

(Convenience Translation into English from the
Original Previously Issued in Portuguese)

Associação Onçafari

Financial Statements
for the Year Ended
December 31, 2023 and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITOR'S REPORT

To the Directors and Management of
Associação Onçafari

Opinion

We have audited the accompanying financial statements of Associação Onçafari ("Entity" or "Association"), which comprise the balance sheet as at December 31, 2023, and the related statements of surplus, of comprehensive surplus, of changes in net assets and of cash flows for the year then ended, and notes to the financial statements, including the material accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associação Onçafari as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with accounting practices adopted in Brazil, as well as with the interpretation for non-profit entities (ITG 2002 (R1)).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Entity in accordance with the relevant ethical requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council ("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 audit opinion.

Other matters

The financial statements for the year ended December 31, 2022, presented for purposes of comparison, were not previously audited by us or other independent auditors.

Management's responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices adopted in Brazil and the interpretation for non-profit entities (ITG 2002 (R1)), and for such internal control as Management 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 financial statements, Management is responsible for assessing the Association'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 Management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our people deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society, and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte's approximately 457,000 people worldwide make an impact that matters at www.deloitte.com.

Those charged with Management are responsible for overseeing the Association's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 an audit conducted in accordance with 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 Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

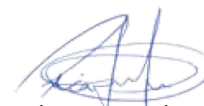
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management'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 Association'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 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 auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Management 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 identify during our audit.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, July 19, 2024

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.



Ricardo Ramos da Silva
Engagement Partner

(Convenience Translation into English from the Original Previously Issued in Portuguese)

ASSOCIAÇÃO ONÇAFARI

BALANCE SHEET AS AT DECEMBER 31, 2023

(In thousands of Brazilian reais - R\$)

ASSETS	Note	12/31/2023	12/31/2022	LIABILITIES AND NET ASSETS	Note	12/31/2023	12/31/2022
			(Unaudited)				(Unaudited)
CURRENT ASSETS				CURRENT LIABILITIES			
Cash and cash equivalents	4	7,388	6,100	Trade payables	9	184	144
Short-term investments	5	30,560	48,224	Payroll and related taxes	10	242	154
Other receivables	7	222	412	Borrowings and financing	11	96	115
Total current assets		<u>38,170</u>	<u>54,736</u>	Taxes and contributions		18	5
				Total current liabilities		<u>540</u>	<u>418</u>
NONCURRENT ASSETS				NONCURRENT LIABILITIES			
Recoverable taxes	6	915	106	Borrowings and financing	11	-	96
Property, plant and equipment	8	47,786	26,235	Provision for risks	12	1,805	928
Total noncurrent assets		<u>48,701</u>	<u>26,341</u>	Total noncurrent liabilities		<u>1,805</u>	<u>1,024</u>
				NET ASSETS			
				Accumulated surplus	13	84,526	79,635
				Total net assets		<u>84,526</u>	<u>79,635</u>
TOTAL ASSETS		<u><u>86,871</u></u>	<u><u>81,077</u></u>	TOTAL LIABILITIES AND NET ASSETS		<u><u>86,871</u></u>	<u><u>81,077</u></u>

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

ASSOCIAÇÃO ONÇAFARI

STATEMENT OF SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In thousands of Brazilian reais - R\$)

	Note	2023	2022 (Unaudited)
Operating revenue	14	10,895	11,852
Revenue from volunteer work	15	2,297	1,540
Costs of sales and services	16	<u>(65)</u>	<u>(47)</u>
		<u>13,127</u>	<u>13,345</u>
OPERATING COSTS AND EXPENSES			
Expenses on projects and personnel expenses	16	(4,759)	(3,002)
General and administrative expenses	16	(6,263)	(5,410)
Depreciation	16	(1,309)	(857)
Expenses on volunteer work	15	(2,297)	(1,540)
Other revenue		<u>382</u>	<u>468</u>
OPERATING SURPLUS BEFORE FINANCE INCOME (COSTS)		<u>(14,246)</u>	<u>(10,341)</u>
Finance income	17	6,666	3,671
Finance costs	17	<u>(656)</u>	<u>(245)</u>
FINANCE INCOME (COSTS), NET		6,010	3,426
SURPLUS FOR THE YEAR		<u><u>4,891</u></u>	<u><u>6,430</u></u>

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

ASSOCIAÇÃO ONÇAFARI

STATEMENT OF COMPREHENSIVE SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In thousands of Brazilian reais - R\$)

	<u>2023</u>	<u>2022</u> (Unaudited)
SURPLUS FOR THE YEAR	4,891	6,430
Other comprehensive income	-	-
TOTAL COMPREHENSIVE SURPLUS FOR THE YEAR	<u>4,891</u>	<u>6,430</u>

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

ASSOCIAÇÃO ONÇAFARI

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2023

(In thousands of Brazilian reais - R\$)

	<u>Note</u>	<u>Accumulated surplus</u>	<u>Total</u>
BALANCES AS AT DECEMBER 31, 2021 - unaudited		73,205	73,205
Surplus for the year	13	6,430	6,430
BALANCES AS AT DECEMBER 31, 2022 - unaudited		<u>79,635</u>	<u>79,635</u>
Surplus for the year	13	4,891	4,891
BALANCES AS AT DECEMBER 31, 2023		<u><u>84,526</u></u>	<u><u>84,526</u></u>

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

ASSOCIAÇÃO ONÇAFARI

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023

(In thousands of Brazilian reais - R\$)

	Note	2023	2022 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		4,891	6,430
Adjustments to reconcile surplus for the year to net cash provided by operating activities:			
Depreciation	8	1,308	857
Write-off and sale of property, plant and equipment	8	155	142
Interest on borrowings and financing	11	35	29
Provision for risks	12	877	576
Income from short-term investments	17	(6,666)	(3,671)
Increase (decrease) in operating assets:			
Recoverable taxes	6	(809)	(205)
Other receivables	7	190	(203)
Increase (decrease) in operating liabilities:			
Trade payables	9	40	62
Payroll and related taxes	10	88	72
Taxes and contributions		13	(100)
Interest paid	11	(29)	(24)
Net cash provided by operating activities		<u>93</u>	<u>3,965</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	8	(23,096)	(6,326)
Short-term investments		24,330	6,660
Proceeds from the sale of property, plant and equipment	8	82	-
Net cash used in investing activities		<u>1,316</u>	<u>334</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and financing	11	(121)	(139)
Net cash used in financing activities		<u>(121)</u>	<u>(139)</u>
DECREASE IN CASH AND CASH EQUIVALENTS		<u>1,288</u>	<u>4,160</u>
Opening balance of cash and cash equivalents	4	6,100	1,940
Closing balance of cash and cash equivalents	4	7,388	6,100
DECREASE IN CASH AND CASH EQUIVALENTS		<u>1,288</u>	<u>4,160</u>

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

ASSOCIAÇÃO ONÇAFARI

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in thousands of Brazilian reais - R\$, unless otherwise stated)

1. GENERAL INFORMATION

Associação Onçafari (“Entity” or “Association”) is a private non-profit legal entity with registered head office in the city of São Paulo, State of São Paulo, which was established on October 5, 2015 for an indefinite period and is engaged in ensuring the preservation of wild flora and fauna, conducting scientific studies and research, providing leisure and entertainment through ecotourism and carrying out awareness-building and environmental education actions concerning the importance of environmental preservation and sustainable social and economic development.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

2.1. Statement of compliance

The Association’s Management is responsible for the financial statements, which comprise the financial statements prepared in accordance with accounting practices adopted in Brazil.

The accounting practices adopted in Brazil comprise the policies set out in the Brazilian Corporate Law and the technical pronouncement CPC PME (R1) issued by the Accounting Pronouncements Committee (“CPC”) and approved by the Federal Accounting Council (“CFC”), as well as with the interpretation for non-profit entities (ITG 2002 (R1)).

Management asserts that all relevant information for the financial statements, and only this information, is being disclosed and corresponds to the information used in managing the Entity.

2.2. Basis of preparation

The financial statements have been prepared based on the historical cost, except for certain financial instruments measured at fair value at the end of each reporting period, as described in the material accounting policies below. Historical cost is generally based on the fair value of the consideration paid in exchange for assets.

The preparation of financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and assumptions are based on past experience and several other factors that are construed as reasonable in light of the circumstances. Actual results could differ from those estimates.

2.3. Continuity as a going concern

On the date of approval of the financial statements, Management reasonably expects that the Entity will have the sufficient funds to ensure its ability to continue as a going concern in the near future. Therefore, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4. Functional and presentation currency

The items included in the financial statements are measured in Brazilian reais (R\$), the functional and presentation currency, which represents the currency of the main economic environment where the Entity operates.

2.5. Use of estimates and judgments

The preparation of financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and assumptions are revised on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The main judgments and estimates made by Management while applying the Entity's material accounting policies are described below:

Provision for risks: When applicable, provisions are recognized for all contingent liabilities relating to lawsuits that represent probable losses that can be reliably estimated. The likelihood of loss is assessed based on available evidence, the hierarchy of laws, available case rulings, most recent court decisions and their relevance within the legal system, and the assessment made by the outside legal counsel. The Entity's Management believes that the provision for tax, civil and labor risks is fairly stated in the financial statements.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies have been consistently applied to all reporting periods presented in these financial statements.

a) Cash and cash equivalents and short-term investments

Cash and cash equivalents comprise cash and short-term investments, which are subject to an insignificant risk of change in value and are used in managing short-term obligations. The amounts are stated at cost, plus income earned through the end of each reporting period, maturing within up to 90 days, which does not exceed their market or realizable value.

b) Trade receivables

Recorded in the balance sheet at their original amounts. An allowance for doubtful debts is recognized, when applicable, to cover expected losses on the collection of receivables.

c) Property, plant and equipment

Stated at acquisition cost, less depreciation, and, when applicable, an allowance for impairment losses. Depreciation is calculated on a straight-line basis at the rates mentioned in note 8, which take into consideration the estimated useful lives of assets. The estimated useful life and depreciation method are reviewed through the end of each reporting period, with the effect of any changes in estimates being accounted for on a prospective basis.

d) Provisions

Recognized when the Entity has a present obligation (legal or constructive) as a result of past events, when the obligation amount can be reliably estimated and its settlement is probable.

The amount recognized as a provision is the best estimate of the consideration required to settle the obligation at the end of each reporting period, considering the risks and uncertainties inherent in such obligation.

Estimating the amount of obligations relating to tax, civil and labor lawsuits requires professional judgment by Management. Through the end of each reporting period, there were no lawsuits assessed as probable losses and, thus, the recognition of a provision was not required.

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, an asset is recognized if, and only if, reimbursement is virtually certain and the amount can be reliably measured.

A provision is recognized when the Entity has a legal or constructive obligation as a result of past events and it is probable that an outflow of funds will be required to settle the obligation. Provisions are recognized based on the best estimates of the risk involved.

For tax, civil and labor risks, when necessary, the provision for risks is recorded for lawsuits assessed as probable losses by the Entity's legal counsel and Management, considering the nature of the lawsuits and Management's experience in similar cases. A provision is recognized for all matters classified as legal obligations, regardless of the expected final outcome of the related lawsuits. The accrued amounts are net of escrow deposits, when applicable.

e) Other assets and liabilities

Assets are stated at the lower of cost or realizable value, including, when applicable, income earned and inflation adjustments incurred. Liabilities are stated at known or estimated amounts plus related charges and inflation adjustments incurred, when applicable, pursuant to the agreements in effect.

f) Recognition of surplus for the year

Recognized on an accrual basis. Surplus for the year will be incorporated into net assets in conformity with the legal and statutory requirements, since the surplus will be fully invested in the national territory to maintain and develop institutional goals pursuant to Resolution 1409/12 that approved ITG 2002 (R1).

g) Donations

Revenue from donations is recorded to the extent such donations are received and when there is no unconditional right to receive them. Consequently, the effective collection date is considered as the relevant accrual period.

(i) Revenue without restrictions on membership contributions and donations

The Association receives membership contributions and donations from individuals and legal entities, which are recognized on an accrual basis.

(ii) Revenue from projects

Project-related contributions and donations are recorded according to the agreements executed with lenders on an accrual basis. When allocated to projects, the funds are charged to expenses.

h) Finance income and costs

Finance income consists of interest income on short-term investments. Finance costs include other fees in checking accounts.

i) Revenue from volunteer work

As required by ITG 2002 (R1) - Nonprofit Entities, the Association recognizes revenue from volunteer work, including from work performed by Management members, which is measured at fair value considering the amounts the Association would be required to pay should those services be contracted in a similar market. Revenue from volunteer work is recognized in profit or loss for the year, as a contra entry to operating expenses also recorded in the statement of surplus.

j) Basic financial instruments and other financial instruments

Financial assets and financial liabilities are recognized in the balance sheet when the Entity becomes a party to the underlying contract.

Financial assets and financial liabilities are initially measured at fair value plus transaction costs directly attributable to their purchase or issuance except in the case of financial assets and liabilities measured at fair value through profit or loss, when these costs are recognized directly in profit or loss for the year. The subsequent measurement, when applicable, occurs at the end of each reporting period, according to the classification of financial instruments that are denominated as basic or as other instruments and more complex financial transactions. Financial instruments are classified as: (i) basic financial instruments; and (ii) other instruments.

k) Taxes

As the Association is a non-profit entity, it is entitled to tax exemption, which ensures the non-payment/non-collection of the following taxes and contributions:

- (a) Income tax (IRPJ).
- (b) Social contribution (CSLL).
- (c) Federal Estate and Endowment Tax (ITCMD) to the State of São Paulo.
- (d) Tax on revenue (PIS).

4. CASH AND CASH EQUIVALENTS

	<u>12/31/2023</u>	<u>12/31/2022</u> (Unaudited)
Cash and banks	388	1,100
Short-term investments (i)	7,000	5,000
Total	<u>7,388</u>	<u>6,100</u>

- (i) The short-term investments are highly liquid, yielding interest equivalent to 98% to 101% of the Interbank Deposit Certificate (CDI) rate in 2023 and 2022 (unaudited) and are subject to an insignificant risk of change in value.

5. SHORT-TERM INVESTMENTS

	<u>12/31/2023</u>	<u>12/31/2022</u> (Unaudited)
Short-term investments	<u>30,560</u>	<u>48,224</u>

The short-term investments are highly liquid, yielding interest equivalent to 98% to 101% of the Interbank Deposit Certificate (CDI) rate in 2023 and 2022 (unaudited) and are subject to an insignificant risk of change in value.

6. RECOVERABLE TAXES

	<u>12/31/2023</u>	<u>12/31/2022</u> (Unaudited)
Withholding income tax (IRRF) on short-term investments	900	102
Other taxes	15	4
	<u>915</u>	<u>106</u>

7. OTHER RECEIVABLES

	<u>12/31/2023</u>	<u>12/31/2022</u> (Unaudited)
Trade receivables	9	3
Advances to suppliers	205	407
Vacation pay advance	8	2
	<u>222</u>	<u>412</u>

8. PROPERTY, PLANT AND EQUIPMENT

	<u>Average annual depreciation rate (%)</u>	<u>12/31/2023</u>	<u>12/31/2022</u> (Unaudited)
Property, plant and equipment, net:			
Land	-	1,304	304
Properties	-	32,238	16,250
Company cars	20	2,110	1,734
Furniture and fixtures	10	396	309
IT equipment	20	248	83
Machinery and equipment	10	1,628	1,601
Construction and improvements	4	6,844	3,942
Boats	20	417	225
Livestock	10	2,430	1,744
Advances to suppliers	-	171	43
Total		<u>47,786</u>	<u>26,235</u>

Variations in property, plant and equipment are as follows:

	<u>12/31/2022</u> (Unaudited)	<u>Additions</u>	<u>Write- offs/sales</u>	<u>12/31/2023</u>
Cost:				
Land	304	1,000	-	1,304
Properties (i)	16,250	15,988	-	32,238
Company cars	2,274	992	(267)	2,999
Furniture and fixtures	366	127	-	493
IT equipment	113	223	-	336
Machinery and equipment	1,778	224	-	2,002
Construction and improvements	4,045	3,100	-	7,145
Boats	375	334	(55)	654
Livestock	1,891	980	(70)	2,801
Advances to suppliers	43	128	-	171
Total cost	<u>27,439</u>	<u>23,096</u>	<u>(392)</u>	<u>50,143</u>

(i) Substantially refers to the acquisition of a Farm located in Mato Grosso that will be used in Onçafari's core activity of preserving wild flora and fauna.

	<u>12/31/2022</u> (Unaudited)	<u>Additions</u>	<u>Write- offs/sales</u>	<u>12/31/2023</u>
Accumulated depreciation:				
Company cars	(539)	(470)	121	(888)
Furniture and fixtures	(57)	(41)	-	(98)
IT equipment	(31)	(58)	-	(89)
Machinery and equipment	(177)	(192)	-	(369)
Construction and improvements	(103)	(197)	-	(300)
Boats	(150)	(124)	34	(237)
Livestock	(147)	(226)	-	(373)
Total depreciation	<u>(1,204)</u>	<u>(1,308)</u>	<u>155</u>	<u>(2,356)</u>
Net amount	<u>26,235</u>	<u>21,788</u>	<u>(237)</u>	<u>47,786</u>

	<u>12/31/2021</u> (Unaudited)	<u>Additions</u>	<u>Write-offs</u>	<u>12/31/2022</u> (Unaudited)
Cost:				
Land	304	-	-	304
Properties	16,250	-	-	16,250
Company cars	1,610	734	(70)	2,274
Furniture and fixtures	254	112	-	366
IT equipment	67	46	-	113
Machinery and equipment	795	983	-	1,778
Construction and improvements	1,172	2,873	-	4,045
Boats	350	25	-	375
Livestock	338	1,553	-	1,891
Advances to suppliers	171	-	(128)	43
Total cost	<u>21,311</u>	<u>6,326</u>	<u>(198)</u>	<u>27,439</u>

	<u>12/31/2021</u> (Unaudited)	<u>Additions</u>	<u>Write-offs</u>	<u>12/31/2022</u> (Unaudited)
Accumulated depreciation:				
Properties				
Company cars	(240)	(355)	56	(539)
Furniture and fixtures	(27)	(30)	-	(57)
IT equipment	(14)	(16)	-	(30)
Machinery and equipment	(39)	(138)	-	(177)
Construction and improvements	(7)	(96)	-	(103)
Boats	(75)	(75)	-	(150)
Livestock	-	(147)	-	(147)
Total depreciation	<u>(402)</u>	<u>(857)</u>	<u>56</u>	<u>(1,203)</u>
Net amount	<u>20,909</u>	<u>5,468</u>	<u>(142)</u>	<u>26,235</u>

The Entity has vehicles pledged as collateral for financing.

9. TRADE PAYABLES

Domestic trade payables: Refer to purchases and services taken for use in the NGO's activities, farm material and provision of services. The average days payable outstanding is 127 days in 2023 (118 days in 2022 - unaudited).

10. PAYROLL AND RELATED TAXES

	<u>12/31/2023</u>	<u>12/31/2022</u> (Unaudited)
Payroll and related taxes	11	3
Social security taxes	63	41
Accrued vacation pay	<u>168</u>	<u>110</u>
	<u>242</u>	<u>154</u>

11. BORROWINGS AND FINANCING

	<u>Final maturity</u>	<u>Interest</u>	<u>12/31/2023</u>	<u>12/31/2022</u> (Unaudited)
Category:				
Vehicle financing	08/27/2024	0.99% p.m.	20	52
Vehicle financing	09/20/2024	1.15% p.m.	29	68
Vehicle financing	12/03/2024	1.49% p.m.	<u>47</u>	<u>91</u>
			<u>96</u>	<u>211</u>
Current			96	115
Noncurrent			-	96

Variations in borrowings and financing

Balance as at December 31, 2021 - unaudited	346
Accrued interest	29
Principal repayments	(139)
Interest payment	<u>(25)</u>
Balance as at December 31, 2022 - unaudited	211
Accrued interest	35
Principal repayments	(121)
Interest payment	<u>(29)</u>
Balance as at December 31, 2023	<u><u>96</u></u>

Borrowings are not subject to financial and non-financial covenants.

12. PROVISION FOR RISKS

The Entity is not a party to any tax, labor and civil lawsuits assessed as probable or possible losses in 2023, except for the provisions concerning service providers.

	<u>Variations</u>
Balance as at December 31, 2021 (Unaudited)	352
Recognized provision	<u>576</u>
Balance as at December 31, 2022 (Unaudited)	928
Recognized provision	<u>877</u>
Balance as at December 31, 2023	<u><u>1,805</u></u>

13. NET ASSETS

The Association's net assets comprise the current assets and contributions from members and third parties, income, donations, bequests, grants, donations or any other aids received and the assets that Onçafari comes to hold.

As at December 31, 2023, the Entity's net assets amount to R\$84,526 (R\$79,635 in 2022 - unaudited).

14. OPERATING REVENUE

	<u>2023</u>	<u>2022</u> (Unaudited)
Donations and partnerships received	10,773	11,664
Services and sales of goods	136	205
Returns	(1)	(3)
Taxes	<u>(13)</u>	<u>(14)</u>
	<u><u>10,895</u></u>	<u><u>11,852</u></u>

15. REVENUE FROM VOLUNTEER WORK

Associação Onçafari's Management conducted an analysis of expenses on the provision of voluntary services:

	<u>2023</u>	<u>2022</u> (Unaudited)
Revenue from volunteer work	<u>2,297</u>	<u>1,540</u>

These amounts were recognized in the statement of surplus, in line item "Revenue from volunteer work", as a contra entry to "Expenses on volunteer work".

The volunteer work amounts described above are stated in conformity with interpretation ITG-2002 approved by CFC Resolution 1409/12 and were determined based on the fair value, should the Association be required to pay third parties for the provision of the same services provided by volunteers.

16. OPERATING COSTS AND EXPENSES

	<u>2023</u>	<u>2022</u> (Unaudited)
Costs of sales	(65)	(47)
Personnel costs	(4,759)	(3,002)
Administrative expenses	(2,399)	(2,062)
Vehicle expenses	(538)	(441)
Expenses on equipment and farms	(437)	(643)
Team expenses	(1,118)	(1,013)
Depreciation	(1,309)	(857)
Provision for risks	(877)	(576)
Expenses on volunteers	(2,297)	(1,540)
Travel expenses	(426)	(332)
Other expenses	(468)	(343)
	<u>(14,693)</u>	<u>(10,856)</u>

Classified as:

Costs of sales and services	(65)	(47)
General and administrative expenses	(6,263)	(5,410)
Expenses on projects and personnel expenses	(4,759)	(3,002)
Depreciation	(1,309)	(857)
Expenses on volunteer work and donation of assets	(2,297)	(1,540)
	<u>(14,693)</u>	<u>(10,856)</u>

17. FINANCE INCOME (COSTS)

	<u>2023</u>	<u>2022</u> (Unaudited)
Finance income:		
Income from short-term investments	<u>6,666</u>	<u>3,671</u>
Finance costs:		
Interest payable	(35)	(29)
Tax on Financial Transactions (IOF)	(8)	-
Other finance costs	(16)	(6)
Withholding income tax on short-term investments	<u>(597)</u>	<u>(210)</u>
Total	<u>(656)</u>	<u>(245)</u>
Finance income (costs), net	<u><u>6,010</u></u>	<u><u>3,426</u></u>

18. TAXES AND CONTRIBUTIONS (TAX WAIVER)

In compliance with paragraph 27 - item "c" of ITG 2002 (R1) Nonprofit Entities, the Entity reported the following list of tax-waiver taxes for the years ended December 31, 2023 and 2022 (Unaudited), PIS/COFINS at 3.65% - cumulative regime and taxes levied on surplus for the year (IRPJ and CSLL at 34%).

	<u>2023</u>	<u>2022</u> (Unaudited)
Tax on revenue (PIS)	0.65%	0.65%
Social contribution	9%	9%
Income tax	15%	15%
Total	<u><u>27.65%</u></u>	<u><u>27.65%</u></u>

19. BASIC FINANCIAL INSTRUMENTS

a) General considerations

The Entity has financial instruments classified as "basic", which are substantially represented by cash and cash equivalents, trade payables and trade receivables. The carrying amounts of those instruments are recognized in the balance sheet at the end of each reporting period and approximate their fair values.

The Entity's Management did not identify any significant differences between the fair values of financial instruments and their carrying amounts as at December 31, 2023 (2022 - unaudited).

b) Risk management

The Entity has a risk management policy that covers the periodic review of the strategy to cover any type of risk to which it is exposed.

The Entity is not subject to any foreign exchange risks, since it does not have any payables and/or receivables in foreign currency. The Entity does not have any derivative financial instruments as at December 31, 2023 (2022 - unaudited).

20. INSURANCE

The Entity's insurance policy for D&O civil liability mainly considers the risk concentration and their materiality. The insurance coverage substantially comprises damages on general civil liability and is effective for one-year period, beginning April 30, 2024. The maximum insured amount is R\$20 million.

21. COMMITMENTS

The third-party properties used in the Entity's operations are leased, with the lease term and rental amount supported by an agreement entered into for a 60-month period. The Entity's rental amounts totaled R\$188 as at December 31, 2023 (R\$97 as at December 31, 2022 - unaudited). The agreements are adjusted for inflation based on the fluctuation of the General Market Price Index (IGPM).

22. APPROVAL OF THE FINANCIAL STATEMENTS

The Association's financial statements were approved and authorized for disclosure by the Executive Board at the meeting held on July 19, 2024.
