



AGRO GALAXY

Earnings Release | 3Q21

Results for the Third Quarter and Nine Months of 2021

São Paulo, November 11, 2021 – AgroGalaxy Participações S.A. discloses its 3Q21 and 9M21 results. The Quarterly Information was prepared and is being presented in accordance with the accounting practices adopted in Brazil and with International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"), all of which applied consistently with the major accounting practices described in Note 2 to the Quarterly Information. Unless otherwise indicated, the financial information is presented in thousands of Brazilian reais, and the comparisons refer to 3Q20 and 9M20. For better comparability of results, additional information has been provided for the 2020 periods prior to the business combination on October 30, 2020 for the holding companies: AgroKey, AgroTrends and AgroAdvance.

Highlights



Ferrari Zagatto's results were consolidated into the Company as of September 1, 2021. 180-day integration plan, as planned.



Addition of **33 stores in 2021**: 13 stores open and 20 from the acquisition of Boa Vista and Ferrari Zagatto. In **3Q21**, there were **19 additions**: opening of 5 stores and 14 from the acquisition of Ferrari Zagatto. On September 30, AgroGalaxy had 126 stores.

Record results for 3rd quarter. In 3Q21 (vs. 3Q20):



- Growth of 85% in net revenue, totaling R\$1.8 billion in inputs, growth was +95%, with revenues of R\$1.3 billion.
- + 81% in adjusted EBITDA, reaching R\$117 million, with a 6.4% margin. Net income grew +284% and reached R\$57 million.
- Same-store sales: 45.5%
- +42.1% in CTV productivity: R\$2.7 million of Input Revenue/CTV



Since AgroGalaxy acquired **Boa Vista's operations**, the specialty mix has more than doubled to 7.4% of total inputs.



ROIC reached 18.8% in the last 12 months ended September 2021, increasing by 8.0 p.p. vs. September 2020.



R\$ 712 mln digital enabled revenue in 3Q21. 4.1 thousand farmers registered in AGXY app, covering 3.5 mln ha.



Commercial excellence: approximately 94% of fertilizer orders have been delivered to the producers served by AgroGalaxy for the 2021/22 summer crop.



September 8th: signing of the purchase and sale contract for **Agrocat**, a retailer of inputs based in Tangará da Serra, MT. Agrocat owns 11 stores in MT and RO states. The closing should be held in January 2022.



Video Conference

November 12, 2021 (Friday)

11:00 am (Brasília) | 09:00 am (EST)

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Novo Mercado segment

Message from the CEO

We are delighted to announce the results for the 3rd quarter of 2021, confirming the Company's track record of achievements over the course of 2021. We have concluded the second acquisition of the year, with Ferrari Zagatto joining our platform as of September. We also announced the signing of the purchase and sale agreement of Agrocat, which should close in early 2022. The acquisition was approved by the Administrative Council for Economic Defense (CADE) and is in the process of complying with the other conditions precedent foreseen in the contract.

We reached the milestone of 126 stores, serving nearly 1,000 municipalities strategically distributed from Pará to Paraná. In the 3rd quarter this year, 5 stores were opened, and 14 more Ferrari Zagatto stores were added. We already have technical field agronomists generating demand in 7 other locations for the opening of 7 more stores still in 2021.

The results were record-breaking for a 3rd quarter, as had been the other quarters of the year. In the quarter, net revenue reached R\$1.8 billion, an increase of 85% compared to 3Q20. In inputs, the growth was even sharper, with an expansion of 95% in the same comparison. Adjusted EBITDA and net profit reached R\$117 million (+81%) and R\$57 million (+284%), respectively.

Looking at the last 12 months ended in September, that is, mitigating the natural seasonality of our business, net revenue reached the mark of R\$5.6 billion, of which R\$3.7 billion were from inputs alone. This corresponds to increases of 39.6% and 44.7%, respectively, compared to the same period last year. In the same comparison period, adjusted EBITDA increased 50%, reaching R\$346.8 million and net income increased 69%, reaching R\$129 million.

There were relevant advances in our operations' efficiency: revenue per Technical Sales Consultant increased 42% in 3Q21 compared to 3Q20 and the seeds and specialties segments, which have higher margins, had an important gain in share in our input revenue mix, closed the quarter with 28.4% (+4.1 p.p.) and 4.8% (+0.6 p.p.).

Even with this growth, we continue to serve the farmers with excellence. Despite the volatile scenario in the fertilizer segment, we have already delivered 94% of the orders for the summer crop. We closed September with an order backlog added to revenue 38% higher compared to 2020. AgroGalaxy also continues to invest in demand generation and selection of the best products in its portfolio: there are more than 1.6 thousand side-by-side field test areas to offer the best products to producers in the next cycles.

Since our digital initiatives began in October 2020, R\$1.7 billion in revenues have been made possible through this medium. This reflects the advances made in the digital strategy, including the launch and constant improvement of our application and improvements in the automated services provided by Gi, our virtual assistant.

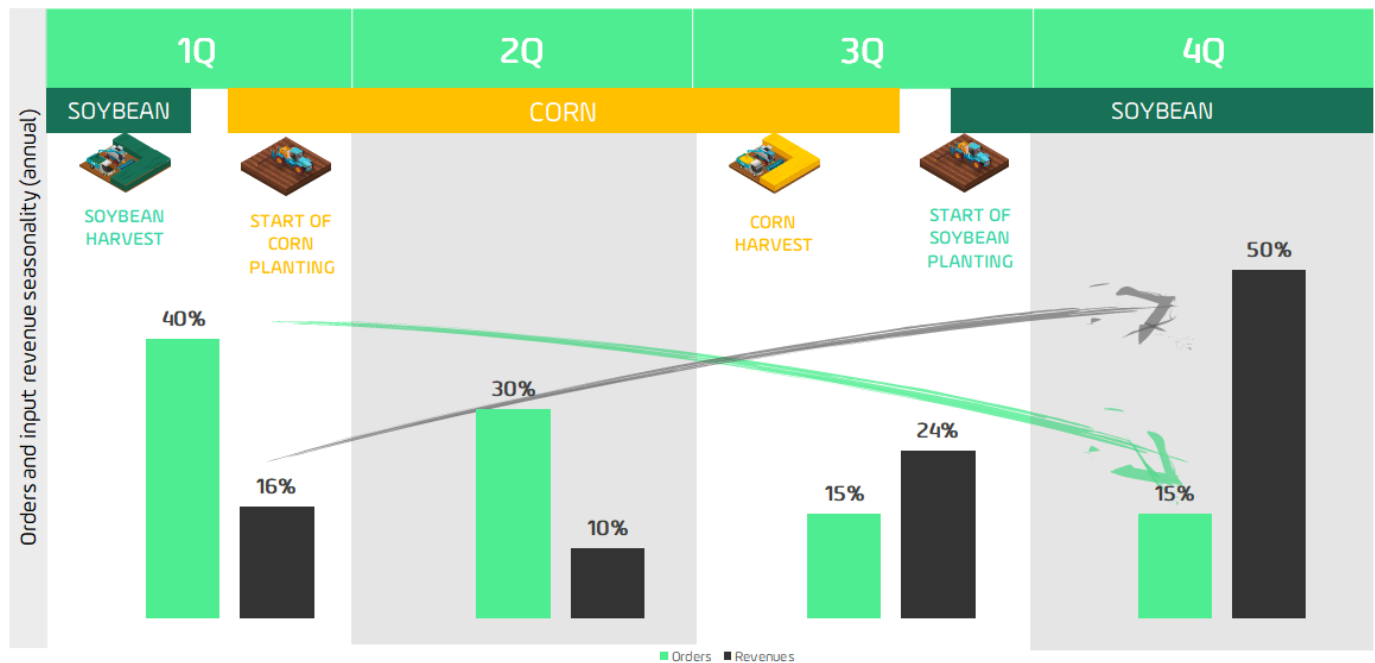
On the integration segment, we obtained a very satisfactory and fast result in the implementation of the commercial strategy in the specialties segment. At Boa Vista, we were able to duplicate the mix in this segment since its integration with AgroGalaxy. In addition, after the completion of its acquisition in April, two stores have already been opened. We have thereby accomplished our strategy of multiplying the organic growth within the acquired companies.

We are confident that our advances and achievements in these 9 months of 2021 reflect our efforts in consolidating the Company as one of the largest retail platforms for agricultural inputs and services in Brazil, establishing partnerships and offering unique solutions for rural producers.

Welles Pascoal, AgroGalaxy's CEO

Seasonality

Agribusiness is subject to a relevant seasonality throughout the year, especially due to the crop cycles that depend on specific weather conditions. Brazil has unique weather conditions compared to other countries producing agricultural commodities, making it possible to harvest two to three crops in the same area per year. Below is the seasonality of the Company's orders and inputs:



* Based on 2020 as the reference year, this may vary according to regions.

Thus, considering the activities of the Company's customers are directly related to the crop cycles and that they are seasonal in nature, revenues from inputs may also show substantial seasonality.

The crop seasonality also implies the seasonality of the gross profit calculated on different bases for the fiscal year, which may cause a relevant seasonal effect on the operating results calculated in different quarters of the fiscal year, as shown above.

Highlights

Operational Highlights	Added ¹		Ch. % Sep/21 vs. Sep/20	Jun/21	Ch % Sep/21 vs. Jun/21
	Sep/21	Sep/20			
Stores	126	93	35.5%	108	16.7%
Launches, year-to-date (organic)	13	9	44.4%	8	62.5%
# stores acquired (inorganic)*	20	-	-	6	233.3%
Technical sales consultants (CTVs)	466	349	33.5%	442	5.4%
Silos	27	19	42.1%	19	42.1%
Bags received in the quarter (million)	3.1	3.7	-16.2%	6.2	-50.0%
Seed processing units	8	8	-	8	-
Customers	22,999	16,761	37.2%	18,836	22.1%
Employees	2,073	1,468	41.2%	1,756	18.1%

*includes 6 Boa Vista stores and 14 Ferrari Zagatto stores on the closing date.

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Financial Highlights (R\$ million)	Added ¹			Added ¹			Added ¹		
	3Q21	3Q20	Ch. %	9M21	9M20	Ch. (%)	LTM Sep/21	LTM Sep/20	Ch. %
Total net revenue	1,844.8	999.8	84.5%	4,062.8	2,616.8	55.3%	5,588.7	4,004.7	39.6%
Input revenue	1,295.8	663.6	95.3%	2,277.5	1,387.3	64.2%	3,652.0	2,524.1	44.7%
Grain revenue	549.0	336.2	63.3%	1,785.3	1,229.5	45.2%	1,936.7	1,480.6	30.8%
Net revenue breakdown:	1,844.8	999.8	84.5%	4,062.8	2,616.8	55.3%	5,588.7	4,004.7	39.6%
Organic net revenue	1,645.6	999.8	64.6%	3,830.5	2,616.8	46.4%	5,356.4	4,004.7	33.7%
Net Revenue M&A (Boa vista and Ferrari Zagatto)	199.2	-	n.m.	232.3	-	n.m.	232.3	-	n.m.
Growth Indicators									
Same Store Sales ⁴	45.5%	-	n.m.	35.1%	-	n.m.	24.3%	-	n.m.
Input Revenue/CTV ⁵	2.7	1.9	42.1%	5.0	4.0	25.0%	8.4	7.2	16.7%
Digital Revenue									
Digital enabled revenue	712.0	-	n.m.	1,188.5	-	n.m.	1,725.0	-	n.m.
% of net input revenue	54.9%	-	n.m.	52.2%	-	n.m.	47.2%	-	n.m.
Adjusted gross profit⁶	244.4	150.0	62.9%	474.9	289.7	63.9%	765.9	544.7	40.6%
% net revenue	13.2%	15.0%	-1.8 p.p.	11.7%	11.1%	+0.6 p.p.	13.7%	13.6%	+0.1 p.p.
Input margin	17.9%	16.4%	+1.5 p.p.	18.3%	16.2%	+2.1 p.p.	18.9%	16.5%	+2.4 p.p.
Grain margin	2.2%	12.2%	-10.0 p.p.	3.2%	5.2%	-2.0 p.p.	3.9%	8.6%	-4.7p.p.
Adjusted EBITDA⁷	117.3	65.0	80.6%	148.4	55.4	168.1%	346.8	231.2	50.0%
Adjusted EBITDA margin	6.4%	6.5%	-0.1 p.p.	3.7%	2.1%	+1.6 p.p.	6.2%	5.8%	+0.4 p.p.
Adjusted Net Income (Loss)⁷	57.0	14.8	284.2%	-8.1	-31.2	74.0%	129.0	76.3	69.1%
Adjusted Net Income Margin	3.1%	1.5%	+1.6 p.p.	-0.2%	-1.2%	+1.0 p.p.	2.3%	1.9%	+0.4 p.p.
Adjusted Net Debt⁸	709.4	704.9	0.6%	709.4	704.9	0.6%	709.4	704.9	0.6%
(Adjusted net debt/adjusted LTM EBITDA) ⁸	2.0x	3.0x	-1.0x	2.0x	3.0x	-1.0x	2.0x	3.0x	-1.0x
ROIC⁹	-	-	-	-	-	-	18.8%	10.8%	+8,0 p.p.

¹ Reflects the simple sum of the holding companies AgroKey, AgroTrends and AgroAdvance.

² Accumulated results for the last 12 months.

³ Digital platform started in October 2020.

⁴ Same Store Sales began to be calculated quarterly starting in 1Q21 and considers sales from stores that are operating in the 2nd year without Boa Vista and Ferrari Zagatto.

⁵ Considers the average of CTVs in the periods analyzed and excludes Boa Vista's and Ferrari Zagatto in 9M21, as they became consolidated as of April 1st and September 1st, respectively, and not for the entire period.

⁶ Adjusted gross profit: excludes gains or losses with variation in the fair value of commodities and includes gains or losses with exchange variation in the Adjusted EBITDA for purposes of margin calculations.

⁷ Adjusted EBITDA and adjusted net income: the adjustments made are shown in the table in the Financial Performance section.

⁸ Adjusted net debt: the adjustment made is shown in the Capital Structure section.

⁹ Considers adjusted EBIT, that is, excluding the effect of IFRS 16, amortization of capital gains (business combination) and IRPJ/CSLL and adjusted Net Debt as described above. Does not consider LTM Adjusted EBIT from M&As.

Adjustments to the results

In the Company's view, the **adjusted EBITDA** better represents its operating cash generation, thus measuring and evaluating its operational capacity in a more assertive way. EBITDA adjustments exclude: (i) gains or losses with variation in the fair value of commodities, as the fair value, at the end of each fiscal year, does not have a cash effect and does not represent the result of sale and purchase; (ii) exchange variation on hedging transactions contracted to protect revenue or cost of products; (iii) amounts paid for property leases (CPC 06(R2)/IFRS16) and unusual income and/or expenses (such as extemporaneous credit, restructuring advisory, shared expenses, advisory fees and expenses related to M&A, public offering, payment based on shares of subsidiary); (iv) non-recurring items and; (v) non-cash items, in which the adjusted EBITDA margin is calculated as the adjusted EBITDA over the operating revenue ratio.

In **the adjusted net income**, we exclude: (i) gains or losses from changes in the fair value of commodities and forward contracts; (ii) unsettled exchange rate variation (accrual and MTM); (iii) the amortization of the capital gain on business combination; (iv) effects of CPC 06/IFRS 16 real estate; (v) non-recurring expenses and income; and (vi) impacts of deferred IR/CS taxes and/or extemporaneous credits.

For more details, see [adjustments presentation](#) available on the IR website.

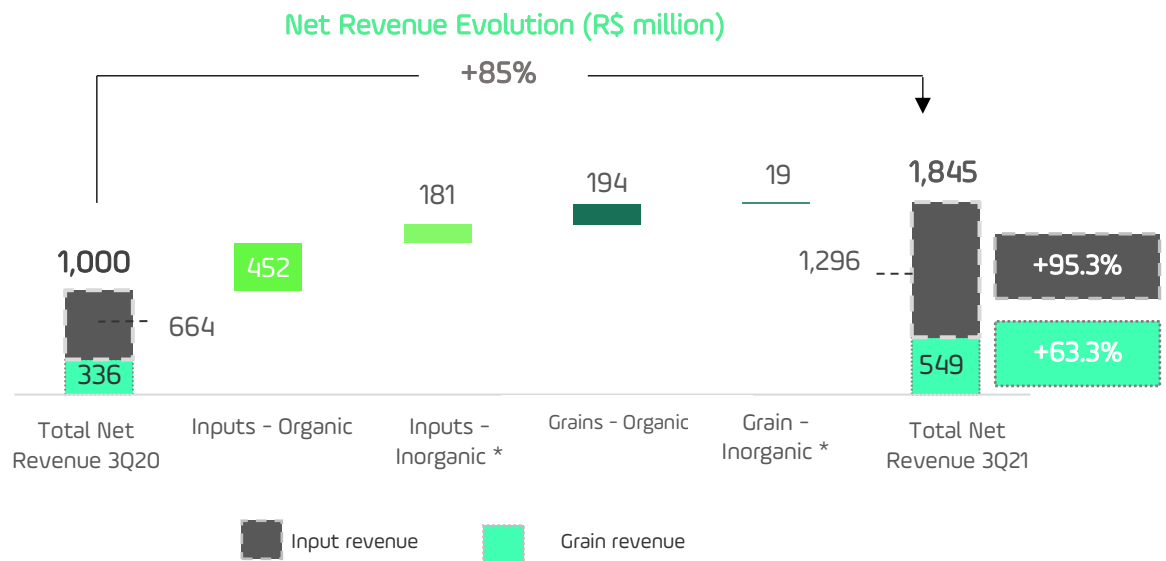
Net Revenue

Financial Highlights (R\$ million)	Added (*)			Added (*)			LTM (*)		Ch. (%)
	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %	Sep/21	Sep/20	
Total net revenue	1,844.8	999.8	84.5%	4,062.8	2,616.8	55.3%	5,588.7	4,004.7	39.6%
<i>Organic net revenue</i>	1,645.6	999.8	64.6%	3,830.5	2,616.8	46.4%	5,356.4	4,004.7	33.8%
<i>Net Revenue from M&A**</i>	199.2	-	n.m.	232.3	-	n.m.	232.3	-	n.m.
Input revenue	1,295.8	663.6	95.3%	2,277.5	1,387.2	64.2%	3,652.0	2,524.1	44.7%
<i>Organic input revenue</i>	1,115.3	663.6	68.1%	2,063.9	1,387.2	48.8%	3,438.3	2,524.1	36.2%
<i>Input revenue from M&A**</i>	180.5	-	n.m.	213.6	-	n.m.	213.7	-	n.m.
Grain revenue	549.0	336.2	63.3%	1,785.3	1,229.5	45.2%	1,936.7	1,480.6	30.8%
<i>Organic grain revenue</i>	530.4	336.2	57.8%	1,766.7	1,229.5	43.7%	1,918.1	1,480.6	29.6%
<i>Grain revenue from M&A**</i>	18.6	-	n.m.	18.6	-	n.m.	18.6	-	n.m.

* Reflects the simple sum of the holding companies AgroKey, AgroTrends and AgroAdvance.

**Boa Vista and Ferrari Zagatto

Net Revenue (3Q21x3Q20)



* Includes Boa Vista and Ferrari Zagatto.

Net revenue for the period expanded 84.5%, reaching R\$1.8 billion. Inputs segment drove the growth, with a variation of +95.3% vs. 3T20.

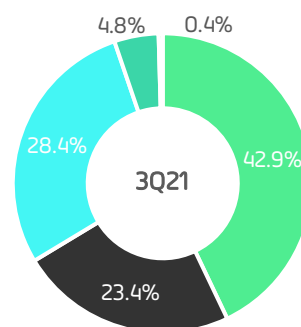
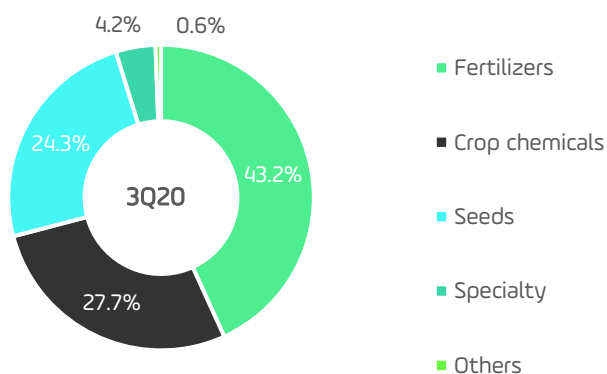
About 71% of the growth in input revenue was organic and 29% from the addition of Boa Vista and Ferrari Zagatto to the Company's portfolio.

In the period, the volume of inputs increased by 64% and prices by 31%. Excluding Boa Vista and Ferrari Zagatto, the volume increase was 37% and price 31%.

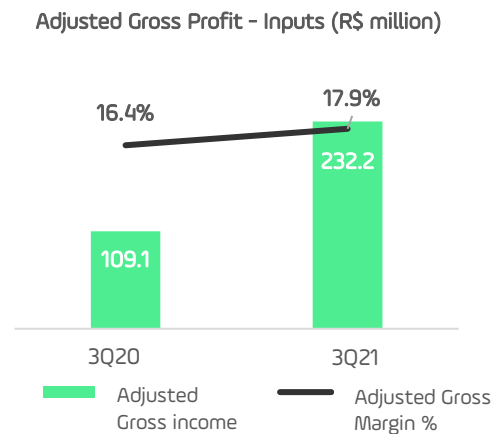
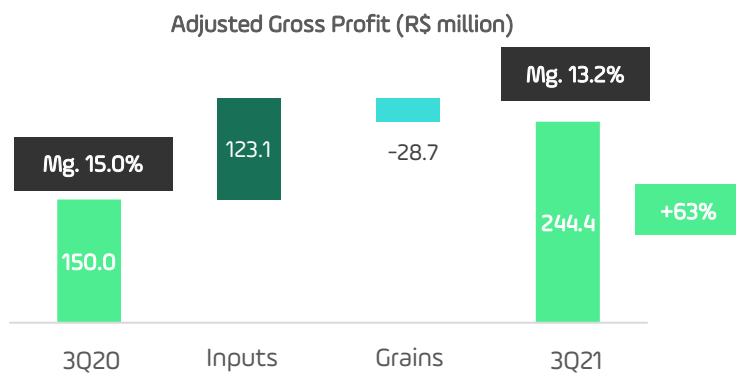
The 3Q21 input revenue growth reflects the return to normality of the soybean planting window in 3Q21, as in 3Q20 there was a delay due to lack of rain.

Grain revenues increased 63% given the significant impact of commodity prices in this period, such as soybeans, which varied +28% and corn, which varied +84% on average in 3Q21 vs 3Q20.

Seeds and fertilizer segments increased their share in the 3Q21 input mix due to the difference in the planting period. Also noteworthy is the increase in specialties, a result of the commercial strategy focused on optimizing AgroGalaxy's portfolio.



Adjusted Gross Profit⁵

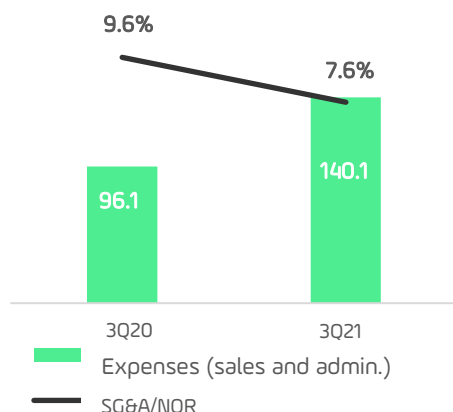


Adjusted gross profit reached R\$244.4 million in 3Q21 vs R\$150.0 million in 3Q20, increasing from 15.0% to 13.2% margin. The drop in the grains segment and was due to: (i) the increase in the price of *commodities*, maintaining the margin in reais, which resulted in a lower percentage margin and (ii) settlements of contracts in dollars with NDFs, which are adjusted to the gross margin only when they are paid or received. In 3Q20 there was a high volume of settlements with receivables, leading to an increase in margin in that period. Such a mismatch between grain billing and NDF settlement is smoothed out when 9M and LTM are looked at.

Adjusted input gross profit reached R\$232.2 million in 3Q21 vs R\$109.1 million in 3Q20, increasing from 16.4% to 17.9% in margin, impacted by the improved specialty mix and increased share and seeds. In addition, there was an improvement in the margin for fertilizers and crop chemicals.

⁵ Adjusted gross profit: excludes gains or losses with variation in the fair value of commodities and includes gains or losses with exchange variation in Adjusted EBITDA for purposes of margin calculations.

SG&A – Sales, General and Administrative Expenses



3Q21 x 3Q20

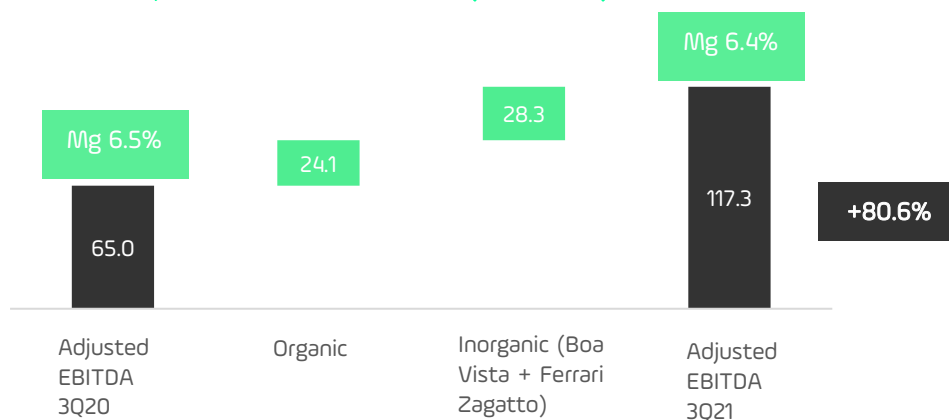
Expenses increased by R\$44.0 million, or 45.8% compared to 3Q20. These increases are in line with the new structures of 33 stores opened and acquired through M&As between the compared periods, reinforcement in the back-office structure, both administrative and commercial, and general expenses due to the publicly traded company structure. There was, however, a dilution of expenses, given the significant growth in revenues.

Adjusted EBITDA⁶ (3Q21 x 3Q20)

	Added (*)			Added (*)			LTM	LTM	
	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %	Sep/21	Sep/20	Ch %
Adjusted EBITDA	117.3	65.0	80.6%	148.4	55.4	168.1%	346.8	231.2	50.0%
Adjusted EBITDA margin	6.4%	6.5%	-0.1 p.p.	3.7%	2.1%	+1.6 p.p.	6.2%	5.8%	+0.4 p.p.

* Reflects the simple sum of the holding companies AgroKey, AgroTrends and AgroAdvance.

Adjusted EBITDA Evolution (R\$ million)



⁶ As described in item I of the financial performance

Adjusted EBITDA reached R\$117.3 million in 3Q21, an increase of 80.6%. Adjusted EBITDA margin reached 6.4% in line with the same period of the previous year, in which there was settlement of foreign exchange contracts in a different quarter than the grain sales, as detailed in the gross profit section.

This result was mainly impacted by the growth in input revenues, both organic and from acquisitions, and the dilution of expenses.

Acquisitions in 2021 generated a growth of R\$28.3 million in adjusted EBITDA. Organic growth was R\$24.1 million (or 37.1% on the same 2020 basis).

Financial Result

Net financial result In R\$ million	3Q21	Added (*) 3Q20	Ch. (%)
Adjusted to expenses at present value	-34.0	-38.0	-10.5
Interest on borrowings and financing	-24.1	-14.3	69.2
Interest liabilities (CRA, renegotiation or delay interest)	-22.4	-6.5	244.7
Discounts granted and other expenses	-4.4	0.2	n.m.
Total Financial Expenses	-85.0	-58.6	45.1
Adjusted to revenues at present value	21.2	18.7	13.8
Interest income	7.0	5.2	34.3
Discounts for early payment	1.6	3.9	-59.9
Income from investments and other financial revenues	3.4	0.6	500.7
Total Financial Income	33.3	28.3	17.3
Net adjusted financial result	-51.7	-30.2	71.2

* Reflects the simple sum of the holding companies AgroKey, AgroTrends and AgroAdvance.

Main changes in financial expenses were:

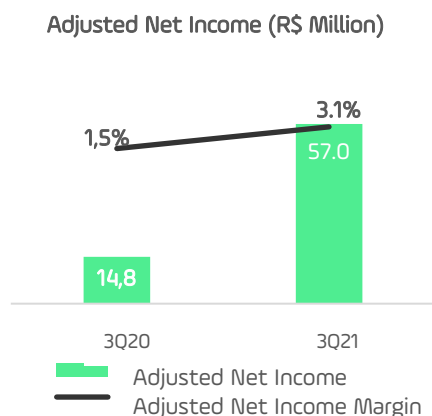
- a) increase in interest paid to suppliers for forward purchases (adjustment to present value) or from structured operations with suppliers in their CRA (Agribusiness Receivables Certificates). Net impact totaled more than R\$9.3 million (R\$2.7 million from M&A) in 3Q21;
- b) increase in interest on loans and financing, due to the increase in gross debt and the increase in the CDI interest rate, with the basic SELIC rate increasing from 2% to 4.75% on average. Growth in expenses in the line was R\$9.8 million (R\$1.8 million from M&A);
- c) increase in discounts granted, mainly, to mitigate the risk of receiving harvest and harvest seasons, totaling R\$3.7 million (R\$0.3 million from M&A).

In financial revenues, we highlight:

- d) higher volume of active interest charged in the period, resulting in an increase of R\$1.7 million (R\$1.3 million from M&A) in 3Q21; and
- e) income and financial investments, mainly on the net cash from the IPO after acquisition of Ferrari and Zagatto, and from the receivables profile above previous years.

Adjusted Net Income

Gross profit for the period (In thousands of R\$)	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %	LTM21	LTM20	Ch. %
Adjusted net income (loss) for the period	57.0	14.8	284.2%	-8.1	-31.2	-74.0%	129.0	76.3	69.1%
Adjusted Net Income Margin (%)	3.1%	1.5%	+1.6%	-0.2%	-1.2%	+1.0 p.p.	2.3%	1.9%	+0.4 p.p.



Adjusted net income totaled R\$57.0 million, a growth of 284.2%. The growth reflects the significant increase in adjusted EBITDA between the compared periods.

Adjusted profit margin reached 3.1% on revenue versus 1.5% in 2020, an increase of 1.6 p.p., impacted by the relevant increase in sales volume of inputs and consolidation of Boa Vista and Ferrari Zagatto.

Investments (9M21)

Operating investments in fixed and intangible assets (including investments in the acquisition of companies) totaled R\$265.7 million, against R\$44.1 million in the same period of the previous year. Highlights include: (i) R\$207.0 million of goodwill and capital gains on the acquisitions of Boa Vista, Ferrari Zagatto and the remaining 30% of Sementes Campeã (total disbursement of R\$127.6 million); (ii) R\$13.5 million with improvements, installations and furniture in new and existing stores; (iii) R\$1.4 million in adjustments in silos; (iv) R\$3.4 million with investments in seed plants; (v) R\$7.1 million in vehicles, trucks and operating machinery; (vi) R\$7.0 million in real estate use rights, related to new stores; and (vii) R\$21.1 million in digital, process systems and software.

Generation of Operational Cash and Indebtedness (added in 9M20)

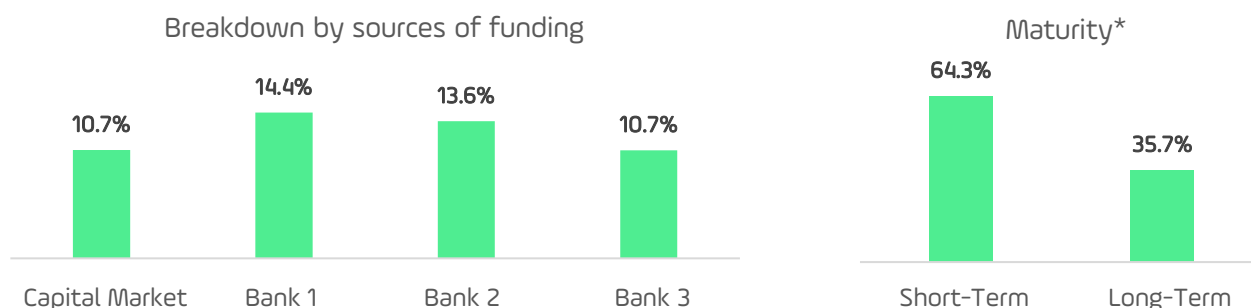
Generation of Operational Cash (R\$ million)



Operating cash generation was negative 88,5 million for the 9 months ended September 2021. Compared to R\$ 82.8 million in the same period in 2020. Even with the increase in profit, excluding non-cash operations, there was an increase in the need for working capital for summer crop purchases, mainly due to the growth in sales, as well as the payment of interest in the period, according to the maturities of each contract.

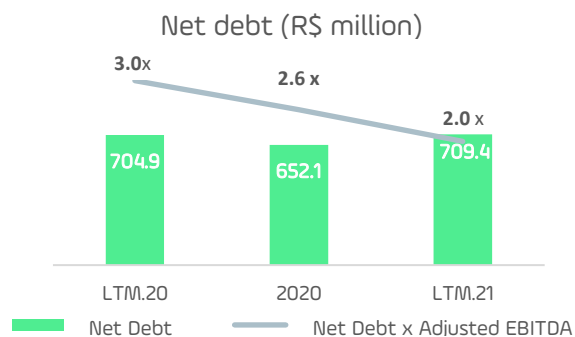
Debt Profile and Capital Structure

Added gross indebtedness was R\$1.4 billion on September 30, 2021, considering the Company's CRAs. On the same date, the profile and maturity terms were as follows:



Adjusted net debt⁷ totaled R\$709.4 million in September 2021, stable over the previous year. Net debt ex-IPO and acquisitions for the year would total R\$802.4 million, a leverage of 2.3x net debt/adjusted EBITDA.

The leverage considering the adjusted EBITDA of the last 12 months ended in September went from 3.0 times in 2020 to 2.0 times in 2021. The reduction is a consequence of the increase in the credit line with fertilizer suppliers and the growth in operational generation by adjusted EBITDA.



⁷ Adjusted net debt includes loans and financings minus cash and cash equivalents and financial investments, as well as obligations with CRA - Agribusiness Receivables Certificates, which are classified as debt in Current Liabilities and refer to transactions involving customer bonds placed on the market to finance rural producers. Just as there is a liability obligation on CRA bonds, the Company acquired securities, classified in non-current assets, such as subordinated shares that will support possible unpaid securities in the obligation recorded in liabilities. Thus, the two ends are demonstrated: active and passive and passive leasing of vehicles and others (machines).

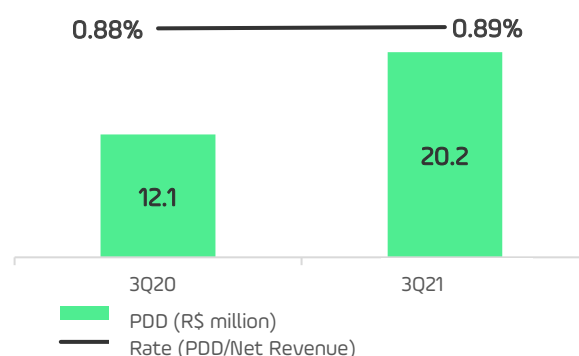
Default

Securities overdue for more than 360 days totaled R\$81.5 million in September 2021 against R\$118.5 million in September 2020, considering the sum of the 3 companies. Of overdue securities with a risk of non-realization, we established a provision for loss in the total amount. Such overdue securities refer mainly to: (i) long-term securities that are in the collection process, but with low probability of receipt; (ii) securities under negotiation that have real guarantee; and (iii) securities under execution or collection proceedings still in the negotiation phase.

The provision for losses is calculated by monitoring the history of each region, which is applied to the sales of the companies. Additionally, securities overdue for more than 180 days and the respective inherent risks are evaluated based on their guarantees and renegotiations.

	09/30/2021	09/30/2020
Coming due	1,064,960	776,722
From 1 to 60 days	496,547	122,549
Overdue from 61 to 180 days	99,551	212,517
From 181 to 365 days	52,112	15,248
Over 365 days	81,524	118,481
(-) PDA	-128,157	(103,245)
Overdue	601,577	365,550
Balance	1,666,537	1,142,272

Company's ratio of allowance for doubtful accounts (PDD) to net input revenue remained stable, as shown below:



Hedge for foreign currency and agricultural commodities

We carry out transactions in foreign currency and with agricultural commodities, mainly in the acquisition of agricultural inputs, such as fertilizers, in the sale of grains and for working capital loan operations. Such transactions, as defined in the Credit Policy, have hedge against such variations through the contracting of NDF (Non-Deliverable Forward), foreign exchange swap, future market (Chicago, B3), barter (exchange of inputs for grains through natural hedge).

The open positions September 30, 2021 show the following exposures:

(i) Commodities (in thousands of tons)

	09/30/2021			
Positions / Products	Soybean	Corn	Wheat	Coffee
Physical inventory	71,784	179,326	11,864	-
Sales positions to be fixed	-	-	-	-
Purchase positions to be fixed	(105,894)	(149,614)	(7,494)	-
Physical Position	(34,110)	29,712	4,370	-
Purchase agreements	353,830	47,388	1,400	4,528
Sales contracts	(322,450)	(73,249)	(4,015)	(4,513)
Future Agreements	31,380	(25,861)	(2,615)	15
Net balance	(2,730)	3,851	1,755	15

Exposure, sensitivity analysis, in case of fluctuations of 5%, 25% or 50% in prices. Given the long or short positions, we would have an estimated loss of R\$1,055 thousand, in the case of a 5% increase in the price of commodities.

	Tons	Position	Current Risk	Current Market	+5% increase		+25% increase		+50% increase	
Position				Price	Price	Effect	Price	Effect	Price	Effect
Soybean	319,720	Purchase	-758,902.5	142.4	149.5	37,945	178.0	189,726	213.6	379,451
Soybean	-322,450	Sale	779,781.5	145.1	152.4	-38,989	181.4	-194,945	217.6	-389,891
Corn	70,020	Purchase	-80,492.0	69.0	72.4	4,025	86.2	20,123	103.5	40,246
Corn	-66,168	Sale	83,509.5	75.7	79.5	-4,175	94.7	-20,877	113.6	-41,755
Wheat	5,770	Purchase	-8,655.0	90.0	94.5	433	112.5	2,164	135.0	4,327
Wheat	-4,015	Sale	6,155.6	92.0	96.6	-308	115.0	-1,539	138.0	-3,078
Coffee	4,528	Purchase	-87,314.9	1,157.0	1,214.9	4,366	1,446.3	21,829	1,735.5	43,657
Coffee	-4,513	Sale	87,025.7	1,157.0	1,214.9	-4,351	1,446.3	-21,756	1,735.5	-43,513
Net exposure			21,107.8			-1,055		-5,277		-10,554

(ii) Exchange rate (in thousands of dollars)

	(US\$ thousand)
	09/30/2021
Borrowings and financing	-43,925
Purchase agreements in Dollar	-45,843
Exchange SWAP agreement	37,399
NDFs purchase forward agreement	23,691
NDFs sales forward agreement	-9,251
Purchase agreements in Dollar	31,120
Export contracts	9,262
	2,453

Exposure, sensitivity analysis, in case of fluctuations of 5%, 25% or 50% in the US dollar rate. If there is a 5% increase in the US dollar rate, we would have an estimated loss of R\$667 thousand.

	Risk	Nominal Balance	Closing Balance	Current Market	+5% increase		+25% increase		+50% increase	
Position		US\$	R\$	Price	Price	Effect	Price	Effect	Price	Effect
Borrowings and financing	Exchange rate / US dollar	-43,925	-210,031	5.441	5.7130	11,950	6.8012	59,748	8.1615	119,497
Purchase agreements in Dollar	Exchange rate / US dollar	-45,843	-270,580	5.441	5.7130	12,471	6.8012	62,357	8.1615	124,715
Exchange SWAP agreement	Exchange rate / US dollar	37,399	203,505	5.441	5.7130	-10,174	6.8012	-50,871	8.1615	-101,743
NDFs purchase forward agreement	Exchange rate / US dollar	23,691	128,866	5.441	5.7130	-6,445	6.8012	-32,226	8.1615	-64,452
NDFs sales forward agreement	Exchange rate / US dollar	-9,251	-50,320	5.441	5.7130	2,517	6.8012	12,584	8.1615	25,167
Purchase agreements in Dollar	Exchange rate / US dollar	31,120	153,953	5.441	5.7130	-8,466	6.8012	-42,330	8.1615	-84,661
Export contracts	Exchange rate / US dollar	9,262	50,378	5.441	5.7130	-2,520	6.8012	-12,598	8.1615	-25,196
Net exposure		2,453	5,771			-667		-3,337		-6,673

Subsidy Tax Benefits

As detailed in note 4. (a) to the quarterly financial information, in 2020, AgroGalaxy recognized IRPJ/CSLL credits in the amount of R\$61.8 million, which were determined considering the retroactive effect of 5 years on the results of the first quarter of the fiscal year ended December 31, 2020 in each subsidiary company, and in the first quarter of 2021, calculated according to the calculation model discussed with the Company's tax consultants.

In 2021, Management has been monitoring the understanding of the tax authorities and discussions on the matter, and maintains its understanding, also with the support of its tax consultants, that its chances of success are greater than 50% in the event of any discussion about the matter.

Exhibit I (Added in 3Q20 and 9M20)

Income Statement (In R\$ thousands) – Management Report

	Consolidated	Added (*)		Accumulated	Accumulated		Added (*)		Added (*)	
	3Q21	3Q20	%	9M21	9M20	%	LTM 3Q21	LTM 3Q20		
Net revenue for the period	1,844,784	999,805	84.5%	4,062,801	2,616,760	55.3%	5,588,689	4,004,751	39.6%	
Inputs	1,295,807	663,614	95.3%	2,277,540	1,387,222	64.2%	3,651,977	2,524,129	44.7%	
Grains	548,977	336,191	63.3%	1,785,261	1,229,538	45.2%	1,936,713	1,480,622	30.8%	
(-) Cost of products sold	-1,600,352	-849,766	88.3%	-3,587,872	-2,327,048	54.2%	-4,822,780	-3,460,027	39.4%	
Inputs	-1,063,648	-554,537	91.8%	-1,860,474	-1,161,837	60.1%	-2,961,596	-2,107,252	40.5%	
Grains	-536,704	-295,229	81.8%	-1,727,534	-1,165,211	48.3%	-1,861,184	-1,352,775	37.6%	
Gross profit for the adjusted period	244,432	150,039	62.9%	474,929	289,711	63.9%	765,909	544,724	40.6%	
% net revenue	13.2%	15.0%	-1.8 p.p.	11.7%	11.1%	+0.6 p.p.	13.7%	13.6%	+0.1 p.p.	
% net revenue Inputs	17.9%	16.4%	+1.5 p.p.	18.3%	16.2%	+2.1 p.p.	18.9%	16.5%	+2.4 p.p.	
% net revenue Grains	2.2%	12.2%	-10.0 p.p.	3.2%	5.2%	-2.0 p.p.	3.9%	8.6%	-4.7 p.p.	
(-) sales expenses	-61,968	-34,075	81.9%	-151,145	-96,453	56.7%	-237,689	-128,656	84.7%	
(-) administrative expenses	-64,191	-54,149	18.5%	-174,509	-144,045	21.1%	-174,640	-192,390	-9.2%	
(-) other operating income and expenses	-931	3,164	-129.4%	-857	6,154	-113.9%	-6,738	7,549	-189.3%	
(-) depreciation and amortization (b)	-13,019	-11,065	17.7%	-27,266	-19,701	38.4%	-38,159	-38,473	-0.8%	
Total expenses (SG&A)	-140,109	-96,125	45.8%	-353,776	-254,045	39.3%	-457,226	-351,970	29.9%	
Profit before financial result (a)	104,323	53,914	93.5%	121,153	35,667	239.7%	308,683	192,754	60.1%	
% net revenue	5.7%	5.4%	+0.3 p.p.	3.0%	1.4%	+1.6 p.p.	5.5%	4.8%	+0.7 p.p.	
(-) Financial result	-51,728	-30,218	71.2%	-136,391	-69,411	96.5%	-161,202	-67,324	139.4%	
(-) Income tax and social contribution	4,441	-8,849	n.m.	7,115	2,517	182.7%	-18,520	-49,178	-62.3%	
(=) Net income for the adjusted period	57,037	14,847	284.2%	-8,122	-31,228	-74.0%	128,962	76,253	69.1%	
% net revenue	3.1%	1.5%	+1.6 p.p.	-0.2%	-1.2%	+1.0 p.p.	2.3%	1.9%	+0.4 p.p.	
(-) Depreciation and amortization (b)	13,019	11,065	19.5%	27,266	19,701	38.4%	38,159	38,473	-0.8%	
EBITDA (a) + (b) Adjusted	117,341	64,978	80.6%	148,419	55,368	168.1%	346,841	231,227	50.0%	
% net revenue	6.4%	6.5%	-0.1 p.p.	3.7%	2.1%	+1.6 p.p.	6.2%	5.8%	+0.4 p.p.	

¹ Add up the results from AgroKey, AgroTrends, and AgroAdvance.

Balance sheets (in R\$ million)

Consolidated

Asset	September 30, 2021	December 31, 2020	September 30, 2020 ¹
Current			
Cash and cash equivalents	541,390	301,106	176,755
Financial investments	43,827	93,857	27,720
Marketable securities	3,803	-	-
Accounts receivable	1,634,404	1,750,972	1,072,809
Inventories	1,992,793	851,477	1,045,144
Taxes recoverable	78,559	80,022	36,500
Forward agreements	-	13,912	-
Derivative financial instruments	45,341	6,524	459,847
Advances to suppliers	248,415	71,768	85,613
Other receivables	47,919	36,734	101,353
Total current assets	4,636,451	3,206,373	3,005,741
Non-current			
Long-term assets			
Financial investments	33,222	4,524	-
Accounts receivable	32,133	77,668	65,145
Marketable securities	60,987	40,833	50,960
Taxes recoverable	11,085	36,086	2,552
Derivative financial instruments	840	-	-
Related-party loans	5,622	3,500	728
Deferred income tax and social contribution	35,088	-	21,084
Other receivables	10,861	598	527
	189,838	163,209	140,996
Investments in subsidiaries	-	-	85
Other investments	28	84	-
PP&E	118,824	97,636	89,971
Intangible assets	908,369	704,261	291,371
Right-of-use assets	113,981	89,301	89,292
Total non-current assets	1,331,040	1,054,492	611,715
Total assets	5,967,491	4,260,865	3,617,456

¹ Add up the results from AgroKey, AgroTrends, and AgroAdvance.

Consolidated

Liabilities and shareholders' equity	September 30, 2021	December 31, 2020	September 30, 2020 ¹
Current			
Trade accounts payable	2,481,197	1,808,425	1,193,809
Borrowings and financing	792,229	816,644	699,469
Lease liability	31,249	25,132	21,192
Derivative financial instruments	3,051	4,194	419,192
Obligations on credit assignment	147,968	269,307	168,671
Labor and social security obligations	70,512	45,202	40,906
Taxes and contributions payable	13,317	7,379	12,175
Advances from customers	428,991	99,841	148,292
Acquisition of equity interest payable	16,157	3,019	4,999
Dividends payable	-	19,354	1,630
Other payables	2,950	12,087	120,032
Total current liabilities	3,987,621	3,110,584	2,830,365
Non-current			
Loans and financing ²	436,589	-	84,473
Lease liability	78,894	66,492	72,149
Provision for contingencies	513	-	-
Taxes and contributions payable	3,298	3,406	3,378
Deferred income tax and social contribution	89,162	60,235	19,944
Total non-current liabilities	608,456	130,133	179,943
Total liabilities	4,596,077	3,240,717	3,010,308
Shareholders' equity			
Share capital	792,071	426,046	215,340
Capital reserves	490,944	490,944	247,516.5
Treasury shares	-34,037	-	-
Equity valuation adjustments	7,244	10,173	-5,275
Profit reserve	108,621	88,504	24,184
Total shareholders' equity	1,371,414	1,020,148	607,148
Equity attributable to controlling shareholders	1,364,843	1,015,667	481,765
Equity attributable to non-controlling shareholders	6,571	4,481	125,383
Total liabilities and shareholders' equity	5,967,491	4,260,865	3,617,456

¹ Add up the results from AgroKey, AgroTrends, and AgroAdvance.

² In December 2020, debt was reclassified to the short term due to the need for waivers from financial institutions for the IPO.

Cash Flow Statement – Indirect Method (In R\$ thousands)

	9M21	9M20 ¹
Cash flow from operating activities		
Results before taxes	- 778	- 44,067
Adjustments to reconcile the result in the period with resources from operating activities:		
Depreciation and amortization	50,696	35,118
Present value adjustment	-8,869	-11,239
Interest on leases payable	11,563	9,681
Result from the disposal of fixed assets	-918	-6,508
Provision for inventory losses	-355	223
Variation at fair value of commodities	19,326	28,662
Variation at fair value of forward agreements	-14,672	-49,720
Derivative financial instruments	-28,459	-658
Interest on borrowings and financing	60,636	46,067
Exchange variation on borrowings and financing	5,337	4,833
Share-based payment plan	4,975	5,884
Loss at receivable amount of receivable accounts	17,954	13,342
	116,437	31,618
Variations in assets and liabilities		
Accounts receivable	469,397	287,774
Inventories	-648,087	-281,740
Advances to suppliers	-170,168	-63,310
Taxes recoverable	32,911	-2,699
Other receivables	-34,775	-72,023
Trade accounts and other accounts payable	-125,888	-112,632
Labor and social security liabilities	19,549	9,434
Tax liabilities	-5,359	3,745
Advances from customers and other liabilities	309,486	155,862
Cash (used in) generated by operating activities	-36,498	-43,971
Income tax and social contribution paid	-353	-13,250
Interest paid	-51,694	-25,582
Cash Flow generated from (used in) operating activities	-88,545	-82,803
Cash flows from investing activities		
Acquisitions of fixed assets, net of incorporated cash	-36,556	1,739
Acquisition of PP&E	-26,427	-23,815
Resources from disposal of fixed assets	3,340	19,235
Financial investments	10,976	-21,637
Related-party loans	-2,122	-1,627
Acquisition of intangible assets	-14,477	-11,648
Net cash flow generated by (used in) investment activities	-65,267	-37,753
Cash flow from financing activities		
Borrowings and financing	909,991	688,775
Collection of secured resources	147,968	9,908
Settlements of borrowings and financing	-704,068	-531,785
Settlement of secured resources	-269,307	-83,984

Earnings Release | 3Q21

Capital increase	340,203	2,545
Payment of dividends and interest on equity		
Lease liabilities	-30,692	-22,773
Cash flow generated from financing activities	394,096	57,370
Net increase (decrease) in cash and cash equivalents	240,284	-63,186
Cash and cash equivalents at the beginning of the period	301,106	236,186
Cash and cash equivalents at the end of the period	541,390	173,000

¹ Add up the results from AgroKey, AgroTrends, and AgroAdvance.

EXHIBIT II – Reconciliation of EBITDA, Adjusted Net Income and Adjusted Gross Profit

Summary of the Results for the period (In thousands of R\$)	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %	LTM Sep/21	LTM Sep/20	Ch. %
Accounting EBITDA (a) + (b)	125,449	47,037	166.7%	152,295	89,210	70.7%	293,886	263,907	11.4%
% net revenue	6.8%	4.7%	+2.1 p.p.	3.7%	3.4%	+0.3 p.p.	5.3%	6.6%	-1.3 p.p.
(+/-) Fair value - commodities (1)	4,739	16,509	-71.3%	19,326	28,662	-32.6%	72,089	20,834	246.0%
(-) CPC 06(R2)/IFRS 16 - Properties (2)	-7,455	-5,848	27.5%	-22,487	-19,821	13.5%	-30,338	-23,736	27.8%
(+/-) Operating exchange variation (3)	-15,056	7,833	n.m.	-15,671	-49,284	-68.2%	-31,445	-42,444	-25.9%
(+/-) Non-recurring revenue and expenses (4)	9,666	-552	n.m.	14,956	6,601	126.6%	42,649	12,665	236.7%
Adjusted EBITDA for the period	117,343	64,978	80.6%	148,419	55,368	168.1%	346,841	231,227	50.0%
Adjusted EBITDA margin (%)	6.4%	6.5%	-0.1 p.p.	3.7%	2.1%	+1.5 p.p.	6.2%	5.8%	+0.4 p.p.

Net Income Summary (In thousands of R\$)	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %	LTM Sep/21	LTM Sep/20	Ch. %
Net income (loss) for the period	72,308	-7,058	n.m.	1,421	-39,042	n.m.	116,053	36,572	217.33%
(+/-) Fair value - commodities ⁽¹⁾	-8,313	18,310	n.m.	-26,836	-19,340	38.8%	45,751	6,471	607.0%
(-) CPC 06(R2)/IFRS 16 - Properties	-68	1,053	n.m.	-996	206	n.m.	-2,136	493	n.m.
(+/-) Unrealized exchange variation	-24,657	14,379	n.m.	-13,129	17,756	n.m.	-23,707	24,238	n.m.
(-) Amortization of the surplus value business combination	233	0	n.m.	11,544	6,617	74.5%	42,342	16,255	160.5%
(+/-) Non-recurring revenue and expenses	9,666	-552	n.m.	14,956	6,601	126.6%	42,649	12,665	236.7%
(+/-) Non-recurring and deferred IR/CS	7,867	-11,284	n.m.	4,916	-4,026	n.m.	-91,989	-20,441	350.0%
Adjusted net income (loss) for the period	57,037	14,847	284.2%	-8,122	-31,228	-74.0%	128,962	76,253	69.1%
Adjusted Net Income Margin (%)	3.1%	1.5%	+1.6 p.p.	-0.2%	-1.2%	+1.0 p.p.	2.3%	1.9%	+0.4 p.p.

Gross Profit Summary (In thousands of R\$)	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %	LTM Sep/21	LTM Sep/20	Ch. %
Gross profit for the period	254,749	125,697	102.7%	471,274	310,333	51.9%	703,331	566,334	24.2%
(+/-) Fair value commodities and capital gain ⁽¹⁾	4,739	16,509	-71.3%	19,326	28,662	-32.6%	94,023	20,834	351.3%
(+/-) Operating exchange variation ⁽³⁾	-15,056	7,833	n.m.	-15,671	-49,284	-68.2%	-31,445	-42,444	-25.9%
Adjusted Gross Margin	244,432	150,039	62.9%	474,929	289,711	63.9%	765,909	544,724	40.6%
Adjusted Gross Margin (%)	13.2%	15.0%	-1.8 p.p.	11.7%	11.10%	+0.6 p.p.	13.7%	13.6%	+0.1 p.p.

*Reflects the simple sum of the holding companies AgroKey, AgroTrends and AgroAdvance.

¹ Adjusted according to:

⁽¹⁾ Variation in the fair value of commodities, classified as operating income or 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, from the initial adoption in 2019, are no longer accounted for as operating expenses on rent and are now included in the result through depreciation/amortization of the right to use and the financial interest expense appropriated over the term of the agreement.

⁽³⁾ Foreign exchange variation refers to liquidated amounts that are classified in the financial result and are originate from operating gain or loss.

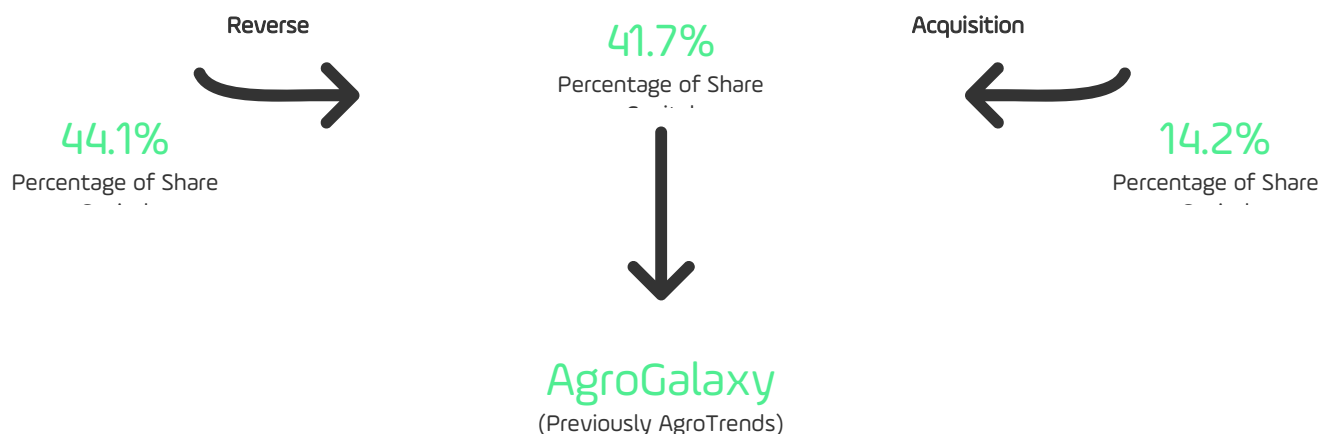
⁽⁴⁾ Revenue and/or expenses considered to be unusual or occasional nature due to out-of-date credit, restructuring consultancy, shared expenses/consulting fee and expenses with M&A/public offering, payment in shares of subsidiaries.

² Excludes gains or losses from changes in the fair value of commodities and forward contracts, effect of amortization of goodwill in the business combination that took place on 10/31/2020, effects of CPC 06/IFRS 16 Properties and non-recurring expenses and revenues, in addition to the impacts of deferred IR/CS and/or out-of-date credits.

Exhibit III – Consolidated Financial Performance

On October 30, 2020, we approved the corporate reorganization, resulting in the merger of AgroAdvance and AgroKey by AgroTrends, which changed its name to AgroGalaxy Participações S.A. ("AgroGalaxy"). On such date, as a result of the corporate reorganization, AgroGalaxy became the sole shareholder of Agro Total (Agro100 + Agro Ferrari), Rural Brasil and Grão de Ouro. The operating and financial results, as presented in the Financial Statements for the year, refer to AgroKey, reverse merging company of such reorganization.

AgroKey	AgroTrends	AgroAdvance
Operating Companies	Operating Companies	Operating Companies
<ul style="list-style-type: none"> Agro100 Agro Ferrari 	<ul style="list-style-type: none"> Rural Brasil Sementes Campeã 	<ul style="list-style-type: none"> Grão de Ouro Inputs



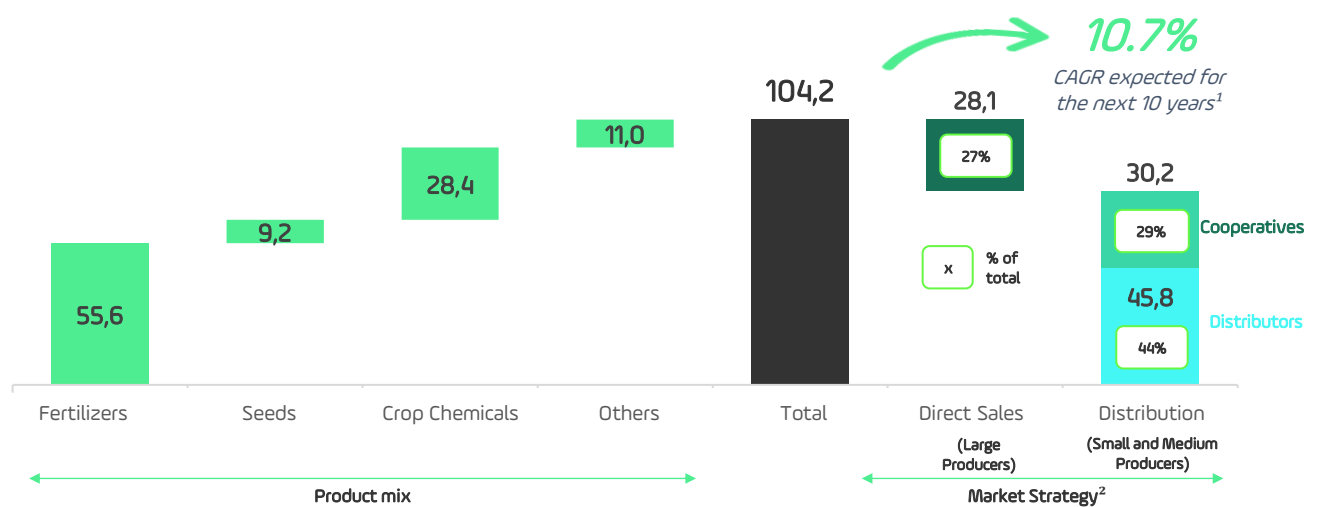
For purposes of comparability of results, in the 2Q20, 1H20 and LTM on June, 2020, the consolidated data below considers the sum of the three holdings existing prior to the reorganization, namely AgroKey (Agro100 and Agro Ferrari), AgroTrends (Rural Brasil and Sementes Campeã) and AgroAdvance (Grão de Ouro).

Exhibit IV – Industry and Corporate Profile

Retail Sector of Agricultural Inputs

We have a robust operation of retail of inputs, including agricultural pesticides, fertilizers, seeds and specialty products, among others. The Brazilian agricultural inputs distribution and retail market, in which we operate, has grown significantly in amount and volume in recent years. According to data from Associação dos Distribuidores de Insumos Agropecuários (the Association of Agricultural Input Distributors – “ANDAV”), the fertilizers, crop chemicals and seeds market had revenues of R\$104 billion in 2018. In addition, Consultoria Céleres expects this market to grow at an average annual growth rate of 11% during the next 10 years.

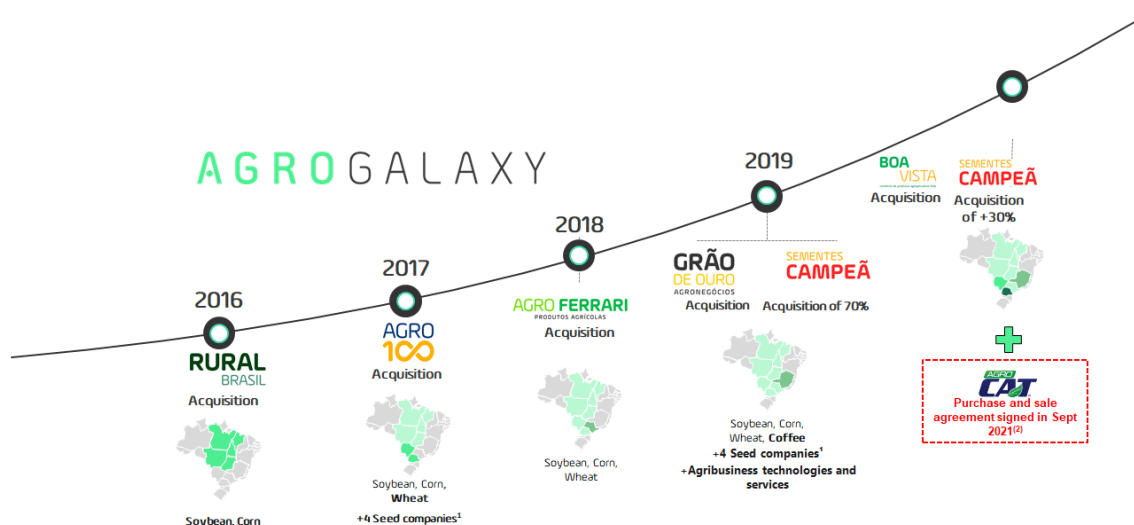
Sales of distribution and retail sector of agricultural inputs (2018)



(1) According to Consultoria Céleres; (2) Proportion of products in 2017 applied to the 2018 sales.
Source: ANDAV and Consultoria Céleres

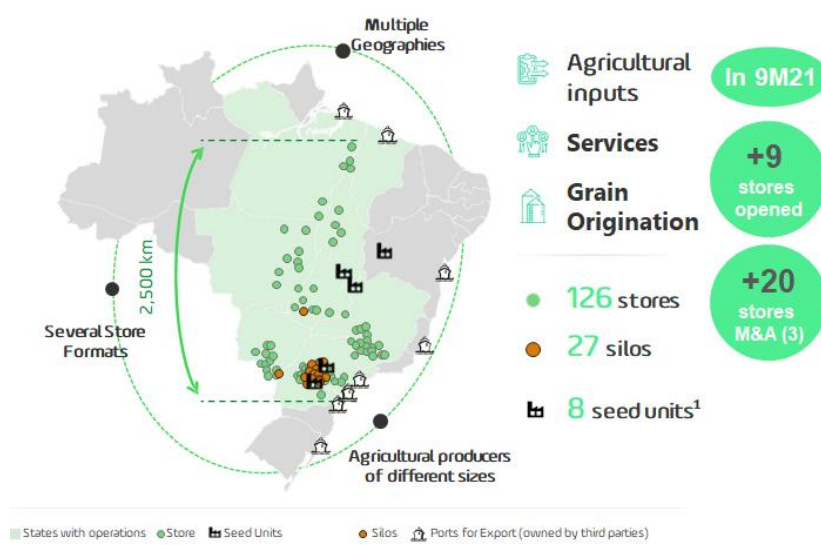
Corporate Profile and History

AgroGalaxy is one of the most relevant retail platforms of agricultural inputs and services focused on agribusiness in Brazil. It is engaged in the sale of agricultural inputs, seed production, origination, storage and sale of grains, and the provision of agricultural services. With nationwide coverage, the Company has an integrated ecosystem, delivering products and offering unique solutions to meet farmers' needs. It is recognized for providing high value-added products for its clients and for being the Brazilian farmers' productivity partner. Created through the acquisition of leading platforms across different regions in Brazil, the Company has integration benefits while maintaining the characteristics and original brands of each platform, in addition to the local track record and proximity to farmers. The timeline below shows the Company's milestones since its inception:



Notes: (1) Seeds produced in 8 plants, including 3 plants operated by the company and 5 tooling operations.
(2) Completion scheduled for January 2022 and subject to meeting precedent conditions.

The Company's stores, silos and seed units are strategically located in 9 Brazilian states, which allows it to reach different cultures and producers while also mitigating climate risk. The state concentrating the highest percentage of the Company's revenue accounted for 21% of the total revenues in the fiscal year ended December 31, 2020. On September 30, 2021, the Company had the following composition:



Notes: (1) 3 own and 5 tooling
(2) Pro forma numbers, that is, considering AgroTrends, AgroKey and AgroAdvance
(3) 14 Ferrari Zagato stores in Q3 2021

Our target audience comprises small-and medium-sized producers, with a planted area of up to 10,000 hectares individually, who seek high-quality inputs, supplier diversification, financing and credit solutions, technical assistance from planting to harvest, logistics services and high technology. These producers offer different cultures, including soy, corn, coffee and wheat, among others. In the 2020/2021 harvest season, our clients owned a total of 10.1 million hectares in planted area.