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Company Information / Capital Breakdown

Number of shares (in thousand)	Current Quarter 3/31/2023
Paid-in capital	
Common	498,298
Preferred	0
Total	498,298
Treasury shares	
Common	0
Preferred	0
Total	0

Parent Company Financial Statements / Balance Sheet – Assets

(In thousands of R$)

Code	Description	Current quarter 3/31/2023	Previous year 12/31/2022
1	Total assets	6,409,956	6,055,373
1.01	Current assets	4,451,078	4,256,528
1.01.01	Cash and cash equivalents	930,617	723,915
1.01.02	Financial investments	159,988	154,841
1.01.03	Accounts receivable	1,066,839	1,097,818
1.01.03.01	Trade receivables	998,388	1,037,646
1.01.03.02	Other accounts receivable	68,451	60,172
1.01.04	Inventories	2,059,085	2,030,031
1.01.06	Recoverable taxes	147,690	134,967
1.01.06.01	Current recoverable taxes	147,690	134,967
1.01.06.01.01	Taxes recoverable	147,690	134,967
1.01.07	Prepaid expenses	12,116	5,948
1.01.07.01	Prepaid expenses	12,116	5,948
1.01.08	Other current assets	74,743	109,008
1.01.08.03	Other	74,743	109,008
1.01.08.03.01	Advances	4,330	9,470
1.01.08.03.02	Derivative financial instruments	53,593	83,048
1.01.08.03.03	Related parties	16,820	16,490
1.02	Non-current assets	1,958,878	1,798,845
1.02.01	Long-term assets	320,851	300,853
1.02.01.04	Accounts receivable	9,142	1,528
1.02.01.04.01	Trade receivables	9,142	1,528
1.02.01.07	Deferred taxes	132,364	123,194
1.02.01.07.01	Deferred income tax and social contribution	132,364	123,194
1.02.01.10	Other non-current assets	179,345	176,131
1.02.01.10.03	Other assets	1,613	1,486
1.02.01.10.04	Recoverable taxes	177,560	173,137
1.02.01.10.05	Judicial deposits	172	121
1.02.01.10.06	Derivative financial instruments	0	1,387
1.02.02	Investments	1,274	879
1.02.02.01	Equity interest	1,274	879
1.02.02.01.02	Investments in subsidiaries	1,274	879
1.02.03	Property, plant and equipment	1,632,399	1,496,772
1.02.03.01	Property, plant and equipment in use	1,618,969	1,482,300
1.02.03.02	Right of use in leases	13,430	14,472
1.02.04	Intangible assets	4,354	341
1.02.04.01	Intangible assets	4,354	341
1.02.04.01.02	Intangible assets	4,354	341

Parent Company Financial Statements / Balance Sheet – Liabilities

(In thousands of R$)

Code	Description	Current quarter 3/31/2023	Previous year 12/31/2022
2	Total liabilities	6,409,956	6,055,373
2.01	Current liabilities	2,923,043	2,720,965
2.01.01	Social and labor liabilities	32,633	39,592
2.01.01.02	Labor liabilities	32,633	39,592
2.01.01.02.01	Labor liabilities	32,633	39,592
2.01.02	Trade payables	2,066,812	1,966,774
2.01.02.01	Domestic suppliers	2,066,812	1,966,774
2.01.03	Tax liabilities	18,881	17,868
2.01.03.01	Federal tax liabilities	18,881	17,868
2.01.03.01.02	Tax liabilities	18,881	17,868
2.01.04	Loans and financing	694,044	599,144
2.01.04.01	Loans and financing	694,044	599,144
2.01.04.01.01	In local currency	489,883	534,423
2.01.04.01.02	In foreign currency	204,161	64,721
2.01.05	Other liabilities	110,673	97,587
2.01.05.02	Other	110,673	97,587
2.01.05.02.02	Minimum mandatory dividend payable	0	4,173
2.01.05.02.04	Derivative financial instruments	48,188	39,739
2.01.05.02.05	Advances from customers	30,982	16,455
2.01.05.02.06	Lease liabilities	5,159	4,887
2.01.05.02.07	Tax installment payments	1,419	1,396
2.01.05.02.08	Other liabilities	24,925	30,937
2.02	Non-current liabilities	613,287	517,432
2.02.01	Loans and Financing	590,504	496,926
2.02.01.01	Loans and Financing	590,504	496,926
2.02.01.01.01	In local currency	590,504	496,926
2.02.02	Other liabilities	16,379	14,170
2.02.02.02	Other	16,379	14,170
2.02.02.02.03	Tax installment payments	3,790	4,105
2.02.02.02.04	Lease liabilities	9,351	10,065
2.02.02.02.05	Trade payables	3,238	0
2.02.04	Provisions	6,404	6,336
2.02.04.01	Provisions for tax, social security, labor and civil liabilities	6,404	6,336
2.02.04.01.02	Provisions for social security and labor liabilities	6,404	6,336
2.03	Equity	2,873,626	2,816,976
2.03.01	Paid-in capital	1,518,662	1,515,504
2.03.01.01	Paid-in capital	1,518,662	1,515,504
2.03.02	Capital reserves	27,071	25,086
2.03.02.04	Options granted	27,071	25,086
2.03.04	Profit reserves	1,325,178	1,273,434
2.03.04.07	Tax incentive reserves	1,325,178	1,220,368
2.03.04.08	Additional dividend proposed	0	53,066
2.03.06	Equity valuation adjustments	2,715	2,952
2.03.06.01	Equity valuation adjustment	2,715	2,952

Parent Company Financial Statements / Statement of Income
(In thousands of R$)

Code	Description	YTD current year 1/1/2023 to 3/31/2023	YTD previous year 1/1/2022 to 3/31/2022
3.01	Net operating revenue	1,804,297	1,273,235
3.02	Cost of goods sold and/or services	-1,544,540	-1,115,042
3.03	Gross profit	259,757	158,193
3.04	Operating expenses/income	-148,006	-111,693
3.04.01	Selling expenses	-139,025	-98,014
3.04.02	General and administrative expenses	-14,605	-17,456
3.04.03	Impairment loss on trade receivables	-202	0
3.04.04	Other operating income	5,826	3,777
3.04.04.01	Other operating income	5,826	3,777
3.05	Earnings before financial result and taxes	111,751	46,500
3.06	Financial result	-16,348	5,764
3.06.01	Financial income	62,274	80,077
3.06.01.01	Financial income	62,274	80,077
3.06.02	Financial expenses	-78,622	-74,313
3.06.02.01	Financial expenses	-78,622	-74,313
3.07	Earnings before income taxes	95,403	52,264
3.08	Income and social contribution taxes on income	9,170	4,518
3.08.01	Current	0	-13,109
3.08.02	Deferred	9,170	17,627
3.09	Net income from continuing operations	104,573	56,782
3.11	Net income for the period	104,573	56,782
3.99	Earnings per share - (R$/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common	0.2103	0.1148
3.99.02	Diluted earnings per share		
3.99.02.01	Common	0.2084	0.1133

Parent Company Financial Statements / Statement of Comprehensive Income

(In thousands of R$)

Code	Description	YTD current year 1/1/2023 to 3/31/2023	YTD previous year 1/1/2022 to 3/31/2022
4.01	Net income for the period	104,573	56,782
4.03	Comprehensive income (loss) for the period	104,573	56,782

Parent Company Financial Statements / Statement of Cash Flows (Indirect Method)

(In thousands of R$)

Code	Description	YTD current year 1/1/2023 to 3/31/2023	YTD previous year 1/1/2022 to 3/31/2022
6.01	Net cash from operating activities	201,165	-197,905
6.01.01	Cash provided by operations	79,949	49,976
6.01.01.02	Net income for the year before taxes	95,403	52,264
6.01.01.03	Depreciation and amortization	9,610	6,945
6.01.01.04	Amortization of right of use asset	1,104	1,115
6.01.01.05	Interest, inflation adjustment and exchange-rate variation on loans	8,830	-28,464
6.01.01.06	Provision for doubtful accounts	202	-319
6.01.01.07	Provision for litigation	68	-23
6.01.01.08	Fair value adjustment of lease liabilities	414	251
6.01.01.09	Residual cost of property, plant and equipment written off	79	11
6.01.01.10	Fair value adjustment of commodities	-14,755	41,559
6.01.01.11	Expenses with stock options granted	1,985	2,741
6.01.01.13	Yield from financial investment	-20,392	-26,104
6.01.01.14	Fair value adjustment of derivative instruments	-2,599	0
6.01.02	Changes in assets and liabilities	121,216	-239,429
6.01.02.01	Trade receivables	12,304	-143,218
6.01.02.02	Derivative financial instruments	2,889	2,766
6.01.02.03	Inventories	-65,029	-144,851
6.01.02.04	Taxes Recoverable	-17,146	-23,079
6.01.02.05	Other assets	-10,846	-12,897
6.01.02.06	Trade payables	199,145	50,778
6.01.02.07	Taxes payable	1,012	2,465
6.01.02.08	Salaries, provisions and social charges	-6,959	-4,802
6.01.02.09	Installment payments	-292	-272
6.01.02.10	Advances from customers	14,527	4,527
6.01.02.11	Derivative financial instruments	-2,381	9,219
6.01.02.12	Other liabilities	-6,008	19,935
6.01.03	Other	0	-8,452
6.01.03.01	Income tax and social contribution paid	0	-8,452
6.02	Net cash from investment activities	-115,999	52,113
6.02.03	Acquisition of property, plant and equipment	-126,794	-122,618
6.02.04	Acquisition of intangible assets	-4,055	0
6.02.06	Financial investment	15,246	174,731
6.02.07	Investment in subsidiaries	-396	0
6.03	Net cash from financing activities	121,536	514,473
6.03.01	Loans and financing	502,645	801,404
6.03.02	Payment of loans, financing and interest	-326,110	-293,664
6.03.03	Payment of dividends	-57,238	0
6.03.04	Payment of leases	-919	-857
6.03.05	Costs of share issue	0	-298
6.03.06	Payment of capital	3,158	7,888

Parent Company Financial Statements / Statement of Cash Flows (Indirect Method)

(In thousands of R$)

Code	Description	YTD current year 1/1/2023 to 3/31/2023	YTD previous year 1/1/2022 to 3/31/2022
6.05	Increase in cash and cash equivalents	206,702	368,681
6.05.01	Cash and cash equivalents at the beginning of the period	723,915	351,590
6.05.02	Cash and cash equivalents at the end of the period	930,617	720,271

Parent Company Financial Statements / Statement of Changes in Equity – 1/1/2023 to 3/31/2023

(In thousands of R$)

Code	Description	Paid-In Capital	Capital Reserves, Options Granted and Treasury Shares	Income Reserve	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity
5.01	Opening balances	1,515,504	25,086	1,273,434	0	2,952	2,816,976
5.03	Adjusted opening balances	1,515,504	25,086	1,273,434	0	2,952	2,816,976
5.04	Capital transactions with partners	3,158	1,985	-53,066	0	0	-47,923
5.04.01	Capital increases	3,158	0	0	0	0	3,158
5.04.03	Granted options recognized	0	1,985	0	0	0	1,985
5.04.08	Payment of dividends	0	0	-53,066	0	0	-53,066
5.05	Total comprehensive income (loss)	0	0	0	104,573	0	104,573
5.05.01	Net income for the period	0	0	0	104,573	0	104,573
5.06	Internal changes in net equity	0	0	104,810	-104,573	-237	0
5.06.01	Accrual of reserves	0	0	104,810	-104,810	0	0
5.06.04	Equity valuation adjustment	0	0	0	237	-237	0
5.07	Closing balances	1,518,662	27,071	1,325,178	0	2,715	2,873,626

Parent Company Financial Statements / Statement of Changes in Equity– 1/1/2022 to 3/31/2022

(In thousands of R$)

Code	Description	Paid-In Capital	Capital Reserves, Options Granted and Treasury Shares	Income Reserve	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity
5.01	Opening balances	1,506,212	13,311	712,817	0	3,900	2,236,240
5.03	Adjusted opening balances	1,506,212	13,311	712,817	0	3,900	2,236,240
5.04	Capital transactions with partners	7,691	2,741	0	0	0	10,432
5.04.01	Capital increases	7,888	0	0	0	0	7,888
5.04.02	Costs of share issue	-197	0	0	0	0	-197
5.04.03	Granted options recognized	0	2,741	0	0	0	2,741
5.05	Total comprehensive income (loss)	0	0	0	56,782	0	56,782
5.05.01	Net income for the period	0	0	0	56,782	0	56,782
5.06	Internal changes in net equity	0	0	57,019	-56,782	-237	0
5.06.01	Accrual of reserves	0	0	57,019	-57,019	0	0
5.06.04	Equity valuation adjustment	0	0	0	237	-237	0
5.07	Closing balances	1,513,903	16,052	769,836	0	3,663	2,303,454

Parent Company Financial Statements / Statement of Value Added

(In thousands of R$)

Code	Description	YTD current year 1/1/2023 to 3/31/2023	YTD previous year 1/1/2022 to 3/31/2022
7.01	Income	1,804,296	1,274,212
7.01.01	Sales of goods, products and services	1,881,084	1,287,262
7.01.02	Other income	-76,788	-13,050
7.02	Inputs acquired from third parties	-1,551,680	-1,110,197
7.02.01	Cost of products sold and services rendered	-1,544,540	-1,115,042
7.02.02	Supplies, electricity, outsourced services and others	-22,426	-16,845
7.02.04	Other	15,286	21,690
7.03	Gross value added	252,616	164,015
7.04	Retentions	-10,714	-8,060
7.04.01	Depreciation, amortization and depletion	-10,714	-8,060
7.05	Net added value produced	241,902	155,955
7.06	Added value from transfers	62,274	80,077
7.06.02	Financial income	62,274	80,077
7.07	Total value added to distribute	304,176	236,032
7.08	Distribution of added value	304,176	236,032
7.08.01	Personnel	64,009	48,356
7.08.01.01	Direct compensation	43,101	32,756
7.08.01.02	Benefits	18,285	13,778
7.08.01.03	F.G.T.S. (Government Severance Fund)	2,623	1,822
7.08.02	Taxes, fees and contributions	18,516	18,811
7.08.02.01	Federal	-299	16,324
7.08.02.02	State	18,383	2,286
7.08.02.03	Municipal	432	201
7.08.03	Remuneration of loan capital	117,078	112,083
7.08.03.01	Interest	63,053	52,289
7.08.03.02	Rentals	1,080	698
7.08.03.03	Other	52,945	59,096
7.08.04	Remuneration of own capital	104,573	56,782
7.08.04.02	Dividends	57,238	0
7.08.04.03	Accumulated losses/retained earnings in the period	47,335	56,782

Consolidated Financial Statements / Balance Sheet – Assets

(In thousands of R$)

Code	Description	Current quarter 3/31/2023	Previous year 12/31/2022
1	Total assets	6,436,035	6,081,989
1.01	Current assets	4,452,988	4,257,219
1.01.01	Cash and cash equivalents	931,919	724,314
1.01.02	Financial investments	159,988	154,841
1.01.03	Accounts receivable	1,067,383	1,098,103
1.01.03.01	Trade receivables	998,932	1,037,931
1.01.03.02	Other accounts receivable	68,451	60,172
1.01.04	Inventories	2,059,085	2,030,031
1.01.06	Recoverable taxes	147,690	134,967
1.01.06.01	Current recoverable taxes	147,690	134,967
1.01.06.01.01	Taxes recoverable	147,690	134,967
1.01.07	Prepaid expenses	12,121	5,955
1.01.07.01	Prepaid expenses	12,121	5,955
1.01.08	Other current assets	74,802	109,008
1.01.08.03	Other	74,802	109,008
1.01.08.03.01	Advances	4,389	9,470
1.01.08.03.02	Derivative financial instruments	53,593	83,048
1.01.08.03.03	Related parties	16,820	16,490
1.02	Non-current assets	1,983,047	1,824,770
1.02.01	Long-term assets	320,851	300,853
1.02.01.04	Accounts receivable	9,142	1,528
1.02.01.04.01	Trade receivables	9,142	1,528
1.02.01.07	Deferred taxes	132,364	123,194
1.02.01.07.01	Deferred income and social contribution taxes	132,364	123,194
1.02.01.10	Other non-current assets	179,345	176,131
1.02.01.10.03	Other	1,613	1,486
1.02.01.10.04	Taxes recoverable	177,560	173,137
1.02.01.10.05	Judicial deposits	172	121
1.02.01.10.06	Derivative financial instruments	0	1,387
1.02.03	Property, plant and equipment	1,657,842	1,523,576
1.02.03.01	Property, plant and equipment in use	1,635,997	1,500,239
1.02.03.02	Right of use in leases	21,845	23,337
1.02.04	Intangible assets	4,354	341
1.02.04.01	Intangible assets	4,354	341
1.02.04.01.02	Intangible assets	4,354	341

Consolidated Financial Statements / Balance Sheet – Liabilities

(In thousands of R$)

Code	Description	Current quarter 3/31/2023	Previous year 12/31/2022
2	Total liabilities	6,436,035	6,081,989
2.01	Current liabilities	2,929,521	2,739,186
2.01.01	Social and labor liabilities	32,657	39,612
2.01.01.02	Labor liabilities	32,657	39,612
2.01.01.02.01	Labor liabilities	32,657	39,612
2.01.02	Trade payables	2,066,913	1,966,774
2.01.02.01	Domestic suppliers	2,066,913	1,966,774
2.01.03	Tax liabilities	18,915	17,923
2.01.03.01	Federal tax liabilities	18,915	17,923
2.01.03.01.02	Tax liabilities	18,915	17,923
2.01.04	Loans and financing	694,044	599,144
2.01.04.01	Loans and financing	694,044	599,144
2.01.04.01.01	In local currency	489,883	534,423
2.01.04.01.02	In foreign currency	204,161	64,721
2.01.05	Other liabilities	116,992	115,733
2.01.05.02	Other	116,992	115,733
2.01.05.02.02	Minimum mandatory dividend payable	0	4,173
2.01.05.02.04	Derivative financial instruments	48,188	39,739
2.01.05.02.05	Advances from clients	30,982	16,455
2.01.05.02.06	Lease liabilities	7,208	6,936
2.01.05.02.07	Tax installment payments	1,419	1,396
2.01.05.02.08	Other liabilities	29,195	47,034
2.02	Non-current liabilities	630,739	524,248
2.02.01	Loans and financing	590,504	496,926
2.02.01.01	Loans and financing	590,504	496,926
2.02.01.01.01	In local currency	590,504	496,926
2.02.02	Other liabilities	33,831	20,986
2.02.02.02	Other	33,831	20,986
2.02.02.02.03	Tax installment payments	3,790	4,105
2.02.02.02.04	Lease liabilities	15,717	16,881
2.02.02.02.05	Trade payables	3,238	0
2.02.02.02.06	Other liabilities payable	11,086	0
2.02.04	Provisions	6,404	6,336
2.02.04.01	Provisions for tax, social security, labor and civil liabilities	6,404	6,336
2.02.04.01.02	Provisions for social security and labor liabilities	6,404	6,336
2.03	Equity	2,875,775	2,818,555
2.03.01	Paid-in capital	1,518,662	1,515,504
2.03.01.01	Paid-in capital	1,518,662	1,515,504
2.03.02	Capital reserves	27,071	25,086
2.03.02.04	Options granted	27,071	25,086
2.03.04	Profit reserves	1,325,178	1,273,434
2.03.04.07	Tax incentive reserves	1,325,178	1,220,368
2.03.04.08	Additional dividend proposed	0	53,066
2.03.06	Equity valuation adjustments	2,715	2,952
2.03.06.01	Equity valuation adjustment	2,715	2,952
2.03.09	Non-controlling interests	2,149	1,579

Consolidated Financial Statements / Statement of Income
(In thousands of R$)

Code	Description	YTD current year 1/1/2023 to 3/31/2023	YTD previous year 1/1/2022 to 3/31/2022
3.01	Net operating revenue	1,804,696	1,273,235
3.02	Cost of goods sold and/or services	-1,544,540	-1,115,042
3.03	Gross profit	260,156	158,193
3.04	Operating expenses/income	-149,494	-111,693
3.04.01	Selling expenses	-139,027	-98,014
3.04.02	General and administrative expenses	-16,101	-17,456
3.04.03	Impairment loss on trade receivables	-202	0
3.04.04	Other operating income	5,836	3,777
3.04.04.01	Other operating income	5,836	3,777
3.05	Earnings before financial result and taxes	110,662	46,500
3.06	Financial result	-16,455	5,764
3.06.01	Financial income	62,275	80,077
3.06.01.01	Financial income	62,275	80,077
3.06.02	Financial expenses	-78,730	-74,313
3.06.02.01	Financial expenses	-78,730	-74,313
3.07	Earnings before income taxes	94,207	52,264
3.08	Income and social contribution taxes on income	9,132	4,518
3.08.01	Current	-38	-13,109
3.08.02	Deferred	9,170	17,627
3.09	Net Income from continuing operations	103,339	56,782
3.11	Consolidated losses/earnings in the period	103,339	56,782
3.11.01	Attributable to controlling shareholders	104,573	56,782
3.11.02	Attributable to non-controlling shareholders	-1,234	0
3.99	Earnings per share - (R$/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common	0.2078	0.1148
3.99.02	Diluted earnings per share		
3.99.02.01	Common	0.2059	0.1133

Parent Company Financial Statements / Statement of Comprehensive Income

(In thousands of R$)

Code	Description	YTD current year 1/1/2023 to 3/31/2023	YTD previous year 1/1/2022 to 3/31/2022
4.01	Consolidated net income in the period	103,339	56,782
4.03	Consolidated comprehensive income (loss) in the period	103,339	56,782
4.03.01	Attributable to controlling shareholders	104,573	56,782
4.03.02	Attributable to non-controlling shareholders	-1,234	0

Consolidated Financial Statements / Statement of Cash Flows (Indirect Method)
(In thousands of R$)

Code	Description	YTD current year 1/1/2023 to 3/31/2023	YTD previous year 1/1/2022 to 3/31/2022
6.01	Net cash from operating activities	200,139	-197,905
6.01.01	Cash provided by operations	79,936	49,976
6.01.01.02	Net income for the year before taxes	94,207	52,264
6.01.01.03	Depreciation and amortization	10,521	6,945
6.01.01.04	Amortization of right of use asset	1,302	1,115
6.01.01.05	Interest, inflation adjustment and exchange-rate variation on loans	8,830	-28,464
6.01.01.06	Provision for doubtful accounts	202	-319
6.01.01.07	Provision for litigation	68	-23
6.01.01.08	Fair value adjustment of lease liabilities	488	251
6.01.01.09	Residual cost of property, plant and equipment written off	79	11
6.01.01.10	Fair value adjustment	-14,755	41,559
6.01.01.11	Expenses with stock options granted	1,985	2,741
6.01.01.13	Yield from financial investment	-20,392	-26,104
6.01.01.14	Fair value adjustment of derivative instruments	-2,599	0
6.01.02	Changes in assets and liabilities	120,203	-239,429
6.01.02.01	Trade receivables	12,045	-143,218
6.01.02.02	Derivative financial instruments	2,889	2,766
6.01.02.03	Inventories	-65,029	-144,851
6.01.02.04	Taxes Recoverable	-17,146	-23,079
6.01.02.05	Other assets	-10,902	-12,897
6.01.02.06	Trade payables	199,247	50,778
6.01.02.07	Taxes payable	954	2,465
6.01.02.08	Salaries, provisions and social charges	-6,955	-4,802
6.01.02.09	Installment payments	-292	-272
6.01.02.10	Advances from customers	14,527	4,527
6.01.02.11	Derivative financial instruments	-2,381	9,219
6.01.02.12	Other liabilities	-6,754	19,935
6.01.03	Other	0	-8,452
6.01.03.01	Income tax and social contribution paid	0	-8,452
6.02	Net cash from investment activities	-115,603	52,113
6.02.03	Acquisition of property, plant and equipment	-126,794	-122,618
6.02.04	Acquisition of intangible assets	-4,055	0
6.02.06	Financial investment	15,246	174,731
6.03	Net cash from financing activities	123,069	514,473
6.03.01	Loans and financing	502,645	801,404
6.03.02	Payment of loans, financing and interest	-326,110	-293,664
6.03.03	Payment of dividends	-57,238	0
6.03.04	Payment of leases	-1,190	-857
6.03.05	Costs of share issue	0	-298
6.03.06	Payment of capital	4,962	7,888
6.05	Increase in cash and cash equivalents	207,605	368,681
6.05.01	Cash and cash equivalents at the beginning of the period	724,314	351,590
6.05.02	Cash and cash equivalents at the end of the period	931,919	720,271

Consolidated Financial Statements / Statement of Changes in Equity - 1/1/2023 to 3/31/2023

(In thousands of R$)

Code	Description	Paid-In Capital	Capital Reserves, Options Granted and Treasury Shares	Income Reserve	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	Non-Controlling Interest	Consolidated Equity
5.01	Opening balances	1,515,504	25,086	1,273,434	0	2,952	2,816,976	1,579	2,818,555
5.03	Adjusted opening balances	1,515,504	25,086	1,273,434	0	2,952	2,816,976	1,579	2,818,555
5.04	Capital transactions with partners	3,158	1,985	-53,066	0	0	-47,923	1,804	-46,119
5.04.01	Capital increases	3,158	0	0	0	0	3,158	1,804	4,962
5.04.03	Granted options recognized	0	1,985	0	0	0	1,985	0	1,985
5.04.08	Payment of dividends	0	0	-53,066	0	0	-53,066	0	-53,066
5.05	Total comprehensive income (loss)	0	0	0	104,573	0	104,573	-1,234	103,339
5.05.01	Net income for the period	0	0	0	104,573	0	104,573	-1,234	103,339
5.06	Internal changes in net equity	0	0	104,810	-104,573	-237	0	0	0
5.06.01	Accrual of reserves	0	0	104,810	-104,810	0	0	0	0
5.06.04	Equity valuation adjustment	0	0	0	237	-237	0	0	0
5.07	Closing balances	1,518,662	27,071	1,325,178	0	2,715	2,873,626	2,149	2,875,775

Consolidated Financial Statements / Statement of Changes in Equity - 1/1/2022 to 3/31/2022

(In thousands of R$)

Code	Description	Paid-In Capital	Capital Reserves, Options Granted and Treasury Shares	Income Reserve	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	Non-Controlling Interest	Consolidated Equity
5.01	Opening balances	1,506,212	13,311	712,817	0	3,900	2,236,240	0	2,236,240
5.03	Adjusted opening balances	1,506,212	13,311	712,817	0	3,900	2,236,240	0	2,236,240
5.04	Capital transactions with partners	7,691	2,741	0	0	0	10,432	0	10,432
5.04.01	Capital increases	7,888	0	0	0	0	7,888	0	7,888
5.04.02	Share issue expenses	-197	0	0	0	0	-197	0	-197
5.04.03	Granted options recognized	0	2,741	0	0	0	2,741	0	2,741
5.05	Total comprehensive income (loss)	0	0	0	56,782	0	56,782	0	56,782
5.05.01	Net income for the period	0	0	0	56,782	0	56,782	0	56,782
5.06	Internal changes in net equity	0	0	57,019	-56,782	-237	0	0	0
5.06.01	Accrual of reserves	0	0	57,019	-57,019	0	0	0	0
5.06.04	Equity valuation adjustment	0	0	0	237	-237	0	0	0
5.07	Closing balances	1,513,903	16,052	769,836	0	3,663	2,303,454	0	2,303,454

Consolidated Financial Statements / Statement of Value Added

(In thousands of R$)

Code	Description	YTD current year 1/1/2023 to 3/31/2023	YTD previous year 1/1/2022 to 3/31/2022
7.01	Income	1,804,696	1,274,212
7.01.01	Sales of goods, products and services	1,881,484	1,287,262
7.01.02	Other income	-76,788	-13,050
7.02	Inputs acquired from third parties	-1,551,680	-1,110,197
7.02.01	Cost of products sold and services rendered	-1,544,540	-1,115,042
7.02.02	Supplies, electricity, outsourced services and others	-22,426	-16,845
7.02.04	Other	15,286	21,690
7.03	Gross value added	253,016	164,015
7.04	Retentions	-11,823	-8,060
7.04.01	Depreciation, amortization and depletion	-11,823	-8,060
7.05	Net added value produced	241,193	155,955
7.06	Added value from transfers	62,274	80,077
7.06.02	Financial income	62,274	80,077
7.07	Total value added to distribute	303,467	236,032
7.08	Distribution of added value	303,467	236,032
7.08.01	Personnel	64,009	48,356
7.08.01.01	Direct compensation	43,101	32,756
7.08.01.02	Benefits	18,285	13,778
7.08.01.03	F.G.T.S. (Government Severance Fund)	2,623	1,822
7.08.02	Taxes, fees and contributions	18,554	18,811
7.08.02.01	Federal	-261	16,324
7.08.02.02	State	18,383	2,286
7.08.02.03	Municipal	432	201
7.08.03	Remuneration of loan capital	117,565	112,083
7.08.03.01	Interest	63,159	52,289
7.08.03.02	Rentals	1,080	698
7.08.03.03	Other	53,326	59,096
7.08.04	Remuneration of own capital	103,339	56,782
7.08.04.02	Dividends	57,238	0
7.08.04.03	Retained earnings/accumulated losses for the period	46,101	56,782

Comments on Financial Performance

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**[1] of R$245.4 million in 1Q23 (+22.9%), with adjusted gross margin of 13.6% (-2.1 p.p.).
- **Adjusted EBITDA**[1] 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**[2] 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.
Net operating revenue	**1,804,696**	**1,273,235**	**41.7%**
Gross profit	260,156	158,193	64.5%
Gross Margin (%)	*14.4%*	*12.4%*	*2.0*
Adjusted Gross Profit[1]	**245,401**	**199,752**	**22.9%**
Adjusted Gross Profit (%)	*13.6%*	*15.7%*	*(2.1)*
EBITDA	122,485	54,560	124.5%
EBITDA Margin (%)	*6.8%*	*4.3%*	*2.5*
Adjusted EBITDA[1]	**107,730**	**96,119**	**12.1%**
Adjusted EBITDA Margin (%)	*6.0%*	*7.5%*	*(1.5)*
Net Income	**103,339**	**56,782**	**82.0%**
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[2]	39.5%	42.1%	*(2.6)*
ROIC	22.1%	21.2%	*0.8*

[1] 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.
[2] ROE adjusted by IPO proceeds.

Comments on Financial Performance

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

Comments on Financial Performance

Operational and Financial Performance by Segment

Net Operating Revenue in 1Q23

Figures in R$ thousand

Net Revenue Per Segment	1Q23	1Q22	Var. %	Contr. 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%
Total	**1,804,696**	**1,273,235**	**41.7%**	**41.7%**

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%
Total	**245,401**	**13.6%**	**199,752**	**15.7%**	**22.9%**

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.

Comments on Financial Performance

Note that the comparison of margins of the Ag 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.

Comments on Financial Performance

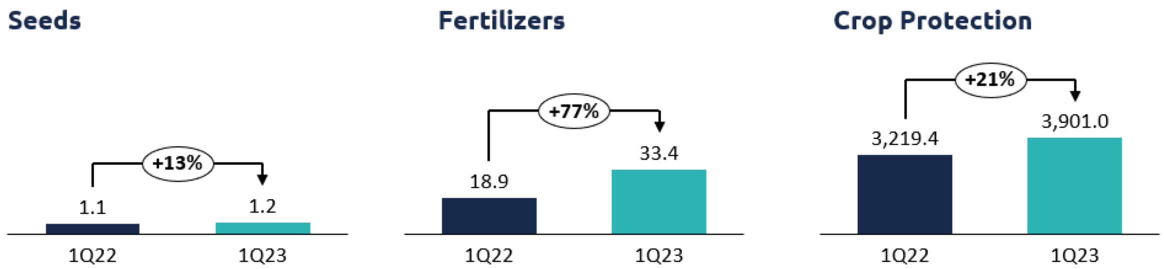
Ag Inputs

1Q23 Operational Performance

Net Revenue	Gross Profit
R$444.1 million	**R$78.9 million**
+18.8%	+0.7%

Volume

thousand tons or kg/l



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.

Comments on Financial Performance

Net Revenue

Figures in R$ thousand

Net Revenue Per Product	1Q23	1Q22	Gr. %	Contr. 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%
Total	**444,069**	**373,790**	**18.8%**	**18.8%**

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.

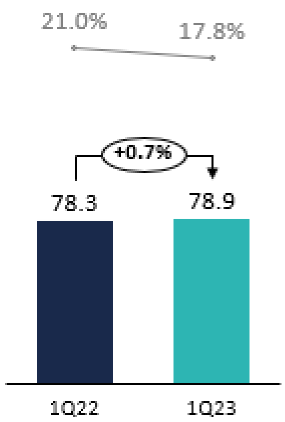
Note that, in 1Q22, the prices of fertilizers increased due to the war between Russia and Ukraine, which affected the supply chain of the product, since Russia is a major global supplier of fertilizers.

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.

Comments on Financial Performance

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.

Comments on Financial Performance

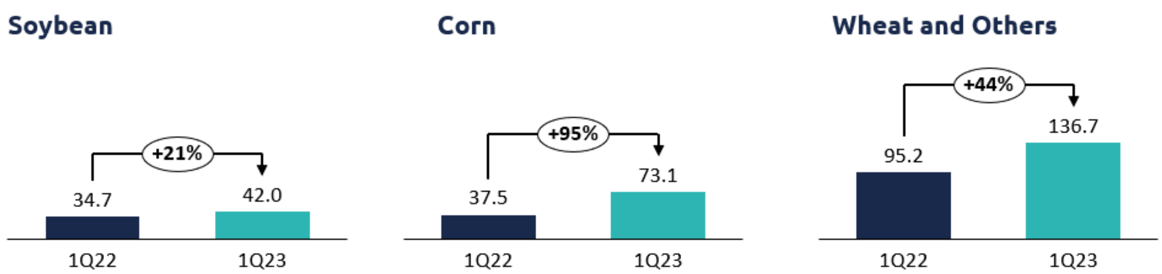
Grains

1Q23 Operational Performance

Net Revenue	Gross Profit
R$460.1 million	**R$51.6 million**
+40.0%	+40.9%

Volume

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



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.

Comments on Financial Performance

Net Revenue

Figures in R$ thousand

Net Revenue Per Product	1Q23	1Q22	Gr. %	Contr. 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%
Total	**460,080**	**328,730**	**40.0%**	**40.0%**

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.

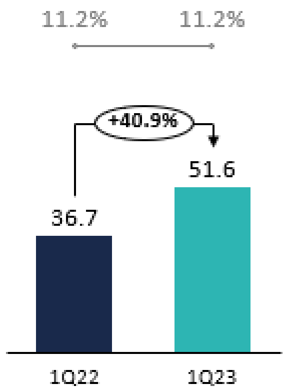
While the traded volumes of corn and wheat came mostly from Rio Grande do Sul, Soybean volumes came almost entirely from Mato Grosso. Since soybean is harvested in Mato Grosso mainly in January, some of the volume harvested was traded in the quarter.

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.

Comments on Financial Performance

Gross Profit and Gross Margin

Figures in R$ million, %



Gross Profit from the Grains segment increased 40.9% 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%, same level compared to the previous year.

Comments on Financial Performance

Industry

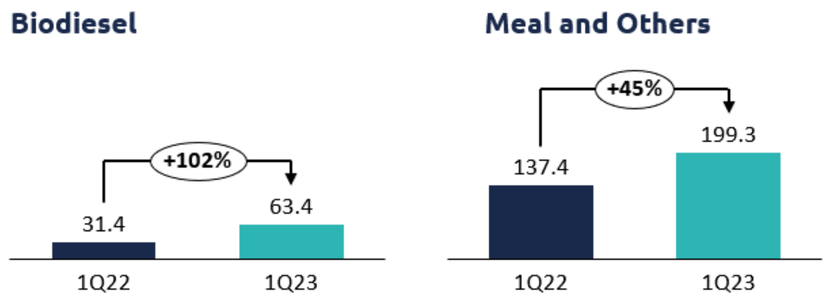
1Q23 Operational Performance

Net Revenue
R$900.5 million
+57.8%

Gross Profit
R$114.9 million
+35.5%

Volume

(thousand tons and thousand m³) (Industry: +56% in 1Q23 vs. 1Q22)



The performance of the Industry segment 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).

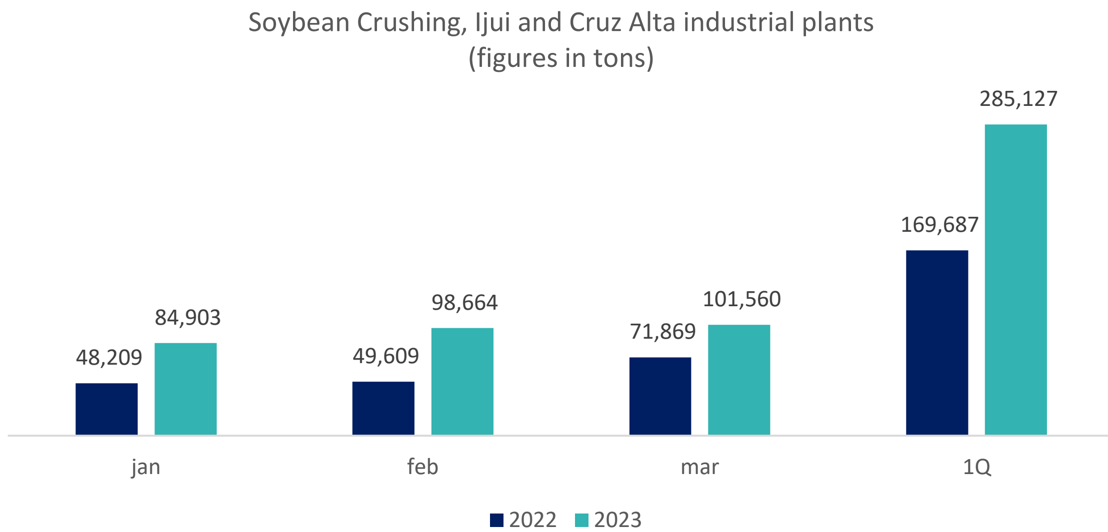
The strong volume growth in 1Q23 is linked to the main factors mentioned above. In Biodiesel, although the market operated with B10, we maintained our biodiesel plant producing and serving our clients. However, on some occasions we participated in the sale of soybean oil, whose volume amounted to 9,000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

Comments on Financial Performance

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.



For 2023, the Company maintain expectation to produce 1,088,000 tons of Meal and 326,000 m³ of Biodiesel, as disclosed in section 11 of the Reference Form.

Net Revenue

Figures in R$ thousand

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

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.

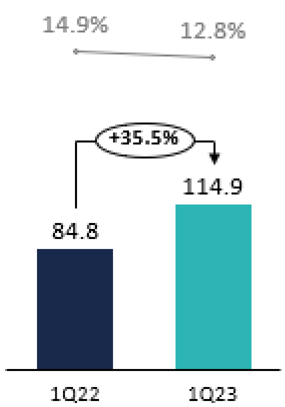
Comments on Financial Performance

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.

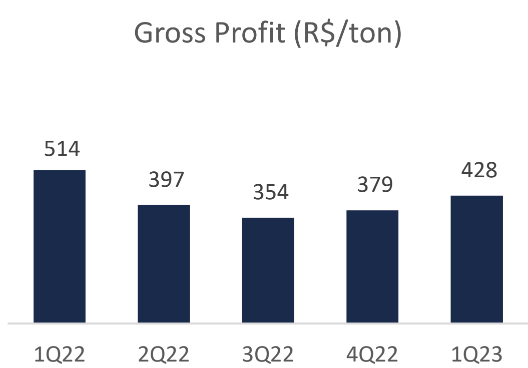
Gross Profit and Gross Margin

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.



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.

Comments on Financial Performance

Financial Performance

Selling, General and Administrative Expenses

In thousands of reais, except for percentage and indexes	1Q23	VA %	1Q22	VA %	HA %
Net operating revenue	**1,804,696**	**100.0%**	**1,273,235**	**100.0%**	**41.7%**
SG&A	**(149,494)**	**(8.3%)**	**(111,693)**	**(8.8%)**	**33.8%**
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;

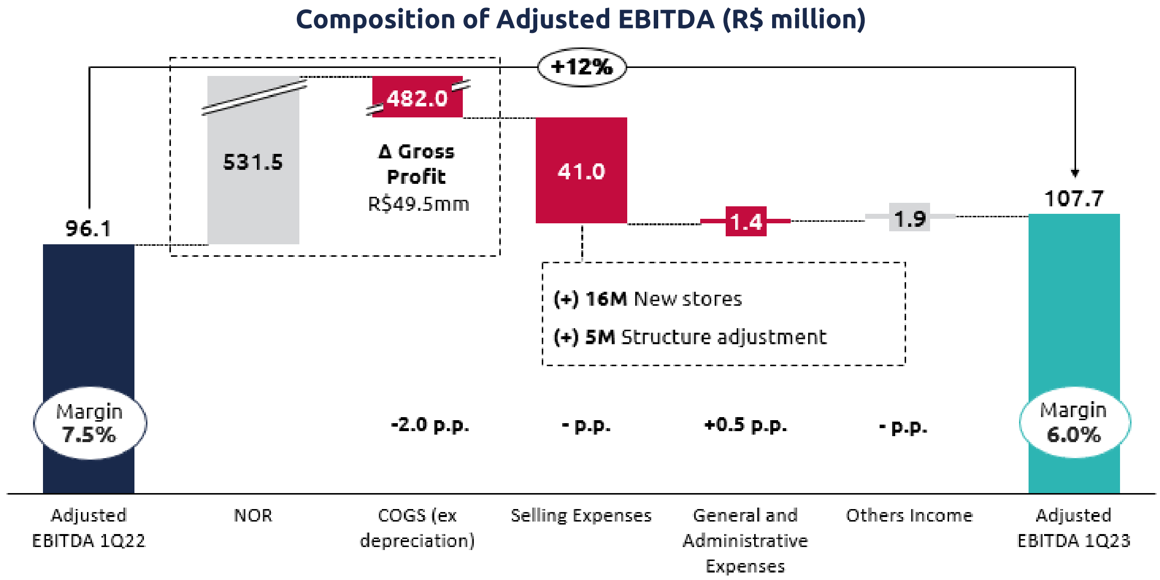
(ii) R$5 million in expenses for restructuring to support the Company’s expansion, including benefits and promotions.

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.

Comments on Financial Performance



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.
Financial income	**62,275**	**80,077**	**(22%)**
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%)
Financial expenses	**(78,730)**	**(74,313)**	**6%**
Net Financial result	**(16,455)**	**5,764**	**N.A.**

Comments on Financial Performance

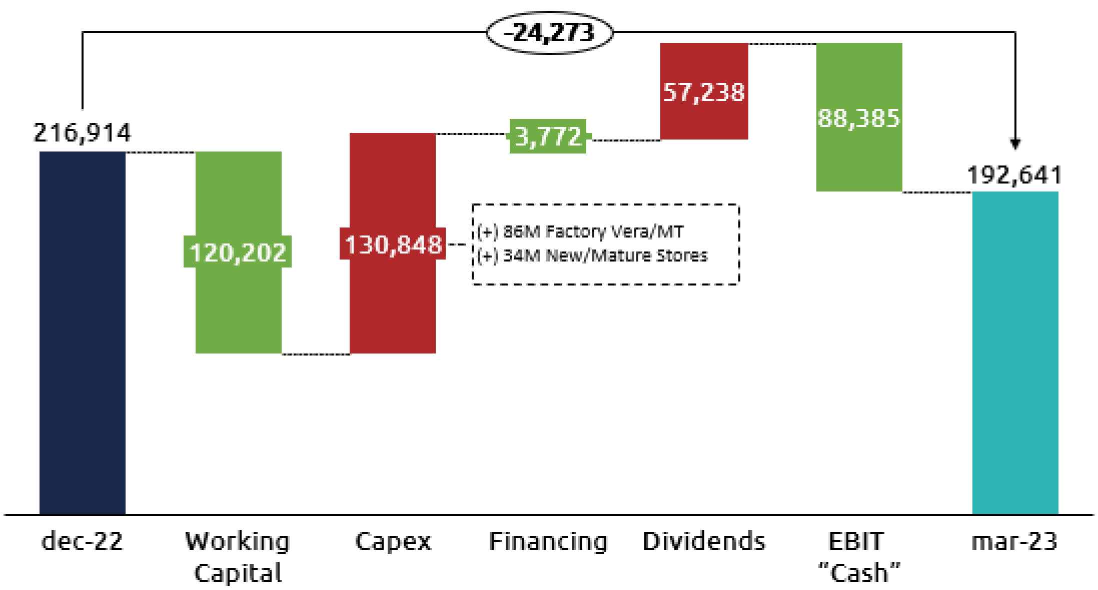
Net Income

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)



Comments on Financial Performance

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.

Comments on Financial Performance

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.

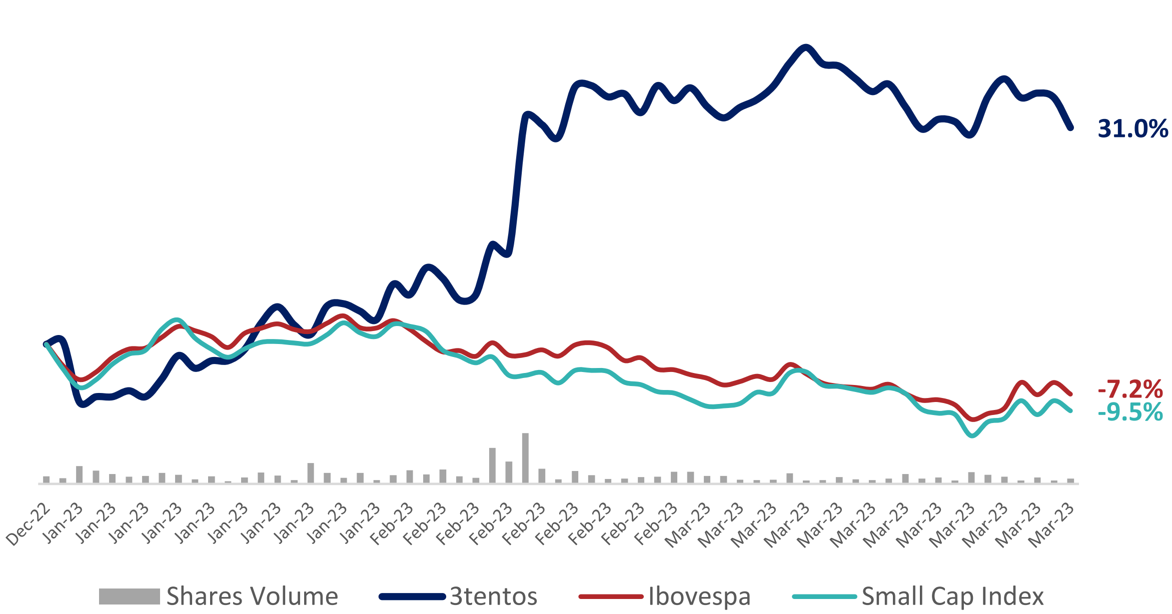
Comments on Financial Performance

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.

Comments on Financial Performance

About 3tentos

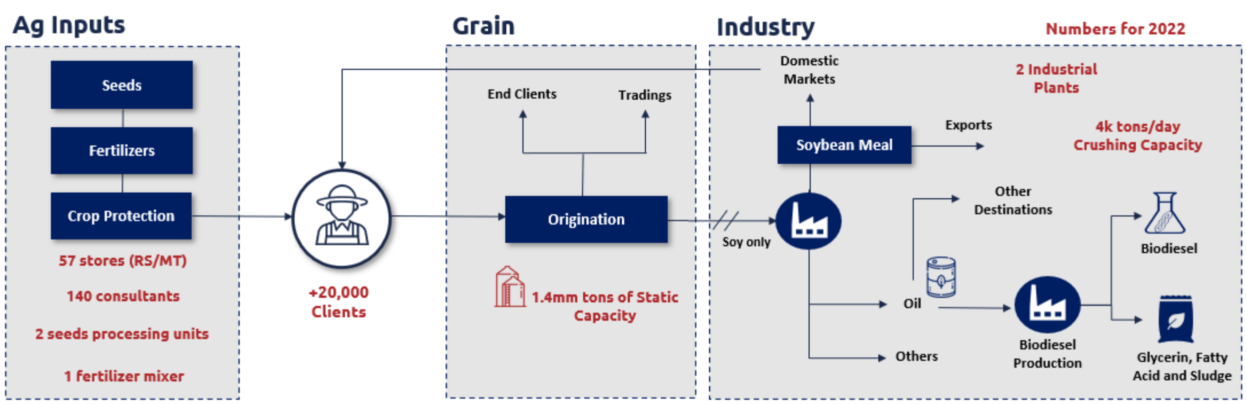
3tentos, Brazil's most complete agricultural ecosystem, is a family-owned business in operation for over 28 years that offers vertically oriented and integrated solutions to farmers and a wide range of retail products in the agricultural input, grain and industrial segments. The business model is based 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.



Comments on Financial Performance

Annex – Income Statement

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

Comments on Financial Performance

Annex – Balance Sheet

In thousands of reais, except for percentages and indexes	March 2023 (A)	VA %	December 2022 (B)	VA %	HA % (A)/(B)
Current assets	**4,452,988**	**69.2%**	**4,257,219**	**70.0%**	**4.6%**
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%
Non-current assets	**1,983,047**	**30.8%**	**1,824,770**	**30.0%**	**8.7%**
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%
TOTAL ASSETS	**6,436,035**	**100.0%**	**6,081,989**	**100.0%**	**5.8%**
Current liabilities	**2,929,521**	**45.5%**	**2,739,186**	**45.0%**	**6.9%**
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%)
Non-current liabilities	**630,739**	**9.8%**	**524,248**	**8.6%**	**20.3%**
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%
Shareholders' equity	**2,875,775**	**44.7%**	**2,818,555**	**46.3%**	**2.0%**
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%	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**6,436,035**	**100.0%**	**6,081,989**	**100.0%**	**5.8%**

Comments on Financial Performance

Annex – Cash Flow

Statement of Cash Flow In thousands of reais, except for percentages and indexes	3M22	3M23
Cash flow from operating activities:		
Income for the period before taxes	**52,264**	**94,207**
Adjustments to reconcile income with cash from operating activities:		
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
(Increase) Decrease in assets:		
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)
Increase (Decrease) in liabilities		
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)	-
Net cash provided by (used in) operating activities	**(197,905)**	**200,139**
Cash flow provided by investing activities		
Financial investments	174,731	15,246
Acquisition of property, plant and equipment	(122,618)	(126,794)
Acquisition of intangible assets	-	(4,055)
Net cash used provided by (used in) investing activities	**52,113**	**(115,603)**
Cash flow provided by financing activities		
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)
Net cash generated by (used in) financing activities	**514,473**	**123,069**
Changes in cash and cash equivalents	**368,681**	**207,605**
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
Changes in cash and cash equivalents	**368,681**	**207,605**
Non-cash items		
Interest on loans capitalized in property, plant and equipment	3,947	3,113

Comments on Financial Performance

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
2020	22.0%	6.7%	32.8%	38.5%	100.0%
2021	19.0%	10.4%	28.9%	41.7%	100.0%
2022	14.7%	14.4%	30.2%	40.7%	100.0%
Average	**18.6%**	**10.5%**	**30.7%**	**40.3%**	**100.0%**

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
2020	14.2%	58.4%	16.7%	10.7%	100.0%
2021	6.9%	26.9%	42.4%	23.7%	100.0%
2022	24.4%	21.7%	31.9%	22.0%	100.0%
Average	**15.2%**	**35.7%**	**30.4%**	**18.8%**	**100.0%**

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
2020	14.2%	23.1%	27.3%	35.3%	100.0%
2021	15.9%	27.8%	28.7%	27.6%	100.0%
2022	19.0%	28.0%	25.4%	27.6%	100.0%
Average	**16.4%**	**26.3%**	**27.1%**	**30.2%**	**100.0%**

Comments on Financial Performance

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.

1. Operations

Três Tentos Agroindustrial S.A. (“Company”), corporate taxpayer ID (CNPJ) no. 94.813.102/0001-70, with registered offices at Av. Principal nº 187, Distrito Industrial in Santa Bárbara do Sul/RS, was incorporated on August 12, 1992, and had its articles of incorporation registered at JUCERGS on October 14, 1992 under no. 43.202.481.056.

The Company was converted into a closely held corporation on August 2, 2011, through amendment of its articles of incorporation, which converted the Company from a limited liability company to a corporation, registered with JUCERGS under the new registry number (NIRE) 43.300.053.504. Its main corporate purpose is trading and exporting grains, trading inputs, producing and trading seeds of cereals and oleaginous plants, and producing meal, oil and biodiesel, as well as the provision of soil analysis and correction services.

Register of public offering

On February 23, 2021, the Company filed a request for the registration of a Primary and Secondary Offering of Common Shares with the Securities and Exchange Commission of Brazil (CVM), simultaneously with the filing for registration as a category A publicly held corporation. On April 20, 2021, considering the continuous impact on market conditions, the Company filed a request for interrupting the offer with the CVM, without prejudice to the continuity of its registration as a category A publicly held company. On June 21, 2021, the Company obtained its registration as a publicly held corporation with the Securities and Exchange Commission of Brazil (CVM).

On June 28, 2021, the Extraordinary Shareholders Meeting of the Company (“AGE”) approved a primary and secondary public offering of registered, book-entry common shares with no par value, free and clear of all encumbrances (“Shares”), issued by the Company, observing that the number of Shares initially offered could be increased due to the possibility of placing Additional Shares (hot issue) and Over-allotment Shares (greenshoe option) (as defined in the minutes of the AGE), with limited placement efforts, in accordance with CVM Instruction 476 (“Restricted Offer”). The Restricted Offer comprised: (i) the primary public distribution of 94,117,647 Shares (“Primary Offer”); and (ii) the secondary public distribution of, initially, 15,686,275 Shares held by certain individual shareholders.

The price per share and the Company’s capital increase within the limits of its authorized capital established in its Bylaws were approved in the meeting of the Board of Directors held on July 7, 2021. Due to the increase in the Company’s capital in connection with the Restricted Offer, the new capital stock was now R$1,552,941, divided into 494,117,647 registered, book-entry common shares with no par value.

On July 12, 2021, the Company concluded its IPO process with its shares starting to trade on the Novo Mercado segment of the São Paulo Stock Exchange (B3), with financial settlement of the transaction on July 13, 2021.

On August 11, 2021, the Company released a Notice to the Market informing the settlement of the stabilization process and, as a result, an over-allotment equivalent to 1.8670% of all shares initially offered, i.e. 2,050,000 shares held by the selling shareholders, was added, under the same conditions and price of the shares initially offered, due to the partial exercise of the greenshoe option (as defined in the Material Fact notices of the Restricted Offer), aimed exclusively to be used in the stabilization of the price of the common shares issued by the Company.

On August 11, 2021, the Company released a Notice to the Market informing the settlement of the stabilization process and, as a result, an over-allotment equivalent to 1.8670% of all shares initially offered, i.e. 2,050,000 shares held by the selling shareholders, was added, under the same conditions and price of the shares initially offered, due to the partial exercise of the greenshoe option (as defined in the Material Fact notices of the Restricted Offer), aimed exclusively to be used in the stabilization of the price of the common shares issued by the Company.

With the conclusion of the Restricted Offering, considering the placement of Over-Allotment Shares, a total of 111,853,922 common shares issued by the Company, representing approximately 22.6371% of its capital stock, were freely floated in the market and available for public trading at the end of fiscal year ended December 31, 2021.

On January 31, 2022, the Company carried out a public offering for the primary distribution of shares, which consisted of the distribution of 500,000 shares, in accordance with CVM Instruction 400. The goal of the offering was to increase ownership dispersion and trading liquidity in the common shares of the Company freely traded on the B3, including by retail investors.

The price per share and the increase in the Company's capital stock, within the limits of authorized capital established in its Bylaws, were approved in the meeting of the Board of Directors held on January 31, 2022, with the offering settled on February 3, 2022. Due to the increase in the Company's capital stock in connection with the Public Offering, the new value of its capital stock is R$1,557,741 (without any effect from transaction costs), divided into 494,617,647 registered, book-entry common shares with no par value.

Exercise of common stock options

On March 24, 2022, the Board of Directors approved a capital increase in the Company, within the limit of its authorized capital, in the amount of R$3,088, through the issue of 1,600,000 new registered common shares without par value, subscribed and paid-in by the managers and employees of the Company participating in the First Stock Option Plan of the Company, as a result of the exercise of common stock options issued by the Company, at the price per share of R$1.93.

On December 23, 2022, the Board of Directors approved a capital increase in the Company, in the amount of R$1,600, through the issue of 800,000 new registered common shares without par value, subscribed and paid-in by a participant of the First Stock Option Plan of the Company, as a result of the exercise of common stock options issued by the Company, at the price per share of R$2.

On March 20, 2023, the Board of Directors approved a capital increase in the Company, within the limit of its authorized capital, in the amount of R$3,158, through the issue of 1,280,000 new registered common shares without par value, subscribed and paid-in by the managers and employees of the Company participating in the First and Third Stock Option Plans of the Company, as a result of the exercise of common stock options issued by the Company, at the price per share of R$2.04 and R$6.87, respectively.

1.1. List of subsidiaries

During fiscal year 2022, subsidiaries of the Company were organized with the purpose of complementing and supporting the Company's core activities. The consolidated financial statements include the operations of the Company and of the following direct and indirect subsidiaries, whose interests in them as of the date of the balance sheet are summarized below:

Direct Subsidiaries:

Company	Core business	Location	Interest %
Tentos Participações Ltda.	Holding company of non-financial institutions	Santa Bárbara do Sul - RS	100%
Tentos Holding Financeira de Participações Ltda.	Holding company of financial institutions	Ijuí - RS	100%

Indirect Subsidiaries:

Company	Core business	Location	Interest %
Tentos Promotora de Vendas Ltda.	Promotion of sales	Ijuí - RS	100%
Mates Locações Áereas Ltda	Lease of aircraft without crew	Santa Bárbara do Sul - RS	18%
Tentos Corretora de Seguros Ltda.	Insurance brokerage, supplementary pension plan and health plan activities	Ijuí - RS	80%

The accounting practices adopted by the subsidiaries are consistent with those adopted by the Company. The accounting information of the subsidiaries used for consolidation have the same base date of the accounting information of the parent company.

2. Presentation and summary of key accounting practices

2.1. Basis for preparation, measurement and presentation of the financial statements

Statement of conformity

The parent company and consolidated interim financial statements were prepared and are presented for the period ended March 31, 2023, in accordance with CPC 21 (R1) – Interim Information, issued by the Accounting Pronouncements Committee (CPC), and with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and in compliance with the standards issued by the Securities and Exchange Commission of Brazil (CVM) applicable to the preparation of the Quarterly Financial Information (ITR).

The Company has adopted all standards, revisions and interpretations issued by the CPC, by the IASB and by the regulatory bodies in force as of March 31, 2023.

The financial statements were prepared by the Company to provide its stakeholders with relevant information on the period and should be analyzed in conjunction with the annual financial statements for the fiscal year ended December 31, 2022.

In the preparation of these parent company and consolidated interim financial statements, the Company observed the same accounting policies and calculation methods applied to the financial statements of December 31, 2022. Therefore, to avoid redundancy in the presentation of the parent company and consolidated interim financial statements of March 31, 2023, the accounting policies were not fully provided or not detailed as thoroughly as in the notes accompanying the annual financial statements.

The Management of the Company believes that all relevant information pertaining to the financial statements is being evidenced and corresponds to the information used by Management, in accordance with technical orientation OCPC 7, approved by CVM Resolution 727/14, complying with the minimum requirements while, at the same time, disclosing only pertinent information that helps readers to make informed decisions. Therefore, all pertinent information used in the management of the business is presented herein.

Management has assessed the Company's capacity to continue as a going concern and is convinced that it has the resources to continue its business activities in the future. Furthermore, Management has no knowledge of any material uncertainty that could cause significant doubt regarding its capacity to continue as a going concern. Therefore, these financial statements have been prepared on a going concern basis.

On May 04, 2023, Management authorized the conclusion of the parent company and consolidated interim financial statements.

Measurement base

The financial statements were prepared based on historical cost, with exception of the items below, which are measured at fair value through profit or loss:
- Derivative instruments measured at fair value (Note 14);
- Trade accounts receivable from Rural Producer Certificates (CPRs) (Note 05);
- Trade accounts payable linked to changes in the prices of commodities, named suppliers to be determined (Note 12); and
- Inventories of agricultural commodities (Note 07).

2.2. Basis for consolidation

Subsidiaries
The Company controls an entity when it is exposed to, or has a right to, variable returns arising from its engagement with the entity and has the capacity to affect such returns by exercising its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements as from the date the Company gains control over such entity and until such control ceases to exist.

In the separate financial statements of the parent company, the financial information of subsidiaries is recognized through the equity method.

(i) Loss of control
When the entity loses control over a subsidiary, the Company no longer recognizes the assets and liabilities and any interest held by non-controlling shareholders and other components registered as shareholders' equity in connection with such subsidiary. Any gain or loss originating from the loss of control is recognized in the result. If the Company retains any interest in the former subsidiary, such interest is measured by its fair value on the date on which control was lost.

(ii) Investments in entities accounted for under the equity method
The Company's investments in entities accounted for under the equity method comprise its interests in associated companies.

Associated companies are entities in which the Company directly or indirectly holds significant influence, but not does not have control or joint control of its financial and operational policies.

Such investments are initially recognized at cost, which includes the transaction expenses. After initial recognition, the financial statements include the Company's share in the net income or loss for the fiscal year and in other comprehensive results of the investee until the date on which the significant influence ceases to exist. In the separate financial statements of the parent company, investments in subsidiaries also are recognized in accordance with such method.

(iii) *Transactions not included in consolidation*
Balances and intra-group transactions, as well as any income or expenses (except for gains or losses from transactions in foreign currency) not realized and derived from intra-group transactions are eliminated. Unrealized gains from transactions with investees registered under the equity method are eliminated against the investment, in the proportion of the Company's interest in the investee. Unrealized losses and gains are eliminated, but only to the extent there is no evidence of impairment loss.

2.3. Functional currency and reporting currency

These financial statements are presented in Brazilian real, which is the Company's functional currency. All balances were rounded up to the nearest thousand, unless if stated otherwise.

2.4. Standards and interpretations not yet in force

A series of new standards will come into force for the year beginning on January 1, 2023. The Company did not adopt these standards while preparing these financial statements.

Classification of liabilities as current or non-current (amendments to CPC 26/IAS 1)

The changes issued in 2020 aim to clarify the requirements to determine if a liability is current or non-current and apply to fiscal years beginning on or after January 1, 2023.

However, the IASB later proposed new changes to IAS 1 and the postponement of the effective date of changes from 2020 to annual periods beginning on or after January 1, 2024.

Since this standard is subject to future developments, the Company cannot determine the impact of such changes to the parent company and consolidated interim financial statements in the period of initial adoption. The Company is closing monitoring any new developments.

Deferred tax related to assets and liabilities resulting from a single transaction (amendments to CPC 32/IAS 12)

The amendments limit the scope of exemption of initial recognition, excluding transactions that generate equal and compensatory temporary differences (e.g., leases and liabilities of disassembly costs). The amendments apply to annual periods beginning on or after January 1, 2023. For leases, the associated deferred tax assets and liabilities must be recognized as from the beginning of the oldest comparison period presented, with any cumulative effect recognized as adjustment to accrued income or other components of equity on such date. For all other transactions, the amendments apply to transactions occurring after the beginning of the oldest period presented.

The Company accounts for deferred taxes on leases based on the “fully linked” approach, with effect on the result similar to that of the amendments, except that the effects of deferred taxes are presented net in the balance sheet. In accordance with the amendments, the Company will recognize a deferred tax asset and a deferred tax liability. Adoption of the amendments will have no impact on retained earnings.

Amendments to IAS 8: Definition of accounting estimates

In February 2021, IASB issued amendments to IAS 8 (corresponding to CPC 23), which introduced the definition of “accounting estimates”. The changes clarify the distinction between changes in accounting estimates and changes in accounting policies and error correction. Moreover, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

Changes will come into force for periods starting on or after January 1, 2023, and apply to changes in accounting policies and estimates occurring on or after the start of such period. Early adoption is permitted, if disclosed.

The Company assessed the possible impacts of adopting this standard and concluded that the changes will not have any significant impact on its parent company and consolidated interim financial statements.

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

In February 2021, IASB issued amendments to IAS 1 (corresponding to CPC 26 (R1)) and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guides and examples to help entities apply materiality judgments when disclosing accounting policies. The amendments aim to help entities disclose accounting policies that are more useful by replacing the requirement to disclose significant accounting policies for critical accounting policies, while adding guides on how entities must apply the concept of materiality to make decisions on disclosing accounting policies.

The amendments to IAS 1 apply to periods starting on or after January 1, 2023, and early adoption is permitted. Since the amendments to Practice Statement 2 provide non-mandatory guides on applying the definition of materiality for accounting policies, a date for adopting the amendment is unnecessary.

The Company assessed possible impacts of adopting this standard and concluded that the amendments do not have any material impact on its parent company and consolidated interim financial statements.

There are no other standards and interpretations issued and not yet adopted that could, in the opinion of Management, significantly impact the statements of income or financial position disclosed by the Company.

3. Judgments, estimates and significant accounting assumptions

The preparation of the Company's parent company and consolidated interim financial statements requires the Management to make judgments and estimates and adopt assumptions affecting the amounts presented for revenues, expenses, assets and liabilities, and their respective disclosures, as well as the disclosures of contingent liabilities.

Estimates and assumptions are revised continually. Revised estimates are recognized prospectively.

In the process of applying the Company's accounting policies, the Management made the following judgments that have a more significant effect on amounts recognized in the financial statements:

(a) Judgments

Information on judgments made in the application of accounting policies with material effects on the amounts recognized in the financial statements is included in the following notes:

- *Provision for losses from trade accounts receivable (Note 5).*

Provisions for losses from financial assets are based on assumptions regarding the risk of default and on the rates of expected losses. The Company's policy is to analyze and provision for receivables past due over 90 days and to provision for losses from all outstanding receivables from such debtor. Judgment aspects are used to decide whether to maintain the provision in cases when the debt is renegotiated or the commitment is formalized by the client. Such judgments include the reasons that led the client fail to pay (e.g., weather factors that led to a crop shortfall), the historical relationship with the client, the intent to pay and evidence available that the amount will be received.

(b) Uncertainties regarding assumptions and estimates

The financial statements were prepared using various sources for determining accounting estimates. The accounting estimates involved in the preparation of financial statements were supported by objective and subjective factors, based on Management's judgment, to determine the appropriate amount to be registered in the parent company and consolidated interim financial statements.

The settlement of transactions involving these estimates may result in amounts that differ significantly from those registered in the financial statements due to the probabilistic treatment inherent to the estimation process. The Company revises its estimates periodically.

The main assumptions related to sources of estimation uncertainty and other important sources of estimation uncertainty on the reporting date, involving material risk of causing a significant adjustment in the book value of assets and liabilities, include:

- Inventories and purchase and sale commitments of commodities and derivative instruments (Notes 7, 12 and 14, respectively)

The Company determines the value of accounts receivable linked to the receipt of commodities, as well as its commodities inventory, and accounts payable to commodity suppliers to be determined based on fair value on the reporting date, with the changes in fair value registered as a corresponding entry to cost of goods and products sold in the income statement.

Marketable commodities are freely traded in active markets and can be sold without significant additional processing. Management estimates market value based on prices quoted on exchanges, adjusted to reflect differences in local markets.

As part of its price risk management, mainly for commercial purposes, the Company contracts derivative instruments, represented by commodity forward buy and sell contracts and exchange-traded futures contracts (CBOT), which are also measured at fair value, with their variations registered as a corresponding entry to cost of goods and products sold in the income statement.

Management books the fair value of accounts receivable from rural producer certificates and from forward purchase and sale contracts that are settled with physical delivery, since it is a practice of the Company for similar contracts, with the purpose of negotiating and obtaining margins in its commercial commodity operations.

- Discount rate applied to the measurement of lease liabilities (Note 10)

To measure right-of-use assets, the Company calculates the initial value of the lease liabilities at present value based on the discount rates, which vary depending on the term of the agreements. The discount rates are calculated considering the “average weighted CDI/Pre curve,” plus the Company’s credit risk and a risk spread of the underlying asset. Material judgments are made involving the date of the interest curves used for calculating and determining the Company’s credit risk.

- Share-based payments (note 26)

The fair value of options granted by the Company under stock option plans is measured upon grant, based on certain assumptions. These assumptions require the determination of more appropriate data for the evaluation model, including the expected life of the option, volatility and dividend yield and the corresponding assumptions.

The recognition of cost with the stock option plan was measured based on the fair value of the shares granted using the Binomial model, as detailed in Note 26.

- Income taxes (note 20)

There are uncertainties related to the interpretation of complex tax regulations, including those related to the government subsidies used by the Company, and to the value and timing of future taxable results.

Given the broad aspect of tax legislation, as well as the long-term nature and complexity of existing contractual instruments, differences between actual results and the assumptions adopted, or future changes in these assumptions, may require future adjustments in the tax assets and liabilities already registered.

In determining current and deferred income tax, the Company takes into consideration the impact of uncertainties related to the tax positions taken. The Company believes that the provision for income tax is adequate based on the assessment of various sources, including interpretations of tax laws and the opinion of its legal advisors.

The Company records provisions, based on reasonable estimates, for possible consequences from audits conducted by the tax authorities of the jurisdictions in which it operates. The amount of these provisions is based on several factors, such as experience in previous audits and interpretations that differ from tax regulations by the taxable entity and the responsible tax authority. Such interpretation differences could arise in a wide variety of subjects, depending on current conditions in the Company's respective jurisdiction.

As disclosed in Note 25, the Company uses government subsides corresponding to exemptions and reductions in the calculation base of ICMS tax in accordance with ICMS conventions 100, of 1997, and 52, of 1991, supported by Complementary Law 160/2017. In case of meal (deferred ICMS for soybean), pursuant to article 3 of Book III, Title I, item I of ICMS Regulation (RICMS/RS), payment of prior ICMS related to deferred raw materials is waived upon export of meal. For fertilizers, Decree 56,227, of December 7, 2021, in force since January 1, 2022, changed ICMS exemption to ICMS deferral, and waived the responsibility for prior ICMS payment at the time of outflow of goods, pursuant to article 3, Book III, Title I, of RICMS/RS. The benefit related to the reduction in ICMS payment is calculated based on the amount of outflows in each reporting period, by applying the percentage discount granted by the tax incentive, with these amounts excluded from Company's income tax (IRPJ) and social contribution (CSLL) calculation.

The Company's Management is monitoring closely the evolution of discussions about the topic and, considering that tax authorities have been expressing statements through consultation solutions, the Company obtains periodic formal updates from its tax consultants on the topic and maintains its understanding on the adequacy of the calculation methodology of said benefit.

Accordingly, based on information available in the market and on the opinion of its tax consultants, the Company believes that the chances of a favorable outcome in the event of any challenge and discussion regarding the amounts excluded in IRPJ and CSLL calculation with tax authorities are above 50%, which is the same conclusion obtained in the fiscal year ended December 31, 2022. In this context, to comply with the applicable accounting practices, notably CPC 32/IAS 12 Income taxes and related interpretations (ICPC 22/ IFRIC 23), there is no provision for such losses.

(In thousands of reais, except when otherwise stated)

As disclosed in Note 20, the Company has deferred tax assets arising from tax losses, negative base of social contribution tax and temporary differences. Significant judgment by Management is required to determine the amount of deferred tax assets that can be recognized, based on the probable term and level of future taxable profits, as well as future tax planning strategies. Significant assumptions are made while planning the budget for future years and defining the future tax base considering the uncertainties involved in tax aspects for the following years. The prices of commodities traded and acquired by the Company, as well as amendments to the legislation and adoption of benefits and tax incentives, could significantly change the projection.

The assumptions for measuring taxable income are based mainly on the Company's budget for the next years. Lastly, comparisons of historical average balances help to define the future expected profit in terms of interference of seasonality in the Company's result.

- Measurement at fair value of financial instruments (note 14)

When the fair value of financial assets and liabilities registered in the balance statement cannot be measured based on prices quoted in active markets, fair value is measured based on valuation techniques, including the discounted cash flow model. Inputs considered in these models are obtained from observable markets, when possible. In situations in which these inputs cannot be obtained from observable markets, a level of judgment is necessary to establish the respective fair values. Associated judgments include assessment of liquidity risk, credit risk and volatility. Changes in assumptions related to these factors could affect the fair value of financial instruments. Note 14 provides more details and disclosures about the topic.

4. Cash and cash equivalents, and financial investments

4.1 Cash and cash equivalents

	Parent Company	Parent Company	Consolidated	
	3/31/2023	**12/31/2022**	**3/31/2023**	**12/31/2022**
Cash and banks	**328,049**	94,072	328,164	94,471
Exchange rate to realize (*)	**4,669**	48,047	4,669	48,047
Highly liquid investments	**597,899**	581,796	599,086	581,796
Fixed income (**)	**427,891**	373,163	429,078	373,163
Exclusive investment fund (Note 4.3)	**170,008**	208,633	170,008	208,633
Total	**930,617**	723,915	931,919	724,314

(*) Exchange rates to realize refer to receivables from exports maintained at financial institution, pending execution of exchange contracts on the reporting date.

(**) Includes bank certificates of deposit (CDB), purchase and sale repurchase commitments and investments in bonds, with return linked to the Interbank Deposit Certificate (Monthly CDI), at an average rate of 98.26% on March 31, 2023 (104.84% on December 31, 2022).

(In thousands of reais, except when otherwise stated)

Highly liquid financial investments are readily convertible into cash, in a known amount, and are subject to insignificant risk of change in value.

4.2 Financial investments

	Parent Company and Consolidated 3/31/2023	Parent Company and Consolidated 12/31/2022
Financial investments		
Exclusive investment fund (Note 4.3)	**159,988**	154,841
Total	**159,988**	154,841

4.3 Exclusive investment fund

	Parent Company and Consolidated 3/31/2023	Parent Company and Consolidated 12/31/2022
Cash and cash equivalents	**170,008**	208,633
CDB	**100,890**	141,984
IPCA-linked bonds	**69,118**	66,649
Financial investments	**159,988**	154,841
Financial bills	**159,988**	154,841
Total	**329,996**	363,474

The exclusive investment fund Hat Trick RF CP is a fixed-income fund of private and public credits under the management, administration and custody of Banco BTG Pactual. There is no grace period for redemptions (i.e., D+0).

Since August 3, 2021, the fund is exclusively for the Company's benefit. Accordingly, in accordance with CVM Instruction 408/04, each of the fund's assets was registered based on their characteristics, observing their liquidity and maturity term, which translates into availability for redemption. The fund was created to segregate the proceeds raised in the IPO and maintain its purchasing power for making the investments provided for in the Company's investment plan.

The investment fund does not have significant financial obligations. The financial obligations are limited to asset management fees, custody fees, audit fees and expenses.

On March 31, 2023, the return of the fund's investments corresponded to 93.78% of monthly CDI (99.19% on December 31, 2022). The assets are composed of CDBs (30.58%), Financial Bills (48.48%) and IPCA-linked bonds (20.95%).

(In thousands of reais, except when otherwise stated)

The Company has financial investment policies that determine that investments be concentrated in low-risk securities at prime financial institutions and be remunerated based on the variation in the rates of the Interbank Certificate of Deposit (CDI) or the Broad Consumer Price Index (IPCA).

On March 31, 2023, the Company held no investments given as guarantee to financial institutions.

5. Trade receivables

	Parent Company	Parent Company	Consolidated	
	3/31/2023	**12/31/2022**	**3/31/2023**	**12/31/2022**
Trade receivables in domestic market	**577,153**	620,460	**577,153**	620,461
Trade receivables in export market	**28,057**	112,876	**28,057**	112,876
Rural producer certificate (CPR) (Note 8)	**235,580**	179,378	**235,580**	179,378
Receivables from related parties (Note 22)	**174,068**	133,586	**174,612**	133,870
	1,014,858	1,046,300	**1,015,402**	1,046,585
(-) Allowance for expected losses	**(7,328)**	(7,126)	**(7,328)**	(7,126)
Total trade receivables	**1,007,530**	1,039,174	**1,008,074**	1,039,459
Current	**998,388**	1,037,646	**998,932**	1,037,931
Non-current	**9,142**	1,528	**9,142**	1,528

"Trade receivables – rural credit certificates" are originated from the sale of products to clients upon receipt of payment in grains. These accounts receivable are recorded at fair value, as described in Note 8. The sale of inputs for receipt in agricultural commodities is part of Company's grain origination strategy for executing its trading operations in agricultural commodities.

On March 31, 2023 and December 31, 2022, the balances of trade receivables by maturity was as follows:

	Parent Company	Parent Company	Consolidated
	3/31/2023	**12/31/2022**	**3/31/2023**
Outstanding	**835,268**	965,680	**835,812**
Past due	**172,262**	73,494	**172,262**
From 1 to 30 days	**151,705**	64,965	**151,705**
From 31 to 60 days	**6,372**	6,108	**6,372**
From 61 to 90 days	**14,185**	2,421	**14,185**
	1,007,530	1,039,174	**1,008,074**

(In thousands of reais, except when otherwise stated)

The Company's sale policies are subject to the credit policies established by its Management and aim to minimize any problems arising from delinquent client accounts, with no significant losses expected considering the Company's records and existing guarantees.

The changes in the allowance for expected losses are as follows:

	Parent Company and Consolidated	Parent Company
	3/31/2023	**12/31/2022**
Balance at start of year/period	**(7,126)**	(6,506)
Additions	**(994)**	(1,397)
Realizations	**792**	777
Balance at end of year/period	**(7,328)**	(7,126)

6. Recoverable taxes

	Parent Company and Consolidated	Parent Company and Consolidated
	3/31/2023	**12/31/2022**
Corporate income tax (IRPJ)	**131,936**	128,352
Social contribution (CSLL)	**45,245**	43,903
Social Integration Program (PIS)	**50,053**	49,495
Social security contribution (COFINS)	**59,318**	58,416
Retentions	**138**	220
Withholding income tax - investments	**23,683**	20,106
Value-added tax (ICMS)	**14,877**	7,612
Total	**325,250**	308,104
Current	**147,690**	134,967
Non-current	**177,560**	173,137

Recoverable balances of PIS and COFINS taxes refer basically to presumed credits calculated on sales by the operation involving the extraction of soybean meal, degummed soybean oil and soybean hulls, as well as biodiesel production. The Company uses these credits to offset taxes payable or requests cash reimbursements.

Recoverable balances of income and social contribution taxes refer basically to the carry forward of unused tax credits arising from benefits of governmental subsidies for investment as shown in Note 25. The Company uses these credits to offset taxes payable or requests cash reimbursements.

(In thousands of reais, except when otherwise stated)

With the end of auctions, ICMS levied on the sale of biodiesel was either deferred or suspended and, after the publication of Agreement 206/2022, a special tax treatment was introduced for biodiesel producers, which regulated the calculation of extra-assessment ICMS dues. As a result, at the end of each calculation period, the mills started calculating ICMS tax amounts related to these operations. After this calculation, the Company requests authorization from the State Financial Department (SEFAZ) to issue an invoice of reimbursement against the Refinery, which is currently the substitute taxpayer for subsequent operations. Between January 1, 2023 and March 31, 2023, the Company had calculated an extra-assessment ICMS of R$32,377, and R$14,877 is awaiting release by SEFAZ. At March 31, 2023, the balance R$17,500 is to be reimbursed by the refinery. In addition, the Company has an outstanding invoice referring to 2022 in the amount of R$11,164. The amounts already released by SEFAZ and for which a reimbursement invoice has been issued were recorded under “Trade receivables.”

7. Inventories

Commodity inventories are presented duly adjusted to fair value as a corresponding entry to profit or loss.

Inventories of inputs, seeds, finished products and agricultural parts are valued based on the average acquisition cost, which do not exceed the market values in effect on the reporting date.

Inventories are broken down as follows:

	Parent Company and Consolidated	**Parent Company**
	3/31/2023	**12/31/2022**
Registered at cost of acquisition/production		
Amendments and fertilizers	**53,687**	23,122
Chemicals	**567,118**	831,963
Biodiesel	**29,072**	65,397
Advances to suppliers (*)	**248,024**	113,543
Other	**67,789**	37,244
	965,690	1,071,269
Commodities at market value		
Grain	**959,013**	896,566
Oil and meal	**134,382**	62,196
	1,093,395	958,762
Total	**2,059,085**	2,030,031

(*) Advances were granted in negotiations with suppliers of hedges for cultivation and fertilizers. These advances were made due to negotiations of product prices, volumes and delivery term.

The average price quotes used to determine the value of commodity inventories on the reporting date were obtained through independent public sources, as follows:

	Parent Company and Consolidated				Parent Company		
		3/31/2023			12/31/2022		
	Fair value hierarchy	Price of bags	Quantity	Balance	Price of bags	Quantity	Balance
Soybean*	Level 2	**170**	**3,434**	**582,857**	188	2,174	408,705
Corn*	Level 2	**86**	**946**	**81,336**	101	74	7,440
Wheat*	Level 2	**97**	**1,979**	**191,919**	100	3,765	376,511
Soybean seed**	Level 3	**594**	**45**	**26,806**	594	17	10,087
Wheat seed**	Level 3	**161**	**341**	**54,959**	190	358	68,177
Other seeds**	Level 3	**84**	**214**	**21,136**	119	133	25,646
Meal***	Level 2	**2,570**	**40**	**103,115**	2,612	11	28,431
Oil***	Level 2	**5,200**	**6**	**31,267**	6,428	5	33,765
				1,093,395			958,762

(*) In thousands of bags of 60kg each.
(*) In thousands of bags of 40kg each.
(***) In thousand tons.

A sensitivity analysis of commodity inventories is shown in Note 14 – Financial instruments, considering the risk management model and hedge of exposures to the prices of commodities traded and acquired by the Company.

(In thousands of reais, except when otherwise stated)

8. Fair value

The table below shows an analysis of financial instruments and inventories measured subsequently to the initial recognition at fair value:

	Parent Company and Consolidated	Parent Company
	3/31/2023	**12/31/2022**
Financial instruments - assets	**289,173**	263,813
Rural producer certificate (CPR) (Note 5)	**235,580**	179,378
Derivative instruments	**53,593**	84,435
Forward commodity contracts	**52,512**	83,048
Hedge operations - Assets	**239**	-
Swap operations on loans	**343**	1,387
NDF transactions - Assets	**499**	-
Environmental asset	**-**	1,030
Commodity inventories (Note 7)	**1,093,395**	958,762
Total assets	**1,382,568**	1,223,605
Financial instruments - liabilities		
Commodity suppliers to be determined (Note 12)	**784,626**	868,537
Derivative instruments	**48,188**	39,739
Forward commodity contracts	**44,603**	29,416
Hedge operations	**2,101**	6,204
Swap operations on loans	**1,450**	4,103
NDF transactions	**34**	16
Total liabilities	**832,814**	908,276

The tables below present the valuation techniques used to measure the Levels 2 and 3 fair values for financial and non-financial instruments in the balance sheet, as well as the significant unobservable inputs used.

The sensitivity analysis of assets and liabilities measured at fair value is shown in Note 14 – Financial instruments, considering the risk management model and hedge of exposures to the prices of commodities traded and acquired by the Company.

(In thousands of reais, except when otherwise stated)

Type	Evaluation technique	Significant unobservable inputs	Relationship between significant unobservable inputs and fair value measurement
Interest rate swaps	Fair value is calculated based on the present value of future estimated cash flows. The estimates of future cash flows of post-fixed rates are based on swap rates, future prices and interest rates of interbank loans. The fair value estimate is subject to update after analysis comparing the credit risk of the Company and the counterparty, calculated based on the credit spreads derived from credit default swaps or current prices of bonds negotiated.	Not applicable	Not applicable
Rural Producer Certificates (CPR)	The fair value of CPRs is determined based on the difference between the forward price of the commodity and the market price on March 31, 2023. The resulting amount is deducted at present value according to the DI rate, adjusted for the PTAX rate on the same date.	Not applicable	Not applicable
Suppliers of commodities to be determined	The fair value of suppliers of commodities to be determined is determined based on the difference between the forward price of the commodity and the market price on March 31, 2023.	Not applicable	Not applicable
Forward commodity contracts	The fair value of forward Derivative instruments of commodities is determined based on the difference between the forward price of the commodity and the market price on March 31, 2023. The resulting amount is deducted at fair value according to the DI rate, adjusted for the PTAX rate on the same date.	Not applicable	Not applicable
Commodity hedge operations	The fair value of commodity hedge operations is determined based on market variation, with positive or negative adjustments to the financial account. While analyzing the changes in the values of each commodity in a given period, the current price is assessed against the accounting balance registered on the base date of the agreement. The hedging of derivatives protects the Company against market variations, preventing any unpredictability from adversely affecting the transactions and the result of such commodities.	Not applicable	Not applicable
Commodity inventories	The fair value of inventories is determined based on the difference between the price of the commodity and the market price on March 31, 2023. The resulting amount is deducted at present value according to the DI rate, adjusted for the PTAX rate on the same date.	Prices of soybean seeds, wheat and corn	As the assumption increases, fair value increases.
Environmental asset	The environmental asset is determined by the average market price on March 31, 2023. The resulting amount is deducted from the inventory amount.	Not applicable	Not applicable
NDF transactions	The fair value of NDF derivative instruments is determined by the difference between the forward exchange rate and the future rate. The resulting amount is deducted at present value according to the DI rate.	Not applicable	Not applicable

(In thousands of reais, except when otherwise stated)

9. Investments

Total investments on March 31, 2023 are as follows:

	Parent Company	
	3/31/2023	**12/31/2022**
Investment in subsidiaries	**1,274**	**879**
Total investments in the period	**1,274**	**879**

Significant investments in subsidiaries, assessed in accordance with the equity accounting method, with the balance on March 31, 2023, are shown below:

Investment	Capital Stock	Shareholders' Equity	Shareholding Interest %	Interest in Shareholders' Equity	Interest in Capital Stock	Equity Income
Tentos Participações Ltda.	937	1,264	100%	1,264	937	327
Tentos Holding Financeira de Participações Ltda.	10	10	100%	10	10	-

At March 31, 2023, the main investments in the permanent direct equity interest were:

Investment	Balances on 12/31/2022	Payment of capital	Equity Income	Balances on 12/31/2023
Tentos Participações Ltda.	879	396	(11)	1,264
Tentos Holding Financeira de Participações Ltda.	-	10	-	10

At March 31, 2023, the main balances of investments in permanent direct interest are as follows:

Companies	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net equity	Revenues	Expenses
Tentos Participações Ltda. (*)	1,901	25,442	6,478	17,451	3,414	399	(1,642)
Tentos Holding Financeira de Participações Ltda.	10	-	-	-	10	-	-

(*) The balance consolidates the indirect subsidiaries Tentos Corretora de Seguros Ltda, Tentos Promotora de Vendas Ltda and Mates Locações Aéreas Ltda.

(In thousands of reais, except when otherwise stated)

10. Right of use and lease liabilities

In accordance with CPC 06 (R2)/IFRS 16, leases refer to the right to control the use of an asset identified for a period in exchange for compensation.

The Company recognized a right-of-use asset and a lease liability on the lease initial date. Right-of-use assets are measured initially by their cost, which comprises the initial value of the lease liability, then subsequently depreciated under the straight-line method, from the initial date to the end of the lease term. In addition, right-of-use assets are adjusted for certain remeasurements of lease liabilities.

Lease liabilities are measured initially at present value of lease payments, deducted based on the Company's incremental borrowing rate.

The measurement of right-of-use assets corresponds to the initial value of lease liabilities at present value by rates ranging from 6.10% to 16.25% p.a., calculated considering the "weighted CDI/Pre curve," plus the Company's credit risk and a risk spread of the underlying asset. Depreciation is calculated under the straight-line method according to the remaining term of agreements with an average term of five years.

The Company maintains assets and liabilities resulting from leases of commercial stores and offices located in the states of Rio Grande do Sul, Mato Grosso and São Paulo. In 2022, it recognized the right of use of two properties leased by the parent company, which represented an increase of R$3,573, and one asset in the consolidated, amounting to R$12,504. In the first three months of 2023, the Company had no new lease agreements.

The changes in right-of-use assets in the periods ended March 31, 2023 and December 31, 2022 are shown below:

	Parent Company	**Consolidated**
Balance on 12/31/2021	13,580	13,580
New contracts	3,573	12,504
Remeasurement of contracts	1,987	1,987
(-) Amortization of right-of-use asset	(4,668)	(4,734)
Balance on 12/31/2022	14,472	23,337
New contracts	**-**	**-**
Remeasurement of contracts	**62**	**(190)**
(-) Amortization of right-of-use asset	**(1,104)**	**(1,302)**
Balance on 3/31/2023	**13,430**	**21,845**

(In thousands of reais, except when otherwise stated)

The changes in lease liabilities in the periods ended March 31, 2023 and December 31, 2022 are shown below:

	Parent Company	Consolidated
Balance on 12/31/2021	13,873	13,873
New contracts	3,573	12,504
Remeasurement of contracts	1,987	1,987
Realization of interest on lease liabilities	1,471	1,496
(-) Payments	(5,952)	(6,043)
Balance on 12/31/2022	14,952	23,817
New contracts	**-**	**-**
Remeasurement of contracts	**63**	**(190)**
Realization of interest on lease liabilities	**414**	**488**
(-) Payments	**(919)**	**(1,190)**
Balance on 3/31/2023	**14,510**	**22,925**
Current liabilities	**5,159**	**7,208**
Non-current liabilities	**9,351**	**15,717**

On March 31, 2023, the analysis of balances of lease liabilities by maturity is as follows:

	Parent Company 3/31/2023	Consolidated 3/31/2023
Up to 1 year	**5,159**	**7,208**
From 1 to 2 years	**2,695**	**4,498**
From 2 to 3 years	**2,569**	**4,372**
From 3 to 4 years	**547**	**2,350**
From 4 to 5 years	**481**	**1,438**
Over 5 years	**3,059**	**3,059**
	14,510	**22,925**

(In thousands of reais, except when otherwise stated)

11. Property, plant and equipment

11.1 Parent Company

	Land	Buildings	Facilities	Vehicles	Machinery and equipment	Furniture and fixtures	IT equipment	Other	Property, plant and equipment in progress	Total
Cost										
Balance on 12/31/2021	29,785	244,871	29,739	67,549	142,417	4,043	5,992	3,128	376,277	903,801
Additions	552	1,285	326	47,512	9,893	1,748	4,075	550	670,104	736,045
Write-offs	-	(510)	-	(699)	(111)	(0)	(11)	-	-	(1,331)
Transfers (-)	18,613	30,089	2,252	-	43,910	60	152	675	(95,751)	-
Balance on 12/31/2022	48,950	275,735	32,317	114,362	196,109	5,851	10,208	4,353	950,630	1,638,515
Additions	-	220	201	2,678	4,382	217	582	179	137,857	146,316
Write-offs	-	-	-	(286)	(5)	(5)	-	-	-	(296)
Transfers (-)	-	22,222	800	-	11,297	-	-	-	(34,319)	-
Balance on 3/31/2023	48,950	298,177	33,318	116,754	211,783	6,063	10,790	4,532	1,054,168	1,784,535
Depreciation										
Balance on 12/31/2021	-	(31,727)	(12,561)	(26,285)	(48,148)	(1,491)	(2,842)	(1,195)	-	(124,249)
Depreciation	-	(5,032)	(3,168)	(10,128)	(12,187)	(500)	(1,199)	(340)	-	(32,554)
Depreciation write-off	-	65	-	447	73	0	3	-	-	588
Balance on 12/31/2022	-	(36,694)	(15,729)	(35,966)	(60,262)	(1,991)	(4,038)	(1,535)	-	(156,215)
Depreciation	**-**	**(1,304)**	**(789)**	**(3,351)**	**(3,460)**	**(143)**	**(419)**	**(101)**	**-**	**(9,567)**
Depreciation write-off	**-**	**-**	**-**	**211**	**2**	**3**	**-**	**-**	**-**	**216**
Balance on 3/31/2023	**-**	**(37,998)**	**(16,518)**	**(39,106)**	**(63,720)**	**(2,131)**	**(4,457)**	**(1,636)**	**-**	**(165,566)**
Residual value										
Balance on 12/31/2022	48,950	239,041	16,588	78,396	135,847	3,860	6,170	2,818	950,630	1,482,300
Balance on 3/31/2023	**48,950**	**260,179**	**16,800**	**77,648**	**148,063**	**3,932**	**6,333**	**2,896**	**1,054,168**	**1,618,969**

(In thousands of reais, except when otherwise stated)

11.2 Consolidated

	Land	Buildings	Facilities	Vehicles	Machinery and equipment	Furniture and fixtures	IT equipment	Aircrafts	Other	Property, plant and equipment in progress	Total
Cost											
Balance on 12/31/2021	29,785	244,871	29,739	67,549	142,417	4,043	5,992	-	3,128	376,277	903,801
Additions	552	1,285	326	47,512	9,893	1,748	4,075	18,217	550	670,104	754,262
Write-offs	-	(510)	-	(699)	(111)	(0)	(11)	-	-	-	(1,331)
Transfers (-)	18,613	30,089	2,252	-	43,910	60	152	-	675	(95,751)	-
Balance on 12/31/2022	48,950	275,735	32,317	114,362	196,109	5,851	10,208	18,217	4,353	950,630	1,656,732
Additions	-	220	201	2,678	4,382	217	582	-	179	137,857	146,316
Write-offs	-	-	-	(286)	(5)	(6)	-	-	-	-	(297)
Transfers (-)	-	22,222	800	-	11,297	-	-	-	-	(34,319)	-
Balance on 3/31/2023	48,950	298,177	33,318	116,754	211,783	6,062	10,790	18,217	4,532	1,054,168	1,802,751
Depreciation											
Balance on 12/31/2021	-	(31,727)	(12,561)	(26,285)	(48,148)	(1,491)	(2,842)	-	(1,195)	-	(124,249)
Depreciation	-	(5,032)	(3,168)	(10,128)	(12,187)	(500)	(1,199)	(278)	(340)	-	(32,832)
Depreciation write-off	-	65	-	447	73	0	3	-	-	-	588
Balance on 12/31/2022	-	(36,694)	(15,729)	(35,966)	(60,262)	(1,991)	(4,038)	(278)	(1,535)	-	(156,493)
Depreciation	**-**	**(1,304)**	**(789)**	**(3,351)**	**(3,460)**	**(143)**	**(419)**	**(910)**	**(101)**	**-**	**(10,477)**
Depreciation write-off	**-**	**-**	**-**	**211**	**2**	**3**	**-**	**-**	**-**	**-**	**216**
Balance on 3/31/2023	**-**	**(37,998)**	**(16,518)**	**(39,106)**	**(63,720)**	**(2,131)**	**(4,457)**	**(1,188)**	**(1,636)**	**-**	**(166,754)**
Residual value											
Balance on 12/31/2022	48,950	239,041	16,588	78,396	135,847	3,860	6,170	17,939	2,818	950,630	1,500,239
Balance on 3/31/2023	**48,950**	**260,179**	**16,800**	**77,648**	**148,063**	**3,931**	**6,333**	**17,029**	**2,896**	**1,054,168**	**1,635,997**

a) Property, plant and equipment in progress

Property, plant and equipment in progress at March 31, 2023 mainly refers to expansions of the Company's units, with new warehouses for grain and inputs, as well as expansion of industrial plants. The Company continued the refurbishment of the oil extraction plant in Ijuí, Rio Grande do Sul, as well as the final stage of the energy cogeneration project at the same plant, and the expansion of the plant in Cruz Alta, Rio Grande do Sul, with all these projects expected to be concluded in 2023. Construction of the plant in Vera, Mato Grosso is advancing on schedule and expected to be concluded in the end of 2023, while construction is advancing on the new branches in the states of Rio Grande do Sul and Mato Grosso.

During the first quarter of 2023, the Company concluded a portion of the expansion of the Cruz Malta/RS plant.

In the first quarter of 2023, the Company registered R$3,113 (R$3,947 on March 31, 2022) related to capitalized interest on financing for the acquisition of property, plant and equipment. The amount was allocated to property, plant and equipment in progress for subsequent allocation to property, plant and equipment after the financed asset is completed, given that assets under construction are classified as qualifying assets. In the period, the weighted average interest rate of capitalizable contracts was 11.39% per annum, which corresponds to contracts indexed substantially to the CDI rate plus a fixed rate.

b) Guarantees

On the reporting dates, items of property, plant and equipment were offered to third parties as guarantees for loans and financing, linked to their own financing, as shown in Note 13.

c) Impairment of property, plant and equipment

Impairment of property, plant and equipment is analyzed constantly by the Management. In the period ended March 31, 2023, the Management did not identify any indication of impairment of property, plant and equipment.

(In thousands of reais, except when otherwise stated)

12. Trade payables

Suppliers of goods and services are represented as follows:

	Parent Company	Parent Company and Consolidated	Consolidated
	3/31/2023	12/31/2022	3/31/2023
Trade payables in domestic market	**1,256,692**	1,093,976	**1,256,793**
Trade payables in export market	**28,732**	4,261	**28,732**
Commodity suppliers to be determined (Note 8)	**784,626**	868,537	**784,626**
	2,070,050	1,966,774	**2,070,151**

The operation of commodity suppliers to be determined refers to the Company's obligation with rural producers who already have delivered agricultural products but have not yet defined the date price will be determined and, consequently, the final amount of the operation. As such, payment of the obligation is linked to the market value of the commodity delivered until the date on which the price is determined, and can be realized at any moment, by decision of the rural producer, being valued at fair value, as described in Note 8. Since there is no specific term, and considering that the moment of price determination is at the rural producer's discretion, the total balance of these operations is classified under current liabilities.

13. Loans and financing

Loans and financing are broken down as follows:

			Parent Company and Consolidated		Parent Company and Consolidated	
			3/31/2023		12/31/2022	
Type	Maturity Date	Avg. Rate	Current	Non-Current	Current	Non-Current
Working capital	Jun/23 to Mar/27	15.27%	**274,609**	**470,086**	386,861	303,870
Financing	Apr/23 to Jul/35	11.39%	**20,406**	**91,163**	20,514	93,420
Forward foreign exchange contracts	Aug/23 to Mar/24	6.80%	**204,162**	**-**	45,694	-
Advances for exports	May/23 to May/25	12.46%	**194,867**	**29,255**	146,075	99,636
Total			**694,044**	**590,504**	599,144	496,926

(In thousands of reais, except when otherwise stated)

	Balance on 3/31/2023	% over Total	Balance on 12/31/2022	% of Total
Foreign currency (USD)	**241,147**	**19%**	64,720	6%
Local currency (BRL)	**1,043,401**	**81%**	1,031,350	94%
	1,284,548	**100%**	1,096,070	100%

The Company's guarantees for loans and financing are broken down as follows:

	Parent Company and Consolidated	Parent Company
	3/31/2023	12/31/2022
Secured fiduciary sale – immovable property	**387,118**	389,896
Secured fiduciary sale – (movable property) and mortgages	**-**	-
Guarantees (*)	**453,700**	564,678
Inventories	**443,730**	141,496
	1,284,548	1,096,070

(*) The guarantees are pledged by the controlling shareholders of the Company, without any remuneration.

The amounts registered under long-term liabilities as of March 31, 2023 and December 31, 2022 present the following maturity schedule:

	Parent Company and Consolidated	Parent Company
	3/31/2023	12/31/2022
2024	**151,992**	211,488
2025	**225,678**	124,397
After 2025	**212,834**	161,041
	590,504	496,926

The loans and financing agreements of the Company have covenants typical to these kinds of operations. If such covenants are not observed, the respective operations may be terminated early.

These contractual clauses, among other conditions, expressly prohibit any change to the Company's capital stock, merger, spin-off or consolidation, transfer or assignment, directly or indirectly, of its controlling interest without previous and express agreement of the creditor financial institutions. Further, the Company must not have any legitimate protests and pending or imminent lawsuits or actions that, if ruled against the Company, would have adverse effect on its financial condition or its capacity to comply with contractual obligations. In addition, the transfer or assignment of rights and obligations under the agreements must be approved by the creditor financial institutions.

The Company is required not to use funds from, and certain financial operations in, transactions involving, as authorized by the Company, activities involving terrorism or resulting in violation of any anticorruption or antiterrorism laws applicable, and ensure that each of its Affiliates, Subsidiaries and all Persons acting on behalf of or as instructed by the Company or any of its Subsidiaries, act in accordance with all anticorruption laws applicable to the jurisdictions in which the Company or any of its Affiliates or Subsidiaries do business.

In addition to the aforementioned covenants, the Company must maintain, during the term of a specific agreement, a certain percentage of the Net Financial Debt/EBITDA ratio. Compliance with such covenant is analyzed annually.

At March 31, 2023, the Company was not in violation of any covenants envisaged in its agreements.

(In thousands of reais, except when otherwise stated)

Reconciliation of changes in equity with cash flows from financing activities

	Parent Company			Consolidated		
	Loans and Financing	Dividends	Lease Liabilities	Loans and Financing	Dividends	Lease Liabilities
Balance at December 31, 2021	799,700	-	13,873	799,700	-	13,873
Changes with cash effect	507,740		(857)	507,740		(857)
Payment of dividends	-	-	-	-	-	-
Lease liabilities paid	-	-	(857)	-	-	(857)
Loans	801,404	-	-	801,404	-	-
Loans and financing paid	(293,664)	-	-	(293,723)	-	-
Non-cash changes	(24,519)		3,664	(24,519)		3,664
Lease liability – Addition/Write-off	-	-	3,413	-	-	3,413
Monetary variation and charges on loans	(28,464)	-	-	(28,464)	-	-
Interest on lease liabilities	-	-	251	-	-	251
Capitalized interest	3,945	-	-	3,945	-	-
Dividends	-	-	-	-		-
Balance at March 31, 2022	1,282,921	-	16,680	1,282,921	-	16,680
Balance at December 31, 2022	1,096,070	-	14,952	1,096,070	-	23,817
Changes with cash effect	**176,535**	**(57,238)**	**(919)**	**176,535**	**(57,238)**	**(1,190)**
Payment of dividends	**-**	**(57,238)**	**-**	**-**	**(57,238)**	**-**
Lease liabilities paid	**-**	**-**	**(919)**	**-**	**-**	**(1,190)**
Loans	**502,645**	**-**	**-**	**502,645**	**-**	**-**
Loans and financing paid	**(326,110)**	**-**	**-**	**(326,110)**	**-**	**-**
Non-cash changes	**11,493**	**57,238**	**477**	**11,943**	**57,238**	**298**
Lease liability – Addition/Write-off	**-**	**-**	**63**	**-**	**-**	**(190)**
Monetary variation and charges on loans	**8,830**	**-**	**-**	**8,830**	**-**	**-**
Interest on lease liabilities	**-**	**-**	**414**	**-**	**-**	**488**
Capitalized interest	**3,113**	**-**	**-**	**3,113**	**-**	**-**
Dividends	**-**	**57,238**	**-**	**-**	**57,238**	**-**
Balance at March 31, 2023	**1,284,548**	**-**	**14,510**	**1,284,548**	**-**	**22,925**

(In thousands of reais, except when otherwise stated)

14. Financial instruments

The Company classifies its financial assets as follows: measured at fair value through profit or loss and at amortized cost. Such classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition. The Company's operations expose it to risks related to its financial instruments, which are respectively market risk, credit risk and liquidity risk, with these risks mitigated by Management to minimize and estimate possible adverse effects on the Company's financial performance.

The operations executed by the Company through financial instruments are as follows:

	Parent Company	Parent Company	Consolidated	
	3/31/2023	12/31/2022	3/31/2023	12/31/2022
Financial assets	**2,151,229**	2,003,395	**2,153,075**	2,686,399
Amortized cost	**771,950**	859,796	**772,494**	1,144,068
Accounts receivable	**771,950**	859,796	**772,494**	1,144,068
Fair value through profit or loss	**1,379,279**	1,143,599	**1,380,581**	1,542,331
Cash and cash equivalents	**930,617**	723,915	**931,919**	1,122,646
Marketable securities	**159,988**	154,841	**159,988**	154,841
Rural producer certificates (CPR)	**235,580**	179,378	**235,580**	179,378
Forward commodity contracts	**52,512**	83,048	**52,512**	83,048
Hedge operations	**239**	-	**239**	-
Swap operations on loans	**343**	1,387	**343**	1,387
Environmental asset	-	1,030	**-**	1,031

	Parent Company	Parent Company	Consolidated	
	3/31/2023	12/31/2022	3/31/2023	12/31/2022
Financial liabilities	**3,469,808**	3,134,118	**3,476,226**	11,999,560
Amortized cost	**2,636,994**	2,225,842	**2,643,412**	11,091,284
Suppliers	**1,285,424**	1,098,237	**1,285,524**	1,098,237
Loans and financing	**1,284,548**	1,096,070	**1,284,548**	1,096,070
Lease liabilities	**14,510**	14,952	**16,560**	8,880,394
Other liabilities	**52,512**	16,583	**56,780**	16,583
Fair value through profit or loss	**832,814**	**908,276**	**832,814**	908,276
Commodity suppliers to be determined	784,626	868,537	**784,626**	868,537
Forward commodity contracts	44,603	29,416	**44,603**	29,416
Hedge operations	2,101	6,204	**2,101**	6,204
Swap operations on loans	1,450	4,103	**1,450**	4,103
NDF transactions - Liabilities	34	16	**34**	16

(In thousands of reais, except when otherwise stated)

The table below presents the book values and fair values of financial assets and liabilities, including their fair value hierarchical levels. It does not include information on the fair value of financial assets and liabilities not measured at fair value if the book value is a reasonable approximation of the fair value.

	Parent Company			
			Fair Value	
	Book Value		Level 2	Level 2
	3/31/2023	12/31/2022	3/31/2023	12/31/2022
Fair value through profit or loss	**1,379,279**	1,143,599	**1,379,279**	1,143,599
Cash and cash equivalents	**930,617**	723,915	**930,617**	723,915
Financial investments	**159,988**	154,841	**159,988**	154,841
Rural producer certificate (CPR)	**235,580**	179,378	**235,580**	179,378
Forward commodity contracts	**52,512**	83,048	**52,512**	83,048
Swap operations on loans	**343**	1,387	**343**	1,387
Hedge operations	**239**	-	**239**	-
Environmental asset	**-**	1,030	**-**	1,030
Fair value through profit or loss	**832,814**	908,276	**832,814**	908,276
Commodity suppliers to be determined	**784,626**	868,537	**784,626**	868,537
Forward commodity contracts	**44,603**	29,416	**44,603**	29,416
Hedge operations	**2,101**	6,204	**2,101**	6,204
Swap operations on loans	**1,450**	4,103	**1,450**	4,103
NDF transactions - Liabilities	**34**	16	**34**	16

Cash and cash equivalents – Include cash and balances in checking accounts and financial investments with amounts available for realization on the reporting date. The fair values of cash and cash equivalents are compatible with their book values.

Accounts receivable from clients / Suppliers – Result directly from the Company's transactions, booked at original value, deducting provisions for possible losses.

Accounts receivable – CPR / Commodity suppliers to be determined – Result directly from the Company's transactions, booked at fair value on the transaction date, with this fair value subsequently pegged to the variation in the prices of the commodities (soybean, corn and wheat).

Loans and financing – Transactions carried out with financial institutions, booked using the amortized cost method in accordance with the contractual conditions. The fair value is calculated based on the closing price of these bonds disclosed officially by financial institutions on March 31, 2023.

Lease liabilities - Recognition of lease liabilities is related to the net future rent payments adjusted to present value, considering the incremental discount rate used by the Company.

Other financial assets – Balances resulting from other transactions with third parties and that will be converted into cash, in addition to balances resulting from transactions with related parties. The fair values of other financial assets do not differ significantly from their book value.

Other liabilities – Balances resulting from other transactions and that will be settled in cash. For other liabilities, the book value approximates the fair value.

Derivative instruments (commodity futures contracts (CBOT) and swaps on loans) – The Company is exposed to market risks related mainly to variations in exchange rates and commodity prices. The Company maintains operations in financial instruments to hedge its exposure to such risks.

Forward contracts – commodities – The amounts classified as forward commodity contracts refer to the fair value of future operations to buy or sell commodities based on forward contracts with rural producers and clients.

15. Risk management

General considerations on financial risk management

The Company maintains transactions with financial instruments whose risks are managed using financial position strategies and systems to control exposure limits. These risks include market risk (commodity price, exchange rate and interest rate risks), credit risk and liquidity risk.

The overall risk management, which is established by the Company’s internal policies, focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company’s financial performance. The Company uses derivative instruments to hedge against certain risk exposures.

The following table summarizes the nature and extent of risks arising from financial instruments and how the Company manages its exposure.

Risk	Exposure	Methodology used to measure impact	Management
Market risk – exchange rate	Financial assets and liabilities in foreign currency	Sensitivity analysis	Swap operations on loans and net exposure analysis
Market risk – interest rate	Cash equivalents and loans with variable rates	Sensitivity analysis	Net exposure analysis
Market risk - commodity price volatility	Inventories and operations pegged to agricultural commodities	Sensitivity analysis	Inventories, CPR, commodity suppliers to be determined, future and forward contracts
Credit risk	Cash and cash equivalents, accounts receivable from clients, derivative instruments	Analysis of maturities and creditworthiness	Diversification of financial institutions and monitoring of credit limits/ratings
Liquidity risk	Loans and other liabilities	Projections of cash flows	Credit facilities available

a) Market risk

(i) Commodity price risk

Agricultural commodity prices and availability are subject to variations due to factors such as changes in meteorological conditions, pests, crops, government programs and policies, competitors, changes in global demand due to population growth and changes in living standards and global production of similar and competing crops.

The Company manages its commodity price exposure through exchange-traded futures contracts, rural producer certificate (CPR) transactions, commodity suppliers to be determined, as well as forward contracts for buying and selling commodities at fixed prices to reduce price risk arising from fluctuations in the market prices of agricultural commodities.

The results of these strategies could be significantly impacted by factors such as volatility in the relationship between long and short positions in commodities, contractual default by counterparties and volatility in freight markets.

A summary follows of the Company's commodity exposures as of March 31, 2023 and December 31, 2022, as well as the instruments contracted by Management to reduce physical exposures (in thousands of 60kg bags).

	Parent Company and Consolidated			Parent Company		
	3/31/2023			12/31/2022		
	Soybean	Corn	Wheat	Soybean	Corn	Wheat
Inventories	**3,433**	**946**	**1,980**	2,174	74	3,765
Accounts Receivable - CPR	**859**	**140**	**79**	737	159	4
Forward commodity contracts - buy	**1,194**	**1,015**	**56**	3,598	757	108
Forward commodity contracts - sell	**(1,207)**	**(484)**	**(713)**	(646)	(555)	(1,963)
Commodity suppliers to be determined	**(4,363)**	**(567)**	**(1,276)**	(3,983)	(230)	(2,013)
Net exposure to price variation	**(84)**	**1,050**	**126**	1,880	205	(99)

Commodity suppliers to be determined do not have a determined term to fix the price. Therefore, the Company hedges its exposure under the Risk Management Policy, maintaining the balance to be determined hedged by assets, such as inventory of grains, oil, biodiesel and meal. The Company also maintains a financial flow that is compatible with its exposure.

Changes in the fair value measurement of contracts included in commodity price risk management are booked as a corresponding entry to the cost of goods and products sold, which amounted to income of R$14,755 on March 31, 2023 (expense of R$47,700 on December 31, 2022).

Sensitivity analysis of commodity prices

The sensitivity analysis presented below was determined based on the exposure to commodity prices at the end of each period. This scenario reflects the expectations of the Company's Management regarding this risk factor, which could impact pre-tax profit or loss.

(In thousands of reais, except when otherwise stated)

Soybean Financial instrument	Bags*	Price on 3/31/2023	Current Exposure	25% increase		50% increase		25% decrease		50% decrease	
				Price	Impact	Price	Impact	Price	Impact	Price	Impact
Inventories	3,433	170.00	582,857	212.50	145,926	255.00	291,854	127.50	(145,926)	85.00	(291,854)
Accounts Receivable - CPR	859	164.47	141,272	205.58	35,318	246.70	70,636	123.35	(35,318)	82.23	(70,636)
Forward contracts - buy	1,194	145.61	(29,213)	182.01	43,476	218.41	86,951	109.21	(43,476)	72.80	(86,951)
Forward contracts - sell	(1,207)	144.07	40,094	180.09	(43,491)	216.11	(86,983)	108.05	43,491	72.04	86,983
Suppliers – grains to be determined	(4,363)	147.18	(642,139)	183.97	(160,535)	220.76	(321,070)	110.38	160,535	73.59	321,070
	(84)		**92,871**		**20,694**		**41,388**		**(20,694)**		**(41,388)**

Corn Financial instrument	Bags*	Price on 3/31/2023	Current Exposure	25% increase		50% increase		25% decrease		50% decrease	
				Price	Impact	Price	Impact	Price	Impact	Price	Impact
Inventories	946	86.00	81,335	107.50	20,335	129.00	40,668	64.50	(20,335)	43.00	(40,668)
Accounts Receivable - CPR	140	82.49	11,577	103.12	2,894	123.74	5,789	61.87	(2,894)	41.25	(5,789)
Forward contracts - buy	1,015	65.72	7,059	82.14	16,674	98.57	33,347	49.29	(16,674)	32.86	(33,347)
Forward contracts - sell	(484)	88.14	(12,347)	110.18	(10,670)	132.21	(21,339)	66.11	10,670	44.07	21,339
Suppliers – grains to be determined	(567)	73.59	(41,690)	91.99	(10,423)	110.38	(20,845)	55.19	10,423	36.79	20,845
	1,050		**45,934**		**18,810**		**37,620**		**(18,810)**		**(37,620)**

Wheat Financial instrument	Bags*	Price on 3/31/2023	Current Exposure	25% increase		50% increase		25% decrease		50% decrease	
				Price	Impact	Price	Impact	Price	Impact	Price	Impact
Inventories	1,980	97.00	191,919	121.25	48,000	145.50	95,999	72.75	(48,000)	48.50	(95,999)
Accounts Receivable - CPR	79	104.42	8,200	130.52	2,050	156.63	4,100	78.31	(2,050)	52.21	(4,100)
Forward contracts - buy	56	79.90	673	99.88	1,127	119.85	2,254	59.93	(1,127)	39.95	(2,254)
Forward contracts - sell	(713)	100.11	(2,990)	125.14	(17,836)	150.17	(35,671)	75.08	17,836	50.06	35,671
Suppliers – grains to be determined	(1,276)	78.00	(99,499)	97.50	(24,874)	117.00	(49,750)	58.50	24,874	39.00	49,750
	126		**98,303**		**8,467**		**16,932**		**(8,467)**		**(16,932)**

Other inventories	Qty.	Price on 3/31/2023	Current Exposure	25% increase		50% increase		25% decrease		50% decrease	
				Price	Impact	Price	Impact	Price	Impact	Price	Impact
Inventory – soybean seed **	45	594.00	26,806	742.50	6,701	891.00	13,403	445.50	(6,701)	297.00	(13,403)
Inventory – wheat seed **	341	161.00	54,959	201.25	13,732	241.50	27,463	120.75	(13,732)	80.50	(27,463)
Inventory – oil ***	6	5,200.00	31,267	6,500.00	7,817	7,800.00	15,633	3,900.00	(7,817)	2,600.00	(15,633)
Inventory – meal ***	40	2,570.00	103,115	3,212.50	25,779	3,855.00	51,558	1,927.50	(25,779)	1,285.00	(51,558)
Inventory – other seeds **	214	83.53	21,136	104.41	4,462	125.29	8,923	62.64	(4,462)	41.76	(8,923)
	646		**237,283**		**58,491**		**116,980**		**(58,491)**		**(116,980)**

(*) in thousands of bags of 60kg each.
(**) in thousands of bags of 40kg each (except for Triticale, which is a 60-kg bag).
(***) in thousand tons.

(ii) Exchange Rate Risk

The Company is exposed to exchange rate risk due to exposures to foreign currencies, basically pegged to the U.S. dollar. Management established a policy determining that the Company manages its exchange rate risk involving its functional currency. Exchange rate risk occurs when future sale transactions and assets or liabilities are recorded in a currency other than the Company's functional currency.

The Company uses derivative instruments to hedge against exchange rate variation and periodically monitors the net foreign currency exposure of its operations. The table below presents the Company's net exposure in thousands of U.S. dollar:

	Parent Company	Parent Company
Financial instrument	**3/31/2023**	**12/31/2022**
	USD	**USD**
Unrealized exchange rate	**919**	9,209
Banks	**60,226**	13,314
Investments abroad	**-**	32,713
Brokerages	**2,115**	2,969
Clients	**5,522**	21,633
Suppliers	**(5,655)**	(817)
Loans and financing	**(47,466)**	(12,404)
Net exchange variation exposure	**15,661**	66,617
Swap (Notional)	**7,263**	14,498
NDF (Notional)	**3,587**	331

The table below shows the Company's positions with the nominal and fair values of each swap and NDF instrument contracted:

	Notional value			Fair value (MTM)		
	Currency	**3/31/2023**	**12/31/2022**	**Currency**	**3/31/2023**	**12/31/2022**
Forward agreements (NDF)	USD	3,587	331		499	(16)
Swaps	USD	7,263	14,498		(845)	(2,716)
		10,850	14,829		**(346)**	(2,732)

Exchange rate risk sensitivity analysis

The sensitivity analysis presented below was determined based on the exposure to exchange rate variation at the end of each period. This scenario reflects the expectations of the Company's Management with regard to how this risk factor could impact its pre-tax profit or loss.

(In thousands of reais, except when otherwise stated)

Financial instrument	Book Balance 3/31/2023	Price on 3/31/2023 (*)	25% increase Price	25% increase Impact	50% increase Price	50% increase Impact	25% decrease Price	25% decrease Impact	50% decrease Price	50% decrease Impact
Realizable exchange rate	**4,669**	5.08	6.35	1,167	7.62	2,335	3.81	(1,167)	2.54	(2,335)
Banks	**305,971**	5.08	6.35	76,493	7.62	152,985	3.81	(76,493)	2.54	(152,985)
Brokerages	**10,745**	5.08	6.35	2,686	7.62	5,372	3.81	(2,686)	2.54	(5,372)
Clients – export markets	**28,057**	5.08	6.35	7,014	7.62	14,028	3.81	(7,014)	2.54	(14,028)
Suppliers	**(28,732)**	5.08	6.35	(7,183)	7.62	(14,366)	3.81	7,183	2.54	14,366
Loans and financing	**(241,147)**	5.08	6.35	(60,287)	7.62	(120,574)	3.81	60,287	2.54	120,574
	79,563			19,890		39,780		**(19,890)**		**(39,780)**

(*) Source: BACEN – Central Bank of Brasil.

(iii) Interest Rate Risk

The Company's main interest rate risk stems from cash equivalents, loans and related parties with variable rates, which exposes the Company to cash flow risks associated with interest rates. The variable rates to which the Company has principal exposure are the Interbank Deposit Certificates (CDI) and the Broad Consumer Price Index (IPCA).

Interest rate risk sensitivity analysis

The sensitivity analysis presented below was determined based on the exposure to interest rates for the most relevant indices at the end of each period. This scenario reflects the expectations of the Company's Management regarding how this risk factor could impact pre-tax profit or loss.

Financial assets and liabilities with interest rate (CDI) exposure

Financial instrument	Book Balance 3/31/2023	Index	25% increase Interest rate	25% increase Impact	50% increase Interest rate	50% increase Impact	25% decrease Interest rate	25% decrease Impact	50% decrease Interest rate	50% decrease Impact
Marketable securities	**427,890**	13.65%	17.06%	14,602	20.48%	29,204	10.24%	(14,602)	6.83%	(29,204)
Financial investment - funds	**329,996**	13.65%	17.06%	11,261	20.48%	22,522	10.24%	(11,261)	6.83%	(22,522)
Loans and financing	**(687,150)**	13.65%	17.06%	(23,449)	20.48%	(46,898)	10.24%	23,449	6.83%	46,898
Export credit notes	**(143,254)**	13.65%	17.06%	(4,889)	20.48%	(9,777)	10.24%	4,889	6.83%	9,777
	(72,518)			**(2,475)**		**(4,949)**		**2,475**		**4,949**

(In thousands of reais, except when otherwise stated)

Financial assets and liabilities with interest rate (IPCA) exposure

Financial instrument	Book Balance 03/31/2023	IPCA Index	25% increase		50% increase		25% decrease		50% decrease	
			Interest rate	Impact	Interest rate	Impact	Interest rate	Impact	Interest rate	Impact
IPCA-linked bonds	69,118	4.65%	5.81%	803	6.98%	1,607	3.49%	(803)	2.33%	(1,607)
Related parties	16,820	4.65%	5.81%	196	6.98%	391	3.49%	(196)	2.33%	(391)
Financing	(11,318)	4.65%	5.81%	(132)	6.98%	(263)	3.49%	132	2.33%	263
	74,620			**867**		**1,735**		**(867)**		**(1,735)**

(iii) Credit Risk

Credit risk stems from cash and cash equivalents, contractual cash flows from financial assets measured at amortized cost, at fair value through profit or loss, favorable derivative instruments, deposits in banks and other financial institutions, as well as credit exposures with clients, including outstanding accounts receivable.

Credit risk is managed based on a corporate approach. Clients are classified by the credit analysis department, which assesses the client's credit worthiness, considering its financial position, historical performance and other factors. Individual risk limits are determined based on internal or external classifications based on the limits determined by the Company. The use of credit limits is regularly monitored, and management does not expect any delinquency-related losses from these counterparties exceeding the amount already provisioned.

Trade accounts receivable

The Company adopts the simplified approach of CPC 48 (IFRS 9) to measure expected credit losses, taking into account a provision for expected losses over the useful life of all trade accounts receivable.

As such, credit losses are calculated taking into account the individual risk factor of each client past due, in addition to historical losses, and then allocates the provisions required to cover potential losses, based on Management's opinion. Accounts receivable from clients are written off when there is no reasonable expectation of recovery. The ageing of receivable balances are shown in Note 5.

Cash and cash equivalents, and financial investments

The credit risk of banks, financial investments with immediate liquidity and financial investments is managed by the Company based on its Risk Management Policy. For cash and cash equivalents and financial investments, the Company only invests with prime banks with low credit risk, based on the evaluation of credit-rating agencies.

(In thousands of reais, except when otherwise stated)

(iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter challenges in meeting the obligations associated with its financial liabilities that are settled via cash payments or other financial assets.

Management monitors the continuous projections of the Company's liquidity requirements to ensure that it holds sufficient cash to meet its operational needs. It also maintains a sufficient cushion in its overdraft credit facilities, which are available at any moment, so that it does not breach the limits or covenants (when applicable) of any of its credit lines. These projections take into account the Company's liability management plans, compliance with covenants, compliance with internal equity ratio targets and, if applicable, external or legal regulatory requirements, e.g., currency restrictions.

The Company manages liquidity risk by maintaining adequate reserves, bank credit facilities, loans and financing, continuously monitoring budgeted and actual cash flow and honoring the maturity profiles of financial assets and liabilities.

The following table analyzes the Company's non-derivative financial liabilities that are settled on a net basis, by maturity date, corresponding to the period remaining between the reporting date and the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturity dates are essential for a reasonable understanding of cash flows. The amounts shown in the table are the projected balances considering the contractual conditions of each financial liability and their contractual disbursement period.

	Parent Company			Parent Company			**Consolidated**		
	3/31/2023			12/31/2022			**3/31/2023**		
	Up to one year	**From one to five years**	**Over five years**	Up to one year	From one to five years	Over five years	**Up to one year**	**From one to five years**	**Over five years**
Suppliers	**2,066,812**	**3,238**	**-**	1,966,774	-	-	**2,066,812**	**3,238**	**-**
Loans and financing	**827,145**	**675,772**	**22,987**	714,371	580,251	25,091	**827,145**	**675,772**	**22,987**
Lease liabilities	**5,159**	**6,292**	**3,059**	4,887	6,987	3,078	**7,208**	**12,658**	**3,059**
Tax installment payments	**1,419**	**3,087**	**703**	1,396	3,306	799	**1,419**	**3,087**	**703**
Other payables	**24,925**	**-**	**-**	30,936	-	-	**29,194**	**-**	**-**
	2,925,460	**688,389**	**26,749**	2,718,364	590,544	28,968	**2,931,778**	**694,755**	**26,749**

(In thousands of reais, except when otherwise stated)

(v) Capital management

The Company conducts capital management to ensure that it is able to maintain normal operations, while simultaneously maximizing returns for shareholders by optimizing the debt/equity ratio. The Company's general strategy remains unchanged for the current period.

The Company monitors capital based on the financial leverage ratio. Such index equals net debt expressed as a percentage of total capital. Meanwhile, net debt (net cash) corresponds to total loans (including short- and long-term loans), subtracted from the amount of cash, cash equivalents and financial investments. Total capital is calculated by adding shareholders' equity, as shown in the balance sheet, and net debt.

The Company'' Management reviews the capital structure annually. As part of such review, Management considers the cost of capital and the risks associated with each class of capital.

The Company's financial leverage indicators are shown below:

	Parent Company	Parent Company	Consolidated
	3/31/2023	12/31/2022	3/31/2023
Loans and financing	**1,284,548**	1,096,070	**1,284,548**
Cash and cash equivalents	**(930,617)**	(723,915)	**(931,919)**
Marketable securities	**(159,988)**	(154,841)	**(159,988)**
Net debt / (Net cash)	**193,943**	217,314	**192,641**
Shareholders' equity	**2,873,626**	2,816,976	**2,875,775**
Sum of shareholders' equity and net cash	**3,067,569**	3,034,290	**3,068,416**
Leverage ratio	**6%**	7%	**6%**

The table below shows the division of the Company's capital structure between own capital (represented by shareholders' equity) and loan capital (corresponding to liabilities):

	Parent Company	Parent Company	Consolidated
	3/31/2023	12/31/2022	3/31/2023
Current liabilities (a)	**2,923,043**	2,720,965	**2,929,520**
Non-current liabilities (b)	**619,737**	517,432	**637,189**
Shareholders' equity I	**2,873,626**	2,816,976	**2,875,775**
Total (d)	**6,416,406**	6,055,373	**6,442,484**
Loan capital (a+b)/d)	**55.21%**	53.48%	**55.36%**
Own capital (c/d)	**44.79%**	46.52%	**44.64%**

(In thousands of reais, except when otherwise stated)

16. Revenues

The Company generates revenues mainly through the sale of agricultural inputs (seeds, fertilizers, crop protection), commodities (wheat, corn, soybean and other), biodiesel and products derived from the extraction of degummed soybean oil (soybean meal and other).

A reconciliation of gross revenues for tax purposes and revenues presented in the statement of income is shown below:

	Parent Company		Consolidated
	3/31/2023	3/31/2022	3/31/2023
Gross revenue	**1,851,420**	1,261,090	**1,851,819**
Domestic market sales	**1,508,348**	1,076,654	**1,508,348**
Export market sales	**337,948**	182,651	**337,948**
Services	**5,124**	1,785	**5,523**
Deductions	**(47,123)**	12,145	**(47,123)**
Returns	**(76,788)**	(13,050)	**(76,788)**
Taxes on sales	**(14,792)**	(8,042)	**(14,792)**
Presumed tax credit	**44,457**	33,237	**44,457**
Net operating revenue	**1,804,297**	1,273,235	**1,804,696**

17. Expenses by function and nature

	Parent Company	Parent Company	Consolidated
	3/31/2023	3/31/2022	3/31/2023
By function	**(1,698,372)**	(1,230,512)	**(1,699,870)**
Cost of goods and products sold	**(1,544,540)**	(1,115,042)	**(1,544,540)**
Selling expenses	**(139,025)**	(98,014)	**(139,027)**
Administrative expenses	**(14,605)**	(17,456)	**(16,101)**
Impairment loss of accounts receivable	**(202)**	-	**(202)**
By nature	**(1,698,372)**	(1,230,512)	**(1,699,870)**
Costs of goods sold	**(780,463)**	(589,926)	**(780,463)**
Costs of raw materials	**(756,180)**	(463,961)	**(756,180)**
Adjustment to fair value	**14,755**	(41,559)	**14,755**
Payroll	**(64,009)**	(50,228)	**(64,070)**
Freight/storage/clearance	**(48,734)**	(29,314)	**(48,734)**
Outsourced services	**(22,426)**	(16,845)	**(22,465)**
Depreciation and amortization expenses	**(9,610)**	(6,945)	**(10,521)**
Amortization of right-of-use	**(1,104)**	(1,115)	**(1,302)**
Fuel and lubricants	**(6,641)**	(5,256)	**(6,658)**
Water/electricity/phone/gas	**(6,005)**	(5,312)	**(6,005)**
Impairment loss of accounts receivable	**(202)**	-	**(202)**

(In thousands of reais, except when otherwise stated)

18. Financial result

	Parent Company		Consolidated
	3/31/2023	**3/31/2022**	**3/31/2023**
Exchange variation gain	**28,632**	48,032	**28,632**
Monetary variation gain	**43**	2	**43**
Interest and discounts obtained	**27,125**	33,599	**27,126**
Hedge operation gains	**5,387**	-	**5,387**
Gain from exchange rate swaps	**1,609**	-	**1,609**
(-) PIS/COFINS levied on financial income	**(1,258)**	(1,556)	**(1,258)**
NDF transactions – Financial income	**736**	-	**736**
Financial income	**62,274**	80,077	**62,275**
Exchange variation loss	**(27,762)**	(28,246)	**(27,762)**
Monetary variation loss	**(50)**	-	**(50)**
Interest on loans and financing	**(32,550)**	(18,842)	**(32,550)**
Interest, tariffs and discounts	**(2,691)**	(5,202)	**(2,799)**
Expenses with exchange rate swap	**(5,493)**	(22,023)	**(5,493)**
Losses from hedge transactions	**(9,822)**	-	**(9,822)**
NDF transactions – Financial expense	**(254)**	-	**(254)**
Financial expenses	**(78,622)**	(74,313)	**(78,730)**
Net financial result	**(16,348)**	5,764	**(16,455)**

19. Tax installment payments

The balance of tax installment payments is basically related to outstanding ICMS and PIS/COFINS taxes paid in installments to tax authorities. The outstanding balances will be amortized in 44 and 94 installments, respectively.

	Parent Company and Consolidated	Parent Company
	3/31/2023	**12/31/2022**
ICMS installments	**2,589**	2,785
PIS/COFINS installments	**2,620**	2,716
	5,209	5,501
Current	**1,419**	1,396
Non-current	**3,790**	4,105

(In thousands of reais, except when otherwise stated)

20. Income tax and social contribution

A breakdown of expenses with income tax and social contribution, for the periods ended March 31, 2023 and 2022, is shown below:

	Parent Company		Consolidated	
Current income tax and social contribution:	**3/31/2023**	**3/31/2022**	**3/31/2023**	**3/31/2022**
Expenses with current income tax and social contribution	-	(13,109)	**(38)**	(13,109)
Deferred income tax and social contribution:				
Related to the accrual and reversal of temporary differences and tax losses	**9,170**	17,627	**9,170**	17,627
Result of income tax and social contribution presented in the statement of income	**9,170**	4,518	**9,132**	4,518

A reconciliation of tax expenses and the result of the multiplication of book net income before taxes by the local tax rate in the periods ended March 31, 2023 and 2022 is shown below:

	Parent Company		Consolidated	
	3/31/2023	**3/31/2022**	**3/31/2023**	**3/31/2022**
Earnings before income taxes	**95,403**	52,264	**94,207**	52,264
Effective tax rate	**34%**	34%	**34%**	34%
Expected income tax and social contribution expenses based on current rate	**(32,437)**	(17,770)	**(32,030)**	(17,770)
Reconciliation of effective tax rate:				
Subsidy for investments (Note 25)	**40,927**	23,265	**40,927**	23,265
Taxes on undue tax payment – SELIC proceeding	**1,355**	-	**1,355**	-
Stock options	**(675)**	(932)	**(675)**	(932)
Other	**-**	(45)	**-**	(45)
Effect of subsidiaries taxed under Presumed Profit regime	**-**	-	**(445)**	-
Income tax and social contribution on net income for the period	**9,170**	4,518	**9,132**	4,518
Effective rate	**9.61%**	8.64%	**9.69%**	8.64%

Deferred income tax and social contribution at March 31, 2023 and December 31, 2022 refer to:

(In thousands of reais, except when otherwise stated)

	Parent Company and Consolidated	
	3/31/2023	**12/31/2022**
Provision for litigation	**2,182**	2,154
Provision for expected losses from trade accounts receivable	**2,492**	2,423
Fair value adjustment of derivative instruments	**218,947**	236,743
Fair value adjustment of inventories	**(151,737)**	(163,969)
Difference in depreciation rates	**(21,991)**	(20,706)
Property, plant and equipment asse–s - deemed cost	**(2,742)**	(2,742)
Other temporary differences	**(4,548)**	(4,850)
Tax loss carryforward and negative social contribution base	**89,761**	74,141
Deferred taxes, net	**132,364**	123,194

Changes in the deferred tax assets and liabilities of the parent company and consolidated are shown below:

			Balance at March 31, 2023		
	Net balance on 12/31/2022	**Recognized in profit or loss**	**Net value**	**Deferred tax assets**	**Deferred tax liabilities**
Provision for litigation	2,154	**28**	**2,182**	**2,182**	**-**
Provision for expected losses from trade accounts receivable	2,423	**69**	**2,492**	**2,492**	**-**
Fair value adjustment of derivative instruments	236,743	**(17,796)**	**218,947**	**218,947**	**-**
Fair value adjustment of inventories	(163,969)	**12,232**	**(151,737)**	**-**	**(151,737)**
Differences in depreciation rates	(20,706)	**(1,285)**	**(21,991)**	**-**	**(21,991)**
Property, plant and equipment – deemed cost	(2,742)	**-**	**(2,742)**	**-**	**(2,742)**
Other temporary differences	(4,850)	**302**	**(4,548)**	**-**	**(4,548)**
Tax loss carryforward and negative social contribution base	74,141	**15,620**	**89,761**	**89,761**	**-**
Asset (liability) taxes before offset	123,194	**9,170**	**132,364**	**313,382**	**(181,018)**
Tax offset	-	**-**	**-**	**-**	**-**
Net asset (liability) tax	123,194	**9,170**	**132,364**	**313,382**	**(181,018)**

(In thousands of reais, except when otherwise stated)

	Net balance on 12/31/2022	Recognized in profit or loss	Balance at March 31, 2022		
			Net value	Deferred tax assets	Deferred tax liabilities
Provision for litigation	784	(7)	777	777	-
Provision for expected losses from trade accounts receivable	2,212	(109)	2,103	2,103	-
Fair value adjustment of derivative instruments	216,101	(33,934)	182,167	182,167	-
Fair value adjustment of inventories	(161,104)	52,139	(108,965)	-	(108,965)
Differences in depreciation rates	(16,695)	(766)	(17,461)	-	(17,461)
Property, plant and equipment – deemed cost	(2,742)	-	(2,742)	-	(2,742)
Other temporary differences	(1,597)	304	(1,293)	-	(1,293)
Tax loss carryforward and negative social contribution base	55,228	-	51,324	51,324	-
Asset (liability) taxes before offset	92,187	17,627	105,910	236,371	(130,461)
Tax offset	-	-	-	-	-
Net asset (liability) tax	92,187	17,627	105,910	236,371	(130,461)

The recoverability of the balance of deferred tax assets is reviewed at the end of each period, and when it no longer is possible to generate the future taxable income for recovering the entire asset or part of it, it is written off. The estimates of the realization of deferred taxes involves the uncertainties of other estimates.

The realization of deferred assets on temporary differences occurs as temporary differences are realized depending on the nature of each balance. The highest temporary difference registered refers to the fair value adjustment of commodities, which is realized in assets as the inventory is transformed and sold and in liabilities as prices are determined.

In the fiscal year ended December 31, 2022, the Company recorded in its calculation the effect of the deferred ICMS subsidy, which generated a negative tax calculation base in the 12-month period ended December 31, 2022. Therefore, the Company recognized a deferred asset on tax loss for 2022, based on expected future taxable income.

On March 31, 2023, we revised the expected realization of the deferred asset recognized on income tax loss and the negative social contribution base according to the expected growth of the Company in the coming years. The remaining amount of R$89,761, booked as deferred tax on March 31, 2023, is expected to be offset with future taxable income, as per the Company's projections, in the following periods:

Up to one year	9,299
From one and five years	51,099
Over five years	29,363
Total	**89,761**

On September 24, 2021, the Federal Supreme Court (STF) recognized, by a majority vote, the unconstitutionality of levying income tax and social contribution on amounts connected to the

(In thousands of reais, except when otherwise stated)

SELIC rate received due to undue double taxation. The decision on the Extraordinary Appeal (RE) 1.063.187, with recognized general repercussions, addressed the understanding that interest on arrears and monetary correction, given its compensatory nature, does not constitute an equity increase, since its only purpoIe is to restore the monetary losses experienced during the period of discussion of undue taxation.

The Company has a similar lawsuit, filed in October 2020, and in the opinion of the Company's Management, the credit of income and social contribution taxes adjusted by the SELIC rate in previous fiscal years is probable and, accordingly, recognized based on the provisions of IFRIC 23/ICPC 22 the amount of R$6,508 in 2021. In 2022, the decision rendered on such lawsuit became final and unappealable, with the registration of an additional R$7,017 pertaining to the Selic rate in 2022. The Company then considered such amount as an exclusion from the income tax calculation base.

21. Provision for legal claims

The Management, based on the information of its legal counsel, holds provisions deemed sufficient to cover probable losses in pending lawsuits, classified under non-current liabilities, as shown below:

	Parent Company and Consolidated	**Parent Company**
	3/31/2023	**12/31/2022**
Labor provisions	**6,317**	**6,303**
Civil provisions	**87**	**33**
Tax provisions	**-**	**-**
Total	**6,404**	**6,336**

Changes in the provision for litigation and judicial deposits are shown below:

(In thousands of reais, except when otherwise stated)

	Provisions
Balance at December 31, 2021	2,307
Reversals made during the year	(23)
Provisions made during the year	4,052
Balance at December 31, 2022	6,336
Reversals made during the year	**-**
Provisions made during the year	**68**
Balance at March 31, 2023	**6,404**

	Judicial deposits
Balance at December 31, 2021	214
Deposits made (reversed) and inflation adjustments	(93)
Balance at December 31, 2022	121
Deposits made (reversed) and inflation adjustments	**51**
Balance at March 31, 2023	**172**

In addition, the Company was informed by its lawyers of the existence of labor claims with probability of loss deemed “possible,” assessed at R$7,050 at March 31, 2023 (R$6,239 at December 31, 2022).

22. Related parties

Sale of investment

In November 2014, the Company sold its equity interest of 25% in 4 Ventos Agroindustrial S.A. to its parent company Sinuelo Participações Ltda., for R$40,000. The transaction was carried out on an arm’s length basis. The installments will be paid in 10 years, with annual inflation adjustment by the IPCA index. The outstanding balance at the end of reporting periods is presented based on the adjusted amount and classified in accordance with the due date.

The balance receivable at March 31, 2023 for this operation is R$16,820 (R$16,490 at December 31, 2022). The effect from the adjustment for IPCA inflation in the last three months on the result is R$330 (R$588 at March 31, 2022).

Other transactions

On September 1, 2021, the Company entered into an agreement for active people management consulting with a company controlled by a member of the Board of Directors, with monthly installments of R$20 payable until February 2022. The agreement was renewed for nine months as from March 2022, under the same conditions of the original agreement, effective for one year, but was terminated in 2022.

On November 30, 2021, the Company entered into a legal consulting agreement with a company controlled by a member of the Board of Directors, with monthly installments of R$20 for an indefinite term.

(In thousands of reais, except when otherwise stated)

Transactions involving core activities

The Company conducts operations to sell inputs and buy grains in the normal course of business, which are carried out on an arm's length basis, with the related parties João Osório Dumoncel and Luiz Osório Dumoncel – Parceria Agrícola Dumoncel (shareholders) and Tentos Promotora de Vendas. These transactions are carried out under conditions and deadlines similar to those of transactions with third parties, with amounts payable in approximately 30 to 90 days, and should be realized in the next fiscal year.

	Balance Sheet					
	Parent Company		Parent Company		Consolidated	
	3/31/2023		12/31/2022		3/31/2023	
	Current assets	Current liabilities	Current assets	Current liabilities	Current assets	Current liabilities
Parceria Agrícola Dumoncel (*)	**174,068**	**57,190**	133,586	11,728	**174,068**	**57,190**
Sinuelo Participações Ltda (**)	**16,820**	**-**	16,490	-	**16,820**	**-**
Tentos Promotora de Vendas	**-**	**-**	-	-	**544**	**-**
Total	**190,888**	**57,190**	150,076	11,728	**191,432**	**57,190**

(*) Active balances classified under trade accounts receivable.
(**) Asset balances classified under Accounts receivable from third parties in the balance sheet.

	Statement of income					
	Parent Company		Parent Company		Consolidated	
	3/31/2023		3/31/2022		3/31/2023	
	Sales and Services	Purchases	Sales and Services	Purchases	Sales and Services	Purchases
Parceria Agrícola Dumoncel	45,601	2,871	89,888	-	**45,601**	**2,871**
Tentos Promotora de Vendas Ltda.	-	-	-	-	**544**	**-**
Total	**45,601**	**2,871**	89,888	-	**46,145**	**2,871**

Manager compensation

At March 31, 2023, R$6,109 was registered as compensation and charges related to the Company's managers (R$6,090 at March 31, 2022), as well as the expense of R$1,985 referring to the stock options granted to the managers (R$2,741 at March 31, 2022).

In the Extraordinary Shareholders Meeting held on February 19, 2021, the Company's shareholders approved a stock option plan limited to ten million shares (10,000,000), representing dilution of up to 2.5% of the Company's capital, per Note 26. In the Extraordinary Shareholders Meeting held on September 4, 2021, the overall annual compensation for fiscal year 2021 was changed to the maximum amount of R$120 for the members of the Advisory Committees. In the Extraordinary Shareholders Meeting held on April 27, 2022, the overall annual compensation for the managers of the Company for fiscal year 2022 was changed to the maximum amount of R$21,863.

(In thousands of reais, except when otherwise stated)

23. Shareholders' equity

Capital stock

The authorized capital of the Company is limited to five billion reais (R$5,000,000), irrespective of any amendment to the Bylaws. Within the limits authorized by the Bylaws and upon deliberation of the Board of Directors, the capital may be increased irrespective of any amendment to the Bylaws. The Board of Directors will establish the conditions for issue, including the price and term for payment.

On January 31, 2022, the Board of Directors approved a capital increase through a primary public offering consisting of the distribution of 500,000 shares in the amount of four million, eight hundred thousand reais (R$4,800,000), in accordance with CVM Instruction 400.

On March 24, 2022, the Board of Directors approved a capital increase in the Company, in the amount of R$3,088, through the issue of 1,600,000 new registered common shares subscribed and paid-in by the manager and employees of the Company participating in the First Stock Option Plan of the Company, as a result of the exercise of common stock options issued by the Company.

On December 23, 2022, the Board of Directors approved a capital increase in the Company, in the amount of R$1,600, through the issue of 800,000 new registered common shares without par value, subscribed and paid-in by a participant of the First Stock Option Plan of the Company, as a result of the exercise of common stock options issued by the Company.

On March 20, 2023, the Board of Directors approved a capital increase in the Company, in the amount of R$3,158, through the issue of 1,280,000 new registered common shares without par value, subscribed and paid-in by a participant of the First Stock Option Plan of the Company, as a result of the exercise of common stock options issued by the Company.

On March 31, 2023, the capital stock of the Company was one billion, five hundred sixty-five million, five hundred eighty-seven reais (R$1,565,587), divided into 498,298,000 common shares, and on December 31, 2022, the capital stock was one billion, five hundred sixty-two million, four hundred twenty-nine reais (R$1,562,429), divided into 497,018,000 common shares.

Changes in the capital stock and paid-in shares are presented below.

	R$ thousand	No. shares
December 31, 2021	1,552,941	494,118
BoD Meeting Jan.–31 - Capital increase	4,800	500
BoD Meeting Mar. 24 – Capital increase	3,088	1,600
BoD Meeting Dec.–23 - Capital increase	1,600	800
December 31, 2022	1,562,429	497,018
BoD Meeting Dec.–23 - Capital increase	**3,158**	**1,280**
March 31, 2023	**1,565,587**	**498,298**

(In thousands of reais, except when otherwise stated)

In connection with its IPO carried out in the third quarter of 2021, the Company incurred transaction costs with the issue of shares in the amount of R$70,801 (R$46,729, net of tax effects), which was recorded as a corresponding entry to sharehol’ers' equity, in the line capital stock, in accordance with CPC 08 (R1) (IAS 32). On January 22, 2022, the Company carried out a primary public offering in accordance with CVM Instruction 400. The new offering incurred transaction costs with the issue of shares in the amount of R$298 (R$196, net of tax effects), which were registered as a corresponding entry to profit or loss. The table below shows the breakdown of the Company’s capital stock:

	Parent Company	Parent Company
	3/31/2023	**12/31/2022**
Capital stock	**1,565,587**	1,562,429
(-) Share issue costs	**(71,099)**	(71,099)
Tax effect on share issue costs	**24,174**	24,174
Total	**1,518,662**	1,515,504

Equity valuation adjustments

Refers to adjustments due to adoption of the cost attributed to property, plant and equipment on the transition date, net of the respective deferred taxes, amounting to R$2,715 at March 31, 2023 (R$2,952 at December 31, 2022).

Capital reserve

The capital reserve was established due to the implementation of the Company’s stock option plan, as per Note 26, with the amount of R$27,071 recorded at March 31, 2023 (R$25,086 at December 31, 2022.

Profit reserve

Reserve for tax incentives

The reserves for tax incentive are classified by origin:

(i) Presumed ICMS Credit

Refers to the tax incentive for presumed ICMS tax credits provided for in Decree 37,699/97, as described in Note 25. On May 18, 2021, the petition for writ of mandamus that recognized the special tax regime for other tax benefits enjoyed by the Company became final and unappealable. The decision is based on the grounds that the levy of federal tax on ICMS tax benefit would be a violation of the federative principle (article 150, VI, “a” of the Federal Constitution), i.e., the court recognized permanently that no tax levy must be imposed on these incentives.

On December 31, 2022, the Company reversed such reserve based on the court decision that ensures no tax should be levied on incentives permanently. Therefore, no reserve is required for such purpose.

(ii) Exemption and reduction of ICMS tax base

Refers to the tax incentives involving exemptions and reductions in the ICMS tax base in accordance with ICMS agreements 100, of 1997, and 52, of 1991, described in Note 25, which are classified as subsidy for investments, with allocations in compliance with article 195-A of Brazilian Corporation Law and article 30 of Federal Law 12,973/14 Allocations to this reserve are subject to the limit of accumulated profits reported for the fiscal year. The reserve can only be used for: i) the absorption of losses, provided that all other Profit Reserves already have been fully absorbed, except for the Legal Reserve; or ii) a capital increase.

(ii) In the period ended March 31, 2023, the Company allocated funds to the reserve for tax incentives involving exemptions and reductions in the ICMS tax base, in the total amount of R$45,353. On December 31, 2022, the Company has a reserve of R$341,286 (R$333,691, net of effects from realization of dividends), of which R$154,351 came from reversal of the ICMS presumed credit reserve and R$186,935 from the result for fiscal year 20ii) Deferral of ICMS tax

Refers to tax incentives related to the deferral of ICMS resulting from meal and fertilizer operations. In case of meal, ICMS is waived upon the inflow of soybean (raw material for meal) with deferral pursuant to article 3, Book III, Title I, item I, of RICMS/RS, classified as subsidy for investment in accordance with article 30 of Law 12,973/14. The amount is proportionally calculated on sales of the byproduct meal (subsequent operation) intended for export (operation entitled to maintenance of credit), per the monthly statement of purchases, processing and sales. In case of fertilizers, ICMS is waived upon the inflow of the product with deferral pursuant to article 3, Book III, Title I, item I, of RICMS/RS, and is recognized upon the sale of goods/products, observing the principle of comparison of revenues with costs, classified as subsidy for investment in accordance with article 30 of Law 12,973/14. This reserve is established in accordance with the limit of the book profit accrued in the fiscal year and can only be used for: i) absorbing losses, provided that other Profit Reserves (except the Legal Reserve) have already been fully absorbed; or ii) capital increase.

In the period ended March 31, 2023, the Company established a tax incentive reserve related to the ICMS deferral benefit in the amount of R$59,457.

Legal reserve

The legal reserve is accrued annually at the ratio of 5% of net income assessed for each fiscal year, reducing the portion referring to the subsidy for investments, pursuant to article 193 of Federal law 6,404/76, up to limit of 20% of the capital stock.

At December 31, 2022, the Company reversed a portion of the tax incentive reserve in connection with the ICMS presumed credit reserve. Given the nature of such incentive, no such a reserve is applicable. Therefore, R$4,768 was allocated to cover the legal reserve of previous years.

For 2022, R$4,643 was accrued to the legal reserve, based on the remaining net income after accrual of the tax incentive reserves. At March 31, 2023 and December 31, 2022, the legal reserve balance was R$12,456.

Investment reserve

The purpose of the investment reserve is to fund expansion of the activities of the Company and/or its subsidiaries and affiliate companies, including via subscription to capital increases or creation of new projects. Such reserve complies with the limits established in the Bylaws of the Company.

For 2022, R$26,216 was accrued to the investment reserve, based on the remaining net income after accrual of the tax incentive reserves, legal reserve, minimum mandatory dividends and proposed additional dividends.

Dividends

On April 27, 2022, in its Annual and Extraordinary Shareholders Meeting, the Company approved the payment of dividends for the allocation of net income for the fiscal year ended December 31, 2021. The payment was based on the balance of the Company's tax incentive reserve, of which R$21,515 was be allocated to the distribution of dividends, composed of the interim dividend, already paid in September 2021, in the total net amount of R$13,921, and additional dividend paid on May 10, 2022, in the amount of R$7,595. As established in article 30, paragraph 2 of Federal Law 12,973/14, it is a practice of the Company to pay income tax and social contribution on the amounts in the calculation base of the dividends distributed against reserve for tax incentives.

Under the Bylaws, the minimum mandatory dividend corresponds to 5% of net income for the fiscal year, after making the legally mandated allocations to the reserves. On December 31, 2022, the amount allocated to the minimum mandatory dividend was R$4,173. In addition, the Company proposed the allocation of an additional dividend of R$53,066, which was subject to approval by the Annual Shareholders Meeting held on April 26, 2023.

24. Earnings per share

In accordance with CPC 41 – Earnings per share (IAS 33), the table below presents the reconciliation of net income for the period with the amounts used to calculate basic and diluted earnings per share.

The Company has a category of potentially dilutive common shares related to our stock option plans. For these stock option plans, a calculation is made to determine the number of shares that could have been acquired at fair value, based on the monetary value of the subscription rights linked to the stock option plans.

The number of shares calculated, as described above, is compared to the number of shares issued, assuming the period of the stock option plans.

	Parent Company		Consolidated	
	3/31/2023	**3/31/2022**	**3/31/2023**	**3/31/2022**
Net income for the period	**104,573**	56,782	**103,339**	56.782
Weighted average number of common shares issued (in thousands)	**497,188**	494,588	**497,188**	494,588
Weighted average number of common shares considering dilutive effects	**501,773**	501,080	**501,773**	501,080
Basic earnings per share (R$)	**0.2103**	0.1148	**0.2078**	0.1148
Diluted earnings per share (R$)	**0.2084**	0.1133	**0.2059**	0.1133

25. Government subsidies

The government subsidies received by the Company correspond to: *(i)* state ICMS tax incentives (presumed credit, exemptions, reduction in calculation base and deferral); and *(ii)* federal PIS and COFINS tax incentives (presumed credits).

State tax incentives reduce the taxable income in the calculation of income tax and social contribution, provided certain conditions established in the tax legislation are met, including whether the amounts related to subsidies in tax incentive reserves must be maintained or not. Specifically for tax incentives involving exemption, reduction in calculation base and deferral of ICMS, while excluding calculation of income tax and social contribution, the Company accrues a tax incentive reserve in the same amount.

The table below details the tax incentives recognized in the result of the three-month period of 2023 and 2022:

	Parent Company and Consolidated	Parent Company
Incentives	**3/31/2023**	**3/31/2022**
ICMS presumed credit on meal and biodiesel	**19,184**	16,647
ICMS exemption and reduction of calculation base for Ag Inputs	**54,821**	51,778
ICMS tax deferral on meal and fertilizers	**59,457**	-
Total state tax incentives	**133,462**	68,425
Effect of exclusion on income tax/social contribution – 34% (Note 20)	**45,377**	23,265
PIS/COFINS presumed credit on soybean processing	**25,273**	16,590
Total federal tax incentives	**25,273**	16,590
Total	**158,735**	85,015

State tax incentives

Presumed ICMS tax credit

The Company assesses presumed ICMS tax credits, pursuant to Decree 37,699/97, from the State Government of Rio Grande do Sul, which are calculated based on 57% of the tax levied on sales of biodiesel, provided that the crushed soybean originated in the state. The amounts calculated as tax incentive are recorded in the line ICMS payable as a corresponding entry to net income, in the line sales taxes.

On May 18, 2021, the Company received a final and unappealable judgement granting its action for a Writ of Mandamus which claimed that amounts related to presumed ICMS tax credits are not part of the calculation base of income tax (IRPJ) and social contribution (CSLL), based on the grounds that the levy of federal tax on ICMS tax incentives violates the federative principle, in the amount of R$43,649, related to the period from 2014 to 2017. Furthermore, said judgment also recognized the right to administrative compensation or refund of the amount assessed, respecting the five-year limitation, with amounts adjusted by the SELIC rate for the periods in which Company recorded net income that was taxed under this type of benefit. For periods in which the Company recorded a net loss, the amount recognized was recognized an increase in the amount of net loss

In the periods ended on March 31, 2023 and 2022, the total amount related to this incentive recorded in the Company's profit and loss was R$19,184 and R$16,647, respectively.

Exemption and reduction of ICMS calculation base

The government subsidies received by the Company corresponding to exemptions and reductions to the ICMS tax calculation base are provided for in ICMS agreements 100, of 1997, and 52, of 1991, supported by Supplementary Law 160/2017, which consider that tax incentives related to exemptions and reductions in the calculation base of ICMS tax are subsidies for investments, subject to the requirements of registration and deposit with the National Tax Policy Board (CONFAZ), which were duly fulfilled by the Company.

In 2020, the Company rectified its ancillary obligations related to fiscal years 2015 through 2019 to reflect the effects of government subsidies arising from the exemption and reduction of the ICMS tax calculation base on the assessment of income tax and social contribution, recognizing the amount of R$110,382 in overpayments of income tax and social contribution credits, of which R$101,120 refer to the principal and R$9,261 to the interest and inflation adjustment. The amounts are presented in the line recoverable taxes and contributions and were recorded in the respective fiscal year.

At March 31, 2023, the total amount assessed for such incentive and recorded in the Company's profit and loss was R$54,821 (R$51,778 at March 31, 2022).

ICMS tax deferral

The government subsidies received by the Company correspond to ICMS tax deferral on meal and fertilizer operations. In case of meal (deferred ICMS for soybean), pursuant to article 3 of Book III, Title I, item I of ICMS Regulation (RICMS/RS), payment of prior ICMS related to deferred raw materials is not required upon export of meal, classified as subsidy for investments pursuant to article 30 of Law 12,973/14. The amount is proportionally calculated on sales of the byproduct meal (subsequent operation) intended for export (operation entitled to maintenance of credit), per the monthly statement of purchases, processing and sales. For fertilizers, Decree 56,227 of December 7, 2021, in force since January 1, 2022, changed ICMS exemption to ICMS deferral, waiving the payment of prior ICMS on the outflow of goods, pursuant to article 3, Book III, Title I, of RICMS/RS, recognized upon the sale of goods/products, observing the principle of comparison of revenues with costs, classified as subsidy for investment in accordance with article 30 of Law 12,973/14.

On March 31, 2023, the total amount calculated for the incentive and booked in profit or loss was R$59,457.

Federal tax incentive

Presumed PIS and COFINS tax credits

The Company assesses presumed PIS and COFINS tax credits, in accordance with Federal Law 12,865, of October 10, 2013, that are available to companies that process soybean, which are calculated based on the sales revenue from each product. Presumed PIS and COFINS tax credits are classified as subsidy for funding.

The amounts assessed as incentives are recorded in the line PIS and COFINS recoverable as a corresponding entry to profit and loss, in the line sales taxes.

At March 31, 2023, the total amount related to this incentive recorded in the Company's profit and loss was R$25,273 (R$16,590 at March 31, 2022).

26. Share-based payments

At the Extraordinary Shareholders Meeting held on February 19, 2021, the Company's shareholders approved a stock option plan limited to ten million shares (10,000,000), representing potential dilution of up to 2.5% of the Company's capital stock. The dilution corresponds to the percentage represented by the number of shares underlying the options divided by the total number of shares issued by the Company.

The "First Program of the Stock Option Plan" was approved by the Board of Directors, with the granting of eight million (8,000,000) stock options. The beneficiaries may exercise their options within five years as from the date of the respective grant, i.e., March 3, 2021. The vesting period is one year, with annual releases of 20% as from the first anniversary. The Company has a period of 30 days to issue the shares, as from the date it receives the form for exercising stock options. The strike price of the first program was set at R$1.75, while the average fair value of options granted was calculated at R$4.39.

The “Second Program of the Stock Option Plan” was approved by the Board of Directors, with one million and fifty thousand (1,050,000) stock options granted. The beneficiaries may exercise their options within up to four years as from the date of the respective grant, i.e., March 7, 2022. The vesting period is two years, with releases of 40% after the vesting period and of the other 60% after four years. The Company has 30 days to issue the shares as from the delivery date of the stock option exercise form. The strike price of the second program was set at R$7.52, while the average fair value of the options granted was calculated at R$5.97. The strike price of stock options corresponds to the weighted average price of the Company’s shares in the 60 trading sessions prior to the date of the granting of options to participants, net of the 20% deduction per option.

The “Third Program of the Stock Option Plan” was approved by the Board of Directors, with two hundred forty thousand (240,000) stock options granted. The beneficiaries may exercise their options within up to four years as from the date of the respective grant, i.e., October 27, 2022, retroactively to March 03, 2022. The vesting period is one year, with gradual releases along the durations of the plan. The Company has 30 days to issue the shares as from the delivery date of the stock option exercise form. The strike price of the third program was set at R$8.87, while the average fair value of the options granted was calculated at R$4.51. The strike price of stock options corresponds to the weighted average price of the Company’s shares in the 60 trading sessions prior to the date of the granting of options to participants, net of the 20% deduction per option.

The Company recognizes the cost with the stock option plans based on the fair value of the options granted, considering the fair value on the date of the grant. The model used for determining the fair value of the options is the Binomial.

One of the assumptions of this model is estimation of the fair value of the underlying common shares of the Company on the grant date. Other assumptions include estimating the expected volatility in the share price, the expected period of the option, the risk-free interest rate over the expected period of the option, the exercise price and expectations with regard to dividends.

When options were granted under the first program, the Company did not have historical data for the market prices of our common shares because our shares were not publicly traded. Therefore, with the support of advisors specializing in valuation, a fair value was determined for the underlying common shares based on an economic-financial valuation of the Company adopting an income-based approach using the Discounted Cash Flow method. An income-based approach involves applying an adequate discount rate that is adjusted to reflect the risks of projected cash flows based on the capital structure and on projected revenue and costs. We used observable data for a group of comparable companies to support the development of our volatility assumption.

When options were granted under the second program, the Company adopted criteria for calculating the fair value of options. Said criteria were the price of the Company’s shares (which currently are publicly traded) on the grant date, the strike price, the vesting periods and dividend yield defined in contract, the risk-free interest rate (Future DI) and the projected rate for adjustment of the strike price (IPCA index) set by the market. The volatility was based on the historical share price of a peer group, since historical data for the Company’s share price is still small.

(In thousands of reais, except when otherwise stated)

If factors and assumptions change, the future cost of the stock option plans could differ significantly from the one currently registered. Higher volatility and longer periods than those expected result in higher expenses with the stock option plan than that determined on the grant date.

The stock option expenses recognized in the profit or loss for the period ended March 31, 2023 was R$1,985 (R$2,741 at March 31, 2022). The amount recognized in shareholders' equity on March 31, 2023 amounted to R$27,071 (R$25,086 at December 31, 2022).

The table below presents information on the model used for each program in force on March 31, 2023:

	First Stock Option Plan	Second Stock Option Plan	Third Stock Option Plan
Number of stock options granted	8,000,000	1,050,000	240,000
Grant date	3/3/2021	3/7/2022	3/3/2022
Weighted average fair value on the assessment date (R$)	4.39	5.97	4.51
Dividend yield (%)	1.15%	1.15%	1.15%
Average volatility expected (%)	36.76%	34.83%	33.62%
Average risk-free rate of return (%)			
1st anniversary	4.20%	12.38%	12.80%
2nd anniversary	6.06%	12.11%	12.05%
3rd anniversary	6.98%	-	11.63%
4th anniversary	7.51%	-	11.49%
5th anniversary	7.71%	-	-
Expected life of shares (years)			
1st anniversary	1	2	1
2nd anniversary	2	4	2
3rd anniversary	3	-	3
4th anniversary	4	-	4
5th anniversary	5	-	-
Exercise price of options (R$)	1.75	7.52	8.87
Weighted average share price (R$)	6.13	11.11	11.00

The vesting periods as of the grant date are as follows:

Vesting periods as of grant	% of options released for exercise	Maximum number of shares
As from 3/3/2024	18%	1,700
As from 3/3/2025	13%	1,240
As from 3/3/2026	20%	1,870

In the three-month period ended March 31, 2023, stock options were exercised.

(In thousands of reais, except when otherwise stated)

On March 24, 2022, options were exercised for 1,600,000 common shares without par value, subscribed and paid-in by the managers and employees of the Company participating in the Company's "First Program of the Stock Option Plan." The exercise of such options resulted in a capital increase of R$3,088, within the Company's authorized capital limit. The share price set for the operation was R$1.93.

On December 23, 2022, options were exercised for 800,000 common shares without par value, subscribed and paid-in by a Company employee participating in the First Stock Option Plan. The exercise of such options resulted in a capital increase of R$1,600, within the Company's authorized capital limit. The share price set for the operation was R$2.

On March 20, 2023, options were exercised for 1,280,000 common shares without par value, subscribed and paid-in by managers and employees of the Company participating in the First and Third Stock Option Plans. The exercise of such options resulted in a capital increase of R$3,158, within the Company's authorized capital limit. The share price set for the operation was R$2.04 and R$6.87, respectively.

The effects of the exercise of such stock options on shareholders' equity are detailed in Note 23.

The changes in options granted in the 2022 and 2023 programs are presented below:

		Number of Shares				
Plan	**Year of Grant**	**Balance on 12/31/2022**	**Granted**	**Exercised**	**Cancelled**	**Balance on 3/31/2023**
First Program	2021	4,800	-	(1,200)	-	3,600
Second Program	2022	1,050	-	-	-	1,050
Third Program	2022	240	-	(80)	-	160
		6,090	**-**	**(1,280)**	**-**	**4,810**

(In thousands of reais, except when otherwise stated)

The number and weighted average strike price of the exercise of stock options under the stock option program are shown below:

	Weighted average strike price	Number of options	Weighted average strike price	Number of options
	3/31/2023	**3/31/2023**	**12/31/2022**	**12/31/2022**
Outstanding on January 1	R$ 3.03	8,000	R$ 1.75	8,000
Granted in period	R$ -	-	R$ 7.77	1,290
Exercised in period	R$ 2.20	(1,280)	R$ 1.75	(2,400)
Cancelled in period	R$ -	-	R$ 1.75	(800)
Outstanding	R$ 3.25	6,720	R$ 3.03	6,090
Exercisable	R$ -	-	R$ -	-

On March 31, 2023, the outstanding stock options had a strike price in the range from R$1.75 to R$8.87.

27. Segment information

Information referring to the results of each segment is presented below. Performance is assessed based on the result of the segment down to gross profit, as Management uses such information for assessing the results of the respective segments for comparability with other entities that operate in the same industries. Also, such information is that received and used by the party that takes the main operational decisions at the Company. The assets and liabilities of the Company are managed jointly for all segments and are not assessed separately by segment by the Management.

The operational segments presented below are organized in accordance with the internal reports of the segments:

(i) Agricultural inputs: the marketing of fertilizers, plant-protection products, foliar fertilizers and soybean, corn and wheat seeds. The result of this segment is determined by the revenue from sales of these products, measured as of the moment the Company transfers to the client control of the products sold.

(ii) Soybean, corn and wheat grains: operations involving the physical receipt, standardization and trading of grain acquired from third parties, as well as grain originating from operations involving rural producer certificates (CPR). The result of this segment is determined by the revenue from operations to buy and sell agricultural commodities, including the variation in financial instruments linked to the trading of these commodities, as well as in the related nonmonetary assets.

(iii) Industry: operations involving the processing of soybean to produce meal and biodiesel.

Based on its understanding, the Company segments its operations into agricultural inputs, grains and industry:

(In thousands of reais, except when otherwise stated)

	Parent Company		Consolidated
	3/31/2023	3/31/2022	3/31/2023
Net operating revenue			
Inputs	**444,069**	373,790	**444,069**
Grains	**459,681**	328,730	**460,080**
Industry	**900,547**	570,715	**900,547**
	1,804,297	1,273,235	**1,804,696**
Cost of goods and products sold			
Inputs	**(365,203)**	(295,470)	**(365,203)**
Grains	**(408,450)**	(292,076)	**(408,450)**
Industry	**(785,642)**	(485,937)	**(785,642)**
	(1,559,295)	(1,073,483)	**(1,559,295)**
Gross profit before fair value adjustment			
Inputs	**78,866**	78,320	**78,866**
Grains	**51,231**	36,654	**51,630**
Industry	**114,905**	84,778	**114,905**
	245,002	199,752	**245,401**
Fair value adjustment	**14,755**	(41,559)	**14,755**
Gross profit	**259,757**	158,193	**260,156**

Revenue by client

A breakdown of the revenue received from key clients follows:

	Parent Company and Consolidated	
	3/31/2023	
Client	**Product**	**% Net revenue**
Client 1	Industry	9.01%
Client 2	Industry	7.42%
Client 3	Industry	5.41%
Client 4	Grains	4.37%
Client 5	Grains	3.79%
Client 6	Grains	3.17%

	Parent Company	
	3/31/2022	
Client	**Product**	**% Net revenue**
Client 1	Industry	12.27%
Client 2	Industry	10.68%
Client 3	Grains	9.41%
Client 4	Grains	7.32%
Client 5	Inputs	6.19%
Client 6	Industry	4.32%

(In thousands of reais, except when otherwise stated)

Geographic location

A breakdown of revenue from exports by client location follows.

Country	Parent Company and Consolidated 3/31/2023	Parent Company 3/31/2022
Italy	**69,300**	155,539
Singapore	**107,708**	-
Switzerland	**120,096**	-
Uruguay	**40,844**	27,112
	337,948	182,651

28. Non-cash transactions

The Company carried out non-cash transactions connected to operational activities and investments. Therefore, such transactions were not reflected in the statement of cash flows.

During the fiscal year ended December 31, 2022, the Company carried out a risk sharing transaction that led to the recognition of a loan liability for the Company, whose amount was deposited directly to the supplier of the Company for payment of past or future purchases, without any effect on the Company's cash. This transaction led to the write-off of outstanding debt instruments with the supplier and the recognition of an advance to the supplier, to be used for settling future debts.

During the period ended March 31, 2023, the Company failed to pay R$16,411 for the acquisition of property, plant and equipment, given that such amount is payable to suppliers. At March 31, 2023, no cash disbursement was made in this regard.

29. Subsequent events

On April 12, 2023, at a meeting of the Board of Directors of the Company, the following resolutions were taken in connection with the Share Buyback Program of the Company:

(i) acquisition of common shares issued by the Company, for the purpose of acquiring Company shares to be held in treasury; and
(ii) authorization by the Board of Executive Officers of the Company to take all necessary measures to implement the aforementioned resolutions.

On April 26, 2023, at an Annual and Extraordinary Shareholders Meeting of the Company, the following resolutions were taken:

At the Annual Shareholders Meeti

ii) i) approval of the management accounts, the annual management report and the financial statements of the Company, accompanied by the notes and Independent Auditor report, pertaining to the fiscal year ended December 31, 2022;

ii) approval of the allocation of the Company's net income for the fiscal year ended December 31, 2022. Allocation of net income, after equity valuation adjustment, assessed for the fiscal year ended December 31, 2022, in the total amount of R$572,384, of which

(ii.a) R$479,519 allocated to the Company's Tax Incentive Reserve account;

(ii.b) R$4,643 allocated to the Legal reserve account for the fiscal year ended December 31, 2022;

(ii.c) R$4,768 allocated to the Legal reserve account related to previous fiscal years;

(ii.d) R$57,238 allocated to the Dividends distribution account, composed by (x) mandatory dividend paid in February 2023, in the total net amount of R$4,173, and (y) additional proposed dividend paid in February 2023, in the total net amount of R$53,066; and

(ii.e) R$26,216 allocated to the Investment reserve account; and

iii) Approval of, without restrictions, by majority vote:

a. the definition of the number of members in the Board of Directors of the Company, pursuant to article 10 of the Bylaws of the Company, of six members, four of them sitting members and two sitting and independent members;
b. the reelection of the members of the Board of Directors of the Company with a unified term of office of two years ending on the date of the Annual Shareholders Meeting of the Company that will discuss and vote on the financial statements for the fiscal year ended December 31, 2024.

iv) approval of the global compensation of the Company management for fiscal year 2023 in the maximum amount of R$21,740.

<u>At the Extraordinary Shareholders Meeting</u>:

i) amendment to article 5 of the Bylaws of the Company to reflect the capital increases approved at the Board of Directors Meetings of the Company held on December 23, 2022 and March 20, 2023, both within the authorized capital limit of the Company;

ii) restatement of the Bylaws to reflect the changes proposed in the previous item.

INDEPENDENT AUDITOR'S REPORT ON THE INTERIM FINANCIAL STATEMENTS

To the Shareholders, Directors and Managers of
Três Tentos Agroindustrial S.A.
Santa Bárbara do Sul - RS

Introduction

We have reviewed the interim, parent company and consolidated financial information of Três Tentos Agroindustrial S.A. ("Company") contained in the Quarterly Information - ITR Form for the quarter ended March 31, 2023, which comprise the balance sheet on March 31, 2023 and related statements of profit or loss, of comprehensive income (loss), changes in equity and statements of cash flows for the three-month period ended at that date, including explanatory notes .

Management is responsible for the preparation of the interim financial information in accordance with CPC 21(R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of this information in a manner consistent with the standards issued by the Securities Commission, applicable to the preparation of the Quarterly Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with the Brazilian and international review standards for interim information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists in asking questions, chiefly to the persons in charge of financial and accounting affairs, and in applying analytical procedures and other review procedures. A review is substantially smaller in scope compared to an audit conducted in accordance with Brazilian and International Standards on Auditing 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 parent company and consolidated interim financial information

Based on our review, we are not aware of any other event that make us believe that parent company and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 issued by IASB and applicable to the preparation of Quarterly Information - ITR, and presented in a manner consistent with the standards issued by the Securities Commission - CVM.

Other matters - Statements of value added

The parent company and consolidated interim financial information related to statements of added value (DVA) for the three-month period ended March 31, 2023, prepared under responsibility of Company's Management, and presented as supplementary information for IAS 34 purposes, was submitted to review procedures carried out jointly with the audit of Company's quarterly information. To form a conclusion, we evaluated whether these statements are reconciled with interim financial information and accounting records, as applicable, and whether their forms and contents are in accordance with criteria defined in Technical Pronouncement CPC 09 – Statement of Added Value. Based on our review, we are not aware of any other event that make us believe that those were not prepared, in all material respects, in accordance with parent company and consolidated interim financial information taken as a whole.

Corresponding amounts

The corresponding amounts pertaining to the parent company statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended March 31, 2022 were previously reviewed by another independent audit firm, which issued a report on May 05, 2022, without any changes. The corresponding amounts related to the parent company statements of value added (DVA) for the three-month period ended March 31, 2022 underwent the same review procedures by said independent auditors which, based on their review, issued a report stating they were not aware of any fact causing them to believe that the DVA was not prepared, in all material respects, consistent with the parent company and consolidated interim financial information taken as a whole.

Porto Alegre, May 4, 2023.

KPMG Auditores Independentes Ltda.
CRC SP-014428/F-7

(Original version signed in Portuguese by)

Cristiano Jardim Seguecio
Accountant CRC SP-244525/O-9 T-RS

Opinions and Statements / Management Statement on the Financial Statements

STATEMENT
FOR COMPLIANCE WITH ARTICLE 25 OF CVM INSTRUCTION 480

The Executive Board of Três Tentos Agroindustrial S.A., a corporation with registered office at Av. Principal, Distrito Industrial, nº 187, CEP 98.240-000, in the city of Santa Bárbara, state of Rio Grande do Sul, registered in the roll of corporate taxpayers (CNPJ/ME) under no. 94.813.102/0001-70 ("Company") hereby declares, pursuant to Article 25, Paragraph 1, items V and VI, of Instruction 480, issued by the Securities and Exchange Commission of Brazil on December 7, 2009, as amended, that: (i) it has reviewed, discussed and agrees with the opinions expressed in the report of the independent auditor of the Company; and (ii) it has reviewed, discussed and agrees with the financial statements of the Company for the fiscal year ended March 31, 2023.

May 4, 2023.

Luiz Osório Dumoncel
CEO / Financial and Investor Relations Officer

Opinions and Statements / Management Statement on the Independent Auditor’s Report

STATEMENT
FOR COMPLIANCE WITH ARTICLE 25 OF CVM INSTRUCTION 480

The Executive Board of Três Tentos Agroindustrial S.A., a corporation with registered office at Av. Principal, Distrito Industrial, nº 187, CEP 98.240-000, in the city of Santa Bárbara, state of Rio Grande do Sul, registered in the roll of corporate taxpayers (CNPJ/ME) under no. 94.813.102/0001-70 ("Company") hereby declares, pursuant to Article 25, Paragraph 1, items V and VI, of Instruction 480, issued by the Securities and Exchange Commission of Brazil on December 7, 2009, as amended, that: (i) it has reviewed, discussed and agrees with the opinions expressed in the report of the independent auditor of the Company; and (ii) it has reviewed, discussed and agrees with the financial statements of the Company for the fiscal year ended March 31, 2023.

May 4, 2023.

Luiz Osório Dumoncel
CEO / Financial and Investor Relations Officer