

4Q22 Results

Earnings Videoconference

February 10, 2023 10 a.m. (Brasília) | 8 a.m. (NY)



Event in Portuguese with
simultaneous translation into English



Investor Relations

Ticker: TTEN3 (B3:NM)

Stock Price (2/9/23): R\$10.55

Market Cap: R\$5.2 billion

Free Float: 22.8%

Contact

Luiz Osório Dumoncel

CEO and IRO

lodumoncel@3tentos.com.br

João Marcelo Dumoncel

COO

jmdumoncel@3tentos.com.br

Eduardo Motter

IR Manager

eduardo.motter@3tentos.com.br



Net Revenue grows 29% to R\$6.9 billion in 2022

Strong performance was driven by the Ag Inputs segment

Santa Bárbara do Sul, February 9, 2023 – 3tentos (“3tentos” or “Company”), Brazil’s most complete agricultural ecosystem, announces its results for the fourth quarter of 2022 (“4Q22”). Except where stated otherwise, the information in this document is denominated in local currency (R\$ million).

4Q22 Highlights

- **Net Operating Revenue (NOR)** of R\$2,156.4 million in 4Q22 (+31.9%), led by the Ag Inputs segment (+61.4%). In the year, NOR increased 29.0%, to R\$6,885.8 million.
- **Adjusted Gross Profit¹** of R\$436.3 million in 4Q22 (+51.0%), with adjusted gross margin of 20.2% (+2.5 p.p.). In the year, adjusted gross profit was R\$1,091.0 million (+33.9%), with adjusted gross margin of 15.8% (+0.5 p.p.).
- **Adjusted EBITDA¹** of R\$294.7 million in 4Q22 (+66.2%), with adjusted EBITDA margin of 13.7% (+2.9 p.p.). In the year, Adjusted EBITDA came to R\$623.1 million (+25.9%), with adjusted EBITDA margin of 9.0% (-0.3 p.p.).
- **Net Income** of R\$224.0 million in 4Q22 (+34.1%), with net margin of 10.4% (+0.2 p.p.). In the year, net income was R\$571.2 million (+32.7%), with net margin of 8.3% (+0.2 p.p.).
- **ROE²** of 40.1% and **ROIC** of 21.2% in 4Q22.

In thousands of reais except for percentages and indexes	4Q22	4Q21	Δ % or p.p.	12M22	12M21	Δ % or p.p.
Net operating revenue	2,156,389	1,635,119	31.9%	6,885,839	5,339,317	29.0%
Gross profit	390,780	195,271	100.1%	1,043,299	701,054	48.8%
Gross Margin (%)	18.1%	11.9%	6.2	15.2%	13.1%	2.1
Adjusted Gross Profit¹	436,323	288,995	51.0%	1,090,999	814,925	33.9%
Adjusted Gross Profit (%)	20.2%	17.7%	2.5	15.8%	15.3%	0.5
EBITDA	249,174	83,550	198.2%	575,397	381,058	51.0%
EBITDA Margin (%)	11.6%	5.1%	6.5	8.4%	7.1%	1.3
Adjusted EBITDA¹	294,717	177,274	66.2%	623,097	494,929	25.9%
Adjusted EBITDA Margin (%)	13.7%	10.8%	2.9	9.0%	9.3%	(0.3)
Net Income	224,010	167,056	34.1%	571,174	430,306	32.7%
Net Margin (%)	10.4%	10.2%	0.2	8.3%	8.1%	0.2
Adjusted Net Income	254,068	228,914	11.0%	602,656	505,461	19.2%
Adjusted Net Margin (%)	11.8%	14.0%	(2.2)	8.8%	9.5%	(0.7)
ROE ²	40.1%	46.5%	(6.4)	40.1%	46.5%	(6.4)
ROIC	21.2%	25.2%	(4.0)	21.2%	25.2%	(4.0)

¹ Adjusted Gross Profit and Adjusted EBITDA exclude the effects from the Fair Value Adjustment (FVA) of (R\$45.5) million in 4Q22 and (R\$47.7) million in 2022.

² ROE adjusted by IPO proceeds.

Message from Management

We ended the year very confident that the 3tentos ecosystem is capable of facing the most varied scenarios, significantly mitigating risks.

2022 was a challenging year for agribusiness, especially in the state of Rio Grande do Sul, which suffered one of the most severe droughts in its history. Additionally, we also had impacts on the supply of fertilizers, due to the war between Russia and Ukraine.

3tentos has faced the most different vintages and market conditions in its 28 years of history, always showing growth and positive results. In 2022, we grew our net revenue by 29%, compared to 2021, reaching R\$6.9 billion.

In the second half of 2022, the company's technical/commercial team planned and monitored the planting of corn and soybeans, and was also focused on the origination of Wheat. The State of RS harvested one of the biggest and best winter harvests in history, helping a lot to balance the accounts of the producer in Rio Grande do Sul.

We are also extremely confident with our entry into the State of Mato Grosso, which already accounted for 13% of net revenue in the Raw Materials segment in 2022. We accelerated our expansion with the opening of new stores, and we maintained the schedule for completing the new raw material processing plant. soy and biodiesel production in Mato Grosso.

Aiming to serve more and more producers, which today number more than 20,000, 9 stores were opened in 2022 (5 in RS and 4 in MT), ending the year with 57 stores (52 in RS and 5 in MT). The arable area covered by 3tentos today is 9.1 million hectares.

For 2023, we will continue to expand our operations, and we will have new business units in RS and MT. In June, we will start operations at the new soy processing plant in Mato Grosso, increasing our total capacity by 65% (Ijuí/RS - 2,000 ton/day, Cruz Alta/RS - 2,000 ton/day and Vera/MT – 2.6 thousand ton/day). In mid-2023, 3tentos will reach a soybean crush capacity of 6.6 thousand tons per day in Brazil.

We continue to strengthen our relationship with rural producers in Rio Grande do Sul, and now also in Mato Grosso. Offering innovative, efficient, safe and adapted agricultural management to each reality, this is our commitment, as the most complete ecosystem of Brazilian agriculture.

Luiz Osório Dumoncel

CEO and Founder

Operational and Financial Performance by Segment

Net Operating Revenue in 4Q22 and 2022

Figures in R\$ thousand

Net Revenue Per Segment	4Q22	4Q21	Var. %	Contr. Var. %	Net Revenue Per Segment	2022	2021	Var. %	Contr. Var. %
Ag Inputs	1,031,614	639,185	61.4%	24.0%	Ag Inputs	2,535,397	1,534,116	65.3%	18.8%
Grain	296,600	335,128	(11.5%)	(2.4%)	Grain	1,348,050	1,412,296	(4.5%)	(1.2%)
Industry	828,175	660,806	25.3%	10.2%	Industry	3,002,392	2,392,905	25.5%	11.4%
Total	2,156,389	1,635,119	31.9%	31.9%	Total	6,885,839	5,339,317	29.0%	29.0%

Net Operating Revenue (NOR) was R\$2,156.4 million in 4Q22, growing 31.9% from 4Q21, mainly driven by the Ag Inputs segment, supported by expansion in the areas served and market share gains. In addition, input prices increased in 4Q22 (+18% compared to 4Q21). In the Grains segment, the severe drought that affected the 21/22 soybean crop resulted in lower trading volumes in recent quarters. On the other hand, the wheat and corn crops made strong contributions, with the record wheat crop of 2022 in Rio Grande do Sul and the first contribution of second-crop corn in Mato Grosso. Another positive highlight was the Industrial segment, which delivered growth despite the challenging scenario of 2022, with lower grain availability due to the crop shortfall and margins pressured by commodity prices.

In 2022, NOR increased 29.0%, to R\$6,885.8 million, with growth in the Ag Inputs and Industrial segments and a slight decline in the Grains segment.

Detailed analyses of each segment are presented below.

Adjusted Gross Profit in 4Q22 and 2022

Figures in R\$ thousand

Gross Profit Per Segment	4Q22	Margin	4Q21	Margin	Var.	2022	Margin	2021	Margin	Var.
Ag Inputs	286,213	27.7%	185,627	29.0%	54.2%	600,673	23.7%	366,740	23.9%	63.8%
Grain	53,630	18.1%	32,215	9.6%	66.5%	133,545	9.9%	111,663	7.9%	19.6%
Industry	96,480	11.6%	71,153	10.8%	35.6%	356,781	11.9%	336,523	14.1%	6.0%
Total	436,323	20.2%	288,995	17.7%	51.0%	1,090,999	15.8%	814,926	15.3%	33.9%

Adjusted Gross Profit was R\$436.3 million in 4Q22, increasing 51.0% from 4Q21, with adjusted gross margin of 20.2% (+2.5 p.p.), the best quarterly margin since 4Q20. Note that Adjusted Gross Profit excludes the effects from the Fair Value Adjustment (FVA) of negative R\$45.5 million in 4Q22 and negative R\$47.7 million in 2022.

Gross Profit increased in all segments. Despite the strong crop shortfall in Rio Grande do Sul that affected the three segments, we delivered Adjusted Gross Profit of R\$1.1 billion in 2022, up 33.9% from 2021. Adjusted gross margin was 15.8%, expanding 0.5 p.p. on the prior year.

Note that over the course of 2022 the Company took important steps for its expansion with the opening of four stores for the sale of inputs and origination of grains in Mato Grosso. Although we entered a highly competitive region (first store opened in 2021), supported by our commercial strategy and comprehensive ecosystem (retail sales of inputs, origination and industry), we managed to maintain stable margins in the Ag Inputs segment in 2022.

In 2022, the performance of the Grains segment was positively affected by higher trading of corn and wheat. Meanwhile, the Industrial segment delivered higher Gross Profit, despite the challenging scenario, with higher costs of soybean raw materials, due to the crop shortfall in Rio Grande do Sul, and the lower biodiesel demand in Brazil in 2022 compared to 2021.

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.

Figures in R\$ thousand

	Group	MTM 12/31/22	MTM 12/31/21	AVJ in 2022	
Asset		599,349	542,984	56,365	
Rural producer certificate (CPF)	(b)	33,008	47,251	(14,243)	52,771
Commodity contracts	(b)	83,048	21,183	61,865	
Commodity inventories	(a)	482,262	473,836	8,426	(97,382)
Hedge operations		-	-	-	
Others assets		1,031	714	317	
Passivo		810,673	706,608	104,065	
Commodity suppliers to be fixed	(a)	775,052	669,244	105,808	
Commodity futures contracts	(b)	29,416	34,565	(5,149)	
Hedge operations		6,205	2,799	3,406	
Fair value adjustment (AVJ)		(211,324)	(163,624)	(47,700)	



Ag Inputs

4Q22 Operational Performance

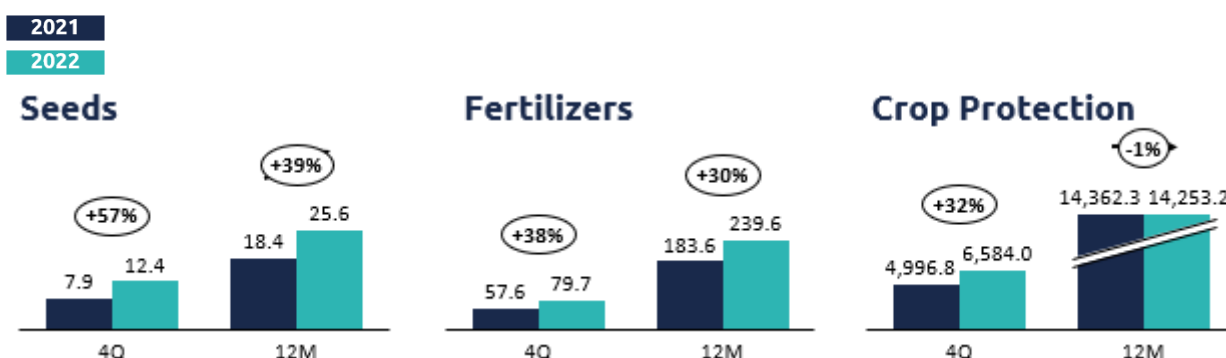
Net revenue
R\$1,031.6 million
+61.4%

Gross Income
R\$286.2 million
+54.2%



Volume

thousand tons or kg/l



In 4Q22, the Ag Inputs segment delivered strong growth, thanks to the increase in coverage area and the higher market share in the areas already served. Note that in Rio Grande do Sul, soybean planting was delayed due to the larger wheat planted area, combined with the delays in wheat sowing due to the rains in June and July, which consequently delayed the harvest in October and November.

The result of the Seeds segment demonstrates the strength and resilience of 3tentos' ecosystem, even in adverse scenarios. In 2022, the state of Rio Grande do Sul was affected by one of the worst crop shortfalls ever, which impacted the production of seeds. Even so, we participated actively in the market and served all our clients. In 4Q22, we began our activities in second-crop corn in Mato Grosso, with planting starting in January 2023.

The strong performance of Fertilizers was influenced by the larger coverage area and maturation of stores recently opened. Note that we market products under our own brand "Trifertil" as well as that of third parties, which gives us an important competitive edge in terms of both product availability and competitive prices.

In Crop Protection, the growth observed in 4Q22 corresponding to the 22/23 crop year mostly offset the lower volume of January and February 2022 caused by the severe drought in Rio Grande do Sul. In addition, with the delays in soybean planting, some applications that would be made in December will be made only in 1Q23.

Net Revenue

Figures in R\$ thousand

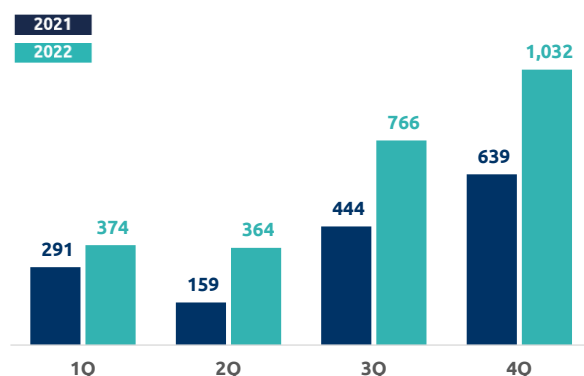
Net Revenue				Contr.				Contr.
Per Product	4Q22	4Q21	Gr. %	Gr. %	2022	2021	Gr. %	Gr. %
Seeds	149,739	90,758	65.0%	9.2%	264,081	159,856	65.2%	6.8%
Fertilizers	334,653	212,863	57.2%	19.1%	1,089,951	558,383	95.2%	34.6%
Crop Protection	547,222	335,564	63.1%	33.1%	1,181,365	815,877	44.8%	23.8%
Total	1,031,614	639,185	61.4%	61.4%	2,535,397	1,534,116	65.3%	65.3%

Net Operating Revenue from the Aq Inputs segment in 4Q22 amounted to R\$1,031.6 million, growing 61.4% from 4Q21. Over 2022, NOR of the Aq Inputs increased 65.3%, to R\$2,535.4 million, explained by the larger coverage area, the maturation of stores opened in recent years and higher prices than in 2021.

The highlight was Fertilizers, which delivered a strong performance in 2022, despite the uncertainties in the global fertilizer supply chain in the first half of the year due to the war between Russia and Ukraine. In addition, the prices of inputs increased 43% in 2022 compared to 2021. The Company ended 2022 with a much stronger positioning, despite the challenging scenario faced with the severe drought in Rio Grande do Sul, especially from the crop protection standpoint, since producers made fewer applications in 1Q22.

Note that the second quarter is seasonally the strongest of the year, with the start of the summer soybean crop. However, due to the delayed soybean planting in Rio Grande do Sul, part of the agricultural management that would take place in 4Q22 will be carried out in 1Q23.

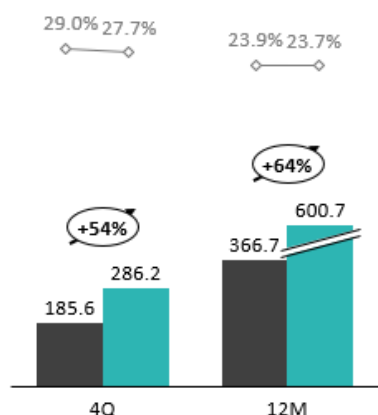
Quarterly Net Revenue (R\$ million)



In 2022, Net Revenue grew 65.3%, to R\$2,535.4 million. The Company delivered growth in all quarters of 2022 compared to 2021. Our presence in Mato Grosso accounted for 13% of consolidated net revenue in Aq Inputs.

Gross Profit and Gross Margin

Figures in R\$ million, %



Gross Profit from the Ag Inputs segment increased 54% in 4Q22, to R\$286.2 million, with gross margin of 27.7% (-1.3 p.p.). The lower margin is mainly explained by the performance of Seeds, since production was affected by the severe drought in the last crop year. However, we fulfilled our commitments to clients and increased our share in the market of seed purchases and sales. Compared to 2021, margin decreased 0.2 p.p., explained mainly by our operation in the seed market.

In 4Q22, our operations in Mato Grosso already delivered a more robust performance with the new stores opened in 2022. We actively participated in the 22/23 crop, with our five stores selling inputs to producers and, even though Mato Grosso is a competitive market, we maintained healthy margins in 2022 compared to 2021.



Grains

Operational Performance 4Q22

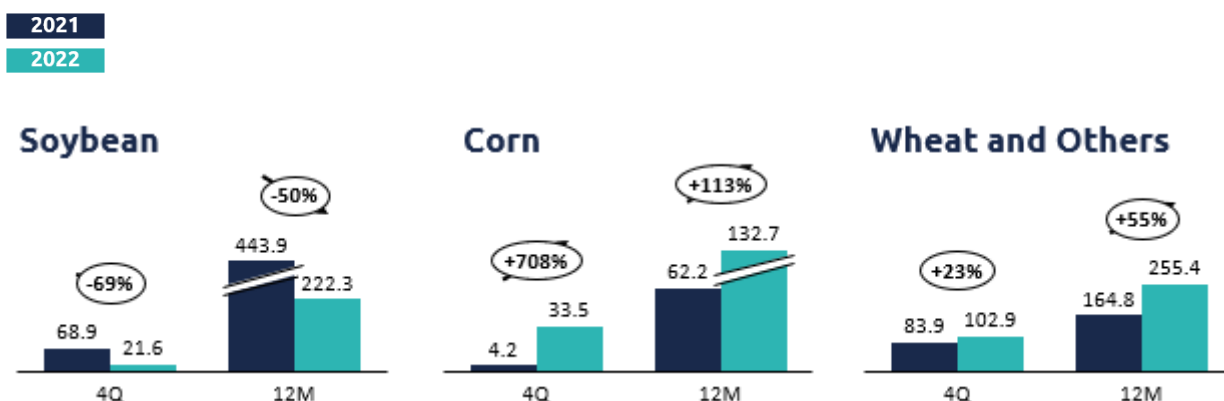
Net Revenue
R\$296.6 million
-11.5%

Gross Income
R\$53.6 million
+66.5%



Volume

thousand tons (Grain: +1% in 4Q22 vs. 4Q21, -9% in 2022 vs. 2021)



The performance of the Grains segment was positively impacted by the Corn segment, with 3tentos' first participation in second-crop corn in Mato Grosso, as well as by Wheat, reflecting the record crop registered in Rio Grande do Sul, combined with the market share gain in wheat origination. Meanwhile, Soybean was affected by the crop shortfall of over 50% in Rio Grande do Sul. The main purpose of Soybean for 3tentos is as an input in the industrial segment, with the company only trading the surplus.

In 2022, soybean origination amounted to 1,090,000 tons of Soybean, down 10% from 2021, which is a positive result considering the crop shortfall in Rio Grande do Sul. In addition, grain origination amounted to 153,000 tons of Corn and 328,000 tons of Wheat.

For 2022, the Company estimated origination of 1,150,000 tons of Soybean, 140,000 tons of Corn and 350,000 tons of Wheat, based on the information disclosed in section 11 of its Reference Form. Note that grain origination does not necessarily affect revenue from grain sales in the same calendar year, especially in the case of Wheat.

Net Revenue

Figures in R\$ thousand

Net Revenue					Contr.				
Per Product	4Q22	4Q21	Gr. %	Gr. %		2022	2021	Gr. %	Gr. %
Soybean	67,563	196,336	(65.6%)	(38.4%)		688,075	1,074,106	(35.9%)	(27.3%)
Corn	43,091	5,926	627.2%	11.1%		195,126	76,198	156.1%	8.4%
Wheat and Others	185,946	132,866	40.0%	15.8%		464,849	261,992	77.4%	14.4%
Total	296,600	335,128	(11.5%)	(11.5%)		1,348,050	1,412,296	(4.5%)	(4.5%)

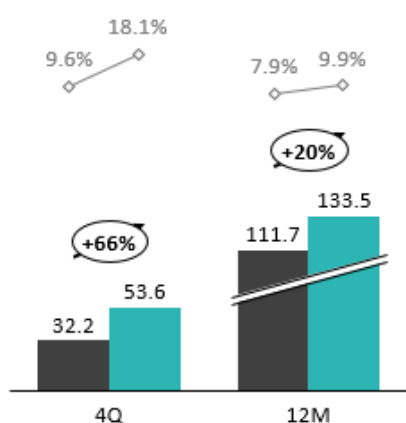
Net Operating Revenue from the Grain segment in 4Q22 amounted to R\$296.6 million, decreasing 11.5% from 4Q21. Corn and Wheat delivered significant growth, which partially offset the lower Soybean volume.

In the Corn segment, the Company participated for the first time in second-crop corn in Mato Grosso, with origination by the Matupá store and the Vera/MT plant (under construction), which resulted in considerable volumes as from 2Q22. Meanwhile, the Wheat segment delivered a strong performance, thanks to the record crop observed in Rio Grande do Sul and the higher share of origination by our stores. Note that we still have Wheat to be traded in the coming months, since the harvest takes place mainly between October and November.

Also note that, in 2022, the state of Rio Grande do Sul suffered one of the worst crop shortfalls ever, of over 50%. Despite this scenario, the Company delivered a strong result. In 2022, our performance was 4.5% lower than in 2021.

Gross Profit and Margin

Figures in R\$ million, %



Gross Profit from the Grain segment increased 66% in 4Q22, to R\$53.6 million, explained by the more favorable mix, with a higher contribution to the result from Corn and Wheat.

In 2022, Gross Profit increased 20%, to R\$133.5 million, with gross margin of 9.9% (+2.0 p.p.).

The 2022 result reinforces the strength of 3tentos in grain origination even in adverse scenarios, thanks to its geographic and product diversification (soybean, corn and wheat).



Industry

4Q22 Operational Performance

Net Revenue
R\$828.2 million
+25.3%

Gross Income
R\$96.5 million
+35.6%



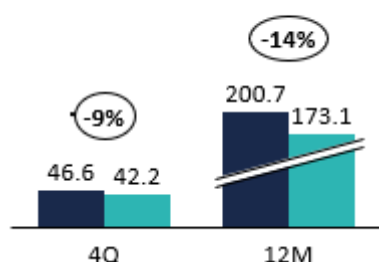
Volume

(thousand tons and thousand m³) (Industry: +23% in 4Q22 vs. 4Q21, +14% in 2022 vs. 2021)

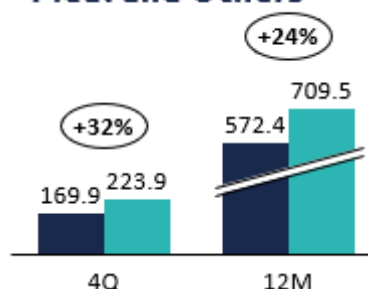
2021

2022

Biodiesel



Meal and Others



The performance of the Industrial segment in 4Q22 was affected by the following factors: (i) stronger demand for meal exports; (ii) lower production of biodiesel; (iii) anticipation of the preventive maintenance shutdown at the Ijuí processing plant to December, which typically happens between January and February.

The industrial scenario was challenging in 2022 due to (i) the severe shortfall in the 21/22 crop in Rio Grande do Sul, which led to higher commodity prices and higher costs for purchasing inputs for the soybean industry; (ii) meal and soybean oil premiums lower than that of soybean; and (iii) the weaker biodiesel demand in 2022, due to the B10 requirement in force during the year, compared to 2021 when we had two-month periods operating with B12 and B13.

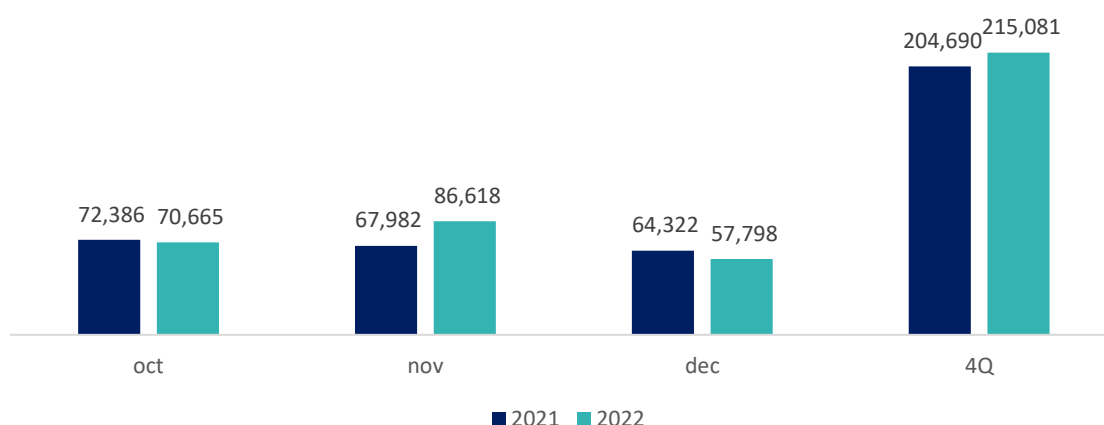
We ended the year with a positive outlook for the sector in 2023, with better meal prices, stronger biodiesel demand and a possible increase in the biodiesel percentage in the diesel blend.

Note that our current soybean processing capacity is 4,000 tons/day (2,000 ton/day in Ijuí/RS and 2,000 ton/day in Cruz Alta/RS). The capacity of Cruz Alta/RS was expanded in 2022, from 1,000 ton/day to 2,000 ton/day.

In June 2023, our new Vera/MT plant, which is in the final construction stage, will start operations, with soybean processing capacity of 2,600 ton/day.

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. The volume of processed soybean in 4Q22 would be higher if it was not for the early maintenance shutdown of the Ijuí plant. The anticipation of this shutdown was planned due to the positive outlook for 2023 and to maintain the plant operating all year long without interruptions.

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



For 2022, the Company estimated production of 690,000 tons of Meal and 180,000 m³ of Biodiesel, as disclosed in section 11 of the Reference Form.

Net Revenue

Figures in R\$ thousand

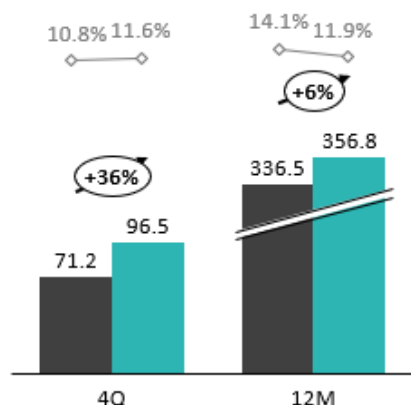
Net Revenue								
Per Product	4Q22	4Q21	Gr. %	Contr. Gr. %	2022	2021	Gr. %	Contr. Gr. %
Biodiesel	269,034	289,632	(7.1%)	(3.1%)	1,234,853	1,127,440	9.5%	4.5%
Meal and Others	559,141	371,174	50.6%	28.4%	1,767,539	1,265,465	39.7%	21.0%
Total	828,175	660,806	25.3%	25.3%	3,002,392	2,392,905	25.5%	25.5%

Net Operating Revenue from the Industrial segment came to R\$828.2 million in 4Q22, increasing 25.3% from 4Q21, mainly explained by the higher sales of Soybean Meal and higher prices in the quarter compared to the prior-year period.

Soybean Meal maintained the better premiums paid for exports in 4Q22, confirming the trend observed since 3Q22 and contributing to the higher export volumes. In the Biodiesel segment, due to the positive outlook for 2023, the Company anticipated the preventive maintenance shutdown of the Ijuí plant to start 2023 with all its plants fully operational.

Gross Profit and Gross Margin

Figures in R\$ million, %



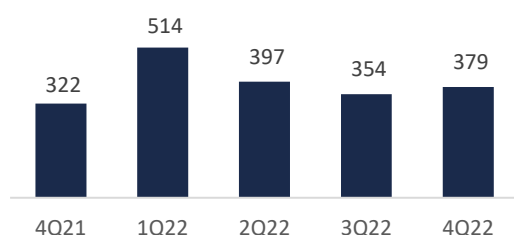
Gross profit from the Industrial segment was R\$96.5 million in 4Q22, with gross margin of 11.6% (+0.8 p.p.), mainly due to the better soybean meal prices, with higher premiums compared to those of soybean.

Note that in 2Q22 and 3Q22, the Industry was affected by the higher soybean premium, which adversely affected margins.

The Company ended 2022 with Gross Profit of R\$356.8 million and gross margin of 11.9% (-2.2 p.p.).

We expect the improvement in soybean meal and oil prices to continue in 2023.

Gross Profit (R\$/ton)



Crushing margin increased in 4Q22, mainly explained by the higher meal prices. We are optimistic on the sector's performance in 2023.

Financial Performance

Selling, General and Administrative Expenses

In thousands of reais, except for percentage and indexes	4Q22	VA %	4Q21	VA %	HA %	12M22	HA %	12M21	HA %	VA %
Net operating revenue	2,156,389	100.0%	1,635,119	100.0%	31.9%	6,885,839	100.0%	5,339,317	100.0%	29.0%
SG&A	(152,438)	(7.1%)	(119,433)	(7.3%)	27.6%	(505,648)	(7.3%)	(347,460)	(6.5%)	45.5%
Selling expenses	(141,444)	(6.6%)	(114,539)	(7.0%)	23.5%	(462,094)	(6.7%)	(319,965)	(6.0%)	44.4%
Administrative expenses	(22,287)	(1.0%)	(15,779)	(1.0%)	41.2%	(68,374)	(1.0%)	(55,707)	(1.0%)	22.7%
Other oper. income/expenses	11,293	0.5%	10,885	0.7%	3.7%	24,820	0.4%	28,212	0.5%	(12.0%)

Selling, General and Administrative Expenses (SG&A) amounted to R\$152.4 million in 4Q22, up 27.6% from 4Q21. As a ratio of net operating revenue, SG&A expenses corresponded to 7.1% in 4Q22, decreasing 0.2 p.p. from 4Q21. The increase in expenses is mainly related to:

Selling Expenses

- (i) R\$17 million in expenses for restructuring to support the Company's expansion, including benefits and promotions;
- (ii) R\$16 million for the opening of new stores and hiring of sales teams.

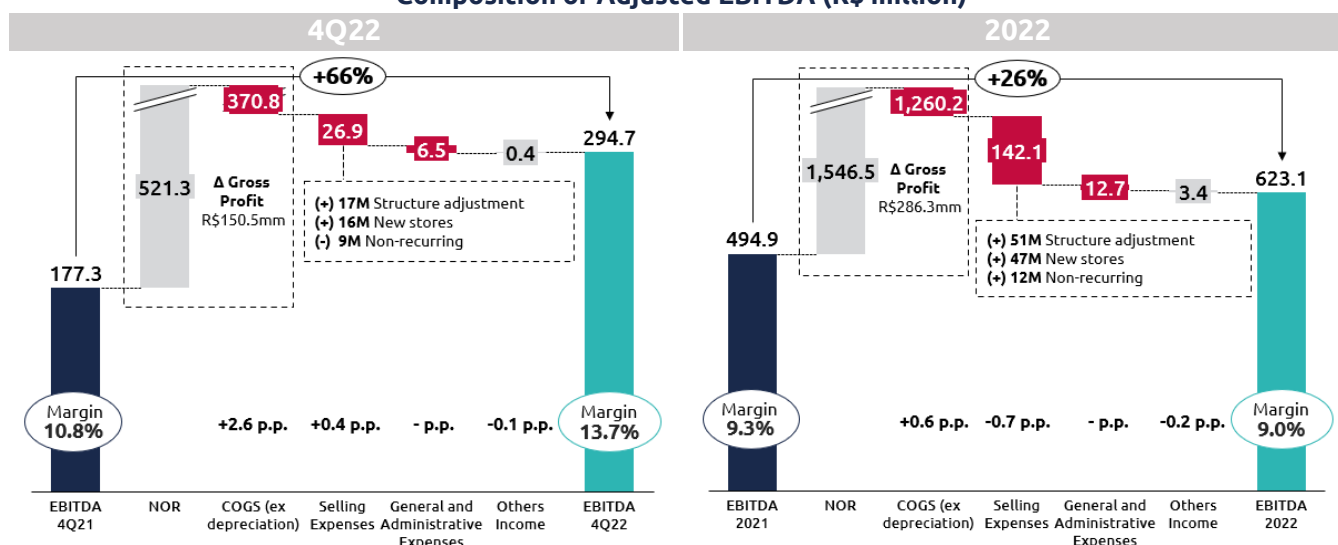
Non-recurring expenses, such as provisions and legal consulting services, decreased R\$9 million in 4Q22 vs. 4Q21. Note that in 2021 the expenses with rebates were all recorded in 4Q21, which mostly explains the reduction in non-recurring expenses.

Adjusted EBITDA

Adjusted EBITDA was R\$294.8 million in 4Q22, representing growth of 66.2% on 4Q21. Adjusted EBITDA margin came to 13.7% in the quarter, advancing 2.8 p.p. in relation to the prior-year period. The result considers negative Fair Value Adjustment (FVA) of R\$45.5 million. In 4Q22, EBITDA (excluding the FVA effect) was R\$249.2 million, representing growth of +198.2% and margin of 11.6%, mainly explained by the performance of the Grains and Industry segments, whose gross margins increased due to the following factors: (i) better product mix in grain trading, with a higher share of corn and wheat; and (ii) better premiums for export meal.

In 2022, Adjusted EBITDA was R\$623.1 million, representing growth of 25.9% compared to 2021. Adjusted EBITDA margin was 9.0%, down 0.3 p.p. from 2021. Note that the Company delivered a strong performance in 2022 despite one of the worst droughts ever in the state of Rio Grande do Sul, which affected all segments of 3tentos' ecosystem. In addition, we are expanding our operations in Mato Grosso, a highly competitive market; however, we have been able to protect our margins in the sale of our products and services.

Composition of Adjusted EBITDA (R\$ million)



Net Financial Result

The net financial result was an expense of R\$12.1 million in 4Q22 and income of R\$2.7 million in 2022, mainly explained by the increase in the Company's debt due to the need for working capital and use of IPO proceeds for expansion of its operations in Rio Grande do Sul and Mato Grosso.

In thousands of reais, except for percentage and indexes						
	4Q22	4Q21	Variation	12M22	12M21	Variation
ve exchange and monetary variation	30,986	16,045	93%	170,192	102,299	66%
rest and discounts obtained	31,234	34,393	(9%)	124,558	78,960	58%
ncial instruments	1,551	1,565	(1%)	24,202	26,510	(9%)
ancial income	63,771	52,003	23%	318,952	207,769	54%
sive exchange and monetary variation	(34,049)	(21,306)	60%	(145,454)	(89,185)	63%
rest on loans and financing	(37,273)	(5,039)	640%	(133,965)	(69,338)	93%
ncial instruments	(4,521)	(3,489)	30%	(36,863)	(23,003)	60%
ancial expenses	(75,843)	(29,834)	154%	(316,282)	(181,526)	74%
Financial result	(12,072)	22,169	N.A.	2,670	26,243	(90%)

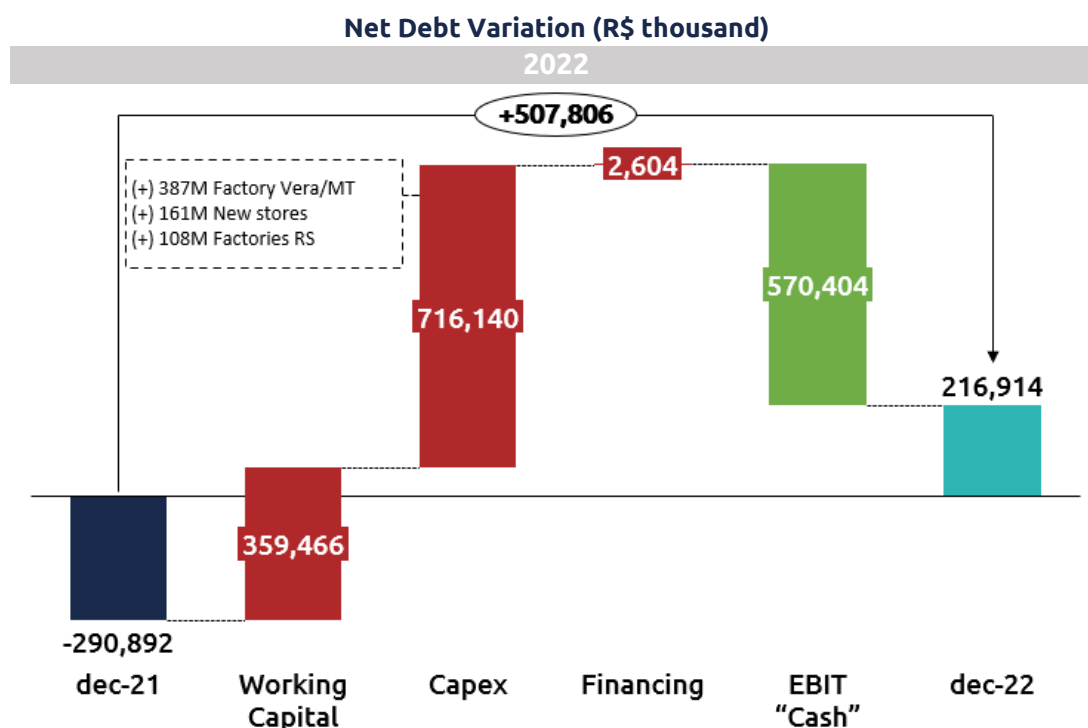
Net Income

The Company reported Net Income of R\$224.0 million in 4Q22, 34.1% higher than in 4Q21. Net margin was 10.4%, up 0.2 p.p. from the prior-year period.

In 2022, Net Income came to R\$571.2 million, growing 32.7% from 2021, with net margin of 8.3%, up 0.2 p.p.

Cash, Cash Equivalents and Debt

The Company ended 2022 with net debt of R\$216.9 million, reflecting the variation in debt of R\$507.8 million in relation to December 2021. The variation is mainly related to CAPEX, which followed the Company's expansion plan for the new stores in Rio Grande do Sul and Mato Grosso and the new plant in Vera/MT, as well as the working capital investment due to the beginning of the 22/23 crop year and origination of the wheat crop in Rio Grande do Sul. Cash generation resulted in earnings before interest and taxes (EBIT), with cash effect, of R\$570.4 million.



Update on Company's Expansion Plan

Rio Grande do Sul

New Stores (+5 in 2022)

Based on the expansion plan to open five stores in Rio Grande do Sul in 2022, four stores started commercial operations in 2Q22 (Lagoa Vermelha, Três de Maio, Nonoai and Sananduva) and one in 3Q22 (Rosário do Sul). All stores are operating under lease structures until the complete structure (input warehouse + silos) is concluded, which is expected for March 2023, ready for soybean origination for the 2022/23 crop year.

We ended 2022 with 52 stores in Rio Grande do Sul, with coverage area of 5.6 million ha. Five new stores will be opened in the state in 2023, with operations on leased properties slated to start in 2Q23.

Mato Grosso

New Stores (+4 in 2022)

In 2022, we accelerated our expansion in Mato Grosso by anticipating the opening of two stores (Alta Floresta and Porto dos Gaúchos) in the state, with the initial plan envisaging the opening of two stores (Sorriso and Matupá) in 2022. The Sinop stores (opened in 2021) and Sorriso stores are under construction, with conclusion slated for the coming months, and currently operating in leased stores. Meanwhile, the Matupá store already has been operating with a complete structure since 1Q22.

In 2Q22, we opened a store in Alta Floresta, on a leased property, with sales team and consultants. The Porto dos Gaúchos store was the last store opened in 2022, and has been operating on a leased property since December 2022. The complete structures of both stores are currently under construction (input warehouse + silos) and should be concluded in May 2023.

In 2022, the Mato Grosso stores accounted for 13% of net revenue from the Ag Inputs segment.

We ended 2022 with 5 stores in Mato Grosso, with coverage area of 3.5 million ha. Two new stores will be opened in MT in 2023, which are expected to start operations on leased properties as from 2Q23.



Construction of Vera/MT Plant

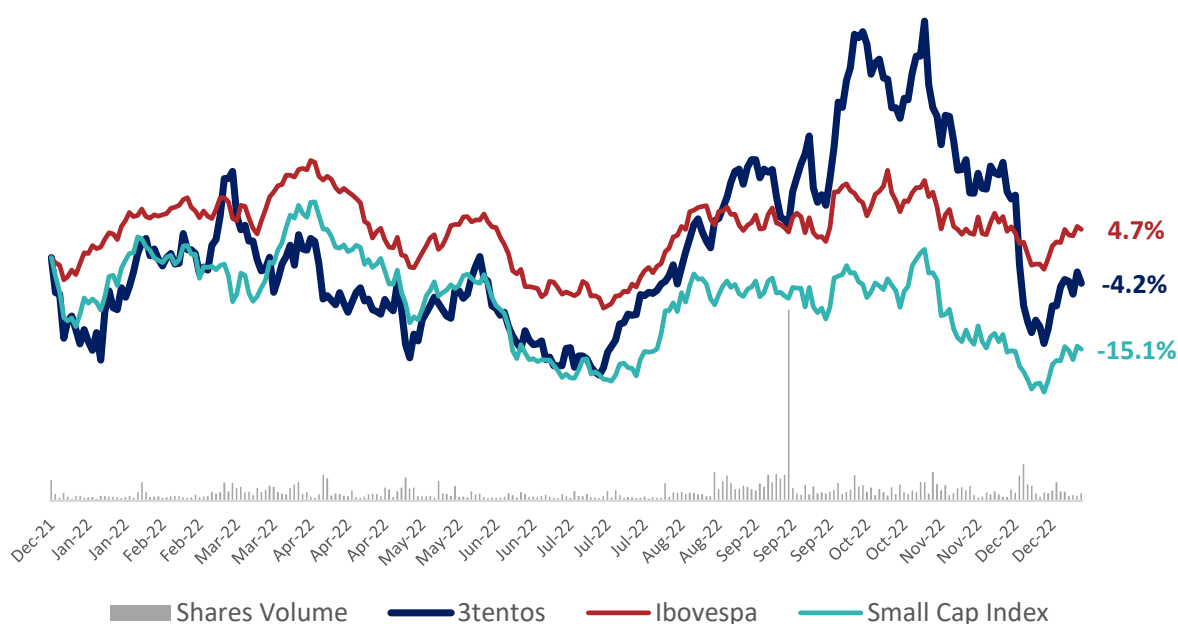
The construction of the plant in Vera/MT is advancing on schedule and close to conclusion, reaching over 83% completion.

The plant's startup is expected for June 2023.

Capital Markets

3tentos shares are traded on the B3 stock exchange under the ticker TTEN3 and ended the last trading session of December 2022 quoted at R\$9.32/share, representing market capitalization of R\$4.6 billion. The price of the Company's stock decreased 4.2% in 2022.

Stock performance (TTEN3 vs. Ibovespa index)



Average daily trading volume was 1.383 million shares (R\$15.6 million) in 4Q22 and 1.180 million in 2022 (R\$12.0 million).

Dividends

The Management will propose to the Annual Shareholders Meeting the allocation of R\$57,238,412.90 for the payment of dividends as remuneration for shareholders related to the results of fiscal year 2022. The amount corresponds to 10% of net income and is 166.0% higher than in the prior-year period.

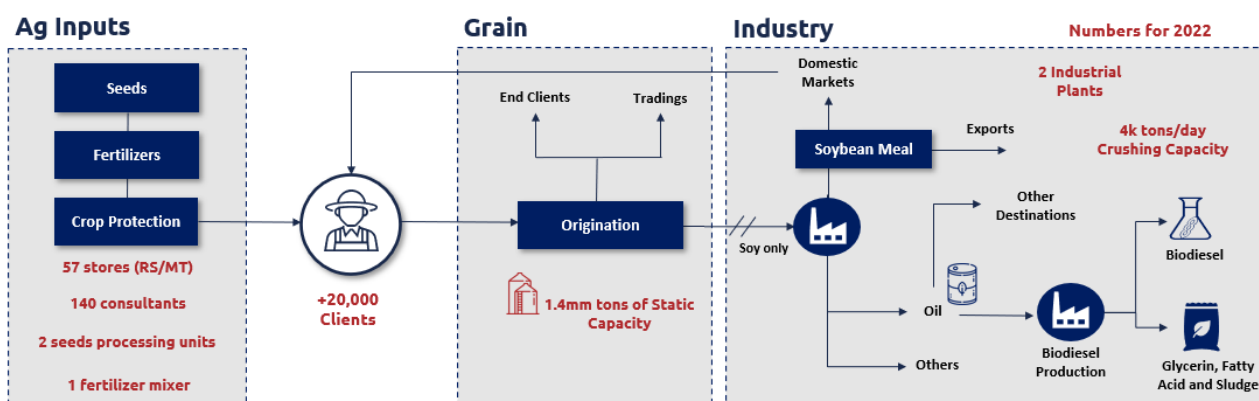
The payment of dividends, corresponding to R\$0.115163744/share, will be made on February 27, 2023.

About 3tentos

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

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

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



Annex – Income Statement

In thousands of reais, except for percentages and indexes	4Q22	4Q21	Var. %	2022	2021	Var. %
Net operating revenue	2,156,389	1,635,119	31.9%	6,885,839	5,339,317	29.0%
Cost of goods	(1,765,609)	(1,439,848)	22.6%	(5,842,540)	(4,638,263)	26.0%
Gross profit	390,780	195,271	100.1%	1,043,299	701,054	48.8%
Selling, Administrative and General Expenses	(152,438)	(119,433)	27.6%	(505,648)	(347,460)	45.5%
Selling expenses	(141,444)	(114,539)	23.5%	(462,094)	(319,965)	44.4%
Administrative expenses	(22,287)	(15,779)	41.2%	(68,374)	(55,707)	22.7%
Other operating income/expenses	11,293	10,885	3.7%	24,820	28,212	(12.0%)
Operating income	238,342	75,838	214.3%	537,651	353,594	52.1%
Financial income (loss)	(12,072)	22,169	N.A.	2,670	26,243	(89.8%)
Financial income	63,771	52,003	22.6%	318,952	207,769	53.5%
Financial expenses	(75,843)	(29,834)	154.2%	(316,282)	(181,526)	74.2%
Income (loss) before taxes and contributions	226,270	98,007	130.9%	540,321	379,837	42.3%
Income tax and social contribution	(2,260)	69,049	N.A.	30,853	50,469	(38.9%)
Current	(150)	(11,802)	(98.7%)	(154)	(17,791)	(99.1%)
Deferred	(2,110)	80,851	N.A.	31,007	68,260	(54.6%)
Net income for the period	224,010	167,056	34.1%	571,174	430,306	32.7%

Annex – Balance Sheet

In thousands of reais, except for percentages and indexes	December 2022		December 2021		HA %
	(A)	VA %	(B)	VA %	(A)/(B)
Current assets	4,257,219	70.0%	3,354,305	76.3%	26.9%
Cash and cash equivalents	724,314	11.9%	351,590	8.0%	106.0%
Financial investments	154,841	2.5%	739,002	16.8%	(79.0%)
Trade accounts receivable	1,037,931	17.1%	701,919	16.0%	47.9%
Inventories	2,030,031	33.4%	1,426,503	32.5%	42.3%
Recoverable taxes and contributions	134,967	2.2%	63,576	1.4%	112.3%
Prepaid expenses	5,955	0.1%	9,662	0.2%	(38.4%)
Derivative financial instruments	83,048	1.4%	25,089	0.6%	231.0%
Advances	9,470	0.2%	686	0.0%	1280.5%
Related parties	16,490	0.3%	5,733	0.1%	187.6%
Other amounts receivable	60,172	1.0%	30,545	0.7%	97.0%
Non-current assets	1,824,770	30.0%	1,041,296	23.7%	75.2%
Recoverable taxes	173,137	2.8%	122,059	2.8%	41.8%
Trade accounts receivable	1,528	0.0%	14,757	0.3%	(89.6%)
Judicial deposits	121	0.0%	214	0.0%	(43.5%)
Deferred taxes	123,194	2.0%	92,187	2.1%	33.6%
Related parties	-	-	17,400	0.4%	-
Derivative financial instruments	1,387	0.0%	-	0.0%	-
Other amounts receivable	1,486	0.0%	1,092	0.0%	36.1%
Right-of-use - Leases	23,337	0.4%	13,580	0.3%	71.8%
Property, plant and equipment	1,500,239	24.7%	779,552	17.7%	92.4%
Intangible assets	341	0.0%	455	0.0%	(25.1%)
TOTAL ASSETS	6,081,989	100.0%	4,395,601	100.0%	38.4%
Current liabilities	2,739,186	45.0%	1,831,275	41.7%	49.6%
Suppliers	1,966,774	32.3%	1,225,903	27.9%	60.4%
Derivative financial instruments	39,739	0.7%	39,402	0.9%	0.9%
Loans and financing	599,144	9.9%	488,866	11.1%	22.6%
Advances from customers	16,455	0.3%	8,789	0.2%	87.2%
Lease liabilities	6,936	0.1%	4,204	0.1%	65.0%
Tax obligations	17,923	0.3%	13,803	0.3%	29.8%
Payroll and labor obligations	39,612	0.7%	28,503	0.6%	39.0%
Tax installment payments	1,396	0.0%	1,314	0.0%	6.2%
Dividends to be distributed	4,173	0.1%	-	0.0%	-
Other obligations	47,034	0.8%	20,491	0.5%	129.5%
Non-current liabilities	524,248	8.6%	328,086	7.5%	59.8%
Loans and financing	496,926	8.2%	310,834	7.1%	59.9%
Lease liabilities	16,881	0.3%	9,669	0.2%	74.6%
Social security installment payments	4,105	0.1%	5,276	0.1%	(22.2%)
Provisions for labor claims	6,336	0.1%	2,307	0.1%	174.6%
Shareholders' equity	2,818,555	46.3%	2,236,240	50.9%	26.0%
Capital	1,515,504	24.9%	1,506,212	34.3%	0.6%
Equity valuation adjustments	2,952	0.0%	3,900	0.1%	(24.3%)
Legal reserve	25,086	0.4%	13,311	0.3%	88.5%
Profit reserve	1,220,368	20.1%	712,817	16.2%	71.2%
Proposed additional dividends	53,066	0.9%	-	0.0%	-
Non-controlling interest	1,579	0.0%	-	0.0%	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,081,989	100.0%	4,395,601	100.0%	38.4%

Annex – Cash Flow

Statement of Cash Flow		
In thousands of reais, except for percentages and indexes	12M21	12M22
Cash flow from operating activities:		
Income for the period before taxes	379.837	540.321
Adjustments to reconcile income with cash from operating activities:		
Depreciation and amortization	23.345	33.012
Depreciation of right-of-use assets	4.119	4.734
Fair value adjustment of commodities	113.085	47.700
Fair value adjustment of swap agreements	786	17.809
Return on financial investments	(33.603)	(92.031)
Exchange-rate change and interest on loans and financing	80.258	83.773
Allowance for expected credit losses	898	620
Provision for litigation	739	4.029
Stock option expenses	13.311	11.775
Adjustment to present value of lease liabilities	891	1.496
Residual cost of written-off fixed asset	686	746
Extemporaneous tax credits	-	(36.819)
(Increase) Decrease in assets:		
Trade accounts receivable	(197.417)	(337.646)
Financial instruments	(2.529)	(15.289)
Inventories	(135.497)	(562.075)
Recoverable taxes	(18.507)	(85.651)
Advances	11.706	(8.784)
Prepaid expenses	(8.267)	(3.563)
Receivables from related parties	3.920	6.643
Judicial deposits	76	93
Other assets	29.931	(29.707)
Increase (Decrease) in liabilities		
Trade payables	(155.346)	626.131
Taxes payable	(4.774)	25.244
Salaries, provisions and social charges	8.990	11.108
Tax installment payments	(1.654)	(1.089)
Advance from customers	3.458	7.666
Financial instruments	4.358	2.081
Other liabilities	(622)	26.547
Income and social contribution taxes paid	(16.655)	(21.177)
Net cash provided by (used in) operating activities	105.523	257.697
Cash flow provided by investing activities		
Financial investments	(739.002)	676.191
Acquisition of property, plant and equipment	(384.538)	(716.072)
Acquisition of intangible assets	-	(67)
Net cash used provided by (used in) investing activities	(1.123.540)	(39.948)
Cash flow provided by financing activities		
Capital increase	1.152.941	11.330
Share issue costs	(70.801)	(298)
Loans and financing obtained	875.548	923.605
Payments of loans and financing	(810.267)	(766.025)
Payment of dividends	(25.721)	(7.595)
Payment of leases liabilities	(4.785)	(6.042)
Net cash generated by (used in) financing activities	1.116.915	154.975
Changes in cash and cash equivalents	98.898	372.724
Cash and cash equivalents - in the beginning of the period	252.692	351.590
Cash and cash equivalents - at the end of the period	351.590	724.314
Changes in cash and cash equivalents	98.898	372.724
Non-cash items		
Interest on loans capitalized in property, plant and equipment	12.606	14.328

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%

Relationship with the Independent Auditors

In compliance with Instruction 23/21 of the Securities and Exchange Commission of Brazil ("CVM"), on May 23, 2022 we notified our shareholders and the market that KPMG Auditores Independentes Ltda. was engaged to audit the financial statements of the Company, replacing Ernst & Young Auditores Independentes S.S.

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, 2022, 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 June 30 and September 30, 2022.

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.