

Financial Statements as of December 31, 2022 and 2023 and independent auditors' report



INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

Directors and members Associação SOS Amazônia Rio Branco, AC

Opinion

We have audited the accompanying financial statements of Associação SOS Amazônia (Association), which comprise the balance sheet as of December 31, 2023, and the related statements of income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associação SOS Amazônia as of December 31, 2023, and its financial performance and cash flows for the year then ended, in accordance with accounting practices adopted in Brazil for small and medium-sized enterprises (CPC PME) and specific standards applicable to non-profit entities (ITG 2002 (R1)).

Basis for opinion

Corresponding values

The corresponding figures for the financial statements for the year ended December 31, 2022, presented for comparison purposes, were audited by us, whose report dated June 30, 2023, was issued without modification.

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in accordance with these standards, are described in the following section entitled "Auditors' responsibilities for the audit of the financial statements".

We are independent in relation to the Association, in accordance with the relevant ethical principles set out in the Code of Professional Ethics for Accountants and the professional standards issued by the Federal Accounting Council, and we fulfill our other ethical responsibilities in accordance with these standards. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis - Restatement of the corresponding values

As mentioned in note 3, as a result of the correction of errors, the corresponding amounts for 2022, presented for comparison purposes, have been adjusted and are being restated in accordance with CPC 23 - Accounting Policies, Changes in Estimates and Errors and CPC 26 (R1) - Presentation of Financial Statements. Our opinion does not contain any changes related to this matter.



Responsibilities of management and governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices adopted in Brazil and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing accounting projections, management is responsible for assessing the ability of Associação SOS Amazônia to keep on operating, disclosing, when applicable, matters related to its operational supervision and the use of this accounting basis in preparing projections, unless management intends to liquidate Associação SOS Amazônia or cease its operations, or has no realistic alternative to avoid ceasing operations.

Those responsible for the governance of Associação SOS Amazônia are those responsible for supervising the process of preparing the financial statements.

Auditor's responsibilities for auditing the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, 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 not a guarantee that an audit conducted in accordance with Brazilian and international auditing standards will always detect any material misstatements. Misstatements may arise from fraud or error and are considered material 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.

As part of the audit carried out in accordance with Brazilian and international auditing standards, we exercised professional judgment and maintained professional skepticism throughout the audit. Furthermore:

- Identify and assess the risks 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 greater than that resulting from error, since fraud can involve the act of circumventing internal controls, collusion, forgery, omission or intentional misrepresentations.
- Obtain an understanding of 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 Associação SOS Amazônia's internal control.
- We assessed the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.



■ Conclude on the appropriateness of management'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 SOS Amazônia Association's ability to continue as a going concern. If we conclude that there is a material uncertainty, 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 report. However, future events or conditions may lead to the Associação SOS Amazônia no longer being able to continue as a going concern.

We communicated with those charged with governance regarding, among other things, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identified during our work.

Salvador, BA, April 8, 2024.

LITES AUDITING AND ACCOUNTING S/S CRC BA-3091/0-4

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Financial statements and explanatory notes Years ended December 31, 2023 and 2022

Balance sheet on December 31, 2022 and 2023 (Amounts expressed in Reais, excluding cents)

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
ACTIVE			Resubmission
CURRENT			
Cash and cash equivalents	07		
Current account banks - Unrestricted funds		51.093	38.381
Current account banks - Restricted funds		156.716	21.514
Financial investments - Unrestricted funds		168.363	355.115
Financial investments - Restricted funds		1.695.486	2.149.233
	_	2.071.658	2.564.243
CREDITS			
Trade and other receivables		4.443	4.443
Capital shares		59.616	18.080
Advances for activities		-	1.646
Recoverable taxes		64	64
Contingencies		100.000	100.000
	7	164.123	124.233
Total Current		2.235.781	2.688.476
NON-CURRENT			
REAL ESTATE	08		
Unrestricted assets		2.641.258	2.742.739
Restricted assets		2.417.464	2.670.260
Depreciation		(2.022.650)	(1.772.086)
Intangible		6.274	6.274
Total Non-Current	_	3.042.347	3.647.187
TOTAL ASSETS	_	5.278.128	6.335.663



Financial statements and explanatory notes Years ended December 31, 2023 and 2022

Balance sheet on December 31, 2022 and 2023 (Amounts expressed in Reais, excluding cents)

LIABILITIES	<u>Notes</u>	<u>2023</u>	2022 Resubmission
CURRENT	09		
Labor and social obligations		135.319	138.819
Tax obligations		20.376	33.885
Labor provisions		11.886	12.636
Projects/Covenants to be executed	10	2.411.549	1.233.263
		2.579.129	1.418.603
Total Current	<u> </u>	2.579.129	1.418.603
EQUITY	11		
Equity		2.135.140	2.135.140
Results from previous years		878.460	95.269,79
Prior year adjustments		(693.596)	97.437
Result for the year		378.996	684.882
Asset Valuation Adjustment		-	1.904.331
		2.698.999	4.917.060
Total equity	_	2.698.999	4.917.060
TOTAL LIABILITIES	_	5.278.128	6.335.663



Financial statements and explanatory notes Years ended December 31, 2023 and 2022

Income statement for the period Years ended December 31, 2022 and 2023 (Amounts expressed in Reais, excluding cents)

	<u>Notes</u>	<u> 2023</u>	<u>2022</u>
GROSS REVENUE	12		
With restriction			
Income from agreements and projects		8.125.988	5.925.802
Financial income		210.013	175.169
		8.336.001	6.100.971
No restrictions			
Income from agreements and projects		2.373.304	1.409.709
Financial income		48.738	20.294
Other operating income		413.501	631.762
		2.835.543	2.061.765
Total		11.171.544	8.162.736
NET OPERATING REVENUE		11.171.544	8.162.736
EXPENSES	13		
Personnel costs		4.366.015	3.144.103
Maintenance and vehicle costs		3.315	1.243
Expenditure on projects		5.487.243	3.509.243
Financial and banking expenses		1.506	516
Depreciation expenses		250.948	294.719
Tax expenses		107.552	32.137
Non-operating expenses		1	-
General expenses		575.968	440.901
Extraordinary expenses	<u>/</u>	-	54.993
		10.792.548	7.477.854
RESULT FOR THE YEAR		378.996	684.882



Financial statements and explanatory notes Years ended December 31, 2023 and 2022

Statement of changes in equity

Years ended December 31, 2022 and 2023

(Amounts expressed in Reais, excluding cents)

DESCRIPTION	Equity	Prior year adjustments	Surplus or deficit for the year	Asset Valuation Adjustments	Shareholders' equity
Balances at 31/12/2021	2.048.655	64.484	181.347	1.927.537	4.222.023
Balance transfer	181.755	(64.484)	(181.347)	-	(64.076)
Prior year adjustments	-	97.437	-	-	97.437
Surplus / Deficit for the year 2022	-	-	684.882	-	684.882
Asset Valuation Adjustments		-	-	(23.206)	(23.206)
Balances at 31/12/2022 Restatement	2.230.410	97.437	684.882	1.904.331	4.917.060
Balance transfer	782.778	(97.437)	(684.882)	(1.904.331)	(1.903.872)
Prior year adjustments	-	(693.185)	-	-	(693.185)
Surplus / Deficit for the year 2023	-	-	378.996	-	378.996
Balances at 12/31/2023	3.013.188	(693.185)	378.996	-	2.698.998,91



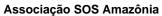
Financial statements and explanatory notes Years ended December 31, 2023 and 2022

Cash flow statement

Years ended December 31, 2022 and 2023

(Amounts expressed in Reais, excluding cents)

	<u>2023</u>	<u>2022</u>
I - OPERATIONAL ACTIVITIES		Resubmission
Surplus / Deficit for the year	378.996	684.882
More: Depreciation/Amortization for the period	250.948	294.719
Less/More: Adjustments affecting cash flow from operating		
activities	(693.110)	10.156
	(63.166)	989.756
Changes in assets and liabilities		
Increase/decrease in accounts receivable	(39.890)	11.035.901
Increase/decrease in accounts payable	1.160.526	(10.465.245)
	1.120.636	570.657
Net cash used in (generated by) operating activities	1.057.470	1.560.412
II - INVESTMENT ACTIVITIES		
Additions and Disposals of Fixed Assets	(1.550.054)	(545.098)
Net cash used in investing activities	(1.550.054)	(545.098)
III - NET INCREASE IN CASH AND CASH EQUIVALENTS	(492.585)	1.015.315
IV - STATEMENT OF CHANGES IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS BALANCE		
Start of financial year	2.564.243	1.548.928
End of year	2.071.658	2.564.243
V - NET INCREASE IN CASH AND CASH EQUIVALENTS	(492.585)	1.015.315





1. Operational context

The SOS Amazônia Association ("Association" or "SOS AMAZÔNIA") is a non-profit, non-partisan civil association governed by private law, operating throughout the national territory, with its headquarters and registered office in the city of Rio Branco, state of Acre, whose main objectives and purposes are:

- a) promoting and supporting actions aimed at environmental preservation, conservation, defense and recovery, with priority given to Amazonian environments, particularly in the state of Acre, as well as encouraging and promoting the dissemination of peaceful causes;
- b) providing technical and legal advice on environmental issues, including proposing legal actions through its legal department and promoting formal and non-formal environmental education actions involving all segments of the population;
- c) creating committees or commissions to accompany supervisory bodies in the application of environmental legislation, to carry out and disseminate studies to predict the behavior of Amazonian environments as a result of anthropic action and the consequent synergistic effects, and to develop projects aimed at improving the quality of life of urban and rural populations
- d) preparing and implementing programs and projects in the environmental field, collaborating and interacting with related national or international public or private entities, as well as preparing studies;
- e) encouraging the creation and improvement of legislation to achieve these objectives, in all legislative bodies, and to defend the diffuse, collective and individual homogeneous interests of the underprivileged in general, being able to file public civil actions to defend the rights of children and adolescents and the defense and promotion of the right or diffuse interest in an ecologically balanced environment; and
- f) promoting and disseminate activities of a technical, scientific, educational, cultural, philanthropic, technical agricultural, ecological, social responsibility and assistance nature in underprivileged communities living in situations of social vulnerability.

2. Preparation basis

The Association's financial statements were prepared in accordance with accounting practices adopted in Brazil for small and medium-sized enterprises (CPC PME) and specific standards applicable to non-profit organizations (ITG 2002 (R1)).

The Association's financial statements were approved for issue by the Board of Directors on January 12, 2024.

Details of the accounting policies are presented in Note 5.



Financial statements and explanatory notes Years ended December 31, 2023 and 2022

3. Restatement of the corresponding figures

The Institution's management is restating the financial statements for the year ended December 31, 2022 due to the correction of accrual errors from previous years that were accounted for during the year ended December 31, 2023. These adjustments are being presented retroactively in accordance with CPC 23 - Accounting Policies, Changes in Estimates and Errors and CPC 26(R1) - Presentation of Financial Statements and produced the following impacts on the Institution's financial statements in relation to the amounts previously presented:

(i) Balance sheet		12/31/2022	
	Original	Adjustments	Restated
ACTIVE			
CURRENT			
Cash and cash equivalents	2.564.243		2.564.243
CREDITS			
Trade and other receivables	17.862.207	-17.857.764	4.443
Capital shares	18.080	-	18.080
Advances for activities	1.646	- /	1.646
Recoverable taxes	64	<i>_</i>	64
Contingencies	100.000	/ -	100.000
	17.981.997	-17.857.764	124.233
Total Current	20.546.240	-17.857.764	2.688.476
NON-CURRENT			
REAL ESTATE			
Unrestricted assets	2.742.739	-	2.742.739
Restricted assets	2.670.260	-	2.670.260
Depreciation	-1.772.086	-	-1.772.086
Intangible	6.274	-	6.274
Total Non-Current	3.647.187	-	3.647.187
TOTAL ASSETS	24.193.427	-17 .857.764	6.335.663



Financial statements and explanatory notes Years ended December 31, 2023 and 2022

(i) Balance sheet - Continued

		12/31/2022	
	Original	Adjustments	Restated
LIABILITIES			
CURRENT			
Labor and tax obligations	172.704	-	172.704
Labor provisions	12.636	-	12.636
Projects/Covenants to be executed	19.188.876	-17.955.613	1.233.263
	19.374.216	-17.955.613	1.418.603
Total Current	19.374.216	-17.955.613	1.418.603
EQUITY			
Equity	2.135.140	-	2.135.140
Results from previous years	95.270	-//	95.270
Prior year adjustments	-412	97.849	97.437
Result for the year	684.882	- ,	684.882
Asset Valuation Adjustment	1.904.331	-/	1.904.331
	4.819.211	97.849	4.917.060
Total equity	4.819.211	97.849	4.917.060
TOTAL LIABILITIES	24.193.427	-17.857.764	6.335.663

4. Functional currency and presentation currency

These financial statements are presented in Reais, which is the Association's functional currency.

5. Use of estimates and judgments

In preparing these financial statements, management uses judgments and estimates that may affect the application of the Association's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

a. Critical judgments

No critical judgments were made that had a significant risk of resulting in a material adjustment to the accounting balances of assets and liabilities in the year ending December 31, 2023.





b. Uncertainties about assumptions and estimates

No uncertainties were identified related to assumptions and estimates that had a significant risk of resulting in a material adjustment to the accounting balances of assets and liabilities in the year ending December 31, 2023.

Fair value measurement

The Association's accounting policies and disclosures require the measurement of fair value for financial and non-financial assets and liabilities.

Management regularly reviews significant unobservable data and valuation adjustments. If third-party information, such as broker quotes or pricing services, is used to measure fair values, then Management analyzes the evidence obtained from third parties to support the conclusion that such valuations meet the requirements of the CPC standards, including the level in the fair value hierarchy at which such valuations should be classified.

When measuring the fair value of an asset or liability, the Association uses observable market data as much as possible. Fair values are classified into different levels in a hierarchy based on the information (inputs) used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) on active markets for identical assets and liabilities;
- Level 2: Inputs, except quoted prices included in Level 1, that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices);
- Level 3: Inputs, for assets or liabilities, that are not based on observable market data(
 unobservable inputs).

Additional information on the assumptions used to measure fair values is included in Note 15 - Financial instruments.

6. Main accounting policies

The main accounting policies applied in the preparation of the financial statements are set out below:

6.1. Revenue recognition

Income from agreements

Cash received for use in projects is deposited in specific bank accounts, with a counterpart in revenue. When allocated to financial investments, the balances of these investments are increased by the corresponding financial yield.





The remaining balances of project funds, shown in current liabilities, correspond to the sum of the funds received from financial backers and not yet invested in the projects. As the funds are used to carry out projects/provide services, the amounts invested are written off as expenses.

Revenues without restrictions

Unrestricted income includes: (i) financial income from the resources of agreements, when invested in financial institutions to make the most of the resources not yet applied to the projects; (ii) administrative fees, which consist of the Association charging resources for intermediation in the administration of projects; and (iii) other occasional income.

6.2. Financial income and expenses

The Association's financial income and expenses comprise: (i) Income from fixed-income financial investments; (ii) Interest expense on loan liabilities; (iii) Other financial income and expenses; (iv) Gains/losses on foreign exchange assets and liabilities.

Interest income and expenses are recognized in the income statement using the effective interest method. The "effective interest rate" is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument.

6.3. Employee benefits

Short-term employee benefit obligations are recognized as personnel expenses as the corresponding service is provided. The liability is recognized at the amount of the expected payment if the Association has a present legal or constructive obligation to pay that amount as a result of past service rendered by the employee, and the obligation can be reliably estimated.

6.4. Fixed assets

Items of property, plant and equipment are measured at historical acquisition cost, less accumulated depreciation and any accumulated *impairment* losses, when applicable.

Any gains and losses on the disposal of an item of property, plant and equipment are recognized in the income statement.

Subsequent expenditure is capitalized only when it is probable that future economic benefits associated with the expenditure will accrue to the Association. Recurring maintenance and repair costs are recognized in the income statement when incurred.



Financial statements and explanatory notes Years ended December 31, 2023 and 2022

Depreciation is calculated using the straight-line method over the estimated useful life of the assets, as shown in the table below:

Description	Annual fee
Installations	4%
Furniture and utensils	10%
Computer equipment	20%
Machinery and equipment	20%
Vehicles	20%

6.5. Provisions

6.5.1. General

Provisions are recognized when the Association has a present obligation as a result of a past event, it is probable that economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is shown in the income statement.

6.5.2. Provision for legal risks

Provisions are made for all contingencies relating to legal proceedings for which it is probable that an outflow of resources will be required to settle the contingency/obligation and a reasonable estimate can be made. The assessment of the probability of loss includes the evaluation of the available evidence, the hierarchy of laws, the available case law, the most recent court decisions and their relevance in the legal system, as well as the assessment of external lawyers.

Provisions are reviewed and adjusted to take account of changes in circumstances, such as the applicable limitation period, conclusions of tax inspections or additional exposures identified on the basis of new matters or court decisions. Lawsuits related to ongoing civil, labor or tax issues have been provisioned and disclosed by the Association.

6.5.3. Loss on impairment of non-financial assets

Management annually reviews the net book value of the assets in order to assess events or changes in economic, operational or technological circumstances that may indicate deterioration or loss of their recoverable value. If such evidence is identified and the net book value exceeds the recoverable amount, a provision for impairment is set up, adjusting the net book value to the recoverable amount. The recoverable amount of an asset or a specific cash-generating unit is defined as the higher of its value in use and its net sale value.

Financial statements and explanatory notes Years ended December 31, 2023 and 2022



The Association periodically assesses the effect of this procedure on the financial statements, recognizing the necessary adjustments when there is evidence.

6.6. Financial assets and liabilities

All financial assets and liabilities are initially recognized when the Association becomes a party to the contractual provisions of the instrument.

a. Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, at fair value through other comprehensive income, or at fair value through profit or loss. Financial assets are not reclassified subsequent to initial recognition, unless the Association changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period following the change in business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as measured at fair value through profit or loss:

- It is held within a business model whose objective is to hold financial assets to receive contractual cash flows;
- Their contractual terms generate, on specific dates, cash flows that relate only to the payment of principal and interest on the outstanding principal amount.

A financial asset is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as measured at fair value through profit or loss:

- It is maintained within a business model whose objective is achieved both by receiving contractual cash flows and by selling financial assets;
- Their contractual terms generate, on specific dates, cash flows that are simply payments
 of principal and interest on the outstanding principal amount.

All financial assets not classified as measured at amortized cost or at fair value through other comprehensive income, as described above, are classified as at fair value through profit or loss.

These comprise financial investments in cash and cash equivalents and advances receivable.





Cash and cash equivalents

Cash equivalents are held for the purpose of meeting short-term cash commitments and not for investment or other purposes. The Association considers cash equivalents to be a financial investment that is immediately convertible into a known amount of cash and is subject to an insignificant risk of change in value. Therefore, an investment normally qualifies as a cash equivalent when it has a short-term maturity, for example, three months or less from the date it was contracted. Financial investments are recognized at fair value through profit or loss.

b. Financial liabilities

They are measured at amortized cost using the effective interest method. They include balances payable to suppliers.

c. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle them on a net basis or to realize the asset and settle the liability simultaneously.

d. Impairment of financial assets

The Association assesses, on a prospective basis, the expected credit losses associated with debt securities recorded at amortization cost and at fair value through profit or loss. The methodology applied depends on whether or not there has been a significant increase in credit risk. See additional details in the specific accounting practices for each financial asset.

6.7. Suppliers

Accounts payable to suppliers are obligations to pay for goods or services that have been acquired from suppliers in the normal course of business. They are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

6.8. Equity

Represented by the value of the initial equity plus (minus) the surplus (deficit) for the years.



Financial statements and explanatory notes Years ended December 31, 2023 and 2022

7. Cash and cash equivalents

	2023	2022
Cash and cash equivalents	2.071.658	2.564.288
No restrictions	219.456	393542
Current account banks	51.093	38.428
Financial applications	168.363	355.114
With restriction	1.852.202	2.170.746
Current account banks	156.716	21.514
Financial applications	1.695.486	2.149.232

The Association's exposure to credit risks for financial assets is disclosed in Note 15.

8. Fixed assets

	2023	2022
Unrestricted goods (8.1)		Resubmission
Construction in progress	1.007.425	290.084
Buildings	131.489	629.014
Computer equipment	475.515	520.987
Machinery, apparatus and equipment	360.875	359.019
Motors and tools	26.791	24.221
Furniture and utensils	90.273	77.414
Vehicles	423.890	249.500
Land	125.000	592.500
	2.641.258	2.742.739
Depreciation	-55.060	-116.210
Total	2.586.198	2.626.529
Restricted goods (8.2)		
Boats	52.100,00	73.279,42
Computer equipment	79.622,98	123.057,27
Machinery, apparatus and equipment	1.724.254,33	1.897.468,06
Motors and tools	58.906,79	68.954,21
Furniture and utensils	52.464,14	73.200,58
Vehicles	216.000,00	434.300,00
Construction in progress	234.115,88	-
	2.417.464,12	2.670.259,54
Depreciation	-14.722,14	-191.708,76
Total	2.402.742	2.478.551



Financial statements and explanatory notes Years ended December 31, 2023 and 2022

8.1. Unrestricted assets

	Construction in progress	Buildings	Computer equipment	• •	Motors and Tools	Furniture and Utensils	Vehicles	Land	Total
Cost									
Balance on 12/31/2022	290.083,70	629.014,32	520.986,81	359.019,42	24.220,95	77.414,22	249.500,00	592.500,00	2.742.739
Additions	717.341	-	42.760	42.345	7.700	22.371	294.990	50.000	1.177.507
Write-off	-	-	-	-	-	-	-	-	-
Adjustments		-497.525	-88.232	-40.489	-5.130	-9.513	-120.600	-517.500	-1.278.989
Balance on 12/31/2023	1.007.425	131.489	475.515	360.875	26.791	90.273	423.890	125.000	2.641.258
Accumulated depreciation Balance on 12/31/2022	_	-11.505	-32.479	-28.159	-918	-4.990	-38.159	_	-116.210
Annual depreciation	-	-	-2.455	-1.789	-72	-	-44.075	-	-48.391
Write-off	-	-	-	-	-	-	-	-	-
Adjustments	-	11.505	27.947	26.477	918	4.536	38.159	-	109.542
Balance on 12/31/2023	-	-	-6.987	-3.471	-72	-454	-44.075	-	-55.060
Net value									
Balance on December 31, 2022	290.084	617.509	488.507	330.860	23.303	72.424	211.341	592.500	2.626.529
Balance on December 31, 2023	1.007.425	131.489	468.528	357.404	26.719	89.818	379.815	125.000	2.586.198



Financial statements and explanatory notes Years ended December 31, 2023 and 2022

8.2. Restricted assets

	Boats	Computer equipment	Machinery, Apparatus and Equipment	Motors and Tools	Furniture and Utensils	Vehicles	Construction in progress	Total
Cost								
Balance on 12/31/2022	73.279,42	123.057,27	1.897.468,06	68.954,21	73.200,58	434.300,00	-	2.670.260
Additions	-	8.512	129.920	-	-	-	234.116	372.547
Write-off	-	-	-	-	-	-	-	-
Adjustments	-21.179	-51.946	-303.133	-10.047	-20.736	-218.300	-	-625.343
Balance on 12/31/2023	52.100	79.623	1.724.254	58.907	52.464	216.000	234.116	2.417.464
Accumulated depreciation								
Balance on 12/31/2022	-2.964	-35.782	-119.943	-5.130	-4.149	-23.741	-	-191.709
Annual depreciation	-	-619	-4.014	-	-	-	-	-4.632
Write-off	-	-	-	-	-	-	-	-
Adjustments	2.964	30.595	115.466	4.704	4.149	23.741	-	181.619
Balance on 12/31/2023	-	-5.805	-8.492	-426	-	-	-	-14.722
Net value								
Balance on December								
31, 2022	70.315	87.276	1.777.525	63.825	69.051	410.559	-	2.478.551
Balance on December 31, 2023	52.100	73.818	1.715.763	58.481	52.464	216.000	234.116	2.402.742



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9. Social, labor and tax obligations

The amounts relating to the payment of personnel costs and their respective social charges are apportioned among the projects in accordance with the budget allocations intended to cover administrative costs.

10. Projects to be carried out

(i) Alliance

The result of a partnership between SOS Amazônia, the Acre Pro-Indian Commission and the Catitu Institute, the Aliança Project involves indigenous peoples and extractivists in the defense of Acre's forests, through territorial protection and monitoring actions. The project works directly in nine Indigenous Lands and three Conservation Units, which are home to some of the richest biodiversity in the world. In addition to the environmental benefits, such as climate change mitigation, the Alliance strengthens the food security of traditional communities and the empowerment of young people and women. Total budget R\$ 8,092,000 - Period from June 30, 2021 to December 31, 2025.

(ii) Nossabio

The project strengthens community governance and management in Conservation Units and develops sustainable production chains based on socio-biodiversity products, such as açaí, wild cacao, rubber, wood artifacts and ecotourism. With the aim of sharing results, experiences and challenges faced during the implementation of the Nossabio project, a final evaluation seminar was held. The meeting was held at the Terraverde Hotel in Rio Branco on October 10 and 11, 2023, and was attended by extractivists, researchers, representatives of community associations, cooperatives and companies linked to the project. The project is part of the Integrated Legacy of the Amazon Region, a Brazilian conservation program designed by the Institute for Ecological Research (IPÊ), with funding from the Amazon Fund and the Gordon and Betty Moore Foundation. Total budget R\$ 4,170,000 - Period from March 18, 2020 to June 30, 2023, extended until May 2024.

(iii) Mulheres da Borracha (Rubber Women)

With the aim of increasing women's awareness of the importance of their participation in rubber production, SOS Amazônia, the Social Development Institute (IDS) and Vert held workshops and multiplier actions with women living in communities in Acre who supply latex to Vert, a French company that uses native rubber to produce footwear. Sustainable rubber production is family-based, meaning that women are also involved in the various stages of the production chain, from cutting to marketing. The methodological itinerary of the workshops included playful activities, group dynamics and artistic presentations with the aim of promoting the exchange of experiences, awakening self-worth and empowering women in the different spaces they occupy, whether in the family, the cooperative, the social movement or the rubber value chain. Total budget R\$ 797,400 - Period from April 7, 2022 to July 31, 2023.



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(iv) Quelônios do Juruá (Juruá Chelonians)

After five years of non-execution due to a lack of resources, the Juruá Chelonians project has resumed its activities to conserve the "shelled animals", which form a group of animals that includes the turtle, the tracajá and the yaká. These species are threatened by predatory hunting and the collection of eggs for illegal sale. With the aim of increasing the chelonian population, SOS Amazônia carries out participatory community management, with environmental education, training for riverside families, surveillance of threatened beaches, care for the chicks after birth and subsequent release in safe areas. In 2023, six workshops were held to train 31 monitoring agents on 47 demarcated beaches in four protected areas. As a result, more than two thousand chelonian offspring were returned to the wild in the Alto Juruá and Riozinho da Liberdade Resexes, and in the Carlota Community in Cruzeiro do Sul.

(v) Acre Socio-Environmental Observatory

The Observatory was created with the aim of monitoring and disseminating information on the public policy agenda related to environmental conservation and management. It is organized by the Socio-Environmental Observatory Project and has the support of the Institute for Climate and Society (ICS). In 2023, the Acre Socio-Environmental Observatory, with its goal of influencing socio-environmental and climate public policies in Acre, became the chair of the State Committee for Validation and Evaluation of the State's Environmental Services Incentive System. It followed COP 28 from its participation as a civil society organization in the event. In addition, the Observatory was present in spaces for discussion and training regarding the climate emergency, as well as the collection and systematization of public data regarding the implementation of local socio-environmental policies. Total budget R\$ 750,000 - Period from April 1, 2022 to September 30, 2023.

(vi) Faça Florescer Floresta (Make the Forest Bloom)

Created in 2019, the project promotes the recovery of degraded areas, including the surroundings of springs, with the implementation of Agroforestry Systems (SAFs), i.e. the intercropping of forest, fruit and palm species of ecological and economic interest. Since its creation, it has been supported by spontaneous donations and by companies and organizations such as The Caring Family Foundation, Nike, One Tree Planted, Conservation International and PMI Worldwide, among others. By 2025, the proposal is to directly benefit 840 families by planting 1.6 million seedlings. The recovery of degraded areas, depending on the density of the planting, involves between 1,000 and 2,500 species per hectare. The restoration work is carried out in close partnership with the project's beneficiaries, who live in riverside and extractive communities, settlement projects and Conservation Units. In addition to forest species, families can increase the SAFs by adding agricultural species such as corn, beans, bananas and cassava. Total budget R\$ 10,490,950 - Period from May 2022 to May 2025.



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(vii) Herbal medicines from the Amazon

With the Amazon Herbal Medicine Project, SOS Amazônia, in partnership with the United Nations Development Programme, seeks to strengthen the medicinal plant sector in organizations representing indigenous peoples, traditional communities or family farmers in the Amazon biome. In all, four organizations, located in the states of Amapá and Pará, which sell medicinal plants or their derivatives, receive support. With funding from the Global Environment Facility (GEF), the project offers technical and administrative advice to organizations to expand commercial relations and achieve agro-ecological certification. Total budget R\$ 2,389,455 - Period from May 2, 2022 to October 31, 2024.

(viii) Amazon Brigades

The project works in rural and extractive communities, dialoguing with community members about the importance of reducing the use of fire in agriculture, especially in the opening of fields. It also carries out environmental awareness actions, such as courses and workshops, to rescue fauna affected by fires and burn-offs. With the arrival of the Amazonian summer, a period of lack of rainfall in the region, activities related to deforestation and the use of fire intensify, causing fires and burn-offs. A webinar was held on August 22, 2023, with two guests who were experts on the subject, to put the issue on the agenda and raise awareness of the possibilities for supporting the cause: Luiz Borges, a biologist with a PhD in Ecology, and Wendeson Castro da Silva, a biologist with a master's degree in Ecology and Natural Resource Management, with experience in monitoring forest ecosystems. During the critical fire season, between June and September 2022, SOS Amazônia hosted a film crew from the BBC in London to capture images of wildlife for the Planet Earth III documentary, which aired in November 2023.

(ix) Amuralha

The Association of Rural Women United for Freedom, Humanity and Love (Amuralha), structured with the support of SOS Amazônia and the Merieux Foundation, is located in the community of Nova Cintra, in the municipality of Rodrigues Alves (AC). It brings together 42 women who produce and sell copaiba, açaí, andiroba, buriti and patauá soaps, among other forest products. It is in the process of developing a new soap formula, with the potential to reach an even wider market. Total budget R\$200,000 - Period from May 11, 2021 to March 31, 2023, extended until June 2024.

11. Shareholders' equity

a. Equity

The Association's equity is made up of the initial equity plus the annual surplus or deficit and adjustments as appropriate.



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12. Operating Income

	2023	2022
REVENUES	11.171.544	8.162.736
Projects with international agencies	2.373.304	1.409.709
Merieux Foundation	677.084	848.024
INRA	535.530	484.218
PNUD	1.160.690	77.467
Other Resources - Restricted	8.125.988	5.925.802
See	438.670	274.716
One Tree Planted	266	1.265.344
Ecological Research Institute - IPÊ	769.026	1.392.703
Climate and Society Institute - ICS	592.685	250.180
Pro-Indian Commission - CPI/Rainforest	1.433.019	1.812.552
Nike/Fisia	462.001	240.674
The Caring Family Foundation	3.865.668	267.740
Pmi South America Consumer Goods Ltda	125.138	200.000
Conservation International	439.516	221.893
OTHER INCOME	672.252	827.224
Donations	337.813	589.300
Donations from Individuals (institutional use)	209.333	193.569
Donations from Legal Entities (institutional use)	50.301	41.667
Donations from individuals (campaigns)	23.904	666
Donations from Legal Entities (campaigns)	54.275	353.398
Financial Income - Unrestricted	48.738	20.294
Occasional income	36.114	12.197
Income from investments - Administrative	5.422	1.753
Income from investments -Labor funds	4.083	4.164
Income from investments - Communication + DI	1.223	1.456
Income from investments - SOS Fund	1.895	724
Financial Income - Restricted	210.013	175.169
Investment Income - Members	1.684	1.885
Investment income - Services rendered	78	12
Return on Investments - Mérieux Foundation	43.942	76.024
Income from investments - FFF	31.303	13.786
Income from investments - IPE Lira	18.480	12.162
Income from investments - Amuralha	22.635	5.719
Income from investments - CPI/Rainforest	1.040	16.120
Income from investments - INRAE	35.237	45.126
Income from investments - ICS	41.394	4.239
Income from investments - CAF	-	96
Income from investments - Project monitoring	14.222	-



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12. Operating revenues (continued)

	2023	2022
Membership income	1.100	-
Membership fees	1.100	-
Other income	74.589	42.461
Unconditional Discounts	939	1.487
Provision of services	73.650	40.975
Expenses		
	2023	2022
EXPENSES	10.792.548	7.477.854
Project - Faça Florescer Floresta (Make the Forest Bloom)	3.941.269	1.245.566
Personnel costs	1.537.798	433.577
Provision of services	7.062	21.395
Expenditure on trainees	21.037	2.975
Third parties/administrative	-/	24.000
General expenses	190.009	41.596
Expenditure on activities/projects	2.185.364	722.023
Project - Mulheres da Borracha (Rubber Women)	455.424	167.727
Personnel costs	175.431	50.673
Provision of services		1.248
Expenditure on trainees		606
General expenses	11.854	3.289
Expenditure on activities/projects	268.139	111.911
Project - Nossa Bio (Our Bio)	295.660	984.366
Personnel costs	90.154	287.511
Provision of services	-	17.735
General expenses	4.896	1.857
Expenditure on activities/projects	200.609	677.262
Project - Harpia	359.213	146.004
Personnel costs	226.783	114.471
Provision of services	-	12.880
General expenses	22.410	593
Expenditure on activities/projects	110.020	18.060
Project - Amuralha	117.963	59.632
General expenses	23.701	3.186
Expenditure on activities/projects	94.261	56.447
Project - Institutional	2.263.420	1.844.403
Personnel costs	1.638.140	1.300.564
Provision of services	<u>_</u>	4.000
Expenditure on trainees	148	35
Third parties/administrative	-	2.400
General expenses	238.328	343.273
Expenditure on activities/projects	386.805	194.132



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13. Expenses (continued)

	2023	2022
Project - Mérieux Foundation	510.632	831.038
Provision of services	-	156.837
Third parties/administrative	-	4.965
General expenses	67.089	31.935
Expenditure on activities/projects	443.544	582.309
Extraordinary expenses	-	54.993
Project - Alliance of Indigenous and Extractivist Peoples	887.992	1.362.992
Personnel costs	494.108	664.046
Provision of services	-	13.441
Expenditure on trainees	-	1.211
General expenses	15.256	12.047
Expenditure on activities/projects	378.629	672.247
Other Expenses	363.321	328.614
Vehicle expenses	3.315	1.243
Financial and banking expenses	1.506	516
Tax expenses	107.552	32.137
Other operating expenses	250.948	294.719
Project - Forest Income	533.457	455.751
General expenses	2.427	2.968
Expenses for field activities	531.030	452.783
Project - Chelonians	- ·	20.956
Activity expenses	-	20.956
Project - Herbal medicines	1.064.196	30.805
Personnel costs	175.354	29.533
General expenses	-	159
Expenditure on activities - projects	888.842	1.113
Non-operating expenses	0,8	-
Extraordinary losses	0,8	-

14. Exemptions

As a non-profit organization, it also enjoys the benefit of exemption from paying federal taxes on its surplus, in accordance with article 184 of the Income Tax Regulations (RIR) approved by Decree No. 9580 of 11/22/18 and Law No. 9532/97.





15. Risk management

In the normal course of its operations, the Association is exposed to the following risks:

15.1. Credit risk

a) Cash and cash equivalents

The amounts recorded as cash and cash equivalents and financial investments are held at first-rate financial institutions with recognized market strength.

15.2. Liquidity risk

The Association manages its cash and cash equivalents by establishing a strategic minimum amount of cash, based on the cash cycle of operations, as well as the minimum capital required to guarantee credit operations.

Management monitors ongoing forecasts of liquidity requirements to ensure that sufficient cash is available to meet operating needs.

15.3. Capital management

The Association basically uses capital from project sponsors to finance its activities. Management monitors debt levels in relation to its cash generation capacity and capital structure.

15.4. Risk with derivative instruments

The Association has not carried out any speculative transactions, whether in derivatives or any other risky assets. On December 31, 2022 and 2023 there were no asset or liability balances hedged by derivative instruments or any other transactions.

15.5. Operational risk

The Association was created with the aim of promoting and supporting actions aimed at environmental preservation, conservation, defense and recovery, with priority given to Amazonian environments. It relies on the support of financial backers to carry out its activities.

Management thus seeks to attract new financiers and follows the evolution of activities in Brazil, monitoring the segment closely.





16. Financial instruments

The main financial instrument assets and liabilities on December 31, 2022 and 2023 are described below, as well as the criteria for their valuation:

- (a) Cash and cash equivalents: Current account balances and financial investments are held at first-tier banks and their market values are close to the accounting balances. For financial investments, the market value was calculated based on the market prices of these securities on the balance sheet date. The rates agreed reflect the usual market conditions;
- **(b)** Suppliers: Liabilities to suppliers are recorded at the invoiced amount, which corresponds to the amount due up to the due date and after that date plus *pro-rata* interest on a commercial basis.

17. Subsequent events

No subsequent events requiring adjustments to the financial statements ended December 31, 2023 were identified.