OEC S.A.

Independent auditor's report

Consolidated financial statements
As at December 31, 2023

OEC S.A.

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Contents

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the
Shareholders and Management of
OEC S.A.
São Paulo – SP

Opinion on the consolidated financial statements

We have audited the consolidated financial statements of **OEC S.A.** ("Company"), which comprise the consolidated statement of financial position as at December 31, 2023 and the respective consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, as well as the corresponding notes to the financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements present fairly, in all material respects, the financial position consolidated of **OEC S.A.** as at December 31, 2023, and its consolidated financial performance and its cash flows for the year then ended in accordance with accounting practices adopted in Brazil.

Basis for opinion on consolidated financial statements

We conducted our audit in accordance with Brazilian and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles established in the Code of Ethics for Professional Accountants and in the professional standards issued by the Brazilian Federal Association of Accountants (CFC), and we have fulfilled our other ethical responsibilities in accordance with these standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Relevant uncertainty related to operational continuity

On December 31, 2023, the Company presented consolidated current liabilities greater than consolidated current assets, at R$4,611,320, negative consolidated shareholders' equity at R$16,609,043 and consolidated loss at R$741,449. To ensure the operational continuity of the Company and its subsidiaries, the Action Plan ("PA") was approved by the Board of Directors of OEC S.A. for the next four years, as detailed in Explanatory Note No. 1 (a). The consolidated financial statements were prepared assuming the normal continuity of the Company's business and do not include any adjustments relating to the realization and classification of asset values or the settlement and classification of liabilities that would be required if the Company was unable to continue operating. If the consolidated financial statements had been prepared considering the discontinuity of operations, they could present values different from those presented. Our opinion is not qualified as a result of this matter.

Emphasis

Restatement of the financial statements for the year ended December 31, 2022

We draw attention to explanatory Note No. 2.5 to the financial statements, which describes that the financial statements for the year ended December 31, 2022, presented for comparison purposes, have been adjusted and are being restated under this name, as provided for in NBC TG 23 – Accounting Policies, Change in Estimates and Rectification of Error and NBC TG 26(R1) – Presentation of Financial Statements, incorporating the following reclassification:

- Reclassification of accounts receivable from current assets to non-current assets relating to billing rights for the Cabinda Refinery project in the amount of R$369,199;

- Reclassification of the balance of the net assets of the Colombia Branch from other assets to other liabilities in the amount of R$ 10,468;

- Reclassification of the active consortium current account balance in the amount of R$ 122,491, with R$ 79,445 for other assets referring to the service provision contract with SPV Ghana and R$ 43,046 for the passive consortium current account referring to the consortium balances in Panama;

- Reclassification of the initial balance of the asset valuation adjustment for accumulated losses related to the realization of the exchange variation balance in the conversion of the balance sheet into foreign currency arising from the closure of the company Odebrecht International Participation S.a r.L. The impact of this reclassification is also restated in the Consolidated Statement of Changes in Shareholders' Equity (net capital deficiency); e

- Reclassification, each item of income for the year from continued operations to discontinued operations, of the amounts of the Company's controlled and associated companies in the geographies defined by Management as non-operational, the main ones being: Argentina, Ecuador, Mexico and the Dominican Republic.

We audit and agree with the adjustments made. Our opinion is not qualified as a result of this matter.

Other matters

Audit of comparative balances

The consolidated financial statements originally presented for the year ended December 31, 2022, whose values are presented for comparative purposes, were audited by us and we issued a report on them, dated April 14, 2023, without modification.

Responsibilities of management for the consolidated financial statements

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

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian standards and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian standards and ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

São Paulo, April 29, 2024.

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

Celso Luiz da Costa Lobo
Accountant CRC 1 SP 251526/O-6

OEC S.A. and its Subsidiaries

Consolidated Balance Sheets

In thousands of reais and U.S. dollars

		December 31, 2023		December 31, 2022 (Restated)
	Note	US$	R$	R$
Assets				
Current assets				
Cash and cash equivalents	6	91,249	441,762	433,800
Trade accounts receivable	7	250,988	1,215,108	1,105,836
Advances to suppliers, subcontractors and others	8	129,935	629,053	605,606
Taxes recoverable	9	98,661	477,646	519,648
Inventories	10	35,845	173,535	241,511
Current accounts with consortium members	11	70,034	339,056	331,960
Prepaid expenses		6,708	32,475	37,032
Other assets	12	172,118	833,280	693,347
		855,538	4,141,915	3,968,740
Non-current assets held for sale	15 (a)	67,303	325,832	334,178
Non-current assets				
Financial investments		17,234	83,434	91,959
Related parties	13 (a)	304,181	1,472,631	1,476,083
Trade accounts receivable	7	343,677	1,663,845	2,406,936
Deferred income tax and social contribution	14 (a)	149,279	722,704	904,664
Taxes recoverable	9	28,085	135,966	175,231
Prepaid expenses		2,051	9,930	8,500
Advances to suppliers, subcontractors and others	8	4,043	19,571	21,250
Judicial deposits		28,505	138,000	141,814
Other assets	12	66,400	321,466	426,437
		943,455	4,567,547	5,652,874
Investments				
Associated companies	16 (b)	55,880	270,530	276,719
Property and equipment	17	91,092	441,006	492,987
Intangible assets		6,461	31,280	32,596
Right of use	18 (a)	7,603	36,808	37,755
		1,171,794	5,673,003	6,827,109
Total assets		2,027,332	9,814,918	10,795,849

		December 31, 2023		December 31, 2022 (Restated)
	Note	US$	R$	R$
Liabilities and net capital deficiency				
Current liabilities				
Debts	19 (a)	136,148	659,134	453,000
Leases	23	5,368	25,986	25,269
Suppliers and subcontractors	20	791,709	3,832,901	4,231,897
Taxes, fees, salaries and social contributions	21	188,334	911,780	852,316
Advances from customers	7	315,114	1,525,559	1,634,508
Current accounts with consortium members	11	91,648	443,697	447,361
Provisions for tax, labor, civil and agreements	22	90,718	439,195	467,804
Other liabilities	24	188,996	914,983	645,459
		1,808,035	8,753,235	8,757,614
Non-current liabilities				
Debts	19 (a)	968,343	4,688,040	4,656,984
Leases	23	27,328	132,303	120,873
Suppliers and subcontractors	20	7,023	34,001	50,374
Taxes, fees, salaries and social contributions	21	14,518	70,286	34,690
Advances from customers	7	1,292,620	6,257,960	6,959,728
Related parties	13 (a)	360,134	1,743,519	1,612,656
Deferred income tax and social contribution	14 (a)	164,273	795,297	713,445
Provisions for tax, labor, civil and agreements	22	673,821	3,262,168	3,602,991
Provision for net capital deficiency of associated companies	16 (b)	120,814	584,896	952,197
Other liabilities	24	21,122	102,256	124,396
		3,649,996	17,670,726	18,828,334
Net capital deficiency				
Capital	25 (a)	92,723	448,900	448,900
Capital transactions		2,761	13,366	13,366
Carrying value adjustments	25 (b)	459,814	2,226,098	1,321,583
Accumulated losses		(3,972,670)	(19,232,885)	(18,494,050)
		(3,417,372)	(16,544,521)	(16,710,201)
Non-controlling interest		(13,327)	(64,522)	(79,898)
		(3,430,699)	(16,609,043)	(16,790,099)
Total liabilities and net capital deficiency		2,027,332	9,814,918	10,795,849

The accompanying notes are an integral part of these interim consolidated accounting information.

OEC S.A. and its Subsidiaries
Consolidated Statements of Income
Year ended December 31
In thousands of reais and U.S. dollars, unless otherwise indicated

	Note		2023	2022
				(Restated)
	Note	US$		R$
Continuing operations				
Net services and sales revenues	26	839,264	4,063,127	4,528,981
Cost of services rendered	27	(725,962)	(3,514,602)	(3,881,731)
Gross profit		113,302	548,525	647,250
Operating expenses				
General, administrative and selling expenses	27	(135,220)	(654,643)	(739,951)
Other income, net		(3,909)	(18,921)	300,035
Operating (loss) profit		(25,827)	(125,039)	207,334
Results from investments				
Results from equity investments	16 (b)	64,320	311,393	(351,046)
Financial result				
Financial result, net	28	(140,109)	(678,305)	(41,619)
Loss before social contribution and income tax		(101,616)	(491,951)	(185,331)
Current income tax and social contribution	29	(38,759)	(187,642)	(106,120)
Deferred income tax and social contribution	29	(55,222)	(267,348)	(295,579)
Loss of continued operations for the year		(195,597)	(946,941)	(587,030)
Discontinued Operations				
Net profit of discontinued operations for the year	15 (b)	42,446	205,492	666,130
Net profit (loss) for the year		(153,151)	(741,449)	79,100
Attributable to:				
Company's Stockholders		(152,611)	(738,835)	74,118
Non-controlling interest		(540)	(2,614)	4,982
		(153,151)	(741,449)	79,100
Basic profits (losses) per share from continuing and descontinuing operations atributable to stockholders at the end of the year (in R$ and US$ per share)	25 (c)	(0.340)	(1.646)	0.165

The accompanying notes are an integral part of these interim consolidated accounting information.

OEC S.A. and its Subsidiaries
Consolidated Statements of Comprehensive Income
Year ended December 31
In thousands of reais and U.S. dollars, unless otherwise indicated

	Note	2023		2022
		US$		R$
Net profit (loss) for the year		(153,151)	(741,449)	79,100
Other comprehensive income:				
Items to be subsequently reclassified to profit or loss:				
Carrying value adjustment of investees	25 (b)	43,828	212,184	197,531
Foreing currency translation adjustment	25 (b)	141,817	686,580	683,590
Foreign exchange variation on net investments abroad	25 (b)	1,188	5,751	5,533
Items reclassified to profit or loss				
Realization foreign exchange variation on net investments abroad	25 (b)			250,434
Total comprehensive income for the year		33,682	163,066	1,216,188
Attributable to:				
Company's Stockholders		34,222	165,680	1,211,206
Non-controlling interest		(540)	(2,614)	4,982
		33,682	163,066	1,216,188

The accompanying notes are an integral part of these interim consolidated accounting information.

OEC S.A. and its Subsidiaries
Consolidated Statement of Changes in Equity (Net Capital Deficiency)
Year ended December 31
In thousands of reais, unless otherwise indicated

		Attributable to Company's Stockholders						
	Note	Capital	Capital Transactions	Carrying Value Adjustment	Accumulated Losses	Total	Non-Controlling Interest	Total Net Capital Deficiency
At December 31, 2021 (Restated)		448,900	13,365	184,495	(18,568,168)	(17,921,408)	(104,420)	(18,025,828)
Total comprehensive income for the year:								
Profit for the period - R$ 0.165 per share	25 (c)				74,118	74,118	4,982	79,100
Other comprehensive income	25 (b)			1,137,088		1,137,088		1,137,088
Total comprehensive income (loss) for the year				1,137,088	74,118	1,211,206	4,982	1,216,188
Capital transactions with stockholders:								
Other movements of capital transactions			1			1		1
Other movements of non-controlling							19,540	19,540
At December 31, 2022 (Restated)		448,900	13,366	1,321,583	(18,494,050)	(16,710,201)	(79,898)	(16,790,099)

		Attributable to Company's Stockholders						
	Note	Capital	Capital Transactions	Carrying Value Adjustment	Accumulated Losses	Total	Non-Controlling Interest	Total Net Capital Deficiency
At December 31, 2022 (Restated)		448,900	13,366	1,321,583	(18,494,050)	(16,710,201)	(79,898)	(16,790,099)
Total comprehensive loss for the year:								
Loss for the year - (R$ 1.646) per share	25 (c)				(738,835)	(738,835)	(2,614)	(741,449)
Other comprehensive income	25 (b)			904,515		904,515		904,515
Total comprehensive income (loss) for the year				904,515	(738,835)	165,680	(2,614)	163,066
Capital transactions with stockholders:								
Other movements of non-controlling							17,990	17,990
At December 31, 2023		448,900	13,366	2,226,098	(19,232,885)	(16,544,521)	(64,522)	(16,609,043)

The accompanying notes are an integral part of these interim consolidated accounting information.

OEC S.A. and its Subsidiaries
Consolidated Statement of Changes in Equity (Net Capital Deficiency)
Year ended December 31
In thousands of U.S. Dollar, unless otherwise indicated

		Attributable to Company's Stockholders						
	Note	**Capital**	**Capital Transactions**	**Carrying Value Adjustment**	**Accumulated Losses**	**Total**	**Non-Controlling Interest**	**Total Net Capital Deficiency**
At December 31, 2022 (Restated)		92,723	2,761	272,981	(3,820,059)	(3,451,594)	(16,503)	(3,468,097)
Total comprehensive loss for the year:								
Loss for the year - (US$ 0,340) per share	25 (c)				(152,611)	(152,611)	(540)	(153,151)
Other comprehensive income	25 (b)			186,833		186,833		186,833
Total comprehensive income (loss) for the year				186,833	(152,611)	34,222	(540)	33,682
Capital transactions with stockholders:								
Other movements of non-controlling							3,716	3,716
At December 31, 2023		92,723	2,761	459,814	(3,972,670)	(3,417,372)	(13,327)	(3,430,699)

The accompanying notes are an integral part of these interim consolidated accounting information.

OEC S.A. and its Subsidiaries
Consolidated Statement of Cash Flows
Year ended December 31
In thousands of reais and U.S. dollars, unless otherwise stated

		2023		2022
				(Restated)
	Note	US$	R$	R$
Cash flows from operating activities				
Profit (loss) before income tax and social contribution from continued and discontinued operations		(59,170)	(286,459)	480,799
Adjustments:				
Equity in results of investees	16 (b)	(64,320)	(311,393)	351,046
Variation in construction contracts revenue		39,143	189,504	(687,383)
Depreciation and amortization	27	10,964	53,078	57,353
Depreciation of right of use	18 (a) / 27	2,409	11,661	10,890
Residual value of reduction in investments, property and equipment and project expenses		4,850	23,479	58,332
Present value adjustments	28	(4,049)	(19,603)	(526,619)
Impairment on right of use, property and equipment and investments in associates	16 (b) / 18 (a)	(2,322)	(11,240)	10,682
Provision (reversion) of estimated losses on doubtful accounts	27 / 28	(2,403)	(11,635)	306,482
Provision for contingencies	27	2,634	12,754	31,698
Interest, monetary and foreing exchange variations and others, net		177,404	858,867	295,971
Cash generated by operations		105,140	509,013	389,251
Changes in assets and liabilities:				
Financial investments		1,761	8,525	(15,785)
Trade accounts receivable		(68,239)	(330,364)	(70,212)
Inventories		11,801	57,133	77,573
Taxes recoverable		15,187	73,527	(74,563)
Prepaid expenses, advances to suppliers, subcontractors and other assets		(27,633)	(133,780)	(38,857)
Suppliers and subcontractors		(43,987)	(212,955)	142,141
Advances from customers		(35,997)	(174,274)	(136,605)
Taxes, rates, salaries and payroll charges		(9,009)	(43,614)	(172,029)
Other liabilities		66,048	319,755	(479,958)
Net cash generated by (used in) operating activities from continued operations		15,072	72,966	(379,044)
Net cash used in operating activities from discontinued operations		(1,551)	(7,507)	(9,038)
Net cash generated by (used in) operating activities		13,521	65,459	(388,082)
Cash flows from investing activities				
Acquisitions of investments	16 (b)	(17)	(81)	(139)
Disposal of investments		1,330	6,437	8,527
Acquisitions of property and equipment	17	(7,600)	(36,792)	(88,044)
Acquisitions of intangible assets		(1,618)	(7,832)	(15,372)
Dividends received	16 (b)	599	2,900	10,948
Net cash used in investing activities		(7,306)	(35,368)	(84,080)
Cash flows from financing activities				
Related parties				
Repayments		(12,971)	(62,796)	(119,527)
New loans		20,621	99,831	38,058
Short and long-term debt, net				
New loans	19 (c)	4,898	23,713	40,909
Payments of principal	19 (c)	(18,672)	(90,398)	(73,074)
Payments of interest	19 (c)	(9,567)	(46,318)	(8,473)
Payments of leases	23	(1,400)	(6,779)	(5,214)
Net cash used in financing activities		(17,091)	(82,747)	(127,321)
Effect of changes in the exchange rate on cash and cash equivalents		12,521	60,618	241,788
Increase (decrease) in cash and cash equivalents from continued operations		3,196	15,469	(348,657)
Decrease in cash and cash equivalents from discontinued operations		(1,551)	(7,507)	(9,038)
Cash and cash equivalents at the beginning of the year		89,604	433,800	791,495
Cash and cash equivalents at the end of the year		91,249	441,762	433,800

The accompanying notes are an integral part of these interim consolidated accounting information.

1 Operations

OEC S.A. ("OECSA" or the "Company") is a closely-held entity and an integral part of the Novonor Group ("Novonor Group") , headquartered in São Paulo, whose direct parent company is Odebrecht Holdco Finance Limited ("ODB Holdco") and indirect parent company is Odebrecht Engenharia e Construção S.A. ("Odebrecht Engenharia"). The Company's head office is located at Av. das Nações Unidas, 14,401 – Parque da Cidade – Chácara Santo Antonio, São Paulo.

The Company is the direct parent company of CNO S.A. ("CNO"), OECI S.A. ("OECI"), OENGER S.A. ("OENGER"), Tenenge Engenharia Ltda. ("Tenenge"), Odebrecht Overseas Limited ("OOL") and OEC Finance Limited ("OEC Finance"), and indirect parent company of CBPO Engenharia Ltda. ("CBPO").

The Company's main purposes include the planning and execution of engineering projects and construction works of all types and specialties as a contractor, administrator or other types of contracts adopted in the market; civil engineering technical installations, industrial assemblies, planning, assistance and technical studies, and the performance of other related economic activities, including the rental and purchase and sale of equipment, import and export of services and goods related to the engineering and construction activities.

Through its direct and indirect subsidiaries and their branches, the Company directly operates in several countries, mainly: Brazil, Angola, United States of America ("USA") and Gana.

In the heavy civil construction segment, the main direct subsidiaries of the Company are CNO, OECI, Tenenge and indirect the CBPO, which develop construction projects involving highways, railways, hydroelectric, thermoelectric and nuclear plants, port facilities, dams, refineries and other industrial and infrastructure projects.

The main projects that are currently being carried out through the subsidiaries and associates in Brazil are: Submarine Project, BH Health Units, BRT Transoeste, ETA Xerém, Marapicu Reservoir, Campo Grande Road Link, BR386, BRT Transbrasil, South Babitonga Gas Terminal, Guaratuba Bridge, Mem Block 40 and UTE Azulão, in addition to many contracts for the provision of services in industrial plants.

Abroad, the main projects in activity are: Laúca Hydroelectric Plant (Angola), Barra do Dande Oceanic Terminal, Cabinda Refinery Project, Lobito Refinery Project and Cabinda International Airport (Angola) and East Section Highway (Ghana).

These financial statements for the year ended December 31, 2023 were approved by the Company's Board of Directors on April 29, 2024.

(a) Going Concern

The operating segment of the Company and its subsidiaries is the heavy civil construction in projects for the construction of highways, railways, hydroelectric, thermoelectric and nuclear plants, port installations, dams, refineries among other industrial and infrastructure projects for public and private customers, and their main source of resources is the generation of cash from these projects.

In view of the events that took place in the past few years, the Company was strongly impacted with respect to: (i) social and economic impact of the COVID-19 pandemic, with the downturn of economies, arising mainly from measures taken by governments and withdrawal of private investors, with the postponement of biddings and investments due to the shortage of funds and difficulties in obtaining credit to finance large projects, reduction of the availability of public funds for investments due to the high expenditures with economic stimulus packages, reduction of tax receipts and, consequently, a higher primary deficit, increasing the public debt and unemployment and default rates of smaller entrepreneurs; (ii) identification of the need to recognize provisions for impairment on credits maintained in the Company's subsidiaries with companies of the Novonor Group under court-supervised reorganization; (iii) the provisions related to the Company's net assets with the Venezuelan government; and (iv) the recording of the liability arising from the Bonds as a result of the restructuring of the debt of Novonor Finance Limited ("NFL"), which was guaranteed by the Company.

Accordingly, as a result of the events mentioned above, the consolidated current liabilities exceeded the consolidated net assets, and the consolidated equity became negative in the amounts of R$ 4,611,320 – US$ 952,497 and R$ 16,609,043 – US$ 3,430,699, respectively. Additionally, the Consolidated Losses of exercise was in the amount R$ 741,449 – US$ 153,151.

In order to mitigate the impacts on the cash of the Company and its subsidiaries, management implemented several actions, namely: i) since 2019, the Company has been going through a geographic restructuring process focused on the countries that have potential construction work contracts for the Company and its subsidiaries; ii) since 2016, the Company has been strengthening its Governance with the members of the Board of Directors and the Committees that Support the Board of Directors (with the participation of independent members); iii) creation of the Internal Audit and Internal Controls departments in 2018 and 2019, respectively; iv) creation of the Integrity Program in 2016 for the purpose of addressing practices and procedures to ensure compliance of the business with the legal requirements and principles of ethical, fair and transparent conduct in corporate duties, v) administrative restructuring, adapting the size of the supporting staff to the new size of the Company, vi) sale of assets and old credits to ensure the Company's liquidity, vii) restructuring of short-term debts and trade accounts payable, viii) renegotiation of terms and conditions of guarantees provided to the NFL Bonds (completed in 2021); and ix) production maintenance for the contracts in the portfolio.

In order to reverse the scenario described above, the Company's management approved, the Action Plan 2024 – 2027:

The action plan includes the Company's strategic actions and guidance, as well as its advantages, providing complete and sustainable solutions in complex Engineering and Construction projects for infrastructure and industries, with a focus on the main global needs, such as mobility, logistics, sanitation, renewable energy and health and education. Its main markets are Angola, Brazil, the United States, Panama and Peru, also developing selected opportunities in other countries in Africa and Latin America, as follows:

- **Addition of backlog** - expectation of obtainment of new projects in the amount of US$ 8.9 billion until 2027, in addition to currently having a base of opportunities of approximately 112 projects that total US$ 23.6 billion in possible contracts, which are more intense with public clients.
- **Focus of operations** - The Company focuses its operations geographically, selectively and strategically in the following countries: i) Brazil – focus on both public and private clients. The

Company seeks to play a leading role in energy transition opportunities and it also seeks partnerships in road, port, airport, sanitation and mobility concessions, in addition to strengthening the Tenenge brand, which is aimed at the maintenance of industrial plants; ii) Angola/Africa: strengthening of the operation in the African market, based in Angola, in addition to the growth of opportunities linked to the demands that are locally repressed and iii) USA: development of private partnerships and expansion of the geographic scope based on the principle of the recognition of the Company's projects in the country.

- **Strengthening of Engineering and Business Intelligence (performance, efficiency and competitiveness)** - to guarantee the success of the operation in the countries mentioned above, the Company directs its efforts towards: i) strengthening and modernizing the Engineering segment, taking into consideration its contribution to the Company's competitive advantage, defining the corporate structure of support and intelligence in engineering with the improvement of local structures; ii) raising the level of the BIM technology's maturity at the Company through its mass adoption in the construction works of the portfolio, new studies and training programs; iii) prioritizing the maintenance and renewal of technical certifications; iv) ensuring a distinguished position in the energetic transition process, through studies, publications, opportunities and achievements; v) promoting the relationship with Engineering/ Technology companies and suppliers for the qualification of commercial actions of proposals and projects; and vi) repositioning the Company as a leading company in ESG practices, taking advantage of the developments in governance and recovering its status as a distinguished company in social practices, occupational safety and environmental topics.

- **Establishment of strategic partnerships (credits, insurance and guarantees):** To seek strategic partnerships that can add value to the Company, such as i) working capital and market studies; ii) credit and access to guarantees for new projects; iii) reputation and institutional and governmental relationship; iv) complementariness (project and technological), supply of strategic inputs and qualified investors for public-private partnerships and concessions.

Among the strategic directions mentioned above, aimed at the sustainable growth of the Company's operation in the countries where it operates, the Action Plan ("AP") also includes robust monitoring with respect to financial equation, aimed at balancing its gearing ratio, administrative costs and contingent liabilities, as follows:

- **Financial health**: i) renegotiation of trade accounts payable and debts; and ii) sale of investments and monetization of receivables and tax credits; and iii) optimization of the current portfolio cash management, and iv) optimization of the capital structure.

- **Solution and mitigation of litigations and liabilities**: i) negotiation of leniency agreements through payments in installments; and ii) negotiation of agreements in the countries where Company operates for payments in accordance with the local financial capacity of each country.

The Company believes that the resumption of growth is essential for it to continue as a going concern. However, if the combined events described not take place, management believes that it will face significant difficulties to resume its growth. The current accounting information do not take into consideration adjustments that would be necessary in case the Company and its subsidiaries not be able to continue as a going concern normally.

(b) Integrity Program

The Company and its subsidiaries have a public commitment to society, authorities and other stakeholders to work in an ethical, fair and transparent manner and they have adopted an Integrity Program that is in line with the main global guidelines and best practices of compliance, based on respect for laws and ensuring good conduct based on principles and ethical values.

The Company's Governance follows typical patterns of publicly-listed companies, conducted by a board of directors with the participation of at least 20% of independent members. Currently, the participation of the independent members in the Board of Directors of OEC is 50%. The Integrity Program is continuously monitored and supervised by the Integrity and Audit Committee of the Board of Directors for which a majority of independent members is required and which is coordinated by one of these members.

OEC's Program has all the fundamental pillars of an effective compliance program: (i) independence and autonomy of the integrity and internal audit departments; (ii) well-defined policies and guidelines that are broadly communicated, with recurring training programs offered to employees; (iii) regular risk analyses that guide the actions and focuses of the program; (iv) processes of due-diligence of third parties and employees; (v) whistleblowing channels available in all operations, with independent and impartial internal investigations; (vi) continuous monitoring of risks and controls, with objective indicators to measure performance and effectiveness; and (vii) remedies applied upon the verification of misconduct.

This Integrity Program implemented at OEC, which is continuously assessed and improved, was broadly and intensely monitored, assessed, audited, tested, validated, attested and/or certified, as applicable to each case, by authorities, independent auditors, certifying bodies, multilateral banks, etc., including those assessments and monitoring provided for in agreements entered into with the U.S. Department of Justice (DoJ), Brazil's Federal Public Prosecution Office, the Brazilian Government Accountability Office (CGU), the World Bank, the Inter-American Development Bank (IDB), as well as certifications in recognition of its effectiveness and efficacy, such as ISO 37,001 – Anti-Bribery Management System, the Infra+ Integrity Seal, in recognition of the adoption of good governance practices, comprising integrity, ethics, transparency, compliance, social responsibility, sustainability and prevention of fraud and corruption, and the Pro-Ethics Seal, granted to the Company by CGU in November 2023, which publicly recognizes the companies that appear to be committed to implementing measures aimed at the prevention, detection and remediation of acts of corruption and fraud.

Some metrics achieved in 2023 under OEC's Integrity Program include: (i) more than 7,400 supplier due diligence processes were analyzed; (ii) the Annual Training Plan approved by the Board of Directors was completed by 99% of the defined target group; (iii) 421 reports received in the whistleblowing channel were independently investigated by the Integrity Department, of which 35% was considered to have grounds, partially or fully, generating 52 remediation actions, including 16 dismissals; (iv) in the ongoing monitoring of compliance, from January to December 2023, 372 actions for process testing and check were opened, 491 contracts with third parties were reviewed with respect to integrity requirements, 47 processes of contracting or promoting employees were reviewed to check compliance with the integrity assessment requirements and more than 1,000 self-declaration forms filled out by employees were reviewed to check potential conflicts of interests reported.

(c) Corporate restructuring

On December 15, 2023, the totality of the Company's indirect interest in OSEL – Odebrecht Serviços no Exterior Ltd. ("interest in OSEL"), which holds the total control of Concessionária Madden Colon ("CMC"), located in Panama, was disposed of to NEO Invest Latam, of the Novonor Group, for the amount of R$ 95,610 – US$ 19,749, in according the valuation prepared by Panamanian Company of independent financial consultants with expertise in economic assessment, wich was base of negotiate among the parties, for the purpose of aligning the Company's corporate structure with its strategic directions, maintaining the operations of its subsidiaries and associates focused on the activities of Engineering and Construction. The above mentioned amount was already paid in December 2023 by means of the offset of intercompany balances, as mentioned in Note 13, item a, subitem iv.

On that date, the Company determined a loss on the disposal of the interest in OSEL of R$ 69,879 – US$ 14,434, which was recognized in the statements of income (operations) as other operating expenses.

2 Summary of Material Accounting Policies

The accounting policies materials applied in the preparation of these consolidated financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2022, except for the standards and amendments to the standards that are in effect as from January 1, 2023, as below, which:

Revised and in effect

- New standard IFRS 17 (CPC 50), Insurance Contracts – in effect as of January 1, 2023.

- Amendment to IAS 1 (CPC 26(R1)), Disclosure of accounting policies – in effect as of January 1, 2023.

- Amendment to IAS 8 (CPC 23), Defining accounting estimates– in effect as of January 1, 2023.

- Amendment to IAS 12 (CPC 32), Deferred tax assets and liabilities arising from a (“*single transaction*”) – in effect as of January 1, 2023.

The management of the Company and its subsidiaries assessed the pronouncements, amendments to and interpretations of the accounting standards described above and did not identify any significant impacts on the consolidated financial statements.

Revised and not in effect

- Amendment to IAS 1 (CPC 26(R1)), Classification of liabilities as current or non-current – in effect as of January 1, 2024.

- Amendment to IAS 1 (CPC 26 (R1)) Presentation of financial statements - non-Current Liabilities *whit covenants* – in effect as of January 1, 2024.

- Amendment to IFRS 16 (CPC 06 (R2)) Lease liability in a lease transaction *“Sale and Leaseback”* – in effect as of January 1, 2024.

- Amendment to IFRS 7 (CPC 40 (R1)) e IAS 7 (CPC 03 (R2)) Supplier financing agreements “drawn risk” – in effect as of January 1, 2024.

The management of the Company and its subsidiaries are in the process of assessing the pronouncements, amendments and interpretations of the accounting standards described above.

2.1 Basis of Preparation

The Company’s consolidated financial statements have been prepared and are presented in accordance with the accounting practices adopted in Brazil, which comprise the Brazilian Corporate Law, the pronouncements, interpretations and guidelines issues by the Brazilian Accounting Pronouncements Committee (“CPC”), transformed into the Brazilian Accounting Standards – NBC TG by means of resolution of the Federal Accounting Council, which are in compliance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board – IASB.

In thousands of reais and U.S. dollars, unless otherwise stated

The consolidated financial statement have been prepared under the historical cost convention, unless otherwise stated, as described in the accounting practices below. The historical cost is based on the amount of the considerations paid in exchange for assets.

2.2 Classification in current vs. non-current

The Company presents assets and liabilities in the balance sheet based on the current and non-current classification in accordance with the expectation of realization and/or use expected in the ordinary course of the operational cycle, as defined in CPC 26 (R1)/IAS 1 – Presentation of Financial Statements.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, as disclosed in Note 14 (a).

2.3 Consolidated Companies

(i) Subsidiaries

The Company controls an entity (including structured entities) when it is exposed or has the right to variable returns from its involvement with the entity and is able to affect these returns because of the power it exercises over the entity. The subsidiaries are fully consolidated from the date the control begins until the date it ceases.

Balances and transactions, as well as the unrealized gains on transactions between the consolidated companies are eliminated. Unrealized losses are also eliminated, unless they indicate an impairment of the asset transferred. The accounting policies of subsidiaries are changed, whenever necessary, in order to ensure consistency with the policies adopted by the Company.

The consolidated financial statements include those of the Company and its subsidiaries in which the following direct and indirect control is held as of December 31, 2023:

		Direct Holding (%)	
	Country	December 31, 2023	December 31, 2022
CNO	Brazil	97.96	97.71
OECI	Brazil	100.00	100.00
OENGER	Brazil	100.00	100.00
Tenenge	Brazil	100.00	100.00
OEC Finance	Cayman Islands	100.00	100.00
OOL	Bahamas	100.00	100.00

In thousands of reais and U.S. dollars, unless otherwise stated

			Indirect Holding (%)	
		Country	December 31, 2023	December 31, 2022
CBPO	(i)	Brazil	100.00	100.00
Belgrávia Serviços e Participações S.A. (“Belgrávia”)		Brazil	100.00	100.00
Construtora Norberto Odebrecht - Angola Branch		Angola	100.00	100.00
CNO S.A. - Argentina		Argentina	100.00	100.00
CNO S.A. - Bolívia		Bolivia	100.00	100.00
Construtora Norberto Odebrecht S.A. - Costa Rica		Costa Rica	100.00	100.00
Construtora Norberto Odebrecht S.A. - Emirados Árabes		Arab Emirates	100.00	100.00
CNO S.A. - Equador		Ecuador	100.00	100.00
Construtora Norberto Odebrecht S.A. - Gana		Ghana	100.00	100.00
CNO S.A. - Guatemala		Guatemala	100.00	100.00
CNO S.A. - México		Mexico	100.00	100.00
Construtora Norberto Odebrecht S.A. - Moçambique		Mozambique	100.00	100.00
CNO S.A. - Panamá		Panama	100.00	100.00
CNO S.A. - Peru ("CNO Suc. Peru")		Peru	100.00	100.00
Construtora Norberto Odebrecht S.A. - República Dominicana		Dominican Republic	100.00	100.00
Construtora Norberto Odebrecht S.A. - Uruguai		Uruguay	100.00	100.00
Construtora Norberto Odebrecht S.A. - Venezuela		Venezuela	100.00	100.00
Libyan Brazilian Construction and Development Company		Libya	60.00	60.00
Odebrecht de Argentina S.A.		Argentina	100.00	100.00
Odebrecht Industrial, Inc.		USA	100.00	100.00
Bento Pedroso Construções, S.A.		Portugal	100.00	100.00
CBPO Engenharia Ltda. - Argentina		Argentina	100.00	100.00
CBPO Engenharia Ltda. - Chile		Chile	100.00	100.00
CBPO Engenharia Ltda. - Colômbia		Colombia	100.00	100.00
CBPO Engenharia Ltda. - Venezuela		Venezuela	100.00	100.00
CBPO Engenharia Ltda. - Panamá		Panama	100.00	100.00
CBPO Ingeniería de Venezuela C.A.		Venezuela	100.00	100.00
CBPO Overseas Limited.		Cayman Islands	100.00	100.00
Companhia de Obras e Infra Estrutura		Brazil	100.00	100.00
COI Cuba		Cuba	100.00	100.00
CNODE S.A.		Ecuador	100.00	100.00
Construtora Norberto Odebrecht de Panamá S.A.		Panama	100.00	100.00
Multitrade S.A.		Brazil	100.00	100.00
CBPO Overseas Branch República Dominicana		Dominican Republic	100.00	100.00
Odebrecht Industrial Engineering America		USA	100.00	100.00
Odebrecht Angola Projectos e Serviços Ltda. ("OAL")		Angola	100.00	100.00
Odebrecht Solution Inc.		Bahamas	100.00	100.00
Odebrecht Construction Malta Ltd.		Malta	100.00	100.00
OEC USA, Inc.		USA	100.00	100.00
Odebrecht Engeneering & Construction Ltd.		Malta	100.00	100.00
Odebrecht Ingeniería y Construcción de España, S.L.		Spain	100.00	100.00
Odebrecht Ingeniería y Construcción Internacional de México, S de RL de CV.		Mexico	100.00	100.00
Odebrecht Investimentos em Concessões Ferroviárias, Unipessoal, Lda.		Portugal	100.00	100.00
Odb, Investimentos em Concessões Rodoviárias, Unipessoal, Lda.		Portugal	100.00	100.00
Tenenge Limited		United Kingdom	100.00	100.00
Odebrecht Peru Ingeniería y Construcción S.A.C. ("OPIC")		Peru	100.00	100.00
OSEL - Odebrecht Serviços no Exterior Ltd.	(ii)	Cayman Islands	100.00	100.00
Tenenge (UK) Ltd.		United Kingdom	100.00	100.00
Tenenge Overseas Corporation		Cayman Islands	100.00	100.00
Concesionaria Madden Colon	(ii)	Panama	100.00	100.00
Odebrecht Global Sourcing South Africa		South Africa	100.00	100.00
HG Market Group Corp		Barbados	100.00	100.00
OEC Peru Infraestructura S.A.C.		Peru	100.00	100.00
OECP S.A.		Brazil	100.00	100.00
Odebrecht Servicios Integrales de México, S de RL de CV.		México	100.00	100.00
Odebrecht Engenharia e Construção Internacional S.A. - Bolívia		Bolivia	100.00	100.00
OECI Ghana Limited		Ghana	100.00	100.00
OEC Services S.à r.l		Luxembourg	100.00	100.00
OECI S.A. - Colombia Branch		Colombia	100.00	100.00
OECI S.A. - Republica Dominicana		Dominican Republic	100.00	100.00
Odebrecht Engenharia e Construção Internacional S.A. - Moçambique		Mozambique	100.00	100.00
CBPO Ingeniería y Construcción de México S.A. de C.V.		Mexico	100.00	100.00
OEC Guyana Inc.		Guyana	100.00	100.00
OECI Angola		Angola	100.00	100.00
CBPO Ecuador		Ecuador	100.00	100.00
OECI Panamá		Panamá	100.00	100.00

(i) On May 31, 2023, CBPO became a wholly-owned investment of the Company due to the partial spin-off of its direct subsidiary OECI. Additionally, on July 20, 2023, the Company contributed with the total interest it held in CBPO to its direct subsidiary CNO.

(ii) On December 15, 2023, the Company sold OSEL and its subsidiary CMC to NEO Invest.

(ii) Associates and joint ventures

Associates are entities over which the Company has a significant influence. Significant influence is the power to participate in decisions on the financial and operational policies of an investee without having the individual or joint control over these policies.

Joint ventures are joint arrangements according to which the parties to these arrangements, including the Company, have a joint control over it and have rights over the assets and obligations for the liabilities related to the arrangement. These parties are called joint operators. Joint control is the sharing, contractually agreed-upon, of the control over the arrangement, which exists only when the decisions on the relevant activities require the unanimous consent of the parties that share the control.

The Company's investments in associates and in the joint venture are accounted for using the equity method of accounting.

Based on the equity method of accounting, the investment in an associate or joint venture is initially recognized at cost. The carrying amount of the investment is adjusted for the purpose of recognizing the changes in the Company's interest in the equity of the associate or joint venture from the date of acquisition. The goodwill related to the associate or joint venture is included in the carrying amount of the investment and it is not, however, amortized or separately tested for the impairment of the assets.

The statement of income reflects the share of the Company of the operating income of the associate or joint venture. Any change in other comprehensive income of investees is presented as part of the Company's other comprehensive income. Additionally, when there is a change that is directly recognized in the equity of the associate or joint venture, the Company will recognize its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses arising from transactions between the Company and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The sum of the Company's equity in the results of an associate or joint venture presented in the statement of income (operations) represents the profit or loss after taxes.

After the application of the equity method of accounting, the Company determines whether it is necessary to recognize an additional impairment loss on the investment in its associate or joint venture. The Company determines, at each year end, if there is objective evidence of an impairment loss on the investment in the associate or joint venture. If there is, the Company calculates the amount of the impairment loss as the difference between the recoverable amount of the associate or joint venture and the carrying amount and recognizes the loss in the statement of income.

When losing a significant influence over the associate or joint control over the joint venture, the Company measures and recognizes any retained investment at fair value. Any difference between the carrying amount of the associate or joint venture at the time of the loss of the significant influence and the fair value of the retained investment and the proceeds from the disposal is recognized in profit or loss.

2.4 Foreign Currency Translation

(a) Functional and Presentation Currency

The Company's financial statements are prepared in reais (R$). The accounting information of each of the companies included in the consolidation is measured using the currency of the main economic environment in which the companies operate ("the functional currency") and converted to R$, for presentation.

The consolidated accounting information is presented in thousands of reais (R$ thousand).

(b) Transactions and Balances

Except for Argentina, which operates in a hyperinflationary environment, transactions in foreign currency, that is, any currency that is different from the functional currency, are translated into the functional currency using the foreign exchange rates prevailing on the dates of the transactions, or the dates of valuation, when items are remeasured. The operations in Argentina are monetarily adjusted and translated at year-end foreign exchange rates.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end foreign exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss for the year within "Finance result".

The foreign exchange rates used for translating the transactions and balances in other currencies of the main branches and subsidiaries of the Company were official currency, as follows:

Country	Currency	December 31, 2023	December 31, 2022
Angola	American Dollar	4.8413	5.2177
Argentina	Argentinian Peso	0.0060	0.0296
Colombia	Colombian Peso	0.0013	0.0011
Cuba	Cuban Peso	0.2017	0.2174
USA	American Dollar	4.8413	5.2177
Mexico	Mexican Peso	0.2856	0.2667
Panama	Balboa	4.8413	5.2177
Peru	New Sol	1.3173	1.3783
Portugal	Euro	5.3516	5.5694
Dominican Republic	Dominican Pesos	0.0837	0.0933

(c) Translation of Balances of Consolidated Companies

The results and financial position of all the consolidated entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the end of year;

- The opening equity for one year corresponds to the closing equity for the previous year as translated at the time. The changes in the opening equity for the year are translated at the rates in effect on the dates these changes occur;

- Income and expenses for each statement of operations are translated at the average foreign exchange rates for the respective years;

- All resulting exchange differences are recognized as a separate component in equity within "Other comprehensive income"; and

When a foreign operation is partially disposed of or sold, the related foreign exchange differences that were recorded in equity are recognized in the statement of income as part of the gain or loss on sale.

2.5 Restatement

The amounts corresponding to the consolidated balance sheet for the year ended December 31, 2022 and its opening balance, as well as the consolidated statements of income, presented in these consolidated financial statements for comparison purposes, are being restated in compliance with CPC 23 – Accounting policies, changes in accounting estimates and errors, in order to properly reflect the comparability of the balances:

Balance Sheets:

- For the purpose of comparing trade accounts receivable, the balances related to the unbilled rights of the Cabinda Refinery Project, amounting to R$ 396,199, were reclassified from current to non-current assets, according to the expectation of completion of the project in 12 months after the balance sheet date. This is the practice adopted by the Company for separating current and non-current assets related to the balances of unbilled rights and contract liabilities.

- For comparison purposes, the balance of the net assets of CNO Colombia Branch, amounting to R$ 10,468, was reclassified from other assets to other liabilities to better reflect the estimate of the provision for future obligations of this subsidiary of the Company;

- For comparison purposes, the amount of R$ 79,445 was reclassified from the current accounts with consortium companies account to other assets related to the transfers of labor by the Company's indirect subsidiary, OSI Gana, to the associate SPV Gana. Additionally, also for comparison purposes, the amount of R$ 43,046 was offset between the current accounts with consortium companies account in assets and liabilities related to the balances receivable and payable between the company's indirect subsidiary, CNO Panama, and consortiums in that country, and the amounts of R$ 9,106 of the indirect subsidiary OPIC and of R$ 7,956 of the indirect subsidiary CNO Suc. Peru were reclassified from "other liabilities" to "current account with consortium companies" related to balances of consortium companies in Peru;

- It was reclassified the beginning balance from carrying value adjustments account to accumulated losses account related the realization foreign currency translation adjustment balance account due the closed down of the Odebrecht International Participation S.a r.L. The impact of this reclassification was restated at consolidated statement of changes in equity (net capital deficiency).

Statements of Income (Operations) for the Year:

- Reclassification of the amounts of every account in Profit (loss) for the year from Continuing Operations to Discontinued Operations of the Company's subsidiaries and associates in the regions defined by management as non-operational, including: Argentina, Ecuador, Mexico and Dominican Republic.

In thousands of reais and U.S. dollars, unless otherwise stated

(a) Reconciliation of balance sheet for the year ended December 31, 2022

	December 31, 2022 (Originally presented)	Restatement effects: Adjustments	December 31, 2022 (Restated)
Assets			
Current Assets			
Cash and cash equivalents	433,800		433,800
Trade accounts receivable	1,502,035	(396,199)	1,105,836
Advances to suppliers, subcontractors and others	605,606		605,606
Taxes recoverable	519,648		519,648
Inventories	241,511		241,511
Current accounts with consortium members	454,451	(122,491)	331,960
Prepaid expenses	37,032		37,032
Other assets	613,902	79,445	693,347
	4,407,985	(439,245)	3,968,740
Non-current assets held for sale and discontinued operation	334,178		334,178
Non-Current Assets			
Long-term Receivables			
Financial investments	91,959		91,959
Related parties	1,476,083		1,476,083
Trade accounts receivable	2,010,737	396,199	2,406,936
Deferred income tax and social contribution	904,664		904,664
Taxes recoverable	175,231		175,231
Prepaid expenses	8,500		8,500
Advances to suppliers, subcontractors and others	21,250		21,250
Judicial deposits	141,814		141,814
Other assets	436,905	(10,468)	426,437
Other Assets			
	5,267,143	385,731	5,652,874
Investments			
Associated Companies	276,719		276,719
Property and Equipment	492,987		492,987
Intangible Assets	32,596		32,596
Right of use	37,755		37,755
	6,441,378	385,731	6,827,109
Total Assets	10,849,363	(53,514)	10,795,849

	December 31, 2022 (Originally presented)	Restatement effects: Adjustments	December 31, 2022 (Restated)
Liabilities and Equity			
Current liabilities			
Debts	453,000		453,000
Leases	25,269		25,269
Suppliers and subcontractors	4,231,897		4,231,897
Taxes, fees, salaries and social contributions	852,316		852,316
Advances from customers	1,634,508		1,634,508
Current accounts with consortium members	473,345	(25,984)	447,361
Provisions for tax, labor, civil and agreements	467,804		467,804
Other liabilities	662,521	(17,062)	645,459
	8,800,660	(43,046)	8,757,614
Non-current liabilities			
Debts	4,656,984		4,656,984
Leases	120,873		120,873
Suppliers and subcontractors	50,374		50,374
Taxes, fees, salaries and social contributions	34,690		34,690
Advances from customers	6,959,728		6,959,728
Related parties	1,612,656		1,612,656
Deferred income tax and social contribution	713,445		713,445
Provisions for tax, labor, civil and agreements	3,602,991		3,602,991
Provision for net capital deficiency of associated companies	952,197		952,197
Other liabilities	134,864	(10,468)	124,396
	18,838,802	(10,468)	18,828,334
Net capital deficiency			
Capital	448,900		448,900
Capital transactions	13,366		13,366
Carrying value adjustments	1,486,037	(164,454)	1,321,583
Accumulated losses	(18,658,504)	164,454	(18,494,050)
	(16,710,201)		(16,710,201)
Non-Controlling Interest	(79,898)		(79,898)
	(16,790,099)		(16,790,099)
Total Liabilities and Equity	10,849,363	(53,514)	10,795,849

In thousands of reais and U.S. dollars, unless otherwise stated

(b) Reconciliation of the income statement for the year ended December 31, 2022

	2022 (Originally presented)	Restatement effects Other Adjustments	2022 (Restated)
Continuing operations			
Net services and sales revenues	4,683,507	(154,526)	4,528,981
Cost of services rendered	(3,861,704)	(20,027)	(3,881,731)
Gross profit	821,803	(174,553)	647,250
Operating expenses			
General and administrative and selling expenses	(1,372,405)	632,454	(739,951)
Other income (expenses), net	839,530	(539,495)	300,035
Operating loss	288,928	(81,594)	207,334
Results from investments			
Results from equity investments	(354,568)	3,522	(351,046)
Financial result			
Financial result, net	(205,685)	164,066	(41,619)
Loss before social contribution and income tax	(271,325)	85,994	(185,331)
Current income tax and social contribution	(113,031)	6,911	(106,120)
Deferred income tax and social contribution	(264,761)	(30,818)	(295,579)
Loss of continuing operations for the year	(649,117)	62,087	(587,030)
Discontinued operations			
Loss of discontinued operations for the year	728,217	(62,087)	666,130
Loss for the year	79,100		79,100
Attributable to:			
Company's Stockholders	74,118		74,118
Non-controlling interest	4,982		4,982
	79,100		79,100

In thousands of reais and U.S. dollars, unless otherwise stated

(c) Reconciliation of the Consolidated statement of changes in equity on December 31, 2021

	Attributable to Company's Stockholders						
	Capital	**Capital Transactions**	**Carrying Value Adjustment**	**Accumulated Deficit**	**Total**	**Non-Controlling Interest**	**Total Net Capital Deficiency**
At December 31, 2021 (Restated)	448,900	13,365	348,948	(18,732,621)	(17,921,408)	(104,420)	(18,025,828)
Adjustment re-presentation							
Profit for the year				164,453	164,453		164,453
Other comprehensive income			(164,453)		(164,453)		(164,453)
At December 31, 2021 (Restated)	448,900	13,365	184,495	(18,568,168)	(17,921,408)	(104,420)	(18,025,828)
Total comprehensive income for the year:							
Profit for the period - R$ 0.368 per share				74,118	74,118	4,982	79,100
Other comprehensive income			1,137,088		1,137,088		1,137,088
Total comprehensive income (loss) for the year			1,137,088	74,118	1,211,206	4,982	1,216,188
Capital transactions with stockholders:							
Other movements of capita transactions		1			1		1
Other movements of non-controlling						19,540	19,540
At December 31, 2022 (Restated)	448,900	13,366	1,321,583	(18,494,050)	(16,710,201)	(79,898)	(16,790,099)

2.6 Financial Reporting in Hyperinflationary Economies

The Brazilian accounting standard (CPC 42/IAS 29) – "Financial Reporting in Hyperinflationary Economies" requires the preparation of financial information adjusted by inflation indexes in economies that are considered hyperinflationary, a procedure that has been adopted for the assets, liabilities, equity and profit or loss of the Company entities in Argentina.

The financial information was adjusted in line with the Consumer Price Index (IPC), the official adjustment index for this information that is published by the National Institute of Statistics and Censuses of Argentina (INDEC).

2.7 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, bank deposits and other short-term highly liquid investments that can be promptly converted into cash with original maturities of three months or less and immaterial risk of change in value. These balances are maintained for the purpose of meeting short-term cash commitments and not for investment or any other purposes per Note 6.

2.8 Trade accounts receivable

The balances of trade accounts receivable are presented in accordance with the realizable values. They are also included in the unbilled amount balances through the balance sheet date as a result of the construction contracts whose amounts are determined based on the physical progression of projects.

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less estimated credit losses from doubtful accounts (impairment). In practice, they are recognized to the extent in which the consideration that is unconditional is due by the customer, resulting in billed amounts adjusted for impairment when necessary. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets, as presented in Note 7. Additionally, the Company also assesses the expectation of realization of the credits based on the expected losses, as described in Note 3, item c (expected credit losses from doubtful accounts).

2.9 Inventories

Inventories are made up of parts and materials to be used in construction works and are measured at the average cost method.

Inventories of real estate properties to sell, mainly located in Angola, are measured at the lowest of the historical cost and their realizable value.

Imports in transit are stated at the cost accumulated in each import.

The Company and its subsidiaries take into consideration in their provision for losses on inventories the components of discontinued construction works and materials that are not in accordance with the quality standards that prevent them from being used safely. Inventory balances are presented Note 10.

2.10 Current accounts with consortium members

The Company, together with other companies, participates in consortiums for the provision of services related to its corporate purpose. The balances of the current accounts with consortium members represent the imbalance of contributions made to the consortiums. On December 31, 2023 and 2022, the balances of assets and liabilities are presented at the net realizable value, presented in Note 11.

2.11 Related parties

The main balances maintained with the Group companies are governed by a “Loan Agreement” and a "Current account and single cash management agreement", entered into between the Company and its subsidiaries and companies of the Novonor Group and is presented according to Note 13. The nature of the operations is of loans of financial resources and they may be subject to charges.

2.12 Judicial deposits

Judicial deposits are presented as a deduction from the corresponding liability when they cannot be redeemed.

2.13 Other assets

Other assets are presented at realizable value, including, when applicable, accrued earnings and monetary adjustments or, in the case of prepaid expenses, at cost. The balances are presented as per Note 12.

2.14 Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale when (i) their carrying amount is recoverable in the case of a sale; and (ii) when such sale is highly probable and the asset or group of assets is available for an immediate sale. These assets are stated at the lowest of the carrying amount and fair value, less costs to sell.

Property and equipment items and intangible assets are no longer depreciated and/or amortized and the equity investments in associates, subsidiaries or joint-controlled subsidiaries are no longer measured using the equity method of accounting when classified as held for sale.

A discontinued operation is a component of the entity that has been written off or is classified as held for sale and (i) represents an important separate line of business or geographical area of operations; (ii) is an integral part of a single coordinated plan for the sale of an important separate line of business or geographical area of operations; and (iii) is a subsidiary that is exclusively acquired for the purpose of resale.

The discontinued operations were duly excluded from profit or loss from continuing operations and they are presented as a single amount in profit or loss after taxes from discontinued operations in the statement of operations.

The balances of held-for-sale non-current assets and the profit or loss from discontinued operations are presented in Note 15.

2.15 Financial instruments

The Company and its subsidiaries apply the requirements of CPC 48 – Financial Instruments (IFRS 9) related to the recognition, classification and measurement of financial assets and liabilities and their respective impairment losses.

Financial assets

(i) Recognition, classification and measurement

Financial assets can be classified in the following categories: measured at amortized cost, at fair value through other comprehensive income or loss and at fair value though profit or loss.

The classification of financial assets upon initial recognition depends on the characteristics of contractual cash flows and the business model for managing these financial assets. The Company presents financial instruments in accordance with the previously mentioned categories:

(i) Amortized cost: for the purpose of receiving cash flows and generating cash flows that are “exclusively payments of the principal amount and interest” on the outstanding principal amount. This assessment is made at the level of the instrument. The measurement of assets at amortized cost is based on the effective interest method, less any impairment loss. Interest income is recognized through the application of the effective interest rate, except for short-term credits because the interest amount would be immaterial.

(ii) Financial assets at fair value through profit or loss: these comprise held-for-trading financial assets, financial assets designated upon initial recognition at fair value through profit or loss or financial assets to be mandatorily measured at fair value. Financial assets with cash flows that are not exclusively payments of the principal amount and interest are classified and measured at fair value through profit or loss. The net changes in fair value are recognized in profit or loss.The Company’s financial assets and their respective classifications are presented in Note 5.

(ii) Write-off (Derecognition) of financial assets

A financial asset is derecognized when the rights to receive cash flows from the asset expire, or when the rights to receive contractual cash flows are transferred to a third party for a financial asset in a transaction in which, substantially, all risks and rewards of the ownership of the financial asset are transferred. Any interest that is created or retained by the Company and its subsidiaries in such financial assets transferred is recognized as a separate asset or liability.

(iii) Impairment

In accordance with CPC 48 (IFRS 9), the Company recognizes an expected credit losses for all debt instruments that are not measured at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all cash flows that the Company and its subsidiaries expect to receive, less an approximation of the original effective interest rate.

The Company and its subsidiaries consider a financial asset to be in default when internal or external information indicates that it is unlikely that they will receive the contractual amounts that are outstanding. A financial asset is written down when the recovery of the contractual cash flows is not reasonably expected.

Financial liabilities

(i) Recognition, classification and measurement

For the purpose of measurement financial liabilities are classified into two categories:

(i) Financial liabilities at fair value through profit or loss: are those held for trading or designated at fair value through profit or loss. Gains and losses on held-for-trading liabilities are recognized in the statement of income.

(ii) Amortized cost: including debts, they are initially measured at fair value, net of transaction costs. Subsequently, they are measured at amortized cost using the effective interest method. Gain and losses are recognized in profit or loss when the liabilities are written down or when they are amortized using the effective interest rate.

The effective interest method is used to calculate the amortized cost of a financial liability and allocate its interest expense for the applicable period. The effective interest rate is the rate that exactly discounts the future cash flows estimated over the useful life of the financial liability.

(ii) Write-off (Derecognition) of financial liabilities

A financial liability is written down when the underlying obligation is settled or cancelled or when it expires. When an existing financial liability is replaced by another financial liability of the same borrower in substantially different terms, or when the terms of an existing liability is substantially modified, such replacement or modification is treated as a derecognition of the original liability and a new liability is recognized. The difference in the respective carrying amounts is recognized in the statement of income (operations).

Presentation of financial assets and liabilities, net

Financial assets and liabilities are presented net in the balance sheet when, and only when, there is a current and enforceable legal right to offset the amounts recognized and when there is the intention to offset, or realize the asset and settle the liability simultaneously.

2.16 Property and equipment

Property and equipment mainly comprises machinery and equipment used in civil construction contracts.

Property and equipment are measured at historical cost, less accumulated depreciation and impairment losses, when applicable. Historical cost includes expenditures that are directly attributable to the acquisition of the items and it also includes the financing costs related to the acquisition of qualifying assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will be obtained and the cost of the item can be reliably measured.

Depreciation of assets is calculated using the straight-line method to reduce their cost to their residual values over their estimated useful lives, as presented in Note 17. Land is not depreciated.

The assets' residual values and useful lives and the depreciation methods are reviewed at the end of each year, and adjusted, on a prospective basis when applicable. In the year ended December 31, 2023, the Company reviewed the useful lives of property and equipment and this review did not have any impacts on the consolidated financial statements. An asset's carrying amount is written down immediately to its recoverable amount when the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are measured by comparing the proceeds from the sale transaction with the carrying amount and are recognized within "Other operating income (expenses), net" in the statement of income when the asset is written-off.

2.17 Intangible assets

Intangible assets that are separately acquired are measured at cost upon initial recognition.

The useful lives of intangible assets are assessed as definite or indefinite.

The Company basically maintains intangible assets with definite useful lives that are amortized over their economic useful lives and tested for impairment whenever there is an indication of impairment. The amortization period and the amortization method for an intangible asset with a definite useful life are reviewed every year.

The amortization expense of intangible assets with a definite useful life is recognized in the statement of income in the expense category that is consistent with the function of the intangible assets.

(a) Software

Acquired computer *software* licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over its estimated useful life.

2.18 Leases

The Company and its subsidiaries, as lessees, assess at the inception of the contract if the contract transfers the right to control the use of an identified asset for a period in exchange for a consideration.

The Company and its subsidiaries as lessees apply a single approach to recognize and measure all leases, except for short-term leases and leases of low-value assets. The Company and its subsidiaries recognize lease liabilities to make lease payments and right-of-use assets that represent the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognized on the date of the beginning of the lease (that is, the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted by any remeasurement of lease liabilities, demonstrated in Note 18.

When determining the cost of the right of use, the amount of the lease liabilities recognized is considered, plus the direct costs incurred, lease payments until the date of the beginning and the estimated cost to recover and return the underlying asset to the lessor at the end of the lease term, less any lease incentives received. The right-of-use assets are depreciated using the straight-line method for the period of the lease term.

(b) Lease liabilities

On the date of the beginning of the lease, the Company and its subsidiaries recognize the liabilities measured at the net present value of the lease payments to be made during the lease term contract. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on a rate or fee and amounts that are expected to be paid under the guarantees of residual value.

When calculating the net present value of the lease payments, the Company and its subsidiaries use their incremental loan rate on the date of the beginning of the lease because the interest rate implied in the lease is not immediately determinable. After the date of the beginning of the lease, the amount of the lease liability is increased to reflect the addition of interest and reduced by the lease payments made.

Additionally, the carrying amount of the lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (that is, changes in future payments resulting from a change in a rate or fee used to determine such lease payment) or a change in the assessment of a purchase option of the underlying asset.

The payments of short-term leases and leases of low-value assets are recognized as an expense using the straight-line method over the term of the lease. Lease balances are presented as per Note 23.

2.19 Provisions

Provisions are recognized when the Company and its subsidiaries have a present obligation resultant of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

The amount recognized as a provision is the best estimate of the considerations required to settle the obligation at the end of each year, taking into consideration the risks and uncertainties related to the obligation. When the provision is measured based on the cash flows estimated to settle the obligation using the proper discount rate in accordance with the risks related to the liability, its carrying amount corresponds to the present value of these cash flows. The provision is adjusted through the balance sheet date by the estimated amount of expected losses, provided that its nature is observed and supported by the opinion of the legal advisors of the Company and its subsidiaries.

Provision for tax, civil and labor risks

Provisions for tax, civil and labor risks are monetarily adjusted by the end of the reporting period to cover probable losses based on the nature of the risk and on the opinion of the Company's legal advisors, as described in Note 22.

2.20 Current and deferred income tax and social contribution

The tax expenses for the year, which include income tax due by the Company's foreign branches/subsidiaries, and in the case of Brazil, social contribution, comprise current and deferred taxes. Taxes on profit are recognized in the statement of operations, except to the extent that they relate to items recognized in comprehensive income or directly in equity. In this case, the taxes are recognized in comprehensive income or directly in equity.

Current and deferred income tax and social contribution are determined in accordance with the provisions of applicable legislation based on profit, adjusted by the inclusion of non-deductible expenses, exclusion of non-taxable income and inclusion and/or exclusion of temporary differences.

In Brazil, the Company opted for the Annual Taxable Income regime, which includes corporate income tax and social contribution on net revenue calculated based on taxable profit and the rate of 15%, plus an additional rate of 10% on the taxable profit that exceeds R$ 240, is applied for income tax and the rate of 9% is applied for social contribution, considering the offset of tax losses, limited to 30% of the taxable income, when applicable. Taxable profit reflects profit before taxes adjusted by non-taxable and non-deductible items (temporary and permanent items).

Income tax and social contribution are recognized in a provision on a monthly basis using the accrual basis of accounting and they are determined in accordance with Law No. 12,973/14.

Deferred income tax and social contribution are recognized on income tax and social contribution loss carryforwards, the latter related to Brazil, and on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax and social contribution are calculated on income tax and social contribution loss carryforwards, the latter related to investments in Brazil, and on temporary differences between the tax bases of assets and liabilities and their carrying amounts. The rates in Brazil, currently established for determining these deferred taxes, are 25% for income tax and 9% for social contribution. The nominal rates in other countries vary from 21% to 32%.

Deferred tax assets and liabilities are classified as "non-current" in accordance with CPC 32 - Income taxes (IAS 12 – Income taxes) and they are presented at Note 14.

Deferred tax assets and liabilities are measured at the rates applicable in the period in which the liability is expected to be settled or the asset is expected to be realized based on the rates provided for in tax legislation in effect in each country at the end of each year or when new laws have been substantially enacted.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences and/or tax losses can be utilized, based on projections of future results prepared and based on internal assumptions and future economic scenarios that may, therefore, change.

The recovery of the balance of deferred tax assets is reviewed at the end of every year and when it is not probable that future taxable profit will be available to allow for the recovery of the entire asset, or part of it, the asset balance will be adjusted to the amount that is expected to be recovered.

2.21 Employee benefits

(a) Pension obligations

The Company and its subsidiaries have entered into an agreement with Vexty, a private closed-end pension fund established by the parent company Novonor, which is one of its sponsoring companies.

Vexty offers its participants a defined contribution plan in which monthly and additional participant contributions and monthly and annual sponsor contributions are made to individual pension savings accounts.

In relation to the benefit payments due under the plan, Vexty's obligations are limited to the total value of the participants' quotas and, in conformity with the rules of the defined contribution plan, the sponsoring entities have no obligations or responsibilities to guarantee minimum levels of benefits to the retired participants. The contributions of the Company and its subsidiaries in the year ended December 31, 2023 were R$ 9,075 – US$ 1,874 (December 31, 2022– R$ 10,261).

These benefits are considered a defined contribution plan where the risk of receiving benefits is the full responsibility of the participants in accordance with IAS 19 / CPC 33 (R1) - Employee Benefits.
The benefits also comprise: (i) the profit sharing program, which includes Short-Term Incentives and Long-Term Incentives; (ii) health and dental care plans; and (iii) other benefits that are usual in the market.

2.22 Capital

The investment made in the Company by the stockholders is represented by the capital Note 25. Capital includes not only the portions delivered by stockholders but also the amounts obtained by the Company that, as decided by stockholders, were incorporated into the capital, representing some type of investment arising from the waiver to its distribution in the form of dividends.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.23 Earning (loss) per share

The Company calculates earnings per share by utilizing the weighted average number of total outstanding common and preferred shares during the period corresponding to the profit in accordance with the Accounting Pronouncement CPC 41 (IAS 33).

Basic earnings per share are calculated by dividing the profit for the year by the weighted average number of shares issued, Note 25 (c).

2.24 Services and Sales Revenue

The Company and its subsidiaries record and measure the revenue from the services they provide in accordance with the accounting pronouncements CPC 47 – Revenue from Contracts with Customers (IFRS 15) and CPC 48 – Financial Instruments (IFRS 9), even when they are provided under a single contract.

Revenue is recognized when or as the entity satisfies the performance obligations assumed in the contract with the customer, and only when there is an approved contract, when it is possible to identify the rights, when there is commercial substance and when it is probable that the entity will receive the consideration to which it is entitled.

Service and sales revenue are presented in Note 26.

2.25 Basis of Translation

The accounting records are maintained in Brazilian reais. The financial information in U.S. dollars is presented solely for the convenience of the reader and has been translated from the amounts in the December 31, 2023 local currency financial statements, using the exchange rate prevailing on that date of R$ 4.8413 to US$ 1.00. This translation should not be considered as representing that the amounts in Brazilian reais represent, or have been, or could be, converted into U.S. dollars.

3 Critical Accounting Estimates and Judgments

The preparation of consolidated financial statements requires the use of assumptions, critical accounting estimates. It also requires the Management of the Company and its subsidiaries to exercise their judgment in the process of applying the Group's accounting policies.

Based on assumptions, the Company and its subsidiaries make estimates concerning the future based on experience and other factors that are considered relevant. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant and present a significant risk to the financial statements, are disclosed below:

(a) Deferred Income tax, social contribution and other taxes

A significant judgment is required from management to determine the amount of the deferred tax asset that can be recognized based on the probable term and level of future taxable profit and other sources of revenue.

Deferred tax assets are recognized for tax losses that are not used to the extent that it is probable that future taxable profit against which the losses can be used will be available, as described in Note 14 (a).

(b) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques.

The Company and its subsidiaries use their judgment to select the evaluation method and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

(c) Expected losses on doubtful accounts - Trade accounts receivable

According to CPC 48 – Financial Instruments, in the measurement of allowances for expected losses on doubtful accounts, the Company adopted the simplified approach criteria since its receivables do not include significant financing components.

For the measurement of the allowance for expected losses, the Company did not use a matrix of allowances due to the absence of historical losses in its operations that would cause it to determine a criterion for the allowance based on histories of losses. Instead, the Company adopted a geographical matrix model since the monitoring of its operations is determined on a geographical basis. Therefore, for each year, the Company applies the probability of default of each country in which it operates on its credit exposure, which represents the trade accounts receivable and unbilled rights less the advances from customers and contract liabilities.

Additionally, the Company also assesses the losses incurred arising from one or more events that took place after the initial recognition of the receivable if this loss event has an impact on the Company's cash flows. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company' s management uses its best judgment to select the evaluation method and make assumptions that are mainly based on market conditions existing on the balance sheet date.

Historically, the Company and its subsidiaries have received these credits held with these entities, including those overdue for one year or more, and they have not been presenting significant losses upon their realization. The collection of these overdue amounts occurs through the payment or receipt of government bonds or other assets.

As part of their policy to mitigate performance risks in developing countries, the Company and its subsidiaries require advances from customers before starting a project (down payment). These down payments are deducted from each invoice through the end of the contract.

(d) Leases – Estimate of the incremental rate on debts

The Company is not able to promptly determine the interest rate implied in leases and, therefore, it considers its incremental rate on debt to measure lease liabilities. The incremental rate is the interest rate that the Company would have to pay when borrowing, for a similar period and with a similar guarantee, the funds necessary to obtain an asset with a similar value as that of the right-of-use asset in a similar economic environment. Accordingly, this assessment requires that management considers estimates when observable rates are not available or when they need to be adjusted to reflect the terms and conditions of a lease. The Company estimates the incremental rate using available observable data and takes into consideration in that estimate aspects that are specific to the Company such as credit rating (Note 23).

(e) Provisions for tax, social security, labor and civil contingencies

Provisions are recognized for all contingencies related to the legal proceedings that represent probable losses and that can be reliably estimated.

The analysis of the probability of loss includes the evidence available, the hierarchy of laws, case law, most recent decision in courts and their relevance in the legal system, as well as the opinion of the external legal advisors (Note 22).

(f) Revenue recognition

The main purposes of the Company and its subsidiaries include the planning and execution of engineering projects and construction works of all types and specialties as a contractor, administrator or other types of contracts adopted in the market; civil engineering technical installations, industrial assemblies, planning, assistance and technical studies and the performance of other related economic activities, including the import and export of services and goods related to the engineering and construction activities.

The Company and its subsidiaries take into consideration whether there are other commitments in the contract that are separate performance obligations for which a portion of the transaction price needs to be allocated. When determining the transaction price, the Company and its subsidiaries take into consideration the effects of the variable consideration, the existence of a significant financing component, a non-monetary consideration and a consideration payable to the customer (if any).

Additionally, the Company and its subsidiaries use the percentage-of-completion ("POC") method to account for their construction contracts. The use of the percentage-of-completion method requires the Company and its subsidiaries to estimate the services performed to the balance sheet date as a proportion between the costs incurred in the services provided to that date, and the total costs estimated for each contract.

The application of the POC method takes place in situations when it is believed that revenue must be recognized over time. In this case, the Company and its subsidiaries transfer the control of the good or service over time (Note 26).

(g) Joint arrangements

The Company and its subsidiaries have joint control in certain contractual arrangements, which require a consensus among the parties to the arrangement in decisions that imply control.

The evaluation of these arrangements to determine the existence of joint control involves subjectivity and judgment.

Contractual agreements that give the Company, or its subsidiaries and other parties to the arrangement, rights to net assets of the respective special purpose entities are recorded using the equity method (Note 16).

Contractual agreements that represent rights to assets and obligations for the liabilities are treated as joint operations. Such assets and liabilities, as well as revenues and expenses relative to their interests, are directly recognized in the financial statements of the Company and its subsidiaries.

4 Financial Risk Management

4.1 Financial Risk Factors

The Company and its subsidiaries are exposed to market risks arising from variations in foreign exchange rates, interest rates and prices, and to credit risk arising from the possibility of default by their counterparties in financial investments and in the trade accounts receivable.

The purpose of risk management is to protect the cash flows of the Company and its subsidiaries, providing access to the financing of its operating working capital and investment programs.
The Company does not use hedge accounting for these risks.

(a) Foreign Exchange Risk

The Company, which operates internationally through its branches, subsidiaries and associates, is exposed to foreign exchange risks since it has a significant volume of operations abroad and part of which is denominated in U.S. dollars, with some exposure to local currencies, restricted to certain specific countries.

In addition, certain debts of the Company and its subsidiaries contracted overseas, as well as liabilities to suppliers and other balances with related parties, are denominated in foreign currencies.

In the feasibility analysis of projects, the exposures to the currencies of assets and liabilities are assessed and, when applicable, the costs for contracting hedge aimed at protecting the Company and its subsidiaries against the foreign exchange risk are included.

(b) Interest Rate Risk

As the Company and its subsidiaries have no significant interest-earning assets, their operating result and cash flows are substantially independent of changes in market interest rates.

The debt, mostly denominated in foreign currencies, is indexed mainly to fixed rates with little exposure to fluctuations in market rates.

The Company and its subsidiaries analyze their interest rate exposure on a dynamic basis taking into consideration possibilities of refinancing, renewal of existing positions, financing and hedging. Based on these premises, the Company and its subsidiaries simulate reasonable expectation of changes in interest rates and analyzing the impact on profit or loss for the liabilities that represent the major interest-bearing positions.

(c) Price Index Risk

A considerable number of the contracts to which the Company and its subsidiaries are a party are fixed-price contracts. The actual profit margins of these contracts may vary in relation to the estimated margins used when budgeting costs in a contract price proposal. Such variations are due to: (i) significant unexpected changes in the cost of equipment, materials to be used or labor related to inflationary or other effects; (ii) difficulties faced by the counterparty in obtaining the loans necessary for performing the contract or government licenses or approvals; (iii) changes in the project that result in unexpected costs; and/or (iv) delays caused by adverse climate conditions or errors in performance by subcontractors and/or suppliers.

In order to minimize price index risks, the budgets of the fixed price contracts performed by the Company and its subsidiaries are periodically reviewed to include the matches or inconsistencies verified in relation to the amounts that were effectively realized. The practice of the Company and its subsidiaries is to discuss the collection of claims with respect to the contract price, resulting in future contract amendments, which increase the price, as a result of the variations verified. The amendments are recorded upon their signature.

(d) Credit Risk

Credit risk arises mainly from cash and cash equivalents and financial instruments, as well as credit exposures to customers, including outstanding receivables.

The Company and its subsidiaries seek to maintain a sufficient volume of cash and cash equivalents to meet: (i) working capital requirements; (ii) investments budgeted in the business plans; and (iii) adverse conditions that may require increased working capital investments.

These funds are allocated so as to: (i) seek a return with low volatility; (ii) seek a highly diversified consolidated portfolio, avoiding concentration in few securities, when it is possible; and (iii) follow the variation in the market interest rates, in Brazil or abroad.

As a way of mitigating the risk of customer default, the Company and its subsidiaries are protected, in the provision of engineering and construction services, by regular prepayments from customers.

In order to reduce the volume of overdue receivables, the Company and its subsidiaries have adopted a policy of decentralizing the administrative collection negotiations with customers, delegating this responsibility to the administrative levels responsible for monitoring each contract. If these administrative actions are not successful, the collection of the amounts will occur through court actions.

In addition, the Company and its subsidiaries have as practice to seek customers and have increased the sales revenue from private customers or public sector customers, which the Company and its subsidiaries consider have the capacity to generate revenue independently and which do not rely on a government budget to pay for their liabilities (mainly companies with both government and private stockholders), as well as those with contracts where payments are financed by export agencies, multilateral agencies, commercial banks, private pension funds and private investors.

As part of their policy to mitigate performance risks in developing countries, the Company and its subsidiaries require advances from customers before starting a project (down payment). These advances are deducted from the receipt of each invoice through the end of the contract.

With respect to financial and other investments, the practice of the Company and its subsidiaries is to work with first-class financial institutions and avoid concentration of investments in a single economic group, whenever possible, weighting concentrations in accordance with the daily prices observed in the market.

(e) Liquidity Risk

This is the risk that the Company and its subsidiaries do not have sufficient liquid funds to meet their financial commitments, due to the mismatch of terms or volumes of estimated receipts and payments.

To manage the liquidity of cash in local and foreign currency, assumptions related to future disbursements and receipts are determined and monitored daily by the companies' treasury departments.

In thousands of reais and U.S. dollars, unless otherwise stated

4.2 Capital management

It is worth noting that, as described in Note 19 (c), the Company's gross debt is of a long term and meets the Company's expectation of resumption of size and liquidity in the coming years.

			December 31, 2023	December 31, 2022
	Note	**US$**		**R$**
Total debts	19 (a)	1,104,491	5,347,174	5,109,984
Less: cash and cash equivalents	6	(91,249)	(441,762)	(433,800)
Net debt (i)		1,013,242	4,905,412	4,676,184
Total equity (net capital deficiency)		(3,430,699)	(16,609,043)	(16,790,099)
Total capital		(2,417,457)	(11,703,631)	(12,113,915)
Index of financial gearing - %		N/A	N/A	N/A

In thousands of reais and U.S. dollars, unless otherwise stated

5 Financial Instruments by Category

	Assets measured at fair value through profit or loss	Amortized cost	Total R$	Total US$
December 31, 2023				
Assets, according to the balance sheet				
Cash and banks		331,962	331,962	68,569
Short-term deposits	109,800		109,800	22,680
Financial investments		83,434	83,434	17,234
Current accounts with consortium members		339,056	339,056	70,034
Trade accounts receivable, judicial deposits and other assets	100,695	4,071,004	4,171,699	861,688
Non-current assets held for sale	325,832		325,832	67,303
Related parties	375,497	1,097,134	1,472,631	304,181
	911,824	5,922,590	6,834,414	1,411,689
Liabilities, according to the balance sheet				
Debts		5,347,174	5,347,174	1,104,491
Leases		158,289	158,289	32,696
Suppliers, subcontractors and other liabilities		4,884,141	4,884,141	1,008,850
Current accounts with consortium members		443,697	443,697	91,648
Related parties		1,743,519	1,743,519	360,134
		12,576,820	12,576,820	2,597,819

	Assets measured at fair value through profit or loss	Amortized cost	Total R$
December 31, 2022			**(Restated)**
Assets, according to the balance sheet			
Cash and banks		325,322	325,322
Short-term deposits	108,478		108,478
Financial investments		91,959	91,959
Current accounts with consortium members		331,960	331,960
Trade accounts receivable, judicial deposits and other assets	55,071	4,719,299	4,774,370
Non-current assets held for sale	334,178		334,178
Related parties	371,758	1,104,325	1,476,083
	869,485	6,572,865	7,442,350
Liabilities, according to the balance sheet			
Debts		5,109,984	5,109,984
Leases		146,142	146,142
Suppliers, subcontractors and other liabilities		5,052,126	5,052,126
Current accounts with consortium members		447,361	447,361
Related parties		1,612,656	1,612,656
		12,368,269	12,368,269

In thousands of reais and U.S. dollars, unless otherwise stated

6 Cash and Cash Equivalents

		December 31, 2023	December 31, 2022
	US$		**R$**
High Liquidity	50,520	244,581	204,540
Cash - countries (i)	19,367	93,763	201,120
Consortia (ii)	21,362	103,418	28,140
	91,249	441,762	433,800

(i) This includes countries with any restrictions on use or remittances of funds abroad, such as: legal, foreign exchange and specific legislation and where there are no restrictions on local use.

(ii) This includes cash from consortium companies in the proportion to their interest and it will be used in the payment of their own obligations.

In thousands of reais and U.S. dollars, unless otherwise stated

7 Trade Accounts Receivable and Advanced from Customers

The balances of trade receivables and advances from customers are mainly presented in the following countries:

									December 31, 2023
	Accounts receivable and billing rights					Advanced from customers and liabilitie contract			
				R$	US$			R$	US$
Main countries	**Accounts receivable (ii)**	**Billing rights**	**Allowance for expected losses from doubtful accounts**		**Total**	**Advanced from customers (i) (ii)**	**Liabilitie Contract (i)**		**Total**
Angola	794,966	810,636	(202,491)	1,403,111	289,821	778,468	2,381,699	3,160,167	652,752
Brazil	594,287	668,000	(418,716)	843,571	174,245	212,246	75,109	287,355	59,355
USA	116,668		(110,663)	6,005	1,240		7,886	7,886	1,629
Panama	182,378	5,318	(902)	186,794	38,583	2,829	46,227	49,056	10,133
Peru	237,108		(157,315)	79,793	16,482	59,964		59,964	12,386
Dominican Republic	309,316		(290,781)	18,535	3,829		108,906	108,906	22,495
Others (iii)	2,804,315	247,105	(2,710,276)	341,144	70,465	4,091,427	18,758	4,110,185	848,984
	5,039,038	**1,731,059**	**(3,891,144)**	**2,878,953**	**594,665**	**5,144,934**	**2,638,585**	**7,783,519**	**1,607,734**
			Current	1,215,108	250,988		Current	1,525,559	315,114
			Non-Current	1,663,845	343,677		Non-Current	6,257,960	1,292,620

In thousands of reais and U.S. dollars, unless otherwise stated

							December 31, 2022 (Restated)
				Accounts receivable and billing rights			**Advanced from customers and liabilitie contract**
							R$
Main countries	**Accounts receivable (ii)**	**Billing rights**	**Allowance for expected losses from doubtful accounts**	**Total**	**Advanced from customers (i) (ii)**	**Liabilitie Contract (i)**	**Total**
Angola	822,557	884,008	(231,638)	1,474,927	769,962	2,805,914	3,575,876
Brazil	672,838	748,200	(373,517)	1,047,521	255,970	48,834	304,804
USA	119,267		(119,267)				
Panama	476,243	44,120	(2,599)	517,764	4,055	68,195	72,250
Peru	301,165		(165,605)	135,560	170,179		170,179
Dominican Republic	349,892		(313,461)	36,431		110,775	110,775
Others (iii)	2,950,369	282,923	(2,932,723)	300,569	4,358,856	1,496	4,360,352
	5,692,331	**1,959,251**	**(4,138,810)**	**3,512,772**	**5,559,022**	**3,035,214**	**8,594,236**
			Current	1,105,836		Current	1,634,508
			Non-Current	2,406,936		Non-Current	6,959,728

(i) This refers to advances from customers usually received upon the signing of contracts for the performance of certain construction works that are honored with the provision of services established in the contracts over the performance period stipulated in the contracts. The amounts received from customers that exceed the allocated revenue are also recorded in the “Advances from customers” account, called contract liability, in current and non-current liabilities, in accordance with the period for the performance of the work.

(ii) The balances of related parties are presented in the “Trade accounts receivable” and “Advances from customers” accounts in the amounts of R$ 372,432 – US$ 77,341 (December 31, 2022 – R$ 417,239) and R$ 63,893 – US$ 13,198 (December 31, 2022 – R$ 176,577), respectively, in accordance with Note 13 (b).

(iii) Includes mainly Venezuela, Libia, Ghana, Guatemala and Ecuador.

In thousands of reais and U.S. dollars, unless otherwise stated

8 Advances to suppliers, subcontractors and others

		December 31, 2023	December 31, 2022
	US$		R$
Brazil	33,176	160,616	44,858
Abroad (i)	100,802	488,008	581,998
Total	133,978	648,624	626,856
Current	129,935	629,053	605,606
Non-Current	4,043	19,571	21,250

(i) On December 31, 2023, the balances abroad are represented mainly by advances to suppliers of projects in Angola, Ghana and the Dominican Republic, which totaled 90% (December 31, 2022 – 93%).

9 Taxes Recoverable

				December 31, 2023			December 31, 2022
			R$	US$			R$
	Brazil	**Abroad**	**Total**	**Total**	**Brazil**	**Abroad**	**Total**
Offset - assets							
Prepayment of income tax	14,893	94,899	109,792	22,678	12,053	70,631	82,684
Indirect taxes	7,082	261,060	268,142	55,386	39,228	326,775	366,003
Taxes withheld at source	14,056	55,251	69,307	14,316	19,090	1,506	20,596
Other (i) (ii)	162,200	4,171	166,371	34,366	222,094	3,502	225,596
	198,231	415,381	613,612	126,746	292,465	402,414	694,879
Current assets			477,646	98,661			519,648
Non-current assets			135,966	28,085			175,231

(i) On December 31, 2021, the Company had recorded in its assets the amount of R$ 102,592 (December 31, 2022 – R$ 123,193) related to social security credits, separated into current, in the amount of R$ 42,248, and non-current, in the amount of R$ 60,344. The credit arises from a proceeding for which there was a final and unappealable decision that recognized the non-levy of social security contribution on compensatory payments (compensated notice of termination, 1/3 of vacation pay and absence in the case of illness/accident).

(ii) On December 31, 2023, the Company had recorded in its assets the amount of R$ 48,581, related to a tax credit authorized in December 2022 in the amount of R$ 52 million, arising from a claim for which a final and unappealable decision was awarded, in which the reduction of expenses included in the tax basis of income tax and social contribution for the period from 1988 to 1991, paid between May 1993 and December 1994, was discussed.

In thousands of reais and U.S. dollars, unless otherwise stated

10 Inventories

	December 31, 2023		December 31, 2022
	US$		**R$**
Materials to be used in construction (i)	18,121	87,728	141,396
Marketable properties (ii)	15,213	73,653	84,979
Imports and exports in progress	431	2,085	8,280
Inventories held by third parties	1,452	7,030	3,075
In transit inventories	115	559	190
Advances to suppliers	513	2,480	3,591
	35,845	173,535	241,511

(ii) This refers mainly to materials to be used in projects: Prosub (Brazil) and Barra do Dande Oceanic Terminal (Angola).

(ii) These mainly refer to inventories of real estate properties for sale in Angola.

11 Current accounts with consortium members

			Current assets (Restated)			Current liabilities (Restated)
		December 31, 2023	December 31, 2022		December 31, 2023	December 31, 2022
Main countries	**US$**		**R$**	**US$**		**R$**
Brazil (i)	50,260	243,326	240,360	10,638	51,501	50,490
Panama	5,999	29,044	31,302			
Portugal	3,015	14,597	16,222			
Dominican Republic	10,760	52,089	44,076			
Peru				3,544	17,159	17,062
Others				77,466	375,037	379,809
	70,034	339,056	331,960	91,648	443,697	447,361

(i) On September 30, 2023, includes the amount of R$ 90,290 – US$ 18,650 (December 31, 2022 – R$ 89,022) related to a transaction with a related party is included in this line, as presented in Note 13 (b).

12 Other Assets (Short and Long term)

On December 31, 2023, the balances of other assets in current and non-current assets are of different natures, mainly including:

i) debit notes and invoices issued against companies of the Novonor Group amounting to R$ 392,797 – US$ 81,135 (December 31, 2022 – R$ 353,891), as mentioned in Note 13 (b);

ii) other accounts receivable related to the rescission between CEL6 and Concessionária Move São Paulo S.A., in which the consenting intervening parties were Linha Universidade Participações S.A. ("New Concessionaire") and Acciona Construcción S.A., with the New Concessionaire undertaking to pay to CEL6 the amount of R$ 24,811 – US$ 5,125 (December 31, 2022– R$ 35,068), attributable to the Company.

In thousands of reais and U.S. dollars, unless otherwise stated

13 Related parties

(a) Changes in balances of related parties:

	December 31, 2022	Additions (iii)	Disposals (iv)	Interests	Exchange Variation	Reversion (provision) for losses	Adjusment to present value	Transfers / Offsets	December 31, 2023
Non-current asset									
Novonor Group Companies									
Novonor (vi)	166,850			1,850	(11,079)	8,820			166,441
Novonor International Corporation ("NVNIC") (vi)	46,688			21,199	(3,408)	(19,778)			44,701
Novonor Finance Limited ("NFL")	804,555				(59,090)	56,364			801,829
Total - Companies under judicial recovery (i)	1,018,093			23,049	(73,577)	45,406			1,012,971
Other NPI consolidated companies (ii) (vi)	20,040	6,690		1,141	(2,083)	(333)			25,455
Novonor Properties Investimentos S.A. ("Novonor Properties") - Subsidiaries	548								548
Biocom – Cia de Bioenergia de Angola Ltd. - "Biocom" (c)	371,758	24,506		38,117	(27,639)		(31,245)		375,497
Complexo Maracanã Entretenimento S/A	861								861
Consorcio Constructor Ductos Del Sur	15,235	972	(8,603)		(743)				6,861
Odebrecht Engenharia (vi)	46,843				(121,914)	123,502			48,431
Others	2,705				(662)			(36)	2,007
Total - Other Group companies	457,990	32,168	(8,603)	39,258	(153,041)	123,169	(31,245)	(36)	459,660
Total Assets - related parties (in R$)	1,476,083	32,168	(8,603)	62,307	(226,618)	168,575	(31,245)	(36)	1,472,631
Total Assets - related parties (in US$)		6,644	(1,777)	12,870	(46,809)	34,820	(6,454)	(7)	304,181

In thousands of reais and U.S. dollars, unless otherwise stated

	December 31, 2022	Corporate Restructuring (v)	Additions (iv)	Disposals (iii)	Interests	Exchange Variation	Transfers / Offsets	December 31, 2023
Non-current liabilities								
Novonor Group Companies								
Novonor	153,529			(1,569)				151,960
NVNIC	46,689		98,247	(10,287)	9,075	(3,412)	(95,610)	44,702
NSP	870,950							870,950
Total - Companies under judicial recovery (i)	1,071,168		98,247	(11,856)	9,075	(3,412)	(95,610)	1,067,612
Other NPI consolidated companies (ii)	423,505		29,806	(9,496)	8,134	(21,915)	2	430,036
Consorcio Constructor Ductos Del Sur	38,520		3,990	(6,906)		(3,910)		31,694
Consorcio Constructor Chavimochic	1,159		3,152	(3,143)		(84)		1,084
Horiens Consultoria e Corretora de Seguros Ltda	30,812			(5,902)	13			24,923
Horiens Ltda	10,541			(8,932)	57	(158)		1,508
Odebrecht Realizações ("OR")	6,497							6,497
Odebrecht Engenharia	24,432							24,432
CMC		158,549	1,851	(6,732)		(2,972)		150,696
Others	6,022		3,977	(4,556)		(406)		5,037
Total - Other Group companies	541,488	158,549	42,776	(45,667)	8,204	(29,445)	2	675,907
Total Liabilities - related parties (in R$)	1,612,656	158,549	141,023	(57,523)	17,279	(32,857)	(95,608)	1,743,519
Total Liabilities - related parties (in US$)		32,749	29,129	(11,882)	3,569	(6,787)	(19,748)	360,134

(i) The balance of net liabilities of Company and subsidiaries with related parties and other transactions with related parties that are in judicial recovery amount to R$ 40,686 – US$ 8,404.

(ii) This refers to balances with consolidated companies of Novonor Participações e Investimentos S.A. – In Judicial Recovery ("NPI"), that are not in judicial recovery, such as: Odebrecht Latinvest Peru SAC, Odebrecht Latinvest Luxemburgo, Odebrecht Energía Del Peru, Technik Invest SAC, Odebrecht Latinvest Peru Ductos S.A., Concesionaria IIRSA Norte S.A., Concesionaria Interoceánica Sur Tramo 2 S.A., Concesionaria Interoceanica Sur Tramo 3 S.A., Bairro Novo Empreendimentos S.A., Inversiones en Infraestructura de Transporte Por Ductos S.A.C and Concesionaria Chavimochic S.A.C. ("Concesionaria Chavimochic").

(iii) In 2023, the Company paid the amount of R$ 89,691 – US$ 18,526, with a non-cash effect of R$ 19,770 – US$ 4,084, mainly as intercompany loans.

(iv) In 2023 the Company received the amount of R$ 149,626 – US$ 30,906, with a non-cash effect R$49,795 – US$8,812 and a cash effect of R$ 99,831 – US$ 20,621, mainly as intercompany loans, of which R$ 98,247 – US$ 20,293 refers to a loan with NVNIC. The above mentioned loan was settled in December 2023 through the offset against the other balances with related parties as per reference in item b, reference xi.

(v) As mentioned in Note 1, item c (corporate restructuring), on December 15, 2023, the totality of the interest in OSEL, which holds the total control of CMC, located in Panama, was disposed of. As a result of this restructuring process, CMC started to be indirectly consolidated by NEO Invest. Accordingly, the balances of related parties recorded in

(vi) Balances of related parties presented net of the allowance for losses.

In thousands of reais and U.S. dollars, unless otherwise stated

(b) Other Transactions with Related Parties:

Current and non-current asset	December 31, 2022	Additions	Disposals	Interests	Provision for losses	Adjusment to present value	Exchange Variation	Transfers	December 31, 2023
Current accounts with consortium members									
Novonor Serviços e Participações S.A. - under judicial recovery ("NSP")	89,022	**1,268**							90,290
Total - Companies under judicial recovery (i) (note 11)	89,022	1,268							90,290
Accounts receivable									
NSP	4								4
Edíficio Odebrecht RJ S.A.	5								5
NPE (Novonor Participações em Engenharia)	271								271
Total - Companies under judicial recovery (i)	280								280
Other NPI subsidiaries (ix)	136,408	8,355	(41,345)				(5,278)		98,140
Consorcio Construtor Chavimochic - Peru	375						(27)		348
Biocom (c)	22,130	21	(34)			25,011	(10,869)		36,259
SPV Andrade Gituerrez Odebrecht Ltd ("SPV")	76,204	5,838					(5,676)		76,366
Odebrecht Ambiental Participações	128								128
Novonor Defesa e Tecnologia	123	7,855	(7,009)						969
Braskem S.A. ("Braskem")	8,745	189,098	(197,364)						479
Novonor Properties - Subsidiaries (vii)	89,947								89,947
Novonor Energia Investimentos S.A. ("Novonor Energia") - Subsidiaries (viii)	12,768								12,768
OR	23,886								23,886
Concessionaria Rio Barra		743	(586)						157
Other - Assets	46,245	585	(11,978)				(147)		34,705
Total - Other Group companies	416,959	212,495	(258,316)			25,011	(21,997)		374,152
Total (in R$) (Note 7)	417,239	212,495	(258,316)			25,011	(21,997)		374,432
Total (in US$)		43,892	(53,357)			5,166	(4,544)		77,341
Other Assets									
Novonor	2,196	1,458	(2,203)				(85)		1,366
NPI	1,392	361	(70)						1,683
NSP	969	381	(419)						931
NPE (Novonor Participações em Engenharia)	39	966	(1,004)						1
Novonor Properties	5,398	1,242	(263)						6,377
Edíficio Odebrecht RJ S.A.	272	2							274
Novonor Energia	2,601	339	(11)						2,929
Atvos - Agroindustrial S.A. ("Atvos")	269	225	(239)		12,054			(11,854)	455
Total - Companies under judicial recovery (x)	13,136	4,974	(4,209)		12,054		(85)	(11,854)	14,016
Other NPI subsidiaries	43,243	12,353	(8,698)				(1,217)		45,681
Biocom (c)	32,941	8,224				28,438	(5,427)		64,176
Odebrecht Ambiental Participações	4,022	325	(341)						4,006
Braskem	1,169	87							1,256
OTP - Investees	51,867	1,232	(1,243)	12,830			(3,917)		60,769
OR	33,797	7,313	(220)						40,890
Novonor Energia - Investees	2,511	61							2,572
Ocyan S.A.	116	345	(357)						104
Novonor Defesa e Tecnologia	2,341	280	(327)						2,294
Odebrecht Engenharia	10,122	67	(14)				(748)		9,427
AOT Pipelines S.A.P.I. DE C.V.	1,996						(131)		1,865
Neo Invest (xi)		95,610						(95,610)	
Sociedade de Desenvolvimento Mineiro ("SDM")	155,600	105	(30)				(11,226)	6	144,455
Concessionaria Rio Barra	304								304
Other - Assets	696	1,161	(1,132)				(7)	264	982
Total - Other Group companies (x)	340,725	127,163	(12,362)	12,830		28,438	(22,673)	(95,340)	378,781
Total (in R$)	353,861	132,137	(16,571)	12,830	12,054	28,438	(22,758)	(107,194)	392,797
Total (in US$)		27,294	(3,423)	2,650	2,490	5,874	(4,701)	(22,142)	81,135

(vii) This refers mainly to Arena Pernambuco.
(viii) This refers mainly to Santo Antônio Energia.
(ix) This refers mainly to balances with subsidiaries of NPI that are not in judicial recovery, such as: Concesionaria IIRSA Norte (R$ 68,924– US$ 14,237), Odebrecht Peru Operaciones Y Servicios SAC (R$ 13,150 – US$ 2,716) and e IIRSA Sur Tramo 2 (R$ 13,868 – US$ 2,865).
(x) As mentioned in Note 13, they refer to debit notes and invoices issued against companies of the Novonor Group in the amount of R$ 392,797 – US$ 81,135 (December 31, 2022 – R$ 353,861).
(xi) On December 15, 2023, the entire OSEL stake was sold to Neoinvest. The settlement occurred through balance compensation with related parties, as mentioned in note 1 item c (corporate restructuring) and note 13 item a reference v.

In thousands of reais and U.S. dollars, unless otherwise stated

Current liabilities	December 31, 2022	Additions	Disposals	Exchange Variation	Transfers	Transfers	December 31, 2023
Suppliers							
Novonor	11,665			(409)			11,256
NSP	22,628		(1,459)				21,169
Novonor Properties	42						42
Edíficio Odebrecht RJ S.A.	41,860	1,176					43,036
Atvos	870						870
Total - Companies under judicial recovery (xiii) (i)	77,065	1,176	(1,459)	(409)			76,373
Braskem México	1,647		(7)	(104)			1,536
AOT Pipelines S.A.P.I. DE C.V.	21,454			(1,409)			20,045
SPV	213,665	59,668		(17,106)			256,227
Odebrecht Engenharia	10,019			(748)			9,271
Other - liabilities	1,279	71	(40)	(1)			1,309
Total - Other Group companies (xiii)	248,064	59,739	(47)	(19,368)			288,388
Total (in R$)	325,129	60,915	(1,506)	(19,777)			364,761
Total (in US$)		12,582	(311)	(4,085)			75,344
Advances from Customers							
Other NPI subsidiaries (xii)	169,787	30,233	(135,906)	(5,876)			58,238
Novonor Energia - Investees	6,752		(1,135)				5,617
Others	38						38
Total - Other Group companies (Note 7)	176,577	30,233	(137,041)	(5,876)			63,893
Total (in R$)	176,577	30,233	(137,041)	(5,876)			63,893
Total (in US$)		6,245	(28,307)	(1,214)			13,197
Other Liabilities							
Novonor	242						242
Total - Companies under judicial recovery (i)	242						242
OR	5,209	1,565	(3,223)				3,551
Other NPI subsidiaries	5,290	11,070	(9,384)	(675)			6,301
SDM	51,476			(2,073)			49,403
Other - liabilities	119						119
Total - Other Group companies	62,094	12,635	(12,607)	(2,748)			59,374
Total (in R$)	62,336	12,635	(12,607)	(2,748)			59,616
Total (in US$)		2,610	(2,604)	(568)			12,314

(xii) This refers to companies: Concesionaria IIRSA Norte S.A., Odebrecht Peru Operaciones y Servicios SAC, Concesionaria Chavimochic and Concesionaria IIRSA Sur Tramo 3.
(xiii) The total balances of suppliers with related parties adds up to R$ 364,761 – US$ 75,344 (December 31, 2022 – R$ 325,129).

In thousands of reais and U.S. dollars, unless otherwise stated

(c) Credits with Biocom – Companhia de Bioenergia de Angola Ltd.

The Company, through its direct and indirect subsidiaries in Brazil and abroad, maintains outstanding balances in the balance sheet in the accounts “Related parties”, “Trade accounts receivable” and “Other assets” in current and non-current with the associate Biocom arising from the export of goods and services and loan agreements as additional provisions in the period between 2010 to date.

On August 19, 2022 and September 14, 2022, Biocom, together with local banks (Banco Angolano de Investimentos – BAI, Banco de Fomento Angola – BFA and Banco Econômico – BE), entered into the third amendment to the Credit Line Opening contract.

On December 31, 2023, the fair value of the credits with Biocom was measured based on the estimated payment of the restructured debt. The amount of the credits adjusted at present value is R$ 475,929 - US$ 98,306 million (December 31, 2022 - R$ 426,829 - US$ 81,804 million).

(d) Compensation of key Management Personnel

			December 31, 2023			December 31, 2022
	Statutory Executive Board	Board of Directors	Total	Statutory Executive Board	Board of Directors	Total
Compensation (i)	9,419	3,848	13,267	9,379	4,606	13,985
Short-term compensation (ii)	185	7	192	155	12	167
Benefits – Pension plan	258		258	250		250
In R$	9,862	3,855	13,717	9,784	4,618	14,402
In US$	2,037	796	2,833			

(i) Composed of the fixed compensation and variable compensation (bonus and profit sharing), in addition to the respective payroll charges.

(ii) This represents the benefits with medical and dental care, meal vouchers and life insurance.

The amounts above represent the payments made in the respective years.

Key management personnel include the statutory officers of Company (“Management Members).

At the Company’s Extraordinary General Stockholders’ Meeting held on May 19, 2023, the total amount related to management compensation, of R$ 37,132 – US$ 7,415, was approved for the calendar year 2023 and it includes Short-Term Incentives and Long-Term Incentives.

In thousands of reais and U.S. dollars, unless otherwise stated

14 Deferred Income Tax and Social Contribution

(a) Recognition of Deferred Income Tax and Social Contribution

	Non-current assets			Non-current liabilities		
		December 31, 2023	December 31, 2022		December 31, 2023	December 31, 2022
Nature of the credits	**US$**		**R$**	**US$**		**R$**
Income tax losses	11,898	57,601	81,655			
Social contribution loss carryforwards	4,110	19,898	15,609			
	16,008	77,499	97,264			
Temporary differences						
Provisions	113,995	551,885	666,196	18	85	105
Foreign exchange variation				157,640	763,181	529,618
Adjustment to present value	18,965	91,817	111,906			
Government agencies				6,615	32,031	115,583
Other	311	1,503	29,298			68,139
	149,279	722,704	904,664	164,273	795,297	713,445

(b) Recoverability of Recorded Deferred Income Tax and Social Contribution Assets

On December 31, 2023, the Company and its subsidiaries have deferred income tax and social contribution liabilities mainly related to temporary differences based on the realization of such differences supported by the forecast of future results, taking into consideration the assessment of individual operations of each legal entity and country.

This forecast considers mainly the Company's backlog (the portfolio of revenue that has already been contracted by the Company and its subsidiaries), the new contracts expected for the coming years and the availability, for taxation purposes, of the income accrued by subsidiaries located abroad on the balance sheet date on which they were determined.

15 Non-Current Assets Held for Sale and Discontinued Operations

(a) Balance Sheet

		December 31, 2023	December 31, 2022
	US$		**R$**
Rutas de Lima SAC ("Rutas de Lima") (i)	61,596	298,205	312,453
Property and equipment held for sale (Peru) (ii)	5,707	27,627	21,725
	67,303	325,832	334,178

(i) Rutas de Lima – On June 28, 2016, Odebrecht Latinvest Peru S.A.C. ("OLI SAC") disposed of 57% of the capital of Rutas de Lima to BIF III Peru Transportation I S.A.C. ("BIF"). In the same transaction, BIF obtained a call option for 25% of the shares of Rutas de Lima held by CNO, a direct subsidiary of the Company.

On January 30, 2023, Rutas de Lima received a notice in which the concession authority (Municipalidad Metropolitana de Lima - "MML") announced its decision to terminate the Concession Agreement of the Vías Nuevas de Lima Project ("Concession Agreement") due to alleged "reasons of public interest".

The termination indicated in the notice issued by MML will not be effective before the completion of a procedure for which a period of 180 days is provided, during which the amount and form of payment of a consideration for the investment made will be established.

Since an arbitration process had already been initiated by the concessionaire to seek compensation for impacts caused to the concession by previous acts of MML, Rutas de Lima sought from the arbitration panel the issuance of a provisional remedy to suspend the contract termination procedure (and added a request related to the termination decision).

In June 2023, the arbitration panel reached a decision accepting the provisional remedy requested by the concessionaire and ordered the suspension of the termination procedure of the Concession Agreement until the end of the above mentioned arbitration proceeding.

In March 2024, the Federal Court of the District of Washington D.C. (U.S.) ratified the validity and enforceability of other arbitration awards against MML (issued in 2020 and 2022 in favor of Rutas de Lima), establishing full validity and enforceability of the Concession Agreement, its lawful purpose and MML's breach of its contractual obligations, among other things.

Without prejudice to the facts pointed out above, in March 2024, the Constitutional Court determined a writ of habeas corpus for violation of the fundamental right to freedom of movement, ordering Rutas de Lima to suspend the collection of tolls at Puente Piedra until (i) the harmful act against freedom of movement ceases or (ii) the criminal court issues legal pronouncements to determine whether or not the origin of the Concession Agreement and its amendments was lawful.

This petition is causing economic and financial losses to Rutas de Lima that are being estimated, so that Rutas de Lima can adopt the corresponding legal measures. The outcome of such measures is not expected in the short term.

Despite the economic and financial effects with respect to an uncertainty regarding Rutas de Lima's going concern, the management of Rutas de Lima assures the continuity of the operation, taking into consideration the legal and contractual grounds, as well as the sound legal basis, to reverse the decision adopted by MML.

The Company continues to monitor the developments of the arbitration proceeding and requested from Rutas de Lima all information on the matter, seeking to assess additional actions that allow for the mitigation of risks and provision of a solution, reassessing the possibilities to dispose of its investment.

(ii) Property and equipment – The Company designated as Non-current assets held for sale equipment located in Peru, in accordance with the sales plan, which is measured at the lower of the historical cost net of depreciation and the realizable value of such property and equipment.

In thousands of reais and U.S. dollars, unless otherwise stated

(b) Statement of Income for the year

In according with management definition based on the strategic plan of the OEC Group, the Profit and loss of non-operational Company's subsidiaries and associetes are presented by countries:

	Year ended December 31		
		2023	2022
			(Restated)
	US$		R$
Argentina	17,459	84,525	32,723
Colombia	(7,062)	(34,189)	154,175
Equador	(2,563)	(12,406)	(226,686)
Mexico	1,487	7,199	95,194
Portugal	(4,491)	(21,740)	(89,469)
Dominican Republic	(565)	(2,733)	138,192
Venezuela	41,268	199,793	561,987
Overseas	(3,020)	(14,619)	1,751
Others (i)	(67)	(338)	(1,737)
Net profit of discontinued operations for the exercise	42,446	205,492	666,130
Net profit of discontinued operations for the exercise – per share	0.095	0.458	1.484

(i) This refers to the discontinuity of other countries for which the amounts are lower, including Bolivia, Chile, United Arab Emirates, Guatemala, Guiana, Libya, Mozambique and Uruguay.

In thousands of reais and U.S. dollars, unless otherwise stated

16 Investments

(a) Information on the Main Investees

	December 31	Company's interest %	Total assets		Liabilities (Current and Non-current)		Equity (Net capital deficiency)		Revenue		Net income	
			R$	US$	R$	US$	R$	US$	R$	US$	R$	US$
NSP Investimentos S.A. - Under Judicial Recovery ("NSPInv") (i) (ii)	**2023**	41.47	2,775,802	573,359	13,979,955	2,887,645	(11,204,153)	(2,314,286)	81,309	16,795	(7,738,746)	(1,598,485)
	2022	41.47	3,960,717		11,421,195		(7,460,478)		90,346		(1,115,493)	
SDM (ii)	**2023**	50.00	144,989	29,948	176,813	36,522	(31,824)	(6,573)			(85)	(18)
	2022	50.00	58,536		190,460		(131,924)				365	
CTO - Concesionária Travase Olmos	**2023**	36.32	315,601	65,189	180,100	37,201	135,501	27,989	140,076	28,934	34,366	7,098
	2022	36.32	381,468		265,198		116,270		161,016		4,993	
Elos Ligações de Alta Velocidade S.A.	**2023**	13.04	868,977	179,492	161,481	33,355	707,496	146,138				
	2022	13.04	904,098		168,053		736,045					
SPV	**2023**	50.00	204,185	42,176	120,355	24,860	83,831	17,316	116,244	24,011	5,943	1,228
	2022	50.00	184,789		100,568		84,221		157,734		9,830	
Kulanda Malls	**2023**	30.00	66,351	13,705	13,872	2,865	52,479	10,840	23,153	4,782	(12,968)	(2,679)
	2022	30.00	114,431		43,070		71,361		4,329		14,027	
Biocom	**2023**	40.00	3,440,436	710,643	4,871,932	1,006,327	(1,431,496)	(295,684)	456,149	94,220	740,162	152,885
	2022	40.00	3,936,744		6,286,241		(2,349,497)		491,257		(849,645)	
AOT Pipelines	**2023**	33.34	75,455	15,586	12,845	2,653	62,610	12,932			(7,030)	(1,452)
	2022	33.34	77,690		12,495		65,195		4,875		(3,719)	
Concesionaria Chavimochic (ii)	**2023**	20.00	29,200	6,031	198,222	40,944	(169,022)	(34,913)	146,041	30,166	(195,591)	(40,401)
	2022	20.00	29,486		3,827		25,659		8,902		(58,449)	
Etileno XXI Holding B.V.	**2023**	50.00	71,730	14,816	272	56	71,458	14,760			(6)	(1)
	2022	50.00	68,484		282		68,202				(7)	
Etileno XXI Services B.V.	**2023**	40.00	122,404	25,283	2,455	507	119,949	24,776			(1,517)	(313)
	2022	40.00	133,497		2,994		130,503				(1,558)	

(i) NSPInv, incorporated on May 29, 2015, is a closely-held corporation headquartered in São Paulo, State of São Paulo. NSPInv holds a direct interest in the subsidiaries: NSP (100%), Atvos Agroindustrial Investimentos S.A. – in judicial recovery (82.30%) and Braskem (38.38%).

(ii) On December 30, 2023, these investments present a net capital deficiency. Additionally, the Company's share of the accumulated losses of these companies is higher than the carrying amount of the investment. In accordance with the accounting policies related to the practice of recording losses in associates and jointly-controlled subsidiaries, the Company does not recognize as a liability its share of the additional losses arising from these investments.

In thousands of reais and U.S. dollars, unless otherwise stated

(b) Changes in investments and provision for net capital deficiency

Investments - associates	Company's interest %	Country	December 31, 2022	Additions	Disposals	Dividends	Retained earnings (accumulated deficit) adjustments	Equity in the results of investees (i)	Translation adjustments	Impairment	Continued operations	December 31, 2023
CTO - Concesionaria Travase Olmos	36.32	Peru	42,229			(2,094)		12,482	(3,403)			49,214
Etileno XXI Holding B.V.	50.00	Netherlands	8,587				2,921	(3)	(293)			11,212
Etileno XXI Services B.V.	40.00	Netherlands	36,989					(607)	(3,019)			33,363
Grand Parkway	50.00	USA	7,522		(6,359)			5,357	(672)			5,848
SPV	50.00	Ghana	42,111					2,971	(3,167)			41,915
AOT Pipelines	33.34	Mexico	21,736						1,482		(2,344)	20,874
ELOS - Ligação de Alta Velocidade S.A.	13.04	Portugal	96,010	30					(3,754)			92,286
Kulanda Malls	30.00	Angola	21,410					(3,890)	(1,776)			15,744
Other investments			125	51	(78)	(806)	2,774	(982)	(143)	4,336	(5,203)	74
Total investments - Associates (in R$)			276,719	81	(6,437)	(2,900)	5,695	15,328	(14,745)	4,336	(7,547)	270,530
Total investments - Associates (in US$)			57,158	17	(1,330)	(599)	1,176	3,166	(3,046)	896	(1,559)	55,880

Provision for net capital deficiency	Company's interest %	Country	December 31, 2022	Additions	Disposals	Dividends	Retained earnings (accumulated deficit) adjustments	Equity in the results of investees (i)	Translation adjustments	Impairment	Continued operations	December 31, 2023
B.SABOR - Bento Pedroso Const. e Lena	50.00	Portugal	(12,051)						469			(11,582)
Biocom	40.00	Angola	(939,799)					296,065	71,136			(572,598)
Other			(347)						18			(716)
Total provision for net capital deficiency (in R$)			(952,197)					296,065	71,623			(584,896)
Total provision for net capital deficiency (in US$)								61,154	14,794			(120,814)

(i) Equity in the results of investee adds up to R$ 311,393 – US$ 64,320.

In thousands of reais and U.S. dollars, unless otherwise stated

17 Property and Equipment

	Land	Buildings and Installations	Machinery and Equipment	Vehicles and Ships	Furniture and Fixtures	IT Equipment	Construction in Progress	Other	Total
Cost	41,223	441,711	658,710	236,577	127,070	88,121	1,536	244,786	1,839,734
Acumulated depreciation		(110,798)	(616,957)	(197,585)	(112,134)	(85,493)		(192,000)	(1,314,967)
At December 31, 2021	41,223	330,913	41,753	38,992	14,936	2,628	1,536	52,786	524,767
Additions		21,172	21,132	7,586	6,243	7,074	509	24,328	88,044
Disposals		(48,950)	(13,997)	(291)	(569)	598	(1,484)	7,114	(57,579)
Transfers (i)		219	11,119	76	140			(2,069)	9,485
Depreciation		(8,812)	(8,450)	(8,288)	(4,997)	(2,031)		(11,874)	(44,452)
Exchange variation	(2,457)	(22,797)	(406)	(557)	(739)	(14)	(2)	(306)	(27,278)
Accounting balance	38,766	271,745	51,151	37,518	15,014	8,255	559	69,979	492,987
Cost	38,766	372,407	631,763	207,183	120,784	84,834	559	186,822	1,643,118
Acumulated depreciation		(100,662)	(580,612)	(169,665)	(105,770)	(76,579)		(116,843)	(1,150,131)
At December 31, 2022 - R$	38,766	271,745	51,151	37,518	15,014	8,255	559	69,979	492,987
Annual depreciation rates (%)		4	20	25	10	20		up to 10	

(i) This refers to the transfer of equipment that was allocated for sale to property and equipment.

In thousands of reais and U.S. dollars, unless otherwise stated

	Land	Buildings and Installations	Machinery and Equipment	Vehicles and Ships	Furniture and Fixtures	IT Equipment	Construction in Progress	Other	Total
Cost	38,766	372,407	631,763	207,183	120,784	84,834	559	186,822	1,643,118
Acumulated depreciation		(100,662)	(580,612)	(169,665)	(105,770)	(76,579)		(116,843)	(1,150,131)
At December 31, 2022	38,766	271,745	51,151	37,518	15,014	8,255	559	69,979	492,987
Additions		10,693	7,451	5,921	1,922	3,286	1	7,518	36,792
Disposals		(113)	(13,803)	(841)	(672)	(330)	(511)	(262)	(16,532)
Transfers		(5)	707	7	112	25		(846)	
Depreciation (i)		(8,250)	(8,432)	(7,899)	(3,882)	(2,759)		(13,082)	(44,304)
Exchange variation	(2,506)	(19,139)	(1,468)	(1,072)	(744)	(458)	(9)	(2,541)	(27,937)
Accounting balance	36,260	254,931	35,606	33,634	11,750	8,019	40	60,766	441,006
Cost	36,260	356,577	495,364	156,872	107,476	73,302	40	175,869	1,401,760
Acumulated depreciation		(101,646)	(459,758)	(123,238)	(95,726)	(65,283)		(115,103)	(960,754)
At December 31, 2023 - R$	36,260	254,931	35,606	33,634	11,750	8,019	40	60,766	441,006
At December 31, 2023 - US$	7,490	52,658	7,355	6,947	2,427	1,656	8	12,552	91,092
Annual depreciation rates (%)		4	20	25	10	20		up to 10	

(i) Of the total depreciation/exhaustion, the amount of R$ (525) – US$ (108) (December 31, 2022 – R$ (1,187)) refers to discontinued operations.

In thousands of reais and U.S. dollars, unless otherwise stated

18 Right of Use

(a) Changes in the Right of Use

	Building lease	Machinery and equipment lease	Vehicles and Ships lease	Total
Cost	69,902	2,010	571	72,483
Accumulated depreciation	(36,864)	(1,977)	(527)	(39,368)
At December 31, 2021	33,038	33	44	33,115
Additions	21,753		354	22,107
Disposals	(828)			(828)
Impairment	(5,550)			(5,550)
Depreciation	(10,479)	(33)	(378)	(10,890)
Foreign currency translation adjustment	(199)			(199)
Accounting balance	37,735		20	37,755
Cost	84,113	1,098	925	86,136
Accumulated depreciation	(46,378)	(1,098)	(905)	(48,381)
At December 31, 2022 - R$	37,735		20	37,755
Annual depreciation rates (%)	4	up to 17	5	

	Building lease	Machinery and equipment lease	Vehicles and Ships lease	Total
Cost	84,113	1,098	925	86,136
Accumulated depreciation	(46,378)	(1,098)	(905)	(48,381)
At December 31, 2022	37,735		20	37,755
Additions	11,126			11,126
Disposals	(6,947)			(6,947)
Impairment	6,904			6,904
Depreciation	(11,643)		(18)	(11,661)
Foreign currency translation adjustment	(369)			(369)
Accounting balance	36,806		2	36,808
Cost	90,262	1,098	925	92,285
Accumulated depreciation	(53,456)	(1,098)	(923)	(55,477)
At December 31, 2023 - R$	36,806		2	36,808
At December 31, 2023 - US$	7,603			7,603
Annual depreciation rates (%)	4	up to 17	5	

In thousands of reais and U.S. dollars, unless otherwise stated

19 Debts

(a) Breakdown of Debts

Financial Institution	Country	Currency	Type of operation	Type	Annual Financial Charges		December 31, 2023	December 31, 2022
						US$		R$
Royal Bank of Scotland	Cayman Islands	US$	Investment	ECA	Fixed interest 6,57% + EV	9,375	45,389	46,131
Banco Internacional de Crédito	Angola	KWA	Operational	Short-term debts	Libor 6M + 2,00% p.y Spread (21,34%)	963	4,664	12,042
Banco Millennium Atlântico	Angola	KWA	Operational	Short-term debts	Libor 1M + 2,75% p.y Spread (21,29%)	7,704	37,297	66,670
Novo Banco	Portugal	€	Operational	Long-term debt	EURIBOR (6M) + Spread 6%	16,058	77,742	86,475
Banco do Brasil	Brazil	R$	Operational	ACC	Fixed interest 7.43%	29,317	141,928	203,428
Banco Daycoval	Brazil	R$	Investment	Short-term debts	Fixed interest 19.73%			117
						63,417	307,020	414,863
					Bonds - OEC Finance (b)	1,041,074	5,040,154	4,695,121
						1,104,491	5,347,174	5,109,984
					Current liabilities	136,148	659,134	453,000
					Non-current liabilities	968,343	4,688,040	4,656,984

Abbreviations:

EURIBOR - Euro Interbank Offered Rate	EV - Exchange Variation
LIBOR - London Interbank Offered Rate	US$ - American Dollar
KWA - Kwanza (Angola currency)	€ - Euro
ACC - Advances on Exchange Contracts	R$ - Brazilian Reais
ECA - Export Credit Agencies	

On December 31, 2023, the financing with the Royal Bank of Scotland (RBS) in the amount of R$ 45,389 – US$ 9,375 was past due and recorded in accordance with the contractual clauses. This amount is being negotiated with the financial institutions so as to establish the new conditions and terms for the amortization of the balances.

In thousands of reais and U.S. dollars, unless otherwise stated

(b) Bonds OEC Finance

Bond	Due date	Compensation	December 31, 2023 US$	December 31, 2023 R$
Bond 2024	2024	Coupon of 7.000% p.a.	51,330	248,504
Bond 2026	2026	Coupon of 5.125% p.a.	92,103	445,898
Bond 2027	2027	Coupon of 6.000% p.a.	67,628	327,407
Bond 2029	2029	Coupon of 4.375% p.a.	319,755	1,548,030
Bond 2033	2033	Coupon of 5.250% p.a.	324,299	1,570,029
Bond 2046	2046	Coupon of 7.125% p.a.	613,322	2,969,276
Perpetual Bond	Perpetual	Coupon of 7.500% p.a.	554,822	2,686,063
Transaction costs			(14,778)	(71,544)
Adjusment to present value - Bonds OEC Finance			(967,407)	(4,683,509)
			1,041,074	5,040,154

On January 20, 2021, OEC Finance issued Bonds that were exchanged for the guarantee previously offered by CNO, OECI and Odebrecht Engenharia e Construção to the bondholders of Novonor Finance Limited ("NFL").

The discount rate considered for the calculation of the present value of the New Notes was 14.8%, which represents the interest rate on securities of companies that are in similar conditions as the Company.

In thousands of reais and U.S. dollars, unless otherwise stated

(c) Changes in Debts

Countries	December 31, 2021	Additions	Principal amortization	Interest amortization	Provision of interests	Transaction Costs amortization	Exchange Variation	Adjusment to present value	December 31, 2022
Brazil	232,396	670	(21,002)	(5,381)	12,285		(15,423)		203,545
Portugal	101,130		(2,473)				(12,182)		86,475
Angola	66,823	40,239	(29,233)				883		78,712
USA	2,936		(2,919)				(17)		
Cayman Islands	47,932				1,309		(3,110)		46,131
Dominican Republic	21,585		(17,447)	(3,092)			(1,046)		
Bonds - New issues	9,443,169				834,489		(604,713)		9,672,945
Bonds - Adjusment to present value - New Issues	(4,704,076)						304,903	(494,678)	(4,893,851)
Bonds - Transaction costs	(97,156)					6,794	6,389		(83,973)
Total Loan and Finance Debts (in R$)	5,114,739	40,909	(73,074)	(8,473)	848,083	6,794	(324,316)	(494,678)	5,109,984

Countries	December 31, 2022	Additions	Principal amortization	Interest amortization	Provision of interests	Transaction Costs amortization	Exchange Variation	Adjusment to present value	December 31, 2023
Brazil	203,545	11,689	(68,190)	(6,639)	14,425		(12,902)		141,928
Portugal	86,475		(5,410)				(3,323)		77,742
Angola	78,712	12,024	(16,798)				(31,977)		41,961
Cayman Islands	46,131				2,672		(3,414)		45,389
Bonds - New issues	9,672,945			(39,679)	883,212		(721,271)		9,795,207
Bonds - Adjusment to present value - New Issues	(4,893,851)						354,765	(144,423)	(4,683,509)
Bonds - Transaction costs	(83,973)					6,575	5,854		(71,544)
Total Loan and Finance Debts (in R$)	5,109,984	23,713	(90,398)	(46,318)	900,309	6,575	(412,268)	(144,423)	5,347,174
Total Loan and Finance Debts (in US$)	1,055,497	4,898	(18,672)	(9,567)	185,964	1,358	(85,156)	(29,831)	1,104,491

In thousands of reais and U.S. dollars, unless otherwise stated

The debts classified as non-current liabilities mature as follows:

Loans

Due date	**2023**	**2023**
	US$	**R$**
2027	12,230	59,211
	12,230	59,211

Bonds				**December 31, 2023**
Payment schedule			**US$**	**R$**
	Principal amount	**Interests**		**Total**
Year 2025		89,596	89,596	433,761
Year 2026	74,160	159,950	234,110	1,133,397
Year 2027	52,838	155,473	208,311	1,008,496
Year 2028		129,189	129,189	625,443
Year 2029	266,517	206,070	472,587	2,287,935
Year 2030 and thereafter	714,632	2,679,234	3,393,866	16,430,723
Principal amount and interests (i)	1,108,147	3,419,512	4,527,659	21,919,755
(-) Discount to present value	(840,861)	(2,717,192)	(3,558,053)	(17,225,602)
(-) Transaction costs	(13,493)		(13,493)	(65,324)
Total debt balance	253,793	702,320	956,113	4,628,829

(i) It includes the expected payment flow for the payment of principal and interest until the debt maturity.

The Company's debts are denominated in the following currencies:

		December 31, 2023	**December 31, 2022**
	US$		**R$**
Local currency (Reais)	29,316	141,928	203,545
Foreign currency (U.S. Dollars)	1,050,450	5,085,543	4,741,252
Foreign currency (Kwanza)	8,667	41,961	78,712
Foreign currency (Euro)	16,058	77,742	86,475
	1,104,491	5,347,174	5,109,984

(d) Specific clauses

The loans and financing agreements of the Company and its subsidiaries provide for non-financial covenants that have been complied with in every reporting year.

In thousands of reais and U.S. dollars, unless otherwise stated

20 Suppliers and Subcontractors

	Current	Overdue - 1 - 90 days	Overdue - 91 -365 days	Overdue more than 365 days (i)	December 31, 2023 Total	December 31, 2022 Total
Brazil	133,113	70,523	105,629	145,568	454,833	353,258
Abroad (ii)	520,850	342,568	39,220	2,509,431	3,412,069	3,929,013
Total (in R$)	653,963	413,091	144,849	2,654,999	3,866,902	4,282,271
Total (in US$)	135,080	85,326	29,919	548,406	798,731	
Current liabilities (R$)					3,832,901	4,231,897
Current liabilities (US$)					791,709	
Non-current liabilities (R$)					34,001	50,374
Non-current liabilities (US$)					7,023	

The Company's working capital is managed so as to link the payments to suppliers with the receipt from customers. Of the amounts that have been due for more than 365 days, approximately 69% is due to suppliers in Venezuela and Peru, and which must follow the working capital management concept adopted by the Company.

(i) Additionally, of this amount, R$ 364,761 – US$ 75,344 (December 31, 2022 – R$ 325,129) is a balance with related parties, in accordance with Note 13 (b).

(ii) CNO and other subsidiaries of the Company were sued in arbitration proceeding before the Trade Chamber of Lima, in Peru, related to the collection of debt with supplier (counterpartie), contracted by Consorcio Constructor Ductos del Sur ("CCDS") within the scope of the Engineering, Procurement and Construction (EPC) contract for the performance of construction works and services necessary for the implementation of the Gasoducto Sur Peruano project. On May 23, 2022, the Arbitration Report was issued, with an addendum on July 1, 2022, ordering the defendants to pay the approximate amount of US$ 93 million, including interest, and the counterparty started the procedure for the ratification of a foreign judgment before the Superior Court of Justice on August 9, 2022, which is being challenged by the Company in the exercise of its right of defense.

In thousands of reais and U.S. dollars, unless otherwise stated

21 Taxes, Fees, Salaries and Social Contributions

	December 31, 2023		December 31, 2022
	US$		R$
Labor obligations			
Brazil	34,065	164,917	100,152
Abroad	47,796	231,392	252,273
	81,861	396,310	352,425
Tax obligations (a)			
Brazil	25,201	122,004	134,824
Abroad	95,790	463,753	399,757
	120,991	585,757	534,581
	202,852	982,066	887,006
Current liabilities	188,334	911,780	852,316
Non-current liabilities	14,518	70,286	34,690

(a) Breakdown by nature of the tax liabilities:

	December 31, 2023		December 31, 2022
	US$		R$
Liabilities - payable			
Income tax and Income tax withheld at source	93,593	453,112	355,585
Indirect taxes	3,792	18,357	106,834
Financing (i)	17,384	84,163	58,888
Payroll charges	63	304	
Other	6,159	29,821	13,274
	120,991	585,757	534,581

(i) Financing:

The Company joined federal tax financing programs to settle Corporate Income Tax (“IRPJ”), Social Contribution on Net Revenue (“CSLL”), Income Tax Withheld at Source (“IRRF”), Social Security Contribution on Gross Revenue (“CPRB”), Social Integration Program (“PIS”) and Contribution for Financing Social Security (“COFINS”) debts (in 60 installments), financing programs in the municipalities of São Paulo and Bertioga to settle Service Tax (ISS) debts (in 120 installments) and a financing program in the State of Rio de Janeiro to settle ICMS (State VAT) debts (in 60 installments).

These financing programs totaled R$ 154,029 – US$ 31,816 and, by December 31, 2023, R$ 79,146 – US$ 16,348 had been settled. Of the remaining balance of R$ 84,163 – US$ 17,384 recorded in liabilities, R$ 74,883 – US$ 15,468 refers to the principal amount and the adjustment by the accumulated basic Selic rate amounting to R$ 9,280– US$ 1,917.

In thousands of reais and U.S. dollars, unless otherwise stated

22 Provisions for tax, labor, civil and agreements with authorities

The provisions recognized by the Company and its subsidiaries are related mainly to the discussions existing at the judicial and administrative levels and they are separated by probability of loss based on the assessment of its management and internal and external legal advisors as follows:

- **Probable obligations** – those in which there is a legal obligation (or not) as a consequence of a past event and the financial impacts of which (i) can be reliably determined and (ii) the outflow of cash is probable. The cases/processes that fall into this definition are accounted for as a provision with a specific note, as presented below:

	December 31, 2023			December 31, 2022		
	Tax, labor and civil contingencies (b)	Agreements (a)	Total	Tax, labor and civil contingencies (b)	Agreements (a)	Total
In R$						
Current liabilities		439,195	439,195		467,804	467,804
Non-current liabilities	1,068,382	2,193,786	3,262,168	1,269,887	2,333,104	3,602,991
In US$						
Current liabilities		90,718	90,718			
Non-current liabilities	220,681	453,140	673,821			

(a) Leniency Agreement with Brazilian and Foreign Authorities

On December 1, 2016, Novonor, in the capacity of controlling stockholder of the companies that are part of the Novonor Group, entered into a leniency agreement with the Federal Public Prosecution Office ("MPF"), taking the responsibilities provided for the subject matter of the above mentioned agreement, except for Braskem S.A. This Agreement with the MPF was signed within the scope of the global agreement that involved the proper authorities of the United States and Switzerland, according to which Novonor, or any other company that is part of its economic group, undertook to pay the aggregate amount equivalent to R$ 3,828 million over 23 years, in annual customized installments adjusted based on the Selic basic interest rate. On August 8, 2019, the above mentioned agreement was amended, changing the payment schedule, and the Company became the subsidiary guarantor of these obligations.

Subsequently, on July 9, 2018, Novonor, by itself and by the companies that are part of its economic group, entered into a Leniency Agreement with the Ministry of Transparency and the Brazilian Government Accountability Office and with the Office of the Solicitor General in which the terms and amounts agreed upon with the Federal Public Prosecution Office are ratified, and the schedule of payment of the annual installments, which are still for a period of 23 years, was reprofiled.

On January 24, 2022, Novonor, CNO and the State of Rio de Janeiro entered into a Leniency Agreement, under the terms mentioned above, in which Novonor and CNO are co-obligated to make payment in the amount of approximately R$ 330 million over a period of 22 years, and this amount will be substantially deducted of the agreement entered into with the MPF, and the difference will be paid in the last year. With respect to the proceedings that involve the State of Rio de Janeiro ("ERJ"), the leniency agreement entered into by ERJ and the Company ("RJ Agreement") provides for the obligation of ERJ to declare in the above mentioned proceedings that the damaged entity has already been compensated for the events reported by the Company in the RJ Agreement.

On November 9, 2022, the Company and Novonor entered into a Leniency Agreement with the Attorney's Office of the State of Minas Gerais ("AGE/MG") and the General Accountability Office of the State of Minas Gerais ("CGE/MG"), with the intervention of the Public Prosecution Office of the State of Minas Gerais ("MPE/MG"). In addition to the Leniency Agreement, a Non-Civil Persecution Agreement was entered into by the MPE/MG and the Company and Novonor companies, with the intervention of the CGE/MG and the AGE/MG. Under these agreements, the Company undertook to pay the amount of R$ 202 million – which will be partially deducted from the R$ 3,828 billion established in the agreement entered into with the MPF – in a period of twenty-one (21) years, with Novonor appearing as the guarantor of the payment.

On July 19, 2023, the First Amendment to the Leniency Agreement was signed by the Public Prosecution Office of the Federal District and Territories ("MPDFT") and Novonor, by which the MPDFT ratified its adherence to the terms of the Agreement, including all of its protections, and by which Novonor recognizes as due the amount of R$ 22,591 – US$ 4,511 related to the reimbursement for non-pecuniary damages caused to the public treasury and society of the Federal District, resulting from the illicit conduct declared in the Leniency Agreement. This amount will be partially deducted from the R$ 3,828 billion established in the Agreement entered with the MPF, and the remaining balance will be paid within twenty-six (26) years.

Furthermore, the Company's direct subsidiary, CNO, has already signed several leniency agreements and consent orders with the General Commissioner of the Brazilian antitrust agency ("CADE").

With respect to the payment of the installments related to these agreements, it should be noted that those whose payment should have been made until January 31, 2024 (base date 2023) had their maturity extended by CADE until July 31, 2024, and it is hereby assured that all previous installments were fully paid in a timely manner.

Additionally, in other proceedings that are in progress before this government agency, CNO and CADE have not succeeded in reaching suitable terms for the execution of agreements. The Company currently exercises its right of defense and will have the opportunity to present to court the matters with which it does not agree.

Finally, it should be noted that since all proceedings in progress before CADE are still incipient, at this time, it is not possible to determine the outflow of future resources related to the matter so that they can be presented in the financial statements.

In thousands of reais and U.S. dollars, unless otherwise stated

(b) Tax, labor and civil contingencies:

		December 31, 2023	December 31, 2022
	US$		**R$**
Labor	69,709	337,480	393,754
Tax (i)	108,786	526,664	701,987
Civil	58,810	284,716	240,604
	237,305	1,148,860	1,336,345
(-) Judicial deposits	(16,624)	(80,478)	(66,458)
	220,681	1,068,382	1,269,887

(i) Tax

Peru's tax authorities, as a result of the inspections carried out at Odebrecht Perú Ingeniería y Construcción SAC, CNO S.A. – Peru Branch, Consorcio Constructor Ductos Del Sur and Consorcio Constructor Chavimochic related to the income taxes and sales taxes for 2010 to 2016, drawn up tax deficiency notices in the total amount of R$ 378,744 – US$ 78,232, adjusted on December 31, 2023 (December 31, 2022 – R$ 435,433).

- **Possible Obligations** – those in which it is more probable that there will not be an outflow of resources for the settlement of the obligations because there is not a sure and enforceable contingency against the Company. The cases/processes that fall into this definition are not accounted for as a provision and, depending on their relevance, a specific note is presented, as shown below:

		December 31, 2023	December 31, 2022
	US$		**R$**
Labor (i)	26,493	128,262	287,619
Tax (ii)	1,624,047	7,862,500	7,109,652
Civil (iii)	1,930,788	9,347,519	8,124,706
Total provision for contingencies	3,581,328	17,338,281	15,521,977

(i) Labor

There are many labor claims filed against the Company and its subsidiaries, including consortiums, and each concessionaire is responsible for the equivalent to its share. Most of the contingencies reported as "possible" are at an initial procedural phase, thus not allowing us to precisely determine what the effective sentence will be because, as it is publicly known, claimants frequently make excessive claims.

(ii) Tax

- **Brazil**

The main contingencies of the Company and its subsidiaries refer to the collection of income tax and social contribution resulting from the rules on the taxation of profit abroad, as well as to the collection of Tax on Financial Operations ("IOF") on transaction in the scope of Single Cash Contracts, as described below:

On December 21,2017, CNO was served with a tax deficiency notice amounting to R$ 489,129 for the collection of Income Tax Withheld at Source ("IRRF") related 2012. The company raised an objection, which was denied on August 14, 2018, and a Voluntary Appeal was filed against the decision. On November 17, 2022, the hearing of the appeal was resumed. The notification to CNO regarding its outcome is still pending.

October 17, 2018, CNO was served with a tax deficiency notice with respect to alleged Corporate Income Tax ("IRPJ") and Social Contribution on Net Revenue ("CSLL") and Income Tax Withheld at Source ("IRRF") debts amounting to R$ 4,146,909 (February 2021) related to the disallowance by the Federal Revenue Service of the expenses incurred by CNO's branches abroad for 2012 to 2015. Despite the nature of the expenses incurred abroad, , the Company understands that the charges that are being made have no legal grounds since they conflict with applicable legislation on the calculation of profit abroad.

The defense against this tax deficiency notice was considered groundless by the lower court and an appeal was filed in which the dismissal of the collection of Income Tax Withheld at Source ("IRRF") and its accessories was partially granted, and the other part of the assessment was maintained by a casting vote and the company was formally notified of the decision in March 2021. In the same notice, the Company was also notified of the rejection of the appeal filed by the Public Treasury to the Superior Court of Tax Resources (CSFR) making final the decision that dismissed the collection of Income Tax Withheld at Source and its accessories. The current amount of the debt is R$ 2,300,213 – US$ 475,123, and the case is presently awaiting the appointment of a judge-rapporteur at the Superior Court of Tax Appeals to decide the Special Appeal filed by the Company, with regard to this remaining portion.

In November 2022, a Tax-Deficiency Notice was issued against CNO related to the determination of the result of foreign investees, in the sum of R$ 1,143,126. Out of this amount, R$ 765 million refers to an ex officio fine for alleged inaccuracies in ancillary obligations, mostly concerning the reversal of the result of a subsidiary in Venezuela, which started to post a loss in the period. The remainder of the deficiency notice refers to the consolidation method of the results of foreign investees. An objection to the Tax-Deficiency Notice was filed, which is pending decision.

The only legal dispute refers to the application of international treaties, amounting to R$ 25 million – US$ 5 million. There is already a favorable decision cancelling the totality of the debt and the case is awaiting judgment by the appellate court.

Currently, the total amount of the disputes related to profit abroad is R$ 4,615,442 – US$ 953,348 (December 31, 2022 – R$ 4,244,661).

With respect to IOF contingencies, the assessments arise from the comparison of the operations carried out within the scope of Book Current Account and Single Cash Contracts and financial loan agreements, according to the understanding of the Federal Revenue Service. The Companies have been sustaining the regularity of these operations, showing that they do not bear the legal nature of a loan and, therefore, would not be subject to the levy of IOF. In total, the assessments currently amount to R$ 607,401 – US$ 125,462 (December 31, 2022 – R$ 530,067) and the cases are still pending a final administrative decision.

On January 3, 2024, OECI was served with a tax deficiency notice amounting to R$ 86,764 for the collection of Tax on Financial Transactions (IOF). The company raised an objection, which is still pending decision at the lower court.

The chances of a loss in these cases are classified as possible, considering the context of administrative and legal case law on the matter.

- **Mexico**

The main tax contingencies of the Company and its subsidiaries in Mexico (CNO Mexico Branch, Ethylene XXI Contractors and Odebrecht Servicios Integrales de Mexico) refer to the collection of Income Tax and Value-Added Tax on income that was not taxed in 2013, 2014 and 2015 arising from operations such as remittances of funds from the parent company and foreign exchange contracts, in addition to alleged labor obligations (utilities). Currently, the total amount of the disputes related to this topic is R$ 1,345,412 – US$ 268,674 (December 31,2022 – R$ 1,246,340).

The companies against which a deficiency notice was issued filed motions for nullity (*"demandas de nulidade"*) to the Federal Administrative Justice Court (TFJA) and are still awaiting a decision. Only one motion for nullity ("*demanda de nulidade")*, related to a tax deficiency notice in the amount of R$ 87,283 – US$ 17,430 (December 31, 2022 – R$ 80,856), was denied by the TFJA in February 2022. A Protective Order was filed against the above mentioned decision and the defendant company will be able to avoid embargoes of accounts, to the extent that it obtains a judicial guarantee.

Mexico's public audit authority and magistrate's office ("Secretaria de la Función Pública – SFP") imposed administrative sanctions against CNO Mexico Branch and OICIMEX due to alleged irregularities in the performance/assignment of the Tula II Contract with Pemex. The companies challenged their respective deficiency notices at the federal courts and, in June 2022, two of the three administrative penalties imposed against the companies controlled by the Company in Mexico were set aside. After the final decision of the judicial authorities, the application of a fine in the amount of R$ 156,470 – US$ 32,320 (December 31, 2022 – R$ 144,948) on OICIMEX was confirmed but the Company has not yet been served so, its enforcement is still pending.

(iii) Civil

- **Brazil**

CNO, OECI and CBPO were sued in proceedings aimed at the annulment of acts/contracts, reimbursement/payment of alleged damage caused to the public administration and the imposition of sanctions provided for by laws and regulations, in particular:

- Administrative Improbity Action filed by the São Paulo State Public Prosecution Office against OECI and other companies related to contracts for the performance of Line 5 of the São Paulo Metro. The adjusted amount of the action is R$ 4,347,500 – US$ 898,003 and the share related to OECI corresponds to the approximate amount of R$ 869 million – US$ 179 million (December 31, 2022 – R$ 751 million). Notwithstanding the unfavorable decision rendered by the Court of Justice of São Paulo, the Company and its legal advisors believe that they have solid grounds to reverse the sentence imposed on OECI and this belief was confirmed by the decision of the Superior Court of Justice, which granted a suspensive effect to the special appeals filed by the parties.

- Administrative Improbity Action filed by the São Paulo State Public Prosecution Office against CBPO, CNO and others, related to the performance of urban cleaning services. Despite the final and unappealable decision, the impact on the CBPO and CNO cannot yet be estimated due to the need to calculate the award based on parameters determined in the decision that provide for multiple interpretation scenarios and give arise, also, to the proposition of a rescissory action by CBPO and CNO.

- Actions by the Rio de Janeiro State Public Prosecution Office against CNO related to the contract for the performance of the construction works of Line 4 of the Rio de Janeiro Metro, the impact of which for the Company cannot yet be estimated due to the initial stage they are in.

- Tax foreclosures filed by the State of Rio de Janeiro arising from a joint administrative adverse ruling imposed by the Audit Court of the State of Rio de Janeiro related to the existence of an alleged overpricing/damage in the construction works of line 4 of the Rio de Janeiro metro, State of Rio de Janeiro. Currently, Consórcio Construtor Rio Barra and Consórcio Construtor Linha 4 Sul are parties to foreclosures that total R$ 62,171 – US$ 12,842 (December 31, 2022 – R$ 52,932), and CNO holds a 33% interest in these consortiums. The foreclosures are being duly challenged.

Additionally, the OEC Group companies are parties to arbitration proceedings that are in progress and involve contingencies to be received and paid, of which some are still at an incipient stage or awaiting the completion of negotiations that allow for the settlement of the litigations.

Due to the very nature of these proceedings and the stage they are at, the claims contained in them are clearly controversial, arising from obligations assumed in contracts entered into by the OEC Group companies with third party companies and they depend on decisions of arbitration panels to determine responsibilities and, above all, determine the final amounts that must be paid by the parties, which, in most cases, depend on the performance of technical and complex expert tests that involve the fields of engineering, accounting and economics.

The Company contracted law firms whose specialization/recognition is well known to represent its interests in these disputes. Based on the current status and peculiarities of these proceedings, the Company estimates contingencies payable in the amount of R$ 230,445 – US$ 47,600 (December 31, 2022 – R$ 98,000) and contingencies receivable in the amount of R$ 94.059 – US$ 19,428 (December 31, 2022 – R$ 40,000) and the expectation of realization for all of them is considered possible, which could lead to a contingency amount payable of R$ 136,385 – US$ 28,171 (December 31, 2022 – R$ 58,000), after the offset of the amounts receivable.

- **<u>Colombia</u>**

The Procuradoria Geral de La Nación (Nation's Public Prosecution Office – "PGN") filed a public civil action against Concesionaria Rutas Del Sol ("Rutas del Sol"), their stockholders OLI Colombia, CNO (which has a 37% and 25.01% interest in the concessionaire, respectively) and other stockholders, for alleged violation of collective rights and damage to public assets due to acts of corruption involving the concession agreement. A lower court decision sentenced the respondents to be jointly responsible for compensation in the amount of R$ 883,835 – US$ 176,499 (December 31, 2022 – R$ 771,477). At the appellate court, there was a final and unappealable decision against PGN (claimant) and in favor of the respondents.

The Industry and Commerce Department ("SIC") started an antitrust investigation by means of an administrative proceeding arising from an alleged anti-competition practice in the procedure for the adjudication of the concession agreement of Ruta del Sol with respect to CNO, OPI and other stockholders. After the completion of the evidentiary stage, SIC sanctioned all subjects to the investigation and determined the amount corresponding to R$ 108,408 – US$ 21,649 (December 31, 2022 – R$ 94,627), for CNO, R$ 108,408 for NPI and a total amount of R$ 3,915 for three individuals. The Company and the individuals filed administrative appeals and the outcomes of which confirmed the application of the sanctions. A motion for nullity ("demanda de nulidad") was filed against this last decision at the judicial level, with no suspensive effect until the motion for nullity is accepted by the judge, which has already occurred with respect to one of the individuals.

The proceedings mentioned above represent a high risk of application of asset encumbrance measures for the individuals. The Company understands it has solid grounds to prove the groundlessness of the requests in other venues that ensure conditions for full defense and the due process of law.

- **Venezuela**

C.A Metro de Caracas (CAMETRO) filed a proceeding against CNO Venezuela Branch, with respect to Metro Caracas – Viviendas Mariche – relating to the execution of a guarantee on advances received that have not been amortized, in addition to the alleged non-performance of a contract, whose exposure to loss is estimated at R$ 190,231 – US$ 37,988 (December 31, 2022 – R$ 198,213). The proceeding is currently in progress in the lower court.

- **Ecuador**

The Contraloría General del Estado (General Controller's Office – "CGE") determined the application of deductions related to the contracts performed by CNO Ecuador Branch. CNO filed the applicable legal proceedings to appeal the decisions of the CGE, and the adjusted amount of which is R$ 82,349 – US$ 16,445 (December 31, 2022 – R$ 85,804). It is worth noting that the Corte Nacional de Justicia (National Court of Justice) issued a Resolución (Resolution) on November 9, 2021 for mandatory compliance by the judicial branch, determining that all proceedings of this nature that have exceeded the legal deadline of 180 days counted from the beginning of the control process until the notification of the parties of their outcome must be considered null and void. In this respect, CNO has already obtained some favorable decisions in the proceedings where such non-compliance occurred, which resulted in the reduction of the contingency since the last position.

The state-owned company Petróleos del Ecuador – PETROECUADOR filed a lawsuit to settle a dispute over the unilateral resolution on the contract arising from alleged non-compliance with obligations of the CNO S.A. Branch in Ecuador within the scope of the Poliducto Pascuales Cuenca pipeline project and to claim resulting damages and losses in the total amount of R$ 1,409,032 – US$ 287,379 (December 31, 2022 – R$ 1,468,151). It is worth mentioning that CNO's preliminary request to dismiss the lawsuit on the grounds of lis pendens was not accepted despite the existence of a previous lawsuit filed by CNO that addresses exactly the same matter, but for the purpose of annulling the unilateral termination of the contract and charging for the services provided and the resulting damages and losses in the amount of US$ 174 million. The lawsuit is pending judgment upon the merits.

- **Peru**

The Technical Free Competition Defense Department of INDECOPI imposed a sanction, at the lower administrative court, against CNO and OPIC in the amount of 25,350,63 Impositive Tax Units (UITs), which is equivalent, R$ 154,769 – US$ 30,907 (December 31, 2022 – R$ 160,728) as a result of a sanctioning administrative proceeding due to alleged anti-competitive practices in public tenders carried out by the Ministry of Transport.

In thousands of reais and U.S. dollars, unless otherwise stated

The Company's defense is based, particularly, on the existence of a Leniency Agreement in Peru, which revealed the facts that gave rise to this sanctioning proceeding, with benefits that would prevent the company from being sued using the evidence presented by it. Additionally, there is a criminal investigation in progress on the same matter, which has the effective cooperation of the company, with a violation of the principle of double jeopardy rule. In December 2021, the Company filed an administrative appeal with the Free Competition Defense Court, with a suspensive effect.

23 Leases

	Brazil	Abroad	Total
At December 31, 2021 - R$	112,293	4,228	116,521
Additions	17,325	4,415	21,740
Disposals	(75)		(75)
Payments	(2,955)	(2,259)	(5,214)
Interests	13,666	(180)	13,486
Foreign currency translation adjustment		(316)	(316)
At December 31, 2022 - R$	140,254	5,888	146,142

In R$	
Current liabilities	25,269
Non-current liabilities	120,873

	Brazil	Abroad	Total
At December 31, 2022 - R$	140,254	5,888	146,142
Additions	1,021	242	1,263
Payments	(3,749)	(3,030)	(6,779)
Interests	17,755	339	18,094
Foreign currency translation adjustment		(431)	(431)
At September 30, 2023 - R$	155,281	3,008	158,289
At September 30, 2023 - US$	32,074	621	32,696

In R$	
Current liabilities	25,986
Non-current liabilities	132,303
In US$	
Current liabilities	5,368
Non-current liabilities	27,328

In thousands of reais and U.S. dollars, unless otherwise stated

The balance of leases classified as non-current liabilities mature as follows:

	December 31, 2023	
	US$	**R$**
2025	3,935	19,051
2026	5,632	27,264
2027	5,520	26,724
2028 and thereafter	43,548	210,832
	58,635	283,871
(-) Adjusment to present value	(31,307)	(151,568)
	27,328	132,303

The Company and its subsidiaries adopted its incremental loan rate as its lease liability discount rate. The discount rate considered for the calculation of the present value of the lease contracts was 14.8%, which represents the interest rate on securities of companies that are in similar conditions as the Company.

24 Other Liabilities (Short and Long term)

(i) Current

On December 31, 2023, the balances of other current liabilities are of different natures and dispersed and they consist mainly of contractual provisions related to discussions that are in progress with subcontractors, consortium companies and customers with respect to projects in Brazil and abroad in the amount of R$ 398,592 – US$ 82,332 (December 31, 2022 – R$ 419,484).

(ii) Non-Current

Additionally, this account presents the equity of CNO Colombia Branch in the amount of R$ 64,003 – US$ 13,220 (December 31, 2022 – R$ 10,468). On August 4, 2021, the Superintendency issued Order No. 460-00992 determining the opening of the judicial liquidation process of CNO S.A. Colombia Branch (“Colombia Branch”). On June 30, 2021, as a result of the effects arising from the liquidation process, the Colombia Branch was no longer consolidated in the Company’s balance sheet since the Company lost control over this investment. On September 6, 2021, the Company's Management presented the Superintendence, the balance sheet on a liquidation basis. Until the issuance of these accounting information, the aforementioned judicial settlement has not yet been ratified.

25 Net Capital Deficiency

(a) Capital

On December 31, 2023, the Company's capital of R$ 448,900 – US$ 92,723 is fully subscribed and paid-up entirely by Brazilian corporations and comprised 448,899,790 (December 31, 2022 – 448,899,790), registered common shares with no par value.

(b) Carrying Value Adjustments

This account was established by Law No. 11,638/07 for the purposes of recording the amounts in equity that have not yet been recorded in profit or loss in the year. The effects of these amounts on profit or loss will be recognized upon their effective realization. The changes in this account in the years ended December 31 were as follows:

	Year ended December 31		
	2023		2022 (Restated)
	US$		R$
At the beginning of the year	272,981	1,321,583	184,495
Carrying value adjustments in investees (i)	43,828	212,184	197,531
Foreign exchange variation on foreign investments (ii)	141,817	686,580	683,590
Foreign exchange variation on net investments abroad (iii)	1,188	5,751	255,967
At the end of the year	459,814	2,226,098	1,321,583

(i) The change corresponds substantially to inflationary effects of the Company's subsidiaries in Argentina.

(ii) This refers to the translation of the balances of the foreign investees to the Company's functional currency.

(iii) Refers to some monetary assets and liabilities with a functional currency that is different from the Brazilian real recorded in Brazil arising from transactions between companies that are part of the same economic group and that are under joint control for which settlement is not likely to occur, nor is it planned for the foreseeable future, as part of its net investment in foreign transactions. The foreign exchange variations arising from these monetary assets and liabilities are recognized in Other comprehensive income within "Accumulated translation adjustments".

(c) Earnings per Share

	Year ended December 31		
	2023		2022
	US$		R$
Net profit (loss) for the period attributable to the Company's stockholders	(152,611)	(738,835)	74,118
Weighted average number of shares, per class (In thousands)			
Common shares	448,900	448,900	448,900
Earnings per share			
Common shares	(0.340)	(1.646)	0.165

In thousands of reais and U.S. dollars, unless otherwise stated

26 Net Service and Sales Revenue

	Year ended December 31		
		2023	2022 (Restated)
	US$		R$
Services revenues			
Domestic market	134,523	651,264	1,504,685
Foreign market	604,377	2,925,967	3,075,870
	738,900	3,577,231	4,580,555
Sales revenues			
Domestic market	131,975	638,932	38,276
Foreign market	1,427	6,910	57,695
	133,402	645,842	95,971
Taxes and contributions on services and sales	(33,038)	(159,946)	(147,545)
Net services and sales revenues	839,264	4,063,127	4,528,981

27 Expenses by Nature

	Year ended December 31									
	2023						2022 (Restated)			
	Cost of services rendered		General and administrative, and selling expenses		Total		Cost of services rendered	General and administrative, and selling expenses	Total	
	R$	US$	R$	US$	R$	US$			R$
Raw materials and consumables	(652,452)	(134,768)	(2,786)	(575)	(655,238)	(135,343)	(818,234)	(4,951)	(823,185)
Personnel expenses	(764,341)	(157,879)	(391,713)	(80,911)	(1,156,054)	(238,790)	(853,966)	(369,796)	(1,223,762)
Outsourced services (a)	(1,748,462)	(361,155)	(49,491)	(10,223)	(1,797,953)	(371,378)	(1,961,203)	(32,229)	(1,993,432)
Depreciation and amortization	(22,131)	(4,571)	(30,947)	(6,392)	(53,078)	(10,963)	(20,877)	(35,281)	(56,158)
Provision (reversion) for contingencies	7	1	(12,761)	(2,636)	(12,754)	(2,635)	(54)	(29,826)	(29,880)
Losses (reversion) on doubtful accounts	(1,909)	(394)	(161,055)	(33,267)	(162,964)	(33,661)	(7,134)	7,145	11
Depreciation of right of use	(1,298)	(268)	(10,363)	(2,141)	(11,661)	(2,409)	(2,119)	(8,771)	(10,890)
Administrative expenses	(316,184)	(65,310)	30,492	6,298	(285,692)	(59,012)	(244,970)	(256,850)	(501,820)
Other, net	(7,832)	(1,618)	(26,019)	(5,373)	(33,851)	(6,991)	26,826	(9,392)	17,434
Total	(3,514,602)	(725,962)	(654,643)	(135,220)	(4,169,245)	(861,182)	(3,881,731)	(739,951)	(4,621,682)

(a) Breakdown of Outsourced Services by Nature

	Year ended December 31					
	2023				2022	
			R$	US$		R$ (Restated)
	Cost of services rendered	General and administrative, and selling expenses		Total	Cost of services rendered	General and administrative, and selling expenses
Subcontractors	(1,584,911)		(1,584,911)	(327,373)	(1,734,425)	
Rental and maintenance of equipment	(85,487)		(85,487)	(17,658)	(125,603)	
Cleaning and surveillance	(19,562)	(1,087)	(20,649)	(4,265)	(29,001)	(1,790)
Transportation	(31,311)		(31,311)	(6,467)	(41,482)	
Audit and advisory services	(14,986)	(48,404)	(63,390)	(13,094)	(16,533)	(29,513)
Computers and technology	(7,341)		(7,341)	(1,516)	(8,007)	
Other	(4,864)		(4,864)	(1,005)	(6,152)	(926)
	(1,748,462)	(49,491)	(1,797,953)	(371,378)	(1,961,203)	(32,229)

In thousands of reais and U.S. dollars, unless otherwise stated

28 Financial Result, Net

	Year ended December 31		
		2023	2022 (Restated)
	US$		R$
Income from financial investments	2,092	10,129	13,148
Income from foreign exchange variation	32,376	156,743	(237,591)
Financial charges on debts (excluding Bonds)	(5,166)	(25,011)	(23,199)
Lease interest	(3,777)	(18,287)	(15,325)
Bank comissions	(9,676)	(46,843)	(52,281)
Reversion of provision losses from related parties (i)	36,064	174,599	299,252
Adjustement value present (excluding Bonds)	(2,817)	(13,638)	87,707
Interests - Bonds	(182,433)	(883,212)	(834,489)
Adjustement value present - Bonds	29,831	144,423	494,678
Others, net	(36,603)	(177,208)	226,481
	(140,109)	(678,305)	(41,619)

(i) The amount of R$ 174,599 – US$ 36,064 refers to the reversion of provision of losses from related parties, arising from the foreign exchange variation on such credits, as shown in note 13 (a), in the amount of R$ 168,575 – US$ 34,820. The difference of R$ 6,024 – US$ 1,244 refers to the balance sheet translation adjustment recorded in shareholders' equity.

29 Income Tax and Social Contribution

	Year ended December 31		
		2023	2022
	US$		R$
Current income tax	(1,076)	(5,210)	(5,532)
Current social contribution	(387)	(1,876)	(1,992)
Foreign income tax (branches and subsidiaries) - current	(37,296)	(180,556)	(98,596)
	(38,759)	(187,642)	(106,120)
Deferred income tax	3,700	17,911	(158,244)
Deferred social contribution	1,332	6,448	(56,968)
Foreign income tax (branches and subsidiaries) - deferred	(60,254)	(291,707)	(80,367)
	(55,222)	(267,348)	(295,579)

(a) Income Tax in Brazil and Foreign

In the year ended December 31+, 2023, the income tax expense is represented mainly by the taxes generated by the operations of the Company in Brazil R$ 17,274 – US$ 3,568 (December 31, 2022– (R$ 222,735)), Angola (R$ 476,133) – (US$ 98,348) (December 31, 2022 – R$ 17,563), Panama (R$ 1,798) – (US$ 371) (December 31, 2022 –(R$ 3,683)), Peru (R$ 5,425) – US$ 1,121 (December 31, 2022– (R$ 192,502)) and other countries (R$ 242) – (US$ 50) (December 31, 2022– (R$ 351)).

In thousands of reais and U.S. dollars, unless otherwise stated

30 Collaterals

The collaterals offered by the Company are stated as presented below:

Type of guarantee	Type	December 31, 2023	December 31, 2022
			US$
Corporate guarantee	Novonor Group Companies (i)	43,184	43,608
	FINAME NSP		184
	Loans	113,061	193,674
	Property and Equipment	501	555
	Lease		2,758
Bank guarantee	Appeal Bond	41,182	35,669
	Payment Bond	50,576	49,284
Guarantee insurance	Advance Payment Bond	227,206	244,482
	Performance Bond	418,456	620,248
	Performance And Payment Bond	4,003	29,674
	Maintenance Bond	636,060	516,676
	Other	15,778	48,509
		1,550,007	1,785,321

In the process of obtaining and performing contracts in Brazil and abroad, the Company and its subsidiaries use Surety Bonds obtained with the support of Horiens Consultoria e Corretora de Seguros Ltda, which is part of Odebrecht Group, by means of long-term strategic alliances with first-class insurance companies and brokerages in the global insurance market.

(i) In April 2022, Enseada Indústria Naval S.A. – In Judicial Recovery (“ENSEADA”), the Company and some of its associates entered into an agreement with Petróleo Brasileiro S.A. – Petrobras and PNBV, by means of which they definitely concluded four contractual litigations, with the mutual settlement by both sides, including the arbitration required by PNBV in light of ENSEADA and, in the capacity of guarantor of the contractual obligations, CNO.

Therefore, the guarantee that was originally granted by CNO in favor of ENSEADA was finally extinguished and lost its effectiveness.

Also, due to the agreement, taking into consideration that ENSEADA appears as the only debtor of amounts due to Petrobras, CNO and some of its associates assumed the capacity of guarantor of part of ENSEADA’s debt (US$ 43,184).

31 Insurance Coverage (Unaudited)

OEC has insurance policies that cover both local and international operations, including engineering risks, general civil liability, Directors & Officers (“D&O”), Errors and Omissions (“E&O”), national and international transportation, operational risks, among others. The Company believes that its Insurance Program is consistent with the standards applied to the highest risk management indexes of multinational construction companies that operate worldwide.

The Maximum Indemnity Limits, by event and/or in the aggregate, to cover any claims, in view of the nature of the Company’s activity, benchmarks and studies of maximum estimated loss scenarios conducted by specialists, are:

In thousands of reais and U.S. dollars, unless otherwise stated

		December 31, 2023	December 31, 2022
	US$		R$
Brazil	1,061,353	5,138,330	7,102,378
Abroad	1,533,494	7,424,105	23,546,917
	2,594,847	12,562,435	30,649,295

*Security lines considered for Assets / Projects – Engineering Risks, Operational Risks, Sundry Risks Equipment, Transport and Vehicle Fleet.

**Security lines considered for Liability Insurance – General Civil Liability, Professional Civil Liability, Environmental Civil Liability, Civil Liability Construction Works, and D&O and Life Insurance.

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