Financial Statements

December 31, 2023

Klabin

Financial Statements at December 31, 2023 and 2022, and Independent Auditor's Report

Management Report 2023

Klabin

Klabin Aspiration

"To become a global benchmark for responsible solutions that respond to the constant transformations of society, with multi-purpose, renewable, recyclable, and biodegradable forestry products. In order to contribute to the development of a sustainable economy and inspire final consumer choices, Klabin prioritizes the prosperity of the planet, generating value for its investors, employees, and business partners."

(Aspiration prepared in 2018)

Message from the Management

The year 2023 was a challenging one for the Company characterized by important international conflicts, intensifying market volatility. This combination of factors provoked a decline in pulp and containerboard prices, both important markets for Klabin, requiring agility in adopting the decisions necessary for adjusting the businesses to the new market reality.

Klabin's focus in 2023 was to diligently pursue efficiency. The Company implemented various initiatives for reducing fixed costs and chose to make tactical stoppages in some machines, principally in the recycled segment. Also, as a consequence of this scenario, there was an increase in conversion of paper into packaging, reaffirming the importance of the Company's integrated, diversified, and flexible business model. Total cash cost per ton in 2023 remained at the same level as 2022, producing a cash generation as measured by the Adjusted EBITDA, excluding non-recurring effects, of R$ 6.3 billion in 2023. Excluding discretionary factors and growth projects, Adjusted Free Cash Flow amounted to R$ 3.095 billion in 2023, equivalent to a Free Cash Flow Yield of 13.3%.

From a cash point of view, Klabin distributed R$ 1.358 billion in earnings during 2023, corresponding to a dividend yield of 5.8%.

In December 2023, there was a further significant achievement in the drive for efficiency. With Arauco, we entered into an agreement for acquisition of selected corporations with assets of 150 thousand hectares, the larger part of these in the state of Paraná, of which 85 thousand hectares of productive area and 31.5 million tons of standing timber together with forestry machinery and equipment. With the conclusion of this operation – still subject to the normal suspensive conditions for this type of transaction - Klabin will have completed its land expansion in the state of Paraná for supplying the Puma II Project, anticipating the target for wood self-sufficiency and, as a result, reducing future estimated investments, principally those relating to the purchase of standing wood from third parties. Additionally, the acquisition will reduce the operating costs of harvesting and transportation of wood, improving the Company's total cash cost. Furthermore, with the harvesting of the current wood cycle, Klabin will have exceeded its self-sufficiency target by 75% of its own wood by approximately 60 thousand productive hectares. For further details, please see the Presentation of the Project.

The year was also notable for the beginning of operations of the second phase of the Puma II Project with the start-up of the coated board machine ("PM28") in June. This new advanced technology machine produces coated boards with greater resistance and quality and focuses on supplying the food and beverage segments, such as long-life packaging, beer multi-packs, industrialized foods, and sales to the growing food service sector (cups and trays). The unveiling of PM28 together with PM27, marks the successful implementation of the Puma II Project, the largest investment in the Company's history.

On the packaging front, we unveiled operations of the new corrugator at the Horizonte site (CE) and the industrial bag line in Lages (SC), the most modern in Latin America. Klabin's Horizonte, Goiana (PE), Betim (MG) and Lages sites also received new printers, bringing greater quality to customer deliveries. In Piracicaba (SP), the construction of the Figueira Project proceeds apace and will have a capacity to produce 240 thousand tons of corrugated board annually. Production is forecast to begin in the second quarter of 2024.

In 2023, a year when we completed 25 years of FSC® certification, Klabin published its Climate Transition Plan. This document presents the Company's targets for the mitigation of, and adaptation to the impacts of climate change and invites the entire value chain to join forces in this cause. In the Transition Plan, Klabin updates its targets: to reduce by 42% of the absolute emissions of greenhouse gases (GHG) of scopes 1, 2 and 3 by 2030 in relation to the base line year of 2022, and to reduce by 90% the absolute emissions of scopes 1, 2 and 3 by 2050. Both are pending at the approval phase under the Science-based Targets Initiative (SBTi).

The journey towards achieving Klabin's Sustainable Development Goals (KODS) is being rigorously pursued. Among the highlights during the year are the advances in the use of energy from renewable sources, the recycling of solid waste, the reduction in industrial water consumption, the bolstering of the ESG agenda in the 21 municipalities where we conduct our business as well as recognition of progress made in diversity.

Klabin's sustainability initiatives are recognized nationally and internationally. For the 11th consecutive year, the Company was included in the B3's Sustainability Index portfolio and for the 4th year consecutively, in the global portfolio of the Dow Jones Sustainability Index. The year was also the third time that the Company has been ranked as one of the most sustainable companies in the world by *The Sustainability Yearbook,* published by S&P.

Klabin retained its position in CDP's Triple A List, remaining the only Latin American company in this position. Additionally, the Company continued placed among the Top 1% of the S&P Global ESG Score and also among Ecovadis' top 1% of well assessed suppliers in sustainability management systems, being ranked in the platinum category for the second consecutive year.

The year 2024 will continue to demand attention and prudence. The rule is to make processes even more efficient and to continue operating on the basis of safety, sustainability, and innovation. Management is grateful for the confidence and support shown daily in our work by employees, shareholders, clients, creditors, communities, and partners. In 2024, the year in which Klabin commemorates its 125th anniversary, we will continue to strive to honor the centennial legacy left to us, launching new perspectives for the years to come.

The Management

FIRST CONSIDERATIONS

Highlights 2023

ADJUSTED EBITDA ex-non-recurring effects	PUMA II PROJECT	CAETÊ PROJECT	EARNINGS	BENCHMARK IN SUSTAINABILITY
R$ 6.3 billion	Start-up of PM28	Acquisition of forestry assets	Distribution of R$ 1.4 billion in 2023	**KODS, DJSI ISE, CDP**

In a year of challenging market conditions, Klabin reported an Adjusted EBITDA of R$ 6.3 billion, equivalent to an Adjusted EBITDA margin of 35%, excluding non-recurring effects, due to an integrated, diversified, and flexible business model.

Start-up of the second phase of the Puma II Project, PM28, in June 2023. The new coated board machine employs advanced technology to produce high quality coated board destined mainly to the food and beverage segments.

Anticipation of the wood self-sufficiency target in Paraná with the conclusion of the Caetê Project involving the acquisition of 150 thousand hectares of total area, of which 85 thousand hectares of productive area and 31.5 million tons of standing wood from Arauco, and worth of US$ 1.160 billion. The project is still subject to the suspensive conditions usual for this kind of transaction.

Klabin distributed R$ 1.4 billion in earnings in 2023, representing a dividend yield of 5.8%, in line with its Indebtedness and Interest on Capital Policy.

Continued presence in CDP's Triple A List and the only Latin American company among the Top 1% of the S&P Global ESG Score. In 2023, Klabin was again recognized by CDP as a Supplier Engagement Leader, featuring among the best assessed in relation to climate change issues and among the top 1% of well evaluated suppliers in sustainability management systems and classified in the platinum category by EcoVadis for the second consecutive year.

PERFORMANCE OF THE BUSINESSES

Forestry Business Unit

The forestry activities are the starting point of competitivity and the major routes leading to growth at Klabin. In the context of a highly integrated model, Klabin's competitive edge in the forestry area is perpetuated along all the following value chains of the business.

The allocation of wood to greater inhouse consumption in the pulp and paper manufacturing operations has reduced the sale of logs to third parties. In 2023, sales volume of logs was 771 thousand tons, a reduction of 25% versus 2022, and net revenue of R$ 184 million, a year-on-year decrease of 4%.

Klabin closed 2023 with 751 thousand hectares of total area, 375 thousand hectares of productive area for pine and eucalyptus plantations and 315 thousand hectares with native and preserved forests. A total area of 54 thousand hectares, was planted on proprietary and leased land in 2023, 52% more than 2022. A total of 81 million eucalyptus and pine seedlings were planted in 2023, that is, 2.5 seedlings planted every second.

The company continues to increase its forested area, whether through the medium of active prospection or in partnership with TIMOs (Timber Investment Management Organizations), funds specialized in the purchase, sale, and management of forestry assets.

In a Material Fact of December 20, 2023, Klabin announced that it had entered into an agreement with Arauco for the acquisition of corporations with assets representing 150 thousand hectares of total area, of which 85 thousand hectares of productive area and 31.5 million tons of wood worth US$ 1.160 billion. For further details, please see the Presentation of the Project.

Pulp Business Unit

In the pulp segment, demand remained depressed particularly in the first half of 2023, more especially in the printing and writing and specialty paper segments. As from the second quarter, Chinese market reported an increase in pulp consumption on the part of the integrated producers, which reduced their own production of high-cost fibers. According to FOEX data, in this scenario 2023 average prices for bleached pulp for delivery China were US$ 607/t for short fiber pulp and US$ 756/t for long fiber pulp, decreases of 24% and 19%, respectively, compared with the preceding year. On the other hand, in Europe, USA and the Brazilian market, which adopts FOEX Europe reference prices as its parameter, the decline was 19% and 10% for short and long fiber pulps respectively, in relation to the average prices for 2022.

Sales from Klabin's pulp unit were 1,546 thousand tons in 2023, in line with volumes in 2022. Klabin's positioning as the only Brazilian company commercializing three types of pulp (short fiber, long fiber, and fluff pulps) translates into a diversified sales mix. Thanks to the flexibility of sales across geographies, allowing it to divert a greater volume to China where demand remained buoyant compared with other regions, the Company was able to maximize the management of revenues and margins from the business. Particularly important was the solid performance of fluff pulp which has reported record volumes since the beginning of operations, ensuring that prices remained at premium levels.

For the year 2023, net revenue from pulp reached R$ 5.693 billion, 19% lower than 2022. On the other hand, the cash cost of production was R$ 1,337 per ton, the same level as 2022 excluding the impact of the maintenance stoppage in 2Q23.

Paper Business Unit

In line with the planned schedule, the second stage of the Puma II Project was unveiled in June 2023, the PM28 beginning operations, a new paperboard machine with a production capacity of 460 thousand tons annually and also the flexibility to produce White Top Liner and Kraftliner. With advanced technology, the equipment was designed to produce coated board with greater resistance, innovation, and quality, principally for the food and beverage segments, such as long-life packaging, beer multi-packs, industrialized foods (cereal, chocolate, pizza, among others) and for the growing food service sector (cups and trays). PM28, together with PM27, marks the successful implementation of the Puma II Project, the largest investment ever In the Company's history.

Coated Boards

New consumer habits increasingly evident since the pandemic combined with the tendency to consume sustainable packaging replacing single use plastic for recyclable, biodegradable solutions from renewable sources continued to be the main drivers leveraging demand for coated board. At Klabin, the strong exposure to segments focused on staple products, particularly food stuffs and beverages, has contributed to greater stability of results in this market.

In 2023, coated board sales were 705 thousand tons, 1% higher than 2022. Revenue from coated board sales was R$ 3.931 billion during the year, a growth of 11% in relation to 2022 and a reflection of the results of price readjustments over the final quarters of the year, more than offsetting the appreciation of the Real against the US$ on exported volume.

Containerboard

The market for containerboard remained challenging throughout 2023. Startup of new capacity and high purchaser inventory levels translated into lower prices over the course of the year. Set against this background, the Company maintained its strategy of greater integration of kraftliner in its corrugated box sites also executing tactical stoppages focused on maximizing the profitability of the operations.

Sales volume of containerboard was 391 thousand tons in 2023, 31% down on the volume for 2022, reflecting market conditions and the greater degree of integration with the corrugated box business already mentioned. Net revenues were R$ 1.477 billion, a year-on-year reduction of 48%.

Packaging Business Unit

Corrugated Boxes

Preliminary data published by Empel (Brazilian Paper Packaging Association), shows that in 2023 there was an increase in the shipped volume of corrugated boxes and boards of 0.7% in tons and 1.5% in m^2 respectively, compared with the preceding year. Shipped volume totaled 4.026 million tons in the year. At Klabin there was a reduction of 1.4% in tons but an increase of 0.5% in m^2, largely a reflection of the lower grammage of Eukaliner® paper used in the manufacture of lighter, more resistant boxes.

Net revenue from corrugated boxes at Klabin in 2023 increased 2% compared with 2022, totaling R$ 5.079 billion, a reflection of price adjustments over the course of the year.

The year also saw the start-up of the new corrugator machine at the Horizonte site in the state of Ceará, adding to production capacity by a further annual 80 thousand tons. With this new investment, Klabin consolidates its ranking as the main supplier of corrugated packaging to the North and Northeast regions of Brazil.

New printing machines have also been installed at Klabin’s sites in Horizonte (CE), Goiana (PE), Betim (MG) and Lages (SC) bringing additional quality to customer deliveries.

The construction of Klabin's new corrugated packaging site in Piracicaba (SP) with a capacity of 240 thousand tons of corrugated board, the Figueira Project, is proceeding at an accelerated rate with start-up scheduled for the second quarter of 2024.

Industrial Bags

With the aim of increasing flexibility and improving market service, more especially in the miscellaneous segment (food, chemicals, seeds, fertilizers etc.), which requires more technology, in 2023, Klabin rolled out a new line in industrial bags at its Lages (SC) unit. This will meet the growing demand for sustainable packaging, mainly for substituting single-use plastic as a way of diversifying markets from the traditional use of industrial bags destined for the civil construction sector.

Preliminary data published by the National Cement Industry Union (SNIC) indicates there was a dip of 1.4% in the cement market in 2023, contributing to the reduction of 8% in Klabin's sales volume of industrial bags compared to 2022. The Company has been increasing the mix towards sales of bags for new uses, such as animal feed, seeds, coffee, and flour. These bags being smaller and lighter compared with those for civil construction when measured in tons, translate into lower volume. However, net revenue rose 6% to reach R$ 1.290 billion thanks to the increase in sales of products with greater added value, consequently reflecting in prices.

ECONOMIC-FINANCIAL PERFORMANCE

R$ million	2023	2022	Δ 2023/2022
Sales Volume (thousand tonnes)[1]	**3.666**	**3.852**	**-5%**
% Domestic Market	*56%*	*56%*	*+ 0 p.p.*
Pulp	1.546	1.544	0%
Paper	1.095	1.269	-14%
Packaging	1.006	1.032	-3%
Net Revenue[2]	**18.024**	**20.033**	**-10%**
% Domestic Market	*65%*	*59%*	*+ 6 p.p.*
Pulp	5.693	6.995	-19%
Paper	5.408	6.359	-15%
Packaging	6.368	6.191	3%
Adjusted EBITDA	**6.322**	**7.931**	**-20%**
Adjusted EBITDA Margin	35%	40%	- 5 p.p.
Adjusted EBITDA Excl. Non-Recurring Effects[3]	**6.259**	**7.784**	**-20%**
Adjusted EBITDA Margin Excl. Non-Recurring Effects[3]	35%	39%	- 4 p.p.
Net Income	**2.847**	**4.689**	**-39%**
Net Debt	**20.193**	**21.038**	**-4%**
Net Debt / EBITDA (LTM - BRL)	3,2x	2,6x	+ 0,6x
Net Debt / EBITDA (LTM - USD)	3,3x	2,7x	+ 0,6x
CAPEX	**4.307**	**5.817**	**-26%**
Average Dollar Rate	5,00	5,17	-3%
End of Period Dollar	4,84	5,22	-7%

1 – Excludes wood and includes sales of subproducts
2 – Include sales of wood, subproducts and hedge accounting
3 – Excludes the non-recurring effect of extemporaneous credit of R$ 63.4 million due to the exclusion of ICMS from the PIS/Cofins tax take in 4Q23 and R$ 147 million, in 2Q22, related to the extemporaneous PIS/COFINS tax credit on OCC purchases.
Note: Klabin's consolidated financial statements are presented according to the International Financial Reporting Standards - IFRS, as ordained by CVM instructions 457/07 and CVM 485/10. Adjusted EBITDA in accordance with CVM Instruction 527/12. Certain values in the tables and charts shown may not express a precise result due to rounding.

Sales volume (excluding wood) totaled 3,666 thousand tons in 2023, 5% lower than the volume for 2022. This reflects challenging market conditions, resulting in Klabin's decision to make tactical stoppages of paper machines and to increase the level of integration of paper into corrugated box manufacture with a corresponding reduction in containerboard sales. In addition, lower prices in the pulp and kraftliner markets and the appreciation of the Real against the US$ in the period produced a year-on-year decline of 10% in net revenue, which amounted to R$ 18.024 billion in 2023.

Sales expenses were R$ 1.542 billion in 2023, equivalent to 8.6% of the net revenue, a decrease in relation to the 9.5% reported in 2022, largely explained by lower maritime container freight costs and a decrease in fuel prices.

General and administrative expenses amounted to R$ 1.001 billion in 2023, 5% lower than 2022, reflecting various initiatives for reducing fixed costs and efficiency gains implemented at the Company.

Total unit cash cost, covering the sale of all the Company's products and including selling, general and administrative expenses but excluding the effects of programmed stoppages, was R$ 3,133 per ton in 2023, the same level as 2022. This result reflects Klabin's efforts to improve efficiencies throughout the year.

In 2023, the Adjusted Free Cash Flow, excluding discretionary factors and growth projects, totaled R$ 3.095 billion, corresponding to the Free Cash Flow Yield of 13.3%, versus 17% reported for 2022.

EBITDA

R$ million	2023	2022	Δ 2023/2022
Net Income (loss)	**2.847**	**4.689**	**-39%**
(+) Income Taxes and Social Contribution	967	1.910	-49%
(+) Net Financial Revenues	435	91	n/a
(+) Depreciation, Amortization, Depletion	3.327	3.169	5%
Adjustments According to CVM Resolution 156/22 art. 4º			
(+) Variation of Fair Value of Biological Assets	(1.229)	(1.883)	35%
(+) Cash Flow Hedge Accounting Effect	(10)	(2)	n/a
(+) Equity Pickup	(15)	(44)	66%
Adjusted EBITDA	**6.322**	**7.931**	**-20%**
Adjusted EBITDA Margin	35%	40%	- 5 p.p.
(+) Non-Recurring Effects[1]	(63)	(147)	n/a
Adjusted EBITDA Excluding Non-Recurring Effects[1]	**6.259**	**7.784**	**-20%**
Adjusted EBITDA Margin Excluding Non-Recurring Effects[1]	35%	39%	- 4 p.p.
Cash Generation (Adjusted EBITDA - Maintenance Capex)	**4.331**	**6.075**	**-29%**
Cash Generation/t[2] (R$/t)	**1.181**	**1.577**	**-25%**

1 -– Excludes the non-recurring effect of extemporaneous credit of R$ 63.4 million due to the exclusion of ICMS from the PIS/Cofins tax take in 4Q23 and R$ 147 million, in 2Q22, related to the extemporaneous PIS/COFINS tax credit on OCC purchases.
2 – Sales volume excludes wood

In 2023, Adjusted EBITDA, excluding non-recurring effects, was R$ 6.259 billion, a decrease of 20% compared with 2022, primarily reflecting lower revenue already explained. Despite the challenges of the period, the Company posted an Adjusted EBITDA Margin of 35% in 2023.

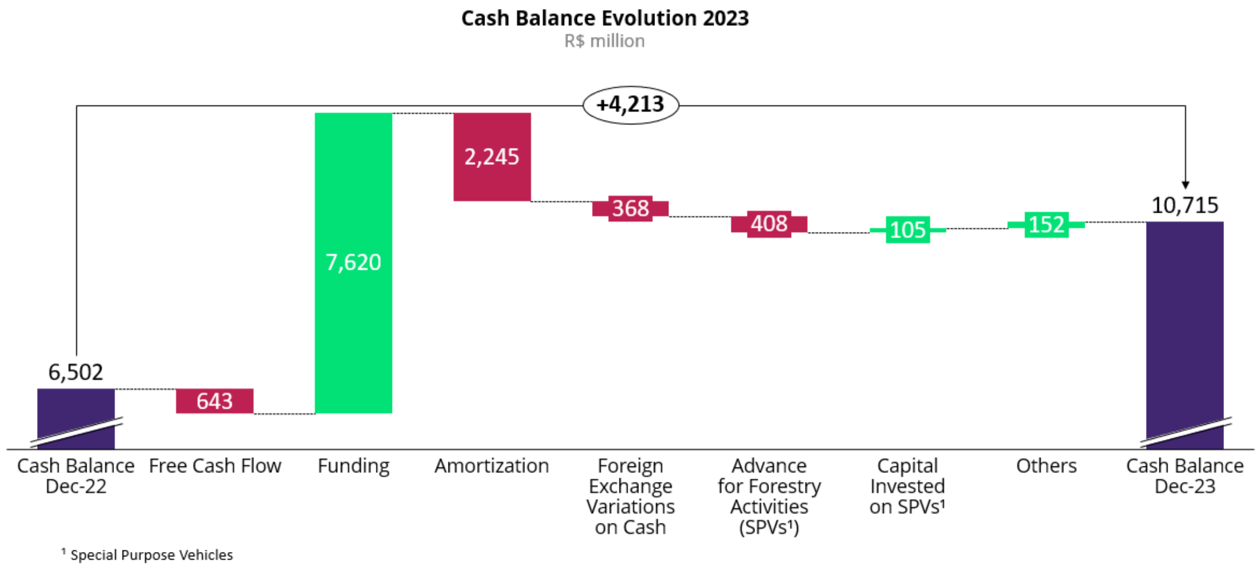
Cash generation per ton, measured by Adjusted EBITDA deducted for maintenance capex, in relation to sales volume, was R$ 1,181/t in 2023, 25% less than 2022, reflecting lower EBITDA and greater investments, largely in silviculture.

Debt

The Company's gross debt was R$ 30.908 billion as of December 31, 2023, an increase of R$ 3.367 billion in relation to year-end 2022. This increase largely reflects the drawdown of financing during the year from the IDB/IFC/ JICA credit line, in addition to the capture of a syndicated loan and an Export Credit Note. The effects were partially offset by the prepayment of the Bond 2024, the maturing of a CRA in the final quarter of the year and the impact from the appreciation of the Real against the US$ on foreign currency denominated loans.

The average debt maturity closed 2023 at 94 months against 109 months in 2022. The average cost of Klabin's foreign currency denominated debt, the Company's principal source of credit, closed 2023 at an annual 5.7% and above the annual 5.2% at the end of 2022, a reflection of the increase in SOFR.

Cash and financial investments closed 2023 at R$ 10.715 billion, an increase of R$ 4.213 billion compared to the end of 2022, according to the trend shown in the following chart.



Klabin also has a Revolving Credit Facility, characterized as Sustainability-Linked, for US$ 500 million (equivalent to R$ 2.421 billion) and maturing in October 2026.

To support the payment of the Caetê Project of US$ **1.160 billion,** expected for the second quarter 2024, but still subject to the usual suspensive conditions, the Company has raised resources in US$, maintaining these resources in cash in their original currency to avoid exchange risk.

Consolidated net debt on December 31, 2023, totaled R$ 20.193 billion, a reduction of R$ 845 million compared to year-end 2022, and largely reflecting the negative cash flow in the period and the appreciation of the Real against the US$ on foreign currency denominated debt.

The Net Debt/Adjusted EBITDA ratio as measured in US$ and best reflecting Klabin's financial leverage, closed 2023 at 3.3 times, versus 2.6 times reported at the end of 2022, within the parameters established in the Company's Financial Indebtedness Policy (click here to access).

Investments

R$ million	2023	2022	Δ 2023/2022	Guidance 2023
Silviculture	808	555	46%	790
Operational Continuity	879	707	24%	956
Purchase of Standing Wood / Forest Expansion	290	758	-62%	350
Special Projects and Growth	785	593	32%	820
New Monte Alegre Boiler	7	-	n/a	23
Puma II Project	1.539	3.204	-52%	1.526
Total	**4.307**	**5.817**	**-26%**	**4.466**

During 2023, Klabin invested R$ 4.307 billion in its operations and growth projects. Of the total amount, R$ 808 million were allocated to silviculture, an increase of 46% in relation to 2022, due to the increase of 52% in planted area in 2023, mainly in the state of Paraná, and destined for the Puma II Project. Investments in operational continuity totaled R$ 879 million, an annualized increase of 24%, explained in large part by the increased scope involved.

In the light of their cash nature, the amounts invested do not include investments related to the activities for expanding the forestry base of the subsidiaries through the medium of the Special Purpose Vehicles (SPV's), realized via the injection of forestry assets already existing in Klabin's balance sheet. It is worth noting that there may potentially be a temporal mismatch between the amount disbursed by Klabin in these forestry assets and the entry of the SPV investors' cash.

Investments in the purchase of standing wood and forest expansion totaled R$ 290 million in 2023, a decrease of 62% relative to 2022, explained by the reduced purchasing of strategic forests in the state of Santa Catarina following the postponement of new growth projects and reflecting enhanced efficiencies in the forestry area.

Investments in special and growth projects totaled R$ 785 million in 2023, allocated in the main to the following projects: Figueira as described in Material Fact dated July 20, 2022 and Horizonte as detailed in the Notice to the Market of February 8, 2022 and new printing machines for the Lages (SC) packaging and industrial bag line units, approved on June 29, 2021, as per Notice to the Market.

The initial disbursement for the new boiler project at the Monte Alegre unit was R$ 7 million in 2023 for preparatory work in readiness for the substitution of the existing boiler.

As stated in the Material Fact published by the Company on June 9, 2023, startup of the coated board machine (PM28) marked the conclusion of the second phase of the Puma Project II. In 2023, the investments in the project totaled R$ 1.539 billion, 52% lower than 2022.

Estimates

On December 20, 2023, the Company published a Material Fact with estimates for investments over the next few years as well as expected investments for the Caetê Project and the Company's total cash cost per ton for the coming years:

1. **Investments (capex):** the Company estimates future investments as shown in the following table. In the investments section above, it is possible to compare the investments executed in 2023 compared with those forecast below.

	KLABIN DAY 2023		With Project Caetê					
R$ billion	2023(e)	2024(e) (11.30.2023)	2024(e) Current	2025(e)	2026(e)	2027(e)	2028(e)	Long Term(e)
Forestry	0.8	0.8	0.6	3.1	2.7	2.8	2.5	2.5
Operational Continuity	1.0	1.3	1.3					
Standing Wood Purchase	0.4	1.1	0.1					
Special Projects	0.8	0.7	0.7					
New Monte Alegre Boiler	0.0	0.3	0.3					
Puma II	1.5	0.3	0.3					
Total	**4.5**	**4.5**	**3.3**					

2. **Caetê Project Synergies:** the Company estimates that it will be able to capture operational synergies that will reduce Klabin's total cash cost by approximately R$350 to R$400 million per year, between 2025 and 2028.

3. **Total cash cost per ton:** the Company estimates a total cash cost of R$ 3.1 thousand/ton in 2024.

The estimates described above consider the effective implementation of the Caetê Project under the agreed terms and assume, among others, the following premises: (i) reduction of the standing wood purchase from third parties; (ii) reduction of investments in silviculture and forestry machinery; and (iii) reduction of logistics and operational costs related to the harvesting and transport of wood.

The estimates released herein are hypothetical data and forecasts that reflect management's current expectations. Furthermore, they do not constitute a promise of performance, and depend on factors, including macroeconomic and market conditions that are not under the Company's control, and may therefore differ materially in relation to the numbers and results to be effectively recorded by Klabin.

Capital Markets

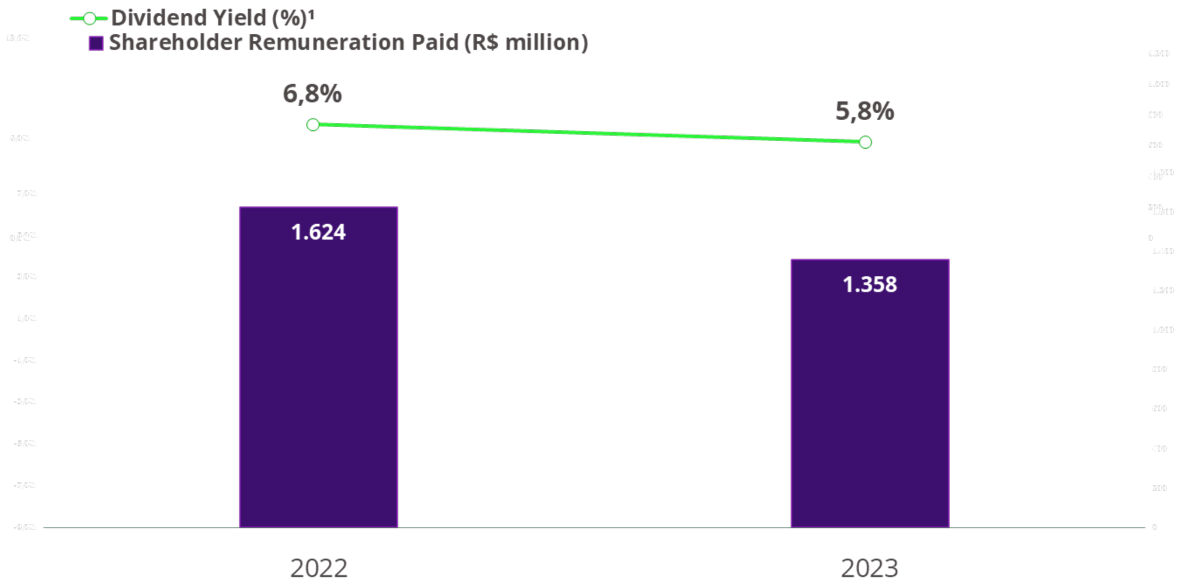
In 2023, Klabin's units (KLBN11) recorded an appreciation of 11%, while the Ibovespa appreciated by 22% in the same period. The Company's units were traded on all the days the B3 was open for business, reporting more than 3.5 million operations, and corresponding to 1.4 billion securities transacted and an average daily traded volume of R$ 118 million.

The Company's capital stock is made up of 5.618 billion shares, of which 2.082 billion are common shares and 3.536 billion are of the preferred class. Klabin's shares are also traded on the North American market, listed on the over-the-counter market as Level 1 ADRs and trading under the KLBAY symbol.

In the fixed income market, Klabin has four note or bond issues in the international market. Among these are two Green Bond issues (2027 and 2049), the securities of which must necessarily have their resources earmarked to eligible green projects. Additionally, there is one conventional debt issue (2029). And finally, one Sustainability Linked Bond (SLB 2031), the coupon of which is earmarked to sustainability-linked performance indicators.

Over the course of 2023, Klabin's credit risk was reaffirmed by the rating agencies at Ba1 by Moody's, BB+ by Standard & Poor's and BB+ by Fitch Ratings, all on the global scale with stable outlook.

Shareholder Remuneration (cash method)



[1] Calculated based on the Dividends and IOC paid per unit and the average daily closing price of the unit in the period

In 2023, the Company distributed (cash method) R$ 1.358 billion in earnings corresponding to R$ 0.24512002064 per share and R$ 1.2256001032 per unit, equivalent to a dividend yield of 5.8%.

The Company's Dividend and Interest on Capital Policy establishes the target percentage for the payout of earnings of between 15% and 25% of the Adjusted EBITDA. To access the Policy in full, click here.

Sustainability

In 2023, the Company continued to pursue the implementation of its sustainability agenda out to 2030, the Klabin Sustainable Development Goals (KODS) and aligned to the global agenda established by the United Nations Organization (UNO). The performance of the relevant and priority themes is published and audited periodically in the Company's ESG Panel (https://esg.klabin.com.br/).

This platform combines all the indicators and externalities related to environmental, social and governance aspects, including the main reporting frameworks for the financial sectors such as the Task Force on Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), CDP, Global Reporting Initiative (GRI), among others. In this way, the Company provides transparency and an historical base, permitting a broad-based and consistent view of the management and performance data.

As evidence of the alignment between the Company's financial strategy and ESG, there was an 8 p.p. increase in the percentage of debt with a sustainability link, corresponding to 38% of the total gross debt at the end of 2023 (versus 30% in 2022). Further information can be found on the Sustainable Finance page of the same ESG Panel.

Klabin retained its position in the Triple A List of the CDP for the Forestry, Water and Climate Change programs, ranking it among the companies showcased by the institution as leaders in the transition to a sustainable economy. The initiative analyzes and recognizes the efforts of companies around the world to control the environmental impacts of their activities. CDP also recognized the Company as one of the Supplier Engagement Leaders, including it among the 8% best assessed for the involvement of its value chain with respect to questions related to climate change.

In the same year, Klabin's sustainability practices were once more recognized both nationally and internationally, notably for the Company's continued presence as a component of the Global Portfolio of the Dow Jones Sustainability Index with a performance of 84 points. The index evaluates and highlights the world's leading companies in ESG performance.

For the first time, the Company was listed in the Top 1% ESG Score category in the Sustainability Yearbook 2022, organized by S&P Global, responsible for the ESG assessment from which the Dow Jones Sustainability Index originated. To highlight the companies obtaining the best performance in this process, every year the organization publishes a yearbook to include those which are leaders in sustainability in their particular segments. As components of the list, S&P Global selects 30% of the best evaluated companies and from this total, 15% from each sector. Klabin features as the most sustainable company in the paper packaging segment.

For the 11th consecutive occasion, Klabin is also concluded in B3's Corporate Sustainability Index (ISE). In addition, Klabin maintained its place in the Platinum category in the EcoVadis Evaluation of Corporate Responsibility, a select group of 1% of all companies worldwide with the best performance in the Paper and Pulp sector. The evaluation analyzes 21 criteria divided into four principal themes: Labor Practices and Human Rights, Environment, Ethics and Sustainable Purchases.

Environmental

As part of the process of advancing its climate strategy, Klabin published its Climate Transition Plan, available in full in the IR website, the Company's ESG panel and the CVM website. The Plan presents Klabin's net zero commitment in addition to submitting a new Science-based Targets Initiative (SBTI) with respect to the migration to the 1.5ºC scenario (considering a reduction in the Company's absolute emissions) and the enlargement of scope 3 categories, in the light of a mitigation action plan in conjunction with the supply chain.

In 2023, the Company launched the Biodiversity Plan with the aim of guaranteeing that the impacts of the Company's activities on the biodiversity are offset or overcome by measures taken to prevent or minimize them through the restoration of the affected areas, improvement in the quality of the native vegetation and finally, by offsetting residual impacts to ensure there is no permanent loss.

FSC forestry management certification was maintained at the forestry units. PEFC certification already in place in the state of Paraná, was also successfully implemented in the units in the states of Santa Catarina and São Paulo. The forestry certification program for suppliers saw important advances in terms of the increased numbers of partners and certified areas, in 2023 maintaining 150 thousand hectares in the respective units. As a result, the supply of certified wood from own sources and from third parties at the manufacturing plants was ensured as planned.

The environmental recovery programs in the Company's areas reported important progress, particularly in areas of permanent preservation, with the control of invasive exotic species such as pine, these areas increasing to 16 thousand hectares in the units in the states of Paraná and Santa Catarina. In the areas of Klabin's partners in 2023, we were able to report progress in projects for restoring areas of permanent environmental preservation and legal reserve through the Legal Forest Program as well as supporting the donation of native seedlings. The Legal Forests program continued to support 168 properties with the donation of 33 thousand seedlings, in this way reinforcing the commitment of complying with the legislation and environmental recovery of the properties.

Important progress was also made in the internal processes for optimizing the traceability of the origin of the wood subsequent to the official launch of the European Green Deal, with accompanying improvement in process's systems and procedures.

In 2023, Klabin was one of the winners of the 24th Fritz Müller Award, an environmental accolade presented by the Instituto do Meio Ambiente (IMA), the environmental protection agency of the state of Santa Catarina. The award is designed to recognize companies and organizations that develop projects to the benefit of the environment in the state. Through the intermediary of the award, recognition was given to the work executed by CINAT – Centro de Interpretação da Natureza, located at the Serra da Farofa Private Natural Heritage Reserve Complex (RPPNE), with classification in the "Natural Resources and Wildlife Conservation" category.

In 2023, there was also an increase in the percentage of reusing and recycling of solid waste. Klabin implemented initiatives for reusing and coprocessing waste such as dregs and sludge. In this context, of particular note is the Rio Verde unit where since February 2023, the Company has been reusing, recycling and/or co-processing 100% of the solid industrial waste it generates.

Again, on the waste reuse theme, Klabin has established a partnership with one of its customers for a circularity program in which OCC material generated from the customer's operation is collected and returned to Klabin's Goiana/PE unit to be recycled and transformed into new packaging.

In 2023, there was a further improvement in the Company's renewable energy matrix, achieving a result of 93% participation in renewable fuels, driven by the reduction in the consumption of non-renewable fuels such as fuel oil in our paper and pulp units, as well as the consumption of natural gas in our recycled paper production operations.

In addition to energy, mention should be made of the initial tests using bio-oil in the lime kilns at the Monte Alegre unit. Over the course of 2023, 3 tests were run on an industrial scale, reaching 100% substitution of fuel oil usage during the operation of the equipment.

Social

In 2023, Klabin registered progress in the actions arising from the 2021 human rights due diligence analysis with the development of the risk matrix and social aspects of the company's industrial and forestry areas in the states of Paraná and Santa Catarina. In addition, the social area developed and began employing procedures with partner areas for assisting workers and non-owner families living in Klabin's forest expansion areas.

The Klabin Social Demand (KDS) system was expanded as planned to the units in Piracicaba (SP), São Leopoldo (RS) and Horizonte (CE). In addition to mapping the focal points and stakeholders, the system was fine tuned to incorporate the demands of each unit.

The database of traditional communities within a 10km radius of Klabin's management areas was updated: 94 new traditional communities were identified, and 53 communities had their characterization process completed.

Other actions that contribute to meeting the Klabin Sustainable Development Goals (KODS) are reflected in the annual Communities Acceptance Survey together with advances made in the results of the Company's social programs.

Community perception survey

For the second consecutive year, Klabin exceeded the indicated survey target (80%) reaching 81.4% of acceptance in the communities where it conducts its business. The indicator covers the average of the results of the operations in Paraná (12 municipalities), Santa Catarina (9 municipalities), Angatuba (5 municipalities), Rio Negro (PR), Paranaguá (PR) and Goiana (PE).

Solid Waste

The program encompasses seven municipalities in the Campos Gerais region, state of Paraná (Telêmaco Borba, Ortigueira, Imbaú, Reserva, Tibagi, Rio Branco do Ivaí and Sapopema), its focus being on selective collection and social inclusion of recycling cooperatives and community engagement for encouraging correct disposal and the environmentally appropriate destination of waste. In 2023, 3,184 tons of waste were recovered in the recycling institutions and therefore not sent for disposal in landfills. The tonnage is 13% greater than reported in 2022. In addition, 1,783 people were involved in environmental education initiatives at 26 events and actions executed. In 2023, 13,113 ecological carrier bags were distributed, becoming a key item in the implementation and consolidation of selective collection methodology in participating municipalities.

Also, in Telêmaco Borba, the RECICLATB cooperative was transformed into the Ambipar Viraser Social Franchise. The municipality's cooperatives also began processing glass, a material which up to then had not been commercialized in the region.

Since 2021, the Program has contributed to an increase of approximately 84% in the recycling agents' income. Klabin has also made donations of equipment, such as conveyor belts, presses and investments in infrastructure at the installations of the cooperatives and associations. As to the engagement of local government managers on the theme, the Interação Urbana and Ambipar ViraSer consultancies continuously monitor the actions of municipal governments with respect to the waste management theme in the municipalities' Pluriannual Plans.

Social forests

The Social Forests Program has attended a portfolio of 850 rural properties since the program's inception with more than 350 thousand native seedlings donated to the producer partners for regularizing their properties.

The Program's producers raised R$ 10 million in sales of food items through the cooperatives in the first half of 2023 with sale of products to the Food Acquisition Program (PAA), National School Food Program (PNAE), Refeitórios Klabin and Feira do Bem of Telêmaco Borba.

Jointly, the Agricultural Cooperatives Center and SEBRAE successfully implemented and launched the new Family Agricultural Market on the site of the former bus terminal in Telêmaco Borba.

Designed as an incentive and for the development of family agriculture, the program ran its first survey of cooperative members and associated partners. Results were as follows:

- 93% of the interviewees rated the program positively
- 86% of the farmers recognized the environmental benefits
- 67% raised their production of food stuffs
- 58% reduced the use of pesticides
- 57% of the farmers increased their income
- 65% expanded their sales network

Sowing education

This year, the 3rd Sowing Education Award was held in two stages. The idea is to recognize the teachers and managers who have introduced innovative and educative initiatives at their schools based on the training given under the programs.

At Ortigueira (PR), the program's results were even more in evidence with the increase in IDEB (the Brazilian government's Basic Education Development Index) score for the municipality to 5.2. In the two preceding years the average was 4.

Including all the states where the program has been implemented, Sowing Education has been responsible for the graduation of 1,282 teachers and 378 managers from 253 schools.

Government management support program (AGP)

In 2023 through AGP, a specialized consultancy hired by Klabin monitored the Pluriannual Plans of 15 municipalities where the Company conducts its business. Monitoring was conducted in conjunction with the evaluation of the effectiveness with which initiatives were implemented in the last twelve months of management.

People and Management

Klabin believes in the evolution of culture and in the engagement of people as a means of leveraging the results of the businesses. In 2023, the development of the theme was conducted around four drivers: Efficiency, Collaboration, Agility and Good Conversations.

Aligned with Klabin's long term vision, the Succession Program, "Bloom" provides the input for mapping of leaders for positions of coordination in critical areas of the Company. The program is based on three pillars: businesses, technical and behavioral as well as having the support of mentoring from inhouse managers and behavioral assessment. In 2023, two groups concluded the program, comprising 22 employees, while a further two groups have begun the program, concluding at the end a list of 66 potential candidates. Klabin also uses the Talents Acceleration Program for managers and coordinators.

Klabin's Business School – its aim to provide accessible and innovative learning favoring self-development - was the finalist in the "Best Company in Corporate Education" category in the 26th Top of Mind Award and finalist in the Human Development category with the Analytics track in 'Think Work Flash Innovations'.

In 2023, the first cycle of the Languages Program was concluded, 52 participants having the opportunity to have self-directed learning experience.

In the industrial and community development pillar, the Professional Qualification Center conducts technical training and services the demand for labor in the communities where Klabin operates. In 2023 the following were undertaken:

- The Technical Trainee Program with the participation of 104 young people
- Two groups from Pulp and Paper
- To groups from the Electro-mechanical area.

The Professional Qualification Center trained nearly 3 thousand employees in the manufacture of paper, fibers, recovery, aspects of mechanical and electrical engineering. This initiative makes an important contribution to the operational efficiency of the units, in addition to the more than 8.5 thousand employees that receive continual training on themes involving safety.

In the Forestry area, Klabin offers the Operational Training Center and Maintenance Training Center facilities. The centers have classrooms for onsite and virtual training, simulators, practical benches, teaching equipment and 3 ETFs (Forestry Training Equipment). More than 500 operators and 300 assistants from the silviculture area have undergone formation or recycling training, totaling 27 thousand classroom hours. More than 26 hours of classroom training were also given on various maintenance themes involving both manufacturing plants and operations.

Specific modules on diversity for managers, coordinators and supervisors were offered, totaling almost 500 leaders trained. On this front, Klabin focuses on five pillars: gender, race/ethnicity, people with special needs, LGBTI+ and multigenerational organizations, together with awareness campaigns. The Company has participated as a member of Mover (a movement of companies for racial equity), the Companies Forum and LGBTI+ Rights and the Women's Forestry Network (for gender equity), sharing strategies with other companies and supporting inclusion and awareness actions. 24% of Klabin's leadership is made up of women and 39% of its workforce is black.

In addition to the traditional internship program, the company has a Social Internship program aimed at low-income students, currently with 67 interns.

In the Well-Being Pillar, the "Quality of Life - Living Well" program offers:

Physical Health

- Ergonomic analyses and signing up to physical activity

Mental Health

- Psychological Safety on the Leadership Journey
- Mental Health in the Bloom program
- Questionnaire for monitoring mental health

Financial Health

Financial Education track and debates on the theme

Social Health

- Maternity kit and monitoring the gestation of offspring up to the age of 6 months

In recognition of its actions of care, the Living Well Program was a finalist in three awards in 2023: Think Work Flash Innovation, SESI ODS 2023 and Vittude Awards. Reinforcing the Company's commitment to promoting quality of life, Klabin became a signatory of the Generate Well-Being Movement of the ABQV (Brazilian Quality of Life Association).

Another fundamental aspect at the Company is workplace safety, a non-negotiable value, which is presented in a structured way to ensure increasingly safe and secure environments that promote the integrity, health, and physical and psychological well-being of people in the performance of their duties.

All these initiatives are designed to further Klabin's growth and development and that of its employees in a sustainable way and with a focus on the long-term.

Corporate Governance

The Company bases its actions and decisions on the best governance practices, supported on the fundamental pillars of transparency and accountability. We have strengthened our governance model through the activities of three advisory committees to the Board of Directors: Audit and Related Parties Committee, Sustainability Committee, and the People and Culture Committee with the objective of providing assistance and advice for adopting decisions through detailed study of specific themes.

Reinforcing its commitment to governance, in 2023, Klabin made headway along several fronts: revision during the period of important policies such as that of Limits of Authority and Corporate Policy of the Normative System, which establishes the guidelines for preparation, revision, approval, publication and dissemination of Klabin's internal norms, in addition to the Company's Cash Flow Foreign Exchange Hedge Policy. Finally, during the year, Klabin maintained its procedures and monitoring of risks with a view to the stability and longevity of the businesses.

Research, Development and Innovation

Industrial R&D has two important pillars supporting the Klabin Aspiration:

- Reinforcing the current businesses through quality projects in wood, improvement of pulp and paper production processes and development of new products
- Exploring new segments through the multiple use of wood, developing new products drawn from the forestry base to be incorporated in the Company's future portfolio.

The Technology Center's portfolio of approximately 80 projects underwent restructuring during 2023. The focus of R&D was on short- and medium-term projects, as well as greater support for Klabin's business challenges. Also noteworthy was the evolution of current initiatives, such as the ongoing wood quality and barriers program. In the wood quality program, more than 80 samples were strategically evaluated in 2023, considering the current and future pine and eucalyptus forest base, in the states of PR, SC and SP. These tests range from the quality of the wood to the performance of the final product. For the development of barriers, an average of two industrial tests per week were performed, seeking to identify new products in Kraftliner, Sackkraft and Coated Boards.

In the Company's search for renewable alternatives to fossil fuels used in the lime kilns at the Monte Alegre unit, tests with bio-oil were carried out with promising results. With the eventual ratification of this substitute fuel in 2024, there should be a significant reduction in greenhouse gas emissions (GHG) together with the corresponding financial benefits.

In the quest for new opportunities to be incorporated in the portfolio of existing and future businesses of the Company, more than 15 proofs of concept were conducted with various startups around the world, mainly involving barriers and new products.

The Technology Center's Pilot Plant supplied the PM7 at the Monte Alegre unit with approximately 1,500 tons of MFC (microfibrillated cellulose) in suspension for the production of the Klamulti Premium Carrier, a paperboard used for beer multi-packs and other beverages. Klabin also continues to sell MFC to the cosmetics industry in small volumes. Besides these already consolidated uses, the Company is seeking to identify new uses for this product.

Of particular note in the lignin business, also produced at the Technology Centre's Pilot Plant, is the commercial partnership with Caldic, a well-known global distributor of chemicals for various industrial segments. The product is being sold to the rubber sector, replacing fossil-based components. We also identified opportunities for using lignin in Klabin's internal processes, confirmed in industrial tests at Klabin Embalagens.

Forestry R&D has the following projects in different lines of research:

- Genetic Improvement of Eucalyptus
- Genetic Improvement of Pine
- Cloning
- Forestry Biotechnology
- Plant Health
- Nutrition and Silviculture
- Ecophysiology
- Quality of wood

Highlights in 2023:

- Ongoing work on the genetic improvement of pine, with the operational selection and recommendation of new families of Pinus Taeda, presenting greater production potential in fibers
- Recommendation of new eucalyptus hybrid clones for operational planting, presenting greater production potential in fibers
- Expansion of the experimental base in eucalyptus and corymbia in areas of expansion and new productive locations through the planting and analysis of

new genetic materials for identifying superior qualities for withstanding adverse conditions/climate change

- Expansion of the experimental base of tropical, subtropical and hybrid pine in areas of expansion and new productive locations
- Implementation of the monitoring of disease in nurseries for supporting the production of seedlings and management of Klabin's nurseries
- Improvement of the somatic embryogenesis protocols for evolution in the generation of new Pinus Taeda clones
- Conclusion of the installation of the network of meteorological stations in forestry areas of PR, SC, and SP, with 66 meteorological stations helping forecasting, guaranteeing greater assertiveness in the forestry processes and improved planning and adherence to the supply requirements of the manufacturing units:
- Implementation of the pine seedling production protocol via vegetative propagation, as well as beginning the operationalization of an in-nursery seedling production process at the Company
- Beginning of the construction of a network of piezometric boreholes for monitoring the water table of the Company's forestry plantations
- Expansion of the environmental monitoring network for the hydrological cycle, using sensors installed in forestry plantations of different genetic materials planted by the Company
- Expansion of the studies of biomass present in the different components of the forestry plantations (wood, branches, leaves, roots, bark), as well as quantifying the carbon content found in them, focusing on different genetic materials planted by the Company.

Relationship with the Independent Auditors

Pursuant to CVM Resolution 162/22, the Company informs that the auditors, PricewaterhouseCoopers Auditores Independentes Ltda., responsible for the auditing of its financial statements, did not render services unrelated to the external audit in amounts higher than 5% of their total fees.

The Company's policy in contracting services unrelated to the external audit with its independent auditors is based on principles that preserve the independence of these professionals. These principles – in accordance with internationally accepted guidelines - consist of: (a) the auditor should not audit their own work; (b) the auditor should not exercise managerial functions at their client; and (c) the auditor should not promote the interests of their client.

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STATEMENT OF FINANCIAL POSITION

		Parent Company		Consolidated	
ASSETS	**Note**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Current					
Cash and cash equivalents	6	8,129,921	3,798,650	9,558,829	4,683,945
Marketable securities	7	1,156,002	1,805,291	1,156,002	1,818,368
Trade receivables	8	1,760,017	2,284,046	2,112,722	2,674,899
Related parties	9	477,669	475,068	-	-
Inventories	10	2,602,525	2,216,517	2,665,525	2,442,005
Taxes recoverable	11	645,157	535,315	665,106	505,351
Other assets		282,026	355,777	307,461	379,436
Total current assets		**15,053,317**	**11,470,664**	**16,465,645**	**12,504,004**
Assets held for sale		**31,443**	**11,675**	**31,443**	**11,675**
Non-current					
Trade receivables	8	247,024	-	247,024	-
Derivative financial instruments	29	885,794	62,072	885,794	62,072
Deferred income tax and social contribution	12	-	-	2,567	-
Judicial deposits	21	125,037	118,179	125,037	118,179
Taxes recoverable	11	510,406	369,772	510,406	369,772
Related parties	9	111,922	326,111	-	-
Other assets		82,382	119,533	82,593	120,093
		1,962,565	**995,667**	**1,853,421**	**670,116**
Investments					
Interests in subsidiaries and joint ventures	13	4,079,585	2,953,390	263,732	274,217
Other		14,778	14,778	14,778	14,778
Property, plant and equipment	14	23,807,529	22,654,139	25,386,550	24,159,980
Biological assets	16	5,912,983	5,671,069	9,177,831	8,108,959
Right-of-use assets	17	1,746,097	1,489,607	1,901,652	1,610,604
Intangible assets	15	140,803	85,706	339,638	285,097
		35,701,775	**32,868,689**	**37,084,181**	**34,453,635**
Total non-current assets		**37,664,340**	**33,864,356**	**38,937,602**	**35,123,751**
Total assets		**52,749,100**	**45,346,695**	**55,434,690**	**47,639,430**

The accompanying notes are an integral part of these parent company and consolidated financial statements.

All amounts in thousands of Reais unless otherwise stated

Klabin

LIABILITIES AND EQUITY	Note	Parent Company 12/31/2023	Parent Company 12/31/2022	Consolidated 12/31/2023	Consolidated 12/31/2022
Current					
Trade payables	18	1,982,771	2,222,349	2,075,813	2,383,700
Forfaiting	18	464,324	531,646	464,324	531,646
Forfaiting forestry operations	18	59,914	21,330	59,914	21,330
Lease liabilities	17	289,300	255,638	298,526	262,923
Tax obligations		300,463	454,920	308,567	475,768
Social security and labor obligations		448,974	476,210	456,083	485,046
Borrowings	19	1,625,351	2,010,619	1,523,215	1,910,289
Debentures	20	37,628	42,691	37,628	42,691
Provision for income tax and social contribution - current	12	-	-	134,648	4,252
Related parties	9	11,283	87,468	-	-
Dividends and/or interest on capital payable	22	171,000	36,000	171,000	36,000
Other payables and provisions		306,952	254,742	346,023	308,105
Total current liabilities		**5,697,960**	**6,393,613**	**5,875,741**	**6,461,750**
Non-current					
Trade payables	18	97,091	131,695	97,091	131,695
Forfaiting forestry operations	18	397,734	414,041	397,734	414,041
Lease liabilities	17	1,482,385	1,268,711	1,624,768	1,381,965
Borrowings	19	29,023,775	24,211,317	28,780,401	24,013,211
Debentures	20	1,000,000	1,000,000	1,000,000	1,000,000
Derivative financial instruments	29	452,332	636,493	452,332	636,493
Share of equity deficit of subsidiary	13	122,310	-	-	-
Deferred income tax and social contribution	12	2,093,620	1,163,855	2,407,078	1,198,049
Special Partnership Companies		-	-	200,481	199,387
Provision for tax, social security, labor and civil contingencies	21	65,927	59,227	66,084	59,350
Provision for actuarial liabilities		468,793	356,245	471,818	358,423
Tax obligations		216,787	107,610	216,787	107,610
Other payables and provisions		45,264	44,404	111,845	109,190
Total non-current liabilities		**35,466,018**	**29,393,598**	**35,826,419**	**29,609,414**
Total liabilities		**41,163,978**	**35,787,211**	**41,702,160**	**36,071,164**
Equity					
Share capital	22.1	4,475,625	4,475,625	4,475,625	4,475,625
Capital reserves		(225,642)	(270,399)	(225,642)	(270,399)
Treasury shares		(135,808)	(155,360)	(135,808)	(155,360)
Revenue reserves		5,626,832	4,425,294	5,626,832	4,425,294
Carrying value adjustments	22.2	1,844,115	1,084,324	1,844,115	1,084,324
Equity attributable to equity holders of Klabin	**22**	**11,585,122**	**9,559,484**	**11,585,122**	**9,559,484**
Non-controlling interests	**22.5**	**-**	**-**	**2,147,408**	**2,008,782**
Equity		**11,585,122**	**9,559,484**	**13,732,530**	**11,568,266**
Total liabilities and equity		**52,749,100**	**45,346,695**	**55,434,690**	**47,639,430**

The accompanying notes are an integral part of these parent company and consolidated financial statements.

All amounts in thousands of Reais unless otherwise stated

Klabin

STATEMENT OF INCOME

		Parent Company		Consolidated	
	Note	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net sales revenue	23	17,415,262	19,719,660	18,023,749	20,032,699
Change in the fair value of biological assets	16	263,702	1,379,447	1,229,441	1,883,087
Cost of products sold	24	(12,159,887)	(12,455,186)	(12,403,744)	(12,400,931)
Gross profit		**5,519,077**	**8,643,921**	**6,849,446**	**9,514,855**
Operating income (expenses)					
Selling	24	(1,444,273)	(1,733,369)	(1,542,318)	(1,901,242)
General and administrative	24	(956,413)	(1,014,016)	(1,001,272)	(1,051,201)
Other income (expenses), net	24	(80,652)	84,486	(71,334)	84,615
		(2,481,338)	**(2,662,899)**	**(2,614,924)**	**(2,867,828)**
Share of profit of subsidiaries and joint ventures	13	755,799	504,793	14,688	43,566
Profit before finance result and taxes		**3,793,538**	**6,485,815**	**4,249,210**	**6,690,593**
Finance income		479,755	501,507	591,193	580,706
Finance costs		(1,055,552)	(728,372)	(1,026,346)	(672,145)
Finance result	25	**(575,797)**	**(226,865)**	**(435,153)**	**(91,439)**
Profit before taxes on income		**3,217,741**	**6,258,950**	**3,814,057**	**6,599,154**
Current	12	(14,347)	(487,047)	(180,037)	(588,924)
Deferred	12	(508,856)	(1,310,653)	(786,632)	(1,321,328)
Income tax and social contribution		**(523,203)**	**(1,797,700)**	**(966,669)**	**(1,910,252)**
Profit for the year		**2,694,538**	**4,461,250**	**2,847,388**	**4,688,902**
Attributable to equity holders of Klabin		**2,694,538**	**4,461,250**	**2,694,538**	**4,461,250**
Attributable to non-controlling interests		**-**	**-**	**152,850**	**227,652**
Earnings per share:					
Basic and diluted earnings per share - R$	27	**0.4886**	**0.8109**	**0.4886**	**0.8109**

The accompanying notes are an integral part of these parent company and consolidated financial statements.

All amounts in thousands of Reais unless otherwise stated

STATEMENT OF COMPREHENSIVE INCOME

	Note	Parent Company 12/31/2023	Parent Company 12/31/2022	Consolidated 12/31/2023	Consolidated 12/31/2022
Profit for the year		**2,694,538**	**4,461,250**	**2,847,388**	**4,688,902**
Other comprehensive income					
Foreign currency translation adjustments		(43,122)	(3,250)	(43,122)	(3,250)
Change in the fair value of the hedging instrument	30	1,342,353	1,454,478	1,342,353	1,454,478
Realization of hedge reserve to profit or loss	30	(9,772)	(1,632)	(9,772)	(1,632)
Deferred income tax on cash flow hedge	30	(453,078)	(493,968)	(453,078)	(493,968)
Change in actuarial liability obligation	31	(94,613)	34,110	(94,613)	34,110
Deferred income tax/social contribution on actuarial liabilities	31	32,168	(11,597)	32,168	(11,597)
Total comprehensive income for the year		**3,468,474**	**5,439,391**	**3,621,324**	**5,667,043**
Attributable to equity holders of Klabin		**3,468,474**	**5,439,391**	**3,468,474**	**5,439,391**
Attributable to non-controlling interests		**-**	**-**	**152,850**	**227,652**

The accompanying notes are an integral part of these parent company and consolidated financial statements.

All amounts in thousands of Reais unless otherwise stated

STATEMENT OF CHANGES IN EQUITY

	Note	Share capital	Capital reserves	Treasury shares	Revenue reserves	Carrying value adjustments	Retained earnings (accumulated deficit)	Equity attributable to equity holders of Klabin	Non-controlling interests	Consolidated equity
At December 31, 2021		**4,475,625**	**(294,758)**	**(168,589)**	**1,624,044**	**103,246**	**-**	**5,739,568**	**1,346,659**	**7,086,227**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**978,141**	**4,461,250**	**5,439,391**	**249,920**	**5,689,311**
Profit for the year		-	-	-	-	-	4,461,250	4,461,250	249,920	4,711,170
Other comprehensive income for the year		-	-	-	-	978,141	-	978,141	-	978,141
Capital increase by non-controlling shareholders		-	-	-	-	-	-	-	464,626	464,626
Long term incentives plan	26	**-**	**24,359**	**13,229**	**-**	**2,937**	**-**	**40,525**	**-**	**40,525**
Treasury shares sold		-	16,668	6,839	-	-	-	23,507	-	23,507
Grant of treasury shares		-	-	6,839	-	(6,839)	-	-	-	-
Recognition of the stock option plan remuneration		-	-	17	-	17,001	-	17,018	-	17,018
Maturity of stock option plan		-	7,691	-	-	(7,691)	-	-	-	-
Cancellations		-	-	(466)		466	-	-	-	-
Allocation of profit for the year:		**-**	**-**	**-**	**2,801,250**	**-**	**(4,461,250)**	**(1,660,000)**	**(52,423)**	**(1,712,423)**
Constitution of legal reserve		-	-	-	217,490	-	(217,490)	-	-	-
Constitution of tax incentive reserve for the year		-	-	-	111,444	-	(111,444)	-	-	-
Realization of biological assets reserve (own)		-	-	-	(561,825)	-	561,825	-	-	-
Constitution of biological assets reserve (own)		-	-	-	910,435	-	(910,435)	-	-	-
Constitution of biological assets reserve (subsidiaries)		-	-	-	119,110	-	(119,110)	-	-	-
Constitution of investment and working capital reserve		-	-	-	2,036,596	-	(2,036,596)	-	-	-
Supplementary dividends proposed		-	-	-	345,000	-	(345,000)	-	-	-
Distribution of dividends and interest on capital		-	-	-	(377,000)	-	(1,283,000)	(1,660,000)	(52,423)	(1,712,423)
At December 31, 2022		**4,475,625**	**(270,399)**	**(155,360)**	**4,425,294**	**1,084,324**	**-**	**9,559,484**	**2,008,782**	**11,568,266**

The accompanying notes are an integral part of these parent company and consolidated financial statements.

All amounts in thousands of Reais unless otherwise stated

	Note	Share capital	Capital reserves and options granted	Treasury shares	Revenue reserves	Carrying value adjustments	Retained earnings (accumulated deficit)	Equity attributable to equity holders of Klabin	Non-controlling interests	Consolidated equity
At December 31, 2022		**4,475,625**	**(270,399)**	**(155,360)**	**4,425,294**	**1,084,324**	**-**	**9,559,484**	**2,008,782**	**11,568,266**
Profit for the year		-	-	-	-	-	2,694,538	**2,694,538**	152,850	**2,847,388**
Other comprehensive income for the year		-	-	-	-	773,936	-	**773,936**	-	**773,936**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**773,936**	**2,694,538**	**3,468,474**	**152,850**	**3,621,324**
Changes in interests in subsidiaries		-	-	-	-	-	-	**-**	1,171	**1,171**
Capital increase by non-controlling shareholders		-	-	-	-	-	-	**-**	105,000	**105,000**
Long term incentives plan	26	**-**	**44,757**	**19,552**	**-**	**(14,145)**	**-**	**50,164**	**-**	**50,164**
Other changes		-	14,145	-	-	(14,145)	-	**-**	-	**-**
Treasury shares sold		-	18,984	10,383	-	-	-	**29,367**	-	**29,367**
Grant of treasury shares		-	(10,383)	10,383	-	-	-	**-**	-	**-**
Recognition of the stock option plan remuneration		-	20,797	-	-	-	-	**20,797**	-	**20,797**
Cancellations of stock option plan		-	1,214	(1,214)	-	-	-	**-**	-	**-**
Allocation of profit for the year:		**-**	**-**	-	**1,201,538**	**-**	**(2,694,538)**	**(1,493,000)**	**(120,395)**	**(1,613,395)**
Constitution of legal reserve		-	-	-	127,439	-	(127,439)	**-**	-	**-**
Constitution of tax incentive reserve for the year		-	-	-	145,758	-	(145,758)	**-**	-	**-**
Realization of biological assets reserve (own)		-	-	-	(387,226)	-	387,226	**-**	-	**-**
Constitution of biological assets reserve (own)		-	-	-	174,043	-	(174,043)	**-**	-	**-**
Realization of biological assets reserve (subsidiaries)		-	-	-	(28,050)	-	28,050	**-**	-	**-**
Constitution of investment and working capital reserve		-	-	-	1,322,574	-	(1,322,574)	**-**	-	**-**
Supplementary dividends proposed		-	-	-	192,000	-	(192,000)	**-**	-	**-**
Distribution of dividends and interest on capital		-	-	**-**	(345,000)	-	(1,148,000)	(1,493,000)	(120,395)	**(1,613,395)**
At December 31, 2023		**4,475,625**	**(225,642)**	**(135,808)**	**5,626,832**	**1,844,115**	**-**	**11,585,122**	**2,147,408**	**13,732,530**

The accompanying notes are an integral part of these parent company and consolidated financial statements.

All amounts in thousands of Reais unless otherwise stated

STATEMENT OF CASH FLOWS

	Note	Parent Company 12/31/2023	Parent Company 12/31/2022	Consolidated 12/31/2023	Consolidated 12/31/2022
Net cash provided by operating activities		**7,286,934**	**7,081,074**	**7,592,726**	**8,420,814**
Cash provided by operations		**7,185,132**	**8,176,427**	**7,708,789**	**8,649,135**
Profit before taxes on income		3,217,741	6,258,950	3,814,057	6,599,154
Depreciation and amortization		1,731,836	1,521,853	1,768,782	1,573,152
Change in the fair value of biological assets	16	(263,702)	(1,379,447)	(1,229,441)	(1,883,087)
Depletion of biological assets	16	1,046,823	1,326,686	1,557,800	1,596,003
Interest accruals of marketable securities	25	(140,076)	-	(140,076)	-
Interest and foreign exchange variations on borrowings and debentures	19 / 20	1,760,995	600,554	1,258,198	340,390
Adjustment to present value - forfaiting forestry operations	18	76,475	22,050	76,475	22,050
Realization of hedge reserve	30	(9,772)	(1,632)	(9,772)	(1,632)
Interest on leases	17	132,772	72,280	143,080	77,414
Foreign exchange variations on trade receivables and related parties		281,538	160,989	374,800	270,313
Allowance for expected credit losses	8	(10,562)	17,009	(9,253)	18,452
Estimated inventory losses		100,781	37,886	101,574	37,884
Result on disposal of assets		(5,438)	(12,633)	(5,438)	(12,633)
Share of profit of subsidiaries and joint ventures	13	(755,799)	(504,793)	(14,688)	(43,566)
Other		21,520	56,675	22,691	55,241
Changes in assets and liabilities		**101,802**	**(1,095,353)**	**(116,063)**	**(228,321)**
Trade receivables and related parties		253,148	(438,019)	(50,394)	(155,150)
Inventories		(486,789)	(480,046)	(325,094)	(476,495)
Taxes recoverable		(169,713)	639,028	(132,686)	761,940
Marketable securities		789,365	197,958	802,442	198,867
Other assets		122,931	(258,641)	254,819	(288,892)
Trade payables		(274,182)	(500,427)	(342,491)	77,740
Forfaiting trade payables and forfaiting forestry operations		(121,520)	(248,566)	(121,520)	(248,566)
Tax obligations		(45,280)	127,683	(107,665)	120,253
Social security and labor obligations		(27,236)	52,210	(28,963)	53,677
Other liabilities		156,188	312,648	103,192	262,763
Income tax and social contribution paid		(95,110)	(499,181)	(167,703)	(534,458)
Net cash used in investing activities		**(4,114,488)**	**(6,348,112)**	**(4,291,404)**	**(7,876,677)**
Addition of property, plant and equipment and intangible assets		(2,733,276)	(4,534,769)	(2,966,093)	(5,909,050)
Addition of planting and standing wood purchases		(991,432)	(1,543,535)	(1,397,231)	(2,215,801)
Acquisition of investments and payment in subsidiaries and joint ventures	13	(454,419)	(212,387)	-	10,200
Advance for future capital increase		(111,716)	(325,900)	-	-
Proceeds from disposal of assets		46,747	217,680	46,747	217,680
Dividends received from subsidiaries	13	129,608	50,799	25,173	20,294
Net cash (used in) provided by financing activities		**1,158,825**	**(2,900,502)**	**1,573,562**	**(2,265,392)**
New borrowing	19	7,606,589	5,423,974	7,526,918	5,429,328
Repayment of borrowing and debentures	19 / 20	(2,112,883)	(4,542,204)	(2,185,019)	(4,558,013)
Payment of interest on borrowing and debentures	19 / 20	(2,498,105)	(1,833,228)	(1,890,575)	(1,555,034)
Payment of lease liabilities	17	(508,143)	(326,632)	(533,734)	(337,211)
Disposal of treasury shares		29,367	37,588	29,367	37,588
Capital increase in subsidiaries by non-controlling interests		-	-	105,000	464,626
Payment of dividends - Special Partnership Companies and Special Purpose Entities	13	-	-	(120,395)	(86,676)
Dividends/interest on capital paid	22	(1,358,000)	(1,660,000)	(1,358,000)	(1,660,000)
Increase (decrease) in cash and cash equivalents		**4,331,271**	**(2,167,540)**	**4,874,884**	**(1,721,255)**
Cash and cash equivalents at the beginning of the year		**3,798,650**	**5,966,190**	**4,683,945**	**6,405,200**
Cash and cash equivalents at the end of the year		**8,129,921**	**3,798,650**	**9,558,829**	**4,683,945**

The accompanying notes are an integral part of these parent company and consolidated financial statements.

All amounts in thousands of Reais unless otherwise stated

Klabin

STATEMENT OF VALUE ADDED

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Revenue				
Sales of products	20,504,465	22,913,636	21,174,492	23,257,919
Change in the fair value of biological assets	263,702	1,379,447	1,229,441	1,883,087
Other revenue	46,747	217,680	46,747	217,680
Allowance for expected credit losses	10,562	(17,009)	9,253	(18,452)
	20,825,476	**24,493,754**	**22,459,933**	**25,340,234**
Cost of products sold	(6,905,873)	(7,887,000)	(6,976,442)	(6,251,445)
Materials, electricity, outsourced services and other	(4,771,857)	(4,717,810)	(4,431,016)	(6,196,972)
	(11,677,730)	**(12,604,810)**	**(11,407,458)**	**(12,448,417)**
Gross value added	**9,147,746**	**11,888,944**	**11,052,475**	**12,891,817**
Retentions				
Depreciation, amortization and depletion	(2,778,659)	(2,872,586)	(3,326,582)	(3,169,155)
Net value added generated by the Company	**6,369,087**	**9,016,358**	**7,725,893**	**9,722,662**
Value added received through transfer				
Share of profit of subsidiaries and joint ventures	755,799	504,793	14,688	43,566
Finance income, including exchange variations	473,473	501,507	584,911	580,706
	1,229,272	**1,006,300**	**599,599**	**624,272**
Total value added for distribution	**7,598,359**	**10,022,658**	**8,325,492**	**10,346,934**
Distribution of value added:				
Personnel				
Direct compensation	1,575,984	1,556,249	1,620,642	1,588,210
Benefits	552,279	470,632	566,609	479,445
Government Severance Indemnity Fund for Employees (FGTS)	101,058	116,179	102,077	116,356
	2,229,321	**2,143,060**	**2,289,328**	**2,184,011**
Taxes and contributions				
Federal	1,223,492	2,382,660	1,764,484	2,494,560
State	373,928	278,737	373,928	278,737
Municipal	25,674	28,579	28,164	28,579
	1,623,094	**2,689,976**	**2,166,576**	**2,801,876**
Remuneration of third party capital				
Interest	1,055,552	728,372	1,026,346	672,145
Remuneration of own capital				
Dividends and interest on capital	1,148,000	1,283,000	1,305,847	1,335,423
Retained earnings for the year	1,542,392	3,178,250	1,384,545	3,125,827
Profit for the year attributable to non-controlling interests	-	-	152,850	227,652
	2,690,392	**4,461,250**	**2,843,242**	**4,688,902**
Value added distributed	**7,598,359**	**10,022,658**	**8,325,492**	**10,346,934**

The accompanying notes are an integral part of these parent company and consolidated financial statements.

All amounts in thousands of Reais unless otherwise stated

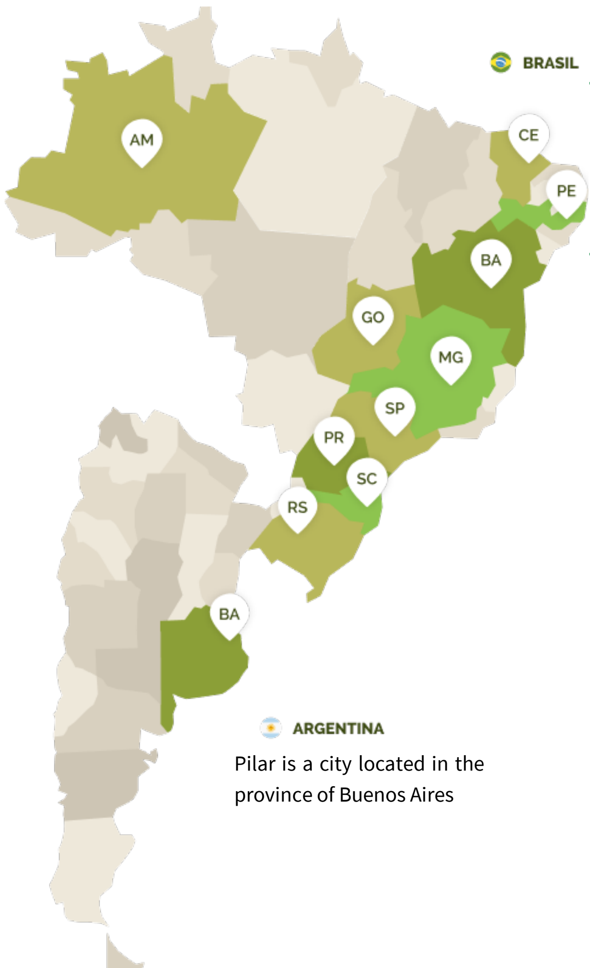
1. GENERAL INFORMATION

1.1 Operational context

Klabin S.A., a publicly-held corporation, headquartered in the city of São Paulo, State of São Paulo, its subsidiaries and joint ventures (collectively the "Company") operate in various segments of the pulp and paper industry, supplying domestic and foreign markets with wood, bleached pulp, packaging paper, paper sacks, and corrugated cardboard boxes. Their operations are vertically integrated being sourced from forestry activities through to the production of the final products. Klabin S.A. is a publicly-held corporation whose shares and certificates of deposit of shares (units) are traded on B3 S.A. - Brasil, Bolsa, Balcão (B3) (Brazilian Stock Exchange) under the tickers KLBN3, KLBN4 and KLBN11. The Company is domiciled in Brazil and has its headquarters in São Paulo (SP).

At December 31, 2023 and 2022, the Company had 22 industrial units located throughout Brazil, as well as one industrial unit in Argentina. It also operates technology centers for the development of new forest-based products, seedlings of high productive content and resistance, packaging for various purposes, and has two commercial offices, one in the United States and one in Austria. At December 31, 2023, the Company owned 751,000 hectares of land, of which 374,000 are planted (pine and eucalyptus) and 377,000 hectares are preserved as conservation areas (at December 31, 2022: total area of 719,000 hectares, of which 310,000 hectares are planted and 409,000 hectares are conservation areas and unplanted areas).

Klabin Units



KRAFT SACK PACKAGING

PE	Goiana
SC	Lages
BUENOS AIRES	Pilar

CORRUGATED CARDBOARD PACKAGING

AM	Manaus I
AM	Manaus II
PE	Goiana
BA	Feira de Santana
MG	Betim
SP	Jundiaí TP
SP	Jundiaí DI
SP	Paulínia
SP	Piracicaba
SP	Suzano
RS	São Leopoldo
CE	Horizonte
GO	Rio Verde
PR	Rio Negro
SC	Itajaí

SHORT AND LONG FIBER PULP, AND FLUFF

PR	Ortigueira

FORESTRY

SP	Alto do Paranapanema
PR	Planalto Guarapuava
PR	Campos Gerais
PR	Vale do Corisco
SC	Alto Vale do Itajaí

PAPER FOR PACKAGING

SP	Angatuba
PR	Monte Alegre
PR	Ortigueira
SC	Correia Pinto
SC	Otacílio Costa

RECYCLED PAPERS

PE	Goiana
SP	Franco da Rocha
SP	Paulínia
SP	Piracicaba

The Company holds equity interests in other companies (Notes 4 and 13), which have operating activities related to its own business objectives, including a terminal in the Paranaguá port in Paraná and several reforestation companies used to supply its mills, in addition to expansion projects.

To serve the domestic and foreign markets, the manufacturing units produce three types of cellulose (pulp) fiber (short, long and fluff), Kraftliner paper (virgin fiber brown paper for packaging), Testliner (recycled paper), sack kraft (paper for sacks) and coated cardboard; corrugated cardboard packaging (virgin and/or recycled fiber) and industrial bags. Additionally, the Company sells timber to the forestry sector, largely for internal consumption.

Kraftliner and recycled paper manufactured by the Company is exported to over 60 countries and its corrugated cardboard packaging plants operate on an integrated basis.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

The parent company and consolidated financial statements (financial statements) present all information of relevance to the financial statements, which is consistent with the information used by the Company's management in the performance of its duties.

These financial statements have been prepared in accordance with accounting practices adopted in Brazil, including the pronouncements, interpretations and guidance issued by the Brazilian Accounting Pronouncements Committee (CPC) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) (the “IFRS accounting standards”), including the interpretations issued by the IFRS Interpretations Committee (IFRIC Interpretations) or by its predecessor body, the Standing Interpretations Committee (SIC Interpretations), and disclose all significant information related to the financial statements, which is consistent with the information used by management in the performance of its duties.

The main accounting practices adopted by the Company and its subsidiaries are disclosed in these notes to the financial statements and have been consistently applied to all the years presented.

The financial statements have been prepared on the historical cost basis other than the financial assets and liabilities presented at fair value through profit or loss (FVTPL) and biological assets presented at fair value. Financial instruments designated as hedge accounting and actuarial liabilities are recognized at fair value through other comprehensive income.

These financial statements were approved and authorized for issue at the Board of Directors' meeting held on February 6, 2024.

The Company has reclassified certain balances presented in the comparative period for a better presentation. These reclassifications refer basically to the balances of financial instruments that were presented together with the accounts “Borrowings” and “Debentures”.

	Parent Company			Consolidated		
Current	**12/31/2022**	**Reclassification**	**12/31/2022 Reclassified**	**12/31/2022**	**Reclassification**	**12/31/2022 Reclassified**
Total current assets	**11,470,664**	**-**	**11,470,664**	**12,504,004**	**-**	**12,504,004**
Assets held for sale	**11,675**	**-**	**11,675**	**11,675**	**-**	**11,675**
Derivative financial instruments	-	62,072	62,072	-	62,072	62,072
Other items	33,802,284	-	33,802,284	35,061,679	-	35,061,679
Total non-current assets	**33,802,284**	**62,072**	**33,864,356**	**35,061,679**	**62,072**	**35,123,751**
Total assets	**45,284,623**	**62,072**	**45,346,695**	**47,577,358**	**62,072**	**47,639,430**
Liabilities,						
Total current liabilities	**6,393,613**	**-**	**6,393,613**	**6,461,750**	**-**	**6,461,750**
Borrowings	24,437,384	(226,067)	24,211,317	24,239,278	(226,067)	24,013,211
Debentures	1,348,354	(348,354)	1,000,000	1,348,354	(348,354)	1,000,000
Derivative financial instruments	-	636,493	636,493	-	636,493	636,493
Other items	3,545,788	-	3,545,788	3,959,710	-	3,959,710
Total non-current liabilities	**29,331,526**	**62,072**	**29,393,598**	**29,547,342**	**62,072**	**29,609,414**
Equity	**9,559,484**	**-**	**9,559,484**	**11,568,266**	**-**	**11,568,266**
Total liabilities and equity	**45,284,623**	**62,072**	**45,346,695**	**47,577,358**	**62,072**	**47,639,430**
Impact of reclassifications		**-**			**-**	

2.1 Significant accounting practices

2.1.1 Functional currency and foreign currency translation

The financial statements are presented in Brazilian Real/Reais (R$), which is the functional and presentation currency of the Company and its subsidiaries and joint ventures, with the exception of the subsidiary Klabin Argentina, whose functional currency is the Argentine Peso (AR$).

a) Transactions and balances

Foreign-currency transactions are initially recognized applying the exchange rate effective on the transaction date. Gains and losses arising from the translation of differences arising from foreign currency-denominated assets and liabilities at the end of the reporting period are recognized in the statement of income.

b) Foreign subsidiaries

The subsidiaries Klabin Austria GmbH and Klabin Forest Products Company have the same functional currency as that of the Company. For the subsidiary Klabin Argentina, which has a different functional currency, foreign exchange differences arising from the translation of its financial statements are recognized separately in an equity account, “Carrying Value Adjustments” (Comprehensive Income). Upon the disposal of a foreign subsidiary, the amount recognized in equity related to that subsidiary is recorded in the statement of income.

All amounts in thousands of Reais unless otherwise stated

The assets and liabilities of the foreign subsidiary are translated at the closing exchange rate in effect at the end of the reporting period. Revenue and expenses are translated at the exchange rates on the transaction dates.

c) Hyperinflationary economies

Pursuant to CPC 42/IAS 29 – "Financial Reporting in Hyperinflationary Economies" the non-monetary assets and liabilities, equity and the statements of income of subsidiaries operating in highly inflationary economies are restated in line with the general change in purchasing power of the relevant currency through the application of a general price index.

The financial statements of an entity whose functional currency is that of a highly inflationary economy is expressed in terms of the unit of measure effective at the end of the reporting period, and translated into Brazilian Reais at the exchange rate effective as of the date of the statement of financial position.

The Company has applied highly inflationary economy accounting to its subsidiary Klabin Argentina S.A. using the standards CPC 42/IAS 29. The effects arising from the translation of the functional currency (Argentinian Pesos) to the presentation currency (Brazilian Real) are recorded in the statement of comprehensive income and impact the profit or loss for the year only upon its sale or dissolution.

2.1.2 Non-current assets and liabilities

These include assets and rights receivable and obligations payable after a period of twelve months from the date of the financial statements, plus the respective charges and accruals, where applicable, up to the end of the reporting period.

2.1.3 Government grants

Government grants to the Company are recognized as and when the conditions associated with those grants are met. Grants given to offset expenses are recognized as reductions in the expenses to be offset.

In the case of grants for the purpose of making investment in assets, benefits are recognized in the statement of financial position as awarded by the relevant government authority, and may be booked as deferred revenues, in liabilities, recognized as revenue in the statement of income over the life of the acquired asset, or deducted from the asset associated with the grant, and recognized by means of credits to the depreciation recorded as an expense in the statement of income.

Where a contingent obligation does not to distribute benefits received in the form of government grants to the shareholders, the amounts are reclassified through the related profit or loss to a specific account "Revenue reserve – tax incentives" in equity.

2.1.4 Statement of cash flows

The cash flow information providers the users of financial statements with a basis to assess the entity's ability to generate cash and cash equivalents and the entity's use of these cash flows.

CPC 03 (R2) - Statement of Cash Flows defines the requirements for the presentation of the statement of cash flows and related disclosures (CPC 26 (R1)).

The following classification is used for all cash flows:

- Operating activities: these are the entity's main revenue-generating activities;
- Investing activities: these refer to purchases and sales of long-term assets; and
- Financing activities: these are activities that result in changes in the size and in the composition of the entity's equity and borrowings.

The Company uses forfaiting (supplier financing) operations to optimize the capital structure in the acquisition of standing timber. The accounting policies and details are presented in Note 18.

2.1.5 Statement of value added

The presentation of the statement of value added is only mandatory for listed companies, in accordance with item 3 of NBC TG 09, approved by CFC Resolution 1,138/08 and amended by CFC Resolution 1,162/09. The purpose of this statement is to demonstrate the wealth created by the Company and its allocation to the relevant reporting years.

IFRS does not require the presentation of this statement. As a consequence, this statement is disclosed as supplementary information, and not as part of the complete set of financial statements.

2.2 Material accounting judgments, estimates and assumptions

In recording income and expenses for the year and in preparing the financial statements, judgments, estimates and assumptions are utilized to account for certain assets, liabilities, income and expenses for the year and other transactions. The accounting judgments, estimates and assumptions adopted by management are made using the best available information at the financial statement reporting date, involving experience of past events, forecasts of future events and the assistance of experts, when applicable.

Actual results from balances based on accounting judgments, estimates and assumptions may differ from those disclosed in the financial statements. The Company may therefore be exposed to losses, which could be material. These estimates are reviewed periodically.

Material items subject to these estimates or judgments include:

Note	Critical estimates / judgments
8	credit risk analysis to determine the allowance for expected credit losses
10	determination of provisions for estimated inventory losses
12	deferred income tax and social contribution
14	review of the economic useful life of property, plant and equipment
15	analysis of the recoverability of tangible and intangible assets
16	fair value adjustment of biological assets
17	contract periods and incremental borrowing rate in lease agreements
12 and 21	provision for tax, social security, labor and civil contingencies
12 and 21	tax uncertainties
26	transactions involving the stock-based plan
29	fair value measurement of financial instruments
30	cash flow hedge accounting
31	commitments with employee benefit plan

3. NEW ACCOUNTING STANDARDS, REVISIONS AND INTERPRETATIONS

During 2023, the following standards were revised:

Pronouncement	Amendment / Improvement
CPC 26 (R1) / IAS 1 - *Presentation of Financial Statements* / IFRS 2 - *Practice Statements*	Disclosure of "material" accounting policies rather than "significant" accounting policies. The amendments define what is “material accounting policy information” and explain how to identify when accounting policy information is material.
CPC 23 / IAS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors*	Clarification on the distinction between changes in accounting estimates from changes in accounting policies and correction of errors
CPC 50 / IFRS 17 - *Insurance Contracts*	On January 10, 2023, IFRS 17 / CPC 50 - Insurance Contracts entered into effect. In particular, all entities, including those that are not insurers, will also need to consider whether they have entered into any contracts that meet the definition of insurance contracts.
IAS 12 - *Income Taxes*	Requires entities to recognize deferred tax on lease transactions, decommissioning and restoration obligations.
	The amendments provide a temporary exemption in accounting for deferred taxes arising from a legislation enacted or substantially enacted to implement the Pillar Two model of the OECD (Organization for Economic Co-operation and Development).

All amounts in thousands of Reais unless otherwise stated

Furthermore, the IASB has issued new standards and revised existing ones, which will become effective on January 1, 2024, through convergence with CPC pronouncements, as follows:

Pronouncement	Amendment	Effective Period
IAS 1 - Presentation of Financial Statements / IFRS - Practice Statements	For an entity to classify liabilities as non-current in its financial statements, it must have the right to avoid settling the liabilities for at least twelve months from the reporting date.	As of January 1, 2024
IAS 7 - Statement of Cash Flows / IFRS7 - Financial Instruments: Disclosures	Clarifies the characteristics of supplier finance arrangements (SFAs) and requires additional disclosures for such arrangements. The disclosure requirements introduced by the amendments aim to help the users of financial statements to understand the effects of supplier finance arrangements on an entity's liabilities, cash flows and the exposure to liquidity risk.	As of January 1, 2024
IFRS16 - Leases	Specifies the requirements used by a seller-lessee in measuring the lease liability arising from sale and leaseback transactions, in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains.	As of January 1, 2024
IAS 21 - The Effects of Changes in Foreign Exchange Rates	Non-convertible currency.	As of January 1, 2023

Management is assessing the impacts that these changes may have on its financial statements.

4. CONSOLIDATION OF FINANCIAL STATEMENTS

The Company controls an entity when it is exposed to, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date the Company obtains the control until the date on which such control ceases. In the parent company financial statements, the financial information of subsidiaries is accounted for under the equity method.

The following policies are applied in the preparation of the consolidated financial statement:

(i) Subsidiaries

The Company has direct interest in all its subsidiaries and they are fully consolidated from the date of acquisition of control, and continue to be consolidated until the date on which such control ceases to exist.

(ii) Joint ventures

Florestal Vale do Corisco S.A. and Pinus Taeda Florestal S.A. are joint ventures of the Company, which is active through the Board of Directors, but does not hold the control and operational management of the daily activities. Vale do Corisco currently holds land for lease and Pinus Taeda operates land and forests in regions outside the main area of operation of the Company. Joint ventures are accounted for using the equity method both in the parent company and consolidated financial statements. The consolidated financial statements are prepared for the same reporting years as the parent company, using accounting practices that are consistent with the policies adopted by the parent company.

4.1 Non-controlling interests

The Company presents non-controlling interests in its consolidated financial statements within equity, and the results attributable to them in the statement of income.

Changes in the Company's ownership interest in a subsidiary that do not result in loss of control are accounted for as equity transactions.

4.2 Transactions eliminated in the consolidation

Balances and transactions with related parties, any unrealized income or expenses derived from transactions between related parties and unrealized profits derived from transactions between the Company and its subsidiaries are eliminated. Unrealized gains derived from transactions with subsidiaries accounted for using the equity method are eliminated against the investment to the extent of the Company's share in the subsidiary. Unrealized losses are eliminated similarly to unrealized gains, but only to the extent that there is no evidence of impairment.

The consolidated financial statements include Klabin S.A. and its subsidiaries at December 31, 2023 and 2022, as follows:

Subsidiaries	Country	Activity	12/31/2023	12/31/2022
Klabin da Amazônia - Soluções em Embalagens de Papel Ltda.	Brazil	Manufacture and sale of products	100%	100%
Klabin Argentina S.A.	Argentina	Industrial sacks	100%	100%
Klabin Austria GmbH	Austria	Sale of products in the foreign market	100%	100%
Klabin do Paraná Produtos Florestais Ltda.	Brazil	Manufacture of herbal medicines	100%	100%
Klabin Finance S.A. (i)	Luxembourg	Finance	-	100%
Klabin Fitoprodutos Ltda.	Brazil	Manufacture of herbal medicines	100%	100%
Klabin Forest Products Company	United States	Sale of products in the foreign market	100%	100%
Klabin Paranaguá SPE S.A.	Brazil	Port services	100%	100%
IKAPÊ Empreendimentos Ltda.	Brazil	Hotels	100%	100%
Klabin ForYou Soluções em Papel S.A.	Brazil	Packaging customization services	100%	100%
Manacá Reflorestadora S.A.	Brazil	Reforestation	100%	100%
Cambará Reflorestadora S.A.	Brazil	Reforestation	100%	100%
Jatobá Reflorestadora S.A.	Brazil	Reforestation	100%	100%
Pinheiro Reflorestadora S.A.	Brazil	Reforestation	100%	100%
Kla Holding S.A.	Brazil	Investments in companies	51%	51%
Cerejeira Reflorestadora S.A.	Brazil	Reforestation	50%	50%
Guaricana Reflorestadora S.A.	Brazil	Reforestation	35%	35%
Sapopema Reflorestadora S.A.	Brazil	Reforestation	13%	14%
Aroeira Reflorestadora S.A.	Brazil	Reforestation	11%	12%
Silent Partnership Companies				
Harmonia	Brazil	Reforestation	100%	80%
Araucária	Brazil	Reforestation	100%	72%
Serrana	Brazil	Reforestation	100%	71%
Joint ventures				
Florestal Vale do Corisco S.A.	Brazil	Reforestation	51%	51%
Pinus Taeda Florestal S.A.	Brazil	Reforestation	26%	26%

(i) Company liquidated in December 2023.

All amounts in thousands of Reais unless otherwise stated

5. MAIN EVENTS IN THE YEAR

5.1 Puma II Project

Further to the Material Facts notice disclosed to its shareholders and the market in general, on June 9, 2023 the Company started the operations of the second phase of the Puma II Project ("Project") with the cardboard machine ("MP 28”).

The second stage of the Project included the construction of a new cardboard machine, integrated with complementary fiber lines, with a production capacity of 460,000 tons per year and flexibility to produce White Top Liner and Kraftliner.

On December 6, 2022, the Company announced to the market the approval by the Board of Directors of an additional investment for production of white cardboard, which will allow flexibility in production of up to 105,000 tons of white cardboard replacing brown cardboard beginning from September 2024.

The gross investment budgeted for the construction of the Puma II Project, including the incremental investment to convert the machine from the second phase of the project to cardboard production, is R$ 13,083,000 (subject to inflation and exchange rate fluctuations), of which R$ 12,638,003 was disbursed by December 31, 2023 (R$ 11,099,065 disbursed by December 31, 2022). Approximately R$ 1,200,000 relates to taxes recoverable.

Investments in the PUMA II Project are funded from the Company's available and the future cash generated from its current business, which may be complemented by drawdowns from contracted and unused financing facilities.

5.2 Investments in special projects and expansions

At December 31, 2023, accumulated investments in special projects and expansions total R$ 1,744,572 (R$ 904,197 at December 31, 2022). Investments for the year were mainly in the Figueira Project, Horizonte Project and forest expansion in Santa Catarina.

5.2.1 Figueira Project

The total estimated investment in the Figueira Project is R$ 1,570,000, which includes approximately R$ 200,000 of taxes recoverable. The disbursement will occur from 2022 to 2024 and will be financed from the Company’s available cash resources. Up to December 31, 2023, R$ 665,666 had been disbursed (up to December 31, 2022, R$ 104,464). Project start-up is scheduled for the second quarter of 2024.

5.2.2 Horizonte Project

The Project for expansion of the corrugated cardboard conversion unit in Horizonte, Ceará, which began operating on March 6, 2023, has an incremental production capacity of 80,000 tons of corrugated cardboard per year, mainly expected to serve the expanding fruit market in the northeast region of Brazil. The Project includes the acquisition of a corrugator and printer, in addition to the transfer of two printers from the Goiana (PE) Unit. The investment totals R$ 188,000, of which R$ 132,850 had been disbursed up to December 31, 2023 (R$ 52,000 disbursed up to December 31, 2022).

5.3 Caetê Project

On December 20, 2023, the Company entered an agreement with Celulosa Arauco Y Constitución S.A. e Inversiones Arauco Internacional Limitada ("Arauco") for the direct acquisition of 100% of the capital of Arauco Florestal Arapoti S.A. (AFA) and of Arauco Forest Brasil S.A. (AFB) and indirect acquisition of 49% of the capital of Florestal Vale do Corisco S.A. (VdC) and 100% of the capital of Empreendimentos Florestais Santa Cruz Ltda. (SC) ("Transaction" or "Caetê Project").

The Transaction will be carried out through the Company's subsidiaries and the acquisition price for land and forest assets, which considers zero working capital and zero net debt, will be of USD 1,160 million (equivalent to R$ 5,615,908 at December 31, 2023), subject to adjustments under the terms of the contract, to be paid on the date of completion of the Caetê Project. The Company will use cash already on hand to make the payment. The Caetê Project includes the purchase of 150,000 hectares of total area, mainly in the State of Paraná, of which 85,000 hectares are productive areas, the purchase of 31.5 million tons of standing timber, as well as of forestry machinery and equipment. With this Transaction, Klabin completes the expansion of land in Paraná to supply the Puma II Project, accelerates its goal to reach self-sufficiency in wood supply and, consequently, reduces estimated future investments, mainly related to the purchase of standing timber from third parties. Additionally, the Company reduces operating costs for the harvest and transportation of wood, improving its total cash cost. Furthermore, after the harvest of the current wood cycle, Klabin will exceed its wood self-sufficiency target of 75% by around 60,000 productive hectares.

The conclusion of this Transaction is subject to suspensive conditions set forth for transactions of this nature, including the approval by the CADE (Brazilian antitrust regulatory agency).

In a preliminary analysis of the agreement for purchase of these assets, the Company concluded that the acquisition constituted a purchase of assets and not a business combination.

5.4 1st issue of commercial notes

On January 31, 2023, the Company carried out the 1st issue of the Company's commercial notes, with the issuance of 300,000 commercial notes without guarantee, in a single series, and for private distribution. The credit rights from the commercial notes were linked to the agribusiness receivables certificates of the 53rd issue, in a single series, of TRUE Securitizadora S.A. The total initial amount of the commercial notes was reduced from R$ 300,000 to R$ 293,035, due to the cancellation of commercial notes. The maturity date of the commercial notes, counted from the issuance date, will occur on February 12, 2026.

The proceeds from the commercial notes were used exclusively for the issuer's activities related to agribusiness, in the purchase of wood and forest management services and integrated logistics for transporting wood.

On March 30, 2023, the Company opted for the early redemption of a portion of the remaining commercial notes, in the amount of R$ 160,224, as they were not convertible into timber contracts.

On July 10, 2023, the Company carried out the 2nd issue of the Company's commercial notes, with the issuance of 300,000 commercial notes without guarantee, in a single series, and for private distribution. The credit rights from the commercial notes were linked to the agribusiness receivables certificates of the 65th issue, in a single series, of TRUE Securitizadora S.A. The maturity date of the commercial notes, counted from the issuance date, will occur on July 15, 2026.

As in the first issue, the proceeds from the commercial notes must be used exclusively for the issuer's activities related to agribusiness, in the purchase of wood and forest management services and integrated logistics for transporting wood.

5.5 Indebtedness management

As described in Note 29, the Company manages its capital by monitoring the risks related to obtaining and investing its funds. In 2023, the Company informed the market of the most significant changes in the financings taken out:

	Date	Amounts in millions (USD)	Amounts (BRL)	Annual interest rate - %	Maturity
Withdrawal					
ECA Finnvera Phase I	01/31/2023	4.3	22,167	SOFR + 0.55%	2031
Term loans (BID Invest and IFC)	03/15/2023	105	556,301	SOFR + 1.88%	2029
	03/15/2023	135	715,243	SOFR + 2.12%	2029
	08/18/2023	175	870,000	SOFR + 1.88%	2029
	08/18/2023	225	1,119,000	SOFR + 2.12%	2032
Payments					
Bond 2024	06/02/2023	130	643,500	5.25% p.a.	2024
Export prepayments (EPP)	08/28/2023	149	728,610	6.14% p.a.	2024
New borrowings					
Syndicated loan	10/03/2023	595	3,040,450	SOFR + average rate of 2.05%	2028
Export credit notes	12/11/2023	150	741,600	SOFR + average rate of 2.01%	2028

Changes in the total borrowings taken and settlements are described in Notes 19 and 20.

5.6 Tax reform

On December 20, 2023, Constitutional Amendment 132 was approved, establishing the Tax Reform ("Reform") on consumption taxes. Several matters, including the rates of new taxes, are still pending regulation by Complementary Laws, which should be submitted for assessment by the Brazilian Congress within 180 days.

The Reform model is based on a dual VAT, divided into two scopes: federal level (Federal Contribution on Goods and Services - CBS) and state and municipal level (Subnational Tax on Goods and Services - IBS), which will replace PIS, COFINS, ICMS and ISS.

Additionally, the Reform created the Federal Excise Tax (IS), which will be levied on the production, extraction, trade or import of goods and services harmful to public health and to the environment, under the terms of the Complementary Law.

From 2024 to 2032, there will be a transitional period, in which both the old and the new tax regimes will coexist. Any impacts from the Reform in the assessment of the aforementioned taxes after the beginning of the transitional period will only be fully recognized once the matters pending regulation by Complementary Laws are resolved. Accordingly, the Reform had no impact on the financial statements at December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash and bank deposits - local currency	2,135	862	6,219	3,175
Cash and bank deposits - foreign currency (i)	1,622,913	516,962	2,073,272	956,435
Financial investments - local currency	6,492,620	3,280,826	6,957,183	3,720,577
Financial investments - foreign currency (i)	12,253	-	522,155	3,758
Total cash and cash equivalents	**8,129,921**	**3,798,650**	**9,558,829**	**4,683,945**

(i) Mainly in USD.

Financial investments in local currency relating to bank deposit certificates (CDBs) and other repurchase transactions are pegged to the Interbank Deposit Certificate – CDI rate, with an average annual yield of 13.72% at December 31, 2023 (13.81% at December 31, 2022). Funds in foreign currency classified as " Cash and bank deposits", which mostly correspond to overnight operations had an average annual yield of 5.68% at December 31, 2023 (3.11% at December 31, 2022), presenting immediate liquidity as guaranteed by the financial institutions.

Accounting policy

These practices represent cash, cash equivalents and highly liquid short-term marketable securities that can be readily converted into a known amount of cash, subject to a remote risk of changes in value, as per CPC 03 (R2) / IAS 7 – "Statement of Cash Flow".

7. MARKETABLE SECURITIES

	Average rate	Maturity	Parent Company		Consolidated	
			12/31/2023	12/31/2022	12/31/2023	12/31/2022
National Treasury Bills (LFTs)	SELIC	Mar/2024	66,211	58,567	66,211	58,567
National Treasury Notes (NTN-Bs)	IPCA - 5.13% p.a.	2023 to 2040	1,078,174	1,736,022	1,078,174	1,736,022
CRA repurchase	CDI	2023 and 2025	451	10,702	451	10,702
Bonds (USD)	3.52% to 4.02%	2028 and 2038	11,166	-	11,166	13,077
Total			**1,156,002**	**1,805,291**	**1,156,002**	**1,818,368**

Accounting policy

These represent short-term, highly liquid investments that are readily convertible into cash, but which are subject to changes in their fair value These securities are measured at fair value through profit or loss.

All amounts in thousands of Reais unless otherwise stated

8. TRADE RECEIVABLES

	Parent Company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Trade receivables				
Local	1,764,109	2,099,052	1,786,675	2,125,632
Foreign	308,564	261,188	642,460	627,908
	2,072,673	**2,360,240**	**2,429,135**	**2,753,540**
(-) Allowance for expected credit losses (ECLs)	(65,632)	(76,194)	(69,389)	(78,641)
Total trade receivables	**2,007,041**	**2,284,046**	**2,359,746**	**2,674,899**
Current assets	**1,760,017**	**2,284,046**	**2,112,722**	**2,674,899**
Non-current assets	**247,024**	**-**	**247,024**	**-**
Not yet due	**1,890,196**	**2,251,697**	**2,209,671**	**2,626,755**
1 to 10 days	6,854	4,325	6,857	4,339
11 to 30 days	23,126	17,883	46,230	28,867
31 to 60 days	24,589	4,546	27,884	8,635
61 to 90 days	13,307	5,592	18,621	6,279
Over 90 days	114,601	76,197	119,872	78,665
Past due	**182,477**	**108,543**	**219,464**	**126,785**
	2,072,673	**2,360,240**	**2,429,135**	**2,753,540**

At December 31, 2023, the average collection period for trade receivables in the consolidated is approximately 82 days (82 days at December 31, 2022) for domestic market sales, and approximately 145 days (130 days at December 31, 2022) for foreign market sales; interest is charged after the contractual maturity date.

8.1 Allowance for expected credit losses

The Company has an insurance policy for receivables in the domestic and foreign markets in the amounts of R$ 240,000 and USD 50 million, respectively, for all business units, except for wood product customers of the Forestry unit and certain customers that do not meet specific risk requirements, such as going concern status and liquidity. The policy expires in September 2025.

The changes to the allowance for expected credit losses were as follows:

	Parent Company	Consolidated
At December 31, 2021	**(59,185)**	**(60,190)**
ECLs for the year	(37,488)	(40,822)
Reversals of ECLs	15,779	17,670
Definitive write-off	4,700	4,700
At December 31, 2022	**(76,194)**	**(78,642)**
ECLs for the year	(52,017)	(59,024)
Reversals of ECLs	51,923	57,613
Definitive write-off	10,656	10,664
At December 31, 2023	**(65,632)**	**(69,389)**

All amounts in thousands of Reais unless otherwise stated

8.2 Receivables discounting operations

In the year ended December 31, 2023, discounting of receivables without a right of return were carried out with specific customers of R$ 3,727,997 in the parent company and R$ 7,293,067 in the consolidated (R$ 3,598,850 in the parent company and R$ 7,068,371 in the consolidated at December 31, 2022), for which all the risks and benefits associated with the assets were transferred to the counterparty.

The finance changes on the receivables discounting transactions for the year ended December 31, 2023 were R$ 110,801 in the parent company and R$ 158,585 in the consolidated, recognized under finance result (R$ 158,925 in the parent company and R$ 174,399 in the consolidated at December 31, 2022).

Accounting policy

Trade receivables are recorded at the nominal amount billed, which corresponds to their fair value, in the normal course of the Company's business, adjusted for exchange variations when denominated in foreign currency and, where applicable, less expected credit losses.

In the context of the operating cycle, Management considers that there is an alignment between average receipt and payment terms.

The allowance for expected credit losses (ECL) is computed based on an individual analysis of the amounts receivable, considering:

(i) the concept of incurred loss and expected loss, taking into account default events with a probability of occurrence within twelve months of the date of disclosure of the relevant financial statements;
(ii) financial instruments that had a material increase in the credit risk, but with no indication of impairment; and
(iii) financial assets with indication of impairment at December 31, 2023.

The Company makes advances against receivables collected by financial institutions and recognized in the statement of income as interest expense, since these are advances on receivables from banks.

It also manages programs for the assignment of receivables. Pursuant to CPC 48 (IFRS 9) - Financial Instruments, receivables sold are derecognized when the Company transfers the control and transfers substantially all the related risks and rewards to the buyer.

Klabin

9. RELATED PARTIES

9.1 Balances and transactions with related parties

												Parent Company
									12/31/2023		12/31/2023	12/31/2022
	Klabin Argentina	Silent Partnership Companies	Klabin Austria	Klabin Forest Products Company	Aroeira Reflorestadora	Guaricana Reflorestadora	Sapopema Reflorestadora	Other	Total	Klabin Austria	Total	Total
	(i)	(ii)	(i)	(i)	(ii)	(ii)	(ii)	(i) (ii) and (iii)		(iv)		
Type of relationship	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiaries		Subsidiary		
Balances												
Current assets	92,294	33,703	283,147	46,881	499	3,070	4,563	13,512	**477,669**	-	**477,669**	**475,068**
Non-current assets	-	-	-	-	-	-	14	111,908	**111,922**	-	**111,922**	**326,111**
Current liabilities	-	(4,900)	-	-	14	-	11,544	4,625	**11,283**	288,533	**299,816**	**372,100**
Non-current liabilities	-	-	-	-	-	-	-	-	**-**	12,863,818	**12,863,818**	**12,309,598**
Transactions												
Sales revenue	55,899	115,781	3,808,332	126,929	-	-	-	76,947	**4,183,888**	-	**4,183,888**	**5,620,888**
Purchases	-	(216,737)	-	-	(68,764)	(191,499)	(44,997)	(7,688)	**(529,685)**	-	**(529,685)**	**(299,381)**
Finance result	(584)	-	(104,301)	7,361	-	-	-	-	**(97,524)**	-	**(97,524)**	**(917,309)**
Guarantee commission - expenses	-	-	-	-	-	-	-	-	**-**	-	**-**	**(113)**

(i) Balance receivable from product sales transactions carried out at prices and based on terms (average of 180 days) and conditions established between the parties.
(ii) Purchases of timber at prices and based on terms (45 days) under conditions established between the parties. Considers all SCPs and SPEs described in Note 4.
(iii) Advances for future capital increase, substantially in subsidiaries: Jatobá, Manacá, Cambará, Pinheiro and Klabin Fitoprodutos.
(iv) Financial operations between related parties (Note 19).

All amounts in thousands of Reais unless otherwise stated

9.2 Management, Supervisory Board and Committees compensation and benefits

Management and Supervisory Board compensation is determined by the shareholders at the Annual General Meeting (AGM), within the terms of Brazilian corporate legislation and the Company's bylaws. Accordingly, at the AGM held on April 5, 2023, the shareholders determined the overall amount of the annual compensation of the Management and Supervisory Board not to exceed R$ 85,925 for 2023 (R$ 71,000 at December 31, 2022).

The compensation and benefits paid to Management and Supervisory Board were:

	Consolidated	
Management, Supervisory Board and Committees compensation	**12/31/2023**	**12/31/2022**
Short term		
Board fees (i)	27,124	23,123
Long term		
Benefits (ii)	3,141	2,518
Bonus and share-based compensation (i) (iii)	27,924	17,879
Total compensation	**58,189**	**43,520**

(i) Includes charges.

(ii) Consistent with market practices.

(iii) For statutory officers only.

Accounting policy

The Statutory Board's compensation is made up of monthly fees, short- and long-term incentives and benefits (life insurance, healthcare plan, drugstore allowance, meal vouchers, grocery vouchers, private pension plan and check-up), aiming to be in line with the selected market and with the practices adopted for benefits packages in these companies.

Members of the Board of Directors and the Supervisory Board earn fixed monthly fees, in addition to life insurance and healthcare as benefits. Additional compensation is provided for participation in Committees.

10. INVENTORIES

	Parent Company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Finished products	1,022,519	666,901	1,047,041	823,998
Work in process	78,894	65,490	82,838	70,351
Timber and logs	302,469	328,463	302,473	328,463
Maintenance supplies	610,075	467,588	618,217	479,123
Raw materials	736,433	743,030	764,320	795,766
Estimated inventory losses	(174,919)	(74,138)	(176,731)	(75,157)
Other	27,054	19,183	27,367	19,461
Total inventories	**2,602,525**	**2,216,517**	**2,665,525**	**2,442,005**

All amounts in thousands of Reais unless otherwise stated

Raw materials inventories include paper rolls transferred from production units to conversion units. Finished product inventories are mostly committed to approved sales orders.

The Company analyzes adjustments to impairment of its inventory items, and the expense incurred for the recognition of estimated inventory losses is recorded in the statement of income under "cost of products sold."

There are no finished products whose market value exceeds cost, and the provision presented is basically composed of maintenance items and spare parts.

The cost of products sold recognized in the statement of income for the year was R$ 12,159,887 in the parent company and R$ 12,403,744 in the consolidated (R$ 12,455,186 in the parent company and R$ 12,400,931 in the consolidated at December 31, 2022).

The Company does not have any inventory pledged as collateral.

Accounting policy

In accordance with CPC 16 (R1)/IAS 2 – "Inventories" inventory is recognized at the average cost of acquisition, net of taxes recoverable as applicable, and biological assets at fair value on the harvest date, which is lower that the net realized cost of sales. Inventory of finished goods is valued at the cost of the processed raw materials, direct labor and other production costs.

As needed, inventory is subject to deductions for estimated losses, which occur in the event of inventory devaluation, obsolescence, and physical inventory losses. Furthermore, because of the nature of the Company's goods, in the event of obsolescence or physical damage preventing the sale, said goods may be recycled to produce new inventory.

The Company recognizes a provision for 100% of its inventory for purposes of assessing obsolete or slow-moving items for cases in which no realization is expected.

11. TAXES RECOVERABLE

	12/31/2023		12/31/2022	
	Current Assets	Non-current Assets	Current Assets	Non-current Assets
IRPJ/C SLL recoverable	**174,230**	**178,391**	**55,500**	**161,076**
Income tax and social contribution (IR/CS)	174,230	178,391	55,500	161,076
Other taxes recoverable	**470,927**	**332,015**	**479,815**	**208,696**
Value-added Tax on Sales and Services (ICMS)	187,398	295,414	255,225	201,981
Social Integration Program (PIS) / Social Contribution on Revenues (COFINS)	218,105	33,306	208,646	1,455
Tax on Industrialized Products (IPI)	46,588	-	2,862	-
Special regime for the reintegration of tax amounts for exporting companies (Reintegra)	15,551	-	10,699	-
Other	3,285	3,295	2,383	5,260
Parent Company	**645,157**	**510,406**	**535,315**	**369,772**
Other (i)	19,949	-	(29,964)	-
Consolidated	**665,106**	**510,406**	**505,351**	**369,772**

(i) Includes VAT for companies abroad.

a) ICMS

Tax credits and contributions are levied on acquisitions of property, plant and equipment in accordance with the current legislation. The presumed credit refers to ICMS government subsidy granted by the Government of the State of Paraná for the Puma I Project, which was fully used to offset taxes payable of the same nature up to May 2023.

There is no risk that the establishments with accumulated ICMS credits will not be able to use them.

b) PIS/COFINS

The balances recognized in current assets relate to PIS and COFINS credits arising pursuant to Article 3 of Laws 10,637/02 and 10,833/03. The amount recorded in the non-current group refers to PIS and COFINS credits on buildings incorporated into property, plant and equipment, acquired or built for the purpose of production of goods for sale by the Company, within a period of 24 months, calculated based on the cost of construction or acquisition of the building, as per Article 6 of Law 11,488/07.

The Company recognized PIS and COFINS credits in the amount of R$ 121,172 on the remaining balance of the lawsuit regarding the exclusion of ICMS from the PIS and COFINS calculation basis, for which a final and unappealable decision was rendered on August 22, 2019. Out of this amount, R$ 63,386 was recorded under “Other income” (Note 24) and R$ 57,785 refers to interest accruals in other finance income. The amount was substantially recovered through offsets in the Company’s operations.

All amounts in thousands of Reais unless otherwise stated

c) INCOME TAX AND SOCIAL CONTRIBUTION

On September 23, 2021, the Federal Supreme Court (STF) unanimously determined that corporate income tax (IRPJ) and social contribution on net profit (CSLL) should not be levied on interest (SELIC rate) receivable on tax refunds due for overpayments of taxes.

On October 16, 2019, the Company filed a writ of mandamus to secure this IRPJ and CSLL exemption on refunds for taxes overpaid. The case was ruled in favor of the Company.

As a favorable decision is expected to be granted by the STF, and based on the definitions of CPC 32/IAS 12 – "Income Taxes" and Committee Interpretations of Accounting Pronouncements ICPC 22/IFRIC 23 – "Uncertainty Over Income Tax Treatments", the Company recognized R$ 138,075 between 2021 and 2022, referring to the principal amount in Non-Current Assets and R$ 23,000 referring to the SELIC interest accruals until December 31, 2022. In 2023 year to date, the SELIC accruals total R$ 169,872.

The Company is awaiting the court's definitive determination of the calculation basis in the absence of the binding effects of the STF decision. The credits will be offset after the final and unappealable decision and the subsequent approval of credits is granted by the tax authority.

12. CURRENT AND DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

The Company's taxes on income are determined under the Taxable Profit Regime. The Company opted for the annual calculation system for 2023 and it has maintained a tax cash basis for the foreign exchange effects which are only taxed when the underlying amounts are settled. This option is not valid for foreign subsidiaries which are taxed based on regulations in their respective tax jurisdictions. For the other subsidiaries, the following IRPJ and CSLL taxation system is adopted:

	Taxation System	Nominal Rate IRPJ	Nominal Rate CSLL
Subsidiaries			
Klabin da Amazônia - Soluções em Embalagens de Papel Ltda.	Taxable Profit (i)	25%	9%
Klabin Paranaguá SPE S.A.	Taxable Profit	25%	9%
IKAPÊ Empreendimentos Ltda.	Taxable Profit	25%	9%
Klabin Foryou Soluções em Papel S.A.	Taxable Profit	25%	9%
Klabin do Paraná Produtos Florestais Ltda.	Taxable Profit	25%	9%
Klabin Fitoprodutos Ltda.	Taxable Profit	25%	9%
Klabin Florestal Ltda.	Presumed Profit (ii)	2.00%	1.08%
Kla Holding S.A.	Presumed Profit (ii)	2.00%	1.08%
Monterla Holdings S.A.	Presumed Profit (ii)	2.00%	1.08%
Manacá Reflorestadora S.A.	Presumed Profit (ii)	2.00%	1.08%
Cambará Reflorestadora S.A.	Presumed Profit (ii)	2.00%	1.08%
Jatobá Reflorestadora S.A.	Presumed Profit (ii)	2.00%	1.08%
Pinheiro Reflorestadora S.A.	Presumed Profit (ii)	2.00%	1.08%
Cerejeira Reflorestadora S.A.	Presumed Profit (ii)	2.00%	1.08%
Guaricana Reflorestadora S.A.	Taxable Profit	25%	9%
Sapopema Reflorestadora S.A.	Taxable Profit	25%	9%
Aroeira Reflorestadora S.A.	Taxable Profit	25%	9%
Silent Partnership Companies			
Harmonia	Taxable Profit	25%	9%
Araucária	Presumed Profit (ii)	2.00%	1.08%
Serrana	Presumed Profit (ii)	2.00%	1.08%

(ii) Exclusively for this entity, a 75% reduction on IRPJ is applied due to the tax incentive for operating profit.

(iii) Presumed rates applied to the nominal rates of 8% for IRPJ and 12% for CSLL.

All amounts in thousands of Reais unless otherwise stated

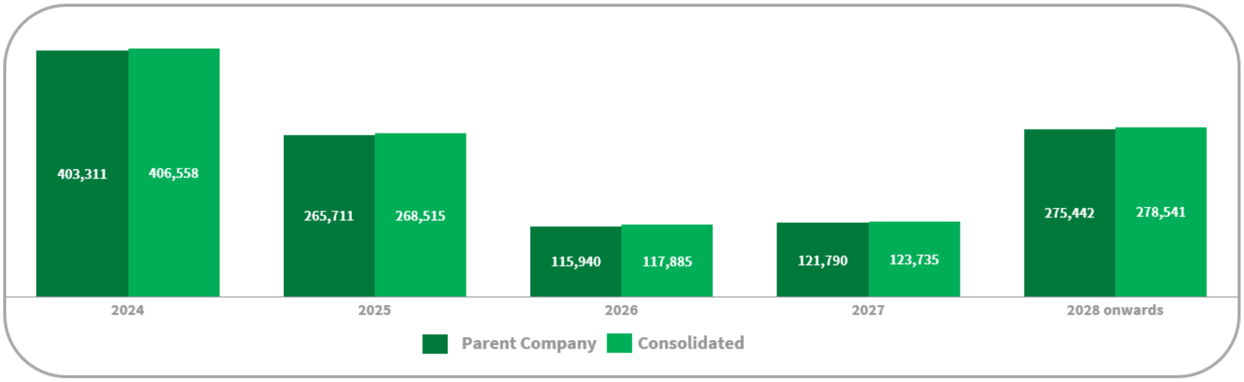
12.1. Nature and expected realization of deferred taxes

	Parent Company				Consolidated				
		Recognized in				Recognized in			
	12/31/2023	Profit (loss) for the year	Other comprehensive income	12/31/2022	12/31/2023	Profit (loss) for the year	Other comprehensive income	Other changes	12/31/2022
Tax losses and negative bases	16,905	(51,135)	-	68,040	16,905	(51,438)	-	-	68,343
Provision for tax, social security and civil contingencies	6,943	528	-	6,415	6,943	528	-	-	6,415
Non-deductible provisions	162,735	(48,826)	-	211,561	164,523	(48,021)	-	-	212,544
Actuarial liability	159,390	6,099	32,168	121,123	159,390	4,278	32,168	1,080	121,864
Provision for labor contingencies	17,520	1,857	-	15,663	17,571	1,908	-	-	15,663
Foreign exchange variations	237,567	(5,495)	(453,078)	696,140	237,567	(5,495)	(453,078)	-	696,140
Gain or loss on financial instruments	(85,477)	(301,885)	-	216,408	(85,477)	(301,885)	-	-	216,408
Right-of-use leases	602,373	84,094	-	518,279	612,098	86,854	-	-	525,244
Other temporary differences	64,238	10,701	-	53,537	65,714	12,392	-	-	53,322
Deferred tax assets	**1,182,194**	**(304,062)**	**(420,910)**	**1,907,166**	**1,195,234**	**(300,879)**	**(420,910)**	**1,080**	**1,915,943**
Fair value of biological assets	(618,728)	109,821	-	(728,549)	(927,536)	(163,051)	-	-	(764,485)
Depreciation tax rate vs. useful life rate (Law 12,973/14)	(795,561)	(185,690)	-	(609,871)	(795,783)	(185,799)	-	-	(609,984)
Deemed cost of property, plant and equipment (land)	(545,370)	8	-	(545,378)	(545,370)	8	-	-	(545,378)
Interest capitalized (Law 12,973/14)	(669,829)	(140,026)	-	(529,803)	(669,829)	(140,026)	-	-	(529,803)
Asset revaluation reserve	(25,092)	-	-	(25,092)	(25,092)	-	-	-	(25,092)
Accelerated depreciation (Law 12,272/12)	(50,638)	5,770	-	(56,408)	(50,638)	5,770	-	-	(56,408)
Lease liabilities (IFRS 16)	(539,159)	(59,446)	-	(479,713)	(548,604)	(61,969)	-	-	(486,635)
Other temporary differences	(31,437)	64,770	-	(96,207)	(36,893)	59,314	-	-	(96,207)
Deferred income tax and social contribution in non-current liabilities	**(3,275,814)**	**(204,793)**	**-**	**(3,071,021)**	**(3,599,745)**	**(485,753)**	**-**	**-**	**(3,113,992)**
Deferred tax liabilities	**(2,093,620)**	**(508,855)**	**(420,910)**	**(1,163,855)**	**(2,404,511)**	**(786,632)**	**(420,910)**	**1,080**	**(1,198,049)**
Non-current assets	**-**	**-**	**-**	**-**	**2,567**	**-**	**-**	**-**	**-**
Non-current liabilities	**(2,093,620)**	**-**	**-**	**(1,163,855)**	**(2,407,078)**	**-**	**-**	**-**	**(1,198,049)**

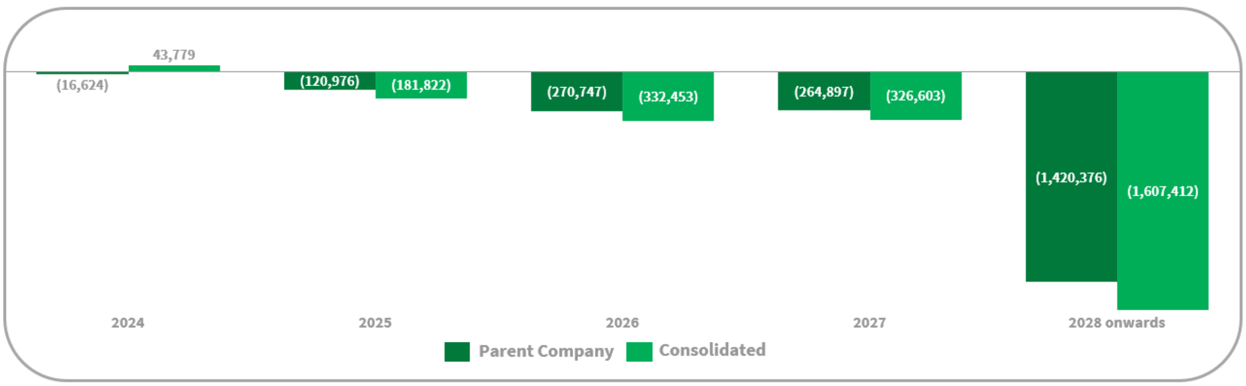
All amounts in thousands of Reais unless otherwise stated

All deferred taxes on temporary differences are recognized, for all subsidiaries. Management, based on the approved budget, estimates that the tax credits arising from temporary differences and tax losses will be realized as follows:

Deferred tax assets



Deferred taxes, net



The projected realization of the balance considers the limitations on the utilization of tax losses amounting to 30% of the taxable profit for the year. The projection may not materialize if the estimates used differ from actual results, analyzed based on the projections of future results prepared and based on internal assumptions and future economic scenarios, evaluated as part of the budget process approved by the Company's Management.

12.2. Reconciliation of the effective rate

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Profit before income tax and social contribution	**3,217,741**	**6,258,950**	**3,814,057**	**6,599,154**
Nominal rate	34%	34%	34%	34%
Tax (expense) income at nominal rate	**(1,094,032)**	**(2,128,043)**	**(1,296,779)**	**(2,243,712)**
Permanent (additions) exclusions	11,975	11,680	11,890	11,645
Tax incentives (PAT/LE/Deductions donations)	48,622	55,147	55,396	60,406
Interest on capital	166,600	87,380	166,600	87,380
Result of shareholdings	248,305	171,630	4,994	14,812
Differences in nominal and estimated rates of subsidiaries	-	-	166,231	196,853
Unrecognized deferred taxes from prior years	-	(52,971)	-	(53,137)
Impact of change from presumed profit to taxable profit	-	-	(170,768)	-
Investment subsidies (i)	35,841	32,177	36,150	32,177
Income tax and social contribution from prior years	-	25,152	-	(17,118)
Other (ii)	59,486	148	59,618	442
Income tax and social contribution	**(523,203)**	**(1,797,700)**	**(966,669)**	**(1,910,252)**
Current	(14,347)	(487,047)	(180,037)	(588,924)
Deferred	(508,856)	(1,310,653)	(786,632)	(1,321,328)
Effective rate	**16.26%**	**28.72%**	**25.34%**	**28.95%**

(i) ICMS tax and financial benefits and incentives treated as investment subsidies, pursuant to Complementary Law 160/2017.

(ii) Refers mainly to the balance of taxes recoverable recognized for an ongoing lawsuit, related to the exclusion of balances of monetary adjustment of tax overpayment.

12.3. Tax lawsuits

Pursuant to ICPC 22/IFRIC 23 – "Uncertainty over Income Tax Treatments", the Company opted for the evaluation procedures introduced by the standard for any differences in interpretation compared to the tax authorities.

At December 31, 2023, the Company was a defendant in proceedings related to income tax and social contribution that do not meet the provisioning criteria set forth in ICPC 22/IFRIC 23. These proceedings amount to R$ 1,924,035 in parent company and consolidated (R$ 1,827,395 at December 31, 2022), some of which (representing material amounts) are described below:

(i) A tax collection claim filed by the Federal government for collection of IRPJ due to alleged improper deductions as expenses for royalties for the use of brands and of goodwill on the acquisitions of Klamasa and Igaras. The total amount of this lawsuit at December 31, 2023 is R$ 1,453,417 (R$ 1,382,000 at December 31, 2022).

(ii) A tax collection claim filed by the Federal Government to collect differences in IRPJ and CSLL, for alleged indirect legal transaction with Norske Skog Pisa Ltda. and Lille Holdings S/A., with a fine increased from 75% to 150%. The total amount of this execution at December 31, 2023 is R$ 101,906 (R$ 97,000 at December 31, 2022).

All amounts in thousands of Reais unless otherwise stated

(iii) Administrative proceeding contesting the IRPJ and CSLL calculation bases for 2013, alleging that the Company improperly applied the cash basis for taxing foreign exchange effects. The total amount of this lawsuit at December 31, 2023 is R$ 279,473 (R$ 260,000 at December 31, 2022).

12.4. Global implementation of OECD Pillar Two model rules

In December 2021, the Organization for Economic Co-operation and Development ("OECD") published the Pillar Two model rules, aiming to reform international corporate taxation in order to ensure that multinational economic groups within the scope of these rules pay tax on income at a minimum rate of 15%. The effective tax rate on the income of each country calculated under this model was denominated "GloBE effective tax rate". The rules need to be passed into national legislation based on each country's approach. Some countries have already enacted new laws or are in the process of discussing and approving them. Applying the OECD Pillar Two model rules and determining their impact is complex and poses a number of practical challenges.

In May 2023, the IASB issued amendments to IAS 12 "Income Taxes" aiming to provide a temporary exception from accounting for deferred taxes arising from legislation enacted or substantially enacted to implement the OECD's Pillar Two model rules.

To date, Brazil has not yet adopted the Pillar Two model rules in its national legislation. The Company does not expect any material impacts arising from these rules, as the Group's consolidated effective tax rate is higher than 15% (Note 12.2).

Accounting policy

Current and deferred taxes

Pursuant to CPC 32/IAS 12 – “Income Taxes”, the Company calculates its current and deferred corporate income tax and social contribution on net profit based on the taxable profits for the fiscal year, applying a 15% rate of tax plus a 10% surtax on income in excess of R$ 240 for IRPJ and 9% for CSLL.

As permitted by the Brazilian tax legislation, certain subsidiaries opted for the presumed profit regime. For these companies, the income tax and social contribution calculation base is based on the estimated profit at the rates of 8% and 12% on gross revenues, respectively, to which the nominal rates are applied.

Deferred IRPJ and CSLL are measured based on the temporary differences for each reporting period used to determine taxable profits, including the IRPJ and CSLL tax losses, as applicable. The current and deferred IRPJ and CSLL are recognized in the Company’s income, except where they correspond to items booked as “carrying value adjustments” in equity.

The recoverability of deferred IRPJ assets is revised annually, and is recognized when the availability of future taxable profits for recovery is probable.

Deferred IRPJ and CSLL assets and liabilities are recognized at their net amounts in the non-current accounts of the Parent Company’s statement of financial position, net of advance tax payments made during the reporting year, and in the consolidated figures only, as applicable.

Subsidiaries’ taxes are calculated and provisions are made for them pursuant to the laws of their home country and/or specific tax regime, including deemed profit in certain cases. Provisions for the fiscal year’s current income tax and social contribution are shown in the statements of financial position, net of advance tax payments made during the reporting year.

Uncertainty over income tax treatments

Technical Interpretation CPC 22/IFRIC 23 – Uncertainty over Income Tax Treatments requires that uncertainties over income tax treatments be evaluated when recognizing and measuring these taxes.

An uncertainty arises when the treatment applicable to a particular transaction is not clear in the tax legislation or when it is not clear whether the tax authority will accept the treatment adopted by the entity.

In such circumstances, the entity shall recognize and measure its current or deferred tax assets or liabilities, applying the requirements of CPC 32/IAS 12 based on taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined on the basis of this interpretation.

13. INTEREST IN SUBSIDIARIES AND JOINT VENTURES

	Investments at December 31, 2021	Acquisition and capital contribution	Dividends distributed	Share of profit (loss) of subsidiaries and joint ventures	Foreign exchange variations on investments abroad	Unrealized intercompany profit	Investments at December 31, 2022
Subsidiaries							
Aroeira Reflorest. S.A.	**111,652**	18,099	-	(3,056)	-	1,467	**128,162**
Cambará Reflorestadora S.A.	**223**	376,000	-	83,817	-	-	**460,040**
Cerejeira Reflorest. S.A.	**33**	90,978	-	(15,461)	-	-	**75,550**
Guaricana Reflorestadora S.A.	**156,149**	-	(13,495)	14,999	-	(7,386)	**150,267**
Jatobá Reflorestadora S.A.	**-**	-	-	115	-	-	**115**
Klabin Forest Products Company	**13,961**	-	-	12,989	-	-	**26,950**
Klabin Amazônia S. A	**124,406**	-	-	28,862	-	-	**153,268**
Klabin Argentina Ltda	**(47,989)**	-	-	(25,291)	(3,250)	6,549	**(69,980)**
Klabin Austria GmbH	**685,867**	-	-	154,745	-	21,958	**862,570**
Klabin Finance S.A.	**19,380**	-	-	(2,785)	-	-	**16,595**
Manacá Reflorestadora S.A.	**58**	28,000	-	2,343	-	-	**30,401**
Klabin Paranaguá SPE S.A.	**101,782**	44,000	-	325	-	-	**146,107**
Pinheiro Reflorestadora S.A.	**-**	-	-	(3,918)	-	-	**(3,918)**
Sapopema Reflorest. S.A.	**118,750**	-	(7,784)	12,600	-	(1,573)	**121,993**
Verde Paraná	**-**	-	(7,519)	7,519	-	-	**-**
Other	**14,929**	(8,590)	-	(3,314)	-	-	**3,025**
Silent partnership companies							
Araucária	**141,182**	-	(710)	78,697	-	(2,235)	**216,934**
Harmonia	**181,447**	-	(575)	57,077	-	6,933	**244,882**
Serrana	**81,385**	-	(427)	36,866	-	(1,612)	**116,212**
Total subsidiaries	**1,703,215**	**548,487**	**(30,510)**	**437,129**	**(3,250)**	**24,101**	**2,679,173**
Joint ventures							
Florestal Vale do Corisco S.A.	**158,952**	(10,200)	(11,369)	11,478	-	-	**148,861**
Pinus Taeda Florestal S.A.	**102,193**	-	(8,925)	32,088	-	-	**125,356**
Joint ventures	**261,145**	**(10,200)**	**(20,294)**	**43,566**	**-**	**-**	**274,217**
Total Parent Company	**1,964,360**	**538,287**	**(50,804)**	**480,695**	**(3,250)**	**24,101**	**2,953,390**
Total Consolidated	**261,145**	**(10,200)**	**(20,294)**	**43,566**	**-**	**-**	**274,217**

All amounts in thousands of Reais unless otherwise stated

	Investments at December 31, 2022	Acquisition and capital contribution	Dividends distributed	Share of profit (loss) of subsidiaries and joint ventures	Foreign exchange variations on investments abroad	Unrealized intercompany profit	Other	Total investments at December 31, 2023	Share of equity deficit at December 31, 2023
Subsidiaries									
Aroeira Reflorest. S.A.	128,162	-	(10,734)	26,726	-	(48,816)		95,338	-
Cambará Reflorestadora S.A.	460,040	177,397	-	8,715	-	-		646,152	-
Cerejeira Reflorest. S.A.	75,550	-	-	11,470	-	-		87,020	-
Guaricana Reflorestadora S.A.	150,267	-	(30,468)	34,275	-	(9,351)		144,723	-
Jatobá Reflorestadora S.A.	115	95,000	-	509	-	-		95,624	-
Klabin Forest Products Company	26,950	-	-	2,674	-	-		29,624	-
Klabin Amazônia S. A	153,268	-	-	33,106	-	-		186,374	-
Klabin Argentina Ltda	(69,980)	-	-	(8,759)	(46,069)	2,743	(245)	-	(122,310)
Klabin Austria GmbH	862,570	-	-	260,963	-	137,877		1,261,410	-
Klabin Finance S.A.	16,595	(15,481)	-	(4,061)	2,947	-		-	-
Manacá Reflorestadora S.A.	30,401	38,000	-	50,000	-	-		118,401	-
Klabin Paranaguá SPE S.A.	146,107	18,000	(77)	1,240	-	-		165,270	-
Pinheiro Reflorestadora S.A.	(3,918)	105,000	-	33,259	-	-		134,341	-
Sapopema Reflorest. S.A.	121,993	-	(7,067)	16,069	-	(12,814)		118,181	-
Other	3,025	2,900	-	(2,277)	-	-		3,648	-
Silent partnership companies									
Araucária	216,934	-	(439)	73,887		(1,451)		288,931	-
Harmonia	244,882	-	(55,378)	47,876		8,274		245,654	-
Serrana	116,212	-	(272)	71,529		7,448		194,917	-
Total subsidiaries	**2,679,173**	**420,816**	**(104,435)**	**657,201**	**(43,122)**	**83,910**	**(245)**	**3,815,618**	**(122,310)**
Joint ventures									
Florestal Vale do Corisco S.A.	148,861	-	(13,964)	15,399	-	-		150,296	-
Pinus Taeda Florestal S.A.	125,356	-	(11,209)	(711)	-	-		113,436	-
Joint ventures	**274,217**	**-**	**(25,173)**	**14,688**	**-**	**-**		**263,732**	**-**
Total Parent Company	**2,953,390**	**420,816**	**(129,608)**	**671,889**	**(43,122)**	**83,910**	**(245)**	**4,079,340**	**(122,310)**
Total Consolidated	**274,217**	**-**	**(25,173)**	**14,688**	**-**	**-**	**-**	**263,732**	**-**

All amounts in thousands of Reais unless otherwise stated

	Total assets	Total liabilities	Equity	Net revenue	Profit (loss) for the year
Subsidiaries					
Aroeira Reflorest. S.A.	1,382,663	289,404	1,093,259	60,990	39,606
Cambará Reflorestadora S.A.	719,230	16,078	703,152	-	8,715
Cerejeira Reflorest. S.A.	173,938	(102)	174,040	-	22,940
Guaricana Reflorestadora S.A.	548,947	142,782	406,165	169,071	78,013
Jatobá Reflorestadora S.A.	130,850	11,226	119,624	-	509
Klabin Forest Products Company	78,929	49,305	29,624	138,214	2,674
Klabin Amazônia S. A	201,781	34,879	166,902	165,116	37,581
Klabin Argentina Ltda	82,829	207,354	(124,525)	146,700	(9,005)
Klabin Austria GmbH	14,488,005	13,226,928	1,261,077	4,360,320	235,717
Klabin Finance S.A.	-	-	-	-	(4,061)
Manacá Reflorestadora S.A.	202,858	72,458	130,400	-	50,000
Klabin Paranaguá SPE S.A.	258,183	92,994	165,189	38,123	1,240
Pinheiro Reflorestadora S.A.	163,734	14,393	149,341	-	33,259
Sapopema Reflorest. S.A.	987,715	42,074	945,641	63,450	63,400
Other	9,360	1,987	7,373	6,364	(2,276)
Silent partnership companies					
Araucária	391,903	103,757	288,146	71,324	63,537
Harmonia	341,594	97,279	244,315	61,967	39,153
Serrana	246,900	61,044	185,856	43,248	65,207
Joint ventures					
Florestal Vale do Corisco S.A.	397,579	102,882	294,697	50,431	30,193
Pinus Taeda Florestal S.A.	447,405	2,559	444,846	67,265	(2,789)

All amounts in thousands of Reais unless otherwise stated

Accounting policy

Subsidiaries:

Represented by investments in subsidiaries and joint ventures, accounted for using the equity method due to the Company's interest in these companies. The financial statements of subsidiaries and joint ventures are prepared for the same reporting year as the Parent Company. Adjustments are made as required to align the accounting practices with those adopted by the Company.

Unrealized gains and losses on transactions between the Company and subsidiaries and joint ventures are eliminated for the purposes of calculating the share of the profit (loss) of the subsidiaries and joint ventures in the parent company statement of financial position and for consolidation purposes.

At the end of each reporting period, the Company determines whether there is objective evidence that the investment in subsidiaries and joint ventures has been impaired. Where this is the case, the Company calculates the impairment amount and recognizes it in the statement of income.

Foreign exchange effects on investments in foreign subsidiaries recognized in "comprehensive income" are categorized as carrying value adjustments in equity and realized by means of the realization of the relevant investment.

According to CPC 36/IFRS 10 –Consolidated Financial Statements, for SPEs, the parent company must present non-controlling interests in the consolidated statement of financial position, within equity, separately from the equity attributable to equity holders of the parent company.

In the Company's consolidated financial statements, the interests of special partners in special partnerships are booked in the liabilities section of the statement of financial position, as "Other payables – SCP investors", as they are financial liabilities and not equity instruments, pursuant to CPC 39/IAS 32 – "Financial Instruments: Presentation".

Management categorizes SCPs as standalone entities with the features of subsidiaries. They are recorded in the parent company financial statements by accounting for investments in subsidiaries using the equity method.

Joint ventures:

Because of their characteristics and the shareholders' agreements guaranteed for both partners, the investment in Florestal Vale do Corisco S.A. and Pinus Taeda Florestal S.A. is classified as joint ventures and is accounted for using the equity method in the parent company and consolidated financial statements.

14. PROPERTY, PLANT AND EQUIPMENT

14.1 Composition of property, plant and equipment

	12/31/2023			12/31/2022		
Parent Company	**Cost**	**Accumulated depreciation**	**Net**	**Cost**	**Accumulated depreciation**	**Net**
Land	2,370,244	-	**2,370,244**	2,254,807	-	**2,254,807**
Buildings and construction	3,972,757	(1,098,810)	**2,873,947**	3,394,982	(963,548)	**2,431,434**
Machinery, equipment and facilities	25,256,813	(9,898,845)	**15,357,968**	20,056,604	(8,521,132)	**11,535,472**
Construction and installations in progress	2,990,920	-	**2,990,920**	6,265,428	-	**6,265,428**
Other (i)	743,272	(528,822)	**214,450**	658,831	(491,833)	**166,998**
Total	**35,334,006**	**(11,526,477)**	**23,807,529**	**32,630,652**	**(9,976,513)**	**22,654,139**
Consolidated						
Land	3,657,239	-	**3,657,239**	2,932,230	-	**2,932,230**
Buildings and construction	3,978,290	(1,100,695)	**2,877,595**	3,405,713	(965,403)	**2,440,310**
Machinery, equipment and facilities	25,287,490	(9,904,486)	**15,383,004**	20,093,391	(8,527,833)	**11,565,558**
Construction and installations in progress	3,244,286	-	**3,244,286**	7,048,245	-	**7,048,245**
Other (i)	755,113	(530,687)	**224,426**	667,205	(493,568)	**173,637**
Total	**36,922,418**	**(11,535,868)**	**25,386,550**	**34,146,784**	**(9,986,804)**	**24,159,980**

(i) Refers to leasehold improvements, vehicles, furniture and fittings and IT equipment and assets held by third parties.

Information on property, plant and equipment pledged as collateral is presented in Note 19.6.

14.2 Changes in property, plant and equipment

						Parent Company
	Land	**Buildings and construction**	**Machinery, equipment and facilities**	**Construction and installations in progress**	**Other**	**Total**
At December 31, 2021	**2,164,045**	**2,535,138**	**11,672,527**	**2,360,463**	**140,991**	**18,873,164**
Purchases	8,660	-	-	4,563,591	-	4,572,251
Disposals	-	(12,937)	(3,132)	-	(25)	(16,094)
Depreciation	-	(130,795)	(1,251,498)	-	(53,742)	(1,436,035)
Internal transfers	82,102	32,141	1,126,452	(1,344,331)	103,636	-
Interest	-	-	-	685,622	-	685,622
Other (i)	-	7,887	(8,877)	83	(23,862)	(24,769)
At December 31, 2022	**2,254,807**	**2,431,434**	**11,535,472**	**6,265,428**	**166,998**	**22,654,139**
Purchases	-	-	-	2,377,049	-	2,377,049
Disposals	(3)	(78)	(761)	-	(28)	(870)
Depreciation	-	(137,579)	(1,457,149)	-	(54,145)	(1,648,873)
Internal transfers	115,470	576,718	5,294,654	(6,131,605)	144,763	-
Interest	-	-	-	505,178	-	505,178
Other (i)	(30)	3,452	(14,248)	(25,130)	(43,138)	(79,094)
At December 31, 2023	**2,370,244**	**2,873,947**	**15,357,968**	**2,990,920**	**214,450**	**23,807,529**

(i) Includes subsidies and transfers to other statement of financial position accounts.

All amounts in thousands of Reais unless otherwise stated

Consolidated

	Land	Buildings and construction	Machinery, equipment and facilities	Construction and installations in progress	Other	Total
At December 31, 2021	**2,503,224**	**2,569,172**	**11,670,318**	**2,648,029**	**158,275**	**19,549,018**
Purchases	164,887	-	-	5,403,327	-	5,568,214
Disposals	-	(12,937)	(3,132)	-	(25)	(16,094)
Depreciation	-	(131,047)	(1,253,472)	-	(54,659)	(1,439,178)
Internal transfers	272,827	32,141	1,137,626	(1,553,228)	110,634	-
Interest	-	-	-	685,622	-	685,622
Other (i)	(8,708)	(17,019)	14,218	(135,505)	(40,588)	(187,602)
At December 31, 2022	**2,932,230**	**2,440,310**	**11,565,558**	**7,048,245**	**173,637**	**24,159,980**
Purchases	-	-	-	2,593,046	-	2,593,046
Disposals	(3)	(78)	(761)	-	(28)	(870)
Depreciation	-	(142,858)	(1,459,007)	-	(56,510)	(1,658,375)
Internal transfers	732,495	707,669	5,297,689	(6,889,868)	152,015	-
Interest	-	-	-	505,178	-	505,178
Other (i)	(7,483)	(127,448)	(20,475)	(12,315)	(44,688)	(212,409)
At December 31, 2023	**3,657,239**	**2,877,595**	**15,383,004**	**3,244,286**	**224,426**	**25,386,550**

(i) Includes subsidies and transfers to other statement of financial position accounts.

Depreciation is includes in the Company's production cost and is recognized in the Company's results as the products are sold. The amount recognized in the statement of income is presented in Note 24.

14.3 Capitalization of interest on qualified items of property, plant and equipment

At December 31, 2023, interest capitalized in the year was R$ 505,178, at an average rate of 5.51% (R$ 685,622, at an average rate of 5.90% at December 31, 2022).

14.4 Useful life and depreciation method

The table below shows the annual depreciation rates calculated based on the straight-line method, which were applicable for the years ended December 31, 2023 and 2022, defined based on the economic useful lives of assets:

	Average rate in 2023	Average rate in 2022
Buildings and constructions	**3.31%**	**3.56%**
Machinery, equipment and facilities	**10.49%**	**10.21%**
Other	**12.70%**	**12.46%**

All amounts in thousands of Reais unless otherwise stated

14.5 Construction and installations in progress

At December 31, 2023, the balance of works and facilities in progress mainly relates to the Figueira Project, a new unit for the conversion of corrugated cardboard with a capacity of 240,000 tons/year, located in the municipality of Piracicaba (SP), and the balances remaining from the construction of a white cardboard machine at the Ortigueira unit for entry in the larger segment of cardboard market (Puma II).

14.6 Impairment of assets

In estimating the recoverable amounts of assets, the future cash flow from each cash-generating unit (CGU) is estimated based on the budget projections for a five-year period and in perpetuity, or when there is indication of impairment or reversal of losses, discounted to present value, using a discount rate that reflects the specific risks inherent to the Company's business, based on the average cost of capital.

In the years ended December 31, 2023 and 2022, the Company did not identify any indication of impairment that would justify to conduct an impairment testing of the asset,

Accounting policy

According to CPC 27/IAS 16 – "Property, Plant and Equipment", property, plant and equipment is stated at its acquisition or construction cost, less recoverable taxes, where applicable, and accumulated depreciation.

Useful life is the period of time during which the entity expects to use the asset; or the number of units of production or similar units that the entity expect to obtain for the use of the asset.

The Company uses the straight-line depreciation method, defined based on each asset's expected useful life, which is determined based on the expected generation of future economic benefits, with the exception of land assets, which do not depreciate. The assets' estimated useful lives are reviewed annually and adjusted as required. It may vary based on technological progress and/or the form and frequency of use of each unit.

Expenses associated with the maintenance of the Company's assets are directly allocated to the profit and loss as they are effectively realized. Finance charges are capitalized to the cost of the PP&E asset, when incurred on ongoing operations, as applicable.

The Company assesses whether there is any indication of impairment of its assets annually or whenever there is such indication. When necessary, the Company conducts an impairment test and recognizes a provision for the difference between the carrying amount of the assets and their net realizable value (considered the higher of the value in use and sale value, less the respective transaction costs).

15. INTANGIBLE ASSETS

15.1 Breakdown of intangible assets

			12/31/2023
Parent Company	**Cost**	**Accumulated amortization**	**Net**
Right of use	217,876	(136,658)	81,218
Trademarks and patents	63	-	63
Goodwill	62,708	(19,904)	42,804
Construction and installations in progress	16,718	-	16,718
	297,365	**(156,562)**	**140,803**
Consolidated			
Right of use	281,926	(139,877)	142,049
Trademarks and patents	93	-	93
Goodwill	63,121	(19,904)	43,217
Construction and installations in progress	16,821	-	16,821
Other	145,155	(7,697)	137,458
	507,116	**(167,478)**	**339,638**

			12/31/2022
	Cost	**Accumulated amortization**	**Net**
Right of use	162,704	(120,598)	42,106
Trademarks and patents	63	-	63
Goodwill	62,717	(19,180)	43,537
	225,484	**(139,778)**	**85,706**
Consolidated			
Right of use	224,382	(121,244)	103,138
Trademarks and patents	93	-	93
Goodwill	63,130	(19,180)	43,950
Construction and installations in progress	132,518	-	132,518
Other	5,398	-	5,398
	425,521	**(140,424)**	**285,097**

The assessment for estimating the recoverable amount of intangible assets is described in Note 14.6.

All amounts in thousands of Reais unless otherwise stated

15.2 Changes in intangible assets

Parent Company

	Right of use	Trademarks and patents	Assets appreciation	Intangible assets in progress	Total
At December 31, 2021	**37,457**	**63**	**44,856**	**-**	**82,376**
Purchases	-	-	-	16,642	16,642
Amortization	(12,479)	-	(1,319)	-	(13,798)
Internal transfers	16,642	-	-	(16,642)	-
Other (*)	486	-	-	-	486
At December 31, 2022	**42,107**	**63**	**43,537**	**-**	**85,706**
Purchases	-	-	-	72,097	72,097
Amortization	(16,216)	-	(723)	-	(16,939)
Internal transfers	55,379	-	-	(55,379)	-
Other (*)	(52)	-	(9)	-	(61)
At December 31, 2023	**81,218**	**63**	**42,805**	**16,718**	**140,803**

Consolidated

	Right of use	Trademarks and patents	Goodwill	Intangible assets in progress	Other	Total
At December 31, 2021	**97,435**	**93**	**44,856**	**-**	**-**	**142,384**
Purchases	-	-	413	158,790	-	159,203
Amortization	(12,776)	-	(1,319)	-	-	(14,095)
Internal transfers	20,873	-	-	(26,272)	5,399	-
Other (*)	(2,395)	-	-	-	-	(2,395)
At December 31, 2022	**103,137**	**93**	**43,950**	**132,518**	**5,399**	**285,097**
Purchases	-	-	-	79,488	-	79,488
Amortization	(18,916)	-	(723)	-	(7,697)	(27,336)
Internal transfers	55,429	-	-	(195,185)	139,756	-
Other (*)	2,398	-	(9)	-	-	2,389
At December 31, 2023	**142,048**	**93**	**43,218**	**16,821**	**137,458**	**339,638**

All amounts in thousands of Reais unless otherwise stated

Accounting policy

Intangible assets acquired are measured at cost at their initial recognition. Intangible assets acquired in a business combination have their cost defined as the fair value on the acquisition date. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The useful life of intangible assets is classified as finite and indefinite.

Intangible assets with finite useful lives are amortized over their useful economic lives and assessed for impairment whether there is an indication that the intangible asset may be impaired. Amortization periods and methods for intangible assets with finite useful lives are reviewed at least at each year's end. The amortization of intangible assets with finite useful lives is recognized in the statement of income in the expense category related to their use and consistent with the economic useful life of the intangible asset.

Intangible assets with an indefinite useful life are not amortized, but are tested annually for impairment, individually or at the CGU level. The allocation is made to the CGU or group of CGUs that represents the lowest level within the entity, in which goodwill is monitored for internal management purposes, and which benefited from the business combination.

16. BIOLOGICAL ASSETS

The Company's biological assets comprise the cultivation and planting of pine and eucalyptus forests to provide raw materials for the production of short-fiber, long-fiber and fluff pulp, in the paper production process, and sales of wood logs to third parties.

At December 31, 2023, the Company and its subsidiaries had 374,000 hectares (310,000 hectares at December 31, 2022) of planted forests, excluding the permanent preservation and legal reserve areas under the Company's protection required to comply with Brazilian environmental legislation.

Areas with harvest restrictions refer mainly to preservation areas (Note 1) and are not subject to fair value adjustments.

The fair value balance of the Company's biological assets is as follows:

	Parent Company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Cost of development of biological assets	4,095,229	3,529,475	5,719,682	4,800,573
Fair value adjustment of biological assets	1,817,754	2,141,594	3,458,149	3,308,386
	5,912,983	**5,671,069**	**9,177,831**	**8,108,959**

All amounts in thousands of Reais unless otherwise stated

16.1 Fair value of biological assets assumptions

The fair value measurement of biological assets uses estimates, such as: the price of wood, the discount rate, the harvesting plan for the forests and the productivity level, all of which are subject to uncertainty and fluctuations which could impact the Company's future results.

The Company recognizes its biological assets at fair value using the following assumptions:

(i) Eucalyptus forests are recorded at historical cost until the third year from planting and pine forests through the fifth year of planting, based on analyses carried out by the Company indicating that during this period the historical costs of biological assets will approximate their fair values. Measurements to assess the growth and expected production of the forest before these dates is not practicable;

(ii) After the third and fifth years from the time of planting eucalyptus and pine forests, respectively, the forests are measured at fair value, which reflects the sales prices of the assets less the costs necessary to prepare the assets for their intended use or sale;

(iii) The methodology utilized for the fair value measurement of biological assets is based on the discounted future cash flow, estimated according to the projected productivity cycle of the forests, taking into consideration price variations and the growth of biological assets;

(iv) The discount rate utilized for cash flow is the Company's weighted average cost of capital, which is reviewed annually by Management as part of the budget process or to the extent there are situations that require such a review;

(v) The projected productivity volumes of forests are determined based on the forest characteristics, genetic material, handling system, productive potential, rotation, region and age. Together, these contribute to an average annual growth (AAG) index, which is expressed in cubic meters per hectare/year, and which is utilized as a basis for projecting the forest's productivity. The Company's planned harvest timescale varies mainly from 6 to 7 years for eucalyptus trees and 14 and 15 years for pine trees;

(vi) The prices of biological assets (standing timber), denominated in R$/cubic meter, are obtained through market price surveys carried out by specialized firms. The prices obtained are subject to the deduction of the cost of capital relating to land, since this asset contributes to the planting of forests, and any other costs necessary to prepare the assets for sale or for consumption;

(vii) Planting expenses related to the costs of developing the biological assets;

(viii) The depletion of biological assets is calculated based on the fair value of the biological assets harvested during the year;

(ix) The Company reviews the fair value of its biological assets on a quarterly basis, which Management believes is adequate to avoid any material misstatement of the fair value of the biological assets recognized in the Company's financial statements.

16.2 Reconciliation and changes in the fair value

		Parent Company				Consolidated
	Pine	**Eucalyptus**	**Total**	**Pine**	**Eucalyptus**	**Total**
At December 31, 2021	**2,338,758**	**1,433,433**	**3,772,191**	**3,626,850**	**1,901,200**	**5,528,050**
Planting and purchases of standing forest	1,521,286	520,385	2,041,671	2,011,799	528,774	2,540,573
Contribution to subsidiary	(18,099)	-	(18,099)	-	-	-
Depletion	**(999,028)**	**(505,113)**	**(1,504,141)**	**(1,330,123)**	**(512,628)**	**(1,842,751)**
Historical cost	(454,954)	(207,823)	(662,777)	(568,779)	(197,308)	(766,087)
Fair value adjustment	(544,074)	(297,290)	(841,364)	(761,345)	(315,319)	(1,076,664)
Change in fair value due to	**1,021,703**	**357,744**	**1,379,447**	**1,597,294**	**285,793**	**1,883,087**
Price	774,163	322,341	1,096,504	1,286,418	342,267	1,628,685
Growth (i)	247,540	35,403	282,943	310,876	(56,474)	254,402
At December 31, 2022	**3,864,620**	**1,806,449**	**5,671,069**	**5,905,819**	**2,203,140**	**8,108,959**
Planting and purchases of standing forest	832,700	739,839	1,572,539	1,096,014	994,310	2,090,324
Capital decrease in subsidiary	33,456	147	33,603	-	-	-
Depletion	**(839,808)**	**(788,122)**	**(1,627,930)**	**(1,419,825)**	**(831,068)**	**(2,250,893)**
Historical cost	(478,579)	(561,810)	(1,040,389)	(573,896)	(597,320)	(1,171,216)
Fair value adjustment	(361,229)	(226,312)	(587,541)	(845,930)	(233,747)	(1,079,677)
Change in fair value due to	**1,995,528**	**(1,731,826)**	**263,702**	**1,167,309**	**62,132**	**1,229,441**
Price	641,422	97,685	739,107	1,531,248	1,466	1,532,714
Growth (i)	1,354,106	(1,829,511)	(475,405)	(363,939)	60,666	(303,273)
At December 31, 2023	**5,886,496**	**26,487**	**5,912,983**	**6,749,317**	**2,428,514**	**9,177,831**

(i) In addition to the effects of forest growth due to its upcoming harvest, this amount refers to adjustments arising from assumptions that affect the fair value of biological assets, such as a review of the harvest plan, productivity table, changes in the discount rate, changes in administrative costs and others.

The depletion costs of biological assets for the years ended December 31, 2023 and 2022 were appropriated to production costs, excluding amounts allocated to inventory following forest harvesting and for use in the production process or for sale to third parties.

In accordance with CPC 46 (equivalent to IFRS 13) – Fair Value Measurement, the calculation of biological assets is classified at Level 3 of the fair value hierarchy due to its complexity and calculation structure.

The assumptions applied include price sensitivities and discount rates applied to projected cash flows. Prices are segregated by the operating region. The discount rate corresponds to the average cost of capital, taking into consideration the basic interest (SELIC) and inflation rates.

The weighted average price used for the appraisal of the assets at December 31, 2023 was R$ 121/m^3 (R$ 125/m^3 at December 31, 2022).

All amounts in thousands of Reais unless otherwise stated

The effects of a material increase (decrease) in the discount rate used for the measurement of the fair value of biological assets would result in a decrease (increase) in the values measured. At December 31, 2023, the Company used a weighted average cost of capital of 6.67% in local currency for the parent company and 8.27% for the subsidiaries (6.67% for the parent company and 8.26% for the subsidiaries at December 31, 2022).

Accounting policy

Pursuant to CPC 29 / IAS 41 - Agriculture, the Company performs quarterly valuations of its biological assets, recognizing gains or losses arising from changes in fair value in the statement of income of the reporting period in which they occur, in a specific statement of income line item named “Change in the fair value of biological assets”. The depletion value of biological assets is measured at the amount of wood harvested, at its fair value.

The fair-value determination uses the revenue approach, applying the discounted cash flow model in line with the assets’ forecast productivity cycle.

17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

17.1 Balances and changes to right-of-use assets and lease liabilities

At December 31, 2023, the Company had 591 lease contracts in the parent company and 655 contracts in the consolidated (520 in the parent company and 555 in the consolidated at December 31, 2022).

For better presentation and market comparison, the Company decided to change the incremental rates used for all lease contracts from real rate to nominal rate. For purposes of comparison, the effect of this change is presented with the forecast effect in Note 17.4.

The balances and changes to right-of-use assets and lease liabilities are as follows:

				Parent Company
Right-of-use assets	**Land**	**Buildings**	**Machinery and equipment**	**Total assets**
At December 31, 2022	**842,516**	**37,344**	**609,747**	**1,489,607**
Amortization	(40,692)	(15,310)	(231,732)	**(287,734)**
New contracts	294,972	2,351	40,109	**337,432**
Remeasurement	121,440	5,300	455,133	**581,873**
Effect of rate change (Note 17.4)	(237,597)	(1,357)	(56,182)	**(295,136)**
Write-offs	(66,808)	(693)	(12,444)	**(79,945)**
At December 31, 2023	**913,831**	**27,635**	**804,631**	**1,746,097**

All amounts in thousands of Reais unless otherwise stated

Right-of-use assets	Land	Buildings	Machinery and equipment	Parent Company Total assets
At December 31, 2021	**593,969**	**45,599**	**381,680**	**1,021,248**
Amortization	(47,138)	(12,869)	(149,563)	**(209,570)**
New contracts	258,510	3,528	160,777	**422,815**
Remeasurement	80,974	4,992	248,848	**334,814**
Write-offs	(43,799)	(3,906)	(31,995)	**(79,700)**
At December 31, 2022	**842,516**	**37,344**	**609,747**	**1,489,607**

Right-of-use assets	Land	Buildings	Machinery and equipment	Consolidated Total assets
At December 31, 2022	**943,154**	**37,635**	**629,815**	**1,610,604**
Amortization	(46,503)	(15,880)	(235,419)	**(297,802)**
New contracts	418,031	3,792	40,109	**461,932**
Remeasurement	88,565	5,300	456,543	**550,408**
Effect of rate change (Note 17.4)	(265,759)	(1,400)	(56,539)	**(323,698)**
Write-offs	(86,455)	(994)	(12,343)	**(99,792)**
At December 31, 2023	**1,051,033**	**28,453**	**822,166**	**1,901,652**

Right-of-use assets	Land	Buildings	Machinery and equipment	Consolidated Total assets
At December 31, 2021	**630,488**	**45,890**	**381,721**	**1,058,099**
Amortization	(50,938)	(12,869)	(150,643)	**(214,450)**
New contracts	325,084	3,528	178,945	**507,557**
Remeasurement	82,319	4,992	254,308	**341,619**
Write-offs	(43,799)	(3,906)	(34,516)	**(82,221)**
At December 31, 2022	**943,154**	**37,635**	**629,815**	**1,610,604**

Lease liabilities	Parent Company	Consolidated
At December 31, 2022	**1,524,349**	**1,644,888**
Installment	(508,143)	(533,734)
Interest	132,772	143,080
New contracts	337,432	461,932
Write-offs	(12,393)	(44,322)
Effect of rate change	(284,205)	(298,958)
Remeasurement	581,873	550,408
At December 31, 2023	**1,771,685**	**1,923,294**
Current liabilities	289,300	298,526
Non-current liabilities	1,482,385	1,624,768
Total liabilities	**1,771,685**	**1,923,294**

All amounts in thousands of Reais unless otherwise stated

	Parent Company	Consolidated
At December 31, 2021	**1,050,403**	**1,086,701**
Installment	(326,632)	(337,211)
Interest	72,280	77,414
New contracts	422,815	507,557
Write-offs	(29,331)	(31,192)
Remeasurement	334,814	341,619
At December 31, 2022	**1,524,349**	**1,644,888**
Current liabilities	255,638	262,923
Non-current liabilities	1,268,711	1,381,965
Total liabilities	**1,524,349**	**1,644,888**

In the year ended December 31, 2023, the Company recognized an expense of R$ 14,184 (R$ 19,683 at December 31, 2022) related to short-term leases (contracts of less than 12 months) or operations involving low-value assets.

The Company's leases in force at December 31, 2023 have no covenant clauses, and no variable payment clauses or guaranteed residual value clauses or purchase options upon the expiry of the contract term.

At December 31, 2023, the Company performed an evaluation and found no impacts in terms of the segregation of lease contract components, and there were no impacts on the initial direct costs associated with the contracts regarding asset measurement.

17.2 Maturity schedule of the leases

	Parent Company 12/31/2023				Consolidated 12/31/2023			
	Land	**Buildings**	**Machinery and equipment**	**Total**	**Land**	**Buildings**	**Machinery and equipment**	**Total**
2024	133,656	13,939	301,835	449,430	153,147	14,589	306,777	474,513
2025	129,227	11,413	241,806	382,446	148,718	11,797	246,748	407,263
2026	127,313	5,859	192,932	326,104	146,804	5,859	197,874	350,537
2027	125,399	78	137,222	262,699	144,746	78	141,450	286,274
2028 - 2032	606,904	45	99,465	706,414	702,189	45	102,370	804,604
2033 - 2037	512,906	-	-	512,906	603,919	-	-	603,919
2038 - 2042	278,217	-	-	278,217	333,271	-	-	333,271
2043 - 2063	334,981	-	-	334,981	461,467	-	-	461,467
	2,248,603	**31,334**	**973,260**	**3,253,197**	**2,694,261**	**32,368**	**995,219**	**3,721,848**
Embedded interest	(1,334,621)	(2,739)	(144,152)	(1,481,512)	(1,648,059)	(2,633)	(147,862)	(1,798,554)
Lease liabilities	**913,982**	**28,595**	**829,108**	**1,771,685**	**1,046,202**	**29,735**	**847,357**	**1,923,294**

17.3 Potential rights to PIS/COFINS recoverable

The Company has a potential right to PIS/COFINS recoverable embedded in the consideration associated with leases of buildings, machinery and equipment. For the measurement of cash flow from leases, tax credits were not separately disclosed, and the potential effects of PIS/COFINS are as below:

All amounts in thousands of Reais unless otherwise stated

	Parent Company		Consolidated	
		12/31/2023		12/31/2023
Cash flow	**Nominal rate**	**Adjusted to present value**	**Nominal rate**	**Adjusted to present value**
Lease consideration	1,004,594	857,703	1,027,587	877,092
PIS/COFINS (9.25%)	92,925	79,338	95,052	81,131

17.4 Projected flow excluding inflation for compliance with CVM Circular Letter

Pursuant to Circular letter/CVM/SNC/SEP/No. 02/2019, the Company chose as an accounting policy the requirements of CPC06 (R2)/IFRS16 – "Leases" for the measurement and re-measurement of its rights-of-use, using the discounted cash flow model considering the nominal discount rate. Management assessed the use of nominal cash flow, with no material distortions compared to the information disclosed.

To ensure the faithful representation of information for the purposes of compliance with CPC06 (R2)/IFRS16 – "Leases" and the CVM's technical guidelines, the Company states the balances of its assets and liabilities with inflation, as stated (real flow x nominal rate), and the estimated interest rate without inflation in the comparison years (nominal flow x real rate).

Other assumptions, such as the maturity schedule of the liabilities, and the interest rates used in calculations are shown in other items within the same Note. Inflation indices can be derived from the market, so that users of the financial statements can determine the nominal flows.

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Flow with inflation effects				
Right-of-use assets	**1,746,097**	**1,489,607**	**1,901,652**	**1,610,604**
Lease liabilities	3,253,197	2,265,437	3,721,848	2,518,008
Embedded interest	(1,481,512)	(741,088)	(1,798,554)	(873,120)
	1,771,685	**1,524,349**	**1,923,294**	**1,644,888**
Actual flow				
Right-of-use assets	**1,450,961**	**1,445,830**	**1,577,954**	**1,558,056**
Lease liabilities	3,253,197	2,265,437	3,721,848	2,518,008
Embedded interest	(1,765,717)	(784,280)	(2,097,512)	(925,244)
	1,487,480	**1,481,157**	**1,624,336**	**1,592,764**

All amounts in thousands of Reais unless otherwise stated

Accounting policy

Right-of-use assets and lease liabilities related to lease contracts for land, machinery, equipment and buildings with terms in excess of 12 months, material value and for the exclusive use of the Company. The right-of-use assets and lease liabilities are recognized at the future value of the consideration assumed in the contract, discounted to net present value, considering the incremental borrowing rate. Right-of-use assets undergo straight-line amortization over the duration of the agreement and recorded in the appropriate line of each reporting period's statement of income (cost of goods sold/administrative expenses/selling expenses). Interest expenses corresponding to the amortization of the net present-value adjustment of the agreements are allocated to "Finance result".

The Company recognizes its right-of-use assets and lease liabilities in light of the following assumptions:

(i) Operations involving contracts with terms exceeding 12 months are recognized under the appropriate standard. The Company has reviewed the renewal aspects of its methodology and, finding no indication of renewal, decided not to consider renewing the contracts, as the assets involved in its operations are not essential to the pursuit of its business, and may be replaced upon the completion of the contract term, with new assets acquired or new transactions other than those agreed;

(ii) Contracts involving the use of low-value underlying assets;

(iii) Only operations involving specific assets as defined in the contract for exclusive use over the contract's term are considered;

(iv) Inclusion of taxes recoverable in the definition of the consideration assumed in the contracts in which it is applicable, and, in the case of land and properties, excluding costs such as rural property tax (ITR), common area maintenance fee, and municipal real estate tax (IPTU);

(v) The methodology used to determine the net present value of contracts is the cash flow of payments discounted at the incremental borrowing rate applicable to the asset class;

(vi) The incremental borrowing rate for the fiscal year ended December 31, 2023 was calculated based on the Brazilian market's risk-free rates and adjusted to the Company's reality. The rates on leases of forests, administrative buildings and commercial warehouses for contracts executed in 2023 are 13.13% per year for contracts with maturities up to five years; 14.29% for maturity in the 6-10 year range; 15.19% for maturity in 11-15 years; 15.71% for maturity in 16-20 year; and 16.08% for maturities exceeding 20 years, in addition to 13% per year on operations involving machinery and equipment;

(vii) Re-measurement to reflect any revaluation of or changes to the leases will take place on the month of the one-year anniversary of each contract (reset), when the Company will determine the need for adjustments to the monthly and annual payments. Where applicable, any adjustments will be recognized in assets against lease liabilities;

(viii) The Company evaluated, as regards operations covered by the relevant standard, the effects of contingencies and impairment risks, finding no impacts.

18. TRADE PAYABLES

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current				
Local currency	1,913,090	1,971,273	1,973,412	2,099,459
Foreign currency	69,681	251,076	102,401	284,241
Forfaiting	464,324	531,646	464,324	531,646
Forfaiting forestry operations	63,660	22,556	63,660	22,556
(-) Adjustment to present value - forfaiting forestry operations	(3,746)	(1,226)	(3,746)	(1,226)
Total trade payables - current	**2,507,009**	**2,775,325**	**2,600,051**	**2,936,676**
Non-current				
Local currency	97,091	131,695	97,091	131,695
Forfaiting forestry operations	517,953	535,581	517,953	535,581
(-) Adjustment to present value - forfaiting forestry operations	(120,219)	(121,540)	(120,219)	(121,540)
Total trade payables - non-current	**494,825**	**545,736**	**494,825**	**545,736**
Total trade payables	**3,001,834**	**3,321,061**	**3,094,876**	**3,482,412**

At December 31, 2023, the average payment term of the notes outstanding with operational suppliers is approximately 76 days (63 days at December 31, 2022). In the case of suppliers of property, plant and equipment, the payment terms are determined based on the commercial negotiations for each transaction.

18.1 Forfaiting

The suppliers balance associated with forfaiting operations at December 31, 2023 was R$ 921,972 (R$ 967,017 at December 31, 2022) in the parent company and in the consolidated. The Company has forfaiting arrangement with financial institutions to manage its commitments with strategic suppliers. In this operation, suppliers transfer the right to receive the amounts to the financial institution and, in exchange, receive these amounts in advance from the financial institution, which, in turn, becomes the creditor of the operation.

In the year ended December 31, 2023, the adjustment to present value of the forfaiting recognized under finance result was R$ 76,475 in the parent company and in the consolidated (R$ 22,050 at December 31, 2022 in the parent company and in the consolidated).

Following the guidance in Circular Letter CVM SMC/SEP 01/21, the Company elected to present these amounts in two different groups:

Forfaiting: This includes operations for the acquisition of inputs and various raw materials for short-term consumption. Suppliers choose the financial institution that best meets their cash flow needs, and negotiations between supplier and financial institution are usually carried out bilaterally, with the supplier being the decision maker. These operations do not present changes in the purchase conditions (payment terms and negotiated prices), remaining under conditions usually practiced in the market.

All amounts in thousands of Reais unless otherwise stated

Forfaiting forestry operation: This includes operations for the acquisition of standing timber (forests) which, due to their long operational cycle, require structuring with specific financial institutions that exclusively serve suppliers who seek to discount receivables. Due to the long-term nature of the balance payable, the amounts involved in the transaction are adjusted to present value on the transaction date using pre-agreed discount rates between all parties. The adjustment to present value is initially recognized as a reduction in the Trade Payables - Forfaiting Forestry Operation account and the net value of the transaction is adjusted against the biological assets account. The trade payables account is measured at amortized cost, with interest on the contract recognized as a finance cost over the payment period. At December 31, 2023, the weighted average term of forfaiting forestry operations is 1.3 years with a weighted average annual cost of CDI + 12.65% (2.2 years with a weighted average annual cost of 14.5% at December 31, 2022).

Accounting policy

Trade payables include outstanding obligations associated with goods or services acquired in the regular course of business, in addition to investments in the Company's projects. These obligations are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method, where applicable, pursuant to CPC 40 (R1)/IFRS 7 – "Financial Instruments: Disclosure".

In accordance with CPC 12, the Forfaiting Forest Operation balances were recognized at present value considering the amount to be discounted, the realization dates, the settlement dates, and the discount rate. Subsequent measurements are made at amortized cost, using the effective interest rate method. Gains and losses are recognized in the statement of income when liabilities are written off and through the amortization of the effective interest rate.

19. BORROWINGS

19.1 Balances of borrowings

	Annual interest rate - %	Current	Non-current	Total 12/31/2023	Current	Non-current	Total 12/31/2022
In local currency							
BNDES - Project Puma II	IPCA - +3.58%	202,695	2,908,651	3,111,346	191,445	2,963,090	3,154,535
BNDES - Other	TJLP	20,648	116,641	137,289	20,495	135,572	156,067
Export credit notes	102% of CDI	18,324	350,000	368,324	19,540	350,000	369,540
CRA	97.5% to 102% of CDI or IPCA + 4.51% or Fixed 11.72%	281,145	826,868	1,108,013	825,794	550,000	1,375,794
Other	0.76% to 8.5%	190	909	1,099	582	1,817	2,399
Borrowing cost		(27,390)	(166,552)	(193,942)	(25,356)	(184,061)	(209,417)
		495,612	**4,036,517**	**4,532,129**	**1,032,500**	**3,816,418**	**4,848,918**
In foreign currency							
Export prepayments (EPP) (i)	USD + 5.40%	3,722	605,163	608,885	3,522	652,213	655,735
Export credit notes (i)	USD + 4.70%	18,611	1,851,686	1,870,297	21,710	1,125,491	1,147,201
EPP w/ subsidiaries	USD + 5.20% to 8.29%	288,533	12,863,818	13,152,351	284,632	12,309,598	12,594,230
Term Loan (BID Invest and IFC) (i)	SOFR + 2.03%	60,534	3,873,040	3,933,574	5,495	759,697	765,192
Finnvera (i)	SOFR + 0.9% and USD + 3.38%	301,914	1,042,297	1,344,211	336,470	1,446,214	1,782,684
CRA linked to debentures	USD + 2.45% to 5.20%	478,569	4,266,312	4,744,881	359,114	4,266,312	4,625,426
ECA (i)	EUR + 0.45%	6,387	9,250	15,637	6,560	91,179	97,739
Synd Loan (i)	SOFR + 2.05%	14,615	726,195	740,810	-	-	-
Borrowing cost		(43,146)	(250,503)	(293,649)	(39,384)	(255,805)	(295,189)
		1,129,739	**24,987,258**	**26,116,997**	**978,119**	**20,394,899**	**21,373,018**
Total Parent Company		**1,625,351**	**29,023,775**	**30,649,126**	**2,010,619**	**24,211,317**	**26,221,936**
Subsidiaries							
In foreign currency (i)							
Bonds (Notes) (i)	USD + 3.20% to 7.00%	165,406	10,539,866	10,705,272	196,306	12,186,351	12,382,657
Synd Loan U(i)	USD - SOFR + 2.05%	35,254	2,154,379	2,189,633	-	-	-
Borrowing cost		(14,263)	(73,801)	(88,064)	(12,004)	(74,859)	(86,863)
		186,397	**12,620,444**	**12,806,841**	**184,302**	**12,111,492**	**12,295,794**
Elimination of prepayments in subsidiaries		**(288,533)**	**(12,863,818)**	**(13,152,351)**	**(284,632)**	**(12,309,598)**	**(12,594,230)**
Total Consolidated		**1,523,215**	**28,780,401**	**30,303,616**	**1,910,289**	**24,013,211**	**25,923,500**

(i) Transaction designated as hedge instrument under the cash flow hedge accounting program (Note 30).

All amounts in thousands of Reais unless otherwise stated

19.2 Borrowings – changes to LIBOR

On July 27, 2017, the Financial Conduct Authority (FCA) announced the discontinuation of the use of the London interbank offered rate (LIBOR). This change became applicable at the end of 2021 for new contracts. For existing contracts, the change is applied from June 2023. The trading rate of the contract indexes was replaced by the secured overnight financing rate (SOFR), which is currently the rate commonly used by banks in the market.

19.3 Nature of main borrowings

a) National Bank for Economic and Social Development (BNDES) – Project PUMA II and others

The Company has contracts with BNDES for the financing of industrial and forest development projects, social projects and the Puma II paper production expansion project, the settlement of which is projected to take place in 2039. This financing is being repaid monthly, along with the applicable interest.

In October 2023, the Company contracted an interest swap linked to the contract maturing in 2039. The contract consists of replacing the contract's index for the CDI (with an asset position at IPCA + 3.5815% and a liability position at 74.91% of the CDI), thus mitigating the Company’s exposure to inflation-indexed contracts, as the cash yield is based on the CDI.

b) Export prepayments and export credit notes

Export prepayment and credit note transactions (in R$ and USD) were carried out for the purposes of working capital management and the development of the Company's operations. These agreements will be settled up to April 2029.

In December 2023, the Company announced the issue of a contract for export credit notes in the amount of USD 150 million, for a five-year period, with full repayment on the maturity date and an average cost equivalent to SOFR + 2.01%.

c) Syndicated loan

On October 3, 2023, the Company entered into a syndicated loan in the amount of USD 595 million for a five-year period, with full repayment on the maturity date and average cost equivalent to SOFR + 2.05%.

d) Agribusiness Receivables Certificates (CRAs)

The Company placed simple debentures for the issue of CRAs, as follows:

Type	Issued	Amount raised (BRL)	Term	Maturity	Issuer	Periodicity (Interest)	Interest	Status
CRA III	Sept/18	350,000	6 years	Sept/25	True Securitizadora	Semiannual	102% of CDI	In progress
CRA IV	Apr/19	200,000	7 years	Apr/26	VERT Securitizadora	Semiannual	98% of CDI	In progress
CRA IV	Apr/19	800,000	10 years	Apr/29	VERT Securitizadora	Semiannual	IPCA + 4.5081% p.a.	In progress
CRA V	Jul/19	966,291	10 years	Jul/29	VERT Securitizadora	Semiannual	IPCA + 3.5% p.a.	In progress
CRA VI	Jul/22	2,500,000	12 years	May/34	VERT Securitizadora	Semiannual	IPCA + 6.7694% p.a.	In progress
Forestry CRA	Jul/23	300,000	3 years	Jul/26	True Securitizadora	Bullet	Fixed + 11.72% p.a.	In progress

e) Issue of commercial notes

On January 31, 2023, the Company carried out the 1st issue of the Company's commercial notes, with the issuance of 300,000 commercial notes without guarantee, in a single series, and for private distribution. The credit rights from the commercial notes were linked to the agribusiness receivables certificates of the 53rd issue, in a single series, of TRUE Securitizadora S.A. The total initial amount of the commercial notes was reduced from R$ 300,000 to R$ 293,035, due to the cancellation of commercial notes. The maturity date of the commercial notes, counted from the issuance date, will occur on February 12, 2026.

The proceeds from the commercial notes were used exclusively for the issuer's activities related to agribusiness, in the purchase of wood and forest management services and integrated logistics for transporting wood.

On March 30, 2023, the Company opted for the early redemption of a portion of the remaining commercial notes, in the amount of R$ 160,224, as they were not convertible into timber contracts.

On July 10, 2023, the Company carried out the 2nd issue of the Company's commercial notes, with the issuance of 300,000 commercial notes without guarantee, in a single series, and for private distribution. The credit rights from the commercial notes were linked to the agribusiness receivables certificates of the 65th issue, in a single series, of TRUE Securitizadora S.A. The maturity date of the commercial notes, counted from the issuance date, will occur on July 15, 2026.

As in the first issue, the proceeds from the commercial notes must be used exclusively for the activities related to agribusiness, in the purchase of wood and forest management services and integrated logistics for transporting wood.

All amounts in thousands of Reais unless otherwise stated

f) Finnvera (Finnish export credit agency)

As part of efforts to obtain funds necessary for the execution of the Puma II Project, the Company entered into a loan agreement for the financing of acquired assets. USD 67 million was capitalized for the Puma II Project in 2020 and USD 165 million in March 2022. This line has an average cost of SOFR plus 0.60% p.a., half-yearly amortizations and maturity in 2031.

On December 30, 2021, the Company retained an ECA line of credit of USD 447 million, with a drawdown period until February 2024, at a floating rate of SOFR plus 0.70% p.a. and maturity in September 2033. The financing is guaranteed by Finnvera and relates to imports of equipment for stage two of the Puma II Project. Up to December 31, 2023, there had been no drawdown on this line of credit.

g) Term loans (BID Invest, IFC and JICA)

The disbursed amount of this financing contract is currently USD 800 million divided into three tranches, the first of USD 448 million with interest at SOFR + 1.88% p.a., maturing in 2029, the second of USD 280 million with interest at SOFR + 2.18% p.a. and maturity in 2032, and the third of USD 72 million with interest at SOFR + 1.83% p.a., maturing in 2032.

h) Revolving credit facility (RCF)

On October 7, 2021, the Company contracted a USD 500 million Sustainability-Linked revolving credit facility maturing in October 2026.

In the event that this facility is not disbursed, the commitment fee will range from 0.36% p.a. to 0.38% p.a.; should it be drawn down, the rate will range from SOFR+1.50% p.a. to SOFR+1.55% p.a.

The RCF cost is linked to the annual performance of the environmental indicator for reuse of solid industrial waste. The sustainability indicator used for this transaction is one of Klabin's Sustainable Development Goals (KODS) for 2030.

i) Bonds (notes)

The Company, through its wholly-owned subsidiary Klabin Austria GmbH (Austria), has issued debt securities (notes) of the Senior Unsecured Notes under 144/Reg S in the international capital market, which are listed on the Luxembourg Stock Exchange (Euro MTF) and on the Singapore Stock Exchange (SGX).

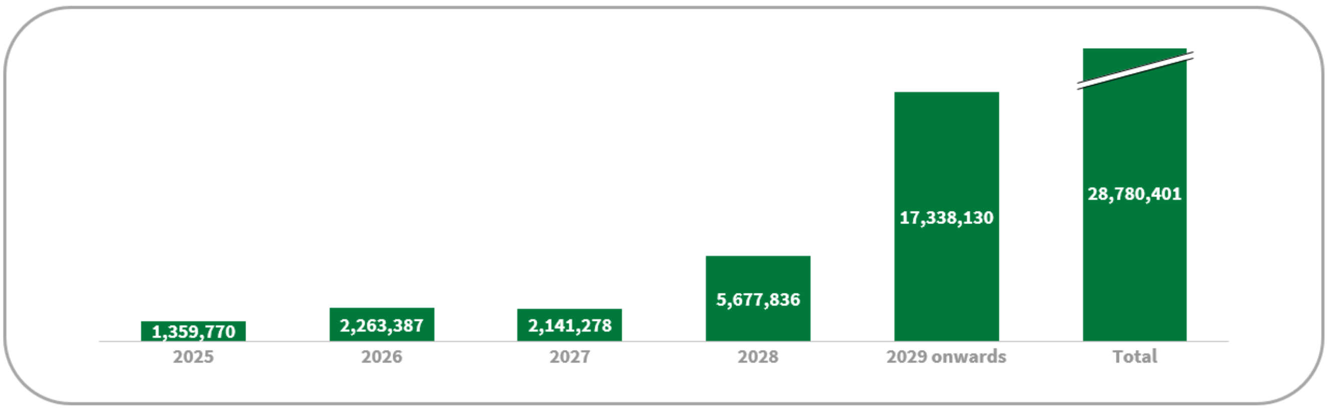
On June 2, 2023, the Company announced the early redemption of all notes issued in 2014, which would otherwise mature in 2024. The principal repurchased was USD 127 million and bearing interest at 5.25% p.a. The transaction was settled with the bondholders on July 3, 2023, as announced in a statement released by the Company on June 28, 2023.

At December 31, 2023, the bonds in circulation were as follows:

Type	Fundraising	Amount raised (USD 000)	Term	Maturity	Coupon	Amortization	Repurchase Date	Repurchase Amount (USD 000)
Green Bonds	Sept/17	500,000	10 years	2027	4.88%	Semiannual	2020	10,000
							Mar/22	235,000
Green Bonds	Mar/19	500,000	10 years	2029	5.75%	Annual	2020	18,500
Green Bonds	Mar/19	500,000	30 years	2049	7%	Annual	-	-
Bonds	Jul/19	250,000	10 years	2029	5.75%	Annual	-	-
Green Bonds	Jan/20	200,000	29 years	2049	7%	Annual	-	-
Sustainability Linked Bonds (SLB)	Jan/21	500,000	10 years	2031	3.20%	Annual	-	-

19.4 Schedule of non-current maturities

The maturity dates of the Company's borrowing at December 31, 2023, classified within non-current liabilities in the consolidated statement of financial position, are as follows:



19.5 Summary of changes in borrowing

	Parent Company	Consolidated
At December 31, 2021	**26,206,877**	**25,900,866**
Fundraising	5,423,974	5,429,328
Accrued interest	3,212,136	1,740,345
Exchange and monetary variations	(2,397,731)	(1,186,104)
Amortization	(4,511,100)	(4,526,909)
Interest payment	(1,712,220)	(1,434,026)
At December 31, 2022	**26,221,936**	**25,923,500**
Fundraising	7,606,589	7,526,918
Accrued interest	2,341,017	2,084,477
Exchange and monetary variations	(1,060,318)	(1,306,575)
Amortization	(2,112,883)	(2,185,019)
Interest payment	(2,347,215)	(1,739,685)
At December 31, 2023	**30,649,126**	**30,303,616**

All amounts in thousands of Reais unless otherwise stated

19.6 Guarantees

BNDES financing include guarantees of land, buildings, improvements, machinery, equipment and facilities at the Ortigueira - PR plant.

Finnvera financing is guaranteed by the industrial plants of Angatuba (SP), Piracicaba (SP), Betim (MG), Goiana (PE), Otacílio Costa (SC), Jundiaí TP and DI (SP), Lages I (SC), and Horizonte (CE).

Financing from BID Invest, IFC and JICA is guaranteed by the industrial plants in Correia Pinto (SC) and Monte Alegre (PR).

Export credit loans, export prepayments, bonds, agribusiness receivables certificates and working capital do not have collateral.

19.7 Restrictive covenants

The Company and its subsidiaries had no borrowings or financing contracts with covenants establishing obligations to maintain financial ratios linked to its results, liquidity or leverage in connection with the contracted operations. In the event of any breaches of these covenants, the debt would become immediately due and payable.

Accounting policy

Borrowings are recognized initially at fair value, net of transaction costs incurred, and are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the total amount payable is recognized in the statement of income over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

General and specific borrowing costs directly related to the acquisition, construction or production of a qualifying asset that requires a substantial period of time to be prepared for its intended use or sale, are capitalized as part of the cost of that asset when it is probable that future economic benefits associated with the item will flow to the Company and the costs can be measured reliably. Other borrowing costs are recognized as finance costs in the period in which they are incurred.

20. DEBENTURES

20.1 Balances

On April 1, 2019, the Company placed its 12th issue of debentures, with 100,000 debentures issued at a nominal unit value of R$ 10, totaling R$ 1,000,000, with maturity on March 19, 2029. The interest paid will be 114.65% the CDI semiannually and amortization will occur in 2027, 2028 and 2029. This transaction has a linked swap contracted with Banco Itaú Unibanco S.A. with an asset position in CDI at 114.65% of the CDI and liability position in USD at 5.40% per year, as disclosed in Note 19.

	7th issue	12th issue	Total	Current liabilities	Non-current liabilities
At December 31, 2021	**33,211**	**1,021,094**	**1,054,305**	**54,305**	**1,000,000**
Interest and accruals	-	140,500	140,500		
Amortization	(31,104)	-	(31,104)		
Interest payment	(2,107)	(118,903)	(121,008)		
At December 31, 2022	**-**	**1,042,691**	**1,042,691**	**42,691**	**1,000,000**
Interest and accruals	-	145,826	145,826		
Interest payment	-	(150,889)	(150,889)		
At December 31, 2023	**-**	**1,037,628**	**1,037,628**	**37,628**	**1,000,000**

Accounting policy

Non-convertible debentures are presented in liabilities at an amount corresponding to the amount of funds raised, plus interest and charges proportional to the relevant period, less amortized installments and interest paid.

All amounts in thousands of Reais unless otherwise stated

21. JUDICIAL DEPOSITS AND PROVISION FOR TAX, SOCIAL SECURITY, LABOR AND CIVIL RISKS

21.1 Provisioned risks

Based on the individual analysis of the lawsuits filed against the Company and its subsidiaries, and under the advice of legal counsel, the Company recorded provisions in non-current liabilities when the risk of losses is considered probable, as follows:

				12/31/2023
Parent Company	**Provisioned amount**	**Unrestricted judicial deposits (i)**	**Subtotal**	**Unrestricted judicial deposits (i)**
Tax				
PIS/COFINS	-	-	-	35,877
ICMS/IPI	-	-	-	54,011
Income tax and social contribution (IR/CS)	-	-	-	798
IPTU	(7,671)	-	(7,671)	-
Other	-	-	-	18,607
	(7,671)	**-**	**(7,671)**	**109,293**
Labor	(51,530)	14,889	(36,641)	-
Civil	(6,726)	855	(5,871)	-
Total Parent Company	**(65,927)**	**15,744**	**(50,183)**	**109,293**
Subsidiaries				
Other risks	(157)	-	(157)	-
Total Consolidated	**(66,084)**	**15,744**	**(50,340)**	**109,293**

(i) Judicial deposits in non-current assets

				12/31/2022
Parent Company	**Provisioned amount**	**Unrestricted judicial deposits (i)**	**Subtotal**	**Unrestricted judicial deposits (i)**
Tax				
PIS/COFINS	-	-	-	33,726
ICMS/IPI	-	-	-	51,071
Income tax and social contribution (IR/CS)	(23)	-	(23)	1,599
IPTU	(8,405)	-	(8,405)	-
Other	-	-	-	17,013
	(8,428)	**-**	**(8,428)**	**103,409**
Labor	(46,066)	14,021	(32,045)	-
Civil	(4,733)	749	(3,984)	-
Total Parent Company	**(59,227)**	**14,770**	**(44,457)**	**103,409**
Subsidiaries				
Other risks	(123)	-	(123)	-
Total Consolidated	**(59,350)**	**14,770**	**(44,580)**	**103,409**

(i) Judicial deposits in non-current assets

All amounts in thousands of Reais unless otherwise stated

21.2 Changes in contingencies

					Parent Company	Consolidated
	Tax	Labor	Civil	Gross exposure	Net exposure	Net exposure
At December 31, 2021	**-**	**(24,616)**	**(5,147)**	**(32,336)**	**(29,763)**	**(28,540)**
Increases/new lawsuits	(8,877)	(19,991)	(4,268)	**(33,136)**	**(33,136)**	**(33,136)**
Write-offs and reversals	449	13,179	10,351	**23,979**	**23,979**	**24,068**
Changes in deposits	-	(617)	(4,920)	**-**	**(5,537)**	**(6,972)**
At December 31, 2022	**(8,428)**	**(32,045)**	**(3,984)**	**(41,493)**	**(44,457)**	**(44,580)**
Increases/new lawsuits	(4,520)	(13,306)	(13,262)	**(31,088)**	**(31,088)**	**(31,122)**
Write-offs and reversals	5,277	7,842	11,269	**24,388**	**24,388**	**24,388**
Changes in deposits	-	868	106	**-**	**974**	**974**
At December 31, 2023	**(7,671)**	**(36,641)**	**(5,871)**	**(48,193)**	**(50,183)**	**(50,340)**

21.3 Tax, social security, labor and civil lawsuits classified as possible risk of loss

At December 31, 2023, the Company and its subsidiaries were parties to other tax, labor and civil proceedings involving a possible risk of loss, estimated as follows:

	12/31/2023		12/31/2022	
Possible	**Parent Company**	**Consolidated**	**Parent Company**	**Consolidated**
Tax	1,167,216	1,167,216	3,839,627	3,839,627
Labor	300,487	300,487	255,192	256,788
Civil	64,095	64,095	83,292	83,292
Total	**1,531,798**	**1,531,798**	**4,178,111**	**4,179,707**

Based on individual analyses of the corresponding legal and administrative proceedings, and supported by the advice of its legal advisors, Management classified these as a possible risk of loss and therefore no provision was recorded.

At December 31, 2023, the main lawsuits in which the Company was a defendant were:

a) Tax lawsuits

(i) Administrative proceedings regarding the collection of a contribution of 2.6% on gross revenue from the sale of the production of agro-industrial activities. The total amount involved at December 31, 2023 was R$ 407,330 (R$ 390,000 at December 31, 2022).

(ii) Disallowance of FINSOCIAL credit indexations in 2017. The total amount involved at December 31, 2023 was R$ 142,127 (R$ 131,000 at December 31, 2022).

(iii) Disallowance of the offsetting of COFINS credits arising from underpayments related to the expansion of the calculation base referred to in Law 9,718/98. The total amount involved at December 31, 2023 was R$ 74,296 (R$ 71,000 at December 31, 2022).

All amounts in thousands of Reais unless otherwise stated

(iv) Tax collection claim filed by the Municipality of Lages (SC) for ISS on the services for the manufacture of packaging with custom printed graphics from January 2001 to December 2004 and January to April 2011. At December 31, 2023, this was R$ 2,287,305 (R$ 2,259,402 at December 31, 2022). Based on the assessment of the Company's legal counsel, the likelihood of loss for this proceeding was changed from possible to remote in September 2023.

b) Civil and environmental lawsuits

Class Action filed in 2009 by the Association of Environmental Fishermen of Paraná (APAP) due to alleged damage to the Tibagi River (PR) from the disposal of burnt coal waste by the Company up to 1998. Despite there being no evidence of environmental damage, in December 2015 a decision unfavorable to the Company was handed down, compelling it to remove the burnt mineral coal from the riverbed. The case is currently in the sentence execution phase. Only after the completion of this phase can the amount of any consideration be stipulated.

On January 3, 2023, Água e Terra – "IAT" (local environmental agency) filed a report that was favorable to the Company's understanding in the lawsuit that the attempt to remove coal waste from the Tibagi river may cause concrete environmental impact, more serious than the maintenance of the material in the area where it is found.

c) Labor claims

The main claims concern overtime, personal damages, health exposure and risk exposure premiums, as well as indemnities and secondary obligor liabilities related to third parties. No individual lawsuit is sufficiently significant to materially affect the Company's results.

d) Lawsuits filed by the Company

At December 31, 2023, the Company was a plaintiff in civil and tax lawsuits for which no amounts were recognized in its financial statements. The assets are recognized only after a final and unappealable court decision is rendered when the gain is certain.

Accounting policy

Pursuant to CPC 25/IAS 37 – "Provisions, Contingent liabilities and Contingent assets", provisions for tax, labor and civil contingencies are recognized when individual cases are deemed to represent probable losses by the Company's legal advisors and Management. This determination is made based on the nature of the cases at hand, similarities with previously adjudicated cases, and the progress of each case.

When the Company expects the amount of a provision to be fully or partly reversed, the asset in question is only recognized when realization is deemed certain, and no asset is established under uncertain circumstances.

For cases in which the expectation of any disbursement to settle a provision is not probable, but also where the disbursement is not remote, the Company classifies the risk of loss as possible and discloses the uncertainties related to the occurrence of the event, as well as an expectation of the amount involved.

22. EQUITY

22.1 Share capital

Klabin S.A.'s subscribed and paid-up capital is R$ 4,475,625 at December 31, 2023 and 2022, comprising 5,617,892,756 shares, without par value, held as follows:

	12/31/2023		12/31/2022	
Shareholders (i)	Common shares	Preferred shares	Common shares	Preferred shares
Klabin Irmãos S.A.	945,359,142	-	945,359,142	-
Niblak Participações S.A.	142,023,010	-	142,023,010	-
The Bank of New York Department (ii)	62,717,212	250,868,848	62,684,236	250,736,944
T. Rowe Price Associates	57,991,957	231,967,828	-	-
BlackRock	46,411,739	185,646,956	52,326,432	209,305,728
Treasury shares	20,262,477	81,049,908	23,172,552	92,690,208
Other	806,963,058	2,786,630,621	856,163,223	2,983,431,281
Total shares	**2,081,728,595**	**3,536,164,161**	**2,081,728,595**	**3,536,164,161**

(i) May differ from the amounts held of record.
(ii) Nonresident shareholders.

In addition to registered common and preferred shares, the Company negotiates certificates of deposit of shares (units) corresponding to one common share (ON) and four preferred shares (PN).

All amounts in thousands of Reais unless otherwise stated

22.2 Capital reserves

These comprise amounts received by the Company from transactions with shareholders that are not included in the statement of income. They may be used for absorption of losses when they exceed the revenue reserves and for redemption, reimbursement and purchase of shares.

Additionally, capital reserves comprise the effects of the long-term incentives plans described in Note 26.

22.3 Revenue reserves

These are constituted by the appropriation of the Company's profits after allocation for payment of minimum mandatory dividends and after allocation to various revenue reserves, as shown below:

(i) **Legal reserve**: constituted at 5% of the profit for the year, under the terms of article 193 of Law 6,404/76 and limited to 20% of the share capital.

(ii) **Investment and working capital reserve**: constituted at a variable portion between 5% and 75% of the profit adjusted as required by law, considering the limit set forth in Article 199 of Law 6.404176, to ensure funds for investment in permanent assets and increase in working capital, including through debt amortization, irrespective of profit retentions linked to capital budgets. The balance may be used in absorption of losses, whenever necessary, in distribution of dividends at any time, in redemption, reimbursement or purchase of shares, as authorized under the Bylaws, or for incorporation into the Company's share capital.

(iii) **Biological assets reserve**: constituted for the purpose of allocating the effects of fair value adjustments of biological assets while not financially realized, based on the allocation of the profit for the year, net of tax effects, revenue from fair value measurement of own biological assets and revenue from fair value measurement of biological assets of subsidiaries, included in the share of profit (loss) of subsidiaries and joint ventures recognized by the parent company; The amount to be used for the constitution of the biological assets reserve will be limited to the balance of the "Retained earnings or accumulated deficit" account after the constitution, if any, of the legal reserve, reserve for contingencies, tax incentive reserve and unrealized profit reserve.

(iv) **Tax incentive reserve**: constituted under the terms of article 195-A of Law 6,404/76, as amended by Law 11,638/07, and according to management bodies' proposal, this reserve will allocate a portion of the profit from donations or government grants for investments and is excluded from the calculation basis of the mandatory dividend. Pursuant to article 30 of Law 12,973/14 and article 19 of Decree 1,598/77, the Company, based on the profit for the year, constituted its tax incentive reserve including the incentives that (i) were absorbed with loss, (ii) would have been recognized in prior years, had it generated profit, and (iii) for the current year.

	Consolidated	
	12/31/2023	**12/31/2022**
Legal reserve	425,573	298,341
Tax incentive reserve	666,223	520,465
Biological assets reserve	237,465	478,698
Dividends proposed	192,000	345,000
Investment and working capital reserve	4,105,571	2,782,790
Revenue reserves	**5,626,832**	**4,425,294**

22.4 Carrying value adjustments

The “carrying value adjustments” account arose from the effects of Law 11,638/07 upon adoption of new accounting principles based on valuation adjustments to reflect increases and decreases in assets and liabilities, where applicable, among others.

The balance refers to: (i) the adoption of the deemed cost of PP&E for forest land, upon adoption of the new accounting standards converging with IFRS on January 1, 2009; (ii) exchange rate changes for foreign subsidiaries with a functional currency other than that of the Company; (iii) cash flow hedge accounting (Note 30); and (iv) actuarial liability variations.

	Consolidated	
	12/31/2023	**12/31/2022**
Deemed cost of property, plant and equipment (land) (i)	1,058,680	1,058,680
Foreign currency translation adjustments	(116,802)	(73,680)
Stock option plan	-	14,145
Cash flow hedge reserve (i)	1,079,014	199,511
Actuarial liability (i)	(176,777)	(114,332)
Total carrying value adjustments	**1,844,115**	**1,084,324**

(i) Net of the corresponding current/deferred taxes, when applicable, at the rate of 34%.

22.5 Treasury shares

At December 31, 2023, the Company held 101,312,385 of its own shares in treasury, corresponding to 20,262,477 units (115,862,760 shares, corresponding to 23,172,552 units at December 31, 2022). At December 31, 2023, the trading price on B3, the São Paulo Stock Exchange, was R$ 22.22 per unit (B3 ticker KLBN11).

Under the stock option plan (Note 26), providing long-term compensation to the Company's employees and officers, on February 28, 2023, 7,745,790 treasury shares were sold for R$ 20,788, corresponding to 1,549,158 units. The right to use 7,745,790 shares, corresponding to 1,549,158 units, was also granted. The amount was derecognized from the treasury shares account at a historical cost of R$ 10,383.

All amounts in thousands of Reais unless otherwise stated

Accounting policy

Treasury shares are recorded at cost as a deduction from equity. Gains and losses arising from sales of treasury shares (and the respective tax effect) are recognized directly in equity, with no impact on the profit for the year.

22.6 Dividends/ interest on capital

Dividends and interest on capital represent a portion of the profits earned by the Company, which is distributed to the shareholders as remuneration of the capital invested. All shareholders are entitled to dividends and interest on capital, proportional to their shareholding, pursuant to Brazilian corporation law and the Company's Bylaws. The Bylaws allow Management to propose interim distributions during the year in advance, "ad referendum" to the Annual General Meeting convened to approve the corresponding financial statements.

Interest on capital is tax deductible if it is first booked as “finance costs”. As required by the CVM, for the purposes of the financial statements, it is then reversed and deducted directly from the retained earnings account, comprising part of the balance of the minimum mandatory dividend.

The basis for calculating the mandatory dividend under the Company's Bylaws is adjusted to record the setup, realization and reversal, during the respective year, of the "biological assets reserves", providing the shareholders the right to a minimum mandatory dividend of 25% of each year’s adjusted net income. The Company may distribute dividends and interest on capital from the “revenue reserves” balances.

In 2023, in extraordinary meetings of the Board of Directors, the following distributions of dividends and interest on capital were approved and paid:

Approval	Distribution	Payment	Class	Amount per thousand shares	Type	Total distributed
02/07/2023	Dividend	02/24/2023	ON and PN Units	R$ 0.06 R$0.31	Complementary - 2022	345,000
05/02/2023	Dividend	05/16/2023	ON and PN Units	R$ 0.07 R$0.35	Interim 2023	389,000
08/01/2023	Dividend	08/15/2023	ON and PN Units	R$ 0.05 R$0.24	Interim 2023	269,000
10/24/2023	Interest on capital	11/14/2023	ON and PN Units	R$ 0.06 R$0.29	Interim 2023	319,000
12/14/2023	Interest on capital	02/26/2024	ON and PN Units	R$0.03 R$0.15	Interim 2023	171,000
						1,493,000

The interest on capital is subject to a 15% withholding income tax, except for shareholders who are demonstrably exempt, in accordance with current legislation regarding interest on capital, to be charged to the 2023 interim results, in compliance with the terms of Article 20 of the Company’s bylaws.

All amounts in thousands of Reais unless otherwise stated

In addition, the declared dividends and interest on capital will be considered in the mandatory minimum dividends for the current year, and should be deducted from the amount declared by the Annual General Meeting to be held in 2024, according to the statutory and legal provisions (Note 22.8).

Accounting policy

The Company's Bylaws establish that at least 25% of the annual adjusted net profit be distributed as dividends. Accordingly, at the end of each reporting period, the Company records a provision in the amount of the minimum mandatory dividend that has not yet been distributed, in the event this limit has not been reached by interim payments. When decided by Management, interest on capital is considered part of dividends for the year. The tax benefit of interest on capital is recognized in the statement of income.

22.7 Non-controlling interests

At December 31, 2023, the non-controlling shareholders' share of the consolidated equity was R$ 2,147,408 (R$ 2,008,782 at December 31, 2022). This pertains to the shareholders of the subsidiaries Guaricana Reflorestadora S.A., Sapopema Reflorestadora S.A., Aroeira Reflorestadora S.A. and Cerejeira Reflorestadora S.A., respectively and proportionally.

				12/31/2023
Interest	**Guaricana Reflorestadora S.A.**	**Sapopema Reflorestadora S.A.**	**Aroeira Reflorestadora S.A.**	**Cerejeira Reflorestadora S.A.**
Non-controlling interests	65.26%	87.26%	88.74%	49.99999%
Klabin S.A	34.74%	12.74%	11.26%	50.00001%
Total	**100%**	**100%**	**100%**	**100%**

				12/31/2022
Interest	**Guaricana Reflorestadora S.A.**	**Sapopema Reflorestadora S.A.**	**Aroeira Reflorestadora S.A.**	**Cerejeira Reflorestadora S.A.**
Non-controlling interests	65.26%	85.61%	88.18%	49.99999%
Klabin S.A	34.74%	14.39%	11.82%	50.00001%
Total	**100%**	**100%**	**100%**	**100%**

The Company can exercise its right to purchase shares belonging to non-controlling interests in SPEs, as an elective option, in accordance with the commercial conditions provided for in the shareholders' agreement, taking into account:

- The net value between the capital invested by non-controlling interests less the return obtained in the period up to exercise of the option, for Guaricana Reflorestadora S.A., Sapopema Reflorestadora S.A. and Aroeira Reflorestadora S.A.;
- The market price of shares held by investors, which will be assessed based on their discounted cash flow, for Cerejeira Reflorestadora S.A.

All amounts in thousands of Reais unless otherwise stated

22.8 Allocation of the profit for the year

Allocation of the profit made during 2023 is shown below, and will be presented at the Annual General Meeting to be held on April 16, 2024, together with the approval of the accounts for the year.

		Parent Company	
		2023	2022
(=)	**Profit for the year allocated to the shareholders of Klabin**	**2,694,538**	**4,461,250**
(-)	Constitution of tax incentive reserve	(145,758)	(111,444)
(-)	Constitution of legal reserve (5% of profit for the year - tax incentive reserve)	(127,439)	(217,490)
(+)	Realization of biological assets reserve - own	387,226	561,825
(-)	Constitution of biological assets reserve - own	(174,043)	(910,435)
(+)	Realization of biological assets reserve - subsidiaries	28,050	(119,110)
(=)	**Base profit for mandatory dividend distribution**	**2,662,574**	**3,664,596**
(=)	**Minimum mandatory dividend as per the Bylaws (25%)**	**665,644**	**916,149**
	Profits distributed	**1,148,000**	**1,283,000**
(=)	**Total supplementary dividends proposed (i)**	**192,000**	**345,000**
(-)	**Constitution of investment and working capital reserve**	**(1,322,574)**	**(2,036,596)**

(i) Proposed supplementary dividends with payment estimated for February 26, 2024.

In the year ended December 31, 2023, the Company exceeded by R$ 55,519 the limit for constitution of revenue reserves set forth in Article 199 of the Brazilian Corporation Law (Law 6,404). Pursuant to this article, revenue reserves, except for unrealized profit reserves and tax incentive reserves, cannot exceed the share capital.

The Board of Directors will submit the matter for the analysis of the Annual General Meeting, which will decide on the allocation of the exceeding balance.

All amounts in thousands of Reais unless otherwise stated

23. NET SALES REVENUE

The Company's net revenue was as follows:

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Gross sales revenue	20,048,724	22,580,365	20,791,784	23,010,161
Discounts and rebates	(54,556)	(158,925)	(122,697)	(174,399)
Cash flow hedge	9,772	1,632	9,772	1,632
Taxes on sales	(2,588,678)	(2,703,412)	(2,655,110)	(2,804,695)
Net sales revenue	**17,415,262**	**19,719,660**	**18,023,749**	**20,032,699**
Domestic market	13,860,144	11,544,343	11,728,551	11,749,420
Foreign market	3,555,118	8,175,317	6,295,198	8,283,279
Net sales revenue	**17,415,262**	**19,719,660**	**18,023,749**	**20,032,699**

Accounting policy

Pursuant to CPC 47/IFRS 15 – "Revenue from Contracts with Customers", sales revenue is shown net of the applicable taxes and discounts and rebates granted. The Company recognizes sales revenue whenever it is probable that the economic benefits of the transaction will flow to the entity and that all performance obligations contracted by the customer have been met, which occurs when ownership of the assets is transferred to the buyer.

All amounts in thousands of Reais unless otherwise stated

24. COSTS, EXPENSES AND OTHER INCOME BY NATURE

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cost of products sold		**Reclassified**		**Reclassified**
Variable costs (i)	(5,136,552)	(5,677,887)	(5,324,686)	(5,895,266)
Personnel	(2,585,434)	(2,386,216)	(2,638,198)	(2,434,914)
Depreciation and amortization	(1,680,390)	(1,471,493)	(1,716,395)	(1,521,840)
Depletion	(1,046,823)	(1,326,686)	(1,557,800)	(1,596,003)
Other (ii)	(1,710,688)	(1,592,904)	(1,166,665)	(952,908)
	(12,159,887)	**(12,455,186)**	**(12,403,744)**	**(12,400,931)**
Selling expenses				
Freight	(1,130,830)	(1,393,396)	(1,183,823)	(1,466,338)
Commission	(18,637)	(50,312)	(50,923)	(106,024)
Personnel	(150,008)	(134,892)	(153,069)	(137,645)
Depreciation and amortization	(5,330)	(3,748)	(5,330)	(3,748)
Port and storage expenses	(116,016)	(94,560)	(141,417)	(121,911)
Other (ii)	(23,452)	(56,461)	(7,756)	(65,576)
	(1,444,273)	**(1,733,369)**	**(1,542,318)**	**(1,901,242)**
General and administrative expenses				
Personnel	(506,995)	(510,190)	(517,342)	(520,602)
Services contracted	(270,978)	(327,535)	(276,508)	(334,219)
Depreciation and amortization	(46,116)	(46,613)	(47,057)	(47,564)
Maintenance	(16,832)	(25,078)	(17,176)	(25,590)
Other (ii)	(115,492)	(104,601)	(143,189)	(123,226)
	(956,413)	**(1,014,017)**	**(1,001,272)**	**(1,051,201)**
Other income (expenses), net				
Revenue from sales of property, plant and equipment	8,765	38,303	8,765	38,303
Cost of sales and write-offs of property, plant and equipment	(3,327)	(25,670)	(3,327)	(25,670)
PIS/COFINS tax credits	63,387	140,087	63,387	140,087
Other (ii)	(149,477)	(68,234)	(140,159)	(68,105)
	(80,652)	**84,486**	**(71,334)**	**84,615**
Total	**(14,641,225)**	**(15,118,085)**	**(15,018,668)**	**(15,268,759)**

(i) Raw materials and consumables.

(ii) Maintenance, factory shutdown, insurance, materials for use and consumption, indemnities, travel and lodging, fairs and events, and other amounts individually lower than R$ 20,000.

All amounts in thousands of Reais unless otherwise stated

25. FINANCE RESULT

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Finance income				
Income from financial investments	603,462	577,823	695,086	629,840
Social Integration Program (PIS)/Social Contribution on Revenue (COFINS) on finance income	(45,050)	(39,802)	(46,857)	(40,290)
Interest	2,850	51,638	83,798	134,119
Interest from marketable securities	140,076	5,713	140,076	5,713
Other	83,399	86,396	93,890	23,358
	784,737	**681,768**	**965,993**	**752,740**
Finance costs				
Interest on borrowings	(2,562,105)	(2,090,712)	(2,285,711)	(1,841,389)
Interest capitalized on property, plant and equipment	503,821	684,332	503,821	684,332
Derivative financial instruments (SWAP)	1,065,343	197,663	1,065,343	197,663
Guarantees on borrowings	-	(113)	-	(113)
Remuneration of investors - SCPs	-	-	(22,847)	(25,395)
Commission	(70,442)	(62,250)	(85,645)	(129,795)
Other	(352,586)	(122,684)	(489,050)	(136,222)
	(1,415,969)	**(1,393,764)**	**(1,314,089)**	**(1,250,919)**
Foreign exchange variations				
Foreign exchange variation - assets	(304,982)	(180,261)	(374,800)	(172,034)
Foreign exchange variation - liabilities	360,417	665,392	287,743	578,774
	55,435	**485,131**	**(87,057)**	**406,740**
Finance result	**(575,797)**	**(226,865)**	**(435,153)**	**(91,439)**

26. LONGTERM INCENTIVES PLAN

26.1 LTIP - Matching

At the Special General Meeting held on July 10, 2012, the Stock Option Plan (the Plan) was approved as an annual benefit to the members of the Executive Board and the strategic employees of the Company.

CVM authorized the Company, through OFICIO/CVM/SEP/GEA-2/No. 221/2012 to carry out the private transactions covered by the incentive plan for its officers and employees, with the exclusion of the controlling shareholders, allowing the private transfer of the shares held in treasury.

For the plans in force, the Company has established the following percentage limits:

All amounts in thousands of Reais unless otherwise stated

	Bonus percentage	
Position	**Minimum**	**Maximum**
Chief Executive Officer	15%	50%
Statutory and designated officers	15%	50%
Officers	15%	50%
Senior managers	15%	40%
Managers	15%	25%
Other positions	5%	10%

The Company will grant the usufruct of the same number of shares to the acquirer for three years on a grant basis, with the ownership of the shares being transferred to the beneficiaries after three years, pending compliance with the applicable clauses of the Plan.

Usufruct grants the beneficiary a right to dividends and interest on capital distributed during the period in which the benefit is valid.

The acquisition price of the Treasury shares by plan beneficiaries shall be the average prices of the Company's shares for the 60 preceding trading sessions, or of their trading prices on the acquisition date, whichever is lower. The value of the shares granted in usufruct shall correspond to the price of the shares traded on the Brazilian Stock Exchange on the day of the transaction.

On February 28, 2023, a new grant was approved (“Plan 2022”), with vesting in February 2026.

Includes clauses governing the transfer of granted shares for beneficiaries continuing employment at the Company and for the non-disposal of the shares. The shares awarded can be immediately assigned in the event of the dismissal of the employee on the initiative of the Company, or upon the retirement or death of the beneficiary. In the latter case, title over the shares is conveyed to the estate.

The table below presents information on the plans:

All amounts in thousands of Reais unless otherwise stated

Statutory and non-statutory officers

	2018 Plan (terminated)	2019 Plan (terminated)	2020 Plan	2021 Plan	2022 Plan	Total
Start of the plan	02/28/2019	02/28/2020	02/26/2021	02/28/2022	02/28/2023	
Final grant date	02/28/2022	02/28/2023	02/26/2024	02/28/2025	02/28/2026	
Treasury shares acquired by beneficiaries	1,146,395	1,140,020	1,169,700	1,355,905	3,906,885	
Purchase value per share (R$)	3.61	3.87	5.41	4.64	3.80	
Treasury shares awarded as usufruct	1,146,395	1,140,020	1,169,700	1,355,905	3,906,885	
Value of the right to use per share (R$)	3.61	3.87	5.41	4.64	3.80	
Accumulated plan expenses - from the beginning	4,136	4,487	5,620	3,544	3,838	
Plan expenses - 1/01 to 12/31/2023	-	249	1,753	1,796	3,838	7,636
Plan expenses - 1/01 to 12/31/2022	230	1,496	2,109	1,748	-	5,583

Managers

	2018 Plan (terminated)	2019 Plan (terminated)	2020 Plan	2021 Plan	2022 Plan	Total
Start of the plan	02/28/2019	02/28/2020	02/26/2021	02/28/2022	02/28/2023	
Final grant date	02/28/2022	02/28/2023	02/26/2024	02/28/2025	02/28/2026	
Treasury shares acquired by beneficiaries	1,809,185	1,848,470	1,834,990	2,399,645	2,399,240	
Purchase value per share (R$)	3.61	3.87	5.41	4.64	3.80	
Treasury shares awarded as usufruct	1,809,185	1,848,470	1,834,990	2,399,645	2,399,240	
Value of the right to use per share (R$)	3.61	3.87	5.41	4.64	3.80	
Accumulated plan expenses - from the beginning	6,427	6,286	8,763	6,439	2,483	
Plan expenses - 1/01 to 12/31/2023	-	217	2,991	3,413	2,483	9,104
Plan expenses - 1/01 to 12/31/2022	234	1,936	3,015	3,026	-	8,211

Other positions

	2018 Plan (terminated)	2019 Plan (terminated)	2020 Plan	2021 Plan	2022 Plan	Total
Start of the plan	02/28/2019	02/28/2020	02/26/2021	02/28/2022	02/28/2023	
Final grant date	02/28/2022	02/28/2023	02/26/2024	02/28/2025	02/28/2026	
Treasury shares acquired by beneficiaries	548,300	527,285	497,385	1,343,955	1,439,665	
Purchase value per share (R$)	3.61	3.87	5.41	4.64	3.80	
Treasury shares awarded as usufruct	548,300	527,285	497,385	1,343,955	1,439,665	
Value of the right to use per share (R$)	3.61	3.87	5.41	4.64	3.80	
Accumulated plan expenses - from the beginning	1,696	2,099	2,239	3,507	1,382	
Plan expenses - 1/01 to 12/31/2023	-	105	730	1,840	1,382	4,057
Plan expenses - 1/01 to 12/31/2022	88	661	791	1,667	-	3,207

All amounts in thousands of Reais unless otherwise stated

26.2 LTI Performance

The purpose of this program is to increase the alignment of management with the Company's strategy and the interests of shareholders, with receipt being conditional upon the achievement of performance goals, linked to the Company's performance indicators (such as TSR and ROIC).

The target value corresponds to up to 40% of the short-term variable compensation depending on the position of each executive, based on the fees/salaries in force in January of the year in which the program begins. This target value is converted into virtual units, considering the average price of the Company's shares over the last 60 trading sessions of the year prior to the current plan. The plan has a duration of five years, and its receipt is conditional upon the achievement of the performance objectives after this period of five years (the vesting period), in addition to the employee's continuing employment at Klabin.

Once the performance objective has been achieved, in addition to the virtual units, the executive will be entitled, as additional income from the LTIP Performance, to an amount equivalent to the dividends and/or interest on capital distributed by Klabin S/A to shareholders throughout the vesting period. These amounts are converted into virtual units over these five years of the vesting period and accumulated in an escrow account.

The total number of LTIP Performance units will be converted into amounts at the Unit quotation (KLBN11), considering the average price for the last 60 trading sessions prior to the closing of the plan.

At December 31, 2023, the provision balance amounted to R$ 14,830 (R$ 14,145 at December 31, 2022).

Accounting policy

The Matching stock option plan offered by the Company is measured at its fair value on the date of the award, and the respective expense is recognized in income in the reporting period during which the awarding rights were gained.

The Units, which may be settled in shares, will only be transferred to the employee when the conditions and terms set out in the Plan have been met. After a three-year period, when the conditions and terms set out in the Plan have been met, the Company will transfer full ownership of the granted units (matching) to the eligible employee.

The stock option plan Performance offered by the Company, which may be settled in cash, is measured at fair value on a quarterly basis up to the conclusion of the plan, and its expenses are recognized in profit or loss, during the period in which the grant right is acquired, against the liabilities in "Other payables and provisions". Based on the calculated amount, the income tax will be increased and the payment to the employee will be made in the form of a bonus.

27. EARNINGS PER SHARE

The basic earnings per share are calculated by dividing the profit for the period attributable to the holders of the Company's common shares (ON) and preferred shares (PN) by the weighted average number of shares in issue during the period. The Company does not have any instruments that could have a dilutive effect.

Changes in the balance of treasury shares affect the weighted average number of preferred shares held in treasury (Note 22). The weighted average used in the calculation of the earnings per share was determined as follows:

Weighted average number of treasury shares At December 31, 2023			
Month		**Treasury shares**	**Ratio**
Jan	+	115,996,320	x 1/12
Feb	+	103,194,670	x 1/12
Mar	+	103,233,155	x 1/12
Apr	+	103,272,935	x 1/12
May	+	100,583,125	x 1/12
Jun	+	101,092,460	x 1/12
Jul	+	101,129,040	x 1/12
Aug	+	101,132,060	x 1/12
Sept	+	101,204,610	x 1/12
Oct	+	101,219,860	x 1/12
Nov	+	101,236,780	x 1/12
Dec	+	101,277,180	x 1/12
12 months of 2023	**=**	**102,881,016**	

The tables below reconcile the profit for the years ended December 31, 2023 and 2022 with the amounts used to calculate the basic and diluted earnings per share:

			Consolidated
			12/31/2023
	Common shares (ON)	**Preferred shares (PN)**	**Total**
Denominator			
Total weighted average number of shares	2,081,729	3,536,164	5,617,893
Weighted average number of treasury shares	(20,576)	(82,305)	(102,881)
Weighted average number of outstanding shares	**2,061,152**	**3,453,859**	**5,515,012**
% of shares in relation to the total	**37.37%**	**62.63%**	**100%**
Numerator			
Profit attributable to each class of shares	**1,007,043**	**1,687,495**	**2,694,538**
Weighted average number of outstanding shares	**2,061,152**	**3,453,859**	**5,515,012**
Basic and diluted earnings per share	**0.4886**	**0.4886**	

All amounts in thousands of Reais unless otherwise stated

	Consolidated 12/31/2022		
	Common shares (ON)	**Preferred shares (PN)**	**Total**
Denominator			
Total weighted average number of shares	2,081,729	3,536,164	5,617,893
Weighted average number of treasury shares	(23,320)	(93,281)	(116,601)
Weighted average number of outstanding shares	**2,058,408**	**3,442,883**	**5,501,292**
% of shares in relation to the total	**37.42%**	**62.58%**	**100%**
Numerator			
Profit attributable to each class of shares	**1,669,258**	**2,791,992**	**4,461,250**
Weighted average number of outstanding shares	**2,058,408**	**3,442,883**	**5,501,292**
Basic and diluted earnings per share	**0.8109**	**0.8109**	

28. OPERATING SEGMENTS

28.1 Criteria for the identification of operating segments

The Company's operating structure is divided into segments to reflect the manner by which management manages the business, in accordance with CPC 22/IFRS 8. The operating segments defined by Management are as follow:

Forestry Segment: involves operations relating to planting and growing pine and eucalyptus trees to supply the Company's plants. It also involves selling commercial timber to third parties in the domestic market;

Paper Segment: mainly involves the production of cardboard, Kraftliner and recycled paper rolls and their sale in the domestic and foreign markets.

Conversion Segment: involves the production of corrugated cardboard boxes, corrugated cardboard and industrial bags and their sale in the domestic and foreign markets; and

Pulp Segment: includes the production of short, long and fluff fiber pulp and its sale in the domestic and foreign markets.

All amounts in thousands of Reais unless otherwise stated

28.2 Consolidated information about operating segments

						12/31/2023
	Forestry	Paper	Conversion	Pulp	Corporate /Eliminations	Total Consolidated
Net revenue:						
Domestic market	365,537	3,248,306	5,933,316	2,223,643	(42,251)	**11,728,551**
Foreign market	-	2,225,581	543,011	3,526,606	-	**6,295,198**
Revenue from sales to third parties	**365,537**	**5,473,887**	**6,476,327**	**5,750,249**	**(42,251)**	**18,023,749**
Revenue between segments	3,477,375	3,412,361	58,848	99,500	(7,048,084)	**-**
Total net sales	**3,842,912**	**8,886,248**	**6,535,175**	**5,849,749**	**(7,090,335)**	**18,023,749**
Change in the fair value of biological assets	1,229,441	-	-	-	-	**1,229,441**
Cost of products sold	(4,529,402)	(6,287,850)	(5,402,015)	(3,257,747)	7,073,270	**(12,403,744)**
Gross profit	**542,951**	**2,598,398**	**1,133,160**	**2,592,002**	**(17,065)**	**6,849,446**
Operating income (expenses) (i)	116,677	(884,161)	(752,158)	(885,314)	(195,280)	**(2,600,236)**
Operating profit before finance result	**659,628**	**1,714,237**	**381,002**	**1,706,688**	**(212,345)**	**4,249,210**
Sales of products (metric tons)						
Domestic market	-	587,247	948,155	532,225	2,408	**2,070,035**
Foreign market	-	524,735	58,085	1,013,434	-	**1,596,254**
Inter-segmental	-	1,118,910	8,090	21,407	(1,148,407)	**-**
	-	**2,230,892**	**1,014,330**	**1,567,066**	**(1,145,999)**	**3,666,289**
Sales of timber (in metric tons)						
Domestic market	770,655	-	-	-	-	**770,655**
Inter-segmental	15,180,747	-	-	-	(15,180,747)	**-**
	15,951,402	**-**	**-**	**-**	**(15,180,747)**	**770,655**
Investment in the year (ii)	1,202,357	2,036,807	840,117	149,127	78,702	**4,307,110**
Depreciation, depletion and amortization	(1,809,967)	(783,322)	(142,099)	(561,383)	(29,811)	**(3,326,582)**
Total assets - 12/31/2023	17,172,555	15,027,407	4,271,932	8,452,464	10,510,332	**55,434,690**
Total liabilities - 12/31/2023	5,260,157	1,163,730	936,823	882,170	33,459,280	**41,702,160**
Equity - 12/31/2023	9,764,989	3,820,957	3,335,109	17,613,015	(22,948,948)	**11,585,122**
Non-controlling interests	2,147,408	-	-	-	-	**2,147,408**

(i) Operating income (expenses) includes the share of profit (loss) of joint ventures.

(ii) As this refers to a cash position, the amounts invested do not consider the investments related to expansion activities of the forest base of subsidiaries through Special Purpose Entities (SPEs), made by contributing forest assets already existing in Klabin's balance sheet. There may be a temporary mismatching between the amount disbursed by Klabin in these forest activities and the cash inflow from the SPEs' investors.

All amounts in thousands of Reais unless otherwise stated

	Forestry	Paper	Conversion	Pulp	Corporate /Eliminations	12/31/2022 Total Consolidated
Net revenue:						
Domestic market	371,962	3,162,167	5,750,221	2,481,960	(16,890)	**11,749,420**
Foreign market	-	3,288,487	512,728	4,482,064	-	**8,283,279**
Revenue from sales to third parties	**371,962**	**6,450,654**	**6,262,949**	**6,964,024**	**(16,890)**	**20,032,699**
Revenue between segments	2,486,725	3,798,206	81,796	120,283	(6,487,010)	**-**
Total net sales	**2,858,687**	**10,248,860**	**6,344,745**	**7,084,307**	**(6,503,900)**	**20,032,699**
Change in the fair value of biological assets	1,883,143	-	-	(56)	-	**1,883,087**
Cost of products sold	(4,228,651)	(6,039,110)	(5,727,129)	(2,810,381)	6,404,340	**(12,400,931)**
Gross profit	**513,179**	**4,209,750**	**617,616**	**4,273,870**	**(99,560)**	**9,514,855**
Operating income (expenses) (i)	25,671	(1,113,104)	(760,244)	(887,278)	(89,307)	**(2,824,262)**
Operating profit before finance result	**538,850**	**3,096,646**	**(142,628)**	**3,386,592**	**(188,867)**	**6,690,593**
Sales of products (metric tons)						
Domestic market	-	629,249	973,403	536,201	367	**2,139,220**
Foreign market	-	647,463	58,568	1,007,485	-	**1,713,516**
Inter-segmental	-	1,073,908	5,042	27,921	(1,106,871)	**-**
	-	**2,350,620**	**1,037,013**	**1,571,607**	**(1,106,504)**	**3,852,736**
Sales of timber (in metric tons)						
Domestic market	1,022,171	-	-	-	-	**1,022,171**
Inter-segmental	15,119,867	-	-	-	(15,119,867)	**-**
	16,142,038	**-**	**-**	**-**	**(15,119,867)**	**1,022,171**
Investment in the year	1,532,537	3,549,504	460,210	154,616	118,793	**5,815,660**
Depreciation, depletion and amortization	(1,794,058)	(645,778)	(127,445)	(574,430)	(27,444)	**(3,169,155)**
Total assets - 12/31/2022	15,490,780	5,098,814	3,487,230	17,931,035	5,631,571	**47,639,430**
Total liabilities - 12/31/2022	4,571,458	1,340,976	945,595	1,641,149	27,571,986	**36,071,164**
Equity - 12/31/2022	8,910,540	3,757,838	2,541,635	16,289,886	(21,940,415)	**9,559,484**
Non-controlling interests	2,008,782	-	-	-	-	**2,008,782**

(i) Operating income (expenses) includes the share of profit (loss) of joint ventures.

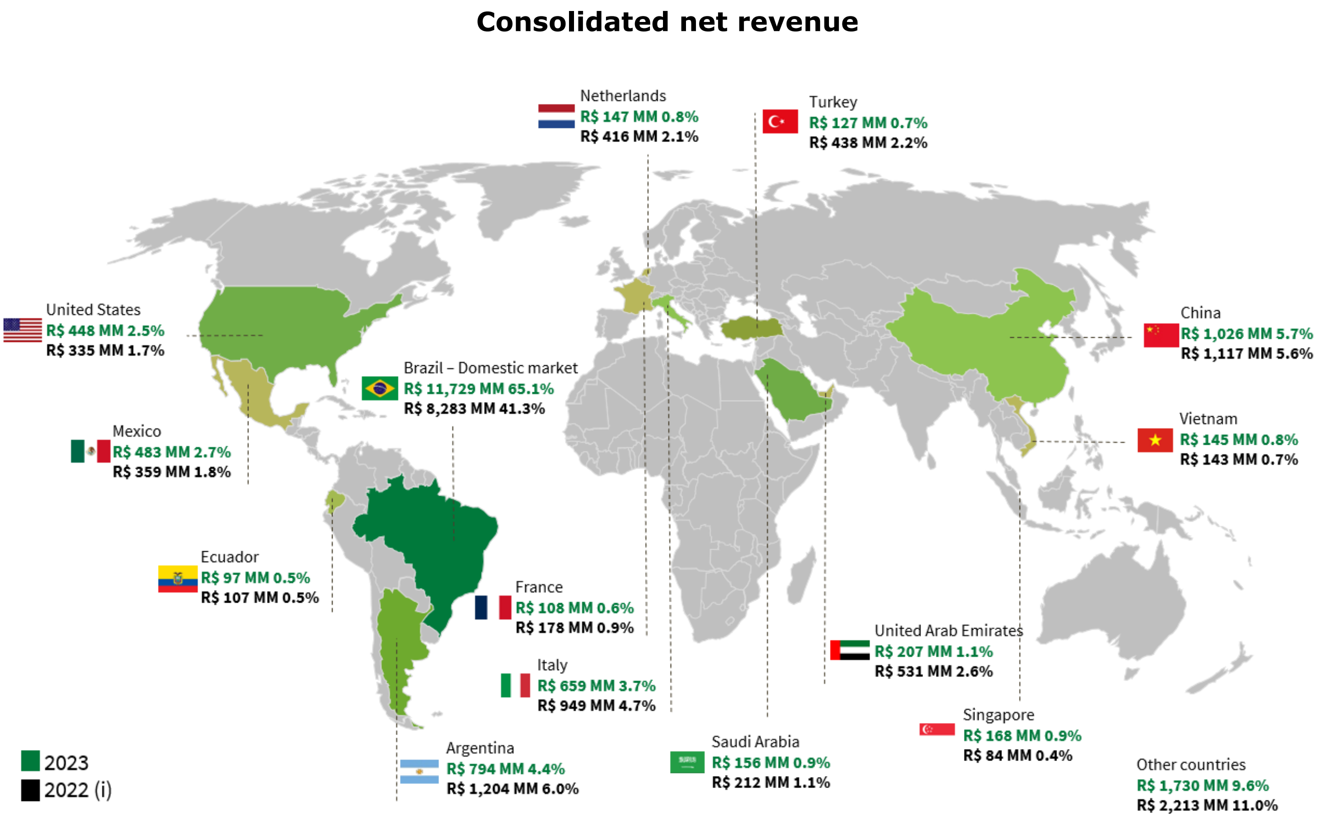
The Corporate/eliminations column refers to the corporate unit expenses not apportioned among the segments, and the eliminations refer to adjustments of operations between the segments.

The finance result and income tax are not disclosed in the segment reporting because Management does not assess such data on a segmented basis, but rather on a consolidated basis.

All amounts in thousands of Reais unless otherwise stated

28.3 Net sales revenue

The map below illustrates the distribution of net revenue for the years ended December 31, 2023 and 2022:



(i) 2022 data re-presented for better comparability with 2023.

In the year ended December 31, 2023, a single customer from the paper segment accounted for 9.85% (R$ 1,714,799) of the parent company's net revenue (R$ 1,339,636 at December 31, 2022, 8.13% of net sales revenue). The customer base is diluted, as no customer individually has a share in excess of 10% of the Company's net sales revenue in the same period.

29. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

29.1 Risk management

The Company and its subsidiaries enter into transactions involving financial instruments, all of which are recorded in the statement of financial position, in order to meet their operational needs and reduce their exposure to financial risks. These transactions mainly relate to credit risk and the investments of funds, market risks (foreign exchange and interest rates) and liquidity risks to which the Company believes it is exposed based on the nature of its business and its operating structure.

The main risks to which the Company is exposed are described below:

29.1.1 Market risk

Market risk is the risk that the fair value of the future cash flow from a financial instrument will fluctuate due to changes in market prices. The Company is exposed to market prices which are affected by interest rates and foreign exchange. The financial instruments affected by market risk are financial investments, trade receivables, trade payables, borrowing and marketable securities.

a) Foreign exchange rate risk

The Company has transactions denominated in foreign currencies (mainly in U.S. Dollars) that are exposed to market risks arising from fluctuations in foreign exchange rates:

	Consolidated	
	12/31/2023	**12/31/2022**
Bank deposits and financial investments	2,595,427	960,193
Trade receivables (net of allowance for ECLs)	608,053	591,357
Other assets and liabilities	845,000	1,277,000
Trade payables	102,401	284,241
Borrowings (i)	(25,771,487)	(22,691,199)
Net exposure	**(21,620,606)**	**(19,578,408)**

(i) Borrowings and debentures in foreign currency that are designated as hedge instrument as mentioned in Note 30.

At December 31, 2023 and 2022, the Company did not have derivatives contracted to hedge against foreign exchange exposure of its cash flow.

The Company designates part of its borrowings in foreign currency as hedging instrument for part of transactions that are highly probable to take place. The forecast annual cash flow from US Dollars-denominated revenue is approximately USD 1 billion.

All amounts in thousands of Reais unless otherwise stated

In addition, the Company holds derivative instruments (Note 30) for exchange rate swaps, converting the issue of a certain export credit note and local currency debentures into US Dollars. These are linked transactions, executed exclusively to convert domestic currency-denominated borrowing into foreign currency-denominated operations, which are subsequently designated as hedging instrument.

b) Interest rate risk

The Company's borrowing is indexed to the TJLP, SOFR, IPCA and CDI, and financial investments indexed to the CDI, SELIC and IPCA, exposing these liabilities and assets to interest rate variations, as the interest rate-sensitivity table below shows.

Management believes that the high costs associated with contracting the fixed rates required by the Brazilian macroeconomic scenario justifies its choice of floating rates.

The composition of the Company's interest rate risk by type of asset and liability instrument is as follows:

	Consolidated	
	12/31/2023	**12/31/2022**
Financial investments - CDI	6,957,183	3,720,577
Financial investments - SELIC	66,211	69,269
Financial investments - IPCA	1,078,174	1,736,022
Asset exposure	**8,101,568**	**5,525,868**
Financing - CDI	(4,587,683)	(1,745,334)
Financing - TJLP	(137,289)	(3,313,001)
Financing - SOFR	(7,756,967)	(4,350,812)
Debentures - IPCA	(1,295,218)	(1,391,045)
Liability exposure	**(13,777,157)**	**(10,800,192)**

The Company has a borrowing with BNDES, yielding IPCA + 3.58% per month. The Company contracted derivative financial instruments (swaps) aiming to reduce the volatility of its exposure to interest rates.

29.1.2 Risk relating to the investments of surplus funds

The Company is subject to investment fund risks, including deposits with banks and financial institutions, foreign currency transactions, financial investments, and other financial instruments. The amount disclosed corresponds mainly to the Company's financial investments and marketable securities operations, at the amounts described in Notes 6 and 7, respectively.

Regarding the quality of the Company's financial assets invested in financial institutions, an internal policy requires the approval of certain types of transactions and the obtaining of ratings from rating agencies, to determine the feasibility of investing funds in a given institution, provided such an institution meets the policy's acceptance criteria.

All amounts in thousands of Reais unless otherwise stated

The table below presents the cash, cash equivalents and marketable securities invested by the Company, classifying the amounts according to the Brazilian classification of the financial institutions by the rating agencies Fitch and Moody's:

	Consolidated	
	12/31/2023	12/31/2022
National rating AAA (bra)	3,475,242	3,859,311
National rating AA+ (bra)	7,239,589	2,643,002
Total	**10,714,831**	**6,502,313**

29.1.3 Credit risk

Credit risk is the risk of a counterparty defaulting on its obligations under a financial instrument, an advance to supplier, or an agreement with a customer, causing a financial loss. In addition to the investments of funds discussed above, the Company is exposed to credit risk in its operational activities (particularly as concerns accounts receivable).

At December 31, 2023, the maximum exposure to credit risk was the carrying amount of the trade receivables (Note 8). Information on customer concentration risk is provided in Note 28.

Credit risk quality in the Company's operational activities is managed based on specific rules governing customer acceptance, credit analysis and setting exposure limits per customer, all of which undergo periodic reviews. Past-due invoices are promptly monitored in pursuit of settlement, and allowances for expected credit losses are made in connection with items at risk of default.

The Company maintains insurance policies for domestic and international receivables for all its business units (Note 8).

29.1.4 Liquidity risk

The Company monitors the risk of scarcity of resources in the global market, managing its capital through a recurring liquidity planning tool, in order to ensure that financial resources are available for the proper fulfillment of its obligations, which are substantially concentrated on the financing arrangements executed with financial institutions.

The table below shows the maturity of the financial liabilities contracted by the Company and reported in the consolidated statement of financial position: the amounts include undiscounted cash flows on transactions, calculated using the rates and indices prevailing at December 31, 2023:

All amounts in thousands of Reais unless otherwise stated

	2024	2025	2026	2027	2028 onwards	Total
Trade payables	(2,603,797)	(615,044)	-	-	-	**(3,218,841)**
Lease liabilities	(474,513)	(407,263)	(350,537)	(286,274)	(2,203,261)	**(3,721,848)**
Borrowing and debentures	(484,591)	(1,299,905)	(2,361,624)	(2,622,218)	(24,572,906)	**(31,341,244)**
Derivative financial instruments	-	(64,914)	(129,828)	12,077	616,127	**433,462**
Total	**(3,562,901)**	**(2,387,126)**	**(2,841,989)**	**(2,896,415)**	**(26,160,040)**	**(37,848,471)**

The budget projections for the coming years, approved by Management, demonstrate the capacity to honor obligations.

29.1.5 Climate risk management

Given the nature of its operations, the Company is exposed to climate change risks. The Company's biological assets (Note 16) and property, plant and equipment (Note 14) may be impacted by the assessment of their fair values and recoverable amounts.

The Company carries out studies to assess the effects of climate change, in particular from droughts, that may directly affect the productivity of its biological assets and potentially its virgin fiber pulp and paper production capacity. In its Technological Center of Forestry Research, the Company coordinates studies and continuous monitoring of its forests, seeking to understand the behavior of its biological assets under varied temperature and water conditions, as well as the soil preservation, and importance of existing biodiversity.

Historically, the timberlands that serve the Company's pulp and paper manufacturing units are located in regions with a subtropical climate in which water deficiency issues are less common. The Company carries out monitoring based on mathematical models and field experiments, searching to identify regions that have shown to be more resilient to the projected impacts on climate, biodiversity and human rights. ESG vision should be read in conjunction with the Sustainability Report and the Company's ESG portal.

The Company counts on a structure dedicated to corporate risk management, including risks related to climate change, which uses specific methodologies, tools and processes to identify, assess and, if necessary, address the main risks. With its management system, this structure enables the Company to continuously monitor risks and possible impacts, control the variables involved, as well as establish and implement mitigating measures and strategies for resilience and adaptation, which aim to reduce the identified exposures. The Company's assessment of potential physical and transitional impacts arising from climate change is ongoing and will continue to evolve, incorporating elements related to nature (water, soil and biodiversity).

In the years ended December 31, 2023 and 2022, the Company had no significant financial impact arising from events caused by climate change.

All amounts in thousands of Reais unless otherwise stated

29.2 Capital management

The Company's capital structure is monitored based on its net indebtedness, which is comprised of its borrowings (Note 19) and debentures (Note 20), less cash, cash equivalents and marketable securities (Notes 6 and 7), providing a net debt ratio, from which is derived the net debt-to-equity ratio (Note 22), including capital issued and all reserves.

	Consolidated	
	12/31/2023	**12/31/2022**
Cash and cash equivalents and marketable securities	10,714,831	6,502,313
Borrowings and debentures	(31,341,244)	(26,966,191)
Derivative financial instruments	433,462	(574,421)
Net indebtedness	**(20,192,951)**	**(21,038,299)**
Equity	11,585,122	9,559,484
Net indebtedness ratio	**(1.74)**	**(2.20)**

29.3 Financial instruments by category

The Company has the following categories of financial instruments:

		Consolidated		
		Carrying amount	**Fair value**	
	Hierarchy	**12/31/2023**	**12/31/2023**	**12/31/2022**
Current				
Cash and cash equivalents		9,558,829	9,558,829	4,683,945
Trade receivables (net of allowance for ECLs)		2,359,746	2,359,746	2,674,899
Other assets		515,091	515,091	617,708
Assets - at amortized cost		**12,433,666**	**12,433,666**	**7,976,552**
Marketable securities	1	1,156,002	1,156,002	1,818,368
Assets - at fair value through profit or loss		**1,156,002**	**1,156,002**	**1,818,368**
Derivative financial instruments	2	885,794	885,794	62,072
Assets - at fair value through comprehensive income		**885,794**	**885,794**	**62,072**
Liabilities,				
Borrowings and debentures	2	31,341,244	32,943,190	26,966,191
Trade payables		2,172,904	2,172,904	2,515,395
Forfaiting trade payables and forfaiting forestry operations		921,972	921,972	967,017
Other payables		1,144,564	1,144,564	988,266
Liabilities - at amortized cost		**35,580,684**	**37,182,630**	**31,436,869**
Derivative financial instruments	2	452,332	452,332	636,493
Liabilities - at fair value through comprehensive income		**452,332**	**37,634,962**	**32,073,362**

All amounts in thousands of Reais unless otherwise stated

29.3.1 Fair value hierarchy

Financial instruments are measured at fair value, which considers the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a non-forced transaction between market participants at the measurement date.

Depending on the assumptions used for measurement, financial instruments measured at fair value may be classified in 3 hierarchy levels:

(i) Level 1 – Based on quoted prices (unadjusted) in active markets for identical assets and liabilities. A market is considered active if transactions are carried out with sufficient frequency and volume to provide immediate and continuous pricing information, generally obtained from a commodities exchange, pricing service or regulatory agency, and if the prices represent real market transactions, which take place regularly on a commercial basis;

(ii) Level 2 – Based on quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, pricing models for which the assumptions are observable, such as interest rates and yield curves, volatilities and credit spreads, and information corroborated by the market. Assets and liabilities classified in this level are measured using the discounted cash flow method and interest accrual, respectively, for derivative financial instruments and financial investments. Observable inputs used are interest rates and curves, volatility factors and foreign exchange parity quotations; and

(iii) Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

In the year ended December 31, 2023, there were no changes between the three levels of the hierarchy and no transfers between Levels 1, 2 and 3.

29.3.2 Amortized cost

The financial instruments included in this group refer to balances arising from usual transactions, such as trade receivables, trade payables, borrowings and debentures, financial investments and cash and cash equivalents. All these instruments are recorded at their notional amounts plus, when applicable, contractual charges and interest rates, in respect of which the related income and expenses are recognized in the results for each period.

29.3.3 Fair value through profit or loss

The Company categorized its marketable securities, represented by Financial Treasury Bills and National Treasury Notes (LFT and NTN -B) (Note 7), as financial assets measured at fair value through profit or loss, as they can be traded in the future, and are recorded at fair value, which corresponds in practice to the amount invested plus interest recognized as part of the income from the operation in the profit or loss for the respective periods.

29.3.4 Fair value through other comprehensive income

The Company classified derivative financial instruments (Note 30) as financial assets and liabilities measured at fair value through other comprehensive income for items designated as hedge accounting.

29.4 Sensitivity analysis

The Company presents below its sensitivity analysis for foreign exchange and interest rate risks to which it is exposed, considering any effects that could impact on the future results based on the exposure at December 31, 2023. The sensitivity analysis does not consider the impacts of foreign exchange variations on the Company's cash flow.

a) Foreign exchange exposure

The Company has assets and liabilities denominated in foreign currency in the statement of financial position at December 31, 2023 and for sensitivity analysis purposes, it adopted for Scenario I the projected market rate in effect on dates close to the end of the reporting period. For Scenarios II and III, this rate was stressed by factors of 25% and 50%, respectively.

The sensitivity analysis to exchange rate differences was calculated based on the net exchange rate exposure (basically from foreign currency-denominated borrowings, trade receivables, and trade payables). The analysis does not take into account forecast future exports that will offset this net exchange rate exposure.

Furthermore, the Company adopts a hedge accounting policy (Note 30), and the effects of foreign exchange rate variations do not affect directly the results for the period and are recognized in equity until their settlement, shown in comprehensive income.

Accordingly, the table below shows a simulation of the effects of the foreign exchange rate variations on the statement of financial position, other comprehensive income, and finance result, considering the balances at December 31, 2023:

	Consolidated						
	At 12/31/2023	Scenario I		Scenario II		Scenario III	
	USD 000	Rate (A)	R$ gain (loss)	Rate (B) = A+25%	R$ gain (loss)	Rate (C) = A+50%	R$ gain (loss)
Cash and cash equivalents	536,101	4.88	18,871	6.10	674,791	7.31	1,323,473
Trade receivables (net of allowance for ECLs)	132,704	4.88	4,671	6.10	167,035	7.31	327,606
Other assets and liabilities	174,540	4.88	6,144	6.10	219,693	7.31	430,887
Trade payables	14,393	4.88	507	6.10	18,117	7.31	35,532
Borrowings and debentures	(5,463,441)	4.88	(192,313)	6.10	(6,876,833)	7.31	(13,487,596)
Net effect on statement of financial position			**(162,120)**		**(5,797,197)**		**(11,370,098)**
Effect on other comprehensive income			**(201,390)**		**(7,201,391)**		**(14,124,156)**
Net effect on finance result			**39,270**		**1,404,194**		**2,754,058**

b) Interest rate exposure

The Company has financial investments, borrowings and debentures pegged to the CDI, TLP, TJLP, IPCA, SELIC and SOFR floating interest rates. For sensitivity analysis purposes, the Company adopts the rates effective on dates close to the dates of its quarterly information, obtained from the Central Bank of Brazil, using the same rates for the SELIC, SOFR, IPCA and CDI for scenario I, because of the similarity of these rates. The rates are then stressed by 25% and 50% for Scenarios II and III, respectively.

With all other variables being held constant, the table below simulates the effects of interest rate changes on the equity and future results (consolidated) for 12 months, considering the balances at December 31, 2023:

		Consolidated						
		At 12/31/2023	Scenario I		Scenario II		Scenario III	
		R$	Rate (A)	R$ gain (loss)	Rate (B) = A+25%	R$ gain (loss)	Rate (C) = A+50%	R$ gain (loss)
Financial investments								
CDBs	CDI	6,957,183	11.65%	810,512	14.56%	1,013,140	17.48%	1,215,768
LFTs	SELIC	66,211	11.75%	7,780	14.69%	9,725	17.63%	11,670
NTN - B	IPCA	1,078,174	4.62%	49,812	5.78%	62,265	6.93%	74,717
Borrowings								
NCE (R$) and CRA	CDI	(1,476,337)	11.65%	(171,993)	14.56%	(214,992)	17.48%	(257,990)
Interest rate swap (i)	CDI	(3,111,346)	11.65%	(362,472)	14.56%	(453,090)	17.48%	(543,708)
BNDES - Other	TJLP	(138,388)	6.53%	(9,037)	8.16%	(11,296)	9.80%	(13,555)
Debentures	IPCA	(1,295,218)	4.62%	(59,839)	5.78%	(74,799)	6.93%	(89,759)
Exp. prepayments, term loan and Finnvera	SOFR	(7,756,967)	5.38%	(417,325)	6.73%	(521,656)	8.07%	(625,987)
Net effect on finance result				**(152,562)**		**(190,703)**		**(228,844)**

(i) Effect of the short position of the derivative instrument designated as cash flow hedge (Note 30).

All amounts in thousands of Reais unless otherwise stated

29.5 Derivative financial instruments

Gains and losses on derivative instruments (swap) are marked to market, corresponding to their fair value. At December 31, 2023, the balance of derivative financial instruments marked to market corresponded to a gain of R$ 433,462 (loss of R$ 574,421 at December 31, 2022). The amounts recorded in the statement of income in "finance result", correspond to revenue of R$ 1,065,343 in the parent company and consolidated (revenue of R$ 197,663 in the parent company and consolidated for the year ended December 31, 2022).

The contracted amount of these instruments, fair value and balances recognized in the statement of income are presented in Note 30.

Derivative financial instruments		**12/31/2023**	**12/31/2022**
Foreign exchange hedge	30.1	358,959	(574,421)
Interest rate hedge	30.2	74,503	-
Total		**433,462**	**(574,421)**
Non-current assets		885,794	62,072
Non-current liabilities		(452,332)	(636,493)

All amounts in thousands of Reais unless otherwise stated

Accounting policy

Financial instruments are initially recorded at fair value, plus, in the case of a financial asset or a financial liability other than at fair value through profit or loss, transaction costs directly attributable to the acquisition or issuance of a financial asset or financial liability. Subsequent measurement thereof takes place at the end of each reporting period, in accordance with the classification of financial instruments according to the following categories: (i) amortized cost, (ii) fair value through profit or loss, and (iii) fair value through other comprehensive income.

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position where a there is legal right to offset the recognized amounts and there is the intention to settle them on a net basis or to realize the asset and settle the liability simultaneously. The legal right must not be contingent upon future events and must be applicable both in the regular course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Financial instruments measured at amortized cost

These are financial instruments held by the Company (i) for the purpose of receiving contractual cash flows and not for sale with realization of profits or losses, and (ii) for which the contractual terms give rise, on specified dates, to cash flows that constitute exclusively payments of principal and interest on the principal amount outstanding. Their variations are recognized under finance result, net. They comprise balances of cash and cash equivalents, trade receivables and other assets, classified as financial assets, and the balances of borrowings and debentures, leases payable, payables for the acquisition of assets and subsidiaries, trade payables and other liabilities, classified as financial liabilities.

Financial instruments measured at fair value through profit or loss

These are financial instruments not measured at amortized cost or at fair value through other comprehensive income. Their variations are recognized under finance result, net for non-derivative financial instruments and under income from derivative financial instruments for derivative financial instruments. They comprise balances of financial investments, classified as financial assets, and balances of derivative financial instruments, including embedded derivatives and stock options, classified as financial assets and liabilities.

Financial instruments measured at fair value through other comprehensive income

These are financial instruments held by the Company (i) for the purpose of receiving contractual cash flows and for sale with realization of profits or losses, and (ii) for which the contractual terms give rise, on specified dates, to cash flows that constitute exclusively payments of principal and interest on the principal amount outstanding. Additionally, this category comprises investments in equity instruments for which, on initial recognition, the Company chose to present subsequent changes in fair value under other comprehensive income. The respective changes are recognized under finance result, net, except for the fair value of investments in equity instruments, which is recognized under other comprehensive income.

30. CASH FLOW HEDGE ACCOUNTING

The Company has a hedge accounting policy in place to improve the quality of the information in its financial statements. The purpose of this policy is to demonstrate the effects of exchange rate variation in profit or loss, arising from the natural hedge between its USD-denominated revenues and indebtedness in USD, only in so far as these transactions do take place.

30.1 Cash flow hedge – Future revenue:

The Company adopted a cash flow hedge accounting program for highly probable future revenue, designating foreign loans, financings and debentures (debt instruments) denominated in foreign currency (USD) and/or converted into foreign currency through swaps as hedge instruments for its highly probable future revenue denominated in the same currency.

In cash flow hedges, the effective portion of exchange rate variation on USD-denominated debt instruments is presented in the statement of financial position, in the carrying value adjustments account, and recognized in other comprehensive income, net of deferred income taxes, and is determined at the difference between the closing PTAX rate on the date of transaction and the PTAX rate on the date of the hedge designation.

The adoption of this hedge accounting program produces no cash effects, being limited to the accounting representation of the operations involved in the hedge, and the hedge relationship is expected to be highly effective.

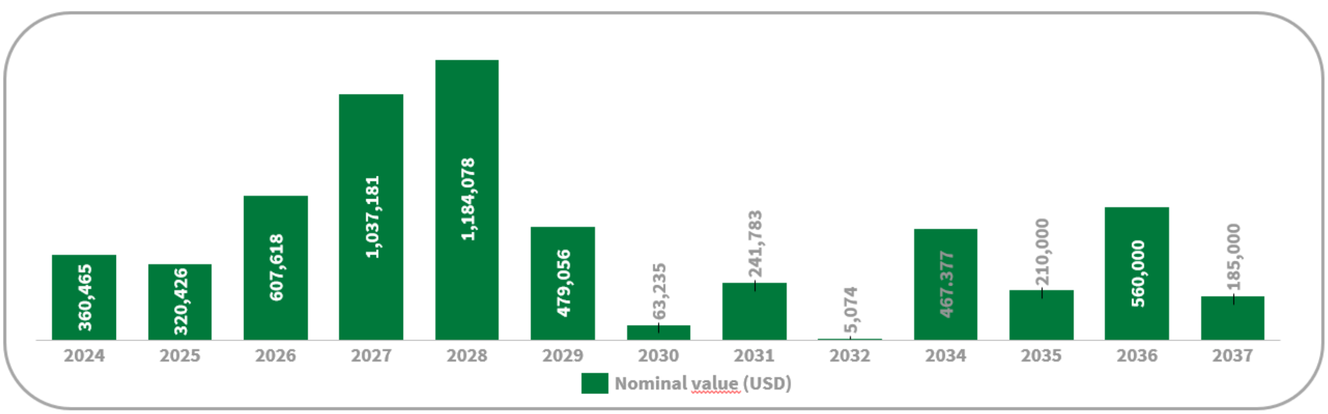
The amount will remain in other comprehensive income (OCI) until the related revenue (hedged item) is realized.

The hedging instruments comprise 25 foreign currency-denominated borrowing agreements, including debentures, bonds, export credit notes, export prepayments (EPP), syndicated loans, term loans (BID Invest and IFC), ECA and swaps (debentures, NCE and CRA), the last payment of which is due in April 2049.

At December 31, 2023							
Hedging instrument	**Maturity until**	**Nominal value (USD)**	**Contract close rate**	**Recognized in the hedge reserve**	**Fair value**	**Ineffective portion**	**Adjustment to revenue**
Bonds	Apr/49	2,832,669	5.16 and 5.46	541,286	-	-	-
ECA	Sept/31	276,053	5.08 and 5.16	86,263	-	-	(6,396)
Export prepayments	Apr/29	125,000	5.16	40,163	-	-	-
Term loan	Oct/32	569,489	5.16/5.19/5.21/ 5.25	192,939	-	-	(1,771)
Borrowings designated as hedging instrument		**3,803,211**		**860,651**	**-**	**-**	**(8,167)**
Swap	Mar/29	265,783	5.16	85,396	(257,590)	123,939	-
Swap	Dec/26	283,000	5.16	777	(194,742)	129,978	-
Swap	May/34	885,656	5.17/5.23/5.34	387,898	811,291	(28,272)	(1,605)
Derivatives designated as hedging instrument		**1,434,439**		**474,071**	**358,959**	**225,645**	**(1,605)**
Total		**5,237,650**		**1,334,722**	**358,959**	**225,645**	**(9,772)**

At December 31, 2022							
Hedging instrument	**Maturity until**	**Nominal value (USD)**	**Contract close rate**	**Exchange variation recognized in the hedge reserve**	**Fair value**	**Hedge cost**	**Adjustment to revenue**
Bonds	Apr/49	2,682,648	5.16 and 5.46	(237,682)	-	-	-
ECA	Sept/31	295,544	5.16	(16,284)	-	-	(1,632)
Export prepayments	Apr/29	125,000	5.16	(6,887)	-	-	-
Term loan	Oct/32	164,600	5.16/5.21/5.25	(7,467)	-	-	-
Borrowings designated as hedging instrument		**3,267,792**		**(268,320)**	**-**	**-**	**(1,632)**
Swap	Mar/29	265,783	5.16	(14,645)	(348,354)	376,930	-
Swap	Dec/26	766,643	5.16	(105,744)	(105,744)	223,075	-
Swap	May/34	893,659	5.17/5.23/5.34	54,592	(120,323)	36,404	-
Total borrowings designated as hedging instrument		**1,926,085**		**(65,797)**	**(574,421)**	**636,409**	**-**
		5,193,877		**(334,117)**	**(574,421)**	**636,409**	**(1,632)**

The following chart shows the portion of future revenues in US Dollars, being highly probable, defined in the hedged object:



All amounts in thousands of Reais unless otherwise stated

30.2 Cash flow hedge on interest rate changes

On October 30, 2023, the Company decided to adopt the new hedge accounting program (BNDES – IPCA) aiming to hedge against the risk of variation in the IPCA as a debt index in BRL swapped for CDI.

The Company has established the following parameters as hedging strategy and objective: (i) IPCA volatility in the interest expenses of debt contracts in BRL swapped for CDI and (ii) prospective elimination of IPCA variations in debt contracts in BRL, by contracting derivative instruments (swap) and replacing the IPCA index with CDI.

						Consolidated
						12/31/2023
Hedging instrument	**Currency**	**Maturity until**	**Nominal value (BRL)**	**IPCA**	**CDI**	**Hedge reserve**
BANCO XP S.A.	Real	Nov/39	496,282	439,011	(427,053)	11,958
BANCO ITAÚ BBA S.A.	Real	Nov/39	1,114,612	998,975	(973,189)	25,786
BANCO SANTANDER (BRASIL) S.A.	Real	Nov/39	1,488,833	1,338,699	(1,301,940)	36,759
			3,099,727	**2,776,685**	**(2,702,182)**	**74.503**

30.3 Changes in the year

The table below shows changes in the cash flow hedge reserve allocated to equity during the year:

	Consolidated
At December 31, 2021	**(759,367)**
Change in the fair value of the hedging instrument	1,454,478
Realization of hedge reserve to profit or loss	(1,632)
Income tax and social contribution effect	(493,968)
At December 31, 2022	**199,511**
Change in the fair value of the hedging instrument	1,342,353
Realization of hedge reserve to profit or loss	(9,772)
Income tax and social contribution effect	(453,078)
At December 31, 2023	**1,079,014**

In the year ended December 31, 2023, the foreign exchange effects of R$ 1,334,722 (R$ 334,117 at December 31, 2022) from borrowings designated as hedges were recognized in equity under "carrying value adjustments", whilst the underlying US Dollars-denominated revenue (hedged item) remains unrealized.

In the same year, the Company realized export revenue in the amount of USD 77 million (USD 56 million at December 31, 2022), which were subject to hedge accounting, for which borrowing designated as hedging instruments was settled concurrently, giving rise to income of R$ 9,772 from the accumulated foreign exchange variations (income of R$ 1,632 at December 31, 2022), recognized in the statement of income for the year under "sales revenue".

All amounts in thousands of Reais unless otherwise stated

The effects of marking to market the fair values of hedge instruments and of settling the hedge objects by means of the realization of the hedge reserve in sales revenue resulted in a credit balance of R$ 1,332,581, recognized in the statement of comprehensive income for the year ended December 31, 2023, of which R$ 879,503 refers to the balance net of taxes (R$ 1,452,846 recognized in the statement of comprehensive income for the year ended December 31, 2022, of which R$ 958,878 net of taxes).

30.4 Hedge accounting effectiveness test

In the year ended December 31, 2023, the Company conducted effectiveness tests which demonstrated that the hedge accounting program is effective given the economic relationship of the hedge ratio, the effects of the credit risk involved in the instrument and the hedged item, and the assessment of the critical terms.

Accounting policy

Based on CPC 48/IFRS 9 – "Financial Instruments", the Company adopts cash flow hedge accounting for highly probable future transactions, designating its debt contracted in USD or converted into USD by means of swaps as hedge instruments for its US Dollars-denominated revenue (hedge objects) in each case denominated nominally in US Dollars. This practice is in line with Management's risk management and strategy, in an effort to demonstrate the equalization of the effects of exchange rate differences effects on income as these effects occur.

The Company's swaps are regarded as "matched" operations directly connected with specific financing operations, resulting in the conversion of a specific domestic currency-denominated loan or financing transaction into a foreign currency-denominated operation. Thus, the swap's underlying risk is identical to that of the hedged component under the hedge accounting program. These operations are therefore covered by the hedge instruments.

For its hedge program, the Company designates the spot exchange rate element of the hedge's designated financial instruments. The fair-value change in the forward points of the FX contracts involved in the swap operations underlying the hedge is also recognized in equity, under "carrying value adjustments", but as a separate accounting entry, as part of the hedging cost.

The effects of exchange rate (fair value) changes affecting the hedge's designated financial instruments (borrowing and swaps) are recorded in equity, under "carrying value adjustments", net of deferred income tax and social contribution. As the US Dollars-denominated revenue designated in the hedge accounting program is generated, the respective exchange rate variation recognized in "carrying value adjustments" will be offset against the hedge in income, under "net sales revenue".

The Company evaluates the effectiveness of its hedge program by means of effectiveness tests in line with the criteria set out in the applicable accounting standards, comparing fair value changes of the hedge instrument with fair value changes of the object in connection with the hedged risk. Where a hedge relationship proves ineffective or lies outside the limits set for the desired level of protection, the ineffective portion of the exchange rate variation effect on borrowing is recategorized to the statement of income, under "Finance result".

Changes in the hedge accounting program are recognized in the comprehensive income for each year.

31. EMPLOYEE BENEFITS AND PRIVATE PENSION PLAN

The Company provides its employees with life insurance, healthcare and retirement plan benefits. These benefits are accounted for on an accrual basis.

The Company has certain healthcare plans characterized as benefits according to the criteria set forth in CPC 33/IAS 19 – “Employee Benefits”. As such, it maintains a provision for actuarial liabilities estimated at R$ 468,793 and R$ 471,818 at December 31, 2023 for the Parent Company and in consolidated terms, respectively (R$ 356,245 and R$ 358,423 at December 31, 2022, Parent Company and consolidated, respectively) in non-current liabilities, under “actuarial liability provisions”.

31.1 Provision for actuarial liabilities

	Parent Company	Consolidated
At December 31, 2021	**364,884**	**367,890**
Benefit payments	(13,877)	(14,025)
Interest on actuarial liabilities	(28,872)	(30,096)
Actuarial gains and losses (i)	34,110	34,654
At December 31, 2022	**356,245**	**358,423**
Benefit payments	(19,762)	(19,762)
Interest on actuarial liabilities	17,935	18,301
Actuarial gains and losses (i)	114,375	114,856
At December 31, 2023	**468,793**	**471,818**

(i) Effect allocated to equity and included in the Statement of Comprehensive Income.

In the actuarial valuation the following economic and biometric assumptions were used, considering the same determination methodology for each year:

	2023	2022
Average discount rate - Sepaco	9.37% p.a. Nominal rate	9.65% p.a. Nominal rate
Average discount rate - Unimed	9.49% p.a. Nominal rate	9.96% p.a. Nominal rate
Disability and Law 9,656	9.49% p.a. Nominal rate	9.69% p.a. Nominal rate
Long-term inflation	3.50% p.a.	3.50% p.a.
Nominal growth rate of medical costs - beginning of the year	10.75% p.a. in 2023	10.75% p.a. in 2022
Nominal growth rate of medical costs - end of the year	5.58% p.a. in 2033	5.58% p.a. in 2033
Biometric mortality table	RP 2000	RP 2000

Actuarial updates are recorded in equity, under “carrying value adjustments” (comprehensive income), as required by CPC 33 (R1) / IAS 19 – Employee Benefits.

Material increases (decreases) in the inflation and medical cost indicators used to measure the actuarial liability would cause an increase (decrease) of the provision. In terms of the discount rate, material effects arising from an increase (decrease) in the rate used to measure the actuarial liability would cause a decrease (increase) in the measured values.

The Company’s plans hold no assets for disclosure.

All amounts in thousands of Reais unless otherwise stated

31.2 Medical assistance

31.2.1 Law No. 9.656/98 - Articles 30 and 31

Pursuant to Law No. 9,656/98, employees making fixed monthly paycheck-deducted contributions to healthcare plans have a right to remain with the Company's healthcare plan in the event of retirement or dismissal without cause, provided they bear the post-employment costs.

The time remaining enrolled in the Company's policy is proportional to the duration of the contribution period, and may be for life where the contribution period exceeds ten years.

31.2.2 SulAmérica

In March 2019, the Company decided to eliminate the fixed contribution related to the plan's monthly fee.

Accordingly, it offered to employees with less than 10 years of contribution the option of suspending it. For employees who have contributed for over 10 years, the Company maintained the 10% discount on the premium value, as it understands these employees are already entitled to the plan for life. For employees admitted after April 2019, the new rule applies, with the Company paying 100% of the cost of the healthcare plan, both for holders and dependents.

31.3 Benefits to employees arising from mergers

In 2020, Klabin acquired the units of Embacorp Soluções em Embalagens de Papel Ltda. (Embacorp) and Embacorp da Amazônia – Soluções em Embalagens de Papel Ltda. (Embacorp Amazônia), and in this acquisition the Company absorbed the post-employment defined benefit obligations of the plans Sepaco (Mutualism), Unimed Rio Verde (plan canceled and in 04/2022 the lives were migrated to the CNU Contract in post-payment) and CNU Manaus (plan canceled, and in July 2021 the lives were migrated to the Samel contract).

	12/31/2023			12/31/2022		
Medical assistance	**Active**	**Retired**	**Total by plan**	**Active**	**Retired**	**Total by plan**
Parent Company	**1,572**	**774**	**2,346**	**2,063**	**753**	**2,816**
SulAmérica	455	363	818	533	368	901
Sepaco (Mutualism)	867	125	992	1,241	125	1,366
Unimed Rio Verde	250	-	250	289	-	289
Other - disabled	-	286	286	-	260	260
Subsidiaries	**134**	**-**	**134**	**158**	**6**	**164**
Samel (fmr CNU Manaus)	134	-	134	158	6	164
Total lives	**1,706**	**774**	**2,480**	**2,221**	**759**	**2,980**

All amounts in thousands of Reais unless otherwise stated

31.4 Union agreement

The Company, by means of an agreement made with trade unions, guarantees permanent and for-life payment of healthcare plans for its former employees retiring until 2001, as well as their legal dependents. The program is closed to new entrants.

The population is concentrated on two healthcare operators:

Healthcare plans – union agreement	12/31/2023	12/31/2022
Sepaco (operating cost)	290	300
Unimed (CNU)	187	189
Total lives	**477**	**489**

31.5 Life insurance

By means of an agreement made with trade unions, the Company guarantees permanent and for-life payment of life insurance policies for its former employees retiring until 2001. The program is closed to new entrants.

At December 31, 2023, 181 individuals were entitled to the benefit (240 individuals at December 31, 2022).

31.6 Private pension plan

Klabin's private pension plan - Plano Prever, managed by Itaú Vida e Previdência S.A., was established in 1986 under the defined benefit model. Since 1998, the plan was restructured and converted into the defined contribution model.

In November 2001, a new private pension plan was put into place: Plano de Aposentadoria Complementar Klabin - PACK, managed by Bradesco Vida e Previdência S.A. and structured as a PGBL – Free Benefits Generating Plan.

Participants in the Plano Prever were given the option to migrate to the new plan. In each case, the Company accepts no responsibility for assuring minimum benefits to retiring participants.

The Company has no responsibility to manage the funds, which is performed exclusively by the fund. Bradesco Vida e Previdência S.A. is monitored by a group of employees as representatives of the program's other participants.

In August 2023, the Company decided to eliminate the risk benefit (death and disability) from the contract.

All amounts in thousands of Reais unless otherwise stated

31.7 Other employee benefits

The Company grants its employees the following benefits: healthcare, dental care plan, day nursery reimbursement, assistance to parents of children with disabilities, agreement for discounts at drugstores, school supplies, private pension plan and life insurance, in addition to the benefits established by law (meal vouchers, transportation vouchers, profit sharing and food purchase vouchers).

Furthermore, the Company has an organizational development program for its employees. For the year ended December 31, 2023, expenditure on training programs totaled R$ 6,564 (R$ 14,613 in the year ended December 31, 2022).

All these benefits are recognized on an accruals basis and are discontinued at the end of the employee's employment relationship with the Company.

Accounting policy

The Company grants its employees benefits including life insurance, healthcare, profit sharing and others, which are recognized on an accruals basis and discontinued at the end of the employee's employment relationship with the Company.

In addition, the Company provides post-employment benefits such as private pension and healthcare plans for retired employees and certain employees hired on or before 2019. It has recently become the successor for the post-employment benefits plan of former Embacorp employees. For these benefits, the Company recognizes liabilities and results measured based on an actuarial valuation by an independent expert. The gains and losses identified in the actuarial valuation of benefits, generated by changes in assumptions, are recorded in the equity account "carrying value adjustments" (comprehensive income), as required by CPC 33 (R1)/IAS 19 – "Employee Benefits".

32. INSURANCE COVERAGE

To protect its operational risks, assets and liabilities, the Company maintains insurance coverage against various types of events that could impact its equity and operations.

In line with market best practice, the Company has contracted operational risk insurance policies, including loss of profits and several other areas of coverage for material damages involving all industrial, administrative and inventory facilities.

The Company also has other insurance policies, such as general liability insurance, D&O liability, domestic and international transport and forest insurance, cyber-related risk insurance, environmental pollution insurance, credit insurance for the domestic and international markets, crane insurance, drone insurance, and insurance against third-party damage caused by vehicles, in addition to port civil liability insurance and guarantee insurance of the traditional, judicial (tax, civil and labor) and for appeal deposits.

The risk assumptions adopted, given their nature, are not part of the scope of an audit of financial statements and, therefore, were not audited.

At December 31, 2023, the following insurance policies were in place:

Insurance Type	Insured Assets	Maximum Indemnity Limit	Currency	Effective Period
Guarantees	Lawsuits	4,368,799	R$	-
Operational Risks + Lost Profits	Plants and inventories	3,700,000	R$	October 5, 2024
Protection and Indemnity - P&I (marine risks)	Chartered vessel	350,000	USD	March 13, 2024
Domestic Market Credit	Domestic Customers Credit	240,000	R$	September 30, 2025
Foreign Market Credit	Foreign Customers Credit	50,000	USD	September 30, 2025
Directors and Officers (D&O)	Legal Guarantee for Directors	120,000	R$	July 2, 2024
Cyber	Cyberattacks	119,000	R$	June 11, 2024
General Liability (RCG)	Damage to Third Parties	75,000	R$	July 31, 2024
Environmental Liability	Environment Damage to Third Parties	50,000	R$	July 13, 2024
Named Risks	Office	41,745	R$	February 22, 2024
Port Civil Liability	Damage to Third Parties in Port Operations	30,000	R$	March 5, 2025
Forests (fire and weather events)	Forests	25,000	R$	December 23, 2024
Export Shipping	Merchandise	20,000	USD	April 30, 2025
Import Shipping	Merchandise	20,000	USD	April 30, 2025
Domestic Freight	Merchandise	15,000	R$	April 30, 2025
Miscellaneous Risks	Cranes	5,940	R$	April 29, 2024
Mandatory Civil Liability	Damages to Third Parties – Legal Requirement	4,210	R$	June 17, 2024
Elective Vehicle Liability Insurance (RCFV)	Vehicles	250	R$	October 31, 2024
RETA (Responsibility of the operator and air carrier)	Drones	94	R$	September 11, 2024

33. SUPPLEMENTARY INFORMATION TO THE STATEMENT OF CASH FLOWS

In accordance with CPC 03 (R2) / IAS 7 – Statement of Cash Flows, some investing and financing activities do not have direct impact on the current cash flows, although they affect the Company's capital and asset structure. The exclusion of transactions not involving cash and cash equivalents is consistent with the objective of such statement since these items do not involve cash flows in the current period.

	Parent Company		Consolidated	
Transactions not involving cash	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Investing activities				
Purchase of property, plant and equipment in installments	(227,267)	(1,075,025)	(286,991)	(711,807)
Purchase of forests in installments	(550,544)	(480,037)	(834,259)	(324,772)
Total investing activities	**(777,811)**	**(1,555,062)**	**(1,121,250)**	**(1,036,579)**

All amounts in thousands of Reais unless otherwise stated

34. EVENTS AFTER THE REPORTING PERIOD

34.1 Annual General Meeting

In compliance with the provisions of paragraph 2, article 37 of CVM Resolution 81, on January 10, 2024, the Company informed its shareholders and the market in general that its Annual General Meeting will be held on April 16, 2024. Guidance on participation, call and related materials will be disclosed on a timely basis, pursuant to applicable laws and regulations.

34.2 Distribution of dividends

At the Board of Directors'' meeting held on February 6, 2024, the payment of dividends for the Company's capital shares was approved, in the amount of R$ 192,000, equivalent to R$ 0.03480416981/share and R$ 0.1740284905/unit.

The Company clarifies that, as decided on the same occasion, the payment of such dividends will be made on February 26, 2024 and the shares will begin to be traded ex-dividends as of February 16, 2024. As a general rule, income tax is not levied on dividends.

34.3 Finnvera drawdown

On February 6, 2024, the Company received a drawdown from the line of credit held with Finnvera (Note 19), in the amount of USD 295 million.

1. DISCLOSURE OF EBITDA

Pursuant to CVM Instruction 527/12, the Company has adopted the voluntary disclosure of non-financial information, as additional information included in its financial statements, and presents EBITDA - Earnings before Interest, Taxes, Depreciation and Amortization, for the years ended December 31, 2023 and 2022.

In general terms, EBITDA represents the Company's operational generation of cash, corresponding to the funds generated by the Company through its operating activities only, without financial effects or taxes. It is important to note that this does not represent the cash flows for the years presented, and it must not be considered as a basis for the distribution of dividends, as an alternative to profit or loss, nor as an indication of liquidity.

			Consolidated
		12/31/2023	12/31/2022
(=)	Profit (loss) for the year	2,847,388	4,688,902
(+)	Income tax and social contribution	966,669	1,910,252
(+/-)	Net finance result	435,153	91,439
(+)	Amortization, depreciation and depletion in income	3,326,582	3,169,156
EBITDA		**7,575,792**	**9,859,749**
	Adjustments as per CVM Inst. 527/12		
(+/-)	Change in the fair value of biological assets (i)	(1,229,441)	(1,883,087)
(+/-)	Share of profit (loss) of subsidiaries and joint ventures (ii)	(14,688)	(43,566)
(+/-)	Cash flow hedge realization (iii)	(9,772)	(1,632)
Adjusted EBITDA		**6,321,891**	**7,931,464**
(+/-)	Non-recurring gains from PIS/COFINS credits (iv)	(63,387)	(147,480)
Adjusted EBITDA (ex- non-recurring effects)		**6,258,504**	**7,783,984**

Adjustments for definition of EBITDA - adjusted:

(i) Change in the fair value of biological assets

The change in the fair value of biological assets corresponds to the gains or losses obtained on the biological transformation of the forest assets, up to placing them in the conditions required for use/sale, during the formation cycle.

Since expectations relating to the value of assets are reflected in the Company’s results and fair value is calculated based on the assumptions included in the discounted cash flows, without cash effects from its recognition, the change in the fair value is excluded from the calculation of EBITDA.

All amounts in thousands of Reais unless otherwise stated

Other Information

(ii) Share of profit (loss) of subsidiaries and joint ventures and EBITDA of joint venture

The share of profit (loss) of subsidiaries and joint ventures in the Company's consolidated result reflects the profit (loss) of subsidiaries, calculated in accordance with its percentage of ownership interest in the subsidiaries.

The profit (loss) of the joint ventures is influenced by items that are excluded from the EBITDA calculation, such as net finance result, income tax and social contribution, amortization, depreciation and depletion, and the change in the fair value of biological assets. For this reason, the share of profit (loss) of subsidiaries and joint ventures is excluded from the calculation, but the EBITDA generated by the joint venture is included, in proportion to the Company's ownership interest and calculated in a manner consistent with the above criteria.

(iii) Realization of cash flow hedge

The Company adopts a hedge accounting policy, pursuing a strategy of minimizing the effects of foreign exchange variation on its hedged item, defined as certain highly probable future export revenues, designating foreign currency borrowing operations as a hedging instrument, documenting the economic relationship between the hedging instrument and the hedged item, demonstrating that the changes in the cash flow of both effectively offset each other.

The effects of foreign exchange variation (fair value) of the financial instruments designated in the hedge (borrowings) are recognized in equity, under "Carrying value adjustments", net of applicable income taxes. Such amounts accumulated in equity are realized in the statement of income, under the line item "Net sales revenue", to the extent that there is an actual disbursement of designated borrowings, with the generation of the related export revenue designated in the hedge against the cash disbursed in foreign currency, at which time the exchange variation of the hedging instrument is recognized in profit or loss. The amount recognized in net sales revenue is added to EBITDA.

(iv) Non-recurring gains on PIS/COFINS credits

The Company recognized PIS and COFINS credits in the amount of R$ 121,172 related to the remaining balance of the lawsuit on the exclusion of ICMS from the PIS and COFINS calculation basis, for which a final and unappealable decision was rendered on August 22, 2019. Out of this amount, R$ 63,386 was recorded under "Other income" (Note 24) and R$ 57,785 refers to monetary adjustment in other finance income. The amount was substantially offset in the Company's operations.

2. COMPANY'S OWNERSHIP INTEREST, INCLUDING SHAREHOLDERS WITH MORE THAN 5% OF THE SHARES, DETAILED TO THE INDIVIDUAL LEVEL

a) Company's ownership interest

	12/31/2023		12/31/2022	
Shareholders (i)	Common shares	Preferred shares	Common shares	Preferred shares
Klabin Irmãos S.A.	945,359,142	-	945,359,142	-
Niblak Participações S.A.	142,023,010	-	142,023,010	-
The Bank of New York Department (ii)	62,717,212	250,868,848	62,684,236	250,736,944
T. Rowe Price Associates	57,991,957	231,967,828	-	-
BlackRock	46,411,739	185,646,956	52,326,432	209,305,728
Treasury shares	20,262,477	81,049,908	23,172,552	92,690,208
Other	806,963,058	2,786,630,621	856,163,223	2,983,431,281
Total shares	**2,081,728,595**	**3,536,164,161**	**2,081,728,595**	**3,536,164,161**

(*) Foreign stockholders.
(**) Stockholders with less than 5% of the shares.

b) Distribution of the controlling shareholders' share capital to the individual level

CONTROLLING SHAREHOLDER/INVESTOR:

A) KLABIN IRMÃOS S.A.

	SHARES	
SHAREHOLDERS	COMMON	%
Jacob Klabin Lafer Adm. Partic. S.A.	118,336,276	12.52
VFV Participações S.A.	59,201,226	6.26
Miguel Lafer Participações S.A.	59,201,226	6.26
PRESH S.A.	118,368,418	12.52
GL Holdings S.A.	118,368,418	12.52
GLIMDAS Participações S.A.	104,686,235	11.07
DARO Participações S.A.	104,686,235	11.07
DAWOJOBE Participações S.A.	104,686,235	11.07
ESLI Participações S.A.	78,979,084	8.35
LKL Participações S.A.	78,845,789	8.34
TOTAL	**945,359,142**	**100.00**

All amounts in thousands of Reais unless otherwise stated

Other Information

A.1) Jacob Klabin Lafer Adm. Partic. S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Vera Lafer	116,442,896	98.40
Novo Horizonte Agropecuária Ltda.	1,893,380	1.60
TOTAL	**118,336,276**	**100.00**

A.2) VFV Participações S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Jacob Klabin Lafer Adm. Partic. S.A.	59,201,185	99.99993
Vera Lafer Lorch Cury	20	0.00003
Francisco Lafer Pati	20	0.00003
TOTAL	**59,201,226**	**100.00**

A.2.1) Jacob Klabin Lafer Adm. Partic. S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Vera Lafer	58,253,966	98.40
Novo Horizonte Agropecuária Ltda.	947,219	1.60
TOTAL	**59,201,185**	**100.00**

A.3) Miguel Lafer Participações S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Jacob Klabin Lafer Adm. Partic. S.A.	59,201,211	100.00
Novo Horizonte Agropecuária Ltda.	14	0.00
TOTAL	**59,201,226**	**100.00**

A.3.1) Jacob Klabin Lafer Adm. Partic. S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Vera Lafer	58,253,992	98.40
Novo Horizonte Agropecuária Ltda.	947,219	1.60
TOTAL	**59,201,211**	**100.00**

All amounts in thousands of Reais unless otherwise stated

Other Information

A.4) PRESH S.A.

SHAREHOLDERS	SHARES COMMON	%
Horácio Lafer Piva	39,456,100	33.33330
Eduardo Lafer Piva	39,456,100	33.33330
Regina Piva Coelho Magalhães	39,456,218	33.33340
TOTAL	**118,368,418**	**100.00**

A.5) GL Holdings S/A

SHAREHOLDERS	SHARES COMMON	%
Graziela Lafer Galvão	-	-
Paulo Sergio Coutinho Galvão Filho	59,184,209	50.00
Maria Eugênia Lafer Galvão	59,184,209	50.00
TOTAL	**118,368,418**	**100.00**

(*) Shares subject to rights to use, with the beneficiary Graziela Lafer Galvão having voting right.

A.6) GLIMDAS Participações S.A.

SHAREHOLDERS	SHARES COMMON	%
LÉA MANELA KLABIN (naked owner) *	5,608,203	5.3572
ALBERTO KLABIN (naked owner) *	14,955,176	14.2857
LEONARDO KLABIN (naked owner) *	14,955,176	14.2857
STELA KLABIN (naked owner) *	14,955,176	14.2857
MARIA KLABIN (naked owner) *	13,085,776	12.5000
DAN KLABIN (naked owner) *	13,085,776	12.5000
GABRIEL KLABIN (naked owner) *	13,085,776	12.5000
MARIA KLABIN (naked owner) *	14,954,183	14.2848
MAURÍCIO KLABIN'S ESTATE	994	0.0009
TOTAL	**104,686,235**	**100.00**

(*) Registered common and preferred shares subject to rights to use, with the beneficiary ISRAEL KLABIN having voting right and registered preferred shares NOT subject to rights to use.

A.7) DARO Participações S.A.

SHAREHOLDERS	SHARES COMMON	%
Daniel Miguel Klabin	7,233,819	6.91
Rose Klabin (*)	32,484,139	31.03
Amanda Klabin (*)	32,484,139	31.03
David Klabin (*)	32,484,139	31.03
TOTAL	**104,686,235**	**100.00**

(*) Shares subject to rights to use, with the beneficiary Daniel Miguel Klabin having voting right.

All amounts in thousands of Reais unless otherwise stated

Other Information

A.8) DAWOJOBE Participações S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Wolff Klabin	15,702,935	15.00
Daniela Klabin	15,702,935	15.00
Bernardo Klabin	15,702,935	15.00
José Klabin	15,702,935	15.00
Klaro Paticipações Ltda.	41,874,494	40.00
TOTAL	**104,686,235**	**100.00**

A.8.1) Klaro Paticipações Ltda.

SHAREHOLDERS	SHARES	
	COMMON	%
Rosa Maria Lisboa Klabin	418,745	1.00
Daniela Klabin Basílio (*)	10,363,937	24.75
Wolff Klabin (*)	10,363,937	24.75
José Klabin (*)	10,363,937	24.75
Bernardo Klabin (*)	10,363,937	24.75
TOTAL	**41,874,494**	**100.00**

(*) Shares subject to rights to use, with the beneficiary Rosa Maria Lisboa Klabin having voting right.

A.9) ESLI Participações S.A. (*)

SHAREHOLDERS	SHARES	
	COMMON	%
Cristina Levine Martins Xavier	26,326,335	33.3333
Regina Klabin Xavier	26,326,335	33.3333
Roberto Klabin Martins Xavier	26,326,414	33.3334
TOTAL	**78,979,084**	**100.00**

(*) Special Contract for the Donation of Shares with Reserved Right to Use to Lilia K.Levine, on December 22, 2010.

A.10) LKL Participações S.A. (*)

SHAREHOLDERS	SHARES	
	COMMON	%
Cristina Levine Martins Xavier	26,281,903	33.3333
Regina Klabin Xavier	26,281,903	33.3333
Roberto Klabin Martins Xavier	26,281,982	33.3334
TOTAL	**78,845,789**	**100.00**

(*) Special Contract for the Donation of Shares with Reserved Right to Use to Lilia K.Levine, on December 22, 2010.

All amounts in thousands of Reais unless otherwise stated

Other Information

B) NIBLAK PART. S/A

SHAREHOLDERS	SHARES	
	COMMON	Total %
Miguel Lafer Part. S/A	17,782,701	12.52
VFV Participações S/A	17,782,701	12.52
GL Holdings S/A	17,782,843	12.52
PRESH S/A	17,782,843	12.52
Glimdas Participações S.A.	15,727,202	11.07
Verde Vivo Investimentos Florestais Ltda.	15,727,202	11.07
Dawojobe Partic. S.A.	15,727,202	11.07
Esli Participações S.A.	23,710,315	16.69
TOTAL	**142,023,010**	**100.00**

B.1) Miguel Lafer Participações S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Jacob Klabin Lafer Adm. Partic. S.A.	17,782,697	100.00
Novo Horizonte Agropecuária Ltda.	4	0.00
TOTAL	**17,782,701**	**100.00**

B.1.1) Jacob Klabin Lafer Adm. Partic. S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Vera Lafer	17,498,174	98.40
Novo Horizonte Agropecuária Ltda.	284,523	1.60
TOTAL	**17,782,697**	**100.00**

B.2) VFV Participações S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Jacob Klabin Lafer Adm. Partic. S.A.	17,782,689	99.99993
Vera Lafer Lorch Cury	6	0.00003
Francisco Lafer Pati	6	0.00003
TOTAL	**17,782,701**	**100.00**

B.2.1) Jacob Klabin Lafer Adm. Partic. S.A.

SHAREHOLDERS	SHARES	
	COMMON	%
Vera Lafer	17,498,166	98.40
Novo Horizonte Agropecuária Ltda.	284,523	1.60
TOTAL	**17,782,689**	**100.00**

All amounts in thousands of Reais unless otherwise stated

Other Information

B.3) GL Holdings S/A

SHAREHOLDERS	SHARES	
	COMMON	%
Graziela Lafer Galvão	-	-
Paulo Sergio Coutinho Galvão Filho	8,891,422	50.00
Maria Eugênia Lafer Galvão	8,891,422	50.00
TOTAL	**17,782,843**	**100.00**

(*) Shares subject to rights to use, with the beneficiary Graziela Lafer Galvão having voting right.

B.4) PRESH S/A.

SHAREHOLDERS	SHARES	
	COMMON	%
Horácio Lafer Piva	5,927,614	33.3333
Eduardo Lafer Piva	5,927,614	33.3333
Regina Piva Coelho Magalhães	5,927,614	33.3334
TOTAL	**17,782,843**	**100.00**

B.5) GLIMDAS Participações S.A.

SHAREHOLDERS	SHARES	
	PREFERRED	%
Léa Manela Klabin (naked owner) *	842,530	5.36
Alberto Klabin (naked owner) *	2,246,743	14.29
Leonardo Klabin (naked owner) *	2,246,743	14.29
Stela Klabin (naked owner) *	2,246,743	14.29
Maria Klabin (naked owner) *	1,965,900	12.50
Dan Klabin (naked owner) *	1,965,900	12.50
Gabriel Klabin (naked owner) *	1,965,900	12.50
Antonia Klabin	2,246,594	14.28
Maurício Klabin’s estate	149	0.00
TOTAL	**15,727,202**	**100.00**

(*) Registered common and preferred shares subject to rights to use, with the beneficiary ISRAEL KLABIN having voting right and registered preferred shares NOT subject to rights to use.

B.6) Verde Vivo Investimentos Florestais Ltda.

SHAREHOLDERS	SHARES	
	COMMON	%
Amanda Klabin Tkacz (*)	5,242,401	33.333
Rose Klabin (*)	5,242,401	33.333
David Klabin (*)	5,242,401	33.333
TOTAL	**15,727,202**	**100.00**

(*) Shares subject to rights to use, with the beneficiary Daniel Miguel Klabin having voting right.

All amounts in thousands of Reais unless otherwise stated

Other Information

B.7) DAWOJOBE Participações S.A.

	SHARES	
SHAREHOLDERS	COMMON	%
Wolff Klabin	2,359,080	15.00
Daniela Klabin	2,359,080	15.00
Bernardo Klabin	2,359,080	15.00
José Klabin	2,359,080	15.00
Klaro Paticipações Ltda.	6,290,881	40.00
TOTAL	**15,727,202**	**100.00**

B.7.1) Klaro Paticipações Ltda.

	SHARES	
SHAREHOLDERS	COMMON	%
Rosa Maria Lisboa Klabin	62,909	1.00
Daniela Klabin Basílio (*)	1,556,993	24.75
Wolff Klabin (*)	1,556,993	24.75
José Klabin (*)	1,556,993	24.75
Bernardo Klabin (*)	1,556,993	24.75
TOTAL	**6,290,881**	**100.00**

(*) Shares subject to rights to use, with the beneficiary Rosa Maria Lisboa Klabin having voting right.

B.8) ESLI Participações S.A. (*)

	SHARES	
SHAREHOLDERS	COMMON	%
Cristina Levine Martins Xavier	7,903,431	33.333
Regina Klabin Xavier	7,903,431	33.333
Roberto Klabin Martins Xavier	7,903,454	33.333
TOTAL	**23,710,315**	**100.00**

(*) Special Contract for the Donation of Shares with Reserved Right to Use to Lilia K.Levine, on December 22, 2010.

All amounts in thousands of Reais unless otherwise stated

3. CHANGES IN OWNERSHIP INTEREST

SHAREHOLDERS	Type	12/31/2022		Change					12/31/2023		
		Number of Shares	%	Purchase/ Subscription	Sale	New Investors	Withdrawals	Corporate Changes*	Number of Shares	%	Change %
Controlling Shareholders	COMMON	1,290,595,746	0.62	625,400	-136,700	0	0	0	1,291,084,446	0.62	0.00
	PREFERRED	350,505,935	0.10	2,373,600	-546,800	0	0	0	352,332,735	0.10	0.01
Members of the Board of Directors	COMMON	59,686,998	0.03	16,700	0	418,000	-4,632,760	0	55,488,938	0.03	-0.07
	PREFERRED	202,302,895	0.06	66,800	0	1,672,000	-18,530,886	0	185,510,809	0.05	-0.08
Members of the Statutory Executive Board	COMMON	1,519,339	0.00	391,535	0	577,136	-434,461	0	2,053,549	0.00	0.35
	PREFERRED	6,077,356	0.00	2,157,180	0	1,717,504	-1,737,844	0	8,214,196	0.00	0.35
Members of the Supervisory Board	COMMON	6,575	0.00	150,000	0	80,286	0	0	236,861	0.00	35.02
	PREFERRED	16,300	0.00	10,000	0	396,144	0	0	422,444	0.00	24.92
Treasury Shares	COMMON	23,172,552	0.01	0	-2,910,075	0	0	0	20,262,477	0.01	-0.13
	PREFERRED	92,690,208	0.03	0	-11,640,300	0	0	0	81,049,908	0.02	-0.13
Other Shareholders	COMMON	706,747,385	0.34	-1,183,635	3,046,775	-1,075,422	5,067,221	0	712,602,324	0.34	0.01
	PREFERRED	2,884,571,467	0.82	-4,607,580	12,187,100	-3,785,648	20,268,730	0	2,908,634,069	0.82	0.01
Total	**COMMON**	**2,081,728,595**	**100.00**						**2,081,728,595**	**100.00**	0.00
	PREFERRED	**3,536,164,161**	**100.00**						**3,536,164,161**	**100.00**	0.00

4. NUMBER OF THE COMPANY'S SHARES DIRECTLY OR INDIRECTLY HELD BY CONTROLLING SHAREHOLDERS AND MEMBERS OF THE BOARD OF DIRECTORS, EXECUTIVE BOARD AND SUPERVISORY BOARD AND NUMBER OF SHARES OUTSTANDING IN THE MARKET

At 12/31/2023

	SHARES					
SHAREHOLDERS	**COMMON**	**%**	**PREFERRED**	**%**	**Total**	**%**
Controlling Shareholders	1,291,084,446	62	352,332,735	10	1,643,417,181	29
Members of the Board of Directors	55,488,938	3	185,510,809	5	240,999,747	4
Members of the Supervisory Board	236,861	0	422,444	0	659,305	0
Members of the Executive Board	2,053,549	0	8,214,196	0	10,267,745	0
Treasury shares	20,262,477	1	81,049,908	2	101,312,385	2
Other shareholders	712,602,324	34	2,908,634,069	82	3,621,236,393	64
Total	**2,081,728,595**	**100**	**3,536,164,161**	**100**	**5,617,892,756**	**100**
Number of Outstanding Shares	**712,602,324**	**34**	**2,908,634,069**	**82**	**3,621,236,393**	**64**

All amounts in thousands of Reais unless otherwise stated

Other Information

At 12/31/2022

	SHARES					
SHAREHOLDERS	**COMMON**	**%**	**PREFERRED**	**%**	**Total**	**%**
Controlling Shareholders	1,290,595,746	62	350,505,935	10	1,641,101,681	29
Members of the Board of Directors	59,686,998	3	202,302,895	6	261,989,893	5
Members of the Executive Board	1,519,339	0	6,077,356	0	7,596,695	0
Members of the Supervisory Board	6,575	0	16,300	0	22,875	0
Treasury shares	23,172,552	1	92,690,208	3	115,862,760	2
Other shareholders	706,747,385	34	2,884,571,467	82	3,591,318,852	64
Total	**2,081,728,595**	**100**	**3,536,164,161**	**100**	**5,617,892,756**	**100**
Number of Outstanding Shares	**706,747,385**	**34**	**2,884,571,467**	**82**	**3,591,318,852**	**64**

All amounts in thousands of Reais unless otherwise stated

(A free translation of the original in Portuguese)

Independent auditor's report

To the Board of Directors and Stockholders
Klabin S.A.

Opinion

We have audited the accompanying parent company financial statements of Klabin S.A. (the "Company"), which comprise the balance sheet as at December 31, 2023 and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, as well as the accompanying consolidated financial statements of Klabin S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2023 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

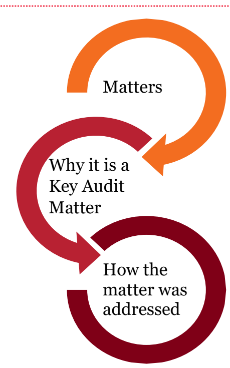
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Klabin S.A. and of Klabin S.A. and its subsidiaries as at December 31, 2023, and the financial performance and the cash flows for the year then ended, as well as the consolidated financial performance and the cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



PricewaterhouseCoopers Auditores Independentes Ltda., Avenida Brigadeiro Faria Lima, 3732, Edifício B32, 16º
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Why it is a Key Audit Matter	How the matter was addressed in the audit
Fair value of biological assets (Note 16)	
The Company's biological assets arise from the cultivation and planting of pine and eucalyptus forests to provide raw materials for the production of short-fiber, long-fiber and fluff pulp, for use in the production of paper and for the sale of logs to third parties. Biological assets are measured at fair value less costs necessary to prepare the assets for their intended use or sale, by applying the discounted cash flow method. This method uses data and assumptions that require significant judgment of management, including: the growth rate index for different forests, the price of standing timber in different regions, the interest rates for the discounting of cash flows, the harvesting plan for the forests and estimates of productivity volume. As in the prior year, we considered this an area of focus in our audit because of the significance of the biological assets balance and the high degree of judgment involved, as well as the volume of data collected which rely on manual internal controls, which could materially impact the fair value estimates and, consequently, the results for the year.	Our audit procedures included, among others: • Updating our understanding of the internal controls used by management to measure the fair value, as well as the valuation methodology and assumptions and data used in the calculation. • With the support of our biological asset valuation specialists, we evaluated the discounted cash flow method used, including its logical and arithmetical consistency. • For the main assumptions adopted by management, considered significant to the audit, we compared these to external sources assessing these against historical trends and past data points. Also with the support of our specialists we reviewed, on a sample basis, the measurements of the planted areas and the age of forests by plots. • We also assessed the competence, objectivity and skills of the internal specialists and those contracted by management to assist in the fair value measurement. • We matched the information we obtained with that disclosed in the explanatory notes and used in the calculations prepared by management, and assessed the adequacy of disclosure requirements pursuant to the accounting standards. We consider that the criteria and assumptions adopted by the Company for the fair value measurement of biological assets, as well as the disclosures in the explanatory notes, to be consistent with the evidence obtained.
Designation of financial instruments for purposes of cash flow hedge accounting (Note 30)	
The Company and its subsidiaries have a significant volume of exports and contract borrowings in foreign currency used to finance expansion projects.	Our principal audit procedures, among others, included:

Why it is a Key Audit Matter	How the matter was addressed in the audit
The Company adopts cash flow hedge accounting recognizing, in the result for the year, the effects of exchange rate variation from borrowings denominated in foreign currency once the exports are shipped. Accounting standards for hedge accounting require that the Company comply with certain requirements, among which the preparation of formal documentation for the hedge accounting designation, performance of effectiveness test and to record any ineffectiveness in the statement of income for the year. Due to the complexity in designating and periodically measuring the effectiveness of the hedge relationships, consistently with our judgment in the prior year, we treated this as a key matter in our audit.	• Updating our understanding of the risk management process and internal controls over the documentation for recording these financial instruments. • Analyzing the hedge accounting policy and program with the assistance of our specialists in derivative financial instruments. • Recalculating, on a sample basis, the fair value measurement of the financial instruments. • Examining the supporting documentation for the financial instrument designation and analyzing the effectiveness tests prepared by Company management. • Requesting confirmation directly from financial institutions of the balances of financial instruments. We also read the accounting practices disclosures, the description of the transactions and balances of operations involving cash flow hedge accounting. We consider that the assumptions and judgments adopted by management when applying cash flow hedge accounting to be consistent with the data and information obtained during our audit.

Other matters

Statements of Value Added

The parent company and consolidated Statements of Value Added for the year ended December 31, 2023, prepared under the responsibility of the Company's management and presented as supplementary information for IFRS purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these Statements of Value Added have been properly prepared, in all material respects, in accordance with the criteria established in the Technical Pronouncement, and are consistent with the parent company and consolidated financial statements taken as a whole.

Other information accompanying the parent company and consolidated financial statements and the auditor's report

The Company's management is responsible for the other information that comprises the Management Report.

Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the parent company and consolidated financial statements

Management is responsible for the preparation and fair presentation of the parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), 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 parent company and consolidated financial statements, management is responsible for assessing the ability of the Company and its subsidiaries 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 and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's responsibilities for the audit of the parent company and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated 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 and International Standards on Auditing 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 and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated 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 internal control of the Company and its subsidiaries.

- 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 ability of the Company and its subsidiaries 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 parent company and consolidated 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 and its subsidiaries to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the parent company and 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 6, 2024

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

DocuSigned by:
Renato Barbosa Postal
Assinado por: RENATO BARBOSA POSTAL:13794189841
CPF: 13794189841
Data/Hora da Assinatura: 07 de fevereiro de 2024 | 17:42 BRT
ICP Brasil
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Renato Barbosa Postal
Contador CRC 1SP187382/O-0

OFFICERS' STATEMENT ON THE FINANCIAL STATEMENTS

We, as Officers of KLABIN S.A., a corporation headquartered in the city of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, 3.600, 3rd, 4th and 5th floors, Itaim Bibi, CEP 04538-132, enrolled in the National Corporate Taxpayers' Registry (CNPJ) under No. 89.637.490/000145, declare that we have reviewed, discussed and agreed with the set of financial statements for the year ended December 31, 2023.

São Paulo, February 6, 2024

Cristiano Cardoso Teixeira	Chief Executive Officer
Marcos Paulo Conde Ivo	Chief Financial and Investor Relations Officer
Francisco Cezar Razzolini	Chief Industrial Technology, Innovation, Sustainability and Project Officer
Antonio Alexandre Nicolini	Chief Pulp Business Officer
Douglas Dalmasi	Chief Packaging Business Officer
Sandro Fabiano Ávila	Chief Forestry Business Officer

OFFICERS' STATEMENT ON THE INDEPENDENT AUDITOR'S REPORT

We, as Officers of KLABIN S.A., a corporation headquartered in the city of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, 3.600, 3rd, 4th and 5th floors, Itaim Bibi, CEP 04538-132, enrolled in the National Corporate Taxpayers' Registry (CNPJ) under No. 89.637.490/000145, declare that we have reviewed, discussed and agreed with the opinions expressed in the independent auditor's report related to the set of financial statements for the year ended December 31, 2023.

São Paulo, February 6, 2024

Cristiano Cardoso Teixeira	Chief Executive Officer
Marcos Paulo Conde Ivo	Chief Financial and Investor Relations Officer
Francisco Cezar Razzolini	Chief Industrial Technology, Innovation, Sustainability and Project Officer
Antonio Alexandre Nicolini	Chief Pulp Business Officer
Douglas Dalmasi	Chief Packaging Business Officer
Sandro Fabiano Ávila	Chief Forestry Business Officer

OPINION OF THE SUPERVISORY BOARD

We have examined the parent company and consolidated financial statements of Klabin S.A., which comprise the balance sheet as at December 31, 2023 and the statements of: (i) income, (ii) comprehensive income, (iii) changes in equity, (iv) cash flows, and (v) value added, accompanied by the corresponding explanatory information and the report of PricewaterhouseCoopers Auditores Independentes Ltda.; as well as a summary of the main accounting practices, explanatory notes and management report.

Based on the documents examined, the unqualified opinion in PricewaterhouseCoopers Auditores Independentes Ltda. report on these financial statements and the clarifications given by the representatives of the Company's management, the members of the Supervisory Board unanimously agree that the aforementioned financial statements present fairly the financial position and the activities of the Company for the year ended December 31, 2023, and that together with the Management Report and the proposal for the allocation of results, can be submitted to the appreciation of the Board of Directors and subsequently to the approval at the Company's Annual General Meeting of Stockholders.

São Paulo, February 6, 2024.

Reinoldo Poernbacher

Pedro Guilherme Zan

Sergio Ladeira Furquim Werneck Filho

Louise Barsi

Célio de Melo Almada Neto

OPINION OF THE AUDIT COMMITTEE

In compliance with the laws and the Company's bylaws, the members of the Audit Committee and Related Parties of the Company have examined the Financial Statements, the Management Report and the Independent Auditor's Report for the year ended December 31, 2023 and have expressed favorably to their approval by the Board of Directors, under the terms of the documents provided, which remain filed in the Company's headquarters.

São Paulo, January 31, 2024.

Amaury Guilherme Bier

João Adamo Junior

Luis Eduardo Pereira de Carvalho

Klabin S.A.
CNPJ 89.637.490/0001-45
Listed company

BOARD OF DIRECTORS

Chair
Amanda Klabin Tkacz

Board Members
Alberto Klabin
Wolff Klabin
Vera Lafer
Francisco Lafer Pati
Horacio Lafer Piva
Paulo Sérgio Coutinho Galvão Filho
Lilia Klabin Levine
Celso Lafer
Roberto Luiz Leme Klabin
Amaury Guilherme Bier
Marcelo Mesquita de Siqueira Filho
Mauro Gentile Rodrigues da Cunha
Isabella Saboya de Albuquerque

SUPERVISORY BOARD

Reinoldo Poernbacher
Pedro Guilherme Zan
Sergio Ladeira Furquim Werneck Filho
Louise Barsi
Célio de Melo Almada Neto

EXECUTIVE BOARD

Cristiano Cardoso Teixeira	Chief Executive Officer
Marcos Paulo Conde Ivo	Chief Financial and Investor Relations Officer
Francisco Cezar Razzolini	Chief Industrial Technology, Innovation, Sustainability and Project Officer
Antonio Alexandre Nicolini	Chief Pulp Business Officer
Douglas Dalmasi	Chief Packaging Business Officer
Sandro Fabiano Ávila	Chief Forestry Business Officer

Herbert Wang Ho
Chief Controlling Officer

Ahmad Abu Islaim
Accountant – CRC SP259626/O-8

DocuSign

Certificado de Conclusão

Identificação de envelope: 0BD84C7FE1AE4D3DA4C9BD7C03279F88

Status: Concluído

Assunto: Complete com a DocuSign: FREE TRANSLATE KSA 2023~merged.pdf

LoS / Área: Assurance (Audit, CMAAS)

Tipo de Documento: Relatórios ou Deliverables

Envelope fonte:

Documentar páginas: 152	Assinaturas: 1	Remetente do envelope:
Certificar páginas: 2	Rubrica: 0	Pedro Motta
Assinatura guiada: Ativado		Avenida Brigadeiro Faria Lima, 3732, 16º e 17º andares, Edifício Adalmiro Dellape Baptista B32, Itai
Selo com EnvelopeId (ID do envelope): Ativado		São Paulo, São Paulo 04538-132
Fuso horário: (UTC-03:00) Brasília		pedro.m.motta@pwc.com
		Endereço IP: 18.231.224.30

Rastreamento de registros

Status: Original 07 de fevereiro de 2024 | 17:15	Portador: Pedro Motta pedro.m.motta@pwc.com	Local: DocuSign
Status: Original 07 de fevereiro de 2024 | 17:43	Portador: CEDOC Brasil BR_Sao-Paulo-Arquivo-Atendimento-Team@pwc.com	Local: DocuSign

Eventos do signatário	Assinatura	Registro de hora e data
Renato Barbosa Postal renato.postal@pwc.com Sócio PricewaterhouseCoopers Auditores Independentes Ltda. Nível de segurança: E-mail, Autenticação da conta (Nenhuma), Certificado Digital **Detalhes do provedor de assinatura:** Tipo de assinatura: ICP Smart Card Emissor da assinatura: AC SERASA RFB v5 **Termos de Assinatura e Registro Eletrônico:** Não oferecido através do DocuSign	DocuSigned by: Renato Barbosa Postal 2F5068F0522C416... Adoção de assinatura: Estilo pré-selecionado Usando endereço IP: 54.94.245.207	Enviado: 07 de fevereiro de 2024 | 17:17 Visualizado: 07 de fevereiro de 2024 | 17:41 Assinado: 07 de fevereiro de 2024 | 17:42

Eventos do signatário presencial	Assinatura	Registro de hora e data

Eventos de entrega do editor	Status	Registro de hora e data

Evento de entrega do agente	Status	Registro de hora e data

Eventos de entrega intermediários	Status	Registro de hora e data

Eventos de entrega certificados	Status	Registro de hora e data

Eventos de cópia	Status	Registro de hora e data
Mateus Oliveira mateus.oliveira@pwc.com PwC BR Nível de segurança: E-mail, Autenticação da conta (Nenhuma) **Termos de Assinatura e Registro Eletrônico:** Não oferecido através do DocuSign	**Copiado**	Enviado: 07 de fevereiro de 2024 | 17:17

Eventos de cópia	Status	Registro de hora e data
Pedro Motta pedro.m.motta@pwc.com Manager Nível de segurança: E-mail, Autenticação da conta (Nenhuma) **Termos de Assinatura e Registro Eletrônico:** Não oferecido através do DocuSign	**Copiado**	Enviado: 07 de fevereiro de 2024 | 17:17 Reenviado: 07 de fevereiro de 2024 | 17:43 Visualizado: 07 de fevereiro de 2024 | 17:43

Eventos com testemunhas	Assinatura	Registro de hora e data

Eventos do tabelião	Assinatura	Registro de hora e data

Eventos de resumo do envelope	Status	Carimbo de data/hora
Envelope enviado	Com hash/criptografado	07 de fevereiro de 2024 | 17:17
Entrega certificada	Segurança verificada	07 de fevereiro de 2024 | 17:41
Assinatura concluída	Segurança verificada	07 de fevereiro de 2024 | 17:42
Concluído	Segurança verificada	07 de fevereiro de 2024 | 17:42

Eventos de pagamento	Status	Carimbo de data/hora