Individual and Consolidated Financial Statements

Humberg Agribrasil Comércio e Exportação de Grãos S.A.

December 31, 2022
with Independent Auditor's Report

Humberg Agribrasil Comércio e Exportação de Grãos S.A.

Individual and consolidated financial statements

December 31, 2022

Contents

A free translation from Portuguese into English of Independent Auditor's Report on the Individual and Consolidated Financial Statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board (IASB)

Independent auditor's report on the individual and consolidated financial statements

To the
Shareholders, Board of Directors and Officers of
Humberg Agribrasil Comércio e Exportação de Grãos S.A.
São Paulo - SP

Opinion

We have audited the individual and consolidated financial statements of Humberg Agribrasil Comércio e Exportação de Grãos S.A. (the "Company"), identified as Individual and Consolidated, respectively, which comprise the statement of financial position as at December 31, 2022, and the statements of profit or loss, of comprehensive income, of changes in equity, and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of the Company as at December 31, 2022, and its individual and consolidated financial performance and cash flows for the year then ended, in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with the Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants and the professional standards issued by Brazil's National Association of State Boards of Accountancy (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the individual and consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Derivative financial instruments

As described in Note 20, the Company's sales revenues are mainly from the sale of agricultural commodities, represented mainly by soybeans and corn, whose prices are quoted in the international market and in US dollars, resulting in foreign currency and price exposure for the Company.

In order to reduce exposures to the price and currency risks, the Company enters into commodity purchase and sale contracts at fixed prices, based on futures contracts priced on the Chicago Mercantile Exchange (CME) plus a spread for additional costs considering the location of the origin and transshipment of commodities, which may be settled in physical volume or financially. In addition to the natural hedge for the exposure referred to above, the Company also enters into derivative financial instruments, as mentioned in Note 20, but it does not adopt hedge accounting.

We consider this matter a key audit matter due to the Company's exposure to the commodity price and currency risks, which may substantially impact its financial position and operating income (expenses) in the event of a significant change in one or both situations, which may result in significant impacts on the Company's individual and consolidated financial statements.

How our audit addressed this matter

Our audit procedures included, among others: (i) involvement of professionals specialized in valuing and assessing the adequacy of derivative financial instruments in relation to the Company's exposures, as well as in analyzing the accounting effects; (ii) tests of existence and valuation of commodity purchase and sale contracts, on a sample basis; (iii) test of derivative instruments of currency and futures, by sending confirmation letters to financial institutions; and (iv) analysis of the nature and integrity of accounting records; (v) analysis of reconciliations of financial instrument balances to the amounts recognized in the Company's financial position and statement of profit or loss; and (vi) analysis of the adequacy of disclosures made in Notes 2 and 20 to the individual and consolidated financial statements as at December 31, 2022.

Based on the results of the above-mentioned audit procedures performed on the Company's financial position and operations, which are consistent with management's assessment, we consider the criteria and assumptions adopted by management, as well as the respective disclosures in Notes 2 and 20, acceptable in the context of the individual and consolidated financial statements taken as a whole.

Business combinations

As described in Note 7, in the year ended December 31, 2022, after overcoming the conditions precedent, the Company acquired control over Nityam Empreendimentos e Participações S.A. and shared control over: i) WRC Operadores Portuários S.A.; ii) Porto Novo Participações S.A.; and iii) TESC - Terminal Santa Catarina S.A. The accounting for these acquisitions required, among other procedures, that the Company determined the fair value of the consideration transferred, the fair value of the assets acquired and liabilities assumed as well as determination of gain on bargain purchase. These procedures involved a high degree of judgment in determining the fair value estimates, based on methodology, measurement and assumptions related to the future performance of the business acquired, which are, therefore, subject to a high degree of uncertainty. Due to the uncertainties related to the methodologies and assumptions used in determining these fair values, as well as the determination of the amount of the gain on bargain purchase, and, as a result, the determination of the information that must be disclosed to enable the users of the financial statements to evaluate the nature and financial effects arising from business combinations, this matter was considered significant for our audit.

How our audit addressed this matter

Our audit procedures included, among others: i) reading of the contracts entered into that formalized the acquisition and the corresponding financial changes, such as contracts and minutes; analysis of the acquisition price determination criteria; ii) audit procedures of opening balances of acquirees on the acquisition date as part of determining the fair value of assets acquired and liabilities assumed; iii) review of the alignment of the Company's accounting practices with those of the acquirees; and iv) the involvement of our corporate finance experts to assist us in assessing the assumptions and methodologies used by management in measuring and recognizing the fair values of assets acquired, liabilities assumed and gain on bargain purchase. We also evaluated whether the respective disclosures made by the Company were properly included in Note 7 to the financial statements as at December 31, 2022.

Based on the result of the above-mentioned audit procedures performed on the business combination transactions carried out by the Company, which is consistent with management's assessment, we consider that the criteria and assumptions adopted by management, as well as the respective disclosures in Notes 7, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (SVA) for year ended December 31, 2022, prepared under the responsibility of Company's executive board, and presented as supplementary information for purposes of IFRS, were submitted to audit procedures conducted together with the audit of the Company's financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by NBC TG 09 - Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in the referred to Accounting Pronouncement, and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and the auditor's report

The executive board is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive board and those charged with governance for the individual and consolidated financial statements

The executive board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as the executive board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, the executive board is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the executive board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s and its subsidiaries’ financial reporting process.

Auditor’s responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with the Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed risks of material misstatements of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s and its subsidiaries’ internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board;
- Concluded on the appropriateness of executive board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or future conditions may cause the Company to cease to continue as a going concern.

- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the individual and consolidated financial statements of the prudential conglomerate. We are responsible for the direction, supervision and performance of the group's audit and, consequently, for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we may have identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements, including those regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, April 13, 2023

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC-SP-034519/O

Ronaldo Aoki
Accountant CRC-SP244601/O

Humberg Agribrasil Comércio e Exportação de Grãos S.A.

Statements of financial position
December 31, 2022 and 2021
(In thousands of reais)

		Individual		Consolidated	
	Note	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Assets					
Current assets					
Cash and cash equivalents	3	**131,553**	147,965	**141,603**	280,230
Trade accounts receivable	4	**196,429**	99,935	**211,097**	274,611
Transactions with related parties	19	**73,767**	223,994	**314**	-
Inventories	5	**134,915**	227,889	**135,965**	227,889
Derivative financial instruments	20	**43,704**	89,354	**89,189**	109,230
Taxes recoverable	6	**77,463**	14,292	**77,495**	14,292
Expenses to be allocated		**5,168**	8,582	**5,168**	8,582
Other current assets		**50**	470	**50**	470
Total current assets		**663,049**	812,481	**660,881**	915,304
Noncurrent assets					
Taxes recoverable	6	**-**	34,057	**-**	34,057
Deferred income and social contribution taxes	11	**-**	11,018	**16,781**	11,018
Judicial deposits	12	**629**	587	**629**	587
Investments	7	**312,825**	96,128	**383,537**	470
Right of use	10	**1,963**	1,837	**1,963**	1,837
Other noncurrent assets		**798**	1,145	**1,619**	909
Total noncurrent assets		**316,215**	144,772	**404,529**	48,878
Total assets		**979,264**	957,253	**1,065,410**	964,182

	Note	Individual 12/31/2022	Individual 12/31/2021	Consolidated 12/31/2022	Consolidated 12/31/2021
Liabilities and equity					
Current liabilities					
Trade accounts payable	8	**301,684**	334,548	**304,917**	357,108
Loans and financing	9	**329,026**	344,879	**329,026**	344,879
Tax obligations		**1,200**	3,070	**1,200**	7,333
Labor obligations		**1,002**	1,519	**1,002**	1,519
Derivative financial instruments	20	**57,627**	100,085	**75,293**	74,229
Advances from customers		**-**	-	**63**	-
Dividend payable	13 and 18	**-**	800	**-**	800
Lease liabilities	10	**548**	525	**548**	525
Total current liabilities		**691,087**	785,426	**712,049**	786,393
Noncurrent liabilities					
Lease liabilities	10	**1,415**	1,343	**1,415**	1,343
Loans and financing	9	**123,429**	142,222	**123,429**	142,222
Tax obligations	7	**-**	-	**-**	5,962
Deferred income and social contribution taxes	11	**12,649**	-	**12,917**	-
Provision for investment losses	7	**7,479**	-	**-**	-
Provision for contingencies	12	**726**	623	**726**	623
Total noncurrent liabilities		**145,698**	144,188	**138,487**	150,150
Equity					
Capital	13	**69,106**	15,400	**69,106**	15,400
(-) Treasury shares	13	**(2,649)**	(100)	**(2,649)**	(100)
Legal reserve	13	**13,821**	854	**13,821**	854
Granted shares reserve	13	**5,986**	5,267	**5,986**	5,267
Tax incentive reserve	13	**56,215**	-	**56,215**	-
Income reserve	13	**-**	6,218	**-**	6,218
		142,479	27,639	**142,479**	27,639
Noncontrolling interests		**-**	-	**72,395**	-
Total equity		**142,479**	27,639	**214,874**	27,639
Total liabilities and equity		**979,264**	957,253	**1,065,410**	964,182

See accompanying notes.

Humberg Agribrasil Comércio e Exportação de Grãos S.A.

Statements of profit or loss
December 31, 2022 and 2021
(In thousands of reais, except earnings (loss) per share - in reais)

	Note	Individual		Consolidated	
		12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Sales revenue, net	14	**3,222,956**	1,662,869	**3,993,829**	2,184,137
Cost of commodities sold	15	**(3,145,478)**	(1,641,462)	**(4,030,310)**	(2,139,236)
Gross profit (loss)		**77,478**	21,407	**(36,481)**	44,901
Operating expenses (income)					
General and administrative expenses	16	**(37,913)**	(18,438)	**(41,482)**	(18,887)
Equity pickup	7	**(93,603)**	36,974	**12,893**	-
Other operating income (expenses)	7	**212,052**	-	**212,052**	-
Income before finance income (costs) and income and social contribution taxes		**158,014**	39,943	**146,982**	26,014
Finance income		**4,026**	670	**4,704**	673
Finance costs		**(58,535)**	(12,921)	**(61,856)**	(13,343)
Foreign exchange gains (losses), net		**37,957**	(18,352)	**35,639**	1,609
Finance income (costs)	18	**(16,552)**	(30,603)	**(21,513)**	(11,061)
Income before income and social contribution taxes		**141,462**	9,340	**125,469**	14,953
Current income and social contribution taxes	11	**-**	(1,518)	**-**	(11,743)
Deferred income and social contribution taxes	11	**(23,502)**	1,299	**(6,989)**	5,911
		(23,502)	(219)	**(6,989)**	(5,832)
Net income for the year		**117,960**	9,121	**118,480**	9,121
Basic and diluted earnings per share - in R$	13	**1.36**	0.10	**1.36**	0.10
Attributable to:					
Controlling interests		**117,960**	9,121	**117,960**	9,121
Noncontrolling interests		**-**	-	**520**	-

See accompanying notes.

Humberg Agribrasil Comércio e Exportação de Grãos S.A.

Statements of comprehensive income
December 31, 2022 and 2021
(In thousands of reais)

	Individual and Consolidated			
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Net income for the year	**117,960**	9,121	**118,480**	9,121
Total comprehensive income for the year, net of taxes	**117,960**	9,121	**118,480**	9,121
Attributable to:				
Controlling interests	**117,960**	**9,121**	**117,960**	9,121
Noncontrolling interests	**-**	**-**	520	-

See accompanying notes.

Humberg Agribrasil Comércio e Exportação de Grãos S.A.

Statements of changes in equity
December 31, 2022 and 2021
(In thousands of reais)

	Capital	Legal reserve	Treasury shares	Options granted	Tax incentive reserve	Income reserve	Retained earnings (accumulated losses)	Total	Noncontrolling interests	Total
Balances at December 31, 2020	15,400	398	-	2,446	-	7,794	-	**26,038**	-	**26,038**
					-			**-**	-	**-**
Net income for the year	-	-	-	-	-	-	9,121	**9,121**	-	**9,121**
Additional dividends paid (Note 13.b)	-	-	-	-	-	(9,441)	-	**(9,441)**	-	**(9,441)**
Reversal of proposed dividends for the year (Note 13.b)					-	2,447	(2,447)	**-**	-	**-**
Additional dividends paid (Note 13.b)	-	-	-	-		(800)	-	**(800)**	-	**(800)**
Share options granted (Note 13)	-	-	-	2,721	-	-	-	**2,721**	-	**2,721**
Share buyback (Note 13b)	-	-	(100)	100	-	-	-	**-**	-	**-**
Setup of legal reserve (Note 13b)	-	456	-	-	-	-	(456)	**-**	-	**-**
Setup of income reserve (Note 13b)	-	-	-	-	-	6,218	(6,218)	**-**	-	**-**
					-					
Balances at December 31, 2021	15,400	854	(100)	5,267	-	6,218	-	27,639	-	27,639
Net income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**117,960**	**117,960**	**-**	**117,960**
Additional dividends paid (Note 13.b)	**-**	**-**	**-**	**-**	**-**	**(1,290)**	**-**	**(1,290)**	**-**	**(1,290)**
Share options granted (Note 13.d)	**-**	**-**	**-**	**719**	**-**	**-**	**-**	**719**	**-**	**719**
Granted share buyback (Note 13.a)	**-**	**-**	**(3,124)**	**-**	**-**	**-**	**-**	**(3,124)**	**-**	**(3,124)**
Concession of granted shares (Note 13.a)	**-**	**-**	**575**	**-**	**-**	**-**	**-**	**575**	**-**	**575**
Capital increase with income reserve (Note 13.b)	**53,706**	**-**	**-**	**-**	**-**	**(53,706)**	**-**	**-**	**-**	**-**
Setup of legal reserve (Note 13.b)	**-**	**12,967**	**-**	**-**	**-**	**-**	**(12,967)**	**-**	**-**	**-**
Tax incentive reserve (Note 13.b)	**-**	**-**	**-**	**-**	**56,215**	**-**	**(56,215)**	**-**	**-**	**-**
Setup of income reserve	**-**	**-**	**-**	**-**	**-**	**48,778**	**(48,778)**	**-**	**-**	**-**
Addition of noncontrolling interest due to acquisition of interest	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**72,395**	**72,395**
Balances at December 31, 2022	**69,106**	**13,821**	**(2,649)**	**5,986**	**56,215**	**-**	**-**	**142,479**	**72,395**	**214,874**

See accompanying notes.

Humberg Agribrasil Comércio e Exportação de Grãos S.A.

Statements of cash flows
December 31, 2022 and 2021
(In thousands of reais)

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash flow from operating activities				
Net income for the year	**117,960**	9,121	**118,480**	9,121
Adjustment to reconcile income to cash flow from (used in) operating activities				
Depreciation and amortization	**691**	299	**691**	299
(Gain) loss on disposal of property and equipment	**-**	(46)	**-**	(46)
Provision for inventory breakage	**17,864**	5,522	**17,864**	5,522
Equity pickup	**93,603**	(36,974)	**(12,893)**	-
Unrealized exchange difference	**(4,305)**	885	**(4,305)**	844
Accrued interest	**43,089**	6,000	**43,089**	6,000
Lease liability interest	**614**	58	**614**	58
MtM of inventories	**(14,914)**	(13,720)	**(14,914)**	(13,720)
Share options granted	**719**	2,721	**719**	2,721
Derivative financial instruments, net	**3,192**	11,131	**21,105**	(11,376)
Provisions for tax, civil and labor contingencies	**103**	623	**103**	623
Depreciation and amortization - surplus value	**12,667**	-	**12,667**	-
Net gains on bargain purchase (Note 7)	**(212,052)**	-	**(212,052)**	-
Deferred income and social contribution taxes	**23,502**	(1,299)	**6,989**	(5,911)
Other provisions	**265**	-	**989**	-
	82,998	(15,679)	**(20,854)**	(5,865)
Decrease (increase) in operating assets				
Trade accounts receivable (Note 4)	**(96,464)**	(97,505)	**63,514**	(272,181)
Transactions with related parties (Note 19)	**150,227**	(214,705)	**(314)**	-
Inventories	**90,024**	(225,857)	**88,974**	(225,857)
Advances to suppliers	**-**	(9,052)	**-**	(9,052)
Taxes recoverable (Note 6)	**(29,114)**	(46,347)	**(28,726)**	(46,347)
Expenses to be allocated	**3,414**	-	**3,414**	-
Judicial deposits	**(42)**	(587)	**(42)**	(587)
Other assets	**767**	(245)	**(190)**	(10)
	118,782	(594,298)	**126,630**	(554,034)
Increase (decrease) in operating liabilities				
Trade accounts payable	**(32,864)**	290,174	**(52,191)**	312,729
Tax obligations	**(1,870)**	2,957	**(12,095)**	13,182
Salaries and social charges	**(517)**	(1,327)	**(517)**	(1,327)
Advances from customers		-	**63**	-
	(32,251)	291,804	**(64,740)**	324,584
Income and social contribution taxes paid	**-**	(2,543)	**-**	(2,543)
Cash from (used in) operating activities	**166,529**	(320,716)	**41,036**	(237,858)
Cash flow from investing activities				
Cash from disposal of property and equipment	**-**	60	**-**	60
Additions to property and equipment and intangible assets	**(817)**	(932)	**(1,541)**	(932)
Payment for acquisition of investments (Note 7.d)	**(100,418)**	-	**(100,418)**	-
Increase in capital of investees (Note 7)	**(3,018)**	-	**-**	-
Cash of acquiree (Note 7.d)	**-**	-	**984**	-
Investments in subsidiary	**-**	(30,175)		-
Net cash used in investing activities	**(104,253)**	(31,047)	**(100,975)**	(872)
Cash flows from financing activities				
Borrowings	**579,061**	676,550	**579,061**	676,550
Repayment of loans	**(614,309)**	(248,190)	**(614,309)**	(248,190)
Interest on loans repaid (*)	**(38,182)**	(4,491)	**(38,182)**	(4,491)
Lease payment - Right of use	**(519)**	(41)	**(519)**	(41)
(-) Treasury shares	**(2,649)**	-	**(2,649)**	
Dividends paid out	**(2,090)**	(9,441)	**(2,090)**	(9,441)
Net cash from (used in) financing activities	**(78,688)**	414,387	**(78,688)**	414,387
Net increase (decrease) in cash and cash equivalents	**(16,412)**	62,624	**(138,627)**	175,657
Cash and cash equivalents at beginning of year	**147,965**	85,341	**280,230**	104,573
Cash and cash equivalents at end of year	**131,553**	147,965	**141,603**	280,230
Net increase (decrease) in cash and cash equivalents	**(16,412)**	62,624	**(138,627)**	175,657

(*) Interest on loans repaid was classified as cash flows from financing activities as it refers to costs to obtain financial resources.

See accompanying notes.

Humberg Agribrasil Comércio e Exportação de Grãos S.A.

Statements of value added
December 31, 2022 and 2021
(In thousands of reais)

	Individual		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Revenues				
Sales of goods, products and services	**3,225,924**	1,679,636	**3,996,797**	2,200,951
	3,225,924	1,679,636	**3,996,797**	2,200,951
Bought-in inputs				
Cost of sales	**(2,783,598)**	(1,470,298)	**(3,640,269)**	(1,940,265)
Materials, power, services from suppliers and other	**(12,111)**	(7,758)	**(15,525)**	(8,209)
Logistics and port costs	**(361,823)**	(171,117)	**(389,983)**	(193,915)
Other	**-**	(353)	**-**	(353)
	(3,157,532)	(1,649,526)	**(4,045,777)**	(2,142,742)
Gross value added (used)	**68,392**	30,110	**(48,980)**	58,209
Depreciation and amortization	**(13,358)**	(299)	**(13,358)**	(299)
Net value added from (used) by the Company	**55,034**	29,811	**(62,338)**	57,910
Equity pickup	**(93,603)**	36,974	**12,893**	-
Foreign exchange gain	**37,957**	-	**35,639**	-
Finance income	**4,025**	670	**4,703**	673
Other income (Note 7)	**212,052**	-	**212,052**	-
Value added received in transfer	**160,431**	37,644	**265,287**	673
Total value added to be distributed	**215,465**	67,455	**202,949**	58,583
Distribution of value added				
Salaries	**8,212**	6,912	**8,212**	6,913
Benefits	**1,185**	1,047	**1,185**	1,047
Social Security Tax (INSS)	**1,959**	1,396	**1,959**	1,396
Unemployment Compensation Fund (FGTS)	**477**	415	**477**	415
Personnel	**11,833**	9,770	**11,833**	9,771
Federal taxes	**25,651**	532	**9,211**	6,161
State taxes	**966**	16,609	**966**	16,609
Local taxes	**242**	114	**324**	114
Taxes, charges and contributions	**26,859**	17,255	**10,501**	22,884
Foreign exchange expenses	**-**	18,352	**-**	3,428
Interest	**46,523**	9,839	**47,583**	9,839
Other finance costs	**12,013**	2,729	**14,275**	3,151
Rent	**277**	389	**277**	389
Debt remuneration	**58,813**	31,309	**62,135**	16,807
Dividends	**-**	2,447	**-**	2,447
Noncontrolling interests	**-**	-	**520**	-
Net income for the year	**117,960**	6,674	**117,960**	6,674
Equity remuneration	**117,960**	9,121	**118,480**	9,121
Value added distributed	**215,465**	67,455	**202,949**	58,583

See accompanying notes.

1. Operations

Humberg Agribrasil Comércio e Exportação de Grãos S.A., formerly known as Humberg Agribrasil Comércio e Exportação de Grãos Ltda. (the “Company” or “Humberg Agribrasil”), which began its activities on July 15, 2013, originally as a limited liability company organized to operate for an indefinite period, with articles of organization registered with the São Paulo State Commercial Registry (JUCESP) under the identification number NIRE 3.522.770.580-6, enrolled with the Brazilian IRS Registry of Legal Entities of the Ministry of Finance (CNPJ/MF) under No. 18.483.666/0001-03, and with head office in the city and state of São Paulo, at Rua Joaquim Floriano no. 960, 3rd floor, Itaim Bibi, CEP 04534-002.

The Company's current activities are the following: export, distribute, buy, sell, resell, market and transport, on its own account or through third parties, food products in general, including, but not limited to, grains, flours, fibers and seeds; (ii) import, export, distribute, buy, sell, resell, market and transport, on its own account or through third parties, agricultural products; (iii) sell, buy and resell commodities; (iv) hold interest in other civil or commercial companies, either domestic or foreign, as a partner, shareholder or member; and (v) represent domestic or foreign companies, on its own account or through third parties.

On May 31, 2020, the members approved the transformation of the Company’s legal nature from a limited liability company into a corporation. The purpose of this transformation is to better serve the interests of the Company.

In 2020, Frederico José Humberg, the Company’s controlling shareholder, increased the Company’s capital with the transfer of the 40% investment in Portoeste -Terminal Portuário de Ilhéus S.A., which he held since 2011 at acquisition cost. Portoeste is controlled by its majority shareholder and current operator of the Ilhéus terminal that owns the other 60%, Intermaritima Terminais Ltda. Portoeste was created in 2009 with the specific purpose of participating in the privatization program of the port of Ilhéus (PROAP). The port of Ilhéus specializes in shipments of Hand size vessels, a niche market targeted by the Company that already operates grains from the state of Bahia. See Note 13.

On June 14, 2021, the Company’s Board of Directors approved the following corporate governance documents of the Company: (a) the execution, terms and conditions of the initial public offering for the distribution of common shares (“IPO”) issued by the Company, pursuant to CVM Ruling No. 400 of December 29, 2003, as amended (“CVM Ruling No. 400”); (b) to replace the assignment of the position of Chairman of the Board of Directors; (c) establishment of the Company’s Audit and Risk Management Committee, election of the first members and appointment of the Coordinator, as well as the approval of the Internal Regulations of the Audit and Risk Management Committee; (d) approval of the Company’s new Code of Ethics and Conduct; (e) approval of the Company’s Securities Trading Policy; (f) alteration of the current Tax Advisory Committees and the Financial Advisory Committee, and election of members; (g) approval of the Company’s Board of Directors’ Internal Regulations; and (h) authorization for the Executive Board to carry out the acts required for the implementation of the resolutions made in relation to the previous items.

1. **Operations** (Continued)

The Company had its listing request granted on *Bovespa Mais* exchange on June 15, 2021, Bolsa, Balcão ("B3"), under the ticker "GRAO3".

On October 20, 2021, the Company filed a request with the Brazilian Securities and Exchange Commission ("CVM") to withdraw from the IPO application, given that, for business and market reasons, the Company decided to verify the feasibility of implementing other capitalization structures.

On February 18, 2022, the Company completed the conditions precedent for acquisition of 81% of the shares of Nityam Empreendimentos e Participações S.A., holder of direct interest in Porto de São Francisco do Sul, through interest held in Terminal Santa Catarina S.A. ("TESC") and in WRC Operadores Portuários S.A. ("WRC"), and indirect interest through interest held in associate Porto Novo Participações S.A., based on understanding expressed by the Brazilian Antitrust Agency (CADE), approvals by the National Waterway Transportation Agency (ANTAQ), and overcoming of conditions precedent set forth in the purchase and sale agreement and other covenants (see Note 7).

At December 31, 2022, the Parent Company's net working capital deficit amounts to R$28,038 (positive by R$27,055 at December 2021). It should be noticed that the Company controls its operations on a consolidated basis, where net working capital deficit totals R$51,168 (positive by R$128,911 in December 2021).

The Company considers that the effects of net working capital deficit are temporary and continuously monitors liquidity needs to ensure that there is sufficient cash to meet short-term obligations. For such, it has enough credit lines available to meet its financial commitments, in addition to the opportunity for refinancing and monetization of tax credits, and expects to record positive net working capital as well as cash generation in the short term. The Company also seeks to improve the quality of its indebtedness in the search for longer-term credit lines and also opportunities for new partnerships that improve and leverage future business and improvements in the Company's margin. It should also be stressed that the Company continues to settle all obligations at the original maturity date.

The Company's financial information is subject to seasonal variations arising from the harvest period, which occurs at different times throughout the year. Furthermore, climatic factors and market financial constraints may change the working capital needs over the period, as well as directly impacting current levels of inventories, advances from customers, loans, trade accounts payable and sales volume.

In management's judgment, the Company's operations are not impacted by these events in a way that requires disclosures or additional information to the explanatory notes.

1. Operations (Continued)

Russia-Ukraine War

The war between Russia and Ukraine intensified at the beginning of 2022 caused global uncertainties and instabilities regarding commodities and inputs at the global level, in particular with regard to commodity prices, in addition to the global impact on freight prices. Although the Company and its financial statements have been affected by the impacts of increased logistical costs and unfavorable commercial negotiations due to the volatility of premiums as a result of the War, there is no way to predict impacts or estimate the occurrence of future impacts arising therefrom. Accordingly, the Company continues to monitor the macroeconomic scenario.

2. Accounting policies

The individual and consolidated financial statements have been prepared and are presented in accordance with the accounting practices adopted in Brazil, which comprise the rules issued by the Brazilian Securities and Exchange Commission (CVM) and the pronouncements issued by Brazil's Financial Accounting Standards Board - FASB (CPC), and in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The individual and consolidated financial statements have been prepared on a historical cost basis, except for certain derivative financial instruments and inventories that have been measured at fair value, and under the going concern assumption.

The individual and consolidated financial statements provide comparative information in relation to the prior year.

Additionally, the Company considered the Accounting Guidance OCPC 07 issued by CPC in November 2014 in preparing its financial statements. Accordingly, significant information inherent in the financial statements is being disclosed and corresponds to that used by management to manage the Company's operations.

Interest on loans and leases paid were classified as cash flows from financing activities in the statements of cash flows as they are considered by the Company as costs to obtain financial resources.

The financial statements are presented in thousands of Brazilian Reais (R$), which is the functional and presentation currency of the Company and its subsidiaries.

2. **Accounting policies** (Continued)

Foreign currency transactions are initially recorded at the exchange rate of the functional currency effective at the transaction date. Foreign currency-denominated monetary assets and liabilities are translated into the functional currency at the exchange rate prevailing at the reporting date. All foreign exchange differences are recognized in the statement of profit or loss.

The individual and consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 2022 were authorized for issue on April 13, 2023.

Estimates

These individual and consolidated financial statements have been prepared under various measurement bases used in accounting estimates. Accounting estimates involved in the preparation of these financial statements were based on both objective and subjective factors, in line with management's judgment in determining the appropriate amounts to be recorded in the financial statements.

Settlement of transactions involving these estimates may result in amounts significantly different from those recorded in the financial statements due to the uncertainty inherent in their estimate process. The Company reviews its estimates and assumptions at least once a year or whenever an evidence shows the need for an interim review.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Allowance for expected credit losses on accounts receivable

Management uses a provision matrix to determine the Company's allowance for expected credit losses ("ECL") on accounts receivable. The provision rates applied are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type, credit risk, among others).

The provision matrix is initially based on the Company's historical observed default rates. Management reviews the matrix prospectively to adjust it according to the historical credit loss experience. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

2. Accounting policies (Continued)

Allowance for expected credit losses on accounts receivable (Continued)

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. Until 2022, the Company had no history of losses on accounts receivable.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing the related fair values.

Judgements include assessment of liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 20 for further disclosures.

Taxes

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. See Note 11 for further disclosures.

Provisions for tax, civil and labor contingencies

The Company recognizes a provision for civil and labor contingencies. Assessment of the likelihood of loss includes analysis of available evidence, the hierarchy of laws, available case law, the most recent court decisions and their relevance in the legal system, as well as the opinion of outside legal advisors. The provisions are reviewed and adjusted to take into consideration changes in circumstances, such as the applicable statute of limitations, outcomes of tax audits or additional exposures identified based on new matters or court decisions.

2. Accounting policies (Continued)

Share-based payment transactions

Estimated fair value of share-based payments requires determination of the most appropriate valuation model for equity instrument granting purposes, which depends on the granting terms and conditions. It also requires the determination of the most adequate data for the valuation model, including the option’s estimate life, volatility and yield from dividends, as well as the related assumptions. The Company measures the cost of equity-settled transactions with employees based on the fair value of equity instruments at the grant date.

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a Monte-Carlo model for the Stock Option Plan of certain executives (Note 13).

<u>Significant accounting policies adopted by the Company and its subsidiaries</u>

Significant accounting policies adopted in preparing these financial statements are as follows:

a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (Note 7) as at December 31, 2022, and 2021.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the controlling shareholders. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Company’s accounting policies. All assets and liabilities, profit or loss, income, expenses and cash flows relating to transactions between the Company and its subsidiaries are eliminated in full on consolidation.

In the individual financial statements, the Company’s investments in its subsidiaries are accounted for using the equity method.

b) *Determination of profit or loss (P&L)*

Profit or loss from transactions is recorded on an accrual basis. Net revenue is measured at the fair value of the consideration received, less sales discounts, rebates and taxes.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

b) *Determination of profit or loss (P&L) - Continued*

Sales revenue is recognized in profit or loss when its amount can be measured reliably, all risks and rewards underlying the product are transferred to the buyer, the Company no longer controls or is responsible for the goods sold and economic benefits are likely to flow to the Company. Revenue is not recognized when there is significant uncertainty about realization thereof. Interest income and expenses are recognized in net finance charges using the effective interest method.

c) *Cash and cash equivalents*

Cash and cash equivalents include highly liquid positive bank account balances redeemable within 90 days from the investment dates, involving an insignificant risk of changes in their market value.

The Company considers cash equivalents a short-term investment readily convertible into a known cash amount and subject to an insignificant risk of change in value. Accordingly, an investment normally qualifies as cash equivalent when it is redeemable in the short term, for instance, within three months or less as from the investment date.

d) *Trade accounts receivable*

Trade accounts receivable are measured at their original amount at revenue recognition, less allowance for expected credit losses, if any. The allowance for expected credit losses is determined when there is evidence that management may not receive all receivables on their original due dates. The assumptions are presented in Note 2, under “Estimates”.

e) *Inventories*

Agricultural products (commodities) are marked to market (MTM) and are valued based on the benchmark prices prevailing on the respective commodity exchanges where such products are usually traded, less costs to sell, in view of the location of origination and transshipment of these commodities, which may be settled financially or in physical volume.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

e) *Inventories* (Continued)

The breakage provision is calculated based on percentages estimated and agreed with the suppliers in the sections from origin to the final destination of the product, applied to the delivered volume of these inventories and valued according to the prices of the handled contract. Unrealized gains and losses under forward contracts are recorded in the statement of profit or loss and classified under “Cost of commodities sold”.

f) *Property and equipment*

Property and equipment items are measured at cost less depreciation and accumulated impairment loss. Depreciation is calculated using the straight-line method based on the estimated useful lives of depreciable assets. Repair expenses are generally charged to profit or loss as incurred. However, they are capitalized when the expected future economic benefits of the property and equipment item increase.

Assets under construction are not depreciated until they are completed and ready for their intended use. Interest on loans is capitalized when referring to a qualifying asset. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of such an asset. Other borrowing costs must be recognized as an expense.

Property and equipment items are substantially represented by improvements in leased properties and electronic data processing equipment, with an estimated useful life of three and five years, respectively. The residual values and useful lives of assets, as well as depreciation methods, are reviewed annually, and adjusted prospectively, as applicable.

g) *Investments*

Investments in subsidiaries are valued based on the equity method for purposes of the Parent Company’s financial statements. Other investments that do not fall under the above category are valued at acquisition cost, less provision for impairment, when applicable.

An affiliate is an entity over which the Company exercises significant influence without controlling it. Significant influence is the power to participate in the financial and operating decisions of the investee, but is not control or joint control over those policies.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

g) *Investments* (Continued)

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Company's investment in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate (CPC 18 (R2).26-29) or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of equity of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment, however, it is not amortized or separately tested for impairment purposes.

The statement of profit or loss reflects the Company's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Company recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Company and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Company's share of profit or loss of an associate or joint venture is shown in the statement of profit or loss and represents profit or loss after taxes and noncontrolling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognize an additional impairment loss on its investment in its associate or joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying amount, and then recognizes the loss within 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

g) *Investments* (Continued)

Upon loss of significant influence over the associate or joint control over the joint venture, the Company measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

h) *Business combinations and goodwill*

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the consideration transferred after measurement of the fair value of the acquiree's equity, and the amount of any noncontrolling interests in the acquiree. Acquisition-related costs are expensed as incurred.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration to be considered as an asset or liability shall be recognized in accordance with CPC 48 in the statement of profit or loss.

Goodwill is initially measured at cost (being the excess of the consideration transferred and the amount recognized for noncontrolling interests on assets acquired and liabilities assumed). If this payment is less than the fair value of the net assets of the acquired subsidiary, the difference is recognized in P&L as gain on bargain purchase.

After initial recognition, goodwill is measured at cost, less any impairment losses. For impairment test purposes, goodwill acquired in a business combination is, as of acquisition date, allocated to each of the Company's cash-generating units (CGU) expected to benefit from the business combination, regardless of other assets or liabilities of the acquiree being attributed to such CGUs, considering the business segments defined by management.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

i) *Taxation*

i) *Sales taxes*

The Company's revenues are subject to the following taxes and contributions, at the corresponding statutory rates, on services provided in the domestic market:

	Rates
State VAT (ICMS) - São Paulo State	18%
ICMS (other states)	5% to 12%
Service Tax (ISS)	5%
Contribution Tax on Gross Revenue for Social Integration Program (PIS)	1.65%
Contribution Tax on Gross Revenue for Social Security Financing (COFINS)	7.60%

These charges are presented as sales deductions in the statements of profit or loss. Tax credits arising out of noncumulative PIS/COFINS taxation are recorded as a deduction from cost of goods sold in the statements of profit or loss.

ii) *Income and social contribution taxes*

Current income and social contribution taxes

The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date. In Brazil, income taxes comprise both income tax and social contribution tax. Income tax computed under the taxable profit based on accounting records regime uses a rate of 15%, plus a 10% surtax on income exceeding R$240 over 12 months, whereas social contribution tax is computed at a rate of 9% on taxable profit, both recognized on an accrual basis; therefore, additions to book income of temporarily nondeductible expenses or exclusions of temporarily nontaxable income upon determination of current taxable profit generate deferred tax assets or liabilities. In Switzerland, income tax is calculated at the rate of 14% on accounting profit before income tax.

Current tax assets and liabilities referring to the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates that have been approved at the end of the reporting year in the countries where the Company operates and generates taxable profit.

2. **Accounting policies** (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

i) *Taxation* (Continued)

ii) *Income and social contribution taxes* (Continued)

Income and social contribution taxes (Continued)

Current income and social contribution taxes relating to items recognized directly in equity are recognized in equity. From time to time, management reviews the tax position in situations in which interpretation of tax regulation is required, and records provisions as appropriate.

Deferred income and social contribution taxes

Deferred taxes arise from temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (or taxable loss); and
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be used.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that taxable profit will be available to allow all or part of the deferred tax asset to be used. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

i) *Taxation* (Continued)

ii) *Income and social contribution taxes* (Continued)

Deferred income and social contribution taxes (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

The Company accounts for current tax assets and liabilities on a net basis if and only if the referred to entities have a legally enforceable right to make or receive one single net payment and the entities intend to make or receive such net payment or recover the asset and settle the liability simultaneously.

Net deferred tax assets and liabilities, in turn, are accounted for by the Company and its subsidiaries if and only if the entity has the legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority: (i) on the same taxable entity; or (ii) on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

j) *Uncertainty over Income Tax Treatments - ICPC 22/I ITG 22/IFRIC 23*

The Interpretation referring to Uncertainty over Income Tax Treatments - ICPC 22/ ITG 22/ IFRIC 23 addresses the accounting of income taxes in cases where tax treatments involve uncertainty that affects the application of IAS 12 (CPC 32/NBC TG 32 (R4) - Income Taxes) and neither applies to taxes outside the scope of IAS 12 nor specifically includes the requirements regarding interest and fines associated with uncertain tax treatments.

Based on its study of tax compliance, the Company has determined that it is likely that its tax treatments (including those applied to subsidiaries) will be accepted by tax authorities. This interpretation had no impact on the Company's individual and consolidated financial statements.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

k) *Financial instruments - initial recognition and subsequent measurement*

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost or at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's and its subsidiaries' business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortized cost or fair value through profit or loss, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is performed at an instrument level.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company and its subsidiaries commit to purchase or sell the asset.

Significant financial instruments recognized by the Company include cash and cash equivalents, trade accounts receivable, derivative financial instruments and transactions with related parties. These financial assets are classified in the following categories: financial assets at fair value through profit or loss and receivables.

2. **Accounting policies** (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

k) *Financial instruments - initial recognition and subsequent measurement* (Continued)

Financial assets (Continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss. This category includes derivative instruments.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control over the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control over the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of: (i) the carrying amount of the asset; and (ii) the maximum amount of consideration that the entity could be required to repay (amount of the guarantee).

2. **Accounting policies** (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

k) *Financial instruments - initial recognition and subsequent measurement* (Continued)

Financial assets (Continued)

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. For trade accounts receivable, the assumptions are presented in Note 2, under "Estimates".

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, financial liabilities at amortized cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are measured initially at fair value and, in the case of a financial liability not at fair value through profit or loss, plus or less transaction costs directly attributable to the issue of the financial liability.

The Company's financial liabilities include trade accounts payable and other accounts payable, loans and financing, and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities at amortized cost.

The measurement of financial liabilities depends on their classification, as described below:

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

k) *Financial instruments - initial recognition and subsequent measurement* (Continued)

Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by CPC 48. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in CPC 48 are satisfied.

Financial liabilities at amortized cost (loans and financing and trade accounts payable)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and financing are subsequently measured at amortized cost using the effective interest (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

k) *Financial instruments - initial recognition and subsequent measurement* (Continued)

Financial liabilities (Continued)

Financial liabilities at amortized cost (loans and financing and trade accounts payable) - Continued

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is terminated, i.e. when the obligation specified in contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the individual and consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; and
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or most advantageous market must be accessible by the Company.

2. **Accounting policies** (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

k) *Financial instruments - initial recognition and subsequent measurement* (Continued)

Financial liabilities (Continued)

Fair value measurement (Continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing an asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

k) *Financial instruments - initial recognition and subsequent measurement* (Continued)

Financial liabilities (Continued)

Fair value measurement (Continued)

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are summarized in the respective notes.

The Company conducts transactions involving derivative financial instruments in order to minimize the risks stemming from fluctuations in the market prices of soybean and corn, as well as to minimize the impacts on Company's profit or loss arising from fluctuations in the US dollar against the Brazilian real.

The Company hedges its exposure to the US dollar by means of Non-Deliverable Forwards (NDF).

The Company uses derivative financial instruments, such as forward currency contracts and forward commodity contracts, to hedge its foreign currency risks and commodity price risks (CBOT), respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The commodity futures market transactions are adjusted on a daily basis and are valued at market value up to the expiration of trading contracts. Gains and losses are allocated to profit or loss for the year, and the Company does not adopt any hedge accounting policy.

2. **Accounting policies** (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

l) *Segment reporting*

The Company has one single operating segment (the grains segment) that is used by management for analysis and decision-making purposes.

m) *Employee benefits*

The Company's employee and management benefits include, in addition to fixed compensation (salaries and social security contributions (INSS), vacation pay and 13th monthly salary), healthcare plan and variable compensation, such as profit sharing. These benefits are recorded in profit or loss for the year, under "General and administrative expenses", as incurred.

Share-based payment transactions

Certain Company executives receive share-based payments, whereby they render services as consideration for equity instruments ("equity-settled transactions"). These executives are rewarded with the right to acquire Company shares held by the main shareholder. The Company does not have cash-settled transactions.

The costs of equity-settled transactions are measured based on the fair value at the date when the grant is made. To determine the fair value, the Company resorts to an outside valuation specialist, who uses an appropriate valuation method. See Note 13. d)

That cost is recognized in employee benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the *vesting date* reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for the period represents the movement in cumulative expense recognized as at the beginning and end of that period.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

m) *Employee benefits* (Continued)

Share-based payment transactions (Continued)

Service and non-market performance conditions are not taken into account when determining the fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market-related performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified (e.g., due to plan modifications), the minimum expense recognized is the grant date fair value, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

There are no dilutive effects of outstanding options since the option is related to existing equity instruments and not to new issues.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

n) *New or revised pronouncements applied for the first time in 2022*

The Company applied for the first time certain standards and amendments that are effective for annual reporting periods beginning on or after January 1, 2022. The Company elected not to early adopt any other standard, interpretation or amendment that has been issued, but is not yet effective.

Amendments to CPC 37 (R1), CPC 48, CPC 29, CPC 27, CPC 25 and CPC 15 (R1)

The amendments to the abovementioned pronouncements are due to the annual amendments related to the cycle of improvements between 2018 and 2020, such as:

• Onerous Contract - costs of fulfilling a contract;
• Property, plant and equipment - proceeds before the intended use; and
• References to the Conceptual Framework.

These amendments should take effect as established by the regulatory agencies that approve them. For full compliance with the international accounting standards, an entity must apply these amendments to annual reporting periods beginning on or after January 1, 2022.

Onerous contract - costs of fulfilling a contract

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments specify that, in assessing whether a contract is onerous or loss-making, the entity must include the costs that relate directly to the contract for the provision of goods or services, including incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract and costs incurred to manage and supervise the contract). General and administrative costs are not directly related to a contract and are excluded unless explicitly charged to the counterparty under the terms of the contract.

The Company applied the amendments to contracts for which it has not fulfilled all obligations at the beginning of the reporting period.

2. **Accounting policies** (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

n) *New or revised pronouncements applied for the first time in 2022* (Continued)

Before applying the amendments, the Company had not identified any onerous contract, as the unavoidable costs in the contracts, which were the costs of fulfilling them, comprised only incremental costs directly related to the contracts. As a result of the amendments, certain other directly related costs were included by the Company in determining the costs of fulfilling the contracts. The Company thus recognized an onerous contractual provision at January 1, 2022, which increased as of December 31, 2022 (Note 20).

In accordance with the transitional provisions, the Company applies the amendments to contracts for which it has not yet fulfilled all obligations, at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). The Company did not restate is comparison information.

Property, plant and equipment - proceeds before the intended use

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PPE) any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in the statement of profit or loss.

In accordance with the transitional provisions, the Company applies the amendments retrospectively only to items of PPE made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment (the date of initial application).

These amendments had no impact on the individual and consolidated financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

References to the Conceptual Framework

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

2. Accounting policies (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

n) *New or revised pronouncements applied for the first time in 2022* (Continued)

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations (equivalent to CPC 15 (R1) - Business Combinations) to avoid the issue of potential "day 2" gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets (equivalent to CPC 25 - Provisions, Contingent Liabilities and Contingent Assets) or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Company as there were no assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16 (a) of IFRS 1 (equivalent to CPC 37 (R1) First-time Adoption of International Financial Reporting Standards) to measure cumulative translation differences using the amounts reported in the parent’s consolidated financial statements, based on the parent’s date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no impact on the Company’s consolidated financial statements, since it is not a first-time adopter.

2. **Accounting policies** (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

n) *New or revised pronouncements applied for the first time in 2022* (Continued)

IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities (equivalent to CPC 48 - Financial Instruments)

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the Company's consolidated financial statements as there were no modifications of the financial instruments during the period.

IAS 41 Agriculture - Taxation in fair value measurements (equivalent to CPC 29 - Biological Assets and Agricultural Produce)

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the Company's consolidated financial statements since it did not have assets within the scope of IAS 41 at the reporting date.

o) *New standards and interpretations not yet effective*

New and revised standards and interpretations issued, but not yet in effect through the issue date of the Company's financial statements, are described below. The Company intends to adopt these new and revised standards, if applicable, when they become effective.

2. **Accounting policies** (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

o) *New standards and interpretations not yet effective* (Continued)

Amendments to IAS 1: Classification of liabilities as current or noncurrent (equivalent to review 20 of Brazil's FASB (CPC))

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1, related to CPC 26, in order to specify the requirements for classifying the liability as current or noncurrent. These amendments clarify:

• What is meant by a right to defer settlement;

• That a right to defer must exist at the end of the reporting period;

• That classification is unaffected by the likelihood that an entity will exercise its deferral right;

• That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The Company is currently assessing the impact that the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Amendments to IAS 8: Definition of accounting estimates (equivalent to review 20 of Brazil's FASB (CPC))

In February 2021, the IASB issued amendments to IAS 8 (correlated with CPC 23), in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Early adoption is permitted as long as this fact is disclosed.

These amendments are not expected to significantly impact the Company's financial statements.

2. **Accounting policies** (Continued)

Significant accounting policies adopted by the Company and its subsidiaries (Continued)

o) *New standards and interpretations not yet effective* (Continued)

Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of accounting policies (equivalent to review 20 of Brazil's FASB (CPC))

In February 2021, the IASB issued amendments to IAS 1 (standard corresponding to CPC 26 (R1)) and IFRS Practice Statement 2 Making Materiality Judgments, in which it provides guidance and examples to help entities apply materiality judgment for the disclosure of accounting policies. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide nonmandatory guidance on the application of the definition of material to accounting policy information, an adoption date for these amendments is not necessary.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (equivalent to review 20 of Brazil's FASB (CPC))

In May 2021, the IASB issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The Company is currently assessing the impacts of these amendments on the accounting policies disclosed.

(In thousands of reais, unless otherwise stated)

3. Cash and cash equivalents

	Individual		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Cash	**11**	8	**11**	8
Banks - local currency	**10,869**	185	**10,872**	185
Cash equivalents - short-term investments	**108,361**	113,121	**109,309**	113,121
Total local currency	**119,241**	113,314	**120,192**	113,314
Banks - foreign currency	**239**	3,810	**8,491**	133,342
Margin deposit - futures broker (*)	**12,073**	30,841	**12,920**	33,574
Total foreign currency	**12,312**	34,651	**21,411**	166,916
Total	**131,553**	147,965	**141,603**	280,230

(*) Margin deposits at a futures broker refer to margin remittances made on the Chicago Board of Trade (CBOT); the deposited amount guarantees short-term financial market transactions already measured at market value, which have immediate liquidity with no significant changes in value.

Short-term investments refer substantially to Repurchase Agreements and Bank Deposit Certificates (CBD) bearing interest of 91% to 105% based on the Interbank Deposit Certificate (CDI) held with daily liquidity and subject to negligible risk of change in value. The consolidated bank balances denominated in foreign currency are represented by USD4,104 at December 31, 2022 and USD29,911 at December 31, 2021.

4. Trade accounts receivable

	Individual		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Trade accounts receivable - domestic (falling due)	**4,334**	16,153	**4,334**	16,153
Trade accounts receivable - foreign (falling due)	**192,095**	83,782	**206,763**	258,458
Total	**196,429**	99,935	**211,097**	274,611

The outstanding balances are realizable within 30 to 90 days and do not present an expectation of default either in the domestic market or in relation to international customers, and it is not necessary to recognize an allowance for expected losses, according to analysis carried out by the Company management.

(In thousands of reais, unless otherwise stated)

5. Inventories

	Individual		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Finished products				
Corn	**116,658**	183,318	**116,658**	183,318
Soybean	**4,955**	-	**4,955**	-
Advances to suppliers (*)	**8,054**	36,373	**9,104**	36,373
Provision for inventory breakage	**(23,386)**	(5,522)	**(23,386)**	(5,522)
Total	**106,281**	214,169	**107,331**	214,169
Mark to market (MTM)				
Corn (MTM)	**29,022**	11,943	**29,022**	11,943
Soybean (MTM)	**(388)**	1,777	**(388)**	1,777
Total mark to market	**28,634**	13,720	**28,634**	13,720
Grand total	**134,915**	227,889	**135,965**	227,889

(*) Advances made to grain producers to ensure the purchase of goods are classified in Current assets, according to expected realization.

6. Taxes recoverable

	Consolidated	
	12/31/2022	**12/31/2021**
PIS recoverable	**13,004**	2,066
COFINS recoverable	**61,254**	9,516
ICMS recoverable	**1,422**	1,545
Withholding Income Tax (IRRF) recoverable	**584**	134
Social Contribution Tax on Net Profit (CSLL) recoverable	**3**	1
Prepayment of Corporate Income Tax (IRPJ)	**885**	758
Prepayment of CSLL	**311**	272
Total current	**77,463**	14,292
PIS recoverable	**-**	5,326
COFINS recoverable	**-**	28,731
Total noncurrent	**-**	34,057
Total	**77,463**	48,349

The taxes recoverable balances originated mainly in the PIS/COFINS recoverable items on the purchase of commodities for resale and land transportation of goods, which were in turn exported with no PIS/COFINS taxation. Management has already filed a request for refund and/or offset of the entire PIS/COFINS recoverable balance.

The ICMS tax recoverable balance stems from tax credits on purchase of goods used for resale, as per prevailing legislation. Management has several alternatives for using the balance in the coming months.

(In thousands of reais, unless otherwise stated)

7. Investments

	Type of interest	Control	Equity interest (%) 12/31/2022	12/31/2021
Subsidiaries				
Agribrasil Global Markets S.A. (i)	Direct	Subsidiary	100%	100%
Humberg Agribrasil Bioenergia S.A. (iii)	Direct	Subsidiary	100%	0%
Nityam Empreendimentos e Participações S.A. (iv)	Direct	Subsidiary	81%	0%
Other				
Portoeste Terminal Portuário de Ilhéus S.A. (ii)	Direct	Associate	40%	40%
TESC Terminal Santa Catarina S/A (iv)	Indirect	Joint control	50%	0%
WRC Operadores Portuários S/A. (iv)	Indirect	Joint control	50%	0%
Porto Novo Participações S/A	Indirect	Associate	26%	0%

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Investments in subsidiaries	**13,022**	96,128	**-**	-
Investments in associates	**100,418**	-	**51,725**	470
Surplus value arising from tangible assets	**-**	-	**30,696**	-
Surplus value arising from intangible assets	**-**	-	**313,783**	-
Surplus value of assets	**212,052**	-	**-**	-
Depreciation and amortization - surplus value	**(12,667)**	-	**(12,667)**	-
Investment	**312,825**	96,128	**383,537**	470
Investments in subsidiaries	**(7,479)**	-	**-**	-
Provision for loss on investments	**(7,479)**	-	**-**	-
Net investment	**305,346**	96,128	**383,537**	470

Changes in investments are shown below:

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Previous balance	**96,128**	29,020	**470**	470
Amount paid for acquisition of investments	**100,418**	-	**-**	-
Capital contribution	**3,018**	30,133	**-**	-
Net assets acquired - acquisition of Nityam	**-**	-	**38,362**	-
Gain on bargain purchase (Note 17)	**212,052**	-	**-**	-
Depreciation and amortization - surplus value	**(12,667)**	-	**(12,667)**	-
Equity pickup	**(93,603)**	36,975	**12,893**	-
Surplus value arising from tangible assets	**-**	-	**30,696**	-
Surplus value arising from intangible assets	**-**	-	**313,783**	-
Closing balance	**305,346**	96,128	**383,537**	470

Companies included in the consolidated financial statements of the Company and jointly-controlled entities:

(In thousands of reais, unless otherwise stated)

7. **Investments** (Continued)

a) Agribrasil Global Markets (i)

The functional currency of the subsidiary abroad is the Brazilian real, the same functional currency of its parent company, since it is an extension of the Company's operations. Assets and liabilities are recorded in US dollar and translated into reais at the exchange rate prevailing at the transaction date. At year end, the effects in reais of changes in exchange rates on monetary assets and liabilities, in a currency other than the functional currency, are recorded in finance costs.

	Subsidiary	
	Agribrasil Global Markets	
	12/31/2022	**12/31/2021**
Assets		
Current assets		
Cash and cash equivalents	**9,099**	132,265
Trade accounts receivable	**14,668**	174,676
Advances to related parties	**-**	-
Inventories	**70**	-
Derivative financial instruments	**86,469**	70,558
Total current assets	**110,306**	377,499
Deferred income and social contribution taxes	**16,781**	-
Total noncurrent assets	**16,781**	-
Total assets	**127,087**	377,499
Liabilities		
Current liabilities		
Trade accounts payable	**3,292**	22,560
Transactions with related parties	**72,562**	223,994
Tax obligations	**-**	4,499
Derivative financial instruments	**58,650**	24,826
Advances from customers	**62**	-
Total current liabilities	**134,566**	275,879
Tax obligations	**-**	5,962
Total noncurrent liabilities	**-**	5,962
Equity		
Capital	**30,483**	30,483
Retained earnings (accumulated losses)	**(37,962)**	65,175
Total equity	**(7,479)**	95,658
Total liabilities and equity	**127,087**	377,499

(In thousands of reais, unless otherwise stated)

7. Investments (Continued)

a) Agribrasil Global Markets (i) - Continued

	Subsidiary	
	Switzerland	
	12/31/2022	12/31/2021
Sales revenue, net	**3,029,426**	1,545,219
Cost of products sold	**(3,143,385)**	(1,521,723)
Gross profit (loss)	**(113,959)**	23,496
Operating expenses (income)		
General and administrative expenses	**(817)**	(451)
Income before finance income (costs) and income and social contribution taxes	**(114,776)**	23,045
Finance income	**551**	3
Finance costs	**(3,561)**	(422)
Foreign exchange gains (losses), net	**(2,079)**	19,961
Finance income (costs)	**(5,089)**	19,542
Income before income and social contribution taxes	**(119,865)**	42,587
Current income and social contribution taxes	**-**	(10,225)
Deferred income and social contribution taxes	**16,781**	4,612
	-	(5,613)
Net income for the year	**(103,084)**	36,974

b) Portoeste Terminal Portuário de Ilheus S.A. (ii)

	(%) Equity interest	Shares	Equity	Equity pickup	Total
	Portoeste Terminal Portuário de Ilheus S.A.				
09/30/2021	40%	113,904	470	-	470
12/31/2021	40%	113,904	470	-	470
12/31/2022	**40%**	**113,904**	**470**	**-**	**470**

7. **Investments** (Continued)

b) Portoeste Terminal Portuário de Ilhéus S.A. (ii) - Continued

On July 28, 2020, 113,904 registered common shares with no par value, fully subscribed and paid in, totaling R$470, were paid up through transfer of the shares held by Frederico José Humberg in Portoeste - Terminal Portuário de Ilhéus S.A., a company based in the city of Ilhéus, state of Bahia, at Avenida Soares Lopes, no. 1.698, Centro, CEP 45.653-005, CNPJ/ME No. 11.086.111/0001-89, with its Articles of Incorporation duly filed with the Bahia State Commercial Registry (JUCEB) on April 28, 2021, under the identification number NIRE 29.300.029.921 (“Portoeste”). Portoeste was created in 2009 with the specific purpose of participating in the privatization program of the port of Ilhéus (PROAP) and has no significant assets. The Company has no control over it and the amount recorded was the amount paid by the Company’s shareholder, and no gain or loss was computed in the transaction.

c) Humberg Agribrasil Bioenergia S.A. (iii)

On February 2, 2022, Humberg Agribrasil contributed R$2,000 to start operations of Humberg Agribrasil Bioenergia S.A. (“Agribrasil Bioenergia”).

On March 8, 2022, the Company executed an equipment and engineering purchase agreement with ICM, Inc. (“ICM”), making progress in the project concerning subsidiary Humberg Agribrasil Bioenergia S.A. (“Agribrasil Bioenergia”).

ICM is a North American company that provides complete engineering, manufacturing, implementation and support projects and services for biofuel plants, a global leader in that segment.

The Company is set on starting construction of a modern industrial complex in Mato Grosso (MT) state capable of crushing up to 1,700 tons of corn per day, which would allow the production of up to 260 million liters of anhydroporan ethanol.

(In thousands of reais, unless otherwise stated)

7. Investments (Continued)

c) Humberg Agribrasil Bioenergia S.A. (iii) - Continued

	12/31/2022		12/31/2022
Agribrasil Bioenergia (Subsidiary)			
Assets		Liabilities and equity	
Current assets		Current liabilities	
Cash and cash equivalents	**2**	Trade accounts payable	**-**
Inventories	**1,050**	Transactions with related parties	**1,055**
Taxes recoverable	**4**	**Total current liabilities**	**1,055**
Total current assets	**1,056**		
		Equity	
		Capital	**3,018**
Noncurrent assets		Future capital contribution (FCC)	**-**
Property and equipment	**821**	Retained earnings (accumulated losses)	**(2,196)**
Total permanent assets	**821**	**Total equity**	**822**
Total assets	**1,877**	**Total liabilities and equity**	**1,877**

	01/01/2022 to 12/31/2022
Agribrasil Bioenergia (Subsidiary)	
Operating expenses (income)	**-**
General and administrative expenses	**(2,210)**
Income (loss) before finance income (costs) and income and social contribution taxes	**(2,210)**
Finance income (costs), net	**14**
Income (loss) before income and social contribution taxes	**(2,196)**
Deferred income and social contribution taxes	**-**
Net income (loss) for the period	**(2,196)**

d) Nityam Empreendimentos e Participações S.A. (iv)

On February 18, 2022, the Company completed the conditions precedent for acquisition of majority interest in Terminal Santa Catarina S.A. ("TESC") and in WRC Operadores Portuários S.A. ("WRC"), based on understanding expressed by the Brazilian Antitrust Agency (CADE), approvals by the National Waterway Transportation Agency (ANTAQ), and overcoming of conditions precedent set forth in the purchase and sale agreement and other covenants.

(In thousands of reais, unless otherwise stated)

7. **Investments** (Continued)

d) Nityam Empreendimentos e Participações S.A. (iv) – Continued

The Term for Completion of the Purchase of 100% of Nityam was signed on this date, with payment of the Acquisition Price in the total amount of R$124,649, as follows: (i) R$18,000 corresponding to the Guarantee; and (ii) R$106,649, already considering the amount corresponding to the Company’s cash, pursuant to the Agreement provisions. The amount of assets acquired and liabilities assumed at fair value was R$312,470, with a gain on bargain purchase of R$212,052, recorded in P&L for the year under Other operating income (expenses), as per Note 17.

Nityam is a holding company that holds direct and indirect interest (through Porto Novo Participações) of 62.96% in TESC and WRC. Based on TESC and WRC shareholders’ agreements, management concluded that it has shared control over such investees. Accordingly, the indirect equity interests held in TESC and WRC were classified as joint venture and accounted for at cost value plus equity pickup effects.

Additionally, on March 30, 2022, the Company received the financial settlement in return referring to the disposal of 19% interest held by certain shareholders of Porto Novo in Nityam, who had preemptive rights over the shares. As a result, the Company’s interest in Nityam fell from 100% to 81%. The sale resulted in a loss of interest of R$49,064 corresponding to 19%, and such shareholders now hold noncontrolling interest in this subsidiary. The total cash disbursement net of the receipt of 19% equity interest, amounting to R$24,231, was R$100,418.

The fair value of the identifiable net assets acquired and liabilities assumed of the investees on the acquisition date, based on the closing statement of financial position as of January 31, 2022, considering the final result of the transaction, is presented below:

Acquisition of Nityam	
Equity interest acquired	81%
Net assets acquired - carrying amount	74,488
Fair value adjustment – property and equipment WRC (i)	24,864
Present value adjustment - intangible asset of the lease agreement of the port (ii)	213,118
Total fair value of net assets acquired	**312,470**
(-) Total consideration transferred	(100,418)
Gain on bargain purchase (Note 17)	**212,052**
Deferred tax liabilities (Note 11)	(72,098)
Net gain on bargain purchase	**139,954**

(i) Adjustment of surplus value of property and equipment of WRC on the acquisition date, pursuant to valuation report prepared by an expert engaged by the Company. Property and equipment items refer substantially to real estate, cranes and machinery and equipment.

(ii) Adjustment of surplus value of the lease of the port area located in the city of São Francisco do Sul, state of Santa Catarina.. This agreement is effective until 2046.

(In thousands of reais, unless otherwise stated)

7. **Investments** (Continued)

d) Nityam Empreendimentos e Participações S.A. (Continued)

The bargain purchase gain resulted mainly from the improved performance of the investees between the contract execution date (October 28, 2021, when the purchase price was defined) and the transaction closing date (February 17, 2022). In this interval, the main factors that contributed to the increase in the fair value of net assets and operating performance, without a corresponding increase in the purchase price of the equity interest that was already locked on a previous date, were as follows: (i) correction of fees for take or pay contracts with customers; (ii) increase in average rates for pulp, solid bulk and steel cargoes; (iii) new take or pay contracts signed in the period; and (iv) significant civil claims granted. All these factors impacted the fair value assessment of the port lease agreement.

	Nityam		Porto Novo		TESC		WRC	
	12/31/2022	01/31/2022	12/31/2022	01/31/2022	12/31/2022	01/31/2022	12/31/2022	01/31/2022
Assets								
Total current assets	**1,141**	1,470	**142**	44	**66,846**	221,353	**16,691**	13,887
Noncurrent assets	**105,312**	90,399	**43,450**	31,570	**384,770**	180,017	**51,899**	48,991
Total assets	**106,453**	91,869	**43,592**	31,614	**451,616**	401,370	**68,580**	62,878
Total current liabilities	**11**	4	**33**	385	**32,366**	5,568	**4,341**	2,544
Total noncurrent liabilities	**-**	-	**3,451**	-	**369,766**	367,540	**26,823**	25,456
Total liabilities	**11**	4	**3,484**	385	**402,132**	373,108	**31,164**	28,000
Equity	**106,442**	91,865	**40,108**	31,229	**49,484**	28,262	**37,416**	34,878
Net income (loss) for the period	**14,577**		**8,879**		**21,222**		**2,538**	

8. **Trade accounts payable**

Trade accounts payable refer to supply of commodities for resale and services that do not bear interest and are usually settled within 30 to 90 days.

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Trade accounts payable – domestic market	**301,684**	334,548	**301,625**	334,550
Trade accounts payable – foreign market	**-**	-	**3,292**	22,558
Total	**301,684**	334,548	**304,917**	357,108

(In thousands of reais, unless otherwise stated)

9. Loans and financing

a) Breakdown of loans and financing

				Individual and Consolidated	
Type	**Interest**	**Maturity**	**Guarantees**	**12/31/2022**	**12/31/2021**
FIDC[1]	7.0% - 7.5% p.a.	Jan/22	Inventory	**-**	93,862
ACC[2]	3.5% - 6.0% p.a.	Feb/22	Surety	**-**	47,066
ACC	3.5% - 5.5% p.a.	Mar/22	Surety	**-**	22,807
ACC	3.5% - 5.0% p.a.	Apr/22	Surety	**-**	40,435
ACC	3.5% - 5.5% p.a.	May/22	Surety	**-**	53,716
ACC	3.5% - 4.5% p.a.	Jun/22	Surety	**-**	25,831
ACC	3.5% - 4.0% p.a.	Aug/22	Surety	**-**	38,483
ACC	3.5% - 7.0% p.a.	Oct/22	Surety	**-**	5,619
ACC	5.0% - 7.0% p.a.	Nov/22	Surety	**-**	-
ACC	3.5% - 10.0% p.a.	Dec/22	Surety	**-**	2,799
ACC	3.5% - 10.0% p.a.	Jan/23	Surety	**61,624**	-
ACC	4.5% - 5.0% p.a.	Feb/23	Surety	**16,055**	-
ACC	8.5% - 10.0% p.a.	Mar/23	Surety	**13,198**	-
ACC	5.0% - 8.5% p.a.	Apr/23	Surety	**50,108**	-
ACC	4.0% - 10.0% p.a.	May/23	Surety	**38,926**	-
ACC	5.5% - 10.0% p.a.	Jun/23	Surety	**34,451**	-
ACC	7.0% - 9.0% p.a.	Aug/23	Surety	**39,333**	-
ACC	7.0% - 9.0% p.a.	Sept/23	Surety	**12,489**	-
ACC	7.0% - 8.5% p.a.	Oct/23	Surety	**15,894**	-
Total foreign currency				**282,078**	**330,618**
NCE[3]	CDI + 0.19% p.m.	Aug/22	Surety	**-**	5,480
NCE	CDI + 0.19% p.m.	Aug/23	Surety	**6,731**	5,000
NCE	CDI + 0.19% p.m.	Aug/24	Surety	**5,000**	5,000
NCE	CDI + 0.27% p.m.	Jan/23 - Dec/23	Surety	**5,486**	-
NCE	CDI + 0.27% p.m.	Jan/24 - Jun/24	Surety	**2,727**	-
NCE	CDI + 0.28% p.m.	Jan/23 - Dec/23	Surety	**12,332**	7,913
NCE	CDI + 0.28% p.m.	Jan/23 - Nov/23	Surety	**-**	12,222
NCE	CDI + 4.30% p.a.	Jan/22 - Dec/23	Surety + shares	**7,561**	120,000
NCE	CDI + 4.30% p.a.	Jan/24 - Oct/26	Surety + shares	**113,334**	-
FGI-BNDES	320% CDI p.a.	Oct/22	Surety	**-**	868
FNO	11.72% p.a.	Jan/23 - Dec/23	Surety	**2,658**	-
FNO	11.72% p.a.	Jan/24 - Sept/24	Surety	**2,368**	-
CCB	18.02% p.a.	Jan/23	Invoi. + Cust. auto.	**12,180**	-
Total local currency				**170,377**	**156,483**
Grand total				**452,455**	**487,101**
Total loans (current)				**329,026**	**344,879**
Total loans (noncurrent)				**123,429**	**142,222**
Total loans				**452,455**	**487,101**

[1] Credit rights investment funds.
[2] Advances on exchange contracts.
[3] Export credit note.

(In thousands of reais, unless otherwise stated)

9. Loans and financing (Continued)

a) Breakdown of loans and financing (Continued)

Surety on Advances on Exchange Contract (ACC) is given by the Company's administrator. Part of the Company's inventories is pledged as collateral for borrowings.

b) Scheduled repayments

Set out below are the scheduled loan repayments as per books:

	Individual and Consolidated				12/31/2022
Type	**2023**	**2024**	**2025**	**2026**	**Total**
ACC	**282,078**	**-**	**-**	**-**	**282,078**
NCE	**32,110**	**47,728**	**40,000**	**33,333**	**153,171**
FNO	**2,658**	**2,368**	**-**	**-**	**5,026**
CCB	**12,180**	**-**	**-**	**-**	**12,180**
Total Consolidated	**329,026**	**50,096**	**40,000**	**33,333**	**452,455**

	Individual and Consolidated					12/31/2021
Type	**2022**	**2023**	**2024**	**2025**	**2026**	**Total**
ACC	236,756	-	-	-	-	236,756
FIDC	93,862	-	-	-	-	93,862
FGI (BNDES)	868	-	-	-	-	868
NCE	13,393	23,889	45,000	40,000	33,333	155,615
Total Consolidated	344,879	23,889	45,000	40,000	33,333	487,101

Scheduled loan repayments considering interest through maturity:

	Individual and Consolidated				12/31/2022
Type	**2023**	**2024**	**2025**	**2026**	**Total**
ACC	**290,645**	**-**	**-**	**-**	**290,645**
NCE	**35,728**	**64,503**	**49,217**	**35,863**	**185,311**
FNO	**3,001**	**2,485**	**-**	**-**	**5,486**
CCB	**12,307**	**-**	**-**	**-**	**12,307**
Total	**341,681**	**66,988**	**49,217**	**35,863**	**493,749**

	Individual and Consolidated					12/31/2021
Type	**2022**	**2023**	**2024**	**2025**	**2026**	**Total**
ACC	245,492	-	-	-	-	245,492
FIDC	93,862	-	-	-	-	93,862
FGI (BNDES)	1,035	-	-	-	-	1,035
NCE	32,192	40,758	57,665	47,016	35,259	212,890
Total	372,581	40,758	57,665	47,016	35,259	553,279

9. Loans and financing (Continued)

c) Covenants

Based on the provisions of the contracts in force, the Company must comply with the following financial covenants, which are measured annually at December 31, as shown below:

- Maintenance of the ratio between Net Debt (comprising loans plus or minus the balance of derivative financial instruments, less the balance of cash and cash equivalents, inventories) and Adjusted EBITDA (comprising EBITDA minus nonoperating results, defined as sale of assets, provisions/reversals of contingencies, provision for *impairment* of assets and restructuring expenses), at a level equal to or less than 4.5 times, which will be calculated annually on the consolidated financial statements. For this calculation, the adjusted EBITDA of the last 12 (twelve) months at the end of each year is considered.

The Company periodically monitors the financial ratios that may impact the covenants and, at December 31, 2022, the ratios in relation to the covenants had been met. The restrictions imposed are usual in operations of this nature and do not limit the Company’s ability to conduct its business to date.

10. Lease agreement

On August 31, 2021, the Company applied the practical expedient of CPC 26 - IFRS16 in relation to the definition of a lease agreement, adopting the criteria for the right to control and obtain benefits from the identifiable asset, contract term exceeding 12 months, expectation of contractual renewal term, fixed consideration and significance of the value of the leased asset. The Company’s lease agreement refers to the lease of the property of the administrative headquarters, with a remaining term of 5 years.

The Company arrived at its incremental interest rates based on the risk-free interest rates observed in the Brazilian market, for the terms of its contracts, adjusted to the Company’s reality (“credit spread”).

(In thousands of reais, unless otherwise stated)

10. Lease agreement (Continued)

a) Changes in balances of right-of-use assets and lease liabilities (Individual and Consolidated)

	Lease	Lease liabilities
Balance at December 31, 2021	1,837	(1,868)
Fair value	**716**	**-**
Amortization	**(590)**	**-**
Finance charges	**-**	**-**
Payments made	**-**	**519**
Measurement (rate adjustment)	**-**	**(614)**
Balance at December 31, 2022	**1,963**	**(1,963)**
Current liabilities	**1,963**	**(548)**
Noncurrent liabilities	**-**	**(1,415)**

11. Current and deferred income and social contribution taxes

a) Current income and social contribution taxes

The reconciliation to the effective result of the effective rate for the periods from January 1, 2022 to December 31, 2022 and January 1, 2021 to December 31, 2021 is as under for individual and consolidated.

	Individual		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Income before income and social contribution taxes	**141,462**	9,340	**124,681**	14,953
Statutory rate - 34%	**(48,097)**	(3,176)	**(42,392)**	(5,084)
Share options granted	**(440)**	(925)	**(440)**	(925)
Depreciation and amortization - surplus value	**(4,307)**	-	**(4,307)**	-
Exclusion of ICMS grants (*)	**19,113**	-	**19,113**	
Equity pickup	**3,242**	-	**3,242**	
Profit for tax purposes - foreign subsidiaries	**5,705**	3,729	**16,781**	-
Other permanent exclusions (additions)	**1,282**	153	**1,014**	177
	(23,502)	(219)	**(6,989)**	(5,832)
Effective rate	**-17%**	-2%	**-5%**	-39%
Current tax expenses	**-**	(1,518)	**-**	(11,743)
Deferred tax expenses	**(23,502)**	1,299	**(6,989)**	5,911

(*) In 2022, the Company supported by the legal opinion of its external legal advisors who assessed the risk of loss as possible, excluded from the income tax base the amount of R$56,215 in ICMS grants supported by Supplementary Law 160.

(In thousands of reais, unless otherwise stated)

11. Current and deferred income and social contribution taxes (Continued)

b) Deferred income and social contribution taxes

Deferred income and social contribution taxes are recorded to reflect future tax effects attributable to temporary differences between the tax base of assets and liabilities and their corresponding carrying amount.

At December 31, 2022 and 2021, deferred income and social contribution taxes derive from:

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Derivative financial instruments	**19,593**	34,029	**19,593**	34,029
Provision for inventory breakage	**7,951**	1,877	**7,951**	1,877
Provision for port costs	**984**	797	**984**	797
Provision for bonus and profit sharing	**-**	241	**-**	241
Provision for contingencies	**247**	212	**247**	212
Sundry provisions	**1,723**	23	**1,723**	23
Accumulated IRPJ tax loss	**2,218**	-	**2,218**	-
Tax loss in foreign subsidiary	**40,754**	-	**57,535**	-
Effect on foreign subsidiary	**10,574**	10,225	**10,574**	10,225
Deferred tax assets	**84,044**	47,404	**100,825**	47,404
Derivative financial instruments and other MTM	**(14,859)**	(30,380)	**(14,859)**	(30,380)
Inventories MtM	**(9,736)**	(4,665)	**(9,736)**	(4,665)
Gain on bargain purchase	**(72,098)**	-	**(72,098)**	-
Other temporary differences	**-**	(1,341)	**(268)**	(1,341)
Deferred tax liabilities	**(96,693)**	(36,386)	**(96,691)**	(36,386)
Deferred tax assets	**-**	11,018	**16,781**	11,018
Deferred tax liabilities	**(12,649)**	-	**(12,917)**	-
Deferred income tax assets (liabilities), net	**(12,649)**	11,018	**3,864**	11,018
Income (expenses) from deferred taxes	**(23,502)**	1,299	**(6,989)**	5,911

12. Provision for contingencies

Contingencies assessed as probable loss

Provisions for probable losses arising from these claims and proceedings are estimated and adjusted by the Company, supported by the opinion of external legal advisors.

At December 31, 2022 and 2021, the Company was party to labor claims that resulted in provisions amounting to R$726 and R$623, respectively. At these dates, there were no provisions for civil and tax proceedings, as there were no claims assessed as probable loss for the Company.

At December 31, 2022, the Company had no significant contingencies assessed as possible loss other than the exposure mentioned in Note 11.

12. Provision for contingencies (Continued)

Judicial deposits

In 2021, the Company deposited in court the amount of R$5,525, to ensure its right to discuss the recovery of certain physical soybean contracts that were not delivered in that period. Until the year ended December 31, 2021, the Company settled the amount of R$4,938, the amount of R$587 remaining, under discussion at civil court.

On July 11, 2022, the Company deposited in court the amount of R$15, to ensure its right to receive the payment of a promissory note referring to a contractual fine for non-compliance with physical soybean contracts that were not delivered in that period. On October 3, 2022, the Company deposited in court the amount of R$27 referring to court costs and appeal deposits, thus accumulating an amount of R$629 in judicial deposits.

13. Equity

a) Capital

On July 15, 2021, pursuant to the Minutes of the Special General Meeting (SGM), there was a split of the shares issued by the Company in the proportion of 1:80 (one for eighty), whereby each share was now represented by eighty shares, with the capital of the Company to be represented by 88,000,000 (eighty-eight million) book-entry registered common shares with no par value, granting their holders the same rights and full benefits applied to currently existing shares.

On February 22, 2022, the Company's controlling shareholder entered into terms of repurchase and settlement of vested and unvested options with one of its executives in an amicable manner for the acquisition of 1,100,000 shares for the amount of R$3,124.

On March 1, 2022, the Company assigned 202,400 treasury shares for R$575 to some of the its executives.

On December 14, 2022, the Company received the return of 44,000 shares and, on December 26, 2022, received the return of 35,200 shares that were allocated as Treasury shares.

At December 31, 2022, the Company holds a total of 1,012,000 treasury shares amounting to R$2,649.

(In thousands of reais, unless otherwise stated)

13. Equity (Continued)

a) Capital (Continued)

The Company's capital, at December 31, 2022 and 2021, in Brazilian reais (R$) and in number of shares, distributed among its shareholders, is as follows:

	12/31/2022			12/31/2021		
Shareholders	**Shares**	**Equity interest**	**R$**	**Shares**	**Equity interest**	**R$**
Frederico José Humberg	**81,628,800**	**92.76%**	**64,103**	81,628,800	92.76%	14,285
Acauã Sena Mahfuz	**3,300,000**	**3.75%**	**2,591**	4,400,000	5.00%	770
Ney Nelson Machado de Sousa	**1,056,000**	**1.20%**	**829**	1,056,000	1.20%	185
Treasury shares	**1,012,000**	**1.15%**	**795**	35,200	0.04%	6
Pedro Lunardeli Salles	**440,000**	**0.50%**	**346**	440,000	0.50%	77
Paulo Guilherme Rache Humberg	**176,000**	**0.20%**	**138**	176,000	0.20%	31
Stephane Frappat	**176,000**	**0.20%**	**138**	176,000	0.20%	31
Jonatas Brito do Nascimento Souza	**123,200**	**0.14%**	**97**	88,000	0.10%	15
Raphael Blanc Costa Schuwartz Vieira	**70,400**	**0.08%**	**55**	-	0%	-
Fernando Souza de Andrade	**8,800**	**0.01%**	**7**	-	0%	-
Larissa Nascimento Mendes	**8,800**	**0.01%**	**7**	-	0%	-
	88,000,000	**100.00%**	**69,106**	88,000,000	100.00%	15,400

b) Allocation of income for the year and dividends

On April 12, 2021, through the Annual and Special General Meeting (AGM and SGM), the Company decided to distribute dividends in national currency equivalent to 21.79% of the balance of its income reserve referring to the year ended December 31, 2020, after deducting the legal reserve, in proportion to its shareholders in local currency, to be paid during the fiscal year in the total amount of R$5,497, of which R$1,368 had already been paid up to December 31, 2020, and the remaining R$4,129 to be fully paid as of that date.

The remaining balance of the calculated net income, already deducting the aforementioned amounts, corresponding to R$6,110, from the reserve set up until December 31, 2020, was retained by the Company in Income reserve.

On August 18, 2021, the Company revised the amounts accumulated in its income reserve as at December 31, 2020, reducing the amount by R$2,447 given the need to review its financial statements for the year then ended. As such, part of the previously approved dividends were re-ratified at the Special General Meeting, which transferred the amount of R$2,447 to the prepayment of dividends for year 2021.

(In thousands of reais, unless otherwise stated)

13. Equity (Continued)

b) Allocation of income for the year and dividends (Continued)

As of December 31, 2021, the remaining balance of dividends related to December 31, 2020 was R$800.

On April 24, 2022, through the Annual and Special General Meeting (AGM and SGM), the Company decided to distribute dividends of the balance of its income reserve referring to the year ended December 31, 2021, after deducting the legal reserve, in proportion to its shareholders in local currency, to be paid during the fiscal year in the total amount of R$3,737, of which R$2,447 had already been paid up to December 31, 2021, and the remaining R$1,290 were fully paid on December 29, 2022.

At December 31, 2022, the legal reserve was established in the amount of R$12,967 up to the limit of 20% of the capital. The balance at the end of the year amounts to R$13,821.

At December 31, 2022, considering the authorized capital for increase, contained in the Articles of Incorporation approved on May 3, 2022, in the amount of R$700 million, management decided to increase the capital, in order to comply with the legal requirement that the balance of income reserves may not exceed the Company's capital, provided for in article 199 of Law 6.404/76, through an increase proposal, already reflected in the financial statements in the amount of R$53,706, through capitalization of total income reserves in relation to the capital, after setting up the legal reserve and the tax incentive reserve, based on articles 199 and 169, paragraph 1 of Law No. 6.404/76.

Tax incentive reserve

Tax incentives granted by the States or the Federal District are now considered investment grants, deductible for calculating income and social contribution taxes. Accordingly, the Company calculated the ICMS grant in the calculation of income and social contribution taxes in the total amount of R$56,215.

c) Earnings per share

Basic and diluted earnings per share is calculated by dividing the Company's net income, attributable to controlling and noncontrolling shareholders, by the weighted average number of shares existing in the year. The calculations of basic and diluted earnings per share, already considering the effect of the stock split, are as follows:

	Consolidated			
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Net income for the year	**117,960**	9,121	**118,480**	9,121
Weighted average number of shares in the period (in thousand)	**87,193**	88,000	**87,193**	88,000
Earnings per share - basic and diluted (after the split)	**1.35**	0.10	**1.35**	0.10

13. **Equity** (Continued)

d) Share-based payment

In order to attract and retain talent, in 2020 and 2021 some executives and members of the Company’s management were granted options to acquire shares owned by controlling shareholder Frederico José Humberg at an exercise price equivalent to the estimated price of share market on the grant date. Although these shares are acquired directly from the controlling shareholder, with no direct effects on the Company, the Company records a share-based payment reserve to recognize the amount of compensation paid in shares based on shares offered to the grantees, since the Company is the beneficiary of the services provided in accordance with CPC 10 (R1).

The options will be exercisable after a liquidity event and after the 5-year grace period during which the beneficiary must remain employed, and also: (i) the liquidity event in which the controlling shareholder has at least 10% of its shares in the Company; (ii) filing with the CVM the registration of an initial public offering of the Company’s shares on B3-Brasil, Bolsa, Balcão S.A. (except if the Company’s shares are traded on BOVESPA MAIS), or in the absence of a liquidity event, after the 10th anniversary of the aforementioned agreement, the grantee shall have the right to exercise for 10 years the right to sell all the shares invested (Put Option) for an amount equal to 90% of the Company's equity value on the date of exercise; likewise, the grantor will have
the right to buy (Call Option) for 110% of the equity value at the time of the exercise. This agreement will be effective for a period of 20 years from the date of its signature.

The fair value of options is estimated at the date of grant using a Monte-Carlo simulation model, which considers simulations of the Company's potential results (EBITDA, Operating Value, Debt and Business Value), as well as the terms and conditions under which the instruments were granted.

There are no other employee stock option plans. The Company started to calculate and record the fair value of the options at December 31, 2022 and 2021 so that the value of the immediate grant and that of the first grant are the same.

The expected period of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. Expected volatility reflects the assumption that comparable market volatility - given that the Company does not have historical market data to date - is indicative of future trends, which may not correspond to the actual scenario.

(In thousands of reais, unless otherwise stated)

13. Equity (Continued)

d) Share-based payment (Continued)

The Company's stock option grants by the controlling shareholder, as at December 31, 2022 and 2021, were distributed considering the total balance of outstanding stock options granted, as under:

December 31, 2022

Key management members	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Total
Board member	**-**	**-**	**176,000**	**176,000**	**176,000**	**528,000**
Statutory officers	**-**	**-**	**-**	**-**	**-**	**-**
Non-statutory officers	**-**	**440,000**	**440,000**	**440,000**	**440,000**	**1,760,000**
Other officers	**-**	**-**	**616,000**	**88,000**	**176,000**	**880,000**
Total options outstanding	**-**	**440,000**	**1,232,000**	**704,000**	**792,000**	**3,168,000**
Total vested/exercisable	**-**	**440,000**	**1,232,000**	**-**	**-**	**-**

December 31, 2021

Key management members	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Total
Board member	-	-	176,000	176,000	176,000	528,000
Statutory officers	-	-	528,000	528,000	528,000	1,584,000
Non-statutory officers	-	440,000	404,800	404,800	404,800	1,654,400
Other officers	-	-	123,200	123,200	211,200	457,600
Total options outstanding	-	440,000	1,232,000	1,232,000	1,320,000	4,224,000
Total vested/exercisable	-	440,000	-	-	-	440,000

(In thousands of reais, unless otherwise stated)

13. Equity (Continued)

d) Share-based payment (Continued)

The Options must be exercised within a maximum period of 10 (ten) years, observing the grace period and permanence of the executive and/or managing officer of the Company. Options not exercised within the maximum term will cease to exist.

		1st Grant			2nd Grant			Total		
Exercise of options (*)	Anniversary	Options granted	Options accounted for	Amount accounted for	Options granted	Options accounted for	Amount accounted for	Options granted	Options accounted for	Amount accounted for
20%	First	1,355,200	2,749,120	1,069	176,000	352,000	196	1,531,200	3,101,120	1,265
20%	Second	1,443,200	1,284,324	909	176,000	176,000	120	1,619,200	1,460,324	1,029
20%	Third	1,443,200	1,044,011	763	176,000	143,407	103	1,619,200	1,187,418	866
20%	Fourth	1,443,200	739,985	521	176,000	99,282	75	1,619,200	839,267	596
20%	Fifth	1,531,200	44,721	32	176,000	-	-	1,707,200	44,721	32
		7,216,000	5,862,161	3,294	880,000	770,689	494	8,096,000	6,632,851	3,788

(*) Exercisable after liquidity event or after 10 years via PUT/CALL option instrument.

The provisions governing the Stock Option Plan are set out individually in contracts executed between the controlling shareholder and the executives and members of the Company's management.

(In thousands of reais, unless otherwise stated)

13. Equity (Continued)

d) Share-based payment (Continued)

The following is a breakdown of the assumptions that govern each grant plan and changes thereto:

	1st Grant					
Issue date – 09/30/2020	**Tranche I**	**Tranche II**	**Tranche III**	**Tranche IV**	**Tranche V**	**Total**
Fair value of the vesting option	**0.70**	**0.70**	**0.71**	**0.71**	**0.72**	**N/A**
Estimated strike price	**0.56**	**0.56**	**0.56**	**0.56**	**0.56**	**N/A**
Risk-free interest rate (%)	**2.64%**	**4.42%**	**5.50%**	**5.79%**	**5.79%**	**N/A**
Contractual exercise time	**10**	**10**	**10**	**10**	**10**	**N/A**
Expected dividend yield	**0%**	**0%**	**0%**	**0%**	**0%**	**N/A**
Market share volatility %	**28.60%**	**28.60%**	**28.60%**	**28.60%**	**28.60%**	**N/A**
Total options outstanding	**1.443,200**	**1,056,000**	**1,056,000**	**528,000**	**528,000**	**4,611,200**
Number of options granted	**1,443,200**	**1,443,200**	**1,443,200**	**1,443,200**	**1,443,200**	**7,216,000**
Number of canceled shares	**-**	**387,200**	**387,200**	**915,200**	**915,200**	**2,604,800**
Number of shares vested/exercisable	**1,443,200**	**1,056,000**	**528,000**	**-**	**-**	**3,027,200**
Number of options exercised	**1,443,200**	**528,000**	**-**	**-**	**-**	**1,971,200**
Number of options exercisable	**-**	**528,000**	**528,000**	**-**	**-**	**1,056,000**
Estimated fair value (R$/share)	**1.26**	**1.26**	**1.27**	**1.27**	**1.28**	**N/A**

	2nd Grant					
Issue date - 03/31/2021	**Tranche I**	**Tranche II**	**Tranche III**	**Tranche IV**	**Tranche V**	**Total**
Fair value of the vesting option	0.56	0.68	0.72	0.76	0.79	N/A
Estimated strike price	1.88	1.88	1.88	1.88	1.88	N/A
Risk-free interest rate (%)	5.16%	5.95%	6.16%	6.14%	6.12%	N/A
Contractual exercise time	10	10	10	10	10	N/A
Expected dividend yield	0%	0%	0%	0%	0%	N/A
Market share volatility %	28.60%	28.60%	28.60%	28.60%	28.60%	N/A
Total options outstanding	176,000	176,000	176,000	176,000	176,000	880,000
Number of options granted	176,000	176,000	176,000	176,000	176,000	880,000
Number of canceled shares	-	-	-	-	-	-
Number of shares vested/exercisable	176,000	176,000	176,000-	-	-	528,000
Number of options exercised	176,000	176,000	-	-	-	352,000
Number of options exercisable	-	-	176,000			176,000
Estimated fair value (R$/share)	2.43	2.56	2.59	2.63	2.67	N/A

(In thousands of reais, unless otherwise stated)

13. Equity (Continued)

d) Share-based payment (Continued)

Below are the changes in the options of the two grants in the year:

	1st Grant					
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Total
Position of options at 12/31/2021	-	440,000	1,056,000	1,056,000	1,144,000	3,696,000
Options canceled	-	-	-	**(528,000)**	**(528,000)**	**(1,056,000)**
Repurchased stock option	-	-	-	-	-	-
Options exercised	-	-	-	-	-	-
Options balance at 12/31/2022	**-**	**440,000**	**1,056,000**	**528,000**	**616,000**	**2,640,000**
Options exercisable at 12/31/2022	**-**	**440,000**	**1,056,000**	**-**	**-**	**1,496,000**

	2nd Grant					
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Total
Position of options at 12/31/2021	-	-	176,000	176,000	176,000	528,000
Options canceled	-	-	-	-	-	-
Repurchased stock option	-	-	-	-	-	-
Options exercised	-	-	-	-	-	-
Options balance at 12/31/2022	**-**	**-**	**176,000**	**176,000**	**176,000**	**528,000**
Options exercisable at 12/31/2022	**-**	**-**	**176,000**	**-**	**-**	**176,000**

	Total grants					
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Total
Position of options at 12/31/2021	-	440,000	1,232,000	1,232,000	1,320,000	4,224,000
Options canceled	-	-	-	**(528,000)**	**(528,000)**	**(1,056,000)**
Repurchased stock option	-	-	-	-	-	-
Options exercised	-	-	-	-	-	-
Options balance at 12/31/2022	**-**	**440,000**	**1,232,000**	**704,000**	**792,000**	**3,168,000**
Options exercisable at 12/31/2022	**-**	**440,000**	**1,232,000**	**-**	**-**	**1,672,000**

Below is the reconciliation of the options granted thus far:

Event description	12/31/2021	Changes	12/31/2022
Value calculated from the options granted reserve	3,998	**719**	**4,717**
Reversal of reserve for repurchase	(929)	**-**	**(929)**
Reserve amount recorded	3,069	**719**	**3,788**
Additional amount paid to shareholder for repurchase	2,198	**-**	**2,198**
Total recorded	5,267	**719**	**5,986**

(In thousands of reais, unless otherwise stated)

14. Sales revenue, net

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Gross operating revenue	**3,225,924**	1,679,636	**3,996,797**	2,200,904
Sales taxes	**(2,968)**	(16,767)	**(2,968)**	(16,767)
Total	**3,222,956**	1,662,869	**3,993,829**	2,184,137
Foreign market	**2,884,731**	1,180,642	**3,655,604**	1,701,910
Domestic market	**338,225**	482,227	**338,225**	482,227
Total	**3,222,956**	1,662,869	**3,993,829**	2,184,137

15. Cost of commodities sold by nature

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cost				
Cost of commodities	**(2,821,827)**	(1,467,011)	**(3,678,499)**	(1,941,987)
Logistics costs	**(361,822)**	(171,117)	**(389,982)**	(193,915)
Provision for inventory losses	**(17,864)**	(5,522)	**(17,864)**	(5,522)
	(3,201,513)	(1,643,650)	**(4,086,345)**	(2,141,424)
MTM				
Gains (losses) - futures contracts	**41,121**	(11,132)	**41,121**	(11,132)
Inventories MTM	**14,914**	13,320	**14,914**	13,320
	56,035	2,188	**56,035**	2,188
	(3,145,478)	(1,641,462)	**(4,030,310)**	(2,139,236)

The Company's statement of profit or loss is presented based on the classification of expenses according to its functions, thus the Company classifies as costs any gains and losses on commodity futures contracts, as well as NDF contracts used to hedge its commodities contracts.

16. General and administrative expenses and selling expenses

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Salaries, social contributions and employee benefits	**11,832**	9,793	**13,313**	9,793
Third-party services	**9,554**	6,012	**11,484**	6,461
Lease and maintenance expenses	**365**	464	**365**	464
Travel and telecommunication expenses	**840**	557	**845**	557
Depreciation and amortization	**691**	253	**691**	253
Depreciation and amortization - surplus value	**12,667**	-	**12,667**	-
Vehicle expenses	**211**	238	**211**	238
Maintenance and license expenses	**833**	-	**833**	-
Lawsuit expenses	**103**	623	**103**	623
Taxes, charges and contributions	**181**	-	**334**	-
Other	**636**	498	**636**	498
	37,913	18,438	**41,482**	18,887

(In thousands of reais, unless otherwise stated)

17. Other operating income (expenses)

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Other operating income (expenses) (Note 7.d)	**212,052**	-	**212,052**	-
	212,052	-	**212,052**	-

18. Finance income (costs)

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Finance income				
Financial investment yield	**3,544**	525	**4,214**	525
Discounts received	**14**	145	**14**	148
Interest income	**468**	-	**476**	-
	4,026	670	**4,704**	673
Finance costs				
Interest - prepaid receivables	**(2,033)**	(1,320)	**(2,033)**	(1,320)
Interest on loans and financing	**(43,089)**	(9,703)	**(43,863)**	(9,703)
Financial commissions	**(751)**	(745)	**(751)**	(1,105)
Other finance costs	**(12,662)**	(1,153)	**(15,209)**	(1,215)
	(58,535)	(12,921)	**(61,856)**	(13,343)
Foreign exchange gains (losses), net	**37,957**	(18,352)	**35,639**	1,609
	(16,552)	(30,603)	**(21,513)**	(11,061)
Finance income (costs), net	**(54,509)**	(12,251)	**(57,152)**	(12,670)
Foreign exchange differences	**37,957**	(18,352)	**35,639**	1,609

Foreign exchange gains (losses) are presented net for comparison purposes and basically arise from transactions in US dollars, in export, accounts receivable and loans in foreign currency.

19. Transactions with related parties

a) Commodities

The following balances are held between the Company, its subsidiary and other related parties:

	Individual	
	12/31/2022	12/31/2021
Trade accounts receivable		
Agribrasil Global Markets	**72,627**	223,994
Humberg Bioenergia	**1,055**	
Distribution of profits in advance	**85**	-
	73,767	223,994

	Individual	
	12/31/2022	12/31/2021
Revenues		
Agribrasil Global Markets	**2,275,696**	277,504
	2,275,696	277,504

(In thousands of reais, unless otherwise stated)

19. Transactions with related parties (Continued)

a) Commodities (Continued)

Transactions between group companies refer to sales of commodities. The main related-party transactions that affected profit or loss for the years were conducted based on specific prices agreed between the companies.

b) Key management personnel compensation

	12/31/2022	12/31/2021
Board member	**142**	314
Fixed compensation	**5**	5
Share-based payment	**137**	309
Benefits		
Statutory officers	**2,052**	1,193
Fixed compensation	**758**	703
Variable compensation	**1,018**	-
Share-based payment	**235**	437
Benefits	**41**	53
Non-statutory officers	**1,580**	313
Fixed compensation	**453**	664
Variable compensation	**876**	-
Share-based payment	**199**	(397)
Benefits	**52**	46
Other officers	**523**	314
Fixed compensation	**312**	277
Variable compensation	**133**	-
Share-based payment	**63**	24
Benefits	**15**	13
Total	**4,297**	2,134

Some of the Company’s executives are also included in the Share-Based Payment Plan (Stock Options), described in Note 13.d and are presented under General and administrative expenses in the statement of profit or loss.

The Board of Directors is formed by Paulo Guilherme Rache Humberg, a related party of shareholder Frederico José Humberg.

20. Risk management and financial instruments

At December 31, 2022 and 2021, the fair value of derivative financial instruments is equivalent to the amount recorded under Level 2, in accordance with the criteria determined by the fair value hierarchy.

NDFs are measured at present value, at the market rate as of the reporting date, through the future flow determined by applying contractual rates until maturity, based on the US dollar projections observed in futures contracts registered at B3 Brasil, Bolsa, Balcão.

The fair value of financial assets and liabilities is included in the amount for which a financial instrument could be exchanged in a current transaction between willing parties, and not in a forced sale or settlement. The amounts of the key financial assets and liabilities at fair value approximate their carrying amounts, as follows:

Fair value measurement

Fair value measurement of a nonfinancial asset takes into consideration the capacity of a market participant to generate economic benefits through the best possible use of the asset, or selling it to other market participant that would also make best use of the asset.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(In thousands of reais, unless otherwise stated)

20. Risk management and financial instruments (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the interim financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are summarized in the respective notes.

Financial instruments

At December 31, 2022 and 2021, the Company did not use hedge accounting.

	Individual		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Assets				
Outstanding contract position (a) - assets	**25,833**	63,594	**71,318**	83,470
NDF transactions (b) - assets	**17,871**	25,760	**17,871**	25,760
	43,704	89,354	**89,189**	109,230
Liabilities				
Outstanding contract position (a) - liabilities	**52,043**	82,974	**69,709**	57,118
NDF transactions (b) - liabilities	**5,584**	17,111	**5,584**	17,111
	57,627	100,085	**75,293**	74,229

20. Risk management and financial instruments (Continued)

Financial instruments (Continued)

(a) Refers to mark-to-market of contracts for (physical) purchase and sale of commodities.

(b) Represent market values of outstanding positions of NDFs assigned to *hedge* the effects of exchange rate fluctuations (in conformity with CPC 48 and CPC 39).

Financial instruments fair value calculation methodology

Summary of NDFs

	Individual and Consolidated					
	Notional value			Fair value (MTM)		
	Currency	**12/31/2022**	**12/31/2021**	**Currency**	**12/31/2022**	**12/31/2021**
NDF:						
Short position	In thousands of USD	**(8,709)**	(201,219)	BRL	**1,705**	**(1,352)**
Long position	In thousands of USD	**(16,886)**	74,091	BRL	**10,581**	**9,850**
Total		**(25,595)**	(127,128)		**12,286**	**8,498**

Summary of financial instruments - assets and liabilities (carrying amount)

The table below shows a comparison, by class, of the carrying amount and the fair value of the Company's financial instruments presented in the financial statements:

		Individual			
	Fair value	**Carrying amount**		**Fair value**	
	hierarchy level	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Assets					
Cash and cash equivalents	2	**131,553**	147,965	**131,553**	147,965
Trade accounts receivable	2	**196,429**	99,935	**196,429**	99,935
Transactions with related parties	2	**73,767**	223,994	**73,767**	223,994
Derivative financial instruments	2	**43,704**	89,354	**43,704**	89,354
		445,453	561,248	**445,453**	561,248
Liabilities					
Trade accounts payable	2	**301,684**	334,548	**301,684**	334,548
Loans and financing	2	**452,455**	487,101	**468,930**	492,552
Derivative financial instruments	2	**57,627**	100,085	**57,627**	100,085
		811,766	921,734	**828,241**	927,185

(In thousands of reais, unless otherwise stated)

20. Risk management and financial instruments (Continued)

Financial instruments fair value calculation methodology (Continued)

Summary of financial instruments - assets and liabilities (book value) - Continued

	Fair value hierarchy level	Consolidated			
		Carrying amount		Fair value	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Assets					
Cash and cash equivalents	2	**141,603**	280,230	**141,603**	280,230
Trade accounts receivable	2	**211,097**	274,611	**211,097**	274,611
Derivative financial instruments	2	**89,189**	109,230	**89,189**	109,230
		441,889	664,071	**441,889**	664,071
Liabilities					
Trade accounts payable	2	**304,917**	357,108	**304,917**	357,108
Loans and financing	2	**452,455**	487,101	**468,930**	492,552
Derivative financial instruments	2	**75,293**	74,229	**75,293**	74,229
		832,665	918,438	**849,140**	923,889

The Company's sales revenues derive mainly from the sale of agricultural commodities, such as soybean and corn. The prices of these products are quoted in US dollar with reference to futures contracts traded on international exchanges. Thus, the international price of the commodity and the exchange rate are market risks to which the Company is exposed.

Furthermore, the Company enters into loans in the financial market at fixed rates in US dollars. Therefore, the Company is exposed to the risk of changes in exchange rates, but not to interest rate risks.

As a commodity trader, the Company assumes commitments classified as derivative financial instruments measured at fair value through profit or loss, such as:

- Purchase and sale contracts for transfer of commodities at a future date and at a fixed price. These contracts are priced based on the futures contract price traded on the CME (Chicago Mercantile Exchange), another differential defined by the location of the commodity called Basis. These contracts are usually settled through the physical transfer of the commodity, however they can also be settled financially.

20. Risk management and financial instruments (Continued)

Financial instruments fair value calculation methodology (Continued)

Summary of financial instruments - assets and liabilities (book value) - Continued

- Futures commodities contracts: these are standard derivative contracts traded on the stock exchange, which are entered into by the Company in order to hedge commodity purchase and sale contract positions. Usually these contracts are settled financially through payment or receipt of the difference between the contract price and the market price on the date of their settlement. Changes in the fair value of these instruments is debited or credited daily to a margin deposit account.
- Currency term contracts: these are non-standard derivative contracts entered into with financial institutions, under which it is possible to negotiate future exchange rates, thus allowing to determine in advance the amount in reais corresponding to an amount in foreign currency that will be settled in the future. Similarly to futures contracts, NDFs are settled financially through payment or receipt of the difference between the contract exchange rate and the market exchange rate at the date of their settlement.

These statements present information on the Company's exposure to each risk, the Company's objectives, policies and processes for measurement, risk management and capital management. Further quantitative disclosures are included throughout these financial statements.

The Company has no interest rate risks with its financial instruments since its contracts follow prefixed interest terms.

The Company is exposed to the following risks arising from the use of financial instruments:

a) *Credit risk*

Credit risk is the risk of financial losses for the Company in the event a customer or a counterparty to a financial instrument fails to comply with its contractual obligations arising from the Company's receivables, represented mainly by cash and cash equivalents, trade accounts receivable and other receivables.

(In thousands of reais, unless otherwise stated)

20. Risk management and financial instruments (Continued)

Financial instruments fair value calculation methodology (Continued)

Summary of financial instruments - assets and liabilities (book value) - Continued

a) *Credit risk* (Continued)

The book value of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash and cash equivalents	**131,553**	147,965	**141,603**	280,230
Trade accounts receivable	**196,429**	99,935	**211,097**	274,611
Transactions with related parties	**73,767**	223,994	**-**	-
Derivative financial instruments	**43,704**	89,354	**89,189**	109,230
	445,453	561,248	**441,889**	664,071

The corporate risk management policy requires the Company to regularly assess the risk associated with its cash flow, as well as risk mitigation proposals. Risk mitigation strategies are implemented with the purpose of reducing risks in relation to the fulfillment of commitments assumed by the Company, both with third parties and with its shareholders. The Company has highly liquid short-term investments that are readily convertible into a known amount of cash.

With respect to financial institutions, the Company makes investments in fixed-income securities only with low risk financial institutions evaluated by credit rating agencies.

The Company did not record allowance for doubtful accounts for the years ended December 31, 2022 and 2021.

b) *Currency risk*

Currency risk arises from the possibility of fluctuations in exchange rates of foreign currencies used by the Company for acquisition of raw materials and of financial instruments, and for sale of products. in addition to amounts payable and receivable in foreign currencies.

For currency exposures, the Company enters into *Non Deliverable Forward* (NDF). Hedging derivative financial instruments are backed by the sales of products in the foreign market agreed for the next periods.

(In thousands of reais, unless otherwise stated)

20. Risk management and financial instruments (Continued)

Financial instruments fair value calculation methodology (Continued)

Summary of financial instruments - assets and liabilities (book value) - Continued

b) *Currency risk* (Continued)

Currency sensitivity analysis

For the sensitivity analysis of currency hedging instruments, management has adopted for the probable scenario the same rates used in the statement of financial position, and for scenarios II and III, an increase and decrease of 25% and 50% in the future dollar rate were estimated, respectively.

	Consolidated				
	12/31/2022				
	Scenarios				
	I - Probable	**II - 25%**	**III - 50%**	**IV - (25%)**	**V - (50%)**
Currency risk					
NDF transactions	**12,286**	**(21,093)**	**(54,472)**	**45,665**	**79,045**
	12,286	**(21,093)**	**(54,472)**	**45,665**	**79,045**

	Consolidated				
	12/31/2021				
	Scenarios				
	I - Probable	**II - 25%**	**III - 50%**	**IV - (25%)**	**V - (50%)**
Currency risk					
NDF transactions	8,649	(176,750)	(353,652)	176,750	353,652
	8,649	(176,750)	(353,652)	176,750	353,652

c) *Commodity price risk*

It arises from the possibility of fluctuation in market prices of the products traded by the Company. These fluctuations in prices may cause substantial changes in Company's revenues and costs. In order to hedge against price fluctuations, the Company also conducts commodity futures transactions on CBOT.

The Company has outstanding commodity contracts at December 31, 2022 and 2021 that were measured at fair value, and the difference between the contract value and fair value is recorded in the financial statements. The Company also has commodity futures transactions on the Chicago stock exchange in the United States of America intended to hedge against fluctuations in commodity prices. These transactions were recorded at fair value at the reporting date.

(In thousands of reais, unless otherwise stated)

20. Risk management and financial instruments (Continued)

Financial instruments fair value calculation methodology (Continued)

Summary of financial instruments - assets and liabilities (book value) - Continued

c) *Commodity price risk* (Continued)

Sensitivity analysis - Commodities

The table below shows the possible impacts on profit or loss arising from the hypothesis of the scenarios presented. The probable scenario used the book values, the other scenarios considered the impacts on profit or loss arising from changes in commodity market prices. The shocks are applied on the future price of commodities and the basis value.

	Consolidated				
	12/31/2022				
	Scenarios				
	I - Probable	**II - 25%**	**III - 50%**	**IV - (25%)**	**V - (50%)**
Outstanding contract position					
Purchase contracts	**24,493**	**80,654**	**136,815**	**(31,669)**	**(87,830)**
Sales contracts	**(67,117)**	**(162,067)**	**(257,016)**	**27,832**	**122,781**
Inventories	**28,454**	**68,844**	**107,736**	**(8,940)**	**(47,832)**
Futures	**(9,663)**	**(14,239)**	**(28,478)**	**14,239**	**28,478**
	(23,833)	**(26,808)**	**(40,943)**	**1,462**	**15,597**

	Consolidated				
	12/31/2021				
	Scenarios				
	I - Probable	**II - 25%**	**III - 50%**	**IV - (25%)**	**V - (50%)**
Outstanding contract position					
Purchase contracts	93,583	893,393	1,739,700	(893,393)	(1,739,700)
Sales contracts	(64,455)	(458,911)	(900,960)	458,911	900,960
Inventories	17,660	67,953	118,245	(67,953)	(118,245)
Futures	(362,695)	(90,674)	(181,348)	90,674	181,348
	(315,907)	411,761	775,637	(411,761)	(775,637)

d) *Liquidity risk*

Liquidity risk is the risk that the Company will face difficulties in fulfilling obligations associated with financial liabilities that are settled with cash payments or another financial asset. The Company's liquidity management approach is to ensure, as much as possible, that there will always be sufficient liquidity to meet its obligations upon maturity, under normal and stress conditions, without experiencing unacceptable losses or damaging its reputation.

(In thousands of reais, unless otherwise stated)

20. Risk management and financial instruments (Continued)

Financial instruments fair value calculation methodology (Continued)

Summary of financial instruments - assets and liabilities (book value) - Continued

d) *Liquidity risk* (Continued)

The Company manages liquidity risk by maintaining adequate reserves, lines of credit with banks and group companies, loans and financing, as well as by continuously monitoring the estimated and actual cash flow, and observing the maturity profiles of financial assets and liabilities.

The following are the contractual maturities of loans and financing arrangements, including estimated interest payments.

	Individual and Consolidated	
	12/31/2022	**12/31/2021**
ACC (6 months or less)	**214,362**	189,855
FIDC (6 months or less)	**-**	93,862
ACC (6 to 12 months)	**67,716**	46,901
CCB (6 months or less)	**12,180**	-
NCE (6 to 12 months)	**32,110**	13,393
FNO (6 to 12 months)	**2,658**	-
FGI - BNDES (6 to 12 months)	**-**	868
NCE (above 12 months)	**121,061**	142,222
FNO (above 12 months)	**2,368**	-
	452,455	487,101

e) *Performance risk*

Performance risk is the possibility of noncompliance with the terms of the commercial agreement in the delivery or execution of a product, service, program or project, whether in terms of volume, value, deadlines, or any other terms defined in the negotiation or contract. Examples of performance risk, failure or default:

- When a rural producer fails to deliver grain due to market appreciation and decides to sell their most valued product on the spot market;
- When there is a strike by truck drivers, impacting the flow of grain at the port, causing delays in the loading of ships and, consequently, demurrage fines;
- Droughts or excessive rains impact the quality of the grains of a rural producer, who is unable to deliver their product in the minimum quality conditions required, not performing their contract in part.

20. Risk management and financial instruments (Continued)

Financial instruments fair value calculation methodology (Continued)

Summary of financial instruments - assets and liabilities (book value) - Continued

f) *Operational risk*

Operational risk relates to direct or indirect losses arising from a variety of causes associated with the Company's processes, personnel, technology and infrastructure and from external factors, except credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted corporate behavior standards. Operational risks arise from all of the Company's operations.

The Company's objective is to manage operational risk in order to avoid financial losses and damage to its reputation while seeking cost effectiveness.

This responsibility is supported by the development of the Company's general standards to manage operational risks in the following areas:

- Requirements for proper segregation of duties, including independent authorization of operations.
- Requirements for reconciliation and monitoring of operations.
- Compliance with regulatory and legal requirements.
- Requirements to report operating losses and proposed corrective actions.
- Development of contingency plans.
- Professional training and development.
- Ethical and commercial standards.

g) *Capital management*

Management adopts the policy of keeping a sound capital base to preserve investor, creditor and market confidence, and the future development of its business. Management monitors returns on capital, which the Company defines as the results of operating activities divided by total equity. Management seeks to strike a balance between highest possible returns and most adequate levels of loans, and the advantages and security provided by a healthy capital position.

(In thousands of reais, unless otherwise stated)

20. Risk management and financial instruments (Continued)

Financial instruments fair value calculation methodology (Continued)

Summary of financial instruments - assets and liabilities (book value) - Continued

g) *Capital management* (Continued)

The Company's debt ratio at year end is as follows:

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Loans and financing - current	**329,026**	344,879	**329,026**	344,879
Loans and financing - noncurrent	**123,429**	142,222	**123,429**	142,222
NDF (net)	**(12,287)**	(8,498)	**(12,287)**	(8,498)
Cash and cash equivalents	**(131,553)**	(147,965)	**(141,603)**	(280,230)
Inventory	**(134,915)**	(227,889)	**(135,965)**	(227,889)
Net debt (A)	**173,700**	102,749	**162,600**	(29,516)
Total equity (B) (*)	**142,479**	27,639	**214,874**	27,639
(=) Debt ratio (A/B)	**1.22**	3.72	**0.76**	(1.07)

(*) Assets are stated in negative balances and liabilities in positive balances.

21. Commitments

a) The Company and its subsidiaries are parties to purchase and sale agreements for future delivery, as follows:

Individual (12/31/2022)							
Product	Type	Contract	Delivery	Quantity (ton)	Currency	Unit	Price
Soybean in grain	Physical	Purchase	2023	**426**	BRL	MT	**278**
Soybean in grain	Physical	Sale	2023	**(1,887)**	BRL	MT	**(1,232)**
Soybean in grain	Physical	Purchase	2024	**54,394**	BRL	MT	**32,448**
Soybean in grain	Physical	Sale	2024	**(16,000)**	BRL	MT	**(10,113)**
Soybean in grain	Futures	Purchase	2024	**12,110**	BRL	MT	**35,424**
Soybean in grain	Futures	Sale	2024	**(11,294)**	BRL	MT	**(33,130)**
				37,749			**23,675**

Management seeks to equalize long and short positions; the difference between Purchases and Sales is currently in the Company's inventories.

(In thousands of reais, unless otherwise stated)

21. Commitments (Continued)

Individual (12/31/2022)							
Product	**Type**	**Contract**	**Delivery**	**Quantity (ton)**	**Currency**	**Unit**	**Price**
Corn in grain	Physical	Purchase	2023	**2,196**	BRL	MT	**655**
Corn in grain	Physical	Sale	2023	**(81)**	BRL	MT	**(24)**
Corn in grain	Physical	Purchase	2024	**29,451**	BRL	MT	**8,158**
Corn in grain	Physical	Sale	2024	**(11,000)**	BRL	MT	**(3,252)**
Corn in grain	Futures	Purchase	2024	**2,921**	BRL	MT	**3,762**
Corn in grain	Futures	Sale	2024	**(33,401)**	BRL	MT	**(46,322)**
				(9,914)			**(37,023)**

Consolidated (12/31/2022)							
Product	**Type**	**Contract**	**Delivery**	**Quantity (ton)**	**Currency**	**Unit**	**Price**
Soybean in grain	Physical	Purchase	2023	**426**	BRL	MT	**278**
Soybean in grain	Physical	Sale	2023	**(1,887)**	BRL	MT	**(1,232)**
Soybean in grain	Physical	Purchase	2024	**54,479**	BRL	MT	**78,581**
Soybean in grain	Physical	Sale	2024	**(16,140)**	BRL	MT	**36,020**
Soybean in grain	Futures	Purchase	2024	**12,110**	BRL	MT	**35,424**
Soybean in grain	Futures	Sale	2024	**(11,294)**	BRL	MT	**(33,130)**
				37,694			**115,941**

Consolidated (12/31/2022)							
Product	**Type**	**Contract**	**Delivery**	**Quantity (ton)**	**Currency**	**Unit**	**Price**
Corn in grain	Physical	Purchase	2023	**2,221**	BRL	MT	**8,120**
Corn in grain	Physical	Sale	2023	**(171)**	BRL	MT	**(27,005)**
Corn in grain	Physical	Purchase	2024	**29,451**	BRL	MT	**8,158**
Corn in grain	Physical	Sale	2024	**(11,060)**	BRL	MT	**(12,801)**
Corn in grain	Futures	Purchase	2024	**2,921**	BRL	MT	**3,762**
Corn in grain	Futures	Sale	2024	**(33,401)**	BRL	MT	**(46,322)**
				(10,039)			**(66,088)**

Individual (12/31/2021)							
Product	**Type**	**Contract**	**Delivery**	**Quantity (ton)**	**Currency**	**Unit**	**Price**
Soybean in grain	Physical	Purchase	2022	159,630	BRL	MT	456,761
Soybean in grain	Physical	Sale	2022	(162,006)	BRL	MT	(461,272)
Soybean in grain	Physical	Purchase	2023	19,020	BRL	MT	48,187
Soybean in grain	Physical	Sale	2023	(50,000)	BRL	MT	(124,412)
Soybean in grain	Futures	Sale	2022	(53,612)	BRL	MT	2,103
Soybean in grain	Futures	Sale	2023	(18,778)	BRL	MT	(612)
				(105,746)			(79,245)

Individual (12/31/2021)							
Product	**Type**	**Contract**	**Delivery**	**Quantity (ton)**	**Currency**	**Unit**	**Price**
Corn in grain	Physical	Purchase	2022	529,434	BRL	MT	745,703
Corn in grain	Physical	Sale	2022	(247,618)	BRL	MT	(337,025)
Corn in grain	Physical	Purchase	2023	15,450	BRL	MT	18,777
Corn in grain	Futures	Purchase	2022	(54,573)	BRL	MT	(3,564)
Corn in grain	Futures	Sale	2023	(15,494)	BRL	MT	(680)
				227,199			423,211

(In thousands of reais, unless otherwise stated)

21. Commitments (Continued)

				Consolidated (12/31/2021)			
Product	**Type**	**Contract**	**Delivery**	**Quantity (ton)**	**Currency**	**Unit**	**Price**
Soybean in grain	Physical	Purchase	2022	331,630	BRL	MT	932,245
Soybean in grain	Physical	Sale	2022	(409,006)	BRL	MT	(771,456)
Soybean in grain	Physical	Purchase	2023	69,020	BRL	MT	172,599
Soybean in grain	Physical	Sale	2023	(100,000)	BRL	MT	(123,402)
Soybean in grain	Futures	Sale	2022	(76,472)	BRL	MT	1,776
Soybean in grain	Futures	Sale	2023	(18,778)	BRL	MT	(612)
				(203,606)			211,150

				Consolidated (12/31/2021)			
Product	**Type**	**Contract**	**Delivery**	**Quantity (ton)**	**Currency**	**Unit**	**Price**
Corn in grain	Physical	Purchase	2022	801,196	BRL	MT	945,289
Corn in grain	Physical	Sale	2022	(718,118)	BRL	MT	(834,024)
Corn in grain	Physical	Purchase	2023	15,450	BRL	MT	18,777
Corn in grain	Futures	Purchase	2022	(65,241)	BRL	MT	(3,260)
Corn in grain	Futures	Sale	2023	(15,494)	BRL	MT	(680)
				17,793			126,102

b) Commitment to purchase real property with exclusive right

On June 1, 2020, the Company entered into a private instrument of purchase option of real property with exclusive right, consisting of land of 30.7 ha., located in the city of Canarana-MT, from Mr. Milton Ropke, for construction of the plant of its subsidiary Humberg Agribrasil Bionergia S.A. ("Agribrasil Bioenergia"). The purchase is conditioned to the satisfactory fulfillment of certain conditions by the seller, corresponding to the amount of R$1,500, which will be paid as follows:

- 30% in 90 days after "satisfactory performance";
- 60% in 180 days after "satisfactory performance";
- 30% in 360 days after "satisfactory performance".

22. Insurance coverage

The Company has a risk management program in place designed to limit risks, seeking coverage in the market consistent with its size and operations. The insurance coverage was taken out at the amounts below, which are considered sufficient by management to cover any losses, given the nature of the Company's activity, the risks involved in its operations and the guidance from its insurance advisors.

The Company has the following major insurance policies entered into with third parties.

Insured peril	Maturity	Insurance amount
Civil liability	07/09/2023	5,000

23. Events after the reporting period

On April 11, 2023, the Board of Directors, waived from the call, pursuant to article 11, paragraph 1 of the Company's Articles of Incorporation, in view of the presence of all members of the Board of Directors, by unanimous vote and without any restrictions, ratified the decision to increase the Company's capital, within the authorized capital limit, as provided for in its Articles of Incorporation, by R$53,706,000.00 (fifty-three million, seven hundred and six thousand reais), by payment of part of net income for the fiscal year ended December 31, 2022, without the issue of new shares, pursuant to article 169, paragraph 1 of Brazil's Corporation Law. Therefore, the Company's capital was changed to R$69,106,000.00 (sixty-nine million, one hundred and six thousand reais), represented by 88,000,000 (eighty-eight million) common registered book-entry no-par-value shares.

Board of Directors

Frederico José Humberg
Chairman

Paulo Guilherme Rache Humberg
Independent Director

Cristian de Lima Ramos
Independent Director

Stephane Frappat
Independent Director

Executive Board

Frederico José Humberg
CEO

Gustavo Garcia
CFO

Renato de Almeida Peroni
Accountant
CRC-SP 1SP284967/O-5
Smartway Assessoria Contábil e Gestão
Empresarial
CRC 2SP038174