(Convenience translation into English from the original previously issued in Portuguese)

GRANBIO INVESTIMENTOS S.A.

Independent auditor's review report

Individual and consolidated quarterly information
As at March 31, 2024

GRANBIO INVESTIMENTOS S.A.

Individual and consolidated quarterly information
As at March 31, 2024

Contents

Management Report

Dear Shareholders,

In line with its legal and bylaw provisions, the Management of GranBio Investimentos S.A. hereby submits for your appreciation the Company's individual and consolidated financial statements along with the independent auditors’ report on the individual and consolidated financial statements, prepared in accordance with the accounting practices adopted in Brazil for the period ended March 31, 2024.

Tel.: + 55 11 3848 5880
Fax: + 55 11 3045 7363
www.bdo.com.br

Rua Major Quedinho, 90
Consolação – São Paulo, SP
Brasil 01050-030

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INDIVIDUAL AND CONSOLIDATED QUARTERLY INFORMATION

To the
Management and Shareholders of
GranBio Investimentos S.A.
São Paulo - SP

Introduction

We have reviewed the individual and consolidated interim financial information of GranBio Investimentos S.A. ("Company"), included in the quarterly information, for the quarter ended March 31, 2024, which comprises the statement of financial position as at March 31, 2024, and the respective statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended, as well as the corresponding notes.

The Company's Management is responsible for the preparation of the individual interim financial information in accordance with NBC TG 21 (R4), and for the preparation of the consolidated interim financial information in accordance with NBC TG 21 (R4) and with International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the presentation of this interim financial information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to quarterly information. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and international standards for reviewing interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists principally of applying analytical and other review procedures and making enquiries of and having discussions with persons responsible for financial and accounting matters. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards, and does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.

Conclusion on the individual interim financial information

Based on our review, we are not aware of any fact that would leads us to believe that the individual interim financial information included in the accompanying quarterly information has not been prepared, in all material respects, in accordance with NBC TG 21 (R4), applicable to the preparation of quarterly information, and presented in accordance with the standards issued by CVM.

Conclusion on the consolidated interim financial information

Based on our review, we are not aware of any fact that would leads us to believe that the consolidated interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with NBC TG 21 (R4) and IAS 34, applicable to Quarterly Information, and presented in accordance with the standards issued by CVM.

Emphasis

Investment realization stage

We draw attention to Note 1 to the individual and consolidated interim financial information, which describes that the Company and its controlled companies have reported recurring losses on their operations and accumulated loss in equity amounting to R$ 792,683 thousand (R$ 758,862 thousand as at December 31, 2023) in the individual and consolidated statements. This situation is mainly due to the fact that the ethanol plant of the controlled company Bioflex Agroindustrial S.A. is currently in the stage of investments to reach its business capacity of continual operations and, consequently, the recoverability of the investments made in fixed assets and technology (intangible assets). Our conclusion is not qualified in respect of this matter.

Related-party transactions

We draw attention to Note 9 to the individual and consolidated interim financial information, which describes that the Company and its controlled companies maintain balances and transactions in significant amounts with related parties, according to the conditions described therein. Accordingly, the results of these operations could have been different if they had been carried out with third parties. Therefore, the accompanying individual and consolidated interim financial information should be read in this context. Our conclusion is not modified in respect of this matter.

Other matters

Statements of value added

The accompanying quarterly information includes the individual and consolidated statements of value added for the three-month period ended March 31, 2024, prepared under the responsibility of the Company's Management and presented as supplementary information for the purposes of IAS 34. These statements were submitted to the same review procedures followed for the review of the quarterly information, for the purpose of concluding on whether they are reconciled with the interim financial information and accounting records, as applicable, and if their form and contents meet the criteria defined in NBC TG 09 – Statement of Value Added. Based on our review, we are not aware of any fact that would lead us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria established in this standard and consistently with the individual and consolidated interim financial information taken as a whole.

The accompanying financial information has been translated into English for the convenience of readers outside Brazil.

São Paulo, May 07, 2024.

BDO RCS Auditores Independentes SS Ltda.
CRC 2 SP 013846/O-1

Ricardo Vieira Rocha
Accountant CRC 1 BA 026357/O-2 - S - SP

GRANBIO INVESTIMENTOS S.A.

Statements of financial position
March 31, 2024 and December 31, 2024
(In R$ thousand)

Assets	Explanatory notes	Parent Company 03/31/2024	Parent Company 12/31/2023	Consolidated 03/31/2024	Consolidated 12/31/2023
Current					
Cash and cash equivalents	6	1	1	319	200
Accounts receivable	7	-	-	79	237
Inventory	8	-	-	8,605	8,608
Advances to suppliers		-	-	1,756	1,953
Recoverable taxes		601	601	2,347	2,345
Prepaid expense		93	1	812	672
		695	603	13,918	14,015
Non-current					
Recoverable taxes		-	-	485	479
Judicial deposits		84	84	491	482
Advances to suppliers		-	-	14,914	14,565
Related-party loans	9	5,136	2,429	-	-
Investments	10	943,075	948,931	-	-
Property, plant and equipment	11	2,238	2,278	697,224	700,861
Intangible assets	12	-	-	543,249	530,810
		950,533	953,722	1,256,363	1,247,197
Total assets		951,228	954,325	1,270,281	1,261,212

Liabilities and equity	Explanatory notes	Parent Company 03/31/2024	Parent Company 12/31/2023	Consolidated 03/31/2024	Consolidated 12/31/2023
Current					
Loans and borrowings	14	1,685	390	45,616	32,338
Trade payables	15	233	176	35,137	35,291
Tax and labor obligations		10	10	13,206	6,675
Other accounts payable		84	82	1,515	1,066
Related-party loans	9	44,200	30,660	12,559	-
		46,212	31,318	108,033	75,370
Non-current					
Loans and borrowings	14	76,714	76,583	239,654	245,669
Tax and labor obligations		-	-	6,285	6,680
Deferred income tax and social contribution		-	-	40,602	40,474
Provision for labor contingencies	16	-	-	392	634
Other accounts payable		1,775	1,797	2,463	2,580
Other accounts payable to related parties	9	-	-	44,306	43,172
		78,489	78,380	333,702	339,209
Equity					
Share capital	17.a	977,662	977,662	977,662	977,662
Advance for future capital increase	17.b	363,780	363,780	363,780	363,780
Capital reserves	17.c	108,175	108,175	108,175	108,175
Asset and liability valuation adjustments	17.b	169,593	153,872	169,593	153,872
Accumulated losses		(792,683)	(758,862)	(792,683)	(758,862)
Equity attributable to controlling shareholders		826,527	844,627	826,527	844,627
Non-controlling interest	10.d	-	-	2,019	2,006
		826,527	844,627	828,546	846,633
Total liabilities and equity		951,228	954,325	1,270,281	1,261,212

The explanatory notes are part of the individual and consolidated interim financial information.

GRANBIO INVESTIMENTOS S.A.

Statements of operations
Three-month periods ended March 31, 2024 and 2023
(In R$ thousand)

	Explanatory	Parent Company		Consolidated	
	note	03/31/2024	03/31/2023	03/31/2024	03/31/2023
Revenue from goods sold and services rendered	18	-	-	-	1,558
Cost of goods sold and services rendered	19	-	-	(8,820)	(13,141)
Gross loss		-	-	(8,820)	(11,583)
Operating income and (expenses)					
Administrative and general expenses	20	(1,120)	(1,902)	(20,553)	(12,887)
Other operating income and (expenses)	21	-	-	5,037	15
Equity result	10.c	(29,400)	(31,422)	-	-
Net income before financial revenues (expenses)		(30,520)	(33,324)	(24,336)	(24,455)
Financial revenues	22	-	3,516	388	4,237
Financial expenses	22	(3,301)	(4,105)	(11,016)	(14,630)
Financial Result, net		(3,301)	(589)	(10,628)	(10,393)
Profit/loss before income tax and social contribution		(33,821)	(33,913)	(34,964)	(34,848)
Current income tax and social contribution	23.a	-	-	-	(478)
Deferred income tax and social contribution	23.a	-	-	1,156	1,213
Loss for the period		(33,821)	(33,913)	(33,808)	(34,113)
Controlling interest				(33,821)	(33,913)
Non-controlling interest				13	(200)
Loss for the period				(33,808)	(34,113)
Number of shares	26			108,133	108,133
Earnings per share	26			(0.3128)	(0.3136)

The explanatory notes are part of the individual and consolidated interim financial information.

GRANBIO INVESTIMENTOS S.A.

Statements of comprehensive income (loss)
Three-month periods ended March 31, 2024 and 2023
(In R$ thousand)

	Explanatory note	Parent Company		Consolidated	
		03/31/2024	03/31/2023	03/31/2024	03/31/2023
Loss for the period		(33,821)	(33,913)	(33,808)	(34,113)
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:					
Accumulated translation adjustment - CTA	11.c e 17.d	15,721	(14,585)	15,721	(14,585)
Comprehensive income (loss) for the period		(18,100)	(48,498)	(18,087)	(48,698)
Profit attributable to:					
Controlling interest		-	-	(18,100)	(48,498)
Non-controlling interest		-	-	13	(200)
Total comprehensive income (loss)		-	-	(18,087)	(48,698)

The explanatory notes are part of the individual and consolidated interim financial information.

GRANBIO INVESTIMENTOS S.A.

Statements of changes in equity
Three-month periods ended March 31, 2024 and 2023
(In R$ thousand)

		Attributable to the controlling shareholders							
	Explanatory note	Share capital	Advance for future capital increase	Capital reserve	Asset and liability valuation adjustments	Accumulated losses	Equity attributable to shareholders	Non controlling interest	Total equity
Balances as at January 1, 2023		977,662	341,059	108,175	193,613	(712,290)	908,219	2,768	910,987
Accumulated translation adjustment - CTA	10.c	-	-	-	(14,585)	-	(14,585)	-	(14,585)
Loss for the period		-	-	-	-	(33,913)	(33,913)	(200)	(34,113)
Balances as at March 31, 2023		977,662	341,059	108,175	179,028	(746,203)	859,721	2,568	862,289
Balances as at January 1, 2024		977,662	363,780	108,175	153,872	(758,862)	844,627	2,006	846,633
Accumulated translation adjustment - CTA	10.c	-	-	-	15,721	-	15,721	-	15,721
Loss for the period		-	-	-	-	(33,821)	(33,821)	13	(33,808)
Balances as at March 31, 2024		977,662	363,780	108,175	169,593	(792,683)	826,527	2,019	828,546

The explanatory notes are part of the individual and consolidated interim financial information.

GRANBIO INVESTIMENTOS S.A.

Statements of cash flow
Three-month periods ended March 31, 2024 and 2023
(In R$ thousand)

	Explanatory note	Parent Company		Consolidated	
		03/31/2024	03/31/2023	03/31/2024	03/31/2023
Cash flow from operating activities					
Loss for the period		(33,821)	(33,913)	(33,808)	(34,113)
Adjustments for:					
Depreciation	11.b	50	53	9,549	10,029
Amortization	12	-	-	4,082	4,493
Earnings from short-term investments		-	(2,403)	-	(233)
Write-off of property, plant and equipment		-	-	408	55
Exchange variation		981	-	-	-
Equity result	10.c	29,400	31,422	-	-
Provision for interest on loans and borrowings	14.b	2,129	3,653	7,966	11,828
Provision for interest on other accounts payable		-	-	1,134	-
Deferred income tax and social contribution		-	-	(1,157)	(1,213)
Provision for leasing interest		(20)	(17)	(20)	(17)
Provision for labor contingencies		-	-	(242)	167
Result for adjustments in the period		(1,281)	(1,205)	(12,088)	(9,004)
Change in assets and liabilities:					
Accounts receivable		-	-	171	1,283
Advance to suppliers		-	(14)	(152)	(13,224)
Advance to suppliers - related parties		-	-	-	12,979
Inventories		-	-	3	(39)
Recoverable taxes		-	-	(8)	(27)
Prepaid expenses		(92)	(46)	(88)	(1,040)
Judicial deposits		-	-	(9)	9
Other accounts payable from related parties		-	-	618	1,904
Trade payables		57	19	(5,591)	(996)
Tax and labor obligations		-	30	6,049	(296)
Advances to clients		-	-	-	(1,558)
Other accounts payable		-	(119)	276	(166)
Net cash used in operating activities		(35)	(130)	1,269	(1,171)
Interest on amortized loans and borrowings		(703)	(3,731)	(703)	(3,731)
Net cash used in operating activities		(2,019)	(5,066)	(11,522)	(13,906)
Cash flows from investing activities					
Discharge (placement) of short-term investments		-	36,125	-	-
Related-party loans		(2,707)	-	-	-
Increase in investments	10.c	(7,823)	(5,657)	-	-
Acquisition of property, plant and equipment		(10)	-	(745)	(1,286)
Acquisition of intangible assets	12	-	-	(140)	(6,976)
Net cash produced by (used in) investment activities		(10,540)	30,468	(885)	(8,262)
Cash flows from financing activities					
Loans from related parties		12,559	12,431	12,559	3,508
Payment of loans and borrowings - principal	14.b	-	(1,452)	-	(1,452)
Net cash produced by (used in) financing activities		12,559	10,979	12,559	2,056
Effect of exchange variation on cash and cash equivalents		-	-	(33)	(15)
Net increase (decrease) in cash and cash equivalents		-	36,381	119	(20,127)
Cash and cash equivalents as at January 01		1	1	200	64,723
Cash and cash equivalents as at March 31		1	36,382	319	44,596
Increase (decrease) in cash and cash equivalents		-	36,381	119	(20,127)

The explanatory notes are part of the individual and consolidated interim financial information.

GRANBIO INVESTIMENTOS S.A.

Statements of added value
Three-month periods ended March 31, 2024 and 2023
(In R$ thousand)

	Parent Company		Consolidated	
	03/31/2024	03/31/2023	03/31/2024	03/31/2023
Revenue				
Sales of merchandise, goods and services	-	-	-	1,558
Other revenues and (expenses)	-	-	5,037	15
	-	-	5,037	1,573
Inputs acquired from third parties				
Costs	-	-	(736)	(3,438)
Material, electricity, outsourced services and other operating expenses	(971)	(1,744)	(2,367)	(4,901)
	(971)	(1,744)	(3,103)	(8,339)
Gross added value	(971)	(1,744)	1,934	(6,766)
Depreciation and amortization	(50)	(53)	(13,631)	(14,522)
	(50)	(53)	(13,631)	(14,522)
Net added value	(1,021)	(1,797)	(11,697)	(21,288)
Transferred added value				
Equity result	(29,400)	(31,422)	-	-
Finance revenue	-	3,516	388	4,237
	(29,400)	(27,906)	388	4,237
Added value to be distributed	(30,421)	(29,703)	(11,309)	(17,051)
Distribution of added value				
Personnel				
Direct compensation	-	-	741	780
Benefits	99	43	740	357
Government Severance Indemnity Fund for Employees (FGTS)	-	-	67	70
	99	43	1,548	1,207
Taxes and contributions				
Federal	30	83	9,830	832
State	-	-	135	414
	30	83	9,965	1,246
Interest on third-party capital				
Financial expenses	3,271	4,084	10,986	14,609
	3,271	4,084	10,986	14,609
Return on own capital				
Profit (loss) retained	(33,821)	(33,913)	(33,821)	(33,913)
Non-controlling interest	-	-	13	(200)
	(33,821)	(33,913)	(33,808)	(34,113)
Total	(30,421)	(29,703)	(11,309)	(17,051)

The explanatory notes are part of the individual and consolidated interim financial information.

1. Reporting entity

GranBio Investimentos S.A. ("GranBio" or "Company") is a privately held company having its registered office at Av. Professor Almeida Prado, 532 – Edif. Prédio, 50, Butantã, in the city and state of São Paulo. It was founded on June 13, 2011. Its ultimate and direct parent company is GranInvestimentos S.A., which has its registered office at Av. Faria Lima, 3144 – 3º andar, Jardim Paulistano, in the city and state of São Paulo.

GranBio is a holding company and its subsidiaries are mainly engaged in: (a) logistical and technological solutions for supplying biomass (b) creating viable flexible biorefineries that can be rolled out on an industrial scale to convert biomass into cellulose sugar, biofuels, biochemicals, nanocellulose and other ligno-cellulosic materials, in addition to electricity; (c) developing and licensing patents and intellectual property in the renewables sector using biomass as a raw material; and (d) generating and cogenerating renewable electric power.

Through its subsidiaries in the United States of America (USA), the Company develops and licenses clean technology to produce nanocellulose and biochemicals. GranBio LLC has upwards of 400 patents, including registered patents and applications, for various proprietary technologies it has developed. The Thomaston Research Center in Georgia, USA, has four integrated pilot plants that have been continuously operating for 12 years.

In February 2023, the United States Department of Energy (D.O.E.) announced a grant of USD 80 million to AVAPCO LLC, a subsidiary of GranBio, for the construction of a biorefinery to convert biomass into sustainable aviation kerosene or sustainable aviation fuel (SAF).

AVAPCO LLC, a subsidiary of GranBio LLC, reached an agreement in September 2023 with UOP LLC, a subsidiary of the Honeywell International Company, supporting the construction of a plant to produce advanced aviation fuel (Sustainable Aviation Fuel – SAF) providing engineering services and technology licenses, in addition to the development of modular engineering in the design of the plant.

GranBio entered a global alliance with Nuseed through 2034 for the technical development of sugarcane varietals as a source of biomass for second-generation biochemicals and fuels (2G). The alliance with Nuseed guarantees GranBio an exclusive cane-energy licensing contract in 2G biorefineries worldwide.

The Company's individual and consolidated interim financial statements embraces the Company and its subsidiaries (jointly referred to as 'Group').

Continued operation

On March 31, 2024, the Company presented a consolidated net working capital deficiency of R$ 94,115 and accumulated losses of R$ 792,863.

Due to the business characteristics of a technology firm, Management is continuously evaluating the ability of the Company and its subsidiaries to keep generating sufficient cash flow to ensure the continuity of its operations for the foreseeable future, by either generating operating cash flows, disposing of assets, external funding, or shareholder funding.

As regards the subsidiary BioFlex Agroindustrial S.A., the Group monitors projected short-term cash flow, which reflects the expected use of the recently implemented asset and the investments being made to achieve commercial capacity in an ongoing operation. Additionally, in January 2023 we engaged consultancy services from a specialized engineering company to develop a project to increase production capacity from 30 million liters per year to 60 million liters per year from 2026 and potentially 200 million liters/year from 2027 combining 2G ethanol and 1G ethanol, produced from residual molasses.

The Company's Business Plan is based on the following actions already carried out impacting estimated future cash flows:

- On March 09, 2022, the Parent Company GranInvestimentos S.A., through its shareholders, fully settled Working Capital financing, which as at December 31, 2021 was R$12,637, reducing the Company's total bank indebtedness.

- On September 08, 2022 the direct subsidiary BioEdge Agroindustrial Ltda. and Atlântica Sementes S.A, of Nuseed Group, entered into a long-term strategic alliance to accelerate investments in Research and Development (R&D) and sales in global sugarcane markets. Atlântica Sementes S.A acquired the commercial and sugarcane processing assets from the indirect subsidiary BioVertis Produção Agrícola Ltda. and the R&D program in order to improve the value of the energy produced by innovating in bioenergy cane. GranBio will continue investing in cane energy by way of Nuseed Group and will be the exclusive license holder of cane energy as a raw material for 2G applications in the ligno-cellulosic field, such as cellulose sugar and lignin, 2G ethanol, biochemicals, SAF and renewable materials worldwide. The agreement will allow the value chain for biomass fuel to become an even more versatile solution to guarantee a secure supply of renewable raw material on a large-scale without competing with food products;
- On November 10, 2022 and December 05, 2022 the indirect subsidiary BioFlex Agroindustrial S.A. entered into a re-profiling agreement with Banco do Brasil S.A. and Bradesco S.A., respectively, which involved the granting of a partial reduction of the balance payable on the financing lines and guarantee commission contracted with the two institutions, as well as the granting of a grace period for principal and interest. The total exposure as of March 31, 2024 is R$ 121,365 with Banco do Brasil S.A. and R$ 83,505 with Bradesco S.A., respectively;
- On December 30, 2022 the indirect subsidiary BioFlex Agroindustrial S.A. and the then investee Companhia Energética de São Miguel dos Campos (CESM) entered into an operation that involved the assumption by CESM of the entirety of the existing debt contracted by BioFlex Agroindustrial S.A. with the National Bank for Economic and Social Development - BNDES. This debt assumption will provide the Company and its subsidiaries with substantial debt relief, maintaining the long-term contract with CESM for the supply of energy and steam for the operations of the Company and its subsidiaries. On February 24, 2023, 50% of the CESM shares held by BioFlex were transferred to Usina Caeté S.A. without a gain or loss in the operation, as detailed in Note 5.a.;
- Through its subsidiary AVAPCO, on January 26, 2023 GranBio obtained a new grant line of up to USD 80 million from the U.S. Department of Energy (DOE) for the construction of an integrated 2G SAF (Sustainable Aviation Fuel) biorefinery on a demonstrative scale, equivalent to 6 million liters per year, and a joint industrial-scale nanocellulose plant using wood and sugarcane trash as raw materials;

- On September 1, 2023, the debt of the indirect subsidiary BioFlex Agroindustrial S.A with Banco Itaú, originally classified as Guarantee Honor, was renegotiated through a Bank Credit Certificate (CCB) instrument. On September 13, 2023, the related party Olympia Shipping B.V, a subsidiary of Stratus Energy B.V, which has the same controlling shareholders as GranBio, assumed the loan on behalf of BioFlex in the amount of R$38,633 equivalent to USD 7,857. Subsequently, on October 19, 2023, Olympia Shipping B.V onerously assigned such credit which, on that date, was recognized in the amount of R$ 39,586, to its controlling company, Stratus Energy B.V, with the consent of BioFlex which, on the same date, through of a Private Payment Instrument and Other Covenants, assigned 22,848 units of BLFE11 Debentures, paying off the balance payable to the related party;
- On December 28, 2023, the Parent Company GranInvestimentos S.A., through its shareholders, paid off sub-credit "A" of the financing with Financiadora de Estudos e Projetos (FINEP), in the amount of R$ 48,963 Explanatory Note 14.

The planned actions that impact the future cash flow estimates are:

- The Company is implementing its capital restructuring plan through: (i) identifying a strategic partner for joint action in the development of its business plan for technology marketing and licensing, selling second generation ethanol and biochemicals, and an investing partner for the advanced jet fuel production plant (Sustainable Aviation Fuel – SAF); and (ii) negotiating ethanol presale contracts as cash advances strategy to optimize its working capital equation and accelerate investments to raise BioFlex I's capacity, focusing on the return of its operations for the 2024/2025 harvest.

Considering the business plan, Management believes that obligations will be paid as planned, and that the cash flow generation will be appropriate to meet its obligations in the foreseeable future.

However, if the business plan is not successful, the Company's current controlling shareholders have formally committed to continue supporting the Company in all actions required for continuity, including the commitment to allocate additional resources in sufficient amount.

Based on its evaluation, Management has concluded that there is no significant uncertainty as to the Company's ability to continue in operation for the foreseeable future. Therefore, the Company and its subsidiaries' individual and consolidated interim financial statements was prepared under the assumption of continuity.

2. List of subsidiaries

Direct subsidiaries

- BioEdge Agroindustrial Ltda.: Company that invests, on a commercial scale, in second-generation ethanol and biochemical plants;
- GranBio LLC: A US-based company engaged in investing in companies strategically related to the Company's business plan, by creating technologies for converting biomass into cellulose sugar for biochemicals and second-generation ethanol, in addition to developing nanocellulose for a range of industries.

Indirect subsidiaries

- BioFlex Agroindustrial S.A.: Company engaged in the production of biomass, processing biomass for the production and sale of biofuel, electricity, biochemicals and pharmachemicals, technological research and development, sale of sugarcane straw, bagasse and biomass;
- GranBio Intellectual Property Holdings LLC: Owner of all the patents and industrial and technological secrets developed by GranAPI LLC and its subsidiaries;
- GranBio Conversion Technologies LLC: Company that owns the Thomaston asset, a demonstration plant for existing biomass conversion technologies. This company has a leasing agreement of its assets with AVAPCO LLC;
- American Green + LLC: Company that holds the sublicensing rights of technologies owned by GranBio Intellectual Property Holdings LLC for converting biomass into cellulosic ethanol;
- AVAPCO LLC: Company that holds the sublicensing rights of technologies owned by GranBio Intellectual Property Holdings LLC for converting biomass into cellulosic ethanol and nanocellulose. This company leases the Thomaston asset (a demonstration plant) from GranBio Process Conversion Technologies LLC to develop new technologies and provide services to clients;
- GranBio Services Inc.: A US-based company that invests in companies strategically related to the Company’s business plan. It is the holding company of the three companies below:

  - ✓ Alpena Biorefinery Inc.: Company providing water treatment services to the paper and pulp company Decorative Panels International, located in Alpena, MI, and the production and sale of molasses to other clients;
  - ✓ Alpena Protoype Bioref LLC: Nonoperating company owner of the Alpena Biorefinery land;
  - ✓ Alternative Bioprod Inv. LLC: Nonoperating company.

Note 5 shows the percentage of interests in the direct and indirect subsidiaries and joint ventures.

3. Basis of preparation and presentation of the individual and consolidated interim financial statements

The Board of Directors approved the preparation of the individual and consolidated interim financial statements on May 07, 2024.

The Company's individual and consolidated interim information for the period ended March 31, 2024 comprise the individual and consolidated interim financial statements of the Company and its subsidiaries. In the individual and consolidated interim financial statements, the corresponding interest in the subsidiaries is presented using the equity method.

Statement of compliance

The Company's individual and consolidated interim financial statements were prepared and are presented in accordance with NBC TG 21 (R4) and the individual and consolidated interim accounting information in accordance with NBC TG 21 (R4) and international standards IAS 34 – "Interim Financial Reporting", issued by the "International Accounting Standards Board – (IASB)" and with the standards issued by the Securities and Exchange Commission, applicable to individual and consolidated interim financial statements. NBC TG 21 (R4) / IAS 34 requires the use of certain accounting estimates by the Company's Management. The individual and consolidated interim financial statements were prepared based on historical cost, except for certain financial assets and liabilities that are measured at fair value. These individual and consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and, therefore, should be read in conjunction with the financial statements for the year ended December 31, 2023, which were prepared in accordance with the accounting practices adopted in Brazil and international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB). There were no changes in the accounting practices adopted in the period ended March 31, 2024 in relation to those applicable as of December 31, 2023.

Details on the Group's main accounting policies are presented in Note 5.

Functional and presentation currency

The individual and consolidated interim statements are being presented in Brazilian Reais, which is the Company and its subsidiaries' functional currency, except the subsidiary GranBio LLC and its direct and indirect subsidiaries, whose functional currency is the US Dollar. All balances have been rounded to the nearest thousand, unless otherwise indicated.

Use of estimates and judgments

In preparing the individual and consolidated interim statements, Management has made judgments and used estimates that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

a. Judgments

The information on judgments made in applying the accounting policies that have significant effects on the amounts recognized in the individual and consolidated interim statements are included in the following notes:

- Note 1 – Reporting Entity (Operation continuity): Management's evaluation of how the Group will produce and/or obtain capital to support operations over the next 12 months;
- Note 5 – Significant accounting policies (a. Consolidation basis): determination whether the Company has control over an investee;
- Note 10 - Investments: determines whether the Company has influence over an investee;
- Note 11 - Property, plant and equipment and Note 12 – Intangible assets: impairment test, key assumptions underlying the recoverable amounts. For further information see Note 14;
- Note 14 – Loans and borrowings: Compliance with the contractual terms of loans and borrowings;

- Note 18 - Net revenue from goods and services sold: the Group recognizes revenue when it transfers the control of a product or service to the client.

b. Uncertainties about assumptions and estimates

Information about assumptions and estimation uncertainties as of March 31, 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the coming financial year are included in the following notes:

- Note 8 – Inventories: recoverable value of inventory based on market replacement cost, slow-moving products, expired products or products nearing the expiration date and products that do not meet quality standards, recorded as "Cost of products sold" and replacement cost in the market;
- Note 11 – Property, plant and equipment: Assessing the need to conduct impairment tests on property, plant and equipment and key assumptions underlying recoverable amounts. For further information see Note 13;
- Note 12 - Intangible assets: main assumptions underlying the recoverable amounts, including the recoverability of development costs, licenses, intellectual property and goodwill deriving from the business combination; for further information see Note 13.

Measurement of fair value

Several of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities; disclosures are shown in Note 24.

When measuring the fair value of an asset or a liability, the Group used observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs);
- Further information about the assumptions adopted in measuring fair values is included in Note 13.

4. Basis of measurement

The individual and consolidated interim financial statements have been prepared on the historical cost basis, except for the valuation of certain assets and liabilities, such as financial instruments, which are measured at fair value.

5. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these individual and consolidated interim financial statements.

(In R$ thousand)

a. Basis of consolidation

Percentage interest in investees

See below the percentage interest in the direct and indirect subsidiaries and joint ventures on March 31, 2024 and 2023:

	Country	% Interest	
Direct Subsidiaries		03/31/2024	12/31/2023
GranBio LLC	USA	100.00%	100.00%
BioEdge Agroindustrial Ltda.	Brazil	100.00%	100.00%
Indirect Subsidiaries			
BioFlex Agroindustrial S.A.	Brazil	100.00%	100.00%
GranBio - Intellectual Property Holdings LLC	USA	97.00%	97.00%
GranBio Conversion Technologies LLC	USA	100.00%	100.00%
American Green + LLC	USA	100.00%	100.00%
AVAPCO LLC	USA	100.00%	100.00%
GranBio Services Inc.	USA	96.10%	96.10%
Alpena Biorefinery INC (*)	USA	-	100.00%
Alpena Protoype Bioref LLC (*)	USA	-	100.00%
Alternative Bioprod Inv. LLC (*)	USA	-	100.00%

(*) The Group is in the process of corporate restructuring to reduce administrative costs and better manage business segments, and in March 2024, the following indirect subsidiaries that no longer carried out operational activities had their corporate registrations written off: Alternative Bioproducts Investment, Alpena Protoype Biorefinery LL and Alpena Biorefinery Inc.

(i) Subsidiaries

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and could affect those returns through its power over the entity. The interim financial statements of subsidiaries are included in the individual and consolidated interim financial statements from the date on which control commences until the date on which control ceases.

The subsidiaries' interim financial statement is recognized in the parent company's interim financial statement by the equity-income method.

(ii) Investments in equity-accounted investees

The Group's investments in entities valued by the equity method consists of interests in subsidiaries, in the individual interim financial statements.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the individual and consolidated interim financial statements. Unrealized gains arising from transactions with investees recorded by the equity income method are eliminated against the investment in proportion to the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of an impairment loss.

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any gain or loss arising from the loss of control is recognized in profit or loss.

(v) Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

b. Foreign currency

(i) Foreign-currency transactions

Foreign-currency transactions are translated to the respective functional currencies of Company's entities at exchange rates on the dates of the transactions.

Cash assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate on the reporting date. Non-cash assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rates on the date of the transaction. Foreign currency differences are generally recognized in profit or loss.

The investees' statements of profit or loss and cash flow, not in the parent company's functional currency, are translated to Brazilian Real at the average monthly exchange rate; assets and liabilities are translated at the closing rate and other equity items are translated at the historic rate.

Exchange variation on investments in subsidiaries and associated companies, with a functional currency different from the Parent Company, are recorded in equity as an accumulated translation adjustment, and are transferred to profit or loss when investments are sold.

(ii) Overseas subsidiaries

The assets and liabilities of overseas subsidiaries, including goodwill and fair value adjustment from acquisition, are translated into Brazilian Real at the exchange rate on the reporting date. The income and expenses of overseas subsidiaries are translated into Brazilian Real at the exchange rate on the dates of the transactions.

Foreign currency differences generated on translation into the presentation currency are recognized in other comprehensive income and accumulated in the asset and liability valuation adjustment in equity. If the subsidiary is not a wholly owned subsidiary, the corresponding proportion of the translation difference is attributed to non-controlling interests.

c. Revenues

Revenue is measured based on the consideration specified in a contract with the client. The Group recognizes revenue when it transfers control over a good or service to a client or when the sale/concession of the license takes place.

The following topics provide information about the nature and timing of the satisfaction of performance obligations in contracts with clients, including significant payment terms, and the related revenue recognition policies:

- Receita de taxas de serviço: a receita é reconhecida ao longo do tempo conforme os Service fee income: revenue is recognized over time as services are provided. The stage of completion to determine the amount of revenue to recognized is assessed based on surveys of work performed. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices. The stand-alone selling price is determined based on the list prices at which the Group sells the services in separate transactions. Invoices are issued monthly and are usually payable within 30 days;
- License revenue: the Company's license revenue is recognized at the specific time of sale or concession, since, at that time, the client can determine how and when to use this license without needing the Company’s performance, that is, the Company will no longer carry out any activities that significantly affect the intellectual property under that license to which the client has rights. Therefore, the license provides the right to use the Company's intellectual property as it exists at the time it is sold and granted and, for this reason, revenue is recognized at that specific time of the sale and concession of the license, as its intellectual property does not change, and the client obtains control at the time the license is granted;
- Revenue from collaboration agreements: revenue is deferred and recognized over time, on a straight-line basis, according to the time determined in the agreement between the parties. Revenue from collaboration agreements also includes revenue recognition from the development of new products. The price and billing methods are determined in specific negotiations with each client.

d. Employee benefit

Short-term employee benefits

Short-term employee benefits obligations are recognized as personnel expenses as the corresponding service is provided. The liability is recognized for the expected payable amount if the Group has a present legal or constructive obligation to pay this amount as a result of service provided by the employee, and the obligation can be reliably estimated.

e. Financial revenues and expenses

The Company’s financial revenues and expenses include:

- Interest revenues and expenses;
- Net gain/loss on financial assets at fair value through profit and loss;
- Foreign-currency gain/loss on financial assets and liabilities.

Interest revenues and expenses are recognized using the effective interest method.

'Effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument by:

- Gross carrying amount of the financial asset; or
- At amortized cost of the financial liability.

When calculating the interest revenues and expenses, the effective interest rate is charged on the gross carrying amount of the asset (when the asset is not impaired) or at the amortized cost of the liability. However, interest revenue is calculated by applying the effective interest rate to the amortized cost of the financial asset suffering impairment after initial recognition. If the asset is no longer impaired, the interest revenue is once again calculated on the gross amount.

f. Inventories

Inventories are valued at the lowest average purchase or production cost and net realizable value. The Group considers the following when determining the provision for inventory losses: low turnover products, expired or expiring products and products that do not meet quality standards at market replacement cost, recorded as “Cost of products sold”. As described in Note 8, inventories are classified into raw materials and inputs necessary for the production of 2G ethanol.

a. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at historical cost of acquisition or construction, which includes the capitalized borrowing costs, less accumulated depreciation and any impairment losses, when applicable.

If parts of an item of property, plant and equipment have different useful lives, they are recorded as individual items (major components) of property, plant and equipment. Gains and losses on the sale of an item of property, plant and equipment (calculated by the difference between the proceeds from the sale and the book value of the property, plant and equipment) is recognized in other operating income/loss.

(ii) Subsequent expenditure

Subsequent expenses are capitalized to the extent that it is probable that future benefits associated with the expenditures will accrue to the Group. Recurring maintenance and repair expenses are recorded in profit/loss.

(iii) Depreciation

Depreciation is calculated to amortize the cost of property, plant and equipment items, net of their estimated residual values, using the straight-line method on the estimated useful lives of the items and the depreciation is recognized in profit/loss. Depreciation is recognized in profit or loss. The right-of-use asset is subsequently amortized using the straight-line method from the inception date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group at the end of the lease term or the cost of the lease right-of-use asset reflects that the Group will exercise a call option. In that case the right-of-use asset will be amortized over its lifetime. Land is not depreciated.

(In R$ thousand)

Property, plant and equipment items are depreciated from the date they are installed and available for use, or in the case of internally built assets, from the day construction is completed and the asset is available for use.

The estimated useful lives are (in years):

Property, plant and equipment	03/31/2024	12/31/2023
IT equipment	2 – 10	2 – 10
Vehicles	5	5
Furniture and fixtures	10 – 15	10 – 15
Lab plant and equipment	10 - 25	10 - 25
Agricultural plant and equipment	10 - 30	10 - 30
Improvements to rented property	30	30
Machinery, equipment, and industrial facilities	5 - 60	5 - 60
Lease rights-of-use	10	10
Buildings and constructions	30 - 60	30 - 60

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

The Company hired a company specialized in evaluating the useful lives of the main assets of the indirect subsidiary BioFlex, and the new useful lives began to be considered in January 2023. For 2024, Management understood that there is no change in depreciation rates, after reviewing the work carried out for the previous year.

b. Intangible assets and goodwill

(i) Goodwill

The goodwill resulting from the acquisition of subsidiaries is measured at cost, less impairment test losses.

(ii) Research and development

Expenditure on research activities is recognized in profit or loss as incurred.
Development expenditures are capitalized only if development costs can be reliably measured, if the product or process is technically and commercially viable, if future economic benefits are probable, and if the Group has the intention and sufficient resources to complete development and use or sell the asset. After initial recognition, capitalized development expenditures are measured at cost, less accumulated amortization, and any impairment losses.

(iii) Other intangible assets

Other intangible assets that are acquired by the Group that have finite useful lives are measured at cost, less accumulated amortization and accumulated impairment losses. Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. Amortization is calculated on the cost of an asset, or other equivalent cost, less the residual value.

(iv) Subsequent expenses

Subsequent expenses are only capitalized when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenses are recognized in the statement of profit or loss when incurred.

(In R$ thousand)

(v) Amortization

Amortization is recognized in profit of loss using the straight-line method based on the estimated useful lives of intangible assets, from the date they are available for use.

The estimated useful lives are as follows (in years):

Intangible	03/31/2024	12/31/2023
Software	5	5
Technology licenses and intellectual property	30	30
Development - Energy Cane	12	12

(i) Licenses, technological intellectual property and goodwill arising from the business combination

Intangible assets are recorded at acquisition cost or at the fair value of intangible assets acquired in a business combination, less accumulated amortization calculated using the straight-line method, when applicable. These intangible assets are tested for impairment according to the accounting policy in Note 5 (k.ii). Goodwill is not amortized.

c. Financial instruments

(i) Recognition and initial measurement

Trade receivables and issued debt securities are initially recognized on the date they were originated.

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

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value. A trade receivable without a significant financing component is initially measured at transaction price.

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured: at amortized cost or fair value through profit or loss - FVTPL.

Financial assets are not reclassified after initial recognition, unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period subsequent to the change in business model.
A financial asset is measured at amortized cost if it meets both of the following conditions below and it is not designated as being measured at FVTPL:

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

A debt instrument is measured at FVTPL.

Financial assets held for trading or managed with performance evaluated based on fair value are measured at FVTPL.

Financial assets

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest revenue, exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial liabilities

Financial liabilities were classified as measured at amortized cost or at FVTPL. A financial liability is classified at FVTPL if it is classified as held for trading, is a derivative or is designated as such upon initial recognition. Financial liabilities measured at FVTPL are measured at fair value and net income (loss), including interest, is recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expenses, exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when the Group transfers the contractual rights to receive the contractual cash flows on a financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and also does not retain control over the financial asset.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligation is discharged, canceled, or expires. The Group also derecognizes a financial liability when the terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Upon derecognition of a financial liability, the difference between the former carrying amount and the consideration paid (including assets transferred that do not carry cash or liabilities assumed) is recognized in profit or loss.

(iv) Offsetting

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends to settle them on a net basis or to realize the asset and settle the liability simultaneously.

d. Capital share

Common shares are classified as equity.

Additional costs directly attributable to the issuance of common shares and share options are recognized as a deduction from equity. Tax effects relating to transaction costs of these transactions are accounted for in accordance with CPC 32. /IAS 12.

e. Impairment

(i) Non-derivative financial assets

Financial instruments and contractual assets

The Group recognizes provisions for expected credit losses on:

- Financial assets measured at amortized cost; and
- Contract assets.

The Group measures the loss allowance at an amount equal to the ECL. Provisions for losses on trade receivables and contract assets are measured at an amount equal to the expected credit loss for the entire life of the instrument.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating the ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information and analyses based on the Company's historical experience, credit assessment and forward-looking information.

The Group assumes that the credit risk of a financial asset has increased substantially if it is more than 30 days overdue.

The Group considers a financial asset to be in default when:

- It is highly unlikely that the debtor will pay all its credit obligations without resorting to actions such as enforcing the guarantee (if applicable); or
- The financial asset is more than 90 days overdue.

The Group considers that a debt security has a low credit risk when its credit risk rating is equivalent to the globally accepted definition of "investment grade".

- Lifetime ECLs are ECLs that result from all possible default events over the expected life of a financial instrument;
- 12-month ECLs are ECLs that result from possible default events within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered to estimate the expected credit loss is the maximum contractual period during which the Group is subject to credit risks.

Measuring expected credit losses

Expected credit losses are estimates weighted by the probability of credit loss. Credit losses are measured at present value based on all cash shortfalls (i.e. the difference between the cash flows due to the Group under the contract and the cash flows expected to be received). Expected credit losses are discounted at the financial asset's effective interest rate, when applicable.

Impaired financial assets

At each reporting date, the Group evaluates whether the financial assets recorded at amortized cost are impaired. A financial asset is 'impaired' when one or more events occur that have a detrimental impact on the estimated future cash flows of the financial asset. Objective evidence that a financial asset is impaired includes the following observable data:

- Significant financial difficulty of the issuer or borrower; violation of contractual clauses, such as default or being more than 90 days overdue;
- Restructuring of an amount due to the Group under conditions that will not be accepted under normal circumstances;
- The probability that the borrower will file for bankruptcy or undergo another type of financial reorganization;
- The disappearance of an active market for that financial asset because of financial difficulties.

Presenting the provision for expected credit losses in the statement of financial position

The provision for financial asset losses measured at amortized cost is deducted from the gross carrying amount of the assets, when applicable.

Write-off

The gross book value of a financial asset is written off when the Group has no reasonable expectation to fully or partially recover the financial asset. The Group does not expect any significant recovery of the amount written off. However, the financial assets written off may still be subject to execution of credit for compliance of the Company's procedures established for the recovery of due amounts.

(ii) Non-financial assets

At each reporting date the Group reviews the carrying amounts of its non-financial assets (except biological assets and inventory) for signs of impairment. If there is such an indication, the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped into the smallest group of assets that generate cash inflows from continuing use that are largely independent of cash inflows from other assets or CGUs (cash generating units). Goodwill resulting from a business combination is allocated to the CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGUs is the higher of its value in use and its fair value less selling expenses. Value in use is based on estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (or group of CGUs) and then to reduce the carrying amount of the other assets in the CGU (or group of CGUs) on a pro rata basis.

An impairment loss with respect to goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

f. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. When the Group expects the amount of a provision to be reimbursed, in whole or in part, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement. The increase in the obligation due to the passage of time is recognized as a financial expense.

g. Statement of added value

The Group prepared the statements of value added pursuant to technical pronouncement CPC 09 - Statement of value added, which are presented as an integral part of the individual and consolidated interim financial statements in accordance with accounting practices adopted in Brazil applicable to publicly held companies, while for IFRS they represent supplementary financial information.

h. New and revised technical pronouncements applied for the first time in 2023

The new IFRS standards will only be applied in Brazil after issued in Portuguese by the Accounting Pronouncements Committee and approved by the Federal Accounting Council.

(i) Change in standard IAS 1/CPC 26 Presentation of Financial Statements;

In February 2021, the IASB issued amendments to IAS 1, which aim to make accounting policy disclosures more informative, replacing the requirement to disclose "significant accounting practices" with "material accounting policies". The amendments also provide guidance on the circumstances in which accounting policy information is likely to be considered material and therefore requiring disclosure.

These changes have no effect on the measurement or presentation of any items in the Company's individual and consolidated interim financial statements, but they do affect the disclosure of its accounting policies.

(ii) Change in standard IAS 12/CPC 32 Taxes on Profit;

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

In May 2021, IASB issued amendments to IAS 12, with clarifications on the exemption from initial recognition for certain transactions that result in both an asset and a liability being recognized simultaneously (for example, a lease under IFRS 16). The amendments clarify that the exemption does not apply to the initial recognition of an asset or liability that, at the time of the transaction, generates equal taxable and deductible temporary differences.

These changes had no effect on the Company's individual and consolidated interim financial statements.

- International Tax Reform – Pillar Two Model Rules

In December 2021, the Organization for Economic Co-operation and Development (OECD) released a draft legislative framework for a global minimum tax that should be used by individual jurisdictions. The aim of the framework is to reduce the shifting of profits from one jurisdiction to another, to reduce overall tax obligations across business structures. In March 2022, the OECD released detailed technical guidance on the Pillar Two rules.

Stakeholders have raised concerns with the IASB about the potential implications for income tax accounting, especially deferred tax accounting, arising from the Pillar Two model rules.

IASB issued the final Amendments to the International Tax Reform – Pillar Two Model Rules in response to stakeholder concerns on May 23, 2023.

The amendments introduce a mandatory exception for entities from recognizing and disclosing information on deferred tax assets and liabilities related to the Pillar Two model rules. The exception takes effect immediately and retrospectively. The amendments also provide for additional disclosure requirements with respect to an entity's exposure to Pillar Two income tax.

Management has determined that the Company is not within the scope of the OECD Pillar Two Model Rules and the exception to the recognition and disclosure of deferred tax information.

(iii) Change in standard IAS 8/CPC 23 Accounting Policies, Changes in Estimates and Rectification of Errors;

The amendments to IAS 8, which added the definition of accounting estimates, clarify that the effects of a change in information or measurement technique are changes in accounting estimates, unless they result from the correction of errors from previous periods. These changes clarify how entities distinguish between changes in accounting estimates, changes in accounting policy and errors from prior periods.

These changes had no effect on the Company's individual and consolidated interim financial statements.

(In R$ thousand)

i. New standards, revisions and interpretations issued that have not yet entered into force on December 31, 2023

For the following standards had no effect on the Company's individual and consolidated interim financial statements, namely:

(i) Changes to IFRS 16/CPC 06 (R2) - add subsequent measurement requirements for sale and leaseback transactions, which satisfy the requirements of IFRS 15/CPC 47 - effective for periods beginning on or after 01/01/2024;
(ii) Changes to standard IAS 1/CPC 26 - clarifies aspects to be considered for classifying liabilities as current and non-current - effective for periods beginning on or after 01/01/2024;
(iii) Changes to standard IAS 1/CPC 26 – clarifies that only covenants to be fulfilled at or before the end of the reporting period affect the entity's right to postpone the settlement of a liability for at least 12 months after the date of report - effective for periods beginning on or after 01/01/2024;
(iv) Changes to IAS 7/CPC 03 (R2) and IFRS 7/CPC 40 (R1) – clarifies that the entity must disclose supplier financing agreements, with information that allows users of the financial statements to evaluate the effects of these agreements on the liabilities and cash flows of the entity - effective for periods beginning on or after 01/01/2024;
(v) Changes to IAS 21/CPC 02 (R2) - require the disclosure of information that allows users of individual and consolidated interim financial statements to understand the impact of a currency not being exchangeable - effective for periods beginning on or after 01/01/2025.

6. Cash and cash equivalents

	Parent Company		Consolidated	
	03/31/2024	12/31/2023	03/31/2024	12/31/2023
Cash and banks - checking account	1	1	319	200
Total	1	1	319	200

Cash and cash equivalents include cash, bank deposits that are used for payments and receipts for the Company’s operations, in addition to short-term investments.

7. Accounts receivable

	Consolidated	
	03/31/2024	12/31/2023
Accounts receivable	246	404
(-) Provision for impairment losses	(167)	(167)
	79	237

Receivables maturities

The maturities of receivables are presented below:

	Consolidated	
	03/31/2024	12/31/2023
Neither past due nor impaired	31	45
1 to 30 days past due	-	146
91 to 360 days past due	-	-
More than 1 year past due	215	213
	246	404

(In R$ thousand)

8. Inventories

	Consolidated	
	03/31/2024	12/31/2023
Consumables (i)	5,796	5,796
Finished goods	25	25
Storeroom materials	2,784	2,787
Total	8,605	8,608

(i) Balance of various consumables used to produce 2G ethanol. One of the main inputs for producing 2G ethanol are the enzymes which are stored in a specific location with a suitable temperature so as not to lose their productive capacity. On March 31, 2024 and December 31, 2023 R$ 4,753, equivalent to 286,000 Kg is held by third parties.

Inventory risk:

- Inventory counts are carried out periodically and, when necessary, the corresponding adjustments are recorded. However, in recent years there have been no significant inventory adjustments. The balance of provision for impairment with inventories is R$182 on March 31, 2024 (R$182 on December 31, 2023).

9. Related-party transactions

The Company has transactions with its direct subsidiaries, indirect subsidiaries, joint ventures, parent companies and associated companies, with the objective of providing funds for the maintenance of its operations. These operations have no remuneration or maturity, as agreed between the parties.

Transactions between related parties refer to loans to supply cash and commercial transactions that refer to transacted amounts of shared costs and other commercial transactions.

On March 31, 2024, and December 31, 2023, the balances are presented as follows

- Parent Company:

		03/31/2024		12/31/2023	
	Relation	Asset	Liability	Asset	Liability
Loans to related parties					
GranBio LLC (i)	Subsidiary	-	31,641	-	30,660
BioEdge Agroindustrial Ltda. (ii)	Subsidiary	5,127	-	2,429	-
BioFlex Agroindustrial S. A. (ii)	Subsidiary	9	-	-	-
GranInvestimentos S.A. (iii)	Parent company	-	12,559	-	-
Total		5,136	44,200	2,429	30,660
Current		-	44,200	-	30,660
Non-current		5,136	-	2,429	-

(In R$ thousand)

- Consolidated:

	Relation	03/31/2024 Asset	03/31/2024 Liability	12/31/2023 Asset	12/31/2023 Liability
Loans to related parties					
GranInvestimentos S.A. (iii)	Parent company	-	12,559	-	-
Total		-	12,559	-	-
Other accounts payable to related parties					
Fundo de investimentos de acionistas (iv)	Other	-	32,727	-	31,890
Stratus Energy B.V. (v)	Other	-	11,579	-	11,282
Total		-	44,306	-	43,172
Grand Total		-	44,306	-	43,172
Current		-	12.559	-	-
Non-current		-	44.306	-	43.172

(i) Loans taken out from GranBio LLC with a defined maturity;
(ii) Denote the amounts in the Company's current account with its subsidiaries. The loans are interest free and have no defined maturity date;
(iii) Amounts received from the Parent Company to supply cash for operational activities. The operations do not bear interest and do not have a defined maturity;
(iv) Part of the debentures issued by the indirect parent company BioFlex Agroindustrial S.A. held by an investment fund of the final beneficiaries of GranInvestimentos S.A. 18,000 shares in the updated amount of R$ 32,727;
(v) Refers to 6,368 units of BFLE11 debentures for the updated value of R$11,579;

Key management personnel compensation:

	Parent Company 12/31/2023 to 03/31/2024	Parent Company 12/31/2022 to 03/31/2023	Consolidated 12/31/2023 to 03/31/2024	Consolidated 12/31/2022 to 03/31/2023
Key management personnel compensation	(56)	(57)	(217)	(271)
Total	(56)	(57)	(217)	(271)

The amount paid as key management personnel compensation is included in personal expenses disclosed in Note 20.

10. Investments

a. Breakdown of balances:

	Parent Company 03/31/2024	Parent Company 12/31/2023
Direct and indirect subsidiaries	943,075	948,931
Total	943,075	948,931

b. Direct investments:

	Equity 03/31/2024	Equity 12/31/2023	Loss for the Period 03/31/2024	Loss for the Period 03/31/2023
Investees				
BioEdge Agroindustrial Ltda.	431,113	460,501	(29,388)	(24,534)
GranBio LLC	511,962	488,430	(12)	(6,888)
	943,075	948,931	(29,400)	(31,422)

(In R$ thousand)

Changes in investments

c. Direct subsidiaries:

	Balance on 12/31/2023	Translation adjustments	Investments (i)	Equity result	Balance on 03/31/2024
Subsidiaries					
BioEdge Agroindustrial Ltda.	460,501	-	-	(29,388)	431,113
GranBio LLC	488,430	15,721	7,823	(12)	511,962
Total investments	948,931	15,721	7,823	(29,400)	943,075

(i) The amount of R$ 7,823 refers to financial contributions made to the investee in based on its cash needs.

	Balance on 12/31/2022	Translation adjustments	Investments (i)	Equity result	Balance on 03/31/2023
Subsidiaries					
BioEdge Agroindustrial Ltda.	464,182	-	-	(24,534)	439,648
GranBio LLC	551,643	(14,585)	5,657	(6,888)	535,827
Total investments	1,015,825	(14,585)	5,657	(31,422)	975,475

(i) The amount of R$ 5,657 refers to financial contributions made to the investee in based on its cash needs.

d. Summary of direct subsidiaries' equity accounts

Direct subsidiaries on March 31, 2024	Assets	Liabilities	Controlling interest	Non-controlling interest	Equity
BioEdge Agroindustrial Ltda.	1,109,530	678,417	431,113	-	431,113
GranBio LLC	573,655	59,674	511,962	2,019	513,981

Direct subsidiaries on March 31, 2023	Assets	Liabilities	Controlling interest	Non-controlling interest	Equity
BioEdge Agroindustrial Ltda.	986,158	546,510	439,648	-	439,648
GranBio LLC	611,972	73,577	535,827	2,568	538,395

(In R$ thousand)

Direct subsidiaries	Net result 03/31/2024	Net result 03/31/2023
BioEdge Agroindustrial Ltda.	(29,388)	(24,534)
GranBio LLC	(12)	(6,888)
	(29,400)	(31,422)

11. Property, plant and equipment

a. Breakdown of carrying amount

- Parent Company:

	03/31/2024			12/31/2023
	Cost	Depreciation	Net	Net
IT equipment	808	(787)	21	16
Improvement to rented properties	688	(91)	597	610
Furniture and fixtures	810	(806)	4	2
Administrative facilities	84	(84)	-	-
Right of use	2,081	(465)	1,616	1,650
	4,471	(2,233)	2,238	2,278

- Consolidado:

	03/31/2024			12/31/2023
	Cost	Depreciation	Cost	Depreciation
IT equipment	3,396	(3,060)	336	241
Furniture and fixtures	1,663	(1,565)	98	99
Lab plant and equipment	4,029	(3,546)	483	497
Agricultural plant and equipment	37,620	(33,547)	4,073	4,301
Improvement to rented properties	4,929	(2,821)	2,108	2,137
Industrial machinery, equipment and facilities	777,288	(145,189)	632,099	641,433
Property, plant and equipment in progress	18,070	-	18,070	11,983
Right of use	2,081	(465)	1,616	1,650
Land	2,133	-	2,133	2,095
Buildings and constructions	42,127	(5,919)	36,208	36,425
Total	893,336	(196,112)	697,224	700,861

(In R$ thousand)

b. Movement in property, plant and equipment:

- Parent Company

	Balance on 12/31/2023	Addition	Write-off	Balance on 03/31/2024
Cost				
Improvements to rented property	688	-	-	688
Furniture and fixtures	807	3	-	810
IT equipment	803	7	(2)	808
Administrative facilities	84	-	-	84
Right of use	2,081	-	-	2,081
Total	4,463	10	(2)	4,471
Depreciation				
Improvements to rented property	(78)	(13)	-	(91)
Furniture and fixtures	(805)	(1)	-	(806)
IT equipment	(787)	(2)	2	(787)
Administrative facilities	(84)	-	-	(84)
Right of use	(431)	(34)	-	(465)
Total	(2,185)	(50)	2	(2,233)
Total property, plant and equipment	2,278	(40)	-	2,238

	Balance on 12/31/2022	Addition	Write-off	Balance on 03/31/2023
Cost				
Improvements to rented property	688	-	-	688
Furniture and fixtures	874	-	-	874
IT equipment	837	-	-	837
Administrative facilities	84	-	-	84
Right of use	2,081	-	-	2,081
Total	4,564	-	-	4,564
Depreciation				
Improvements to rented property	(26)	(13)	-	(39)
Furniture and fixtures	(868)	(3)	-	(871)
IT equipment	(813)	(2)	-	(815)
Administrative facilities	(84)	-	-	(84)
Right of use	(291)	(35)	-	(326)
Total	(2,082)	(53)	-	(2,135)
Total property, plant and equipment	2,482	(53)	-	2,429

(In R$ thousand)

- Consolidated:

	Balance on 12/31/2023	Addition	Write-off	Exchange variation	Balance on 03/31/2024
Cost					
IT equipment	3,248	101	(2)	49	3,396
Furniture and fixtures	1,657	3	-	3	1,663
Lab plant and equipment	5,193	-	(1,277)	113	4,029
Agricultural plant and equipment	37,620	-	-	-	37,620
Improvements to rented property	4,929	-	-	-	4,929
Industrial machinery, equipment and facilities	823,271	-	(49,221)	3,238	777,288
Property, plant and equipment in progress	11,983	5,887	-	200	18,070
Right of use	2,081	-	-	-	2,081
Land	2,095	-	(24)	62	2,133
Buildings and constructions	42,018	-	-	109	42,127
Total	934,095	5,991	(50,524)	3,774	893,336
Depreciation					
IT equipment	(3,007)	(12)	2	(43)	(3,060)
Furniture and fixtures	(1,558)	(4)	-	(3)	(1,565)
Lab plant and equipment	(4,696)	(16)	1,277	(111)	(3,546)
Agricultural plant and equipment	(33,319)	(228)	-	-	(33,547)
Improvements to rented property	(2,792)	(29)	-	-	(2,821)
Industrial machinery, equipment and facilities	(181,838)	(8,964)	48,837	(3,224)	(145,189)
Right of use	(431)	(34)	-	-	(465)
Buildings and constructions	(5,593)	(262)	-	(64)	(5,919)
Total	(233,234)	(9,549)	50,116	(3,445)	(196,112)
Total property, plant and equipment	700,861	(3,558)	(408)	329	697,224

(In R$ thousand)

	Balance on 12/31/2022	Addition	Write-off	Exchange variation	Balance on 03/31/2023
Cost					
IT equipment	3,257	106	-	(43)	3,320
Furniture and fixtures	1,734	-	-	(2)	1,732
Lab plant and equipment	5,495	-	-	(110)	5,385
Agricultural plant and equipment	40,209	-	(285)	-	39,924
Improvements to rented property	4,929	-	-	-	4,929
Industrial machinery, equipment and facilities	846,263	-	-	(3,264)	842,999
Property, plant and equipment in progress	3,942	1,180	-	-	5,122
Right of use	2,081	-	-	-	2,081
Land	2,247	-	-	(55)	2,192
Buildings and constructions	42,284	-	-	(98)	42,186
Total	952,441	1,286	(285)	(3,572)	949,870
Depreciation					
IT equipment	(3,104)	(11)	-	38	(3,077)
Furniture and fixtures	(1,616)	(6)	-	3	(1,619)
Lab plant and equipment	(4,742)	(61)	-	104	(4,699)
Agricultural plant and equipment	(33,716)	(278)	266	-	(33,728)
Improvements to rented property	(2,677)	(29)	-	-	(2,706)
Industrial machinery, equipment and facilities	(155,073)	(9,343)	-	3,213	(161,203)
Right of use	(291)	(35)	-	-	(326)
Buildings and constructions	(4,689)	(266)	-	52	(4,903)
Total	(205,908)	(10,029)	266	3,410	(212,261)
Total property, plant and equipment	746,533	(8,743)	(19)	(162)	737,609

Property, plant and equipment in progress

On March 31, 2024, and December 31, 2023 the balance of property, plant and equipment in progress refers to expenses to upgrade consumables processing and feeding machinery and upgrades to the dedusting system. In addition, a consultancy was hired to project the expansion of 2G ethanol plant's production capacity from 30 million to 60 million liters/year. Expansion expenses started in the first quarter of 2023.

Guarantees

The residual carrying amount of property, plant and equipment pledged as collateral for loans and borrowings amounts to R$ 672,555 on March 31, 2024. For more information see Note 14 c.

Write-off of assets

On March 31, 2024, the amount of R$ 408 represent the write-off of property, plant and equipment of indirect subsidiaries whose corporate records were written off. On March 31, 2023 the amount of R$ 19 represent the write-off for the sale of a vehicle. For more information see Notes 05.a and 21, respectively.

(In R$ thousand)

12. Intangible assets

- Consolidated:

	Software	Development (Yeast and Energy cane) (a)	Joint development (Energy cane)	Licenses and intellectual property	Goodwill	Total
Balance on December 31, 2022	111	11,890	-	447,077	121,484	580,562
Additions	-	-	6,484	492	-	6,976
Amortization (a)	-	-	(135)	(4,358)	-	(4,493)
Exchange variation	-	-	-	(11,626)	(3,197)	(14,823)
Balance on March 31, 2023	111	11,890	6,349	431,585	118,287	568,222
Balance on December 31, 2023	-	11,890	5,944	400,256	112,720	530,810
Additions	-	-	-	140	-	140
Amortization (a)	-	-	(135)	(3,947)	-	(4,082)
Exchange variation	-	-	-	12,774	3,607	16,381
Balance on March 31, 2024	-	11,890	5,809	409,223	116,327	543,249

(a) Amortization expenses were booked as administrative and general expenses.

- Development (yeast and energy cane) - Development of genetically modified yeast to ferment cellulose sugar in the amount of R$ 11,890 on March 31, 2024 and March 31, 2023;
- Joint development (energy cane) – GranBio signed a global alliance with Nuseed Group until 2034 for the technical development of sugarcane varietals as a source of biomass for second-generation biochemicals and fuels (2G). The alliance with Nuseed guarantees an exclusive licensing agreement for energy cane in 2G biorefineries worldwide. In January 2023, R$ 6,484 (USD 1,250) was paid for the first phase of the partnership;
- Licenses and intellectual property – Amounts referring to the development of licenses and intellectual property in the development of nanocellulose technology, biorefineries and commercial and industrial secrets. On March 31, 2019, the amount of R$ 368,086 was recognized referring to the intangible assets identified by Management in the business combination between Granbio LLC and the companies GranAPI LLC, API- Property-Intelectual Holdings LLC, American Process Conversion Technologies LLC and American Process Conversion Technologies Holdco LLC. The amount of technology licenses and intellectual property was calculated based on the expected revenue generated by the sale of licenses to third parties, based on the existing commercial pipeline and growth expected for the number of projects for converting biomass into cellulosic ethanol, biochemicals and nanocellulose;
- Goodwill – Value refers to the expected future earnings of the companies GranAPI LLC, API-Propriety Intellectual Holdings LLC, American Process Conversion Technologies LLC and American Process Conversion Technologies Holdco LLC, through their existing technology. Management used the relief-from-royalty method to estimate the fair value of these companies’ technology. This method assumes that, rather than paying to acquire a business, a company would be willing to pay to exploit the benefits related to this class of assets. This goodwill is not deductible for tax purposes.

13. Impairment analysis

a. Property, plant and equipment

At each annual reporting date, the Group checks whether there is evidence that the carrying amount of a definite-lived asset has incurred impairment. If there is evidence of impairment, a test is carried out to quantify the asset’s recoverable value. The recoverable value of an asset is determined by the higher of: (a) its fair value less estimated costs to sell and (b) its value in use. The value in use is measured based on the discounted cash flows (before tax) deriving from the continuous use of an asset until the end of its useful life.

To reinforce the Management's opinion that there is no indication of devaluation of assets, for the fiscal year ending December 31, 2023, the Company hired an independent valuation company to measure the industrial assets of BioFlex Agroindustrial S.A. using the analysis method of fair value less estimated selling costs.

As a result of the recoverability analysis carried out, an excess of R$ 58,827 was identified on December 31, 2023 over the book value and, therefore, it is not necessary to recognize a reduction in the recoverable value for the cash generating unit.

However, if current or future results are not consistent with the estimates and assumptions used in determining the fair value of property, plant and equipment, the Company may be exposed to losses.

On March 31, 2024, the Group evaluated its property, plant and equipment in the current context and did not identify any indication that they may have suffered devaluation.

(In R$ thousand)

b. Intangible assets and goodwill

Goodwill resulting from business combinations and indefinite-lived intangible assets are tested for impairment at least once a year, in December.

As regards the impairment test for the subsidiary GranBio LLC, on December 31, 2023, the Group used a 10-year cash flow plus perpetuity, without considering growth rate, which reflects the expected use of the recently implemented asset and the investments being made to achieve commercial capacity in an ongoing operation based on financial estimates approved by Senior Management.

The licenses' sale prices were determined based on evidence from target markets. The opex projection was compiled based on the history of costs incurred adjusted to an industrial capacity level of use.

On March 31, 2024, the Group evaluated its intangible assets in the current context and did not identify any indication that they may have suffered devaluation.

14. Loans and borrowings

				Parent Company		Consolidated	
Type	Index	Interest	Maturity	03/31/2024	12/31/2023	03/31/2024	12/31/2023
FINEP-Financing	TJLP	+ 5.00%	Feb/29	78,399	76,973	78,399	76,973
Working capital	CDI	+1.08	Dec/27	-	-	206,870	201,034
				78,399	76,973	285,270	278,007
Current				1,685	390	45,616	32,338
Non-current				76,714	76,583	239,654	245,669

Short-term debt had been putting pressure on the Group's cash flow. Management concluded some renegotiations with financial institutions to lengthen the debt profile in order to readjust its operating cash flow. See Note 1.

Finep - Financing

FINEP financing was contracted with the objective of supporting the Research and Development of Cana Energia Vertix biomass project and proprietary yeasts, in addition to the development of technologies for converting biomass into biochemicals and biofuel.

Financing with final maturity in February 2029, with the updated amount being R$78,399 on March 31, 2024 (R$76.973 on December 31, 2023).

Working capital

Balance from the restructuring of loans and borrowings with main creditors, and the guarantees on loans and borrowings from public banks were exercised by private banks.

Negotiations were made with these private banks and the renegotiated debt was reclassified as Working Capital.

(In R$ thousand)

a. Debt amortization schedule

See below the contractual maturities of financial liabilities:

	Parent Company		Consolidated	
	03/31/2024	12/31/2023	03/31/2024	12/31/2023
1 year	1,685	390	45,616	32,338
2 years	-	-	26,085	24,585
3 years	16,522	16,493	45,249	41,079
4 years and onwards	60,192	60,090	168,320	180,005
Total	78,399	76,973	285,270	278,007

b. Reconciliation of equity changes with cash flows arising from financing activities

	Parent Company	Consolidated
Balance on December 31, 2022	132,376	342,253
Amortization of loans and borrowings (principal)	(1,452)	(1,452)
Provision for interest on loans and borrowings	3,653	11,828
Amortization of loans and borrowings (interest)	(3,731)	(3,731)
Balance on March 31,2023	130,846	348,898
Balance on December 31,2023	76,973	278,007
Provision for interest on loans and borrowings	2,129	7,966
Amortization of loans and borrowings (interest)	(703)	(703)
Balance on March 31,2024	78,399	285,270

a. Guarantees

The Company's debts are secured by bank guarantee and corporate guarantee and real guarantees. Real guarantees are imposed on property, plant and equipment in favor of BNDES, FINEP, Bradesco and Banco do Brasil. The institutions have mortgages on the industrial assets of the subsidiary BioFlex, and FINEP also has a guarantee on agricultural equipment. See amounts of property, plant and equipment given as collateral in Note 11.

b. Covenants

The Group has loans and borrowings in the parent company and in the consolidated statements, maturing in February 2029.

The loans and borrowings contain non-financial operating covenants establishing a range of obligations, listed below:

- Compliance with environmental obligations and legislation, the biosafety quality certificate (CQB) and the Gene Pool Management Council (CGEN);
- Submit federal, state and municipal tax debt clearance certificates;
- Have not incurred protests for indisputable debts;
- Pausing of operating activities;
- Corporate and equity restructuring.

(In R$ thousand)

The Executive Board and its legal advisers understand there was no breach of covenants during the first quarter of 2024 until the date of approval of these individual and consolidated interim financial statements.

15. Trade payables

	Parent Company		Consolidated	
	03/31/2024	12/31/2023	03/31/2024	12/31/2023
Domestic payables	233	176	3,651	3,530
Overseas payables	-	-	31,486	31,761
Total	233	176	35,137	35,291

Trade payables are mainly due to the purchase of raw materials for the 2G ethanol production process and independent auditing and consultancy services acquired.

The Group has not yet developed a proprietary enzyme solution, which means that its technological and licensing process depends on enzyme suppliers, which are currently sourced exclusively from Novozymes North America INC.

16. Provision for contingencies

The Company and its subsidiaries are defendants in lawsuits rated as probable defeats by our legal advisers in the consolidated amount of R$ 392 as of March 31, 2024 (R$634 as of December 31, 2023).

The Company and its subsidiaries are defendants in lawsuits rated as possible defeats by our legal advisers in the consolidated amount of R$326 as of March 31, 2024 (R$ 2,525 as of December 31, 2023), for which no provisions were recorded.

17. Equity

a. Share capital

The ownership structure is as follows:

	March 31, 2024 and December 31, 2023		
	Capital - R$	No. of shares	Interest
Shareholder			
GranInvestimentos S/A	377,662	93,038,165	86%
BNDES Participações S/A	600,000	15,094,340	14%
Total	977,662	108,132,505	100%

b. Advances for Future Capital Increase (AFAC)

The shareholder GranInvestimentos S.A. resolved, in a private instrument of advance for future capital increase, to transfer to the AFAC the total amount of R$ 363,780, which it held receivable from its direct subsidiary GranBio Investimentos S.A. referring to the amounts sent for supply cash from operating activities which will be converted into registered common shares. The Company expects to pay in capital by the end of FY 2024

(In R$ thousand)

c. Capital reserve

In a Shareholders' Agreement signed on April 30, 2013 between BNDESPAR and GranInvestimentos S.A. (shareholders), it was stipulated that the shares were initially issued at R$ 39.75 each. Capital contributions after the signature of this Agreement had the share price updated by the Extended National Consumer Prices Index (IPCA). The variation in the share price between the date of the Shareholders' Agreement and the date of the effective receipt of the capital contribution was multiplied by the total number of paid-in shares, with this variation being recorded as a Capital Reserve.

d. Assets and liabilities valuation adjustments

The asset and liability valuation adjustments item includes accumulated adjustments for foreign currency differences resulting from the translation of the individual and consolidated interim financial statements of foreign operations. In the 3-month period ended March 31, 2024, a translation of R$15,721 was recognized. On March 31,2024, the balance of the item is R$ 169,593.

18. Revenue from goods sold and services rendered

The table below breaks down the company's gross revenue in accordance with CPC 47- item 112A.

	Consolidated	
	12/31/2023 to 03/31/2024	12/31/2022 to 03/31/2023
Revenue from collaboration agreement (i)	-	1,558
Revenue from goods sold and services rendered	-	1,558

(i) Revenue of R$1,558 (USD300) due to recognition of revenue from the contract with Nextchem in the indirect subsidiary American Green + LLC.

For further information on operating revenue see Note 25 - Segment Reporting.

19. Cost of goods sold and services rendered

	Consolidated	
	12/31/2023 to 03/31/2024	12/31/2022 to 03/31/2023
Cost from commercial partner and services provided (i)	(1,756)	(3,001)
Shared project costs (ii)	2,687	256
Idleness cost (iii)	(9,751)	(10,396)
	(8,820)	(13,141)

(i) Operational cost of USA indirect subsidiaries.
(ii) Reimbursements granted by the US Department of Energy (D.O.E.) in projects to develop new technologies, which have shared costs with AVAPCO, a direct subsidiary of GranBio LLC.
(iii) Cost mainly related to depreciation of the 2G ethanol industrial plant of the indirect subsidiary BioFlex, on March 31, 2024 was R$8,955 (R$9,242 on March 31,2023).

(In R$ thousand)

20. Administrative and general expenses

	Parent Company		Consolidated	
	12/31/2023 to 03/31/2024	12/31/2022 to 03/31/2023	12/31/2023 to 03/31/2024	12/31/2022 to 03/31/2023
Depreciation and amortization (i)	(51)	(52)	(4,672)	(4,830)
Third-party services (ii)	(820)	(1,582)	(2,766)	(3,990)
Personnel expenses	(99)	(43)	(1,652)	(1,547)
Insurance	(46)	(46)	(927)	(941)
Taxes and fees	(22)	(105)	(9,759)	(884)
General expenses (iii)	(13)	(1)	(624)	(539)
Occupation expenses	(65)	(68)	(85)	(86)
Travel	(2)	(1)	(42)	(49)
Vehicle expenses	-	-	(16)	(13)
Selling expenses	(2)	(4)	(10)	(8)
Total	(1,120)	(1,902)	(20,553)	(12,887)

(i) Depreciation of other assets such as furniture, vehicles and IT equipment are recognized as an administrative and general expense. In the individual and consolidated interim financial statement, the depreciation expense on March 31, 2024 was R$590 (R$337 on March 31, 2023) and the amortization expense for intangible assets on March 31, 2024 was R$4,072 (R$4,493 on March 31, 2023);
(ii) Denotes expenses on third-party services provided such as audit, tax and legal;
(iii) General expenses with maintenance, mail, fuel, materials for use and consumables, costs with legal proceedings, property security and others.

21. Other operating income

	Consolidated	
	12/31/2023 to 03/31/2024	12/31/2022 to 03/31/2023
Proceeds from sale of property, plant and equipment (i)	-	55
Other operating income (ii)	5,037	-
Total other income	5,037	55
Other operating income	-	(40)
Total other expenses	-	(40)
Total	5,037	15

(i) Result from the sale of a vehicle authorized by the Company's management to be used as payment for a supplier. This transaction did not generate cash, as per Note 11;
(ii) Write-off of municipal taxes payable no longer owed by the companies Alpena Biorefinery INC, Alpena Protoype Biorefenery LLC and Alternative Bioprod Investments LLC after the corporate closure of these indirect subsidiaries. The outstanding balance of taxes, by mutual agreement, was transferred to the owner of the land where the industrial plant was located.

(In R$ thousand)

22. Net financial result

	Parent Company		Consolidated	
Financial expenses	12/31/2023 to 03/31/2024	12/31/2022 to 03/31/2023	12/31/2023 to 03/31/2024	12/31/2022 to 03/31/2023
Interest from loans, borrowings, and debentures	(2,129)	(3,653)	(7,966)	(11,828)
Interest expenses (i)	(55)	(54)	(1,504)	(2,402)
Exchange variation	(1,010)	-	(1,437)	-
Bank expenses	(77)	(377)	(79)	(379)
IOF (tax on financial operation)	(30)	(21)	(30)	(21)
	(3,301)	(4,105)	(11,016)	(14,630)
Financial revenues				
Interest received	-	-	382	428
Financial discount obtained	-	-	6	121
Earnings from investments	-	2,647	-	1,973
Exchange variation	-	869	-	1,715
	-	3,516	388	4,237
Net financial result	(3,301)	(589)	(10,628)	(10,393)

(i) Interest arising mainly from financial charges on loan guarantees obtained from financial institutions and interest and late payment fines on trade payables and taxes.

23. Accrued tax losses

a. Amounts recognized in profit or loss in the period – Consolidated:

	Consolidated 03/31/2024	Consolidated 03/31/2023
Current income tax and social contribution expense		
Current year expense	-	(478)
Total	-	(478)
Deferred income tax and social contribution expense		
Temporary difference:		
Realization through amortization of intangible assets	1,156	1,213
	1,156	1,213

b. Deferred tax asset not recognized – Consolidated

The Group did not generate taxable profit in previous years and, therefore, there is increased doubt about whether future taxable profit will be available in the foreseeable future to realize deferred tax assets. As a result, deferred tax assets were not recognized on March 31, 2024.

For the Brazilian companies, accumulated tax losses and the negative base of social contribution do not expire, however, they can be offset only up to the limit of 30% of annual taxable earnings. The total income tax loss and negative base of social contribution is R$884,489 on March 31,2024 (R$ 850,426 on December 31, 2023).

For North American companies, tax losses accrued prior to December 31, 2017 can be used over 20 years and there is no taxable income limit for the use of these losses. Tax losses after December 31, 2017 can be carried forward indefinitely and can be used to offset only 80% of current year’s taxable income. The total tax loss is R$203,421 on March 31, 2024 (R$ 203,422 on December 31, 2023).

(In R$ thousand)

The tax returns of all Group companies are subject to tax inspections and revisions by the tax authorities for varying periods. As a result of these inspections and reviews, authorities may question the methodologies, criteria and interpretations of the legislation, and consequently, change the amounts recognized by the Company in the quarterly information and/or result in legal challenges.

c. Movement on deferred tax balance

	Consolidated
Opening net balance on December 31, 2022	48,493
Realization through amortization of intangible assets	(1,213)
Exchange variation on translating taxes from the functional currency to the presentation currency	(1,249)
Closing net balance on March 31, 2023	46,031
Opening net balance on December 31, 2023	40,474
Realization through amortization of intangible assets	(1,156)
Exchange variation on translating taxes from the functional currency to the presentation currency	1,284
Closing net balance on March 31, 2024	40,602

d. Tax benefit

The indirect subsidiary BioFlex Agroindustrial S.A. has benefits from the Brazilian Internal Revenue Service and Superintendence of Development of the Northeast Region (SUDENE) and has the right to a 75% reduction in Income Tax and Additional Non-Refundable Taxes during the period from 01/01/2015 to 12/31/2024.

24. Financial instruments and risk management

Operations with financial instruments are fully recognized in the accounts and restricted to cash and cash equivalents, accounts receivable, loans and borrowings, and other accounts receivable and payable from related parties, loans, financing, trade payable and other accounts payable.

The Group and its direct and indirect subsidiaries do not invest in derivatives or any other risky assets on a speculative basis.

The Group and its direct and indirect subsidiaries assess such financial assets and liabilities with respect to market value on the basis of available information and appropriate assessment methods. However, the interpretation of market data and selection of assessment methods requires considerable judgment and estimates to calculate the most appropriate realizable value. As a result, the estimates do not necessarily indicate the values that could be realized in the current market.

The activities of the Company and its direct and indirect subsidiaries expose them to various financial risks: credit risk, liquidity risk and market risk (including interest rate risk), as described below:

(In R$ thousand)

a. Credit risk

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations. This risk is primarily posed by trade receivables.

The carrying amount of financial assets represents the maximum credit exposure.

The carrying amount of financial assets represents the maximum credit exposure.

The Company has a credit policy whose purpose is to set procedures for granting loans in business transactions that are in line with the required levels of quality, fastness and security.

The Group determines credit limits by analyzing the client's credit standing, considering: (i) onboarding information (ii) economic and financial information and (iii) historical purchases and payments.

b. Liquidity risk

The cautious management of liquidity risk implies keeping enough cash and securities and credit facilities to be able to settle market positions. Due to the dynamic nature of their businesses, the Group and its direct and indirect subsidiaries use flexible funding by maintaining bank credit facilities.

Management monitors the level of the Company and its direct and indirect subsidiaries' liquidity, considering the expected cash flow and cash and cash equivalents. Furthermore, the liquidity management policy of the Company and its direct and indirect subsidiaries entails projecting cash flows and considering the level of net assets required to achieve these projections and maintain the debt financing plans.

Management is continuing to look into alternatives to guarantee a balanced capital structure. See further information in Note 1.

The following are the remaining contractual financial liability maturities and exclude the impact of netting agreements:

	Parent Company				
Non-derivative financial liabilities	Carrying amount	6 months Or less	6 to 12 months	1 to 3 years	More than 3 years
Loans and borrowings*	78,399	890	940	64,501	52,151
Trade payables	233	233	-	-	-
Related-party loans	44,200	44,200	-	-	-
Accounts payable	1,859	28	56	1,775	-
	124,691	45,351	996	66,276	52,151

	Consolidated				
Non-derivative financial liabilities	Carrying amount	6 months Or less	6 to 12 months	1 to 3 years	More than 3 years
Loans and borrowings*	285,270	24,212	25,701	252,626	109,703
Trade payables	35,137	35,137	-	-	-
Related-party loans	12,559	12,559	-	-	-
Accounts payable	3,978	505	1,010	2,463	-
	336,944	72,413	26,711	255,089	109,703

(*) Amounts in each age range have projected interest to be incurred.

(In R$ thousand)

The maturity analyses of the Group do not project cash flows that could occur significantly earlier or at significantly different amounts.

- Market risk

The Group is exposed to interest-rate changes, charged on its loans and borrowings and exchange variation on the assets and liabilities of the overseas-based direct and indirect subsidiaries. To minimize possible impacts triggered by these changes, the Group adopts the policy of diversifying these contracts.

The Group is primarily exposed to changes in CDI and TJLP interest rates, which are applied to its loans and borrowings.

At the individual and consolidated interim financial statements reporting date, the profile of the Company's financial instruments yielding interest was:

	Carrying amount			
	Parent Company		Consolidated	
Variable-income instruments	03/31/2024	12/31/2023	03/31/2024	12/31/2023
Liabilities				
Loans and borrowings (CDI)	-	-	(206,871)	(201,034)
Loans and borrowings (TJLP)	(78,399)	(76,973)	(78,399)	(76,973)
Total	(78,399)	(76,973)	(285,270)	(278,007)

The profile of the assets and liabilities resulting from the consolidation of the direct and indirect subsidiaries in USD as the functional currency has been summarized below, and is exposed to exchange variation:

	Consolidated	
Instruments exposed to exchange variation	12/31/2024	12/31/2023
Assets		
Cash and cash equivalents	311	198
Accounts receivable	79	237
Other financial assets	33,301	32,419
	33,691	32,854
Liabilities		
Trade payables	(6,083)	(7,145)
Other accounts payable	(2,162)	(5,194)
Accounts payable	(10,827)	(11,431)
	(19,072)	(23,770)

Cash flow sensitivity analysis for variable-rate instruments and exchange variation.
The sensitivity analysis considered the loans and borrowings which are restated by the CDI and TJLP indexes.

The sensitivity analysis on interest rates on loans and borrowings considers an increase and reduction of 25% and 50% in interest rates and how this would impact equity and results. This analysis takes into account the amounts presented in the individual and consolidated interim financial statements as of March 31, 2024. Except for the previously mentioned 25% and 50% variation, no other changes were projected:

(In R$ thousand)

Interest rate exposure	Balance	Probable	25%	50%	-25%	03/31/2024 -50%
Loans and borrowings						
TJLP	(78,399)	(5,119)	(6,399)	(7,679)	(3,840)	(2,560)
CDI	(206,871)	(24,100)	(30,126)	(36,151)	(18,075)	(12,050)
Profit or loss for the period	(285,270)	(29,219)	(36,525)	(43,830)	(21,915)	(14,610)

The interest rates the Company is subject to, based on projections of these rates in a probable scenario and the sensitivity analysis, are the following:

	Probable	25%	50%	-25%	03/31/2024 -50%
TJLP (i)	6.53%	8.16%	9.80%	4.90%	3.27%
CDI (ii)	11.65%	14.56%	17.48%	8.74%	5.83%

(i) Interest rates based on information available at FINEP. Source: FINEP;
(ii) Interest rates based on information available at CETIP.

The sensitivity analysis into the exchange rates with the 25% and 50% increase and decrease in the consolidated figures is as follows, including the most likely USD variation used for translation on March 31, 2024. On March 31, 2024, the USD exchange rate was R$4.9962 to the USD:

Exposure to exchange rates	Carrying amount in R$	In – USD	25%	50%	-25%	-50%
Assets	33,691	6,743	8,422	16,846	(8,422)	(16.846)
Liabilities	(19,072)	(3,817)	(4,768)	(9,536)	4,768	9.536
Profit or loss exposure in the period		2.926	3,654	7,310	(3,654)	(7,310)

For the effects of the investments in overseas subsidiaries, see below the sensitivity analysis with the probable scenario for the future exchange rate:

	Probable	25%	50%	-25%	03/31/2024 -50%
USD	4.9962	6.2453	7.4943	3.7472	2.4981

Capital management

The objective of the Company´s capital management is to ensure that it maintains its strong credit rating with the financial institutions and its excellent capital ratio, in order to support the Company´s business and maximize value for its shareholders. The Group and its direct and indirect subsidiaries control their capital structure by making adjustments and adapting to the existing economic conditions. In its net debt structure, the Group includes loans and borrowings less cash and cash equivalents and short-term investments.

	Parent Company		Consolidated	
	03/31/2024	12/31/2023	03/31/2024	12/31/2023
Cash and cash equivalents	1	1	319	200
(-) Loans and borrowings	(78,399)	(76,973)	(285,270)	(278,007)
Net debt	(78,398)	(76,972)	(284,951)	(277,807)
Equity	835,987	844,627	838,006	846,633
Equity and net debt	757,589	767,655	553,055	568,826

(In R$ thousand)

Classification of financial instruments

The table below shows the main financial instruments by category.

Parent Company

	Amortized cost	
Financial assets	03/31/2024	12/31/2023
Cash and cash equivalents	1	1
Related-party loans	5,136	2,429
Total	5,137	2,430
Liabilities		
Trade payables	233	176
Related-party loans	44,200	30,660
Loans and borrowings	78,399	76,973
Accounts payable	1,859	1,879
Total	124,691	109,688

Consolidated

	Amortized cost	
Financial assets	03/31/2024	12/31/2023
Cash and cash equivalents	319	200
Accounts receivable	79	237
Total	398	437
Liabilities		
Trade payables	35,137	35,291
Loans and borrowings	285,270	278,007
Related-party loans	12,559	-
Other accounts payable to related-party	44,306	43,172
Other accounts payable	3,978	3,646
Total	381,250	360,116

The fair values of the financial instruments presented do not significantly vary from the balances presented in the statement of financial position.

25. Segment reporting

Basis for segmentation

The Group has the following three strategic divisions, which are its reportable segments. These divisions offer different products and services and are managed separately. The following summary describes the operations of each reportable segment of the Company:

Segment reporting	Operation
BioEdge	Develops, executes and operates GranBio's flexible biomass biorefineries. As a developer, BioEdge also carries out logistical, technological and financial feasibility studies integrating the entire biomass production chain. Holds the intellectual property and knowledge to develop and execute agricultural harvesting, biomass development and logistics solutions.
BioPlus	Develops and licenses nanocellulose technologies. Nanocellulose is widely used in materials such as rubber, cardboard, plastic and resins. BioPlus®' commercial development strategy is based on technological alliances for manufacturing and testing pre-commercial prototypes in the areas of packaging, tires, cosmetics and healthcare.
GranBioTech	Based at the Research and Development Center in Thomaston (USA), it brings together systematized knowledge, process engineering and biotechnology patents. The structure includes an integrated pilot and demonstration plant, which has already demonstrated the production of cellulosic sugar from 18 varieties of biomass, including wood, energy cane, agricultural and industrial waste.

Information about the reportable segments

The performance is assessed based on final net income, as Management believes that this information is the most important for assessing the results of the respective segments:

(In R$ thousand)

	March 31, 2024				
	BioEdge	BioPlus	GranBioTech	Other	Total
Revenue from goods sold and services rendered	-	-	-	-	-
Cost of goods sold and services rendered	(9,751)	114	817	-	(8,820)
Gross (loss) profit	(9,751)	114	817	-	(8,820)
Operating revenue (expenses)					
G&A expenses	(12,191)	(873)	(6,233)	-	(19,297)
Other revenues (expenses)	(21)	621	4,437	-	5,037
	(12,212)	(252)	(1,796)	-	(14,260)
Net (loss) before financial revenues and expenses	(21,963)	(138)	(979)	-	(23,080)
Financial revenues	2,633	-	-	-	2,633
Financial expenses	(9,922)	(5)	(33)	-	(9,960)
				-	
Net financial result	(7,289)	(5)	(33)	-	(7,327)
Deferred income tax and social contribution	-	143	1,013	-	1,156
Net (loss) for the period – Subtotal	(29,252)	-	1	-	(29,251)
Others					(4,557)
Net (loss) for the period	(29,252)	-	1	-	(33,808)
Segment reporting – Assets	BioFlex	BioPlus	GranBioTech	Others	Total
Inventories	8,605	-	-	-	8,605
Property, plant and equipment	680,573	3,444	10,969	2,238	697,224
Intangible	11,890	64,558	460,993	5,808	543,249
Segment reporting – Liabilities	BioFlex	BioPlus	GranBioTech	Others	Total
Loans and borrowings	(206,871)	-	-	(78,399)	(285,270)
Other accounts payable	-	(2,119)	-	(1,859)	(3,978)

(In R$ thousand)

	March 31, 2023				
	BioFlex	BioPlus	GranBioTech	Others	Total
Revenue from goods sold and services rendered	-	192	1,366	-	1,558
Cost of goods sold and services rendered	(10,396)	(338)	(2,407)	-	(13,141)
Gross (loss) profit	(10,396)	(146)	(1,041)	-	(11,583)
Operating revenue (expenses)					
G&A expenses	(3,757)	(884)	(6,307)	-	(10,948)
Other revenues (expenses)	36	(3)	(18)	-	15
	(3,721)	(887)	(6,325)	-	(10,933)
Net (loss) before financial revenues and expenses	(14,117)	(1,033)	(7,366)	-	(22,516)
Financial revenues	1,288	13	94	-	1,395
Financial expenses	(12,650)	(1)	(8)	-	(12,659)
Net financial result	(11,362)	12	86	-	(11,264)
Deferred income tax and social contribution	-	149	1,064	-	1,213
Net (loss) for the period – Subtotal	(25,480)	(872)	(6,216)	-	(32,568)
Others	-		-		(1,545)
Net (loss) for the period	(25,480)	(872)	(6,216)	-	(34,113)

Segment reporting – Assets	BioFlex	BioPlus	GranBioTech	Others	Total
Inventories	8,609	-	-	-	8,609
Property, plant and equipment	729,197	3,716	2,267	2,429	737,609
Intangible	18,350	67,546	482,326	-	568,222

Segment reporting – Liabilities	BioFlex	BioPlus	GranBioTech	Others	Total
Loans and borrowings	(347,504)	-	-	(1,394)	(348,898)
Other accounts payable	(756)	(2,204)	-	(1,934)	(4,894)

(In R$ thousand)

Until the end of the 2023 fiscal year, the Company disclosed the business segments between BioFlex, Biotech and BioVertis. From 2024 onwards, the Company reevaluated the structure of the segments as presented in the previous table. To maintain comparability of information, the results corresponding to the same structure in 2023 are presented below.

	March 31, 2024			
	BioFlex	Biotech	Others	Total
Revenue from goods sold and services rendered	-	-	-	-
Cost of goods sold and services rendered	(9,751)	931	-	(8,820)
Gross (loss) profit	(9,751)	931	-	(8,820)
Operating revenues (expenses)				
Administrative expenses	(11,962)	(2,849)	-	(14,811)
Depreciation and amortization	(229)	(4,257)	-	(4,486)
Other revenues (expenses)	(21)	5,058	-	5,037
	(12,212)	(2,048)	-	(14,260)
Net (loss) before financial revenues and expenses	(21,963)	(1,117)	-	(23,080)
Financial revenues	2,633	-	-	2,633
Financial expenses	(9,922)	(38)	-	(9,960)
			-	
Net financial result	(7,289)	(38)	-	(7,327)
Deferred income tax and social contribution	-	1,156	-	1,156
Net (loss) for the period – Subtotal	(29,252)	1	-	(29,251)
Others				(4,557)
Net (loss) for the period	(29,252)	1	-	(33,808)

Segment reporting – Assets	BioFlex	Biotech	Others	Total
Inventory	8,605	-	-	8,605
Property, plant and equipment	680,573	14,413	2,238	697,224
Intangible	11,890	525,551	5,808	543,249

Segment reporting – Liabilities	BioFlex	Biotech	Others	Total
Loans and borrowings	(206,871)	-	(78,399)	(285,270)
Other accounts payable	-	(2,119)	(1,859)	(3,978)

(In R$ thousand)

	March 31, 2023			
	BioFlex	Biotech	Other	Total
Revenue from goods sold and services rendered	-	1,558	-	1,558
Cost of goods sold and services rendered	(10,396)	(2,745)	-	(13,141)
Gross (loss) profit	(10,396)	(1,187)	-	(11,583)
Operating revenues (expenses)				
Administrative expenses	(3,395)	(2,775)	-	(6,170)
Depreciation and amortization	(362)	(4,416)	-	(4,778)
Other revenues (expenses)	36	(21)	-	15
	(3,721)	(7,212)	-	(10,933)
Net (loss) before financial revenues and expenses	(14,117)	(8,399)	-	(22,516)
Financial revenues	1,288	107	-	1,395
Financial expenses	(12,650)	(9)	-	(12,659)
Net financial result	(11,362)	98	-	(11,264)
Deferred income tax and social contribution	-	1,213	-	1,213
Net (loss) for the period – Subtotal	(25,480)	(7,088)	-	(32,568)
Others	-	-		(1,545)
Net (loss) for the period	(25,480)	(7,088)	-	(34,113)

Segment reporting – Assets	BioFlex	Biotech	Other	Total
Inventory	8,609	-	-	8,609
Property, plant and equipment	729,197	5,983	2,429	737,609
Intangible	18,350	549,872	-	568,222

Segment reporting – Liabilities	BioFlex	Biotech	Other	Total
Loans and borrowings	(347,504)	-	(1,394)	(348,898)
Other accounts payable	(756)	(2,204)	(1,934)	(4,894)

26. Earnings per share

In compliance with technical pronouncement CPC 41 (IAS 33) - Earnings per share, approved by CVM Resolution 636, the Company presents the following information on earnings per share for the period ended March 31, 2024 and 2023.

Basic: the basic calculation of earnings per share is done by dividing the profit (loss) for the period, attributed to the holders of the Parent Company's common shares, by the weighted average number of common shares available during the period (denominator).

Diluted: the calculation of diluted earnings per share has been based on the following profit or loss attributable to the holders of the Company's common shares and weighted-average number of common shares for the effects of all dilutive potential common shares. The Company does not have any potential common shares.

The table below provides data on earnings and the shares used in calculating basic and diluted earnings per share, which are identical because the Company does not have potential common shares.

	03/31/2024	03/31/2023
Loss for the period	(33,821)	(33,913)
Weighted average number of common shares (‘000)	108,133	108,133
Basic and diluted loss per share (in R$)	(0.3128)	(0.3136)

27. Insurance

On March 31, 2024, the Company and its subsidiaries have the following insurance contracts and amounts considered compatible by management with the risks involved:

PP&E and inventory (approximate coverage – R$ 723,993);

- Civil liability: coverage for material and personal damages caused involuntarily to third parties as a result of the production, facilities and assemblies taking place on the insured site;

Administrative (approximate coverage - R$ 278,504);

- Administrative head office: fire, lightning strike, explosion, theft, qualified theft, civil liability, and others.

Given their nature and specific features, the risk assumptions made and the respective coverage are not covered by an individual and consolidated interim financial statements audit, and were not therefore reviewed by our independent auditors.

Bernardo Afonso de Almeida Gradin
Chief Executive Officer

Guilherme Mottin Refinetti
Chief Financial Officer

Dejair Adão Guerro de Oliveira
Controller
CRC PR-052741/O-4-T-CE