AGROGALAXY

Earnings Release | 2Q23

Summary

Second Quarter of 2023 Results

São Paulo, August 14, 2023 – AgroGalaxy Participações S.A. ("AgroGalaxy" or "Company") (B3: AGXY3) discloses its results for the 2Q23. The comments included in this release refer to the consolidated results prepared according to the CVM (Brazilian Securities and Exchange Commission) and the CPC (Brazilian Accounting Pronouncements Committee) regulations and follow the International Accounting Standards (IFRS) issued by the International Accounting Standards Board ("IASB"). Financial information, except where otherwise indicated, is presented in thousands of Brazilian reais and comparisons refer to the 2Q22, 1H22 and LTM2Q22.

2Q23 Highlights (vs. 2Q22)

- ✓ Opening of only 2 stores in 2Q23, totaling 169 in 14 Brazilian states, in line with capex reduction plan.
- ✓ Net revenue: R$ 1.8 bi (-6.9%). Input revenue: R$ 479 mi (-38.7%). Volume: +8% and price: – 47%.
- ✓ Adjusted Gross profit: R$ 93.3 mi (-51.6%), 5.1% margin. Input adjusted gross profit: R$ 79.4 mi (-52.0%), 16.6% margin.
- ✓ Adjusted EBITDA: - R$ 72.5 mi, -4.0% margin.
- ✓ Specialties: 9.4% of input revenue mix (+4.3 p.p.).

30,198 active customers (+31.4%).

Cash and Cash Equivalents maintenance: R$ 1.4 bi (+180%).

+19% in grain receives in 1H23 (17.8 mi of bags): producer confidence in AGXY.

Bioinputs: R$ 27 mi, +48% vs. 2Q22. In 1H23, it was R$ 107 mi: AGXY is the largest bioinput platform in the Brazilian retail market.

Seasonality: historically, 2Q has lower quarterly billings, less than 10% of annual billings.

R$ 178 mi in revenue made possible by digital means, or 56.0% of revenue from input in the period*.

Producer carrying out order in one-on-one negotiation ("from hand to mouth").

2023 focus with concrete results after the end of the quarter: actions to reduce delinquency, equalize inventories, focus on profitability, ramp up of opened stores and reduce capex.

*Does not consider Agrocat, Boa Vista e Ferrari Zagatto

IR Contact

Eron Martins
CFO and IRO

Daniel Kuratomi
IR Manager

Gabriella Medeiros
IR Analyst

ri@agrogalaxy.com.br

(11) 3014 - 7580

AgroGalaxy Participações S.A.
Publicly-Held Company, headquartered at
Rua Iguatemi, 192 – 10th floor
Itaim Bibi - São Paulo – SP

ri.agrogalaxy.com.br

Video Conference

August 15, 2023 (Tuesday)

11:00 AM (Brasília Time) | 10:00 AM (EST)

Portuguese with simultaneous translation into English

Click here to sign up to the video conference.

Message from the CEO

After a period on the Board of Directors, I **return as CEO of AgroGalaxy** and complete **almost 5 years of history with the Company**. I have more than **40 years of experience in the sector,** and I recognize that the year is a challenging one, especially for the retail sector of agricultural input in the country, but it is not unprecedented.

Before discussing about the quarter, it is important to remember that we were subject to turmoil that were originated in 2022, with the Russian invasion at Ukraine, culminating in intense price volatility and the threat of shortages of fertilizers worldwide, and the same happened with some crop chemicals for different reasons. Since the end of last year, we anticipated that the return to normal supply of these input and the excess storage of crop chemicals in the sector would lead to price drops. This downward trend influenced the behavior of producers, who began placing orders much closer to their effective use.

Coupled with this, commodity prices, mainly soybeans, had significant drops in the year, leading the producer to hold back the sale of the grain, the most delayed in 4 years, thus delaying payments to distributors.

All these factors impacted the results of 2Q23, whose **billing,** historically, **represents less than 10% of the total for the year**. In the period, we opened **2 stores, totaling 169 units** spread-out across **14 Brazilian states**. We reached the mark of more than **30,000 active customers**, **up 31%** over June 2022.

We also have 120 hectares dedicated to research to find the best solutions for Brazilian producers. This is our core, to foster the sale of **specialties and bioinputs**, which were the major highlight of our quarterly revenue. Despite the challenging scenario, previously described, **we grew 48% (vs. 2Q22) in bioinputs, standalone.** This increase was only possible due to **testing our CTAs, campaigns focused on the field and education and training of the sales force**. We are the number one retail platform for bioinput sales in Brazil.

In 2Q23, **total net revenue reached R$1.8 billion, down 7%. Input revenue posted a drop of 39%, totaling R$479 million**, with a 47% drop in prices and an 8% increase in volume. Organic **same store sales reached -36%** in the period.

Continuing in 2Q23, **Adjusted Gross Profit was R$93 million, down 52%** with a **margin of 5.1%. Adjusted EBITDA amounted to -R$72.5 million**, with a margin of -4.0%. **The Net Profit amounted to -R$ 257 million** and the financial result continued to be affected by the Selic rate at high levels, offset by the improvement in the financial costs passed on to our customers, in accordance with our strategy for the year. In terms of capital structure, we were successful at closing the quarter with a **robust cash position, cash equivalents and investments of R$ 1.4 billion and the Return on Invested Capital (ROIC) reached 17.3%** in June. For 2023, we are focused on **reducing delinquency, equalizing inventories, focusing on profitability, ramping up new stores and reducing capex.**

Specialties, the segment with the highest gross margin, had an important progress and reached **9.4% of the mix** due to the better mix of products within the segment, in addition to the reductions observed in fertilizers and crop chemicals, due to the drop in prices and margins observed in the segment.

The order portfolio totaled R$ 2.6 billion in June 2023, a 33% reduction Y-o-Y. The producer continues to place **orders in one-on-one negotiation ("from hand to mouth") due** to the expectation of a drop in prices in some segments, notably fertilizers, and crop chemicals. Notwithstanding, **order portfolio accelerated in relation to what happened in 1Q23**. Orders portfolio in 2Q23 grew 27% Q-o-Q (compared to +13% between 2Q22 and 1Q22), signaling an acceleration in orders from producers.

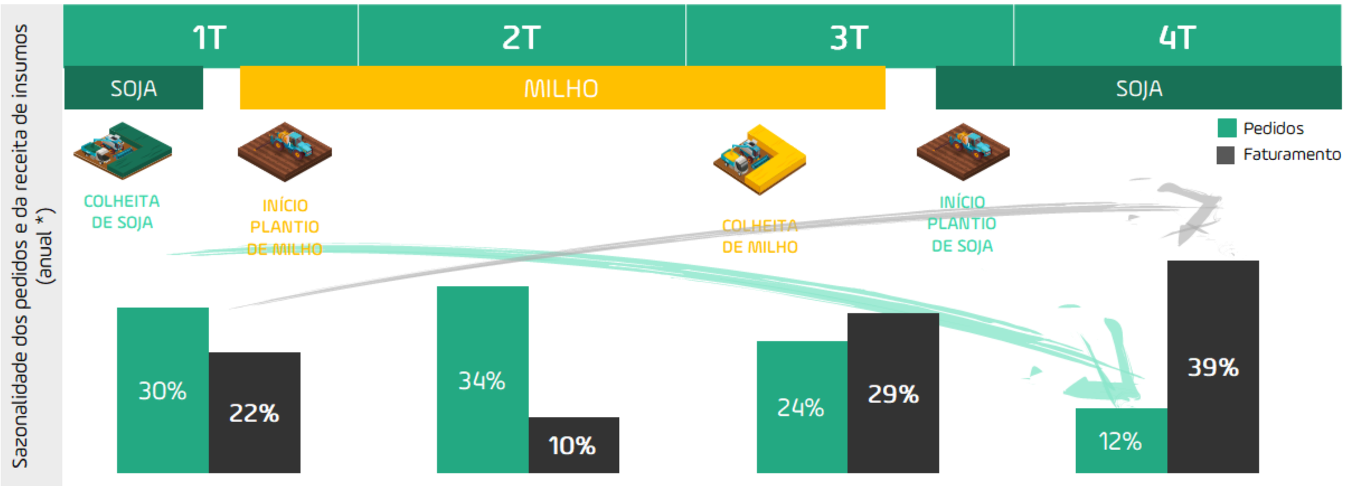
We put our **action plan** into practice to face the challenging year, as I often experienced in the sector. During the year, we will focus on: **(i) reducing delinquency ratios** by carrying out grain appreciation campaigns in partnership with suppliers, executing guarantees and not approve clients; **(ii) equalization of inventories**, with returns, margin re-build, renegotiation of terms, already implemented after the end of the quarter**, (iii) focus on profitability**, capturing synergies after M&As, primarily people and processes; **(iv) complete the ramp up** of the 60 stores that we have opened since 2019; **(v) capex optimization,** with a reduction in store openings in the short term and the postponement of non-priority projects at the moment, mainly in digital. It will also be our focus to complete the **implementation of a single ERP and CRM** for the entire AgroGalaxy and seek synergies in the businesses acquired since 2021, which should occur in 1H24.

We are committed to working to **overcome this challenging moment as quickly as possible** and continue to consolidate ourselves as the **best and most sustainable retailer of agricultural input and services aimed at the Brazilian farmer**, establishing partnerships, and offering unique solutions.

Welles Pascoal, AgroGalaxy CEO

Seasonality (Input)

The agribusiness industry is subject to significant seasonality over the year, especially given the crop cycles that depend on specific climate conditions. Brazil has unique climate conditions compared to other countries producing agricultural commodities, contributing to the plantation of two to three crops in the same area per year. The seasonality of the orders and the Company's input billings are shown below:



** Reference from 2022. It considers a full-year revenue from Boa Vista and Ferrari Zagatto. It may vary according to the region.*

Therefore, considering that the activities of the Company's customers are directly related to the cycles of the crops, which are subject to seasonality issues, the revenues from input are also subject to significant seasonality.

The seasonality of the crops also implies the seasonality of the gross profit, calculated at different basis for the fiscal year, which may cause a significant seasonal effect on the operating results calculated during the separate quarters of the fiscal year, as shown above.

Historical Seasonality (Input)

The seasonality of the Company's input orders and billings may vary according to the plantation periods of different crops each year.

	Seasonality | Input	1Q	2Q	3Q	4Q
2020	Billing	16%	10%	24%	50%
	Orders	40%	30%	15%	15%
2021	Billing*	19%	8%	29%	44%
	Orders	47%	22%	19%	12%
2022	Billing	22%	10%	29%	39%
	Orders	30%	34%	24%	12%
Average	**Billing**	**19%**	**10%**	**27%**	**44%**
	Orders	**39%**	**29%**	**19%**	**13%**

* It considers a full-year billing from Boa Vista and Ferrari Zagatto.

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Highlights

Operational Highlights	Jun/23	Jun/22	% Change Jun/23 x Jun/22	Mar/23	% Change Jun/23 x Mar/23
# stores	**169**	**145**	16.6%	**167**	1.2%
# launches, year-to-date	**6**	**0**	n.m.	**4**	50.0%
# of technical sales consultants (CTV)	**624**	**541**	15.3%	**643**	-3.0%
# silos	**28**	**28**	-	**28**	-
bags received - accrued for the year (million)	**17.8**	**15.0**	18.7%	**12.6**	41.3%
# seed processing units *	**13**	**13**	-	**13**	-
# CTAs**	**11**	**7**	57.1%	**9**	22.2%
# customers	**30,198**	**22,989**	31.4%	**29,294**	3.1%
Input revenue/customers (R$ thousands)***	**240**	**257**	-6.6%	**258**	-7.0%
# employees	**2,349**	**2,569**	-8.6%	**2,490**	-5.7%

* 3 own and 10 tooling
** AgroGalaxy Technological Centers
*** The amounts consider the last 12 months

Financial Highlights (R$ million)	2Q23	2Q22	% Change	1H23	1H22	% Change	LTM 2Q23	LTM 2Q22	% Change
Total Net revenue	**1,832.0**	**1,967.0**	**-6.9%**	**4,617.3**	**5,112.3**	**-9.7%**	**11,097.5**	**9,474.9**	**17.1%**
Input revenue	478.6	780.8	-38.7%	2,055.9	2,482.4	-17.2%	7,245.0	5,912.3	22.5%
Grain revenue	1,353.4	1,186.3	14.1%	2,561.4	2,629.9	-2.6%	3,852.5	3,562.6	8.1%
Growth indicators									
Same Store Sales[1]	-36.3%	66.0%	-102.3 p.p.	-14.7%	77.0%	-91.7 p.p.	27.8%	46.8%	-18.9 p.p.
Volume variation	8.0%	19.6%	-11.6 p.p.	1.2%	21.2%	-20.0 p.p.	-1.7%	26.6%	-28.3 p.p.
Price variation	-46.7%	58.2%	-104.9 p.p.	-18.4%	65.2%	-83.6 p.p.	24.2%	33.4%	-9.1 p.p.
Input revenue/CTV[2]	0.8	1.3	-42.1%	3.2	4.0	-17.9%	10.7	10.7	-0.3%
Digital Revenue									
Digital enabled revenue	177.7	271.7	-34.6%	747.8	885.0	-15.5%	2,972.1	2,721.3	9.2%
% of organic net input revenue [3]	56.0%	49.5%	+6.5 p.p.	58.8%	52.6%	+6.2 p.p.	60.5%	58.6%	+1.9 p.p.

Adjusted Gross Profit[4]	**93.3**	**192.7**	**-51.6%**	**350.7**	**516.7**	**-32.1%**	**1,392.6**	**1,187.6**	**17.3%**
% net revenue	5.1%	9.8%	-4.7 p.p.	7.6%	10.1%	-2.5 p.p.	12.5%	12.5%	-
Input margin	16.6%	21.2%	-4.6 p.p.	15.4%	19.5%	-4.1 p.p.	18.3%	19.2%	-0.9 p.p.
Grain margin	1.0%	2.3%	-1.3 p.p.	1.3%	1.2%	+0.1 p.p.	1.7%	1.5%	+0.2 p.p.
Adjusted EBITDA [5]	**-72.5**	**56.3**	**n.m.**	**-13.9**	**186.6**	**n.m.**	**504.0**	**549.6**	**-8.3%**
Adjusted EBITDA Margin	-4.0%	2.9%	-6.9 p.p.	-0.3%	3.6%	-4.0 p.p.	4.5%	5.8%	-1.3 p.p.
Adjusted Net Profit (Loss) [5]	**-257.1**	**-107.6**	**138.9%**	**-353.8**	**-152.3**	**132.2%**	**-147.5**	**63.4**	**n.m.**
Adjusted Profit (loss) Margin	-14.0%	-5.5%	-8.5 p.p.	-7.7%	-3.0%	-4.7 p.p.	-1.3%	0.7%	-2.0 p.p.
Adjusted Net Debt [6]	**-**	**-**	**-**	**-**	**-**	**-**	**1,677.6**	**1,291.9**	**29.9%**
(Net Debt/Adjusted EBITDA LTM)	-	-	-	-	-	-	3.3x	2.4x	+98.0 p.p.
ROIC	**-**	**-**	**-**	**-**	**-**	**-**	**17.3%**	**25.0%**	**-7.7 p.p.**

1 Same Store Sales considers the sales from stores operating for more than 12 months.

2 It considers the average number of CTVs during the assessed periods.

3 Disregards billings from F2, Agrocat and BV.

4 Adjusted Gross Profit: it considers: (a) gains or losses from changes in the fair value of commodities; (b) exchang ratee gains or losses; (c) negative impact of the cash effect related to rent payments; and (c) reversal of the effect of unusual expenses.

5 Adjusted EBITDA and Profit: Exhibit II table presents the adjustments made.

6 Net Debt: according to the Net Debt reconciliation section.

Adjustments to the results

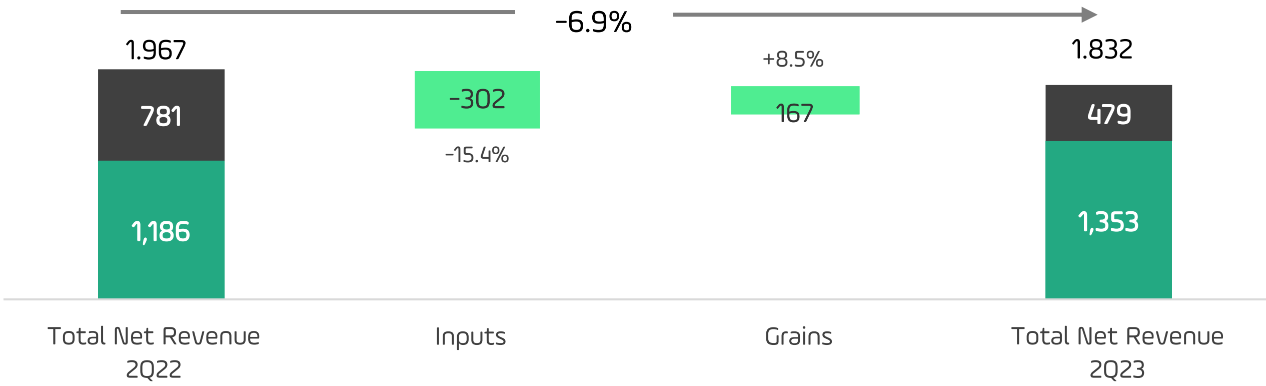
The **Adjusted EBITDA** is impacted by the cash generated from payments made for the real estate leasing (stores) during the period and disregards: (i) MTM commodities: gains or losses from the variation of the fair value of the commodities, as the fair value on the closing of each fiscal year does not impact the cash and does not reflect the results from purchase and sale; (ii) exchange variation of hedge operations carried out to protect revenue or cost of products; (iii) non-recurring items (e.g., extemporaneous credits and strategic consultancy); and (iv) commercial and financial results: interest expense, interest-earning assets and discounts granted and obtained.

Besides items (i), (ii) and (iii), mentioned above, the **adjusted net profit** also excludes the following from the calculation: (iv) amortization of capital gains from business combinations; (v) unsettled exchange variation (accrual and MTM); (vi) the effects from CPC 06/IFRS 16 and others; and (vii) the impact from deferred IR/CS (Income Tax/Social Contribution).

Check the IR website for further details on the adjustments.

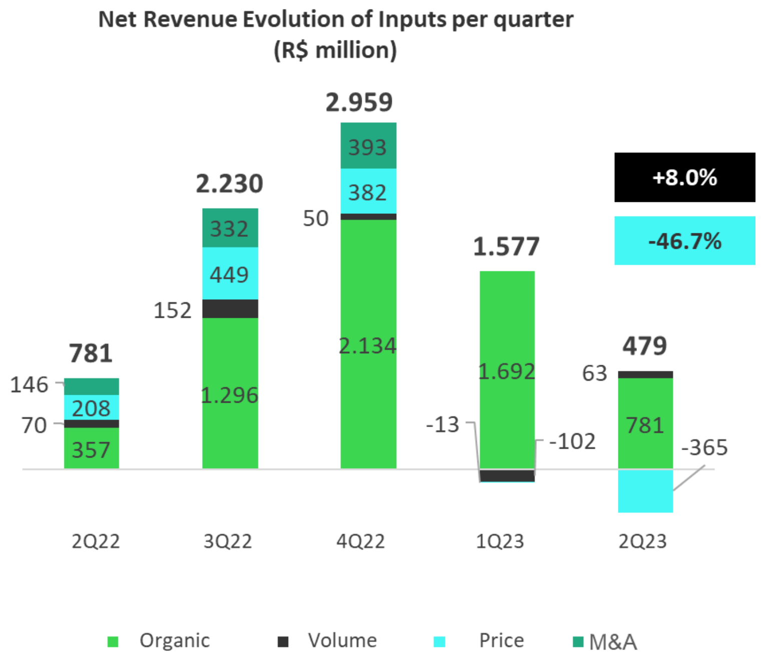
2Q23 vs. 2Q22 Results

Net Revenue



Net revenue for the period dropped by 7%, reaching R$ 1.8 billion. Input segment posted a drop of 39% and the grain one grew by 14% Y-o-Y. The decrease in input revenue (-47% price and +8.0% volume) was mainly due to price reductions in fertilizers and crop chemicals. Fertilizer prices retracted approximately by 38%, returning to steady level after the threat of shortages in 2022. Said threat also led to the anticipation of billing for this input for the summer harvest in 2Q22. Crop chemicals showed a sharp price drop of approximately -74%, notably herbicides, after a price peak in 2022. Same store sales indicator for the period was -36% given effects previously described.

The increase in grain revenue was mainly due to the higher volume of soybean received, resulting in higher billing anticipation.



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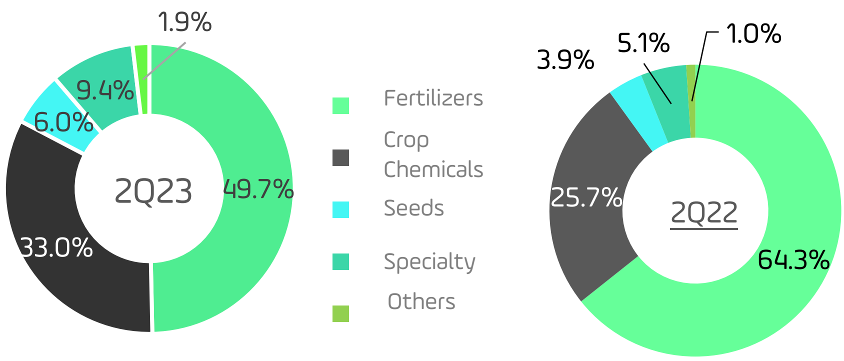
Inputs Mix

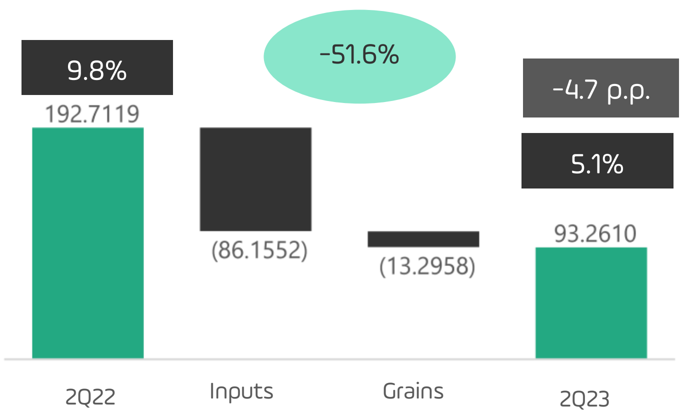
Specialties segment had the highest share gain in the input mix in 2Q23, reaching 9.4% of the mix, due to the better product mix within the segment, in addition to the reductions observed in fertilizers and crop chemicals, as described in the revenue section. Bioinputs, which include biological products, totaled R$ 27 million in 2Q23, or 5.7% of input revenue, an increase of 48% vs. 2Q22. In the year, bioinputs totaled R$ 107 million, up 87% vs. 1H22. This significant increase is a reflection of the Company's actions, such as: (i) protocols tests at AgroGalaxy Technology Centers; (ii) carrying out a campaign aimed at biological products throughout the territory served by AgroGalaxy, with specific products, which facilitate the specialization and knowledge of the sales team with a select group of products and suppliers; (iii) support from the TechA team and technical rounds with the CTA team in educating the sales force on bioinputs with data from tests carried out at the CTAs that prove the greater productivity of cultures with their usage.

Input Net Revenue Mix (%)

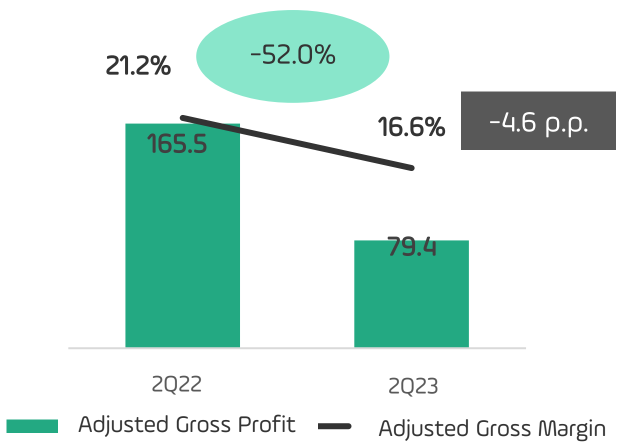


Adjusted Gross Profit *

Net Revenue increase (R$ million)



Adjusted Gross Profit - Input (R$ million)

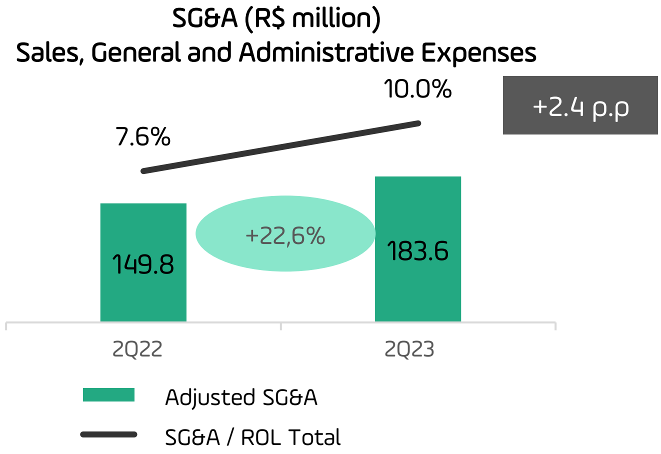


2Q23 adjusted gross profit reached R$93.3 million vs. R$192.7 million in 2Q22, with a margin of 5.1% (-4.7 p.p.). Reduction in adjusted gross profit reflects the decrease in revenue and lower margins in the fertilizer and herbicide segments, as a result of the return to normality in their supplies and higher crop chemicals inventories in the chain.

2Q23 adjusted gross profit from input reached R$79.4 million, down 52%, with a margin of 16.6%, down 4.6 p.p. over 2Q22. Such change was due to the reduction in input revenue (-38.7% vs 2Q22) and the lower margin in fertilizers and crop chemicals, especially herbicides. Partially offsetting the reductions; the mix of specialties, the segment with the highest gross margin, reached 9.4% in 2Q23 vs. 5.1% in 2Q22.

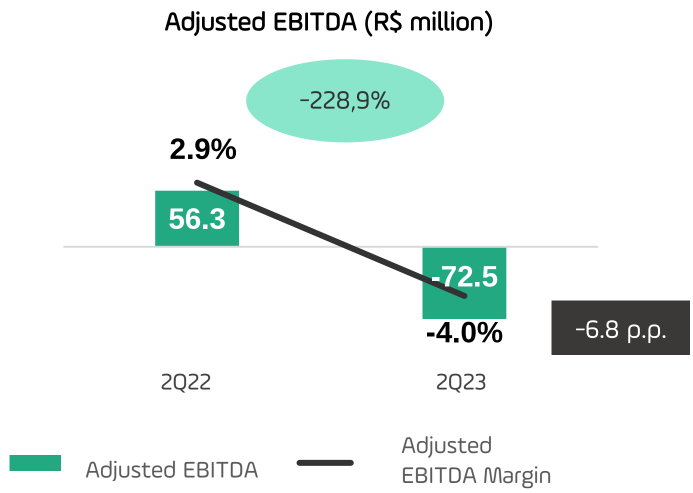
Adjusted gross profit excludes gains or losses from changes in the fair value of commodities and considers gains or losses from exchange rate changes adjusted to EBITDA for margin calculation purpose.

SG&A – Sales, General and Administrative Expenses



2Q23 expenses posted an increase of R$ 33.8 million or up 22.6% compared to 2Q22. The main changes were: (i) a 15% increase in the number of CTVs; and (ii) openings of 24 stores in the period, which are undergoing a maturity phase. As a percentage of net revenue, there was an increase of 2.4 p.p. due to the drop in net revenue with fixed costs maintenance. It is important to highlight that there are 60 stores opened since 2019 that are in ramp up phase, thus not having reached their full revenue potential.

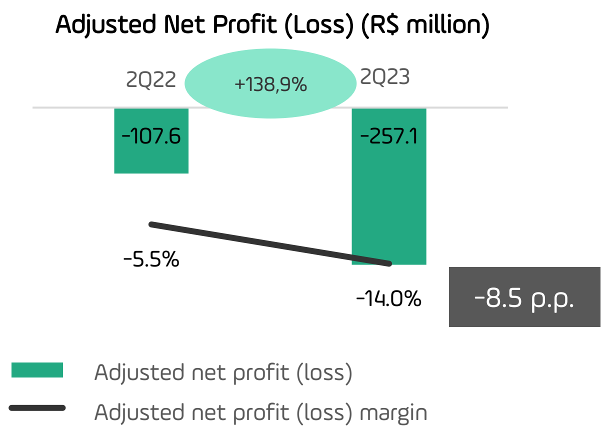
Adjusted EBITDA*



Adjusted EBITDA reached -R$72.5 million in 2Q23, down 228.9%. The adjusted EBITDA margin reached -4.0%, a decrease of 6.9 p.p. Y-o-Y, due to lower adjusted gross profit and increased SG&A, as described in previous sections.

**As per described in the adjutment itens.*

Adjusted Net (Loss) Profit



Adjusted loss totaled -R$257.1 million, up 139%. Such variation reflects the reduction in adjusted EBITDA and the increase in the average Selic rate to 13.7% p.a. in 2Q23 vs. 12.5% p.a. in 2Q22. Partially offsetting these effects, there was an improvement in the financial result adjustment to present value item, as a result of the Company's efforts to pass on financial costs to customers, as described in the Financial Result section.

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Financial Result

Adjusted Net Financial Result In R$ million	2Q23	2Q22	(%) Change
Adjustment to present value, expense	-142.3	-116.6	22.0%
Interest on loans and financing	-67.3	-61.1	10.1%
Interest Expense (CRA, renegotiation interest and/or delay)	-66.9	-37.4	78.9%
Discounts granted and other expenses	-43.3	-24.8	74.6%
Subtotal financial expenses	**-319.8**	**-240.0**	**33.3%**
Adjustment to present value, revenue	102.9	54.9	87.4%
Interest-earning assets	20.7	16.0	29.4%
Discounts for advanced payments	13.2	5.3	149.1%
Income earned from financial investment and other financial income	15.6	8.0	95.0%
Subtotal financial revenue	**152.3**	**84.3**	**80.8%**
Adjustments			
exchange rate variations	27.1	-34.2	n.m.
Fair value forward contract - agricultural commodities	10.4	0.0	-
Financial instruments derivatives/IFRS 16/Others	-36.0	31.7	-213.6%
Total adjustment	**1.5**	**-2.5**	**-160.0%**
Adjusted Net Financial Result	**-166.0**	**-158.3**	**4.9%**

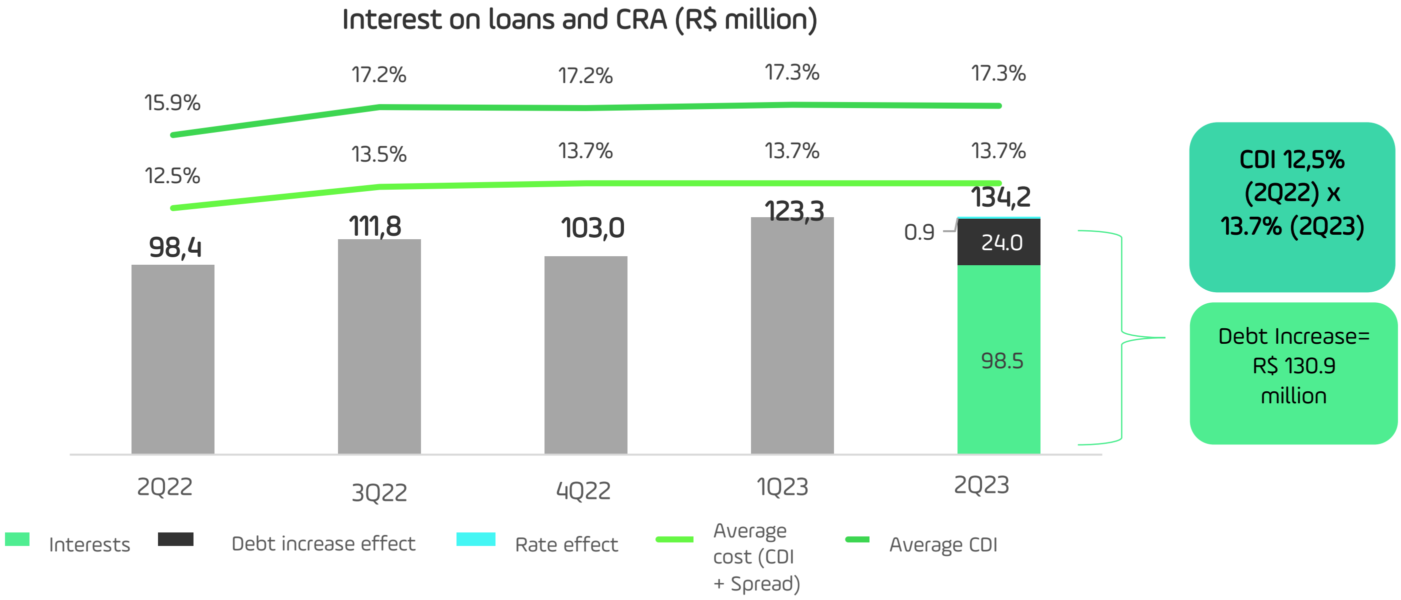
The main variations in financial expenses were:

- ✓ The increase in interest on loans, financing and CRA (Agribusiness Receivables Certificates) was due to the greater need for working capital, resulting from the Company's growth and the increase in the average Selic rate of 12.5% p.a. in 2Q22 to 13.7% p.a. in 2Q23;
- ✓ Gross debt growth of approximately R$1.2 billion.

In financial revenue were:

- ✓ Increase in AVP revenue, as a result of the Company's efforts to pass on the financial costs of term sales to its customers; and
- ✓ Increase in income and financial investments, due to greater availability of cash, as well as the impact of CDI growth on investments.

However, the CDI banking debt spread was maintained at + 3.6%.



1H23 vs 1H22 and LTM2Q23 vs. LTM2Q22 Results

Net Revenue

(R$ million)	1H23	1H22	% Change	LTM2Q23	LTM2Q22	% Change
Total Net Revenue	**4,617.3**	**5,112.3**	**-9.7%**	**11,097.5**	**9,474.9**	**17.1%**
Total grain net revenue	2,561.4	2,629.9	-2.6%	3,852.5	3,562.6	8.1%
Total input net revenue	2,055.9	2,482.4	-17.2%	7,245.0	5,912.3	22.5%

Mix of Input Revenue

(% Input Revenue)	1H23	1H22	% Change	LTM2Q23	LTM2Q22	% Change
Fertilizers	34.1%	40.8%	-6.7 p.p.	32.8%	36.9%	-4.1 p.p.
Crop Chemicals protection	39.8%	38.4%	+1.4 p.p.	37.2%	36.0%	+1.2 p.p.
Seeds	16.5%	14.9%	+1.6 p.p.	22.0%	20.7%	+1.3 p.p.
Specialties	8.5%	5.2%	+3.3 p.p.	6.8%	6.1%	+0.7 p.p.
Others	1.0%	0.7%	+0.3 p.p.	1.2%	0.3%	+0.9 p.p.

Adjusted Gross Profit*

(R$ million)	1H23	1H22	% Change	LTM2Q23	LTM2Q22	% Change
Adjusted Gross Profit	**350.7**	**516.7**	**-32.1%**	**1,392.6**	**1,187.6**	**17.3%**
% net revenue	7.6%	10.1%	-2.5 p.p.	12.5%	12.5%	-
Input margin	15.4%	19.5%	-4.1 p.p.	18.3%	19.2%	-0.9 p.p.
Grain margin	1.3%	1.2%	+0.1 p.p.	1.7%	1.5%	+0.2 p.p.

Adjusted gross profit excludes gains or losses from changes in the fair value of commodities and considers gains or losses from exchange rate changes adjusted to EBITDA for margin calculation purpose.

Adjusted SG&A – Sales, General and Administrative Expenses

(R$ million)	1H23	1H22	LTM2Q23	LTM2Q22
Adjusted Expenses (sales and administrative)	400.4	359.5	954.5	699.4
SG&A/ROL	8.7%	7.0%	8.6%	7.4%

Adjusted EBITDA *

(R$ million)	1H23	1H22	% Change	LTM 2Q23	LTM2Q22	% Change
Adjusted EBITDA	-13.9	186.6	n.m.	504.0	549.6	-8.3%
Adjusted EBITDA Margin	-0.3%	3.6%	-4.0 p.p.	4.5%	5.8%	-1.3 p.p.

** As described in the highlights section.*

Adjusted Net Profit (Loss)*

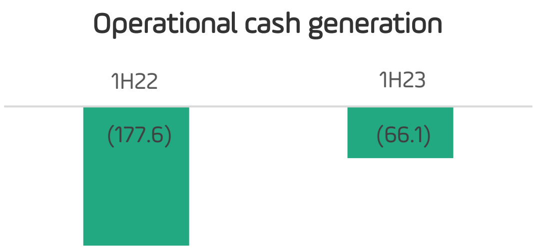
(R$ million)	1H23	1H22	% Change	LTM 2Q23	LTM 2Q22	% Change
Adjusted net profit (loss)	-353.8	-152.3	132.2%	-147.5	63.4	n.m.
Adjusted net profit (loss) margin	-7.7%	-3.0%	-4.7 p.p.	-1.3%	0.7%	-2.0 p.p.

*** Adjusted EBITDA and Profit: The Exhibit II table shows the adjustments made.*

Investments (2Q23)

Operating investments in PP&E, intangible assets and right to use totaled R$110.2 million, compared to R$204.9 million in the same period of the previous year (including the acquisition of Agrocat).
The most representative investments in 2Q23 were: (i) R$34.1 million in the implementation of a new ERP, process systems and software; (ii) R$22.3 million related to improvements, facilities and furniture for new stores; (iii) R$11.6 million in machinery and equipment; (iv) R$10 million in development and investments in digital; (iv) R$1.7 million in tractors; (v) R$1.6 million in computers and peripherals; and (vi) R$38 million with IFRS 16, of which R$20 million in real estate, R$6.4 million in vehicles.

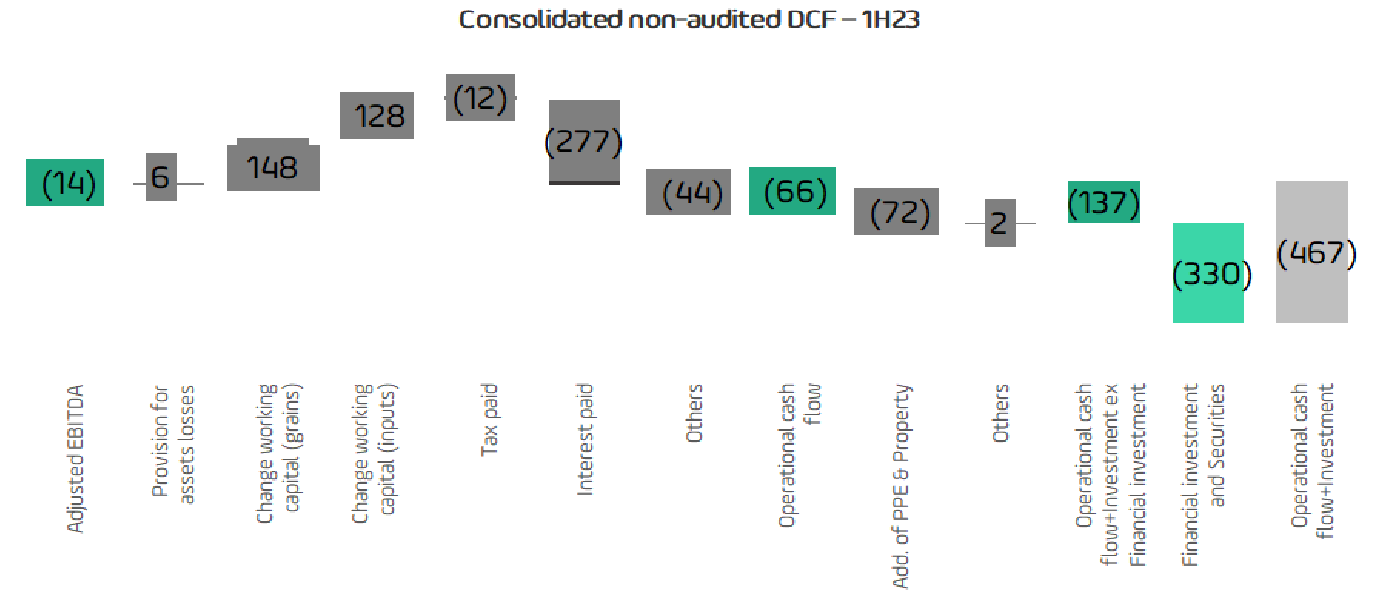
Operating Cash Generation (Consumption) and Indebtedness (R$ mi)



1H23 ended with an operating cash consumption of R$66.1 million vs. a consumption of R$177.6 million in 1H22, higher generation by R$111.5 million. The change was driven primarily by: (i) improvement in working capital due to lower purchases in cash/advances from suppliers by R$533.7 million vs. 1H22; (ii) on the other hand, there was a non-cash post-adjustment loss of R$225.6 million and (iii) increase in interest paid by R$200 million.

Input Working capital variation - in days	LTM 2Q23	LTM 2Q22	Δ
Asset			
Average term of receipt	142	82	-60
Average term of Storage	75	87	12
Operating Cycle	217	169	-48
Liabilities			
Payment Term	147	116	31
Working Capital Days	70	53	-17

The average term of input working capital went from 53 days in LTM 2Q22 to 70 days in LTM 2Q23, an increase of 17 days. The variation in days of working capital was mainly due to: (i) increase in the average payment period with suppliers, mainly for fertilizers and crop chemicals; and (ii) reduction of new purchases in 2023, focusing on the sale of chemicals and specialties in stock.



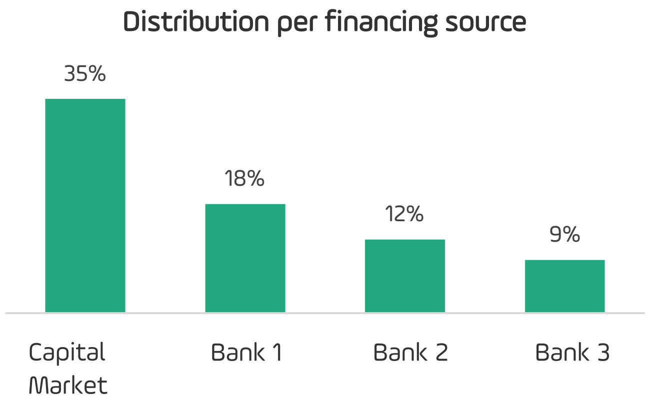
Reduction in the negative impact of operating cash generation at the end of June 2023 (-R$66 million) vs. 1Q23 (-R$263 million) due to the higher positive variation in working capital (mainly impacted by grain receipts) vs. the negative variations of the other operating cash flow accounts, including the balance of interest on loans and financing paid in 2Q23 of R$ 200 million. It is worth mentioning that R$ 330 million of the company's cash was invested in marketable securities and financial investments.

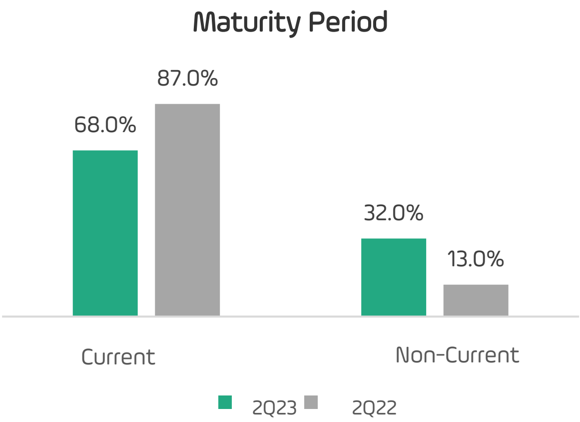
Debt Profile and Capital Structure

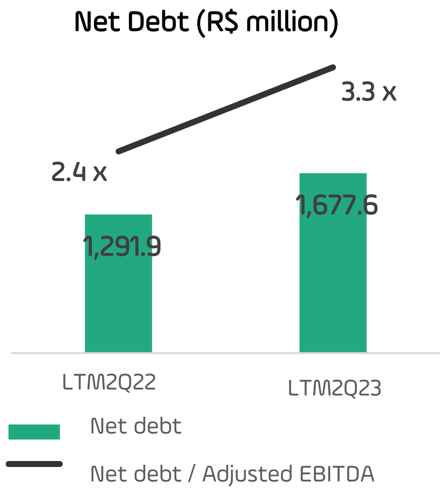
On June 30, 2023, the combined gross debt was R$3.0 billion, considering the Company's CRAs and lease liabilities.

In 2022, the highlight was the raising of R$ 500 million, through a CRA issue backed by grain purchase agreements with rural producers, which took place in September. The operation is backed by surety guarantees from the companies controlled by AgroGalaxy, with a total term of 5 years and an average term of 3.5 years. In May 2023, the issuance of R$ 150 million was completed for rural producers who are AgroGalaxy customers over 3 years, through the issuance of Agribusiness Receivables Certificates in a pioneering operation in partnership with the agricultural input retail sector, with the National Bank for Economic and Social Development, Banco Bradesco BBI S.A. and Vert Companhia Securitizadora. The funding structure is part of the Company's strategy to access the capital market, seeking to improve the term of its debt, as well as to support the Company's cash in its growth plan for the upcoming periods.

On the same date, these were the debt profile and maturity terms:







Net debt* totaled R$ 1.7 billion in June 2023, an increase of 30% Y-o-Y. In most of the compared range, input prices were at high levels, thus increasing the volume of paid inventory. There was also a negative impact from the reduction in Adjusted EBITDA in the last 12 months, as described above, which coupled with the increase in the average collection period described in the Operating Cash Generation section, led to an increase in the Company's leverage from 2.4x to 3.3x. The measurement of debt covenants is only carried out on December 31, 2023. It is worth mentioning that the 2nd quarter has the lowest revenue within the year, having represented approximately 10% of the total for the year in the last 3 fiscal years and the year 2023 has presented atypical dynamics in the receipt of customer accounts, as mentioned in the Message from the President section.

**Net Debt - Adjusted net debt, considering loans and financing, deducted from cash and cash equivalents and financial investments, Marketable securities as well as obligations with securitized securities CRA - Agribusiness Receivables Certificates – which are entered as debt in Current Liabilities and refer to transactions involving bonds from clients placed on the market to finance rural producers. The Net Debt reconciliation is available in the next section.*

Net Debt Reconciliation

Net Debt considers loans and financing, deducted from cash and cash equivalents and financial investments, as well as obligations with securitized securities CRA - Agribusiness Receivables Certificates - which are classified as debt in Current Liabilities and refer to securities operations of customers placed on the market to finance the rural producer. The caption is also adjusted for: (i) liability from lease (CPC 06/IFRS16); and (ii) marketable securities.

Invested Capital	LTM 2Q23	LTM 2Q22
(+) Loans and financings	1,947,054	1,633,751
(+) Obligations with credit assignment - CRA	1,069,618	141,421
(+) Lease liability from vehicles and others	61,832	17,146
Subtotal	3,078,504	1,792,318
(-) Cash and equivalents	(873,150)	(390,362)
(-) Financial Investments	(413,917)	(68,126)
(-) Marketable securities	(113,880)	(41,963)
Subtotal cash	**(1,400,947)**	**(500,450)**
(=) Net debt	1,677,557	1,291,868

Delinquency

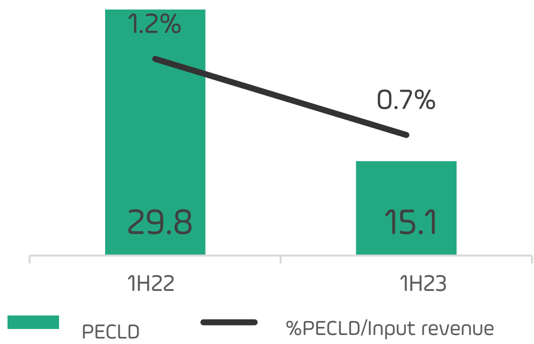
In the range between 1 to 60 days, approximately 43% of the total is linked to balance from receivable for the sale of grains to trading companies, whose settlement can take place at different times than that contracted when invoicing for reasons inherent to the market, such as the Company's shipping deadlines and the customer itself. The terms initially contracted for the settlement of these operations are not adjusted in the Company's controls and do not reflect these effects. The remaining amount overdue in about 57% of the total range up to 60 days refers to sales of input to rural producers.

The highest delinquency concentration is between 61 and 180 days, and within this amount there are no relevant overdue periods between 120 and 180 days. Around 83% of this amount receivable is linked to sales of input to rural producers. Market factors such as the delay in planting and selling the 2022/23 summer harvest, coupled with the relevant drop in soybean market prices, explain the delays in receipts. There were no extreme weather events that affected production and productivity in the regions where we operate.

All receivables overdue for more than 181 days are covered by Estimated Losses of Credit to Doubtful Accounts (PCDA), which consider the historical loss percentage over receivable accounts.

	June 30, 2023	June 30, 2022	March 31, 2023
Coming due	**2,678,381**	**2,140,142**	**5,579,829**
Between 1 to 60 days	172,530	248,508	534,713
overdue from 61 to 180 days	554,647	574,546	39,000
Between 181 and 365 days	44,826	66,711	69,715
Over 365 days	235,767	114,228	192,573
(-) PCDA	-300,917	-186,844	-290,374
Overdue	**706,853**	817,149	**545,627**
Balance	**3,385,234**	**2,957,291**	**6,125,456**

PCDA



The increase in Estimated Losses on Doubtful Accounts (PCDA) accounted in the half-year were in smaller proportions when compared to the same period of the previous year, due to the high base of reserves constituted in the previous quarters.

Agricultural commodities and foreign currency Exposure

The Company carries out operations in foreign currency and with agricultural commodities, mainly in the acquisition of agricultural input, such as fertilizers, in the sale of grain and in loan operations for working capital. These operations, as defined in the Credit Policy, are hedged against such variations by contracting NDF (Non Deliverable Forward) operations, exchange rate swaps, futures market (Chicago, B3), barter (exchange of input for grains through hedge Natural).

The outstanding positions as of June 30, 2023, have shown the following exposures:

(i) Commodities (tons)

Positions / Products	Soybean	Corn	Wheat	Coffee
Physical inventory	165,040	14,021	6,615	18
Sales positions to be set	235,608	30,399	0	0
Purchase positions to be set	-298,009	-80,178	-1,626	0
Physical Position	**102,639**	**-35,758**	**4,989**	**18**
Purchase Agreements	536,803	442,845	2,405	2,011
Sales Agreements	-627,358	-394,665	-4,692	-1,611
Future Agreements Positions	**-90,555**	**48,180**	**-2,287**	**400**
Net Balance	**12,084**	**12,422**	**2,702**	**418**

Exposure, sensitivity analysis if there are price variations of 5%, 25% or 50%. Considering call or put options, we would have an increase of 5% in the price of commodities, an estimated gain of R$ 1,197 thousand.

	Tons	Position	Current Risk	Current Market	+5% Increase		+25% Increase		+50% Increase	
Position				Price	Price	Effect	Price	Effect	Price	Effect
Soybean	937,451	Purchase	2,046,768	131	137.55	-102,338	164	-511,692	197	-1,023,384
Soybean	-925,367	Sold	-2,066,653	134	140.7	103,333	168	516,663	201	1,033,326
Corn	487,265	Purchase	397,933	49	51.45	-19,897	61	-99,483	74	-198,967
Corn	-474,843	Sold	-411,531	52	54.6	20,577	65	102,883	78	205,765
Wheat	9,020	Purchase	13,079	87	91.35	-654	109	-3,270	131	-6,540
Wheat	-6,318	Sold	-9,688	92	96.6	484	115	2,422	138	4,844
Coffee	2,029	Purchase	29,928	885	929.25	-1,496	1.106	-7,482	1.328	-14,964
Coffee	-1,611	Sold	-23,762	885	929.25	1,188	1.106	5,941	1.328	11,881
Net exposure			**-23,926**			**1,197**		**5,982**		**11,961**

(ii) Exchange rate (thousands of US Dollars)

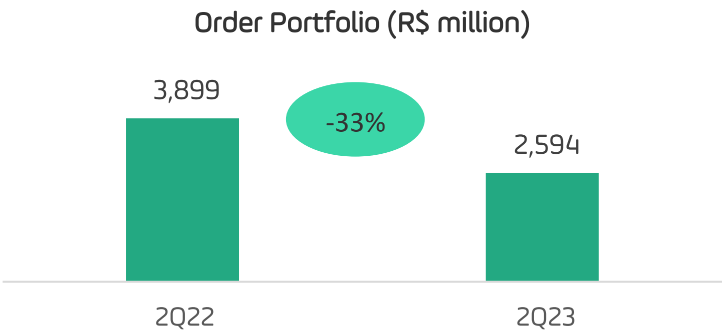
	June 30, 2023
Loans and financings	107,063
Purchase Agreements in US Dollars	-54,420
Exchange SWAP agreement	-107,063
NDFs purchase forward agreement	-109,440
NDFs sales forward agreement	112,160
Sales Agreements in US Dollars	56,730
Export Agreements	**5,030**

Exposure, sensitivity analysis if there are price variations of 5%, 25% or 50%. If the US Dollar quotation increased by 5%, we would have an estimated gain of R$ 1,212 thousand.

	Risk	Closing Balance	Current Market	+5% Increase		+25% Increase		+50% Increase	
Position		"BRL"	Price (R$/sc)	Price (R$/sc)	Effect	Price	Effect	Price	Effect
Loans and financings	Exchange rate / USD	515,958	4.82	5.06	-25,798	6.02	-128,990	7.23	-257,979
Purchase Agreements in US Dollar	Exchange rate / USD	-262,261	4.82	5.06	13,113	6.02	65,565	7.23	131,130
Exchange SWAP agreement	Exchange rate / USD	-515,958	4.82	5.06	25,798	6.02	128,990	7.23	257,979
NDFs purchase forward agreement	Exchange rate / USD	-527,413	4.82	5.06	26,371	6.02	131,853	7.23	263,707
NDFs sales forward agreement	Exchange rate / USD	540,521	4.82	5.06	-27,026	6.02	-135,130	7.23	-270,261
Sales Agreements in US Dollar	Exchange rate / USD	273,393	4.82	5.06	-13,670	6.02	-68,348	7.23	-136,697
Net exposure	Exchange rate / USD	**24,240**			**-1,212**		**-6,060**		**-12,121**

Order portfolio

In June 2023, the portfolio of orders totaled R$ 2.6 billion, vs. R$ 3.9 billion in June 2022, down 33%. The decrease was mainly explained by the drop in prices of fertilizers and herbicides and the postponement of orders from producers due to the downward trend in prices in some input segments. The portfolio accelerated over 1Q23 when the difference to 1Q22 was -41%.



Stores Opened Maturation and 2023 Organic Expansion Plan

Since 2019, the Company has opened 60 stores, which are maturing. As shown below, stores in ramp up increased their share of the Company's total sales, reaching 22% of input sales in 1H22:

Opened stores Ramp-up R$ million	2019 Billings	2020 Billings	2021 Billings	2022 Billings	1H23 Billings	TOTAL (2019 & 2022)
Opened in 2019 (+10 stores)	153	363	578	858	149	2.102
Opened in 2020 (+9 stores)	-	61	112	139	54	365
Opened in 2021 (+21 stores)	-	-	150	428	140	718
Opened in 2022 (+18 stores)	-	-	-	264	120	384
Total	153	424	840	1.689	463	3.569
% of total input revenue	7%	15%	19%	22%	22%	19%

In 2023, the Company reviewed its growth plan in order to preserve its capital structure and plans to open 8-12 stores compared to 15-20 previously planned. Of the stores to be opened during 2023, 6 were opened in the first half of 2023. Additionally, 8 have their commercial points defined and contracted (through the respective lease agreements duly formalized) and have 23 professionals hired by the Company to act as a team of these stores.

ESG

2Q23 was marked by the focus realignment to ESG initiatives aimed at protection and value creation, following the recommendations of the Sustainability Committee and Executive Board of AgroGalaxy. In this sense, of the goals listed for 2023, the Company concentrated its efforts on ensuring alignment between different areas for advances in goals 1 and 2.

Commitment 1 | Sustainable Offer

Commitment 1*
Sustainable offer

Goal 1: increase revenue with bioinputs (R$ 320 million), a 40% growth vs. 2022.

Goal 2: reduce the trade of products authorized in Brazil but considered by the WHO as highly hazardous products by 25%
(expectation to stop trading those products by 2025).

Even in a challenging scenario for the sector in 2023, in the accumulated result for the year up to June, bioinput posted remarkable billing, reaching R$ 106.7 million, up 87% compared to the same period in 2022. This positive scenario reveals that the R&D efforts in the field, hard work by the CTA teams and TechA specialists begin to pay off. Considering the company's ambition to be the largest platform offering solutions for more sustainable management to Brazilian farmers, we are optimistic about this growth trend.

We can highlight the following multidisciplinary actions that contributed to this advance in the company:

- national campaign initiative focused on organic products
- well-defined suppliers
- support from the TechA team in organizing weekly blitzes with each supplier and each branch,
- technical round with the CTA team addressing the importance of using biologicals and bioinputs for greater crop productivity
- support from regional and commercial managers in field actions.

**The variable compensation of all the employees will be impacted if we achieve the goals 1 and 2 comprising the Commitment 1.*

"Undoubtedly, the result for the first half of the year, in the commercialization of bioinputs reveals the team's total focus on making things happen, anticipating business, developing products, generating demand, building partnerships with suppliers and customers. Working together with all teams, CTA, TECH A, Supplies & Portfolio and Commercial." Luiz Gabriel Piovezanni – Head of Specialties
With the new incentive guidelines through Public Policy aimed at the transition of the economy and in the Brazilian green agenda, the use of bioinputs and precision agriculture tools should enhance this line of products with less environmental impact on the basis of transition models to regenerative agriculture.

Ecovadis Silver Stamp

At the end of the second half, the Company received the Ecovadis Silver Stamp, an internationally recognized institution for assessing the quality of the Corporate Social Responsibility management system. By evolving from Bronze to Silver level, the Company is recognized for improving relevant initiatives for the ESG journey, clearly with gains from programs maturity such as Integrity and Risks, where the Corporate Matrix integrated the main ESG risks and a look at the chain of value, starting the Sustainable Purchasing Program and actions to support customers, rural producers in material agendas for agribusiness, with priority on environmental issues.

The certification evaluates 21 sustainability criteria that are based on international standards, such as the Global Compact Principles, the International Labor Organization (ILO) conventions, the Global Reporting Initiative (GRI) standard, the ISO 26000 standard, and the CERES principles. To grant the classification, EcoVadis evaluated the practices adopted in four main pillars: human rights and labor practices, ethics, environment, and sustainable purchases.

Exhibit I – Financial Statements

Adjusted Income Statement (In R$ thousands)

	2Q23	2Q22	%	1H23	1H22	%	LTM 2Q23	LTM 2Q22	%
Net revenue for the period	**1,832,007**	**1,967,028**	**-6.9%**	**4,617,297**	**5,112,321**	**-9.7%**	**11,097,486**	**9,474,922**	**17.1%**
Input	478,597	780,767	-38.7%	2,055,892	2,482,446	-17.2%	7,244,985	5,912,297	22.5%
Grain	1,353,410	1,186,261	14.1%	2,561,405	2,629,875	-2.6%	3,852,501	3,562,625	8.1%
(-) Cost of products sold	**-1,738,746**	**-1,774,316**	**-2.0%**	**-4,266,629**	**-4,595,593**	**-7.2%**	**-9,704,841**	**-8,287,315**	**17.1%**
Input	-399,212	-615,226	-35.1%	-1,738,775	-1,998,105	-13.0%	-5,916,163	-4,781,864	23.7%
Grain	-1,339,534	-1,159,090	15.6%	-2,527,854	-2,597,489	-2.7%	-3,788,679	-3,505,451	8.1%
Gross profit for the year	**93,261**	**192,712**	**-51.6%**	**350,668**	**516,728**	**-32.1%**	**1,392,645**	**1,187,607**	**17.3%**
% net revenue	5,1%	9,8%	-4.7 p.p.	7,6%	10,1%	-2.5 p.p.	12,5%	12,5%	-
% net revenue Input	16,6%	21,2%	-4.6 p.p.	15,4%	19,5%	-4.1 p.p.	18,3%	19,1%	-0.8 p.p.
% net revenue Grain	1,0%	2,3%	-1.3 p.p.	1,3%	1,2%	+0.1 p.p.	1,7%	1,6%	+0.1 p.p.
(-) sales expenses	-99,557	-75,475	31.9%	-226,607	-179,890	26.0%	-511,695	-366,194	39.7%
(-) administrative expenses	-64,334	-61,691	4.3%	-146,613	-155,251	-5.6%	-394,470	-270,614	45.8%
(-) other operating revenues and expenses	-1,888	721	n.m.	8,640	4,969	73.9%	17,507	-1,222	n.m.
(-) Depreciation and amortization (b)	-17,833	-13,374	33.3%	-35,777	-29,300	22.1%	-65,808	-61,411	7.2%
Total expenses (SG&A)	**-183,612**	**-149,819**	**22.6%**	**-400,357**	**-359,472**	**11.4%**	**-954,465**	**-699,440**	**36.5%**
Profit before financial income (a)	**-90,351**	**42,893**	**n.m.**	**-49,689**	**157,256**	**n.m.**	**438,179**	**488,166**	**-10.2%**
% net revenue	-4,9%	2,2%	-7.1 p.p.	-1,1%	3,1%	-4.2 p.p.	3,9%	5,2%	-1.2 p.p.
(-) Financial result	-165,985	-158,261	4.9%	-293,584	-310,552	-5.5%	-564,863	-433,352	30.3%
(-) Income tax and social contribution	-784	7,749	-110.1%	-10,487	951	-1202.7%	-20,791	8,563	n.m.
(=) Adjusted net result for the period	**-257,120**	**-107,619**	**138.9%**	**-353,760**	**-152,345**	**132.2%**	**-147,474**	**63,378**	**n.m.**
% net revenue	-14,0%	-5,5%	-8.6 p.p.	-7,7%	-3,0%	-4.7 p.p.	-1,3%	0,7%	-2.0 p.p.
Depreciation and Amortization (b);	17,833	13,374	33.3%	35,777	29,300	22.1%	65,808	61,411	7.2%
Adjusted EBITDA (a) + (b)	**-72,518**	**56,267**	**n.m.**	**-13,912**	**186,555**	**n.m.**	**503,987**	**549,577**	**-8.3%**
% net revenue	-4,0%	2,9%	-6.8 p.p.	-0,3%	3,6%	-4.0 p.p.	4,5%	5,8%	-1.3 p.p.

Balance Sheets (In R$ thousands)

Asset	June 30, 2023	December 31, 2022
Current		
Cash and cash equivalents	873,150	1,077,875
Financial Investments	308,876	101,050
Accounts receivable from customers	3,305,209	4,660,062
Inventories	1,821,715	1,698,512
Taxes recoverable	155,623	148,393
Financial instruments derivatives	56,085	61,017
Advances to suppliers	383,193	393,874
Other receivables	40,226	66,819
Total current assets	**6,944,077**	**8,207,602**
Non-current		
Long-term receivables		
Financial Investments	105,041	49,188
Accounts receivable from customers	80,025	78,404
Marketable securities	113,880	47,382
Financial instruments derivatives	204	863
Taxes recoverable	6,007	5,608
Judicial Deposits	7,602	7,372
Related Party Transactions	0	1,810
Deferred income tax and social contribution	20,235	71,891
Other receivables	45,276	46,649
	378,270	**309,167**
Other investments	9,529	4,082
Fixed assets	178,514	165,731
Intangible assets	1,075,913	1,057,356
Asset of right of use	170,475	166,555
Total non-current assets	**1,812,701**	**1,702,891**
Total assets	**8,756,778**	**9,910,493**

Liabilities and Net Equity	June 30, 2023	December 31, 2022
Current		
Suppliers	3,800,450	4,870,220
Loans and financings	1,472,589	1,559,255
Lease liabilities	62,306	57,820
Financial instruments derivatives	30,171	17,832
Obligations on credit assignment	579,604	180,048
Social and labor obligations	117,475	133,845
Taxes and contributions payable	6,460	14,598
Advances from customers	332,102	288,243
Acquisition of equity interest payable	9,657	9,337
Payable dividend	6,777	6,777
Related Party Transactions	38,496	52,695
Total liability current	**6,456,087**	**7,190,670**
Non-current		
Suppliers	2,795	9,911
Loans and financings	474,465	343,378
Lease liabilities	101,598	99,040
Financial instruments derivatives	4,062	4
Obligations on credit assignment	490,014	610,407
Acquisition of equity interest payable	45,622	44,110
Contingency provisions	17,239	16,393
Taxes and contributions payable	5,609	4,507
Income tax and social contributions deferred	76,258	87,080
Other accounts payable	3,962	3,527
Total liability non-current	**1,221,624**	**1,218,357**
Total liability	**7,677,711**	**8,409,027**
Net Equity		
Capital stock	789,221	789,221
Capital reserves	490,944	490,944
Treasury shares	-34,037	-34,037
Valuation Adjustments	21,985	19,496
Profit reserves	219,408	219,408
Accumulated losses	-432,430	0
Equity attributable to controlling shareholders	1,055,091	1,485,032
Equity attributable to non-controlling shareholders	23,976	16,434
Total net equity	**1,079,067**	**1,501,466**
Total liability and net equity	**8,756,778**	**9,910,493**

Cash Flow Statements – Indirect Method (In R$ million)

	June 2023	June 2022
OPERATING ACTIVITIES		
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**(373,366)**	**(238,440)**
Adjustments to reconcile the result in the period with resources from operating activities:		
Depreciation and amortization (note 27)	68,088	49,779
Surplus Amortization of inventories	-	-
Adjustment at present value	32,334	3,345
Appropriation of lease financial charges	16,201	11,871
Result on the sale and write-off of fixed assets, net (note 27)	2,125	220
Provision for inventory losses, net (note 8)	(9,451)	879
Equity accounting results	-	-
Variation at fair value de agricultural commodities	(204,495)	48,307
Variation at fair value	19,064	40,728
Derivative losses, net (note 28)	74,289	(45,332)
Expenses with interest on loans and financings, net (note 28)	141,395	112,545
Expenses with interest on obligations on credit assignments, net (note 28)	-	-
Exchange rate variations on loans and financings	10,178	1,073
Share-based payment	2,489	4,741
Provision (reversal) for estimated losses with doubtful credit settlement, net (note 27)	15,138	29,840
Others		
	(206,011)	**19,557**
Decrease (increase) in asset	**1,573,157**	**(721,069)**
Related parties	15,601	5,140
Accounts receivable from customers	1,447,205	99,825
Inventories	85,007	(103,908)
Advances to suppliers	10,681	(682,759)
Taxes recoverable	(7,629)	4,291
Other assets	22,289	(43,658)
Increase (decrease) in liabilities	**(1,143,962)**	**606,109**
Related parties	923	19,018
Suppliers and Other payables	(1,249,169)	192,316
Taxes recoverable	(16,370)	5,502
Salary and social charges	(5,510)	16,251
Advance from customers and other liabilities	126,164	373,022
Cash generated from operations	**223,184**	**(95,403)**
Expenses on Income Tax and Social Contribution	(12,214)	(5,138)
Payment of interest	(277,072)	(77,046)
Net cash generated by operating activities	**(66,102)**	**(177,587)**

INVESTMENT ACTIVITIES		
Additions of Fixed assets (note 11)	(28,075)	(27,833)
Additions of Intangible Assets (note 12)	(44,134)	(32,356)
Receivables by the sale of fixed assets	-	1,070
Acquisition of investment, incorporated net cash	-	(144,770)
Investments, net	(263,679)	93,023
Investments in marketable securities, net	(66,498)	4,388
Related Party Transactions	1,810	(1,790)
Acquisition of non-controlling interest	-	-
Net Cash Used in Investing Activities	**(400,576)**	**(108,268)**
FINANCING ACTIVITIES		
Loans financings funded (note 15.2)	998,242	703,543
Loans and financing – secured resources (note 16.2)	402,240	141,421
Loans and financing – related parties (note 22)	-	-
Payment of loans and financings (note 15.2)	(956,453)	(538,011)
Payment of secured resources (note 16.2)	(138,443)	(243,644)
Payment of lease agreements (note 13.2.1)	(43,633)	(30,655)
Full payment of capital stock net of the issuance cost	-	-
Dividends	-	-
Net cash from financing activities	**261,953**	**32,654**
EFFECT OF EXCHANGE VARIATION IN CASH AND CASH EQUIVALENTS	-	-
Increase (reduction) net of cash and cash equivalents		
At the beginning of the year	1,077,875	643,563
At the end of the year	873,150	390,362
Increase (reduction) net of cash and cash equivalents	**(204,725)**	**(253,201)**
BS | Cash and cash equivalent	**873,150**	**624,267**

Exhibit II – Reconciliation of Adjusted EBITDA, Net Profit and Gross Profit

Gross profit summary (in thousands of R$)	2Q23	2Q22	% Change	1H23	1H22	% Change	LTM 2Q23	LTM 2Q22	% Change
Gross profit for the period	-24,92	127,737	n.m.	381,496	458,825	-16.9%	1,374,150	1,144,241	20.1%
(+/-) Fair value commodities and surplus (1)	95,87	60,891	57.4%	-43,492	46,615	n.m.	10,418	48,155	-78.4%
(+/-) Operating exchange variation (3)	11	4,084	-99.7%	-	11,288	n.m.	-22,887	-4,79	377.8%
(+/-) IFRS16 Silos and other Revenue/Expenses	22,299	-	-	12,664	-	-	30,963	-	-
Adjusted Gross Margin	93,261	192,712	-51.6%	350,668	516,728	-32.1%	1,392,645	1,187,607	17.3%
% Adjusted Gross Margin	5.1%	9.8%	-0.5 p.p.	7.6%	10.1%	-0.2 p.p.	12.5%	12.5%	-

Result of the period (in thousands of R$)	2Q23	2Q22	% Change	1H23	1H22	% Change	LTM 2Q23	LTM 2Q22	% Change
Accounting EBITDA (a) + (b)	-159,888	-6,015	2558.3%	42,235	137,156	-69.2%	541,789	524,549	3.3%
% net revenue	-8.7%	-0.3%	-8.4 p.p.	0.9%	2.70%	-1.8 p.p.	4.9%	5.5%	-0.7 p.p.
(+/-) Fair value commodities (1)	95,87	60,891	57.4%	-43,492	46,615	n.m.	10,418	48,155	-78.4%
(-) CPC 06(R2)/IFRS 16 properties (2)	-14,292	-11,464	24.7%	-26,422	-22,263	18.7%	-51,511	-40,071	28.5%
(+/-) Operating exchange variation (3)	11	4,084	-99.7%	0	11,288	-100.0%	-22,887	-4,79	377.8%
(+/-) Non-recurring revenue and expenses (4)	5,781	8,771	-34.1%	13,767	13,76	0.1%	26,178	21,734	20.4%
Adjusted EBITDA for the period	-72,518	56,267	-228.9%	-13,912	186,555	-107.5%	503,987	549,577	-8.3%
Adjusted EBITDA Margin	-4.0%	2.9%	-6.8 p.p.	-0.3%	3.6%	-4.0 p.p.	4.5%	5.8%	-1.3 p.p.

Net profit summary (in thousands of R$)	2Q23	2Q22	% Change	1H23	1H22	% Change	LTM 2Q23	LTM 2Q22	% Change
Net profit for the year (loss)	-388,663	-149,599	159.8%	-424,888	-208,54	103.7%	-187,401	-18,256	926.5%
(+/-) Fair value commodities	134,282	50,093	168%	-15,701	28,282	n.m.	20,933	13,707	53%
(-) CPC 06(R2)/IFRS 16 properties	-292	-1,105	74%	0	-911	n.m.	6,914	368	1779%
(+/-) Unrealized exchange variation	10,605	8,626	23%	28,3	16,561	71%	2,001	332	503%
(-) Amortization of the surplus value business combination	3,175	22,887	-86.1%	9,132	27,453	-66.7%	601	41,815	-98.6%
(+/-) Non-recurring revenue and expenses	376	8,771	-95.7%	8,362	13,76	-39.2%	21,347	21,734	-1.8%
(+/-) IR/CS - non-recurring and deferred	-16,603	-47,293	-0.6	41,035	-28,949	n.m.	-11,869	3,679	n.m.
Adjusted Net Profit (loss) for the period	-257,12	-107,619	138.9%	-353,76	-152,345	132.2%	-147,474	63,378	n.m.
% Adjusted Profit Margin	-14.0%	-5.5%	+8.5 p.p.	-7.7%	-3.0%	+1.7 p.p.	-1.3%	0.7%	+0.6 p.p.

[1] *Adjusted according to:*

(1) *Variation of the fair value of commodities, classified as revenue or operating cost, but without the actual sale or purchase of inventories.*
(2) *The impact of CPC06(R2)/IFRS16, which refers to real estate rental payments, which, as of the initial adoption in 2019, are no longer accounted for as operating expenses in the form of rent and are now part of the result through the depreciation/amortization of the right to use and the financial cost of interest accrued over the term of the contract.*
(3) *Exchange rate variations refer to settled values classified in the financial results and originate from operating gain or loss.*
(4) *Income and/or expenses considered to be of an unusual or occasional nature related to extemporaneous credit, restructuring fee and costs with M&A/public offering, payment in shares of subsidiaries.*

[2] *Excludes gains or losses from changes in the fair value of commodities and forward contracts, unsettled exchange rate changes (accrual and MTM), amortization of surplus from business combinations, effects of CPC 06/IFRS 16 properties and as non-recurring expenses and revenues, in addition to the impacts of deferred IR/CS and/or extemporaneous credits.*

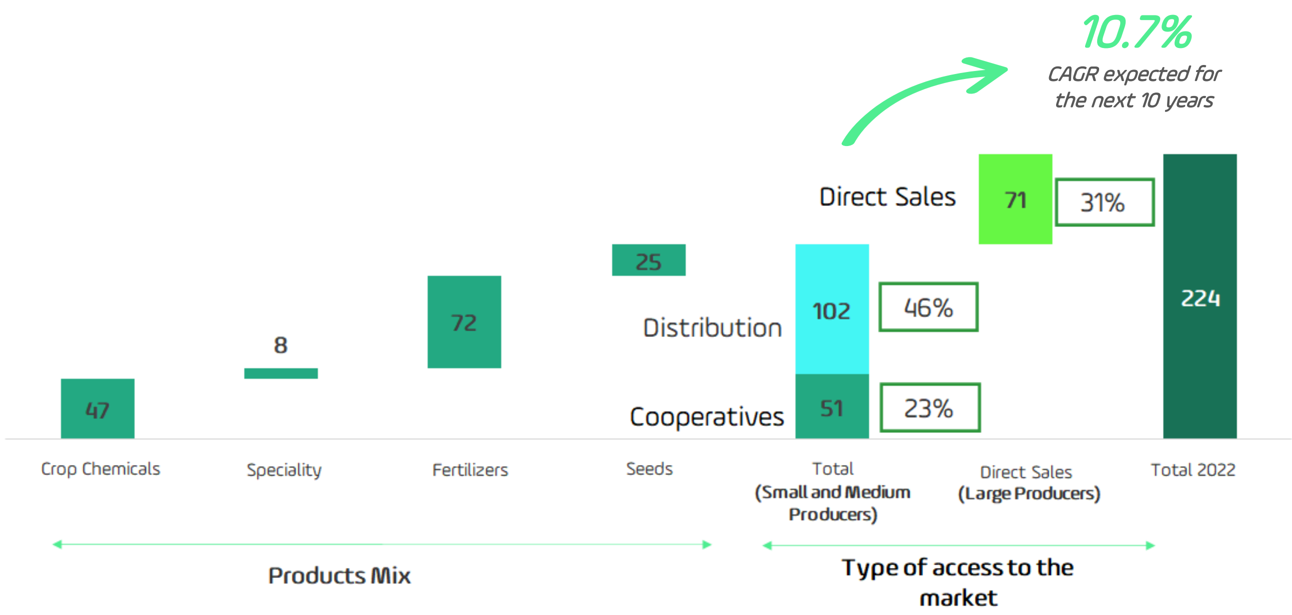
Exhibit III – Industry and Corporate Profile

Retail Industry of Agricultural Input

Company has a robust input retail operation consisting of fertilizers, crop chemicals, seeds, specialties, among others.

The Brazilian agricultural input distribution and retail market, in which the Company operates, has grown significantly in value and volume in recent years. According to data from AgroGalaxy Market Intelligence, the market for fertilizers, chemicals and seeds will be worth R$ 224 billion as of the 2022/23 harvest.

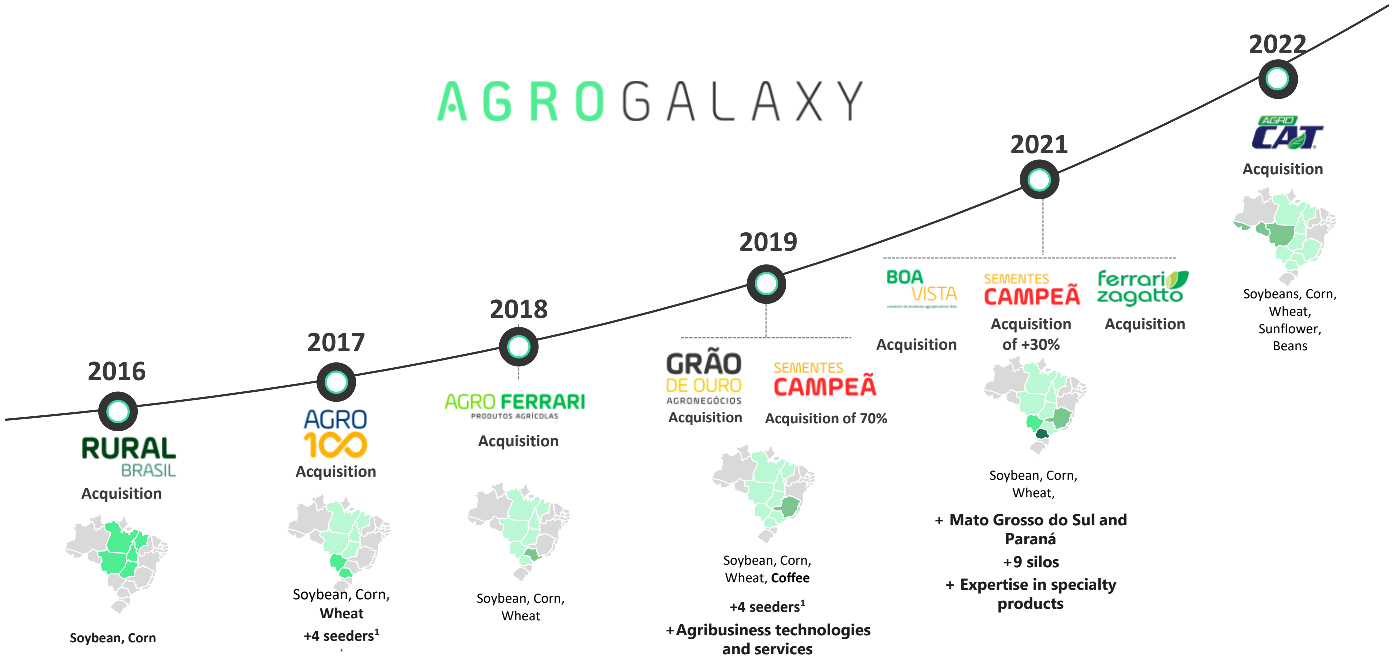
Billing of the agricultural input distribution and retail sector (2022/23) (in R$ billion)



Source: Data Consultoria How based on data from Spark, produced by Agrogalaxy Market Intelligence.

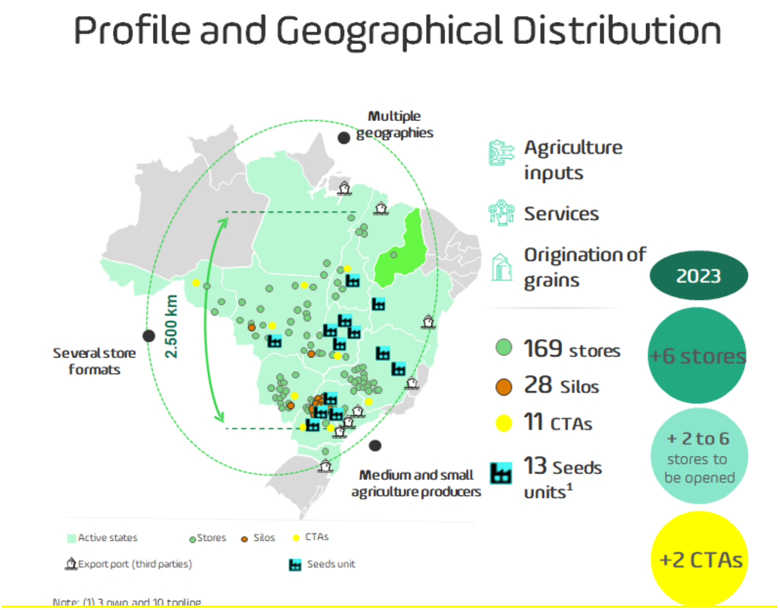
Profile and History

AgroGalaxy is a key retailer of agricultural input and services to the Brazilian agribusiness, selling agricultural input, seed production, origination, storage, and commercialization of grains, and providing agricultural services. We operate across Brazil through an integrated platform, delivering products and offering unique solutions to meet the needs of rural producers. We are the result of a combination of acquisitions of leading platforms in different regions in Brazil, and we have benefited from their integration and maintained their original features and brands. We also have a history of proximity with farmers. The main milestones since the foundation of the Company are shown in the timeline below:



Notes: (1) Seeds produced in eight plants, including three company-operated plants and five tooling operations.

The Company's stores, silos and seed units are strategically located in 14 Brazilian states, which allows us to reach different crops and producers with more than 20 covered hectares, mitigating weather risks inherent to agribusiness. As of June 30, 2023, these Company units were distributed as follows:



Our target audience comprises small- and medium-sized producers, with a planted area of up to 10,000 hectares individually, who seek high-quality input, supplier diversification, financing and credit solutions, technical assistance from planting to harvest, logistics services and high technology. We provide products for several types of cultivation, including soybeans, corn, coffee, wheat, etc. In the 2021/2022 harvest season, our clients owned a total of 20 million hectares of planted area.

Exhibit IV –AgroGalaxy Glossary

Financial leverage (measured as Net Debt/EBITDA) – Leverage is a technique used to multiply profitability based on indebtedness. The Company's leverage level may adversely affect our ability to refinance our existing indebtedness or raise additional resources to finance operations, limit our ability to react to changes in the economy or the agribusiness sector and prevent us from fulfilling our obligations established in our debt instruments.

Adjustment at present value (AVP) – Considers the time frames and fees embedded in sales and purchases on credit. For Supplier AVP (COGS Reducer) and Client AVP (Revenue Reducer), the impact on Gross Margin occurs at the time of merchandise sales. In the Supplier AVP, Financial Expenses are deferred from the moment of purchase until the moment of payment. In the Client AVP, Financial Revenues are deferred from the moment of Sales until the moment of Receipt.

Hub and side-by-side areas – Both are testing areas in producer-client plots of land. The hub area is different because it constitutes a complete management trial, while side-by-side areas are trials for isolated products.

Barter: this means the sale of input on credit in exchange for the delivery of commodities, mainly soy and corn, when harvesting comes. The exchange ratio between the amount owed in reais by the clients of the Company and the number of bags of soy and corn to be delivered to the Company is defined according to the commodity's market price, and transactions are formalized with clients in Barter agreements.

CAGR - Compound Annual Growth Rate: the constant percent growth rate during each period in a comparison, to calculate the growth result between the periods.

***Churn* -** a metric to calculate Company lost revenues or lost clients in a certain period.

Closing – completion of the acquisition of a company or asset.

COGS - Cost of Goods Sold, includes the amount paid for the goods that make up the inventory, in addition to expenses with transportation, taxes, storage, etc.

CRA (ARC) – Agribusiness receivables certificate: these are fixed-income securities backed by receivables from operations between rural producers and third parties, including financing or loans related to production, marketing, processing or industrialization of products, agricultural input or machinery and implements used in agricultural production. In these operations, companies assign their receivables to a securitization company, which will issue the CRAs and make them available for trading on the capital market, usually through a financial institution. Finally, this securitization company will pay the Company for the assigned receivables. In this way, the Company can obtain early payment of its receivables.

CTV (TSC) – Technical sales consultant: a field agronomist responsible for serving rural producers, including providing recommendations and prescriptions of agricultural input (fertilizers, crop chemicals, seeds, specialties, etc.), financial and agricultural services, crop planning, among others.

Crop chemicals – Among crop chemicals, Agrogalaxy works with fungicides, herbicides and insecticides, as oils and spreaders. Fungicides are one of the most used to control fungi in plantations, helping prevent, control and cure fungi.
Herbicides are used in the desiccation of crops for harvesting or in the formation of straw and the control of weeds. Insecticides are used in the prevention and control of insect pests. They are vital because the damage caused by pests can be very intense, quickly destroying plant tissue at any stage of crop development, with a precipitous drop in production being caused under inefficient control conditions.

Digital-Enabled – transactions through digital means, such as WhatsApp-based bots, apps and websites.

Net Debt - Considers loans and financing, deducted from cash and cash equivalents and financial investments, as well as obligations with securitized securities CRA - Agribusiness Receivables Certificates – which are entered as debt in Current Liabilities and refer to transactions involving bonds from clients placed on the market to finance rural producers. Just as there is a liability obligation upon the issuance of CRA securities, the Company acquired securities, entered in non-current assets, as subordinated quotas to support any possible unpaid securities from those obligations recorded in liabilities. Thus, the two ends are represented in accounting: assets and liabilities, as well as liabilities related to leasing vehicles and other items (machinery).

EBITDA - Earnings Before Interest, Taxes, Depreciation and Amortization: net profits plus income tax and social contribution expenses, financial earnings and depreciation. Adjusted EBITDA is impacted by the cash generated from payments made for the real estate leasing (stores) during the period and disregards: (i) MTM commodities: gains or losses from the variation of the fair value of the commodities, as the fair value on the closing of each fiscal year does not impact the cash and does not reflect the results from purchase and sale; (ii) exchange variation of hedge operations carried out to protect revenue or cost of products; (iii) non-recurring items (e.g., extemporaneous credits and strategic consultancy); and (iv) commercial and financial results: interest expense, interest-earning assets and discounts granted and obtained.

ERP - *Enterprise Resource Planning* is a management system that allows easy, integrated and reliable access to business data. Information collected through the software enables in-depth diagnoses to base initiatives to reduce costs or increase productivity.

ESG - Environmental, Social and Corporate Governance: refers to the three central factors in measuring an investment's sustainability and social impact on a company or business.

Specialties – Agrogalaxy sells specialties whose production process is outsourced to trusted partners of the Company. One of the specialties of the soy crop is products that provide complete coverage of Copper (Cu), Sulfur (S) and Phosphorus (P) particles over the plant's leaf area. The synergistic action between the three elements (Copper, Sulfur and Phosphorus) has an antifungal and bacteriostatic effect, as it induces the production of phytoalexins (natural defense substances), protecting the plant against diseases caused by fungi and bacteria. In Corn Cultures, we offer natural organo-mineral fertilizers formulated from the fermentation of special yeasts.

KPI –*Key Performance Indicator* - these are indicators or quantitative values that can be measured and compared and followed to verify the performance of a process or strategy.

LTM – Last Twelve Months: values accumulated over the last twelve months. LTM is also known as the previous 12 months.

Gross profit and gross margin - the difference between a company's revenue concerning its variable costs and adjusted gross profit. It excludes gains or losses with variations in the fair value of commodities and includes gains or losses with exchange rate fluctuations adjusted in the EBITDA for margin calculation purposes. Gross margin is the difference between gross profit and net revenues.

Martech - companies whose scope of work combines marketing with technology.

M&A (Mergers and acquisitions) - M&A operations make it possible to expand the business and reach of one or more companies, taking advantage of what each one does best, joining efforts and building something much greater than the simple sum of the two operations. Agrogalaxy has already proven our ability to deliver organic growth combined with expansion via M&A, with a rapid process of professionalization of family businesses. The Company was formed from the acquisition of leading companies in their operating regions, notably two base companies, one in the Brazilian cerrado, which grew organically towards a solid presence in the region, and the other in the South/Southeast, which it grew organically and also significantly through acquisitions aimed to strengthen its presence in key regions. In addition, the Company also acquired companies to implement our vertical integration strategy for producing soybean seeds.

NDF – Non-Deliverable Forward: a currency forward contract traded on the over-the-counter market; it is used to set an exchange rate in advance to be applied on a future date. On the maturity date, the settlement is calculated based on the difference between the contracted forward rate and the market rate defined as a reference.

NDVI (*Normalized Difference Vegetation Index*) - This vegetation status index indicates primary production (chlorophyll production) and local humidity through a numerical indicator obtained by remote sensing.

Grain origination - Origination is the soy and corn collection and sale service provided to producers. The main purpose of the grain origination system is to optimize demand during a new harvest cycle through management, with the main operations supported by the origination being:

- Purchase;

- Sales;
- Storage; and
- Logistics.

Therefore, the origination process attends to different stages of agricultural management, from planting and harvesting the crop to stocking and storage. Our sales are approximately 30% in barter; the remainder of the grain volume is from pure origination, harvest receipt, and purchase of lots in the available market.

PDD or PCDA: The Provision for Bad Debtors (PDD) or Provision for Credit to Doubtful Accounts (PCDA) refers to a cash reserve made by the Company for cases of delinquency. Thus, the greater the risk of a client not paying what they owe, the greater must be the amount saved by the Company under PDD. Agrogalaxy has a timetable for the maturities of overdue and falling due notes, meaning that any accounts receivable from clients are written off when there is no reasonable expectation of recovery. Indications that there is no reasonable expectation of recovery include, among others, the debtor's inability to participate in a plan to renegotiate their debt with the Company or make contractual payments on overdue debts overdue for more than 180 days.

POC – *Proof of Concept*, the documented evidence that a piece of software can be successful.

PSA - Payments for environmental services.

ROIC - The return on invested capital, that is, AgroGalaxy states the profitability level the Company can generate from the entire invested capital, both our own (equity) and third parties (net debt).

Crop/Harvest – Crop and/or Summer Crop/Harvest refers to the **soybean** crop.

Interim Harvest (*Safrinha*) – Interim Harvest and/or Winter Harvest refers to the **corn** crop.

SG&A - Selling, General and Administrative Expenses: refers to selling, general and administrative expenses, one of the main non-production costs entered in the income statement.

SSS – Same-Store Sales: this metric measures the percentage change of 1-year-old stores or more, in other words it measures the performance of mature stores in the portfolio.

Foreign exchange swap – A swap is a derivative that serves to exchange positions – and indexations, according to the assessment and the investor's interest in the operation. The exchange rate swap is one type of swap and is, therefore, characterized by swapping exchange rate fluctuation for other financial market indexes.

Tooling – when seeding production is outsourced; not only is the structure is rented, but a third party is also in charge of production.

UX – User Experience, that is, how users evaluate their relationship with and usability of a product or service.

Washout - *the amount of contractual indemnity agreed between the parties in case of non-compliance or cancellation of grain or barter contracts.*