxes and contributions</b>	<b>94,207</b>	<b>52,264</b>	<b>80.3%</b>
<b>Income tax and social contribution</b>	<b>9,132</b>	<b>4,518</b>	<b>102.1%</b>
Current	(38)	(13,109)	(99.7%)
Deferred	9,170	17,627	(48.0%)
<b>Net income for the period</b>	<b>103,339</b>	<b>56,782</b>	<b>82.0%</b>

## Annex – Balance Sheet

In thousands of reais, except for percentages and indexes	March 2023		December 2022		HA %
	(A)	VA %	(B)	VA %	(A)/(B)
<b>Current assets</b>	<b>4,452,988</b>	<b>69.2%</b>	<b>4,257,219</b>	<b>70.0%</b>	<b>4.6%</b>
Cash and cash equivalents	931,919	14.5%	724,314	11.9%	28.7%
Financial investments	159,988	2.5%	154,841	2.5%	3.3%
Trade accounts receivable	998,932	15.5%	1,037,931	17.1%	(3.8%)
Inventories	2,059,085	32.0%	2,030,031	33.4%	1.4%
Recoverable taxes and contributions	147,690	2.3%	134,967	2.2%	9.4%
Prepaid expenses	12,121	0.2%	5,955	0.1%	103.5%
Derivative financial instruments	53,593	0.8%	83,048	1.4%	(35.5%)
Advances	4,389	0.1%	9,470	0.2%	(53.7%)
Related parties	16,820	0.3%	16,490	0.3%	2.0%
Other amounts receivable	68,451	1.1%	60,172	1.0%	13.8%
<b>Non-current assets</b>	<b>1,983,047</b>	<b>30.8%</b>	<b>1,824,770</b>	<b>30.0%</b>	<b>8.7%</b>
Recoverable taxes	177,560	2.8%	173,137	2.8%	2.6%
Trade accounts receivable	9,142	0.1%	1,528	0.0%	498.3%
Judicial deposits	172	0.0%	121	0.0%	42.2%
Deferred taxes	132,364	2.1%	123,194	2.0%	7.4%
Derivative financial instruments	-	0.0%	1,387	0.0%	-
Other amounts receivable	1,613	0.0%	1,486	0.0%	8.5%
Right-of-use - Leases	21,845	0.3%	23,337	0.4%	(6.4%)
Property, plant and equipment	1,635,997	25.4%	1,500,239	24.7%	9.0%
Intangible assets	4,354	0.1%	341	0.0%	1176.8%
<b>TOTAL ASSETS</b>	<b>6,436,035</b>	<b>100.0%</b>	<b>6,081,989</b>	<b>100.0%</b>	<b>5.8%</b>
<b>Current liabilities</b>	<b>2,929,521</b>	<b>45.5%</b>	<b>2,739,186</b>	<b>45.0%</b>	<b>6.9%</b>
Suppliers	2,066,913	32.1%	1,966,774	32.3%	5.1%
Derivative financial instruments	48,188	0.7%	39,739	0.7%	21.3%
Loans and financing	694,044	10.8%	599,144	9.9%	15.8%
Advances from customers	30,982	0.5%	16,455	0.3%	88.3%
Lease liabilities	7,208	0.1%	6,936	0.1%	3.9%
Tax obligations	18,915	0.3%	17,923	0.3%	5.5%
Payroll and labor obligations	32,657	0.5%	39,612	0.7%	(17.6%)
Tax installment payments	1,419	0.0%	1,396	0.0%	1.6%
Dividends to be distributed	-	0.0%	4,173	0.1%	-
Other obligations	29,195	0.5%	47,034	0.8%	(37.9%)
<b>Non-current liabilities</b>	<b>630,739</b>	<b>9.8%</b>	<b>524,248</b>	<b>8.6%</b>	<b>20.3%</b>
Suppliers	3,238	0.1%	-	-	-
Loans and financing	590,504	9.2%	496,926	8.2%	18.8%
Lease liabilities	15,717	0.2%	16,881	0.3%	(6.9%)
Social security installment payments	3,790	0.1%	4,105	0.1%	(7.7%)
Creditors purchase real estate	11,086	0.2%	-	-	-
Provisions for labor claims	6,404	0.1%	6,336	0.1%	1.1%
<b>Shareholders' equity</b>	<b>2,875,775</b>	<b>44.7%</b>	<b>2,818,555</b>	<b>46.3%</b>	<b>2.0%</b>
Capital	1,520,811	23.6%	1,515,504	24.9%	0.4%
Equity valuation adjustments	2,715	0.0%	2,952	0.0%	(8.0%)
Legal reserve	27,071	0.4%	25,086	0.4%	7.9%
Profit reserve	1,325,178	20.6%	1,220,368	20.1%	8.6%
Proposed additional dividends	-	0.0%	53,066	0.9%	-
Non-controlling interest	-	0.0%	1,579	0.0%	-
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>6,436,035</b>	<b>100.0%</b>	<b>6,081,989</b>	<b>100.0%</b>	<b>5.8%</b>

## Annex – Cash Flow

Statement of Cash Flow		
In thousands of reais, except for percentages and indexes	3M22	3M23
<b>Cash flow from operating activities:</b>		
Income for the period before taxes	52,264	94,207
<b>Adjustments to reconcile income with cash from operating activities:</b>		
Depreciation and amortization	6,945	10,521
Depreciation of right-of-use assets	1,115	1,302
Fair value adjustment of commodities	41,559	(14,755)
Fair value adjustment of swap agreements	-	(2,599)
Return on financial investments	(26,104)	(20,392)
Exchange-rate change and interest on loans and financing	(28,464)	8,830
Allowance for expected credit losses	(319)	202
Provision for litigation	(23)	68
Stock option expenses	2,741	1,985
Adjustment to present value of lease liabilities	251	488
Residual cost of written-off fixed asset	11	79
<b>(Increase) Decrease in assets:</b>		
Trade accounts receivable	(143,218)	12,045
Financial instruments	2,766	2,889
Inventories	(144,851)	(65,029)
Recoverable taxes	(23,079)	(17,146)
Advances	543	5,081
Prepaid expenses	1,754	(6,167)
Receivables from related parties	(588)	(330)
Judicial deposits	15	(51)
Other assets	(14,621)	(9,435)
<b>Increase (Decrease) in liabilities</b>		
Trade payables	50,778	199,247
Taxes payable	2,465	954
Salaries, provisions and social charges	(4,802)	(6,955)
Tax installment payments	(272)	(292)
Advance from customers	4,527	14,527
Financial instruments	9,219	(2,381)
Other liabilities	19,935	(6,754)
Income and social contribution taxes paid	(8,452)	-
<b>Net cash provided by (used in) operating activities</b>	<b>(197,905)</b>	<b>200,139</b>
<b>Cash flow provided by investing activities</b>		
Financial investments	174,731	15,246
Acquisition of property, plant and equipment	(122,618)	(126,794)
Acquisition of intangible assets	-	(4,055)
<b>Net cash used provided by (used in) investing activities</b>	<b>52,113</b>	<b>(115,603)</b>
<b>Cash flow provided by financing activities</b>		
Capital increase	7,888	4,962
Share issue costs	(298)	-
Loans and financing obtained	801,404	502,645
Payments of loans and financing	(293,664)	(326,110)
Payment of dividends	-	(57,238)
Payment of leases liabilities	(857)	(1,190)
<b>Net cash generated by (used in) financing activities</b>	<b>514,473</b>	<b>123,069</b>
<b>Changes in cash and cash equivalents</b>	<b>368,681</b>	<b>207,605</b>
Cash and cash equivalents - in the beginning of the period	351,590	724,314
Cash and cash equivalents - at the end of the period	720,271	931,919
<b>Changes in cash and cash equivalents</b>	<b>368,681</b>	<b>207,605</b>
<b>Non-cash items</b>		
Interest on loans capitalized in property, plant and equipment	3,947	3,113



## Seasonal effects on the Company's results

### Ag Inputs Segment

The historical seasonality of 3tentos' net revenue in the Ag Inputs segment is shown below considering the cycles of the Company's various crops, which is subject to variations in different years.

	Ag Inputs Seasonality				
	1Q	2Q	3Q	4Q	FY
<b>2020</b>	22.0%	6.7%	32.8%	38.5%	100.0%
<b>2021</b>	19.0%	10.4%	28.9%	41.7%	100.0%
<b>2022</b>	14.7%	14.4%	30.2%	40.7%	100.0%
<b>Average</b>	<b>18.6%</b>	<b>10.5%</b>	<b>30.7%</b>	<b>40.3%</b>	<b>100.0%</b>

### Grains Segment

Regarding the seasonality of the Grains segment, although the Company operates with grains in its three crops, historically the second and third quarters are the strongest for grain trading, with the table below showing the variation in each quarter's contribution to revenue from the segment in the last three years:

	Grain Seasonality				
	1Q	2Q	3Q	4Q	FY
<b>2020</b>	14.2%	58.4%	16.7%	10.7%	100.0%
<b>2021</b>	6.9%	26.9%	42.4%	23.7%	100.0%
<b>2022</b>	24.4%	21.7%	31.9%	22.0%	100.0%
<b>Average</b>	<b>15.2%</b>	<b>35.7%</b>	<b>30.4%</b>	<b>18.8%</b>	<b>100.0%</b>

### Industry Segment

The seasonality of the Industry Segment is less affected by harvests, with more stability over the quarters and the first quarter historically the weakest of the year. However, the historical figures in the table below shows how the seasonality of revenue is affected by the growing production volumes due to the expansion in capacity.

	Industry Seasonality				
	1Q	2Q	3Q	4Q	FY
<b>2020</b>	14.2%	23.1%	27.3%	35.3%	100.0%
<b>2021</b>	15.9%	27.8%	28.7%	27.6%	100.0%
<b>2022</b>	19.0%	28.0%	25.4%	27.6%	100.0%
<b>Average</b>	<b>16.4%</b>	<b>26.3%</b>	<b>27.1%</b>	<b>30.2%</b>	<b>100.0%</b>

## Relationship with the Independent Auditors

In compliance with Instruction 381/03 of the Securities and Exchange Commission of Brazil ("CVM"), we hereby inform that KPMG Auditores Independentes Ltda. was engaged to provide the following services:

(i) Independent audit of the financial statements of the Company prepared in accordance with the accounting practices adopted in Brazil and with International Financial Reporting Standards (IFRS), related to the fiscal year ended December 31, 2023, and review of the interim financial statements of the Company presented through Quarterly Information Reports (ITR), prepared in accordance with CPC 21 and IAS 34 related to the periods ended March 31, June 30 and September 30, 2023.

The Company has adopted as a fundamental principle preservation of the independence of the auditors, ensuring that they do not audit their own services and that they do not participate in the management of the Company.