



LAVORO

**Investor Presentation**

**May 2024**

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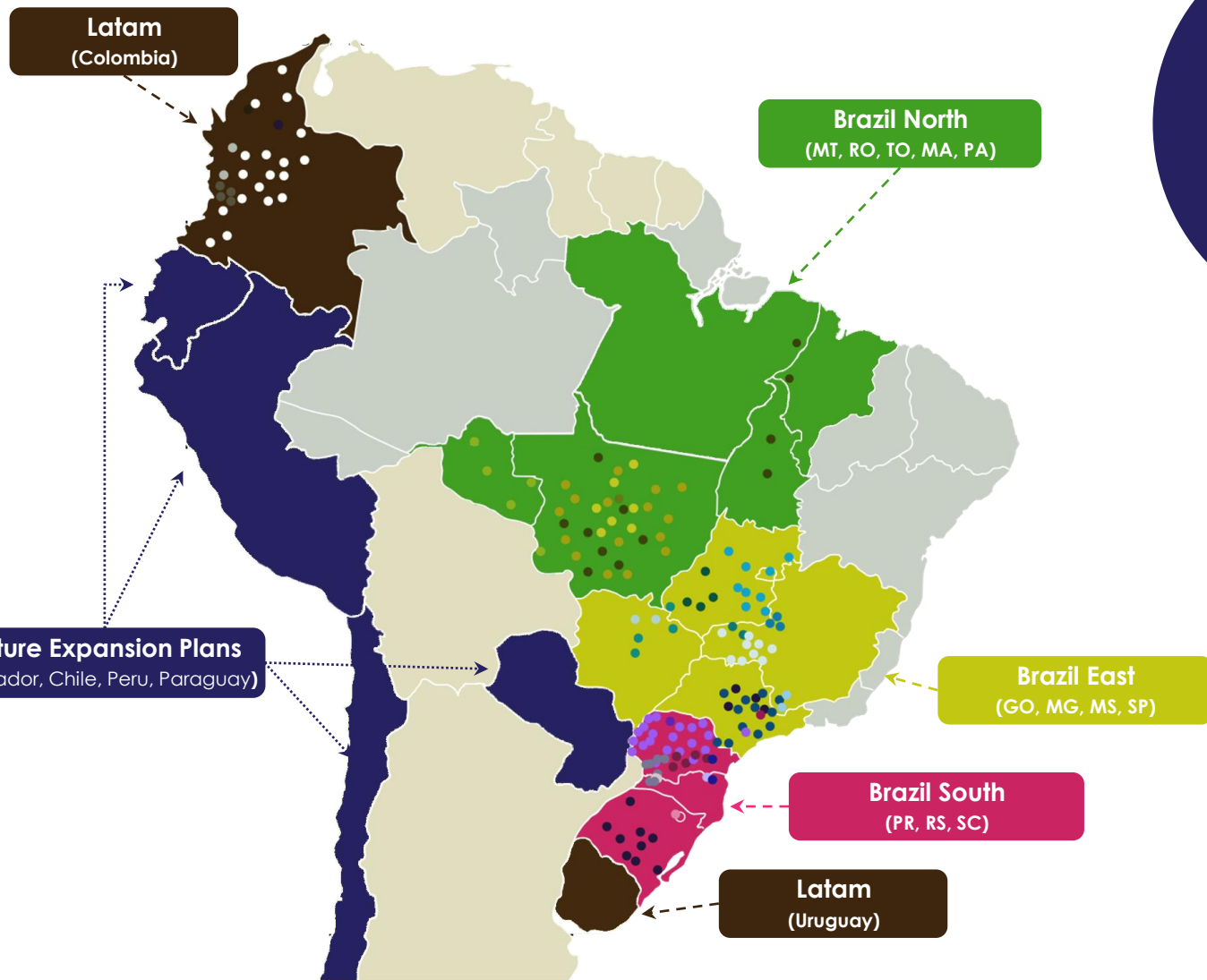
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This presentation also includes certain non-IFRS financial information. We believe that such information is meaningful and useful in understanding the activities and business metrics of our operations. We also believe that these non-IFRS financial measures reflect an additional way of viewing aspects of our business that, when viewed with our International Financial Reporting Standards (“IFRS”) results, as issued by the International Accounting Standards Board, provide a more complete understanding of factors and trends affecting our business. Further, investors regularly rely on non-IFRS financial measures to assess operating performance and such measures may highlight trends in our business that may not otherwise be apparent when relying on financial measures calculated in accordance with IFRS. We also believe that non-IFRS financial measures are frequently used by securities analysts, investors and other interested parties in the evaluation of public companies in our industry, many of which present these measures when reporting their results. The non-IFRS financial information is presented for informational purposes and to enhance understanding of the IFRS financial statements. The non-IFRS measures should be considered in addition to results prepared in accordance with IFRS, but not as a substitute for, or superior to, IFRS results. As other companies may determine or calculate this non-IFRS financial information differently, the usefulness of these measures for comparative purposes is limited. A reconciliation of such non-IFRS financial measures to the nearest IFRS measure is included in this presentation.

# Company Overview



## Scale

#1	Ag Retailer in Brazil & Colombia
1,000+	Technical Sales Reps (RTVs) <sup>1</sup>
72,000+	Farmer customers <sup>1</sup>
210+	Retail locations <sup>1</sup>
~150M	Acres covered in LatAm
\$150M	Adj. EBITDA (FY2023) <sup>2</sup>



## Vertically Integrated

### FY23 EBITDA Mix by Segment

71%	Brazil Ag Retail
11%	Latam Ag Retail
18%	Crop Care <sup>3</sup>



## M&A

26	Completed acquisitions
4	Signed MOUs in pipeline <sup>4</sup>

(1) As of end of FY23 (June 2023)

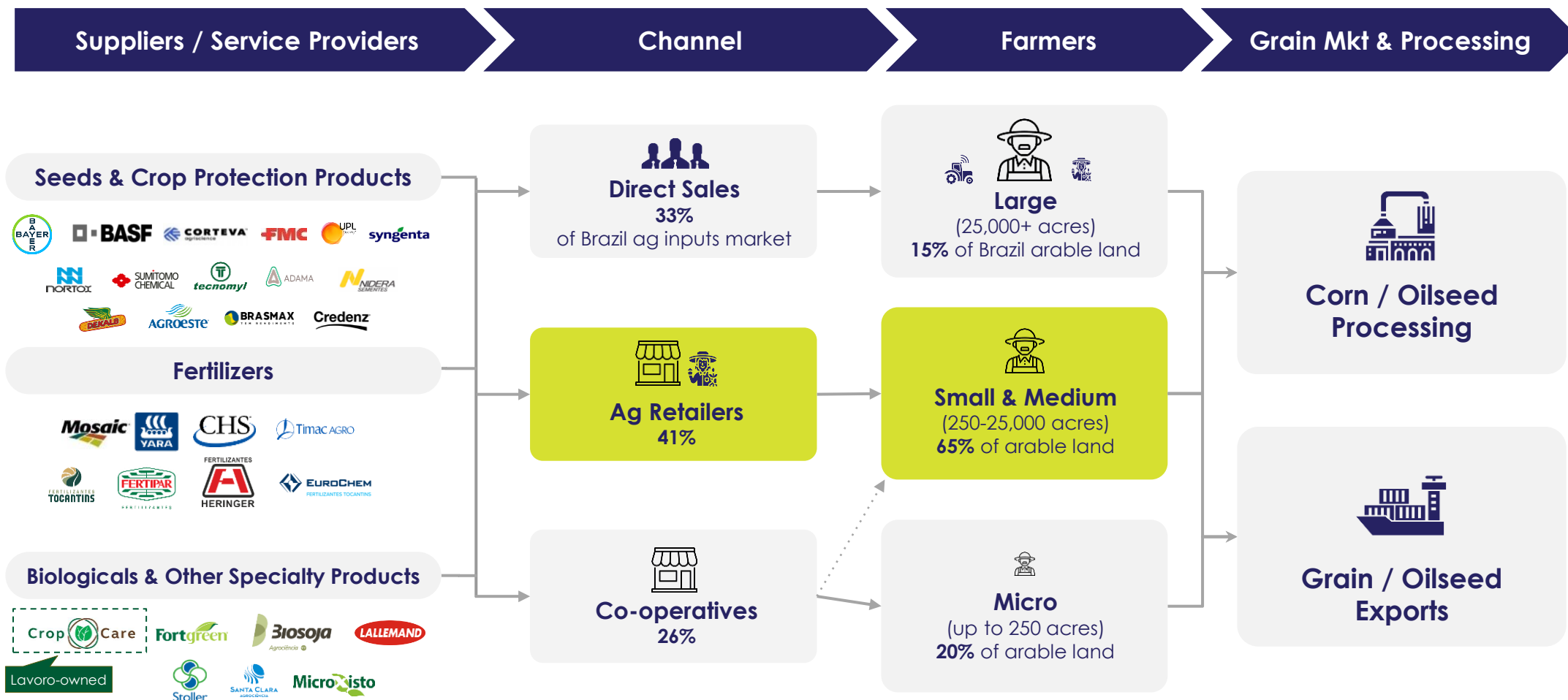
(2) Avg USD/BRL to translate to USD: 5.24 for 1Q23, 5.26 for 2Q23, 5.19 for 3Q23, 4.95 for 4Q23

(3) Business segment of proprietary specialty inputs manufacturing

(4) Some signed MOUs are non-binding



# Ag retailers are the critical link in the agribusiness value chain for small-mid sized farmers



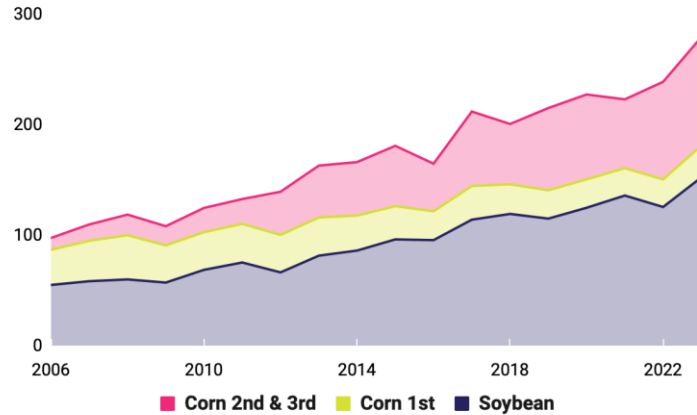
Source: Company analysis based on third party research and IBGE 2017 census.

# Lavoro's long-term growth pillars

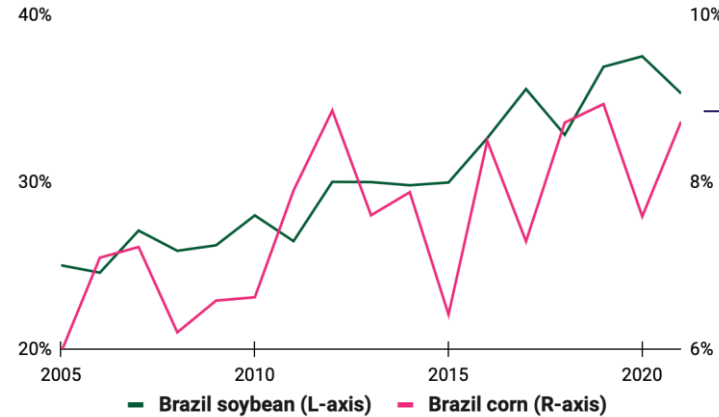


# Brazil ag production growth driven by secular factors that we believe are here to stay, notwithstanding recent challenging market conditions

## Brazil corn & soybean production (M tons)



## Brazil share of global production (%)



Brazil today:

- 35% of global soybean
- 9% of global corn

### Key growth drivers

- Increased preponderance in 2nd and 3rd crops driven by improved farmer profitability
- Higher yields driven by technology adoption (increased inputs spend per hectare)
- Acreage expansion: ~116M acres of potential to convert pastureland to agriculture use

# Lavoro has a proven M&A track-record via a differentiated strategy

LAVORO	FY18	FY19	FY20	FY21	FY22	FY23	FY24 (YTD)
Brazil Ag Retail	LAVORO A solução	GRUPO PITANGUEIRAS IMPACTO INICIATIVA AGRÍCOLA	AGP GP Producec CENTRAL AGRICOLA	Integra America DESEMPAR CULTIVAR Produtiva	AGRO ZAP SUA LAVOURA COMEÇA AQUI NOVA GERAÇÃO COM SEUS PRODUTOS AGRICOLAS	CASA TREVO Sollo Sul INSUMOS AGRICOLAS Floema	Referência CORAM
Latam Ag Retail	Grupo Gral colheitas abundantes		AgSe Agroquímica e Comércio		GRUPO CENAGRO	GRUPO CENAGRO	
Crop Care				AGRO BIOLÓGICA	UnionAgro	CROMO QUÍMICA	

- Focus on **proprietary deal flow**, with long-established relationship with owners of small and mid-sized businesses
- **Verticalization**: biologics and other specialty products meaningful cross-selling synergies
- **Brazil Ag Retail** industry **remains highly fragmented**, with top 10 players representing only ~40% of market
- **Latam-wide strategy**, with attractive opportunities to expand to Ecuador, Paraguay, Chile and Peru
- **Integration expertise**: track record of delivering revenue and EBITDA synergies post-acquisition

Source: Company analysis based on third party research

(1) Chart represents the sales % share in crop protection and seeds market. Excludes co-operatives, and global suppliers, which sell directly to large farmers

# At the heart of our operations are our 1,000+ technical sales reps (RTVs), which help farmers make better decisions throughout the crop cycle

## Planting

- Seed Depth
- Planting Speed Through the Field
- Plant Population
- Starter Fertilizer
- Herbicide Application
- Soil Insecticides
- Fungicide Application - In-Furrow
- Variety / Hybrid Selection In-Field
- Etc.

## Pre-planting

- Pre-Plant Irrigation
- Fertility Program
- pH Management
- Burn-Down Program
- Tillage Level
- Primary Tillage Program
- Etc.

## Planning

- Production Planning
- Crop Rotation
- Weed Control Program
- Row Spacing
- Variety / Hybrid Selection
- Refuge Options
- Seed Treatment
- Soil Insecticides
- Soil Nematicides
- Etc.

## In-Season

- Keep Stand or Replant
- Post-Emergent Herbicide Application
- Foliar Insect Control
- Foliar Disease Control
- Fertility Program
- Irrigation Application In-Season
- Micronutrients / Fertility Management
- Crop Diagnostics
- Etc.

## Harvest

- Equipment
- Timing
- Storage
- Post-Harvest Assessment
- Crop Marketing Support
- Etc.



Each year farmers put their net worth at risk investing in ag inputs

Farming is a complex operation, with **70+ critical decisions** per growing season

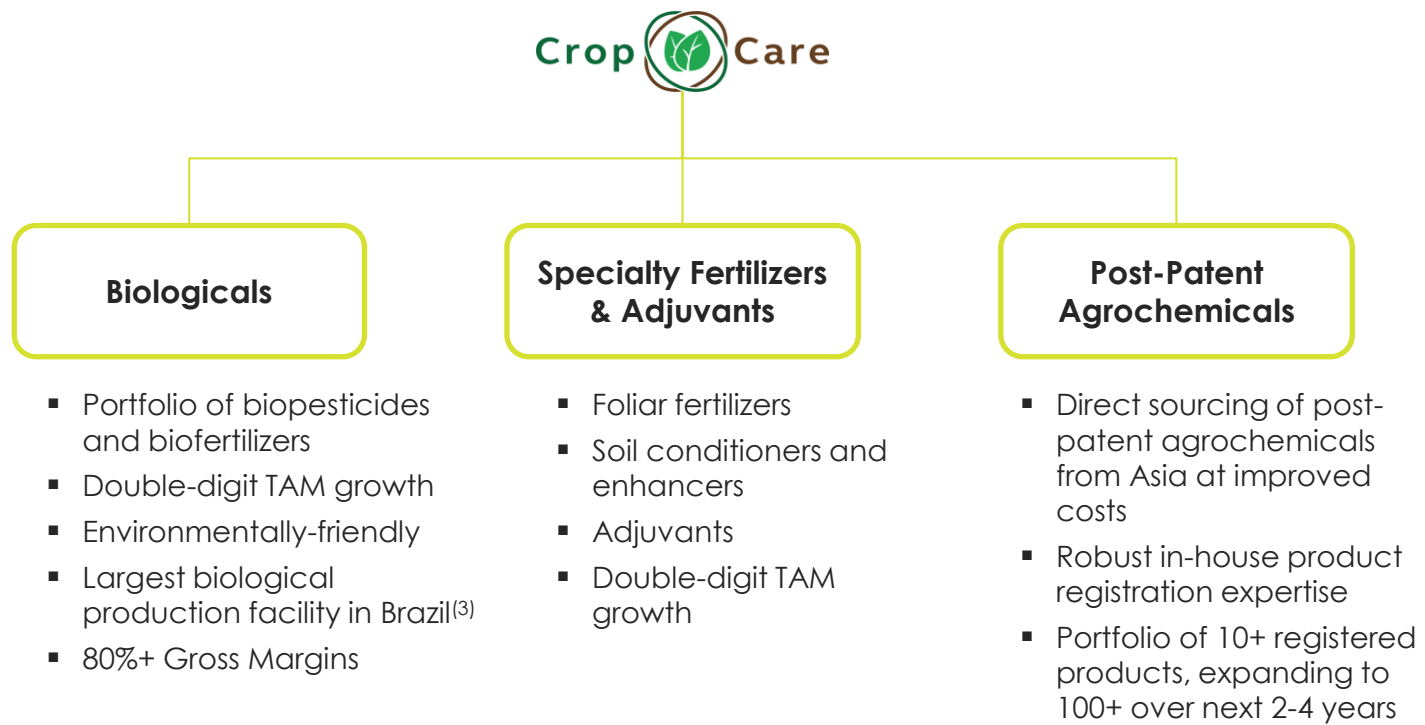
Lavoro technical salespeople (RTVs) are **trusted advisors**, helping farmers optimize agronomic and operational decisions:

- Deep knowledge of clients' agronomic history
- Technical advice specific to client's needs, and local growing conditions
- Scouting and monitoring of pests

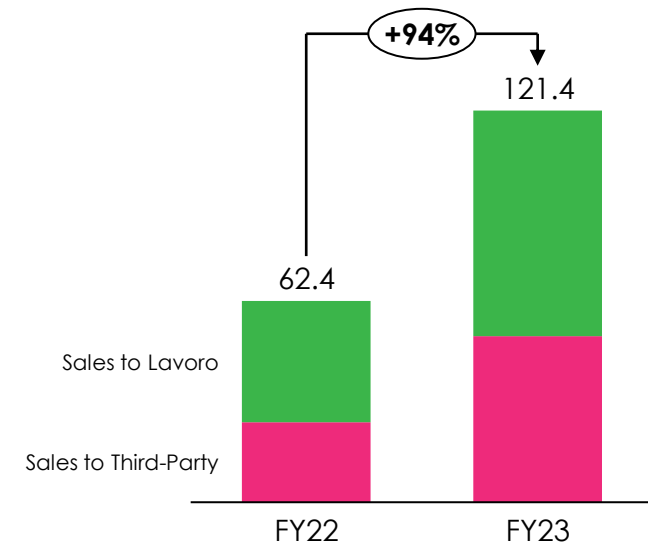
**Aligned incentives:** Most of the RTV compensation package is variable, linked directly to performance metrics such as sales and gross profit.



# We believe Crop Care is well positioned to take advantage of the growing adoption of specialties and access to the market through Lavoro



Crop Care Revenue (\$ M)<sup>(1)</sup>



Gross Margin %	36%	45%
Adj. EBITDA %	12%	23%



Source: Company analysis performed by third party research  
 (1) USD/BRL average period exchange rate used to translate our results to USD: 5.57 for 1H22, 5.23 for 3Q22, 4.92 for 4Q22, 5.24 for 1Q23, 5.26 for 2Q23, 5.19 for 3Q23, 4.95 for 4Q23

# Lavoro introducing cutting edge soil testing technology to Brazil via partnerships with Pattern Ag and Stenon

## The Soil Analysis Opportunity

### Farmers are underserved by the market:

- Low prevalence of soil testing & analysis in Brazil (vs. 98% in the US)
- Incumbent soil testing service providers extremely fragmented and not “professionalized”
- Farmers make decisions without knowledge of key soil characteristics (NPK, macronutrients, pest & pathogenic risks, soil health, etc.)

### Opportunity for Lavoro:

- Lavoro agronomists to provide data-driven agronomic recommendations to farmers optimizing their yields and profitability
- New soil testing service revenue stream
- Driving accelerated adoption of biologicals and other specialty products benefitting Crop Care



### Pattern Ag

- Vertically-integrated metagenomics platform enabling the sequencing of soil at scale
- Personalized ag input product placement recommendations
  - Predicts risks of disease and pest pressure
  - Biofertility and soil health assessment

### STENON

- Portable device with set of sensors enabling real time soil chemistry analysis
- Accurately measures N, P, Mg, pH, moisture, carbon and other key parameters in seconds
- Identification of precise levels of chemical elements necessary for yield optimization





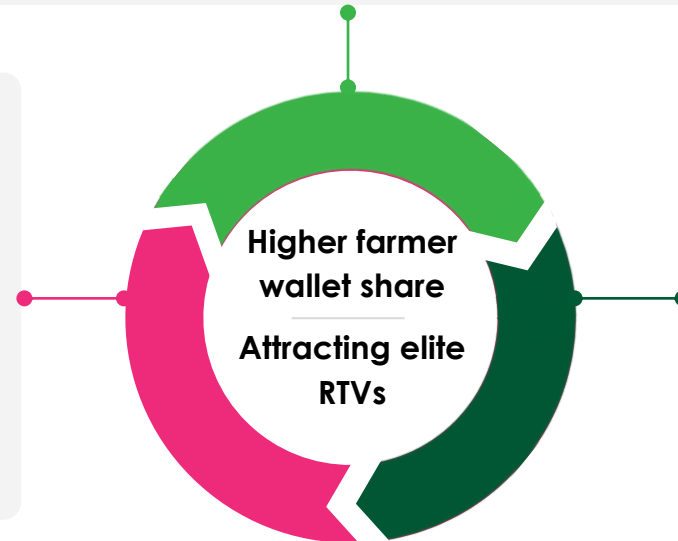
# All told, our four growth pillars combine to create the Lavoro flywheel: whereby our scale and increased profitability helps further expand our competitive advantage

## Benefits of Scale

- #1 account for major suppliers
- One-stop-shop for small-mid sized farmers
- Resilience through regional & crop type diversification
- Specialized Centers of Excellence to support broader commercial team in highly technical areas (e.g. seeds, biologicals & other specialties)
- Dedicated and experienced M&A team with proven integration playbook

## Technology & Services

- Improved RTV productivity and service levels via internal digital solutions (CRM, Minha Lavoro App, etc.)
- New value-add agronomic services (e.g. soil testing) generate positive ROI for our clients and further set apart our RTVs vs. competition
- Scale enabling a financial services arm to deepen our relationship with clients



## Vertical Integration

- Retail footprint expansion drives Crop Care revenue and Adj. EBITDA growth
- Exclusive offering of biologics, specialty fertilizers and adjuvants differentiates our retail business
- Crop Care expansion enables higher R&D spend, accelerating the pace of new proprietary product introductions



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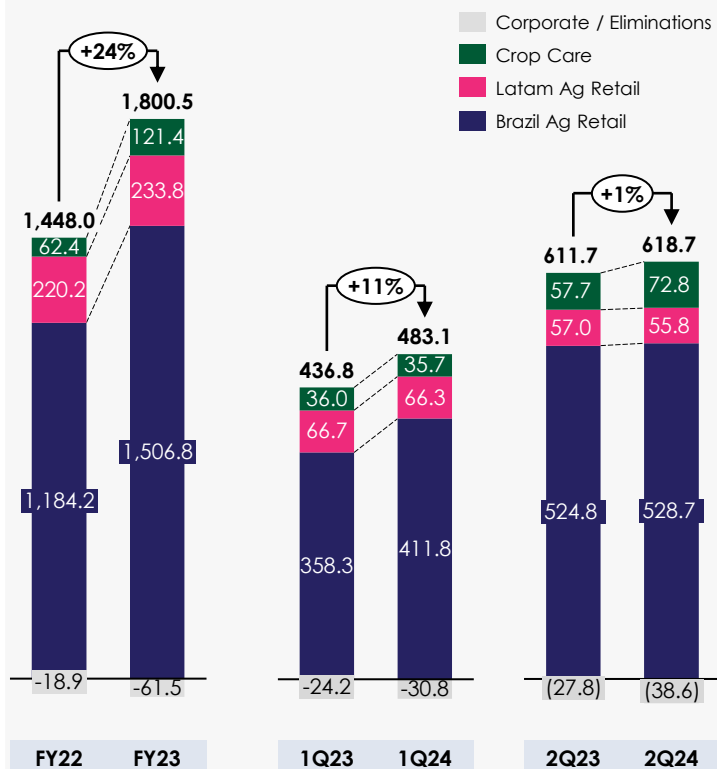


# Financial Performance

In millions of US dollars<sup>(1)</sup>

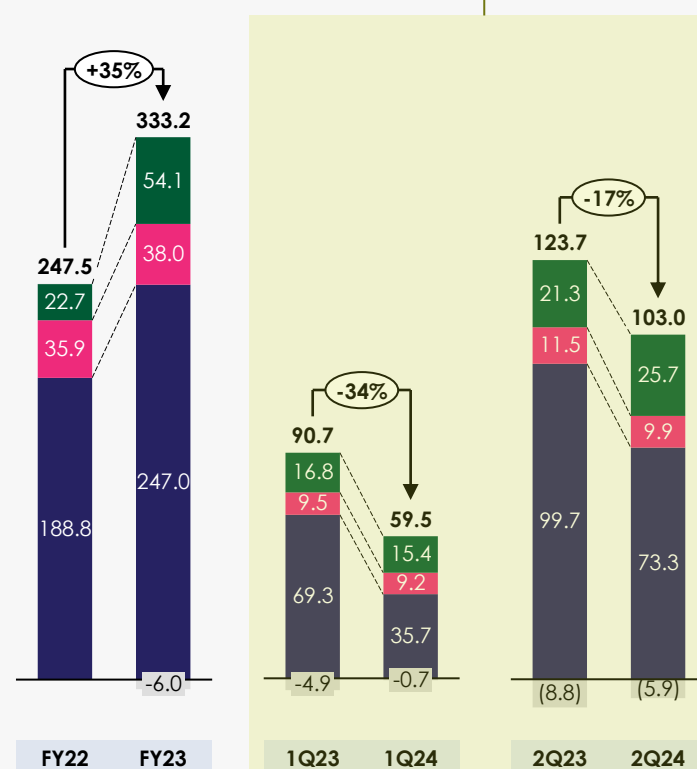
Y/Y margin compression largely driven by recent industry-wide reductions in crop protection and fertilizer prices

## Revenue



As % of revenue  
Y/Y chg.

## Gross Profit

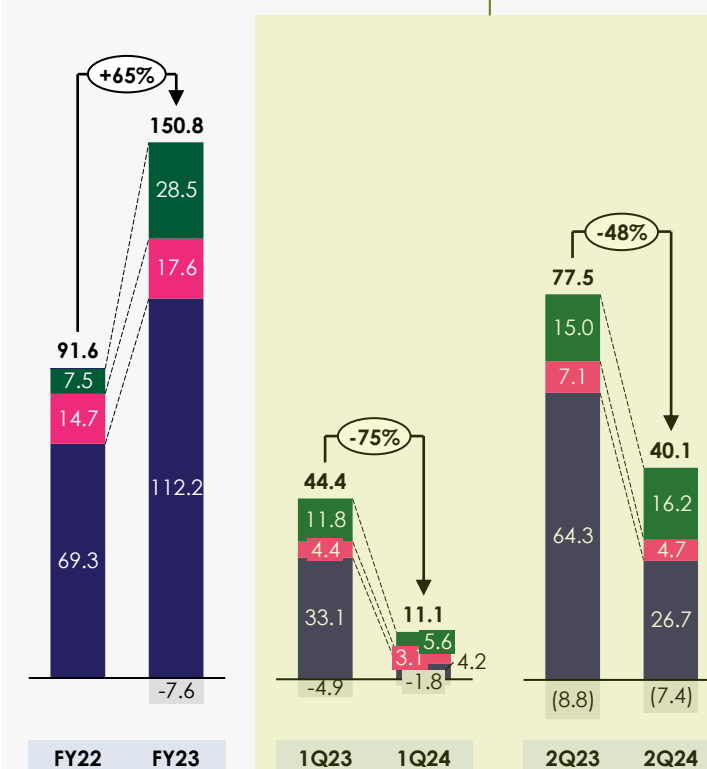


17.1% 18.5%  
140 bps

20.8% 12.3%  
-840 bps

20.2% 16.7%  
-360 bps

## Adjusted EBITDA



6.3% 8.4%  
200 bps

10.2% 2.3%  
-790 bps

12.7% 6.5%  
-620 bps

Note: Intercompany eliminations comprise sales between Crop Care and Brazil Ag Retail segments

(1) USD/BRL average period exchange rate used to translate our results to USD: 5.57 for 1H22, 5.23 for 3Q22, 4.92 for 4Q22, 5.24 for 1Q23, 5.26 for 2Q23, 5.19 for 3Q23, 4.95 for 4Q23, 4.88 for 1Q24, 4.96 for 2Q24

(2) Intercompany eliminations results represent sales between Crop Care and Brazil Ag Retail segments

# Reconciliation of Adjusted EBITDA

In millions of US dollars<sup>(1)</sup>

Reconciliation of Adjusted EBITDA	FY22	FY23	1Q23	1Q24	2Q23	2Q24
Net Profit/Loss for the Period	17.1	(43.4)	15.1	(14.5)	35.3	1.9
(+) Income taxes, current and deferred	4.6	(34.0)	(10.2)	(17.7)	2.4	(8.6)
(+) Finance income (costs)	42.4	119.6	28.2	26.0	31.9	37.3
(+) Depreciation and amortization	27.3	32.5	8.5	10.3	7.0	7.0
(+) Share of profit of an associate	-	-	-	0.2	-	0.2
(+) M&A expenses	3.0	2.2	0.5	3.4	0.5	0.5
(+) Stock-based compensation	-	2.8	1.7	1.2	0.5	1.0
(+) DeSPAC related bonus	-	5.8	-	1.3	-	0.1
(+) Related party consultancy services	0.5	3.8	0.6	0.9	-	0.9
(+) Nasdaq Listing expenses	-	61.5	-	-	-	-
(+) Gain on bargain purchases	(3.3)	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>91.6</b>	<b>150.8</b>	<b>44.4</b>	<b>11.1</b>	<b>77.5</b>	<b>40.1</b>

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