



Floresteca S.A.

1Q 2025 Results Summary

March 2025



Agenda

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Harvest Operations by Farm

Table: Area Changes – 1Q 2025

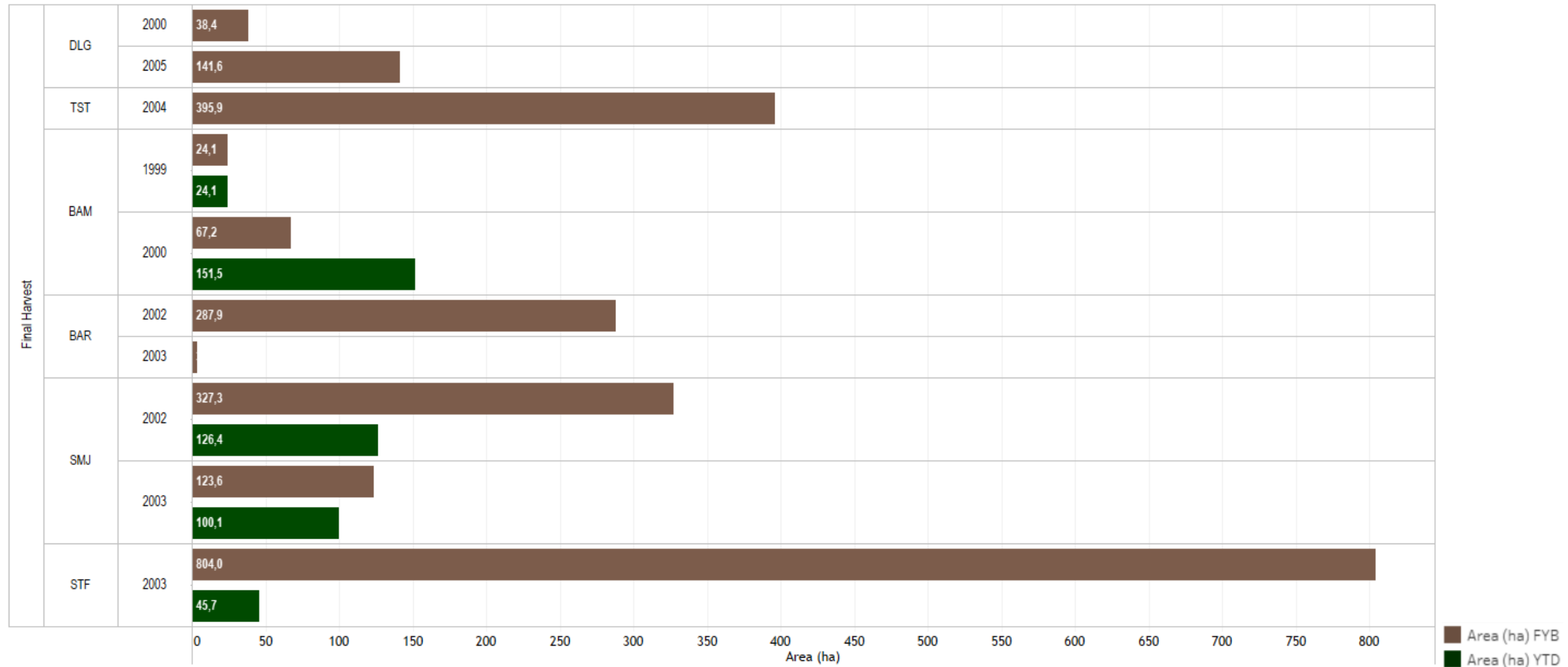
Project	Planting Year	Initial Area (ha) - End of 4Q 2024	Harvested Area (ha) - 1Q 2025	Current Area (ha) - End of 1Q 2025	Site Class 3 Area (ha)	Current Area (ha) - Dismissive Site Class 3
Bambu	1999	549.07		549.07	524.93	24.14
Bambu	2000	513.83		513.83	265.26	248.57
Duas Lagoas	2000	311.57		311.57	273.21	38.36
Duas Lagoas	2001	843.85		843.85	801.79	42.06
São Miguel	2001	97.52		97.52	41.92	55.60
Barranquinho	2002	960.13		960.13		960.13
Cacimba	2002	114.21	114.21	0.00		0.00
São Miguel	2002	5.71		5.71		5.71
Santa Maria do Jauru	2002	970.67		970.67	83.35	887.32
Barranquinho	2003	12.78		12.78		12.78
Cacimba	2003	2.04	2.04	0.00		0.00
Santa Maria do Jauru	2003	206.72		206.72		206.72
Santa Fé	2003	1,848.81		1,766.90	651.27	1,115.63
Barranquinho	2004	1,002.89		1,002.89	94.72	908.17
Terra Santa	2004	994.1	156.24	837.86		837.86
Duas Lagoas	2005	202.93		202.93		202.93
Duas Lagoas	2006	215.84		215.84		215.84
Mutum	2007	511.32		511.32		511.32
São José	2007	301.22		301.22		301.22
Santa Maria do Jauru II	2008	94.42		94.42		94.42
Total		9,759.63	354.4	9,405.23	2,736.45	6,668.78

The table on the left presents FSA projects initial area (ha), based on the end of 4Q2024, the harvested area at the 1Q 2025, and the currently standing area. Also, the Site Class 3 areas that have been agreed to be removed from TRC management are presented on a separate column.

During the 1Q2025, some stands harvested last year of Terra Santa project were finalized. Also, the LUD areas in the CMB project have been excluded starting in 2025, due to the sale of timber by the property owner to third parties.

Harvest Operations by Farm

This graph shows the 2025 budgeted areas (FYB - brown color) and areas where harvest has already started (green color). Here, operations may still be ongoing. In BAM, some planned stands for last year, due operation delays, were harvested during the first quarter of 2025. So, there is more harvested area than budgeted. In SMJ and STF projects, harvesting operations is ongoing.



Sales Summary – Year to date

	Jan	Feb	Mar	Total
BAM1999				
Budget	2,221	0	0	2,221
YTD	0	1	1,096	1,098
BAM2000				
Budget	754	980	73	1,808
YTD	1,419	2,671	1,492	5,582
SMG2001				
Budget	0	0	0	0
YTD	1,772	1,580	51	3,403
SMG2002				
Budget	0	0	0	0
YTD	37	251	0	288
SMJ2002				
Budget	5,880	5,220	2,281	13,381
YTD	0	818	3,644	4,462
SMJ2003				
Budget	0	0	0	0
YTD	0	489	2,137	2,626
STF2003				
Budget	5,563	5,562	5,563	16,688
YTD	5,391	4,712	4,830	14,933
TST2004				
Budget	0	0	1,905	1,905
YTD	83	0	0	83
Total				
Budget	14,419	11,763	9,822	36,004
YTD	8,702	10,523	13,250	32,475

YTD sales volume is currently nearly 3.5 K m³ lower than budget. The 1Q performance was slightly worse than planned (36.0 K m³ planned against 32.5 K m³ actuals, -10%).

During this 1Q 2025, harvesting operations were spread on 4 farms: Santa Fé (STF), Bambu (BAM), Santa Maria do Jauru (SMJ) and São Miguel (SMG). There was also the finalization of loading from last year operation on Terra Santa (TST).

In January and February, logistic constraints caused by a countrywide shortage of Methyl Bromide (chemical used for fumigation of containers) caused a reduction on movements. During March, a recuperation was observed, but still not enough to reach the planned volumes for the quarter.

Sales Summary – Year end estimate

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
BAM1999													
Budget	2.221	0	0	0	0	0	0	0	0	0	0	0	2.221
YEE	0	1	1.096	0	0	0	0	0	0	1.031	258	0	2.387
BAM2000													
Budget	754	980	73	0	0	0	0	0	0	0	0	0	1.808
YEE	1.419	2.671	1.492	1.047	0	0	0	0	1.084	3.023	2.003	1.960	14.699
BAR2002													
Budget	0	0	0	2.245	4.242	3.313	4.495	2.603	0	0	0	0	16.898
YEE	0	0	0	0	0	490	3.919	4.198	1.589	1.748	309	0	12.253
BAR2003													
Budget	0	0	0	0	0	0	0	0	284	222	0	0	506
YEE	0	0	0	0	0	14	0	0	202	0	0	0	216
DLG2000													
Budget	0	0	0	0	0	0	0	0	0	1.456	0	0	1.456
YEE	0	0	0	0	0	0	0	0	0	0	0	0	0
DLG2005													
Budget	0	0	0	0	0	0	0	0	0	1.827	978	0	2.806
YEE	0	0	0	0	0	0	0	0	0	0	1.575	1.805	3.380
SAJ2008													
Budget	0	0	0	0	0	0	0	0	0	0	0	0	0
YEE	0	0	0	0	0	0	0	0	0	135	0	0	135
SMG2001													
Budget	0	0	0	0	0	0	0	0	0	0	0	0	0
YEE	1.772	1.580	51	0	0	0	0	0	0	0	0	0	3.403
SMG2002													
Budget	0	0	0	0	0	0	0	0	0	0	0	0	0
YEE	37	251	0	0	0	0	0	0	0	0	0	0	288
SMJ2002													
Budget	5.880	5.220	2.281	0	0	0	0	2.433	2.495	428	2.039	615	21.391
YEE	0	818	3.644	5.059	3.333	0	0	1.331	4.140	1.094	0	0	19.418
SMJ2003													
Budget	0	0	0	0	0	0	0	0	312	3.019	2.427	4.069	9.828
YEE	0	489	2.137	2.139	0	0	0	0	0	1.400	0	0	6.165
STF2003													
Budget	5.563	5.562	5.563	4.442	2.563	2.563	2.562	2.563	2.562	2.562	2.563	2.562	41.631
YEE	5.391	4.712	4.830	1.888	860	0	0	0	0	3.019	4.110	3.360	28.170
TST2004													
Budget	0	0	1.905	3.952	4.809	3.953	6.303	4.685	3.952	3.514	0	0	33.074
YEE	83	0	0	0	504	4.931	8.047	7.798	2.887	0	0	0	24.250
Total													
Budget	14.419	11.763	9.822	10.639	11.614	9.829	13.360	12.284	9.606	13.029	8.007	7.247	131.617
YEE	8.702	10.523	13.250	10.134	4.697	5.435	11.966	13.327	9.902	11.450	8.255	7.125	114.765

Currently projected sales volume for the year is 13% below budget.

The Indian market is currently under stress due to oversupply from other competing origins. This forced operations to be reduced during the 2Q. At this moment, it was preferred to not forecast a recuperation of these volumes during the year as the operational capacity would be a constraint to achieve it.

We are also trying to find other local sawmills that can buy logs directly from Floresteca to improve sales of what is not being exported.

Yields - Final Harvests

Table: Log sales final harvest, stands planned for 2024

Project	Planting Year	Site Class	DBH (cm)		BA (m ² /ha)		AREA (ha)		VOL (m ³ /ha)		REMOVED (TPH)	
							FYB	YTD	FYB	YTD	FYB	YTD
DLG	2001	S2	28,2	28,2	10,4	10,4	46,4	46,4	41,4	43,3	201	164
SMJ	2002	S1	36,5	36,5	14,0	14,0	19,9	19,9	109,0	74,9	141	132
		S2	32,1	32,1	15,6	15,6	40,7	40,7	90,1	69,6	218	189
		S3	21,1	21,1	10,9	10,9	28,7	28,7	29,5	35,9	321	294
STF	2003	S1	35,5	35,5	17,3	17,3	337,2	337,2	98,4	100,2	179	179
		S2	30,4	30,4	13,3	13,3	19,3	19,3	85,9	57,8	172	185
TST	2004	S1	37,5	37,5	16,5	16,5	288,6	288,6	96,5	88,2	150	146
Total			35,6	35,6	16,2	16,2	780,8	780,8	91,3	86,7	176	170

The table shows planned sales of 2024. This table shows only stands where operations are fully finished, so that the yields per hectare are comparable.

2024 Planned

During 1Q2025, harvesting activities still occurred in planned stands of 2024 in BAM and SMG projects. However, there are no stands concluded on either project yet.

As explained before, in DLG and SMJ projects the Pre-Harvesting Inventory identified a lower tree count compared to the Continuous Inventory on the stands that were actually harvested.

Additionally, misestimations of commercial heights were observed in SMJ, while higher fungal diseases in TST and site class 2 of STF caused hard-to-predict losses.

However, on the weighted average, yields were close to the budgeted (86.7 m³/ha actual against 91.3 m³/ha budgeted).

- Table = 2024 budget stands. Total values (volume, area and trees) planned and performed until end of 1Q 2025.
- DBH and BA are the latest measured data.

Yields - Final Harvests

Table: Log sales final harvest, stands planned for 2025

Project	Planting Year	Site Class	DBH (cm)	BA (m ² /ha)	AREA (ha)	VOL (m ³ /ha)	REMOVED (TPH)
					FYB	FYB	FYB
BAM	1999	S2	23,3	14,1	53,7	41,4	320
	2000	S2	27,1	15,5	40,2	60,5	263
		S3	21,6	10,6	36,6	38,8	281
BAR	2002	S1	31,6	16,3	202,0	95,0	204
		S2	22,1	12,8	85,9	29,5	323
	2003	S1	36,7	23,3	3,9	161,8	216
DLG	2000	S2	27,9	9,5	38,4	38,0	146
	2005	S2	27,4	9,7	95,6	28,8	161
		S3	24,1	7,3	46,1	14,9	152
SMJ	2002	S1	34,0	15,1	327,3	81,7	172
	2003	S1	39,2	16,3	123,6	99,4	138
STF	2003	S1	30,8	16,8	100,9	75,7	255
		S2	25,3	14,4	549,3	48,2	285
		S3	22,9	13,7	153,7	49,0	273
TST	2004	S1	36,6	16,4	385,2	85,1	162
		S2	26,5	16,7	10,7	61,2	315
Total			30,9	15,0	2.253,0	65,4	221

- Table = 2025 budget stands. Total values (volume, area and trees) planned and performed until end of 1Q 2025.
- DBH and BA are the latest measured data.

The table shows planned sales of 2025. This table shows only stands where operations are fully finished, so that the yields per hectare are comparable.

2025 Planned

Operations have already begun in the stands of BAM and SMJ projects during this quarter, however, no stand has been fully completed yet. So, the adjacent table presents the projected yields for 2025.

Log Sales & Prices

Roadside Prices Comparison 2025 YTD

Girth Class	Description	Volume m ³		Value USD		Avg RS Price (USD/m ³)		Avg Girth (cm)		Proportion	
		Budget	YTD	Budget	YTD	Budget	YTD	Budget	YTD	Budget	YTD
40-50	Regular	0	558	0	17.380	0	31	0	45	0%	2%
	Channel	0	0	0	0	0	0	0	0	0%	0%
50-60	Regular	2.844	3.802	160.777	169.847	57	45	60	60	8%	12%
	Channel	0	0	0	0	0	0	0	0	0%	0%
60-70	Regular	6.798	9.770	384.257	554.835	57	57	75	69	19%	30%
	Channel	0	0	0	0	0	0	0	0	0%	0%
70-80	Regular	8.738	1.148	493.927	80.987	57	71	75	74	24%	4%
	Channel	0	0	0	0	0	0	0	0	0%	0%
80-90	Regular	8.851	4.910	784.173	443.913	89	90	85	85	25%	15%
	Channel		363		23.032	0	63	0	86	0%	1%
90-100	Regular	3.847	2.866	426.339	323.031	111	113	95	95	11%	9%
	Channel	0	1.059	0	87.504	0	83	0	97	0%	3%
100-110	Regular	1.409	1.106	190.988	152.114	136	137	105	105	4%	3%
	Channel	470	1.421	44.564	136.960	95	96	0	104	1%	4%
110-120	Regular	925	937	150.671	154.602	163	165	115	115	3%	3%
	Channel	925	2.658	105.470	306.481	114	115	0	116	3%	8%
120-130	Regular	220	47	42.308	9.200	193	195	125	123	1%	0%
	Channel	659	1.828	88.847	248.600	135	136	0	124	2%	6%
130-140	Regular	0	0	0	0	0	0	135	0	0%	0%
	Channel	273	0	49.680	0	182	0	0	0	1%	0%
140-150	Regular	0	0	0	0	0	0	145	0	0%	0%
	Channel	45	0	8.110	0	182	0	0	0	0%	0%
Total Geral		36.004	32.475	2.930.112	2.708.486	81	83	98	89	100%	100%

Total average price closed the quarter 2% better than budgeted. FSA sells to TRC at the roadside, with the pricing determined by the latest Consufor price survey available at the time of the transaction.

According to the Consufor report, prices have still risen in the last quarter of 2024 (which based the 1Q 2025 prices), but stabilized on the 1Q 2025 (which will base prices for 2Q 2025).

Prices for defective logs, such as channeling or crooked, are given a discount on their Consufor value (30%). Sales are then detailed separately for regular and discounted (channel) logs.

It is important to state that the thicker one tree is, the higher the incidence of channels in its bottom log. Hence, the higher differentiation in price for thicker logs. The presence of channels can also be related to genetic material, site quality and size of the bottom log of the forests being harvested at the moment.

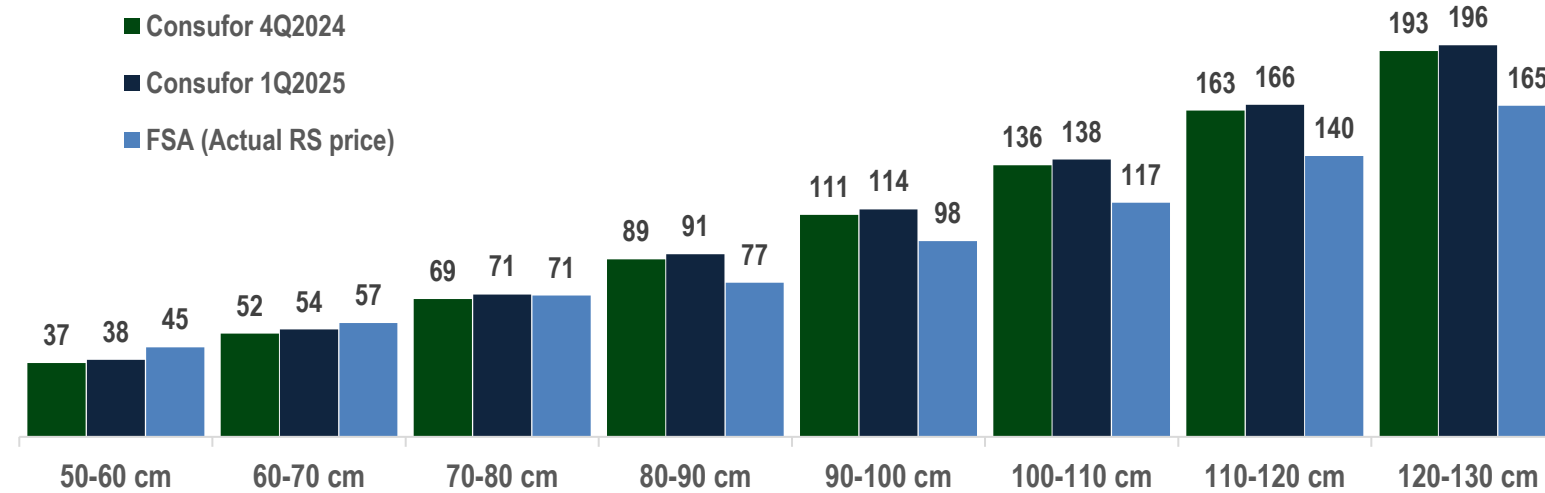
Budget prices consider the incidence of channel logs at the following proportions:

- <100 m : 0%
- 100-110 cm : 25%
- 110-120 cm : 50%
- 120-130 cm : 75%
- 130+ cm : 100%

Weighted prices are then calculated accordingly.

Log Sales & Prices

Floresteca S.A (YEE) vs Consufor roadside prices (USD/M³)



Consufor reports the price for regular logs, which are shown on this graph. All defective logs are given a 30% discount on their reference price. It is important to state that the thicker one tree is, the higher the incidence of channels in its bottom log. Hence, the higher differentiation in price for thicker logs.

Market Update

India

Between December and February, Ecuador maintained the strong sequence of arrivals to India, leading with 35% market share. Brazil and Ghana followed with 20% and 12% respectively.

Even though the inventory in the end February is 8% lower compared to the end of the last quarter, it is still considered very high and is bringing uncertainty and pressure on prices. Especially in North India. There has been some sharp decreases in prices, especially for cargo arriving to India unsold.

The Central American season is expected to kick in during Q2, but rumors are that it will be shorter than usual because of current market conditions. TRC is also holding back production of final harvest in Mato Grosso to avoid worsening the situation. The current view is that this bad conditions should last for another 2 or 3 months.

*At the time of closing this report, we still did not have data on March arrivals.

Project Results to Date

Harvest Report Amounts Paid and Provisions (in USD):

2016 HR	7,841,879
2017 HR	5,645,549
2018 HR	1,977,316
2019 HR	6,103,896
2020 HR	81,498
2021 HR	1,908,246
2022 HR	153,351
2023 HR	0
2023 HR	18,648
Total	23,730,383
Paid	-10,085,073
Outstanding	13,645,310

Legal and Compliance Update

TERRA SANTA, BAMBU IV AND PARAISO FARMS – OVERVIEW

The three farms have land use deals (“LUDs”, also “Usufruct Agreements”) with the same landowner, Mr. Antonio Frigieri Filho and his wife Jacqueline da Costa Marques Frigeiri. Under these LUD agreements, they own a specific part of the planted area in each farm. The precise terms and the percentage area differ in each agreement. They received some advance payments for the final harvest proceeds under the agreements that shall be deducted from the actual final proceeds. It bears stating that the likely amounts to be received by the Landowners for the 3 farms are at present less than the advance payments, or at least will largely reduce the net amounts payable to them.

• Terra Santa

04/15/2025: the judge of the claim (i) informs that the creditor is allowed to refuse the designation of an asset that does not comply with the legal order of preference, (ii) grants a period of 5 days for FRIGIERI to prove the payment, under penalty of enforced execution, and (iii) grants a period of 5 days for the creditor to submit an updated calculation spreadsheet of the judgment amount, including applicable legal penalties.

04/02/2025: in the JUDGMENT ENFORCEMENT the Plaintiff is notified to pay or to contest the debt.

02/21/2025: FSA's attorneys submit a petition to the judge of the claim to inform that (i) given the expiration of the payment deadline, the debt amount should be increased by a 10% penalty; (ii) they refuse the 3.26 hectares of teak from the plantation managed by FSA on the Terra Santa farm as collateral. Finally, they identify the Paraíso farm as an asset for seizure.

02/03/2025: FSA requests that FRIGIERI be notified to pay the amount of 32,663.23 BRL as reimbursement of court costs and expenses (“JUDGMENT ENFORCEMENT”1).

Legal and Compliance Update

LUD claim on BAMBU IV FARM

Overview: FRIGIERI, the landowner of Bambu IV Farm, claims to the termination of the land use deal, and compensation for losses related to the expected harvest. A preliminary injunction filed by FRIGIERI requesting (i) the immediate harvest; (ii) stumps removal and (iii) the immediate repossession of Bambu IV Farm, was denied by the local Court of Appeals. The preliminary hearing occurred on 02/03/2020, with no settlement. FSA and LHS filed their answers in the case, contested by FRIGIERI.

02/28/2025: The expert presents the expert report and requests payment of their deposited fees

LUD claim on BAMBU IV FARM – Filed by FSA

Overview: LHS claims for the immediate payment of the debt by FRIGIERI - approximately BRL220,000.00, related to advanced payments made for FRIGIERI of the final harvest..

No news since the last report.

Legal and Compliance Update

LUD claim on PARAISO FARM:

Overview: FRIGIERI filed a lawsuit against FSA for breach of contract regarding the usufruct of the Paraiso Farm. FRIGIERI allege that FSA failed to fulfill its contractual obligation to maintain the property's Rural Environmental Registry (CAR), resulting in financial losses for FRIGIERI. The plaintiffs seek a court order compelling FSA to regularize the CAR and demand compensation for moral damages in the amount of R\$30,000.00. FRIGIERI also claim their reputation is tarnished due to the irregularities, hindering their access to financial resources

04/15/2025: the COURT OF APPEALS announces the trial for a date between 05/12/2025 and 05/15/2025 (in this kind of trial, the parties cannot present their verbal arguments).

03/19/2025: FSA presents an opposition against the appeal filled by FRIGIERI on 02/20/2025, and argues that the decision of 02/03/2025 should be upheld, as it is in line with the case law.

02/20/2025: FRIGIERI files an appeal seeking the reversal of the decision dated as 02/03/2025, which dismissed his appeal, based on the following grounds: (i) there is no identity between the claims that would characterize a procedural splitting, as one claim involves an obligation related to environmental regularization and compensation for moral damages, while the other concerns material damages related to the restitution of possession; (ii) there was no request from the opposing party to consolidate the actions, indicating that the alleged identity is not relevant; (iii) infringement of the right to a fair hearing and full defense, as the case was dismissed without producing evidence that could demonstrate the distinction between the cases; (iv) violation of the principle of the judiciary's jurisdictional guarantee, preventing the appellants from accessing a merits judgment.

Legal and Compliance Update

LUD claim on PARAISO FARM II:

Overview: Frigieri alleges that at Paraiso farm, FSA must (i) clean the areas by cutting and completely removing the remaining teak trees from the 31.01 hectares; (ii) remove the stumps and clean the usufruct areas, making them suitable for cattle farming or sugarcane planting; (iii) repair the allegedly damaged improvements, such as the main house, the three employee houses, and the barn; and (iv) compensate for the losses and damages suffered due to the return of the areas in poor condition. Furthermore, the plaintiff requested a preliminary injunction to compel FSA to carry out the activities in items (i) and (ii), under penalty of a daily fine of 5,000.00 BRL

03/31/2025: FRIGIERI requests (i) expert evidence, and (ii) testimonial evidence.

03/28/2025: FSA requests (i) expert evidence to confirm the renovations carried out by FSA on the improvements of the farm, and (ii) documentary evidence, with the submission of any documents to support the expert evidence and provide counterevidence.

03/12/2025: Parties are notified to present the evidence they wish to produce

Legal and Compliance Update

BAMBU I FARM – OVERVIEW

The farm have had use deal ("LUD", also "Usufruct Agreements") The landowners, Mr. Luiz Plácido Pinto Junior and his wife Rosane Costa Marques Pinto claim for the accountability of the usufruct from Bambu I Farm.

- **Bambu I:**

No news since the last report

BAMBU V FARM – OVERVIEW The farm have had use deal ("LUD", also "Usufruct Agreements") The landowners, Mr. Fernando Augusto Palma Faria and his wife Cristina Adiles Costa Marques Faria claim for the accountability of the usufruct from Bambu V Farm.

- **Bambu V:** No movements since the last report.

Legal and Compliance Update

LUD claim on PAIOLANDIA FARM:

Overview – Rondon Empreendimentos Imobiliários Ltda (“Rondon”) is the landowner of Paiolandia Farm and entered a land use with FSA. Rondon claims for the immediate payment of the debt by FSA, related to the timber of Paiolandia Farm.

03/24/2025: Rondon Company submits a plea for clarification, arguing that the decision from 03/19/2025 should be amended to reflect that Mr. Rondon is responsible for paying the amounts (not Rondon Company).

03/19/2025: the debtor is noticed to pay the amounts within 15 days, under penalty of a 10% fine and 10% attorney's fees.

03/13/2025: FSA and its lawyers begin the enforcement of the judgment in FSA'S OBJECTION, in the following amounts: (i) 11.5% for attorney's fees, (ii) 1.01% for the fine, both applied to the updated value of the case, and (iii) reimbursement of expenses duly updated, subject to the INPC inflation index used by TJMT, as per the summary calculation below:

Value of the case on 10/27/2020: 47,031,856.56 BRL

Updated value of the case on 03/11/2025: 61,621,334.88

BRL Attorney's fees of 11.5%: 7,086,453.51 BRL

Fine of 1.01%: 622,375.50 BRL

Updated court fees since 10/28/2020: 45,339.79 BRL

Execution costs: 490.75 BRL

Total: 7,754,659.55 BRL

02/28/2025: in FSA'S OBJECTION the lower court registry office certifies that the case is unappealable since 02/24/2025.

Legal and Compliance Update

PAIOLANDIA FARM – Director removal lawsuit: First movement since 2023

Overview: Rondon Andrade Porto (partner of Rondon Empreendimentos Ltda) filed a case to remove the rightful Director of the company - Ms. Rebeca de Andrade Porto

03/19/2025: The conciliation hearing is held without an agreement between the parties, and the witnesses are heard. At the end, a deadline is set for the parties to submit closing arguments, and after that, the case will be sentenced.

Outlook on Upcoming Quarters

Operations in FSA were reduced to 3 harvesting crews, as 1 was temporarily stopped given the conditions of the Indian market during April and May. The production will be back to regular in June.

The logistics situation is currently good in Brazil overall, as this is the offseason for most agricultural commodities in the country.

Currently, the ongoing court cases FSA is involved are not causing any operational constraints.

In April, TRC advanced cash for Floresteca for the payment of the annual LUD payment for Barranquinho farm. The landowner was asking for a 2% per month interest to break the payment into installments. TRC agreed to advance cash for a 1% interest (lower than the current Brazilian government interest rates) and the debt will be repaid in 10 monthly installments.

In May, FSA and TRC agreed to update the standing areas that base the G&A fee along the year as harvest gets finalized each month, to bring these expenses back to budget. Even though the contracts states that this should be an annual fee based on the starting area of the year, the methodology will be adapted to avoid higher costs to FSA.

It is important to highlight that many of the actions taken now to preserve cash now are pushing costs to the future, but they should still be covered by FSA cash generation at some point. The main components to this are:

- Areas of final harvest where land clearing was not performed and the land has not yet been formally returned to landowners and FSA may be ruled by court to perform clearing, or at least reimburse their costs (currently 1.800 ha in Paraíso, Duas Lagoas and Santa Fé farms, estimated cost of **USD 1.4 M**).

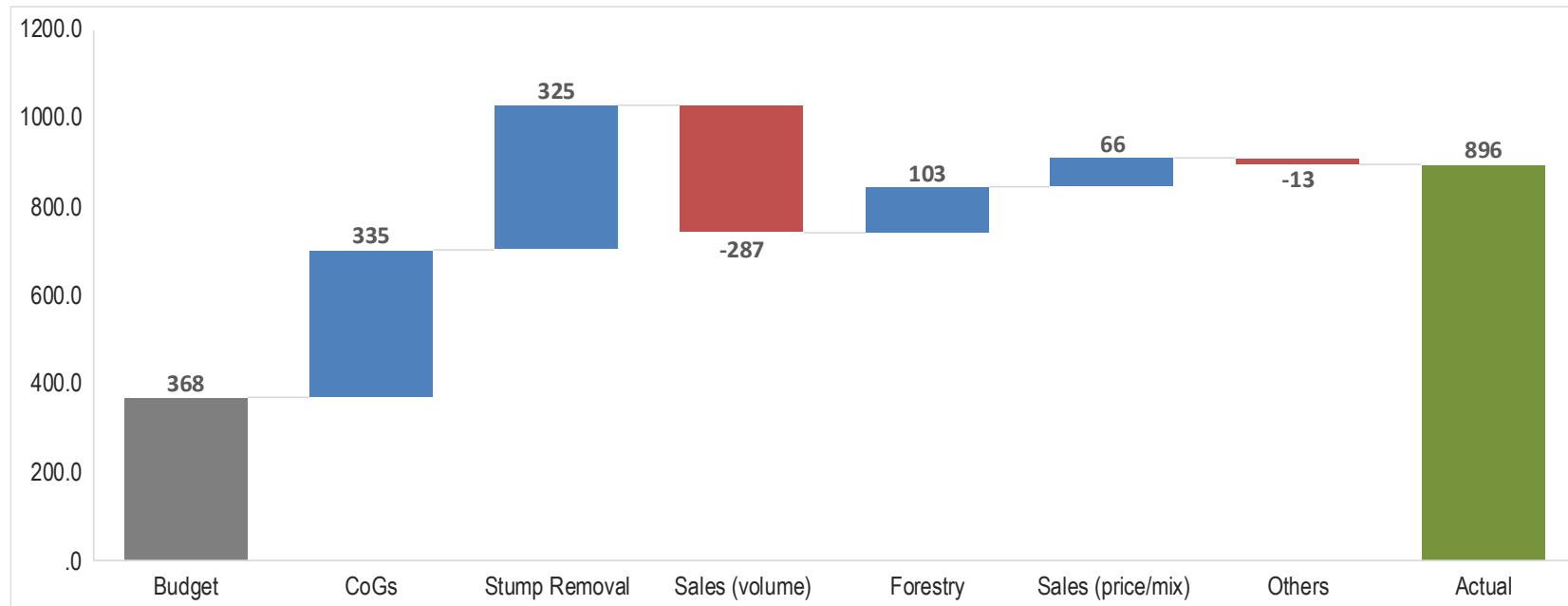
FSA Summary Financial Information

Summary P&L

FSA Profit and Loss (In USD 0,00) Volume	YTD				FY			
	Budget	Actual	Var.	%	Budget	Actual	Var.	%
	36,004	32,475	-3,528	-10%	131,617	114,765	-16,852	-13%
01 - Sales	2,967,612	2,612,594	-355,019	-12%	11,491,027	9,416,803	-2,074,225	-18%
01.01 - Log Sales	2,930,112	2,708,486	-221,627	-8%	11,341,027	9,802,881	-1,538,147	-14%
Fx gain (loss) to Actual	0	-103,381	-103,381	0%	0	-506,068	-506,068	0%
01.03 - Biomass	37,500	6,998	-30,502	-81%	150,000	119,498	-30,502	-20%
01.04 - Other Sales	0	492	492	0%	0	492	492	0%
01.1 - (-) Sales Deductions	-32,295	-125,520	-93,225	289%	-125,000	-218,225	-93,225	75%
02 - Net Sales	2,935,317	2,487,073	-448,244	-15%	11,366,027	9,198,578	-2,167,450	-19%
03 - CoGs	-1,240,705	-905,588	335,117	-27%	-4,441,405	-4,280,399	161,006	-4%
03.01 - Stump Removal	-455,919	-131,365	324,554	-71%	-858,400	-858,400	0	0%
04 - Gross Profit	1,238,693	1,450,120	211,427	17%	6,066,223	4,059,779	-2,006,444	-33%
05 - Operational Expenses	-870,806	-554,544	316,262	-36%	-2,262,382	-2,092,787	169,595	-7%
5.01 - Forestry	-187,661	-84,946	102,715	-55%	-452,252	-496,203	-43,952	10%
5.02 - Property Management	-137,528	-167,403	-29,875	22%	-583,333	-613,208	-29,875	5%
5.03 - G&A Expenses	-55,589	-93,712	-38,123	69%	-216,551	-254,674	-38,123	18%
5.04 - G&A Flat Fee TRC	-170,028	-206,226	-36,198	21%	-690,246	-726,443	-36,198	5%
5.05 - Delayed Mngt Services Costs	-320,000	0	320,000	-100%	-320,000	0	320,000	-100%
5.06 - Other Operational	0	-2,258	-2,258	0%	0	-2,258	-2,258	0%
06 - EBITDA	367,887	895,576	527,689	143%	3,803,841	1,966,992	-1,836,849	-48%
07 - Depreciation/Amortization/Depletion	-3,046,993	-1,669,551	1,377,442	-45%	-4,875,502	-5,713,730	-838,227	17%
7.01 - Depreciation/Amortization	0	-1,584	-1,584	0%	0	-6,162	-6,162	0%
7.02 - Depletion	-3,008,714	-1,654,286	1,354,428	-45%	-4,730,632	-5,587,296	-856,664	18%
7.03 - Financial Income	0	29,256	29,256	0%	0	29,256	29,256	0%
7.04 - Financial Expenses	-38,279	-42,936	-4,658	12%	-144,871	-149,528	-4,658	3%
08 - EBT	-2,679,106	-773,974	1,905,132	-71%	-1,071,661	-3,746,738	-2,675,076	250%
09 - Income Tax	0	0	0	0%	0	0	0	0%
10 - Profit & Loss	-2,679,106	-773,974	1,905,132	-71%	-1,071,661	-3,746,738	-2,675,076	250%

Summary P&L YTD

Operational Result vs Budget, Changes against Budget Amounts (USD, '000s)



The YTD Operational Result was **USD 896 K** versus **USD 368 K** budgeted or a positive variation of **USD 528 K**.

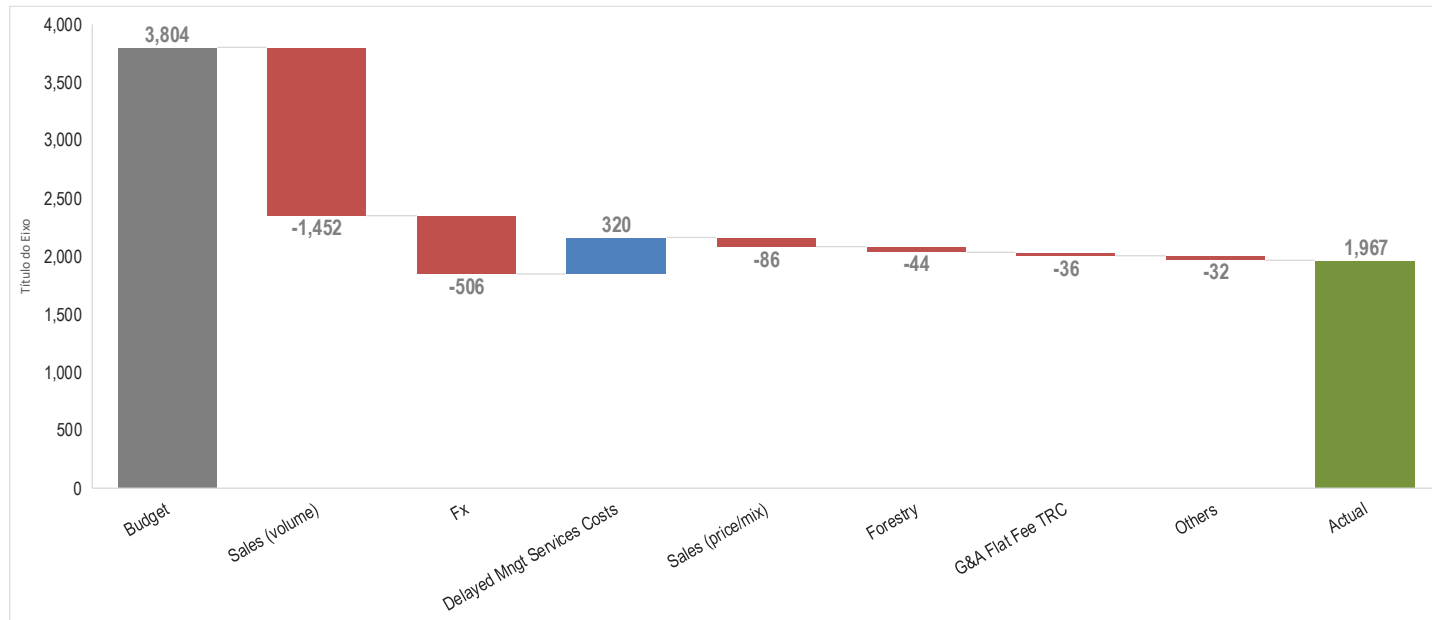
The lower-than-planned volume in this period by **- 3,528 m³** resulted in a negative revenue variation of **USD - 287 K**. Wood sales in 1Q 2025 were impacted by both operational and market-related factors. In January, a bromide shortage temporarily compromised shipments. The lower volume invoiced in the period also results in savings on CoGs, by **USD 335 K**.

There were a temporary saving of **USD 325 K** on the stump removal and **USD 103 K** on forestry costs (mainly from road maintenance); however, these costs are still expected to occur later in the fiscal year.

The improvement in the Consufor price compared to what was considered in the budget reflects the positive impact of price on revenue (**USD 66 K**).

Summary P&L YEE

Operational Result vs Budget, Changes against Budget Amounts (USD, '000s)



The overall FY Operational Result amounted to **USD 1,9 M**, falling short of the budgeted **USD 3,8 M**, resulting in a negative variance of **USD 1,8 M**.

The lower volume projected for the year by **- 16,852 m³** results in a negative variation of **USD - 1,4 M**. Apart of what was explained on the YTD slide, this can be mainly attributed to market factors affecting sales to India. In April, sales to the IND market were affected by an oversupply of wood from other markets, which pressured prices and made it unfeasible to sell certain log classes, ultimately impacting profitability.

The negative effect on Fx rate is due to BRL appreciation in comparison to the budget expectation. The budget Fx rate was **6.00** but the average for the 1Q 2025 was **5.81**.

The P&L budget included the amount of TRC invoices that were delayed in 2024 and postponed for payment in 2025 (**USD 320 K**). However, these were already paid in late 2024, impacting only the 2025 cash flow.

Sales (price/mix) are showing a minor negative variation of USD 86K, as prices are considered to remain stable from the remainder of the year.

The G&A Flat Fee TRC exceeded the budget (**USD - 36 K**) as the area considered for the calculation is larger than planned for 2025, driven by the carryover of unfinished 2024 projects. In May, FSA and TRC agreed to review this area along the year as harvest gets finalized, to bring the expenses back to budget. However, this is not yet reflected on the numbers presented here.

Cost of Production Summary - YTD

Harvesting Cost, per activity:

Type	Act. Group	Unit	Total Cost (BRL)		Quantity (un)		Unitary Cost (BRL/un)	
			Actual	Budget	Actual	Budget	Actual	Budget
Harvesting	Forwarding	m³	2,199,219	1,998,293	44,991	40,360	49	50
	Loading	m³	377,627	665,262	32,340	43,486	12	15
	Felling	m³	2,263,735	2,113,718	38,027	40,039	60	53
	Lot Formation	m³	1,118,028	1,505,728	32,987	38,879	34	39
	Ajuste		1,329,388	0	0	0	0	0
	Taxes		453,971	648,312	0	0	0	0
	Stump Removal	ha	640,296	1,728,916	210	617	3,044	2,800
	Soil Prep	ha		442,304	0	0	0	0
	Tree Selection	ha	29,219		367	0	80	0
	Operational Support -		912,569	1,131,452	0	0	0	0
	Soil Prep	ha	251,977	524,477	197	375	1,278	1,400
Grand Total			9,576,027	10,758,463				

Total Activities		YTD	Budget	Var %
COP	BRL	8,683,755	7,444,232	17%
Commercial Vol. + Stock Vol.	m³	41,213	36,004	14%
COP/m3	BRL	211	207	2%
Cost of Goods Sold (CoGs)		5,433,528	0	0%
Accounting adj. (CoGs - COP)		-3,250,227	0	0%
Land Clearing		YTD	Budget	Var %
Soil Prep	BRL	251,977	0	0%
Stump Removal	BRL	640,296	2,735,514	-77%
Area	ha	210	0	0%
Area	ha	197	617	-68%
Soil prep	BRL/ha	1,198	0	0%
Stump Removal	BRL/ha	3,248	4,434	-27%
TOTAL		YTD	Budget	Var %
COP + Land Clearing	BRL	9,576,027	10,179,746	
BRL/USD Budget Rate		6.00	6.00	0%
COP + Land Clearing	USD	1,596,005	1,696,624	-6%

Overall, total costs associated with harvesting and land clearing were 10% lower than budget.

Looking specifically to harvesting and associated activities, unitary costs are in line with budget (+2%).

Even though sales volume were below budget, total production including the variation of stocks in the farms has surpassed the target for the quarter.

Stump removal is still underway in CMB and also started in SMG, but it has run at a lower pace than budgeted. 210 hectares were concluded in stump removal and 197 on soil prep (piling the remaining residues).

The Adjustment shows on the first table represents the difference between the actual expenditures incurred in the period (effective cost of production) to the estimated costs of the resources used registered by our operational controls (standard cost).

For a better reconciliation with P&L, the information of the Cost of Goods Sold (CoGs) was included, meaning the average cost of production from effectively sold volume in the balance sheet. In addition, the Accounting adj. is the difference between the Cost of Production (COP) and the Cost of Goods sold and represents the variation in stock/inventories in the period.

Silvicultural Operations Summary - YTD

Forestry Operations YEE

Type	Act. Group	Unit	Total Cost (BRL)		Quantity (un)		Unitary Cost (BRL/un)	
			Actual	Budget	Actual	Budget	Actual	Budget
	Firebreaks	ha	44,125	0	132	0	334	0
	Inventory	parc	29,227	94,469	178	449	164	210
	Roads	km	25,605	880,000	5	160	5,436	5,500
Silviculture	Weed Control	ha	145,844	127,840	184	176	795	728
	Taxes	--	35,813	23,654	0	0	0	0
	Adjustment	--	223,595	0	0	0	0	0
	Forwarding	m ²	1,495	0	0	0	0	0
Grand Total	Planting	ha	3,292	0	0	0	0	0
			508,996	1,125,963				

Forestry costs are just 45% of the original plan for the quarter. The variation is coming from the postponing of expenses on road maintenance. With the delay in starting operations on TST and BAR, the improvement of the road system of these 2 farm were also pushed to the 2Q.

Inventory measurements are also behind schedule, but will be performed as planned.

Weed control is being done for safety reasons – basically the mowing of teak sprouts before harvesting activities.

Adjustment is the difference between the actual expenditures incurred in the period (effective) to the estimated costs of the resources used registered by our operational controls (standard cost).

General & Administrative Expenses

G&A / Overhead Summary YTD

FSA Total Overhead Costs (In USD 0,00)	YTD	YTD	Var.	%
	Budget	Actual		
5.02 - Property Management	-137,528	-167,403	-29,875	22%
5.03 - G&A Expenses	-55,589	-93,712	-38,123	69%
5.04 - G&A Flat Fee TRC	-170,028	-206,226	-36,198	21%
TOTAL	-363,146	-467,341	-104,195	29%

G&A / Overhead Summary YEE

FSA Total Overhead Costs (In USD 0,00)	FY	FY	Var.	%
	Budget	Actual		
5.02 - Property Management	-583,333	-613,208	-29,875	5%
5.03 - G&A Expenses	-216,551	-254,674	-38,123	18%
5.04 - G&A Flat Fee TRC	-690,246	-726,443	-36,198	5%
TOTAL	-1,490,130	-1,594,325	-104,195	7%

G&A own expenses include direct FSA costs, such as the remuneration of the administrators and financial statements audit, among others.

Property costs are showing a negative variance of **USD - 30 K**, mainly due to TRC invoices exceeding the budgeted amount for the FY. This is related to the final area, which was larger than expected in the budget. The lower-than-planned volume resulted in a higher residual area.

The main reason for the increase in G&A expenses is related to legal expenses exceeding the budget and taxes that were not included in the budget.

The G&A Flat Fee TRC exceeded the budget (**USD - 36 K**) as the area considered for the calculation is larger than planned for 2025, driven by the carryover of unfinished 2024 projects.

In May, FSA and TRC agreed to update the standing areas that base the G&A fee along the year as harvest gets finalized each month, to bring these expenses back to budget. Even though the contracts states that this should be an annual fee based on the starting area of the year, the methodology will be adapted to avoid higher costs to FSA.

Cash Summary - YEE

Actual and Budget Cash Flow USD

FSA Cash Flow (In USD 0,00)	1Q2025		2Q2025		3Q2025		4Q2025		2025		Var.
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	FY	
	Fx rate		5.00 5.81		5.00 5.76		5.00 5.76		5.00 5.77		
Initial Balance	166,667	603,678	401,801	484,618	998,188	318,311	1,267,067	43,938	166,667	603,678	437,012
Gross Revenues	2,904,705	2,451,805	2,754,271	2,331,668	2,593,429	2,167,365	2,848,583	3,159,517	11,100,988	10,110,356	-990,632
Log Sales	2,904,705	2,414,238	2,754,271	2,331,668	2,593,429	2,167,365	2,848,583	3,159,517	11,100,988	10,072,790	-1,028,198
Other Sales	0	37,566	0	0	0	0	0	0	0	37,566	37,566
(-) Sales Deductions	-25,645	-12,586	-22,852	-43,533	-25,108	-44,223	-20,146	-33,443	-93,750	-133,785	-40,035
Net Revenues	2,879,060	2,439,219	2,731,419	2,288,135	2,568,321	2,123,143	2,828,438	3,126,074	11,007,238	9,976,571	-1,030,667
Harvesting	-1,240,705	-1,474,378	-1,056,624	-1,056,624	-1,185,476	-1,185,476	-958,756	-958,756	-4,441,561	-4,675,233	-233,673
Stump Removal	-455,919	-155,039	-177,090	-277,383	-140,778	-241,072	-84,612	-184,906	-858,400	-858,400	0
Forestry Costs	-187,661	-180,997	-143,335	-192,224	-94,372	-143,261	-26,884	-75,773	-452,252	-592,255	-140,004
Property Costs	-137,528	-140,216	-141,282	-141,282	-134,609	-134,609	-169,914	-169,914	-583,333	-586,021	-2,688
G&A Own expenses	-25,843	-34,582	-25,497	-25,497	-25,222	-25,222	-26,656	-26,656	-103,218	-111,957	-8,739
TRC Services	-209,500	-198,820	0	0	0	0	0	0	-209,500	-198,820	10,680
Flat Fee	-170,028	-214,850	-171,707	-171,707	-173,401	-173,401	-175,110	-175,110	-690,246	-735,067	-44,822
LUD	0	0	-206,333	-410,763	0	-158,585	0	0	-206,333	-569,348	-363,015
Operational Cash Generation	451,875	40,336	809,551	12,654	814,464	61,518	1,386,505	1,534,960	3,462,395	1,649,468	-1,812,927
Legal Expenses	-29,746	-25,796	-31,263	-33,500	-26,163	-28,400	-26,163	-28,400	-113,333	-116,096	-2,763
Financial expenses	0	3,780	0	-1,150	0	-1,150	0	-1,150	0	330	330
Income tax	0	0	0	0	0	0	0	0	0	0	0
Loan	-78,745	-37,129	-73,650	-34,727	-411,173	-193,871	-403,878	-190,432	-967,447	-456,158	511,289
Transfers to FBV/SATT	-108,250	-103,513	-108,250	-101,495	-108,250	-101,495	-108,250	-101,495	-433,000	-407,998	25,002
Legal Provision VTP	0	-466	0	0	0	0	0	0	0	-466	-466
Cash Generation	235,134	-122,788	596,388	-158,218	268,879	-263,398	848,215	1,213,483	1,948,615	669,079	-1,279,536
Fx gain/loss	0	3,728	0	-8,090	0	-10,975	0	50,562	0	35,225	35,225
Closing Balance	401,801	484,618	998,188	318,311	1,267,067	43,938	2,115,282	1,307,983	2,115,282	1,307,983	-807,299

The operational cash generation for the 1Q was lower by USD 440 K, but this an effect only of receivables paid in advance still in 2024 to cover the year end holidays. The lower sales are compensated by a higher initial balance.

For the year, projections show a negative variance of **USD - 1,8 M**, because of the volume reduction because of market conditions on the 2Q.

In January, FSA was able to pay all previously opened harvesting and flat fee invoices, amounting to **USD 198 K**, which had been delayed due to cash shortages. All invoices issued in 2025 are being settled on time.

As noted on the P&L slide, stump removal is showing savings of **USD 300 K** in 1Q 2025, due to delays in the execution of the activity, which is not being carried out as originally planned in the budget. This amount is expected to be incurred later in the FY.

Forestry is over budget by **USD 140 K**, related to supply purchases that occurred in 1Q 2025.

FSA is expected to end each quarter with a positive cash position, even though some cash gaps may occur in between. Once again, some invoices to TRC may be delayed to cover them.

FSA Balance Sheet

Floresteca S.A- Balance Sheet position of March 31, 2025

ASSETS				LIABILITIES AND EQUITY		FX RATE- ASSETS	5,7416
						FX RATE - LIABILITIES	5,7422
	RS	\$		RS	\$		
CURRENT ASSETS			CURRENT LIABILITIES				
Cash and cash equivalents	2.780.695	484.307	Loans and financing	4.567.508	795.428		
Accounts receivable	17.161.729	2.989.015	Suppliers and other accounts payable	3.183.230	554.357		
Inventories	6.579.943	1.146.012	TAX	478.795	83.382		
Other receivables	37.295	6.496	Payroll	45.685	7.956		
Taxes Recoverable	1.463.008	254.808					
Total Current Assest	28.022.670	4.880.638	Total Current Liabilities	8.275.218	1.441.123		
NON-CURRENT ASSETS			Non-current liabilities				
Advances to agricultural partners	7.738.834	1.347.853	Loans and financing	618.307.152	107.677.746		
Other receivables	122.079	21.262	Contingencies	48.925.641	8.520.365		
Deferred taxes	24.745.081	4.309.788	Deferred taxes	-	-		
Forests - Own	539.435.236	93.952.075	Suppliers and other accounts payable	11.719.280	2.040.904		
Property, plant & equipment	246.508	42.934	Deferred taxes	-	-		
Intangible assets	5.185	903					
Total Non-Current Assest	572.292.923	99.674.815	Total Non-Current Liabilities	678.952.073	118.239.015		
			EQUITY				
			Capital	27.797.555	4.840.924		
			Legal reserve	5.559.311	968.150		
			Statement of profit or loss	(1.661.440)	(289.339)		
			Profit Reserve	(118.607.124)	(20.655.344)		
			Foreign exchange adjusts		10.924		
			TOTAL EQUITY	(86.911.698)	(15.124.685)		
TOTAL CURRENT ASSETS	600.315.593	104.555.453	TOTAL LIABILITIES AND EQUITY	600.315.593	104.555.454		

Appendix - Financial Tables

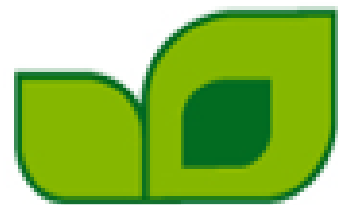
Cash Summary - YEE

YEE and Budget Cash Flow BRL

FSA Cash Flow (In BRL 0,00)	1Q2025		2Q2025		3Q2025		4Q2025		2025		Var.
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	FY	
	Initial Balance	1,000,000	3,519,504	2,410,804	2,782,774	5,989,131	1,833,469	7,602,402	253,082	1,000,000	
Gross Revenues	17,428,228	14,710,829	16,525,625	13,990,010	15,560,572	13,004,192	17,091,500	18,957,105	66,605,926	60,662,136	-5,943,790
Log Sales	17,428,228	14,485,430	16,525,625	13,990,010	15,560,572	13,004,192	17,091,500	18,957,105	66,605,926	60,436,737	-6,169,189
Other Sales	0	225,399	0	0	0	0	0	0	0	225,399	225,399
(-) Sales Deductions	-153,870	-75,515	-137,111	-261,200	-150,645	-265,336	-120,874	-200,659	-562,500	-802,710	-240,210
Net Revenues	17,274,358	14,635,314	16,388,515	13,728,810	15,409,927	12,738,856	16,970,626	18,756,446	66,043,426	59,859,426	-6,184,000
Harvesting	-7,444,232	-8,846,268	-6,339,744	-6,339,744	-7,112,854	-7,112,854	-5,752,535	-5,752,535	-26,649,364	-28,051,401	-1,402,037
Stump Removal	-2,735,514	-930,232	-1,062,540	-1,664,301	-844,671	-1,446,431	-507,675	-1,109,436	-5,150,400	-5,150,400	0
Forestry Costs	-1,125,963	-1,085,984	-860,012	-1,153,345	-566,230	-859,563	-161,304	-454,637	-2,713,509	-3,553,530	-840,021
Property Costs	-825,170	-841,297	-847,692	-847,692	-807,655	-807,655	-1,019,483	-1,019,483	-3,500,000	-3,516,128	-16,127
G&A Own expenses	-155,058	-207,494	-152,982	-152,982	-151,330	-151,330	-159,937	-159,937	-619,308	-671,744	-52,436
Overdue TRC Services	-1,257,000	-1,192,923	0	0	0	0	0	0	-1,257,000	-1,192,923	64,077
Flat Fee	-1,020,171	-1,289,101	-1,030,240	-1,030,240	-1,040,403	-1,040,403	-1,050,660	-1,050,660	-4,141,474	-4,410,404	-268,930
LUD	0	0	-1,238,000	-2,464,581	0	-951,510	0	0	-1,238,000	-3,416,091	-2,178,091
Operational Cash Generation	2,711,251	242,015	4,857,304	75,925	4,886,784	369,109	8,319,032	9,209,757	20,774,370	9,896,806	-10,877,564
Legal Expenses	-178,475	-154,777	-187,575	-201,000	-156,975	-170,400	-156,975	-170,400	-680,000	-696,577	-16,577
Financial expenses	0	22,678	0	-6,900	0	-6,900	0	-6,900	0	1,978	1,978
Income tax	0	0	0	0	0	0	0	0	0	0	0
Loan	-472,472	-222,774	-441,902	-208,360	-2,467,037	-1,163,226	-2,423,269	-1,142,589	-5,804,680	-2,736,949	3,067,732
Transfers to FBV/SATT	-649,500	-621,075	-649,500	-608,970	-649,500	-608,970	-649,500	-608,970	-2,598,000	-2,447,985	150,015
Legal Provision VTP	0	-2,797	0	0	0	0	0	0	0	-2,797	-2,797
Cash Generation	1,410,804	-736,730	3,578,327	-949,305	1,613,272	-1,580,387	5,089,288	7,280,898	11,691,690	4,014,476	-7,677,214
Closing Balance	2,410,804	2,782,774	5,989,131	1,833,469	7,602,402	253,082	12,691,690	7,533,981	12,691,690	7,533,981	-5,157,709



Thank You!



Floresteca