



**Fideicomiso Financiero Forestal
Bosques del Uruguay IV
Financial Forestry Trust
Bosques del Uruguay IV**

Interim Financial Statements and
Independent Review Report for the
six months ended June 30, 2023

NOTICE: This is a translation of the original document in Spanish. This document was translated by a third party. In case of any deviation, the original version prepared by the auditor is available and shall prevail.

FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Interim Financial Statements and Independent Review Report for the six-month period ended June 30, 2023

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Deloitte S.C.
349 Víctor Soliño, 16th. floor
Montevideo, 11300
Uruguay

Phone: +598 2916 0756
Fax: +598 2916 3317
www.deloitte.com/uy

Independent Review Report on Interim Financial Information

To the Directors and Shareholders of
EF Asset Management Administradora de Fondos de Inversión S.A.

Introduction

We have reviewed the accompanying interim financial statements of the Trust Fideicomiso Financiero Forestal Bosques del Uruguay IV, expressed in United States dollars, which comprise the Interim Statement of Financial Position as of June 30, 2023, the related Interim Statement of Comprehensive Income, the Interim Statement of Cash Flows, and the Interim Statement of Changes in Fiduciary Net Position, for the period then ended, as well as the notes about significant accounting policies and other explanatory notes attached to the interim financial statements. The Management of EF Asset Management Administradora de Fondos de Inversión S.A., trustee of the Trust, is responsible for the information contained in the interim financial statements and its explanatory notes, which have been prepared in accordance with the International Accounting Standards applicable to interim financial statements (IAS 34). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Limited Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 (ISRE 2410), “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the International Federation of Accountants (IFAC).

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position of Fideicomiso Financiero Forestal Bosques del Uruguay IV as of June 30, 2023, and of its financial performance and its cash flows for the six-month period then ended, in accordance with the International Accounting Standards applicable to interim financial statements (IAS 34).

Other Matters

Our work included the review of the translation of the financial statements from U.S. dollars into Uruguayan pesos. Such translation has been made in accordance with the basis stated in in Note 2.2. The translation of the financial statements into Uruguayan pesos has been made exclusively for the purpose of complying with the legal and tax regulations in force in the Eastern Republic of Uruguay.

August 30, 2023



Héctor Cuello
Partner, Deloitte S.C.

FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Interim Statement of Financial Position as of June 30, 2023

(in U.S. dollars and Uruguayan pesos)

	Notes	USD		Equivalent in UYU	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Assets					
Non-current assets					
Import in process	6	-	509,979	-	20,435,371
Property, plant and equipment	5	184,672,371	182,284,322	6,908,224,064	7,304,315,079
Biological assets- plantations	4	289,312,145	288,430,000	10,822,588,704	11,557,678,530
Total non-current assets		473,984,516	471,224,301	17,730,812,768	18,882,428,980
Current assets					
Inventories	3.1	4,216,032	4,401,665	157,713,330	176,379,131
Trade receivables and other accounts receivable	3.2	6,890,303	2,849,859	257,752,456	114,196,661
Other financial assets	3.3	4,694,097	4,282,462	175,596,776	171,602,552
Cash and cash equivalent	3.4	1,264,858	1,867,504	47,315,800	74,832,756
Total current assets		17,065,290	13,401,490	638,378,362	537,011,100
Total assets		491,049,806	484,625,791	18,369,191,130	19,419,440,080
Equity					
Participation certificates	8	330,000,000	330,000,000	11,932,965,000	11,932,965,000
Adjustment to equity	8	(309,720)	(309,720)	(10,723,512)	(10,723,512)
Revaluation reserve		41,550,953	41,550,953	1,828,808,312	1,828,808,312
Translation reserve				(198,499,394)	1,032,386,643
Retained earnings		91,971,284	92,419,655	3,775,303,398	3,795,918,999
Total equity		463,212,517	463,660,888	17,327,853,804	18,579,355,442
Equity					
Non-current liabilities					
Deferred tax liabilities	2.15	4,886,272	5,921,816	182,785,661	237,293,106
Other financial liabilities	3.6	6,302,356	5,200,000	235,758,533	208,369,200
Total non-current liabilities		11,188,628	11,121,816	418,544,194	445,662,306
Current liabilities					
Trade payables and other accounts payable	3.5	5,468,485	4,394,466	204,565,089	176,090,651
Other financial liabilities	3.6	11,180,176	5,448,621	418,228,043	218,331,681
Total current liabilities		16,648,661	9,843,087	622,793,132	394,422,332
Total liabilities		27,837,289	20,964,903	1,041,337,326	840,084,638
Total liabilities and equity		491,049,806	484,625,791	18,369,191,130	19,419,440,080

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

The report dated August 30, 2023 is attached hereto.

Deloitte S.C.

FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Interim Statement of Comprehensive Income for the six-month period ended June 30, 2023

(in U.S. dollars)

	Notes	Quarter ended on		Semester ended on	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022
Operating revenue	3.7	8,606,082	15,544,039	15,038,881	27,218,532
Cost of goods sold		(6,860,131)	(13,249,847)	(11,784,527)	(21,985,306)
Gross margin		1,745,951	2,294,192	3,254,354	5,233,226
SG&A	3.8	(2,011,668)	(2,701,406)	(4,484,592)	(5,942,782)
Financial results	3.9	(424,435)	(417,696)	(675,240)	(918,768)
Profit or loss for the period before income		(690,152)	(824,910)	(1,905,478)	(1,628,324)
Income tax	2.15	1,457,107	2,487,394	1,457,107	2,487,394
Profit or loss for the period		766,955	1,662,484	(448,371)	859,070
Other comprehensive income for the period		-	-	-	-
Comprehensive income for the period		766,955	1,662,484	(448,371)	859,070

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

The report dated August 30,
2023 is attached hereto.

Deloitte S.C.

FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Interim Statement of Comprehensive Income for the six-month period ended June 30, 2023

(in Uruguayan pesos)

	Notes	Quarter ended on		Semester ended on	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022
Operating revenue		330,071,486	634,000,994	580,595,417	1,135,465,322
Cost of goods sold		(263,835,748)	(537,331,594)	(456,251,264)	(905,434,250)
Gross margin		66,235,738	96,669,400	124,344,153	230,031,072
SG&A	3.8	(77,218,460)	(108,894,558)	(173,374,891)	(247,523,709)
Financial results	3.9	(16,295,922)	(29,815,103)	(26,092,308)	(51,291,219)
Profit or loss for the period before income tax		(27,278,644)	(42,040,261)	(75,123,046)	(68,783,856)
Income tax	2.15	54,507,445	98,172,467	54,507,445	98,172,467
Profit or loss for the period		27,228,801	56,132,206	(20,615,601)	29,388,611
Other comprehensive income for the period		-	-	-	-
Items that will not to be reclassified subsequently to profit or loss					
Translation reserve	7	(1,230,886,037)	(2,017,516,282)	(1,230,886,037)	(2,017,516,282)
Comprehensive income for the period		(1,203,657,236)	(1,961,384,076)	(1,251,501,638)	(1,988,127,671)

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

The report dated August 30,
2023 is attached hereto.

Deloitte S.C.

FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Interim Statement of Cash Flows for the six-month period ended June 30, 2023

(in U.S. dollars and Uruguayan pesos)

	Notes	USD		Equivalent in UYU	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022
Cash flows from operating activities					
Profit or loss for the period before income tax		(1,905,478)	(1,628,323)	(75,123,046)	(68,783,856)
Adjustments for:					
Depreciations	5	416,762	411,939	16,090,873	17,037,897
Unpaid accrued interests		81,342	23,971	3,042,823	955,559
Costs of sales of standing forests		323,234	1,774,753	12,650,967	70,556,889
		(1,084,140)	582,340	(43,338,383)	19,766,489
Changes in assets and liabilities					
Trade receivables and other accounts receivable		(4,040,444)	(163,132)	(156,524,780)	(6,897,058)
Inventories		344,834	(1,153,243)	13,358,697	(48,757,961)
Other non-financial assets		(411,635)	(192,308)	(15,946,534)	(8,130,590)
Trade payables and other accounts payable		1,495,581	252,952	57,938,060	10,694,558
Translation adjustment		-	-	(7,260,085)	(14,063,077)
Net flow used in operating activities		(3,695,804)	(673,391)	(151,773,025)	(47,387,639)
Cash flows from investing activities					
Costs related to biological assets	4	(1,364,579)	(881,495)	(52,987,728)	(36,513,517)
Purchases of property, plant and equipment	5	(2,294,832)	(38,101)	(88,485,606)	(1,534,043)
Net flow used in investing activities		(3,659,411)	(919,596)	(141,473,334)	(38,047,560)
Net flow from financing activities					
Loans and liabilities	3.7	6,752,569	7,560,021	265,098,679	318,676,080
Flujo de fondos de actividades de financiamiento		6,752,569	7,560,021	265,098,679	318,676,080
Changes in cash flows and cash equivalents		(602,646)	5,967,034	(28,147,680)	233,240,881
Opening balance of cash and cash equivalents		1,867,504	447,994	74,832,756	20,023,092
Effect associated with the maintenance and translation of cash and cash equivalents		-	-	630,724	2,458,295
Closing balance of cash and cash equivalents		1,264,858	6,415,028	47,315,800	255,722,268

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

The report dated August 30,
2023 is attached hereto.

Deloitte S.C.

FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Interim Statement of Changes in Fiduciary Net Position for the six-month period ended June 30, 2023

(in U.S. dollars)

Notes	PARTICIPATION CERTIFICATES	ADJUSTMENT TO EQUITY	VALUATION RESERVE	RETAINED EARNINGS	TOTAL NET EQUITY
As of December 31, 2021	330,000,000	(309,720)	35,428,217	53,418,917	418,537,414
Profit or loss for the period	-	-	-	859,070	859,070
As of June 30, 2022	330,000,000	(309,720)	35,428,217	54,277,987	419,396,484
Profit or loss for the period	-	-	-	38,141,668	38,141,668
Revaluation of property, plant and equipment net of deferred tax	-	-	6,122,736	-	6,122,736
As of December 31, 2022	330,000,000	(309,720)	41,550,953	92,419,655	463,660,888
Profit or loss for the period	-	-	-	(448,371)	(448,371)
As of June 30, 2023	330,000,000	(309,720)	41,550,953	91,971,284	463,212,517

Interim Statement of Changes in Fiduciary Net Position for the six-month period ended June 30, 2023

(in Uruguayan pesos)

	PARTICIPATION CERTIFICATES	ADJUSTMENT TO EQUITY	VALUATION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL NET EQUITY
As of December 31, 2021	11,932,965,000	(10,723,512)	1,583,464,124	2,974,425,166	2,226,398,953	18,706,529,731
Translation reserve	-	-	-	(2,017,516,282)	-	(2,017,516,282)
Profit or loss for the period	-	-	-	-	29,388,611	29,388,611
As of June 30, 2022	11,932,965,000	(10,723,512)	1,583,464,124	956,908,884	2,255,787,564	16,718,402,060
Translation reserve	-	-	-	75,477,759	665,183,977	75,477,759
Translation reserve	-	-	-	-	-	-
Revaluation of property, plant and equipment net of deferred tax	-	-	245,344,188	-	-	245,344,188
Profit or loss for the period	-	-	-	-	1,540,131,435	1,540,131,435
As of December 31, 2022	11,932,965,000	(10,723,512)	1,583,464,124	1,032,386,643	3,795,918,999	18,579,355,442
Translation reserve	-	-	-	(1,230,886,037)	-	(1,230,886,037)
Profit or loss for the period	-	-	-	-	(20,615,601)	(20,615,601)
As of June 30, 2023	11,932,965,000	(10,723,512)	1,583,464,124	(198,499,394)	3,775,303,398	17,327,853,804

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

The report dated August 30,
2023 is attached hereto.

Deloitte S.C.

FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Notes to the interim financial statements for the six-month period ended June 30, 2023

NOTE 1 - GENERAL INFORMATION ON THE TRUST FIDEICOMISO FORESTAL BOSQUES DEL URUGUAY IV

In the city of Montevideo, on December 17, 2018, the Trust Fideicomiso Financiero Forestal Bosques del Uruguay IV was established on agreement, by the signing of the respective agreement between EF ASSET MANAGEMENT Administradora de Fondos de Inversión S.A. as "Trustee", Agroempresa Forestal S.A. as "Manager", and the Initial Underwriters of the Securities as "Trustors".

On March 18, 2019, the Central Bank of Uruguay (CBU) authorized the registration of the Trust in the Securities Market Registry (Communication No. 2019/067).

The capital of the Trust has been paid-in with the amounts paid by the Trustors, acting as Initial Underwriters of the Securities, under the conditions set out in the Agreement and to be used for the fulfillment of the purposes therein.

The Trustee invested the funds from the placement of the Securities (Participation Certificates) in the purchase and/or lease of rural Properties, located within the Eastern Republic of Uruguay, which became part of the equity of the Trust, to carry out forestry operations.

The Business Plan provides the framework within which the Trust's strategy must be developed to fulfil its purpose, and specifically details the general requirements the Properties shall meet.

The Trustee appointed the Manager, through the Management Agreement. The Manager is in charge of managing the Assets of the Trust and implementing the Business Plan and the Management Agreement. Notwithstanding the foregoing, the Trustee is responsible for the performance of the Manager and for its subcontracted activities.

The Trust shall not invest its resources in securities not allowed for Pension Savings Funds.

The equity of the Trust is composed of its Assets and all economic rights, present and future, generated by therefrom. The equity of the Trust shall be used solely and exclusively for the purposes intended, and only the rights and actions related to such assets may be exercised with respect thereto.

The Participation Certificates grant Holders rights of participation in accordance with the financial performance of the Trust, and pursuant to the terms and conditions provided in the Agreement.

The Trust shall remain in full force for a maximum of 30 years, or until all its assets are liquidated and all its liabilities are paid off.

In accordance with communication No. 2019/067 dated March 19, 2019, within the framework of Financial Trusts, the Central Bank of Uruguay authorized the Trustee to issue Participation Certificates for the amount of up to USD 330,000,000.

In accordance with Article 330 of the Central Bank of Uruguay's Compilation of Securities Market Standards, the Trust's accounting period and fiscal year end on each December 31. The statements of comprehensive income, changes in equity, and of cash flows, are presented for the six-month period ended June 30, 2023.

These interim financial statements have been authorized to be issued by EF Asset Management Administradora de Fondos de Inversión S.A., Trustee of the Trust, dated August 30, 2023.

NOTE 2 - BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting standards

These interim financial statements were prepared in accordance with Decree 124/11. This Decree, issued by the Executive Branch on April 1, 2011, establishes as mandatory accounting standards for issuers of publicly traded securities, the International Financial Reporting Standards (IFRS), adopted by the International Accounting Standards Board (IASB), translated into Spanish.

This interim financial reporting does not include all the information required by the International Financial Reporting Standards (IFRS) for the presentation of complete financial statements. As this report was prepared in accordance with the International Accounting Standard No. 34 - "Interim Financial Reporting", these interim financial statements shall be read in conjunction with the Trust's financial statements for the year ended December 31, 2022, prepared in accordance with the IFRS.

Decree 108/22 dated April 4, 2022, provides the option for entities covered by Decree 124/11 the criteria for presentation of equity items introduced by the aforementioned decree. The Trust has not opted for the application of the presentation criteria provided for in such decree.

2.1.1 New standards, interpretations and amendments which became effective in the current fiscal period

The accounting policies applied by the Trust for the preparation and presentation of these interim financial statements are the same as those applied in the financial statements dated December 31, 2022, except for the adoption of the new standards effective as of January 1, 2023. The Trust did not adopt in advance other standards, interpretations or amendments which have been issued but not yet effective.

In the current period, the following new and/or revised standards issued by the IASB became effective.

- IFRS 17 - Insurance Contracts
- Amendment to IAS 1 - Classification of Liabilities as Current or Non-current
- IAS 8 - Definition of Accounting Estimates
- IAS 1 - Disclosure of Accounting Policies
- IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The application of these new standards had no significant impact on the financial statements of the Trust.

2.2 Functional currency and criteria used for the translation of financial statements into Uruguayan pesos

IAS 21 states that functional currency shall provide useful information about the Trust and reflect its In Uruguay, the regulation in force provides that the functional currency shall provide useful information about the Trust and that reflects the economic substance of events and relevant circumstances to the Trust. If a particular currency is widely used by the Trust or has a significant impact on the Trust, it may be appropriate as functional currency. A currency may be deemed functional in accordance with the standard when:

- purchases are financed in that currency
- collections of trade receivables are denominated in that currency
- prices for goods or services sold are denominated in that currency
- the cost of goods sold or services rendered is denominated in that currency

The U.S. dollar is the functional currency of the Trust since its main income and expenses are denominated in that currency.

The Uruguayan peso shall be the reporting currency of Trust's financial statements to comply with the legal and fiscal provisions in force.

In accordance with such regulations, to translate the Trust's financial statements from the functional currency into the reporting currency:

- assets and liabilities shall be translated at the closing exchange rate
- income and expenses shall be translated at the exchange rate in effect at the date of the respective transactions
- equity, except for the profit or loss for the period, shall be translated at the closing exchange rate
- translation gains and losses shall be directly recognized in equity without affecting the profit or loss for the period

Equity items have been retranslated as follows: 1) the capital is presented at its value in historical Uruguayan pesos, including the difference between such value and that which would result from the application of the general criterion of translation as adjustment to equity; 2) retained earnings correspond to the correspond to the financial performance for the previous periods expressed in U.S. dollars and translated in accordance with the general translation standard.

The difference resulting from the use of the closing exchange rate for assets, liabilities and equity translation, and the exchange rate in effect at the date of each transaction for the profit or loss for the period is directly presented in the equity item under the heading "Adjustment to Equity" and in the statement of comprehensive income as "Translation Reserve".

2.3 Balances in currencies other than the functional currency

Assets and liabilities in currencies other than the functional currency were valued at the closing exchange rates for the period. Exchange differences are recognized in the profit or loss. Balances of assets and liabilities denominated in non-functional currency for the period are summarized in Note 7.

2.4 Overall valuation criteria for assets and liabilities

Assets and liabilities were valued according to the cost initially disbursed or the commitment assumed respectively, and subsequently measured at amortized cost. In all cases, these amounts were adjusted as mentioned in the preceding item.

2.5 Cash and cash equivalents

Current and demand deposits held in financial institutions are considered cash and cash equivalents.

2.6 Financial assets and liabilities

Financial assets and liabilities are measured at amortized cost.

The Trust holds bank loans with local financial institutions.

2.7 Trade receivables and other accounts receivable

Trade receivables and other accounts receivable are presented at their amortized cost using the effective interest method. The Trust Management has not established an allowance for bad debts based on the expected credit loss method, considering the probability of default and the amount expected to recover in that scenario. Therefore, the effect of its application does not have a significant effect on the financial statements of the Trust.

2.8 Other non-financial assets

Non-financial assets are recognized at their nominal value and correspond mainly to tax credits.

2.9 Biological assets

Forest plantations and the costs incurred in the formation of the forests between December 31, 2022, and June 30, 2023, are presented at their fair value in the statement of financial position as of December 31, 2022.

The Trust annually determines the value of forest plantations according to a valuation of its forests conducted by external forest appraisers. The fair value of forest plantations was estimated by the external appraiser using current value techniques of estimated fund flows, and mainly income or expectation approach techniques.

On the basis of the methodology describe above, the external appraiser determined that the fair value of the biological assets as of December 31, 2022, was USD 228,430,000, equivalent to UYU 11,557,678,530.

To this end, the following elements have been considered:

- the representative prices estimated in the projection for the period
- variable and fixed annual costs related to timber production
- an estimated discount rate based on a capital asset pricing model, which amounts to 7.5%

Changes in fair value measurement (combination of biological growth, changes in prices, costs and expenses) are recognized in the statement of comprehensive income.

Biological assets are recognized and measured at their fair value separately from land.

The fair value of these assets is determined mainly by using sources of information of hierarchy Level 3. The prices of comparable goods are the most significant source of information to determine this fair value.

2.10 Inventories

Inventories are measured at acquisition cost.

This cost is determined based on the FIFO valuation method for the allocation of the goods sold.

The Trust estimates that the accounting values of the inventories will not exceed their net realizable value.

2.11 Property, plant and equipment

The components and evolution of property, plant and equipment balances for the six-month period ended June 30, 2023, are set out in Note 5 of these financial statements.

In accordance with the terms of the agreement, land was valued by an external appraiser as of December 31, 2022. The book value of the land was adjusted to the values provided in the report issued by such expert, which amounted to USD 161,048,143, equivalent to UYU 6,453,360,138.

The fair value of such land has been determined mainly by using sources of information of hierarchy Level 3.

These amounts were translated into Uruguayan pesos as expressed in Note 2.2.

Improvements and other improvements are presented in U.S. dollars historical cost, after deducting the relevant accumulated depreciation.

Disbursements after the acquisition of an item of property, plant and equipment are included in the carrying amount of assets when it is likely that future economic benefits, in addition to those originally assessed, will derive therefrom.

The Board and the Management estimated that the net book value of the assets will not exceed their use value and that there have been no impairment losses on any item of property, plant and equipment.

Depreciations for the period have been charged to selling, general and administrative expenses.

2.12 Accrual basis and revenue recognition

Revenue is recognized when earned and losses when incurred, regardless of when they are collected or paid, respectively. Income is recognized when future economic benefits are likely to enter the Trust's equity as a result of transactions carried out by the Trust.

Revenue from sales of goods and services is recognized when the entity has transferred the most significant risks of ownership to the customer or once such services are performed, and the amount of revenue can be measured reliably.

Income and expenses included in the statement of comprehensive income are recognized at the amount originally obtained or disbursed for the goods or services.

Selling, general and administrative expenses, financial results and others are recognized on an accrual basis.

2.13 Definition of capital

The difference in value of equity as of June 30, 2023, with respect to the amount of capital to be maintained has been regarded as the profit or loss for the period. The definition of capital used for this purpose is financial capital.

2.14 Statement of cash flows

In preparing the statement of cash flows, the definition of funds as for cash and cash equivalents was used, applying the indirect method.

The items comprising cash and cash equivalents are as follows:

	USD		Equivalent in UYU	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Banks	1,264,858	1,867,504	47,315,800	74,832,756
	1,264,858	1,867,504	47,315,800	74,832,756

2.15 Taxes, current income tax and deferred tax

The Trust is subject to VAT, the Corporate Income Tax [IRAE, for its acronym in Spanish] and the Wealth Tax. It is also a withholding agent for the Personal Income Tax.

The Trust is subject to IRAE for all income generated in Uruguay and not included in the exemptions granted by Law No. 15,939, intended to promote the forestry sector.

The Trust shall pay the Wealth Tax, however, the yield of forests planted in forestry priority areas, as well as the farms on which such plantations are located are exempted from such tax.

Regarding the aforementioned tax, in 2013, Law No. 19,088 amended this exemption regulating the agricultural sector and applied a surcharge to those taxpayers.

Decree No. 293/013, which regulates such Law, introduced an amendment extending the abovementioned exemption from the Wealth Tax to Trusts, and to certain listed companies. This exemption is applicable for five fiscal years since the creation of the trust. Therefore, for the period ended June 30, 2023, the Trust does not enjoy such exemption from the Wealth Tax and the Surcharge.

The sale of agricultural products in their natural state is subject to the suspended VAT system. The sale of uncut logs, and the felling of forests planted by the Trust or acquired standing, are considered agricultural products in their natural state for the purpose of their sale. Therefore, the VAT will remain on hold, and the tax included in the purchases, which is part of their cost, can be recovered. Grazing income is exempt from VAT, thus a portion of indirect purchasing VAT cannot be recovered as it is associated with such type of income.

The Trust shall pay the Rural Real Estate Tax for the farms acquired. However, as provided by Law No. 18,245, the farms used for forest plantations, included in the Quality Timber projects defined by the Ministry of Livestock, Agriculture and Fisheries, are exempt from the Rural Real Estate Tax.

Additionally, the Trust determines the amount of Income Tax by the Deferred Tax Method. It consists in the recognition (as credit or debit) of the tax effect on the temporary differences between the accounting and fiscal valuation of assets and liabilities, determined at the current rate of 25%, and its subsequent imputation to the results for the period in which their reversal occurs.

A) Income tax

	06/30/2023		06/30/2022	
	USD	Equivalent in UYU	USD	Equivalent in UYU
<u>Current Income Tax Expense</u>				
<u>Gain / (Loss) on Deferred Tax</u>	1,457,107	54,507,445	2,487,394	98,172,467
	1,457,107	54,507,445	2,487,394	98,172,467

B) Deferred income tax

	06/30/2023		12/31/2022	
	USD	Equivalent in UYU	USD	Equivalent in UYU
Property, plant and equipment-lands	(2,429,984)	(90,900,859)	(3,334,161)	(133,603,148)
Other property, plant and equipment -Agri	(2,309)	(86,392)	26,027	1,042,926
Biological Assets	(2,453,978)	(91,798,410)	(2,613,683)	(104,732,884)
Deferred Tax Asset / (Liability)	(4,886,272)	(182,785,661)	(5,921,816)	(237,293,106)

C) Movements in deferred tax for the period

	USD				
	Balance as of 12.31.2022	Adjustment to earnings	Translation adjustment	Adjustment to equity	Balance as of 06.30.2023
Fixed assets- lands	(3,334,161)	1,141,529	(237,352)	-	(2,429,984)
Other fixed assets- Agri	26,027	(30,189)	1,853	-	(2,309)
Biological assets	(2,613,683)	345,768	(186,063)	-	(2,453,978)
Deferred tax Asset / (Liability)	(5,921,816)	1,457,107	(421,563)	-	(4,886,272)

	Equivalent in UYU			
	Balance as of 12.31.2022	Adjustment to earnings	Adjustment to equity	Balance as of 06.30.2023
Fixed assets- lands	(133,603,148)	42,702,289	-	(90,900,859)
Other fixed assets- Agri	1,042,926	(1,129,318)	-	(86,392)
Biological assets	(104,732,884)	12,934,474	-	(91,798,410)
Deferred tax Asset / (Liability)	(237,293,106)	54,507,445	-	(182,785,661)

D) Reconciliation between income tax expense and accounting profit

	06/30/2023	
	USD	Equivalent in UYU
Accounting profit before IRAE	(1,905,478)	(75,123,046)
	25%	25%
Income tax at applicable rate	(476,370)	(18,780,762)
<u>Adjustments that do not generate temporary difference:</u>		
Difference in profit or loss by closing	10,548,651	408,649,465
Non-taxable income	(17,051,239)	(660,556,490)
Expenses associated to non-taxable income	6,865,078	265,949,694
Other net items	(1,343,227)	(49,769,353)
	(1,457,107)	(54,507,445)

2.16 Provisions

Provisions are financially recognized when the Trust has a present obligation (legal or contractual) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of such obligation.

2.17 Financial Instruments

The main financial instruments of the Trust are deposits in bank current accounts.

The main purpose of maintaining more liquid assets is for the Trust to have cash and cash equivalents available to meet its operational needs. The Trust has not contracted derivative financial instruments for the current period.

2.18 Estimates and assumptions in the application of accounting policies

The preparation of financial statements requires the Trustee to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Actual results could differ from these estimates.

The most significant accounting policies, estimates and assumptions to determine the accounting values of assets and liabilities are as follows:

(a) Impairment of non-financial assets

At each annual reporting date, the Trust reviews the carrying values of Property, plant and equipment: Land, to determine whether or not there are any indications of impairment. If an impairment event occurs, the recoverable amount of the assets is estimated to determine whether it is necessary to write down the value of the assets.

(b) Fair value of property, plant and equipment, and biological assets

The Trust annually hires external expert appraisers to determine the fair value of lands (Note 2.11) and biological assets (Note 2.9).

The methods used to determine the fair value require to make estimates and assumptions based on objective information and knowledge of the business. Such estimates are highly sensitive, and any variation in them

may lead to a significant variation in the fair values of biological assets recognized in the financial statements. Therefore, estimates are periodically revised, and adjusted accordingly, if necessary.

(c) Income tax

The Trust recognizes the effects of deferred tax based on estimates and assumptions depending on how its assets and liabilities are realized and canceled, respectively. Changes in such estimates and assumptions could significantly modify the balance of assets and liabilities accounted for deferred income tax for the period in which such modifications occur. Deferred tax assets and liabilities are not discounted.

Deferred tax assets are reviewed at each reporting date and are recognized only to the extent that it is probable that there are future taxable profits against which the deductible temporary difference can be utilized. Additionally, in order to determine the portion of deferred tax assets to be recognized in the statement of financial position, whether or not there are future taxable temporary differences with which the deductible temporary differences can be compensated should be considered. For these purposes, the Trustee estimates the reversions of temporary differences and the future tax results, as well as the available tax planning opportunities (Note 2.15).

2.19 Fair value of lands and forest

At each year-end, the Trust hires an external expert to determine the fair value of its lands and forests.

Key assumptions to determine fair value

In order to determine the impairment loss, the Management has hired an external appraiser, who has estimated future flows of funds for the remaining life of the Trust.

Measurement of the impairment loss is based on complex estimates that require the application of assumptions and professional judgment by the appraiser, which include:

(a) Wood flows

Wood flows are predicted by a five-step process, as follows:

- Stratify forest plantations
- Validation of growth and yield tables
- Design of harvesting scenarios
- Programming of wood supply
- Wood flow planning

(b) Land sales flow

According to the variations estimated by the income approach, the valuation considered land sales in the following years:

- year of disinvestment
- year zero cash flow

(c) Operating and management costs

- Forest costs: These costs are related to the amount spent to establish and cultivate the forest until it is ready for the final harvest.
- General expenses: These expenses are related to the amount spent on activities such as management, office maintenance, forest inventory, protections and certification, vehicles, roads, security and communications.

(d) The price of wood

These are the prices of wood by assortment class, which are the expected prices of wood set by the sawmill discounted from the company's average transport and harvest costs.

(e) The price of land and its cost

It is the weighted average potential price of land.

(f) Determining the discount rate

The discount rate is related to the capital cost of the resources (debt and equity) used in the financing of net operating assets and determined as the average cost of such sources of financing weighted by their relative share in the financial structure of the Trust sector.

The Weighted Average Cost of Capital (WACC) represents a weighted average cost of debt and equity. The cash flows used in the discounted fund flows are presented as the cash flow that is available to both debt and equity holders. Therefore, free cash flow is converted to present value through the application of a "WACC".

(g) Sensitivity analysis

The Trust has applied the sensitivity analysis to assess whether changes in the discount rate estimates, the prices of wood, forests and general costs, and land sales prices could make a significant difference in the financial statements. The sensitivity analysis did not identify any significant impairment losses.

2.20 Consistency of accounting principles

Except as expressed in Note 2.1, the criteria applied in the valuation of assets and liabilities, as well as to determine the profit or loss for the six-month period ended June 30, 2023, are similar to the ones applied for the fiscal year ended December 31, 2022.

NOTE 3 – OPENING OF ITEMS

3.1 Inventories

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Wood	3,962,028	4,124,664	147,536,199	165,279,423
Herbicide	154,182	125,311	6,082,111	5,021,337
Seeds	43,058	73,602	1,772,598	2,949,306
Fertilizer	33,938	46,381	1,412,023	1,858,533
Coadjuvant	17,355	9,984	698,150	400,069
Ant killer	5,471	3,234	212,249	129,590
Seedlings	-	18,489	-	740,873
	4,216,032	4,401,665	157,713,330	176,379,131

3.2 Trade receivables and other accounts receivable

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Trade receivables	3,684,724	2,727,389	252,043,108	109,289,192
Grazing debtors	152,230	122,387	5,694,619	4,904,163
Beehive debtors	394	83	14,729	3,306
	6,890,303	2,849,859	257,752,456	114,196,661

3.3 Other non-financial assets

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current				
Tax credits	3,814,982	2,825,913	142,710,853	113,237,171
Advances to suppliers	746,745	1,449,086	27,934,235	58,066,333
Other non-financial assets	23,420	2,343	876,086	93,871
Insurance paid in advance	108,950	5,120	4,075,602	205,177
	4,694,097	4,282,462	175,596,776	171,602,552

3.4 Cash and cash equivalents

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Banks	1,264,858	1,867,504	47,315,800	74,832,756
	1,264,858	1,867,504	47,315,800	74,832,756

3.5 Trade payables and other accounts payable

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Trade payables	3,406,426	2,905,122	127,427,550	116,411,126
Tax creditors	1,363,078	993,534	50,990,070	39,811,915
Customer advances	377,525	441,774	14,122,445	17,702,339
Provisions	314,902	54,036	11,779,852	638,494
Other accounts payable	6,554	-	245,172	2,165,271
	5,468,485	4,394,466	204,565,089	176,090,651

3.6 Loans and Liabilities

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Non-current liabilities				
Bank loan	6,302,356	5,200,000	235,758,533	208,369,200
	6,302,356	5,200,000	235,758,533	208,369,200

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current liability				
Bank loan	11,180,176	5,448,621	418,228,043	218,331,681
	11,180,176	5,448,621	418,228,043	218,331,681

This bank loan corresponds to two loans in U.S. dollars taken out with a local bank. One of them was taken out for the principal amount of USD 5,200,000 in April 2022. This loan shall be paid in 96 equal, consecutive and monthly instalments of USD 54,166.67 in 10 years, from May 2024. The other loan was taken out for the principal amount of USD 4,000,000 in January 2023. This loan shall be paid in 24 equal, consecutive and monthly instalments from February 2023. As of the date of these interim financial statements, 5 principal instalments of USD 798,806 have already been paid.

Additionally, it includes five fixed term notes in U.S dollars issued by local banks. One of these notes was issued for the principal amount of USD 1,800,000, in April 2023. This note shall be paid in October 2023. Likewise, the abovementioned bank loan also includes two fixed term notes were issued in May for the principal amount of USD 2,000,000. Both notes shall be paid in July 2023.

Accrued and unpaid interests as of June 30, 2023, amount to USD 81,342, equivalent to UYU 3,042,823. As of December 31, 2022, such interests amounted to USD 26,398, equivalent to UYU 1,057,811.

3.7 Operating revenue

<i>Item</i>	USD			
	Quarter ended on		Semester ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Revenue from sales of wood	8,424,232	15,407,816	14,708,238	26,937,578
Revenue from grazing	181,602	135,593	330,148	279,494
Revenue from beehives	248	630	495	1,460
	8,606,082	15,544,039	15,038,881	27,218,532

<i>Item</i>	Equivalent in UYU			
	Quarter ended on		Semester ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Revenue from sales of wood	323,085,233	628,541,096	567,823,291	1,123,799,559
Revenue from grazing	6,976,762	5,434,584	12,753,014	11,604,655
Revenue from beehives	9,491	25,314	19,112	61,108
	330,071,486	634,000,994	580,595,417	1,135,465,322

3.8 Selling, general and administrative expenses

<i>Item</i>	USD			
	Quarter ended on		Semester ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Forestry Operator Fee	1,107,727	1,040,564	2,215,450	2,081,128
Depreciation	208,842	206,080	416,762	411,939
Export expenses	178,770	826,226	549,025	1,987,127
Farm expenses	176,028	168,316	555,569	641,429
Other fees	148,374	224,457	332,845	352,769
Insurances	87,870	80,618	182,459	160,699
Social security contributions	21,047	19,163	41,208	34,227
Taxes	12,633	2,581	57,961	9,906
Miscellaneous	70,377	133,401	133,313	263,558
	2,011,668	2,701,406	4,484,592	5,942,782

<i>Item</i>	Equivalent in UYU			
	Quarter ended on		Semester ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Forestry Operator Fee	42,418,521	41,902,117	85,338,841	86,184,003
Depreciation	8,008,123	8,277,432	16,090,873	17,037,897
Export expenses	6,925,133	33,385,239	21,389,918	83,258,493
Farm expenses	6,795,485	6,791,102	21,606,097	27,081,528
Other fees	5,707,443	9,074,596	12,920,001	14,590,416
Insurances	3,372,803	3,238,091	7,051,964	6,646,056
Social security contributions	807,653	771,099	1,591,431	1,411,539
Taxes	470,939	103,894	2,232,921	415,850
Miscellaneous	2,712,360	5,350,988	5,152,845	10,897,927
	77,218,460	108,894,558	173,374,891	247,523,709

3.9 Financial results

<i>Item</i>	USD			
	Quarter ended on		Semester ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Interests and bank charges	(39,347)	(34,769)	(66,669)	(64,334)
Interest on banknotes	(187,320)	(88,606)	(322,571)	(132,097)
Exchange difference	(197,768)	(294,321)	(286,000)	(722,337)
	(424,435)	(417,696)	(675,240)	(918,768)

<i>Item</i>	Equivalent in UYU			
	Quarter ended on		Semester ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Interests and bank charges	(1,514,793)	(1,405,845)	(2,579,992)	(2,679,607)
Interest on banknotes	(7,174,397)	(3,547,946)	(12,432,807)	(5,392,938)
Exchange difference	(7,606,732)	(24,861,312)	(11,079,509)	(43,218,674)
	(16,295,922)	(29,815,103)	(26,092,308)	(51,291,219)

NOTE 4 - BIOLOGICAL ASSETS

Biological assets comprise forest plantations, located mainly in the departments of Cerro Largo, Treinta y Tres, Rivera and Tacuarembó composed mostly by Eucalyptus Grandis and Dunnii, and Pinus Taeda species. Forest plantations amount to 33,561 hectares on an area of approximately 55,365 hectares as of June 30, 2023 (as of December 31, 2022, there were 33,712 hectares planted on an area of approximately 55,365 hectares.)

The composition of the biological asset for the six-month period ended June 30, 2023, and as of December 31, 2022, was as follows:

	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Opening balance	288,430,000	246,050,000	11,557,678,530	10,997,204,750
Cost increase added to biological assets	1.364.580	1,764,331	52,987,728	72,389,217
Reduction by harvest of biological assets	(482.435)	(1,780,254)	(18,691,761)	(71,898,303)
Change in the fair value of biological	-	42,395,924	-	1,698,847,061
Translation adjustment	-	-	(769,385,793)	(1,138,864,196)
	289,312,145	288,430,000	10.822.588.704	11,557,678,530

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is composed as follows:

In U.S. dollars:

03/30/2023													12/31/2022
Item	Acquisition costs						Depreciations						Net values
	Opening values	Additions	Disposals	Revaluation	Translation adjustment	Closing values	Accumulated at the beginning	Disposals	For the period	Translation adjustment	Accumulated at the end of the period		
Lands	161,048,143	-	-	-	-	161,048,143	-	-	-	-	-	161,048,143	161,048,143
Improvements	23,239,908	-	-	-	-	23,239,908	(2,492,157)	-	(390,632)	-	(2,882,789)	20,357,119	20,747,751
Other improvements	222,145	116,028	-	-	-	338,173	(38,286)	-	(12,130)	-	(50,416)	287,757	183,859
Machinery	280,000	-	-	-	-	280,000	(93,333)	-	(14,000)	-	(107,333)	172,667	186,667
Machinery and equipment P.O.	-	534,129	-	-	-	534,129	-	-	-	-	-	534,129	-
Construction work-in-progress P.O.	117,902	2,154,654	-	-	-	2,272,556	-	-	-	-	-	2,272,556	117,902
Total	184,908,098	2,804,811	-	-	-	187,712,909	(2,623,776)	-	(416,762)	-	(3,040,538)	184,672,371	182,248,322

Equivalent in Uruguayan pesos:

03/30/2023													12/31/2022
Item	Acquisition costs						Depreciations						Net values
	Opening values	Additions	Disposals	Revaluation	Translation adjustment	Closing values	Accumulated at the beginning	Disposals	For the period	Translation adjustment	Accumulated at the end of the period		
Lands	6,453,360,138	-	-	-	(428,871,205)	6,024,488,933	-	-	-	-	-	6,024,488,933	6,453,360,138
Improvements	931,246,343	-	-	-	(61,887,874)	869,358,469	(99,861,876)	-	(15,082,692)	7,106,544	(107,838,024)	761,520,445	831,384,467
Other improvements	8,901,577	4,461,501	-	-	(712,680)	12,650,398	(1,535,483)	-	(467,628)	115,823	(1,887,288)	10,763,110	7,366,094
Machinery	11,219,880	-	-	-	(745,640)	10,474,240	(3,739,955)	-	(540,553)	265,388	(4,015,120)	6,459,120	7,479,925
Machinery and equipment P.O.	-	20,762,415	-	-	(781,715)	19,980,700	-	-	-	-	-	19,980,700	-
Construction work-in-progress P.O.	4,724,455	83,066,726	-	-	(2,779,425)	85,011,756	-	-	-	-	-	85,011,756	4,724,455
Total	7,409,452,393	108,290,642	-	-	(495,778,540)	7,021,964,496	(105,137,314)	-	(16,090,873)	7,487,755	(113,740,432)	6,908,224,064	7,304,315,079

The construction of a debinding plant began in 2022 in the department of Treinta y Tres.

The report dated August 30, 2023 is attached hereto.

Deloitte S.C.

NOTE 6 – IMPORTS IN PROCESS

The construction of a debinding plant began In 2022 in the department of Treinta y Tres. At the fiscal year-end, two industrial machines for such plant were in the importing process.

NOTE 7 - ASSETS AND LIABILITIES IN A CURRENCY OTHER THAN THE FUNCTIONAL CURRENCY

The statement of financial position includes the following balances in currencies other than the functional currency:

	June 30, 2023			December 31, 2022		
	UYU	EUR	Equivalent in USD	UYU	YUAN	Equivalent in USD
Assets						
Trade receivables and other accounts receivable	4,636,551	-	123,945	4,386,158	-	109,460
Other non-financial assets	153,955,060	8,733	4,125,094	131,717,564	-	3,287,105
Cash and cash equivalents	341,287	-	9,123	2,987,953	-	74,566
Total assets	158,932,898	8,733	4,258,162	139,091,675	-	3,471,131
Liabilities						
Deferred tax	182,785,661	-	4,886,272	237,293,106	-	5,921,816
Trade payables and other accounts payable	149,978,478	-	4,009,262	95,579,056	(3,654,000)	3,014,309
Total liabilities	332,764,139	-	8,895,534	332,872,162	(3,654,000)	8,936,125
Net position	(173,831,241)	8,733	(4,637,372)	(193,780,487)	3,654,000	(5,464,994)

The U.S. dollar exchange rate as of June 30, 2023, was UYU 37.408, and as of December 31, 2022, was UYU 40.071.

NOTE 8 – EQUITY

Book-Entry Participation Certificates for a nominal value of USD 330,000,000 were registered in the Securities Market Registry. The face value of each participation certificate is USD 1.

Date	USD	Equivalent in UYU
04/11/2019	36,600,000	1,342,162,800
08/19/2019	6,600,000	238,913,400
08/26/2019	283,800,000	10,351,888,800
Total Paid-in Capital	330,000,000	11,932,965,000

The balance of adjustments to equity as of June 30, 2023, and as of December 31, 2022 included the initial issuance costs of USD 309,720, equivalent to UYU 10,723,512.

The balance of the revaluation reserve included the accumulated revaluation of property, plant and equipment net of the deferred tax effect, which as of December 31, 2022, amounted to USD 41,550,953 (equivalent to UYU 1,828,808,312).

Additionally, for the presentation of these financial statements in Uruguayan pesos, in the balance of adjustments to equity, the translation reserve was included, which amounted to UYU 1,032,386,643 as of December 31, 2022, and UYU 198,499,394 as of June 30, 2023.

NOTE 9 – COMMITMENTS

As of June 30, 2023, the Trust commitments for grazing contracts on lands owned by the Trust amounted to USD 154,819, which corresponded to 50,531 hectares of pastured land.

NOTE 10 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) Balances of trade payables and other accounts payable with related parties are composed as follows:

	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Trade accounts payable				
Agro Empresa Forestal S.A.	468,843	468,092	17,538,493	18,756,920
	468,843	468,092	17,538,493	18,756,920

b) Transactions with related parties are composed as follows:

	USD			
	Quarter ended on		Semester ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Accrued fees				
Agro Empresa Forestal S.A.	1,107,727	1,040,564	2,215,451	2,081,128
	1,107,727	1,040,564	2,215,451	2,081,128

	Equivalent in UYU			
	Quarter ended on		Semester ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Accrued fees				
Agro Empresa Forestal S.A.	42,418,521	41,902,117	85,338,841	86,184,003
	42,418,521	41,902,117	85,338,841	86,184,003

NOTE 11 - FINANCIAL RISK MANAGEMENT

The main types of risks to which the financial instruments of the Trust and their management policies are exposed, are detailed below.

10.1 Credit risk

Credit Risk is the risk of financial loss faced by the Trust if a debtor or counterparty of a financial instrument fails to meet any contractual obligations.

The Trust is exposed to a low credit risk since the financial instruments in which it can invest have the same restrictions as Pension Savings Funds.

10.2 Liquidity risk

Liquidity risk occurs if the Trust fails to meet its financial obligations as they expire. The Trust main obligation is to pay the participation certificates. In accordance with Note 1, such certificates give holders the right to participate in the profit.

The Trust is not significantly exposed to this risk in accordance with the business plan established in the Trust Agreement and the limitations on the assets to be invested.

10.3 Market risk

Market risk occurs when changes in market prices, for example, in the exchange rate and interest rates, affect the income of the Trust or the value of the financial instruments held.

a) Currency risk

The Trust is exposed to this risk because of its monetary position in Uruguayan pesos (Note 6). The Trust's sensitivity to a 10% increase and decrease in the Uruguayan peso against the U.S. dollar is detailed below. The sensitivity analysis included outstanding monetary items expressed in foreign currency. With a 10% weakening of the Uruguayan peso against the U.S. dollar, the comprehensive income for the period would increase by USD 442,445, equivalent to UYU 17,383,124. If a strengthening of 10% were to occur, the comprehensive income for the period would be reduced by USD 516,332, equivalent to UYU 17,383,124.

b) Interest rate risk

The Trust is exposed to low interest rate risk. The debt is at a fixed rate.

c) Price risk

Price risk occurs when changes in market prices relevant to the activity carried out by the Trust affect its income or the value of the financial and non-financial instruments it holds.

The main assets exposed to this risk at each period end of the financial statements are as follows:

	USD		Equivalent in UYU	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Inventory	4,216,032	4,401,665	157,713,330	176,379,131
Property, plant and equipment (Lands)	161,048,143	161,048,143	6,024,488,933	6,453,360,138
Biological asset	289,312,145	288,430,000	10,822,588,704	11,557,678,530
	454,576,320	453,879,808	17,004,790,967	18,187,417,799

d) Fair value

It was estimated that the value of financial assets and liabilities measured at amortized cost, corresponding to trade accounts receivable, other accounts receivable, trade accounts payable and other accounts payable, has not significantly differed from their fair value since they are substantially short-term receivables.

Considering loans and liabilities, no relevant changes in market interest rates have been recorded since the transaction date. Therefore, the carrying value of such financial liabilities does not significantly differ from their estimated fair value

NOTE 12 – SUBSEQUENT EVENTS

After June 30, 2023, no other events or circumstances have occurred that may have significantly affected the financial position, performance and cash flows of the Trust.