BRB FOODS INC.

Interim Consolidated
Financial Statements and
Independent Auditor's Report
for six months ended
June 30, 2024

ASSETS

FOR SIX MONTHS ENDED ~~AS OF~~ JUNE 30, 2024
(Amounts expressed in US Dollar – USD)

	Notes	June 30, 2024	December 31, 2023
CURRENT ASSETS			
Cash and cash equivalents	5	6,744	7,765
Accounts receivable	6	39,831	89,406
Inventory	7	59,706	98,802
Other credits	8	17,354	31,176
Related Parties	25	134,635	80,899
Advance to Suppliers	9	127,115	149,553
Recoverable Taxes	10	68,414	79,160
Total Current Assets		**453,799**	**536,761**
NON-CURRENT ASSETS			
Property, Plant And Equipment	11	79,946	80,664
Operanting lease assets	12	284,865	402,628
Intangible assets	13	2,544,229	2,667,955
Total Non-Current Assets		**2,909,039**	**3,151,247**
TOTAL ASSETS		**3,362,839**	**3,688,008**

Management's explanatory notes form an integral part of the interim consolidated financial statements.

LIABILITIES AND NEGATIVE SHAREHOLDERS' EQUITY

FOR SIX MONTHS ENDED ~~AS OF~~ JUNE 30, 2024
(Amounts expressed in US Dollar – USD)

	Notes	June 30,2024	December 31, 2023
CURRENT LIABILITIES			
Suppliers	14	3,472,164	3,963,058
Loans	15	1,051,136	1,005,576
Related Parties	25	707,936	536,543
Taxes	17	259,286	139,912
Labor and social security liabilities	18	156,206	130,417
Others obligations		11,998	19,982
Lease	12	128,762	147,848
Total Current Liabilities		**5,787,488**	**5,943,336**
NON-CURRENT LIABILITIES			
Loans	15	1,218,343	1,248,466
Lease	12	59,438	**68,240**
Taxes	17	-	24,184
Total Non-Current Liabilities		**1,277,781**	**1,340,890**
NEGATIVE SHAREHOLDERS' EQUITY			
Capital stock		1,012,492	1,012,492
Common stock, par value $0,001 per share; 30,000,000 authorized shares, 12,000,000 shares issued and outstanding			
Accumulated (Losses)		(5,056,109)	(4,293,338)
Cumulative translation adjustment (CTA)		341,187	(315,372)
Negative Total Shareholders' Equity	19	**(3,702,430)**	**(3,596.218)**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**3,362,839**	**3,688,008**

Management's explanatory notes form an integral part of the interim consolidated financial statements.

INCOME STATEMENT

FOR THREE AND SIX MONTHS ENDED AS OF JUNE 30, 2024
(Amounts expressed in US Dollar – USD)

		For three months ended		For six months ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
NET REVENUE	20	-	**3,604,372**	**40,463**	**8,536,742**
Cost of products sold	21	-	(4,779,206)	(48,616)	(8,871,635)
GROSS PROFIT		**-**	**(1,174,834)**	**(8,153)**	**(334,893)**
OPERATING INCOME (EXPENSES)					
General and Administrative Expenses	22	(80,335)	(848,355)	(165,203)	(1,453,026)
Sales expenses	22	(5,154)	(83,791)	(21,660)	(763,195)
OPERATING INCOME BEFORE FINANCIAL INCOME		**(85,489)**	**(2,106,980)**	**(195,016)**	**(2,551,114)**
FINANCIAL INCOME					
Financial revenue	23	-	19,745	-	22,663
Financial expenses	23	(46,971)	(266,121)	(564,813)	(535,765)
NET INCOME (LOSS) BEFORE INCOME TAX		**(132,460)**	**(2,353,356)**	**(759,829)**	**(3,064,216)**
Income Tax	24	-	-	(2,942)	-
NET INCOME (LOSS) FOR THE YEAR		**(132,460)**	**(2,353,356)**	**(762,771)**	**(3,064,216)**
Earnings per share:	26				
Basic		(0.0110)	(0.1961)	(0.0636)	(0.2554)
Diluted		(0.0110)	(0.1961)	(0.0636)	(0.2554)
Weighted average shares outstanding	26				
Basic		12,000,000	12,000,000	12,000,000	12,000,000
Diluted		12,300,047	12,300,047	12,300,047	12,300,047
Dividends per common share		**-**	**-**	**-**	**-**

Management's explanatory notes form of the interim consolidated financial statements.

STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

(Amounts expressed in US Dollar – USD)

	Capital stock	Accumulated Profit/Losses	Cumulative Translation Adjustments	Total shareholders' equity
Balance on 12/31/2022	**1,008,590**	**405,191**	**(156,091)**	**1,257,690**
Capital	3,902			3,902
Net Income(Loss) for the year	-	(710,860)	-	(710,860)
Currency Translation Adjustments	-		(5,236)	(5,236)
Currency Translation Adjustments			(184,606)	(184,606)
Balance on 03/31/2023	**1,012,492**	**(305,669)**	**(345,933)**	**360,890**
Net Income(Loss) for the year	-	(2,353,356)	-	(2,353,356)
Currency Translation Adjustments	-	-	171,318	171,318
Balance on 06/30/2023	**1,012,492**	**(2,659,025)**	**(174,615)**	**(1,821,148)**

	Capital stock	Accumulated Profit/Losses	Cumulative Translation Adjustments	Total shareholders' equity
Balance on 12/31/2023	**1,012,492**	**(4,293,338)**	**(315,372)**	**(3,596,218)**
Net Income (Loss)for the year	-	(630,311)	-	(630,311)
Currency Translation Adjustments	-	-	(175,343)	(175,343)
Currency Translation Adjustments	-	-	372,731	372,731
Balance on 03/31/2024	**1,012,492**	**(4,923,649)**	**(117,984)**	**(4,029,141)**
Net Income (Loss)for the year	-	(132,460)	-	(132,460)
Currency Translation Adjustments	-	-	459,171	459,171
Balance on 06/30/2024	**1,012,492**	**(5,056,109)**	**341,187**	**(3,702,430)**

Management's explanatory notes form of the interim consolidated financial statements.

COMPREHENSIVE INCOME

STATEMENT FOR THREE AND SIX MONTHS ENDED AS OF JUNE 30, 2024
(Amounts expressed in US Dollar – USD)

	For three months ended		For six months ended	
	June 30, 2024	**June 30, 2023**	**June 30, 2024**	**June 30, 2023**
NET INCOME (LOSS) FOR SIX MONTHS	**(132,460)**	**(2,353,356)**	**(762,771)**	**(3,064,216)**
Other comphrehensive income (loss), net of tax:	-	-	-	-
Net foreign currency translation (loss) gains	459,171	171,318	656,559	(18,524)
COMPREHENSIVE INCOME	**326,711**	**(2,182,038)**	**(106,212)**	**(3,082,740)**

Management's explanatory notes form an integral part of the interim consolidated financial statements.

BRB Foods

STATEMENT FOR-SIX MONTHS ENDED JUNE 30, 2024
(Amounts expressed in US DOLLAR – USD)

	For three months ended		For six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Operational Activities				
Income for the year	**(132,460)**	**(2,353,355)**	**(762,771)**	**(3,064,215)**
Adjustments to reconcile the income with cash and cash equivalents generated by operating activities				
Depreciation	63,686	100,282	118,481	229,077
Cumulative Translation Adjustments	422,645	171,201	656,559	-
Allowance for doubtfull accounts	-	-	-	-
Interest	46,971	-	564,813	-
Other adjustments	(294,407)	-	(285,482)	-
Appropriation of revenue receivable	-	-	-	-
Decreases/(increase) in assets	-	-	-	-
Accounts Receivable	34,691	1,761,995	49,575	2,640,155
Inventory	6,724		39,096	-
Taxes to recover	(5,101)	(4,790)	10,746	353,589
Advance to Suppliers	7,527	(773,979)	22,438	(515,302)
Credits to partners	(38,825)	47,374	(53,736)	(409,505)
Othes credtis	29,669	1,952,435	13,822	1,827,529
(Decreases)/increase in liabilities	-	-	-	-
Suppliers	(364,555)	-	(490,894)	-
Labor and social security liabilities	(103,662)	-	25,789	-
Taxes	84,853	-	95,190	-
Lease	(108,325)	-	(27,888)	-
Other liabilities	(1,355)	-	(7,984)	-
(=)Net cash from operations	**(219,464)**	**3,254,518**	**730,525**	**4,125,543**
(=)Cash flows from operating activities:	**(351,924)**	**901,163**	**(32,246)**	**1,061,328**
Leanse	-	-	-	-
Property, Plant And Equipm Ent	-	(502,602)	-	(526,213)
Intangible assets	185,874	46,287	123,726	(559,247)
Write-off of fixed assets	-	-	-	-
Marketable securities	-	-	-	-
(=) Net cash from investing activities	**185,874**	**(456,315)**	**123,726**	**(1,085,460)**
Lease	0	(613,990)	0	
Loans	60,836	449,243	(263,894)	327,294
Advance Receivables	43,227	-	-	-
Intercompany	41,942	-	171,393	-
Accounts Payable	-	-	-	-
Capital Subscripition	-	-	-	(14,739)
(=)Cash generated financing activities	**146,005**	**(164,747)**	**(92,501)**	**312,555**
(Decrease)increase in cash and cash equivalents	**(20,045)**	**280,101**	**(1,021)**	**288,423**
Cash and equivakents at the beginning of the year	26,789	122,625	7,765	114,303
Cash and cash equivalents the end of the year	6,744	402,726	6,744	402,726
(Decrease)increase in cash and cash equivalents	**(20,045)**	**280,101**	**(1,021)**	**288,423**

NOTE 1 – ORGANIZATION AND BUSINESS

Organization and Description of Business

BRB FOODS Inc. is a corporation with its headquarters office in State of Wyoming is to be located at 36 Shadow Brook Lane Lander, WY 82520 of kent, and currently owns 100% of issued shares of Thamuz LLC, a company with its headquarters office in State of Delaware is to be located at 8 The Green, Ste R, in the City of Dover County of Kent, which, in turn, owns 100% of issued shares of the companies BR Brands S.A and Boni Logistica Ltda, both headquartered at Rua Dr. Eduardo de Souza Aranha, n° 387 — Conjunto 151B, in the capital of the State of Sao Paulo in Brazil, having a legal personality under private law, where its duration is indeterminate, and its performance is established throughout the national territory. BR Brands S.A and Boni Logistica Ltda started their activities in 2020, through brands with strong recognition through brands with strong recognition and leadership in the markets where it operates.

BR Brands S.A and Boni Logistica Ltda were incorporated in Brazil by members of the Bonifácio family in 2020 who subsequently in 2022 conferred their equity in these entities to Thamuz LLC in November, 2022, date in which Thamuz LLC became the sole shareholder of BR Brands S.A and Boni Logistica Ltda. BRB Foods Ltd. in its turn was incorporated on October 13, 2022, and afterwards the then shareholders of Thamuz's LLC (i.e., the members of the Bonifácio family who founded BR Brands S.A and Boni Logistica Ltda), conferred the issued and outstanding shares of Thamuz LLC into the capital of the Company. As a result of this corporate restructuring: (i) Mr. Paulo R. Bonifacio contributed to the Capital of the Company, according to their services and vesting agreement. Mr. Paulo R. Bonifacio is (and shall be after the offer) owner of record and beneficial owner of the majority of the shares of the Company and therefore is a controlling shareholder; (ii) the Company will directly own 100% of Thamuz LLC's shares; and (iii) Thamuz LLC will directly own 100% of BR Brands S.A and the Boni Logistica Ltda.'s respective shares.

We are an operating company incorporated under US law and conduct business through our operating subsidiaries. The structure of the group follows:

Company	Activities	Country	Units	Participation	Percentage
BRB Foods Inc.	Holding	USA	1	-	100%
Thamuz LLC	Holding	USA	1	Direct	100%
BR Brands S.A.	Industrialization and sale of grains (mainly rice and beans), pasta, flour, among other products	Brazil	4	Indirect	100%
Boni Logística Ltda.	Distribution centers, transports and logistics solutions.	Brazil	1	Indirect	100%

BRB Foods Ltd. incorporated on October 13, 2022, headquartered in Dover, Delaware in the United States of America, is a holding company whose subsidiaries are BR Brands S.A.

founded on December 1, 2020 and Boni Logística Ltda. founded on February 26, 2020, both located in São Paulo in Brazil. In October 31st, 2023, The company changes to BRB Food Inc, and changes its address to Wyoming. BRB FOODS Inc. is a corporation with its headquarters office in State of Wyoming is to be located at 36 Shadow Brook Lane Lander, WY 82520 of kent,

The consolidated financial statements are intended to provide information for comparative purposes and result from the aggregation of the individual financial statements of its subsidiaries

We operate in the food segment, supplying high quality products to retailers and wholesalers, operating in the South, Southeast and Midwest regions.

We entered into licensing agreements with Unilever — one of the largest suppliers of food and personal care products in the world, for the licensing of the brands Knorr, Arisco, Maizena and Mae terra.

Through our operational subsidiaries based in São Paulo, Brazil, we aim to be present in all meals of Brazilian families, by introducing healthy and quality food. We currently provide our products in seventeen (17) Brazilian states through fourteen (14) integrated distribution centers (IDCs). Aligned with Brazilians' eating habits and with the search for natural foods for a healthy life, we offer products based on grains, cereals, milk protein, vegetable protein, vegetables, and fruits. Our products are cultivated, selected, and prepared within the highest operational standards. The company invested last nine months, increasing our expenses, to prepared Back office team, our sales teams and operational staff for start to sell new 82 products for all Brazilian territory, and 14 new integrated distribution centers, which will start in the third quarter of 2024.

We are licensed to launch, produce, sell, and distribute certain food products under four (4) well-known brands in Brazil. Additionally, due to our management's logistics experience, our distribution capabilities continue to be further improved. We consider our distribution capabilities a key aspect of our business as it allows us to provide improved delivery services to our customers while increasing efficiency and sustainability.

Management Letter

In 2023 was a year in which we leveraged the Company's strategy by adding 64 new products to our portfolio, under brands known throughout Brazil such as Knorr, Maizena, Arisco and Mãe Terra. This portfolio covers the global food base and mainly in Latin America , and Brazil, such as fresh grains, beans and rice, as well as other grains made from wheat, which will be sold in our pasta and macaroni, cassava and corn, sold through of a complete line of flours, including tapioca and popcorn, products that will be under the Arisco and Maizena brands. Completing the launches of new products, a complete line of natural and organic products including cocoa, brown sugar, oats, among others that will be sold under the Mãe Terra brand.

Since that 14 external suppliers were developed and certified by the Company's quality department, within the strictest standards of good practices to guarantee food safety, work safety and the well-being of the people involved in the entire process, as well as environmental safety.

These developments begin in 2024, the construction of our Environmental, Social and Governance (ESG) pillar, aiming for the highest level in people management, governance, environment and surrounding communities.

Continuing with the go to market, the Company hired 13 new Distribution Centers (DCs) strategically located close to the main consumer centers in Brazil and with them we can improve our distribution in more than 90 thousand and ninety thousand points of sale, according to our sales plan. business.

Considering the increased portfolio achieved in 2023 and which now comes into force in 2024, our presence at the point of sales will be significantly increased. This means an expressive growth in contribution margins, and revenue if compared to the 2022 fiscal year. It will guarantee the continuous growth of the Company and provide resource to realize payments of the outstanding balances of suppliers and other liabilities recognized by the Company, as mentioned in the financial statements.

The growth is due to the significant increase in the portfolio and expansion territory, which compares to 2022, when we only had 3 products been sold in supermarket shelves in just part of the state of São Paulo, Brazil. Even in this scenario, in 2022, we managed to reach a very expressive market share of 7% within the beans category in the city of São Paulo, far surpassing brands already established in this market.

In relation to territorial expansion through our logistics, where we will operate from the new 13 DCs, we will be able to reach the notable number of 90 thousand points of sale and consequently growth at an expressive CAGR for the next years, in accordance with our business plan. Our projected EBITDA margin for next years will be higher due to the quality of the portfolio achieved in 2023 and also to the territorial expansion, as mentioned above, which will be achieved in sales during this year of 2024.

Financial support for this growth will be attributed to the initial public offering of BRB Foods Inc, which has been ongoing since the first SEC filing in May 2023 and which became signaling an initial public offering for capitalization of U$8 million, eight million US dollars and eventually follow Ons estimated for the next years. Those events will be provided for continues growth, acquisitions and expansion new territories.

Since January this year, the Company has already received funds through regulated instruments (as convertible notes), and more are in negotiation, leading up to the initial offering, which we hope to finalize in the second half of this year of 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The main accounting policies adopted by the Companies in these financial statements are described below. These policies have been consistently applied in the Years and quarters presented, unless otherwise indicated.

Statement of compliance

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and are presented pursuant to Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The issuance of these financial statements was authorized by Management on August 15, 2024.

All information relevant to the financial statements, and only such information, is evidenced herein and corresponds to the information used by Management in its activities.

Measurement basis

The financial statements were prepared based on historical cost basis, except for derivative and non-derivative financial instruments measured by the fair value through profit or loss.

NOTE 3 – FUNCTION CURRENCY AND USE OF ESTIMATES

In line with our review of the operations and business of companies in Brazil, mainly related to the elements to determine its functional currency, the Management concluded that BRL is its functional currency. This conclusion is based on the review of the following indicators:

- Currency that most influences prices of goods and services in Brazil;
- Currency of the country, which competitive powers and regulations most influence the determination of the selling price of its products and services;
- Currency that most influences material and other costs to supply products or services;
- Currency through which the proceeds of financial activities are substantially obtained; and
- Currency in which amounts received from operating activities are normally accumulated.

The amounts in US Dollar (USD) presented in the financial statements of the Companies are measured translate from BRL (as the functional currency which is the currency that best reflects the economic environment in which the Company is included and the way it is managed).

Transactions in foreign currency

Transactions in foreign currency are converted to the relevant functional currency of the company at the exchange rates on the dates of the transactions.

Monetary assets and liabilities denominated and calculated in foreign currencies on the reporting date of the statement of financial position are reconverted to the functional currency at the exchange rate determined on that date. Non-monetary assets and liabilities which are measured at fair value in foreign currency are reconverted to the functional currency at the exchange rate on the calculation date of the fair value. Differences of foreign currencies resulting from reconversion are generally recognized in the statement of profit or loss. Non- monetary items that are measured on a historical cost basis in foreign currency are not converted.

Financial statements presentation currency

In compliance with the provisions of the Brazilian Law, the financial statements are being presented in Reais, by converting the US dollars into Reais, through the following criteria:

- Assets and liabilities by the exchange rate of the end of the year;
- Statement of profit or loss, of comprehensive and of cash flows by early average rates; and
- Equity, at the historical amount of composition.

Exchange rate variations from the conversion of the abovementioned accounts are recognized in a specific account of equity under the name "Equity valuation adjustments".

The statements of financial position as of June 30, 2024, and December 31, 2023, and the statements of profit or loss for the fiscal years ended on such dates in functional currency (Reais) translated to presentation currency (US dollars)

Use of Estimates

In preparing the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) and are presented pursuant to Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Management is required to make estimates and assumptions that could affect the values of the assets and liabilities presented on the reporting dates, as well as the amounts of revenues, costs and expenses of the fiscal years presented. Although these estimates are based on the best knowledge available to Management regarding present and future events, actual results may differ from those estimates.

Estimates and assumptions are reviewed on an ongoing basis. The estimates reviews are recognized on a prospective basis.

Information about uncertainties on premises and estimates with a significant risk of resulting in material adjustment as of June 30, 2024, is included in the following notes:

Note - Impairment losses on trade receivables.
Note - Provision for adjustment to inventories realization value.
Note - Provisions for legal proceedings and provision for credits and incentives to be granted.

NOTE 4 – MAIN ACCOUNTING PRACTICES

Classifications of current and non-current items

In the balance sheet, assets and obligations falling due or expected to be realized within the next year are classified as current items and those maturing or expected to be realized later are classified as non-current items.

Offsets between accounts

As a general rule, in financial statements, neither assets and liabilities, or revenues and expenses are offset against each other, except when offsetting is required or permitted by a Brazilian accounting pronouncement or standard and this offsetting reflects the substance of the transaction.

Functional currency and presentation currency

In line with our review of the operations and business of companies in Brazil, mainly related to the elements to determine its functional currency, the Management concluded that BRL is its functional currency. This conclusion is based on the review of the following indicators:

- Currency that most influences prices of goods and services in Brazil;
- Currency of the country, which competitive powers and regulations most influence the determination of the selling price of its products and services;
- Currency that most influences material and other costs to supply products or services;
- Currency through which the proceeds of financial activities are substantially obtained; and
- Currency in which amounts received from operating activities are normally accumulated.

The amounts in US Dollar (USD) presented in the financial statements of the Companies are measured translate from BRL (as the functional currency which is the currency that best reflects the economic environment in which the Company is included and the way it is managed).

Basic financial instruments

The "Company" classifies the following financial instruments as basic financial instruments:

- Cash and cash equivalents; and,
- Debt instruments.

Debt instruments include accounts receivable and payable and loans payable, and these are valued at the balance sheet dates at amortized cost.

Cash and cash equivalents

Cash and cash equivalents include cash held by the "Company", bank deposits with free movement and financial investments with short-term maturities of approximately three months or less from the date of the transaction.

Accounts receivable

Accounts receivable correspond to amounts receivable for the collection of its receivables and respective fees arising from activities in the normal course of the company. Short- term receivables are initially recognized at transaction cost and long-term receivables at cost adjusted to present value. Subsequently, these accounts are measured at amortized cost using the effective interest rate method, net of impairment losses (losses on receivables). The provision is constituted when considered necessary for the management of the "Company", in an amount sufficient for the recovery of credits.

Inventory

Inventories are valued at the average cost of acquisition or formation of finished products and are maintained below net realizable value. The cost of finished products consists of purchased raw materials, labor, processing, storage and transport, all related to the process of adapting the products to salable conditions. Losses related to the production process make up the production cost in the respective month.

Property, plant and equipment

All property, plant and equipment items are stated at cost less accumulated depreciation. Cost includes expenditures directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow and the cost of the item can be reliably measured. Any gains and losses on the disposal of an item of property, plant and equipment are recognized in profit or loss. Land is not depreciated.

Depreciation of other assets is calculated using the straight-line method with corporate rates, the estimated useful lives for the current and comparative period are as follows:

- IT equipment - 5 years
- Furniture and Utensils - 10 years
- Machinery and Equipment – 10 years
- Vehicles – 5 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date and adjusted if appropriate.

Reduction to recoverable value

Assets that are subject to depreciation or amortization are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The latter is the higher of an asset's fair value less costs to sell and value in use.

Accounts payable to suppliers are obligations payable for goods or services that were acquired from suppliers in the ordinary course of business and are initially recognized at cost and subsequently measured at amortized cost using the effective interest rate method. In practice, they are usually recognized at the corresponding invoice amount.

Loans and financing

Loans and financing are initially recognized at transaction cost, i.e., the present value payable to the creditor and, subsequently, stated at amortized cost. Any difference between the amounts raised and the amount paid is recognized in the statement of income during the period in which the loans are in progress, using the effective interest rate method.

Adjustment to present value of assets and liabilities

Long-term monetary assets and liabilities are monetarily restated and, therefore, are adjusted to their present value. The adjustment to present value of short-term monetary assets and liabilities is calculated and only recorded if considered relevant in relation to the financial statements taken as a whole.

For recording purposes and determination of relevance, the adjustment to present value is calculated taking into account the contractual cash flows and the explicit interest rate, and in certain cases implicit, of the respective assets and liabilities.

Based on the analyzes carried out and Management's best estimate, the “Company” concluded that the adjustment to present value of current monetary assets and liabilities is irrelevant in relation to the financial statements taken as a whole and, accordingly, did not register any adjustment.

Other current and non-current assets, liabilities

An asset is recognized in the balance sheet when it is probable that its future economic benefits will be generated in favor of the “Company” and its cost or value can be reliably measured. A liability is recognized in the balance sheet when the “Company” has a legal or constituted obligation as a result of a past event, it being probable that an economic resource will be required to settle it in the future. They are stated at their known or estimated amounts, plus, when applicable, the corresponding income, charges and monetary restatements incurred up to the balance sheet date and, in the case of assets, corrected by provision for losses when necessary.

Provisions

Provisions are recognized when the “Company” has an obligation on the date of the financial statements, as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the value has been reliably estimated.

Provisions are measured at the best estimate of the amount required to settle the obligation at the balance sheet date. When the effect of the time value of money is material, the amount of the provision is the present value of the outlay expected to be required to settle the obligation.

Calculation of income

The income of operations is determined in accordance with the accrual basis of accounting, both for the recognition of revenues and expenses.

Revenue recognition

Revenue recognition is a General Accepted Accounting Principle (GAAP) that identifies the specific conditions under which revenue can be recognized by the Company and determines how to account for it. Typically, revenue is recognized when a critical event occurs, when a product or service is delivered to a customer and the cash value is easily measurable for the company.

Revenue accounting is pretty straight-forward when a product is sold and revenue is recognized when the ownership or possession of products is transferred to the customer, but tipicallyl when a company takes a long time to produce a product or is financed by the customer, the recognition of revenue may be subject to exceptions.

Revenue recognition principles within a company must also remain constant over time, so historical financials can be reviewed and revised for seasonal trends or inconsistencies.

The revenue recognition principle is also regulated by ASC 606 in USGAAP terms. The revenue recognition principle requires that revenues be recognized in the income statement in the period in which they are transferred/realized and earned – not necessarily when cash is received.

The revenue-generating activity must be fully or essentially completed to be included in revenue during the respective accounting period. In addition, there must be a reasonable level of certainty that payment for the revenue earned will be received. Finally, according to the standard principle, revenue and its associated costs must be reported in the same accounting period.

Accounting Standards Codification (ASC) 606: On May 28, 2014, the Financial Accounting Standards Board (FASB) [the International Accounting Standards Board (IASB) issued Accounting Standards Codification (ASC) 606, referring to revenue from contracts with customers. ASC 606 provides a uniform framework for recognizing revenue from contracts with customers. The old guidance was industry-specific, which created a fragmented policy system. The updated revenue recognition standard is industry-neutral and therefore more transparent. It allows for better comparability of financial statements with standard revenue recognition practices across industries.

There are five steps required to satisfy the updated revenue recognition principle, all of which are follwed by the Company:

- Identify the agreement with the customer;
- Identify contractual enforcement obligations;
- Determine the consideration amount/price of the transaction;
- Allocate the determined amount of consideration/price to the contractual obligations and;
- Recognize revenue when the performing party satisfies the performance obligation.

In addition, there must be a reasonable level of certainty that payment for the revenue earned will be received. Finally, according to the standard principle, revenue and its associated costs must be reported in the same accounting period.

Revenue from the sale of products is recognized when the control, significant risks and benefits of ownership of the goods are transferred to the buyer, to the extent that it is probable that economic benefits will be generated for BR Brand and when it can be reliably measured. Revenue is measured based on the fair value of the consideration received, excluding discounts, rebates and sales taxes or charges. Revenue from the sale of products is recognized when the tax document is issued, a moment very close to the delivery of the products and respective transfer of ownership (sales contract). Revenue is not recognized if there is significant uncertainty as to its realization.

In logistics terms, revenue recognition also involves controls aimed at ensuring the integrity of transaction records, conditioned to the appropriate moment in which services are provided and recognized by the customer. Considering the volume of transactions involved, portfolio of transport services, logistics and storage management, geographic location of logistics and customer service, revenue recognition involves a high dependence on the proper functioning of the internal controls determined by the Company.

Judgment and use of accounting estimates

The preparation of the financial statements requires that the Company's management base itself on estimates for the recording of certain transactions that affect the assets and liabilities, revenues and expenses, as well as the disclosure of information about data from its financial statements.

The income from such transactions and information, upon their effective realization in subsequent periods, may differ from these estimates.

I. Service life and residual value of the property, plant and equipment;
II. Recoverability of property, plant and equipment, intangible assets and inventories;
III. Provisions in general.

Government grants

The government grants received by BR Brands has the nature of tax incentives received from the states determined from the amount of ICMS due and levied on business carried out by units.

BR Brands has tax benefits arising from government grants related to the reduction of the ICMS tax base on the sale of grains ("beans"), which have presumed credit for ICMS purposes

NOTE 5 - CASH AND CASH EQUIVALENTS, MARKETABLE SECURITIES

CASH AND CASH EQUIVALENTS

Financial investments are substantially represented by fixed income investment funds with remuneration close to the Interbank Deposit Certificate (CDI) and can be redeemed at any time without prejudice to the appropriate remuneration.

			Change	
	06/30/2024	12/31/2023	$	%
Banks	6,744	7,765	(1,021)	-13%
	6,744	**7,765**	**(1,021)**	**-13%**

NOTE 6 - ACCOUNT RECEIVABLE

The amounts below contemplates the sale and delivery of beans to customers at the end of each period, the settlement of which usually occurs within the contractual terms established by each customer, or full settlement. Part of the receivables comprises guarantees for credit operations with FIDCs, such operation generates an interest approximately 2.5% by transaction done with financial institution.

The sales policies for customers are subordinated to the credit policies established by its management and are aimed at minimizing any problems resulting from default by its customers. The amounts that make up the balance of accounts receivable do not have amounts considered significant overdue, most of which are composed of bills with expected maturity in a period of one to three months.

The expected credit loss was constituted by Management based on default in the realization of credits. The Company performs detailed analysis by client in order to determine the amount of expected credit loss to be recorded at account receivables and surrounding any risk related to financial impacts.

			Change	
	06/30/2024	12/31/2023	$	%
Accounts Receivable	254,654	304,229	(49,575)	-16%
Allowance for doubtful accounts	(214,823)	(214,823)	-	0%
	39,831	**89,406**	**(49,575)**	**-55%**

NOTE 7 - INVENTORIES

The inventory of the Company includes raw material, packaging and finished goods available for sales, as following:

			Change	
	06/30/2024	12/31/2023	$	%
Inventories ([1])	-	42,882	(42,882)	-100%
Packaging	59,706	55,920	3,786	7%
	59,706	**98,802**	**(39,096)**	**-40%**

([1]) The Company performs **write-off inventories for any excess** or **obsolete inventories** or when we believe that the net realizable value of inventories is less than the carrying value.

NOTE 8 - OTHER CREDITS

Our other credits consisted of the following:

	06/30/2024	12/31/2023	Change	
			$	%
Insurance	-	11,779	(11,779)	-100%
Capitalization Title	-	19,397	(19,397)	-100%
Judicial Deposit	17,354	-	17,354	100%
	17,354	**31,176**	**(13,822)**	**-44%**

NOTE 9 – ADVANCE TO SUPPLIERS

The advance to suppliers substantially refers to payments in advances for raw materials (beans) suppliers.

	06/30/2024	12/31/2023	Change	
			$	%
Advance to Suppliers	127,115	149,553	(22,438)	-15%
	127,115	**149,553**	**(22,438)**	**-15%**

NOTE 10 – RECOVERABLE TAXES

Recoverable Taxes includes value added tax (ICMS), income tax & social contribution and sales tax (PIS and COFINS), as follow

	06/30/2024	12/31/2023	Change	
Recoverable taxes (2)			$	%
COFINS	41,654	48,197	(6,543)	-14%
ICMS	12,081	13,979	(1,898)	-14%
PIS	9,044	10,464	(1,420)	-14%
IRPJ	3,253	3,764	(511)	-14%
CSLL	2,043	2,364	(321)	-14%
INSS	339	392	(53)	-14%
Total	**68,414**	**79,160**	**(10,746)**	**-14%**

NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost less accumulated depreciation and disposals. Historical cost includes expenditures that are directly attributable to the purchase of the items and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is recognized using the straight-line method over the estimated useful lives of the assets. Assets are depreciated to their residual values.
In the year 2023, we had acquisitions of computers and improvements in our factory.

					Change	
	06/30/2024	(+) Acquisitions	(-) Disposals	12/31/2023	$	%
Furniture & Fixtures	1,234	-	-	1,234	-	0%
Computers and Peripherals	10,404	-	-	10,404	-	0%
Vehicles	78,959	-	-	78,959	-	0%
Improvements in third party properties	40,657	-	-	40,657	-	0%
(-) Acoumulated depreciaion	**(51,308)**	-	-	**(50,590)**	**(718)**	1%
	79,946	-	-	**80,664**	**(718)**	**-1%**

NOTE 12 – OPERATING LEASE ASSETS

			Change	
	06/30/2024	12/31/2023	$	%
Right-of-use ("ROU") assets	603,942	603,942	-	0,00%
(-) Depreciation	(319,077)	(201,314)	(117,763)	58,50%
	284,865	**402,628**	(117.763)	**-29,25%**

BRB leases floors of operation buildings, warehouses and vehicles. In general, lease contracts are made from fixed 1-year to 4-year periods, however, they may have extension options.

The right-of-use asset is subsequently depreciated on a straight-line basis from the date of inception of the lease to the end of the lease term

The Company worked out the operating leasing, right-of-use assets for all leasing contratc and for the amount recorded of net presente value were used the discount rate of 10% .The main contarcts related to leasing held by the Company as of June 30 , 2024 were as following:

12/31/2023

	Non-Current Assets	Current Liabilities	Non- Current Liabilities
Energy Group	43,675	14,360	-
HSTONES	12,193	5,308	-
PFZ	434,734	77,034	68,240
ARBROS MATRIZ	113,340	51,146	-
TOTAL	**603,942**	**147,848**	**68,240**

06/30/2024

	Non-Current Assets	Current Liabilities	Non- Current Liabilities
Energy Group	43,675	11,482	-
HSTONES	12,193	4,771	-
PFZ	434,734	67,439	59,438
ARBROS MATRIZ	113,340	45,070	-
TOTAL	**603,942**	**128,762**	**59,438**

NOTE 13 - INTANGIBLE ASSETS

					Change	
	06/30/2024	(+) Acquisitions	(-) Disposals	12/31/2023	$	%
S.A.P	54,434	10,067	-	44,367	10,067	22,690%
Operational	457,578	-	-	457,578	-	0,000%
Other Operaciotional	2,032,217	10,839	(144,632)	2,166,010	-133,793	-6,177%
(-) Amotization						
Total	**2,544,229**	**20,906**	**(144,632)**	**2,667,955**	**(123,726)**	**-4,638%**

Intangible assets comprises rights that have as object intangible assets intended for the maintenance of the entity or exercised for this purpose. The Company expects to realize the amortization of expenses recorded as intangible when start its operations.

Other operational expenses were related to efforts of the Company in orders to perform the Initial Public Offerings ("IPO"), therefore the mainly expenses were due to legal and administrative services in the amount of USD 1,225,986 and other efforts related to commercial and marketing to guarantee the initial operations of the Company in the amount of USD 849,616 and USD 90,408 respectively. Therefore, the total amount recorded in 2023 was USD 2,166,010. And USD 2,032,217 in June, 2024.

Intangible assets are acquired, measured and presented at acquisition or formation cost less accumulated amortization. The useful life of the intangible asset is evaluated as defined according to annual amortization rates that take into account the evaluation made by Management of the technical, technological and commercial aspects:

Project	Categories	Useful life
SAP B1 (*)	Software	5 years
Operational (**)	Commercial	5 years
Other operational (***)	Preoperational	5 years

(*) We are implementing the SAP Business One (ERP) platform, a financial planning and control system with enterprise resources that will help us record all transactional data used in our Brazilian operations. Expenditure on software maintenance is recognized as an expense as incurred.
(**) Right to supply products to a specific customer and the customer's commitment to purchase our products with certain commercial conditions.
(***) Other operational expenses for opening companies, with consultants and lawyers.

Amortization

Intangible assets with defined useful lives are amortized on the straight-line basis over their estimated useful lives. Licenses and supply and distribution rights are amortized over the period in which the rights exist, which generally vary from 5 years based on the term of the contracts.

Amortization of intangible assets with finite lives is recognized in the statement of income in the expense category consistent with the use of the intangible asset.

NOTE 14 - ACCOUNTS PAYABLE

These are obligations related to the purchase of raw materials, inputs and contracting of service providers for short-term payments.

SUPPLIERS

			Change	
	06/30/2024	12/31/2023	$	%
Domestic supplier	3,472,164	3,963,058	(490,894)	-12%
	3,472,164	**3,963,058**	**(490,894)**	**-12%**

	06/30/2024	12/31/2023
Domestic supplier	-	-
Past due 01-90 days	-	-
	Past due 91-180 days	1,707,671
Past due 181-360 days	1,294,508	2,255,387
Past due 360 days	2,177,656	
Total	**3,472,164**	**3,963,058**

These are the amounts payable to our raw material suppliers and service provider.

Domestic supplier	Main	Fees	06/30/2024
Santa Efigenia Agropecuaria Ltda	473,787	40,705	514,491
Agrosalto	298,411	25,638	324,049
Vieno Comércio de Cereais Ltda	272,157	23,382	295,539
Jota Alimentos Ltda	238,568	20,496	259,065
Unilever Brasil Ltda	221,826	19,058	240,884
Pontarollo Comércio de Cereais Ltda	211,377	18,160	229,537
Safras Comercio de Cereais Ltda	156,147	13,415	169,562
Jota Alimentos Ltda - Arrendamento	86,348	7,418	93,767
NEXP Representação Negócios e Participações Eireli	59,364	5,100	64,464
4 PS Promoções e Eventos Ltda	52,355	4,498	56,853
Fernandes Comércio de Cereais e Transportes Eireli	47,230	4,058	51,288
Peacook Alimentos Ltda.	45,465	3,906	49,371
A.M.J Tatui Comercio Atacadista de Cereais Ltda.	44,036	3,783	47,819
Others	990,387	85,088	1,075,475
Total	**3,197,458**	**274,706**	**3,472,164**

Domestic supplier	Main	Fees	12/31/2023
Santa Efigenia Agropecuaria Ltda	593,670,15	49,510,57	-643,18072
Agrosalto	390,803,57	48,068,73	-438,872,30
Vieno Comércio de Cereais Ltda	316,115,70	3,534,38	-319,650,08
Jota Alimentos Ltda	297,013,95	16,812,08	-313,826,03
Unilever Brasil Ltda	317,940,47	43,537,56	-361,478,02
Pontarollo Comércio de Cereais Ltda	269,478,82	26,705,13	-296,183,95
Jota Alimentos Ltda - Arrendamento	263.618,46	59,073,01	-322,691,47
Safras Comercio de Cereais Ltda	179,340,00	-	-179,340,00
4 PS Promoções e Eventos Ltda	60,131,12	-	-60,131,12
Fernandes Comércio de Cereais e Transportes Eireli	58,042,62	3,797,18	-61,839,80
Peacook Alimentos Ltda.	56,917,85	4,699,69	-61,617,54
A.M.J Tatui Comercio Atacadista de Cereais Ltda.	54,116,79	3,540,35	-57,657,14
NEXP Representação Negócios e Participações Eireli	81,966,31	32,379,53	-114,345,84
Others	732,244,00		-732,244,00
Total	**3,671,400**	**291,658**	**3,963,058**

NOTE 15- LOANS

The Company advance receivables with Credit Rights Investment Funds - FIDC, the balances of receivables are transferred to the Funds with a corresponding entry being recognized under the heading "Loans and financing" in current liabilities according to the maturity age, the interest and other transaction financial costs are recognized as expenses at the time of the transaction. Due to the position of Assignor of credit rights, we are jointly and severally liable with the debtors (clients) for the punctuality and total settlement of all credit rights assigned to the FIDC, for the payment of principal, interest, fines, and other charges related to each operation in case of default.

Accounts receivables are written off upon receipt in full from its customers and/or upon assignment of these securities to the FIDC, in which the FIDC acquires directly from the Company the rights represented by trade notes arising from its commercial sales to its customers.

	Current		Non-Current		Total	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Advance Receivables	603,206	587,112	-	-	603,206	587,112
Loans Bank	447,930	418,464	1,218,343	1,066,746	1,666,273	1,485,210
TOTAL	**1,051,136**	**1,005,576**	**1,218,343**	**1,066,746**	**2,269,479**	**2,072,322**

Advance Receivables

	06/30/2024	Interest Paid	Interest Provision	12/31/2023
PREMIER	584,476	-	98,268	486,208
RDF SOLUÇÕES FINANCEIRAS	5,189	(80,845)	-	86,034
ML BANK SECURITIZADORA S/A	13,542	(1,328)	-	14,870
TOTAL	**603,206**	**- 82,173**	**98,268**	**587,112**

Loans Bank

	06/30/2024	Acquisition	Interest Paid	Interest Provision	Payments	12/31/2023
Loans Bank	**1,666,273**	-	-	**181,063**	-	**1,485,210**

NOTE 16 – CONVERTIBLE NOTE

2023A Convertible Note Offering

On February 17, 2023, we closed a private placement (the "2023A Convertible Note Offering") of a convertible note (the "2023A Convertible Note") to an accredited investor pursuant to Rule 506 of Regulation D of the Securities Act. The 2023A Convertible Note has an annual rate of return of six and one-half percent (6.5%) per annum, payable as a Payment-in-Kind in the Company's common stock valued, at a price equal to sixty five percent (65%) of the per share price of securities sold in this offering, at the Maturity Date of the 2023A Convertible Note.

The 2023A Convertible Note shall mature nine (9) months from the closing date of the 2023A Convertible Note Offering (the "Maturity Date"). The outstanding principal balance of the 2023A Convertible Note and all accrued interest shall automatically convert into common stock of the Company immediately prior to the Company's receipt of an effective order from the SEC declaring the registration statement of its initial public offering effective.

As of February 17, 2023, $100,000 of the 2023A Convertible Note have been sold. No offers are being taken as a result of the filing of this registration statement.

2023B Convertible Note Offering

On August 4, 2023, we closed a private placement (the "2023B Convertible Note Offering") of a convertible note (the "2023B Convertible Note") to an accredited investor pursuant to Rule 506 of Regulation D of the Securities Act. The 2023B Convertible Note has an annual rate of return of twelve and one-half percent (12.5%) per annum, payable as a Payment-in-Kind in the Company's common stock valued, at a price equal to sixty five percent (65%) of the per share price of securities sold in this offering, at the Maturity Date of the 2023B Convertible Note.

The 2023B Convertible Note shall mature nine (9) months from the closing date of the 2023B Convertible Note Offering (the "Maturity Date"). The outstanding principal balance of the 2023B Convertible Note and all accrued interest shall automatically convert into common stock of the Company immediately prior to the Company's receipt of an effective order from the SEC declaring the registration statement of its initial public offering effective.

As of August 4, 2023, $150,000 of the 2023B Convertible Note have been sold. No offers are being taken as a result of the filing of this registration statement.

2024C Convertible Note Offering

On February 15, 2024, we closed a private placement (the "2024C Convertible Note Offering") of a convertible note (the "2023C Convertible Note") to an accredited investor pursuant to Rule 506 of Regulation D of the Securities Act. The 2024C Convertible Note has an annual rate of return of twelve and one-half percent (12.5%) per annum, payable as a

Payment-in-Kind in the Company's common stock valued, at a price equal to sixty five percent (65%) of the per share price of securities sold in this offering, at the Maturity Date of the 2024C Convertible Note.

The 2024C Convertible Note shall mature nine (9) months from the closing date of the 2024C Convertible Note Offering (the "Maturity Date"). The outstanding principal balance of the 2024C Convertible Note and all accrued interest shall automatically convert into common stock of the Company immediately prior to the Company's receipt of an effective order from the SEC declaring the registration statement of its initial public offering effective.

As of February 15, 2024, $100,000 of the 2024C Convertible Note have been sold. No offers are being taken as a result of the filing of this registration statement.

NOTE 17 - TAXES

Liabilities arising from its operational activities, not having any overdue or installment debts.

			Change	
	06/30/2024	12/31/2023	$	%
Federal tax payable	105,120	80,630	24,490	30%
State tax payable	153,996	83,270	70,726	85%
Municipal tax payable	170	196	(26)	-13%
	259,286	**164,096**	**95,190**	**58%**

	Current	Current	Non-Current	Non-Current	Total	Total
	06/30/2024	12/31/2023	06/30/2024	12/31/2023	06/31/2024	12/31/2024
COFINS	57,631	29,710	-	-	57,631	29,710
Contribuição Sindical	4,243	4	-	-	4,243	4
CSRF	9,532	7,494	-	-	9,532	7,494
INSS	1,091	1,252	-	-	1,091	1,252
IPI	16	-	-	-	16	-
IRPJ	9,433	-	-	-	9,433	-
IRRF	6,222	19,233	-	-	6,222	19,233
PIS	11,929	9,617	-	-	11,929	9,617
Tax Fine	5,024	-	-	-	5,024	-
Tax Government Program	-	12,655	-	7,355	-	20,010
ISS	170	195	-		170	195
ICMS	153,761	59,482	-	16,829	153,761	76,311
ICMS ST	235	270	-		235	270
	259,286	**139,912**	**-**	**24,184**	**259,286**	**164,096**

NOTE 18- LABOR AND SOCIAL SECURITY LIABILITIES

Liabilities arising from its operational activities, not having any overdue or installment debts.

			Change	
	06/30/2024	12/31/2023	$	%
Salaries	58,734	30,927	27,807	90%
Social Securits	91,273	76,712	14,561	19%
Labor Provisions	6,199	22,778	(16,579)	-73%
	156,206	**130,417**	**25,789**	**20%**

Salaries

	06/30/2024	12/31/2023
Salaries	47,405	18,044
13º Salaries	10,237	11,754
Vacation	1,092	1,129
	58,734	**30,927**

Social Securits

	03/31/2024	12/31/2023
INSS	79,387	64,157
FGTS	11,886	12,555
	91,273	**76,712**

Labor Provisions

	03/31/2024	12/31/2023
Vacation Provision	4,254	13,914
13º Salaries Provision	1,945	8,864
	6,199	**22,778**

NOTE 19– STOCKHOLDERS' EQUITY

(i)Common stock, $0.001 par value. 30,000,000 shares authorized as of June 30, 2024 and December 31st, 2023, respectively; 12,000,000 shares issued and outstanding as of March 31st, 2024 and December 31st, 2023,
As required by ASC 505-10-50-3, we provide the following disclosure regarding our outstanding securities:

Common Stock:

- **Shares Outstanding: 12,000,000 shares**
- **Major Shareholders:**
  - Paulo Roberto Bonifacio: 8,203,000 shares (68.36%)
  - Bruno Bonifacio: 772,500 shares (6.44%)
  - Tivix Investments LLC: 599,000 shares (4.99%)
- **Unaffiliated Shareholders:** Various, totaling 2,425,500 shares (20.21%)

Warrants:

- **Issued Warrants:** Warrants allowing purchase of stock worth $100,000, exercisable on a cashless basis with a strike price at 125% of the IPO price, valid for three years.

Convertible Notes:

- **SMC Family Limited Partnership**: $12,500
- **Philip R H Connor LLC:** $12,500
- **Jasper Hodings LLC**: $75,000
- **Alidora** LLC: $100,000, with attached warrants enabling the purchase of stock worth $100,000, exercisable on a cashless basis at a strike price of 125% of the IPO price, valid for three years. Proceeds are exclusively for IPO-related expenses, and shares issued upon conversion are registered to be freely tradable .
  - **True-Up Period**: On the date that is twenty (20) trading days from the Financing Event that the Conversion Shares delivered by the Company to the Subscriber become Free Trading, there shall be a true-up period of 10 business days from the share issuance date. If the conversion price as of the True-Up Date is less than the conversion price sold in the Financing Event, the Company shall deliver additional Conversion Shares ("True-Up Shares") to the Subscriber as specified .
- **Charles Le Jeune:** $150,000
  - **Interest Rate:** 6.5% per annum
  - **Conversion Terms**: The principal and accrued interest of this note may be converted into shares of the company's common stock at a conversion price equal to 65% of the per share price of the securities sold in the Financing Event .
  - **Maturity Date:** Nine months from the date of the note or upon an Event of Default.

This disclosure ensures compliance with ASC 505-10-50-3 by providing a clear and concise explanation of the rights and privileges associated with each class of our outstanding securities.

(ii)According to legal basis, based on Complementary Law No. 160, of August 7, 2017, began to treat as a subsidy for investment the tax benefits granted in the form of presumed/granted credit provided for in the ICMS regulation of the states of Rio de Janeiro, Paraná And São Paulo granted in operations with food products carried out by industrial and commercial units, the tax incentives granted by the states or the Federal District began to be considered subsidies for investments, deductible for the calculation of income tax and social contribution. Thus, the company found, the ICMS subsidy in the total accumulated of BRL 4,570,310 (BRL 914,913 on 12.31.2023). As provided for in Article 30 of Law 12.973/14, the Tax Incentive Reserve may be used to absorb losses, provided that previously the other profit reserves have been fully absorbed, except for the legal reserve, or for capital increase. Within the same legal provision, the reservation of tax incentives and legal reserve does not compose the basis of calculation of the mandatory minimum dividend, and the company must submit it to taxation, in case of distribution.

	06/30/2024	12/31/2023	Change $
Capital stock	1.012.492	1.012.492	
Net Income of the year	(5.056.109)	(4.293.338)	(762.771)
Equity valuations adjustments (CTA)	341.187	(315.372)	656.559
	(3.702.430)	**(3.596.218)**	**(106.212)**

Authorized Stock and Amendments

Partner	Capital	%
AC SKAF HOLDINGS LTD	500,000	4,167%
ACCELERA SOLUTIONS S.A.	275,.000	2,292%
DANIELA SERIO BONIFACIO	100,000	0,833%
PAULO ROBERTO BONIFACIO	8,203,000	68,358%
GUILHERME REIF CARVALHAES	8,000	0,067%
CASA III HOLDINGS	772,500	6,438%
ERIK JAKOB ENGSTROM	2,000	0,017%
MALP HOLDINGS	772,500	6,438%
CHRISTOFER CHARLES LE JEUNE	70,000	0,583%
OPENCAP GLOBAL INC	145,000	1,208%
ROBERT OSSELAER	5,000	0,042%
PRHC LLC	260,600	2,172%
ANTOINE DE SEJOURNET DE RAMEIGNIES	5,000	0,042%
MR. PHILIPPE DE COCK DE RAMEYEN	2,400	0,020%
RANDWYCK LLC	40,000	0,333%
SMC FAMILY LIMITED PARTNERSHIP	233,000	1,942%
CAROLINE SOREL	5,000	0,042%
TIVIX INVESTMENTS LLC	599,000	4,992%
PATRICK GEORGES VANHERCK	2,000	0,017%
TOTAL	**12,000,000**	**100%**

NOTE 20 – REVENUE RECOGNITION

Revenue recognition is a General Accepted Accounting Principle (GAAP) that identifies the specific conditions under which revenue can be recognized by the Company and determines how to account for it. Typically, revenue is recognized when a critical event occurs, when a product or service is delivered to a customer and the cash value is easily measurable for the company.

Revenue accounting is pretty straight-forward when a product is sold and revenue is recognized when the ownership or possession of products is transferred to the customer, but typically when a company takes a long time to produce a product or is financed by the customer, the recognition of revenue may be subject to exceptions.

Revenue recognition principles within a company must also remain constant over time, so historical financials can be reviewed and revised for seasonal trends or inconsistencies.

The revenue recognition principle is also regulated by ASC 606 in USGAAP terms. The revenue recognition principle requires that revenues be recognized in the income statement in the period in which they are transferred/realized and earned – not necessarily when cash is received.

The revenue-generating activity must be fully or essentially completed to be included in revenue during the respective accounting period. In addition, there must be a reasonable level of certainty that payment for the revenue earned will be received. Finally, according to the standard principle, revenue and its associated costs must be reported in the same accounting period.

Accounting Standards Codification (ASC) 606: On May 28, 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) 606, referring to revenue from contracts with customers. ASC 606 provides a uniform framework for recognizing revenue from contracts with customers. The old guidance was industry-specific, which created a fragmented policy system. The updated revenue recognition standard is industry-neutral and therefore more transparent. It allows for better comparability of financial statements with standard revenue recognition practices across industries.

There are five steps required to satisfy the updated revenue recognition, principle, all of which are followed by the Company:

- Identify the agreement with the customer;
- Identify contractual enforcement obligations;
- Determine the consideration amount/price of the transaction;
- Allocate the determined amount of consideration/price to the contractual obligations and;
- Recognize revenue when the performing party satisfies the performance obligation.

In addition, there must be a reasonable level of certainty that payment for the revenue earned will be received. Finally, according to the standard principle, revenue and its associated costs must be reported in the same accounting period.

Revenue from the sale of products is recognized when the control, significant risks and benefits of ownership of the goods are transferred to the buyer, to the extent that it is probable that economic benefits will be generated for BR Brand and when it can be reliably measured. Revenue is measured based on the fair value of the consideration received, excluding discounts, rebates and sales taxes or charges. Revenue from the sale of products is recognized when the tax document is issued, a moment very close to the delivery of the products and respective transfer of ownership (sales contract). Revenue is not recognized if there is significant uncertainty as to its realization.

In logistics terms, revenue recognition also involves controls aimed at ensuring the integrity of transaction records, conditioned to the appropriate moment in which services are provided and recognized by the customer. Considering the volume of transactions involved, portfolio of transport services, logistics and storage management, geographic location of logistics and customer service, revenue recognition involves a high dependence on the proper functioning of the internal controls determined by the Company

	For three months ended		Change	
	06/30/2024	06/30/2023	$	%
Gross Sales	-	4,120,402	(4,120,402)	-100%
Subsidy Revenue (ICMS Presumed Credit)	-	409,232	(409,232)	-100%
(-)Sales Return	-	(52,688)	52,688	-100%
(-)Conditional discounts	-	(169,750)	169,750	-100%
(-)ICMS	-	(674,076)	674,076	-100%
(-)PIS	-	(5,015)	5,015	-100%
(-)COFINS	-	(23,097)	23,097	-100%
(-) ICMS ST	-	(636)	636	-100%
Total	**-**	**3,604,372**	**(3,604,372)**	**-100%**

	For six months ended		Change	
	06/30/2024	06/30/2023	$	%
Gross Sales	58,857	9,608,614	(9,549,757)	-99%
Subsidy Revenue (ICMS Presumed Credit)	-	768,979	(768,979)	-100%
(-)Sales Return	(4,601)	(347,223)	342,622	-99%
(-)Conditional discounts	(2,209)	(367,966)	365,757	-99%
(-)ICMS	(7,492)	(1,086,833)	1,079,341	-99%
(-)PIS	(1,408)	(6,813)	5,405	-79%
(-)COFINS	(2,684)	(31,380)	28,696	-91%
(-) ICMS ST	-	(636)	636	-100%
Total	**40,463**	**8,536,742**	**(8,496,279)**	**-100%**

BRB Foods

NOTE 21– Cost of products sold

The balance of operating expenses corresponds to the total amount, consisting of the sum of the balances, as detailed.

	For three months ended		Change	
	06/30/2024	06/30/2023	$	%
(-) Cost of produtcs sold	-	(4,309,264)	4,309,264	-100%
(-) Freight	-	(430,394)	430,394	-100%
(-)Packaging	-	(32,753)	32,753	-100%
(-)Benefit	-	(6,795)	6,795	-100%
Total	**-**	**(4,779,206)**	**4,779,206**	**-100%**

	For six months ended		Change	
	06/30/2024	06/30/2023	$	%
(-) Cost of produtcs sold	(47,029)	(8,006,529)	7,959,500	-99%
(-) Freight	(1,587)	(757,335)	755,748	-100%
(-)Packaging	-	(100,159)	100,159	-100%
(-)Benefit	-	(7,612)	7,612	-100%
Total	**(48,616)**	**(8,871,635)**	**8,823,019**	**-99%**

BRB Foods

NOTE 22 – Sales, General and administrative expenses

General and administrative expenses

These are all expenses related to administrative and commercial service providers, payroll, consumption expenses to maintain the company's routine.

	For three months ended		Change	
	06/30/2024	06/30/2023	$	%
Administrative expenses				
Services 3rd parties	(12,895)	(420,652)	407,757	-97%
General expesnes	(3,165)	(216,300)	213,135	-99%
Labor	(589)	(64,925)	64,336	-99%
Other expenses	-	-	-	0%
Depreciation	(63,686)	(146,478)	82,792	-57%
Total	**(80,335)**	**(848,355)**	**768,020**	**-91%**
Sales expenses				
Sales comission	-	(1,489)	1,489	-100%
General expesnes	(9)	(33,725)	33,716	-100%
Labor	(5,220)	(12,353)	7,132	-58%
Royalties	75	(36,223)	36,298	-100%
Total	**(5,154)**	**(83,791)**	**78,636**	**-94%**

	For six months ended		Change	
	06/30/2024	06/30/2023	$	%
Administrative expenses				
Services 3rd parties	(39,647)	(745,563)	705,916	-95%
General expesnes	(3,165)	(298,208)	295,043	-99%
Labor	(3,910)	(112,698)	108,788	-97%
Other expenses	-	(76,687)	76,687	-100%
Depreciation	(118,481)	(219,870)	101,389	-46%
Total	**(165,203)**	**(1,453,026)**	**1,287,823**	**-89%**
Sales expenses				
Sales comission	-	(286,193)	286,193	-100%
General expesnes	(9)	(36,040)	36,031	-100%
Labor	(20,235)	(12,353)	(7,883)	64%
Royalties	(1,416)	(428,609)	427,193	-100%
Total	**(21,660)**	**(763,195)**	**741,535**	**-97%**

NOTE 23 - FINANCIAL INCOME

The balance of the financial income corresponds to the total amount, consisting of the sum of the balances, according to detail. The financial expenses composed of discounts granted, bank expenditure, billing expenses, IOF, monetary variation, fines and interest on loans. Financial revenues comprise the amounts related to income on interest received and discounts obtained.

	For three months ended		Change	
	06/30/2024	06/30/2023	$	%
Financial Revenue				
Interest		19,745	(19,745)	-100%
	-	**19,745**	**(19,745)**	**-100%**
Financial Expenses				
IOF	(1)	(906)	905	-100%
Banking Expenses	(8,509)	(474,440)	465,931	-98%
Interest	(38,461)	209,225	(247,686)	-118%
	(46,971)	**(266,121)**	**219,150**	**-82%**

	For six months ended		Change	
	06/30/2024	06/30/2023	$	%
Financial Revenue				
Interest		22,663	(22,659)	-0,10%
	-	**22,663**	**(22,659)**	**-0,10%**
Financial Expenses				
IOF	(1)	(3,063)	3,062	-100%
Banking Expenses	(554,962)	(480,675)	(74,287)	15%
Interest	(9,850)	(52,027)	42,177	-81%
	(564,813)	**(535,765)**	**(29,048)**	**5,42%**

NOTE 24 – TAX

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes.

In Brazil, taxation on profit comprises income tax and social contribution, as described below:

Income Tax (IRPJ) - in the form of taxation on taxable income, is computed on taxable income at the rate of 15%, plus an additional 10% for profits that exceed R$ 240,000 in a 12-month period.

Social Contribution (CSLL) - applied at the rate of 9% on taxable income, recognized on an accrual basis.

	06/30/2024	06/30/2023
IRPJ	**(1,843)**	-
CSLL	**(1,099)**	-
Total	**(2,942)**	-

Taxable Income - are the additions to accounting income of temporarily non-deductible expenses or exclusions of temporarily non-taxable income, considered for the calculation of current taxable income, which generate deferred tax credits or debits.

In addition, the sale of basic basket products (e.g. “Beans”) has a state tax incentive as an investment subsidy, such as reductions in the ICMS(*), IRPJ and CSLL calculation bases, rate reduction, exemption, deferral related to the benefit of the ICMS presumed credit.

The tax rates and tax laws used to calculate the amount are those in effect at the balance sheet date.

For 2023, the company has no Income tax and social contribution.

(*) State value-added tax on services and circulation of goods.

Taxes on sales

Revenues, expenses and assets are recognized net of sales tax, except:

When sales taxes incurred on the purchase of goods or services are not recoverable from the tax authorities, in which case the sales tax is recognized as part of the acquisition cost of the asset or expense item, as the case may be;

When receivables and payables are presented together with the sales tax amount; It is

The net amount of sales tax, recoverable or payable, is included as a component of amounts receivable or payable in the balance sheet. Revenues from sales in Brazil are subject to the following taxes and contributions, at the following basic rates:

Rates

ICMS - Tax on Circulation of Goods and Services	18%

COFINS - Social Security Contribution	7,60%
PIS - Social Integration Program	1,65%
IPI - Tax on Industrialized Products	5%
ISSQN - Tax on Services of Any Nature	5%

Credits arising from non-cumulative PIS/COFINS are shown deducted from cost of goods sold or general and administrative expenses, in the statement of income, depending on the source of the expenditure. Amounts subject to offsetting are stated in current or non-current assets, according to their expected realization. In the income statement, revenues are presented net of these taxes.

The Company is framed as opting for the real profit subject to the incidence of legal income tax(IRPJ) and the social contribution on net income (CSLL) on the result determined in each year.

However, it contributes to the income tax on fixed or variable income financial investments, upon retention by the institutions in which financial investments are carried out.

Deferred Tax Liabilities

The Company's has no deferred tax liabilities, deferred tax assets, and deferred tax asset valuation allowances at December 31st, 2023

NOTE 25 – RELATED PARTY TRANSACTIONS

During the fiscal year, we entered into related party transactions with some of our shareholders or other related parties. These operations arise from the provision of logistics services as well as from financial transactions entered into under market conditions, in accordance with our interests, customary market practices at the time of their execution and do not have relevant amounts individually or in aggregate.

From time to time, we enter into transactions with related parties, including entities involving certain members of our board of directors or senior management. The definition of a related party is based on applicable accounting standards and our internal policy, which may be more restrictive in relation to applicable laws and regulations under certain circumstances.

In addition, we have not entered into any related party transaction that is or was unusual in nature or conditions during the current or last prior financial year, nor has such transaction been proposed that is or would be material to our business. Our policy on related party transactions prohibits us from extending loans or guarantees to members of our board of directors, our management, or key management or any members of their close family members.

Name	Principal Position	Year	Salary ($)
Bruno Bonifacio	Chief Executive Officer and Director	2024	96,000
		2023	96,000
Bonifacio, Paulo R.	President	2024	168,000
		2023	168,000
Burti, Leonardo P.	Chief Financial Officer and Director	2024	108,000
Farina, Fabio L.		2023	72,000

<u>Intercompany</u>

06/30/2024			12/31/2023	
	Recevible	Payable	Recevible	Payable
Boni Logistica	17,561	-	23,531	-
BR Brands	601,019	17,561	683,339	23,531
BRB Foods	-	601,019	-	683,339
Total	**618,580**	**618,580**	**706.870**	**706.870**

Related Parties

C-Level	06/30/2024	(+)Add	(+) Interest	Payments	12/31/2023
O.S.	-	-	-	13,581	13,581
D.S.B	121,108	-	2,515	-	118,593
B.B	-	-	-	7,432	7,432
E.S.B	55,177	-	12,990	-	42,187
P.B	76,901	-	-	-	-
Shareholders	454,750	100,000	-	-	354,750
Total Liabilities	**707,936**	**100,000**	**15,505**	**21,013**	**536,543**
P.B	134,635	53,736	-	-	80,899
Total Assets	**134,635**	**53,736**	**-**	**-**	**80,899**

NOTE 26– EARNINGS PER SHARE (EPS):

The Company reports basic and diluted earnings per share in accordance with ASC 260-10-45. For periods of net loss, the diluted EPS calculation excludes potentially dilutive securities as they would have an antidilutive effect. Accordingly, basic and diluted EPS are identical for the periods presented.

The table below summarizes the potentially dilutive securities excluded due to their antidilutive nature:

Type of Security	Issuance Date Potential	Dilution (Shares)
Convertible Notes	February 2023	127,547
Restricted Stock Units	March 2023	172,500
Total Potential Shares		**300,047**

The table below presents the determination of net income available to holders of common shares and the weighted average number of common shares outstanding used to calculate basic and diluted earnings per share in each reporting exercise:

	For three months ended		For six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Basic numerator				
Net income (loss) allocated to controlling shareholder	(132,460)	(2,353,356)	(762,771)	(3,064,216)
Net income allocated to controlling shareholder	**(132,460)**	**(2,353,356)**	**(762,771)**	**(3,064,216)**
Basic denominator				
Weighted average of shares	12,000,000	12,000,000	12,000,000	12,000,000
Basic earnings (loss) per share	(0.0110)	(0.1961)	(0.0636)	(0.2554)
Basic earnings per share	**(0.0110)**	**(0,1961)**	**(0.0636)**	**(0.2554)**
Diluted numerator				
Net income (loss) allocated to controlling shareholder	(132,460)	(2,353,356)	(762,771)	(3,064,216)
Net income allocated to controlling shareholder	**(132,460)**	**(2,353,356)**	**(762,771)**	**(3,064,216)**
Diluted denominator				
Weighted average of outstanding shares	12,000,000	12,000,000	12,000,000	12,000,000
Convertible Notes	127,547	127,547	127,547	127,547
Restricted Stock Units	172,500	172,500	172,500	172,500
Diluted weighted average of outstanding shares	**12,300,047**	**12,300,047**	**12,300,047**	**12,300,047**
Diluted earnings (loss) per share	(0.0110)	(0.1961)	(0.0636)	(0.2554)
Diluted earnings per share	**(0.0110)**	**(0.1961)**	**(0.0636)**	**(0.2554)**

NOTE 27– SUBSEQUENT EVENTS

The Company has evaluated subsequent events through the filing of this Quarterly Report, and determined that there have been no events that have occurred that would require adjustments to our disclosures in the consolidated financial statements.

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