



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

Condensed Interim Financial Statements  
and Independent Review Report for the  
Six Months Ended June 30, 2024

**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 II

## Condensed Interim Financial Statements and Independent Review Report for the six-month period ended June 30, 2024

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# Independent Review Report on Condensed Interim Financial Statements

To the Directors and Shareholders of

EF Asset Management Administradora de Fondos de Inversión S.A.

## Introduction

We have reviewed the accompanying condensed interim financial statements of the Trust Fideicomiso Financiero Forestal Bosques del Uruguay II (hereinafter “the Trust”), which comprise the condensed interim statement of financial position as of June 30, 2024, the related condensed interim statement of comprehensive income, cash flows, and 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 condensed interim financial statements. The Management of the Trust is responsible for the information contained in these condensed interim financial statements and its explanatory notes, which have been prepared in accordance with the International Accounting Standards applicable to condensed interim financial statements (IAS 34). Our responsibility is to express a conclusion on these condensed interim financial statements 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 condensed interim financial statements do not present fairly, in all material respects, the financial position of the Trust Fideicomiso Financiero Forestal Bosques del Uruguay II as of June 30, 2024, 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).

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## 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 these condensed interim 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 28, 2024



**Lucía Recalde**  
Partner, Deloitte S.C.



# FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

## Condensed Interim Statement of Financial Position as of June 30, 2024

(in U.S. dollars and Uruguayan pesos)

	Notes	USD		Equivalent in UYU	
		06/30/2024	12/31/2023	06/30/2024	12/31/2023
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	51,675,258	51,820,824	2,066,441,904	2,022,152,184
Biological assets- plantations	4	77,685,074	77,041,968	3,106,548,411	3,006,331,691
<b>Total non-current assets</b>		<b>129,360,332</b>	<b>128,862,792</b>	<b>5,172,990,315</b>	<b>5,028,483,875</b>
<b>Current assets</b>					
Inventories	3.1	1,055,273	1,481,795	42,199,308	57,822,617
Accounts receivable and other receivables	3.2	757,097	1,198,610	30,275,558	46,772,142
Other non-financial assets	3.3	615,254	981,721	24,603,376	38,308,723
Cash and cash equivalent	3.4	854,195	1,042,819	34,158,412	40,692,889
<b>Total current assets</b>		<b>3,281,819</b>	<b>4,704,945</b>	<b>131,236,654</b>	<b>183,596,371</b>
<b>Total assets</b>		<b>132,642,151</b>	<b>133,567,737</b>	<b>5,304,226,969</b>	<b>5,212,080,246</b>
<b>Equity</b>					
Participation certificates	7	70,000,000	70,000,000	1,988,715,600	1,988,715,600
Revaluation reserve		10,265,092	10,265,092	441,274,503	441,274,503
Translation reserve	7	-	-	764,681,199	640,428,230
Retained earnings		47,740,448	47,897,921	1,924,142,222	1,930,758,736
<b>Total equity</b>		<b>128,005,540</b>	<b>128,163,013</b>	<b>5,118,813,524</b>	<b>5,001,177,069</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Deferred tax liabilities	2.15	2,874,892	2,868,587	114,964,074	111,937,986
<b>Total non-current liabilities</b>		<b>2,874,892</b>	<b>2,868,587</b>	<b>114,964,074</b>	<b>111,937,986</b>
<b>Current liabilities</b>					
Accounts payable and other payables	3.5	738,388	1,520,040	29,527,376	59,315,072
Loans and liabilities	3.6	1,023,331	1,016,097	40,921,995	39,650,119
<b>Total current liabilities</b>		<b>1,761,719</b>	<b>2,536,137</b>	<b>70,449,371</b>	<b>98,965,191</b>
<b>Total liabilities</b>		<b>4,636,611</b>	<b>5,404,724</b>	<b>185,413,445</b>	<b>210,903,177</b>
<b>Total liabilities and equity</b>		<b>132,642,151</b>	<b>133,567,737</b>	<b>5,304,226,969</b>	<b>5,212,080,246</b>

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

The report dated August 28, 2024, is attached hereto.

Deloitte S.C.

# FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

## Condensed Interim Statement of Comprehensive Income for the Six-Month Period Ended June 30, 2024

(in U.S. dollars)

	Notes	Quarter ended on		Semester ended on	
		06/30/2024	06/30/2023	06/30/2024	06/30/2023
Operating revenue	3.7	1,083,665	2,184,483	3,105,348	2,474,167
Cost of goods sold		(582,173)	(2,059,139)	(2,035,686)	(2,188,048)
<b>Gross margin</b>		<b>501,492</b>	<b>125,344</b>	<b>1,069,662</b>	<b>286,119</b>
SG&A	3.8	(523,039)	(854,264)	(1,174,171)	(1,505,994)
Financial results	3.9	154,381	(105,634)	22,709	(195,884)
<b>Profit or loss for the period before income tax</b>		<b>132,834</b>	<b>(834,554)</b>	<b>(81,800)</b>	<b>(1,415,759)</b>
Income tax	2.15	(75,673)	661,728	(75,673)	661,728
<b>Profit or loss for the period</b>		<b>57,161</b>	<b>(172,826)</b>	<b>(157,473)</b>	<b>(754,031)</b>
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Comprehensive income for the period</b>		<b>57,161</b>	<b>(172,826)</b>	<b>(157,473)</b>	<b>(754,031)</b>

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

The report dated August 28,  
2024, is attached hereto.

Deloitte S.C.

# FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

## Condensed Interim Statement of Comprehensive Income for the Six-Month Period Ended June 30, 2024

(in Uruguayan pesos)

	Notes	Quarter ended on		Semester ended on	
		06/30/2024	06/30/2023	06/30/2024	06/30/2023
Operating revenue	3.7	41,835,635	82,714,212	120,062,338	93,995,674
Cost of goods sold		(22,524,678)	(77,888,813)	(78,858,552)	(82,885,284)
<b>Gross margin</b>		<b>19,310,957</b>	<b>4,825,399</b>	<b>41,203,786</b>	<b>11,110,390</b>
SG&A	3.8	(20,539,713)	(32,596,625)	(45,727,122)	(57,910,539)
Financial results	3.9	5,980,858	(4,022,920)	932,910	(7,574,422)
<b>Profit or loss for the period before income tax</b>		<b>4,752,102</b>	<b>(31,794,146)</b>	<b>(3,590,426)</b>	<b>(54,374,571)</b>
Income tax	2.15	(3,026,088)	24,753,913	(3,026,088)	24,753,913
<b>Profit or loss for the period</b>		<b>1,726,014</b>	<b>(7,040,233)</b>	<b>(6,616,514)</b>	<b>(29,620,658)</b>
<b>Other comprehensive income for the period</b>					
Translation reserve	2.2	124,252,969	(307,034,323)	124,252,969	(307,034,323)
<b>Comprehensive income for the period</b>		<b>125,978,983</b>	<b>(314,074,556)</b>	<b>117,636,455</b>	<b>(336,654,981)</b>

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

The report dated August 28,  
2024, is attached hereto.

Deloitte S.C.

# FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

## Condensed Interim Statement of Cash Flows for the Six-Month Period ended June 30, 2024

(in U.S. dollars and Uruguayan pesos)

	USD		Equivalent in UYU	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
<b>Cash flows from operating activities</b>				
Profit or loss for the period before income tax	(81,800)	(1,415,759)	(3,590,426)	(54,374,571)
<b>Adjustments for:</b>				
Depreciations	167,508	163,237	6,500,733	6,302,477
Costs of sales of standing forests	-	727,538	-	27,297,950
Unpaid accrued interests	23,331	14,752	932,995	551,832
	<b>109,039</b>	<b>(510,232)</b>	<b>3,843,302</b>	<b>(20,222,312)</b>
<b>Changes in assets and liabilities</b>				
Accounts receivable and other receivables	441,513	(1,516,725)	17,442,192	(58,757,168)
Inventories	426,522	(1,176,607)	16,849,965	(45,581,185)
Other non-financial assets	366,467	(697,728)	14,477,462	(27,029,634)
Accounts payable and other payables	(851,020)	1,715,304	(33,619,971)	66,450,019
Translation adjustment	-	-	(372,969)	(433,659)
<b>Net flows (used in) / from operating activities</b>	<b>492,521</b>	<b>(2,185,989)</b>	<b>18,619,981</b>	<b>(85,573,939)</b>
<b>Cash flows from investing activities</b>				
Costs related to biological assets	(643,105)	(774,677)	(24,834,573)	(29,901,760)
Purchases of property, plant and equipment	(21,943)	(39,487)	(859,724)	(1,524,472)
<b>Net flows used in investing activities</b>	<b>(665,048)</b>	<b>(814,165)</b>	<b>(25,694,297)</b>	<b>(31,426,232)</b>
<b>Cash flows from financing activities</b>				
Loans and liabilities	(16,097)	2,471,351	(584,015)	95,374,092
<b>Net flows (used in) / from financing activities</b>	<b>(16,097)</b>	<b>2,471,351</b>	<b>(584,015)</b>	<b>95,374,092</b>
<b>Changes in cash flows and cash equivalents</b>	<b>(188,624)</b>	<b>(528,802)</b>	<b>(7,658,331)</b>	<b>(21,626,079)</b>
<b>Opening balance of cash and cash equivalents</b>	<b>1,042,819</b>	<b>635,543</b>	<b>40,692,889</b>	<b>25,466,846</b>
Effect associated with the maintenance and translation of cash and cash equivalents	-	-	173,411	152,187
<b>Closing balance of cash and cash equivalents</b>	<b>854,195</b>	<b>106,741</b>	<b>33,207,969</b>	<b>3,992,953</b>

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

The report dated August 28,  
2024, is attached hereto.

Deloitte S.C.



## FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II

### Condensed Interim Statement of Changes in Fiduciary Net Position for the Six-Month Period Ended June 30, 2024

(in U.S. dollars)

	NOTES	PARTICIPATION CERTIFICATES	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL EQUITY
<b>As of December 31, 2022</b>	<b>7</b>	<b>70,000,000</b>	<b>8,403,950</b>	<b>37,423,381</b>	<b>115,827,331</b>
Profit or loss for the period		-	-	(754,031)	(754,031)
<b>As of June 30, 2023</b>	<b>7</b>	<b>70,000,000</b>	<b>8,403,950</b>	<b>36,669,350</b>	<b>115,073,300</b>
Profit or loss for the period		-	1,861,142	-	1,861,142
Revaluation of property, plant and equipment net of deferred tax		-	-	11,228,571	11,228,571
<b>As of December 31, 2023</b>	<b>7</b>	<b>70,000,000</b>	<b>10,265,092</b>	<b>47,897,921</b>	<b>128,163,013</b>
Profit or loss for the period		-	-	(157,473)	(157,473)
<b>As of June 30, 2024</b>	<b>7</b>	<b>70,000,000</b>	<b>10,265,092</b>	<b>47,740,448</b>	<b>128,005,540</b>

### Condensed Interim Statement of Changes in Fiduciary Net Position for the Six-Month Period Ended June 30, 2024

(in Uruguayan pesos)

	NOTES	PARTICIPATION CERTIFICATES	VALUATION RESERVE	TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL EQUITY
<b>As of December 31, 2022</b>		<b>1,988,715,600</b>	<b>368,649,030</b>	<b>764,042,746</b>	<b>1,519,909,594</b>	<b>4,641,316,970</b>
Translation reserve	7	-	-	(307,034,323)	-	(307,034,323)
Profit or loss for the period		-	-	-	(29,620,658)	(29,620,658)
<b>As of June 30, 2023</b>	<b>7</b>	<b>1,988,715,600</b>	<b>368,649,030</b>	<b>457,008,423</b>	<b>1,490,288,936</b>	<b>4,304,661,989</b>
Translation reserve		-	72,625,473	-	-	72,625,473
Revaluation of property, plant and equipment net of deferred tax		-	-	183,419,807	-	183,419,807
Profit or loss for the period		-	-	-	440,469,800	440,469,800
<b>As of December 31, 2023</b>	<b>7</b>	<b>1,988,715,600</b>	<b>441,274,503</b>	<b>640,428,230</b>	<b>1,930,758,736</b>	<b>5,001,177,069</b>
Translation reserve		-	-	124,252,969	-	124,252,969
Profit or loss for the period		-	-	-	(6,616,514)	(6,616,514)
<b>As of June 30, 2024</b>	<b>7</b>	<b>1,988,715,600</b>	<b>441,274,503</b>	<b>764,681,199</b>	<b>1,924,142,222</b>	<b>5,118,813,524</b>

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

The report dated August 28,  
2024, is attached hereto.

Deloitte S.C.

## **FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY II**

### **Notes to the Condensed Interim Financial Statements for the Six-Month Period Ended June 30, 2024**

#### **NOTE 1 - GENERAL INFORMATION ON THE TRUST FIDEICOMISO FORESTAL BOSQUES DEL URUGUAY II**

In the city of Montevideo, on August 14, 2014, the Trust Agreement was made and entered into by and between EF ASSET MANAGEMENT Administradora de Fondos de Inversión S.A., acting as "Trustee," Agroempresa Forestal S.A., acting as "Manager," and the Initial Underwriters of the Securities, acting as "Trustors," to create the Financial Forestry Trust Fideicomiso Financiero Forestal Bosques del Uruguay II.

On December 5, 2014, the Central Bank of Uruguay [BCU, for its acronym in Spanish] authorized the registration of the Trust in the Securities Market Registry (Communication No. 2014/208).

The capital of the Trust was paid-in with the amounts paid by the Trustors acting as the Initial Underwriters of the Securities, under the conditions set out in the Agreement, and it will be used to fulfil the purposes thereof.

The Trustee invested the funds from the issuance of Securities (Participation Certificates) in the acquisition of rural Properties located within the Eastern Republic of Uruguay. These properties have become part of the Trust's assets and will be used for forestry activities.

The Business Plan outlines the framework within which the Trust's strategy is developed to fulfil its purpose, specifying the general requirements that the Properties must meet

The Trustee shall appoint the Manager through the Management Agreement. The Manager will be responsible for managing the Trust's assets and implementing the Business Plan related to this Trust and the Management Agreement. Notwithstanding the foregoing, the Trustee remains accountable for the Manager's performance concerning the outsourced activities.

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

The equity of the Trust consists of its assets and all present and future economic rights generated from those assets. The Trust's equity shall be used solely and exclusively for its intended purposes, and only the rights and actions related to these assets may be exercised in connection with them.

In accordance with the provisions of the Trust Agreement, forest plantations and land shall be valued as of December 31 each year.

On January 19, 2015 (Subscription Closing Date), book-entry Participation Certificates amounting to USD 70,000,000 (seventy million U.S. dollars), issued by the Trustee on behalf of the Financial Trust Fideicomiso Financiero Forestal Bosques del Uruguay II, were placed on the Bolsa Electrónica de Valores del Uruguay S.A. (BEVSA).

Participation Certificates grant Holders rights to participate in accordance with the financial performance of the Trust, pursuant to the terms and conditions outlined in the Trust 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 settled.

In accordance with Section 330 of the Central Bank of Uruguay's Compilation of Securities Market Standards, the Trust's accounting period and fiscal year both end on December 31 of each year. The statement of comprehensive income, statement of changes in equity and statement of cash flows are presented for the six-month period ended June 30, 2024.

These condensed 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 28, 2024.

The report dated August 28, 2024,  
is attached hereto.

Deloitte S.C.

## **NOTE 2 - BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

### **2.1 Accounting Standards**

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

These condensed interim financial statements do not include all the information required by International Financial Reporting Standards (IFRS) for the presentation of complete financial statements, as it follows the format of condensed interim financial statements provided for in International Accounting Standard No. 34 - "Interim Financial Reporting." Therefore, these condensed interim financial statements, which have been prepared in accordance with IFRS, shall be read in conjunction with the Trust's financial statements for the year ended December 31, 2023.

Decree 108/22 dated April 4, 2022, offers entities covered by Decree 124/11 the option to apply new presentation criteria for equity items introduced by that decree. The Trust has not opted to apply these presentation criteria.

#### **2.1.1 New Standards, Interpretations, and Amendments with Mandatory Application Starting in the Current Fiscal Year**

The accounting policies applied by the Trust for the preparation and presentation of these financial statements are consistent with those applied in its financial statements as of December 31, 2023, except for the adoption of new standards effective as of January 1, 2024. The Trust has not early adopted any other standards, interpretations, or amendments that have been issued but are not yet effective.

The new and revised standards issued by the IASB, effective from the fiscal year beginning January 1, 2024, are as follows.

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

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Amendments to IAS 1: Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

The application of these new standards has 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 that reflects the economic substance of events and relevant circumstances pertaining 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 according to the standard when:

- Purchases are financed in that currency.
- Collections of accounts receivable 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 the Trust's financial statements to comply with the legal and fiscal provisions in force.

In accordance with these 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 restated as follows: 1) the capital is presented at its value in historical Uruguayan pesos including the difference between such value and the amount resulting from the application of the general translation criterion as an adjustment to equity; 2) retained earnings correspond to the financial performance of 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 the translation of assets, liabilities and equity, 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 "Adjustments 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 denominated in currencies other than the functional currency are valued at the closing exchange rates for the period. Exchange differences are recognized in profit or loss. A summary of the balances of assets and liabilities denominated in non-functional currencies for the period is provided in Note 6.

### **2.4 Overall Valuation Criteria for Assets and Liabilities**

Assets and liabilities (except for biological assets, and property, plant and equipment) have been valued at their disbursed cost or the commitment assumed respectively, and subsequently measured at amortized cost. In all cases, these amounts have been adjusted as mentioned in the preceding section.

### **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 Accounts Receivable and Other Receivables

Accounts receivable and other receivables are presented at their amortized cost using the effective interest method. 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 application of this method does not have a significant impact on the financial statements of the Trust.

## 2.8 Other Non-Financial Assets

Non-financial assets are presented at their nominal value and primarily consist of tax credits.

## 2.9 Biological Assets – Plantations

Forest plantations and the costs incurred in the formation of the forests between December 31, 2023, and June 30, 2024, are presented in the statement of financial position at their fair value as of December 31, 2023.

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

Based on this methodology, the external appraiser determined that the fair value of the biological assets as of December 31, 2023, amounted to USD 77,041,968, equivalent to UYU 3,006,331,691.

To this end, the following factors have been essentially considered:

- Estimated representative prices for the projection period.
- Annual variable and fixed costs associated with wood production.
- Discount rate estimated based on a capital asset pricing model, which is 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 has been primarily determined using Level 3 information sources. The prices of comparable goods are the most significant source of information to determine this fair value.

## 2.10 Inventories

Inventories are valued at acquisition cost, determined using the FIFO (First-In, First-Out) valuation method for the allocation of products sold. The Trust estimates that the carrying values of the inventories will not exceed their net realizable value.

## 2.11 Property, Plant and Equipment

The components of property, plant and equipment balances during the three-month period ended June 30, 2024, are detailed in Note 5 of these financial statements.

In accordance with the terms of the agreement, the land was valued by an external appraiser on December 31, 2023. The book value of the land as of that date was adjusted to the values provided appraiser's report, which amounted to USD 45,935,572, equivalent to UYU 1,792,497,891.

The fair value of such land has been primarily determined using Level 3 information sources.

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

Disbursements made after the acquisition of an item of property, plant, and equipment are included in the carrying amount of the assets when it is probable that these expenditures will result in future economic benefits beyond those originally assessed.

The Board and Management estimate that the net book value of the assets does 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. Income is recognized when it is probable that future economic benefits will flow into the Trust as a result of transactions conducted by the Trust.

Revenue from sales of goods and services is recognized when the Trust has transferred the significant risks and rewards of ownership to the customer or when the services have been 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 received 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 between the equity as of June 30, 2024, and the required capital amount to be maintained, has been regarded as the profit or loss for the period. The concept 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 has been used, applying the indirect method.

## **2.15 Taxes, Current Income Tax and Deferred Tax**

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

The Trust is subject to IRAE for all income generated in Uruguay that is not covered by exemptions granted by Law No. 15,939, which promotes the forestry sector.

The Trust shall pay the Wealth Tax, however, the yield from forests planted in designated forestry priority areas, as well as from the farms on which these plantations are located are exempt from this tax.

Regarding the aforementioned tax, in 2013, Law No. 19,088 amended the exemption for the agricultural sector and applied a surcharge to those taxpayers. Decree No. 293/013, which regulates such law, extended the Wealth Tax exemption to certain trusts already in existence for certain listed companies. This exemption is applicable for five fiscal years since the creation of the trust. Therefore, for the period ended on June 30, 2024, 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, 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, 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 using the Deferred Tax Method, which involves recognizing (as credit or debit) of the tax effect on temporary differences between the accounting and fiscal valuation of assets and liabilities, determined at the current rate of 25%, and subsequently allocating these amounts to the results for the period in which the reversals occur.

#### A) Income Tax

	USD		Equivalent in UYU	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
(Loss)/Gain on Deferred Tax	(75,673)	661,728	(3,026,088)	24,753,913
	<b>(75,673)</b>	<b>661,728</b>	<b>(3,026,088)</b>	<b>24,753,913</b>

#### B) Deferred Income Tax

	USD		Equivalent in UYU	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Property, plant and equipment-land	(54,406)	(93,505)	(2,175,655)	(3,648,741)
Other property, plant and equipment – Agro-related	160,007	146,809	6,398,502	5,728,768
Biological Assets	(2,980,493)	(2,921,891)	(119,186,921)	(114,018,013)
<b>Deferred Tax Liability</b>	<b>(2,874,892)</b>	<b>(2,868,587)</b>	<b>(114,964,074)</b>	<b>(111,937,986)</b>

#### C) Movements in Deferred Taxes for the Period

	USD			
	Balance as of 12.31.2023	Adjustment to Earnings	Translation Effect	Balance as of 06.30.2024
Fixed assets- land	(93,505)	36,837	2,261	(54,406)
Other fixed assets – Agro-related	146,809	16,748	(3,550)	160,007
Biological assets	(2,921,891)	(129,258)	70,657	(2,980,493)
<b>DEFERRED TAX LIABILITY</b>	<b>(2,868,587)</b>	<b>(75,673)</b>	<b>69,368</b>	<b>(2,874,892)</b>

	UYU		
	Balance as of 12.31.2023	Adjustment to Earnings	Balance as of 06.30.2024
Fixed assets- lands	(3,648,741)	1,473,086	(2,175,655)
Other fixed assets – Agro-related	5,728,768	669,734	6,398,502
Biological assets	(114,018,013)	(5,168,908)	(119,186,921)
<b>DEFERRED TAX LIABILITY</b>	<b>(111,937,986)</b>	<b>(3,026,088)</b>	<b>(114,964,074)</b>

## D. Reconciliation between Income Tax Expense and Accounting Profit

	06/30/2024	
	USD	Equivalent in UYU
Accounting profit before IRAE	(81,800)	(3,590,426)
	<b>25%</b>	<b>25%</b>
Income tax at applicable rate	20,450	897,607
<u>Adjustments that do not generate temporary difference:</u>		
Non-taxable income	691,887	27,333,327
Expenses associated to non-taxable income	(653,335)	(25,810,344)
Tax losses	(28,619)	(1,130,626)
Translation adjustments	69,368	-
Other net items	(175,422)	(4,316,052)
	<b>(75,673)</b>	<b>(3,026,088)</b>

### 2.16 Provisions

Provisions are financially recognized when the Trust has a present obligation (legal or contractual) as a result of a past event; it is likely that resources will be used to cancel such obligations in the future, and those obligations may be reliably estimated.

### 2.17 Financial Instruments

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

The main purpose of maintaining more liquid assets is to ensure that the Trust has sufficient cash and cash equivalents to meet its operational needs. The Trust has not engaged in derivative financial instruments during this 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 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 its land (Note 2.11) and biological assets (Note 2.9).

The methods used to determine the fair value require making estimates and assumptions based on objective information and knowledge of the business. These estimates are highly sensitive, and any variation in them may lead to significant changes 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 regarding the realization and settlement of its assets and liabilities. Changes in these estimates and assumptions could significantly affect the balance of deferred tax assets and liabilities for the period in which such changes occur. Deferred tax assets and liabilities are not discounted.

Deferred tax assets are reviewed at each reporting date and recognized only to the extent that it is probable that there will be future taxable profits against which the deductible temporary differences can be utilized. Additionally, to determine the portion of deferred tax assets to be recognized in the statement of financial position, it is necessary to consider whether there are future taxable temporary differences that can offset the deductible temporary differences. For these purposes, the Trustee estimates the reversal of temporary differences, future tax results, and available tax planning opportunities (Note 2.15).

### **2.19 Fair Value of Land and Forests**

At the end of each reporting period, the Trust hires an external appraiser to determine the fair value of its land and forests.

#### **Key Assumptions Used to Determine the Fair Value**

To determine the impairment loss, Management has hired an external appraiser to estimate future cash flows for the remaining life of the Trust.

The measurement of impairment loss is based on complex estimates that require the application of assumptions and professional judgment by the appraiser, including:

#### **(a) Wood Flows**

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

- Stratify forest plantations
- Validate growth and yield tables
- Design harvesting scenarios
- Program of wood supply
- Plan wood flow

#### **(b) Land Sales Flow**

The valuation considered land sales in the following years based on variations estimated by the income approach:

- Year of disinvestment
- Year zero cash flow

#### **(c) Operating and Management Costs**

**Forest Costs:** Costs related to the establishment and cultivation a forest until it is ready for the final harvest.

**General Expenses:** Expenses related to 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 and Cost of Land**

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 financing 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 cash flows are presented as the cash flow that available to both debt and equity holders. Therefore, free cash flow is converted to present value through the application of WACC.

## (g) Sensitivity Analysis

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

## 2.20 Consistency of Accounting Principles

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, 2024, are consistent with those applied for the fiscal year ended December 31, 2023.

## NOTE 3 – OPENING OF ITEMS

### 3.1 Inventories

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Wood	992,204	1,398,230	39,717,869	54,539,819
Coadjuvant	4,283	4,342	169,271	176,500
Herbicide	36,400	41,815	1,431,554	1,641,540
Fertilizer	9,255	12,399	363,749	482,890
Ant killer	8,514	7,564	326,374	287,926
Seedlings	-	12,828	-	503,451
Seeds	4,617	4,617	190,491	190,491
	<b>1,055,273</b>	<b>1,481,795</b>	<b>42,199,308</b>	<b>57,822,617</b>

### 3.2 Accounts Receivable and Other Receivables

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Accounts receivable	746,311	1,176,801	29,844,263	45,921,100
Grazing debtors	10,198	21,544	407,788	840,701
Beehive debtors	588	265	23,507	10,341
	<b>757,097</b>	<b>1,198,610</b>	<b>30,275,558</b>	<b>46,772,142</b>

### 3.3 Other Non-Financial Assets

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Tax credits	556,626	978,553	22,258,908	38,185,098
Advances to suppliers	12,299	3,168	491,805	123,625
Other non-financial assets	46,329	-	1,852,663	-
	<b>615,254</b>	<b>981,721</b>	<b>24,603,376</b>	<b>38,308,723</b>

### 3.4 Cash and Cash Equivalents

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Treasury bills	698,915	798,765	27,948,935	31,169,430
Banks	155,280	244,054	6,209,477	9,523,459
	<b>854,195</b>	<b>1,042,819</b>	<b>34,158,412</b>	<b>40,692,889</b>

### 3.5 Accounts Payable and Other Payables

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Accounts payable	345,691	976,673	13,823,860	38,111,743
Tax creditors	362,114	510,266	14,480,571	19,911,613
Customer advances	19,549	19,902	781,742	776,616
Provisions	6,677	13,199	266,988	515,100
Other payables	4,357	-	174,215	-
	<b>738,388</b>	<b>1,520,040</b>	<b>29,527,376</b>	<b>59,315,072</b>

### 3.6 Loans and Liabilities

<i>Item</i>	USD		Equivalent in UYU	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Bank loan	1,023,331	1,016,097	40,921,995	39,650,119
	<b>1,023,331</b>	<b>1,016,097</b>	<b>40,921,995</b>	<b>39,650,119</b>

As of June 30, 2024, the balance includes a fixed term note in U.S. dollars issued by a local bank in February 2024, for a principal amount of USD 1,000,000, equivalent to UYU 39,989,000, due for repayment within 180 days.

Accrued and unpaid interests as of the date of these financial statements amounted to USD 23,331, equivalent to UYU 932,995.

As of December 31, 2023, the balance includes a fixed term note in U.S. dollars issued by local bank in November 2023, for a principal amount of USD 2,100,000, equivalent to UYU 82,149,900, due for repayment within 90 days. A partial payment of USD 1,085,712 was made in December, leaving a remaining principal of USD 1,114,288 (equivalent to UYU 39,579,555) as of December 31, 2023.

Accrued and unpaid interests as of December 31, 2023, amount to USD 1,809, equivalent to UYU 70,565.

### 3.7 Operating Revenue

<i>Item</i>	USD			
	Quarter ended on		Semester ended on	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Revenue from sales of wood	1,037,614	2,130,123	3,019,732	2,365,561
Revenue from grazing	45,591	53,864	84,856	107,727
Revenue from beehives	460	496	760	879
	<b>1,083,665</b>	<b>2,184,483</b>	<b>3,105,348</b>	<b>2,474,167</b>

  

<i>Item</i>	Equivalent in UYU			
	Quarter ended on		Semester ended on	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Revenue from sales of wood	40,039,666	80,629,650	116,738,803	89,802,356
Revenue from grazing	1,778,049	2,065,544	3,294,058	4,159,449
Revenue from beehives	17,920	19,018	29,477	33,869
	<b>41,835,635</b>	<b>82,714,212</b>	<b>120,062,338</b>	<b>93,995,674</b>

### 3.8 Selling, General and Administrative Expenses

<i>Item</i>	USD			
	Quarter ended on		Semester ended on	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Forestry Operator fee	144,677	331,794	476,471	663,588
Registered Agent fees	-	-	-	14,000
Other fees	64,710	63,274	120,299	116,849
Farm expenses	47,891	59,476	167,223	188,730
Depreciation	83,781	81,868	167,509	163,239
Taxes	141,441	233,559	142,747	234,808
Insurances	29,987	24,521	59,974	51,186
Miscellaneous	10,552	59,772	39,948	73,594
	<b>523,039</b>	<b>854,264</b>	<b>1,174,171</b>	<b>1,505,994</b>

  

<i>Item</i>	Equivalent in UYU			
	Quarter ended on		Semester ended on	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Forestry Operator fee	5,679,189	12,705,498	18,489,864	25,561,299
Registered Agent fees	-	-	-	542,514
Other fees	2,500,556	2,440,617	4,659,873	4,535,826
Farm expenses	1,858,459	2,291,037	6,486,921	7,324,181
Depreciation	3,267,401	3,139,305	6,500,733	6,302,477
Taxes	5,655,840	8,768,405	5,706,592	8,816,974
Insurances	1,169,460	940,728	2,327,487	1,978,894
Export expenses	-	-	593,275	-
Miscellaneous	408,808	2,311,035	962,377	2,848,374
	<b>20,539,713</b>	<b>32,596,625</b>	<b>45,727,122</b>	<b>57,910,539</b>

### 3.9 Financial Results

<i>Item</i>	USD			
	Quarter ended on		Semester ended on	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Interests earned	3,316	-	4,808	-
Interests and bank charges	(5,949)	(3,266)	(12,259)	(3,747)
Interests on loans	(17,087)	(17,966)	(34,016)	(19,083)
Exchange rate difference	174,101	(84,402)	64,176	(173,054)
	<b>154,381</b>	<b>(105,634)</b>	<b>22,709</b>	<b>(195,884)</b>

<i>Item</i>	<b>Equivalent in UYU</b>			
	<b>Quarter ended on</b>		<b>Semester ended on</b>	
	<b>06/30/2024</b>	<b>06/30/2023</b>	<b>06/30/2024</b>	<b>06/30/2023</b>
Interests earned	129,508	-	188,067	-
Interests and bank charges	(228,053)	(125,744)	(474,491)	(144,594)
Interests on loans	(664,597)	(682,466)	(1,315,973)	(725,791)
Exchange rate difference	6,744,000	(3,214,710)	2,535,307	(6,704,037)
	<b>5,980,858</b>	<b>(4,022,920)</b>	<b>932,910</b>	<b>(7,574,422)</b>

## **NOTE 4 - BIOLOGICAL ASSETS – PLANTATIONS**

Biological assets comprise forest plantations located mainly in the departments of Cerro Largo, Lavalleja and Treinta y Tres. These plantations are primarily composed of Eucalyptus Grandis, Saligna, Dunnii and Globulus, and Pinus Elliottii species. As of June 30, 2024, these forest plantations covered 9,348 hectares out of a total area of approximately 14,656 hectares (as of December 31, 2023, they also covered 9,304 hectares).

The evolution of the biological asset for the six-month period ended June 30, 2024, and December 31, 2023, is detailed below):

	<b>USD</b>		<b>Equivalent in UYU</b>	
	<b>06/30/2024</b>	<b>12/31/2023</b>	<b>06/30/2024</b>	<b>12/31/2023</b>
Opening balance	77,041,968	67,060,000	3,006,331,691	2,687,161,260
Cost increase added to biological assets	643,105	1,460,057	24,834,573	56,429,398
Reduction by harvest of biological assets	-	(2,604,251)	-	(100,026,629)
Change in the fair value of biological assets	-	11,126,162	-	434,165,080
Translation adjustments	-	-	75,382,147	(71,397,418)
	<b>77,685,074</b>	<b>77,041,968</b>	<b>3,106,548,411</b>	<b>3,006,331,691</b>

## NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is composed as follows:

**In U.S. dollars:**

Item	06/30/2024											12/31/2023	
	Acquisition costs						Depreciations					Net values	Net values
	Opening balances	Additions	Disposals	Revaluation	Translation adjustment	Closing balances	Accumulated at opening	Disposals	For the period	Translation adjustment	Accumulated at closing		
Land	45,935,572	-	-	-	-	45,935,572	-	-	-	-	-	45,935,572	45,935,572
Improvements	6,792,152	-	-	-	-	6,792,152	(1,465,311)	-	(119,673)	-	(1,584,984)	5,207,168	5,326,841
Other improvements	955,622	21,943	-	-	-	977,565	(397,212)	-	(47,835)	-	(445,047)	532,518	558,411
<b>Total</b>	<b>53,683,346</b>	<b>21,943</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53,705,289</b>	<b>(1,862,523)</b>	<b>-</b>	<b>(167,508)</b>	<b>-</b>	<b>(2,030,031)</b>	<b>51,675,258</b>	<b>51,820,824</b>

**Equivalent in Uruguayan pesos:**

Item	06/30/2024											12/31/2023	
	Acquisition costs						Depreciations					Net values	Net values
	Opening balances	Additions	Disposals	Revaluation	Translation adjustment	Closing balances	Accumulated at opening	Disposals	For the period	Translation adjustment	Accumulated at closing		
Land	1,792,497,891	-	-	-	44,419,698	1,836,917,589	-	-	-	-	-	1,836,917,589	1,792,497,891
Improvements	265,043,348	-	-	-	6,568,011	271,611,359	(57,179,365)	-	(4,644,305)	(1,558,291)	(63,381,961)	208,229,398	207,863,983
Other improvements	37,290,300	859,724	-	-	941,843	39,091,867	(15,499,990)	-	(1,856,428)	(440,533)	(17,796,950)	21,294,917	21,790,310
<b>Total</b>	<b>2,094,831,539</b>	<b>859,724</b>	<b>-</b>	<b>-</b>	<b>51,929,552</b>	<b>2,147,620,815</b>	<b>(72,679,355)</b>	<b>-</b>	<b>(6,500,733)</b>	<b>(1,998,824)</b>	<b>(81,178,911)</b>	<b>2,066,441,904</b>	<b>2,022,152,184</b>

## NOTE 6 - 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, 2024		December 31, 2023	
	UYU	Equivalent in USD	UYU	Equivalent in USD
<b>Assets</b>				
Accounts receivable and other receivables	4,090,064	102,280	-	-
Other non-financial assets	22,950,985	573,932	38,331,051	982,294
Cash and cash equivalents	344,003	8,602	1,103,006	28,266
<b>Total assets</b>	<b>27,385,053</b>	<b>684,815</b>	<b>39,434,057</b>	<b>1,010,560</b>
<b>Liabilities</b>				
Deferred tax	(114,964,074)	(2,874,892)	(111,937,986)	(2,868,587)
Accounts payable and other payables	(22,902,630)	(572,723)	(38,714,864)	(992,129)
<b>Total Liabilities</b>	<b>(137,866,704)</b>	<b>(3,447,616)</b>	<b>(150,652,849)</b>	<b>(3,860,716)</b>
<b>Net position</b>	<b>(110,481,651)</b>	<b>(2,762,801)</b>	<b>(111,218,792)</b>	<b>(2,850,156)</b>

The U.S. dollar exchange rate was UYU 39.989 as of June 30, 2024, and UYU 39.022, as of December 31, 2023.

## NOTE 7 – EQUITY

Book-Entry Participation Certificates for a nominal value of USD 70,000,000 (equivalent to UYU 1,988,715,600) were registered in the Securities Market Registry. The nominal value of each participation certificate is USD 1,000 (one thousand dollars).

Participation Certificates were paid on a deferred basis in accordance with the procedures and schedules provided in the Agreement.

## NOTE 8 – COMMITMENTS

As of June 30, 2024, the Trust had entered into grazing contracts on its own land totalling to USD 125,449, covering 12,142 hectares of grazing land.

## NOTE 9 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

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

	USD		Equivalent in UYU	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
<b>Accounts payable</b>				
Agro Empresa Forestal S.A.	93,099	250,832	3,722,955	9,787,955
	<b>93,099</b>	<b>250,832</b>	<b>3,722,955</b>	<b>9,787,955</b>

b) Transactions with related parties are composed as follows:

	USD			
	Quarter ended on		Semester ended on	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
<b>Accrued fees</b>				
Agro Empresa Forestal S.A.	144,677	331,794	476,471	663,588
	<b>144,677</b>	<b>331,794</b>	<b>476,471</b>	<b>663,588</b>

	Equivalent in UYU			
	Quarter ended on		Semester ended on	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
<b>Accrued fees</b>				
Agro Empresa Forestal S.A.	5,679,189	12,705,498	18,489,864	25,561,299
	<b>5,679,189</b>	<b>12,705,498</b>	<b>18,489,864</b>	<b>25,561,299</b>

## NOTE 10 - 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 their contractual obligations.

The Trust has a low level of exposure to this risk due to its limited credit holdings and the restrictions on the financial instruments in which it can invest. Its main assets are measured at fair value, as indicated in Notes 2.9 and 2.11.

### 10.2 Liquidity Risk

Liquidity risk occurs if the Trust fails to meet its financial obligations as they come due. The Trust's main obligation is to pay the participation certificates. According to Note 1, these certificates give holders the right to participate in the revenue.

The Trust is not significantly exposed to this risk based on the business plan established in the Trust Agreement and the limitations on the assets which it will invest in.

### 10.3 Market Risk

Market risk occurs when changes in market prices, such as in the exchange rate and interest rates, affect the Trust's income or the value of the financial instruments it holds.



**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% strengthening of the Uruguayan peso against the U.S. dollar, the comprehensive income for the period would decrease by USD 306,978, equivalent to UYU 11,048,165. If a weakening of 10% were to occur, the comprehensive income for the period would increase by USD 251,164, equivalent to UYU 11,048,165.

**b) Interest Rate Risk**

The Trust is exposed to low-interest rate risk.

**c) Price risk**

Price risk occurs when changes in market prices relevant to Trust's activities affect its income or the value of the financial and non-financial instruments it holds. The main assets exposed to this risk at each year-end of the Financial Statements are as follows:

	<b>USD</b>		<b>Equivalent in UYU</b>	
	<b>06/30/2024</b>	<b>12/31/2023</b>	<b>06/30/2024</b>	<b>12/31/2023</b>
Inventories	1,055,273	1,481,795	42,199,308	57,822,617
Property, plant and equipment (land)	45,935,572	45,935,572	1,836,917,589	1,792,497,891
Biological assets	77,685,074	77,041,968	3,106,548,411	3,006,331,691
	<b>124,675,919</b>	<b>124,459,335</b>	<b>4,985,665,308</b>	<b>4,856,652,199</b>

**NOTE 11 – SUBSEQUENT EVENTS**

After June 30, 2024, no other events or circumstances have occurred that significantly affected the financial position, performance and cash flows of the Trust.