

Eurofarma Laboratórios S.A.

**Individual and consolidated quarterly
information on June 30, 2024**

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Report on the review of quarterly information - ITR

To the Directors and Officers of
Eurofarma Laboratórios S.A.
São Paulo, SP

Introduction

We have meticulously examined the individual and consolidated interim accounting details of Eurofarma Laboratórios S.A. ("Company") as presented in the Quarterly Information Form (ITR) for the quarter concluding on June 30, 2024. This compilation encompasses the balance sheet at June 30, 2024, as well as the corresponding statements of income and comprehensive income for both the three and six-month intervals, culminating on that date. Furthermore, it encompasses the records of changes in shareholders' equity and cash flows for the six-month duration that concluded at that point, inclusive of the accompanying notes.

It is imperative to acknowledge that the Company's management bears the responsibility for composing the individual and consolidated interim accounting information in alignment with CPC 21(R1) - Interim Financial Reporting, alongside the international standard IAS 34 Interim Financial Reporting, established by the International Accounting Standards Board (IASB). This responsibility also extends to ensuring the presentation of these details in a manner congruent with the regulations stipulated by the Brazilian Securities Commission (CVM), which are pertinent to the formulation of Quarterly Information (ITR). In light of this, it is our obligation to deliver a conclusion on this interim accounting information through the framework of our comprehensive review.

Extent of the review

We have conducted our review in accordance with both Brazilian and international standards pertaining to the scrutiny of interim financial details. Specifically, we followed the guidelines set forth in NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity. An interim financial review encompasses a series of actions, including direct inquiries primarily directed at individuals responsible for financial and accounting matters, and the application of analytical techniques and other review methodologies. It is important to note that the extent of a review is notably narrower in comparison to that of an audit conducted in accordance with standard auditing principles. As a result, our review process may not encompass all significant aspects that an audit could potentially unveil. Therefore, it is imperative to highlight that our evaluation does not culminate in an audit opinion.



Conclusion regarding the individual and consolidated interim information

In light of our comprehensive review, we find no indications to suggest that the individual and consolidated interim accounting information encompassed within the aforementioned quarterly information have not been formulated, to a substantial extent, in alignment with the guidelines prescribed by CPC 21(R1) and IAS 34. These standards are applicable to the creation of Quarterly Information (ITR) and have been presented in a manner that aligns seamlessly with the directives promulgated by the Brazilian Securities Commission (CVM).

Other Subjects – Statement of added value

The quarterly information mentioned above encompasses the individual and consolidated statements of value added (DVA) for the six-month period concluding on June 30, 2024. These statements have been prepared under the responsibility of the Company's management and are presented as supplementary material aligned with the guidelines of IAS 34. The review procedures, conducted alongside the assessment of the quarterly information, encompassed a thorough examination of these value-added statements. This process aimed to ascertain their reconciliation with the interim accounting information and corresponding accounting records. Additionally, it sought to confirm that the structure and content of these statements adhere to the stipulations defined in Technical Pronouncement CPC 09 - Statement of Value Added. Based on our review, we are not aware of any facts that lead us to believe that these value-added statements were not prepared, in all relevant aspects, according to the criteria defined in this Standard and consistently with respect to the individual and consolidated interim accounting information taken together.

Sao Paulo, August 14, 2024

KPMG Auditores Independentes Ltda.
CRC 2SP-014428/O-6

Wagner Bottino
Certified Accountant CRC 1SP196907/O-7

Explanatory notes to the individual and consolidated quarterly information

(In thousands of Brazilian reais)

1 Operational context

Eurofarma Laboratórios S.A. ("Company" or "Parent Company") is a 100% Brazilian publicly-held corporation, with no shares traded on the market. Headquartered at Rua Pascoal Pais, 525 - Vila Cordeiro - São Paulo - SP, its business purpose includes the manufacturing, trade, processing, export, and import of pharmaceutical products for both human and veterinary applications. Established in 1972, the Company is guided by its mission "to facilitate access to healthcare and improve the quality of life through affordable treatments. It operates in a manner that ensures sustainable growth while fostering the sharing of value generated with employees and society". The individual and consolidated quarterly information encompass the Company, its subsidiaries, and affiliated entities, collectively referred to as the "Group".

The Group operates across 24 countries and strategically maintains 11 manufacturing plants throughout Latin America. It holds a prominent position in the pharmaceutical market through its various business units, namely Prescription Drugs, Non-Prescription Drugs, Generics, Hospital, Tenders, Oncology, Outsourcing, and Veterinary Medicine. With a comprehensive portfolio encompassing all medical specialties, the Group is particularly recognized for its expertise in central nervous system, anti-infectious, and hormonal medicines.

As per CPC 22/IFRS 8, the Company does not provide segmented information, as its operations are conducted under a single operational segment, namely pharmaceuticals.

Within Brazil, the parent company Eurofarma Laboratórios S.A. and its subsidiary Momenta Farmacêutica operate four manufacturing units, distributed as follows:

- **Itapevi Unit:** Rodovia Presidente Castelo Branco, Km 35,6, Itaquí Itapevi - SP;
- **Ribeirão Preto Unit:** Avenida Castelo Branco, 1.385, Parque industrial Lagoinha, Ribeirão Preto - SP;
- **Freguesia do Ó Unit:** Rua Enéias Luís Carlos Barbanti, 216 - Freguesia do Ó, São Paulo - SP;
- **Rio de Janeiro Unit:** Avenida Canal do Anil. 1263 – Anil, Rio de Janeiro – RJ.

Additionally, the Group holds ownership interests in several companies both domestically and internationally. Abroad, it operates seven manufacturing units across six Latin American countries, namely Argentina, Chile, Colombia, Peru, Uruguay, and Guatemala.

Presently, the Group operates three distribution centers, one located in Itapevi - SP together with the manufacturing unit, one in the city of Varginha – MG, and another in Cajamar – SP.

The Company's ownership interests include the following companies:

Subsidiaries

	Country	Stake %	
		06/30/2024	12/31/2023
Momenta Farmacêutica Ltda.	Brazil	99.99	99.99
Laboratório Eurofarma de México, Variable Capital Limited Liability Company	Mexico	99.99	99.99
Eurofarma Venezuela Casa Representacion C.A.	Venezuela	99.59	99.59
Eurofarma Colômbia S.A.S.	Colombia	100.00	100.00
Eurofarma Argentina S.A.	Argentina	99.85	99.85
Laboratórios Eurofarma Bolívia S.A.	Bolivia	99.99	99.99
Eurofarma Uruguay S.A.	Uruguay	100.00	100.00
Eurofarma Chile SpA	Chile	99.96	99.96
Eurofarma Peru S.A.C.	Peru	99.36	99.36
Eurofarma Guatemala, Sociedad Anónima	Guatemala	99.99	99.99
Themaxis Limitada	Colombia	95.00	95.00
Eurofarma Paraguay S.A.	Paraguay	99.99	99.99
Eurofarma S.A.	Ecuador	99.99	99.99
Eurofarma Moçambique Lda.	Mozambique	99.00	99.00
Eurofarma Ventures LLC.	USA	100.00	100.00
Neuron Ventures Fundo Investimento em Participações Multiestratégia Investimento no Exterior	Brazil	100.00	100.00
Supera Farma Laboratórios S.A. (i)	Brazil	50.00	50.00
Momenta Farmacêutica S.A.S	Colombia	100.00	100.00
Diplo Participações Ltda.	Brazil	100.00	100.00
Harpy Plus Participações Ltda.	Brazil	100.00	100.00
Eurofarma USA Corp	USA	100.00	100.00
Pearson Saúde Animal S.A.	Brazil	99.99	99.99
Eurofarma Uruguay Zona Franca	Uruguay	100.00	100.00
Longdis S.A.	Brazil	99.51	99.51
Genfar S.A. (ii)	Colombia	100.00	100.00
Genfar Desarrollo y Manufatura S.A. (iii)	Colombia	100.00	100.00
Genfar Del Ecuador S.A.	Ecuador	100.00	100.00
Genfar Del Peru S.A.C	Peru	99.99	99.99
Pharmaeuro Laboratórios, Ltd.	Angola	90.00	90.00

- (i) Starting from 2019, the company began consolidating the financial statements of Supera Farma Laboratórios S.A., as per the shareholders' agreement executed on January 2, 2019. Through this agreement, the company has obtained operational control, appointing the chairman of the Board of Directors and possessing the decisive vote in the approval of the budget, investment plan, and formulation of commercial policy.
- (ii) The Company has a direct stake of 94.88% in the Company's capital and 5.12% indirectly, through its subsidiaries Genfar Desarrollo y Manufatura S.A, Genfar Del Peru S.A.C, Genfar Del Ecuador S.A., and Harpy Plus Participações Ltda.
- (iii) The Company has a direct stake of 94.79% in the Company's capital and 5.21% indirectly, through its subsidiaries Genfar S.A., Genfar Del Peru S.A.C, Genfar Del Ecuador S.A., and Harpy Plus Participações Ltda.

Jointly controlled subsidiaries

	Share %	
	06/30/2024	12/31/2023
Orygen Biotecnologia Ltda.	50.00	50.00
PAI Eurofarma LLC	50.00	50.00

Associates

	Stake %	
	06/30/2024	12/31/2023
Ocean Drop S.A.	26.78	26.78
MTM Serviços de Informática S.A.	20.00	20.00

2 Basis for preparation

a. Declaration of compliance

The formulation and presentation of the individual and consolidated quarterly information adhere to the guidelines set out in Technical Pronouncement CPC 21 (R1) – Interim Financial Reporting, alongside the international standard IAS 34 – *Interim Financial Reporting*, sanctioned by the *International Accounting Standards Board (IASB)*. This alignment extends to the regulations outlined by the Brazilian Securities Commission (CVM), governing the preparation of quarterly information.

Management authorized the issuance of the individual and consolidated quarterly information on August 14, 2024.

Only relevant information specifically related to the financial statements, as used by the management in its decision-making, is presented and disclosed.

b. Measurement basis

The individual and consolidated quarterly information has been prepared to update users on relevant events and transactions during the period and should be analyzed in conjunction with the individual and consolidated financial statements for the year ended December 31, 2023, which are available on the Company's website, issued on March 26, 2024. The accounting policies, estimates, and judgments, as well as risk management and measurement methods, are the same as those adopted in the preparation of the last annual financial statements.

3 Using estimates and judgments

In the preparation of the individual and consolidated quarterly information, Management made use of judgments, estimates, and assumptions that impact the application of accounting policies and the reported figures for assets, liabilities, revenues, and expenses. It is important to note that actual results may differ from these estimates.

The estimates and assumptions are regularly reviewed and any revisions to them are recognized on a prospective basis.

a. Judgments

Detailed information regarding the judgments made in the application of accounting policies that have a substantial impact on the recognized amounts in the quarterly information can be found in the following notes:

- **Explanatory Note 11** – equity method in investees: determining whether the Group has significant influence over an investee;
- **Explanatory Note 14** – right-of-use lease term: Determination of whether the Group is likely to exercise extension options.

b. Uncertainties about assumptions and estimates

The assessment and determination of accounting estimates and judgements involve ongoing evaluation and rely on past experiences as well as various factors, such as anticipated future events, which are considered reasonable given the prevailing circumstances.

The following explanatory notes provide information on uncertainties associated with assumptions and estimates made as of June 30, 2024, that pose a significant risk of leading to a substantial adjustment in the accounting balances of assets and liabilities in the next fiscal year:

- **Explanatory Note 8** - The evaluation of inventory impairment provision primarily accounts for factors such as product expiration dates and quality issues that may result in product blockages. This provision is recorded within the cost of goods sold section on the income statement, and inventory values are measured at the lower of cost or net realizable value.
- **Explanatory Note 10.b** – Deferred income tax and social contribution - recognition of deferred tax assets: availability of future taxable income that can be used to offset deductible temporary differences and tax losses.
- **Explanatory Note 13** – Property, plant and equipment - assumptions regarding the determination of the useful life of property, plant and equipment for depreciation purposes;
- **Explanatory Note 21** - Provision for contingencies - recognition and measurement of provisions and contingencies: main assumptions about the likelihood and magnitude of resource outflows;
- **Explanatory Notes 6 and 28** – Impairment of accounts receivable: measurement of expected credit loss for accounts receivable and contractual assets: key assumptions in determining the weighted average loss rate.

4 New standards and interpretations not yet adopted

Several new standards became effective for periods beginning on January 1, 2024. The Group adopted these standards to prepare this individual and consolidated quarterly information.

The following new standards were adopted and had no significant impact on the Company's individual and consolidated quarterly information:

- Classification of liabilities as current or non-current and non-current liabilities with Covenants (amendments to CPC 26/IAS 1)
- Supplier financing agreements ("Forfaiting") (amendments to CPC 26/IAS 1 and CPC 40/IFRS 7);
- Lack of convertibility (amendments to CPC 02/IAS 21).

5 Cash and cash equivalents

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Cash and banks	883	1,037	107,195	164,510
Cash in transit	8,010	-	8,399	-
Financial investments	<u>1,320,564</u>	<u>1,296,383</u>	<u>1,700,018</u>	<u>1,496,134</u>
Total	<u>1,329,457</u>	<u>1,297,420</u>	<u>1,815,612</u>	<u>1,660,644</u>

The financial investments held by the Group are easily convertible into cash and have minimal risk of value fluctuation.

As of June 30, 2024, the bulk of financial investments were notably allocated into bank deposit certificates (CDBs) and financial bills (LFs), with a weighted average yield of 101.3% of the Interbank Deposit Certificate Interest Rate(CDI) (101.7% of the CDI on December 31, 2023).

Cash in transit refers to receipts in the last days of the month, with a view to settling floating payment slips on D+1.

Details regarding the Group's exposure to interest rate risks and sensitivity analysis for financial assets can be found in note 28.

6 Accounts receivable from customers

a. Accounts receivable from customers

	Note	Parent Company		Consolidated	
		06/30/2024	12/31/2023	06/30/2024	12/31/2023
Domestic market		1,083,565	1,199,573	1,987,648	2,002,652
Foreign market		6,787	3,084	64,244	41,323
Related parties domestic market	20	47,747	52,920	6,024	6,847
Related parties foreign market	20	67,724	59,412	-	-
Impairment of accounts receivable		<u>(56,651)</u>	<u>(15,920)</u>	<u>(74,300)</u>	<u>(29,485)</u>
Total		<u>1,149,172</u>	<u>1,299,069</u>	<u>1,983,616</u>	<u>2,021,337</u>
Current assets		1,144,377	1,293,641	1,978,821	2,015,909
Non-current assets		4,795	5,428	4,795	5,428

The maximum exposure to credit risk as of the date of the individual and consolidated quarterly information is the carrying amount of each class of accounts receivable mentioned above, net of impairment, as shown in the composition table by maturity of the overdue and future amounts of accounts receivable:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Upcoming	1,109,927	1,281,637	1,813,280	1,868,232
Up to 30 days past due	34,621	12,933	118,334	98,950
31 to 60 days past due	11,860	6,176	41,213	35,276
61 to 90 days past due	12,320	2,726	24,781	10,350
91 to 180 days past due (i)	18,326	4,163	31,719	17,333
181 to 360 days past due (i)	11,544	1,121	15,258	6,070
Over 361 days past due (i)	<u>7,225</u>	<u>6,233</u>	<u>13,331</u>	<u>14,611</u>
Total	<u>1,205,823</u>	<u>1,314,989</u>	<u>2,057,916</u>	<u>2,050,822</u>

- (i) The parent company has no securities overdue by more than 90 days with related parties of the Group as of June 30, 2024 and December 31, 2023.

b. Impairment of accounts receivable

Movement of impairment of accounts receivables:

	Parent Company	Consolidated
Balance at the beginning of the period	(15,920)	(29,485)
Impairment of accounts receivable	(50,833)	(54,841)
Written off values/exchange rate variation	-	(1,029)
Reversal of impairment on accounts receivable (i)	<u>10,102</u>	<u>11,055</u>
Balance at the end of the period	<u>(56,651)</u>	<u>(74,300)</u>

- (i) Provision established in accordance with the policy, which was reversed during the period as the receivables were regularized by the customers.

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

Breakdown by maturity of overdue amounts included in the impairment of accounts receivable.

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Upcoming	(2,716)	(622)	(8,731)	(3,806)
Up to 30 days past due	(3,647)	(2)	(4,378)	(197)
31 to 60 days past due	(3,926)	(2,044)	(4,945)	(2,138)
61 to 90 days past due	(9,267)	(1,736)	(10,000)	(1,864)
91 to 180 days past due	(18,326)	(4,163)	(18,948)	(4,642)
181 to 360 days past due	(11,544)	(1,121)	(13,992)	(2,227)
Over 361 days past due	(7,225)	(6,232)	(13,306)	(14,611)
Total	(56,651)	(15,920)	(74,300)	(29,485)

The recognition and derecognition of impairment of accounts receivable were recorded in the income statement under a specific heading, "Impairment of accounts receivable".

Weighted rate of estimated loss across maturity bands

	Parent Company			
	Weighted average estimated loss rate	Gross book balance	Provision for estimated losses	With impairment issues
Due (i)	0%	1,109,927	(2,716)	Yes
Up to 30 days past due (i)	11%	34,621	(3,647)	Yes
31 to 60 days past due (i)	33%	11,860	(3,926)	Yes
61 to 90 days past due (i)	75%	12,320	(9,267)	Yes
91 to 180 days past due	100%	18,326	(18,326)	Yes
181 to 360 days past due	100%	11,544	(11,544)	Yes
Over 361 days past due	100%	7,225	(7,225)	Yes
Total		1,205,823	(56,651)	

Consolidated				
	Weighted average estimated loss rate	Gross book balance	Provision for estimated losses	With impairment issues
Due (i)	0%	1,813,280	(8,731)	Yes
Up to 30 days past due (i)	4%	118,334	(4,378)	Yes
31 to 60 days past due (i)	12%	41,213	(4,945)	Yes
61 to 90 days past due (i)	40%	24,781	(10,000)	Yes
91 to 180 days past due	60%	31,719	(18,948)	Yes
181 to 360 days past due	92%	15,258	(13,992)	Yes
Over 361 days past due	100%	13,331	(13,306)	Yes
Total		2,057,916	(74,300)	

- (i) The company makes a provision for 100% of the balances of customers in judicial recovery, regardless of the delinquency stage of the receivable.

7 Other accounts receivable

		Parent Company		Consolidated	
		06/30/2024	12/31/2023	06/30/2024	12/31/2023
Advance to employees		10,668	29,486	17,623	40,387
Related parties	20	61,105	14,875	23,093	7,736
Miscellaneous advances		477	602	18,212	15,361
Guarantees		-	495	1,806	2,121
Anticipated expenses (i)		7,226	6,378	11,144	8,878
Loan agreements (ii)		-	-	12,696	12,570
Credit entitlement		185	2,104	185	2,104
Other accounts receivable		-	-	9,522	12,686
Total		79,661	53,940	94,281	101,843
Current assets		79,661	53,940	80,058	101,370
Non-current assets		-	-	14,223	473

- (i) Prepaid expenses for subscriptions, software maintenance, and insurance.
- (ii) Loan contracts with an option to convert into a stake in startups with remuneration of IPCA + 6% p.a. or 0.5% p.m. and maturity until October 2026.

8 Inventories

a. Breakdown of inventories

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Finished products	578,539	589,622	1,170,180	1,183,625
Products under development	98,320	76,110	117,680	89,059
Raw materials	364,337	425,542	533,340	606,077
Packaging materials	151,311	136,693	202,061	193,653
Other inventories	39,267	24,883	140,911	82,235
Ongoing imports	118,321	124,818	145,416	165,375
Total	1,350,095	1,377,668	2,309,588	2,320,024

The evaluation of impairment provision primarily accounts for factors such as product expiration dates and quality issues that may result in product blockages. The provision established on June 30, 2024 comprises the amount of R\$36,379 within the parent company and R\$96,242 within the consolidated figures (R\$27,439 within the parent company and R\$55,460 within the consolidated figures on December 31, 2023), recorded in the cost of the period, presented the following movement:

b. Provision for impairment of inventories

	Parent Company	Consolidated
Balance at the beginning of the period	(27,439)	(55,460)
Write-off for destruction	9,973	17,763
Addition and exchange rate variation	<u>(18,913)</u>	<u>(58,545)</u>
Balance at the end of the period	<u>(36,379)</u>	<u>(96,242)</u>

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

9 Current Tax Assets and Liabilities

a. Current tax assets

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
ICMS recoverable - VAT	30,990	52,650	79,455	93,323
ICMS to be recovered - CIAP [Permanent Asset ICMS Credit]	5,062	5,373	5,290	5,708
PIS and COFINS recoverable	2,657	30	5,253	1,810
IPI recoverable	6,910	6,645	7,644	7,397
IRRF	-	162	14,599	1,869
Other taxes	255	1,027	4,909	1,963
Total	45,874	65,887	117,150	112,070
Current assets	42,862	62,706	114,133	108,880
Non-current assets	3,012	3,181	3,017	3,190

b. Current tax liabilities

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
ICMS/VAT payable	20,138	23,315	33,956	31,431
PIS and COFINS payable	1,437	1,440	4,126	4,443
Withholding Income Tax	648	412	1,049	481
ISS payable	1,469	778	1,499	811
Others	-	-	4,040	2,298
Total	23,692	25,945	44,670	39,464
Current liabilities	23,692	25,945	44,670	39,464

10 Income tax and social contribution

a. Current

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
IRPJ [Corporate Income Tax] and CSLL [Social Contribution on Net Profits] to offset	62,424	178,588	72,386	202,152
Negative balance of IRPJ and CSLL from previous years (i)	205,935	15,783	219,657	21,630
Total	268,359	194,371	292,043	223,782

- (i) Negative balance of IRPJ and CSLL from previous years due to overpayment. Offsetting is being performed with other federal taxes.

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
IRPJ and CSLL payable	-	-	28,014	37,116
Total	-	-	28,014	37,116

Reconciliation of the effective income tax and social contribution rate:

	Parent Company		Consolidated	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Result before income tax and social contribution	39,290	280,717	106,164	349,346
Combined income tax and social contribution tax rate	34%	34%	34%	34%
Income tax and social contribution at the current tax rates	(13,359)	(95,444)	(36,096)	(118,778)
Equity	22,037	(12,491)	(476)	(1,015)
Impact of income tax rate on foreign entities	-	-	(2,475)	(3,339)
Incentives for technological innovation (i)	42,417	29,343	42,417	29,343
Government grants (iv)	-	54,718	-	58,901
Permanent expenses (ii)	(30,594)	(12,387)	(38,735)	(17,364)
Deferred taxation arising from temporary differences for the year	-	-	-	811
Unrecognized deferred taxation (iii)	-	-	(8,969)	(23,048)
Compensation for tax losses	-	-	(3,146)	(1,795)
Others	1,203	2,276	1,660	(21,102)
Expenses, income tax and social contribution	21,704	(33,985)	(45,820)	(97,386)
Current	-	(139,074)	(81,684)	(209,052)
Deferred	21,704	105,089	35,864	111,666

- (i) The item "incentives for technological innovation" refers to the tax benefit established by Law No. 11.196/05, which allows for the direct deduction in the calculation of taxable income and the base for social contribution of 60% to 80% of the total expenses related to research and technological innovation, subject to the rules established by the aforementioned Law.
- (ii) They refer to expenses related to donations of medicines, expenses for incineration, excess free samples, inventory adjustments, fines, *transfer price* adjustments, and other non-deductible amounts.
- (iii) Deferred tax not recognized by foreign subsidiaries because it is not probable that future taxable profit will be determined.
- (iv) In 2024, the tax incentive became taxable due to a change in legislation.

b. Deferred

The amounts of deferred income tax and social contribution are derived from temporary differences. These credits are presented at their net realizable value in non-current assets and will be offset against future taxable results, being recorded up to the estimated realization limit.

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Impairment of accounts receivable	19,261	5,413	28,182	11,956
Provision for impairment of inventories	12,369	9,329	27,150	25,916
Provision for contingencies	29,021	22,489	74,326	72,592
Provision for undelivered sales	48,545	33,277	60,588	37,808
Provision for losses on intangible assets	5,530	5,530	2,272	3,627
Provision for investment losses	10,992	10,992	9,415	10,992
Provision for free samples	35,800	28,480	46,058	32,541
Provision for profit sharing	37,462	-	43,716	-
Provision for trade discounts	3,252	993	13,921	12,539
Tax depreciation and amortization	-	-	4,129	2,110
Hedge result	-	47,309	-	47,309
Profit or loss for right-of-use leases	-	-	1,611	-
Other temporary differences	7,024	13,885	22,200	28,851
Tax loss carryforwards	19,830	-	43,925	24,609
Total deferred tax liabilities	229,086	177,697	377,493	310,850
Amortization of goodwill	(67,479)	(67,498)	(67,479)	(67,498)
Intangible R&D Deductibility	(13,105)	(13,105)	(13,105)	(13,105)
Profit or loss for right-of-use leases	(11,674)	(11,365)	-	(1,694)
Hedge result	(20,003)	-	(20,003)	-
Tax depreciation and amortization	(5,392)	(2,387)	-	-
Total deferred tax assets	(117,653)	(94,355)	(100,587)	(82,297)
Net total	111,433	83,342	276,906	228,553
Total deferred tax assets	111,433	83,342	291,710	236,132
Total deferred tax liabilities	-	-	(14,804)	(7,579)
	111,433	83,342	276,906	228,553

Changes in the balances of deferred tax assets and liabilities

	Parent Company	Consolidated
Balance at the beginning of the period	83,342	228,553
Recognition of profit or loss	21,704	35,864
Translation adjustments in equity	-	6,102
Recognition in Other comprehensive income	6,387	6,387
Balance at the end of the period	111,433	276,906

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

11 Investments

The breakdown and movements of corporate investments are shown below:

Movement of investments in the parent company

	12/31/2023	Purchase of shares/quotas	Equity	Foreign exchange gain (loss)	Gain (loss) investments	Amortization of asset capital gains	Profit in earnings	Transfer	Investment	Negative Shareholders' Equity	06/30/2024
Supera Farma Laboratórios S.A.	68,057	-	(18)	-	-	-	(40,442)	-	27,597	-	27,597
Eurofarma Guatemala S.A.	651,373	-	18,484	96,352	-	-	-	-	766,209	-	766,209
Eurofarma Peru S.A.C.	164,384	-	(2,424)	16,530	(65)	-	-	-	178,425	-	178,425
Eurofarma de México S. de RL de CV	301,962	-	44,265	16,446	1	-	(27,934)	-	334,740	-	334,740
Momenta Farmacêutica Ltda.	161,732	-	3,735	-	-	-	-	-	165,467	-	165,467
Momenta Colômbia S.A.S.	12	-	-	-	-	-	-	-	12	-	12
Eurofarma Colômbia S.A.S.	175,230	-	324	12,625	-	-	-	-	188,179	-	188,179
Eurofarma Argentina S.A.	125,173	-	12,146	96,476	(145)	(45)	-	-	233,605	-	233,605
Eurofarma Uruguay S.A.	68,566	-	1,619	10,037	-	-	-	-	80,222	-	80,222
Eurofarma Uruguay Zona Franca S.A.	(89)	-	(118)	(22)	-	-	-	-	(229)	229	-
Laborat. Eurofarma Bolívia S.A.	18,300	-	(321)	2,800	-	-	-	-	20,779	-	20,779
Eurofarma Venezuela Casa Representacion C.A.	125	1,517	(3,186)	(136)	(6)	-	-	-	(1,686)	1,686	-
Eurofarma Paraguay S.A.	8,890	-	(2,772)	728	-	-	-	-	6,846	-	6,846
Eurofarma S.A.	5,379	11,206	(9,930)	1,211	-	-	-	-	7,866	-	7,866
Orygen Biotecnologia S.A.	250	-	(531)	-	772	-	-	-	491	-	491
Eurofarma Chile SpA.	267,160	-	7,654	20,113	(8)	(10)	-	-	294,909	-	294,909
Eurofarma Moçambique Lda.	803	-	(2,521)	(117)	1	-	-	-	(1,834)	1,834	-
Neuron Ventures Fundo Investimento em Participações											
Multiestratégia	39,312	450	(483)	-	-	-	-	-	39,279	-	39,279
PAI Eurofarma LLC	8,451	-	(111)	269	-	-	-	-	8,609	-	8,609
Diplo Participações Ltda.	1,101,123	-	(64)	41,364	-	-	-	-	1,142,423	-	1,142,423
Harpy Plus Participações Ltda	245,028	-	-	-	-	-	-	-	245,028	-	245,028
Eurofarma USA Corp	68,724	13,388	(32,136)	8,042	-	-	-	-	58,018	-	58,018
Pearson Saúde Animal S.A.	147,533	-	(1,455)	-	-	-	-	-	146,078	-	146,078
Ocean Drop S.A.	15,113	-	(576)	-	-	-	-	-	14,537	-	14,537
Eurofarma Ventures LL.	55,719	12,115	(129)	9,644	-	-	-	-	77,349	-	77,349

Eurofarma Laboratórios S.A.
Quarterly information
interim accounting information
on June 30, 2024

	12/31/2023	Purchase of shares/quotas	Equity	Foreign exchange gain (loss)	Gain (loss) investments	Amortization of asset capital gains	Profit in earnings	Transfer	Investment	Negative Shareholders' Equity	06/30/2024
MTM Serviços de Informática Ltda	6,745	-	(292)	-	-	-	-	-	6,453	-	6,453
Longdis S.A.	5,616	4,318	(101)	-	(1)	-	-	-	9,832	-	9,832
Assuruá 4 Subholding I Energia S.A (a)	7,144	-	-	-	-	-	-	(7,144)	-	-	-
Genfar S.A.	1,218,527	1,065	39,430	19,920	-	-	-	-	1,278,942	-	1,278,942
Genfar Desarrollo y Manufactura S.A.	298,295	-	(13,591)	15,247	-	-	-	-	299,951	-	299,951
Genfar del Ecuador S.A.S	36,605	-	(1,463)	4,546	-	-	-	-	39,688	-	39,688
Genfar del Perú S.A.C.	169,919	-	8,858	16,781	(2)	-	-	-	195,556	-	195,556
Pharmaeuro Laboratórios, LDA	27	-	(126)	(7)	(24)	-	-	-	(130)	130	-
Total	5,441,188	44,059	64,167	388,849	523	(55)	(68,376)	(7,144)	5,863,211	3,880	5,867,091

(a) During the period ended June 30, 2024, the Company began to classify this operation in the “Securities and other financial instruments” group, in view of the characteristics of the operation.

Movement of investments not eliminated in the consolidated financial statements

	12/31/2023	Purchase of shares/quotas/Afac	Equity	Foreign exchange gain (loss)	Gain (loss) investments	Transfer	Investment	06/30/2024
Orygen Biotecnologia S.A. (a)	250	-	(531)	-	772	-	491	491
PAI Eurofarma LLC (b)	8,451	-	(111)	269	-	-	8,609	8,609
Ocean Drop S.A. (c)	15,113	-	(576)	-	-	-	14,537	14,537
MTM Serviços de Informática Ltda (d)	6,745	-	(292)	-	-	-	6,453	6,453
Assuruá 4 Subholding I Energia S.A (f)	8,573	-	-	-	-	(8,573)	-	-
Rome Therapeutics Inc. (e)	24,211	-	-	3,589	-	-	27,800	27,800
Abcuro Inc. (e)	14,524	-	-	2,153	-	-	16,677	16,677
DiveGen Cayman Holding Corp (e)	2,421	-	-	358	-	-	2,779	2,779
Walden Biosciences, Inc (e)	14,524	-	-	2,153	-	-	16,677	16,677
PsiVant Therapeutics, Inc (e)	-	4,571	-	515	-	-	5,086	5,086
Abata Therapeutics, Inc (e)	-	16,677	-	-	-	-	16,677	16,677
Total	94,812	21,248	(1,510)	9,037	772	(8,573)	115,786	115,786

(a) Joint venture between Eurofarma Laboratórios S.A. and Biolab Sanus Farmacêutica Ltda. The primary objective of the company is the development and production of biosimilar medicines.

- (b) PAI-Eurofarma LLC: a joint venture formed by Eurofarma Laboratórios S.A. and PAI Holdings LLC. Its primary objective is to collaborate on product development, acquire trademarks/registrations, and facilitate the commercialization of pharmaceutical products in the American market.
- (c) Investment in an affiliate, the Santa Catarina-based startup Ocean Drop, is a company specialized in marine nutrient-based food supplementation products (Ocean Drop brand) and custom vitamin products (OMV brand).
- (d) Investment in affiliate MTM Serviços de Informática Ltda, which specializes in tailored computer program development.
- (e) Venture capital investment, through the subsidiary Eurofarma Ventures LLC, aligned with the Company's strategy of investing in biotechnology start-ups.
- (f) During the period ended June 30, 2024, the Company began to classify this operation in the "Securities and other financial instruments" group, in view of the characteristics of the operation.

12 Securities

Parent Company

	12/31/2023	Purchase of shares/quot as	Reclassification (e)	Exchang e variation	Monetary restatement	Gain (loss) fair value	06/30/2024
Abingworth Bioventure 8 LP.(a)	6,037	164	-	406	-	(167)	6,440
CO Invest II Grids III Investors Ltd. (c)	5,425	1,915	-	174	-	(1,221)	6,293
Assuruá 4 Subholding I Energia S.A (e)	-	-	7,144	-	249	-	7,393
Total	11,462	2,079	7,144	580	249	(1,388)	20,126

Consolidated

	12/31/2023	Purchase of shares/quotas	Reclassification (e)	Exchange variation	Monetary restatement	Gain (loss) fair value	06/30/2024
Abingworth Bioventure 8 LP.(a)	6,037	164	-	406	-	(167)	6,440
Neuron Ventures (b)	28,662	-	-	-	-	299	28,961
CO Invest II Grids III Investors Ltd. (c)	5,425	1,915	-	174	-	(1,221)	6,293
Assuruá 4 Subholding I Energia S.A (d) (e)	-	-	8,573	-	299	-	8,872
Total	40,124	2,079	8,573	-	299	(1,089)	50,566

- (a) Abingworth Bioventure 8 LP Venture Capital investment fund in Biotechnology companies abroad.
- (b) Neuron Ventures Fundo Investimento em Participações Multiestratégia Investimento no Exterior stands as a Corporate Venture Capital (CVC) fund, founded on April 8, 2019. Its overarching goal is to funnel investments into startups poised for high growth and brimming with innovation potential. These investments typically encompass securities such as shares and convertible securities linked to privately-held firms. The Company assumes the role of the majority stakeholder within the Fund, which is under the stewardship of an independent manager.
- (c) CO Invest II Grids III Investors Ltd, located in the British Virgin Islands, with investments in securities such as shares and securities convertible into shares of private companies.
- (d) Investment in Assuruá 4 Subholding I Energia S.A., whose corporate purpose is the generation and sale of electricity through the implementation and operation of generating plants. Consolidated figures include the stake held by the subsidiary Momenta in this operation.
- (e) During the period ended June 30, 2024, the Company began to classify this operation in this group, given the characteristics of the operation.

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

13 Property, Plant and Equipment

Movement of property, plant and equipment

Parent Company					
	12/31/2023	Additions	Write-offs	Transfer	06/30/2024
Amortized					
Land	11,786	-	-	-	11,786
Buildings	55,459	-	-	918	56,377
Facilities	14,148	10	-	2,231	16,389
Machinery and equipment	961,259	13,884	(69)	48,524	1,023,598
Furniture and utensils	37,912	1,558	(100)	3,910	43,280
Vehicles	15,228	6,491	(291)	-	21,428
Leased vehicles	8,954	-	(1,201)	-	7,753
Computer equipment	70,158	3,475	(310)	2,477	75,800
Improvements to third-party properties	96,322	782	-	21,162	118,266
Goods held by third parties	1,031	-	-	-	1,031
Property, plant and equipment under construction (i)	1,461,373	331,271	(618)	(79,222)	1,712,804
Aircraft	49,688	-	-	-	49,688
Total	2,783,318	357,471	(2,589)	-	3,138,200
Depreciation					
	12/31/2023	Additions	Write-offs	Transfer	06/30/2024
Buildings	(34,563)	(338)	-	-	(34,901)
Facilities	(5,629)	(587)	-	-	(6,216)
Machinery and equipment	(407,056)	(29,057)	55	-	(436,058)
Furniture and utensils	(17,896)	(1,776)	60	-	(19,612)
Vehicles	(6,449)	(3,006)	291	-	(9,164)
Leased vehicles	(8,928)	(27)	1,201	-	(7,754)
Computer equipment	(41,254)	(4,476)	302	-	(45,428)
Improvements to third-party properties	(18,455)	(5,796)	-	-	(24,251)
Goods held by third parties	(93)	(43)	-	-	(136)
Aircraft	(45,548)	(2,484)	-	-	(48,032)
Total	(585,871)	(47,590)	1,909	-	(631,552)
Total net	2,197,447	309,881	(680)	-	2,506,648

- (i) These advances primarily relate to the purchase of machinery and equipment from overseas suppliers, ongoing construction work at the Itapevi industrial park, and improvements on land in Montes Claros (MG), with delivery of the first phase scheduled for 2025.

Consolidated

Amortized	12/31/2023	Additions	Write-offs	Transfer	Exchange variation	06/30/2024
Land	50,222	-	-	-	3,273	53,495
Buildings	156,167	32	-	(34,967)	61,385	182,617
Facilities	107,966	503	-	(16,796)	12,486	104,159
Machinery and equipment	1,244,902	25,816	(730)	54,522	41,874	1,366,384
Furniture and utensils	53,658	1,990	(379)	4,239	1,891	61,399
Vehicles	30,612	7,352	(315)	-	4,913	42,562
Leased vehicles	10,725	-	(1,202)	-	595	10,118
Computer equipment	104,579	8,311	(941)	2,530	4,841	119,320
Improvements to third-party properties	143,826	945	-	85,212	(38,949)	191,034
Goods held by third parties	1,031	-	-	-	-	1,031
Property, plant and equipment under construction (i)	1,495,588	347,471	(2,220)	(94,740)	3,667	1,749,766
Aircraft	49,688	-	-	-	-	49,688
Other property, plant and equipment	4	-	4	-	-	8
Total	<u>3,448,968</u>	<u>392,420</u>	<u>(5,783)</u>	<u>-</u>	<u>95,976</u>	<u>3,931,581</u>

Depreciation	12/31/2023	Additions	Write-offs	Transfer	Exchange variation	06/30/2024
Buildings	(60,566)	(2,314)	-	22,749	(26,607)	(66,738)
Facilities	(39,145)	(3,011)	-	8,939	(5,319)	(38,536)
Machinery and equipment	(561,518)	(38,352)	438	-	(21,050)	(620,482)
Furniture and utensils	(27,770)	(2,570)	315	-	(1,400)	(31,425)
Vehicles	(16,339)	(3,728)	313	-	(3,503)	(23,257)
Leased vehicles	(10,670)	(28)	1,200	-	(590)	(10,088)
Computer equipment	(62,936)	(7,733)	1,082	-	(3,760)	(73,347)
Improvements to third-party properties	(45,958)	(7,188)	-	(31,688)	19,221	(65,613)
Goods held by third parties	(93)	(43)	-	-	-	(136)
Aircraft	(45,548)	(2,484)	-	-	-	(48,032)
Total	<u>(870,543)</u>	<u>(67,451)</u>	<u>3,348</u>	<u>-</u>	<u>(43,008)</u>	<u>(977,654)</u>
Total net	<u>2,578,425</u>	<u>324,969</u>	<u>(2,435)</u>	<u>-</u>	<u>52,968</u>	<u>2,953,927</u>

- (i) It primarily refers to the purchase of machinery and equipment from overseas suppliers, ongoing construction work at the Itapevi industrial park, and improvements on land in Montes Claros (MG), with delivery of the first phase scheduled for 2025.

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

14 Right-of-use lease assets and liabilities

The Company has lease agreements primarily for vehicles and real estate.

The right-of-use asset is measured at cost less depreciation and impairment, adjusted for any measurement of the lease liability.

The lease liability is initially determined as the present value of lease payments that are outstanding at the commencement date, discounted using either the interest rate implicit in the lease or, if that rate is not readily determinable, the Company's incremental borrowing rate.

Remeasurements are made when there are contractual changes such as lease amounts, adjustment indices, interest rates, and monetary corrections.

The Group applies the exemption from recognizing leases to short-term contracts (i.e. leases with a lease term of 12 months or less from the start date and which do not contain a purchase option). It also applies the exemption from recognition of low-value assets, which include IT equipment and office supplies. These payments are recognized as expenses over the lease term.

a. Right-of-use assets

The movement of right-of-use leases is as follows:

Parent Company						
Amortized	12/31/2023	Additions	Remeasurement	Write-offs	06/30/2024	
Real estate	401,738	13,881	2,971	(49,130)	369,460	
Vehicles	241,826	91,971	-	(41,711)	292,086	
Total	643,564	105,852	2,971	(90,841)	661,546	
Depreciation						
Real estate	(57,715)	(7,856)	-	28,542	(37,029)	
Vehicles	(95,116)	(36,241)	-	37,055	(94,302)	
Total	(152,831)	(44,097)	-	65,597	(131,331)	
Net total	490,733	61,755	2,971	(25,244)	530,215	
Consolidated						
Amortized	12/31/2023	Additions	Remeasurements	Write-offs	Exchange variation	06/30/2024
Real estate	549,874	13,881	2,869	(49,130)	8,160	525,654
Vehicles	359,162	111,734	216	(49,062)	6,628	428,678
Others	564	-	-	-	84	648
Total	909,600	125,615	3,085	(98,192)	14,872	954,980
Depreciation						
Real estate	(101,671)	(14,429)	-	28,542	(1,553)	(89,111)
Vehicles	(154,524)	(53,203)	-	43,603	(3,990)	(168,114)
Others	(43)	(269)	-	-	(30)	(342)
Total	(256,238)	(67,901)	-	72,145	(5,573)	(257,567)
Net total	653,362	57,714	3,085	(26,047)	9,299	697,413

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

b. Right-of-use lease liability

Information regarding the lease liabilities for which the Group is the lessee is provided below:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Lease liabilities	550,890	510,562	726,708	680,691
Current liabilities	97,509	89,408	155,959	142,810
Non-current liabilities	453,381	421,154	570,749	537,881

Movement of right-of-use leases

	Parent Company	Consolidated
Lease liability at the beginning of the period	510,562	680,691
Additions	105,852	125,615
Remeasurements	2,971	3,085
Write-offs	(29,255)	(29,926)
Payments	(39,240)	(62,523)
Interest paid	(19,391)	(24,305)
Settled interest	19,391	24,305
Exchange variation	-	9,766
Balance at the end of the period	550,890	726,708
Current liabilities	97,509	155,959
Non-current liabilities	453,381	570,749

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

c. Discount rate

Vehicles	Discount rates	Term of the contract
Eurofarma Laboratórios	16.66%	4.0 years
Momenta Farmacêutica	16.66%	4.0 years
Pearson Saúde Animal	16.66%	4.0 years
Eurofarma Uruguay	16.00%	4.0 years
Eurofarma México	14.07%	4.0 years
Eurofarma Colômbia	12.66%	4.0 years
Eurofarma Equador	10.21%	4.0 years
Eurofarma Costa Rica	7.30%	4.0 years
Eurofarma Guatemala	7.30%	4.0 years
Eurofarma Peru	8.80%	4.0 years
Eurofarma Chile	5.23%	4.0 years
Eurofarma Panamá	7.30%	4.0 years
Eurofarma Paraguay	8.50%	4.0 years
Medimetriks	0.65%	4.0 years

Real estate	Discount rates	Term of the contract
Administrative headquarters Brooklin – SP	8.34%	5.0 years
Administrative headquarters in Itaporanga – SP (22nd floor)	16.18%	3.0 years
Administrative headquarters in Itaporanga – SP (18th floor)	13.49%	3.0 years
Industrial and administrative plant Itapevi – SP	5.40%	12.0 years
Industrial and administrative plant Freguesia do Ó – SP	5.84%	5,0 years
Varginha Distribution Center – MG	16.78%	5,0 years
Nações Unidas Unit – SP	12.03%	5,0 years
Rio de Janeiro Unit - RJ	12.03%	5.0 years
Cajamar Warehouse 1 and 2	13.12%	5.0 years
Warehouse Eurofarma Chile	4.40%	2,0 years
Administrative headquarters Paraguay	5.00%	5.0 years
Chile SpA Industrial Plant	2.09%	30.0 years
Administrative headquarters Bolivia	3.00%	3.0 years
Administrative headquarters Uruguay	16.00%	10.0 years
Administrative headquarters Mexico	17.80%	7.0 years
Administrative headquarters Mozambique	27.60%	1.0 year
Administrative headquarters Ecuador	9.33%	7.0 years
Administrative headquarters Medimetriks	0.65%	4.0 years

d. Amortization schedule

The amortization schedules, categorized by the year of maturity, are presented below for both the parent company and consolidated financial statements:

	<u>Parent Company</u>		<u>Consolidated</u>	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
2025	57,254	88,307	70,297	118,314
2026	110,854	83,322	135,489	100,341
2027	76,705	45,723	88,684	52,564
2028	41,709	35,828	58,548	51,263
2029 onwards	166,859	167,974	217,731	215,399
Non-current liabilities	<u>453,381</u>	<u>421,154</u>	<u>570,749</u>	<u>537,881</u>

15 Intangible Assets

Movements of intangible assets

	<u>Parent Company</u>			
	12/31/2023	Additions	Write-offs	06/30/2024
Amortized				
Systems and applications – software	69,332	19,869	(20,864)	68,337
Industrial trademarks and patents (i)	548,220	7,874	-	556,094
Permits	300,603	13,885	-	314,488
Customer portfolio	321,201	-	-	321,201
Development of new products	90,021	2,721	(6,265)	86,477
Non-compete clause	65,354	-	-	65,354
Goodwill	468,794	-	-	468,794
Total	<u>1,863,525</u>	<u>44,349</u>	<u>(27,129)</u>	<u>1,880,745</u>

Amortization	12/31/2023	Additions	Write-offs	06/30/2024
Systems and applications – software	(41,607)	(10,774)	20,837	(31,544)
Industrial trademarks and patents	(16,151)	-	-	(16,151)
Customer portfolio	(38,895)	(10,082)	-	(48,977)
Non-compete clause	(13,071)	(6,535)	-	(19,606)
Total	(109,724)	(27,391)	20,837	(116,278)
Total net	1,753,801	16,958	(6,292)	1,764,467

- (i) The Group retains provisions for brand losses related to discontinued or unsold products in the amount of R\$16,266 on June 30, 2024 and December 31, 2023 within this category.

Consolidated					
Amortized	12/31/2023	Additions	Write-offs	Exchange Variation	06/30/2024
Systems and applications – software	80,042	24,000	(21,386)	383	83,039
Industrial trademarks and patents (ii)	3,021,950	10,784	-	187,874	3,220,608
Permits	334,891	13,885	-	5,311	354,087
Customer portfolio	352,661	-	-	654	353,315
Health registrations	594,373	-	-	-	594,373
Non-compete clause	143,972	-	-	10,693	154,665
Goodwill	864,660	-	(345)	11,803	876,118
Development of new products	90,181	2,721	(6,423)	-	86,479
Total	5,482,730	51,390	(28,154)	216,718	5,722,684
Amortization	12/31/2023	Additions	Write-offs	Exchange Variation	06/30/2024
Systems and applications – software	(45,912)	(12,179)	21,360	(282)	(37,013)
Industrial trademarks and patents	(101,819)	(5,231)	-	(9,038)	(116,088)
Customer portfolio	(69,583)	(10,116)	-	(31)	(79,730)
Non-compete clause	(33,978)	(14,110)	-	(2,851)	(50,939)
Total	(251,292)	(41,636)	21,360	(12,202)	(283,770)
Total net	5,231,438	9,754	(6,794)	204,516	5,438,914

- (ii) The Group retains provisions for brand losses related to discontinued or unsold products in the amount of R\$31,844 on June 30, 2024 within this category.

16 Suppliers and other accounts payable

a. Suppliers

	Note	Parent Company		Consolidated	
		06/30/2024	12/31/2023	06/30/2024	12/31/2023
Domestic market		332,722	268,613	556,858	500,008
Domestic market forfeiting (i)		1,483	862	1,483	862
Foreign market		181,588	228,127	269,956	311,875
Related parties domestic market	20	2,223	23,338	-	65
Related parties foreign market	20	17,950	30,254	-	-
Total		535,966	551,194	828,297	812,810

- (i) The Company has a contract with a financial institution in Brazil for the purchase of receivables from suppliers. In this transaction, the supplier transfers the right to receive the securities to the Bank. On June 30, 2024 and December 31, 2023, the average discount rate is 1.00% and 0.99%.

b. Other accounts payable

	Note	Parent Company		Consolidated	
		06/30/2024	12/31/2023	06/30/2024	12/31/2023
Customs brokerage payable		24,792	6,711	25,479	7,351
Related Parties	20	938	9,711	-	-
Accounts payable investments (iv)		-	22,113	73,424	86,018
Miscellaneous provisions (i)		33,748	47,301	243,672	211,454
Deferred Revenue (ii)		13,612	15,944	14,469	16,949
Negative shareholders' equity (iii)	11	3,878	88	-	-
Other		6,063	1,771	19,559	18,245
Total		83,031	103,639	376,603	340,017
Current liabilities		70,161	92,226	293,623	264,005
Non-current liabilities		12,870	11,413	82,980	76,012

- (i) Miscellaneous provisions include expenses related to electricity, water and sewage, telephone, maintenance and professional services, insurance, and commissions.
- (ii) Payroll management contract.
- (iii) Refers to the provision for investments with negative equity.
- (iv) It primarily refers to amounts payable for the acquisition of subsidiaries.

Note 28 provides information about the Group's credit risk exposure related to suppliers and includes a sensitivity analysis for liabilities.

17 Salaries, provisions and social contributions

	<u>Parent Company</u>		<u>Consolidated</u>	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Salaries payable	208	1,675	9,961	9,296
Provision for vacation and Christmas bonus	289,977	187,305	376,502	255,123
Social and labor charges	<u>67,434</u>	<u>102,199</u>	<u>97,098</u>	<u>131,386</u>
Total	<u>357,619</u>	<u>291,179</u>	<u>483,561</u>	<u>395,805</u>

18 Loans and financing

Breakdown of loans and financing

	Index	Financial charges - %	Guarantees	Maturity	Parent Company		Consolidated	
					06/30/2024	12/31/2023	06/30/2024	12/31/2023
Domestic currency:								
FINAME (i)	TJLP	6.0% p.a.	Promissory note and fiduciary lien	2024	387	2,708	387	2,708
FINEP (ii)	TJLP	5.0% p.a.	Bank Surety	2024	8,375	20,880	8,375	20,880
		CDI + 0.77% p.a.						
		CDI + 1.85% p.a.						
Commercial promissory notes (iii)	CDI	CDI + 1.90% p.a. CDI + 1.95% p.a. IPCA + 0.7416%	No guarantee and/or surety	2024 to 2026	505,162	597,428	505,162	597,428
BNB (iv)	IPCA	p.a.	Bank Guarantee Bond	2030	116,518	125,494	116,518	125,494
Working capital in Brazilian reais (v)	CDI	CDI + 2.40 p.a.	Standby letter of credit	2026 to 2028	803,652	902,047	803,652	902,047
Mutual - related parties – Orygen	TR	TR + 4.00% p.a.	No guarantee and/or surety	2024	5,522	7,710	5,522	7,710
IFC (v)	CDI	CDI + 1.40 p.a.	Promissory Note	2030	789,325	791,040	789,325	791,040
Total					<u>2,228,941</u>	<u>2,447,307</u>	<u>2,228,941</u>	<u>2,447,307</u>

	Index	Financial charges - %	Guarantees	Maturity	Parent Company		Consolidated	
					06/30/2024	12/31/2023	06/30/2024	12/31/2023
Foreign currency:								
FINIMP (viii)	\$	7.0560 p.a. 4.8705 p.a.	Standby By and Fiduciary lien	2024	1,102	953	1,102	953
Working capital (vii)	\$	4.7040 p.a. 5.02350 p.a.	Standby Letter of Credit and Promissory Note	2028 to 2029	1,543,992	1,343,999	1,543,992	1,343,999
EXIM BNDES (ix)	\$	5.8220 a.a.	No guarantee and/or surety	2027	167,042	145,456	167,042	145,456
Total					<u>1,712,136</u>	<u>1,490,408</u>	<u>1,712,136</u>	<u>1,490,408</u>
Total					<u>3,941,077</u>	<u>3,937,715</u>	<u>3,941,077</u>	<u>3,937,715</u>
Current liabilities					830,240	1,582,609	830,240	1,582,609
Non-current liabilities					3,110,837	2,355,106	3,110,837	2,355,106

Loans and financing contain covenants that outline the consequences of non-compliance with obligations stated in the credit agreements with the Banks. These clauses include provisions such as protesting debts exceeding the agreed amounts, withholding information that may impact the economic, financial, or legal status of the issuer/creditor and cause harm to the Bank, unauthorized removal of financed assets, and restrictions on encumbrance, alienation, leasing, assignment, or transfer to third parties. Additionally, legal actions arising from contractual offenses, including environmental crimes, are subject to final judgment.

- (i) The credit facility with BNDES, specifically for Special Agency for Industrial Financing (FINAME) onlending operations, is designed to fund the acquisition of domestically built property, plant and equipment. Banco Alfa S.A. is the accredited financial agent for this purpose. The assets specified in the respective contracts serve as collateral.
- (ii) The financing contracts with the Funding Authority for Studies and Projects (FINEP) pertain to investments in innovation programs, specifically targeting the development of new products and technological platforms, as well as the acquisition of new technologies through collaborations with universities and research centers. These financing contracts with FINEP include covenants, such as: (a) the requirement to allocate the financing resources solely towards the designated project; (b) the obligation to contribute own resources as defined in the project budget; (c) the necessity to communicate any modifications to the initial financial project structure; and (d) the maintenance of a compliant status with environmental agencies.
- (iii) On November 29, 2019, the Company obtained R\$ 370,000 in funding through the issuance of Commercial Promissory Notes (fourth issuance) at a cost of CDI + 0.77% per annum. The promissory notes have a term of five years and are divided into two equal series. The first series matures on November 30, 2023, and the second series matures on November 30, 2024.

Principal and interest payments will be made in the fourth and fifth years, respectively. The contract for this issuance includes a financial index covenant: until the maturity date, net debt divided by EBITDA must be equal to or less than four at the end of each fiscal year, as of November 30, 2023, according to the AGN held on December 11, 2023.

On April 14, 2021, the Company raised R\$300,000 through the issuance of Commercial Promissory Notes (sixth issue) at the following costs: CDI + 1.80% per annum, CDI + 1.85% per annum, CDI + 1.90% per annum, and CDI + 1.95% per annum, with a term of five years. The promissory notes are divided into ten series, with each series maturing on different dates. The first series matures on October 14, 2021, the second on April 10, 2022, the third on October 14, 2022, the fourth April 14, 2023, the fifth on October 14, 2023, the sixth on April 14, 2024, the seventh on October 14, 2024, the eighth on April 14, 2025, the ninth on October 14, 2025, and the tenth on April 14, 2026. The payment of principal and interest will occur at the maturity of each series. The contract associated with this issuance includes a restrictive financial index clause, whereby the net debt divided by EBITDA ratio must be equal to or less than three point five at the end of each fiscal year.

- (iv) The credit facility with BNB, which is funded by the Northeast Financing Constitutional Fund, is specifically intended to finance the construction of a new plant in Montes Claros. Disbursements made by BNB are based on the Company's submission of documented expenses, which are then reimbursed by the financial institution. The total approved credit line amounts to R\$ 375,000. On June 30, 2020, the Company obtained funding in the amount of R\$ 7,937. On December 29, 2020, it secured an additional amount of R\$ 44,047. Furthermore, on July 2, 2021, and July 13, 2021, the Company received reimbursements totaling R\$ 95,012 for expenses incurred in the manufacturing expansion project.
 - (v) On February 18, 2021, the Company issued a bank credit bill in the amount of R\$ 365,000, which represented the refinancing of 02 promissory notes from the 2nd series, 03 promissory notes from the 3rd series, and 66 promissory notes from the 4th series of the 5th Issuance. The payment schedule includes the principal amount to be paid in February 2024, January 2025, and January 2026, along with semi-annual interest payments for a period of 5 years. This contract includes a financial ratio covenant: net debt divided by EBITDA must be equal to or less than four at the end of each fiscal year, starting on March 8, 2024.
- On September 6, 2023, the Company issued a bank credit bill in the amount of R\$ 500,000, with a payment flow of the principal amount for September 2026, September 2027 and September 2028 and an annual interest payment flow, between September 6, 2024 and September 6, 2028, at a cost of CDI + 1.50% p.a. The transaction was secured by a Standby Letter of Credit. The contract foresees a financial index covenant, whereby the net debt divided by EBITDA ratio must be equal to or less than four at the end of each fiscal year, starting on March 8, 2024.
- (vi) On October 25, 2022, the Company secured a loan of R\$777,397 from the IFC - International Finance Corporation. This international organization, established through a contractual agreement among its member countries, including the Federative Republic of Brazil, provided the loan at an interest rate of CDI + 1.40% p.a. The purpose of the loan is to strengthen the company's cash position. The loan has a maturity period of eight years, with semi-annual interest and principal payments scheduled for October 15, 2024, April 15, 2025, October 15, 2025, April 15, 2026, October 15, 2026, April 15, 2027, October 15, 2027, April 15, 2028, October 15, 2028, April 15, 2029, October 15, 2029, April 15, 2030, and October 15, 2030. The contract includes a restrictive financial index clause, whereby the net debt divided by EBITDA ratio must be equal to or less than four at the end of each quarter from June 3, 2024, as per Amendment Letter #1. On June 30, 2024, the Company obtained the consent of the IFC-International Finance Corporation for non-compliance with the financial index, without triggering the early termination clause of the contract.
 - (vii) On February 8, 2023, the Company issued a bank credit bill in the amount of R\$ 700,000 (equivalent to USD 134,641), with the following payment schedule: principal payments on February 14, 2027, 2028 and 2029; and a half-yearly remuneratory interest payments between August 10, 2023 and February 14, 2029. The Bill carries a fixed interest rate of 4.8705% p.a., without considering income tax, using the simple method. The transaction was secured by a Standby Letter of Credit. The contract foresees a financial index covenant, whereby the net debt divided by EBITDA ratio must be equal to or less than four at the end of each fiscal year, starting on March 8, 2024.

On April 11, 2023, the Company issued a bank credit bill in the amount of R\$ 406,400 (equivalent to USD 80,000), with the following payment schedule: principal payments on April, 2027 and April, 2028, and half-yearly remuneratory interest payments from October 11, 2023, to April 11, 2028. The Bill carries a fixed interest rate of 4.8705% p. a., without considering income tax, using the simple method. The transaction was secured by a Standby Letter of Credit and Promissory Note. The contract includes a restrictive financial index clause, whereby the net debt divided by EBITDA ratio must be equal to or less than four at the end of each quarter.

On May 29, 2023, the Company issued a bank credit bill in the amount of R\$ 300,600 (equivalent to USD 60,000), with the following payment schedule: principal payments on May, 2025, December, 2025, June, 2026, November, 2026, June, 2027 and half-yearly remuneratory interest payments from November 30, 2023, to May 30, 2028. The Bill carries a fixed interest rate of 5.02350% p.a., without considering income tax, using the simple method. The transaction was secured by a Standby Letter of Credit. The contract provides for a financial index covenant: net debt divided by EBITDA must be equal to or less than three point five at the end of each fiscal year until the other debts with this covenant mature or cease to exist (inclusive), whichever comes first, and four point zero from the date on which the other debts with covenants of three point five mature or cease to exist (exclusive) until the maturity date.

- (viii) On April 6, 2023, the Company issued an amendment to the bank credit bill (import financing), replacing the Libor + Spread rate with a pre-fixed rate of 6.752% due to the extinction of the Libor rate. Replacing contract 4139448 with payment flow and principal and interest for November 10, 2023. The transaction was secured by a Standby Letter of Credit. On November 10, 2023, the Company issued an amendment to the bank credit bill (import financing), changing the rate to a fixed rate of 7.272% due to the delay in the delivery of the machine. Replacing contract 4157318 with payment flow and principal and interest for April 10, 2024. On April 10, 2024, the Company issued an amendment to the bank credit bill (import financing), changing the rate to a fixed rate of 7.056% due to the delay in the delivery of the machine. Replacing contract 4158566 with payment flow and principal and interest for October 10, 2024.

On April 6, 2023, the Company executed an amendment to its bank credit bill (import financing), transitioning from the Libor + Spread rate structure to a fixed rate of 6.76%. This was prompted by the discontinuation of the Libor rate. As a result, Contract 4144476 was subsequently replaced, with payment flow and principal and interest for November 10, 2023. The transaction was secured by a Standby Letter of Credit. On November 10, 2023, the Company issued an amendment to the bank credit bill (import financing), changing the rate to a fixed rate of 7.272% due to the delay in the delivery of the machine. Replacing contract 4158099 with payment flow and principal and interest for April 10, 2024. **On April 10, 2024, the Company issued an amendment to the bank credit bill (import financing), changing the rate to a fixed rate of 7.056% due to the delay in the delivery of the machine.** Replacing contract 415865 with payment flow and principal and interest for October 10, 2024

- (ix) On September 28, 2023, the Company issued an EXIM loan with the BNDES through Itaú bank in the amount equivalent in Brazilian reais to R\$ 150,000 (US\$ 29,828), with a payment flow of the principal amount for August 2027, and a quarterly payment flow of remunerative interest, between November 16, 2023 and August 16, 2027, with a fixed interest rate of 5.8220% p.a. The operation was guaranteed by an export bond.

Movements of loans and financing

	Parent company and Consolidated
Balances at the beginning of the period	3,937,715
Interest/	176,772
Monetary and exchange rate variation	221,323
Accrued Expenses	2,063
Amortizations and interest payments	<u>(396,796)</u>
Balance at the end of the period	<u>3,941,077</u>

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

The following table presents the maturity schedule of non-current liabilities:

	Parent company and Consolidated	
	06/30/2024	12/31/2023
Year		
2025	118,671	261,230
2026	615,571	422,967
2027	1,034,332	663,071
2028	821,008	518,798
2029	385,797	353,587
2030	<u>135,458</u>	<u>135,453</u>
Non-current liabilities	<u>3,110,837</u>	<u>2,355,106</u>

Note 28 provides detailed disclosure of the Group's exposure to risks associated with interest rates, foreign currencies, and liquidity stemming from these loans and financing.

19 Debentures

Breakdown of debentures

Mode	Average rate	Guarantee	Parent Company		Consolidated	
			06/30/2024	12/31/2023	06/30/2024	12/31/2023
1st issuance of debentures (i) Costs of funding to settle (i)	CDI + 2.70% p.a.	No guarantee and/or surety	325,597 (2,039)	325,641 (2,892)	325,597 (2,039)	325,641 (2,892)
2nd issuance of debentures (ii) Costs of funding to settle (ii)	CDI + 1.40% p.a.	No guarantee and/or surety	-	1,048,187 (2,748)	-	1,048,187 (2,748)
3rd issuance of debentures (ii) Costs of funding to settle (ii)	CDI + 2.30% p.a.	No guarantee and/or surety	-	1,034,639 (7,860)	-	1,034,639 (7,860)
4th issuance of debentures (ii) Costs of funding to settle (ii)	CDI + 2.30% p.a.	No guarantee and/or surety	-	508,156 (4,003)	-	508,156 (4,003)
5th issuance of debentures (iii) Costs of funding to settle (iii)	CDI + 1.25% p.a.	No guarantee and/or surety	709,656 (3,226)	706,258 (3,277)	709,656 (3,226)	706,258 (3,277)
6th issuance of debentures (iv) Costs of funding to settle (iv)	CDI + 1.25% p.a.	No guarantee and/or surety	500,442 (2,363)	500,730 (2,362)	500,442 (2,363)	500,730 (2,362)
7th issuance of debentures (v) Costs of funding to settle (v)	CDI + 1.30% p.a.	No guarantee and/or surety	3,092,848 (32,568)	- -	3,092,848 (32,568)	- -
Total			4,588,347	4,100,469	4,588,347	4,100,469
Current liabilities			258,990	2,407,908	258,990	2,407,908
Non-current liabilities			4,329,357	1,692,561	4,329,357	1,692,561

- (i) On December 10, 2020, the Company conducted a fundraising exercise by issuing Simple Debentures, which are non-convertible into shares and constitute a single series. These debentures were unsecured and made available to the public with restricted efforts, following the provisions of CVM Instruction 476, R\$ 485,000 at a cost of CDI + 2.70% per annum, for the refinancing of 94 Commercial Promissory Notes from the fifth issuance. The maturity period for these debentures is five years starting from the date of issuance. The interest and principal payments are scheduled semi-annually, with the first installment due on December 10, 2023, followed by payments on December 10, 2024, and December 10, 2025. The contract associated with this issuance foresees a financial index covenant, whereby the net debt divided by EBITDA ratio must be equal to or less than three until November 30, 2024, and after this date, it must be three point five or lower at the end of each fiscal year.
- (ii) On March 25, 2024, the company carried out the optional early redemption of the totality of the Debentures of the 2nd, 3rd and 4th Issuances, pursuant to Clause 5.1 (v). The early redemption value of the 2nd issuance of debentures was R\$ 1,033,588, considering the early redemption premium, of the 3rd issuance was R\$ 1,066,120 and of the 4th issuance was R\$ 523,613.
- (iii) On November 22, 2023, the Company executed its 5th Issuance of Simple Debentures, which are non-convertible into shares. These were issued as a single series, belonging to the unsecured category, and were facilitated through the Automatic Distribution Registration Rite, operating within the framework of the Firm Guarantee Regime, as stipulated by CVM Instruction 160. The issuance amounted to R\$ 700,000, and it carried a cost of CDI + 1.25% p.a. This initiative was undertaken to bolster the Company's cash reserves and support its routine management operations. The maturity will be four years *bullet*, with semi-annual payment of remuneration and no grace period, always on the 15th of the months of May and November, the first being on May 15, 2024 and full amortization in the 4th (fourth) year, on November 15, 2027. A financial index covenant is foreseen: net debt divided by EBITDA must be less than or equal to 4.0 (four point zero) at the end of each fiscal year, by the maturity date of the Debentures.
- (iv) On December 26, 2023, the Company executed its 6th Issuance of Simple Debentures, which are non-convertible into shares. These were issued as a single series, belonging to the unsecured category, and were facilitated through the Automatic Distribution Registration Rite, operating within the framework of the Firm Guarantee Regime, as stipulated by CVM Instruction 160. The issuance amounted to R\$ 500,000, and it carried a cost of CDI + 1.25% p.a. This initiative was undertaken to bolster the Company's cash reserves and support its routine management operations. The maturity will be four years *bullet*, with semi-annual payment of remuneration and no grace period, always on the 26th of the months of June and December, the first being on June 26, 2024 and full amortization in the 4th (fourth) year, on December 26, 2027. A financial index covenant is foreseen: net debt divided by EBITDA must be less than or equal to 4.0 (four point zero) at the end of each fiscal year, until the maturity date of the Debentures.
- (v) On March 31, 2024, the Company executed its 3rd Issuance of Simple Debentures, which are non-convertible into shares. These were issued as a single series, belonging to the unsecured category, and were facilitated through the Automatic Distribution Registration Rite, operating within the framework of the Firm Guarantee Regime, as stipulated by CVM Instruction 160. The issuance amounted to R\$ 3,000,000,000, and it carried a cost of CDI + 1.30% p.a. This initiative was undertaken to bolster the Company's cash reserves and support its routine management operations. The maturity period for these debentures is seven years from the date of issuance. The debentures will accrue semi-annual remuneration and amortization in the fifth, sixth, and seven years from the date of issuance. A financial index covenant is foreseen: net debt divided by EBITDA must be less than or equal to 4.0 (four point zero) at the end of each fiscal year until the maturity date of the Debentures.

Movement of debentures

	Parent company and Consolidated
Balances at the beginning of the period	4,100,469
Fundraising	3,000,000
Interest paid	(277,013)
Provisioned Interest	281,943
Amortization	(2,500,000)
Appropriate funding costs and charges	(17,052)
Balance at the end of the period	4,588,347

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

The maturities related to the balance of debentures, excluding the respective fundraising costs, are shown in the following table:

	Parent company and Consolidated	
	2024	2023
2025	161,667	-
2027	1,200,000	1,366,667
2028	-	166,667
2029 onwards	3,000,000	166,666
Non-current liabilities	4,361,667	1,700,000

20 Related parties

a. Transactions and balances

The primary balances of assets and liabilities, as well as the transactions between related parties that impacted the results in the period, arise from the operations conducted between the Company and its subsidiaries.

	06/30/2024						
	Parent Company				Consolidated		
	Balances		Transactions		Balances		Transactions
	Current	Current	Revenues	Expenses/costs	Current	Current	Expenses/costs
Eurofarma Argentina S.A. (i)	21,864	(11,534)	(1,089)	1,416	-	-	-
Eurofarma Uruguay S.A. (ii)	5,396	-	(5,078)	7,087	-	-	-
Supera Farma Laboratórios S.A. (iii)	33,352	(622)	-	645	-	-	-
Supera RX Medicamentos Ltda. (ii)	10,855	-	(38,862)	21,334	-	-	-
Magabi Pesquisas Clínicas e Farmacêuticas Ltda. (vii)	6,050	-	(102)	9,359	6,050	-	9,258
Eurofarma Colômbia S.A.S. (ii)	10,478	(6,936)	(9,621)	10,346	-	-	-
Themaxis Colômbia (iv)	9	-	-	-	-	-	-
Eurofarma Mexico (ii)	5,280	-	(6,598)	5,863	-	-	-
Eurofarma Venezuela Casa de Representación (i)	3,700	-	(168)	444	-	-	-
Orygen (vi) Laboratórios Eurofarma	-	(5,522)	-	162	-	(5,522)	162
Bolívia S.A. (ii)	1,064	(54)	(1,055)	1,116	-	-	-
Eurofarma Paraguay (v)	3,930	(363)	(3,510)	3,719	-	-	-
Eurofarma Guatemala (ii)	14,770	-	(14,096)	14,695	-	-	-
Eurofarma Peru (ii)	4,204	-	(4,230)	4,950	-	-	-
Momenta Farmacêutica Ltda. (ii)	1,319	(1,602)	(3,801)	3,658	-	-	-
Eurofarma S.A. (i)	4,513	-	(3,304)	3,188	-	-	-

Eurofarma Laboratórios S.A.
Quarterly information
interim accounting information
on June 30, 2024

06/30/2024							
	Parent Company				Consolidated		
	Balances		Transactions		Balances	Transactions	
	Current	Current	Revenues	Expenses/costs	Current	Current	Expenses/costs
Eurofarma Mozambique (i)	4,058	-	(1,409)	1,332	-	-	-
Eurofarma Institute (viii)	70	-	(49)	12,210	70	-	12,161
Conte Capital S.A.(ix)	21	-	(101)	1,091	21	-	989
Eurofarma Costa Rica S.A (ii)	237	-	(220)	236	-	-	-
Harpy Plus Participações Ltda (iv)	20	-	-	-	-	-	-
Eurofarma Chile SpA. (ii)	16,295	-	(16,838)	19,281	-	-	-
Pearson Saúde Animal S.A. (ii)	30,853	-	(32,462)	32,077	-	-	-
Conte Biancamo Fundo de Investimento Imobiliário (x)	22,977	-	-	-	22,977	-	-
Pharmaeuro Laboratórios, Ltd. (iv)	248	-	-	-	-	-	-
MTM Serviços de Informática	-	-	-	140	-	-	140
Longdis S.A. (iv)	28	-	-	-	-	-	-
Total	201,591	(26,633)	(142,593)	154,349	29,118	(5,522)	22,710

06/30/2024							
	Parent Company				Consolidated		
	Balances		Transactions		Balances	Transactions	
	Current	Current	Revenues	Expenses/costs	Current	Current	Revenues/Expenses/Costs
Accounts receivable from customers	115,471	-	-	-	6,024	-	-
Other accounts receivable	61,105	-	-	-	23,093	-	-
Advance for future capital increase	25,015	-	-	-	-	-	-
Total assets	201,591	-	-	-	29,117	-	-
Suppliers	-	(20,173)	-	-	-	-	-
Other accounts payable	-	(938)	-	-	-	-	-
Loans	-	(5,522)	-	-	-	(5,522)	-
Total liabilities	-	(26,633)	-	-	-	(5,522)	-
Sales revenue	-	-	(140,875)	-	-	-	-
Financial revenues (expenses)	-	-	(64)	162	-	-	162
Revenue from shared services	-	-	(1590)	-	-	-	(188)
Other revenue	-	-	(64)	-	-	-	(64)
Total revenue	-	-	(142,593)	162	-	-	(90)
Taxes, sales returns	-	-	-	7,880	-	-	-
Costs	-	-	-	122,072	-	-	-
Other expenses	-	-	-	652	-	-	-
Administrative expenses	-	-	-	23,583	-	-	22,800
Total expenses	-	-	-	154,187	-	-	22,800

- (i) Operation with Eurofarma regarding the sale of products between companies, advance payment for future capital increase.
- (ii) Operation with Eurofarma referring to the sale of products between the companies.
- (iii) Operation with Eurofarma regarding the sale of products between the companies and payment of dividends.
- (iv) Advance for future capital increase for the companies of the Group.
- (v) Operation with Eurofarma regarding the sale of products between companies and other accounts payable.
- (vi) Operation with Eurofarma relating to an advance payment for future capital increase and loan between the companies with a total loan amount of R\$5,522 on June 30, 2024 and R\$7,710 on December 31, 2023, with monthly payment of the principal with monthly interest calculated at 100% of CDI (Bank Deposit Certificate).

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- (vii) Purchase of services and accounts receivable for the sale of property, plant and equipment.
- (viii) Eurofarma Laboratórios acts as the primary supporter of Eurofarma Institute, which operates as an OSCIP (Civil Society Organization of Public Interest). As the maintainer, Eurofarma Laboratórios provides the essential funds required for the successful functioning of Eurofarma Institute.
- (ix) The properties of Unit IV - Nações Unidas and Unit V - Rio de Janeiro are subject to lease agreements for a duration spanning from January 1, 2017, to December 31, 2026, encompassing a period of 10 years.
- (x) Expenses with rent for the Itapevi plant, and amounts receivable for improvements made to the property.

	12/31/2023						
	Parent Company				Consolidated		
	Balances		Transactions		Balances		Transactions
	Current	Current	Revenues	Expenses/costs	Current	Current	Expenses/costs
Eurofarma Argentina S.A.	722	(7,655)	(2,137)	1,994	-	-	-
Eurofarma Uruguay S.A.	6,039	-	(16,128)	18,284	-	-	-
Supera Farma Laboratórios S.A.	2,922	(1,393)	(734)	6	-	(201)	-
Supera RX Medicamentos Ltda.	16,720	-	(134,226)	90,121	-	-	(2,086)
Magabi Pesquisas Clínicas e Farmacêuticas Ltda.	6,886	(65)	(72)	10,414	6,885	(65)	10,341
Eurofarma Colômbia S.A.S.	8,880	(1,222)	(16,217)	15,685	-	-	-
Themaxis Colombia	9	-	-	-	9	-	-
Eurofarma México	2,644	(27,526)	(4,816)	4,872	-	-	-
Eurofarma Venezuela Casa de Representacion	1,417	-	-	-	-	-	-
Orygen	-	(7,710)	-	851	-	(7,710)	851
Laboratórios Eurofarma Bolívia S.A.	1,271	-	(2,899)	4,629	-	-	-
Eurofarma Paraguay	1,905	(3,382)	(4,400)	6,023	-	-	-
Eurofarma Guatemala	15,676	-	(29,481)	27,013	-	-	-
Eurofarma Peru	3,134	(154)	(11,758)	12,301	-	-	-
Momenta Farmacêutica Ltda.	753	(21,882)	(13,892)	13,220	-	-	-
Eurofarma S.A.	7,527	-	(4,328)	4,699	-	-	-
Eurofarma Mozambique	1,155	-	(560)	173	-	-	-
Eurofarma Institute	27	-	(96)	22,039	27	-	21,944
Conte Capital S.A.	38	-	(194)	2,253	38	-	2,059
Eurofarma Panamá S.A.	201	-	(451)	548	-	-	-
Produtos Farmaceuticos Medipharm	15,927	-	(29,627)	30,651	-	-	-
Pearson Saúde Animal S.A.	29,383	(225)	(57,492)	59,277	-	-	-
Conte Biancamo Fundo de Investimento Imobiliário	7,633	-	-	21,949	7,633	-	21,949
Eurofarma RJ Ltda	-	-	(1,809)	1,777	-	-	-
MTM Serviços de Informática	-	-	-	18	-	-	18
Longdis S.A.	4,296	-	-	-	-	-	-
Total	135,165	(71,214)	(331,317)	348,797	14,592	(7,976)	55,076

12/31/2023							
	Parent Company				Consolidated		
	Balances		Transactions		Balances		Transactions
	Current	Current	Revenues	Expenses/costs	Current	Current	Revenues/ Expenses/Costs
Accounts receivable from customers	112,332	-	-	-	6,847	-	-
Other accounts receivable	14,875	-	-	-	7,736	-	-
Advance for future capital increase	7,958	-	-	-	9	-	-
Total assets	135,165	-	-	-	14,592	-	-
Suppliers	-	(53,592)	-	-	-	(65)	-
Other accounts payable	-	(9,711)	-	-	-	-	-
Anticipation of dividends	-	(201)	-	-	-	(201)	-
Loans	-	(7,710)	-	-	-	(7,710)	-
Total liabilities	-	(71,214)	-	-	-	(7,976)	-
Sales revenue	-	-	(324,311)	-	-	-	-
Financial revenues (expenses)	-	-	(315)	851	-	-	851
Revenue from shared services	-	-	(2,996)	-	-	-	(362)
Other revenue	-	-	(3,695)	-	-	-	(2,086)
Total revenue	-	-	(331,317)	851	-	-	(1,597)
Taxes, sales returns	-	-	-	18,781	-	-	-
Costs	-	-	-	271,210	-	-	-
Other expenses	-	-	-	775	-	-	-
Administrative expenses	-	-	-	57,180	-	-	56,673
Total expenses	-	-	-	347,946	-	-	56,673

b. Remuneration of key Management personnel

The total compensation of key Management personnel includes salaries, benefits and profit sharing and is presented below:

	Parent Company		Consolidated	
	06/30/2024	06/30/2023	06/30/2024	06/31/2023
Salaries and short-term benefits (i)	12,700	19,741	15,725	21,330
Total	12,700	19,741	15,725	21,330

- (i) During the 6-month period ended on June 30, 2024, the Company began to consider only the statutory directors as key management personnel, whereas previously, other directors were also considered.

c. Parent company and final controlling shareholder

The Company's ultimate controlling shareholder is Santos - Fundo de Investimentos em Ações, which holds 98.4400427% and Conte Master Fundo de Investimento em Ações, which holds 1.5599572% of its share capital.

d. Dividends received

The Company received R\$37,934 in dividends with R\$27,934 from its subsidiary Eurofarma Mexico and R\$10,000 from its subsidiary Supera, on June 30, 2024.

21 Provision for contingencies

Provisions are recognized by the Company in accordance with the requirements of CPC 25/IAS 37. These provisions are established when the Company has a present obligation resulting from a past event, and it is probable that economic benefits will be required to settle the obligation. Additionally, a reliable estimate can be made of the amount of the obligation. The assessment of the probability of loss takes into consideration various factors, including available evidence, the hierarchy of laws, existing jurisprudence, the latest court decisions, and their relevance within the legal system. Internal and external lawyers also contribute to this assessment.

The Group is involved in judicial and administrative proceedings of tax, labor, and civil nature.

Based on the advice of its legal advisors, Management maintains provisions for contingencies in amounts deemed sufficient to cover potential losses.

The breakdown of provisions by nature is presented below:

a. Breakdown of the provision for contingencies

	Parent Company					
	06/30/2024			12/31/2023		
	Provisioned amount	Judicial deposits	Net provision	Provisioned amount	Judicial deposits	Net provision
Tax (i)	38,613	-	38,613	11,103	(8,230)	2,873
Labor (ii)	33,325	-	33,325	42,053	-	42,053
Civil and administrative (iii)	13,417	-	13,417	12,987	-	12,987
Total	85,355	-	85,355	66,143	(8,230)	57,913
	Consolidated					
	06/30/2024			12/31/2023		
	Provisioned amount	Judicial deposits	Net provision	Provisioned amount	Judicial deposits	Net provision
Tax (i)	41,884	-	41,884	14,374	(8,230)	6,144
Labor (ii)	73,862	-	73,862	75,685	-	75,685
Civil and administrative (iii)	21,404	-	21,404	21,258	-	21,258
Total	137,150	-	137,150	111,317	(8,230)	103,087

On June 30, 2024, the Eurofarma Group holds judicial deposits totaling R\$31,319 in the parent company and R\$41,977 in the consolidated statement (R\$28,948 in the parent company and R\$39,146 in the consolidated statement on December 31, 2023).

- (i) Tax
They refer to tax proceedings, mainly tax enforcement aimed at the collection of social security contribution debts.

- (ii) **Labor**
They refer to various labor claims related to allegations of non-payment of labor dues and obligations, which have been provisioned by the Group based on an estimated loss prepared by its legal advisors.
- (iii) **Civil and administrative**
These refer substantially to administrative proceedings initiated by the regulatory body (Brazilian National Health Surveillance Agency - ANVISA).

b. Movement of the provisioned amount in the parent company and consolidated statements

Parent Company							
	12/31/2023	Additions	Transfers(i)	Monetary restatement	Reversals	Payment	06/30/2024
Tax	2,873	7,552	16,672	11,840	(324)	-	38,613
Labor	42,053	9,762	-	3,287	(5,562)	(16,215)	33,325
Civil and administrative	12,987	-	-	472	231	(273)	13,417
Total	57,913	17,314	16,672	15,599	(5,655)	(16,488)	85,355

Consolidated							
	12/31/2023	Additions	Transfers(i)	Monetary/Foreign exchange adjustment	Reversals	Payment	06/30/2024
Tax	6,144	7,552	16,672	11,840	(324)	-	41,884
Labor	75,685	22,003	-	3,875	(8,215)	(19,486)	73,862
Civil and administrative	21,258	-	-	188	231	(273)	21,404
Total	103,087	29,555	16,672	15,903	(8,308)	(19,759)	137,150

The Company presents the amount of probable claims in the columns of addition and reversal, already considering the monetary update of each process.

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

- (i) It refers to the National Institute of Social Security (INSS) claim that was previously classified in the group of salaries to be paid.

c. Proceedings classified as possible loss

The Group is currently involved in various civil, labor, and tax lawsuits, both in the judicial and administrative realms. Management, along with legal advisors, considers the likelihood of loss in these cases to be possible. Consequently, no provisions have been recorded. The total amounts under dispute are as follows:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Labor (i)	215,429	220,165	307,987	300,482
Civil (ii)	24,851	24,851	24,851	24,851
Tax (iii)	364,781	349,231	384,692	368,284
Total	605,061	594,247	717,530	693,617

- (i) The labor claims filed against the Group are primarily related to requests for payment of overtime hours, differences in variable payments (bonuses), hazardous work allowances, and actions brought by employees of subcontracted companies due to subsidiary liability;

- (ii) The civil cases primarily pertain to claims for compensation based on consumer relations, commercial disputes with suppliers, and traffic accidents;
- (iii) The tax lawsuits relate to administrative proceedings initiated by the Group challenging the fines issued in inspection processes, where the Group disagrees with the underlying matters. Additionally, there are other lawsuits filed to contest the legitimacy of certain tax assessments.

22 Shareholders' equity

a. Share capital

On June 30, 2024, the parent company's subscribed and paid-in capital amounts to R\$ 1,203,878. This capital is represented by 987,568,073 common shares with no par value, distributed among the following shareholders:

	06/30/2024		12/31/2023	
	Number of shares	%	Number of shares	%
Santos - Fundo de Investimentos em Ações	972,162,433	98.4400427	972,162,433	98.4400427
Conte Master Fundo de Investimento em Ações	15,405,639	1.5599572	15,405,639	1.5599572
Maurizio Billi	1	0.0000001	1	0.0000001
Total	987,568,073	100.0000000	987,568,073	100.0000000

b. Dividends and interest on net equity

Dividends payable and interest on capital are segregated from shareholders' equity at the year-end and recognized as liabilities.

During the period ended June 30, 2024, dividends and interest on capital were paid in the amount of R\$32,495 from amounts decided in previous periods, as shown in note 29.

On June 30, 2024, the Company has recorded in its liabilities the amount of R\$389,963 in the Parent Company and R\$423,248 in Consolidated related to dividends declared in previous periods.

The changes for the year ended December 31, 2023 are presented in the individual and consolidated annual financial statements for the year.

c. Share of non-controlling shareholders

The Company considers transactions with non-controlling interests as transactions with equity owners of the Company. When acquiring non-controlling interests, the difference between the consideration paid and the proportionate carrying value of the subsidiary's net assets is recorded in equity.

On June 30, 2024, the Company has an amount of R\$35,545 (R\$73,176 on December 31, 2023) related to non-controlling interests.

d. Earnings per share

Earnings per share data is presented by type and nature of share.

Basic and diluted

Basic and diluted earnings per share are calculated by dividing the profit attributable to the shareholders of the Company by the number of shares for the period.

	Consolidated	
	06/30/2024	06/30/2023
Net income for the period	(a) 60,994	246,732
Number of common shares (thousands of shares)	(b) <u>987,568</u>	<u>987,568</u>
Basic and diluted earnings per common share	(a) / (b) <u>0.0618</u>	<u>0.2498</u>

e. Cumulative conversion adjustments

This relates to the impact of exchange rate fluctuations on investments in foreign subsidiaries. When investments in foreign subsidiaries are sold or written off, if applicable, any gains or losses arising from exchange rate variations will be reversed and recorded as income for the period.

23 Employee profit sharing

The Group also provides profit sharing to employees, which is tied to the achievement of operational goals and specific objectives defined and approved at the beginning of each fiscal year.

On June 30, 2024 and December 31, 2023, the amounts recorded as profit sharing are as follows:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Productive areas	14,001	24,004	20,862	30,634
Administrative and commercial areas	<u>96,596</u>	<u>104,128</u>	<u>143,311</u>	<u>155,103</u>
Total	<u>110,597</u>	<u>128,132</u>	<u>164,173</u>	<u>185,737</u>

24 Net revenue

a. Reconciliation of net revenue

	Parent Company		Consolidated	
Note	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Sales revenue - domestic market	3,824,797	3,389,407	6,108,877	4,972,978
Sales revenue - foreign market	8,882	2,618	134,942	109,283
Sales revenue - related parties	20 140,875	152,235	-	-
	<u>3,974,554</u>	<u>3,544,260</u>	<u>6,243,819</u>	<u>5,082,261</u>
Sales taxes	(396,879)	(366,321)	(484,889)	(473,698)
Returns, discounts and rebates	<u>(52,948)</u>	<u>(41,835)</u>	<u>(575,115)</u>	<u>(269,468)</u>
Total	<u>3,524,727</u>	<u>3,136,104</u>	<u>5,183,815</u>	<u>4,339,095</u>

Net operating revenue represents the value of consideration received or to be received for the sale of products and goods in the normal course of the Company's business activities.

The revenue is presented after deducting sales taxes, returns, rebates, and discounts. On a consolidated basis, it also accounts for the elimination of intercompany sales.

Sales taxes primarily include ICMS (ranging from 4% to 20%), ICMS tax substitution, municipal taxes on services (ranging from 2% to 5%), PIS contributions (at rates of 1.65% or 2.10%), COFINS contributions (at rates of 7.60% or 9.90%), and IPI (ranging from 0% to 22%).

The Company does not create provisions for merchandise sales returns as the impact is considered immaterial. However, management annually reassesses the need to make a provision for sales returns at the date of the individual and consolidated quarterly information.

The company maintains two clients that each contribute to more than 10% of the total revenues. The combined gross revenue generated from these clients reaches R\$1,743,223 (compared to R\$1,170,360 on June 30, 2023).

The Group does not provide a breakdown of revenue by product and customer primarily because:

- (i) The nature and economic risk factors of the products are similar; and
- (ii) There are no significant distinctions between consumers and customers.

Furthermore, resource allocation decisions are not tied to specific business segments but are made individually for each product, with overall performance evaluations conducted for the entire product portfolio.

In terms of geographic location, net revenue from Brazil accounts for 74.38% and 80.90% of the consolidated net revenue for the periods ending on June 30, 2024 and 2023, respectively.

	Consolidated	
	06/30/2024	06/30/2023
Brazil	3,855,752	3,510,150
Central America	206,984	179,116
Chile	122,517	113,133
Mexico	232,247	205,820
Peru	111,065	64,263
Colombia	446,646	98,189
Argentina	74,838	72,262
Uruguay	44,354	44,397
Ecuador	44,930	17,054
Bolivia	12,595	10,299
Paraguay	7,152	5,027
United States	23,317	19,385
Mozambique	1,227	-
Venezuela	191	-
Total	5,183,815	4,339,095

The segregation of net revenue by business unit is shown below:

	Consolidated	
	06/30/2024	06/30/2023
Prescription /Pharma	3,041,847	2,755,169
OTC:	211,925	194,292
Generic Drugs	1,213,716	705,035
Hospital	218,735	209,706
Outsourcing	111,746	112,221
Bidding	206,942	190,898
Oncology	114,556	119,092
Veterinary/Pearson	57,132	50,509
Exports	7,216	2,173
Total	5,183,815	4,339,095

b. Performance obligations and revenue recognition policies

The Group recognizes revenue when it transfers control over the product or service to the customer.

c. Government grants

Government grants received from Eurofarma Laboratórios and its subsidiary Momenta Farmacêutica are recognized when there is reasonable certainty that the Company will receive the benefit and fulfill all corresponding conditions. If the grant relates to an expense item, it is recognized as income over the period in which the benefit is realized, systematically offsetting the costs that the benefit is intended to compensate. The Company also benefits from an ICMS tax incentive provided by the government of Minas Gerais. The effects of this calculation are recorded in the results for the period under "sales deductions," and the corresponding credit is applied monthly based on the issuance of invoices subject to ICMS taxation. At the end of the year, this benefit is allocated to the tax incentive reserve.

Additionally, the subsidiary Supera RX has a Special Regime Agreement Term (TARE) with the State of Goiás, allowing it to offset ICMS tax credits equivalent to 4% of the sales of medicines to other states, limited to products with import content equal to or less than 40% in accordance with Senate Resolution No. 13 of 2012.

25 Cost and expenses by type

	<u>Parent Company</u>		<u>Consolidated</u>	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Cost of inputs	(878,641)	(836,136)	(1,382,963)	(1,122,384)
Direct labor cost	(76,020)	(63,604)	(82,286)	(71,224)
Indirect manufacturing cost	(312,942)	(261,726)	(335,442)	(282,975)
Total cost of goods sold	<u>(1,267,603)</u>	<u>(1,161,466)</u>	<u>(1,800,691)</u>	<u>(1,476,583)</u>
Expenses with salaries, vacations and charges	(952,399)	(814,148)	(1,378,694)	(1,160,732)
Advertising and marketing expenses	(262,738)	(227,713)	(447,081)	(333,063)
Expenses with the provision of services	(137,296)	(99,763)	(210,776)	(142,628)
Travel expenses	(77,219)	(73,524)	(102,920)	(91,783)
Expenses with freights and charters	(52,239)	(39,357)	(82,760)	(65,161)
Staff expenses	(80,076)	(74,068)	(144,456)	(116,818)
Depreciation and amortization expenses	(84,982)	(89,745)	(129,501)	(146,903)
Expenses with other taxes and fees	(60,723)	(32,722)	(85,866)	(45,278)
Energy, gas and telephone expenses	(2,444)	(2,591)	(11,253)	(8,828)
Maintenance expenses	(13,516)	(8,142)	(32,183)	(15,222)
Rental expenses	(806)	(2,898)	(17,670)	(13,809)
Other expenses	(74,613)	(32,320)	(157,474)	(99,657)
Total sales and administrative expenses	<u>(1,799,051)</u>	<u>(1,496,991)</u>	<u>(2,800,634)</u>	<u>(2,239,882)</u>
Sales expenses	(1,292,313)	(1,100,347)	(1,980,193)	(1,588,089)
Administrative expenses	(506,738)	(396,644)	(820,441)	(651,793)
Total sales and administrative expenses	<u>(1,799,051)</u>	<u>(1,496,991)</u>	<u>(2,800,634)</u>	<u>(2,239,882)</u>

26 Other net operating revenues (expenses)

	Note	Parent Company		Consolidated	
		06/30/2024	06/30/2023	06/30/2024	06/30/2023
Income on sale of property, plant and equipment		826	175	1,077	527
Net result from lease write-off		4,011	-	3,879	-
Provision for investment gain	11	523	-	762	-
Vendor insurance reimbursement		1,839	542	2,076	3,068
Extemporaneous PIS/COFINS credit		460	5,267	460	5,267
Tax Credit Gain - Doubled PAT		-	-	923	-
Recovery of expenses (i)		11,281	4,836	22,344	8,414
Dividends		-	2,086	-	2,086
Related Parties	20	64	737	64	-
Settlement of deferred revenue		2,333	2,334	2,480	2,334
Other revenue		-	-	-	300
Total revenue		21,337	15,977	34,065	21,996
Other expenses					
Provision for investment losses		-	(664)	-	(664)
Related parties	20	(652)	(129)	-	-
Expenses with products and customer reimbursement		(4,825)	(2,452)	(5,972)	(2,843)
Total expenses		(5,477)	(3,245)	(5,972)	(3,507)
Net total		15,860	12,732	28,093	18,489

(i) This refers to the request for reimbursement of various expenses.

27 Financial result

a. Financial income

	Note	Parent Company		Consolidated	
		06/30/2024	06/30/2023	06/30/2024	06/30/2023
Hedge result		161,143	-	161,143	-
Active exchange rate variation		32,064	129,416	33,237	138,784
Investment fund gains		76,240	82,076	92,868	100,619
Interest with related parties	20	64	170	-	-
Interest received		14,721	6,929	16,165	7,948
Discounts obtained		74	34	1,398	1,039
Total financial revenue		284,305	218,625	304,811	248,390

b. Financial expenses

	Note	Parent Company		Consolidated	
		06/30/2024	06/30/2023	06/30/2024	06/30/2023
Interest and fees on loans and financing		(474,888)	(323,069)	(475,015)	(323,246)
Interest on related party loans	20	(162)	(482)	(162)	(482)
Hedge result		-	(107,177)	-	(107,177)
Monetary restatement on taxes		(4,667)	(7,741)	(4,683)	(7,751)
Passive exchange rate variation		(239,956)	(41,004)	(246,283)	(51,833)
Interest on right-of-use leases		(19,391)	(22,159)	(24,305)	(26,236)
Other		(3,320)	(2,059)	(13,486)	(16,294)
Total financial expenses		(742,384)	(503,691)	(763,934)	(533,019)
Total net financial result		(458,079)	(285,066)	(459,123)	(284,629)

The tax benefit associated with interest on equity is initially recognized in the income statement as financial expenses. However, it is subsequently reversed when calculating the net income for the period. In the statement of changes in shareholders' equity, this reversal is reflected as an allocation of accumulated profits, which is treated as dividends paid or payable, in accordance with the nature of the transaction.

28 Financial instruments

a. Account assignment and fair value

The following table presents the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and liabilities not measured at fair value, if the carrying amount is a reasonable approximation of fair value:

Parent Company 06/30/2023									
Carrying value						Fair value			
Note	Fair value through profit or loss	Fair value through other comprehensive income	Financial assets at amortized cost	Other financial liabilities	Total	Tier 2	Tier 3	Total	
Financial assets not stated at fair value									
Cash and banks (i)	5	-	-	883	-	883	-	-	-
Cash in transit (i)	5	-	-	8,010	-	8,010	-	-	-
Investments (i)	5	-	-	1,320,564	-	1,320,564	-	-	-
Accounts receivable from customers (ii)	6	-	-	1,149,172	-	1,149,172	-	-	-
Other accounts receivable (ii)		-	-	662	-	662	-	-	-
Total		-	-	2,479,291	-	2,479,291	-	-	-
Financial assets stated at fair value									
Abingworth Bioventure 8 LP	12	6,440	-	-	-	6,440	-	6,440	6,440
CO Invest II Grids III Investors Ltd	12	6,293	-	-	-	6,293	-	6,293	6,293
Assuruá 4 Subholding I Energia S.A	12	7,393	-	-	-	7,393	-	7,393	7,393
Financial Instruments	-	-	58,833	-	-	58,833	58,833	-	58,833
Total		20,126	58,833	-	-	78,959	58,833	20,126	78,959
Financial liabilities not stated at fair value									
Suppliers (ii)	16.a	-	-	-	(535,966)	(535,966)	-	-	-
Loans and financing	18	-	-	-	(3,959,615)	(3,959,615)	(3,853,620)	-	(3,853,620)
Debentures	19	-	-	-	(4,628,542)	(4,628,542)	(3,236,970)	-	(3,236,970)
Right-of-use lease (ii)	14.b	-	-	-	(550,890)	(550,890)	-	-	-
Other accounts payable (ii)		-	-	-	(64,603)	(64,603)	-	-	-
Total		-	-	-	(9,739,616)	(9,739,616)	(7,090,590)	-	(7,090,590)

- (i) For cash and cash equivalents as well as financial investments, the fair value is considered a reasonable estimate of the book value. This is due to the fact that all of the Group's investments carry daily liquidity, ensuring that the balance reported by the bank corresponds precisely to the available balance for utilization.

- (ii) Due to the terms and nature of these instruments, the carrying amounts closely reflect their fair values.

Consolidated 06/30/2023									
Carrying value						Fair value			
Financial assets not stated at fair value	Note	Fair value through profit or loss	Fair value through other comprehensive income	Financial assets at amortized cost	Other financial liabilities	Total	Tier 2	Tier 3	Total
Cash and banks (i)	5	-	-	107,195	-	107,195	-	-	-
Cash in transit (i)	5	-	-	8,399	-	8,399	-	-	-
Financial investments (i)	5	-	-	1,700,018	-	1,700,018	-	-	-
Accounts receivable from customers (ii)	6	-	-	1,983,616	-	1,983,616	-	-	-
Other accounts receivable (ii)		-	-	27,919	-	27,919	-	-	-
Total		-	-	3,827,147	-	3,827,147	-	-	-
Financial assets stated at fair value									
Abingworth Bioventure 8 LP	12	6,440	-	-	-	6,440	-	6,440	6,440
Venture capital investment (Neuron)	12	28,961	-	-	-	28,961	-	28,961	28,961
CO Invest II Grids III Investors Ltd	12	6,293	-	-	-	6,293	-	6,293	6,293
Assuruá 4 Subholding I Energia S.A	12	8,872	-	-	-	8,872	-	8,872	8,872
Loan agreements	7	12,696	-	-	-	12,696	-	12,696	12,696
Financial Instruments		-	58,833	-	-	58,833	58,833	-	58,833
Total		63,262	58,833	-	-	122,095	58,833	63,262	122,095
Financial liabilities not stated at fair value									
Suppliers (ii)	16.a	-	-	-	(828,297)	(828,297)	-	-	-
Loans and financing	18	-	-	-	(3,959,615)	(3,959,615)	(3,853,620)	-	(3,853,620)
Debentures	19	-	-	-	(4,628,542)	(4,628,542)	(3,236,970)	-	(3,236,970)
Right-of-use lease (ii)	14.b	-	-	-	(726,708)	(726,708)	-	-	-
Other accounts payable (ii)		-	-	-	(362,134)	(362,134)	-	-	-
Total		-	-	-	(10,505,296)	(10,505,296)	(7,090,590)	-	(7,090,590)

- (i) For cash and cash equivalents as well as financial investments, the fair value is considered a reasonable estimate of the book value. This is due to the fact that all of the Group's investments carry daily liquidity, ensuring that the balance reported by the bank corresponds precisely to the available balance for utilization.
- (ii) Due to the terms and nature of these instruments, the carrying amounts closely reflect their fair values.

Parent Company 12/31/2023									
Carrying value						Fair value			
Financial assets not stated at fair value	Note	Fair value through profit or loss	Fair value through other comprehensive income	Financial assets at amortized cost	Other financial liabilities	Total	Tier 2	Tier 3	Total
Cash and banks (i)	5	-	-	1,037	-	1,037	-	-	-
Investments (i)	5	-	-	1,296,383	-	1,296,383	-	-	-
Accounts receivable from customers (ii)	6	-	-	1,299,069	-	1,299,069	-	-	-
Other accounts receivable (ii)		-	-	2,706	-	2,706	-	-	-
Total		-	-	2,599,195	-	2,599,195	-	-	-
Financial assets stated at fair value									
Abingworth Bioventure 8 LP	12	6,037	-	-	-	6,037	-	6,037	6,037
CO Invest II Grids III Investors Ltd	12	5,425	-	-	-	5,425	-	5,425	5,425
Total		11,462	-	-	-	11,462	-	11,462	11,462
Financial liabilities not stated at fair value									
Suppliers (ii)	16.a	-	-	-	(551,194)	(551,194)	-	-	-
Loans and financing	18	-	-	-	(3,958,315)	(3,958,315)	(4,229,932)	-	(4,229,932)
Debentures	19	-	-	-	(4,123,612)	(4,123,612)	(4,381,725)	-	(4,381,725)
Right-of-use lease (ii)	14.b	-	-	-	(510,562)	(510,562)	-	-	-
Other accounts payable (ii)		-	-	-	(77,896)	(77,896)	-	-	-
Total		-	-	-	(9,221,579)	(9,221,579)	(8,611,657)	-	(8,611,657)
Financial liabilities stated at fair value									
Financial instruments		-	(139,146)	-	-	(139,146)	(139,146)	-	(139,146)
Total		-	(139,146)	-	-	(139,146)	(139,146)	-	(139,146)

(i) For cash and cash equivalents as well as financial investments, the fair value is considered a reasonable estimate of the book value. This is due to the fact that all of the Group's investments carry daily liquidity, ensuring that the balance reported by the bank corresponds precisely to the available balance for utilization.

(ii) Due to the terms and nature of these instruments, the carrying amounts closely reflect their fair values.

Consolidated 12/31/2023

	Note	Carrying value				Fair value			
		Fair value through profit or loss	Fair value through other comprehensive income	Financial assets at amortized cost	Other financial liabilities	Total	Tier 2	Tier 3	Total
Financial assets not stated at fair value									
Cash and banks (i)	5	-	-	164,510	-	164,510	-	-	-
Financial investments (i)	5	-	-	1,496,134	-	1,496,134	-	-	-
Accounts receivable from customers (ii)	6	-	-	2,021,337	-	2,021,337	-	-	-
Other accounts receivable (ii)		-	-	30,025	-	30,025	-	-	-
Total		-	-	3,712,006	-	3,712,006	-	-	-
Financial assets stated at fair value									
Abingworth Bioventure 8 LP	12	6,037	-	-	-	6,037	-	6,037	6,037
Venture capital investment (Neuron)	12	28,662	-	-	-	28,662	-	28,662	28,662
CO Invest II Grids III Investors Ltd	12	5,425	-	-	-	5,425	-	5,425	5,425
Total		40,124	-	-	-	40,124	-	40,124	40,124
Financial liabilities not stated at fair value									
Suppliers (ii)	16.a	-	-	-	(812,810)	(812,810)	-	-	-
Loans and financing	18	-	-	-	(3,958,315)	(3,958,315)	(4,229,932)	-	(4,229,932)
Debentures	19	-	-	-	(4,123,612)	(4,123,612)	(4,381,725)	-	(4,381,725)
Right-of-use lease (ii)	14.b	-	-	-	(680,691)	(680,691)	-	-	-
Other accounts payable (ii)		-	-	-	(323,068)	(323,068)	-	-	-
Total		-	-	-	(9,898,496)	(9,898,496)	(8,611,657)	-	(8,611,657)
Financial liabilities stated at fair value									
Financial instruments		-	(139,146)	-	-	(139,146)	(139,146)	-	(139,146)
Total		-	(139,146)	-	-	(139,146)	(139,146)	-	(139,146)

(i) For cash and cash equivalents as well as financial investments, the fair value is considered a reasonable estimate of the book value. This is due to the fact that all of the Group's investments carry daily liquidity, ensuring that the balance reported by the bank corresponds precisely to the available balance for utilization.

(ii) Due to the terms and nature of these instruments, the carrying amounts closely reflect their fair values.

b. Fair value measurement

Valuation techniques and significant unobservable inputs

The following table outlines the valuation method employed for Tier 2 fair value measurements, along with the important unobservable inputs utilized.

Financial instruments stated at fair value

Type	Valuation technique	Assumptions
Contingent consideration	Discounted cash flows: The valuation model utilized incorporates the present value of projected future payments, which are then discounted using a risk-adjusted rate. These future payments have been estimated using a Monte Carlo simulation model.	Interpolation of the DI and market rate of US dollar futures contracts for each base date as reported by B3 and interpolation of the credit curve for each base date as reported by AMBIMA
Investment in venture capital (Neuron) and loans convertible into shares	The fair values reflect the prices agreed upon in the transactions involving shares of closely-held companies, which support the market value disclosed in the financial statements for these investments.	Neuron Fund invests in shares of privately held companies, and their fair values are determined through a valuation report. The valuation report uses market multiple comparisons, specifically the EV/Revenue ratio of companies operating in the same sector. Additionally, a risk premium is applied to account for the size of the company.
Interest rate swap	Fair value is determined through the computation of the present value of projected future cash flows. Expectations of future cash flows from floating rates are based on quoted swap rates, future prices and interest rates on bank loans. The estimated cash flows are discounted using a curve constructed from similar sources and which reflects the relevant interbank benchmark rate used by market participants for the purpose of pricing interest rate swaps.	(i) The valuation of foreign currency forward contracts involves utilizing interpolation techniques on market rates of U.S. dollar futures contracts for each specified base date, as reported by B3 (previously known as BM&F BOVESPA). (ii) Swaps are valued through the application of interpolation on the exchange coupon and future DI market rates for each designated base date, as provided by B3 (previously known as BM&F BOVESPA).
Debentures and bank loans with and without collateral	The discounted cash flow valuation model takes into account the present value of expected future payments. These payments are discounted using a risk-adjusted discount rate.	Not applicable.

c. Risk Management

The Group has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

d. Risk management framework

The Company adopts a risk management policy in order to control or mitigate the risks to which it is exposed. The Risk Management Policy aims to ensure that the risks inherent to the Company's activities are identified, evaluated, treated, monitored and communicated. The Company's approach is to integrate day-to-day risk management into the conduct of its business through a structured process and acculturation.

(i) Credit risk

Credit risk is the risk that the Group will suffer financial losses if a customer or a counterpart in a financial instrument fails to fulfill its contractual obligations. This risk primarily originates from the Group's accounts receivable and financial instruments.

The carrying value of the financial assets represents the maximum credit exposure. The highest credit risk exposure at the end of the reporting period was:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Cash and cash equivalents	1,329,457	1,297,420	1,815,612	1,660,644
Accounts receivable from customers	1,149,172	1,299,069	1,983,616	2,021,337
Other accounts receivable	662	2,706	27,919	30,025
Securities (i)	20,126	11,462	50,566	40,124
Total	<u>2,499,417</u>	<u>2,610,657</u>	<u>3,877,722</u>	<u>3,752,130</u>

- (i) Includes the amounts reclassified from the investment group, as mentioned in note 12.

Accounts receivable

The Group's exposure to credit risk is primarily influenced by the unique characteristics of each customer. To manage this risk, the Group has implemented a credit policy that involves conducting individual assessments of new customers' financial conditions before extending credit limits and payment terms.

The Group's sales policy is aligned with the credit policies established by Management, with the objective of minimizing potential issues arising from customer defaults. This objective is achieved through careful customer portfolio selection, which takes into account their payment capacity (credit analysis) and sales diversification (risk spreading). Any estimated losses are fully accounted for through provisions. Additionally, the Company holds accounts receivable from two customers that, on average, represent 48.3% of the total accounts receivable.

Cash and cash equivalents

The Group follows a policy of engaging with top-tier institutions and avoiding concentration of investments in a single economic group. In line with the Financial Investment Policy, the Group restricts the allocation of resources to financial institutions that lack a credit rating and/or do not hold at least an A-rating on a local scale, as issued by major credit rating agencies. To ensure liquidity, priority is given to financial investments with immediate liquidity. However, subject to financial discipline and available cash flow, the Group may authorize operations with a grace period of up to 90 days, subject to approval by the corporate Finance department. The Group maintains constant monitoring of the ratings of its partner institutions to assess if there are any changes in their risk profiles and to make necessary adjustments to its financial investments. Based on external credit ratings of counterparties, the Group considers its cash and cash equivalents to have low credit risk.

Securities

Investment in the funds Neuron Ventures Fundo Investimento em Participações Multiestratégia Investimento no Exterior, with Eurofarma as the sole shareholder, Abingworth Bioventure 8 LP venture capital investment fund for biotech companies abroad and participation in CO Invest II Grids III Investors Ltd. with investments in securities such as shares and securities convertible into shares of closed companies and investment in Assuruá 4 Subholding I Energia S.A, whose corporate purpose is the generation and sale of electricity.

(ii) *Liquidity risk*

The Group acknowledges the risk of insufficient liquid resources to fulfill its financial commitments due to potential disparities in terms or volumes between expected receipts and payments.

To effectively manage liquidity risk, the Group adopts a proactive approach focused on securing timely payment of its obligations. This involves maintaining adequate cash reserves to meet short-term liabilities, ensuring sufficient liquidity to fulfill maturing obligations under both normal and stress conditions. By doing so, the Group aims to prevent unacceptable losses and safeguard its reputation.

Exposure to liquidity risks

The following table presents the maturity dates of the Group's financial liabilities as of the financial statement date. These amounts represent the total outstanding balances, including contractual interest payments, and are presented without any discounting:

Parent Company 06/30/2023						
Financial liabilities	Accounting balance	Contractual flow	Up to 1 year	1 - 2 years	2 - 5 years	Over 5 years
Suppliers	535,966	535,966	535,966	-	-	-
Loans, financing, and debentures	8,529,425	11,687,171	1,707,249	1,334,847	6,122,131	2,522,944
Financial instruments	(58,833)	(157,570)	82,698	95,539	(335,807)	-
Right-of-use leases	550,890	736,560	157,261	148,925	254,347	176,027
Other accounts payable	64,603	64,603	64,603	-	-	-
Total	<u>9,622,051</u>	<u>12,866,730</u>	<u>2,547,777</u>	<u>1,579,311</u>	<u>6,040,671</u>	<u>2,698,971</u>
Consolidated 06/30/2023						
Financial liabilities	Accounting balance	Contractual flow	Up to 1 year	1 - 2 years	2 - 5 years	Over 5 years
Suppliers	828,297	828,297	828,297	-	-	-
Loans, financing and debentures	8,529,425	11,687,171	1,707,249	1,334,847	6,122,131	2,522,944
Financial instruments	(58,833)	(157,570)	82,698	95,539	(335,807)	-
Right-of-use lease	726,708	919,409	206,716	180,974	299,022	232,697
Other accounts payable	362,134	362,134	362,134	-	-	-
Total	<u>10,387,731</u>	<u>13,639,441</u>	<u>3,187,094</u>	<u>1,611,360</u>	<u>6,085,346</u>	<u>2,755,641</u>
Parent Company 12/31/2023						
Financial liabilities	Accounting balance	Contractual flow	Up to 1 year	1 - 2 years	2 - 5 years	Over 5 years
Suppliers	551,194	551,194	551,194	-	-	-
Loans, financing and debentures (i)	8,038,184	9,329,660	1,504,174	1,262,552	5,492,625	1,070,309
Financial instruments	139,146	129,057	99,630	69,738	1,490	(41,801)
Leases payable	1,247	1,285	1,285	-	-	-
Right-of-use leases	510,562	644,265	130,456	118,837	207,457	187,515
Other accounts payable	77,896	77,896	77,896	-	-	-
Total	<u>9,318,229</u>	<u>10,733,357</u>	<u>2,364,635</u>	<u>1,451,127</u>	<u>5,701,572</u>	<u>1,216,023</u>

Consolidated 12/31/2023						
Financial liabilities	Accounting balance	Contractual flow	Up to 1 year	1 - 2 years	2 - 5 years	Over 5 years
Suppliers	812,810	812,856	812,856	-	-	-
Loans, financing and debentures (i)	8,038,184	9,329,660	1,504,174	1,262,552	5,492,625	1,070,309
Financial instruments	139,146	129,057	99,630	69,738	1,490	(41,801)
Leases payable	1,247	1,285	1,285	-	-	-
Right-of-use lease	680,691	837,778	177,657	152,851	256,668	250,602
Other accounts payable	323,068	323,068	323,068	-	-	-
Total	<u>9,995,146</u>	<u>11,433,704</u>	<u>2,918,670</u>	<u>1,485,141</u>	<u>5,750,783</u>	<u>1,279,110</u>

- (i) These amounts are being presented according to their contractual financial flow, not considering the amounts that on December 31, 2023 were reclassified to the short term due to not meeting the limit established for the net debt divided by EBITDA financial ratio, as mentioned in the financial statement for that year.

The cash flows detailed in the above table reflect the contractual undiscounted cash flows associated with non-derivative financial liabilities held for the purpose of risk management. These liabilities are typically upheld until contractual maturity without early termination.

However, it is important to note that the Group has bank loans and debentures with covenants, as disclosed in notes 18 and 19. In the event of future non-compliance with these restrictive contractual clauses, the Group may be required to repay the loan prior to the maturity date indicated in the table above.

(iii) Market risk

Market risk refers to the potential impact of market price fluctuations on the financial instruments, assets, and liabilities of the Group. The purpose of risk management is to ensure that the risk exposure remains within the parameters defined by Management. The analysis is being carried out between fixed and variable rate instruments.

e. Foreign exchange risk

The associated risk arises from the possibility of fluctuations in the exchange rates of foreign currencies used by the Group. The Group's income can be significantly affected by the volatility of exchange rates, particularly concerning: (i) balances payable to foreign suppliers for inputs, primarily denominated in US dollars, and (ii) bank loans and financing denominated in US dollars.

Exposure to foreign exchange risks

On June 30 2024 and 31 December 2023, the Group had assets and liabilities denominated in foreign currency in the amounts described below:

	Parent Company					
	06/30/2024					
	USD	Euro	GBP	JPY	SEK	Amount in Brazilian reais
Accounts receivable from customers	1,135	80	-	-	-	6,787
Suppliers	(32,796)	(29,193)	(2)	(577)	(30)	(181,588)
Loans and financing	(347,103)	-	-	-	-	(1,718,280)
Financial instruments	-	-	-	-	-	58,833
Net exposure	(378,764)	(29,113)	(2)	(577)	(30)	(1,834,248)

	Parent Company				
	12/31/2023				
	USD	Euro	GBP		Amount in Brazilian reais
Accounts receivable from customers	637	-	-		3,084
Suppliers	(38,296)	(16,369)	(2)		(228,127)
Loans and financing	(309,249)	-	-		(1,497,167)
Financial instruments	-	-	-		(139,145)
Net exposure	(346,908)	(16,369)	(2)		(1,861,355)

The Company is exposed to exchange rate variations on debts contracted in foreign currencies, as shown in the table above. For the most significant debts in foreign currency, the company contracts swaps. The notional value of the Swap is U\$304,469 and R\$1,557,000.

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interim accounting information
on June 30, 2024

Consolidated																	
06/30/2024	USD	Euro	Pound	Argentinean Peso	Chilean Peso	Colombian Peso	Uruguayan Peso	Guatemalan Quetzal	Costa Rican Colon	Peruvian sol	Bolivian Peso	Paraguayan Guaraní	Mexican Peso	Mozambican Metical	Bolivar Venezuelano	Swedish Krona	Brazilian Real
Accounts receivable from customers	29,383	80	-	4,063,314	13,893,334	239,740,551	187,527	35,087	1,096,852	55,809	10,138	7,554,434	445,783	5,381	606	-	6,787
Suppliers	(48,967)	(30,203)	(2)	(390,237)	(2,105,599)	(47,129,851)	(20,079)	(14,558)	(100,858)	(3,879)	(421)	(327,838)	(35,105)	(1,138)	(516)	(30)	(198,814)
Loans and financing	(347,103)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,718,280)
Financial Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	58,833
Net Exposure	<u>(366,687)</u>	<u>(30,123)</u>	<u>(2)</u>	<u>3,673,077</u>	<u>11,787,735</u>	<u>192,610,700</u>	<u>167,448</u>	<u>20,529</u>	<u>995,994</u>	<u>51,930</u>	<u>9,717</u>	<u>7,226,596</u>	<u>410,678</u>	<u>4,243</u>	<u>90</u>	<u>(30)</u>	<u>(1,851,474)</u>

Consolidated																	
12/31/2023	USD	Euro	Pound	Argentinean Peso	Chilean Peso	Colombian Peso	Uruguayan Peso	Guatemalan Quetzal	Costa Rican Colon	Peruvian sol	Bolivian Peso	Paraguayan Guaraní	Mexican Peso	Mozambican Metical	Bolivar Venezuelano	Swedish Krona	Brazilian Real
Accounts receivable from customers	44,391	-	-	2,383,863	11,268,697	222,638,116	168,114	29,550	910,042	54,779	6,909	4,674,567	370,319	2,493	-	-	3,084
Suppliers	(79,640)	(16,405)	(2)	(374,864)	(2,497,329)	(54,004,942)	(15,950)	(18,412)	(73,545)	(24,760)	(450)	(83,965)	(46,987)	(669)	(1,335)	-	(255,926)
Loans and financing	(309,249)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,497,167)
Financial Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(139,146)
Net Exposure	<u>(344,498)</u>	<u>(16,405)</u>	<u>(2)</u>	<u>2,008,999</u>	<u>8,771,368</u>	<u>168,633,174</u>	<u>152,164</u>	<u>11,138</u>	<u>836,497</u>	<u>30,019</u>	<u>6,459</u>	<u>4,590,602</u>	<u>323,332</u>	<u>1,824</u>	<u>(1,335)</u>	<u>-</u>	<u>(1,889,155)</u>

These derivatives are initially measured at fair value, with their fair values being determined monthly and any variations recorded in the income statement.

Sensitivity analysis of foreign exchange risk

To conduct a sensitivity analysis for market risks, the Group evaluates the positions of assets and liabilities indexed in foreign currency.

For this analysis, Management considers the amounts recognized in the financial statements as the probable scenario. As reference points for other scenarios, variations in exchange rates used for the calculation of the amounts in the financial records are considered, including depreciation and appreciation.

The methodology adopted to calculate the balances shown in the table below consisted of replacing the closing exchange rate used for accounting purposes with the stress rates according to the scenarios presented (depreciation of (2.07%) and (6.37%); and appreciation of 2.07% and 6.37%) on December 31, 2023 (depreciation of (11.10%) and (18.46%); and appreciation of 11.10% and 18.46%).

The table illustrates the potential impacts on the financial results under each scenario:

	Parent Company 06/30/2023			
	Profit or loss for the period			
	Depreciation (2.07%)	Depreciation (6.37%)	Appreciation 2.07%	Appreciation 6.37%
Dollar	61,278	244,295	(61,278)	(244,295)
Euro	3,589	11,043	(3,589)	(11,043)
Pound	-	1	-	(1)
Japanese Yen	-	1	-	(1)
Swedish Krona	-	1	-	(1)
Net exposure	64,867	255,341	(64,867)	(255,341)

Consolidated 06/30/2023

	Profit or loss for the period			
	Depreciation (2.07%)	Depreciation (6.37%)	Appreciation (2.07%)	Appreciation (6.37%)
Dollar	59,888	240,018	(59,888)	(240,018)
Euro	3,713	11,426	(3,713)	(11,426)
Pound	-	1	-	(1)
Japanese Yen	-	1	-	(1)
Argentinean Peso	(464)	(1,427)	464	1,427
Chilean Peso	(1,440)	(4,430)	1,440	4,430
Colombian Peso	(5,343)	(16,441)	5,343	16,441
Uruguayan Peso	(489)	(1,504)	489	1,504
Guatemalan Quetzal	(304)	(937)	304	937
Costa Rican Colon	(220)	(677)	220	677
Peruvian sol	(1,559)	(4,797)	1,559	4,797
Bolivian Peso	(163)	(502)	163	502
Paraguayan Guaraní	(111)	(341)	111	341
Mexican Peso	(2,588)	(7,963)	2,588	7,963
Bolivar Venezuelano	-	(1)	-	1
Mozambican Metical	(8)	(24)	8	24
Swedish Krona	-	1	-	(1)
Net exposure	50,912	212,403	(50,912)	(212,403)

Parent Company 12/31/2023

	Profit or loss for the period			
	Depreciation (11.10%)	Depreciation (18.46%)	Appreciation 11.10%	Appreciation 18.46%
Dollar	14,649	24,362	(14,649)	(24,362)
Euro	9,723	16,171	(9,723)	(16,171)
Pound	1	2	(1)	(2)
Net exposure	24,373	40,535	(24,373)	(40,535)

Consolidated 12/31/2023				
Profit or loss for the period				
	Depreciation (11.10%)	Depreciation (18.46%)	Appreciation 11.10%	Appreciation 18.46%
Dollar	13,354	22,208	(13,354)	(22,208)
Euro	9,745	16,207	(9,745)	(16,207)
Pound	1	2	(1)	(2)
Argentinean Peso	(1,336)	(2,221)	1,336	2,221
Chilean Peso	(5,355)	(8,906)	5,355	8,906
Colombian Peso	(23,398)	(38,912)	23,398	38,912
Uruguayan Peso	(2,096)	(3,486)	2,096	3,486
Guatemalan Quetzal	(766)	(1,274)	766	1,274
Costa Rican Colon	(865)	(1,439)	865	1,439
Peruvian sol	(4,389)	(7,300)	4,389	7,300
Bolivian Peso	(506)	(841)	506	841
Paraguayan Guarani	(341)	(568)	341	568
Mexican Peso	(10,250)	(17,047)	10,250	17,047
Bolivar Venezuelano	20	33	(20)	(33)
Mozambican Metical	(15)	(26)	15	26
Net exposure	(26,197)	(43,570)	26,197	43,570

(iv) Interest Rate Risk

The Group is exposed to the risk of incurring losses caused by fluctuations in interest rates, which could result in increased financial expenses associated with market-raised liabilities.

The interest rate exposure of the Group comprises both pre-fixed and post-fixed rates. The post-fixed rates include TJLP, CDI, TR, and IPCA, which affect the balances of financial investments, loans and financing, debentures, and lease payables.

Exposure to interest rate risks

The following table presents the interest rate profile of the Group's interest-bearing financial instruments as reported to Management:

	Parent Company		Consolidated	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Instrument with pre-fixed interest rate				
<i>Financial assets:</i>				
Cash and banks	883	1,037	107,195	164,510
Cash in transit	8,010	-	8,399	-
<i>Financial liabilities:</i>				
Financial leasing	-	(1,247)	-	(1,247)
Right-of-use lease	(550,890)	(510,562)	(726,708)	(680,691)
Working capital in USD	(1,543,992)	(1,343,999)	(1,543,992)	(1,343,999)
FINIMP	(1,102)	(953)	(1,102)	(953)
EXIM in USD BNDES	(167,042)	(145,455)	(167,042)	(145,455)
Instrument with post-fixed interest rate				
<i>Financial assets:</i>				
Investments - CDI	1,320,564	1,296,383	1,700,018	1,496,134
Financial instruments – CDI	58,833	-	58,833	-
Financial liabilities:				
Loans and financing - CDI	(6,686,486)	(6,390,983)	(6,686,486)	(6,390,983)
Loans and financing - TJLP	(8,762)	(23,589)	(8,762)	(23,589)
Loans and financing - IPCA	(116,518)	(125,494)	(116,518)	(125,494)
Loans and financing - TR	(5,522)	(7,710)	(5,522)	(7,710)
Financial instruments – CDI	-	(139,146)	-	(139,146)
Net exposure	<u>(7,692,024)</u>	<u>(7,391,718)</u>	<u>(7,381,687)</u>	<u>(7,198,623)</u>

Sensitivity analysis for pre-fixed interest rate instruments

The Group does not hold any financial assets or liabilities with pre-fixed interest rates that are accounted for at fair value through profit or loss. As a result, any change in interest rates at the end of the reporting period would not have an impact on the Group's financial results.

Sensitivity analysis for post-fixed interest rate instruments

A change of 100 basis points in floating interest rates at the balance sheet date would have led to the following increases (or decreases) in the results for the period. The analysis assumes that all other variables, especially exchange rates, would remain constant.

Consolidated	Profit or loss for the period	
	100 bp increase	100 bp decrease
June 30, 2024		
Financial asset		
Instruments with post-fixed interest rate (subject to CDI variation)	3,540	(3,557)
Financial liability		
Instruments with post-fixed interest rate (subject to CDI variation)	(62,610)	64,460
Instruments with post-fixed interest rate (subject to the IPCA variation)	(523)	3,544
Instruments with post-fixed interest rate (subject to TR variation)	(384)	364
Cash flow sensitivity (net)	<u>(59,976)</u>	<u>64,810</u>

Consolidated	Profit or loss for the period	
	100 bp increase	100 bp decrease
December 31, 2023		
Financial asset		
Instruments with post-fixed interest rate (subject to CDI variation)	920	(924)
Financial liability		
Instruments with post-fixed interest rate (subject to CDI variation)	(63,976)	66,086
Instruments with post-fixed interest rate (subject to the IPCA variation)	678	6,866
Instruments with post-fixed interest rate (subject to TR variation)	(983)	54
Cash flow sensitivity (net)	(63,361)	72,082

f. Hedge accounting

The company employs derivative hedging instruments to mitigate its exposure to fluctuations in foreign currency values. In alignment with the hedge's characteristics, the company adopts hedge accounting as stipulated by CPC 38 (IAS 39). Specific derivatives are designated as cash flow instruments. For foreign currency debt swap transactions subject to hedge accounting, the company diligently documents the economic interrelation between hedging instruments and the hedged items. This documentation encompasses risk management goals, hedge transaction strategy, and the methodologies employed for assessing hedge relationship effectiveness; The company consistently conducts prospective and retrospective evaluations during both the initial designation of the hedge relationship and its ongoing duration. These evaluations gauge whether the hedging instruments are expected to be "highly effective" in counterbalancing fluctuations in the fair value of the corresponding hedged items throughout the designated hedge period. Moreover, they ascertain if the actual results of each hedge fall within the effectiveness range determined by management.

In June 2024, as part of the prospective effectiveness assessment, management thoroughly analyzed the economic alignment of its *hedge accounting* structures. This scrutiny revealed no substantial impacts on the hedge relationships or associated ineffectiveness. The assessment of hedge relationship effectiveness, accompanied by the recognition of the ineffective portion in the results for the period arising from changes in the reference rate, remains under continuous surveillance by management. This approach ensures timely updates when uncertainties dissipate (such as upon the contractual substitution of the rate) or when the hedge relationship is terminated.

Derivatives

In the six-month period ended June 30, 2024, there were transactions involving currency *swap* derivative financial instruments.

These undertaken transactions served the purpose of mitigating the impact of fluctuations in foreign currency-denominated liabilities associated with loans and financing. It is important to highlight that these operations were not driven by speculative motives. Instead, they were characterized as financial instruments exhibiting a strong correlation with the liabilities to which they are bound.

As of June 30, 2024, the aggregate value of derivative instruments entered into by the Company amounted to R\$216,763 (compared to R\$114,539 on December 31, 2023). The results of operations not yet settled represented a net asset in the amount of R\$58,833, with R\$78,894 recorded in current liabilities and R\$137,727 in non-current assets, and on December 31, 2023 the balance was a liability of R\$139,164, with R\$95,224 in current and R\$43,922 in non-current.

As of June 30, 2024, the summary of these operations can be outlined as follows:

				<u>06/30/2024</u>
Banking institution	Modality	Type	Type	Fair value receivable (payable)
Santander	4131	Active	Dollars	773,044
		Passive	CDI +	<u>(764,483)</u>
		Total		
JP Morgan	4131	Active	Dollars	450,784
		Passive	CDI +	<u>(435,953)</u>
		Total		
Citibank	4131	Active	Dollars	337,192
		Passive	CDI +	<u>(313,451)</u>
		Total		
Itaú	Exim	Active	Dollars	168,553
		Passive	CDI +	<u>(156,853)</u>
		Total		
Total			<u>58,833</u>	

				<u>12/31/2023</u>
Banking institution	Modality	Type	Type	Fair value receivable (payable)
Santander	4131	Active	Dollars	693,354
		Passive	CDI +	<u>(772,899)</u>
Total				<u>(79,545)</u>
JP Morgan	4131	Active	Dollars	403,128
		Passive	CDI +	<u>(440,068)</u>
Total				<u>(36,940)</u>
Citibank	4131	Active	Dollars	300,206
		Passive	CDI +	<u>(315,858)</u>
Total				<u>(15,652)</u>
Itau	Exim	Active	Dollars	150,826
		Passive	CDI +	<u>(157,835)</u>
Total				<u>(7,009)</u>
Total				<u>(139,146)</u>

29 Supplementary cash flow information

The statements of cash flows, prepared and presented in accordance with accounting pronouncement CPC 03 (R2)/IAS 7 - Statement of Cash Flows, follow the indirect method.

The reconciliation of these acquisitions and cash flows is presented below:

	<u>Parent Company</u>		<u>Consolidated</u>	
	06/30/2024	06/30/2023	06/30/2024	06/30/2023
Reconciliations between property, plant and equipment and intangible asset additions and cash flow additions:				
Acquisition of property, plant and equipment and intangible assets	(401,819)	(414,713)	(443,810)	(777,059)
Property, plant and equipment and intangible assets paid (payable)	<u>(13,820)</u>	<u>(7,090)</u>	<u>(13,130)</u>	<u>(11,170)</u>
Total addition of property, plant and equipment and intangible assets	<u>(415,639)</u>	<u>(421,803)</u>	<u>(456,940)</u>	<u>(788,229)</u>
Reconciliations between investments and cash flow additions:				
Total additions of investments	(60,870)	(381,469)	-	(42,390)
Advance for future capital increase from prior period capitalized	-	1,297	-	-
Transfer to securities	-	1,154	-	1,154
Investments payable	-	30,082	-	4,290
Related party loan - capitalized	<u>3,610</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total additions of investments	<u>(57,260)</u>	<u>(348,936)</u>	<u>-</u>	<u>(36,946)</u>

	<u>Parent Company</u>		<u>Consolidated</u>	
Reconciliation between dividends payable and cash flow exclusions:				
Dividends payable	(32,495)	(26,020)	-	(26,020)
Difference in accrued dividends payable	<u>234</u>	<u>(331)</u>	<u>-</u>	<u>(331)</u>
Total dividends paid	<u>(32,261)</u>	<u>(26,351)</u>	<u>-</u>	<u>(26,351)</u>
Reconciliation between dividends received and cash flow exclusions:				
Dividends	68,376	34,227	-	-
Dividends receivable (payable) from previous periods	<u>(30,442)</u>	<u>5,451</u>	<u>-</u>	<u>-</u>
Total dividends received	<u>37,934</u>	<u>39,678</u>	<u>-</u>	<u>-</u>
Reconciliation between debenture fundraising and cash flow additions:				
Raising of debentures	3,000,000	-	3,000,000	-
Appropriate funding costs and charges	<u>(17,052)</u>	<u>-</u>	<u>(17,052)</u>	<u>-</u>
Total debenture funding	<u>2,982,948</u>	<u>-</u>	<u>2,982,948</u>	<u>-</u>
Other transactions not affecting cash:				
Additions in the year arising from CPC 06 (R2) - Leases (Note 13)	108,823	128,369	128.700	143,549

30 Subsequent events

On July 30, 2024, the Company completed the acquisition of two brands, Calmidol and Nuctis D, from Opella Healthcare Colombia S.A., for the amount of R\$70,816 (EUR 11,587).

Eurofarma, a multinational pharmaceutical company with Brazilian capital, present in **24 countries**, announces its results for the second quarter and first half of 2024.

The financial data provided in this document originates from the consolidated financial statements prepared in accordance with:

Standards

CPC Accounting Pronouncements Committee

IFRS International Financial Reporting Standards

Issued by

IASB International Accounting Standards Board

Highlights | Consolidated Financial Indicators

Highlights (R\$ million)	2Q24	2Q23	Δ%	1H24	1H23	Δ%
Net Revenue	2,353.2	1,908.2	23.3%	5,183.8	4,339.1	19.5%
Gross Profit	1,496.9	1,226.6	22.0%	3,383.1	2,862.5	18.2%
Gross Margin	63.6%	64.3%	-0.7 p.p.	65.3%	66.0%	-0.7 p.p.
Expenses	(1,506.0)	(1,209.5)	24.5%	(2,816.3)	(2,225.6)	26.5%
% Net Revenue	64.0%	63.4%	0.6 p.p.	54.3%	51.3%	3.0 p.p.
R&D¹	178.2	133.2	33.8%	332.2	247.4	34.3%
EBITDA	72.5	100.3	-27.8%	742.3	787.9	-5.8%
EBITDA Margin	3.1%	5.3%	-2.2 p.p.	14.3%	18.2%	-3.8 p.p.
Adjusted EBITDA²	252.1	226.1	11.5%	1,064.1	1,024.3	3.9%
Adjusted EBITDA Margin	10.7%	11.8%	-1.1 p.p.	20.5%	23.6%	-3.1 p.p.
Net Income	(116.3)	(99.0)	17.4%	60.3	252.0	-76.1%
Net Margin	(4.9%)	(5.2%)	0.2 p.p.	1.2%	5.8%	-4.6 p.p.
Operating Cash Flow (OCF)	388.2	319.1	21.7%	917.8	636.3	44.2%

¹Includes the amount capitalized as intangible assets

²Adjusted by R&D

Executive Summary¹



In the first half of 2024, Eurofarma presented:

growth of
19% in net revenue

totaling
R\$5.2 billion

and Adjusted EBITDA of
R\$1.1 billion

with adjusted EBITDA margin of
21%

In the second quarter of 2024, Eurofarma continued to consolidate its operations in Latin America, advancing with important steps in Central America and the Caribbean. According to the June 2024 Close-up YTD audit, the Company maintained its leadership in drug prescription with a 9.6% market share in Brazil; and 4.5% in Latin America; remaining among the pharmaceutical companies with regional leadership.

During the period, Eurofarma completed the transaction for the acquisition of Sanofi products in the Caribbean region, more specifically Jamaica and Trinidad and Tobago, expanding its operations to a total of 21 countries in Latin America, in addition to its presence in Africa and the United States.

In June, the Company announced the relaunch of the Genfar brand in Central America, which was absent from the region between 2019 and 2023, a period that preceded the acquisition by Eurofarma. The brand is returning initially in Guatemala, Panama, Costa Rica and Honduras, with the aim of continuing to offer medications to millions of people in the region. The move is related to the strategic objective of making Genfar the generic brand of Eurofarma for all of Latin America, with the exception of the Brazilian market, where the Eurofarma brand is also consolidated in the generic segment.

Regarding Brazil, Eurofarma maintained its pioneering spirit by being the first pharmaceutical company to launch packaging with a QR Code, which gives users an information panel, access to the website and a digital version of the package leaflet to read and listen to. More modern, the new packaging focuses on experience and accessibility in both retail and institutional medicines in the Prescription, Generics, Oncology and Hospital lines. The new packaging started to arrive at pharmacies and distribution centers across the country in the last quarter. In total, Eurofarma has 3.7 thousand SKUs in the market and annually produces more than 570 million units of medications.

¹ The non-financial data included in this report, such as the *market share*, among others, are non-accounting measurements and have not been reviewed by the independent auditors.

On the sustainability front, in April, Eurofarma celebrated 18 years of the Eurofarma Institute, dedicated to transforming lives through education, to prepare, support and improve the potential of children and young people in a context of social vulnerability. With three headquarters and projects with third parties, IE has a complete infrastructure, technical and pedagogical partnerships with reference institutions such as Albert Einstein, Zerbini Foundation, Senac and Senai.

With the belief that each individual can be the protagonist of their journey, throughout their trajectory, Instituto Eurofarma has already carried out more than 155 thousand services and has already invested more than R\$170 million in social projects.

Net Revenue

In 2Q24, Eurofarma² was one of the most prescribed laboratories in Latin America, with a 4.5%³ market share, a reflection of the consolidation of the Eurofarma brand in the Latin American market and the recognition of the quality and innovation of the products by health professionals. In Brazil, the Company continues to lead the prescription segment with a 9.6%⁴ of market share. According to IQVIA demand data (YTD, Jun/24), in 2Q24, Eurofarma was the runner-up in prescriptions and generics, achieving market share of 6.3% and 13.7%, respectively.

In the second quarter of 2024, consolidated net revenue was R\$2.4 billion, an increase of 23% compared to 2Q23, mainly influenced by the performance of the prescription and generics units; and by the performance of operations outside Brazil, which were also positively impacted by the acquisition of Genfar, adding R\$255.3 million to net revenue for the quarter.

Net revenue from Brazilian operations was R\$1.6 billion in 2Q24, 11% higher than the same period in 2023. Net revenue from operations outside Brazil grew 67% to R\$718 million, with Central America, Mexico, Colombia, Peru and Ecuador standing out. Operations outside Brazil accounted for 31% of consolidated net revenue; an increase of 8.0 p.p. compared to 2Q23. Operations of Genfar in Colombia, Ecuador and Peru accounted for 36% of total net revenue outside Brazil.

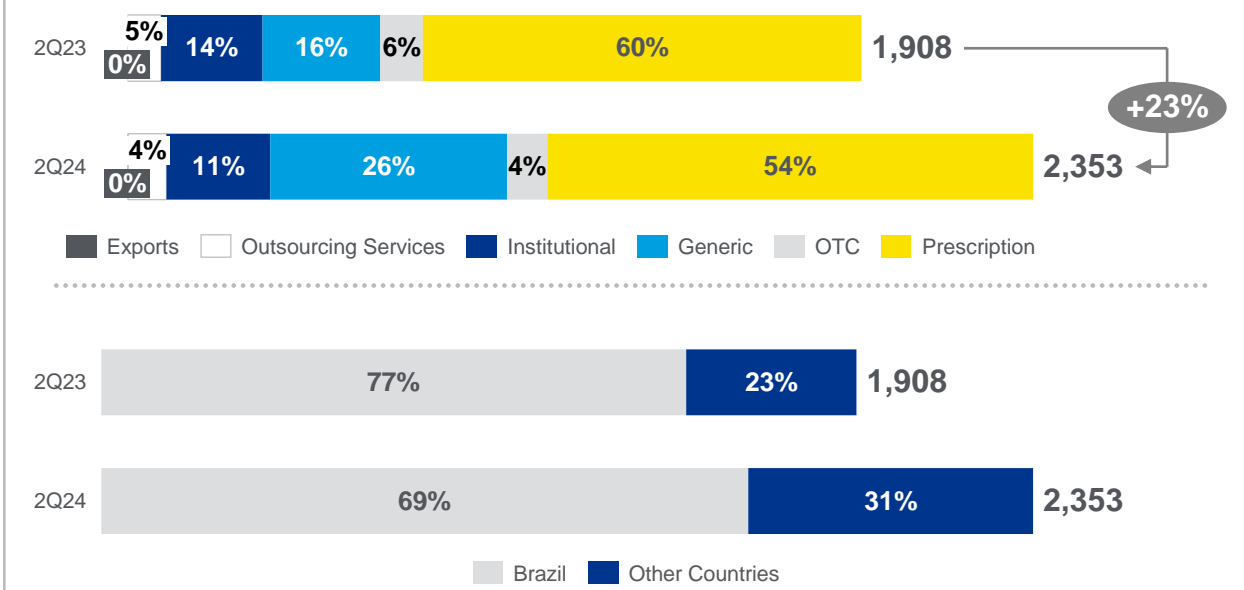
²Eurofarma Corp (Eurofarma + Momenta + Supera + Genfar).

³Close-Up Survey YTD Jun/24 (includes Brazil. Uruguay, Bolivia and Venezuela May/24).

⁴Close-Up Survey YTD Jun/24.

Net Revenue – Business Unit

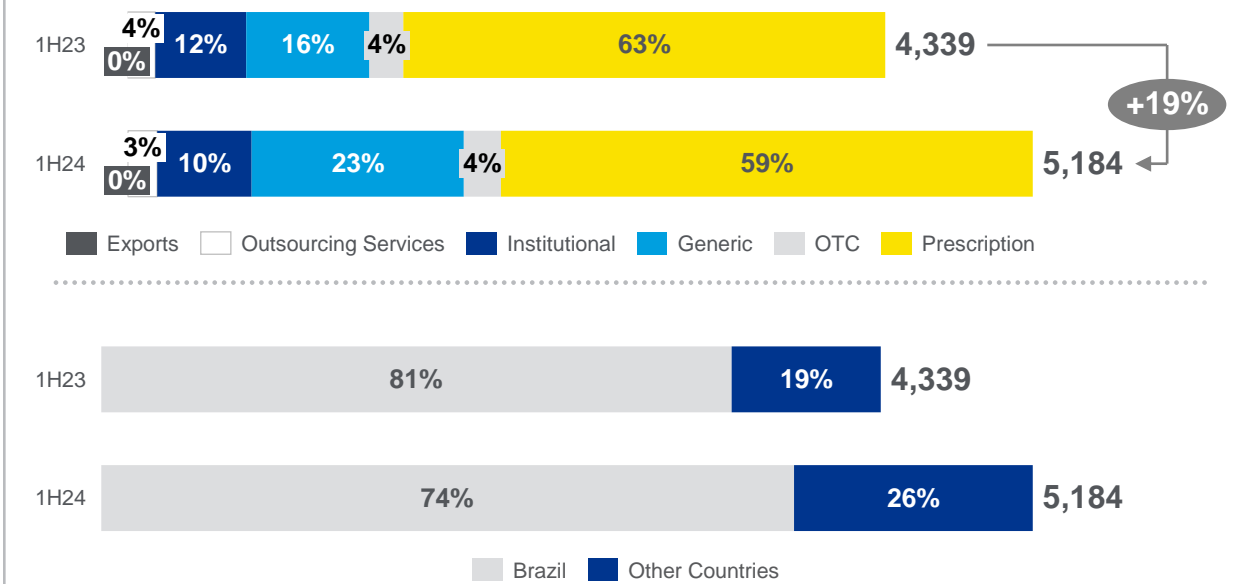
(R\$ million)



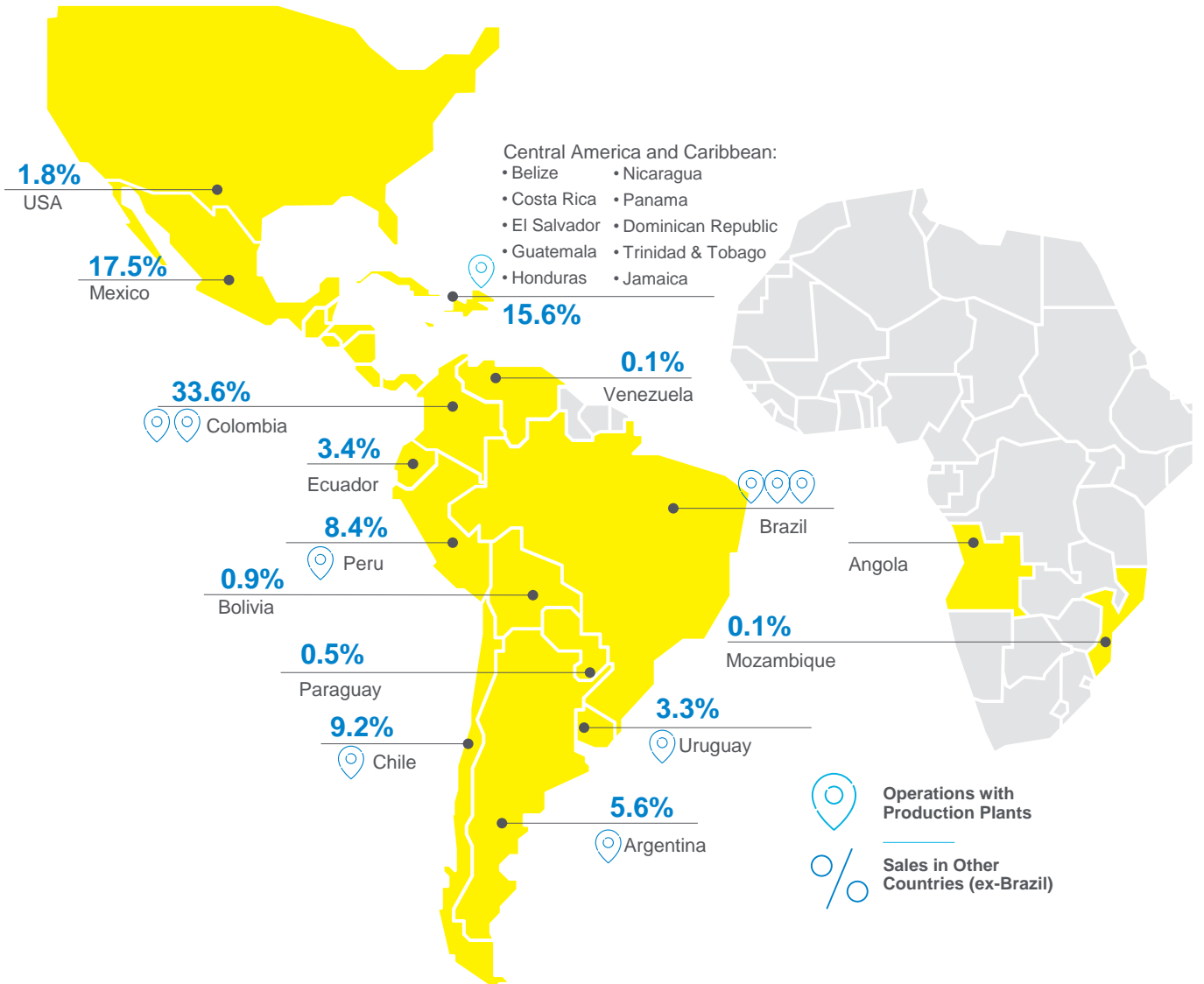
In the year-to-date of 2024, the consolidated net revenue grew 19% compared to 1H23, totaling R\$5.2 billion. Genfar added R\$470.4 million to the net revenue for the semester. In 1H24, the net revenue from operations outside Brazil grew by 60%, totaling R\$1.3 billion, representing 26% of Eurofarma's consolidated net revenue; an increase of 6.5 percentage points compared to 1H23. Specifically, 35% of this international revenue stemmed from Genfar's operations in Colombia, Ecuador, and Peru.

Net Revenue – Business Unit

(R\$ million)



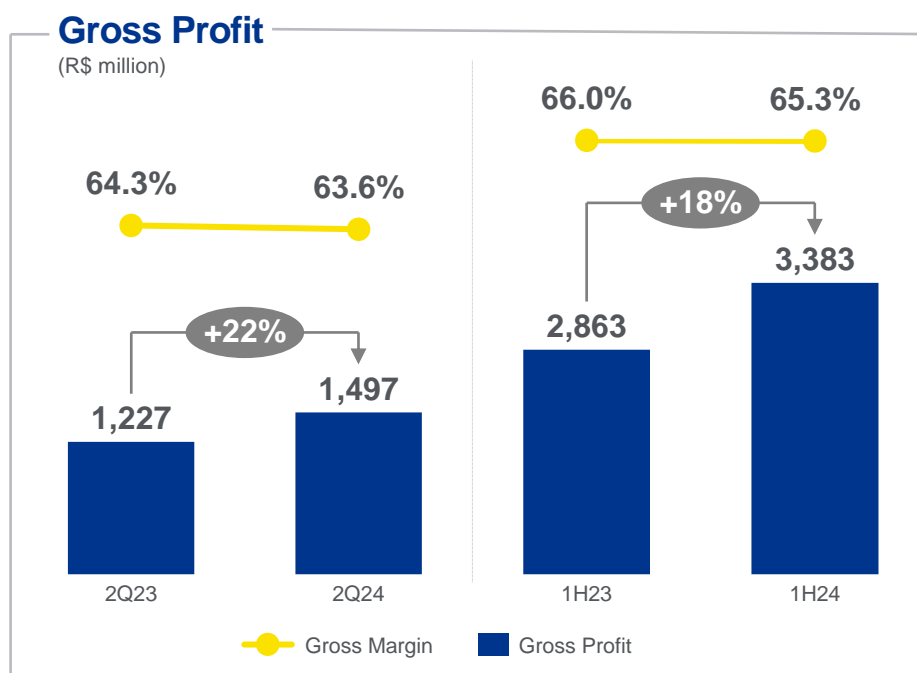
Net Revenue | Share of Sales by Country 1H24



Gross Profit

Gross profit in 2Q24 was R\$1.5 billion, an increase of 22% compared to 2Q23, with a gross margin of 63.6%, mainly due to the mix of products sold, with the generics unit having a greater share due to the acquisition of Genfar.

In 1H24, gross profit was 18% higher than in the first half of the previous year and amounted to R\$3.4 billion with a gross margin of 65.3%, a decrease of 0.7 p.p.



Operating Expenses

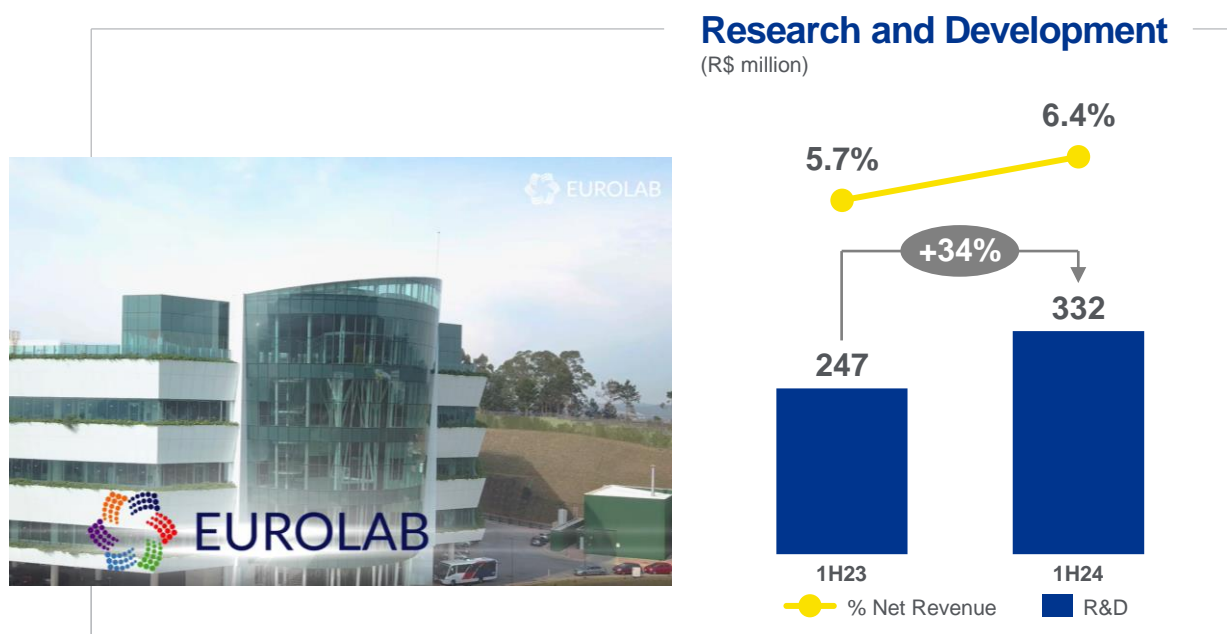
Expenses (R\$ million)	2Q24	% NR	2Q23	% NR	Δ%	1H24	% NR	1H23	% NR	Δ%
Total Expenses	(1,506)	-64%	(1,209)	-63%	24.5%	(2,816)	-54%	(2,226)	-51%	26.5%
Selling expenses	(1,062)	-45%	(857)	-45%	23.9%	(1,980)	-38%	(1,588)	-37%	24.7%
Administrative expenses	(429)	-18%	(359)	-19%	19.6%	(820)	-16%	(652)	-15%	25.9%
Impairment loss on accounts receivable	(36)	-2%	(0)	0%	-	(44)	-1%	(4)	0%	952.8%
Other revenues (expenses)	21	1%	7	0%	223.4%	28	1%	18	0%	51.9%

Operating expenses totaled R\$1.5 billion in 2Q24, 25% higher than in 2Q23, representing 64% of net revenue for the period, explained by the expansion of the sales force in Brazil and in the other countries in 2023, the increase in research and development expenses, the acquisition of Genfar in September 2023 and the impact of the judicial recovery of some clients. In 1H24, operating expenses reached R\$2.8 billion, 27% higher than 1H23, representing 54% of the net revenue for the period.

Innovation

Maintaining its pioneering spirit and the certainty that innovation is essential for growth, Eurofarma operates both in research and development and in open innovation with initiatives in (i) generics and similar products; (ii) incremental products; (iii) licenses to incorporate new products and new technologies; (iv) discovery of new molecules; and (v) Eurofarma Ventures, its own biotech fund, which operates at a very early stage of disruptive products and assets.

In the first half of 2024, total investments in R&D, including the amount capitalized as intangible assets, amounted to R\$332.2 million, 34% higher than in the same period of 2023, representing 6.4% of net revenue for the period.



In 2024, there were 75 product launches in Brazil and 127 placements in operations in other countries.

EBITDA and Adjusted EBITDA⁵

In 2Q24, EBITDA was 28% lower than in the same period in 2023 and reached R\$72 million. EBITDA adjusted for research and development expenses was R\$252 million, 11% higher than 2Q23, with an adjusted⁶ EBITDA margin of 11%, a decline of 1.1 p.p., which can be explained by the elevated level of expenses.

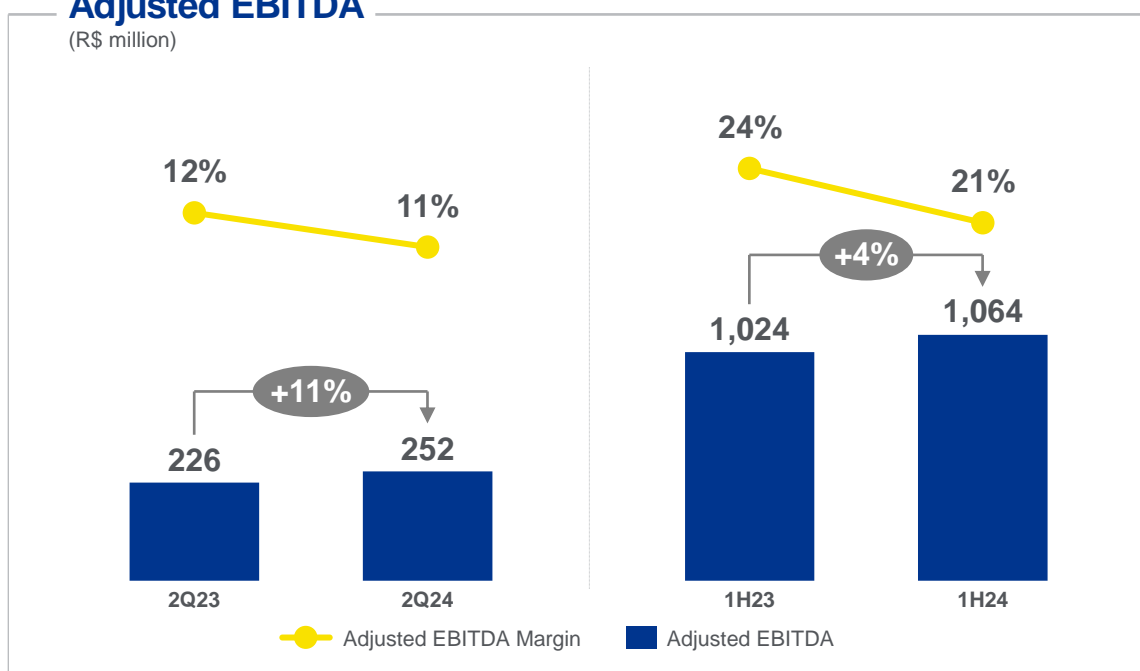
EBITDA adjusted for research and development expenses in 1H24 totaled R\$1.1 billion, an increase of 4% compared to the same period in 2023, with an adjusted EBITDA margin of 21%, a decrease of 3.1 p.p. explained mainly by the higher level of expenses resulting from the expansion of the sales force and the impact of the judicial recovery of some clients.

⁵ EBITDA and Adjusted EBITDA represent non-accounting (unrevised) metrics formulated by the Company. They comprise net income for the period, inclusive of income taxes, net financial expenses, financial income, depreciation, and amortization.

⁶ The adjusted EBITDA margin is calculated by dividing adjusted EBITDA by net revenue (Non-GAAP), accounting for R&D expenses

Adjusted EBITDA

(R\$ million)



EBITDA Reconciliation (R\$ million)	2Q24	2Q23	Δ%	1H24	1H23	Δ%
Net income	(116.3)	(99.0)	17.4%	60.3	252.0	-76.1%
Income tax and CSSL	(91.3)	(39.8)	129.2%	45.8	97.4	-53.0%
Net financial result	197.8	154.2	28.2%	459.1	284.6	61.3%
Depreciation and amortization	82.3	84.9	-3.1%	177.0	154.0	15.0%
EBITDA	72.5	100.3	-27.8%	742.3	787.9	-5.8%
EBITDA Margin	3.1%	5.3%	-2.2 p.p.	14.3%	18.2%	-3.8 p.p.
R&D Expenses	179.7	125.8	42.8%	321.8	236.4	36.1%
Adjusted EBITDA	252.1	226.1	11.5%	1,064.1	1,024.3	3.9%
Adjusted EBITDA Margin	10.7%	11.8%	-1.1 p.p.	20.5%	23.6%	-3.1 p.p.

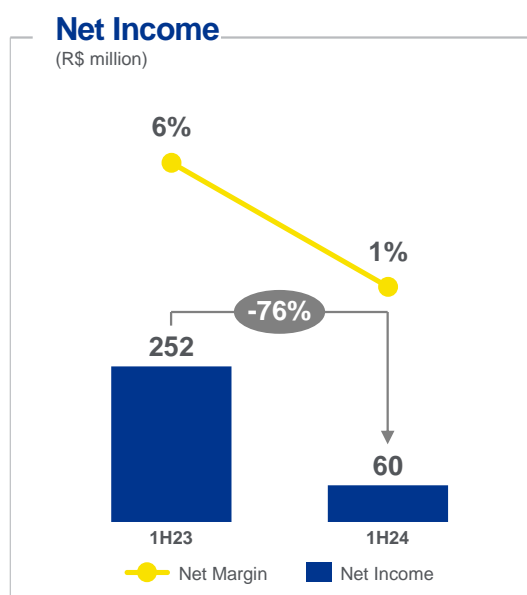
Financial Result

The net financial result for 2Q24 was an expense of R\$198 million compared to an expense of R\$154 million in 2Q23. In 1H24, the financial result was an expense of R\$459 million, explained by higher interest expenses due to the increase in the company's indebtedness.

Financial Result (R\$ million)	2Q24	2Q23	Δ%	1H24	1H23	Δ%
Net Financial Result	(197.8)	(154.2)	28.2%	(459.1)	(284.6)	61.3%
Financial Revenue	245.1	194.9	25.8%	304.8	248.4	22.7%
Financial Expenses	(442.9)	(349.2)	26.9%	(763.9)	(533.0)	43.3%

Net income

As a result of the factors explained above, net income for 1H24 reached R\$60 million, with a net margin of 1.2%.



Indebtedness

Indebtedness (R\$ million)	Jun-24	Mar-24	Δ%
Gross Debt	8,470.6	8,547.6	-0.9%
Short term	1,168.1	2,154.1	-45.8%
Long term	7,302.5	6,393.5	14.2%
Cash and Cash Equivalents	1,815.6	2,064.0	-12.0%
Net Debt	6,655.0	6,483.6	2.6%
EBITDA (LTM)	1,711.4	1,739.3	-1.6%
Net Debt / EBITDA (LTM)	3.89x	3.73x	4.3%

As of June 30, 2024, the Company's gross debt amounted to R\$8.5 billion and net debt was R\$6.7 billion. The Company ended the second quarter of 2024 with leverage measured by the net debt/EBITDA ratio of 3.89x compared to 3.73x in March 2024. Considering Genfar's EBITDA for the last 12 months, leverage was 3.84x.

Cash Conversion Cycle

Cash Conversion Cycle (days)	2Q23	3Q23	4Q23	1Q24	2Q24	2Q24 w/o Genfar
Cash Conversion Cycle	204	262	278	227	243	238
Receivables	54	72	80	72	69	62
Inventories	223	277	271	213	231	229
Payables	(73)	(87)	(73)	(58)	(56)	(53)
Cash Conversion Cycle (R\$ million)	2Q23	3Q23	4Q23	1Q24	2Q24	2Q24 w/o Genfar
Working Capital	2,537.7	3,323.0	3,711.9	3,895.1	3,724.6	3,240.7
Receivables	1,304.9	1,764.2	2,015.9	2,267.3	1,978.8	1,627.0
Inventories	1,833.1	2,274.0	2,320.0	2,233.3	2,309.6	2,094.5
Payables	(600.3)	(715.2)	(624.1)	(605.5)	(563.8)	(480.8)
% Net Revenue (LTM)	29.9%	38.1%	40.7%	40.9%	37.4%	33.9%

In 2Q24, working capital amounted to R\$3.7 billion, corresponding to 37% of net revenue over the last 12 months. The completion of the Genfar acquisition at the end of September 2023 represented additional working capital of R\$484 million in 2Q24. Excluding the impact of the acquisition, working capital was R\$3.2 billion, corresponding to 34% of net revenue.

The financial cycle⁷ was 243 days, a deterioration of 16 days compared to 1Q24 explained, mainly, due to the increase in days of inventory resulting from the lower sales volume in the quarter.

⁷The financial cycle is the cash conversion cycle calculated by adding up accounts receivable, inventories and suppliers.

Annex I — Consolidated Income Statement

Consolidated Income Statement (R\$ million)	2Q24	2Q23	Δ%	1H24	1H23	Δ%
Net revenue	2,353.2	1,908.2	23.3%	5,183.8	4,339.1	19.5%
Cost of goods sold	(856.3)	(681.6)	25.6%	(1,800.7)	(1,476.6)	21.9%
Gross profit	1,496.9	1,226.6	22.0%	3,383.1	2,862.5	18.2%
Expenses	(1,506.0)	(1,209.5)	24.5%	(2,816.3)	(2,225.6)	26.5%
Selling expenses	(1,062.2)	(857.0)	23.9%	(1,980.2)	(1,588.1)	24.7%
Administrative expenses	(429.2)	(358.8)	19.6%	(820.4)	(651.8)	25.9%
Impairment loss on accounts receivable	(36.0)	(0.3)	-	(43.8)	(4.2)	-
Other revenues (expenses)	21.4	6.6	223.4%	28.1	18.5	51.9%
Operating income before financial result	(9.2)	17.1	-	566.8	637.0	-11.0%
Net financial result	(197.8)	(154.2)	28.2%	(459.1)	(284.6)	61.3%
Financial expenses	(442.9)	(349.2)	26.9%	(763.9)	(533.0)	43.3%
Financial revenue	245.1	194.9	25.8%	304.8	248.4	22.7%
Results from equity-accounted investees	(0.6)	(1.7)	-64.3%	(1.5)	(3.0)	-49.4%
Income before income tax and social contribution	(207.6)	(138.9)	49.5%	106.2	349.3	-69.6%
Income tax and social contribution	91.3	39.8	129.2%	(45.8)	(97.4)	-53.0%
Net income	(116.3)	(99.0)	17.4%	60.3	252.0	-76.1%

Annex II - Consolidated Balance Sheet

Consolidated Balance Sheet (R\$ million)	Jun-24	Dec-23	Δ%
Assets	16,340	15,313	6.7%
Current	6,590	6,431	2.5%
Cash and cash equivalents	1,816	1,661	9.3%
Accounts receivable	1,979	2,016	-1.8%
Inventories	2,310	2,320	-0.4%
Current tax asset	114	109	4.8%
Taxes recoverable	292	224	30.5%
AFAC	0.00	0.01	-100.0%
Other receivables	80	101	-21.0%
Non-current	9,750	8,883	9.8%
Accounts receivable	4.8	5.4	-11.7%
Derivative financial instruments	137.7	-	-
AFAC	0.0	-	-
Marketable securities	51	40	26.0%
Current tax asset	3	3	-5.4%
Deferred tax asset	292	236	23.5%
Judicial deposits	42	39	7.2%
Other receivables	14.2	0.5	-
Investments	116	95	22.1%
Property, plant and equipment	2,954	2,578	14.6%
Right of use of assets	697	653	6.7%
Intangible assets	5,439	5,231	4.0%
Liabilities and Shareholders' equity	16,340	15,313	6.7%
Current	3,590	6,390	-43.8%
Suppliers	828	813	1.9%
Derivative financial instruments	79	95	-17.1%
Borrowings	830	1,583	-47.5%
Debentures	259	2,408	-89.2%
Lease	0	1	-
Right of use of assets	156	143	9.2%
Payroll and related charges	484	396	22.2%
Income tax and social contribution payable	28	37	-24.5%
Taxes payable	45	39	13.2%
Profit sharing (employees)	164	186	-11.6%
Dividends	423	425	-0.5%
Dividends prepayment (subsidiaries)	0.0	0.2	-100.0%
Other payables	294	264	11.2%
Non-current	8,246	4,816	71.2%
Derivative financial instruments	0	44	-
Loans and financing	3,111	2,355	32.1%
Debentures	4,329	1,693	155.8%
Right of use of assets	571	538	6.1%
Taxes payable	15	8	95.3%
Provision for contingencies	137	103	33.0%
Other payables	83	76	9.2%
Shareholders' equity	4,505	4,107	9.7%
Equity	1,204	1,204	0.0%
Profit reserve	2,882	2,821	2.2%
Retained earnings	0	0	-
Currency translation adjustments	394	18	-
Capital reserve	(8.6)	(8.6)	0.0%
Non-controlling interest	34	73	-54.2%

Annex III - Consolidated Cash Flow

Consolidated Cash Flow (R\$ million)	2Q24	2Q23	Δ%	1H24	1H23	Δ%
Cash flow generated from operating activities	388	319	21.7%	918	636	44.2%
Adjusted result	176	191	-8.0%	888	918	-3.3%
Changes in operating assets and liabilities	284	214	32.5%	177	(90)	-
Income tax and social contribution paid	(71)	(86)	-17.3%	(147)	(192)	-23.3%
Cash flow (used) generated in investing activities	(263)	(648)	-59.4%	(480)	(830)	-42.1%
Investment acquisition	(17)	(28)	-41.3%	(21)	(37)	-42.5%
Acquisition of bonds and securities	0	(5)	-	0	(5)	-
Acquisition of fixed and intangible assets	(244)	(614)	-60.2%	(457)	(788)	-42.0%
Acquisition of titles and marketable securities	(2)	0	-	(2)	0	-
Cash flow (used) generated in financing activities	(405)	2,009	-	(367)	2,513	-
Net Loans and Financing	(390)	2,022	-	(335)	2,539	-
Dividends and interest on equity	(16)	(13)	20.1%	(32)	(26)	22.4%
Exchange variation on cash of foreign subsidiaries	32	(13)	-	84	(19)	-
Increase (decrease) in cash and cash equivalents	(248)	1,668	-	155	2,300	-93.3%
Cash and cash equivalents at the beginning of the period	2,064	1,175	75.6%	1,661	542	206.1%
Cash and cash equivalents at the end of the period	1,816	2,843	-36.1%	1,816	2,843	-36.1%

Statement by the Directors

In accordance with paragraph 1 (VI) of article 27 of CVM instruction No. 80 on March 29, 2022, the Company's Board of Directors declares that it has reviewed, discussed and agreed with the Company's quarterly information and with the independent auditors' report on the Company's quarterly information, individual and consolidated, issued on August 14, 2024, referring to the quarter ended June 30, 2024.

Relationship with Auditors

Following CVM Resolution No. 162/2003, the Company informs that in the quarter ended June 30, 2024 it did not hire independent auditors for work other than that related to the external audit.

The Company's policy when contracting independent auditing services ensures that there is no conflict of interest, loss of independence or objectivity of services eventually provided by independent auditors not related to external auditing services.