Floresteca S.A.

2Q 2025 Results Summary

June 2025

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Agenda

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Harvest Operations by Farm

Table: Area Changes – 2Q 2025

Project	Planting Year	Initial Area (ha) - End of 4Q 2024	Harvested Area (ha) - 1Q 2025	Harvested Area (ha) - 2Q 2025	Current Area (ha) - End of 2Q 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	762.86	80.99
São Miguel	2001	97.52		97.52	0.00	0.00	0.00
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	0.00		0.00
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		393.86	1,454.95	561.04	893.91
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	272.49	497.09	8,990.05	2,565.37	6,424.68

The table on the left presents FSA projects initial area (ha), based on the end of 4Q2024, the harvested area in 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 2Q2025, stands harvested last year, of Santa Fe project were fully finished. Also, all stands in SMG were concluded.

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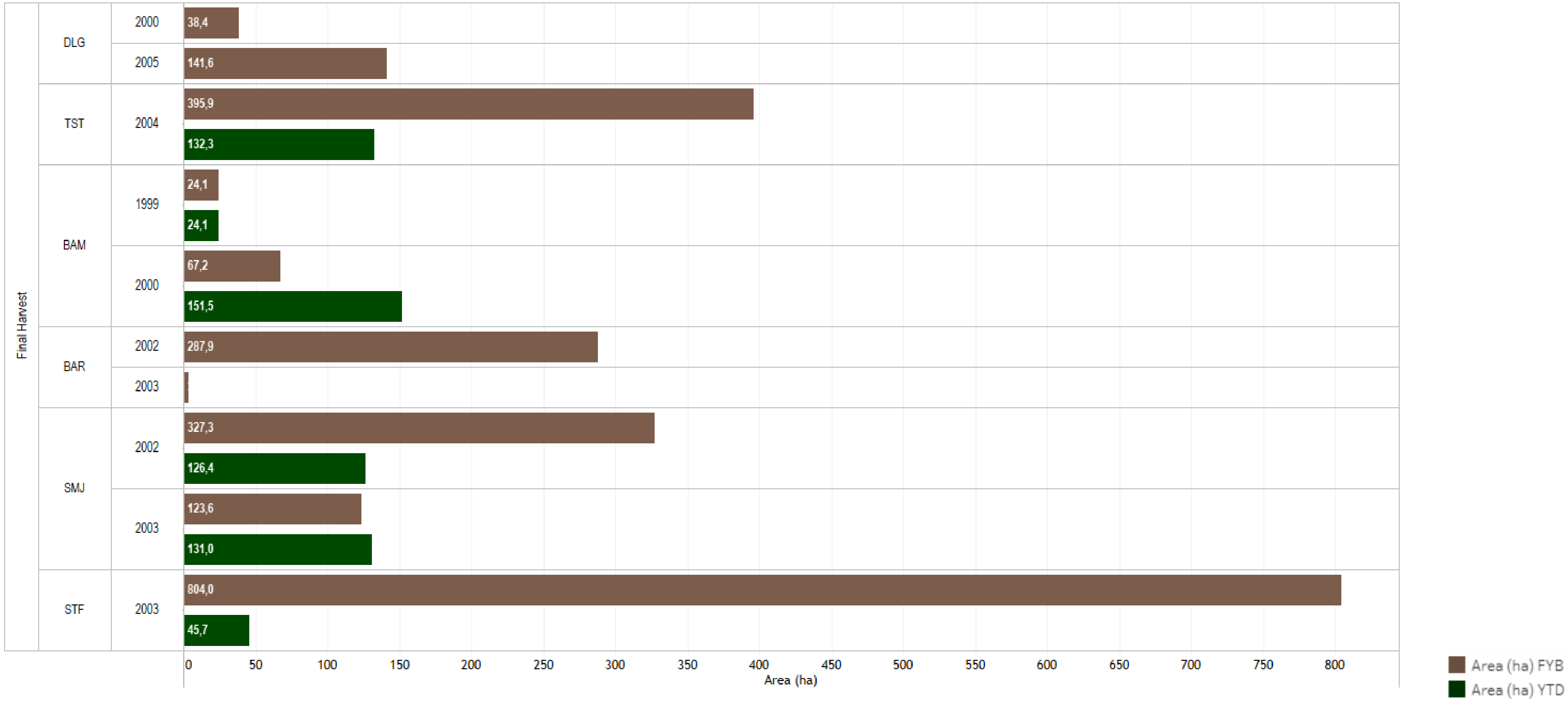
Harvest Operations by Farm

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.
During the second quarter, operations begun in TST project.



Sales Summary – Year to date

	Jan	Feb	Mar	Apr	May	Jun	Total
BAM1999							
Budget	2,221	0	0	0	0	0	2,221
YEE	0	1	1,096	1,470	1,086	610	4,264
BAM2000							
Budget	754	980	73	0	0	0	1,808
YEE	1,419	2,671	1,492	1,285	1,312	1,054	9,233
BAR2002							
Budget	0	0	0	2,245	4,242	3,313	9,801
YEE	0	0	0	0	0	0	0
SMG2001							
Budget	0	0	0	0	0	0	0
YEE	1,772	1,580	51	48	35	0	3,486
SMG2002							
Budget	0	0	0	0	0	0	0
YEE	37	251	0	27	0	0	315
SMJ2002							
Budget	5,880	5,220	2,281	0	0	0	13,381
YEE	0	818	3,644	3,494	3,139	2,872	13,967
SMJ2003							
Budget	0	0	0	0	0	0	0
YEE	0	489	2,137	2,535	1,458	382	7,002
STF2003							
Budget	5,563	5,562	5,563	4,442	2,563	2,563	26,256
YEE	5,391	4,712	4,830	3,807	2,293	2,621	23,654
TST2004							
Budget	0	0	1,905	3,952	4,809	3,953	14,619
YEE	83	0	0	0	0	0	83
Total							
Budget	14,419	11,763	9,822	10,639	11,614	9,829	68,086
YEE	8,702	10,523	13,250	12,668	9,322	7,540	62,005

Year-to-date (YTD) sales volume is currently about 6 K m³ below budget. 2Q performance was slightly worse than planned (32.0 K m³ planned vs. 29.5 K m³ actuals, -8%)

During this 2Q 2025, harvesting operations were spread on 4 farms: Santa Fé (STF), Bambu (BAM), Santa Maria do Jauru (SMJ) and São Miguel (SMG).

In addition to the logistical constraints in 1Q caused by a nationwide shortage of Methyl Bromide (a chemical used for container fumigation), in 2Q we faced commercial issues in the Indian market, which negatively impacted export volumes.

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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	1,470	1,086	610	0	0	0	775	248	0	5,287
BAM2000													
Budget	754	980	73	0	0	0	0	0	0	0	0	0	1,808
YEE	1,419	2,671	1,492	1,285	1,312	1,054	3,408	0	1,307	2,673	1,878	1,169	19,668
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	0	0	3,267	1,513	1,468	639	1,114	8,001
BAR2003													
Budget	0	0	0	0	0	0	0	0	284	222	0	0	506
YEE	0	0	0	0	0	0	0	0	197	0	0	0	197
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	1,537	1,944	3,481
SMG2001													
Budget	0	0	0	0	0	0	0	0	0	0	0	0	0
YEE	1,772	1,580	51	48	35	0	0	0	0	0	0	0	3,486
SMG2002													
Budget	0	0	0	0	0	0	0	0	0	0	0	0	0
YEE	37	251	0	27	0	0	0	0	0	0	0	0	315
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	3,494	3,139	2,872	878	0	0	0	20	0	14,865
SMJ2003													
Budget	0	0	0	0	0	0	0	0	312	3,019	2,427	4,069	9,828
YEE	0	489	2,137	2,535	1,458	382	0	0	0	0	0	0	7,002
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	3,807	2,293	2,621	0	0	0	2,143	3,916	3,810	33,523
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	0	0	2,802	6,568	3,805	1,594	398	0	15,250
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	12,668	9,322	7,540	7,088	9,835	6,822	8,653	8,636	8,037	111,076

Currently projected sales volume for the year is 15% 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.

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Yields - Final Harvests

Table: Log sales final harvest, stands planned for 2024

Project	Planting Year	Site Class	DBH (cm)		BA (m²/ha)		AREA (ha)		VOL (m³/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	43,7	201	164
SMG	2001	S2	29,7	29,7	13,5	13,5	55,6	55,6	62,2	59,5	199	187
	2002	S2	28,7	28,7	13,8	13,8	5,7	5,7	57,9	55,2	201	210
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	100,5	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			35,1	35,1	16,0	16,0	842,1	842,1	89,2	84,9	177	171

- *Table = 2024 budget stands. Total values (volume, area and trees) planned and performed until end of 2Q 2025.*
- *DBH and BA are the latest measured data.*

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 2Q2025, harvesting activities still occurred in planned stands of 2024 in BAM and SMG projects. All the stands in SMG were concluded.

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 (84.9 m³/ha actual against 89.2 m³/ha budgeted).

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Yields - Final Harvests

Table: Log sales final harvest, stands planned for 2025

Project	Planting Year	Site Class	DBH (cm)	BA (m²/ha)	AREA (ha)	VOL (m³/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 2Q 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

During 2Q2025 operations have already begun in some stands of TST project. Also, harvesting activities continuous in BAM and SMJ projects. However, no stand has been fully completed yet. Therefore, adjacent table presents only the projected yields for 2025.

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Log Sales & Prices

Roadside Prices Comparison 2025 YTD

		Volume m³		Value USD		Avg RS Price (USD/m³)		Avg Girth (cm)		Proportion	
Girth Class	Description	Budget	YTD	Budget	YTD	Budget	YTD	Budget	YTD	Budget	YTD
40-50	Regular	0	1,834	0	61,454	0	34	0	45	0%	3%
	Channel	0	0	0	0	0	0	0	0	0%	0%
50-60	Regular	4,933	6,745	278,844	302,005	57	45	60	60	7%	11%
	Channel	0	0	0	0	0	0	0	0	0%	0%
60-70	Regular	11,858	19,690	670,260	1,115,158	57	57	68	69	17%	32%
	Channel	0	0	0	0	0	0	0	0	0%	0%
70-80	Regular	15,117	1,649	854,496	116,596	57	71	76	75	22%	3%
	Channel	0	0	0	0	0	0	0	0	0%	0%
80-90	Regular	16,161	10,189	1,431,796	924,492	89	91	85	85	24%	16%
	Channel		563		35,765	0	64	0	87	0%	1%
90-100	Regular	8,537	4,404	946,184	497,549	111	113	95	95	13%	7%
	Channel	0	3,762	0	306,941	0	82	0	94	0%	6%
100-110	Regular	4,692	1,881	588,463	259,267	125	138	105	0	7%	3%
	Channel	0	2,331	0	225,047	0	97	0	104	0%	4%
110-120	Regular	3,900	1,543	539,889	255,187	138	165	115	0	6%	2%
	Channel	0	4,240	0	489,860	0	116	0	116	0%	7%
120-130	Regular	2,023	118	301,995	23,098	149	195	125	0	3%	0%
	Channel	0	2,841	0	387,163	0	136	0	124	0%	5%
130-140	Regular	705	0	128,251	0	182	0	135	0	1%	0%
	Channel	0	167	0	26,627	0	159	0	134	0%	0%
140-150	Regular	153	0	27,891	0	182	0	145	0	0%	0%
	Channel	0	48	0	8,905	0	184	0	148	0%	0%
150-160	Regular	5	0	948	0	182	0	155	0	0%	0%
	Channel	0	0	0	0	0	0	0	0	0%	0%
	Total Geral	**68,086**	**62,005**	**5,769,017**	**5,035,112**	**85**	**81**	**99**	**87**	**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 held stable on the 1Q 2025 (which based prices for 2Q 2025), but dropped on the last report sent in July (prices for 3Q), reflecting the challenging situation seen on the Indian market from March to June.

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.

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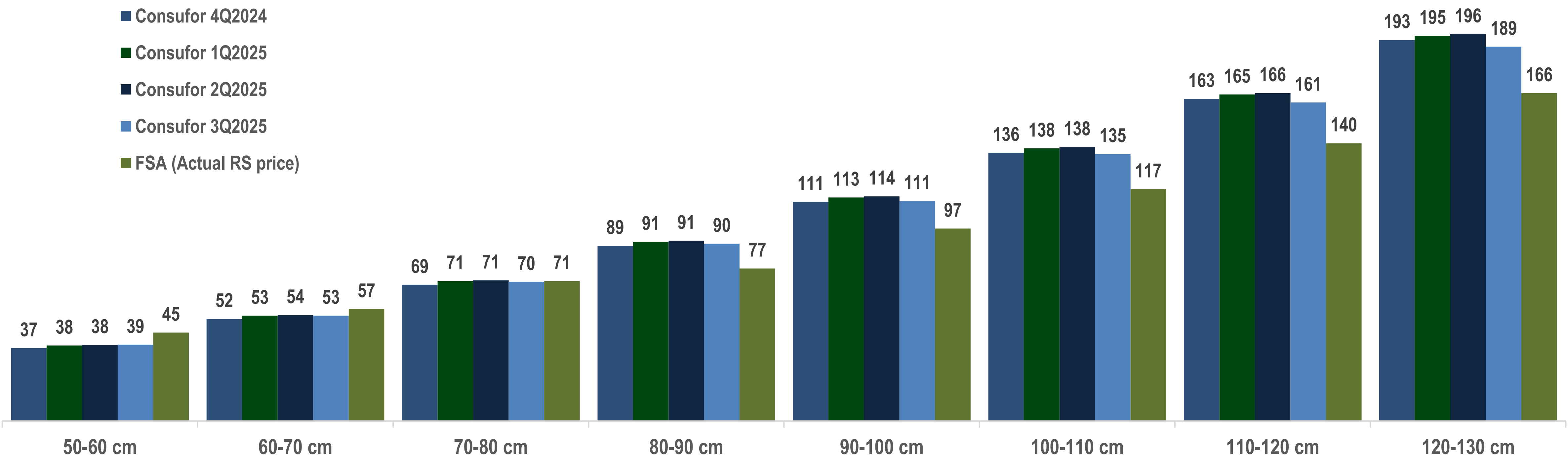
Log Sales & Prices

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.

India

In the 2Q, Panama overtook Brazil and Ecuador as the largest exporter to India, as their season reached its peak. The 3 countries accounted for 22%, 18% and 12% of the arrivals respectively, followed closely by Ghana (11%) and further by Costa Rica (6%).

Even though Panama and Costa Rica show up at the leading 5 origins, their volumes this year were knowingly much lower than they usually ship on a regular season. This is due to market conditions that forced them to hold back on harvests. Brazil also followed this trend (FSA included), which is helping the market to recover faster.

Overall stock across the country were stable during the quarter, but reduced from the highly overstocked situation seen on the 1Q. Stocks were close to 5.000 containers in Jan/Feb, and came down to around 3.900 in Apr/Jun.

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	**-10,130,389**
Outstanding	**13,599,994**

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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**

06/14/2025: the lower court issues a payment order in favor of FSA, in the amount of BRL 33,001.06
05/30/2025: the lower court registry states that the JUDGMENT ENFORCEMENT is unappealable
05/26/2025: the judge of the claim declares the JUDGMENT ENFORCEMENT terminated and orders the issuance of a payment warrant in the name of the creditor.
05/05/2025: Due to the expiration of the deadline without FRIGIERI payment in the main case (total amount claimed by the lawyers: 3,085,696.67 BRL), FSA's attorneys request to the judge of the claim to (i) seizure Paraiso farm, and (ii) notice the real estate registry offices to enroll the seizure.
04/30/2025: in the JUDGMENT ENFORCEMENT FSA requests to the judge of the claim to release the 32,663.23 BRL and to close the JUDGMENT ENFORCEMENT
04/25/2025: in the JUDGMENT ENFORCEMENT FRIGIERI proves the payment of 32,663.23 BRL
04/24/2025: FSA's attorneys submit to the judge of the claim the summary calculation below:

Conviction (20% of 8,938,206.26 BRL): 1,787,641.25 BRL
Updated value from 04/24/2019 to 11/19/2024 by INPC: 2,436,150.69 BRL
Default interest from 11/20/2024 to 3/31/2024 by Selic: 2,550,162.54
Legal fine: 255,016.25 BRL
Legal attorney's fees: 280,517.87 BRL
Total: 3,085,696.67 BRL

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Legal and Compliance Update

LUD clain 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.

07/09/2025: FRIGIERI presents a statement regarding the expert report, informing that the experts conclude that (i) the performance of the plantation at Fazenda Bambu was below expectations for teak in the region; (ii) the low productivity results from several factors, including soil nutrient deficiencies, inadequate water management, failures in forestry management, and technical abandonment by the defendants since 2019, with significant failures in fulfilling contractual obligations, such as thinning and weeding practices carried out with insufficient intensity and frequency, lack of supplemental irrigation, ineffective pest control, and the predominant presence of regrowth, which compromised the uniformity and quality of the wood. Finally, FRIGIERI requests the experts be summoned to answer the supplementary questions formulated, reserving the right to present other questions if necessary.

07/08/2025: FSA and LHS present a statement regarding the expert report, in which they inform that the expert (i) attests that, over the years, management practices such as weed control, pruning, thinning, ant control, and firebreak maintenance were periodically carried out, refuting the claim of abandonment; (ii) points out that the low soil fertility is the main factor for the underperformance, rather than the lack of management. Finally, they conclude that the expert report demonstrates that there was no abandonment of the farm, with low productivity resulting from the natural limitations of the soil, and they request that the action for the extinction of usufruct be dismissed, recognizing that all management and conservation care was provided by the defendants.

LUD clain 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..

07/16/2025: the reporting judge of the COURT OF APPEALS denies the suspensive effect requested in FRIGIERI’S INJUNCTION APPEAL and orders that the execution proceed in its normal course, on the grounds that (i) there is insufficient evidence in the records to show that the blocked amounts constitute the sole source of livelihood for the appellants, (ii) the burden of proof regarding the exemption from attachment rested with the debtors, and (iii) the requirements for granting the appeal's urgent relief were not demonstrated.

07/14/2025: in the main case FRIGIERI files an injunction appeal in which seeks the reform of the decision issued in 06/18/2025, that denied the request for the release of the amounts blocked in its accounts, arguing that: (i) according to the understanding established by the STJ, amounts up to 40 minimum wages are exempt from attachment, except in cases of abuse, bad faith, or fraud, which has not been demonstrated in this case, so this amount should be immediately released to FRIGIERI; (ii) the appeal should be granted suspensive effect, preventing the withdrawal of the amounts until the final judgment of the appeal; and (iii) the release of any amounts before the final judgment of the FRIGIERI'S OBJECTION only should be authorized with a real or fiduciary guarantee by LHS (“FRIGIERI’S INJUNCTION APPEAL”)3.

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Legal and Compliance Update

LUD clain 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..

06/25/2025: LHS submits to the judge of the claim the updated summary calculation below, and requests (i) issuance of a court order ("alvará") to release the blocked amounts for payment, and (ii) to freeze the remaining debt balance in the amount of BRL 82,052.66.

Updated principal amount: BRL 353,946.57
Updated court costs: BRL 6,450.20
Attorneys' fees (10%): BRL 36,039.67
Total debt: BRL 396,436.44
Amount blocked: BRL 314,383.78
Remaining debt balance: BRL 82,052.66

06/18/2025: the judge of the claim denies FRIGIERI's request made on 06/19/2023 to unfreeze the amount equivalent to 40 minimum wages and orders the issuance of a payment order for the frozen funds.
06/05/2025: in FRIGIERI'S OBJECTION, LHS presents an opposition against FRIGIERI's appeal filled on 02/03/2025, requesting the maintenance of the judgment, with an increase in attorneys' fees, based in the following arguments: (i) the debt is certain, liquid, and enforceable, as evidenced by the public deed of usufruct and signed loan receipts; (ii) the contractual guarantee became insufficient after FRIGIERI transferred part of their interest in the teak plantation, reducing their share to 20 hectares, which no longer secures the outstanding debt; (iii) upon notification to reinforce the guarantee, FRIGIERI failed to respond, leading to the automatic acceleration of the debt; and (iv) the trial court rightly denied FRIGIERI's objections and upheld the enforceability of the debt, in accordance with both law and jurisprudence. Accordingly, LHS. The appeal will be ruled by the 3rd Chamber of Private Law from Mato Grosso.
02/06/2025: in the main case, LHS is notified to comment on FRIGIERI's request for the exemption of 40 minimum wage amounts from the blocked values, made on 06/19/2023, and argues that (i) the law considers all debtor's assets subject to execution, except those necessary to guarantee minimum dignity; (ii) the legal protection of the 40 minimum wages only applies if it is the debtor's sole financial reserve for subsistence, or their only reserve, which FRIGIERI has not proven; (iii) FRIGIERI owns valuable properties and has multiple sources of income; (iv) jurisprudence supports the account block since they do not meet the criteria for exemption from seizure. Therefore, it is requested to lift the block of 314,383.78 BRL and to seize the debtor's vehicles to cover the remaining debt of 79,439.30 BRL, according to the legal preference.

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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

07/17/2025: the lower court registry office states that the case is unappealable.
07/11/2025: The judge of the claim orders the issuance of a payment warrant, declares the case final and unappealable, and declares the case closed.
07/11/2025: The attorneys of FSA agree with the payment made by FRIGIERI, request its immediate withdrawal, and the subsequent termination and filing of the process.
07/09/2025: FRIGIERI informs that the obligation has been paid in the amount of 7,186.97 BRL and requests the termination of the case.
06/09/2025: FSA’s attorneys initiate the enforcement of the judgment and request that FRIGIERI be notified to pay the amount of BRL 7,186.97 within 15 days.
06/06/2025: the lower court registry office states that the case is unappealable.
05/15/2025: The COURT OF APPEALS denies FRIGIERI's appeal filed on 02/20/2025 and upholds the decision that dismisses FRIGIERI’s appeal filled on 11/09/2024. It is established that FRIGIERI filed a similar action in the Civil Court involving the same contract, and the improper splitting of claims is recognized, constituting an abuse of the right to take legal action and a reckless procedural conduct. A fine of 2% of the updated value of the claim is imposed.

PARAISO LAWSUIT FILED BY FSA:
Overview: Collection action filed by FSA against FRIGIERI, the owners of Fazenda Paraíso, located in the State of Mato Grosso. Pursuant to the usufruct agreement for the exploitation of teak wood and other related documents, FRIGIERI was entitled to 20% of the proceeds from the sale of the wood and, over the years, received several cash advances from FSA (all duly documented), in addition to assigning part of their credit rights to the company. Upon expiration of the usufruct in 2023, FSA returned the property with the 31 hectares belonging to FRIGIERI and demanded repayment of the outstanding advances. Although acknowledging the debt, FRIGIERI refused to make payment. Consequently, FSA is seeking judicial enforcement of the debt in the amount of BRL 900,926.40, including interest, monetary correction, and attorneys’ fees, as well as the granting of an evidentiary injunction for partial anticipation of the judgment.

07/28/2025: The conciliation hearing is held, and no settlement is reached. The 15-day period for the defendants to file a defense begins.
07/02/2025: The court registry states that FRIGIERI was summoned on 06/24/2025.
06/12/2025: FSA files a plea for clarification and requests the judge of the claim to reconsider the early denial of the preliminary injunction requested by FSA. FSA argues that the request was intended to be examined only after the defendants presented their defense, since only then would it be possible to assess whether the evidence produced by the defendants raises any reasonable doubt. By deciding the matter prematurely, the court disregarded the intended procedural sequence.

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Legal and Compliance Update

FSA therefore asks the court to postpone the analysis of the request until the defense is submitted.
06/05/2025: The judge of the claim denies the preliminary injunction requested by FSA, as at this stage there is not clear and unequivocal evidence of the alleged claim. Although there is documentation supporting the contractual relationship and the receipt of funds by FRIGIERI, the case involves complex contractual issues and differing interpretations, particularly regarding ownership of the remaining teak wood, the need for accounting, and other unresolved matters between the parties. These issues will require further examination during the proceedings. FRIGIERI is therefore ordered to be served and summoned to respond to the claim and appear for a conciliation hearing, which will be held via videoconference on July 28, 2025, at 1:00 PM.
05/30/2025: FSA files its initial petition.

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

No news since the last report.

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Legal and Compliance Update

BAMBU I FARM – OVERVIEW
The farm has land use deals ("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 has land 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 de the last report.

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Legal and Compliance Update

LUD claim on PAIOLANDIA FARM:
Overview – Rondon Empreendimentos Imobiliários Ltda ("Rondon") is the landower 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.

No news since the last report.

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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

No news since the last report.

Outlook on Upcoming Quarters

Operations in FSA will continue to operate with 3 harvesting crews in the coming quarter, but on some periods 1 of those crews will be operating on LUD areas to deliver the production to landowners in Barranquinho and Santa Maria do Jauru. The production on these areas do not bring revenues to FSA as the logs are delivered roadside to the rightful owners. Nonetheless, this has been accounted for on the annual budget.

The logistics situation remains good in Brazil overall, but there is a high probability of deterioration as the new commodity season kicks in in October. Anyway, major players from the logistics sector are expecting an improved condition compared to last year peak season.

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

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**).

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FSA Summary Financial Information

Summary P&L

FSA Profit and Loss (In USD 0,00)	YTD Budget	YTD Actual	Var.	%	FY Budget	FY Actual	Var.	%
Volume	*68,086*	*62,005*	-6,080	-9%	*131,617*	*111,076*	-20,541	-16%
01 - Sales	**5,844,017**	**4,798,970**	**-1,045,047**	**-18%**	**11,491,027**	**8,359,434**	**-3,131,594**	**-27%**
01.01 - Log Sales	5,769,017	5,035,112	-733,905	-13%	11,341,027	9,028,420	-2,312,607	-20%
Fx gain (loss) to Actual	0	-274,803	-274,803	0%	0	-782,647	-782,647	0%
01.03 - Biomass	75,000	35,094	-39,907	-53%	150,000	110,094	-39,907	-27%
01.04 - Other Sales	0	3,568	3,568	0%	0	3,568	3,568	0%
01.1 - (-) Sales Deductions	-63,586	-263,282	-199,696	314%	-125,000	-324,696	-199,696	160%
02 - Net Sales	**5,780,431**	**4,535,689**	**-1,244,743**	**-22%**	**11,366,027**	**8,034,738**	**-3,331,290**	**-29%**
03 - CoGs	-2,297,329	-2,343,485	**-46,156**	**2%**	-4,441,405	-4,400,555	**40,850**	**-1%**
03.01 - Stump Removal	-633,009	-214,622	**418,387**	**-66%**	-858,400	-667,222	**191,178**	**-22%**
04 - Gross Profit	**2,850,093**	**1,977,582**	**-872,511**	**-31%**	**6,066,223**	**2,966,961**	**-3,099,262**	**-51%**
05 - Operational Expenses	**-1,379,140**	**-1,041,079**	**338,061**	**-25%**	**-2,248,321**	**-2,066,395**	**181,925**	**-8%**
5.01 - Forestry	-330,996	-193,764	137,232	-41%	-452,252	-471,156	-18,904	4%
5.02 - Property Management	-274,060	-287,085	-13,025	5%	-569,272	-582,297	-13,025	2%
5.03 - G&A Expenses	-112,348	-146,228	-33,880	30%	-216,551	-250,431	-33,880	16%
5.04 - G&A Flat Fee TRC	-341,735	-409,727	-67,992	20%	-690,246	-758,238	-67,992	10%
5.05 - Delayed Mngt Services Costs	-320,000	-2,016	317,984	-99%	-320,000	-2,016	317,984	-99%
5.06 - Other Operational	0	-2,258	-2,258	0%	0	-2,258	-2,258	0%
06 - EBITDA	**1,470,953**	**936,503**	**-534,451**	**-36%**	**3,817,902**	**900,566**	**-2,917,337**	**-76%**
07 - Depreciation/Amortization/Depletion	**-3,645,024**	**-2,513,662**	**1,131,361**	**-31%**	**-4,875,502**	**-5,255,677**	**-380,175**	**8%**
7.01 - Depreciation/Amortization	0	-3,423	-3,423	0%	0	-6,857	-6,857	0%
7.02 - Depletion	-3,570,868	-2,449,951	1,120,917	-31%	-4,730,632	-5,117,817	-387,186	8%
7.03 - Financial Income	0	48,739	48,739	0%	0	48,739	48,739	0%
7.04 - Financial Expenses	-74,156	-109,027	-34,871	47%	-144,871	-179,742	-34,871	24%
08 - EBT	**-2,174,070**	**-1,577,159**	**596,911**	**-27%**	**-1,057,600**	**-4,355,111**	**-3,297,511**	**312%**
09 - Income Tax	0	**0**	**0**	**0%**	0	**0**	**0**	**0%**
10 - Profit & Loss	**-2,174,070**	**-1,577,159**	**596,911**	**-27%**	**-1,057,600**	**-4,355,111**	**-3,297,511**	**312%**

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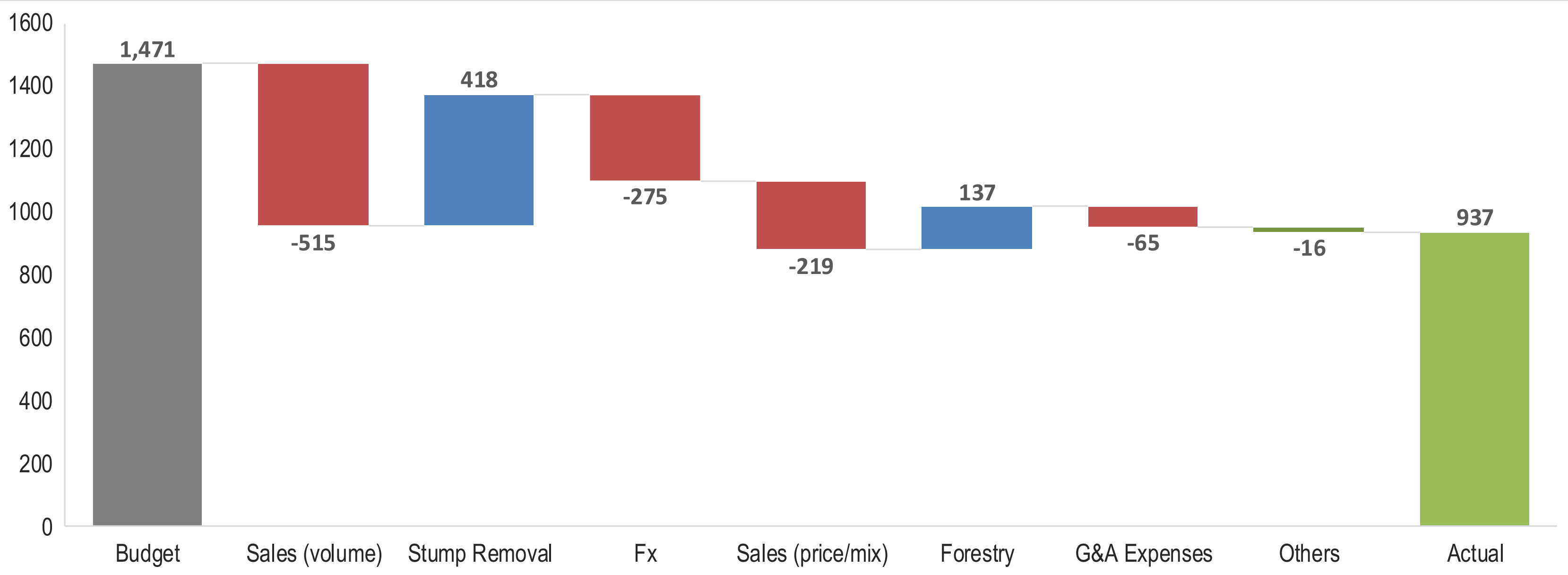
Summary P&L YTD

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



The YTD Operational Result was **USD 937 K** versus **USD 1,5 M** budgeted or a negative variation of **USD - 534 K.**

Log revenue fell short of the budget by **USD - 1 M**, mainly driven by three factors: a volume shortfall of **- 6,080 m³**, which impacted revenue by **USD - 515 K**; a less favorable product mix, with a negative impact of **USD - 219 K**; and FX variation, which reduced revenue by **USD - 275 K** (budgeted FX: 6.0 vs. YTD FX: 5.72).

There was a temporary saving of **USD 418 K** on stump removal, as the residue removal in the CMB project is delayed and yet to be performed, and **USD 137 K** on forestry costs (mainly related to road maintenance).

However, these costs are still expected to occur later in the fiscal year.

The main reason for the increase in G&A expenses is related to legal expenses exceeding the budget, taxes that were not included in the budget, and severance payments for an employee who had been on long-term leave.

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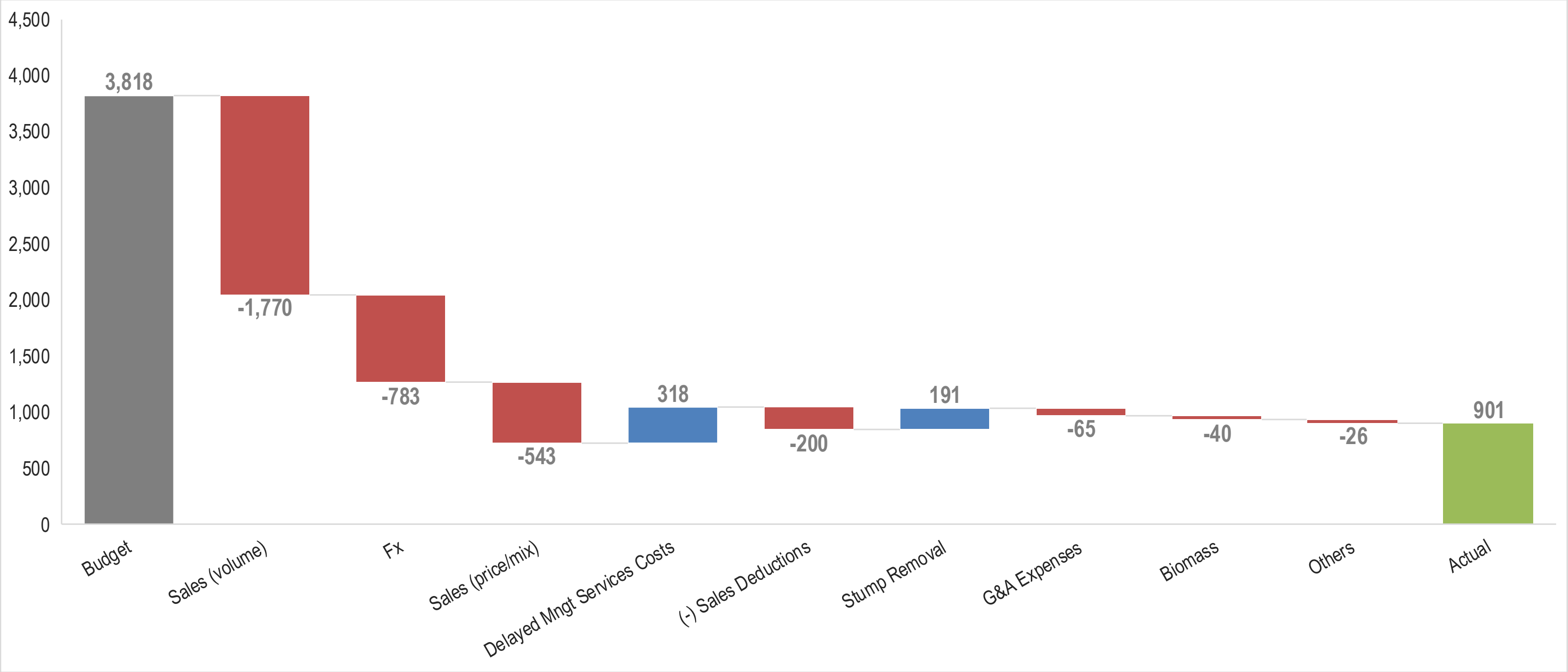
Summary P&L YEE

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



The overall FY Operational Result amounted to **USD 901 K**, falling short of the budgeted **USD 3,8 M,** resulting in a negative variance of **USD - 2,9 M.**

The lower volume projected for the year by **- 20,541 m³** results in a negative variation on revenues of **USD - 1,7 M**, mainly due to the Indian market being under stress an oversupply of timber from competing origins.

The negative effect on Fx rate is due to BRL appreciation in comparison to the budget expectation. The budget Fx rate was **6.00** and the average for the FY is **5.64.**

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 deductions exceeded the budget because tax credits were considered in the budget to offset the amount payable. However, this impact is limited to cash flow. In the actual P&L, the full amount of sales tax is recognized as an expense.

A lower unit cost compared to the budget is being applied to estimate the stump removal cost of the area that has not yet been executed, following a new agreement with the supplier. As a result, a savings of **USD 191 K** is expected for the FY.

The firewood revenue shortfall versus budget is not reflected in the forecast.

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Cost of Production Summary - YTD

Harvesting Cost, per activity:

Type	Act.Group	Unit	STATUS Total Cost (BRL) Actual	Budget	Quantity (un) Actual	Budget	Unitary Cost (BRL/un) Actual	Budget
Harvesting	Felling	m³	3.286.913	3.825.195	50.950	72.555	65	53
	Forwarding	m³	3.401.728	3.640.355	66.706	73.226	51	50
	Loading	m³	736.925	1.166.114	62.687	77.279	12	15
	Lot Formation	m³	1.625.984	2.902.524	55.372	73.226	29	40
	Soil Prep	ha	464.850	1.884.699	390	641	1.192	2.942
	Stump Removal	ha	1.244.675	1.858.073	401	664	3.104	2.800
	Support	-	1.442.383	1.822.623	0	0	0	0
	Tree Selection	ha	29.219		367		80	
	Taxes	-	719.682	1.156.340			0	0
	Adjustment	-	2.387.828	0			0	0
Total geral			15.340.187	18.255.923				

Total Activities		YTD	Budget	Var %
COP	**BRL**	**13.630.663**	**13.783.975**	**-1%**
Commercial Vol. + Stock Vol.	m³	59.662	68.086	-12%
COP/m3	**BRL**	**228**	**202**	**13%**
Cost of Goods Sold (CoGs)		**14.060.909**	**0**	0%
Accounting adj. (CoGs - COP)		**430.246**	**0**	0%
Land Clearing		**YTD**	**Budget**	**Var %**
Soil Prep	BRL	464.850	0	0%
Stump Removal	BRL	1.244.675	3.798.054	-67%
Area	ha	390	0	0%
Area	ha	401	617	-35%
Soil prep	**BRL/ha**	**1.192**	**0**	**0%**
Stump Removal	**BRL/ha**	**3.104**	**6.156**	**-50%**
TOTAL		**YTD**	**Budget**	**Var %**
COP + Land Clearing	BRL	15.340.188	17.582.029	
BRL/USD Budget Rate		6,00	6,00	0%
COP + Land Clearing	**USD**	**2.556.698**	**2.930.338**	**-13%**

Overall, total costs associated with harvesting and land clearing were 13% lower than budget.

Specifically in harvesting and associated activities, unitary costs are above budget (+13%).

Stump removal has been completed in CMB and SMG. The total cost is still below budget because residue removal in the CMB project is yet to be carried out. We are currently performing stump removal in the SMJ project, with a forecast of 180 hectares to be completed.

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

			STATUS					
			Total Cost (BRL)		Quantity (un)		Unitary Cost (BRL/un)	
Type	Act.Group	Unit	Actual	Budget	Actual	Budget	Actual	Budget
Silviculture	Controle de Exóticas	ha	5.386		0		0	
	Firebreaks	ha	90.990	471.000	272	1.173	335	401
	Inventory	parc	90.533	233.409	520	1.108	174	211
	Planting	ha	3.292		0		0	
	Roads	km	93.037	990.000	11	180	8.591	5.500
	Weed Control	ha	171.847	205.854	231	283	744	728
	Taxes	-	41.568	85.714			0	0
	Adjustment	-	664.472	0			0	0
Total geral			1.161.124	1.985.977				

Forestry costs represent only 76% of the original plan for the quarter. The variation is due to the late occurrence of road maintenance expenses. With the delayed start of operations in TST and BAR, road improvements were carried out to enable the operation, but the invoices will appear in Q3.

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

Weed control is being carried out for safety reasons – mainly mowing 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 *Budget*	YTD *Actual*	Var.	%
5.02 - Property Management	-274,060	-287,085	-13,025	5%
5.03 - G&A Expenses	-112,348	-146,228	-33,880	30%
5.04 - G&A Flat Fee TRC	-341,735	-409,727	-67,992	20%
TOTAL	**-728,144**	**-843,041**	**-114,897**	**16%**

G&A / Overhead Summary YEE

FSA Total Overhead Costs *(In USD 0,00)*	FY *Budget*	FY *Actual*	Var.	%
5.02 - Property Management	-569,272	-582,297	-13,025	2%
5.03 - G&A Expenses	-216,551	-250,431	-33,880	16%
5.04 - G&A Flat Fee TRC	-690,246	-758,238	-67,992	10%
TOTAL	**-1,476,069**	**-1,590,966**	**-114,897**	**8%**

Property costs are showing a negative variance of **USD - 13 K**. reducing the variation reported on last quarter. So, expenses in the 2Q were lower than budget.

The main reason for the increase in direct G&A expenses are a non-cash tax credit reversal (USD 25 K), and severance payments for an employee who had been on long-term medical leave .

The G&A Flat Fee TRC exceeded the budget **(USD - 67 K)** as the area considered for the calculation is larger than planned for 2025, driven by the carryover of unfinished projects from 2024.

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. The effects from this decision will happen on the second half of the year.

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Cash Summary - YEE

Actual and Budget Cash Flow USD

FSA Cash Flow *(In USD 0,00)*	1Q2025	1Q2025	2Q2025	2Q2025	3Q2025	3Q2025	4Q2025	4Q2025	2025	2025	Var.
Fx rate	5.00	5.81	5.00	5.64	5.00	5.55	5.00	5.55	5.00	5.64	
	Budget	*Actual*	*Budget*	*Actual*	*Budget*	*Actual*	*Budget*	*Actual*	*Budget*	*FY*	
Initial Balance	**166,667**	**603,678**	**401,801**	**484,256**	**1,002,938**	**925,409**	**1,279,212**	**719,709**	**166,667**	**603,678**	**437,012**
Gross Revenues	**2,904,705**	**2,451,805**	**2,754,271**	**2,454,735**	**2,593,429**	**2,282,740**	**2,848,583**	**1,932,565**	**11,100,988**	**9,121,844**	**-1,979,143**
Log Sales	2,904,705	2,414,238	2,754,271	2,342,097	2,593,429	2,282,740	2,848,583	1,932,565	11,100,988	8,971,640	-2,129,348
Other Sales	0	37,566	0	112,638	0	0	0	0	0	150,205	150,205
(-) Sales Deductions	-25,645	-12,586	-22,852	-16,983	-25,108	-44,223	-20,146	-33,443	-93,750	-107,234	-13,484
Net Revenues	**2,879,060**	**2,439,219**	**2,731,419**	**2,437,752**	**2,568,321**	**2,238,517**	**2,828,438**	**1,899,122**	**11,007,238**	**9,014,610**	**-1,992,628**
Harvesting	-1,240,705	-1,474,378	-1,056,624	-1,307,091	-1,185,476	-967,588	-958,756	-912,966	-4,441,561	-4,662,024	-220,463
Stump Removal	-455,919	-155,039	-177,090	-107,615	-140,778	-276,463	-84,612	-176,137	-858,400	-715,253	143,147
Forestry Costs	-187,661	-180,997	-143,335	-75,948	-94,372	-172,439	-26,884	-104,952	-452,252	-534,337	-82,086
Property Costs	-137,528	-140,216	-136,532	-128,653	-127,215	-127,215	-167,997	-167,997	-569,272	-564,081	5,191
G&A Own expenses	-25,843	-34,582	-25,497	-23,194	-25,222	-25,222	-26,656	-26,656	-103,218	-109,654	-6,436
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	-203,751	-173,401	-173,401	-175,110	-175,110	-690,246	-767,112	-76,866
LUD	0	0	-206,333	-64,419	0	-350,605	0	-96,629	-206,333	-511,652	-305,319
Operational Cash Generation	**451,875**	**40,336**	**814,301**	**527,082**	**821,859**	**145,585**	**1,388,422**	**238,674**	**3,476,456**	**951,677**	**-2,524,779**
Legal Expenses	-29,746	-25,796	-31,263	-26,342	-26,163	-26,163	-26,163	-26,163	-113,333	-104,464	8,870
Financial expenses	0	3,433	0	14,742	0	0	0	0	0	18,175	18,175
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	-102,529	-108,250	-101,495	-108,250	-101,495	-433,000	-409,032	23,968
Legal Provision VTP	0	-466	0	0	0	0	0	0	0	-466	-466
Cash Generation	**235,134**	**-123,135**	**601,138**	**378,226**	**276,273**	**-175,943**	**850,131**	**-79,415**	**1,962,676**	**-267**	**-1,962,944**
Fx gain/loss	0	3,713	0	62,927	0	-29,756	0	-6,439	0	30,445	30,445
Closing Balance	**401,801**	**484,256**	**1,002,938**	**925,409**	**1,279,212**	**719,709**	**2,129,343**	**633,856**	**2,129,343**	**633,856**	**-1,495,487**

The lower receivables in Q1 compared to the budget were due to early payments made in 2024 to cover year-end holidays. However, this was offset by a higher-than-expected opening balance. From Q2 onwards, receivables are impacted by lower-than-budgeted volumes, resulting in a negative variance of **USD - 903 K** YTD and **USD – 2,1 M** by year-end.

In 1Q, FSA settled all previously outstanding harvesting and flat fee invoices totaling **USD 198 K**, which had been delayed due to cash constraints. All 2025 invoices are currently being paid on time.

As noted on the P&L slide, stump removal is showing savings of **USD 143 K** due to a lower unit cost being applied to estimate the cost of the area that has not yet been executed, compared to the budget.

Forestry is over budget by **USD - 82 K** due to supply purchases made in 1Q 2025. However, savings in forestry activities during 2Q partially offset the first-quarter overrun, reducing the overall variance. The road maintenance activity that has not yet been carried out in the YTD is also projected in the upcoming months of the cash flow forecast.

Despite the negative variation in the projected cash balance for 2025, FSA is not facing any cash shortfalls throughout the year.

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FSA Balance Sheet

Floresteca S.A- Balance Sheet position of June 30, 2025

FX RATE- ASSETS	5,4565
FX RATE - LIABILITIES	5,4571

ASSETS

	R$	$
CURRENT ASSETS		
Cash and cash equivalents	5.050.049	925.511
Accounts receivable	15.857.021	2.906.079
Inventories	3.294.110	603.704
Other receivables	29.546	5.415
Taxes Recoverable	1.349.027	247.233
Total Current Assest	**25.579.753**	**4.687.942**
NON-CURRENT ASSETS		
Advances to agricultural partners	7.594.387	1.391.805
Other receivables	91.660	16.798
Deferred taxes	25.684.198	4.707.083
Forests - Own	545.451.363	99.963.596
Property, plant & equipment	254.838	46.704
Intangible assets	5.185	950
Total Non-Current Assest	**579.081.631**	**106.126.937**

LIABILITIES AND EQUITY

	R$	$
CURRENT LIABILITIES		
Loans and financing	5.374.524	984.868
Suppliers and other accounts payable	3.142.354	575.829
TAX	238.792	43.758
Payroll	39.342	7.209
Total Current Liabilities	**8.795.013**	**1.611.664**
Non-current liabilties		
Loans and financing	625.976.322	114.708.604
Contingencies	48.879.912	8.957.122
Deferred taxes	-	-
Suppliers and other accounts payable	9.786.710	1.793.390
Deferred taxes	-	-
Total Non-Current Liabilities	**684.642.944**	**125.459.116**
EQUITY		
Capital	27.797.555	5.093.833
Legal reserve	5.559.311	1.018.730
Statement of profit or loss	(3.526.314)	(646.188)
Profit Reserve	(118.607.124)	(21.734.460)
		-
Foreign exchange adjusts		12.184
TOTAL EQUITY	**(88.776.572)**	**(16.255.902)**
TOTAL LIABILITIES AND EQUITY	**604.661.384**	**110.814.878**
	-	-

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Appendix - Financial Tables

Cash Summary - YEE

YEE and Budget Cash Flow BRL

FSA Cash Flow *(In BRL 0,00)*	1Q2025 *Budget*	1Q2025 *Actual*	2Q2025 *Budget*	2Q2025 *Actual*	3Q2025 *Budget*	3Q2025 *Actual*	4Q2025 *Budget*	4Q2025 *Actual*	2025 *Budget*	2025 *FY*	Var.
Initial Balance	**1,000,000**	**3,519,504**	**2,410,804**	**2,780,694**	**6,017,631**	**5,050,049**	**7,675,270**	**3,994,388**	**1,000,000**	**3,519,504**	**2,519,504**
Gross Revenues	**17,428,228**	**14,710,829**	**16,525,625**	**14,728,410**	**15,560,572**	**13,696,437**	**17,091,500**	**11,595,391**	**66,605,926**	**54,731,067**	**-11,874,859**
Log Sales	17,428,228	14,485,430	16,525,625	14,052,580	15,560,572	13,696,437	17,091,500	11,595,391	66,605,926	53,829,837	-12,776,089
Other Sales	0	225,399	0	675,831	0	0	0	0	0	901,229	901,229
(-) Sales Deductions	-153,870	-75,515	-137,111	-101,896	-150,645	-265,336	-120,874	-200,659	-562,500	-643,406	-80,906
Net Revenues	**17,274,358**	**14,635,314**	**16,388,515**	**14,626,514**	**15,409,927**	**13,431,101**	**16,970,626**	**11,394,732**	**66,043,426**	**54,087,661**	**-11,955,765**
Harvesting	-7,444,232	-8,846,268	-6,339,744	-7,842,546	-7,112,854	-5,805,529	-5,752,535	-5,477,797	-26,649,364	-27,972,141	-1,322,777
Stump Removal	-2,735,514	-930,232	-1,062,540	-645,689	-844,671	-1,658,776	-507,675	-1,056,824	-5,150,400	-4,291,521	858,879
Forestry Costs	-1,125,963	-1,085,984	-860,012	-455,690	-566,230	-1,034,636	-161,304	-629,712	-2,713,509	-3,206,023	-492,514
Property Costs	-825,170	-841,297	-819,192	-771,917	-763,287	-763,287	-1,007,983	-1,007,983	-3,415,633	-3,384,484	31,148
G&A Own expenses	-155,058	-207,494	-152,982	-139,163	-151,330	-151,330	-159,937	-159,937	-619,308	-657,924	-38,616
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	-1,222,505	-1,040,403	-1,040,403	-1,050,660	-1,050,660	-4,141,474	-4,602,669	-461,195
LUD	0	0	-1,238,000	-386,514	0	-2,103,629	0	-579,771	-1,238,000	-3,069,914	-1,831,914
Operational Cash Generation	**2,711,251**	**242,015**	**4,885,804**	**3,162,490**	**4,931,152**	**873,510**	**8,330,532**	**1,432,047**	**20,858,738**	**5,710,062**	**-15,148,677**
Legal Expenses	-178,475	-154,777	-187,575	-158,055	-156,975	-156,975	-156,975	-156,975	-680,000	-626,782	53,218
Financial expenses	0	20,598	0	88,455	0	0	0	0	0	109,053	109,053
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	-615,175	-649,500	-608,970	-649,500	-608,970	-2,598,000	-2,454,190	143,810
Legal Provision VTP	0	-2,797	0	0	0	0	0	0	0	-2,797	-2,797
Cash Generation	**1,410,804**	**-738,811**	**3,606,827**	**2,269,355**	**1,657,640**	**-1,055,661**	**5,100,788**	**-476,487**	**11,776,058**	**-1,604**	**-11,777,662**
Closing Balance	**2,410,804**	**2,780,694**	**6,017,631**	**5,050,049**	**7,675,270**	**3,994,388**	**12,776,058**	**3,517,900**	**12,776,058**	**3,517,900**	**-9,258,158**

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Thank You!

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