

**REPORT OF
THE
INDEPENDENT
AUDITOR**

**CAMANOR PRODUTOS MARINHOS S.A.
(In Judicial Recovery)**

Year 2023

33 Anos
De Conquistas

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REPORT OF THE INDEPENDENT AUDITOR ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To Messrs

Administrators and Shareholders of CAMANOR PRODUTOS MARINHOS S.A.

(In Judicial Recovery)

Qualified Opinion

We have audited the individual financial statements of **CAMANOR PRODUTOS MARINHOS S.A. (In judicial recovery)**, which comprise the balance sheet on December 31, 2023 and the respective statements of income, comprehensive income, of the changes in equity and cash flows for the year ended on that date, as well as the consolidated financial statements of Camanor Produtos Marinhos S.A. and its subsidiary ("Consolidated"), which comprise the consolidated balance sheet as of December 31, 2023 and the respective consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, as well as the corresponding explanatory notes including the summary of the main accounting policies.

In our opinion, except for the effects of the matters described in the section below entitled "Basis for Qualified Opinion", the aforementioned individual and consolidated financial statements fairly present, in all material respects, the equity and financial position of **CAMANOR PRODUTOS MARINHOS S.A.**, on December 31, 2023, the performance of its operations and its cash flows for the year ended on that date, in accordance with the accounting practices adopted in Brazil.

Basis for qualified opinion

Deferred Tax Asset

According to note 20, on December 31, 2023, the Company has R\$26,579,729 recorded in non-current assets, in deferred tax assets, referring to Income Tax and Social Contribution, arising from the recording of tax losses determined in the last exercises. Considering the Company's current scenario, in the Process of Judicial Recovery, (note 1.2), as well as the history of successive losses it has been showing, there is no evidence that the occurrence of future taxable profits will be likely against which this balance can be offset. Therefore, we are unable to give an opinion on the realization of this balance, in view of the uncertainties regarding the projections estimated by the Company for the compensation of this balance.

Impairment Test

In 2023, the Company did not carry out the recoverability test of the assets recorded in its fixed assets (R\$ 69,315,910) net of depreciation. As a consequence, we are not in a position to give an opinion on the effects of possible losses to the recoverable value of these assets not recognized in the income for the year.

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities under these standards are described in the following section entitled "Auditor's

Responsibilities for the Audit of the Individual and Consolidated Financial Statements". We are independent in relation to **CAMANOR PRODUTOS MARINHOS S.A.** and its subsidiary, in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants and in the norms issued by the Federal Council of Accounting, and we comply with the other ethical responsibilities in accordance with these norms. We believe that the audit evidence obtained is sufficient and appropriate in order to provide the basis for our qualified opinion.

Relevant uncertainty related to operational continuity

We draw attention to Note 1.2 to the financial statements, which describes that the Company has been incurring recurring losses, filing a request for judicial recovery on July 22, 2021, with presentation of the Judicial Recovery Plan on October 11, 2021, which was approved by the General Meeting of Creditors on October 31, 2023. This fact, among others reported in Note 1.2, indicates the existence of relevant uncertainty that may raise significant doubts about its operational continuity. Our opinion contains no reservations regarding this matter.

Emphasis

Adjustment in the General Creditors Table

We draw attention to Note 1.2, which describes the existence of processes to challenge credits presented since the publication of the second list of creditors in the judicial recovery process, which took place on February 3, 2022. The outcome of these challenge processes resulted in adjustments to the balances in the General List of Creditors and, consequently, in the 2023 Financial Statements.

Approval of the Judicial Recovery Plan

We also emphasize note 1.2.2. which reports the approval of the Judicial Recovery Plan, which took place on October 31, 2023 by the General Assembly of Creditors, establishing the recovery measures that will be adopted by the Company, as well as the proposal approved by the creditors for the payment of the debts listed in the General Chart of Creditors. Our opinion contains no reservations regarding the matters highlighted.

Other matters

Statements of Value Added

The Individual and Consolidated Value Added Statements (DVA) for the year ended December 31, 2023, prepared under the responsibility of the Company's management, were submitted to audit procedures carried out together with the audit of the Company's financial statements. In order to form our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Demonstration of Added Value". In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" section, the value added statements have been adequately prepared, in all material respects, in accordance with the criteria defined in this Technical Pronouncement and are consistent in relation to the individual and consolidated financial statements taken together.

Audit of the Corresponding Amounts

The individual and consolidated financial statements ended on December 31, 2022 presented as a set of these financial statements for comparability purposes were audited by us, with a report issued on March 24, 2023, which describes the existence of relevant uncertainty related to continuity operational and modified opinion in relation to the balance of deferred tax assets, in the amount of R\$22,026,515, due to the fact that there is uncertainty regarding the existence of sufficient future taxable profits to offset tax credits.

Responsibilities of management and of governance for the consolidated financial statements

The Company's management is responsible for the preparation and proper presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and for the internal controls that it has determined to be necessary to allow the preparation of financial statements to be free from material misstatement, regardless of whether caused by fraud or error. In the preparation of the individual and consolidated financial statements, management is responsible for assessing the Company's ability to continue operating, disclosing, when applicable, matters related to its operational continuity and the use of this accounting basis in the preparation of the financial statements, unless management intends to liquidate the Company or cease its operations, or has no realistic alternative to avoid ceasing operations. Those responsible for the governance of the Entity and its subsidiaries are those responsible for supervising the process of preparing the financial statements.

Auditor's responsibilities for auditing the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error, and to issue an auditor's report containing our opinion. Reasonable security is a high level of security, but not a guarantee that the audit that is carried out in accordance with Brazilian and international auditing standards always detects any material misstatements that exist. Misstatements may arise from fraud or error and are considered material when, individually or jointly, they could influence, within a reasonable perspective, the economic decisions of users which were taken based on said consolidated financial statements. As part of the audit performed in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatement in the individual and consolidated financial statements, whether caused by fraud or error; we plan and perform audit procedures in response to such risks, and obtain sufficient appropriate audit evidence to support our opinion. The risk of not detecting a material misstatement resulting from fraud is greater than that resulting from error, as fraud can involve circumventing internal controls, collusion, forgery, omission or intentional misrepresentation.
- We obtained an understanding of the internal controls 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 internal controls of the Company and its subsidiary.

- We evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.
- We draw a conclusion on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether there is material uncertainty regarding events or conditions that could cast significant doubt in relation to the Company's and its subsidiary's capacity for operational continuity. If we conclude that there is a material uncertainty, we must draw attention in our auditor's report to the related disclosures in the financial statements or include a modification in our opinion if the disclosures are inadequate. Our conclusions are based on audit evidence obtained up to the date of our report. However, future events or conditions may lead the Company and its subsidiary to no longer remain in operational continuity.
- We evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the consolidated financial statements represent the related transactions and events in a manner compatible with the objective of fair presentation.
- We obtained sufficient appropriate audit evidence concerning the financial information of entities or group business activities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit and, accordingly, for the audit opinion.

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

Natal, RN, March 22, 2024



CASS AUDITORES E CONSULTORES S/S
Auditores independentes
CRC/RN 0113/O

Edilúzia Araújo de Oliveira
Accountant - Technical Responsible
CRC/RN nº 5067/O

(A free translation of the original in Portuguese)

***Camanor Produtos
Marinhos S.A. -
in judicial recovery
Individual and consolidated financial
statements at
December 31, 2023
(UNAUDITED)***

Camanor Produtos Marinhos S.A. - In Judicial Recovery

BALANCE SHEET

December

(All amounts in reais - R\$)

(A free translation of the original in Portuguese)

	<u>Note</u>	<u>Parent company</u>		<u>Consolidated</u>	
		<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalents	4	773.379	758.689	773.902	759.558
Trade receivables	6	3.500.247	4.033.147	3.500.247	4.033.147
Inventories	7	15.692.916	15.060.148	15.692.916	15.309.837
Taxes recoverable	8	423.636	1.004.072	423.636	1.004.072
Prepaid expenses		116.551	149.803	116.551	149.803
Advances to suppliers		180.212	62.353	180.212	62.353
Advances to employees and officers		57.985	40.436	57.985	40.436
Other receivables	9	71.863	73.055	71.863	73.057
Total current assets		20.816.789	21.181.703	20.817.312	21.432.263
NON-CURRENT ASSETS					
Restricted investments	5	600.275	531.077	600.275	531.077
Trade receivables	6	-	-	200.000	200.000
Taxes recoverable	8	19.508	59.270	19.508	59.270
Judicial deposits	18	61.476	62.476	61.476	62.476
Deferred taxes and contributions	20	26.579.729	22.026.515	26.579.729	22.026.515
Receivables from related parties	28	172.764	172.764	-	-
Prepaid expenses		22.681	20.121	22.681	20.121
Other receivables	9	830.036	830.036	830.036	830.036
		-	-	-	-
Investments	10	277.445	277.792	-	-
Property and equipment	11	69.315.910	79.528.093	69.565.599	79.528.093
Intangible assets	12	96.010	109.987	96.010	109.987
Total non-current assets		97.975.834	103.618.131	97.975.314	103.367.575
TOTAL ASSETS		118.792.623	124.799.834	118.792.626	124.799.838

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

Camanor Produtos Marinhos S.A. - In Judicial Recovery**BALANCE SHEET**

December

(All amounts in reais - R\$)

(A free translation of the original in Portuguese)

	<u>Note</u>	<u>Parent company</u>		<u>Consolidated</u>	
		<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>D EQUITY</u>					
CURRENT LIABILITIES					
Trade payables	13	1.068.297	957.316	1.068.297	957.316
Loans and Funding	14	970.341	478.026	970.341	478.026
Taxes and contributions payable	15	895.963	814.416	895.963	814.416
Taxes in installments	16	749.720	168.343	749.720	168.343
Payroll		644.886	928.715	644.886	928.715
Provision		1.235.705	1.488.820	1.235.705	1.488.820
Advances from customers	17	227.157	218.438	227.157	218.438
Other payables		259.959	310.289	259.959	310.290
Total current liabilities		6.052.028	5.364.363	6.052.028	5.364.364
NON-CURRENT LIABILITIES					
Loans and Funding	14	1.020.111	437.648	1.020.111	437.648
Taxes in installments	16	2.150.382	659.344	2.150.382	659.344
Provision for labor, tax and civil risks	18	4.524	622.076	4.524	622.076
Dividends payable		500.000	500.000	500.000	500.000
Deferred tax	19	1.355.992	1.355.992	1.355.992	1.355.992
Payable to related parties	28	3.790.000	2.100.000	3.790.000	2.100.000
<u>or Judicial Recovery</u>					
Trade payables	13	345.939	345.939	345.939	345.939
Provision for labor risks	18	140.650	140.650	140.650	140.650
Loans and Funding	14	60.061.929	59.479.854	60.061.929	59.479.854
Payable to related parties	28	640.234	640.234	640.234	640.234
Total non-current liabilities		70.009.761	66.281.737	70.009.761	66.281.737
EQUITY					
Share capital	21	11.666.667	11.666.667	11.666.667	11.666.667
Capital reserve	21	31.064.167	41.487.067	31.064.167	41.487.067
Equity attributable to the owners of the parent company		42.730.834	53.153.734	42.730.834	53.153.734
Equity attributable to the owners of the parent company	21			3	3
Total equity		42.730.834	53.153.734	42.730.837	53.153.737
TOTAL LIABILITIES AND EQUITY		118.792.623	124.799.834	118.792.626	124.799.838

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

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Camamor Produtos Marinhos S.A. - In Judicial Recovery**STATEMENTS OF INCOME (LOSS)****December****(All amounts in reais - R\$)****(A free translation of the original in Portuguese)**

	<u>Note</u>	<u>Parent company and Consolidated</u>	
		<u>12/31/2023</u>	<u>12/31/2022</u>
NET SALES	22	29.184.612	30.595.930
COST OF SALES	23	<u>(36.126.050)</u>	<u>(42.033.071)</u>
GROSS LOSS (PROFIT)		(6.941.438)	(11.437.141)
Selling expenses	23	(503.981)	(588.381)
Personnel expenses	23	(2.551.348)	(2.862.684)
General and administrative expenses	23 e 24	(3.124.454)	(2.867.283)
Equity in the results of subsidiaries	10	-	-
Other operating expenses and income, net	25	<u>649.780</u>	<u>(758.564)</u>
LOSS BEFORE FINANCIAL RESULTS		(12.471.441)	(18.514.053)
Finance income	26	200.448	403.490
Finance costs	26	<u>(2.006.473)</u>	<u>(1.044.209)</u>
LOSS BEFORE INCOME TAXES		(14.277.466)	(19.154.772)
Income tax and social contribution Deferred	20b e 20c	4.553.214	6.693.650
LOSS FOR THE YEAR		<u>(9.724.252)</u>	<u>(12.461.122)</u>
LOSS ATTRIBUTABLE TO:			
Owners of the Parent Company		(13.765.520)	(12.461.122)
Non-controlling interest		-	-
EARNING PER SHARE (EPS)			
Common shares		(0,83)	(1,07)

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

Camanor Produtos Marinhos S.A. - In Judicial Recovery

STATEMENT OF COMPREHENSIVE INCOME

December

(All amounts in reais - R\$)

	Parent company and Consolidated	
	<u>12/31/2023</u>	<u>12/31/2022</u>
LOSS FOR THE YEAR	(9.724.252)	(12.461.122)
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>(9.724.252)</u>	<u>(12.461.122)</u>

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

Camamor Produtos Marinhos S.A. - In Judicial Recovery

STATEMENT OF CHANGES IN EQUITY

December

(All amounts in reais - R\$)

(A free translation of the original in Portuguese)

	<u>Note</u>	<u>Share capital</u>	<u>Capital reserve</u>	<u>Retained earnings (loss)</u>	<u>Equity attributable to the owners of the Parent company</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
BALANCES AT DECEMBER 31, 2021		11.666.667	53.948.189	-	65.614.856	3	65.614.859
Loss for the year	21	-	-	(12.461.122)	(12.461.122)	-	(12.461.122)
Reserves absorbed by losses		-	(12.461.122)	12.461.122	-	-	-
BALANCES AT DECEMBER 31, 2022		11.666.667	41.487.067	-	53.153.734	3	53.153.737
Prior year adjustment		-	(698.648)	-	(698.648)	-	(698.648)
Loss for the year	21	-	-	(9.724.252)	(9.724.252)	-	(9.724.252)
Reserves absorbed by losses		-	(9.724.252)	9.724.252	-	-	-
BALANCES AT DECEMBER 31, 2023		11.666.667	31.064.167	-	42.730.834	3	42.730.837

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

Camanor Produtos Marinhos S.A. - In Judicial Recovery**STATEMENT OF CASH FLOWS****December****(All amounts in reais - R\$)***(A free translation of the original in Portuguese)*

	Note	Parent company		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before income taxes		(14.277.466)	(19.154.772)	(14.277.466)	(19.154.772)
Adjustments for:					
Depreciation and amortization - Expense	23 e 24	590.990	705.570	590.990	705.570
Depreciation and amortization - Cost	23	10.180.318	9.319.018	10.180.318	9.319.018
Provision (reversal) for impairment of trade receivables	6	-	57.891	-	57.891
Share of profit (loss) of subsidiary	10	346	-	-	-
Losses, donations and write-offs of inventory or fixed assets	25	1.077.865	905.287	1.077.865	905.287
Result on sale and write-off of fixed assets	25	(305.468)	-	(305.468)	-
Interest and foreign exchange differences on borrowings	14 e 26	874.334	482.553	874.334	482.553
Financial charges on taxes in installments and lawsuits	16 e 26	283.776	8.195	283.776	8.195
Provision for labor, tax and civil risk	18	(617.552)	622.076	(617.552)	622.076
Estimated losses with inventory	7	151.054	132.848	151.054	132.848
Provision for 13th month salary and vacation pay		(253.115)	332.652	(253.115)	332.652
Adjusted loss (profit) for the year		(2.294.918)	(6.588.682)	(2.295.264)	(6.588.682)
Changes in operating assets and liabilities:					
Trade receivables	6	419.130	(937.934)	419.130	(937.934)
Inventories	7 e 25	(1.948.108)	(716.341)	(1.698.419)	(716.341)
Taxes recoverable	8	1.105.906	1.047.300	1.105.906	1.047.300
Prepaid expenses		30.692	(9.517)	30.692	(9.517)
Judicial deposits	18	1.000	7.793	1.000	7.793
Advances to suppliers		(117.860)	(42.055)	(117.860)	(42.055)
Advances to employees and officers		(17.549)	(814)	(17.549)	(814)
Other receivables		1.194	582.731	1.194	582.731
Trade payables	13	112.106	275.035	112.106	275.035
Taxes and contributions payable	15	81.547	174.371	81.547	174.371
Taxes in installments	16	1.788.638	819.492	1.788.638	819.492
Payroll and related taxes		(283.829)	245.219	(283.829)	245.219
Advances from customers	17	8.719	109.732	8.719	109.732
Other payables		(50.331)	(279.239)	(50.331)	(279.239)
Total changes in operating assets and liabilities		1.131.255	1.275.773	1.380.944	1.275.773
Cash used in (provided by) operating activities		(1.163.663)	(5.312.909)	(914.320)	(5.312.909)
Interest received		113.770	118.381	113.770	118.381
Interest paid	14	(190.517)	(15.629)	(190.517)	(15.629)
Net cash used in (provided by) operating activities		(1.240.410)	(5.210.157)	(991.067)	(5.210.157)

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

Camanor Produtos Marinhos S.A. - In Judicial Recovery**STATEMENT OF CASH FLOWS**

December

(All amounts in reais - R\$)

(A free translation of the original in Portuguese)

	Note	Parent company		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
CASH FLOWS FROM INVESTING ACTIVITIES					
Restricted investments	5	(69.198)	557.764	(69.198)	557.764
Purchases of property and equipment		(1.690.434)	(780.740)	(1.940.123)	(780.740)
Receipt for sale of fixed assets		405.000	-	405.000	-
Purchases of intangible assets	12	(53.306)	(57.420)	(53.306)	(57.420)
Cash provided by investing activities		(1.407.938)	(280.396)	(1.657.627)	(280.396)
Net cash (used in) investing activities		(2.648.348)	(5.490.553)	(2.648.694)	(5.490.553)
CASH FLOWS FROM FINANCING ACTIVITIES					
New borrowings	14	1.530.167	1.017.401	1.530.167	1.017.401
Repayment of borrowings	14	(557.129)	(856.505)	(557.129)	(856.505)
Payables to related parties	28	1.690.000	2.100.000	1.690.000	2.100.000
Cash provided by financing activities		2.663.038	2.260.896	2.663.038	2.260.896
Net cash provided by (used in) financing activities		14.690	(3.229.657)	14.344	(3.229.657)
Effect of mergers in cash and cash equivalents of subsidiary		-	-	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		14.690	(3.229.657)	14.344	(3.229.657)
Cash and cash equivalents at the beginning of the year	4	758.689	3.988.346	759.558	3.989.215
Cash and cash equivalents at the end of the year	4	773.379	758.689	773.902	759.558
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		14.690	(3.229.657)	14.344	(3.229.657)

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

Camanor Produtos Marinhos S.A. - In Judicial Recovery**STATEMENT OF VALUE ADDED**

December

(All amounts in reais - R\$)

(A free translation of the original in Portuguese)

	Note	Parent company		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
REVENUES					
Sales of merchandise, products and services		35.657.005	36.829.614	35.657.005	36.829.614
Other revenues		1.951.920	374.723	1.951.920	374.723
Provision (reversal) for impairment of trade receivables	6	-	(57.891)	-	(57.891)
		<u>37.608.925</u>	<u>37.146.446</u>	<u>37.608.925</u>	<u>37.146.446</u>
INPUTS ACQUIRED FROM THIRD PARTIES					
Cost of sales and services, without depreciation	22	(24.133.164)	(30.683.548)	(24.133.164)	(30.683.548)
Materials, energy, third-party services and others		(5.909.354)	(5.380.333)	(5.909.354)	(5.380.333)
		<u>(30.042.518)</u>	<u>(36.063.881)</u>	<u>(30.042.518)</u>	<u>(36.063.881)</u>
GROSS VALUE ADDED					
		<u>7.566.407</u>	<u>1.082.565</u>	<u>7.566.407</u>	<u>1.082.565</u>
Depreciation and amortization - Expense	22 e 23	(590.990)	(705.570)	(590.990)	(705.570)
Depreciation and amortization - Cost	22	(10.180.318)	(9.319.018)	(10.180.318)	(9.319.018)
		<u>(10.771.308)</u>	<u>(10.024.588)</u>	<u>(10.771.308)</u>	<u>(10.024.588)</u>
NET VALUE ADDED GENERATED BY THE COMPANY					
		<u>(10.771.308)</u>	<u>(10.024.588)</u>	<u>(10.771.308)</u>	<u>(10.024.588)</u>
NET VALUE ADDED PRODUCED BY THE COMPANY					
		<u>(3.204.901)</u>	<u>(8.942.023)</u>	<u>(3.204.901)</u>	<u>(8.942.023)</u>
VALUE ADDED RECEIVED THROUGH TRANSFER					
Finance income	25	200.448	403.490	200.448	403.490
		<u>200.448</u>	<u>403.490</u>	<u>200.448</u>	<u>403.490</u>
TOTAL VALUE ADDED TO BE DISTRIBUTED					
		<u>(3.004.453)</u>	<u>(8.538.533)</u>	<u>(3.004.453)</u>	<u>(8.538.533)</u>
DISTRIBUTION OF VALUE ADDED					
		<u>(3.004.453)</u>	<u>(8.538.533)</u>	<u>(3.004.453)</u>	<u>(8.538.533)</u>
Personnel					
- Direct compensation		2.536.303	2.898.328	2.536.303	2.898.328
- Benefits		223.241	283.250	223.241	283.250
- Government Severance Indemnity Fund for Employees (FGTS)		169.159	210.615	169.159	210.615
		<u>2.928.703</u>	<u>3.392.193</u>	<u>2.928.703</u>	<u>3.392.193</u>
Taxes and contributions					
- Federal		(974.634)	(2.995.041)	(974.634)	(2.995.041)
- State		2.957.059	2.624.317	2.957.059	2.624.317
- Municipal		294.296	76.034	294.296	76.034
		<u>2.276.721</u>	<u>(294.690)</u>	<u>2.276.721</u>	<u>(294.690)</u>
Lenders and lessors					
- Interest		1.192.757	512.121	1.192.757	512.121
- Rentals		8.891	11.399	8.891	11.399
- Others		312.726	301.566	312.726	301.566
		<u>1.514.374</u>	<u>825.086</u>	<u>1.514.374</u>	<u>825.086</u>
Shareholders					
- Loss for the year after dividends		(9.724.251)	(12.461.122)	(9.724.251)	(12.461.122)
		<u>(9.724.251)</u>	<u>(12.461.122)</u>	<u>(9.724.251)</u>	<u>(12.461.122)</u>

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

1. Operating Context

Camanor Produtos Marinhos S.A. - in judicial recovery ("Camanor" or "Company"), founded in 1983, has its administrative offices in Canguaretama - Barra do Cunhaú, S/No. zip code 59.191-000, Brazil. It is constituted under the CNPJ No. 08.594.814/0001-03. Its principal activity is intensive shrimp farming. It has a branch laboratory, in which it breeds its shrimp post-larvae. It has another branch in Guamaré, (where it undertakes extensive shrimp farming and it has a branch commercial office located in Natal. All its premises are in the State of Rio Grande do Norte, Brazil. The company engages on operations at the national level and its preponderant activities are:

- The production of shrimp in salt, brackish and/ or freshwater; and
- The production of fish in salt, brackish and/ or freshwater.

1.1. General information

The Company, for purposes of the federal legislation on Corporate income tax ("IRPJ") and social contribution on profit ("CSLL"), is registered under the tax regime of the Actual Profit, and consequently is subject to the non-cumulative regime of the federal social contributions PIS and COFINS. Its main sales tax is the ICMS (Value-Added Tax on Sales and Services relating to the Circulation of Merchandise and on Rendering Services of Interstate and Intermunicipal Transport and of Communication), of a non-cumulative nature. The company operates with the following products and sales taxes:

Goods	Taxation
Shrimp	<p>ICMS: ICMS/RN Regulation, annex 003 of Decree 31.825/2022, percentages of presumed credit are applied to billings to result in a tax burden effective rate of 1.5% - for shrimp producers, captured or raised in ponds within the State (article 2° of annex) - or 1.0% - for shrimp processing establishments, captured or raised in ponds within the State (article 4° of annex), in both cases, the use of tax credits, including those arising from export operations, are prohibited. Should the presumed ICMS credit be extinguished by the State, the rates applicable to internal and interstate operations, not cumulative for ICMS, would be 18% and 12%, (tax credits being available, including those resulting from export operations (non-cumulative regime, for earlier credits).</p> <p>PIS and COFINS: From January 1, 2020, under the taxable profit regime, PIS and COFINS are calculated by the non-cumulative deducting from tax obligations of the permissible credits. Obligations accrue at 1.65% and 7.6%, respectively, on gross sales net of canceled sales, unconditional discounts and ICMS displayed on the invoice (Opinion PGFN 14,483/2021).</p>
Fish	<p>ICMS: The State of Rio Grande do Norte (RN), by means of its Regulation of ICMS (Value-added Tax on Sales and Services) approved by Decree 13,640 / 1997 consolidated up to Decree 32098/2022 grants, based on a declaration of option that was declared by the Company a presumed ICMS credit equivalent to 60% of the value of sales in internal operations and 83% for interstate operations. The difference is taxed in internal and interstate operations at the rate of 18% and 12%, respectively. This ICMS tax credit is formally recorded in the book for calculating ICMS, and it is prohibited to make use of the tax credits including those from export operations</p> <p>PIS and COFINS: Zero rate according to art. 1, item XX, item b of Law 10.925/04.</p>
Shrimp Post Larvae	<p>ICMS: The State of Rio Grande do Norte, by its Regulation of ICMS (the Value-added Tax on Sales and Services RICMS/RN) approved by Decree 13,640 / 1997 consolidated up to Decree 32.098/2022, grants until April 30, 2024, exemption of ICMS on internal and interstate exits, according to article 6, annex 001 of RICMS/RN.</p> <p>PIS and COFINS: The incidence is non-cumulative, at the rates of 1.65% and 7.6%, respectively, to which the Company has a right to the credits of the previous stage. The basis of the calculation is the gross sales after deducting cancelled sales, unconditional discounts and ICMS displayed on the invoice (Opinion PGFN nº 14.483/2021).</p>

The Company participates in and is aware of the following State programs and tax benefits, respectively:

PROEDI

In August 2019, the Company, for its parent unit, which includes a processing unit adhered to the "Rio Grande do Norte Industrial Development Stimulus Program" (**PROEDI**). The program was created by Decree 29,030 of July 2019, and, subsequently, was validated by Law 10,640 on December 26, 2019, replacing PROADI. PROEDI aims to encourage the development of the industrial activity in the State, by granting presumed credit referring to ICMS (the acronym, in Portuguese, for the Tax on Operations relating to the Circulation of Merchandise and on Rendering Interstate and Intermunicipal Transport Services and on Communication).

The PROEDI presumed ICMS benefit is granted for some economic activities listed in Decree 29,030, of July 2019, provided that they meet the requisites set out in the Decree and will remain in effect until June 30, 2032.

The presumed credit is calculated based on four percentage ranges that vary from 75% to 95% of the value of the ICMS calculated, depending on the municipality in which the company is located and compliance with certain requirements; the more requirements that are fulfilled the greater the percentage of the presumed credit granted, according to article 2 of Decree 29.030 / 2019.

The system for calculating the presumed ICMS credit indicates that what is authorized is to take advantage of tax credits, including those arising from exports. Moreover, PROEDI holders accrue ICMS credits upon the acquisition of fixed assets and a differentiated rate for ICMS is used for interstate imports and acquisitions. Articles 35-B and 35-C of the ICMS Regulation do not allow for this benefit.

Upon electing to join PROEDI, the Cana Brava Farm unit started to use the benefit of the presumed ICMS credit on the percentage of 86% on the value of the ICMS calculated each month, since taking advantage in full of the tax credits, including those resulting from export operations, is authorized.

As the Company knows that RICMS / RN does not allow for the use of more than one economic benefit concurrently, it decided, after a tax study, to adopt for the other productive units the tax benefits promoted by Art. 35-B RICMS / RN (credit presumed to result in an effective tax burden of 1.5%).

SUDENE

SUDENE (Superintendency for the Development of the Northeast), a special, administrative, and financially autonomous authority, is a body that is part of the Federal Budget and Planning System, created by Complementary Law 125, of January 3, 2007, headquartered in Recife, State of Pernambuco, is linked to the Ministry of National Integration. SUDENE's institutional mission is to promote inclusive and sustainable development of its area of operation and the competitive integration of the regional base of production in the national and international economy. The States of Alagoas, Bahia, Ceará, Maranhão, Rio Grande do Norte, Paraíba, Pernambuco, Piauí, Sergipe and, parts of the States of Minas Gerais and Espírito Santo, are under SUDENE's jurisdiction.

Among the benefits administered by SUDENE, those that could have a positive impact on the Company's operations are: a 75% reduction in IRPJ, accelerated depreciation and a discount of the social contributions at the federal level of PIS and COFINS.

In 2020, the Company acquired, exclusively for its parent unit, authorization to operate as a beneficiary of the 75% reduction regime of IRPJ, including non-refundable surcharges, calculated based on operating profit over 10 years, due to the onerous condition of Total Modernization of the Enterprise in the area of operation of SUDENE, pursuant to Article 3 of Decree 4,213 / 2002 and in accordance with Constitutive Report 0309/2018, issued by the Ministry of Integration Nacional, through SUDENE, and in accordance with the administrative process 10469.724129/2020-15.

Pursuant to Constitutive Report No. 0309/2018, previously alluded to, the tax benefit dealt with in the previous paragraph covers only the enterprise in: farming and processing shrimp (installed capacity: 8,112,000 kilograms/year) and tilapia (installed capacity: 135,204 kilogram/year). Such activities are framed by SUDENE according to art. 2, Item III, of Decree No. 4,213, of April 26, 2002. Said tax benefit begins to be enjoyed on January 1, 2018, and ends on December 31, 2027, excluding other activities that are objects of the Company.

SUBSIDIARY

- Aquatic Farms Produtos Marinhos Ltda.

Registered under Corporate Taxpayer Number (CNPJ) 12,688,545 / 0001-11, founded in 1987, situated in the city of Natal in the State of Rio Grande do Norte, its business purpose is to manage administer real estate, the purchase and sale of own properties, and to farm shrimp in salt and brackish water.

In the financial year presented, the subsidiary's operations were suspended.

1.2. Judicial recovery program

On July 22, 2021, Camanor filed for judicial recovery before the Single Court of Canguaretama, State of Rio Grande do Norte, as authorized by the Company's Board of Directors.

The reason for the judicial recovery was tied to the impacts of the COVID-19 pandemic, which severely affected the food service sector, especially bars and restaurants, where the Company's main clients were concentrated, hindering the circulation of its stocks, with a sharp reduction in sales. Additionally, the Company was impacted by a viral contamination in its high-density production system. Throughout the annual production cycle, the Company's technical team identified that Fazenda Cana Brava, responsible for 80% of the annual production, showed signs of some of its ponds being contaminated by an outbreak of Infectious Myonecrosis Virus (IMNV), commonly known as NIM in the shrimp farming industry. This viral agent in crustaceans exhibits high aggressiveness during the early months of shrimp fattening, causing premature harvest of animals at gram weights that are difficult to sell (between 3 and 7 grams) and low added value. In this context, the average weight of Camanor's production, which in the best production years ranged between 17 and 18 grams, dropped significantly to a partial average weight of 6.14 grams, the lowest productive weight obtained in the Company's recent history, resulting in enormous financial losses considering that the production cost began to greatly exceed the sales value. The productive and sanitary crisis at Fazenda Cana Brava, by itself, was already quite severe with negative financial effects, which were intensified by the measures taken to combat the SARS-CoV-2 pandemic, the virus responsible for COVID-19, as stocks available for circulation remained paralyzed in the Company's inventory.

The Company's judicial recovery process is available for consultation (Process No. 0801075-61.2021.8.20.5114) on the Rio Grande do Norte Court of Justice website (<https://pje1gconsulta.tjrn.jus.br/consultapublica/ConsultaPublica/listView.seam>) or, also, on the Judicial Administrator's website (<http://www.recuperacaojudicialfalencia.com/camanor-pagina>). In the process, all the facts related to the request for judicial recovery are set out, as well as the events that occurred during the financial year. The magistrate responsible for the process granted the judicial recovery on August 12, 2021, the occasion on which he applied to the Company the regime of Law 11.101/2005, and, consequently, he suspended until the General Meeting of Creditors (GMC), all payments of the liabilities filed under the judicial recovery program, as well as suspending, for 180 days, with the possibility of postponing, for an equal period, all the possible executions the company was facing.

Before filing the judicial recovery, the Company made efforts and carried out studies, together with its (financial and legal) restructuring advisors, with the aim of optimizing its liquidity and debt profile, in order to avoid filing the court-supervised recovery. The Company, however, considering the challenges arising from the economic and financial situation in the light of the maturity schedule of its debts and the consequences of the COVID-19 pandemic, being able to withstand setbacks in its cash flow due to any imminent liens or blockages arising from legal proceedings for default that might occur, and in view of the urgency in adopting measures for its protection, it concluded that filing a request for judicial recovery would be the most appropriate measure to: (i) preserve the continuity of the supply of quality products to its customers, (ii) preserve the value of the Company, (iii) preserve jobs, (iv) maintain the continuity of its business and its social function, and (v) protect Camanor's cash necessary for its maintenance, thus avoiding any blockages of resources, considering the suspension of any executions that are granted on approving the recovery request and the non-enforceability of the liabilities to be submitted to the judicial recovery plan, which are now governed in novation by whatever may be decided at the General Meeting of Creditors, based on the proposal put forward by the Company as a recovery measure..

The filing of the judicial recovery request was another step towards the financial restructuring of the Company, which continued to work towards capturing new markets and customers, maintaining its sales of products (shrimp, fish, and larvae) across all segments it operated in. The productive, operational, administrative, and commercial activities continued to operate normally. The Company remained focused on (i) research for the improvement and enhancement of shrimp farming and (ii) investments in structural projects aimed at promoting higher quality shrimp production at low costs, ensuring the continued delivery of high-standard shrimp to customers.

On August 12, 2021, the Judge of the Single Court of Canguaretama in the State of Rio Grande do Norte granted the request and initiated the Judicial Recovery process of the Company, ordering, among other measures, especially:

- a) To waive the requirement for the Company to present negative certificates in order to carry out its activities;
- b) The suspension of all actions and executions for 180 consecutive days, extendable for an equal period;
- c) That the Company append the expression "Under Judicial Recovery" after its business name, in accordance with the provisions of Law No. 11.101/2005; and
- d) The Company's presentation of monthly demonstrative accounts throughout the processing of Judicial Recovery, under penalty of removal of its judicial administrators.

The decision granting the processing of the Company's Judicial Recovery determined that the Judicial Recovery Plan (the "JRP" or "Judicial Recovery Plan") be presented within 60 consecutive days.

On the approval of the Judicial Recovery, the Judge appointed Lindoso e Araújo Consultoria Empresarial Ltda, registered under CNPJ number 14.553.159/0001-48, to act as the judicial administrator (the "JA" or "Judicial Administrator"). Lindoso e Araújo Consultoria Empresarial Ltda, registered under CNPJ number 14.553.159/0001-48, located at Av. Conselheiro Aguiar, 4635, office 206, Boa Viagem, Recife/PE (<http://www.recuperacaojudicialdefalencia.com/camanor-pagina>), under the responsibility of Mr. José Lindoso da Silva. The role of JA at this stage of the Judicial Recovery process is exclusively supervisory to support the monitoring of the company by the Judiciary, while the Company's Administrators retain full administrative and management powers over the company's operations and day-to-day activities, limited only to compliance with Law No. 11.101/05, such as refraining from selling fixed assets and providing accounts and clarifications to the JA regarding all company proceedings, and using the expression "Under Judicial Recovery" in contracts and terms bearing its business name. Monthly, the Company's Administration sends (and continues to send) extensive data materials with all positions and reports about the company to the JA by the 25th of each month, to assist the JA in preparing its Monthly Activities Report (MAR), which must be submitted to the Judge of the Judicial Recovery, ensuring transparent monitoring of the company's activities.

On October 11, 2021, the Company filed the Judicial Recovery Plan ("JRP"), in which the terms and conditions for restructuring the Company's debt were established, as well as the main measures that could be taken to overcome the current economic and financial situation of the Company and ensure the continuity of its activities, including through (i) restructuring and equalization of its liabilities and (ii) prospecting and adopting measures during the judicial recovery aimed at obtaining new resources.

On November 12, 2021, the first list of creditors presented by the Company ("First List of Creditors") was made available in edition 3,372 of the Electronic Journal of the Judiciary of Rio Grande do Norte, pages 07 to 10. From this publication, creditors had a period of 15 consecutive days to submit to the Judicial Administrator (i) a credit claim (the "Credit Claim" or "Claim"), if the credit was not included in the First List of Creditors, or (ii) a discrepancy (the "Discrepancy"), if, according to the creditor, the amount in the First List of Creditors was incorrect, or the credit was incorrectly classified in the categories of the judicial recovery (category of labor credits, category of credits with real state guarantee, category of unsecured credits, and category of micro and small business credits). The deadline for creditors to submit their Credit Claim and/or Discrepancy ended on November 28, 2021, and then the Judicial Administrator began analyzing the documents submitted to disclose its position and how it viewed the General Creditors' Chart.

On February 3, 2022, the consolidated list of creditors by the Judicial Administrator was made available in edition 3,426 of the Electronic Journal of the Judiciary of Rio Grande do Norte, pages 55 to 57, after analyzing the claims for Credit Claims and/or Discrepancies by the creditors ("Second List of Creditors"). This new list reflected the Judicial Administrator's view of how the position and values of the credits should be. There were no significant modifications compared to the list presented by the Company in the initial filing of the judicial recovery process.

From this Second List of Creditors, two typical procedural deadlines of the judicial recovery for a new stage of defining the General Creditors' Chart commenced: (i) a period of 10 consecutive days for creditors, the Company itself, or the Public Prosecutor's Office to submit to the judge their objections to the Second List of Creditors (the "Credit Objection"), if they did not agree with the indicated value or the classification of the credit given by the Judicial Administrator; and (ii) a period of 30 consecutive days for creditors to submit their objections to the Judicial Recovery Plan (the "Plan Objection"), if they did not agree with the recovery plan presented by the Company, suggesting, among other judicial recovery measures, discounts, renegotiation of interest rates, rescheduling of liabilities over time, etc.

In the Second List, the Company's GEC portrayed the following scenario:

Parent company and Consolidated					
12/31/2022					
Class I	Classe II	Classe III	Classe IV	Total	
<u>Nature of Credit:</u>					
Trade payables	-	-	257.437	88.502	345.939
Provision for labor risks	140.650	-	-	-	140.650
Loans and Financing	15	14.826.880	44.652.959	-	59.479.854
Payables to related parties	-	-	640.234	-	640.234
Total	140.665	14.826.880	45.550.630	88.502	60.606.677

Among all creditors, only Banco Bocom BBM S/A, Banco do Brasil S/A, Itaú Unibanco S/A, and Banco do Nordeste do Brasil S/A submitted their respective Credit Objections on 14/02/2022, 16/02/2022, 16/02/2022, and 18/02/2022, respectively. The Company also submitted two Credit Objections, one on 11/02/2022, against the amount of extrajudicial credit indicated in favor of the creditor Itaú Unibanco S/A in the GEC certified by the Judicial Administrator, and another on 16/02/2022, against the amount of unsecured credit indicated in favor of the creditor Banco Bocom BBM S/A in the GEC indicated by the JA.

The Credit Objections are being processed before the judge responsible for the judicial recovery process. Currently, the procedural status updates of the objections can be summarized as follows:

a) Credit Objection of Banco Bocom BBM S/A:

Filed on 14/02/2022, it was assigned the number 0800190-13.2022.8.20.5114. Through it, the creditor requested a correction of the credit amount stated in the GEC certified by the JA (from R\$ 8,128,017.53 to R\$ 9,756,811.46). Throughout the year 2023, the Company opposed the correction request, considering especially that the JA had previously denied the creditor's intention to correct when analyzing the Discrepancy sent by them after the publication of the first list of creditors. To support its opposition, the Company submitted a financial report on 23/01/2023, advocating for the rejection of the objection submitted by Banco Bocom BBM S/A. As of 31/12/2023, no substantive decision had been issued regarding the creditor's objection.

b) Credit Objection of Banco do Brasil S/A:

Filed on 16/02/2022, it was assigned the number 0800196-20.2022.8.20.5114. Through it, the creditor requested the exclusion of the amount related to credits of a fiduciary nature, which it believed to be extrajudicial and not subject to treatment in judicial recovery, not integrating the GEC, based on § 3 of article 49 of Law No. 11.101/05, linked to Credit Bill No. 436101404, which would give fiduciary nature to the values. The amount indicated to be excluded from the judicial recovery considering the bank's fiduciary thesis was R\$ 875,675.96 (eight hundred seventy-five thousand six hundred seventy-five reais and ninety-six cents), consequently requesting the correction of the credit entered in the GEC certified by the JA (from R\$ 5,837,839.71 to R\$ 4,962,163.75). On 10/11/2022, the Judge of the 2nd Court of Canguaretama (formerly the Single Court of Canguaretama) issued a sentence rejecting the objection presented by Banco do Brasil S/A, maintaining the creditor's concursal credit at R\$ 5,837,839.71. On 29/11/2022, the creditor filed an appeal against the decision issued on the objection. The appeal was assigned the number 0814509-02.2022.8.20.0000 and was assigned to the 1st Civil Chamber of the Court of Justice of Rio Grande do Norte ("TJRN"). On 10/08/2023, the 1st Civil Chamber, by majority vote, granted the appeal filed by Banco do Brasil S/A and amended the sentence of the Judge of the 2nd Court of Canguaretama to correct Banco do Brasil S/A's concursal credit to the amount of R\$ 4,962,163.75, declaring the extrajudicial nature of the amount of R\$ 875,675.96. Against this decision of the 1st Civil Chamber of the TJRN, the Company filed a motion for clarification on 23/08/2023. On the date of the continuation of the 2nd General Creditors' Meeting ("GCM"), on 31/10/2023, the Company's appeal had not yet been decided. For this reason, the Company's JA enabled Banco do Brasil S/A to vote for R\$ 4,962,163.75,

considering the judgment rendered by the TJRN. Subsequently, on 29/11/2023, Banco do Brasil S/A filed a petition to withdraw the appeal (n. 0814509-02.2022.8.20.0000) before the 1st Civil Chamber of the TJRN. In the first instance, in the case file 0800196-20.2022.8.20.5114, on 27/11/2023, it filed a joint petition with the Company in which the creditor and the Company requested the consolidation of Banco do Brasil S/A's concursal credit in the Company's GEC for R\$ 5,837,839.71. On 31/12/2023, the joint petition had not yet been considered by the Judge of the 2nd Court of Canguaretama. Nevertheless, as it is an extrajudicial transaction, it is likely that throughout 2024 the agreement reached between the creditor and the Company will be ratified by sentence, definitively confirming Banco do Brasil S/A's credit for R\$ 5,837,839.71 in the Company's GEC.

c) Credit Objection of Itaú Unibanco S/A:

Filed on 16/02/2022, it was assigned the number 0800202-27.2022.8.20.5114. Through it, the creditor requested a correction of the credit amount stated in the GEC certified by the JA (from R\$ 17,419,359.98 to increase the credits of the following operations: (i) Working Capital - FGI No. 1658212574 to R\$ 5,909,029.02; (ii) Working Capital - FGI No. 1704431558 to R\$ 1,059,993.08; (iii) Working Capital Loan No. 1683035990 to R\$ 1,426,483.30, totaling a total credit correction for Itaú Unibanco S/A to R\$ 17,721,333.37. On 25/05/2022, the Company stated that it did not oppose the creditor's claim, considering that the variations were only due to monetary correction. Similarly, and with the same position, the JA of the Company expressed its opinion on 30/05/2022. On 22/11/2022, the Judge of the 2nd Court of Canguaretama issued a judgment accepting the objection presented by the creditor and determining the correction of the consolidated concursal credit of the creditor from R\$ 17,419,359.98 to R\$ 17,721,333.37. The said judgment became final on 10/02/2023. For this reason, on 12/09/2023, at the end of Camanor's AGC, in the 2nd call, after the approval of the request to suspend the assembly submitted to a vote by the recovering company, the JA, before adjourning the session, corrected the Company's GEC to adjust the value of the Itaú Unibanco S/A credit according to the values defined in this objection.

d) Credit Objection of Banco do Nordeste do Brasil S/A:

Filed on 18/02/2022, it was assigned the number 0800235-17.2022.8.20.5114. Through it, the creditor requested the correction of the GEC certified by the JA (from R\$ 14,826,880.51 to increase the credits due to R\$ 15,106,982.80). On 19/05/2022, the Company stated that it did not oppose the creditor's claim, considering that the variations were only due to monetary correction. Similarly, and with the same position, the JA of the Company expressed its opinion on 30/05/2022. On 14/02/2023, the Judge of the 2nd Court of Canguaretama ruled in favor of the objection and ordered the correction of the concursal credit of Banco do Nordeste do Brasil S/A from R\$ 14,826,880.51 to R\$ 15,106,982.80. This judgment became final on 20/03/2023. For this reason, the JA of the Company enabled Banco do Nordeste do Brasil S/A to participate in Camanor's AGC, in the 1st and 2nd calls, for the corrected amount of R\$ 15,106,982.80.

e) Company's objection against the amount of extra-concursal credit indicated in favor of the creditor Itaú Unibanco S/A in the QGC certified by the AJ:

Filed on 11/02/2022, it was assigned the number 0800184-06.2022.8.20.5114. Through it, the Company requested the correction of the amount of the extraconcursal credit indicated in the Second List of Creditors as certified by the JA and held by creditor Itaú Unibanco S/A (from R\$ 615,694.02, which was the amount indicated by the Company in the filing of the judicial recovery request on 22/07/2021) to R\$ 15,694.02 (fifteen thousand six hundred and ninety-four reais and two cents), considering that in the February 2022 publication of the Second List of Creditors (GEC certified by the JA), the company had already significantly paid these amounts, since being extraconcursal, they are not subject to judicial recovery and can and should be paid and were being regularly settled, being credits of a fiduciary nature. As of 31/12/2023, a decision on the merits of the Company's objection was pending. It is worth noting that the amount of R\$ 615,694.02 has already been paid by the Company to the creditor and is not even being demanded, either within or outside the judicial recovery. Therefore, the judgment to be rendered in this objection will have merely declaratory effects.

f) Credit Objection of the Company filed against creditor Banco Bocom BBM S/A:

Filed on 16/02/2022, it was assigned the number 0800199-72.2022.8.20.5114. Through it, the Company requested the correction of the QGC certified by the AJ (from R\$ 8,128,017.53) to the amount of R\$ 7,317,137.35. The Company's objection contrasts with the objection of the creditor itself, who intends to raise the value certified by the AJ with his objection. The Company believes that the correct action is to reduce the amount certified in the Second List released

by the AJ considering that there was an amortization not considered by the AJ in the amount of R\$ 810,880.18, with a debit to the Company's account maintained at the creditor financial institution. As of 31/12/2023, the process awaited a decision on the merits of the objection filed by the Company.

1.2.1. Comments on the events that occurred up to the date of the General Meeting of Creditors of the Company on October 31, 2023

On August 17, 2022, the Judicial Recovery Judge authorized the extension of the third stay period for an additional 180 days. This decision was made due to the inability to hold the General Meeting of Creditors (GCM) until that point, given the incompatibility of the court's agenda with the procedural schedule outlined in the legal text.

In March 2023, the Company observed that its cash position was significantly reduced. In this context, aiming to preserve its liquidity and avoid cash flow problems and negative balance variations, it filed a request on March 27, 2023, for judicial authorization to sell 6 of its assets, aiming to replenish the cash loss of the first months of 2023. At the same time, it made a new request to extend the stay period, this time until the General Meeting of Creditors (GCM) was effectively held.

On April 2, 2023, the Judicial Recovery Court ordered the Administrator Judicial to comment on the Company's request for judicial sale of assets filed on March 27, 2023. In the same ruling, it convened the General Meeting of Creditors for the month of September, setting the first call for September 11, 2023, and the second call for September 18, 2023, extending the stay period until the date of the GCM.

On May 15, 2023, after hearing from the Company's Administrator Judicial, the Judicial Recovery Court issued a new decision granting the Company's request for judicial sale of assets filed on March 27, 2023. In the same ruling, it set new dates for the calls of the General Meeting of Creditors: the first call was rescheduled for September 12, 2023, and the second call for September 19, 2023.

On May 30, 2023, the notice calling the creditors of the Company to attend the General Meeting of Creditors on the scheduled dates was made available and published on the National Notice Platform of the National Electronic Justice Journal.

On June 2, 2023, the Company informed the Judicial Recovery Court about the sale of a mobile asset, specifically a "Dump Truck / Extended Cab," for R\$ 405,000.00, which took place on May 22, 2023. The proceeds from this sale were used to replenish its cash reserves and cover operational expenses. This sale constituted the only transaction executed by the Company among those authorized by the Judicial Recovery Court. Despite having authorization to sell 6 assets, the remaining 5 were not alienated, as decided by the Board, since the company's cash reserves had been sufficiently replenished with the sale made at the end of May.

On September 12, 2023, the first call for the General Creditors' Meeting (GCM) of the Company was held through the Assemblex Platform (www.assemblex.com.br). However, due to a lack of quorum for installation, the AGC was not convened and was rescheduled for the following week, on September 19, 2023, when the quorum was met. At that time, the proposal to suspend the meeting for a period of 42 days, with the resumption scheduled for October 31, 2023, was put to a vote by the Company's Legal Department. This proposal was approved by 86.33% of the creditors present on that date, in accordance with Article 42 of Law 11.101/2005.

Before the conclusion of the GCM, creditor Itaú Unibanco S.A. noted that its credit did not reflect the judgment of the Credit Objection under Process No. 0800202-27.2022.8.20.5114. Therefore, on that date, the Judicial Administrator adjusted the credit of the mentioned creditor from the amount of R\$ 17,419,359.98 to R\$ 17,721,333.37.

During the suspension period approved at the GCM held on September 19, 2023, the Company submitted the consolidated JRP after filing the Second Addendum of the plan.

On October 31, 2023, the continuation GCM was initiated through the Virtual Assemblex Platform, during which it was clarified that the creditor Itaú Unibanco S.A., from Class III, had partially assigned its concursal credits to the OKNO 1 Fundo de Investimentos em Direitos Creditórios Não-Padronizados, as per a petition filed in the recovery judicial proceedings. In this context, the OKNO 1 Fundo de Investimentos em Direitos Creditórios Não-Padronizados became part of Class III creditors of the Company, obtaining the right to vote on the Judicial Recovery Plan based on the amount of R\$ 11,315,692.47, while the creditor Itaú Unibanco S.A. retained the vote for R\$ 6,405,640.90.

Following this, the Company's attorney explained the Judicial Recovery Plan and its addendums. Considering the foregoing, the present creditors approved the Judicial Recovery Plan, and considering the voting results in terms of percentage by creditor classes, the AJ declared that the Company's JRP meets the requirements for approval by the judicial authority in accordance with Article 45 of Law 11,101/2005.

On the same date, the AJ filed with the recovery judicial proceedings the petition for attaching the minutes of the continuation GCM of the Company, requesting the continuation of the process before the Recovery Judicial Court, which has the legal competence to ratify the approved JRP by the Company's creditors and definitively acknowledge the renegotiation of all debts in the GCC proposed therein.

After the GCM, no new movement was recorded in the recovery judicial proceedings. However, it is important to note that the creditor Itaú Unibanco S.A., which voted for the approval of the Company's JRP on 31/10/2023 in Class III for R\$ 6,405,640.90, completed the administrative and bureaucratic procedures necessary to transfer, fully and definitively, its creditor position in the Company to OKNO 1 Fundo de Investimentos em Direitos Creditórios Não-Padronizados. The latter became the concursal creditor of Class III for the entirety of the credits amounting to R\$ 17,721,333.37 originally held by Itaú Unibanco S.A. The assignment, although completed administratively, remained subject to a resolutive condition of validity, as it still depended on judicial ratification to become valid within the scope of the Company's recovery judicial process.

The consolidation of the debts to be renegotiated upon the approval of the Company's JRP by the creditors in the GCM of 31/10/2023 is as follows:

	Parent company and Consolidated				
	12/31/2023				
	Class I	Classe II	Classe III	Classe IV	Total
<u>Nature of Credit:</u>					
Trade payables	-	-	257.437	88.502	345.939
Provision for labor risks	140.650	-	-	-	140.650
Loans and Financing	-	15.106.983	44.954.946	-	60.061.929
Payables to related parties	-	-	640.234	-	640.234
Total	140.650	15.106.983	45.852.617	88.502	61.188.752

As of the date of these statements, the Company is awaiting the decision to approve the Judicial Recovery Plan. The decision is merely a formal act of ratification of the will of the General Meeting of Creditors. In the Company's case, considering the significant margin of approval from its creditors, the tendency is for the decision to likely be in favor of approval without reservations, notably considering that no creditor has objected to the judicial approval of the JRP after the date the plan was approved (31/10/2023).

1.2.2. **Summary of the Judicial Recovery Plan approved by the Company's creditors at the continued GCA held on October 31, 2023**

The Judicial Recovery Plan (JRP) of the Company establishes recovery measures, such as granting special deadlines and conditions for payment of due or future obligations, eventual increase in share capital, equalization of financial charges related to debts of any nature, among others.

Furthermore, the Company's management has been implementing control and restructuring measures in the production area, especially aimed at sanitary control of diseases and pathogens, seeking greater efficiency with cost reduction, development of studies, and search for new markets.

Within the scope of its recovery plan, the Company has implemented improvements in the production sector, including conducting PCR tests both in water and crustaceans for better control of pathogens and diseases, whether in larviculture or in production farms. A dedicated laboratory for analysis has been established to streamline and better control the results, located in its commercial office in Natal/RN, thus distancing from the farms to prevent contamination of results. Consequently, the productive resumption remains constantly optimized with daily control of biosafety processes. As a recovery measure, the Company has also developed its own production of feed for shrimp

feeding in its production process. Furthermore, alongside the production measures, the Company has been studying new commercialization demands, especially for the shrimp to be produced at the Cana Brava Farm, aiming for a product (shrimp) with higher weight to achieve better stability between cost and selling price, thereby improving margins. This is intended to facilitate sales that are not solely reliant on restaurants and food service, sectors that experienced a drastic decrease in purchases and significantly impacted revenue during the period of stricter government measures of social isolation adopted as a strategy to combat the COVID-19 Pandemic.

Below is the proposal approved by the Company's creditors on October 31, 2023. In the short term, it is expected that in the first semester of 2024, the settlement of Class I - Labor and the negotiated amortization payment with the Class II creditor will be made. Other payments will respect a grace period of 6 months for Class IV and 12 months for Class III and part of the Class II credits, counted from the publication of the decision approving the Recovery Plan.

1.2.2.1. Class I - Labor Credits:

The credits held by this class amount to R\$ 140,650.16.

The JRP approved by the Company's creditors on 10/31/2023, still pending judicial confirmation by the Judicial Recovery Court, provides for the payment of these amounts without monetary updating and with a 30% discount, totaling the nominal amount to be paid of R\$ 98,455.11. Part of this amount will be paid with the release of labor lawsuit deposits in favor of the respective workers, and the remaining balance within 60 days from the next business day after the GCM. Since the Labor Court did not promptly proceed with the releases before the Judiciary recess period, the continuation of the necessary acts for payment was postponed to early 2024, allowing the JRP to be fulfilled in the required sequence.

1.2.2.2. Class II - Credits with Real State Guarantees:

The credits for this class, updated according to the judgment rendered in the case file no. 0800235-17.2022.8.20.5114 (Credit Objection), were consolidated in the amount of R\$ 15,106,982.80.

All credit operations comprising this class will be updated according to their contractual obligations from the filing of the judicial recovery petition until the judicial approval of the plan. The payment term was determined for each operation as follows:

i) Regarding operations no. B500001901/002 (FNE), B800000204/001 (Rural Loan), and C000019901/001 (FNE):

Over 10 years, with a 1 year grace period and reimbursement in 9 equal and successive annual installments.

ii) Regarding operation no. C0000008701:

Over 10 years, with a 21 month grace period and reimbursement in 33 equal and successive quarterly installments.

Additionally, a prepayment of R\$ 200,000.00 was agreed upon, which should be primarily allocated to operation no. B500001901. Finally, it was agreed that the JRP would apply, where applicable and most beneficial, the changes introduced by Law No. 14,554, amending Law No. 14,166, regarding the flexibilization and improvement of the renegotiation conditions of the operations of the Northeast Constitutional Financing Fund ("FNE").

1.2.2.3. Class III - Unsecured, Special Priority, General Priority, or Subordinated Credits:

The credits held by this class, based on the values consolidated by the Company's AJ on September 19, 2023, when the Company's GCM was convened for the 2nd call, amount to R\$ 44,976,927.66.

The Company presented four payment proposals, from which creditors must choose within 30 days after the decision homologating the approval of the JRP is published:

Option A: 50% discount, 12 months grace period from the publication of the decision homologating the JRP, credit adjustment between filing and publication of said decision by the TR ("Referential Tax") plus 6% per year, and the same adjustment after homologation by TR plus 8% per year, payment over 04 years after the grace period, with 40% in the first 02 years and 60% thereafter.

Option B: 15% discount, 12 months grace period from the publication of the decision homologating the JRP, credit adjustment between filing and publication of said decision by the TR plus 6% per year, and the same adjustment after homologation, payment over 09 years after the grace period, with 40% in the first 05 years and 60% thereafter.

Option C: No discount, 12 months grace period from the publication of the decision homologating the JRP, credit adjustment between filing and publication of said decision by the TR plus 6% per year, and adjustment after homologation by TR plus 4% per year, payment over 09 years after the grace period, with 40% in the first 05 years and 60% thereafter.

Option D: No discount, 12 months grace period from the publication of the decision homologating the JRP, no credit adjustment between filing and publication of said decision, adjustment after homologation by TR plus 6% per year, payment over 09 years after the grace period, with 40% in the first 05 years and 60% thereafter.

1.2.2.4. Class IV - Microentrepreneurs ("ME") and Small Business Enterprises ("EPP") Credits:

The credits held by this class amount to R\$ 88,515.62, according to the Second List of Creditors disclosed by the Company's AJ before the GCM took place.

The credits will be paid with a 30% discount, with a grace period of 06 months before the start of payments, counted from the publication of the decision homologating the JRP approved in the GCM. Payment will occur within 06 months, plus updates by the TR plus 8% per year.

2. Basis of preparation of the financial statements and summary of significant accounting policies

2.1. Statement of compliance

The individual and consolidated financial statements have been prepared in accordance with the accounting practices adopted in Brazil, including Law 6.404/76 and its alterations and the pronouncements issued by the Accounting Pronouncements Committee (CPC, in Portuguese), and present all appropriate information of significance to the financial statements, and only those that are consistent with those used by management in the performance of its duties.

The main accounting policies applied in the preparation of these financial statements are presented in Note 2.2.

The individual and consolidated financial statements have been prepared on the historical cost basis for assets and liabilities, except for biological assets and certain financial instruments measured at their fair values.

2.2. Significant accounting practices

2.2.1. The main accounting practices that have been adopted in preparing the financial statements are as follows:

2.2.1.1. Functional and presentation currency

The items included in the financial statements of the Company and its subsidiary are measured using the currency of the primary economic environment in which the entities operate (the "functional currency"). The individual and consolidated financial statements are presented in Brazilian Real/Reais (R\$), which is also the functional currency of the Company and its subsidiary.

2.2.1.2. Foreign currency transactions and balances

Foreign currency transactions are initially recorded in accordance with the foreign exchange rate prevailing at the date of each transaction. Should there be, at the end of each reporting period, monetary items in foreign currency, their balances are converted at the exchange rates prevailing at the end of the financial year, the gains and losses resulting from these conversions being recognized in the statement of result of the Company.

2.2.1.3. Financial instruments

Financial assets and financial liabilities are recognized when the Company and its subsidiary become parties to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to their acquisition or issuance (other than instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or liabilities at fair value due to profit or loss are recognized immediately in the result.

2.2.1.4. Financial assets

All normal acquisitions or disposals of financial assets are recognized or written off based on the trade date. Normal acquisitions or disposals correspond to acquisitions or disposals of financial assets that require the delivery of assets within the period established by standard or market practice.

The financial assets held by the Company and its subsidiary, when applicable, are classified in the following categories: (a) assets at amortized cost: financial assets held for the purpose of receiving contractual flows, exclusively principal and interest. The income earned and exchange variations are recorded in the result and the balances are stated at amortized cost using the effective interest rate method.

(b) assets at fair value by means of other comprehensive results: financial assets that are acquired or originated for the purpose of receiving contractual cash flows or selling the assets.

(c) assets at fair value through profit or loss: financial assets not classified as amortized cost or measured at fair value by means of other comprehensive results. The balances are stated at fair value and both the income earned and the exchange rate variations as well as the fair value variations are recorded in the result. Investment funds and hedging derivative instruments are classified as measured at fair value through profit or loss.

2.2.1.5. Non-derivative financial assets

Non-derivative financial liabilities are measured initially at fair value plus transaction costs that are directly attributable to the operation. Subsequently, financial liabilities are measured at amortized cost using the effective interest rate method, with variations recognized in income when they are incurred.

2.2.1.6. Derivative financial instruments

Derivative financial instruments are those in which their values change in response to changes in a specific rate, such as a price index or rates, commodities, exchange rates, or other variables. They do not require a net initial investment nor require a smaller net initial investment than would be required for other contracts with similar responses to changes in market factors and will be settled at a future date. Derivative financial instruments are measured at fair value.

2.2.2. Summary of the main accounting practices

2.2.2.1. Cash and cash equivalents

They are represented by a fixed cash fund, resources in bank accounts with free movement and by financial investments whose balances do not differ significantly from market values, with a redemption date of up to 90 days from the investment date or considered of immediate liquidity, convertible into a known amount of cash and which are subject to an insignificant risk of change in value, which are recorded at cost plus income earned by the balance sheet date, which does not exceed its market or realizable value.

2.2.2.2. Trade receivables

Trade receivables are stated at amortized cost, – with a reduction of the provision for doubtful accounts - and correspond to amounts receivable for sales of goods in the normal course of the Company's activities. Trade

receivables are recorded based on their nominal values and are not adjusted to present value because they have short term maturities.

2.2.2.3. Inventories

Inventories of products in preparation and finished products are valued at absorption cost, in which all costs (direct, indirect, fixed and variable) of production are appropriated to the items produced. The other inventory groups, such as raw materials, packaging materials and warehouse items, are valued at the average acquisition cost that does not exceed the net realizable value. When necessary, inventories are deducted from estimated losses.

2.2.2.4. Biological assets

Biological assets are measured at fair value less selling costs (the incremental cost directly attributable to the disposal of a biological asset), Except when the fair value cannot be reliably measured, they are measured at cost less accumulated depreciation and losses by reduction to the recoverable value. Gains or losses on changes in fair value less selling costs are recognized in the result.

Shrimp and fish remain in development for a period of 85 to 110 and of 180 days, respectively, for the production of fresh and/or processed shrimp and fish. Due to the short development period of shrimp and fish, it is not possible to measure the fair value reliably. Thus, these assets are recognized at their acquisition costs plus the absorption of accumulated production costs, including expenses on food and cultivation, in addition to the time for preparing the shrimp ponds and cultivating the fish. Fish matrices intended for reproduction have an estimated useful life of 68 weeks.

2.2.2.5. Property and equipment

Recorded at acquisition or construction cost, including financial charges incurred on construction in progress, as well as costs of relevant maintenance of assets and estimated costs for removal due to decommissioning or restoration.

Depreciation is recognized based on the estimated useful lives of the assets. The asset is depreciated using the straight-line method, so that the cost value less its residual value, if any, after its useful life is fully written off. Land, permanent to be classified and fixed assets under construction are not depreciated.

An item of property, plant and equipment is written off after disposal or when there are no future economic benefits resulting from continued use of the asset. Any gains or losses on the sale or disposal of an item of property, plant and equipment are determined by the difference between the amounts received on sale and the book value of the asset and are recognized in the result.

Improvements in third-party properties are depreciated over the shorter of the term of the contract and the economic useful life of the assets.

2.2.2.6. Intangible assets

2.2.2.6.1. Intangible assets acquired separately

Intangible assets acquired separately with finite useful lives are recorded at cost less amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over the estimated useful lives of the assets.

2.2.2.6.2. Derecognition of intangible assets

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or sale. Gains or losses resulting from the derecognition of an intangible asset, measured as the difference between the net proceeds from the sale and the carrying amount of the asset are recognized in the statement of income (loss) when the asset is derecognized.

2.2.2.7. Costs of Loans

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that, necessarily, take a substantial period of time to get ready for their intended use or sale are added to the cost of such assets until the date they are ready for their intended use or sale.

Gains on investments arising from the temporary investment of amounts obtained from specific borrowings not yet spent on the qualifying asset are deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the result for the period in which they are incurred.

2.2.2.8. Provisions

Provisions are recognized for present obligations (legal or constructive) as a result of past events, in which amounts can be reliably estimated and settlement is probable.

The amount recognized as a provision is the best estimate of the considerations required to settle the obligation at the end of each period, considering the risks and uncertainties relating to the obligation. When a provision is measured based on the estimated cash flows to settle the obligation, its carrying amount corresponds to the present value of those cash flows (when the effect of the time value of money is relevant).

The provisions for labor, tax and civil risks are updated by the dates of the balance sheets by the estimated amount of the probable losses, considering their nature and supported in the opinion of the legal counsel and of the Management of the Company and its subsidiary. For the purposes of presenting the financial statements, when applicable, they are demonstrated net of the correlated judicial deposits.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, an asset is recognized if, and only if, the reimbursement is virtually certain and the amount can be measured reliably.

2.2.2.8.1. Sales of products

Revenue from sale of products is recognized in the result when all risks and benefits inherent in the product are transferred to the buyer to the extent that it is probable that the economic benefits will be generated and will flow to the Company and its subsidiaries; and when it can be reliably measured, based on the fair value of the consideration received or receivable, excluding discounts, rebates and sales taxes or charges.

2.2.2.8.2. Interest income

Interest income from a financial asset is recognized when it is probable that future economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recognized under the straight-line method, on a time basis by reference to the principal amount outstanding, and the effective interest rate is the rate that exactly discounts estimated future cash receipts during the expected life of the financial asset in relation to the initial net carrying amount of this asset.

2.2.2.9. Taxation

Income tax and social contribution expenses represent the sum of current and deferred taxes.

2.2.2.9.1. Current taxes

The provision for income tax and social contribution is based on the taxable profit of the financial year. Corporate income tax (IRPJ, in Portuguese) is calculated at the rate of 15%, plus a specific 10% surtax on annual taxable profit in excess of R\$ 240,000. Social contribution on net profit (CSLL) is calculated at the rate 9% on the annual taxable profit.

Taxable profit differs from the profit presented in the statement of the result because it excludes taxable or deductible income or expenses in other financial years. In addition, it excludes non-taxable or non-deductible items permanently. The provision for income tax and social contribution is calculated individually by each company, as provided for by the applicable legislation, based on the rates in force at the end of the financial year.

2.2.2.9.2. Deferred taxes

Deferred income tax and social contribution (“deferred taxes”) are recognized on temporary differences at the end of each period between the balances of assets and liabilities recognized in the financial statements and the corresponding tax bases used to calculate taxable profit, including the balance of fiscal losses, when applicable. Deferred tax liabilities

are generally recognized on all taxable temporary differences, and deferred tax assets are recognized on all deductible temporary differences only when it is probable that the Company will have sufficient future taxable income against which such deductible temporary differences can be used.

The recovery of the balance of deferred tax assets is reviewed at the end of each period, and when it is no longer probable that future taxable profits will be available to allow the recovery of all or part of the asset, the asset balance is adjusted by the amount expected to be recovered.

Deferred tax assets and liabilities are measured at the tax rates applicable for the period in which the liability is expected to be settled or the asset realized, based on the tax rates prescribed by the tax legislation in effect at the end of each reporting period, or when new legislation has been substantially enacted. The measurement of deferred tax assets and liabilities reflects the fiscal consequences that would follow from the manner in which the Company and its subsidiary expect, at the end of each reporting period, to recover or settle the carrying amount of these assets and liabilities.

2.2.2.9.3. Current and deferred income and social contribution taxes for the period

Current and deferred income tax and social contribution are recognized as an expense or income in the result of the period, except when they are related to items recorded in other comprehensive results or directly in equity, in which case current and deferred taxes are also recognized in other comprehensive results or directly in equity.

2.2.2.10. Dividend distribution

According to the Company's bylaws, the profits determined in each year, after legal deductions, if any, will be allocated as determined by the Annual Shareholders' Meeting. The distribution of dividends, when authorized, is recorded as a liability under the item "Dividends payable"; however, as long as there is no allocation, the profit is recorded in the reserve of profits item.

2.2.2.11. Statement of value added (DVA, in Portuguese)

The purpose of this statement is to show the wealth created by the Company and its subsidiary during a certain period and is presented by the Company as information that is supplementary to the financial statements.

The statement of value added was prepared based on information obtained from the accounting records used as a basis for preparing the financial statements and following the requirements set out in CPC 09 - Statement of Value Added.

3. CONSOLIDATED FINANCIAL STATEMENTS

3.1. Basis of consolidation and investments in subsidiaries

In the parent company's financial statements, the financial information of the subsidiary is accounted for under the equity accounting method. The subsidiary's financial statements are prepared in accordance with the same accounting policies established by the Parent company. Intragroup transactions, balances, revenues and expenses are fully eliminated in the consolidated financial statements.

3.2. Consolidation procedures

The consolidated financial statements include the Company and its subsidiary, in which the Company has a direct participation:

	Participation %	
	<u>12/31/2023</u>	<u>12/31/2022</u>
Aquatic Farms Produtos Marinhos Ltda	99,9993	99,9993

3.3. Subsidiary

A subsidiary is all the entity over which the Company retains control. The Company controls an entity when it is exposed or has the right to variable returns arising from its involvement with the entity and has the ability to interfere in these returns due to the power it exercises over the entity. The subsidiary is fully consolidated from the date on which control is transferred to the Company. Consolidation is interrupted as from the date when the Group ceases to have control.

Transactions, balances and unrealized gains on transactions between the Company and its subsidiaries are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The subsidiary's accounting policies are changed, when necessary, to ensure consistency with the policies adopted by the Company.

4. CASH AND CASH EQUIVALENTS

The balance of cash and cash equivalents consists of:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Cash and banks	154,008	213,341	154,531	214,210
<u>Short-term investments:</u>				
Bank Deposit Certificates (CDB)	619,371	545,348	619,371	545,348
Total	<u>773,379</u>	<u>758,689</u>	<u>773,902</u>	<u>759,558</u>

The Bank Deposit Certificates ("CDB"), are investments made with first-line financial institutions, are post-fixed and yield on average 100% of the variation of the Interbank Deposit Certificate ("CDI", in Portuguese) and have immediate liquidity.

5. RESTRICTED INVESTMENTS

<u>Financial institution</u>	<u>Parente company and consolidated</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>
Banco do Nordeste	600.275	531.077
Total	600.275	531.077
Current assets	-	-
Noncurrent assets	<u>600.275</u>	<u>531.077</u>

Financial investment and its income are linked as guarantee to the loan signed on December 8, 2015 with Banco do Nordeste, in the amount of R\$ 4,152,929.

6. TRADE RECEIVABLES

Accounts receivable, as well as the expected loss on doubtful accounts and the adjustment to present value, if any, are presented below:

	Parent company		Consolidated	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Trade receivables	3,595,545	4,130,668	3,595,545	4,130,668
Notes receivable	2,223	-	202,223	200,000
Total	3,597,768	4,130,668	3,797,768	4,330,668
Provision for impairment of trade receivables	(97,521)	(97,521)	(97,521)	(97,521)
Total	3,500,247	4,033,147	3,700,247	4,233,147
Current assets	3,500,247	4,033,147	3,500,247	4,033,147
Non-current assets	-	-	200,000	200,000

The balances of accounts receivable by age of due date are as follows

Aging of trade receivables	Parent company		Consolidated	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
<u>Not yet due:</u>				
Up to 2 days	66,780	466,478	66,780	466,478
From 3 to 5 days	405,317	397,175	405,317	397,175
From 6 to 10 days	669,770	461,609	669,770	461,609
From 11 to 15 days	277,583	854,032	277,583	854,032
From 16 to 30 days	1,155,643	803,075	1,155,643	803,075
More than 30 days	854,184	1,009,257	1,054,184	1,209,257
Total not yet due	3,429,277	3,991,626	3,629,277	4,191,626
<u>Past due:</u>				
Up to 5 days	70,970	38,601	70,970	38,601
More than 15 days	97,521	100,441	97,521	100,441
Total past due	168,491	139,042	168,491	139,042
Total	3,597,768	4,130,668	3,797,768	4,330,668

The amount of R\$ 200,000 in the consolidated "notes receivable" item refers to the overdue portion arising from the partial sale of Aquatic's land to Brasventos Aratua 1 Geradora de Energia S.A. whose settlement of the amount is contractually linked to the drawing up of the Public Deed of Purchase and Sale.

The Company has accounts receivable given as collateral in the amount of R\$ 2 million reais, as per explanatory note no. 14.

ECL - Expected credit losses

Expected losses are calculated based on the analysis of the aging list. A provision is recorded for items overdue for more than 180 days, for losses assessed as probable based on historical analyses. The expected credit losses, as well as their reversals, are recorded in the statement of result as "commercial expenses".

The changes in the expected credit losses were as follows:

	Parente company and Consolidated
Balances at December 31, 2021	39,630
Additions	57,891
Balances at December 31, 2022	97,521
Additions	-
Balances at December 31, 2023	97,521

7. INVENTORIES

Inventories are stated at average cost of acquisition or of breeding, which does not exceed market or net realizable values. The cost of inventories is based on the first in first out method (FIFO). In the case of finished/ processed products and products (broodstock) still being raised, the cost includes a portion of the general production overheads based on the normal operating capacity. Excess production costs are recognized in the result for the period as cost of idle time.

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Finished goods	4,644,726	2,264,038	4,644,726	2,264,038
Biological assets in formation (b)	5,046,025	6,246,099	5,046,025	6,246,099
Raw materials	2,404,596	2,640,118	2,404,596	2,640,118
Storeroom supplies	3,881,470	4,042,741	3,881,470	4,042,741
Other inventories (a)	-	-	-	249,689
(-) Estimated inventory losses (c)	(283,901)	(132,848)	(283,901)	(132,848)
Total	15,692,916	15,060,148	15,692,916	15,309,837

- (a) The value maintained as "other inventories" refers to Aquatic land, reclassified in 2023 to fixed assets.
(b) Biological assets in formation (being bred and raised):

Live animals are represented by shrimp and fish. Animals fished are destined for production *in natura* and/or processed products, classified under the heading "Finished/ Processed Products". Until they reach the appropriate weight for harvesting, they are classified as "Biological assets".

The Company has breeding prawns (broodstock), tilapia breeding fish (matrices).

Shrimp:

Current (Consumables) - Refers to shrimp for harvesting after the maturation period. The balance on December 31, 2023 is R\$ 5,015,296 (R\$ 6,139,683, on 12/31/2022).

Fish (tilapia):

Current (Consumables) - Refers to fish (tilapia) for harvesting after the maturation period. The balance on December 31, 2023 is R\$ 30,730 (R\$ 106,416, on 12/31/2022).

- (c) Estimated losses on inventory:

Refers to the provision for inventory losses of finished/processed products that are above the recoverable value. The estimated loss on inventories is recorded in the statement of the result under "Cost of products sold".

The Company has no stocks pledged as collateral.

8. TAXES RECOVERABLE

	Parent company and consolidated	
	12/31/2023	12/31/2022
ICMS	62,577	114,621
Import tax	-	3,146
Income taxes on financial investments	265	57,712
PIS to recover	9,927	112,941
COFINS to recover	45,625	507,719
Other	324,750	267,203
Total	443,144	1,063,342
Current assets	423,636	1,004,072
Non-current assets	19,508	59,270

The balance of recoverable ICMS, PIS/COFINS and IRRF on short-term financial investments is expected to be offset against these same taxes payable in the next 12 months.

ICMS – Tax on the circulation of merchandise and services: this comes from obtaining credits for purchases of raw materials, packaging and secondary materials when these exceed the obligations generated in domestic sales, since possible exports are immune and do not generate debits. The Company expects to fully recover said credits, either to offset taxes on sales in the domestic market, or on the acquisition of fixed assets, packaging, electricity, sales to third parties and others, as the credits do not expire;

PIS and COFINS to be recovered: These arise, substantially, from obtaining credits for purchases of inputs (feed and chemical products) and, provided they are directed to production, from credits applied on acquisitions of machinery and equipment, parts and pieces thereof, energy and depreciation.

9. OTHER ACCOUNTS RECEIVABLE

		Parent company and Consolidated	
		12/31/2023	12/31/2022
Banco Bocom BBM S.A	(a)	810,880	810,880
Banco Itaú	(b)	19,156	19,156
Others	(c)	71,863	73,055
Total		901,899	903,091
Current assets		71,863	73,055
Non-current assets		830,036	830,036

a) a) credit (previously, restricted financial investment) linked as guarantee to the loan signed on November 26, 2020 with Banco BOCOM BBM S.A., in the amount of R\$ 8,000,000.00 in judicial recovery. It is currently in court and in 2024, the Company must use the total balance of R\$ 810,880 to pay off the loan debt signed with this bank;

b) In February 2022, according to the court notice, process no. 0801075-61.2021.8.20.5114, R\$ 600,000.00 (six hundred thousand reais) were used for partial amortization of the loan signed on November 23, 2020 with the Banco Itaú., in the amount of R\$ 2,000,000.00 in judicial recovery.

c) Mainly refers to a credit of the nature of reimbursement of expenses with Predesign Construção e Pré Fabricados Ltda.

10. INVESTMENTS

During 2023, the company Aquatic Farms Produtos Marinhos recorded a negative result and the equity equivalence was recognized in its controlling company.

<u>Information on investees</u>	<u>Shares held</u>	<u>Equity interests</u>	<u>Share capital</u>	<u>Equity</u>	<u>Profit (loss) for the year</u>
<u>12/31/2023</u>					
Aquatic Farms Produtos Marinhos Ltda	141.999	99,9993%	142.000	277.448	(347)
<u>12/31/2022</u>					
Aquatic Farms Produtos Marinhos Ltda	141.999	99,9993%	142.000	277.795	-
			<u>Parent company</u>		
Balances at December 31, 2021			277.792		
Equity in the results of subsidiaries of current year			-		
Novos investimentos			-		
Balances at December 31, 2022			277.792		
Equity in the results of subsidiaries of current year			(347)		
Balances at December 31, 2023			<u>277.445</u>		

11. PROPERTY AND EQUIPMENT

	<u>Annual Weighted depreciation rates</u>	<u>Parent company and Consolidated</u>			
		<u>12/31/2023</u>		<u>12/31/2022</u>	
		<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Net</u>	<u>Net</u>
<u>Assets in use</u>					
Land	-	3.264.624	-	3.264.624	3.264.624
Buildings	4%	15.396.850	(3.036.581)	12.360.269	12.947.790
Ponds	14%	53.466.461	(42.136.066)	11.330.395	17.152.625
Facilities	4%	1.232.990	(1.174.561)	58.429	70.545
Machinery, devices and equipment	10%	38.681.634	(24.139.275)	14.542.359	17.290.840
Furniture and fittings	10%	778.956	(531.240)	247.716	288.601
Hardware	20%	769.963	(719.310)	50.653	109.353
Vehicles	20%	4.599.795	(3.878.127)	721.668	907.380
Property improvements	4%	20.092.446	(8.275.620)	11.816.826	13.144.923
Fixed assets on loans	10%	8.777	-	8.777	18.844
Other assets in use	10%	189.116	(110.227)	78.889	93.406
Total		<u>138.481.612</u>	<u>(84.001.007)</u>	<u>54.480.605</u>	<u>65.288.931</u>
<u>Construction in progress</u>					
Master plan II	(i)	13.053.137	-	13.053.137	13.065.756
Other constructions		118.315	-	118.315	-
Property improvements		513.660	-	513.660	261.198
Feed shed expansion		96.668	-	96.668	-
Total		<u>13.781.780</u>	<u>-</u>	<u>13.781.780</u>	<u>13.326.954</u>
Permanent assets to be classified		1.049.959	-	1.049.959	911.082
Advances to suppliers		3.566	-	3.566	1.126
Total property and equipment		<u>153.316.917</u>	<u>(84.001.007)</u>	<u>69.315.910</u>	<u>79.528.093</u>

Assets ceded on loan

They basically refer to vertical freezers, bearing the Company's identity (colors, logo, tradename and images of the products) and installed in third party establishments, used to display its products better.

Constructions in progress

They refer to investments on the farms and in the office to be concluded during future financial years. Some assets in progress may have interest on loans incorporated in their value (Explanatory Note 14.)

- i) Master plan II - Refers to the expenses directed to the construction of the newest and most modern generations of ponds.

Fixed Assets yet to be classified

These refer to assets purchased and not activated to be used during FY 2024.

Guarantees

Some items of the Company's property and equipment have been pledged as collateral for loans and financing as set out in Explanatory Note 14.

Insurance Coverage

As of December 31, 2023, the Company has insurance coverage contracted with market insurance companies, to protect the assets registered in its fixed assets. They are: Light fleet of vehicles (passenger cars), heavy fleet (vehicles used for material logistics), central office building located in Candelária and the entire structure of Fazenda Cana Brava, located in Canguaretama/RN.

The movement in property and equipment is set out below:

	Parent company and consolidated					Balance at 12/31/2023
	Balance at 31/12/2022	Additions	Write-offs	Transfers (a)	Reclassifications (b)	
Cost						
Land	3.264.624	-	-	-	-	3.264.624
Buildings	15.382.118	-	-	14.732	-	15.396.850
Ponds	52.713.554	370.908	-	381.999	-	53.466.461
Facilities	1.232.990	-	-	-	-	1.232.990
Machinery, devices and equipment	38.532.784	78.488	(45.851)	106.145	-	38.671.567
Furniture and fittings	765.954	4.534	(1.420)	9.888	-	778.956
Hardwares	786.479	6.174	(22.690)	-	-	769.963
Vehicles	4.944.679	16.400	(361.284)	-	-	4.599.795
Property improvements	20.006.015	-	-	86.431	-	20.092.446
Fixed assets on loans	18.844	-	-	-	-	18.844
Other assets in use	186.278	571	-	2.267	-	189.116
Construction in progress						
Master plan II	13.065.756	-	-	-	(12.619)	13.053.137
Other constructions	-	500.314	-	(381.999)	-	118.315
Property improvements	261.198	354.153	(528)	(101.162)	-	513.660
Feed shed expansion	-	98.149	(1.481)	-	-	96.668
Permanent assets to be classified	911.082	257.178	-	(118.301)	-	1.049.959
Advances to suppliers	1.126	3.563	-	-	(1.125)	3.566
Total	152.073.481	1.690.434	(433.255)	-	(13.744)	153.316.917
Depreciation						
Buildings	(2.434.328)	(602.253)	-	-	-	(3.036.581)
Ponds	(35.560.929)	(6.575.137)	-	-	-	(42.136.066)
Facilities	(1.162.445)	(12.116)	-	-	-	(1.174.561)
Machinery, devices and equipment	(21.241.944)	(2.954.835)	57.504	-	-	(24.139.275)
Furniture and fittings	(477.353)	(54.931)	1.044	-	-	(531.240)
Hardwares	(677.126)	(62.185)	20.001	-	-	(719.310)
Vehicles	(4.037.299)	(102.580)	261.752	-	-	(3.878.127)
Property improvements	(6.861.092)	(1.414.528)	-	-	-	(8.275.620)
Other assets in use	(92.872)	(17.355)	-	-	-	(110.227)
Total	(72.545.388)	(11.795.920)	340.301	-	-	(84.001.007)
Property and equipment, net	79.528.093	(10.105.486)	(92.954)	-	(13.744)	69.315.910

	Parent company and consolidated					Balance at 12/31/2022
	Balance at 31/12/2021	Additions	Write-offs	Transfers (a)	Reclassifications (b)	
Cost						
Land	3,264,624	-	-	-	-	3,264,624
Buildings	15,260,257	184,017	-	403,506	(465,662)	15,382,118
Ponds	52,713,554	-	-	-	-	52,713,554
Facilities	1,232,990	-	-	-	-	1,232,990
Machinery, devices and equipment	37,860,509	302,745	(56,460)	425,990	-	38,532,785
Furniture and fittings	764,350	3,248	(1,644)	-	-	765,954
Hardwares	784,893	7,281	(15,422)	9,727	-	786,478
Vehicles	4,946,578	3,600	(8,799)	3,300	-	4,944,679
Property improvements	16,839,226	-	-	3,208,220	(41,431)	20,006,015
Fixed assets on loans	18,844	-	-	-	-	18,844
Other assets in use	178,314	10,015	(2,051)	-	-	186,278
Construction in progress	-	-	-	-	-	-
Master plan II	13,069,740	-	-	-	(3,984)	13,065,756
Other constructions	2,740,504	-	-	(2,740,504)	-	-
Property improvements	472,604	261,198	-	(467,715)	(4,889)	261,198
Feed shed expansion	298,047	-	-	(298,047)	-	-
Permanent assets to be classified	1,403,771	45,618	-	(538,141)	(166)	911,082
Advances to suppliers	8,127	1,125	-	(6,335)	(1,791)	1,126
Total	151,856,932	818,846	(84,376)	-	(517,922)	152,073,481
Depreciation						
Buildings	(1,839,988)	(614,408)	20,868	(800)	-	(2,434,328)
Ponds	(28,834,871)	(6,726,058)	-	-	-	(35,560,929)
Facilities	(1,150,303)	(12,142)	-	-	-	(1,162,445)
Machinery, devices and equipment	(18,306,304)	(2,959,436)	22,996	800	-	(21,241,945)
Furniture and fittings	(423,000)	(54,840)	487	-	-	(477,352)
Hardwares	(603,274)	(84,386)	10,534	-	-	(677,126)
Vehicles	(3,793,414)	(252,684)	8,799	-	-	(4,037,299)
Property improvements	(6,063,177)	(800,154)	2,239	-	-	(6,861,092)
Other assets in use	(76,865)	(17,041)	1,034	-	-	(92,872)
Assets to be classified	-	-	-	-	-	-
Total	(61,091,196)	(11,521,147)	66,957	0	-	(72,545,388)
Property and equipment, net	90,765,736	(10,702,302)	(17,419)	0.00	(517,922)	79,528,093

(a) Transfers: refer to exchangeable transactions carried out between fixed asset accounts.

(b) Reclassifications: refer to modifiable transactions carried out between other equity or Profit and Loss accounts.

12. INTANGIBLE ASSETS

The movement of intangible assets is set out below:

	Annual amortization rates	Parent company and consolidated			
		12/31/2022	Additions	Write-offs	12/31/2023
Cost					
Software license		518,438	53,306	-	571,744
Total		518,438	53,306	-	571,744
Amortization					
Software license	20%	(408,451)	(67,283)	-	(475,734)
Total		(408,451)	(67,283)	-	(475,734)
Net balance		109,987	(13,976)	-	96,010

	Annual amortization rates	Parent company and consolidated			
		12/31/2021	Additions	Write-offs	12/31/2022
Cost					
Software license		461,450	57,420	(432)	518,438
Total		461,450	57,420	(432)	518,438
Amortization					
Software license	20%	(340,465)	(68,418)	432	(408,451)
Total		(340,465)	(68,418)	432	(408,451)
Net balance		120,985	(10,998)	-	109,987

13. SUPPLIERS

	Parent company and consolidated	
	12/31/2023	12/31/2022
Feed	141,995	164,765
Chemicals	206,345	129,788
Energy	3,684	3,782
Fuel	6,821	32,764
Consumption, service and maintenance (others)	1,055,391	972,156
Total	1,414,236	1,303,255
Trade payables not subject to the judicial recovery plan	1,068,297	957,316
Trade payables subject to the judicial recovery plan (a)	345,939	345,939
	1,414,236	1,303,255

The Company, in general, operates with an average payment period with its operational suppliers of approximately 10 days (2023, 8 days). In the case of suppliers of fixed assets, the deadlines follow commercial negotiation of each operation.

a) The amount shown in this account reflects the balance - without any interest, fine and/or indexation accruals - existing on the date of filing of the petition for judicial recovery. For accounting and disclosure purposes, the balance of suppliers subject to the judicial recovery plan ("Subject to JRP") is being presented in a new grouping of non-current liabilities in the balance sheet ("Creditors listed for Judicial Recovery"), thereby considering the legal aspects of a judicial recovery, as well as the processing deferred by the court as it enables the probable execution of a grace period of more than one year to satisfy the credits resulting from the judicial recovery, these being values recognized in the long term of the Company, since the expectation of when this will come into effect is greater than 12 months.

14. LOANS AND FINANCING

	Currency	Parent company and consolidated					
		12/31/2023			12/31/2022		
		2023	Current	Non-current	Current	Non-current	
						Not Subject to PRJ	Subject to PRJ
Working capital							
Banco do Brasil	R\$	-	-	5.837.840	-	-	5.837.840
BNB	R\$	-	-	15.106.983	-	-	14.826.881
Bradesco	R\$	-	-	10.896.740	-	-	10.896.740
Bocom BBM	R\$	-	-	8.128.018	-	-	8.128.018
Banco Daycoval (a)	R\$	969.000	1.020.111	-	476.685	437.648	-
Itaú	R\$	-	-	17.721.333	-	-	17.419.360
Safra	R\$	1.341	-	2.371.015	1.341	-	2.371.015
Total		970.341	1.020.111	60.061.929	478.026	437.648	59.479.854

a) In August 2023, a loan was obtained from Banco Daycoval S.A., in the form of working capital, in the amount of R\$ 1,530,165.79, with final maturity on August 4, 2026.

Loans and financing subject to the judicial recovery plan ("Subject to PRJ"): The amount presented in this item reflects the balance of debts with Financial Institutions covered by the PRJ, updated by the effects of judicial decisions regarding credit challenges, approved at the General Creditors' Meeting on October 31, 2023. This same Meeting approved the Judicial Recovery Plan ("PRJ"), which sets forth the conditions for debt settlement, including grace periods, terms, discounts, and correction indices, awaiting approval by the Judge overseeing the Process. The payment terms of the balances presented in this item are described in explanatory notes 1.2.2.2 and 1.2.2.3.

Loans and financing not subject to the plan of judicial recovery ("Not subject to PRJ"): The amount presented in this rubric represents the loans that were not included in the judicial recovery petition, since, they concern credit operations with fiduciary guarantees and are not subject to the effects of judicial recovery.

The movement of the loans and financing is shown below:

Note	Parent company and consolidated			Total
	Current	Non-current		
	Not Subject to PRJ	Subject to PRJ		
Balances at December 31, 2021	104.206	-	59.663.502	59.767.708
Borrowing	1.017.401	-	-	1.017.401
Transfers	(437.648)	437.648	-	-
Interest	26 60.152	-	422.401	482.553
Repayment of principal	(250.456)	-	(606.049)	(856.505)
Payment of interest	(15.629)	-	-	(15.629)
Balances at December 31, 2022	478.026	437.648	59.479.854	60.395.528
Borrowing	1.530.166	-	-	1.530.166
Transfers	(730.198)	730.198	-	-
Interest	26 439.993	(147.735)	582.075	874.333
Repayment of principal	(557.129)	-	-	(557.129)
Payment of interest	(190.517)	-	-	(190.517)
Balances at December 31, 2023	970.341	1.020.111	60.061.929	62.052.381

In 2023, there was no interest on loans incorporated into property, plant and equipment because there was no construction of qualifying assets in progress or completed in the year.

Guarantees

The loans and financing are guaranteed by the following assets:

Class	Parent company and consolidated								
	12/31/2023								
	Guarantees								
	Total	Not subject to PRJ	Subject to PRJ	Short-term investments	Trade Receivables	Property and equipment items	Third party properties	Toal Company Guarantees (a)	Related party suretyship (b)
Working capital									
Banco do Brasil	3 5.837.840	-	5.837.840	-	-	-	-	-	5.837.840
BNB	2 14.826.881	-	14.826.881	600.275	-	19.210.000	4.475.000	24.285.275	14.826.881
Bradesco	3 10.896.740	-	10.896.740	-	-	-	-	-	10.896.740
Bocom BBM	3 8.128.018	-	8.128.018	-	-	-	-	-	8.128.018
Itaú	3 17.419.360	-	17.419.360	-	-	-	-	-	17.419.360
Safra	3 2.372.357	1.342	2.371.015	-	-	-	-	-	2.371.015
Banco Daycoval	914.333	914.333	-	-	914.333	-	-	914.333	914.333
Total	60.395.529	915.675	59.479.854	600.275	914.333	19.210.000	4.475.000	25.199.608	60.394.187

(a) Guarantees offered as set out in contractual clauses between the company and the creditors

- (b) The guarantees mirror the responsibility as a guarantor in the person of the company's majority shareholder in relation to the contracts entered into between the company and the creditors.

Covenants

The restrictive clauses (*covenants*) associated with the Company's financing contracts and loans establish the maintenance of non-financial guidelines in each contract. The main clauses, common to all the operations that make up the Company's liabilities, govern issues related to:

- a) Default on the financial obligations of the credit bill;
- b) Decree of bankruptcy or propulsion of judicial or extrajudicial recovery;
- c) Death, insolvency or interdiction of any joint debtor;
- d) Occurrence of a corporate reorganization process or change of direct or indirect control;
- e) Disposal of a commercial establishment or a significant portion of assets or rights of its permanent assets.

The contractual effect of these clauses, in all the contracts, is the extinction of the operation with the consequent establishment of an early maturity regime, calculating the debtor balance at the present value due on the date of non-compliance with the discipline imposed in the agreed thematic clause.

Considering the current context with the approval of creditors, the Company understands that any presumed risks that could exist during the judicial recovery process have been eliminated.

During the Company's judicial recovery, only the non-financial restrictive clause related to the prohibition on filing a request for judicial recovery could be considered breached (thematic clause "Decree of bankruptcy or propulsion of judicial or extrajudicial recovery"). However, even considering the early maturity of the operations that make up the Company's liabilities, as they were listed in the judicial recovery itself to be subject to novation (renegotiation) upon approval of the judicial recovery plan, the Company did not record them in current liabilities, but, yes, in non-current, given that, in relation to the Company, by virtue of item II of art. 6 of the Judicial Recovery Law (Law 11,101), the operations were not enforceable due to the stay period (suspension of executions for 180 days, extendable for an equal period). The payment conditions for loan obligations subject to the Judicial Recovery Plan are detailed in "**Note 1.2.2. 1.2.2. Summary of the Judicial Recovery Plan approved by the Company's creditors at the continued GCA held on October 31, 2023**".

Derivative instruments

The Company has derivative instruments for the exclusive purpose of mitigating economic and financial foreign exchange variations.

15. TAXES AND CONTRIBUTIONS PAYABLE

Taxes and contributions payable are composed as follows:

	Parent company and consolidated	
	12/31/2023	12/31/2022
PIS and COFINS	123.335	-
IRPJ e CSLL on financial investments	489.815	449.095
ICMS payable	65.820	67.407
INSS on revenue	81.913	163.062
Taxes withheld from third parties	109.344	110.268
Other	25.736	24.584
Total	895.963	814.416

16. TAXES IN INSTALLMENTS

	Parent company and Consolidated	
	12/31/2023	12/31/2022
ICMS ST installment	191.341	-
PGFN Installment	104.596	-
INSS Installment	2.604.165	827.687
Total	2.900.102	827.687
Current liabilities	(749.720)	(168.343)
Non-current liabilities	2.150.382	659.344

	ICMS ST installment	INSS in installments	PGFN Installment	Total
Balances at December 31, 2021	-	-	-	-
Provisioned interest and indexation accruals	-	833.382	-	833.382
Provisioned interest and indexation accruals	-	8.195	-	8.195
Payment of principal	-	(11.337)	-	(11.337)
Payment of interest	-	(2.553)	-	(2.553)
Balances at December 31, 2022	-	827.687	-	827.687
Provisioned interest and indexation accruals	260.714	1.865.826	106.971	2.233.511
Provisioned interest and indexation accruals	23.751	253.580	6.445	283.776
Payment of principal	(66.498)	(265.735)	(2.396)	(334.629)
Payment of interest	(26.626)	(77.193)	(6.424)	(110.243)
Reversal of principal	-	-	-	-
Balances at December 31, 2023	191.341	2.604.165	104.596	2.900.102

17. ADVANCES FROM CUSTOMERS

<u>Market niche</u>	Parent company and consolidated	
	12/31/2023	12/31/2022
Resale	215,757	201,000
Distribution	11,400	7,680
Other	-	9,758
Total	227,157	218,438

18. CONTINGENT ASSETS AND LIABILITIES AND PROVISION FOR LABOR, TAX AND CIVIL RISKS

The provisions for labor, tax and civil risks and the related judicial deposits comprise the following:

Nature	Parent company and consolidated	
	12/31/2023	12/31/2022
Labor	140,650	140,650
Civil	-	582,076
Environmental	4,524	40,000
Total	145,174	762,726
(-) Judicial deposits		
Labor	(59,510)	(60,510)
Tax	(1,966)	(1,966)
Total	(61,476)	(62,476)
Total, net	83,698	700,250

The amount of the labor provision was fully included in the judicial recovery process, according to explanatory note no. 1.

The movements are presented as follows:

	Parent company and consolidated			
	Environmental	Labor	Civil	Total
Balances at December 31, 2021	-	140,650	-	140,650
Additions	40,000	-	582,076	622,076
Balances at December 31, 2022	40,000	140,650	582,076	762,726
Additions	-	-	875,676	875,676
Reversals	(35,476)	-	(1,457,752)	(1,493,228)
Balances at December 31, 2023	4,524	140,650	-	145,174

18.1 Probable Contingencies

Labor – Subject to the PJR

Probable labor losses refer to: a) lawsuits filed against the Company discussing whether or not payment for travel time, b) lawsuits discussing salary differences. These processes are included in Class I of the General List of Creditors, so that, considering the approval of the Judicial Recovery Plan in October 2023, these processes will be settled and extinguished in the first half of 2024.

Civil

In 2023, two lawsuits continue to be classified as a probable loss, both related to the objection to credits listed in the General Table of Creditors of the Company's judicial recovery, after the disclosure of the 1st List of Creditors by the Judicial Administrator.

The objection presented by Banco Itaú (Process nº 0800202-27.2022.8.20.5114) discussed the rectification and increase of the credit owed to the bank presented in the amount of R\$ 301,973.39 (three hundred and one thousand, nine hundred and seventy-three reais and thirty and nine cents), with the Company agreeing to rectify the value and the case was sentenced in December 2022, granting the original request. The aforementioned amount was rectified in the 2nd List of creditors and, considering the approval of the Judicial Recovery Plan in October 2024, with the submission of credits to the payment plan approved for Class III, the separate provision was zeroed in the month of November 2024.

The second objection was proposed by Banco do Nordeste (Process nº 0800235-17.2022.8.20.5114), discussing a difference of R\$ 280,102.29 (two hundred and eighty thousand, one hundred and two reais and twenty-nine cents), with the Company also agreed with the rectification. In this context, in August 2023 this provisioned amount was written off by R\$ 116,050.00 (one hundred and sixteen thousand and fifty reais) relating to the rectification of

payments that were debited from the company's account on 05/03/2021. The remaining amount was written off in November 2023 after the approval of the Judicial Recovery Plan at the General Meeting of Creditors held in October 2023, so that the full amount owed to the Bank – R\$ 15,106,982.80 (fifteen million, one hundred and six thousand, nine hundred and eighty-two reais and eighty cents) – will be paid under the approved terms.

Environmental

In 2023, the only active environmental process was No. 0800373-80.2016.4.05.8400, referring to a public civil action filed by the Federal Public Ministry (MPF) in which the possible occupation of an environmental preservation area was discussed. The Company chose to sign a Conduct Adjustment Agreement (TAC) with the Institute for Sustainable Development and the Environment (or “IDEMA”), assuming the obligation to proceed with the retreat of part of the occupied area, which was already carried out in 2016, as well as the environmental composition through the purchase of equipment to be donated to the agency in the amount of R\$40,000.00 (forty thousand reais), which was included as a probable provision. The list of equipment to be acquired by the Company was made available, budgeted and acquired, however, the value of the equipment did not reach that determined by court, and the process is awaiting a court decision on compliance with the obligation or the need to supplement the remaining value through purchase of other equipment.

18.2 Possible Contingency

The total amount of the contingent liability classified as possible losses is shown below:

	Parent company and consolidated	
	12/31/2023	12/31/2022
<u>Nature</u>		
Labor	-	23,045
Tax	6,239,608	4,721,884
Civil	101,430	2,192,773
Total	6,341,038	6,937,702

Labor

In 2023, the Company ended the year without any labor lawsuit classified as a possible loss.

Civil

In 2022, the Company's Legal Department maintains classified as possible, the contingency posted referring to lawsuit No. 001019-83.2003.8.20.0105, which had a remaining balance of fees of the attorney of the defeated party, due to the passing of a period of four (4) years without procedural movement, signaling the possibility of the credit having become time-barred. Therefore, the Company now counts on this process in this contingency classification with an updated value of R\$ 101,460.39.

Furthermore, considering that the Company filed a judicial recovery action in July 2021, including financial commitments in the General List of Creditors, some banking institutions that appear on that list filed ordinary and/or executive actions with the purpose of receiving the credit. Considering that part of the amounts claimed in court were already recognized in Accounting, in 2022 we only highlighted the difference between these and the amount claimed by banking institutions, that is, the higher amount charged, classifying it as a possible loss. Considering that in October 2023 the Judicial Recovery Plan was approved at the General Meeting of Creditors, all possible amounts that could become due were renewed and settlement will occur in accordance with the payment plan adjusted for the respective classes.

18.3 Contingent Asset

Tax lawsuits

Recovery of presumed IPI credits for exemption from PIS and COFINS and calculation of non-cumulative PIS and COFINS credits.

During 2023, CARF definitively judged the following administrative cases: 10469.720342/2010-86, 10469.720340/2010-97, 10469.720339/2010-62 and 10469.720336/2010-29. All four processes had as their object Special Appeals for Divergence filed by the National Treasury against rulings handed down by the 1st Extraordinary Panel of the 3rd CARF Judgment Section, which recognized the Company's right to credit. At the Superior Council of Tax Appeals (CSRF) of CARF, the 3rd Panel maintained the favorable decision in favor of the Company.

In short, the administrative tax liabilities had the same origin: PER/DCOMP's transmitted by the Company to recover presumed IPI credits as a form of relief from PIS and COFINS levied on the acquisition of raw materials, intermediate products and packaging material used by the Company in its production process, based on Law No. 9,363, of 1996, as well as for the use of non-cumulative PIS and COFINS credits, calculated under the terms of Laws No. 10,637/2002 and 10,833/2003.

The Federal Revenue of Brazil had made several glosses on the Refund Requests formalized by the Company in relation to the Assessment Periods (PA) from 2001 to 2008, which had started the collection of tax administrative litigation which, as already mentioned, had its definitive judgment favorable to the Company.

Charge due to divergence in the calculation regime of IRRF in the payroll.

In 2023, there was no news of a decision with the Federal Revenue Service regarding the complaint filed by the Company.

During 2021, the Company was charged by the Brazilian Federal Revenue Service due to divergences in the cross-referencing of the Withholding Income Tax Returns (DIRF, in Portuguese). The Company declared these in the Federal Tax Debts and Credits Returns (DCTF, in Portuguese) for 02/2018, 05/2018, 06/2018, 07/2018, and 12/2018. The charge resulted in the assessment of supplementary tax with a payment schedule.

The Company filed a complaint against the tax assessment, claiming the transgression to be a mere formal error when filling out the DCTFs for the period and, on the occasion, it proved that the reallocation of the payments, being on the accrual basis instead of the cash basis, did not result in a positive IRRF balance in favor of the National Treasury, requiring the cancellation of the charge, since there was no absence of collecting this tax.

Tax administrative processes as of December 31, 2023.

Considering the administrative tax processes that discuss the tax issues highlighted above, as of December 31, 2023, the Company recorded tax liabilities of R\$ 1,146,324.36 lower than that recorded at year-end of 2022, which was R\$ 1,224,941.45. The reduction occurred due to the write-off of some administrative processes during 2023, the impact of which was relativized considering the accumulated variation of the Selic Rate of the other contingencies in that fiscal year.

Tax lawsuits on December 31, 2023.

On the base date of December 31, 2023, the Company maintained a collection of legal proceedings discussing the issue of presumed IPI credits as a form of exemption from PIS and COFINS levied on the acquisition of raw materials, intermediate products and manufacturing material. packaging used by the Company in its production process, based on Law No. 9,363, of 1996, with only three of them (Processes No. 0805379-29.2020.4.05.8400, 0800500-08.2022.4.05.8400 and 0801046-63.2022.4.05.8400).

The tax lawsuits are classified as probable and, on 12/31/2023, they estimate a probable gain of R\$5,093,283.30, considering the Company's judicial expectation of obtaining the annulment of the tax credits required by the National Treasury due to the Processes n^o 16707.003496/2002-26, 10469.902942/2008-46, 10469.902946/2008-24, 10469.902943/2008-91, 10469.902947/2008-79, 10469.7203 42/2010-86, 10469.720340/2010-97, 10469.720339/2010-62, 10469.720336/2010-29, 10469.720333/2010-95 and 10469.721776/2010-01 (linked to process no. 10469.720315/2011-94, arising from DCOMP: 12091.78947.300106.1.3 .01-2696)

19. DEFERRED TAX

	Parent company and consolidated	
	12/31/2023	12/31/2022
Deferred ICMS	1,355,992	1,355,992
Total	1,355,992	1,355,992

This refers to the amounts of ICMS on the import of machinery used in the Company's production activity, these being the amounts with the payment deferred to the moment when the fixed assets are removed from the fixed asset or are transferred to another State of the Federation. How to deal with this is regulated in article 60 of the ICMS Regulation of the State of Rio Grande do Norte, approved by Decree 13.640, of November 13, 1997 and amendments.

20. INCOME TAX AND SOCIAL CONTRIBUTION

a) Nature and expectation of realization of deferred taxes:

The balances of deferred tax assets and liabilities are composed as follows:

	Parent company and consolidated	
	12/31/2023	12/31/2022
Provision for labor, tax and civil risks	504.179	206.449
Addition of provision for loan losses	35.184	35.184
Addition of provision for estimated losses on inventory	4.129.768	3.201.676
Loss on financial instruments (Swap)	175.137	175.137
Gain with financial instruments (Swap) Cash basis	146.855	146.855
Tax loss and negative basis of social contribution	(b) 26.508.621	21.796.797
Current assets	31.499.744	25.562.098
Reversal of provision for estimated losses on inventory	4.033.242	3.156.509
Reversal of provision for doubtful accounts	2.027	2.027
Gain on financial instruments (Swap)	291.559	291.559
Reversal of provision for lawsuits	593.187	85.488
Current liabilities	4.920.015	3.535.583
Balance sheet balance, assets.	26.579.729	22.026.515
Net balance sheet balance, liabilities.	-	-

The movements in deferred tax assets and liabilities are presented below:

	Current assets
Balances at December 31, 2021	17.738.764
Provision for labor, tax and civil risks	211.506
Addition of allowance for loan losses	19.683
Addition of provision for estimated losses on inventory	1.132.109
Tax loss and negative basis of social contribution	6.460.036
Balances at December 31, 2022	25.562.098
Provision for labor, tax and civil risks	297.730
Addition of provision for estimated losses on inventory	928.092
Tax loss and negative basis of social contribution	4.711.824
Balances at December 31, 2023	31.499.744

	<u>liabilities</u>
Balances at December 31, 2021	2.405.898
Reversal of provision for estimated losses on inventory	1.086.941
Reversal of provision for lawsuits - labor claims	42.744
Balances at December 31, 2022	3.535.583
Reversal of provision for estimated losses on inventory	876.733
Reversal of provision for lawsuits	507.697
Balances at December 31, 2023	4.920.013

Deferred tax assets are recognized for tax losses and temporary differences in proportion to the likelihood of realizing the respective tax benefit through future taxable profit.

Management estimates, based on projections of future taxable profit based on the actions described in explanatory note 1.3 of this document, that the deferred assets will be realized as shown below:

	<u>Parent company and consolidated</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>
2023	-	1.813.904
2024	-	1.803.068
2025	95.973	1.813.693
2026	243.429	1.792.681
2027	218.979	1.805.837
2028	192.445	180.500
After 2028	25.828.903	12.816.832

The projection of realizing the balance considers the use of fiscal losses and negative bases and the compensation limitation of 30% of taxable profit per financial year.

b) Reconciliation of income tax and social contribution with the result of directly applying the rate of the respective taxes on the result

	<u>Parent company and consolidated</u>			
	<u>12/31/2023</u>		<u>12/31/2022</u>	
	<u>IRPJ</u>	<u>CSLL</u>	<u>IRPJ</u>	<u>CSLL</u>
before income tax and social contribution	(14.277.466)	(14.277.466)	(19.154.772)	(19.154.772)
Statutory rate	25%	9%	25%	9%
Income tax and social contribution	3.569.367	1.284.972	4.788.693	1.723.929
<u>Additions:</u>				
Equity	(87)	(31)	-	-
Provision for loss on inventory	(682.420)	(245.671)	(832.433)	(299.676)
Provision of legal proceedings	(218.919)	-	-	-
Others	(766.919)	(354.556)	(666.283)	(239.861)
Total additions	(1.668.345)	(600.258)	(1.498.716)	(539.537)
<u>Exclusions:</u>				
Government Grants (Proedi)	543.829	195.762	653.263	235.175
Reversal of provision for loss on inventory	644.657	52.076	799.221	287.720
Reversal of legal proceedings	373.307	134.391	-	-
Others	1.507	180.559	7.565	2.723
Total exclusions	1.563.300	562.788	1.460.049	525.618
Total	3.464.322	1.247.502	4.750.026	1.710.010
Effective rate	-24,26%	-8,74%	-24,80%	-8,93%

c) **Composition of income and social contribution taxes in the result:**

<u>Income tax and social contribution</u>	Parent company and consolidated	
	12/31/2023	12/31/2022
Deferred tax losses and negative basis	4.711.824	6.460.036
Deferred on temporary additions / exclusions	(158.608)	233.613
Total deferred charges	4.553.216	6.693.649
Current	-	-
Expenditure on income tax and social contribution in the result	4.553.216	6.693.649

21. EQUITY

Share capital

At December 31, 2023 and 2022, subscribed and paid-up capital is R\$ 11,666,667 and comprises 11,666,667 registered common shares with par value of R\$ 1.00.

The Company's ownership structure is as follows:

<u>Shareholders</u>	Equity interest at 2023 and 2022		
	Common shares number	Total Amount	%
Miura Participações Ltda	7.000.000	7.000.000	60%
Charoen Pokphand Foods Public Company Limited	4.666.667	4.666.667	40%
Total	11.666.667	11.666.667	100%

Each common share entitles the holder to one vote at General Meetings.

(a) Legal reserve

The legal reserve is appropriated from net profit for the year at 5% annually, pursuant to article 193 of Law 6,404/76, up to the limit of 20% of the share capital.

(b) Capital reserve

Formed mostly by a share premium reserve of R\$ 60.870.833, from a subscription from Charoen Pokphand Foods Public Company Limited on 4/16/2018.

(c) Destination of profit

Under the bylaws, the profit calculated for each year, after legal deductions, will be allocated as determined by the General Meeting.

(d) Dividends

The shareholders are entitled to an annual mandatory dividend of 10% of the profit for the year, this being reduced or increased by the following amounts:

1. Appropriation to the legal reserve, 5% (five per cent)
2. An amount destined for the formation of reserves for contingencies, and reversal of the same reserves formed in prior financial years; and

3. Unrealized profits transferred to the respective reserve and profits previously recorded in this reserve that were realized during the financial year.

The Company may at any time, by resolution of the Board of Directors, pay or credit interest to shareholders in the form of interest on capital.

Interim or intermediate dividends resulting from existing profit reserves shown in the last approved balance sheet, whether annual, half-yearly, quarterly or monthly may be distributed.

22. NET OPERATING REVENUE

Sales revenue is recognized in the result for the period when the risks and benefits inherent in the products are transferred to customers, as well as to the extent that it is probable that economic benefits will be generated for the Company and when this is reliably measured. Revenue comprises the fair value of the consideration received or receivable for the sale of products in the normal course of the Company's activities.

GROSS REVENUE	Parent Company and consolidated	
	12/31/2023	12/31/2022
<u>Domestic market:</u>		
Processed shrimp	36.351.379	36.429.320
Fresh shrimp	243.136	529.555
Processed fish	149.180	462.160
Shrimp larva post	-	111.828
Total	36.743.695	37.532.863

During 2023 and 2022, the Company did not export its products.

The reconciliation between the gross revenue and the revenue presented in the statement of result is as follows:

	Parent Company and consolidated	
	12/31/2023	12/31/2022
Gross revenue	36.743.695	37.532.863
Returns	(1.086.690)	(703.249)
Subtotal	35.657.005	36.829.614
Tax on sales	(6.472.393)	(6.233.684)
Total	29.184.612	30.595.930

23. COSTS AND EXPENSES BY NATURE

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<u>Expenses by nature:</u>				
Raw material and inputs	(23.982.110)	(30.550.700)	(23.982.110)	(30.550.700)
Estimated loss with inventory (a)	(151.054)	(132.848)	(151.054)	(132.848)
Idle cost (b)	(1.812.568)	(2.030.505)	(1.812.568)	(2.030.505)
Depreciation cost - Idle assets (b)	(1.776.070)	(3.090.546)	(1.776.070)	(3.090.546)
Depreciation and amortization cost	(8.404.248)	(6.228.472)	(8.404.248)	(6.228.472)
Depreciation and amortization expense	(590.990)	(705.570)	(590.990)	(705.570)
Personnel	(2.371.348)	(2.432.949)	(2.371.348)	(2.432.949)
Management fees	(180.000)	(222.400)	(180.000)	(222.400)
Third Party Services	(359.998)	(343.777)	(359.998)	(343.777)
Advertising and publicity	(58.337)	(68.719)	(58.337)	(68.719)
Gifts and offers	(7)	(4.539)	(7)	(4.539)
Sales commission	(195.072)	(177.332)	(195.072)	(177.332)
Third-party warehouse	(563)	(28.342)	(563)	(28.342)
Provision for losses on receivables	-	(57.891)	-	(57.891)
Federal tax on interest paid in foreign currency	2.064	2.064	2.064	2.064
Non-recoverable state taxes (ICMS)	(15.955)	(23.294)	(15.955)	(23.294)
Municipal taxes (IPTU)	(18.470)	(16.856)	(18.470)	(16.856)
Other	(2.390.761)	(2.238.743)	(2.391.107)	(2.238.743)
Total	(42.305.487)	(48.351.419)	(42.305.833)	(48.351.419)
<u>Classified as:</u>				
Cost of sales	(36.126.050)	(42.033.071)	(36.126.050)	(42.033.071)
Selling expenses	(503.981)	(588.381)	(503.981)	(588.381)
Personnel expenses	(2.551.348)	(2.862.684)	(2.551.348)	(2.862.684)
General and administrative expenses	(3.124.108)	(2.867.283)	(3.124.454)	(2.867.283)
Total	(42.305.487)	(48.351.419)	(42.305.833)	(48.351.419)

a) Estimated loss on stock: refers to the provision (or reversal) of loss of stock calculated at fair value (recoverable value). The amounts of this provision (or reversal) are recognized in the income statement in line item cost of goods sold;

b) Cost of downtime and depreciation cost - idle goods: refers to expenses on labor, maintenance, depreciation, among others, applied to paralyzed assets due to problems observed during production. The amounts are recognized in the result in the line showing the cost of products sold.

24. GENERAL AND ADMINISTRATIVE EXPENSES

	Parent Company		Consolidated	
	12/31/2023	31/12/2022	12/31/2023	31/12/2022
Third Party Services	(359.998)	(343.777)	(359.998)	(343.777)
Travel and Representations	(9.364)	(30.530)	(9.364)	(30.530)
Fuels and lubricants	(32.963)	(98.515)	(32.963)	(98.515)
Rent and Condominium	(8.891)	(11.399)	(8.891)	(11.399)
Maintenance and upkeep	(84.907)	(89.001)	(84.907)	(89.001)
Insurance, licensing and licensing	(33.035)	(25.316)	(33.035)	(25.316)
Notary office's fees and costs	(15.324)	(15.261)	(15.324)	(15.261)
Water	(8.234)	(9.097)	(8.234)	(9.097)
Electric energy	(1.133)	(1.092)	(1.133)	(1.092)
Telephone	(32.374)	(28.805)	(32.374)	(28.805)
Internet	(22.270)	(25.066)	(22.270)	(25.066)
Office Supplies	(9.743)	(22.336)	(9.743)	(22.336)
Cleaning material	(6.494)	(1.620)	(6.494)	(1.620)
Subscriptions, Newspapers and Publications	(520)	(520)	(520)	(520)
Systems (ERP)	(143.636)	(165.186)	(143.636)	(165.186)
Tax expenses	(347.837)	(102.937)	(347.837)	(102.937)
Depreciation and amortization	(590.990)	(705.570)	(590.990)	(705.570)
Provisions (reversals) of legal proceedings	(875.676)	(622.076)	(875.676)	(622.076)
Administrative Expenses - Production Units	(51.340)	(33.481)	(51.340)	(33.481)
Expenses on judicial recovery	(406.800)	(445.219)	(406.800)	(445.219)
Other	(82.579)	(90.479)	(82.925)	(90.479)
Total	(3.124.108)	(2.867.283)	(3.124.454)	(2.867.283)

25. OTHER OPERATING INCOME (EXPENSES), NET

	Parent Company and consolidated	
	12/31/2023	12/31/2022
Losses on inventories	(1.061.451)	(726.718)
Lawsuits	-	(7.094)
Net gain (loss) on disposal of property, plant and equipment	305.468	-
Write-off of fixed assets	(15.377)	(27.392)
Donations	(1.036)	(151.176)
Events and get-together parties	(17.410)	(24.762)
Expense recovery	1.499.013	29.929
Other	(59.427)	148.649
Total	649.780	(758.564)

26. FINANCE INCOME (COSTS)

	Parent Company and consolidated	
	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>Financial income:</u>		
Discounts obtained	4.851	345
Interest receivable	113.770	118.381
Indexation receivable	181	7.935
Foreign exchange gains	11.186	25.574
Income from short-term investments	70.460	251.255
Total	200.448	403.490
<u>Finance costs:</u>		
Discounts granted	(261.466)	(220.526)
Interest payable	(146.875)	(169.565)
Interest on borrowings	(874.333)	(482.553)
Indexation payable	(344.967)	(42.483)
Foreign exchange losses	(4.490)	(45.366)
Banking expenses and fees	(52.621)	(40.834)
Taxes - IOF, CPMF and IOC	(37.944)	(34.687)
Interest, fines and indexation on taxes in installments	(283.777)	(8.195)
Total	(2.006.473)	(1.044.209)
Finance income (costs), net	<u>(1.806.025)</u>	<u>(640.719)</u>

27. FINANCIAL INSTRUMENTS

The classification of financial instruments and their accounting balances were as follows:

	Parent company	
	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>Financial assets</u>	<u>Measured at</u>	<u>Measured at</u>
	<u>amortizable cost</u>	<u>amortizable cost</u>
Cash and banks	154.008	213.341
Short-term investments	619.371	545.348
Restricted investments	600.275	531.077
Trade receivables	3.500.247	4.033.147
<u>Financial liabilities</u>		
Trade receivables	1.068.297	957.316
Borrowings	1.990.452	915.674
Creditors listed for Judicial Recovery	61.188.752	60.606.675

	Consolidated	
	12/31/2023	12/31/2022
	Measured at amortizable cost	Measured at amortizable cost
<u>Financial assets</u>		
Cash and banks	154.531	214.210
Short-term investments	619.371	545.348
Restricted investments	600.275	531.077
Trade receivables	3.700.247	4.233.147
<u>Financial liabilities</u>		
Trade receivables	1.068.297	957.316
Borrowings	1.990.452	915.674
Creditors listed for Judicial Recovery	61.188.752	60.606.677

Although the company uses derivatives for hedging purposes, it does not adopt the practice of hedge accounting.

The principal risk factors of the company

a) Credit risk

Credit risk includes the possibility that the Company will not realize its rights. This description is directly related to the rubrics of cash and cash equivalents, financial investments and accounts receivable.

The Company prioritizes undertaking operations with financial institutions classified as low risk, evaluated by rating agencies, in order to guarantee a greater profitability with security aggregated to the results. Management understands that its financial investments do not expose the Company to significant risks that in future might generate material losses.

The Company understands that the risks arising from any difficulty in collecting the amounts related to the sale of its products to its customers is insignificant in view of the policy of making sales using strict credit analysis criteria, except for atypical cases of interest to the Company, and the diversity of the customer portfolio contributes significantly to reducing the credit risk. Thus, parameters are established that limit the amount of credit granted to customers based on the minimum financial ratios required and analyses of customer operations, as well as references to credit monitoring entities. This strict control of the customer base and management of accounts receivable is reflected in the low balance of doubtful receivables.

b) Management of capital

	Consolidated	
	12/31/2023	12/31/2022
Borrowings	1.990.452	915.674
Borrowings - Subject to PRJ	60.061.929	59.479.854
(-) Cash and cash equivalents and short-ter	(1.374.177)	(1.290.635)
Net debt	60.678.204	59.104.893
Equity	42.730.837	53.153.737
Gearing ratio - %	142,00%	111,20%

The Company's objectives in managing its capital are to safeguard its ability to continue as a going concern in order to offer a return to its shareholders, as well as to maintain an optimal capital structure to reduce this cost.

c) Interest rate and exchange rate risk

This risk derives from the possibility of the Company incurring losses due to fluctuations in interest rates and exchange rate variations that increase the finance costs related to liabilities captured in the market at post-fixed interest rates and/or in foreign currency.

Assets

Cash equivalents and financial investments in local currency are maintained in funds remunerated at CDI rates. The risk of interest rate linked to these assets arises from the possibility of fluctuations occurring in these rates.

These assets are represented in the balance sheet as follows:

	Carrying amount and fair value			
	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash and cash equivalents	773.379	758.689	773.902	759.558
Short-term investments	600.275	531.077	600.275	531.077
Trade receivables	3.500.247	4.033.147	3.700.247	4.233.147
Total	4.873.901	5.322.913	5.074.424	5.523.782

Liabilities

The loans contracted in the Company's functional currency and are pegged to pre-fixed interest rates; therefore, they are not subject to the risk of variation of the main financial market indexes, such as: CDI, SELIC and IPCA (in Portuguese).

To protect the Company from foreign exchange exposures inherent to the loans contracted in currencies different from its functional currency, the Company contracted swap-type derivative financial instruments.

a) Liquidity risk

The liquidity risk arises from the subsidiary and parent company's ability to settle the obligations assumed. In order to determine the parent company's financial capacity to adequately fulfill the commitments assumed, the maturity flows of the funds raised and other obligations are part of the disclosures. More detailed information on the loans raised by the Company are presented in explanatory note 14.

28. RELATED-PARTY TRANSACTIONS

	Non-current assets		Non-current liabilities			
	Parent company		Parent company and consolidated			
	12/31/2023	12/31/2022	12/31/2023		12/31/2022	
	Not Subject to PRJ	Not Subject to PRJ	Not Subject to PRJ	Subject to PRJ	Subject to PRJ	Subject to PRJ
Shareholder						
Werner Jost	-	-	3,790,000	640,234 (b)	2,100,000	640,234
Subsidiary						
Aquatic Farms Produtos Marinhos Ltda	172,764 (a)	172,764 (a)	-	-	-	-
Total	172,764	172,764	3,790,000	640,234	2,100,000	640,234

(a) Refers to advance for future capital increase at Aquatic Farms Produtos Marinhos Ltda;

(b) Refers to loan agreements, interest free and with an undefined maturity, with Mr. Werner Jost, current CEO - Chief Executive Officer.

Related parties subject to the plan of judicial recovery ("Subject to PJR"): The amount presented in this item mirrors the balances included in the ("PJR").

Related parties not subject to the plan of judicial recovery ("Not subject to PJR"): The amount presented in this item represents balances that were not included in the request for judicial recovery.

29. SUBSEQUENT EVENTS

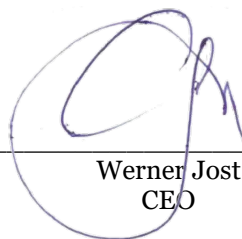
On February 23, 2024, the 2nd Court of Canguaretama ("Recovery Court") issued a decision to approve the assignment of credit made by the concursal creditor Itaú Unibanco S/A, of Class III, to a new concursal creditor, OKNO 1 Fundo de Investimentos em Direitos Creditórios Não-Padronizados, determining the replacement of the former by the latter for all legal purposes inherent to the Company's judicial recovery process, including, for the purpose of rectification in the Company's Creditor List.

Following this, on March 8, 2024, the Recovery Court issued a judgment approving the Company's judicial recovery plan to begin producing its legal and juridical effects, definitively granting the Company's judicial recovery, if the mentioned plan was complied with, in accordance with articles 58 and subsequent of Law No. 11,101, of 2005. a period of supervision of 2 years was established to be fulfilled by the Company's Judicial Administrator, who was tasked with producing monthly reports on the Company's activities and presenting them to the Judiciary on a quarterly basis during the supervision period.

The Company's Management analyzed the other subsequent events that occurred after the end of the fiscal year up to the date of authorization of these financial statements, and no other relevant facts were identified that would influence the context of these financial statements, beyond those disclosed here.

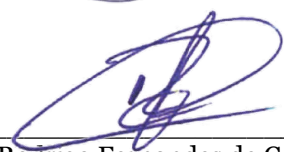
30. APPROVAL OF THE FINANCIAL STATEMENTS

The issuance of these financial statements was authorized by the CEO - Chief Executive Officer on March 22, 2024.



Werner Jost
CEO

Accountant:



Rodrigo Fernandes de Castro
CRC RN - No. 009623/O-5

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