

Fideicomiso Financiero Forestal Bosques del Uruguay IV

Financial Forestry Trust Bosques del Uruguay IV

Financial Statements and Independent Auditor's Report for the year ended
December 31, 2024

NOTICE: This document is a translation of the original version in Spanish. It was translated by a third party. In the event of any discrepancy or divergence, the original version prepared by the auditor shall prevail.

FINANCIAL FORESTRY TRUST - FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Financial Statements and Independent Auditor's Report for the Year Ended December 31, 2024

Table of Contents

Independent Auditor's Report

Statement of Financial Position

Statement of Comprehensive Income

Statement of Cash Flows

Statement of Changes in Equity

Notes to the Financial Statements



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Independent Auditor's Report

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

Opinion

We have audited the accompanying financial statements in U.S. dollars of the Financial Forestry Trust *Fideicomiso Financiero Forestal Bosques del Uruguay IV* (hereinafter the Trust), which comprise the statement of financial position as of December 31, 2024, the statement of comprehensive income, cash flows, and changes in equity for the year then ended, as well as the notes about significant accounting policies and other explanatory notes attached to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as of December 31, 2024, as well as its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with the International Standard on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust, in accordance with the provisions of the Ethical Standards for chartered accountants of the International Ethics Standards Board of Accountants, and we have fulfilled our responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

- **Fair Value Measurement of Land and Biological Assets**

As described in Notes 2.9 and 2.11, as of December 31, 2024, the Trust holds biological assets and land carried at the fair value of approximately USD 366.3 million and USD 176.5 million, respectively.

To determine the fair value of land and biological assets, the Trustee, with the assistance of independent appraisers, has chosen the income approach (net present value technique) as the valuation technique for biological assets and the market approach for land. Determining such values requires the application of assumptions and professional judgment (IFRS 13 Fair Value Measurement categorized within Level 3) as the valuation includes key assumptions, such as estimated market prices, future wood availability, discount rates, operating costs (harvesting, transportation, etc.) for biological assets, and average values taken from available publications adjusted to reflect the characteristics of the asset, in this case, land.

We have considered this matter to be a key audit matter because of the significance of the amount of biological assets and land, and the complexity of the key assumptions used in the financial model and its review process.

In this regard, the main audit procedures carried out were as follows:

- We evaluated the procedure adopted by the Trustee to appoint the independent experts;
- We evaluated the technical competence and professional independence of the experts;
- We cross-checked key underlying data used in the valuation report against external sources (specialized publications on land prices) and, in the case of land acquisitions, ensuring consistency with supporting documentation (notarial deeds of sale);
- Regarding the discounted cash flows, we analyzed key assumptions such as the discount rates, wood prices, etc. We engaged experts who analyzed the reasonableness of the methodology and the estimated fair values.

Other Matters

Our audit also included a review of the conversion of figures from U.S. dollars to Uruguayan pesos and, in our opinion, such conversion has been carried out in accordance with the methodology described in Note 2.2. The conversion of the financial statements into Uruguayan pesos was performed for the purpose of complying with current regulations in Uruguay regarding the presentation of financial statements.

Board's Responsibility for the Financial Statements

The Board of EF Asset Management, *Administradora de Fondos de Inversión S.A.*, Trustee of the Trust, is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for the internal control system as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern assumption, and using the ongoing concern basis of accounting unless the Board either intends to liquidate the Trust, cease operations, or has no realistic alternative but to do so.

The Board is also responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with the ISA will always detect a material misstatement, if any. Misstatements may arise from fraud or error, and are considered material (significant) if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the Board.

- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including, if any, significant deficiencies in internal control system that we identify during our audit.

We also confirm to the Board that we have complied with the relevant ethical requirements regarding independence and have communicated all our relationships and other matters that could reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with the Board, we determine those that were of most significance in the audit of the financial statements for the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

March 31, 2025



Lucia Recalde
Partner, Deloitte S.C.



FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Statement of Financial Position as of December 31, 2024

(in U.S. dollars and Uruguayan pesos)

	Notes	USD		Equivalent in UYU	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Assets					
Non-current assets					
Property, plant and equipment	5	202,985,246	194,603,757	8,944,747,833	7,593,827,806
Biological assets- plantations	4	366,256,229	331,397,296	16,139,446,966	12,931,785,304
Total non-current assets		569,241,475	526,001,053	25,084,194,799	20,525,613,110
Current assets					
Inventories	3.1	7,776,571	6,540,242	342,682,360	255,213,330
Trade receivables and other accounts receivable	3.2	7,124,015	6,105,684	313,926,849	238,256,018
Other non-financial assets	3.3	6,195,900	4,824,871	273,028,515	188,276,069
Cash and cash equivalent	3.4	77,241	159,008	3,403,733	6,204,830
Imports in progress	6	38,210	-	1,683,762	-
Total current assets		21,211,937	17,629,805	934,725,219	687,950,247
Total assets		590,453,412	543,630,858	26,018,920,018	21,213,563,357
Equity					
Participation certificates	8	330,000,000	330,000,000	11,932,965,000	11,932,965,000
Equity adjustments	8	(309,720)	(309,720)	(10,723,512)	(10,723,512)
Revaluation reserve		56,076,249	47,729,702	2,437,714,376	2,069,915,472
Foreign currency translation reserve		-	-	3,109,362,136	551,394,086
Retained earnings	8	165,148,100	130,290,827	6,807,285,948	5,268,340,129
Total equity		550,914,629	507,710,809	24,276,603,948	19,811,891,175
Liabilities					
Non-current liabilities					
Deferred tax liabilities	2.15	7,916,599	6,637,933	348,852,831	259,025,421
Other financial liabilities	3.6	7,531,073	4,941,927	331,864,263	192,843,875
Total non-current liabilities		15,447,672	11,579,860	680,717,094	451,869,296
Current liabilities					
Trade payables and other accounts payable	3.5	8,619,629	7,549,083	379,832,637	294,580,332
Other financial liabilities	3.6	15,471,482	16,791,106	681,766,339	655,222,554
Total current liabilities		24,091,111	24,340,189	1,061,598,976	949,802,886
Total liabilities		39,538,783	35,920,049	1,742,316,070	1,401,672,182
Total liabilities and equity		590,453,412	543,630,858	26,018,920,018	21,213,563,357

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

Statement of Comprehensive Income for the Year Ended December 31, 2024

(in U.S. dollars and Uruguayan pesos)

	Notes	USD		Equivalent in UYU	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Operating revenue	3.7	50,959,238	30,075,210	2,047,370,820	1,162,292,545
Change in fair value of biological assets	4	38,547,570	42,469,542	1,698,637,206	1,657,246,465
Cost of goods sold	3.8	(43,101,040)	(24,044,801)	(1,732,233,604)	(933,081,717)
Gross margin		46,405,768	48,499,951	2,013,774,422	1,886,457,293
Administrative and selling expenses	3.9	(9,053,763)	(9,624,370)	(367,863,452)	(372,747,921)
Financial results	3.10	(834,202)	(1,085,396)	(32,712,729)	(42,096,735)
Profit for the year before income tax		36,517,803	37,790,185	1,613,198,241	1,471,612,637
Income tax	2.15	(1,660,530)	80,987	(74,252,422)	808,493
Profit for the year		34,857,273	37,871,172	1,538,945,819	1,472,421,130
Other comprehensive income for the year					
Items that will not be reclassified to profit or loss					
Revaluation of property, plant and equipment	5	8,699,993	6,756,393	383,373,892	263,647,968
Deferred tax associated with revaluation of property, plant and equipment	2.15	(353,446)	(577,644)	(15,574,988)	(22,540,807)
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation reserve	2.2	-	-	2,557,968,050	(480,992,558)
Comprehensive income for the year		43,203,820	44,049,921	4,464,712,773	1,232,535,733

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

Statement of Cash Flows for the Year ended December 31, 2024

(in U.S. dollars and Uruguayan pesos)

	Notes	USD		Equivalent in UYU	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cash flows from operating activities					
Profit for the year before income tax		36,517,803	37,790,185	1,613,198,241	1,471,612,637
Adjustments:					
Depreciation		908,006	841,517	36,672,199	32,514,096
Change in fair value of biological assets		(38,547,570)	(42,469,542)	(1,698,637,206)	(1,657,246,465)
Accrued but unpaid interest		201,989	129,301	8,900,840	5,045,570
Cost of standing timber sold		7,624,871	1,082,570	308,767,751	43,202,054
		6,705,099	(2,625,969)	268,901,825	(104,872,108)
Changes in assets and liabilities					
Trade receivables and other accounts receivable	3.2	(1,018,331)	(3,255,825)	(42,305,543)	(128,756,483)
Inventories	3.1	(2,289,660)	(784,850)	(95,121,635)	(31,038,071)
Other non-financial assets	3.3	(1,371,029)	(542,409)	(56,958,029)	(21,450,378)
Trade payables and other accounts payable	3.5	335,236	3,374,077	13,927,044	133,432,936
Translation adjustment	8	-	-	1,703,070	(9,786,811)
Net cash flow (used in) / from operating activities		2,361,315	(3,834,976)	90,146,732	(162,470,915)
Cash flows used in investing activities					
Costs incurred in biological assets	4	(2,673,112)	(2,928,360)	(107,570,773)	(113,916,484)
Imports of property, plant and equipment in process	6	(38,210)	509,979	(1,683,762)	19,805,037
Purchases of property, plant and equipment	5	(799,295)	(6,410,250)	(31,502,684)	(247,944,273)
Net cash flow used in investing activities		(3,510,617)	(8,828,631)	(140,757,219)	(342,055,720)
Cash flows from financing activities					
Proceeds from borrowings	3.6	21,141,281	22,230,340	833,578,022	872,074,468
Loan repayments	3.6	(18,689,404)	(13,777,345)	(742,211,496)	(535,383,308)
Net cash (used in) / from financing activities		2,451,877	8,452,995	91,366,526	336,691,160
Net change in cash and cash equivalents		1,302,575	(4,210,612)	40,756,039	(167,835,475)
Cash and cash equivalents at the beginning of the year		(2,343,108)	1,867,504	(91,432,743)	74,832,756
Effect of maintenance and currency translation on cash and equivalents		-	-	4,824,577	1,569,976
Cash and cash equivalents at the end of the year	2.14	(1,040,533)	(2,343,108)	(45,852,127)	(91,432,743)

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

FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

**Statement of Changes in Equity
for the Year Ended December 31, 2024**

(in U.S. dollars)

	<u>Notes</u>	PARTICIPATION CERTIFICATES	EQUITY ADJUSTMENTS	REVALUATION RESERVE	RETAINED EARNINGS	TOTAL NET EQUITY
As of December 31, 2022		330,000,000	(309,720)	41,550,953	92,419,655	463,660,888
Profit for the year		-	-	-	37,871,172	37,871,172
Revaluation of property, plant and equipment, net of deferred tax	8	-	-	6,178,749	-	6,178,749
As of December 31, 2023		330,000,000	(309,720)	47,729,702	130,290,827	507,710,809
Profit for the year		-	-	-	34,857,273	34,857,273
Revaluation of property, plant and equipment, net of deferred tax	8	-	-	8,346,547	-	8,346,547
As of December 31, 2024		330,000,000	(309,720)	56,076,249	165,148,100	550,914,629

**Statement of Changes in Equity
for the Year Ended December 31, 2024**

(in Uruguayan pesos)

		PARTICIPATION CERTIFICATES	EQUITY ADJUSTMENTS	REVALUATION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL NET EQUITY
As of December 31, 2022		11,932,965,000	(10,723,512)	1,828,808,312	1,032,386,643	3,795,918,999	18,579,355,442
Foreign currency translation reserve		-	-	-	(480,992,557)	-	(480,992,557)
Revaluation of property, plant and equipment, net of deferred tax	8	-	-	241,107,160	-	-	241,107,160
Profit for the year		-	-	-	-	1,472,421,130	1,472,421,130
As of December 31, 2023		11,932,965,000	(10,723,512)	2,069,915,472	551,394,086	5,268,340,129	19,811,891,175
Foreign currency translation reserve		-	-	-	2,557,968,050	-	2,557,968,050
Revaluation of property, plant and equipment, net of deferred tax	8	-	-	367,798,904	-	-	367,798,904
Profit for the year		-	-	-	-	1,538,945,819	1,538,945,819
As of December 31, 2024		11,932,965,000	(10,723,512)	2,437,714,376	3,109,362,136	6,807,285,948	24,276,603,948

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

FINANCIAL FORESTRY TRUST FIDEICOMISO FINANCIERO FORESTAL BOSQUES DEL URUGUAY IV

Notes to the Financial Statements for the Year Ended December 31, 2024

NOTE 1 - BASIC INFORMATION ABOUT THE FINANCIAL FORESTRY TRUST FIDEICOMISO FORESTAL BOSQUES DEL URUGUAY IV

In the city of Montevideo, on December 17, 2018, 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 Subscribers of the Securities, acting as Trustors, for the purpose of establishing the Financial Forestry Trust *Fideicomiso Financiero Forestal Bosques del Uruguay IV*.

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

The capital of the Trust was contributed by the Trustors, acting as the Initial Subscribers of the Securities, under the terms and conditions set forth in the Agreement. The capital is to be used to fulfil the purposes established therein.

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

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

The Trust may incur debt up to a maximum of 25% of its total assets and, in such cases, may issue guarantees up to twice the amount of the debt incurred. The objective is to optimize the Trust's profitability and facilitate transaction operations.

The Trustee shall appoint the Manager pursuant to the terms of the Management Agreement. The Manager will be responsible for administering the Trust Assets and executing the Business Plan, as set forth in the Trust and the Management Agreement. Notwithstanding this appointment, the Trustee shall retain ultimate responsibility for the Manager's performance in relation to the delegated activities.

The Trust shall not invest its funds that are not authorized for Pension Savings Funds.

The Trust's equity consists of its Assets and all present and future economic rights derived therefrom. The Trust's equity shall be used solely and exclusively for its intended purposes, and only those rights and actions directly related to these assets may be exercised in connection therewith.

Participation Certificates grant Holders rights to share in the Trust's results, pursuant to the terms and conditions outlined in the Trust Agreement.

The Trust shall remain in full force for a maximum of thirty (30) years, or until all its assets have been liquidated and all obligations have been settled.

Pursuant to Communication No. 2019/067 dated March 19, 2019, within the framework of Financial Trusts, the Central Bank of Uruguay authorized the issuance of Participation Certificates for an amount 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 and fiscal year ends on December 31 and June 30 of each year, respectively.

These financial statements were authorized for issuance by EF Asset Management, *Administradora de Fondos de Inversión S.A.*, Trustee of the Trust, on March 31, 2025.

NOTE 2 - BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting Standards Applied

These financial statements have been prepared in accordance with Decree 124/11. This Decree, issued by the Executive Branch on April 1, 2011, establishes that the International Financial Reporting Standards (IFRS), adopted by the International Accounting Standards Board (IASB) and translated into Spanish, are the mandatory accounting standards applicable to issuers of publicly offered securities.

Decree 108/22 dated April 4, 2022, provides entities subject to Decree No. 124/11 with the option to apply the equity presentation criteria introduced by such decree. The Trust has not opted to apply the presentation criteria established therein.

2.1.1 New Standards, Interpretations and Mandatorily Effective in the Current Fiscal Year

The accounting policies applied by the Trust in 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/or revised standards issued by the IASB that became effective for annual periods beginning on or after January 1, 2024, are as follows:

- 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 does not have a significant impact on the financial statements of the Trust.

2.1.2 New and Revised Standards Published Whose Application Is Not Yet Mandatory

As of the date of approval of these financial statements, the standards and interpretations issued by the IASB that are not yet effective for periods beginning on or after January 1, 2024, and that have not been early adopted by the Trust are as follows:

- Amendment to IAS 21 – Lack of Exchangeability (1)
 - Amendment to IFRS 18 – Presentation and Disclosures in Financial Statements (3)
 - Amendment to IFRS 19 – Subsidiaries without Public Accountability: Disclosures (3)
 - Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (2)
- (1) Effective for periods beginning on or after January 1, 2025.
 - (2) Effective for periods beginning on or after January 1, 2026.
 - (3) Effective for periods beginning on or after January 1, 2027.

Management expects that the application of these amendments will not have a significant impact on the financial statements.

The principal accounting policies applied are set out below:

2.2 Functional Currency and Criteria Used for the Translation of Financial Statements into Uruguayan Pesos

IAS 21 states that the functional currency must provide useful information about the Trust and reflect the economic substance of the

events and circumstances relevant to it.

If a certain currency is extensively used by the Trust or has a significant impact on its operations, it may be deemed appropriate as the functional currency. A currency may be considered functional under the applicable standard when:

- purchases are financed in that currency;
- trade receivables are collected 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 Trust has determined the U.S. dollar to be its functional currency, as the majority of its income and expenses are denominated in that currency.

To comply with applicable legal and tax requirements, the Trust presents its financial statements in Uruguayan pesos.

In accordance with the relevant regulations, the translation of the Trust's financial statements from the functional currency into the presentation currency shall be carried out as follows:

- assets and liabilities are translated at the closing exchange rate;
- income and expenses are translated at the exchange rate prevailing on the date of each transaction;
- equity items, except for current period results, are translated at the closing exchange rate;
- translation differences are recognized directly in equity, without having an impact on the profit or loss for the period.

Equity components have been retranslated as follows: 1) capital is presented at historical value in Uruguayan pesos, with any difference between that value and the one derived from applying the general translation method recorded as an equity adjustment; 2) retained earnings represent accumulated results since the inception of the Trust, originally expressed in U.S. dollars and converted in accordance with the general foreign currency translation policy.

The difference arising from the use of the closing exchange rate translation of assets, liabilities, and equity, and the use of the exchange rate on the date of each transaction for income and expenses, is recorded directly in equity under "Equity Adjustments," and in the statement of comprehensive income under "Foreign Currency Translation Reserve."

2.3 Balances in Currencies Other Than the Functional Currency

Assets and liabilities denominated in currencies other than the functional currency are measured at the closing exchange rate at the end of the reporting period. Exchange differences are recognized in profit or loss. Balances of assets and liabilities denominated in foreign currencies as of year-end are summarized in Note 6.

2.4 General Valuation Criteria for Assets and Liabilities

Assets and liabilities (except for biological assets, and property, plant, and equipment) have been measured based on the cost initially incurred or the commitment undertaken, as applicable, and subsequently measured at amortized cost. In all cases, these amounts have been adjusted as described in the preceding section.

2.5 Cash and Cash Equivalents

Cash and cash equivalents include checking accounts and demand deposits held with financial institutions.

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 amortized cost using the effective interest method. The Trustee's Management has not recognized an allowance for doubtful accounts, based on the expected credit loss model, considering the probability of default and the expected recoverable amount under such scenario. It is Management's view that applying this model would not have a material impact on the Trust's financial statements.

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 are presented in the statement of financial position at their fair value as of December 31, 2024.

The Trust determines the value of its forest plantations annually, according to an appraisal conducted by independent forestry consultants. The fair value of plantations was estimated by an independent expert using discounted cash flow techniques, primarily applying an income (or expectation) approach.

Based on the methodology described, the independent appraiser determined that the fair value of the biological assets as of December 31, 2024, amounts to USD 366,256,229, equivalent to UYU 16,139,446,966.

In determining fair value, the following key inputs were considered:

- estimated representative prices for the projected period;
- annual variable and fixed costs associated with forestry production;
- a discount rate of 7.5%, estimated based on a capital asset pricing model (CAPM).

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

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

Fair value was primarily determined using Level 3 inputs of the fair value hierarchy. The most significant input used was the price of comparable assets.

2.10 Inventories

Inventories are measured at acquisition cost.

The cost of finished goods and work in progress includes the cost of raw materials, direct labor, other direct costs, and an appropriate share of fixed production overheads.

The cost of raw materials and supplies comprises the purchase price and other costs incurred to bring them to their present location and condition.

For the Trust's forestry activity, inventory outflows are valued using the FIFO (First-In, First-Out) method.

For the industrial activity carried out at the Olimar Plant, the cost is determined based on the weighted average cost method (WAC) for the allocation of outflows.

The Trust estimates that the carrying amounts of inventories do not exceed their net realizable value.

2.11 Property, Plant, and Equipment

The composition and movement of property, plant, and equipment balances for the fiscal year ended December 31, 2024, are presented in Note 5 to these financial statements.

In accordance with the terms of the agreement, land was appraised by an independent expert as of December 31, 2024. The carrying amount of the land as of that date was adjusted to reflect the values determined in the appraisal report, which amounts to USD 176,504,529, equivalent to UYU 7,777,848,576.

The fair value was primarily determined using Level 3 inputs of the fair value hierarchy.

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

Improvements, other improvements and machinery are presented at their historical acquisition cost in U.S. dollars, net of accumulated

depreciation.

Expenditures incurred after the acquisition of an item of property, plant, and equipment are included in the asset's carrying amount when it is probable that additional future economic benefits, beyond those originally assessed, will arise from them.

The Board and Management consider that the net carrying value of the assets does not exceed their value in use, and that no impairment losses have been recognized on any item of property, plant, and equipment.

Depreciation of fixed assets associated with the production process at the Industrial Olimar Plant is considered part of the cost of goods. The remaining depreciation for the year has been recognized as administrative and selling expenses.

2.12 Accrual Basis and Revenue Recognition

Revenue is recognized when earned, and expenses when incurred, regardless of when cash is received or paid. Revenue is generally recognized when it is probable that future economic benefits will flow to the Trust as a result of transactions carried out by the entity.

Revenue from the sale of goods and the rendering of services is recognized when the significant risks and rewards of ownership have been transferred to the buyer, or when services have been rendered, and the amount of revenue can be measured reliably.

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

Administrative and selling expenses, financial results and other items have been accounted for on an accrual basis.

2.13 Capital Concept Applied

The profit or loss for the year has been determined as the difference between the value of equity as of December 31, 2024, and the capital amount required to be maintained. The concept of capital applied is that of financial capital.

2.14 Statement of Cash Flows

In preparing the statement of cash flows, current and demand deposits held in financial institutions are considered cash and cash equivalents.

<i>Item</i>	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Bank	77,241	159,008	3,403,733	6,204,830
Bank overdrafts	(1,117,774)	(2,502,116)	(49,255,860)	(97,637,573)
	(1,040,533)	(2,343,108)	(45,852,127)	(91,432,743)

2.15 Taxes, Current Income Tax and Deferred Tax

The Trust is subject to Value Added Tax (VAT), Corporate Income Tax (IRAE, for its acronym in Spanish) and Wealth Tax. It is also a withholding agent for the Personal Income Tax (IRPF, for its acronym in Spanish).

The Trust is liable for IRAE on all income sourced in Uruguay, unless such income is covered by exemptions granted under Law No. 15,939, which promotes the forestry sector.

The Trust is also subject to Wealth Tax. However, forest plantations located in areas declared as forestry priority zones, as well as the land used for such plantations, are exempt from this tax.

In 2013, Law No. 19,088 amended the exemption regime applicable to the agricultural sector and introduced a surcharge for applicable taxpayers.

The sale of agricultural products in their natural state is subject to the VAT suspension regime. Sales of debarked logs and harvesting of forest stands planted by the Trust or acquired as standing timber are considered sales of agricultural products in their natural state. As a result, VAT will remain suspended, allowing for the recovery of VAT paid on acquisitions that form part of the cost. Grazing income is exempt from VAT, and therefore, a portion of input VAT related to indirect purchases cannot be recovered, as it is

associated with this type of income.

The Trust shall pay the Rural Real Estate Tax on land acquired for productive use. However, in accordance with Law No. 18,245, land designated for forest plantations under Quality Timber projects, as defined by the Ministry of Livestock, Agriculture, and Fisheries, is exempt from this tax.

Additionally, the Trust determines income tax using the deferred tax method, which involves recognizing, as a credit or a liability, the tax effect of temporary differences between the accounting and tax base of assets and liabilities. These are measured at the applicable rate of 25% and subsequently recognized in profit or loss in the periods in which such differences reverse.

A) Income Tax

	12/31/2024		12/31/2023	
	USD	Equivalent in UYU	USD	Equivalent in UYU
Income tax expense				
<u>(Loss) / Gain on Deferred Tax</u>	(1,660,530)	(74,252,422)	80,987	808,493
	(1,660,530)	(74,252,422)	80,987	808,493

B) Deferred Income Tax

	12/31/2024		12/31/2023	
	USD	Equivalent in UYU	USD	Equivalent in UYU
Property, plant, and equipment - Land	(3,421,368)	(150,766,024)	(3,210,440)	(125,277,788)
Other property, plant and equipment – Forestry	115,770	5,101,506	100,036	3,903,606
Biological assets	(4,404,916)	(194,107,028)	(3,494,069)	(136,345,552)
Work in progress - Olimar Plant	(83,936)	(3,698,739)	(334)	(13,021)
Machinery and equipment - Olimar Plant	(122,149)	(5,382,546)	(33,126)	(1,292,666)
Deferred tax liabilities	(7,916,599)	(348,852,831)	(6,637,933)	(259,025,421)

C) Movements in Deferred Tax During the Period

	USD				
	Balance as of 12/31/2023	Recognized in profit or loss	Translation adjustments	Equity adjustments	Balance as of 12/31/2024
Property, plant, and equipment - Land	(3,210,440)	(221,693)	364,211	(353,447)	(3,421,369)
Other agricultural property, plant and equipment - Forestry	100,036	26,789	(11,055)	-	115,770
Biological assets	(3,494,069)	(1,291,738)	380,891	-	(4,404,916)
Work in progress - Olimar Plant	(333)	(82,425)	(1,179)	-	(83,937)
Machinery and equipment – Olimar Plant	(33,127)	(91,463)	2,443	-	(122,147)
DEFERRED TAX ASSETS / (LIABILITIES)	(6,637,933)	(1,660,530)	735,311	(353,447)	(7,916,599)

	Equivalent in UYU			
	Balance as of 12/31/2023	Recognized in profit or loss	Equity adjustments	Balance as of 12/31/2024
Property, plant, and equipment – Land	(125,277,788)	(9,913,247)	(15,574,988)	(150,766,023)
Other agricultural property, plant and equipment - Forestry	3,903,606	1,197,900	-	5,101,506
Biological assets	(136,345,552)	(57,761,476)	-	(194,107,028)
Work in progress – Olimar Plant	(13,021)	(3,685,718)	-	(3,698,739)
Machinery and equipment – Olimar Plant	(1,292,666)	(4,089,881)	-	(5,382,547)
DEFERRED TAX ASSETS / (LIABILITIES)	(259,025,421)	(74,252,422)	(15,574,988)	(348,852,831)

D) Reconciliation of Income Tax Expense and Accounting Profit

	12/31/2024		12/31/2023	
	USD	Equivalent in UYU	USD	Equivalent in UYU
Accounting profit before IRAE	36,517,803	1.613.198.241	37,790,185	1,471,612,637
	25%	25%	25%	25%
Income tax at statutory rate	(9,129,451)	(403.299.560)	(9,447,546)	(367,903,159)
<u>Adjustments that do not generate temporary differences:</u>				
Year-end closing adjustments	(78,612)	(3,265,876)	(708,312)	(28,011,275)
Non-taxable income	15,735,454	653,713,712	13,869,034	548,471,754
Expenses related to non-taxable income	(6,436,465)	(267,396,506)	(3,980,252)	(157,405,053)
Revaluation of land recognized in equity	353,447	15,574,988	577,644	22,540,807
Translation adjustment	(735,312)	-	219,459	-
Other net items	(1,369,591)	(69,579,180)	(449,040)	(16,884,581)
	(1,660,530)	(74,252,422)	80,987	808,493

2.16 Provisions

Provisions are recognized when the Trust has a present obligation (legal or contractual) as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

2.17 Financial Instruments

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

The main purpose of holding liquid assets is to ensure the availability of cash and cash equivalents to meet the Trust's operational requirements. The Trust has not entered into any derivative financial instruments during the fiscal year.

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, income, and expenses. Actual results may differ from these estimates.

The key accounting policies, estimates and assumptions used in determining the carrying amounts of assets and liabilities include the following:

(a) Impairment of Non-Financial Assets

At each annual reporting date, the Trust reviews the carrying amounts of its property, plant and equipment: Land, to assess whether there is any indication of impairment. If such an indication exists, the recoverable amount of the assets is estimated to determine whether an impairment loss should be recognized.

(b) Fair Value of Property, Plant and Equipment and Biological Assets

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

The methods used to determine fair value require to make estimates and assumptions based on objective information and business knowledge. These estimates are highly sensitive, and any variation in them may result in a significant change in the fair values of biological assets recognized in the financial statements. Therefore, estimates are periodically reviewed, 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 will be realized and its liabilities settled. Changes in these estimates and assumptions could significantly affect the balances of deferred tax assets and liabilities recognized in 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 are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Additionally, in determining the portion of deferred tax assets to be recognized in the statement of financial position, the existence of future taxable temporary differences that can be used to offset deductible temporary differences must also be considered. For this purpose, the Trustee considers the expected reversal of temporary differences, projected future taxable profits, and available tax planning opportunities (see Note 2.15).

2.19 Impairment Loss of Tangible Assets

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

Key Assumptions Used in the Impairment Test

For the purpose of conducting the impairment test, Management hires an independent appraiser who estimates the future cash flows over the remaining life of the Trust.

The determination of the recoverable amount involves complex estimates requiring the application of assumptions and the expert's professional judgment, including the following:

(a) Wood flow

Projected wood flows are developed through a five-step process:

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

(b) Land sales flow

In line with variations of the income approach, the valuation considered land sales projections in the following scenarios:

- In the disinvestment year
- In year zero of the cash flow model

(c) Operating and management costs

- Forestry costs: These represent direct expenditures related to the establishment and cultivation of the forest until it is ready for the final harvest.
- Overhead and administrative expenses: These include costs associated with general management, office maintenance, forest inventory, certification processes, vehicles, road infrastructure, forest protection, security, and communications.

(d) Wood prices

These refer to the expected prices of wood by assortment class, based on prices at the sawmill gate, net of the company's average transportation and harvesting costs.

(e) Land price and cost

This corresponds to the weighted average potential market price of the land.

(f) Determination of the discount rate

The discount rate represents the cost of capital of the resources (debt and equity) used to finance net operating assets. It is determined as the weighted average cost of such sources of financing, based on their relative share in the capital structure of the sector in which the Trust operates.

The Weighted Average Cost of Capital (WACC) reflects a blended cost of debt and equity. The cash flows used in the discounted cash flow (DCF) model represent the free cash flow available to both debt and equity holders. Therefore, the free cash flow is discounted to present value using the WACC.

(g) Sensitivity analysis

The Trust has conducted a sensitivity analysis to assess whether changes in key assumptions—such as the discount rate, wood prices, forestry and overhead costs, and land sale prices—could result in a material impairment loss in the financial statements. The sensitivity analysis did not identify any significant impairment losses.

2.20 Consistency of Accounting Policies

The policies applied in the measurement of assets and liabilities, as well as in the determination of the results for the fiscal year ended December 31, 2024, are consistent with those applied in the fiscal year ended December 31, 2023.

NOTE 3 - BREAKDOWN OF ITEMS

3.1 Inventories

<i>Item</i>	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Wood	6,003,873	6,197,525	264,566,594	241,802,159
Finished products - Olimar Plant	1,372,724	-	60,490,475	-
Herbicides	145,115	165,680	6,394,628	6,460,111
Seedlings	86,035	28,183	3,791,223	1,102,008
Products in progress - Olimar Plant	47,533	-	2,094,609	-
Other inventories - Olimar Plant	40,813	78,919	1,798,463	3,079,586
Fertilizers	21,048	23,370	927,513	908,155
Ant killers	18,766	14,562	826,962	562,171
Adjuvants	19,032	14,217	838,662	566,142
Seeds	18,782	17,786	827,659	732,998
Raw materials - Olimar Plant	2,850	-	125,572	-
	7,776,571	6,540,242	342,682,360	255,213,330

3.2 Trade Receivables and Other Accounts Receivable

<i>Item</i>	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Trade receivables	6,931,003	5,913,860	305,421,598	230,770,667
Grazing receivables	192,492	191,824	8,482,337	7,485,351
Receivables from beekeeping activities	520	-	22,914	-
	7,124,015	6,105,684	313,926,849	238,256,018

3.3 Other Non-Financial Assets

<i>Item</i>	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Tax credits	5,710,726	4,429,500	251,648,862	172,847,943
Advances to suppliers	461,784	369,583	20,348,969	14,421,876
Insurance paid in advance	6,976	7,517	307,387	293,262
Other non-financial receivables	16,414	18,271	723,297	712,988
	6,195,900	4,824,871	273,028,515	188,276,069

3.4 Cash and Cash Equivalents

<i>Item</i>	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Banks	77,241	159,008	3,403,733	6,204,830
	77,241	159,008	3,403,733	6,204,830

3.5 Trade Payables and Other Accounts Payable

<i>Item</i>	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Trade payables	5,247,640	5,559,355	231,242,521	216,937,170
Tax payables	3,043,598	1,804,921	134,119,233	70,431,632
Customer advances	101,496	136,839	4,472,504	5,339,731
Other payables	202,325	16,156	8,915,666	630,426
Provisions	24,570	31,812	1,082,713	1,241,373
	8,619,629	7,549,083	379,832,637	294,580,332

3.6 Loans and Borrowings

<i>Item</i>	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Non-current liabilities				
Bank loan	7,531,073	4,941,927	331,864,263	192,843,875
	7,531,073	4,941,927	331,864,263	192,843,875

<i>Item</i>	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Current liabilities				
Bank loan	14,353,708	14,288,990	632,510,479	557,584,981
Bank overdraft	1,117,774	2,502,116	49,255,860	97,637,573
	15,471,482	16,791,106	681,766,339	655,222,554

As of December 31, 2024, the Trust has 3 outstanding bank loans in U.S. dollars, all obtained from local banks. The first loan was taken in April 2022 for a principal amount of USD 5,200,000, to be repaid in 96 equal, consecutive monthly installments of USD 54,166.67, starting in May 2024. By year-end 2024, 8 installments had been paid, totaling USD 433,333. The second loan was taken in January 2023 for a principal of USD 4,000,000, with repayment scheduled in 24 equal monthly installments beginning in February 2023. As of December 31, 2023, 11 installments had been paid, totaling USD 1,780,901. While by December 31, 2024, a total of 23 installments had been paid, amounting to USD 3,824,739. The third loan was obtained in March 2024 for a principal amount of USD 5,000,000, to be repaid in 60 equal, consecutive monthly installments, starting the month following disbursement. As of December 31, 2024, 9 installments had been paid, totaling USD 659,123.

Additionally, as of December 31, 2024, the Trust's loans include 10 fixed-term promissory notes, all issued with local banks. Two of these loans amount to USD 2,000,000 each: one was obtained in November 2023, renewed in May 2024, and is scheduled for repayment in May 2025; the other was issued in September 2024 and is due in 12 months. The group also includes 4 loans of USD 1,000,000 each: one was taken in December 2023, renewed in June and again in December 2024, and is scheduled for repayment in June 2025; another was obtained in July 2024 and is due in January 2025. The remaining 2 loans were obtained in July and November 2024, both with a 12-month maturity.

An additional promissory note for USD 1,300,000 was obtained in May 2024. This loan was partially repaid in October 2024 in the amount of USD 500,000 and was subsequently renewed. It is scheduled for repayment in April 2025. Another note for USD 2,700,000 was issued in August 2024 and is due in February 2025. Finally, another promissory note for USD 900,000 was obtained in October 2024 with a 12-month maturity.

As of December 31, 2023, the Trust had two outstanding bank loans in U.S. dollars with local banks. The first was obtained in April 2022 for a principal amount of USD 5,200,000, to be repaid in 96 equal, consecutive monthly installments of USD 54,166.67, beginning in May 2024. The second loan was obtained in January 2023 for a principal amount of USD 4,000,000, to be repaid in 24 equal, consecutive monthly installments, starting in February 2023. As of the date of these financial statements, 11 installments had been repaid, totaling USD 1,780,901.

The Trust's loans also include 10 fixed-term promissory notes, all issued with local banks. Four of these notes are for USD 1,000,000 each: one was obtained in April 2023, renewed in June and October 2023, and is scheduled for repayment in February 2024; another was issued in November 2023 and is also due in February 2024; and the remaining 2 were obtained in December 2023, both maturing in June 2024. In addition, there are 3 promissory notes of USD 2,000,000 each: 2 were issued in May 2023, renewed in July, and again in October and November 2023, and are scheduled for repayment in February and March 2024, respectively; the third was obtained in November 2023 and is due in May 2024. The Trust also holds a promissory note of USD 800,000, with an outstanding balance of USD 182,523.67 as of year-end, which is due in February 2024. Furthermore, a note for USD 400,000 was obtained in October 2023 and is scheduled for repayment in March 2024. Finally, a promissory note for USD 1,100,000 was issued in September 2023 and is also due in March 2024.

Accrued and unpaid interest as of December 31, 2024, amounts to USD 201,989, equivalent to UYU 8,900,840. As of December 31, 2023, the balance was USD 129,301, equivalent to UYU 5,045,570.

3.7 Operating Revenue

<i>Item</i>	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Revenue from wood sales	49,063,133	29,449,336	1,970,430,877	1,138,164,555
Revenue from Olimar Plant operations	1,316,799	-	54,267,486	-
Grazing revenue	440,849	621,506	17,247,524	23,962,361
Other revenue	136,957	3,543	5,365,821	133,824
Revenue from beekeeping activities	1,500	825	59,112	31,805
	50,959,238	30,075,210	2,047,370,820	1,162,292,545

3.8 Cost of Goods Sold

Item	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cost of wood sales	(40,887,294)	(24,044,225)	(1,643,702,510)	(933,059,227)
Cost of Olimar Plant sales	(2,213,746)	(576)	(88,531,094)	(22,490)
	(43,101,040)	(24,044,801)	(1,732,233,604)	(933,081,717)

3.9 Administrative and Selling Expenses

Item	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Forestry Operator fees	3,914,982	4,430,903	157,561,079	171,064,993
Field expenses	1,149,114	1,009,925	46,721,209	39,228,312
Depreciation	872,062	841,517	35,150,089	32,514,096
Taxes	691,361	785,292	30,200,020	30,612,906
Other professional fees	655,392	653,001	26,351,800	25,289,434
Insurance	586,907	390,004	24,053,395	15,087,795
Administrative expenses - Olimar Plant	494,612	444,623	19,744,313	17,311,529
Export expenses	479,935	862,936	19,524,798	33,629,055
Social security contributions	76,149	86,108	3,067,301	3,328,984
Depreciation – Olimar Plant	35,944	-	1,522,110	-
Miscellaneous	97,305	120,061	3,967,338	4,680,817
	9,053,763	9,624,370	367,863,452	372,747,921

3.10 Financial Results

Item	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Interest on loans	(1,220,818)	(758,629)	(49,233,054)	(29,301,723)
Bank charges and interest expenses	(301,220)	(173,910)	(12,073,711)	(6,750,071)
Foreign exchange differences	668,543	(152,857)	27,773,936	(6,044,941)
Interest income	19,293	-	820,100	-
	(834,202)	(1,085,396)	(32,712,729)	(42,096,735)

NOTE 4 - BIOLOGICAL ASSETS - PLANTATIONS

Biological assets comprise forest plantations located mainly in the departments of Cerro Largo, Treinta y Tres, Rivera and Tacuarembó. The main species include *Eucalyptus dunnii* and *Pinus taeda*. As of December 31, 2024, the plantations covered 38,112 hectares within an approximate total area of 55,364 hectares (compared to 34,331 hectares planted within an approximate total area of 55,365 hectares as of December 31, 2023.)

The changes in the biological assets for the years ended December 31, 2024, and December 31, 2023, are presented below:

	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Opening balance	331,397,296	288,430,000	12,931,785,304	11,557,678,530
Increase due to costs capitalized into biological assets	2,673,112	2,928,360	107,570,773	113,916,484
Decrease due to biological asset harvesting	(6,361,749)	(2,430,606)	(255,540,358)	(95,283,603)
Change in fair value of biological assets	38,547,570	42,469,542	1,698,637,206	1,657,246,465
Translation adjustment	-	-	1,656,994,041	(301,772,572)
	366,256,229	331,397,296	16,139,446,966	12,931,785,304

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

The composition of property, plant and equipment is as follows:

In U.S. dollars:

Item	12/31/2024											12/31/2023
	Gross Carrying Amount						Depreciation					Net carrying amount
	Opening balances	Additions	Transfers	Revaluation	Translation adjustment	Closing balances	Accumulated at the beginning of year	Depreciation for the year	Translation adjustment	Accumulated at year-end	Net carrying amount	
Land	16,7804,536	-	-	8,699,993	-	176,504,529	-	-	-	-	176,504,529	167,804,536
Improvements	23,239,908	-	-	-	-	23,239,908	(3,273,421)	(781,264)	-	(4,054,685)	19,185,223	19,966,487
Others												
Improvements	577,738	87,498	-	-	-	665,236	(70,539)	(62,798)	-	(133,338)	531,898	507,199
Machinery	280,000	-	-	-	-	280,000	(121,333)	(28,000)	-	(149,333)	130,667	158,667
Machinery and equipment O.P.	2,281,308	289,738	-	-	-	2,571,046	(5,691)	(209,792)	-	(215,483)	2,355,563	2,275,617
Construction work-in-progress O.P.	3,891,251	422,059	(4,313,310)	-	-	-	-	-	-	-	-	3,891,251
Improvements O.P.	-	-	4,313,310	-	-	4,313,310	-	(35,944)	-	(35,944)	4,277,366	-
Total	198,074,741	799,295	-	8,699,993	-	207,574,029	(3,470,984)	(1,117,798)	-	(4,588,783)	202,985,246	194,603,757

Equivalent in Uruguayan pesos:

Item	12/31/2024											12/31/2023
	Gross Carrying Amount						Depreciation					Net carrying amount
	Opening balances	Additions	Transfers	Revaluation	Translation adjustment	Closing balances	Accumulated at the beginning of	Depreciation for the year	Translation adjustment	Accumulated at year-end	Net carrying amount	
Land	6,548,068,604	-	-	383,373,892	846,406,080	7,777,848,576	-	-	-	-	7,777,848,576	6,548,068,604
Improvements	906,867,680	-	-	-	117,222,095	1,024,089,775	(127,734,087)	(31,487,737)	(19,450,572)	(178,672,396)	845,417,379	779,133,593
Others												
Improvements	22,544,489	3,507,006	-	-	3,262,777	29,314,272	(2,753,910)	(2,533,854)	(589,212)	(5,876,976)	23,437,296	19,790,579
Machinery	10,926,160	-	-	-	1,412,320	12,338,480	(4,734,663)	(1,128,498)	(717,352)	(6,580,513)	5,757,967	6,191,497
Machinery and equipment O.P.	89,021,216	11,575,124	-	-	12,699,400	113,295,740	(222,101)	(8,412,910)	(860,492)	(9,495,503)	103,800,237	88,799,115
Construction work-in-progress O.P.	151,844,418	16,420,554	(168,264,971)	-	-	-	-	-	-	-	-	151,844,418
Improvements O.P.	-	-	168,264,971	-	21,805,327	190,070,298	-	(1,522,110)	(61,810)	(1,583,920)	188,486,378	-
Total	7,729,272,567	31,502,684	-	383,373,892	1,002,807,999	9,146,957,1411	(135,444,761)	(45,085,109)	(21,679,438)	(202,209,308)	8,944,747,833	7,593,827,806

As of July 31, 2024, the construction in progress became available for use under the agreed conditions, and its balance was reclassified to the "Olimar Plant Improvements" account.

NOTE 6 – IMPORTS IN PROGRESS

For the year ended December 31, 2024, the balance under “Imports in Progress” represents machinery spare parts required for the operation of the wood veneer mill (Olimar Plant).

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

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

	December 31, 2024		December 31, 2023	
	UYU	Equivalent in USD	UYU	Equivalent in USD
Assets				
Trade receivable and other accounts receivables	6,991,663	158,663	7,917,873	202,908
Other non-financial assets	254,207,694	5,768,794	174,309,655	4,466,959
Cash and cash equivalents	175,464	3,982	1,235,019	31,649
Total assets	261,374,821	5,931,439	183,462,547	4,701,516
Liabilities				
Deferred tax	348,852,831	7,916,599	259,025,421	6,637,933
Trade payables and other accounts payable	295,785,650	6,712,332	198,355,439	5,083,170
Total liabilities	644,638,481	14,628,931	457,380,860	11,721,103
Net position	(383,263,660)	(8,697,492)	(273,918,313)	(7,019,587)

The exchange rate of the U.S. dollar as of December 31, 2024, was UYU 44.066, and as of December 31, 2023, it was UYU 39.022.

NOTE 8 - EQUITY

Book-entry Participation Certificates with a nominal value of USD 330,000,000 were registered with the Securities Market Registry. The nominal 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

As of December 31, 2024, as well as December 31, 2023, the balance of “Adjustments to Equity” include the initial issuance costs, which amount to USD 309,720, equivalent to UYU 10,723,512.

The balance of the “Revaluation Reserve” includes the accumulated revaluation of property, plant, and equipment, net of the deferred tax effect, which amounts to USD 56,076,249 (equivalent to UYU 2,437,714,376) as of December 31, 2024, and to USD 47,729,702 (equivalent to UYU 2,069,915,472) as of December 31, 2023.

In addition, for the purpose of presenting the financial statements in Uruguayan pesos, equity adjustments also include the translation reserve, which amounted to UYU 551,394,086 as of December 31, 2023, and UYU 3,109,362,136 as of December 31, 2024.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

As of December 31, 2024, the Trust had commitments arising from grazing contracts on its own land amounting to USD 361,812, covering 25,609 hectares of pastured land.

NOTE 10 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) Trade payables and other accounts payable to related parties are composed as follows:

	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Agro Empresa Forestal S.A.	462,483	467,371	20,379,776	18,237,766
	462,483	467,371	20,379,776	18,237,766

b) Transactions with related parties are composed as follows:

	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
<i>Accrued fees</i>				
Agro Empresa Forestal S.A.	3,914,982	4,430,903	157,561,079	171,064,993
	3,914,982	4,430,903	157,561,079	171,064,993

NOTE 11 - FINANCIAL RISK MANAGEMENT

The main types of risks associated with the Trust's financial instruments and the related management policies are outlined below.

11.1 Credit Risk

Credit Risk is the risk of financial loss that the Trust may face if a debtor or counterparty to a financial instrument fails to meet their contractual obligations.

The Trust has a low level of exposure to this risk since the financial instruments in which it can invest have the same restrictions as Pension Savings Funds.

11.2 Liquidity Risk

Liquidity risk is the risk that the Trust fails to meet its financial obligations as they fall due. Its main obligation consists of the settlement of participation certificates. As indicated in Note 1, these certificates grant their holders the right to share in the results.

The Trust's exposure to this risk is not significant, given the business plan set forth in the Trust Agreement and the restrictions on the types of assets in which the Trust may invest.

11.3 Market Risk

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

a) Currency Risk

The Trust is exposed to currency risk because of its monetary position in Uruguayan pesos (see Note 6). The table below shows the Trust's sensitivity to a 10% appreciation or depreciation of the Uruguayan peso against the U.S. dollar. The sensitivity analysis includes all outstanding monetary items denominated in foreign currency. If the Uruguayan peso were to appreciate by 10% against the U.S. dollar, comprehensive income for the year would decrease by USD 790,681, equivalent to UYU 38,326,366. Conversely, a 10% depreciation of the Uruguayan peso would increase comprehensive income by USD 966,388, equivalent to UYU 38,326,366.

b) Interest Rate Risk

The Trust is subject to a low level of interest rate risk, as its debt is denominated at fixed rates.

c) Price Risk

Price risk refers to the possibility that changes in market prices relevant to the Trust's business activities may affect its income or the value of financial and non-financial instruments held.

The main assets exposed to this risk at each year-end reporting date are as follows:

	USD		Equivalent in UYU	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Inventories	7,776,571	6,540,242	342,682,360	255,213,330
Property, plant and equipment (Land)	176,504,529	167,804,536	7,777,848,576	6,548,068,604
Biological assets	366,256,229	331,397,296	16,139,446,966	12,931,785,304
	550,537,329	505,742,074	24,259,977,902	19,735,067,238

NOTE 12 - SUBSEQUENT EVENTS

As at the date of issuance of these financial statements, no events or circumstances have occurred that would significantly affect the Trust's financial position, operating results, or cash flows.