20241070509

Årsredovisning

för

Fitesa Sweden AB

556868-2594

Räkenskapsåret

2023

Fastställelseintyg

Undertecknad verkställande direktör i Fitesa Sweden AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma 2024-06-05. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Norrköping 2024-06-05.

Michael Baumgartner

Årsredovisning

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Styrelsen och verkställande direktören för Fitesa Sweden AB har upprättat följande årsredovisning för räkenskapsåret 2023.

Årsredovisningen är upprättad i svenska kronor, SEK. Om inte annat särskilt anges, redovisas alla belopp i tusentals kronor (Tkr). Uppgifter inom parentes avser föregående år.

Förvaltningsberättelse

Information om verksamheten

Bolaget ägs till 100 % av Fitesa Nãotecidos S.A med säte i Porto Alegre, Brasilien. Ägarbolaget ingår i den koncern där moderbolaget Évora S.A. (med säte i Porto Alegre, BR, organisationsnummer 91.820.068/0001-72) avlämnar koncernredovisning. Évora är ett holdingbolag som äger andra företag vilka producerar och säljer nonwoven, aluminiumburkar till dryckesindustrin och plastlock till förpackningsindustrin.

Fitesa Sweden AB med dess dotterbolag över hela världen, bland dem Fitesa Limited, Fitesa US LLC och Fitesa China Holdings B.V., har produktionsenheter i Sverige, Tyskland, Italien, Holland, Ungern, Kina, USA, Mexiko och Peru. Dessa utgör en stor del av Fitesa Group, en av världens ledande tillverkare av nonwoven material för hygiensektorn.

Bolagets svenska tillverkningslokaler är belägna i Norrköpings kommun där företaget har sitt säte.

Från Sverige går ca 77% (79%) på export och företagets kunder är huvudsakligen globala.

Flerårsöversikt (Tkr)	**2023**	**2022**	**2021**	**2020**	**2019**
Nettoomsättning	1 319 239	1 391 677	1 241 438	1 135 685	1 230 419
Resultat efter finansiella poster	603 263	54 115	334 592	80 853	253 534
Balansomslutning	6 009 868	5 508 555	5 488 743	4 897 403	4 554 123
Avkastning på eget kap. (%)	23,1	2,2	15,8	3,3	13,9
Soliditet (%)	46,7	40,4	39,7	38,0	39,6
Antal anställda	168	170	157	169	166

För definitioner av nyckeltal, se Redovisnings- och värderingsprinciper.

Väsentliga händelser under räkenskapsåret

2023 har varit ett oförutsägbart år efter pandemin och kriget som bröt ut i Ukraina och marknaden var trevande. Efterfrågan var svag första halvåret då kunderna lagerjusterade, men ökade andra delen av året när priserna sjönk på grund av lägre pris på PP. Konkurrensen var hög på grund av överkapacitet i Europa och lägre pris på importen från till exempel Turkiet och Egypten. Energipriset stabiliserade sig under 2023, men i Sverige har vi under året haft 100% av priset säkrat.

Priset på företagets primära råmaterial, polypropylen, är kopplat till oljepriset och påverkas av balansen mellan utbud och efterfrågan av tredje generationens petrokemiska sektor. PP-priset var högt vid ingången av året men sjönk framför allt efter sommaren pga ökad tillgänglighet. Företaget genomför regelbundna prisjusteringar till sina kunder vilka baseras på råvarupriserna. Det föreligger vanligtvis en kvartalsvis fördröjning av dessa kontraktsmässiga förändringar, detta bidrog 2023 till ökade marginaler.

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Den osäkra marknaden har inneburit produktionsanpassningar även i år, men något bättre försäljningsvolym än föregående år. Företagets produktion slutade på 48 009 ton (jmf 2022: 46 553 ton).

Orealiserade kursförluster på totalt 11,8 Mkr har främst uppkommit genom att bolagets valutalån i USD och EUR har omvärderats till balansdagskurs per 31 december 2023.

Nettoutlåning till koncernbolag har gjorts med 541 779 tkr. Till kreditinstitut har amorteringar gjorts med 399 450 tkr och nyupplåning har gjorts med 271 594 tkr.

Förväntad framtida utveckling samt väsentliga händelser efter räkenskapsårets utgång

Energibalansen i Europa har stabiliserats för energiintensiv industri. För Sveriges del har vi för 2024 säkrat 80% av priset och försörjningen bör inte vara ett problem. I och med detta förväntar vi oss ha stabil energikostnad under året. Den svenska fabriken har inte produktion under helgdagar även 2024 och i år har orderböckerna varit fulla under våren och vi har en hel del affärer på ingång som gör att 2024 bör sluta bättre än både prognos och föregående år.

En helt ny produktionslinje är under byggnation som kommer att stå klar i slutet av 2024. Den nya linjen ska kunna producera biobaserade produkter och kommer att vidga vår produktportfölj med nya spännande produkter.

Väsentliga risker och osäkerhetsfaktorer

Råvarupriset samt tillgången på råvara är en osäkerhetsfaktor. Eftersom avtalade försäljningspriser är kopplade till råvarupriset med en viss eftersläpning, är känsligheten för variationer i råvarupriset dock begränsad.

Valutarisk

Förändringar i EUR-kursen har betydelse för den operativa verksamheten eftersom både råvaruinköp och försäljning till stor del görs i EUR. En skillnad i EUR-kursen påverkar försäljningen i större utsträckning än inköpspriserna.

Finansieringen av investeringsverksamheten utgörs av lån i både USD och EUR. Med anledning av svenska kronans fortsatta försvagning mot både EUR och USD, har bolaget under 2023 redovisat kursförluster, både realiserade och orealiserade.

Ränterisk

Bolagets koncernlån är upptagna med fasta räntesatser. Av lån från kreditinstitut är lån om totalt 1 944 860 tkr upptagna med fasta räntesatser, medan lån på 811 801tkr löper med en räntesats kopplad till Euribor/Libor.

Forskning och utveckling

Inom bolaget bedrivs fortlöpande vidareutveckling av företagets produktsortiment och processer, vilket i hög omfattning sker i nära samarbete med kunderna. Företaget har även tillgång till forsknings- och utvecklingsresurser i koncernens centrala utvecklingsenheter lokaliserade till Tyskland, Italien, USA och Kina.

Användande av finansiella instrument

Bolaget genomför inköp av elterminer i syfte att prissäkra framtida elinköp.

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Hållbarhetsupplysningar

Fitesakoncernens vision är att vara den av marknaden föredragna leverantören av nonwoven inom healthcare och hygiensektorn. De fyra områden som vi arbetar med är, i prioriterad ordning; arbetsmiljö, kvalité, effektivitet och miljö/energi.

Personalens säkerhet är koncernens högsta prioritet. Vi arbetar kontinuerligt med att förbättra säkerheten. Genom riskobservation och tillbudsrapportering upptäcks och förebyggs arbetsskador. All personal genomgår utbildning för att lära sig tekniker för att reducera kritiska fel. Månatlig uppföljning och utvärdering av sjuktal genomförs, med rehabiliteringsåtgärder om så är nödvändigt.

Bolaget ska vara en arbetsplats där jämlikhet råder och ett antal interna policys finns utarbetade, bl.a. för jämställdhet, mot trakasserier och gällande visselblåsare.

Vi arbetar för att minska vår miljöpåverkan, bl.a. genom att använda koldioxidneutral el. För att hushålla med resurser och minska avfallshantering är återvinning av råvara en viktig komponent. Den nya produktionslinjen som kan producera produkter från förnyelsebar råvara är en viktig satsning inom miljöområdet.

Fitesa är ISCC-certifierade.

Hållbarhetsrapport

Hållbarhetsrapport upprättas av moderbolaget Fitesa Nãotecidos S.A (med säte i Porto Alegre, BR, organisationsnummer 93.211.084/0001-93). Rapporten finns att tillgå på bolagets hemsida www.fitesa.com.

Miljöinformation

Bolaget bedriver inte någon tillståndspliktig verksamhet.

Förändringar i eget kapital (Tkr)

	Aktie-kapital	Fri överkurs-fond	Balanserat resultat	Årets resultat	Totalt
Belopp vid årets ingång	216	969 474	1 210 662	47 398	**2 227 750**
Disposition enligt beslut av årsstämman:					
Balanseras i ny räkning			47 398	-47 398	**0**
Årets resultat				581 238	**581 238**
Belopp vid årets utgång	**216**	**969 474**	**1 258 060**	**581 238**	**2 808 988**

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Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

fri överkursfond	969 474 422
balanserad vinst	1 258 060 432
årets vinst	581 237 506
	2 808 772 360
disponeras så att	
i ny räkning överföres	2 808 772 360
	2 808 772 360

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning samt kassaflödesanalys med noter.

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Resultaträkning
Tkr

	Not	2023-01-01 -2023-12-31	2022-01-01 -2022-12-31
Nettoomsättning	3	1 319 239	1 391 677
Kostnad för sålda varor		-989 072	-1 129 852
Bruttoresultat		**330 167**	**261 825**
Försäljningskostnader		-56 435	-59 654
Administrationskostnader		-34 762	-41 162
Övriga rörelseintäkter	4	1 031	49 335
Övriga rörelsekostnader	5	-628	0
Rörelseresultat	6, 7, 8, 9, 10	**239 373**	**210 344**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	11	497 691	71 616
Resultat från övriga värdepapper och fordringar som är anläggningstillgångar	12	81 526	64 854
Övriga ränteintäkter och liknande resultatposter	13	8 662	3 639
Räntekostnader och liknande resultatposter	14	-223 989	-296 338
Summa resultat från finansiella poster		**363 890**	**-156 229**
Resultat efter finansiella poster		**603 263**	**54 115**
Resultat före skatt		**603 263**	**54 115**
Skatt på årets resultat	15	-22 025	-6 717
Årets resultat		**581 238**	**47 398**

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Balansräkning
Tkr

	Not	2023-12-31	2022-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Programvaror	16	1 253	1 870
		1 253	**1 870**
Materiella anläggningstillgångar			
Byggnader och mark	17	125 735	132 572
Maskiner och andra tekniska anläggningar	18	137 625	188 675
Inventarier, verktyg och installationer	19	16 769	16 124
Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar	20	248 194	87 880
		528 323	**425 251**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	21, 22	2 548 891	2 444 086
Fordringar hos koncernföretag	23	2 390 228	1 832 152
Andra långfristiga fordringar	24	2 529	2 380
		4 941 648	**4 278 618**
Summa anläggningstillgångar		**5 471 224**	**4 705 739**
Omsättningstillgångar			
Varulager m m			
Råvaror och förnödenheter		18 296	30 778
Varor under tillverkning		261	668
Färdiga varor och handelsvaror		48 420	51 992
		66 977	**83 438**
Kortfristiga fordringar			
Kundfordringar		269 323	274 180
Fordringar hos koncernföretag		3 854	3 205
Övriga fordringar		13 477	423
Förutbetalda kostnader och upplupna intäkter	25	88 987	50 366
		375 641	**328 174**
Kassa och bank	26	96 026	391 204
Summa omsättningstillgångar		**538 644**	**802 816**
SUMMA TILLGÅNGAR		**6 009 868**	**5 508 555**

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Balansräkning
Tkr

	Not	2023-12-31	2022-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital	27, 28		
Bundet eget kapital			
Aktiekapital		216	216
		216	**216**
Fritt eget kapital			
Överkursfond		969 474	969 474
Balanserad vinst		1 258 060	1 210 662
Årets resultat		581 238	47 398
		2 808 772	**2 227 534**
Summa eget kapital		**2 808 988**	**2 227 750**
Avsättningar	29		
Övriga avsättningar för pensioner och liknande förpliktelser		2 529	2 380
Uppskjuten skatteskuld	30	19 727	23 600
Övriga avsättningar		614	577
Summa avsättningar		**22 870**	**26 557**
Långfristiga skulder	31		
Skulder till kreditinstitut	32	1 800 964	2 521 515
Skulder till koncernföretag		169 138	170 092
Summa långfristiga skulder		**1 970 102**	**2 691 607**
Kortfristiga skulder			
Skulder till kreditinstitut	32	955 697	388 363
Leverantörsskulder		75 758	28 725
Skulder till koncernföretag		30 653	40 194
Aktuella skatteskulder		21 701	313
Övriga skulder		6 402	1 929
Upplupna kostnader och förutbetalda intäkter	33	117 697	103 117
Summa kortfristiga skulder		**1 207 908**	**562 641**
SUMMA EGET KAPITAL OCH SKULDER		**6 009 868**	**5 508 555**

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Kassaflödesanalys

Tkr

	Not	2023-01-01 -2023-12-31	2022-01-01 -2022-12-31
Den löpande verksamheten			
Rörelseresultat efter finansiella poster	34	603 263	54 115
Justeringar för poster som inte ingår i kassaflödet	35	-19 632	99 582
Betald skatt		-4 510	-8 453
Kassaflöde från den löpande verksamheten före förändring av rörelsekapital		**579 121**	**145 244**
Kassaflöde från förändring av rörelsekapitalet			
Förändring av varulager		16 461	11 537
Förändring av rörelsefordringar		-9 949	-133 101
Förändring av rörelseskulder		58 517	-68 509
Kassaflöde från den löpande verksamheten		**644 150**	**-44 829**
Investeringsverksamheten			
Investeringar i materiella anläggningstillgångar		-165 465	-110 347
Investeringar i finansiella anläggningstillgångar		-360	-360
Försäljning av finansiella anläggningstillgångar		380	0
Tillskott till koncernföretag		-104 805	0
Lämnade lån till koncernföretag		-879 005	-582 046
Amorteringar från koncernföretag		337 226	1 246 774
Kassaflöde från investeringsverksamheten		**-812 029**	**554 021**
Finansieringsverksamheten			
Upptagna lån		271 594	12 623
Amortering av lån		-399 450	-303 097
Kassaflöde från finansieringsverksamheten		**-127 856**	**-290 474**
Årets kassaflöde		**-295 735**	**218 718**
Likvida medel vid årets början		391 204	135 853
Kursdifferens i likvida medel		557	36 633
Likvida medel vid årets slut	26	**96 026**	**391 204**

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Noter

Tkr

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar

Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Redovisningsprinciperna är oförändrade jämfört med föregående år.

Intäktsredovisning

Intäkter har tagits upp till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Fakturerad försäljning omfattar försäljning av nonwoven-material. Vid försäljning av varor redovisas normalt inkomsten som intäkt när de väsentliga förmåner och risker som är förknippade med ägandet av varan har överförts från företaget till köparen, vilket normalt inträffar i samband med leverans.

Ränta och utdelning

Ersättning i form av ränta eller utdelning redovisas som intäkt när det är sannolikt att företaget kommer att få de ekonomiska fördelar som är förknippade med transaktionen och när inkomsten kan beräknas på ett tillförlitligt sätt.

Ränta redovisas som intäkt enligt den så kallade effektivräntemetoden.

Utdelning redovisas som intäkt när företagets rätt till betalning är säkerställd.

Eftersom moderföretaget innehar mer än hälften av rösterna för samtliga andelar i dotterföretaget redovisas utdelning när rätten att få utdelning bedöms som säker och kan beräknas på ett tillförlitligt sätt.

Aktieägartillskott

Aktieägartillskott som lämnas utan att emitterade aktier eller andra eget kapitalinstrument erhållits i utbyte redovisas i balansräkningen som en ökning av andelens redovisade värde.

Aktieägartillskott som erhållits utan att emitterade aktier eller andra eget kapitalinstrument lämnats i utbyte redovisas direkt i eget kapital.

Utländsk valuta

Företagets redovisningsvaluta är svenska kronor (SEK).

Monetära fordringar och skulder i utländsk valuta har värderats till balansdagens kurs och orealiserade kursvinster och förluster ingår därmed i resultatet.

Kursvinster och kursförluster på rörelsefordringar och rörelseskulder nettas och redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder nettas och redovisas under rubriken Räntekostnader och liknande resultatposter (netto valutakursförlust).

Icke-monetära poster räknas inte om utan redovisas till kursen vid anskaffningstillfället.

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Anläggningstillgångar

Immateriella och materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar enligt plan och eventuella nedskrivningar.

Avskrivningar

Avskrivning sker linjärt över den beräknade nyttjandeperioden. Undantag är mark, som inte skrivs av. Nyttjandeperioden omprövas per varje balansdag. Avskrivning redovisas som kostnad i resultaträkningen.

För byggnader och produktionslinjer har skillnaden i förbrukningen av betydande komponenter bedömts vara väsentlig. Dessa tillgångar har därför delats upp i komponenter vilka skrivs av separat.

Följande nyttjandeperioder tillämpas:

Immateriella anläggningstillgångar	
Programvaror	3-7 år
Materiella anläggningstillgångar	
Byggnader	5-40 år
Markanläggningar	5-20 år
Maskiner och andra tekniska anläggningar	3-15 år
Inventarier, verktyg och installationer	3-5 år
Datorer	3 år

Tillkommande utgifter

Tillkommande utgifter som uppfyller tillgångskriteriet räknas in i tillgångens redovisade värde. Utgifter för löpande underhåll och reparationer redovisas som kostnader när de uppkommer.

Låneutgifter

Låneutgifter hänförliga till finansiering av finansiella anläggningstillgångar samt till inköp och konstruktion av materiella anläggningstillgångar redovisas i resultaträkningen i den period de uppstår.

Nedskrivningar - materiella och immateriella anläggningstillgångar samt andelar i koncernföretag

Vid varje balansdag bedöms om det finns indikationer på att en tillgångs värde är lägre än dess redovisade värde. Om en sådan indikation finns, beräknas tillgångens återvinningsvärde.

Återvinningsvärdet är det högsta av verkligt värde med avdrag för försäljningskostnader och nyttjandevärde. Vid beräkning av nyttjandevärdet beräknas nuvärdet av de framtida kassaflöden som tillgången väntas ge upphov till i den löpande verksmheten samt när den avyttras eller utrangeras. Den diskonteringsränta som används är före skatt och återspeglar marknadsmässiga bedömningar av pengars tidsvärde och de risker som avser tillgången. En tidigare nedskrivning återförs endast om de skäl som låg till grund för beräkningen av återvinningsvärdet vid den senaste nedskrivningen har förändrats.

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Finansiella instrument

Finansiella instrument värderas utifrån anskaffningsvärdet i enlighet med kapitel 11 i BFNAR 2012:1.

Instrumentet redovisas i balansräkningen när bolaget blir part i instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Andelar i dotterföretag

Andelar i dotterföretag redovisas till anskaffningsvärde efter avdrag för eventuella nedskrivningar. I anskaffningsvärdet ingår köpeskillingen som erlagts för aktierna samt förvärvskostnader.

Värdering av finansiella tillgångar

Finansiella tillgångar värderas vid första redovisningstillfället till anskaffningsvärde, inklusive eventuella transaktionsutgifter som är direkt hänförliga till förvärvet av tillgången.

Finansiella omsättningstillgångar värderas vid första redovisningstillfället till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet på balansdagen.

Kundfordringar och kortfristiga fordringar redovisas som omsättningstillgångar till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

Finansiella anläggningstillgångar värderas efter första redovisningstillfället till anskaffningsvärde med avdrag för eventuella nedskrivningar och med tillägg för eventuella uppskrivningar.

Räntebärande finansiella tillgångar värderas till upplupet anskaffningsvärde med tillämpning av effektivräntemetoden.

Vid värdering till lägsta värdets princip respektive vid bedömning av nedskrivningsbehov anses företagets finansiella intrument som innehas för riskspridning ingå i en värdepappersportfölj och värderas därför som en post.

Derivatinstrument som utgör finansiella tillgångar och för vilka säkringsredovisning inte har tillämpats värderas efter det första redovisningstillfället till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet på balansdagen.

Värdering av finansiella skulder

Finansiella skulder värderas till upplupet anskaffningsvärde. Utgifter som är direkt hänförliga till upptagande av lån korrigerar lånets anskaffningsvärde och periodiseras enligt effektivräntemetoden.

Säkringsredovisning

Säkringsredovisning tillämpas endast då det finns en ekonomisk relation mellan säkringsinstrument och den säkrade posten som överensstämmer med bolagets mål för riskhantering. Dessutom krävs att säkringsförhållandet förväntas vara mycket effektivt under den period för vilken säkringen har identifierats samt att säkringsförhållandet och företagets mål för riskhantering och riskhanteringsstrategi avseende säkringen är dokumenterade senast när säkringen ingås.

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Terminssäkring av el
Bolaget tillämpar säkringsredovisning. Bolaget genomför inköp av elterminer i syfte att prissäkra framtida elinköp i enlighet med bolagets policy. Elterminerna är i dessa fall tydligt kopplade till specifika inköp och värderas därför till sitt anskaffningsvärde, vilket normalt är noll.

Leasingavtal
Företaget redovisar samtliga leasingavtal, såväl finansiella som operationella, som operationella leasingavtal. Operationella leasingavtal redovisas som en kostnad linjärt över leasingperioden.

Varulager
Varulagret har värderats till det lägsta av dess anskaffningsvärde och dess nettoförsäljningsvärde på balansdagen. Med nettoförsäljningsvärde avses varornas beräknade försäljningspris minskat med försäljningskostnader. Den valda värderingsmetoden innebär att inkurans i varulagret har beaktats.

Anskaffningsvärdet beräknas enligt först in- först ut-principen. I anskaffningsvärdet ingår förutom utgifter för inköp även utgifter för att bringa varorna till deras aktuella plats och skick.

I egentillverkade halv- och helfabrikat består anskaffningsvärdet av direkta tillverkningskostnader och de indirekta kostnader som utgör mer än en oväsentlig del av den sammanlagda utgiften för tillverkningen. Vid värdering har hänsyn tagits till normalt kapacitetsutnyttjande.

Inkomstskatter
Total skatt utgörs av aktuell skatt och uppskjuten skatt. Skatter redovisas i resultaträkningen, utom då underliggande transaktion redovisas direkt mot eget kapital varvid tillhörande skatteeffekter redovisas i eget kapital.

Aktuell skatt
Aktuell skatt avser inkomstskatt för innevarande räkenskapsår samt den del av tidigare räkenskapsårs inkomstskatt som ännu inte redovisats. Aktuell skatt beräknas utifrån den skattesats som gäller per balansdagen.

Uppskjuten skatt
Uppskjuten skatt är inkomstskatt som avser framtida räkenskapsår till följd av tidigare händelser. Redovisning sker enligt balansräkningsmetoden. Enligt denna metod redovisas uppskjutna skatteskulder och uppskjutna skattefordringar på temporära skillnader som uppstår mellan bokförda respektive skattemässiga värden för tillgångar och skulder samt för övriga skattemässiga avdrag eller underskott.

Temporära skillnader beaktas ej i skillnader hänförliga till investeringar i dotterföetag, filialer, intresseföretag eller joint venture om företaget kan styra tidpunkten för återföring av de temporära skillnaderna och det inte är uppenbart att den temporära skillnaden kommer att återföras inom en överskådlig framtid. Skillnader som härrör från den första redovisningen av goodwill eller vid den första redovisningen av en tillgång eller skuld såvida inte den hänförliga transaktionen är ett rörelseförvärv eller påverkar skatt eller redovisat resultat utgör inte heller temporära skillnader.

Uppskjuten skatt beräknas utifrån gällande skattesats på balansdagen. Effekter av förändringar i gällande skattesatser resultatförs i den period förändringen lagstadgats. Uppskjuten skattefordran redovisas som finansiell anläggningstillgång och uppskjuten skatteskuld som avsättning.

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Uppskjuten skattefordran avseende underskottsavdrag eller andra framtida skattemässiga avdrag redovisas i den omfattning det är sannolikt att avdragen kan avräknas mot framtida skattemässiga överskott. Värderingen omprövas varje balansdag.

Avsättningar
En avsättning redovisas i balansräkningen när företaget har en legal eller informell förpliktelse till följd av en inträffad händelse och det är sannolikt att ett utflöde av resurser krävs för att reglera förpliktelsen och en tillförlitlig uppskattning av beloppet kan göras.

Vid första redovisningstillfället värderas avsättningar till den bästa uppskattningen av det belopp som kommer att krävas för att reglera förpliktelsen på balansdagen. Avsättningarna omprövas varje balansdag.

Eventualförpliktelser
En eventualförpliktelse är en möjlig förpliktelse till följd av inträffade händelser och vars förekomst endast kommer att bekräftas av att en eller flera osäkra framtida händelser, som inte helt ligger inom företagets kontroll, inträffar eller uteblir, eller en befintlig förpliktelse till följd av inträffade händelser, men som inte redovisas som skuld eller avsättning eftersom det inte är sannolikt att ett utflöde av resurser kommer att krävas för att reglera förpliktelsen eller förpliktelsens storlek inte kan beräknas med tillräcklig tillförlitlighet.

Ersättningar till anställda

Ersättningar till anställda efter avslutad anställning

Avgiftsbestämda pensionsplaner
Vid avgiftsbestämda planer betalas fastställda avgifter till ett annat företag, normalt ett försäkringsbolag, och företaget har inte någon förpliktelse till den anställde när avgiften är betald. Storleken på den anställdes ersättningar efter avslutad anställning är beroende av de avgifter som har betalats och den kapitalavkastning som avgifterna ger.

Utgifter för avgiftsbestämda planer redovisas som en kostnad under den period de anställda utför de tjänster som ligger till grund för förpliktelsen. Obetalda redovisas som skuld.

Förmånsbestämda pensionsplaner
Vid förmånsbestämda planer har företaget en förpliktelse att lämna de överenskomna ersättningarna till nuvarande och tidigare anställda. Företaget bär i allt väsentligt dels risken att ersättningarna kommer att bli högre än förväntat (aktuell risk), dels risken att avkastningen på tillgångarna avviker från förväntningarna (investeringsrisk). Investeringsrisk föreligger även om tillgångarna är överförda till ett annat företag.

Företaget har valt att tillämpa de förenklingsregler som finns i BFNAR 2012:1. Planer för vilka pensionspremier betalas redovisas som avgiftsbestämda vilket innebär att avgifterna kostnadsförs i resultaträkningen.

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Övriga långfristiga ersättningar till anställda
Skuld avseende övriga långfristiga ersättningar till anställda redovisas till nuvärdet av förpliktelsen på balansdagen.

Ersättningar vid uppsägning
Ersättningar vid uppsägningar, i den omfattning ersättningen inte ger företaget några framtida ekonomiska fördelar, redovisas endast som en skuld och en kostnad när företaget har en legal eller informell förpliktelse att antingen
a) avsluta en anställds eller en grupp av anställdas anställning före den normala tidpunkten för anställningens upphörande, eller
b) lämna ersättningar vid uppsägning genom erbjudande för att uppmuntra frivillig avgång.
Ersättningar vid uppsägningar redovisas endast när företaget har en detaljerad plan för uppsägningen och inte har någon realistisk möjlighet att annullera planen.

Nyckeltalsdefinitioner
Avkastning på eget kap. (%)
Årets resultat i procent av genomsnittligt justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt).

Soliditet (%)
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Uppskattningar och bedömningar
Följande antaganden om framtiden och andra väsentliga källor till osäkerhet i uppskattningar på balansdagen skulle kunna innebära en betydande risk för en väsentlig justering av redovisade värden för tillgångar och skulder under nästa räkenskapsår:

-Bedömning av nedskrivningsbehov av andelar i koncernföretag
-Bedömning av nyttjandeperiod av byggnader och maskiner
-Bedömning av uppskjuten skattefordran

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Not 2 Uppgifter om moderföretag

Fitesa Sweden AB är moderbolag i en koncern, men med stöd av ÅRL 7 kap 2§ upprättas inte någon koncernredovisning.

Bolaget är ett helägt dotterbolag till Fitesa Näotecidos S.A (organisationsnummer 93.211.084/0001-93) som i sin tur är ett helägt dotterbolag till Évora S.A.

Moderbolaget Évora S.A., med säte i Porto Alegre Brasilien (organisationsnummer 91.820.068/0001-72), upprättar koncernredovisning för den största koncernen.

Not 3 Nettoomsättningens fördelning

	2023	2022
Nettoomsättningen per geografisk marknad		
Sverige	297 132	285 903
Polen	463 282	457 409
Nederländerna	111 560	153 717
Tyskland	14 909	71 296
Italien	42 818	38 915
Danmark	82 121	86 144
Belgien	30 891	36 619
Spanien	61 222	56 585
Frankrike	322	247
Tjeckien	119 110	110 940
Finland	12 240	11 456
Litauen	18 931	9 494
Slovakien	31 542	32 358
Övriga EU-länder	5 378	8 649
Ryssland	0	6 124
Kanada	0	4 372
Turkiet	18 416	10 512
Schweiz	1 577	2 042
USA	7 638	5 217
Övriga länder	150	3 678
	1 319 239	**1 391 677**

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Not 4 Övriga rörelseintäkter

	2023	2022
Kursdifferenser på fordringar/skulder av rörelsekaraktär, netto	0	48 484
Övrigt	1 031	851
	1 031	**49 335**

Not 5 Övriga rörelsekostnader

	2023	2022
Kursdifferenser på fordringar/skulder av rörelsekaraktär, netto	628	0
	628	**0**

Not 6 Inköp och försäljning mellan koncernföretag

	2023	2022
Andel av årets totala inköp som skett från andra företag i koncernen	0,96 %	1,00 %
Andel av årets totala försäljningar som skett till andra företag i koncernen	0,003 %	0,01 %

Not 7 Operationell leasing, leasetagare

Årets leasingkostnader avseende leasingavtal, uppgår till 2 404 Tkr (2 340).

Framtida leasingavgifter, för icke uppsägningsbara leasingavtal, förfaller till betalning enligt följande:

	2023	2022
Inom ett år	1 385	1 496
Senare än ett år men inom fem år	2 983	2 599
Senare än fem år	9	60
	4 377	**4 155**

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Not 8 Anställda och personalkostnader

	2023	2022
Medelantalet anställda		
Kvinnor	34	32
Män	134	138
	168	**170**
Löner och andra ersättningar		
Styrelse och verkställande direktör	0	0
Övriga anställda	92 489	104 446
	92 489	**104 446**
Sociala kostnader		
Pensionskostnader för styrelse och verkställande direktör	0	0
Pensionskostnader för övriga anställda	9 155	10 666
Övriga sociala avgifter enligt lag och avtal	32 571	30 757
	41 726	**41 423**
Totala löner, ersättningar, sociala kostnader och pensionskostnader	**134 215**	**145 869**
Könsfördelning bland ledande befattningshavare		
Andel kvinnor i styrelsen	17 %	17 %
Andel män i styrelsen	83 %	83 %
Andel kvinnor bland övriga ledande befattningshavare	57 %	62 %
Andel män bland övriga ledande befattningshavare	43 %	38 %

Not 9 Avskrivningar av materiella och immateriella anläggningstillgångar

	2023	2022
Avskrivningar enligt plan fördelade per tillgång		
Immateriella anläggningstillgångar	617	653
Byggnader och mark	6 837	7 061
Maskiner och andra tekniska anläggningar	55 324	49 158
Inventarier, verktyg och installationer	198	366
	62 976	**57 238**
Avskrivningar enligt plan fördelade per funktion		
Kostnad för sålda varor	60 854	54 855
Försäljningskostnader	724	726
Administrationskostnader	1 398	1 657
	62 976	**57 238**

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Not 10 Arvode till revisorer

	2023	2022
KPMG		
Revisionsuppdrag	471	398
Övriga tjänster	4	50
	475	**448**

Not 11 Resultat från andelar i koncernföretag

	2023	2022
Erhållna utdelningar	497 691	71 616
	497 691	**71 616**

Not 12 Resultat från övriga värdepapper och fordringar som är anläggningstillgångar

	2023	2022
Ränteintäkter från koncernföretag	81 357	64 854
Resultat vid avyttringar	169	0
	81 526	**64 854**

Not 13 Övriga ränteintäkter och liknande resultatposter

	2023	2022
Ränteintäkter från koncernföretag	349	697
Borgensprovision	4 032	2 299
Övriga ränteintäkter	4 281	643
	8 662	**3 639**

Not 14 Räntekostnader och liknande resultatposter

	2023	2022
Räntekostnader till koncernföretag	37 337	40 806
Övriga räntekostnader	141 776	123 176
Valutakursdifferenser, netto	33 435	114 718
Övriga finansiella kostnader	11 441	17 638
	223 989	**296 338**

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Not 15 Aktuell och uppskjuten skatt

	2023	2022
Skatt på årets resultat		
Aktuell skatt	-25 898	-7 438
Uppskjuten skatt	3 873	721
Totalt redovisad skatt	**-22 025**	**-6 717**

		2023		2022
	Procent	**Belopp**	**Procent**	**Belopp**
Redovisat resultat före skatt		603 262		54 115
Skatt enligt gällande skattesats	20,60	-124 272	20,60	-11 148
Ej avdragsgilla kostnader		-150		-105
Ej skattepliktiga intäkter		2		0
Ej skattepliktig utdelning		102 524		14 753
Skatt hänförlig till tidigare år		-75		-1 185
Ränteavdragsbegränsning		-55		-9 032
Redovisad skattekostnad		**-22 025**		**-6 717**

Not 16 Programvaror

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	27 442	27 442
Utgående ackumulerade anskaffningsvärden	**27 442**	**27 442**
Ingående avskrivningar	-25 572	-24 919
Årets avskrivningar	-617	-653
Utgående ackumulerade avskrivningar	**-26 189**	**-25 572**
Utgående redovisat värde	**1 253**	**1 870**

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Not 17 Byggnader och mark

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	270 557	268 921
Omklassificeringar	0	1 636
Utgående ackumulerade anskaffningsvärden	**270 557**	**270 557**
Ingående avskrivningar	-137 985	-130 924
Årets avskrivningar	-6 837	-7 061
Utgående ackumulerade avskrivningar	**-144 822**	**-137 985**
Utgående redovisat värde	**125 735**	**132 572**
Varav bokfört värde mark	15 222	15 222
	15 222	**15 222**

Not 18 Maskiner och andra tekniska anläggningar

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	1 061 675	980 927
Försäljningar/utrangeringar	-195	0
Omklassificeringar	4 308	80 748
Utgående ackumulerade anskaffningsvärden	**1 065 788**	**1 061 675**
Ingående avskrivningar	-873 000	-823 842
Försäljningar/utrangeringar	161	0
Årets avskrivningar	-55 324	-49 158
Utgående ackumulerade avskrivningar	**-928 163**	**-873 000**
Utgående redovisat värde	**137 625**	**188 675**

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Not 19 Inventarier, verktyg och installationer

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	21 897	18 527
Inköp	66	3 257
Försäljningar/utrangeringar	-734	0
Omklassificeringar	777	113
Utgående ackumulerade anskaffningsvärden	**22 006**	**21 897**
Ingående avskrivningar	-5 773	-5 407
Försäljningar/utrangeringar	734	0
Årets avskrivningar	-198	-366
Utgående ackumulerade avskrivningar	**-5 237**	**-5 773**
Utgående redovisat värde	**16 769**	**16 124**

Not 20 Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	87 880	63 287
Investeringar	165 398	107 091
Omklassificeringar	-5 084	-82 498
Utgående ackumulerade anskaffningsvärden	**248 194**	**87 880**
Utgående redovisat värde	**248 194**	**87 880**

Not 21 Andelar i koncernföretag

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	2 579 945	2 579 945
Lämnade aktieägartillskott	104 805	0
Utgående ackumulerade anskaffningsvärden	**2 684 750**	**2 579 945**
Ingående nedskrivningar	-135 859	-135 859
Utgående ackumulerade nedskrivningar	**-135 859**	**-135 859**
Utgående redovisat värde	**2 548 891**	**2 444 086**

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Not 22 Specifikation andelar i koncernföretag

Namn/Org.nr	Kapital-andel	Rösträtts-andel	Antal andelar	Bokfört värde 231231	Bokfört värde 221231
Fitesa Italy S.R.L., 07642120963	100	100	10 000	92	92
-Pantex Sulmona	.				
-Pantex Mena	.				
Fitesa US LLC	100	100		1 438 227	1 333 422
-Fitesa Washougal Inc	.				
-Fitesa Simpsonville Inc	.				
-Pantex Americas	.				
Fitesa China Holdings B.V., 00000205851144	100	100	71	175 694	175 694
-Fitesa China Airlaid Company Ltd	.				
Fitesa Limited, 06924703	100	100	85 344	517 665	517 665
-Fitesa Mexico	.				
-Fitesa Mexico Holding	.				
-Fitesa Peru S.A.C	.				
Fitesa Germany GmbH, HRB 100883	89	89	1	417 213	417 213
				2 548 891	**2 444 086**

	Säte
Fitesa Italy S.R.L., 07642120963	Trezano Rosa, IT
Fitesa US LLC	Simpsonville SC, USA
Fitesa China Holdings B.V., 00000205851144	Amsterdam, NL
Fitesa Limited, 06924703	Reading, GB
Fitesa Germany GmbH, HRB 100883	Peine, DE

Not 23 Fordringar hos koncernföretag

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	1 832 152	2 233 507
Tillkommande fordringar	879 005	582 046
Återbetalda fordringar	-337 226	-1 246 774
Kapitaliserad ränta	81 730	65 550
Årets valutakursdifferenser	-65 433	197 823
Utgående ackumulerade anskaffningsvärden	**2 390 228**	**1 832 152**
Utgående redovisat värde	**2 390 228**	**1 832 152**

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Not 24 Andra långfristiga fordringar

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	2 380	2 020
Tillkommande fordringar	360	360
Avgående fordringar	-211	0
Utgående ackumulerade anskaffningsvärden	**2 529**	**2 380**
Utgående redovisat värde	**2 529**	**2 380**

Not 25 Förutbetalda kostnader och upplupna intäkter

	2023-12-31	2022-12-31
Förutbetalda lånekostnader	52 471	16 470
Övrigt	36 516	33 896
	88 987	**50 366**

Not 26 Likvida medel

	2023-12-31	2022-12-31
Likvida medel		
Kassa och bank	96 026	391 204
	96 026	**391 204**

Not 27 Antal aktier och kvotvärde

Namn	Antal aktier	Kvot-värde
Antal aktier	216 425	1
	216 425	

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Not 28 Disposition av vinst eller förlust

2023-12-31

Förslag till vinstdisposition
Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

fri överkursfond	969 474 422
balanserad vinst	1 258 060 432
årets vinst	581 237 506
	2 808 772 360
disponeras så att	
i ny räkning överföres	2 808 772 360
	2 808 772 360

Not 29 Avsättningar

	2023-12-31	**2022-12-31**
Avsättningar utanför tryggandelagens regelverk		
Belopp vid årets ingång	2 380	2 020
Årets avsättningar	360	360
Under året återförda belopp	-211	0
	2 529	**2 380**
Övriga avsättningar		
Belopp vid årets ingång	577	490
Årets avsättningar	87	87
Under året återförda belopp	-50	0
	614	**577**
Specifikation övriga avsättningar		
Särskild löneskatt på pensionsavsättning	614	577
	614	**577**

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Not 30 Uppskjuten skatt

Uppskjuten skatt på temporära skillnader
2023-12-31

Temporära skillnader	Uppskjuten skattefordran	Uppskjuten skatteskuld	Netto
Byggnader		-11 545	-11 545
Maskiner och inventarier		-9 078	-9 078
Andra outnyttjade skatteavdrag	896		896
	896	**-20 623**	**-19 727**

2022-12-31

Temporära skillnader	Uppskjuten skattefordran	Uppskjuten skatteskuld	Netto
Byggnader		-10 927	-10 927
Maskiner och inventarier		-13 617	-13 617
Andra outnyttjade skatteavdrag	944		944
	944	**-24 544**	**-23 600**

Not 31 Långfristiga skulder

	2023-12-31	2022-12-31
Förfaller senare än fem år efter balansdagen		
Skulder till kreditinstitut	286 991	37 270
	286 991	**37 270**

Bolagets externa lån inkl räntor från banker om 2 793 631 Tkr är belagda med restriktioner, så kallade covenanter, som finns stipulerade i låneavtalet. Restriktionerna innebär att bolaget åtagit sig att hålla räntebärande nettoskuld i förhållande till EBITDA inom vissa marginaler. Bolaget har under året inte brutit mot några av dessa covenanter.

Not 32 Skulder som avser flera poster

Företagets banklån om 2 756 661 Tkr (2 909 878) redovisas under följande poster i balansräkningen.

	2023-12-31	2022-12-31
Långfristiga skulder		
Övriga skulder till kreditinstitut	1 800 964	2 521 515
	1 800 964	**2 521 515**
Kortfristiga skulder		
Övriga skulder till kreditinstitut	955 697	388 363
	955 697	**388 363**

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Not 33 Upplupna kostnader och förutbetalda intäkter

	2023-12-31	2022-12-31
Ej ankomna leverantörsfakturor	40 537	29 384
Personalrelaterade poster	24 982	25 233
Upplupna räntekostnader	36 970	38 908
Övrigt	15 208	9 592
	117 697	**103 117**

Not 34 Räntor och utdelningar

	2023-12-31	2022-12-31
Erhållen ränta	6 772	644
Erhållen utdelning	497 691	71 616
Erlagd ränta	-222 726	-149 959
	281 737	**-77 699**

Not 35 Justering för poster som inte ingår i kassaflödet

	2023-12-31	2022-12-31
Avskrivningar	62 976	57 238
Förlust utrangerade inventarier	34	0
Vinst kapitalförsäkring	-169	0
Kursdifferenser	32 760	78 085
Skillnad kapitaliserad/betald ränta	-115 419	-36 188
Förändring avsättningar/fordringar avseende pensioner	149	360
Förändring övriga avsättningar	37	87
	-19 632	**99 582**

Not 36 Ställda säkerheter

	2023-12-31	2022-12-31
För skulder till kreditinstitut:		
Fastighetsinteckningar	160 000	160 000
Företagsinteckningar	300 303	300 303
Tillgångar med äganderättsförbehåll	4 008	7 230
	464 311	**467 533**

Not 37 Eventualförpliktelser

	2023-12-31	2022-12-31
Borgen till förmån för koncernbolag	504 489	524 659
	504 489	**524 659**

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Not 38 Finansiella instrument och riskhantering

För att prissäkra framtida elinköp köper bolaget elterminer. Någon fordran eller skuld hänförlig till elterminskontrakten redovisas ej i balansräkningen, utan effekten av terminskontrakten redovisas löpande i resultaträkningen. Per den 31 december 2023 är marknadsvärdet av de utestående kontrakten en orealiserad förlust.

Not 39 Hållbarhetsrapport

Fitesa Sweden AB omfattas av en hållbarhetsrapport upprättad av moderbolaget Fitesa Nãotecidos S.A (med säte i Porto Alegre, Brasilien (BR) organisationsnummer 93.211.084/0001-93). Rapporten finns att tillgå på bolagets hemsida www.fitesa.com.

Not 40 Väsentliga händelser efter räkenskapsårets slut

Ny produktionslinje byggs som kommer stå klar slutet av 2024 och kommer att kunna använda förnyelsebar råvara.

Norrköping 2024-06-04

Silvério Baranzano
Ordförande

Lavinia Leite

Hal Singley

Antonio Comi

Alberto Gaudiano

Michael Baumgartner
Verkställande direktör

Vår revisionsberättelse har lämnats 2024-06-04

KPMG AB

John Johansson
Auktoriserad revisor

20241017057769

Not 38 Finansiella instrument och riskhantering

För att prissäkra framtida elinköp köper bolaget elterminer. Någon fordran eller skuld hänförlig till elterminskontrakten redovisas ej i balansräkningen, utan effekten av terminskontrakten redovisas löpande i resultaträkningen. Per den 31 december 2023 är marknadsvärdet av de utestående kontrakten en orealiserad förlust.

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Ny produktionslinje byggs som kommer stå klar slutet av 2024 och kommer att kunna använda förnyelsebar råvara.

Norrköping 2024-_____

Silvério Baranzano
Ordförande

Lavinia Leite

Hal Singley

Antonio Comi

Alberto Gaudiano

Michael Baumgartner
Verkställande direktör

Vår revisionsberättelse har lämnats 2024-06-05

KPMG AB

John Johansson
Auktoriserad revisor

20241017057770

Revisionsberättelse

Till bolagsstämman i Fitesa Sweden AB, org. nr 556868-2594

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Fitesa Sweden AB för år 2023.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Fitesa Sweden ABs finansiella ställning per den 31 december 2023 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Fitesa Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

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Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Fitesa Sweden AB för år 2023 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Fitesa Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.
Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt *uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med* en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Norrköping den 5 juni 2024

KPMG AB

John Johansson
Auktoriserad revisor

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"Med min signatur bekräftar jag innehållet och alla datum i detta dokumentet."

John Magnus Johansson
Auktoriserad revisor
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Évora S.A.

Individual and consolidated financial statements

December 31, 2023 and 2022

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Évora S.A. Management Report — Fiscal Year 2023

Letter from the Chairman of the Board of Directors

In last year's letter, we envisioned a challenging global scenario due to high interest rates — aimed at containing an inflationary spiral caused by the pandemic's emergency fiscal policies — and imbalances in transport and basic raw materials transport systems caused by war conflicts. We entered 2023 cautiously amid recession warnings.

The world managed to lower inflation and interest rates, although this came at the cost of another year of slow growth, largely due to the retraction of the Chinese economy, the one that most affects industrial value chains.

Geopolitical instability and economic slowdown hindered the ability to use our nonwovens and aluminum cans installed capacity. Markets have become even more competitive, pressuring our volumes and margins. However, the main impact on the drop in revenue was the cost pass-through of our main raw materials, plastic resins and aluminum, which had their prices reduced. Additionally, geopolitical tensions in Europe and the Middle East have once again caused disruptions in logistic chains that had been recently reestablished after the COVID-19 pandemic. These recent events have emphasized the importance of shifting towards nearshoring, a necessary structural change.

Despite these challenges, our businesses remained resilient and profitable, as we continued to invest with a long-term perspective. We mitigated political, regulatory and exchange rate risks through global geographic diversification and a careful selection of operating sectors. We are a key commercial partner for companies with leading brands in essential mass consumer product categories, which helps reduce uncertainties in our planning. The industrial operations of Évora companies have already been adapted to the deglobalization process, with a local presence in the main regions where we operate. Our business culture allows us to act preemptively in investment decisions for organic expansion or acquisition. We have been able to quickly integrate acquired companies and reap the benefits of synergy, scale and teams. Our cautious financial policy and solid operational cash generation have strengthened our balance sheet, allowing us to finance our capital expenditures and acquisitions serenely. We have adjusted the pace and amount of our investments to reflect market conditions, prioritizing the

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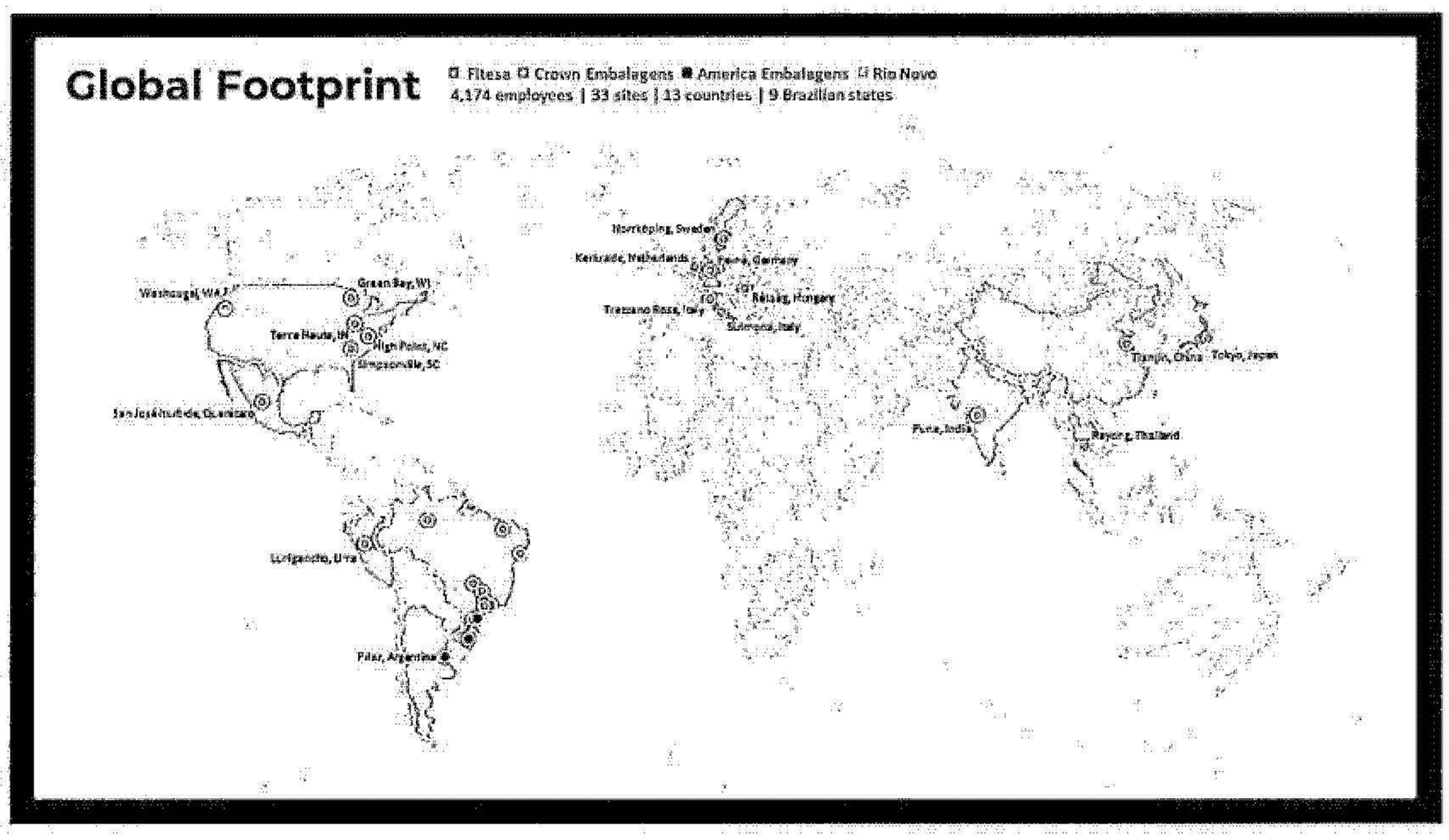
Peine, Germany, Sulmona, Italy, and Tianjin, China. In the plastic packaging business, we have product development areas in Venâncio Aires, Rio Grande do Sul, and Pinhais, Paraná.

Évora wholly owns its nonwovens and plastic packaging businesses. In the aluminum cans business, we have operated since 1995 in a 50/50 joint venture with the American company Crown Holdings, Inc., a global leader in this sector.

Fitesa also owns in the state of Santa Catarina, in the Mata Atlântica biome, eucalyptus forests through its wholly-owned subsidiary Rio Novo Florestal, whose timber is sold for multiple uses, in addition to generating carbon credits to be used to offset its industrial operations.



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execution of nonwoven projects that will enable us to offer products with greater added value and environmentally sustainable properties.

The growth and consolidation plan in the plastic packaging segment also began delivering results with the acquisition of Plast & Pack, already integrated into America's operations, and Pochet do Brasil, which should be completed by the first half of 2024. These acquisitions, added to greenfield projects, when completed, will transform us into one of the leading players in the segment in Brazil, focusing on food, beverages, personal hygiene, cleaning and beauty.

We follow the development of Artificial Intelligence (AI), one of the technological advances with the greatest potential impact not only on business but on society at large. AI has not yet been disruptive in the industrial manufacturing segments in which we operate, but we will closely monitor its evolution to identify risks and opportunities.

For 2024, China is expected to continue exporting deflation to the rest of the world. That prognosis, added to the excessive caution of central banks, indicates that the market correction cycle will extend for another period and that we will continue to face difficulties with oversupply, especially in Asia. Developments in real estate and political crises in China, elections in the United States, wars and technological innovations will once again test our ability to adapt rapidly and continue building a winning organization.

— William Ling
Chairman of the Board of Directors

Operating Environment

Évora operates, through its subsidiaries, in the manufacture and trade of nonwovens for the markets of hygiene and healthcare, aluminum cans for beverages and rigid plastic packaging for food, beverages, hygiene, cleaning and beauty products. The nonwovens and rigid plastic packaging businesses operate globally, while our cans business operates in Brazil. Altogether, Évora operates 33 industrial plants in 13 countries, covering 4 continents, including a trade office in Tokyo, Japan. Of these units, 14 plants operate in 9 Brazilian states. As a part of our innovation strategy in nonwovens, 5 research and development centers operate at the American plants in Simpsonville, South Carolina and Terre Haute, Indiana, and the plants in

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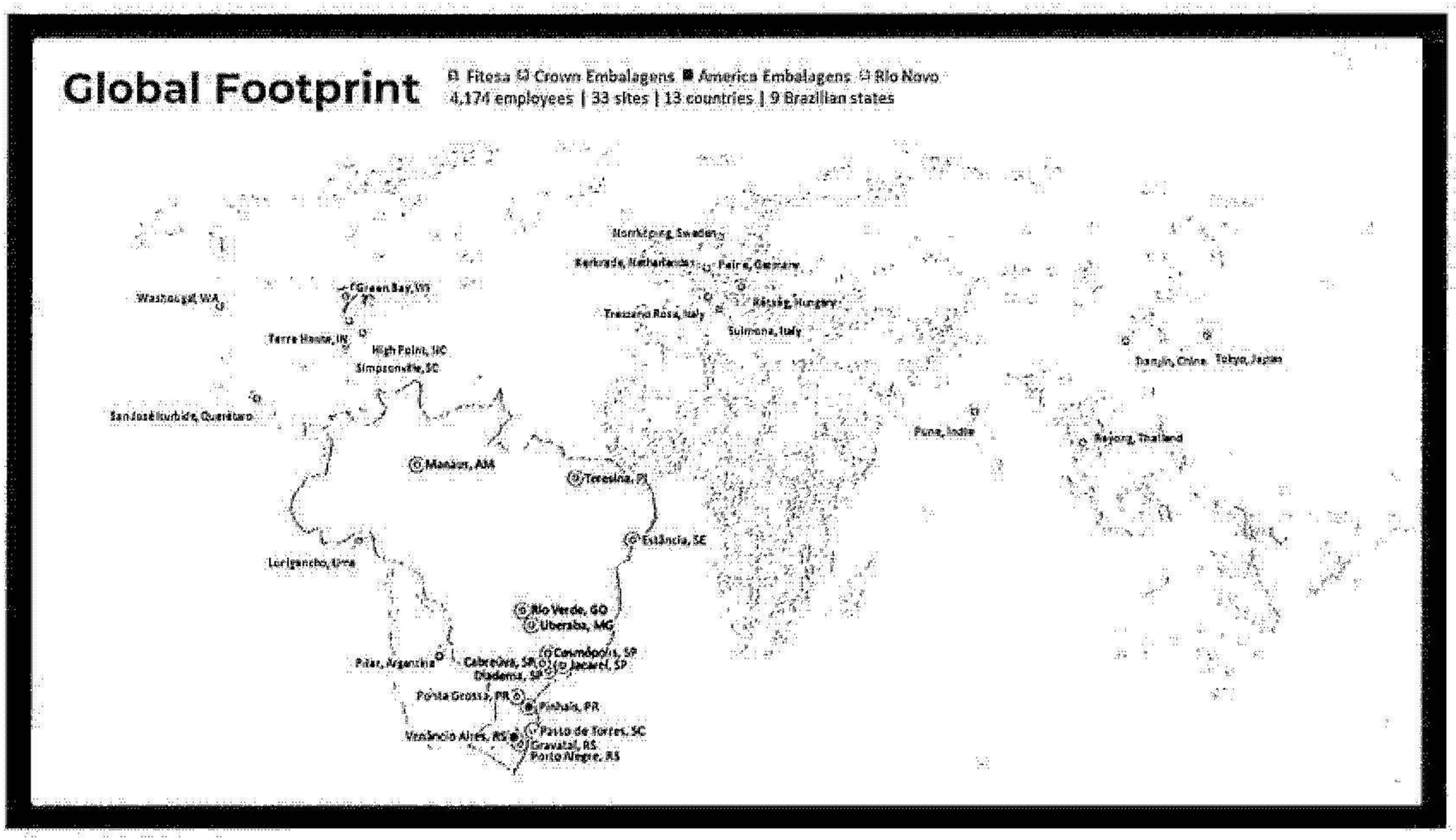

2023 Results

Évora's businesses are strongly attached to mass consumer market segments with defensive characteristics. Despite the challenging macroeconomic environment, aggravated by excess installed capacity in our markets, Évora's businesses consistently achieved positive operating cash flow and profit results in 2023.

The combined net revenue of Évora companies reached BRL 11,043.7 million, a 13.8% decrease over the previous year, with a 13% compound annual growth rate (CAGR) in sales revenue for the five years between 2019-2023. Consolidated net revenue reached BRL 6,074.0 million, a 17.2% decrease over the previous year, mainly resulting from the pass-through of the drop in raw material prices to the sales prices and the lower average foreign exchange rate compared to last year, which affected the conversion of sales revenue in foreign currency into Real.

The nonwovens business continued to invest in production capacity for differentiated products. This set of recent investments will begin to operate in the second half of 2024. The full utilization of these assets and new ongoing investments, which will begin to operate between 2024 and 2025, will add significant production capacity with unique technologies and hence sales growth. Following the main raw materials prices' pass-through, net sales revenue dropped 18% compared to the previous year, reaching BRL 5,846 million.

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The jointly controlled enterprise in the aluminum cans segment — not included in the consolidated sales revenue — presented a BRL 4,969.7 million net revenue, a 9.3% decrease compared to the previous year, resulting from the pass-through of the raw material prices drop, despite the slightly higher volume sold. The aluminum cans business also has idle installed capacity, which will be fully used as the market continues its growth trajectory.

The geographic dispersion of our operations and the diversity of consumption categories have contributed to risk mitigation and better predictability of results. Of the consolidated net sales revenue, 76% comes from assets outside Brazil. In this regard, Fitesa was recognized as the most internationalized Brazilian multinational for 5 consecutive years since the publication of the Fundação Dom Cabral (FDC) internationalization ranking, with an "internationalization index" of 80.3%. The company was ranked fifth in the general ranking of International Value Creation in the publication FDC Trajectories of Internationalization of Brazilian Companies in its 2023 edition.

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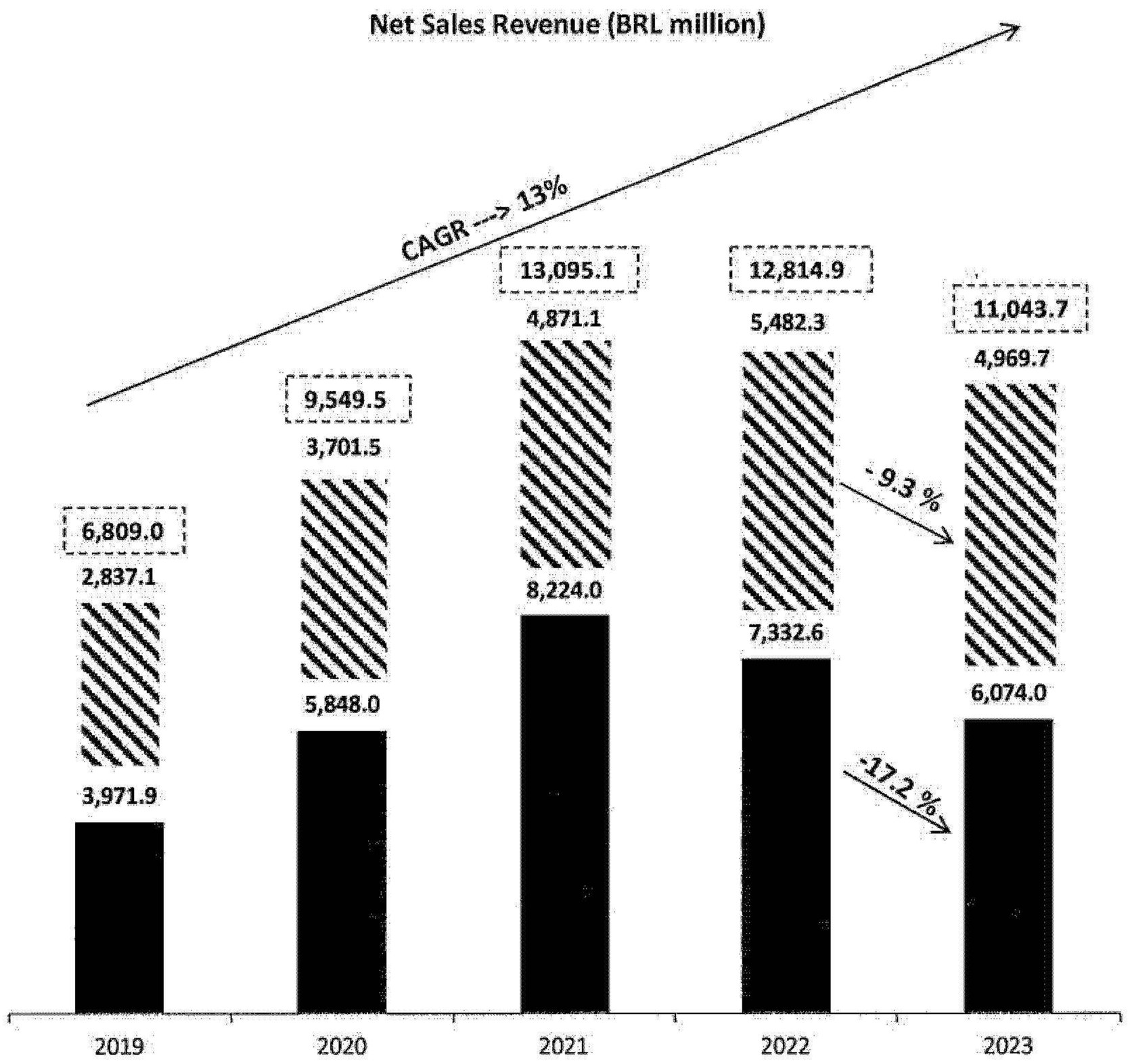

Consolidated Net Sales Revenue corresponds to all sales revenue generated by the subsidiaries and is represented in the Income Statement for the Year.

Net Revenue from sales of jointly controlled ventures corresponds to all sales revenue generated by joint ventures that are not consolidated in accordance with IFRS 11. See explanatory note 3 to the financial statements.

Combined Net Sales Revenue corresponds to Évora's total net sales revenue. It is the sum of the consolidated net revenue and the net revenue of jointly controlled ventures.

Net sales revenue, associated with the impact on production costs resulting from the variation in the prices of raw materials and other direct and indirect costs, resulted in operating cash generation measured by EBITDA(*) of BRL 1,468 million, a 13.6% decrease over the previous year's operating cash flow. The EBITDA(*) CAGR for 2019-2023 was 9%. The EBITDA margin (*) / Consolidated Net Sales Revenue reached 24.2%, 1% higher than the previous year's margin, returning to normalized historical average EBITDA(*) margin levels.

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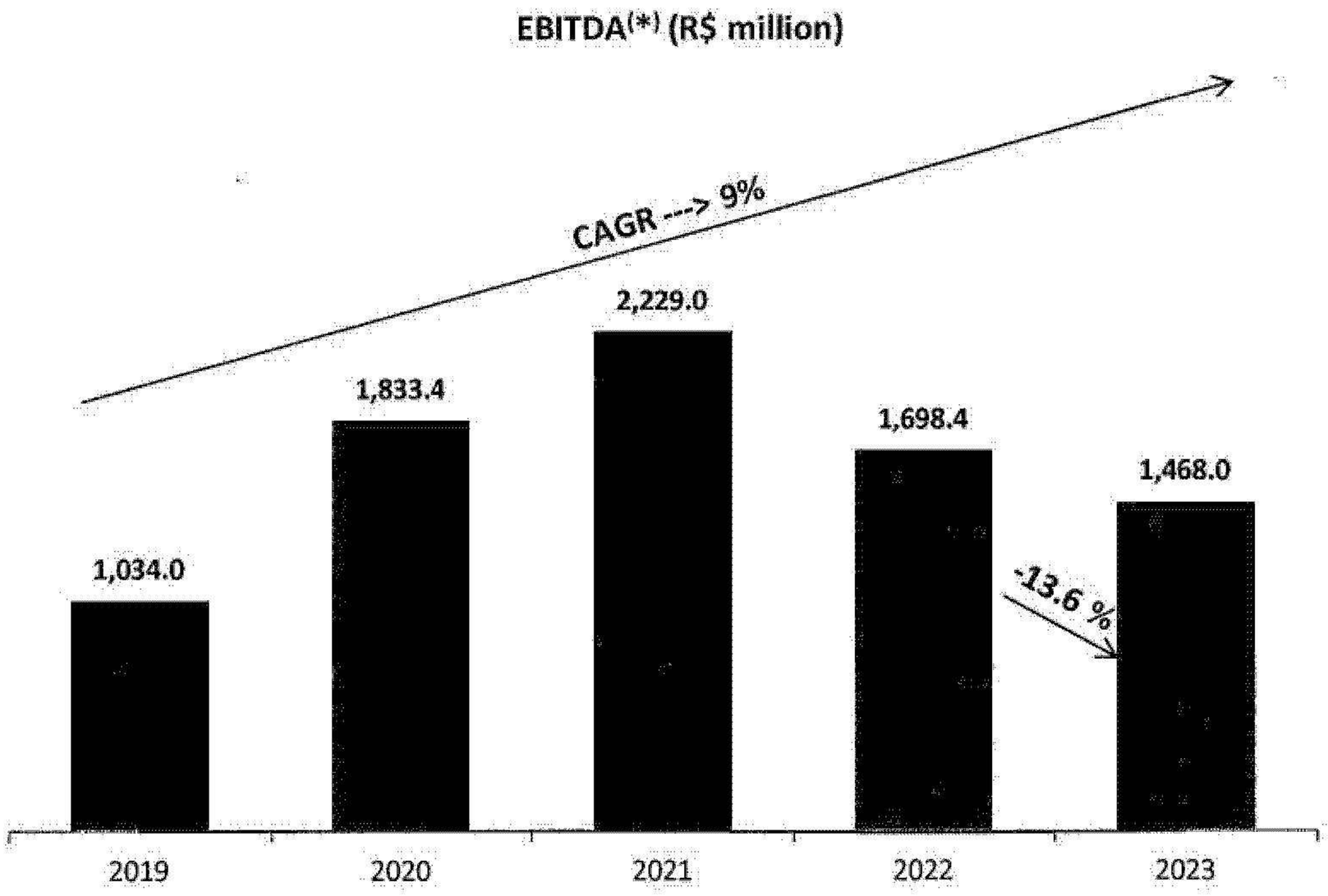

(*) EBITDA. Évora's Management understands EBITDA as a managerial measure of operational cash generation, widely used by investors and analysts to evaluate and compare companies' performance. EBITDA % corresponds to the EBITDA margin resulting from the proportion of EBITDA over consolidated net sales revenue.

Compared to the previous year, the BRL 366.4 million net profit reveals a negative impact due to increasing international interest rates and the BRL variation against the USD and EUR on loans and financing.

Consolidated capital expenditures (CAPEX) and acquisitions in 2023 totaled BRL 874.5 million, financed by operating cash flow and long-term loans, a funding strategy that will be continued in 2024. The indicator that measures the ability to service financing, Consolidated Net Debt/EBITDA(*), finished the year at a 1.5 level, an improvement compared to the previous year. It maintains a reduced level despite investments made in recent years that still need to generate full operating cash. Management considers this debt acceptable given the potential cash flow of operating assets and the long-term debt structure, with maturities up to 2040 and diluted concentration between 2024 and 2027. At the same time, the company has been taking opportunities to extend the maturity profile of the current debt and reduce its average debt cost.

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BRL million	2019	2020	2021	2022	2023
Combined Net Revenue of Évora Companies' sales	6,809.0	9,549.5	13,095.1	12,814.9	11,043.7
Consolidated Net Revenue	3,971.9	5,848.0	8,224.0	7,332.6	6,074.0
Net Profit	357.1	868.3	1,071.6	865.6	366.4
EBITDA(*)	1,034.0	1,833.4	2,229.0	1,698.4	1,468.0
Total Consolidated Assets	5,500.4	8,603.8	9,209.6	9,009.8	8,593.5
Net Equity	1,880.7	3,063.9	2,640.7	2,610.9	2,633.6
Consolidated Net Debt / EBITDA(*)	1.9	1.4	1.8	1.7	1.5
Employees	3,141	3,787	4,104	4,105	4,188
Combined Net Sales Revenue / Employee	2.17	2.52	3.19	3.12	2.64

(*) **EBITDA.** The group's sales revenue includes consolidated sales revenue plus sales revenue generated by jointly controlled ventures.

Business Expansion

Our growth strategy aims primarily at defending and strengthening the position of our companies in the markets where we operate while evaluating opportunities to explore new geographical areas and acquisitions. The success of this strategy depends on our competence in anticipating unmet demands, in implementing greenfields and brownfields within budget and deadlines and in integrating acquired businesses into our values and management practices, in both cases capturing economies of scale and synergies.

As a part of this strategic orientation, the Évora companies are executing a USD 470 million expansion investment program in the 2022-2024 three-year period, as follows:

- Fitesa's organic expansion consists of installing 4 new nonwoven production lines in Brazil, the United States and Sweden. In 2023, Fitesa acquired an additional 19% stake in FitesaCNC joint venture in Thailand, and now owns 70% of the company.

- At Crown Embalagens, the expansion plan implemented in 2022 to meet growth in the aluminum cans market consisted of implementing and starting up a new production facility with two can production lines in Uberaba, Minas Gerais, and correspondingly expanding the installed capacity for metal caps production at the Manaus, Amazonas plant.

- America installed new injection molding machines and molds in Brazil and Argentina to meet increased demand in the beverage and

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food segments. In 2023, in response to its strategic direction of accelerating growth and diversifying its operating segments, America acquired Plast & Pack, which produces rigid plastic packaging for food in Pinhais, in the Brazilian state of Paraná.

Fitesa

In 2023, Fitesa's markets continued to suffer from political-economic instability and excess installed capacity. This scenario led to increased competitive pressure from imported nonwovens and finished products, especially from China, to all regions where it operates. On the other hand, the stabilization of logistics costs, inflation, and energy prices, although still modest, points to more positive consumption prospects.

In this scenario, Fitesa continued to invest in innovation to maintain and strengthen its market position. In 2023, a new machine with differentiated capabilities began operating in the United States, producing softer spunbond nonwovens with greater renewable and recycled origin content. Similar equipment will come into operation at the Swedish unit in 2024.

Furthermore, introducing new technologies to its global portfolio will strengthen its market position. The spunlace technology installed in Brazil was chosen to serve the wet wipes market in Latin America. In 2024, biform technology, developed jointly by Fitesa and its main technology partner to manufacture materials with up to 80% renewable and biodegradable content, will be introduced in the United States.

Fitesa's target markets will continue to grow, supported by the positive development of its main drivers. The hygiene sector, in particular, will continue to grow, driven by the development of the adult incontinence segment. Despite falling birth rates worldwide, the infant segment will also grow with the increasing penetration and sophistication of existing products.

At the same time, the segment will continue to face global uncertainties, especially regarding the resumption of consumption. Attention to social and environmental impacts will continue to gain ground in the company's markets, especially with imminent new regulations on the use of plastic materials and the consumption of single-use items.

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Crown Embalagens

After a challenging 2022, with a retracting can market in the return of on-premise consumption after the pandemic, 2023 saw a 1.9% growth in the Brazilian can market compared to the previous year. Crown Embalagens took advantage of this opportunity, conquering market share and reaching a 30.2% record with close to 9.7 billion cans produced.

Although Grupo Petrópolis, Crown Embalagens' main client, filed for bankruptcy protection at the beginning of 2023, its judicial recovery plan was approved within a few months. It quickly resumed its sales capacity and represented the largest growth among Crown Embalagens' main customers in 2023.

Crown Embalagens believes in expanding the cans market in Brazil, including new opportunities in the small customers segment, which increased its market share by 1.4% to 23.6%, still below its representation in the main clients.

America

Continuing its growth process, America Tampas changed its name to America Embalagens (in this report referred to as "America") by acquiring the manufacturing unit of Plast & Pack, a producer of plastic packaging for the food sector. Incorporating this unit meant that the company ended the year with a 43% growth over 2022, even with only 5 months of the year consolidated in the results. Within pre-existing segments, the company grew by 9%.

Today, the new America has greater diversification in its product portfolio. The composition of the year's sales by market shows 53% in the food market, 21% in beverages, 16% in personal hygiene, and 10% in household cleaning.

The company's economic result reached BRL 45 million in EBITDA, doubling the previous year's result and achieving a 20% ratio of EBITDA margin to net revenue.

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Health and Safety

Regarding workplace safety, our top priority, Fitesa globally implemented the "Golden Rules of Safety," to simplify communication and educate employees and contractors about the main areas of risk. The company managed to lower its Recordable Incident Rate (RIR), the main operating indicator in workplace safety, by 7%.

Crown Embalagens once again stands out in this area. It maintained its Total Recordable Incident Rate by 0.54, a 55% reduction in three years.

America ended the year with 4 recordable accidents.

Personnel Development

Trust is the critical organizational value required to adapt quickly in a volatile and uncertain world. It allows us to delegate authority with few controls, decentralizing decisions and tasks. These measures, in turn, enable individuals to work with initiative and boldness. Trust strengthens relationships between people, allowing for quick conflict resolution and faster decision-making.

One of the measures to promote trust among employees is to retain people in leadership roles, favoring, for example, internal promotions over external hires. At Fitesa, 32.9% of employees have worked at the company for 10 years or more, and its leadership retention rate reached 73%, with an average tenure of 17,5 and 14,3 years for executives and managers, respectively. At Crown Embalagens, the internal promotion rates in 2022 were 85% for executives and 68% for leadership positions, with total internal utilization of 72%. At America, the company's whole leadership group consists of executives promoted internally, and the company is also a source of talent for other Évora companies. Furthermore, a crucial factor in America's acquisition strategy is the identification of talent in the acquired companies and the rapid integration of these employees into the organizational culture of Évora companies. These measures help perpetuate and strengthen the values and management practices based on accumulated employee knowledge.

Since 2017, Évora has conducted a survey of employee engagement and adherence to management values and practices. As of 2019, the research began to include not only its leaders but all employees. In 2021, the

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presidents of each business included improving the engagement indicators resulting from this survey among their goals. With the recognition and consolidation of these indicators into our practices, from 2023 onwards the survey will become annual.

In 2023, 2,372 employees responded to the survey, an 84% participation rate well above benchmark. The engagement rate was slightly higher than in the previous edition: 71% of employees consider themselves engaged, compared to 70% in 2021. The rate among leaders reached 81%, while among the rest of the employees, it was 68%.

America showed the most significant variation in its engagement indicator, from 82% in 2021 to 74% in 2023. This result is mainly due to the addition of the Pinhais unit to the survey, which, acquired in the same year, practically doubled the number of company employees, with 150 new respondents in the integration with the company's values and management practices.

Fitesa recorded a total of 135,360 hours of training (53 hours per employee), a record driven by improvements in training management systems, especially in the United States. Crown invested BRL 1.4 million in employee training, with 29,169 hours (20.8 hours per employee), and America invested BRL 238,000 in training.

We highlight Crown Embalagens due to the increase in women in technical operational positions, ending 2023 with 18.9% compared to 15.5% in 2022 and 8% in 2021. Fitesa maintained its participation of women in the total workforce at 17%, and continues to seek growth in this indicator, especially in the industrial area.

Environmental Sustainability

Fitesa and America primarily use plastics to create high-performance products for the hygiene, cleaning, health, food, and beauty industries. These products allow for cleaner, lighter, and more efficient solutions that have become essential daily, from nonwovens for diapers and N95 masks to packaging for shampoos and cleaning products. The disposability of these products allows for reducing contaminants and water consumption when considering washing substitute products. Additionally, light plastic products reduce energy consumption and greenhouse gas emissions in their production and transportation compared to their alternatives, as reported by

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a 2022 McKinsey study. The main concerns surrounding the use of disposable plastics are the use of non-renewable fossil resources and inadequate local waste collection systems allowing the disposal of these products into oceans and waterways. These concerns have led to demand for "bio-based" products made from biological and renewable sources, as well as the use of resins or additives that lead to biodegradation and adequate waste management systems aimed at circularity.

Fitesa has been the pioneer and market leader in sustainability, with the most extensive portfolio of bio-based products in the spunmelt nonwovens industry using BioPE and PLA resins. Although increased demand for biopolymers has created a global shortage of these materials, Fitesa takes advantage of its strategic position to access the limited number of suppliers, projecting growth in this portfolio. Its process and product development centers have also been pioneers in testing new biobased resins, as well as the use of resins and additives that accelerate the biodegradation process.

This year, Fitesa also committed to reducing the emission intensity of the electrical energy used in its factories by 40% by 2030. Furthermore, 13 of its production units reached the mark of less than 1 kg of waste sent to landfills for each ton of nonwovens manufactured.

Rio Novo Florestal, a wholly-owned subsidiary of Fitesa in the Brazilian state of Santa Catarina, has a 502-hectare Nature Conservancy Area preserving the vegetation of the Atlantic Forest, including multiple native flora and fauna species, such as the capybara. The Rio Novo area generates carbon credits to be used to offset Fitesa's industrial operations.

These initiatives align with Fitesa's new long-term strategic planning directive, which establishes that it should be recognized as the most sustainable supplier of nonwoven solutions in the markets where it operates by 2030.

Crown Embalagens uses aluminum, an infinitely recyclable material, to produce its cans. Additionally, Crown operates in Brazil, the world leader in aluminum can recyclability, which, in 2023, reached a record of 100% of the 390,200 tons of aluminum cans sold in 2022.

While increasing its production volume, Crown Embalagens reduced water consumption used in production processes by 1.1%, contributing to water

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availability in the regions where our factories are located and reducing electricity consumption by 3%.

Crown also kept its commitment not to send process waste to landfills, ensuring the recycling, co-processing, composting, or re-refining of 5,000 tons of waste, contributing to the circular economy and helping fight water, soil, and air pollution.

America actively participates in Tampinha Legal (Cool Cap), the most extensive socio-environmental education program focused on a circular economy for plastics, which has enabled the recycling of over 1,000 tons of closures. The initiative has helped dozens of charitable organizations by including them in the program: they collect and sort post-consumption plastic caps and take the material to recycling centers.

Moreover, America is a part of the board of two major sustainability initiatives within the plastic industry in Brazil: Movimento Plástico Transforma (Plastic Transforms Movement), which funds and supports innovative projects involving plastics, and REDE pela Circularidade do Plástico (Plastic Circularity Network), in which 66 companies from all 7 links of the plastic production chain come together to develop multifunctional and transversal projects that promote positive results for the responsible use of plastic by consumers.

Philanthropy

Évora has worked to support the communities where its people live and work since its very beginning. This value was ingrained in the organization by our founder, Sheun Ming Ling, and his wife, Lydia Wong Ling, who have always valued the ethics of reciprocity. The couple sought ways to give back to Brazil, which welcomed them in 1951 and enabled them to raise a family, build companies and thrive. Instituto Ling was established in 1995 based on these values and has given out USD 10 million in scholarships to students with high academic and leadership aptitudes.

The scope of philanthropic initiatives has increased with business growth and, consequently, the ability to give back. Starting in 2009, with the publication of our Philanthropy Policy, Évora began using a structured process to offer philanthropic support. This includes leveraging tax incentives available in Brazil, totaling approximately half of our donations

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over the period, and ensuring they are destined for the highest-impact projects at our disposal.

Since then, we have donated BRL 116 million, including BRL 20 million in 2023, to projects and institutions in healthcare, education, culture, sports, innovation and entrepreneurship, childhood and adolescence, the elderly and people with disabilities. Project selection follows strict criteria prioritizing grantees' reliability, the community's benefits, and proximity to our facilities, as defined by our Human Resources Committee, with full participation by the Chief Executive Officer of each business unit.

For example, since 2009, we have donated over BRL 2,6 million to Educando para o Esporte (Educating for Sports), a philanthropic project active in the areas near Crown Embalagens' units in Cabreúva, Estância, Manaus, and Teresina; over BRL 1 million to Projeto Pescar (Project Fishing), a program focused on social inclusion and professional skills training for underprivileged youths throughout Brazil; BRL 400,000 to Venâncio Aires Indoor Soccer, where America's Brazilian unit is located; and BRL 1,6 million to SOGIPA's Olympic Project. The latter resulted in two Olympic Bronze medals for Brazilian judo athletes Daniel Cargnin and Mayra Aguiar in 2021.

Since 2009, we have donated over BRL 25 million to two of the largest healthcare institutions in Porto Alegre, the Hospital Moinhos de Vento and the Santa Casa de Misericórdia hospital systems, and donated over BRL 30 million to cultural projects through Instituto Ling.

In addition, over USD 2.8 million have been donated through the Ling Foundation, Instituto Ling's scholarship program in the United States, which operates through Fitesa Simpsonville.

Governance

The controlling family's mission is to steward Évora's culture and values, define, disseminate, and protect our work culture and foster an environment where people can thrive. At the same time, the family is responsible for ensuring the company's survival, growth and continuity.

The family's role is guiding, facilitating, supporting and empowering key executives using governance structures, policies and practices that support proper decision-making and implementation. The controlling family

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maintains a close relationship with leadership to enable quick decisions regarding investments and acquisitions. United by a culture of trust, we believe this agile process sets us apart, a unique competence we strive to maintain.

The composition of the Board of Directors remained unchanged in 2023, with a majority consisting of 5 independent board members: Fausto Moreira Filho, former CEO of Alcoa Latin America; Eduardo Gentil, board member of CCR and BR Partners, former CEO of Visa Brazil and former partner at Cambridge Family Enterprise; Daniela Manique, president of Solvay Latin America and Global CEO of Coatis; Walter Dissinger, former CEO of Votorantim Cimentos and former Global President of BASF's Nutrition and Health division, and currently advisor of Baumgart Group's Tenda Atacado, Tigre Group and AECI (African Explosives and Chemical Industries) Limited; and Geraldo Enck, who ended his term as CEO of Évora in 2020. The family has two board members, William Ling and Wilson Ling, respectively, Chairman and Vice-Chairman of the Board of Directors. Anthony Ling, Director of Évora and a member of the third generation of the controlling family, acts as Corporate Governance Secretary, while Lydia Ling, widow of founder Sheun Ming Ling, is President Emeritus.

Should you require additional clarification, please feel free to contact us.

Porto Alegre, February 26th, 2024.

The Management

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BOARD OF DIRECTORS

WILLIAM LING - Chairman of the Administrative Council

WILSON LING – Vice President of the Administrative Council

GERALDO EBLING ENCK - Counselor

WALTER HERBERT DISSINGER - Counselor

FAUSTO PENNA MOREIRA FILHO – Counselor

EDUARDO BUNKER GENTIL – Counselor

DANIELA RATTIS MANIQUE – Counselor

EMERITUS PRESIDENT

LYDIA WONG LING

EXECUTIVE BOARD

SILVERIO LUIS AMÉRICO BARANZANO BRUTTI – Chief Executive Officer

EDUARDO LUBISCO SOUZA – Chief Financial Officer

ANTHONY DE BARROS LING - Director

ACCOUNTANT

EDISON PACHECO ALVES - CRC RS Nº 48.426/O-9

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Independent auditors' report on the individual and consolidated financial statements

To the Board Members and Directors of
Évora S.A.
Porto Alegre - RS

Opinion

We have examined the individual and consolidated financial statements of Évora S.A. ("Company"), identified as Parent Company and Consolidated, respectively, comprising the balance sheet as of December 31, 2023 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as well as the corresponding notes, comprising the significant accounting policies and other clarifying information.

In our opinion, the aforementioned individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of Évora S.A. as of December 31, 2023, the individual and consolidated performance of its operations and its individual and consolidated cash flows for the year then ended, in conformity with accounting practices adopted in Brazil and International Financial Reporting Standards - IFRS issued by the International Accounting Standards Board (IASB).

Basis for opinion

Our audit was conducted in accordance with Brazilian and international standards on auditing. Our responsibilities, in conformity with these standards, are described in the following section denominated "Auditor's responsibilities for the audit of the individual and consolidated financial statements". We are independent in relation to the Company and its subsidiaries, in accordance with the relevant ethical principles provided for in the Accountant's Code of Professional Ethics and in professional standards issued by the Federal Accounting Council, and we comply with other ethical responsibilities according to these standards. We believe that the audit evidence obtained is sufficient and appropriate to support our opinion.

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KPMG Auditores Independentes Ltda., a Brazilian limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

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Other information accompanying individual and consolidated financial statements and the auditors' report

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

Our opinion on the individual and consolidated financial statements does not include the Management Report and we do not express any form of audit conclusion on such report.

Regarding the audit of individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is, in a material way, inconsistent with the financial statements or with our knowledge gained in the audit or otherwise appears to be materially misstated. If, based on the works performed, we conclude that there is a material misstatement in the Management Report, we are required to disclose this fact. We do not have anything to report on this respect.

Responsibility of management for the individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with Accounting Practices Adopted in Brazil and with International Financial Reporting Standards (IFRS), 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 the preparation of individual and consolidated financial statements, management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, where applicable, the matters relating to its going concern and the use of this basis of accounting in preparing the financial statements, unless management intends to wind-up the Company and its subsidiaries or cease its operations, or has no realistic alternative to avoid the closure of operations.

Auditors' responsibilities for the audit of the individual and consolidated financial statements

Our purposes are to obtain reasonable assurance that the individual and consolidated financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error, and to issue audit report containing our opinion. Reasonable assurance means a high level of security, but not a guarantee that an audit conducted in accordance with Brazilian and international auditing standards always detects any existing material misstatements. Misstatements may be due to fraud or error and are considered material when, individually or taken as a whole, can influence, within a reasonable perspective, the economic decisions of users taken based on these financial statements.

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain our professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual 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, then we are required to draw attention in our auditors' report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to

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modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may lead the Company and its subsidiaries to no longer remain as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated 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 individual 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 management regarding, among other matters, the planned scope, audit period and significant audit findings, including possible significant internal control deficiencies identified during our work.

Porto Alegre, February 26th, 2024.

KPMG Auditores Independentes Ltda

CRC SP-014428/F-7

André Luiz de Godoy

Accountant CRC PR-050218/O-0 T-SC

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Évora S.A.

Balance sheets

December 31, 2023 and 2022

(In thousands of reais - R$, unless otherwise stated)

	Parent Company		Consolidated	
Assets	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Cash and cash equivalents (Note 5)	218,387	118,552	679,928	792,339
Trade accounts receivable (Note 6)	-	-	1,310,842	1,371,312
Inventories (note 7)	-	-	619,695	804,923
Dividends receivable (Note 9)	72,817	48,283	34,066	25,908
Recoverable taxes (Note 10)	-	-	65,407	99,642
Income tax and social contribution, recoverable (Note 10)	4,889	4,397	77,009	77,707
Derivative financial instruments (Note 20)	-	-	17,211	21,984
Other receivables (Note 6)	58,468	650	35,953	108,842
Total current assets	**354,561**	**171,882**	**2,840,111**	**3,302,657**
Judicial deposits (Note 15)	103,443	96,820	105,512	100,203
Deferred taxes (Note 8)	2,375	2,375	83,422	101,351
Related party credits (Note 9)	26,956	32,803	-	-
Recoverable taxes (Note 10)	739	2,640	25,139	45,976
Income tax and social contribution, recoverable (Note 10)	13,107	8,025	136,420	104,210
Other receivables, assets and amounts	33,591	1,105	29,666	27,688
Investments (note 11)	2,218,190	2,533,390	855,741	752,635
Property, plant and equipment (Note 12)	1,110	1,298	3,993,977	4,121,336
Intangible assets (note 13)	280	261	523,558	453,754
Total non-current assets	**2,399,791**	**2,678,717**	**5,753,435**	**5,707,153**
Total assets	**2,754,352**	**2,850,599**	**8,593,546**	**9,009,810**

See the accompanying notes to the individual and consolidated financial statements

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Évora S.A.

Balance sheets

December 31, 2023 and 2022

(In thousands of reais - R$, unless otherwise stated)

	Parent Company		Consolidated	
Liabilities	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Suppliers	427	210	466,271	532,935
Loans and financing (Note 14)	3,542	116,065	806,650	1,250,237
Leases payable (Note 16)	-	-	13,479	12,993
Labor obligations	256	246	141,616	82,571
Income tax and social contribution	-	-	12,532	2,333
Taxes and social charges payable	4,626	2,636	64,826	76,448
Debits and loans with related parties	-	8,740	-	-
Sundry creditors	8,487	15,051	107,871	102,953
Employee benefits (Note 17)	-	-	1,843	1,698
Total current liabilities	**17,338**	**142,948**	**1,615,088**	**2,062,168**
Loans and financing (Note 14)	-	-	2,149,147	2,492,590
Leases payable (Note 16)	-	-	29,095	32,647
Taxes and social charges payable	-	-	15,380	17,671
Deferred taxes (Note 8)	-	-	168,664	217,985
Sundry creditors	-	-	34,209	23,689
Fiscal and labor provisions (Note 15)	103,401	96,779	107,685	106,033
Employee benefits (Note 17)	-	-	27,765	30,373
Total non-current liabilities	**103,401**	**96,779**	**2,531,945**	**2,920,988**
Shareholders' equity (Note 18)				
Capital	759,851	759,851	759,851	759,851
Capital reserves	635,884	703,291	635,884	703,291
Profit reserves	513,686	252,858	513,686	252,858
Equity valuation adjustments	724,192	894,872	724,192	894,872
Shareholders' equity attributable to the controlling shareholders	**2,633,613**	**2,610,872**	**2,633,613**	**2,610,872**
Non-controlling interest	-	-	1,812,900	1,415,782
Total shareholders' equity	**2,633,613**	**2,610,872**	**4,446,513**	**4,026,654**
Total liabilities and shareholders' equity	**2,754,352**	**2,850,599**	**8,593,546**	**9,009,810**

See the accompanying notes to the individual and consolidated financial statements

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Évora S.A.

Statements of income

Years ended December 31, 2023 and 2022

(In thousands of reais - R$, unless otherwise stated)

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net revenue from sales	-	-	**6,073,994**	**7,332,625**
Cost of sales (Note 23)	-	-	(5,066,702)	(6,144,249)
Gross income	-	-	**1,007,292**	**1,188,376**
Other revenues (expenses)				
Sales expenses (Note 23)	-	-	(360,071)	(400,187)
Administrative expenses (Note 23)	(37,061)	(33,194)	(281,926)	(212,750)
Other (expenses) revenues, net	30,350	43,919	(101,382)	(6,092)
Operating income before financial income (loss) and taxes	**(6,711)**	**10,725**	**263,913**	**569,347**
Financial revenues (Note 24)	10,479	34,758	68,319	159,265
Financial expenses (Note 24)	(60,749)	(58,190)	(534,510)	(308,753)
Financial income (loss)	**(50,270)**	**(23,432)**	**(466,191)**	**(149,488)**
Equity in net income of subsidiaries (Note 11)	423,472	878,326	545,247	558,410
Income (loss) before taxes	**366,491**	**865,619**	**342,969**	**978,269**
Current and deferred income tax and social contribution (Note 8)	(131)	-	12,983	(119,724)
Net income for the year	**366,360**	**865,619**	**355,952**	**858,545**
Income (loss) attributed to non-controlling shareholders	-	-	(10,408)	(7,074)
Income (loss) attributed to controlling shareholders	**366,360**	**865,619**	**366,360**	**865,619**
Earnings per share (Note 25)				
Basic earnings per common and preferred shares (in R$)			22.87	54.03
Diluted earnings per common and preferred shares (in R$)			16.58	39.75

See the accompanying notes to the individual and consolidated financial statements

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Évora S.A.

Statements of comprehensive income

Years ended December 31, 2023 and 2022

(In thousands of reais - R$, unless otherwise stated)

	Parent Company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Net income for the year	**366,360**	**865,619**	**355,952**	**865,619**
Other components of the comprehensive income	**(170,522)**	**(288,058)**	**(262,996)**	**(317,329)**
Items that will later be reclassified to income (loss)				
Accumulated translation adjustments	(171,114)	(293,631)	(263,588)	(322,902)
Items that will not be subsequently reclassified to income (loss):				
Actuarial gains with employee benefits (Note 17)	592	5,573	592	5,573
Total comprehensive income for the year	**195,838**	**577,561**	**92,956**	**548,290**
Income (loss) attributed to non-controlling shareholders	**-**	**-**	**(102,882)**	**(36,345)**
Income (loss) attributed to controlling shareholders	**195,838**	**577,561**	**195,838**	**584,635**

See the accompanying notes to the individual and consolidated financial statements

Évora S.A.

Statements of changes in shareholders' equity

Years ended December 31, 2023 and 2022
(In thousands of reais - R$, unless otherwise stated)

	Capital reserves			Profit reserves		Equity valuation adjustments					
	Capital	Goodwill in the issue of shares	Investment subsidy	Convertible debentures	Legal	Investments and working capital	Revaluation reserve	Other comprehensive income	Retained earnings	Total	Non-controlling interest	Total
Balance at December 31, 2021	**759,851**	**3,026**	**265**	**500,000**	**53,579**	**140,851**	**473**	**1,182,697**	**-**	**2,640,742**	**252,127**	**2,892,869**
Convertible debentures	-	-	-	200,000	-	-	-	-	-	200,000	1,200,000	1,400,000
Realization of revaluation reserve	-	-	-	-	-	-	(240)	-	240	-	-	-
Equity valuation adjustments	-	-	-	-	-	-	-	(288,058)	-	(288,058)	(29,271)	(317,329)
Proposed dividends (R$ 8.79 per share)	-	-	-	-	-	(140,823)	-	-	-	(140,823)	-	(140,823)
Net income for the year	-	-	-	-	-	-	-	-	865,619	865,619	(7,074)	858,545
Distribution of income:												
Legal reserve	-	-	-	-	43,281	-	-	-	(43,281)	-	-	-
Proposed dividends (R$ 41.61 per share)	-	-	-	-	-	-	-	-	(666,608)	(666,608)	-	(666,608)
Reserve for investments	-	-	-	-	-	155,970	-	-	(155,970)	-	-	-
Balance at December 31, 2022	**759,851**	**3,026**	**265**	**700,000**	**96,860**	**155,998**	**233**	**894,639**	**-**	**2,610,872**	**1,415,782**	**4,026,654**

See the accompanying notes to the individual and consolidated financial statements

Évora S.A.

Statements of changes in shareholders' equity

Years ended December 31, 2023 and 2022
(In thousands of reais - R$, unless otherwise stated)

		Capital reserves				Profit reserves		Valuation adjustments					
	Capital	Goodwill in the issue of shares	Goodwill in the acquisition of shares	Investment subsidy	Convertible debentures	Legal	Investments and working capital	Revaluation reserve	Other comprehensive income	Retained earnings	Total	Non-controlling interest	Total
Balance at December 31, 2022	**759,851**	**3,026**	**-**	**265**	**700,000**	**96,860**	**155,998**	**233**	**894,639**	**-**	**2,610,872**	**1,415,782**	**4,026,654**
Convertible debentures	-	-	-	-	-	-	-	-	-	-	-	500,000	500,000
Realization of revaluation reserve	-	-	-	-	-	-	-	(158)	-	158	-	-	-
Equity evaluation adjustment	-	-	-	-	-	-	-	-	(170,522)	-	(170,522)	(92,474)	(262,996)
Goodwill in the acquisition of subsidiary's shares	-	-	(67,407)	-	-	-	-	-	-	-	(67,407)	-	(67,407)
Net income for the year	-	-	-	-	-	-	-	-	-	366,360	366,360	(10,408)	355,952
Distribution of income:													
Legal reserve	-	-	-	-	-	18,318	-	-	-	(18,318)	-	-	-
Proposed dividends (R$ 6.60 per share)	-	-	-	-	-	-	-	-	-	(105,690)	(105,690)	-	(105,690)
Reserve for investments	-	-	-	-	-	-	242,510	-	-	(242,510)	-	-	-
Balance at December 31, 2023	**759,851**	**3,026**	**(67,407)**	**265**	**700,000**	**115,178**	**398,508**	**75**	**724,117**	**-**	**2,633,613**	**1,812,900**	**4,446,513**

See the accompanying notes to the individual and consolidated financial statements

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Évora S.A.

Statements of Cash Flows – Indirect method

Years ended December 31, 2023 and 2022

(In thousands of reais - R$, unless otherwise stated)

	Parent Company		Consolidated	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Cash flow from operating activities				
Income before income tax and social contribution	366,491	865,619	342,969	978,269
Adjustments for:				
Depreciation and amortization	386	371	537,247	522,236
Exchange-rate changes and interest on loans and financing, net	56,624	57,599	399,912	180,225
Income (loss) in write-off of property, plant and equipment	-	-	2,829	29,462
Adjustments to provisions realized	-	-	(47,211)	-
Equity in net income of subsidiaries	(423,472)	(878,326)	(545,247)	(558,410)
	29	**45,263**	**690,499**	**1,151,782**
Changes in:				
Decrease in inventories	-	-	157,121	134,317
(Increase) decrease in accounts receivable and other accounts receivable	(33,726)	(25,932)	108,029	(124,370)
Increase/(decrease) in accounts payable and other suppliers	146	(16,830)	100,160	(211,555)
Decrease/(increase) in other net taxes	(1,804)	(7,305)	20,829	(140,757)
Cash (used in) generated by operating activities	**(35,355)**	**(4,804)**	**1,076,638**	**809,417**
Income tax and social contribution	-	-	(10,374)	(81,798)
Dividends received	416,660	845,470	412,875	445,466
Interest on own capital received	18,734	-	-	-
Net cash from operating activities	**400,039**	**840,666**	**1,479,139**	**1,173,085**
Cash flow from investment activities				
Reduction for credits/debits with subsidiaries	(2,763)	34,476	-	-
Acquisition of property, plant and equipment and intangible assets	(216)	(287)	(527,163)	(557,222)
Advances for future capital increase	(32,017)	(52,373)	-	-
Paid-up capital in subsidiaries	9,628	-	-	-
Acquisition of subsidiaries, net of acquired cash	-	-	(339,423)	-
Net cash used in investment activities	**(25,368)**	**(18,184)**	**(866,586)**	**(557,222)**
Cash flow from financing activities				
Payment of principal on loans	(100,000)	(200,000)	(1,133,516)	(1,718,301)
Lease - payment	-	-	(11,384)	(7,732)
Issuance of convertible debentures	-	200,000	500,000	1,400,000
Payment of interest on loans and debentures	(69,146)	(45,200)	(481,516)	(204,338)
Loans and financing obtained	-	100,000	598,586	1,086,459
Dividends paid	(105,690)	(857,432)	(117,691)	(863,104)
Interest on own capital paid	-	(13,600)	-	(13,600)
Net cash invested in financing activities	**(274,836)**	**(816,232)**	**(645,521)**	**(320,616)**
Exchange rate change on cash and cash equivalents	-	-	(79,443)	(34,936)
Increase/(decrease) in cash and cash equivalents	**99,835**	**6,250**	**(112,411)**	**260,311**
Opening balance of cash and cash equivalents	118,552	112,302	792,339	532,028
Closing balance of cash and cash equivalents	218,387	118,552	679,928	792,339

See the accompanying notes to the individual and consolidated financial statements

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1 Operations

Évora S.A. ("Company") operates, through its subsidiaries, in the production and trading of nonwovens for hygienic and medical disposables, aluminum beverage cans and rigid plastic packaging to be applied in consumption products in food, beverage, personal hygiene, cleaning and beauty products. The geographic scope of the nonwoven business is global, as well as in the rigid packaging, for aluminum beverage cans business is Brazilian. In the Brazilian context, it maintains production units in Manaus - AM; Teresina - PI; Estância - SE; Rio Verde - GO; Uberaba – MG; Cosmópolis, Diadema, Jacareí and Cabreúva - SP; Ponta Grossa and Pinhais - PR; Gravataí and Venâncio Aires – RS; and in Passo de Torres - SC. Abroad, it has plants in Pilar – Argentina; Lima - Peru; San Jose Iturbide - México; in the United States of America in Washougal - WA; Green Bay – WI; Simpsonville – SC; High Point - NC and Terre Haute - IN, as well as plants in Nörrkoping - Sweden; Peine - Germany; Trezzano Rosa and Sulmona – Italy; Tianjin – China; Rayong – Thailand; Kerkrade – Netherlands; Rétság – Hungary and Pune – India. In total, there are 33 industrial units located in 13 countries, covering 4 continents and nationally present in 9 states, in addition to a commercial office in Tokyo, Japan. Still considering the nonwoven business, as part of its innovation strategy, has 5 research and development centers in operation at the Simpsonville, Terre Haute, Peine, Sulmona and Tianjin plants.

The nonwovens and plastic packaging businesses are wholly owned by Évora S.A. In the aluminum can business, the Company participates in a 50/50 joint venture with the American company Crown Holdings, Inc. since 1995, a global player and world leader in this industry.

The subsidiary Fitesa Nãotecidos S.A. also owns, in Santa Catarina, in the Atlantic Forest biome, eucalyptus forests through its wholly-owned subsidiary Rio Novo Florestal Ltda., whose wood is sold for multiple uses.

1.1 Nonwovens business

The subsidiary Fitesa Nãotecidos S.A. operates in the production and sale of spunbond, spunmelt, carded, rolled, perforated, films, elastic and airlaid and wipes, whose applications are focused on the sanitary disposable markets (mainly disposable diapers and sanitary napkins), medical disposable products (surgical caps and aprons, masks and cleaning and disinfection wipes) and industrial applications (mattresses, furniture, footwear, agriculture, packaging, etc.).

To meet the increased demand from the hygiene and medical disposables market, two new lines started operating in the second semester of 2023 at the Simpsonville, SC, and High Point, NC, industrial plants in the United States and another at the Jacareí, SP, industrial plant in Brazil. Additionally, the Company has already started work to install

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another production line at its unit in Norkopping, in Sweden. This line will become operational in the second semester of 2024. The new lines in the United States and Sweden have unique and diversified technologies with capabilities to produce materials from renewable and recycled sources, while the new line in Brazil is the first spunlace technology equipment at Fitesa to serve the wipes market in the region.

1.2 Aluminum beverage can business

The joint venture Crown Embalagens Metálicas da Amazônia S.A. is engaged in the production and trading of aluminum cans and caps for beverage bottling, mainly beers and soft drinks.

1.3 Plastic Cap Business

The subsidiary America Indústria e Comércio de Embalagens S.A. with plants in Venâncio Aires – RS, Pinhais - PR and Pilar – Argentina is engaged in the marketing of rigid plastic packaging for food, beverage segments (mainly soft drinks and mineral water) for the personal hygiene, beauty and cleaning markets, and in the production of coffee capsules.

The acquisition of the company Plast & Pack Indústria e Comércio Ltda., which has an industrial plant in Pinhais, PR, and produces thin-walled plastic packaging for the food segment (mainly for cream cheese, dairy products, ice cream, etc.) was completed in August 2023. The allocations of amounts paid by this company are shown below and the fair values of assets were calculated based on an independent valuation.

The table that follows summarizes the assets acquired and liabilities assumed on the acquisition date.

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	Plast & Pack Ltda.
Amount of consideration transferred	**205,989**
Acquired assets and liabilities, net	(45,248)
	160,741
Adjustment to fair value of qualifiable assets:	
Client portfolio	25,959
Property, plant and equipment	33,631
Total adjustment to fair value of qualifiable assets	**59,590**
Goodwill	**101,151**

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2 List of subsidiaries

The consolidated financial statements include the financial statements of Évora S.A. and its direct and indirect subsidiaries, as listed below:

	Country	Direct control (%)		Indirect control (%)	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Petropar Riograndense Ltda. (*)	Brazil	-	99.97	-	-
Fitesa Nãotecidos S.A.	Brazil	99.99	99.99	-	-
Rio Novo Florestal Ltda.	Brazil	-	-	99.99	99.99
Fitesa Germany GmbH	Germany	11.00	11.00	89.00	89.00
Fitesa Sweden A.B.	Sweden	-	-	100.00	100.00
Fitesa Limited	England	-	-	100.00	100.00
Fitesa Mexico Holdings Limited	England	-	-	100.00	100.00
Fitesa US LLC	USA	-	-	100.00	100.00
Fitesa Washougal Inc.	USA	-	-	100.00	100.00
Fitesa Nonwovens Inc.	USA	-	-	100.00	100.00
Fitesa Simpsonville Inc.	USA	-	-	100.00	100.00
Fitesa Film Products LLC	USA	-	-	100.00	100.00
Fitesa High Point Inc.	USA	-	-	100.00	100.00
Fitesa Indiana LLC	USA	-	-	100.00	100.00
Fitesa Terre Haute Inc.	USA	-	-	100.00	100.00
Fitesa Italy Srl.	Italy	-	-	100.00	100.00
Fitesa China Holdings B.V.	Holland	-	-	100.00	100.00
Fitesa Kerkrade B.V.	Holland	-	-	100.00	100.00
Fitesa (China) Airlaid Company Limited	China	-	-	100.00	100.00
Fitesa (Tianjin) Non-Woven Company Limited	China	-	-	100.00	100.00
Fitesa Nonwovens Holding S.A.	Spain	-	-	100.00	100.00
Fitesa Nonwovens Mexico SA de CV	Mexico	-	-	100.00	100.00
Fitesa Peru S.A.C.	Peru	-	-	100.00	100.00
Fitesa Retsag Kft	Hungary	-	-	100.00	100.00
Fitesa CNC Co. Ltd (*)	Thailand	-	-	70.00	51.00
Fitesa CNC Japan Co Ltd (*)	Japan	-	-	70.00	51.00
Pantex International SpA	Italy	-	-	100.00	100.00
Pantex Americas LLC	USA	-	-	100.00	100.00
Pantex Mena FZ LLC (*)	United Arab Emirates	-	-	-	100.00
Fitesa Pune Private Company	India	-	-	100.00	100.00
America Indústria e Comércio de Embalagens S.A.	Brazil	100.00	100.00	-	-
America Tampas Argentina S.A.	Argentina	-	-	100.00	100.00
Plast & Pack Ltda.	Brazil	-	-	100.00	-

(*) The direct subsidiary Petropar Riograndense was merged into Évora in December 2023. The subsidiary Fitesa Nãotecidos acquired a further 19% in the subsidiary Fitesa CNC, taking a 70% stake in that company and deactivated the subsidiary Pantex Mena.

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3 Preparation basis

a. Statement of conformity regarding the International Financial Reporting Standards (IFRS) and Accounting Pronouncement Committee (CPC) standards

The individual and consolidated financial statements were prepared in accordance with the International Financial Reporting System (IFRS) issued by the International Accounting Standards Board (IASB) and also in accordance with the accounting practices adopted in Brazil (BR GAAP).

All material information proper to the financial statements, and only it, is being evidenced, and corresponds to those used by Management for administration.

The issue of financial statements was authorized by the Executive Board on February 26th, 2024.

b. Measuring basis

The individual and consolidated financial statements were prepared based on the historical cost, except for certain financial instruments measured at fair value through profit or loss, such as the derivative financial instruments presented in Note 20.

c. Functional and presentation currency

The financial statements of the parent company and each subsidiary included in the consolidation of the Company and those used as a basis for evaluating investments by the equity method in the parent company and consolidated financial statements are prepared using the functional currency of each entity, except for the subsidiaries in Mexico and Peru, which use the US dollar as their functional currency, and the other subsidiaries use the currencies of their respective countries. The functional currency of an entity is the currency of the primary economic environment in which it operates. In defining the functional currency of each of its subsidiaries, management considered which currency significantly influences the sale price of its products and services and the currency in which the majority of the cost of its production inputs is paid or incurred. Individual and consolidated financial statements are being presented in reais (R$), which is the functional currency of Évora S.A.
All balances have been rounded to the nearest value, except otherwise indicated.

d. Use of estimates and judgments

The preparation of these financial statements, Management used judgments and estimates that affect the application of accounting policies of the Company and its subsidiaries, and the reported values of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and assumptions are reviewed on a continuous basis. Reviews of estimates are recognized on a prospective basis.

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Notes to the financial statements
(In thousands of reais, unless otherwise indicated)

Judgments

Information about judgment referring to the adoption of accounting policies which impact significantly the amounts recognized in the financial statements are included in Note 11 – Investments in subsidiaries and joint venture: Consolidation and equity method.

Uncertainties on assumptions and estimates

The information on uncertainties as to assumptions and estimates on the report issue date that pose a high risk of resulting in a material adjustment in book balances of assets and liabilities for the next year are included in the following notes: Note 8 – recognition of deferred tax assets: availability of future taxable income against which deductible temporary differences and tax losses may be used; Note 8 – uncertainty over income tax treatment: the uncertainty is related to the interpretation of the legislation of the several countries where the Company has investments. However, currently there is no inspection in progress, and the Company has carried out the correct interpretation of the legislation, in an eventual inspection the tax authorities may have a different interpretation; Note 12 – impairment test of property, plant and equipment: main assumptions regarding recoverable values, including recoverability of development costs; Note 13 - intangible asset and goodwill impairment test: main assumptions regarding recoverable values, including recoverability of development costs; Note 15 - recognition and measurement of provision for lawsuits: main assumptions about the likelihood and magnitude of the outflows of funds; Note 17 – measurement of defined benefit obligations: main actuarial assumptions; and Note 20 - measurement of estimated credit loss for accounts receivable and contract assets: main assumptions in determining the weighted average loss rate.

Fair value hierarchy

The Company uses the following hierarchy to determine and disclose the fair value of financial instruments using the valuation technique:

Level 1: prices quoted (without adjustments) in active markets for identical assets and liabilities;

Level 2: other techniques for which all data that has significant effect on the recorded fair value is observable, either directly or indirectly;

Level 3: techniques that use data that have significant effect on the recorded fair value, and that are not based on data observable in the market.

e. New standards and interpretations not yet effective

Several new standards became effective for the years started after January 1, 2023. The Company and its subsidiaries did not adopt these standards in the preparation of these financial statements.

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a) Classification of liabilities as current or non-current with Covenants (amendments to CPC 26/IAS 1)
The amendments, issued in 2020 and 2022, aim to clarify the requirements for determining whether a liability is current or non-current and require new disclosures to non-current liabilities that are subject to future covenants. The amendments are applicable for the annual periods started as of January 1, 2024. These amendments will not impact the Company's Individual and Consolidated financial statements.
b) Supplier financing agreements ("Drawee Risk") (amendments to CPC 26/IAS 1 and CPC 40/IFRS)
The amendments introduce new disclosures related to financing agreements with suppliers ("Drawee Risk") that help users of financial statements to assess the effects of those arrangements on an entity's liabilities and cash flows and on the entity's exposure to liquidity risk.
The Company and its subsidiaries do not participate in financing agreements in the supply chain to which the new disclosures must be applied and, therefore, these amendments will not impact significantly on the Company's individual and consolidated Financial Statements.

a) Other standards: New and amended standards are not expected to have a significant impact on the individual and consolidated financial statements:

- Lease liabilities in a sale and leaseback (amendments to CPC 06/IFRS 16); and
- Lack of convertibility (amendments to CPC 02/IAS 21).

4 Material accounting policies

The Company applied the accounting policies described below consistently to all the years presented in these financial statements, unless otherwise indicated. Furthermore, the Company adopted the Disclosure of Accounting Policies (amendments to CPC 26/IAS 1 and IFRS Practice Statement 2) as of January 1, 2023. The amendments require disclosure of "material" rather than "significant" accounting policies. The changes did not result in changes to accounting policies.
a. Consolidation basis and investments in subsidiaries and joint venture

(i) Subsidiaries and joint venture

The Company controls an entity when it is exposed to/or has a right over the variable returns arising from its involvement with the entity and has the ability to affect those returns exerting its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements as from the date that the Company starts to be controlled by the Company until such control ceases.

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To be classified as a jointly-controlled entity, there must be a contract allowing the Company to have shared control over the entity and giving the Company the right to the net assets of the jointly-controlled entity, and no right to its specific assets and liabilities. Such investments are initially recognized by the cost, which includes expenses with transactions. After initial recognition, financial statements include the Company's interest in income or loss for the year and other comprehensive income of the investee up to the date in which significant influence or joint control no longer exists.

In the parent company's individual financial statements, the financial information of subsidiaries and joint venture is recognized in the equity method of accounting.

(ii) Transactions eliminated in the consolidation

Intragroup balances and transactions, and any unrealized revenues or expenses (except for gains or losses on transactions in foreign currency) derived from intragroup transactions, are eliminated. Unrealized gains originating from transactions with investee companies recorded using the equity method, are eliminated against the investment in the proportion of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only up to the point where there is no evidence of loss due to impairment.

(iii) Business combination

Business combinations are recorded using the acquisition method when the set of activities and acquired assets addresses the definition of a business and the control is transferred to the Company. When determining whether a set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at least, an input and a substantive process that together contribute significantly to the ability to generate output.

The consideration transferred is usually measured at fair value, as well as the identifiable net assets acquired. Any goodwill arising in the transaction is tested annually for impairment. Gains in a bargain purchase are immediately recognized in income (loss). Transaction costs are recorded in income (loss) as incurred, except for costs related to the issue of debt or equity instruments.

Transferred consideration does not include amounts referring to payment of pre-existing relations. These amounts are usually recognized in income (loss) for the year.

(iv) Foreign currency transactions

Foreign currency transactions are translated into the respective functional currencies of the entities at the exchange rate on the dates of the transactions. Monetary assets and liabilities denominated and calculated in foreign currency on balance sheet date are translated into presentation currency at the foreign exchange rate in force on the closing

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date. Non-monetary assets and liabilities acquired or contracted in foreign currency are translated based on the exchange rates on the dates of the transactions or on the dates of valuation at fair value when applicable. Foreign currency differences arising from the translated are usually recognized in income (loss).

(v) Foreign operations

Gains and losses resulting from changes in foreign investments are recognized directly in the shareholders' equity in equity valuation and recognized in the statement of income when these investments are fully or partially disposed. The financial statements of the foreign subsidiaries are translated into the parent company's functional currency at the exchange rate in effect on the closing date and regarding the balance sheet accounts (including the goodwill and fair value adjustments deriving from the acquisition), and at monthly average foreign exchange rates for income (loss) accounts.

The differences in foreign currencies generated for the translation into the presentation currency are recognized in other comprehensive income and accumulated in equity valuation adjustments in the shareholders' equity account. If the subsidiary is not a wholly-subsidiary, the corresponding portion of the translation difference is allocated to the non-controlling shareholders.

(vi) Non-controlling interest

The Company chose to measure non-controlling interests at their proportion interest in identifiable net assets of the acquiree on the acquisition date.
Changes to the Company's interest in a subsidiary that do not result in loss of control are accounted for as transactions from shareholders' equity.

b. Financial instruments

b.1. Non-derivative financial assets and liabilities

Financial assets and liabilities are recognized when the Company and its subsidiaries are parties to the contractual provisions of instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets and liabilities (except for assets measured at fair value through profit or loss) are increased or reduced by the fair value of the financial assets or liabilities, when applicable, after initial recognition. Transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are recognized immediately in the statement of income.

The Company and its subsidiaries derecognize a financial asset when the contractual rights to the cash flow of the asset expire, or when they transfer the rights to the reception of contractual cash flows over a financial asset in a transaction in which essentially all

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the risks and benefits of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability. The Company carries out transactions in which it transfers assets recognized in the balance sheet, but retains all or substantially all risks and rewards of the assets transferred. In such cases, financial assets are not derecognized.

The Company derecognizes a financial liability when its contractual obligations are discharged or canceled or expire. The Company also derecognizes a financial liability when terms are modified, and the cash flows of the modified liability are substantially different if a new financial liability based on the terms changed is recognized at fair value.

In the derecognition of a financial liability, the difference between the extinct book value and the consideration paid (including assets transferred that do not pass through the cash or assumed liabilities) is recognized in the income (loss).

Financial assets or liabilities are offset and the net value reported in the balance sheet only when the Company currently has legally enforceable right to set off and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(i) Non-derivative financial assets

The Company and its subsidiaries have the following non-derivative assets: cash and cash equivalents, accounts receivable and other receivables, as Note 20.

The Company and its subsidiaries classify all their non-derivative financial assets at amortized cost.

In the initial recognition, a financial asset is classified as measured: at amortized cost; Fair value through other comprehensive income (FVTOCI) - debt or equity instrument; or at fair value through profit or loss (FVTPL).
Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for the management financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both conditions below and is not designated as measured at FVTPL:
- it is held within a business model whose purpose is to maintain financial assets to receive contractual cash flows; and
- its contractual terms generate, on specific dates, cash flows only related to the payment of principal and interest on outstanding principal value.

These assets are subsequently measured at amortized cost using the effective interest method. Amortized cost is impaired. Interest revenue, foreign exchange gains and

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impairment losses are recognized in income (loss). Any gain or loss on derecognition is recognized in income (loss).

(ii) Non-derivative financial liabilities

The Company and its subsidiaries have the following non-derivative liabilities: loans and financing, suppliers, leases and other accounts payable, according to Note 20.

Financial liabilities were classified and measured at amortized cost.

All other financial liabilities are recognized initially on the negotiation date on which the Company becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities are initially recognized at fair value plus any transaction costs directly assignable. After the initial recognition, these financial liabilities are stated at amortized cost using the effective interest rate method. Interest expense, foreign exchange gains and losses are recognized in income (loss). Any gain or loss on derecognition is also recognized in income (loss).

b.2. Derivative financial instruments

Certain Company's subsidiaries hold derivative financial instruments to hedge risks relating to foreign currencies and interest rate risks. Derivatives are initially recognized at fair value; attributable transaction costs are recognized in income (loss) when incurred. After the initial recognition, derivatives are measured at fair value and changes are accounted for in income (loss).

b.3. Capital

Common and preferred shares

Common and preferred shares are classified as shareholders' equity.

Preference capital is classified as shareholders' equity if it is non-redeemable, or redeemable only at the Company's discretion. Preferred shares have no voting rights and takes priority in the settlement of their share of capital. The preferred shares are entitled to dividends in the same proportion as those paid to the common shares.

Debentures

The debentures issued are convertible into a fixed number of common and preferred shares and the option to settle or convert them is under Company's control. Therefore, they meet the prerequisites of accounting metrics to be classified as equity instruments.

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Interest on debentures is accounted for in financial expenses in the statement of income.

c. Impairment

i. *Non-derivative financial assets*

The Company recognizes provision for expected credit losses on financial assets measured at amortized cost.

Provision for trade accounts receivable losses is measured at a value equal to a credit loss estimated for the instrument's entire life.

Measurement of expected credit losses

The Company and its subsidiaries measure the provision for loss in an amount equal to expected credit loss for the entire outstanding risk balance of these clients. When determining if the credit risk of a financial asset has significantly increased since the initial recognition and when estimating expected credit losses, the Company and its subsidiaries consider reasonable and tolerable information that is relevant and available without excessive cost or effort. This includes quantitative and qualitative information and analysis, based on the historical experience of the Company and its subsidiaries, credit assessment, and considering forward-looking information. Provision for credit risks was calculated based on credit risk analysis, which contemplates loss history, individual client situation, situation of the economic group to which clients belong, real guarantees to debits and legal advisors' evaluation, and is considered sufficient to cover possible losses on amounts receivable. In addition, a prospective evaluation that takes into consideration change or expected change in economic factors that affect expected credit losses is carried out; these credit losses are determined based on weighted probabilities.

Financial assets with recovery issues

On each balance sheet date, the Company and its subsidiaries evaluate whether the financial assets accounted for at amortized cost and are experiencing impairment issues. A financial asset has "impairment issue" when one or more events with a negative impact on the estimated future cash flows of the financial asset occur.
Evidence that the financial assets presented impairment issues includes the following observable data:
- Significant financial difficulties of the debtor;
- Breach of covenants, such as delinquency or late payment of more than 30 days;
- Restructuring of an amount due to the Company and its subsidiaries under terms that would not be accepted in normal conditions;
- The probability that the borrower will enter bankruptcy or other financial reorganization; or

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- The disappearance of an active market for that financial asset because of financial difficulties.

Presentation of provision for expected credit losses in balance sheet

Provision for losses for financial assets measured at amortized cost are deducted from the gross book value of assets.

Write-off

The gross book value of a financial asset is written off when the Company and its subsidiaries have no reasonable expectation of recovering the financial asset in full or in part. Financial assets written off may still be subject to credit collection, in compliance with procedures for the recovery of the amounts due.

ii. ***Non-financial assets***

On each reporting date, the Company and its subsidiaries review the book values of non-financial assets (except for inventories and deferred taxes) to determine if there is an indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated based on future cash flows. In case of goodwill, recoverable value is tested on an annual basis.

For impairment tests, assets are grouped in Cash Generating Units (CGUs).

An impairment loss is recognized when the book value of an asset or its CGU exceeds its recoverable value. Impairment losses are recognized in income (loss). Recognized losses referring to CGUs are initially allocated to reduce any goodwill allocated to that CGU (or CGU group) and then to reduce the book value of other assets of that CGU (or CGU group) on a pro rata basis. An impairment loss related to goodwill is not reversed. Regarding other assets, impairment losses are reversed only with the condition that the new book value of the asset does not exceed the book value that would have been calculated, net of depreciation or amortization, if the value loss had not been recognized.

The recoverable amount of an assets or CGU is the greater of its value in use and its fair value less disposal costs. Value in use is based on estimated future cash flows discounted to present value using a discount rate before taxes that reflects current market evaluations of times value of money and the specific risks of the assets or CGU.

d. Property, plant and equipment

Property, plant and equipment items are stated at historical acquisition or construction cost, net of accumulated depreciation and impairment losses. When assessing the recoverable value of its assets, the Company and its subsidiaries included assets in progress, consisting mainly of the expansion of production lines.

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The cost includes expenditures that are directly attributable to the acquisition of assets. The cost of assets built by the Company and its subsidiaries includes materials and direct labor, as well as any other costs attributable to bringing the assets to the location and condition required for them to operate, including the financial charges to loans directly related to the construction project or any other qualifiable asset.

Gains and losses on disposal of a property, plant and equipment item (determined by comparing the proceeds from disposal with the book value of property, plant and equipment) are recognized in income (loss).

Subsequent costs are capitalized in accordance with the probability that associated future benefits may be earned by the Company and/or its subsidiaries. Maintenance expenses and recurring repairs are recorded in income (loss).

Depreciation is calculated to amortize the cost of items of property, plant and equipment, net of their estimated residual values, using the straight-line method based on estimated useful lives of such items. Depreciation is recognized in profit or loss. Land is not depreciated.

Afforestation depletion and reforestation are calculated monthly in proportion to consumption.

The depreciation methods, useful lives (disclosed in Note 12) and residual values are reviewed at each reporting date and potential adjustments will be recognized as a change in accounting estimates.

e. Intangible assets

Goodwill arising from the acquisition of subsidiary is calculated and included in intangible assets in the consolidated financial statements.

Goodwill is measured at cost, less accumulated impairment losses, when applicable.

In the individual statements of the parent company, in relation to investees recorded at the equity method, goodwill book value is included in the investment book value.

Other intangible assets acquired with finite useful lives are measured at cost, less accumulated amortization and accumulated impairment losses, when applicable.

Subsequent expenses are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally-generated goodwill and trademarks and patents, are recognized in the income (loss) as incurred.

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Amortization is recognized in income (loss) on a straight-line method and over the useful lives of its items, net of its estimated residual values, as of the date they are available for use. Amortization is usually recognized in income (loss). Goodwill is not amortized.

The amortization methods, useful lives (disclosed in Note 13) and residual values are reviewed at each reporting date and potential adjustments will be recognized as a change in accounting estimates.

f. Inventories

Inventories are stated at the average acquisition or production cost, except when exceeds the net realizable value. The cost of inventories includes expenditures incurred in the acquisition and transportation. In the case of manufactured inventories and inventories in progress, cost includes manufacturing overheads based on normal capacity.

g. Provision

A provision is recognized in the balance sheet when the Company and its subsidiaries have a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic resources will be required to settle the obligation. Reserves are recognized based on the best estimates of the risk involved.

h. Right-of-use assets and lease liabilities

At the beginning of the contract, the Company and its subsidiaries evaluate if an agreement is or contains a lease if it transfers the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases

At the inception or amendment of an agreement containing a lease component, the lease consideration is allocated to each lease and non-lease component based on its individual prices.

A right-of-use asset and a lease liability are recognized on the lease inception date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date to the end of the lease term, unless the lease transfers ownership of underlying asset to the lessee at the end of lease term, or if the cost of the right-of-use asset reflects that the lessee will exercise the call option. In this case, the right-of-use asset will be

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depreciated over the useful life of the underlying asset, determined on the same basis as that of property, plant and equipment. Moreover, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the inception date, and discounted using the interest rate implied in the lease or, if that rate cannot be determined, the incremental loan rate of the Company and its subsidiaries.

The incremental rate on loans is determined by obtaining interest rates from a number of external funding sources and making adjustments to reflect the agreement terms and the type of leased asset.

Lease payments included in the measurement of lease liability comprise the following: fixed payments, including in-substance fixed payments; variable payments that depend on an index or rate, initially measured using the index or rate at the commencement date; amounts expected to be paid in accordance with the residual value guarantees; and the call option strike price if the lessee is certain to exercise such option, and payments of fines due to termination of the lease, if the lessee estimates exercising the option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future payments resulting from a change in index or rate, if there is a change in the amounts expected to be paid under the residual value guarantee, due to a change in the valuation of exercising a call option, extension or termination or due to the existence of a revised fixed lease payment and, accordingly, an adjustment corresponding to the book value of the right-of-use asset is made or is recorded in the income (loss) when the book value of the right-of-use asset has been reduced to zero.

Low-value asset leases
The Company and its subsidiaries opted not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, recognizing their payments as an expense on a straight-line basis over the lease term.

i. Benefits granted to employees

Employee benefit plans are provisioned based on actuarial calculation annually prepared by independent actuary under the projected unit credit method, net of plan guarantee assets, when applicable, and the costs related to the increase in the present value of the obligation, resulting from employee-provided services, are recognized in the period of employment.

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The Company and its subsidiaries recognize all actuarial results resulting from defined benefit plans in other comprehensive income.

j. Operating revenue

Net revenue is measured at the fair value of the consideration received or receivable, net of returns, rebates and sales taxes, as follows:
The revenue is recognized when products are delivered and clients acquire control of the assets, also considering the fact that the following conditions have been met:

- The revenue amount and the payment terms can be identified;
- It is probable that the Company and its subsidiaries will receive the consideration to which it will be entitled in exchange for the goods transferred to the client.

The amount of revenue recognized is adjusted for the expected returns.

k. Financial revenues and expenses

Financial revenues comprise mainly revenues from interest earning bank deposits. Interest revenue is recognized in income (loss) under the effective interest method. Changes in fair value of financial assets measured at fair value through profit or loss and gains in derivative financial instruments are recognized in financial income (loss).

Financial expenses include mainly interest expenses and charges on financing and debentures. Financing costs which are not directly attributable to the acquisition, construction, or production of a qualifying asset are recognized in the income (loss) and measured using the effective interest rate method.

l. Government grant

A government grant is recognized in income (loss) throughout the period, compared with the expenses it intends to offset, in a systematic basis, provided that the conditions of CPC 07 - Governmental Grants and Assistance. The Company and its subsidiaries meet the requirements for recognition in the income (loss).

Donations and grants received by subsidiaries before the first-time adoption of Laws 11638/07 and 11941/09 have been recorded in the capital reserve account in shareholders' equity and they will be maintained until its allocation.

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m. Income tax and social contribution

The income tax and social contribution, both current and deferred, are calculated based on the rates of 15% plus a surcharge of 10% on income tax and 9% on taxable income for social contribution on net income, and consider the offsetting of tax loss carryforward and negative basis of social contribution, limited to 30% of the taxable income for the year. Subsidiaries abroad are subject to income tax rates in accordance with the legislation in force in each host country.

Expense with income tax and social contribution comprises both current and deferred taxes. Current taxes and deferred taxes are recognized in income (loss) unless they are related to the business combination, or items directly recognized in shareholders' equity or other comprehensive income.

Deferred taxes are recognized in relation to the temporary differences between the book values of assets and liabilities for accounting purposes and the related amounts used for taxation purposes. Deferred taxes are measured at tax rates expected to be applied to temporary differences when they are reversed, based on current law up to the reporting date of financial statements.

Deferred tax assets and liabilities are offset when there is a legal enforceable right to set off current tax assets and liabilities, and the latter relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred income tax and social contribution asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable income will be available against which the unused tax losses and credits can be utilized.

Deferred income tax and social contribution assets are reviewed at each reporting date and reduced when their realization is no longer probable.

n. Earnings per share

The basic earnings per share are calculated based on the income for the year attributable to the Company's shareholders and the weighted average of outstanding common and preferred shares in the respective year. As of December 31, 2023 and 2022, the Company presents diluted earnings per share considering the dilution due to the conversion of debentures, both for the basic calculation and for the diluted earnings. Preferred and common shares do not have distinction for profit sharing purposes.

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5 Cash and cash equivalents

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash and banks	30	38	199,226	591,899
Interest earning bank deposits	218,356	118,514	480,702	200,440
	218,386	118,552	679,928	792,339

In the consolidated, the amount in cash and banks contains the bank account balances of the subsidiaries abroad in their respective functional currencies, mainly in US Dollars and Euros, converted into *reais* as of December 31, 2023 and 2022.

The Company and its subsidiaries' interest earning bank deposits have immediate liquidity, with low risk of change and in Brazil, refer mainly to local investments in investment funds whose yield derives from an average rate close to full changes in the Interbank Deposit Certificates - CDI and abroad, investment mainly in US Dollar and Euro with average rate of 4.18% per annum.

The Company and its subsidiaries' exposure to interest rate risks, foreign exchange risk and a sensitivity analysis of financial assets and liabilities are disclosed in Note 20.

6 Trade accounts receivable

	Consolidated	
	12/31/2023	12/31/2022
Clients in Brazil	357,999	340,410
Foreign clients	980,308	1,046,675
	1,338,307	1,387,085
Provision for estimated losses on accounts receivable	(27,465)	(15,773)
	1,310,842	1,371,312

The Company acquired credits receivable from its subsidiaries and the balance on December 31, 2023 is R$ 57,902. At the parent company, these amounts are recorded in the caption "Other receivables", and are recorded "Trade accounts receivable" in the consolidated.

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Changes in the provision for estimated losses:

	Consolidated				
	12/31/2022	Additions	Reversals	Exchange rate change	12/31/2023
Overdue 31–180 days	(1,944)	(5,176)	-	-	(7,120)
Overdue for more than 180 days	(13,829)	(21,935)	14,708	711	(20,345)
Total	(15,773)	(27,111)	14,708	711	(27,465)

The exposure to risks of accounts receivable is presented in Note 20.

7 Inventories

	Consolidated	
	12/31/2023	12/31/2022
Finished goods	230,734	263,163
Work in process	5,631	12,520
Raw materials	287,646	424,121
Maintenance Storeroom	97,102	105,308
Other	15,484	13,006
Provision for losses	(16,902)	(13,195)
	619,695	804,923

Inventories are free of liens and guarantees.

8 Income tax and social contribution

Foreign subsidiaries

Foreign subsidiaries are subject to a 30% income tax rate in Mexico and Argentina, 29.5% in Peru, 30.9% in Germany, 21% in the United States, 28.8% in Italy, 25% in China, 20.6% in Sweden, 19% in England, 25.8% in the Netherlands, 20% in Thailand, 23.2% in Japan, 9% in Hungary and 22% in India, with such rates being levied on taxable income, according to the laws in force in each host country.

The income of subsidiaries abroad are consolidated and subject to taxation rules on universal bases applicable in Brazil, equalizing the differences in rates applied in the several locations where the subsidiaries are located. The Company understands that it

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correctly interprets such legislation and, on the date of these financial statements, there is no ongoing tax discussion.

(a) Recognized deferred tax assets and liabilities

In the consolidated, the recognized deferred income tax and social contribution have the following changes:

	Consolidated				
	12/31/2022	**Additions**	**Translation adjustment**	**Write-offs**	**12/31/2023**
Assets:					
Exchange-rate change	1,412	1,356	-	-	2,768
Other temporary differences	19,558	38,176	(1,250)	(741)	55,743
Tax loss and negative basis	27,181	3,245	(1,989)	(10,869)	17,568
	48,151	42,777	(3,239)	(11,610)	76,079
Liabilities:					
Derivatives	(7,481)	-	461	7,020	-
Exchange-rate change	(25,351)	(18,063)	142	(8)	(43,280)
Assets identified in the acquisition of subsidiaries	(108,314)	(14,569)	7,820	9,623	(105,440)
Depreciation	(13,071)	-	1,484	9,320	(2,267)
Other temporary differences	(10,568)	(44)	14	264	(10,334)
	(164,785)	(32,676)	9,921	26,219	(161,321)
Net deferred taxes	(116,634)				(85,242)
Assets	101,351				83,422
Liabilities	(217,985)				(168,664)
	(116,634)				(85,242)

Management considers that the deferred tax assets arising from temporary differences and tax loss carryforwards will be realized in proportion to the final solution of the events that gave rise to them and in the generation of future taxable income, which were based on projections of taxable income considering several financial and business assumptions at year-end, which are subject to the uncertainties inherent in those forecasts.

(b) Unrecognized deferred tax assets

In addition to the deferred tax assets recorded under item (a) above, certain subsidiaries have amounts of R$ 66,138 (R$ 119,815 on 12/31/2022) of tax losses and R$ 75,917 (R$ 112,824 on 12/31/2022) of negative basis of social contribution in their tax records, not accounted for, and which will be potentially offset against future taxable income and recognized to the extent that the conditions for such recognition are met in accordance with CPC 32 and international standards (IAS 12).

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(c) Reconciliation of income tax and social contribution expenses

The reconciliation between the tax expense as calculated by the combined statutory rates and the income tax and social contribution expense charged to income (loss) is presented below:

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Income (loss) before income tax and social contribution	366,491	865,619	342,969	978,269
Tax incentives - ICMS	-	-	(45,660)	(52,266)
Calculation basis	366,491	865,619	297,309	926,003
Applicable tax rates	(124,607)	(294,311)	(125,416)	(314,434)
Equity in net income of subsidiaries	143,981	298,631	185,384	189,859
Tax loss and negative basis of social contribution - not recognized	(11,192)	(2,436)	(9,763)	(1,677)
Effects from income tax rates for foreign subsidiaries	-	-	(11,846)	(4,730)
Exchange-rate changes	-	-	-	(1,295)
Interest on own capital	(15,079)	-	-	-
Other additions and exclusions, net	6,766	(1,884)	(25,376)	12,553
	124,476	294,311	138,399	194,710
Effect from income tax and social contribution in income (loss)	(131)	-	12,983	(119,724)
Current	(131)	-	(18,409)	(44,515)
Deferred	-	-	31,392	(75,209)
Effective tax rate	-	-	-	12.9%

9 Related parties

The Company's parent company is Terramar Investimentos S.A.

The main balances of assets and liabilities as of December 31, 2023 and 2022, as well as the transactions that influenced the income (loss) of those years, related to transactions with related parties, were performed under specific conditions agreed between the parties and take into account the volumes of operations and the periodicity of the transactions given their characteristics.

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	Parent Company		
Companies	**Dividends / Interest on capital receivable**	**Long-term credits**	**Revenues / (expenses)**
America Ind. e Com. Embalagens S.A.	3,476	19	2,194
Fitesa US LLC	-	2,578	3,586
Crown Embalagens Metálicas da Amazônia S.A.	34,066	-	-
Fitesa Nãotecidos S.A.	35,275	8,834	9,762
Fitesa Peru S.A.C.	-	-	5,802
Fitesa Sweden A.B.	-	14,677	13,108
Fitesa Nonwovens Mexico S.A. de CV	-	733	797
Fitesa Germany GmbH	-	115	85
12/31/2023	72,817	26,956	35,334
12/31/2022	48,283	32,803	49,925

The balance of dividends and interest on own capital receivable refers to the distribution of results declared and not yet paid to the Company.

Long-term credits refer to guarantees granted by the Company to its subsidiaries when raising loans and financing in the financial market.

The operations affecting the statement of income under the Company's revenue and expense headings refer to the collection and payment of surety and the contract for the use of brands by the subsidiary Fitesa Peru.

The amounts of commercial transactions between related parties are immaterial when compared to the totals transacted by the investees with third parties, which is the reason why they are not being presented.

	Consolidated
Company	**Dividends receivable**
Crown Embalagens Metálicas da Amazônia S.A.	34,066
12/31/2023	34,066
12/31/2022	25,908

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10 Recoverable taxes

Recoverable taxes refer to credits arising from the operations of the Company and its subsidiaries, and are described as follows:

	Consolidated			
	12/31/2023		12/31/2022	
	Current	Non-current	Current	Non-current
PIS and COFINS	8,631	7,537	9,640	31,598
ICMS	14,789	15,805	25,007	14,378
IPI	7,083	1,797	8,486	-
IGV - Peru	14,886	-	9,680	-
VAT – Germany, China, Thailand	13,214	-	28,185	-
VAT – Italy, Mexico, Argentina	6,141	-	17,308	-
Other	663	-	1,336	-
	65,407	25,139	99,642	45,976
IRPJ and CSLL	77,009	136,420	77,707	104,210
	142,416	161,559	177,349	150,186

The balances of PIS/COFINS and ICMS are mainly composed of tax credits calculated in the operations of acquisition of goods that are part of property, plant and equipment, arising from recent investments and expansions of installed capacities and also generated in the operations arising from exports, which will be carried out in the usual course of business.

The balance of corporate income tax (IRPJ) and social contribution (CSLL) is composed of tax credits recognized and income tax withholdings on interest earning bank deposits, which are adjusted according to the Selic rate and will be realized in the usual course of business or through requests for reimbursement. Additionally, the IRPJ and CSLL balance comprises the amounts paid in advance and which will be recovered later and tax credits paid by the subsidiaries abroad.

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11 Investments in subsidiaries and joint ventures

Main information:

	Capital	Shareholders' equity (excluding convertible debentures)	Shares or quotas held	Total assets	Total liabilities	Total financial revenues	Income (loss) for the year
(a) Direct subsidiaries							
Fitesa Nãotecidos S.A.	578,294	1,299,212	535,262	6,936,978	3,937,766	5,845,605	(131,257)
Fitesa Germany GmbH	220,415	181,160	1	373,301	192,140	374,848	(8,369)
Petropar Riograndense Ltda.	-	-	-	-	-	-	331
America Ind. Com. de Embalagens S.A.	15,993	43,316	15,993	362,733	319,417	228,389	10,063
(b) Joint Venture							
Crown Embalagens Metálicas da Amazônia S.A.	60,644	1,711,483	44,288	4,754,093	3,042,609	4,969,692	1,090,494

The percentages of interest in the subsidiaries are presented in Note 2, and the Company holds a 50% stake in the joint venture.

Changes in investments in subsidiaries and joint ventures:

	Balance at 12/31/2022	Corporate reorganization and capital decrease	Dividends received / receivable	Other components of the comprehensive income	Equity in net income of subsidiaries	Balance at 12/31/2023
(a) Subsidiaries						
Fitesa Nãotecidos S.A.	1,710,893	-	(41,500)	(238,940)	(131,248)	1,299,205
Petropar Riograndense Ltda.	1,194	(1,525)	-	-	331	-
America Ind. Com. de Embalagens S.A.	38,404		(4,048)	(1,103)	10,063	43,316
Fitesa Germany GmbH	30,264	(8,103)	-	(1,312)	(921)	19,928
	1,780,755	(9,628)	(45,548)	(241,355)	(121,775)	1,362,449
(b) Joint Venture						
Crown Embalagens Metálicas da Amazônia S.A.	752,635	-	(445,566)	3,425	545,247	855,741
	2,533,390	(9,628)	(491,114)	(237,930)	423,472	2,218,190

The balance of other components of comprehensive income mainly refers to the restatement of investments in foreign currency of subsidiaries abroad.

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12 Property, plant and equipment

Breakdown of balances

	Consolidated				
	12/31/2023			12/31/2022	
	Cost	Accumulated depreciation	Net	Net	Annual average depreciation rates (%)
Land	122,265	-	122,265	127,445	
Buildings	1,763,093	(764,862)	998,231	1,075,094	2.51%
Machinery and equipment	7,323,835	(5,339,904)	1,983,931	2,250,423	10.34%
Facilities	247,544	(142,207)	105,337	95,946	10.18%
Furniture and fixtures	46,677	(39,329)	7,348	10,195	19.54%
IT systems and equipment	77,380	(56,300)	21,080	22,595	32.85%
Forestation and reforestation	11,310	(5,967)	5,343	4,910	-
Construction in process	697,821	-	697,821	476,433	-
Other	52,773	(47,367)	5,406	7,582	7.04%
Property, plant and equipment	10,342,698	(6,395,936)	3,946,762	4,070,623	
Usage rights	105,127	(57,912)	47,215	50,713	13.71%
Total	10,447,825	(6,453,848)	3,993,977	4,121,336	

Construction in progress mainly refers to expansion projects at the manufacturing units of the subsidiary Fitesa Nãotecidos S.A. described in Note 1.1.

Rights-of-use refer mainly to real estate and land leases.

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Changes in property, plant and equipment

								Consolidated
	Opening balances	Acquisitions	Additions	Write-offs	Transfers	Translation adjustment	Depreciation and depletion	Closing balances
Land	127,445	-	-	-	-	(5,180)	-	122,265
Buildings	1,075,094	-	1,169	(187)	35,941	(58,922)	(54,864)	998,231
Machinery and equipment	2,250,423	55,011	29,444	(2,830)	147,337	(100,768)	(394,686)	1,983,931
Facilities	95,946	85	8,313	(4)	22,104	(1,544)	(19,563)	105,337
Furniture and fixtures	10,195	8	368	(13)	349	(421)	(3,138)	7,348
IT systems and equipment	22,595	40	1,906	-	4,351	(867)	(6,945)	21,080
Forestation and reforestation	4,910	-	-	(1)	933	-	(499)	5,343
Construction in process	476,433	2,354	471,120	(824)	(211,467)	(39,795)	-	697,821
Other	7,582	-	19,839	(12,124)	552	(5,912)	(4,531)	5,406
Property, plant and equipment	4,070,623	57,498	532,159	(15,983)	100	(213,409)	(484,226)	3,946,762
Right to use (*)	50,713	-	9,920	(1,461)	-	(2,943)	(9,014)	47,215
In 2023	4,121,336	57,498	542.0179	(17,444)	100	(216,352)	(493,240)	3,993,977
In 2022	4,420,880	-	557,255	(29,528)	(90)	(345,063)	(482,118)	4,121,336

(*) Additions to rights of use do not generate a cash effect on the statement of cash flows.

The Acquisitions Column refers to the balances of property, plant and equipment existing in the acquired company mentioned in Note 1.3.

Provision for impairment

As of December 31, 2023 and 2022, the Company and its subsidiaries did not identify indicators that property, plant and equipment, including construction in progress, could be higher than recoverable value.

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13 Intangible assets

Breakdown of balances

	Consolidated				
			12/31/2023	12/31/2022	
	Cost	Accumulated amortization	Net	Net	Annual average rates of amortization (%)
Software	136,530	(95,257)	41,273	54,659	33%
Technology license	84,243	(35,501)	48,742	56,903	6%
Intangible assets identified	28,707	(20,505)	8,202	9,849	20%
Client portfolio	272,615	(94,470)	178,145	179,059	7%
Goodwill based on expected future profitability	247,196	-	247,196	153,284	
	769,291	(245,733)	523,558	453,754	

Changes in intangible assets

	Consolidated							
	Opening balances	Acquisitions	Additions	Write-offs	Transfers	Translation adjustment	Amortization	Closing balances
Software	54,659	-	7,916	-	(100)	(2,612)	(18,590)	41,273
Technology license	56,903	-	-	-	-	(2,695)	(5,466)	48,742
Intangible assets identified	9,849	-	19	(251)	(280)	(233)	(902)	8,202
Client portfolio	179,059	25,959	-	-	-	(7,824)	(19,049)	178,145
Goodwill based on expected future profitability	153,284	101,151	-	-	280	(7,519)	-	247,196
In 2023	453,754	127,110	7,935	(251)	(100)	(20,883)	(44,007)	523,558
In 2022	523,018	-	21,514	-	(33)	(50,627)	(40,118)	453,754

Intangible assets correspond to identified assets and client portfolio, measured at fair value on the acquisition date, from acquisitions of subsidiaries, in addition to the software license and technology acquisition. The amortization of these intangible assets is recorded in the amortization accounts in periods ranging from 3 to 20 years.

The goodwill arising from the acquisition of the subsidiaries is based on the expectation of future profitability, and resulted from the determination and allocation of the fair value of the identifiable assets acquired and liabilities assumed, in accordance with the discounted cash flow method, to the extent of the collaboration thereof in the formation of future revenues of the acquired companies.

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As of December 31, 2023 and 2022, the Company did not identify indicators that intangible assets with defined and undefined useful life could be higher than recoverable value.

14 Loans and financing

			Consolidated			
			12/31/2023		12/31/2022	
	Currency	Contract fee	Current	Non-current	Current	Non-current
In domestic currency						
Working capital		Sundry	1,967	3,441	-	-
Working capital		109% CDI	-	-	505,796	-
Permanent assets		IPCA + 2.45% p.a.	2,942	5,555	-	-
Compensatory interest - debentures		7–13% p.a.	24,374	-	106,685	-
			29,283	8,996	612,481	-
In foreign currency						
Working capital	USD	Libor + 2.35–4.89% p.a.	76,991	54,271	156,903	139,419
Working capital	USD	4.33–5.75% p.a.	96,125	369,542	31,671	320,113
Working capital	EUR	0.17–5.15% p.a.	176,287	369,279	160,555	739,368
Working capital	EUR	Euribor + 1.25–4.00% p.a.	127,168	-	41,105	20,506
Working capital	USD	SOFR + 1.85–2.47% p.a.	22,366	198,720	-	-
Permanent assets	EUR	4.11–4.35% p.a.	103,128	248,467	3,683	361,807
Permanent assets	EUR	Euribor + 0.95–4.98% p.a.	77,254	125,006	117,336	205,118
Permanent assets	USD	Libor + 1.8–5.35% p.a.	29,638	50,828	59,841	86,215
Permanent assets	USD	1.96–4.96% p.a.	49,994	556,368	46,985	441,790
Permanent assets	THB	MLR (THAI) + -1.92 to -2.07% p.a.	18,416	167,670	19,677	178,254
			777,367	2,140,151	637,756	2,492,590
			806,650	2,149,147	1,250,237	2,492,590

Loans and financing had the following changes during the year 2023:

	Consolidated							
	Balance at December 31, 2022	Funding	Payments of loans	Payments of interest	Appropriated exchange-rate change	Recognized interest	Translation adjustment	Balance at December 31, 2023
Loans and financing	3,742,827	598,586	(1,133,516)	(481,517)	(54,035)	395,588	(112,136)	2,955,797

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The long-term amounts have the following reimbursement schedule:

	Consolidated	
Year	**12/31/2023**	**12/31/2022**
2024	-	657,508
2025	670,777	640,882
2026	571,447	481,337
2027	357,750	267,388
>2027	549,173	445,475
	2,149,147	2,492,590

The following guarantees were granted to the loans and financing:

	Consolidated	
	12/31/2023	**12/31/2022**
Mortgage of real estate	172,372	197,575
Lien of assets	207,553	360,287
Surety	2,146,825	2,950,839
Promissory notes	1,002,535	1,242,174
Other	-	404,627

Financing of permanent assets is basically earmarked for the acquisition of several new non-woven lines and other equipment.

Contract clauses: *covenants*

Some financing contracts of subsidiaries, whose balances totaled on 12/31/2023, R$ 2,138,402, have clauses that determine maximum levels of indebtedness (net financial debt/Ebitda), debt service coverage (Ebitda/debt service), and financial expenses coverage (EBITDA/net financial expense) for the fiscal year-end.

In case of noncompliance with the covenants, there is no early maturity (default events) and the penalty will be the restriction of payment of dividends and/or capital decrease. All financial covenants were complied with on 12/31/2023.

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15 Provision and judicial deposits

	Parent Company		Consolidated	
	12/31/202	12/31/202		
Nature	**3**	**2**	**12/31/2023**	**12/31/2022**
Provision for risks				
Labor proceedings	-	-	3,188	8,388
Tax lawsuits	103,401	96,779	104,497	97,645
Non-current	103,401	96,779	107,685	106,033

a) Provision for risks

The Company and its subsidiaries are parties in judicial actions and administrative proceedings before courts and governmental bodies, arisen out of the ordinary course of operations, involving tax, labor matters, and others.

The management, based on information from its legal advisors, an analysis of the outstanding legal proceedings, and in respect of labor claims previous experience with regards to amounts claimed, management recorded provision for tax and labor liabilities in an amount considered sufficient to cover estimated probable losses from the current lawsuits.

In the tax lawsuits, the main amount is derived from the provision for IRPJ/CSLL, updated by inflation adjustment in the amount of R$ 103,401 as of December 31, 2023, on indemnity interest associated with the portion of the receipt of the judicial agreement by the Company, aimed at non-enforceability of taxation, deposited in court. There were no new provision in 2023, only restatement for inflation adjustment.

b) Possible losses

The tax proceedings refer to administrative discussions regarding offset of IRPJ/CSLL credits, fines for non-approved offsets, as well as non-approved requests for PIS/COFINS and IPI reimbursements, as well as the levy or not of IRPJ/CSLL, totaling R$ 13,338. Other lawsuits totaling R$ 6,304 are related to labor claims.

In relation to such cases, considering the phase in which they are and the risk assessment classified as "possible," no provision for losses was recorded.

c) Judicial deposits

The main judicial deposits refer to the lawsuit seeking the non-enforceability of the taxation on indemnity interest mentioned in item (a) above.

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	Parent Company		Consolidated	
Nature	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Labor lawsuits	-	-	1,741	1,409
Tax lawsuits	103,443	96,820	103,771	98,794
Non-current	103,443	96,820	105,512	100,203

16 Leases payable

As of December 31, 2023, the leasing liability consolidated balances of the lease agreements referring to land, real estate and other are:

	Consolidated
Balance at 12/31/2022	45,640
Additions	9,920
Recognized interest	1,973
Interest paid	(1,973)
Payment of rent	(11,384)
Translation adjustment	(1,602)
Balance at 12/31/2023	42,574
Current liabilities	13,479
Non-current liabilities	29,095

The discount rates adopted by the Company and its subsidiaries used to calculate the adjustment to present value of the lease liabilities consider the rates applicable to the countries where the subsidiaries are headquartered and range from 1.1% to 13.93%, depending on the country where the assets are located.
The Company and its subsidiaries do not act as lessors in any lease agreement.

17 Employee benefits

The subsidiary Fitesa has post-employment benefit plans for qualified employees in its investees in the United States, Germany, Italy, Mexico and Thailand, whose actuarial obligations are valued at present value, as shown below:

Notes to the financial statements

(In thousands of reais, unless otherwise indicated)

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		Consolidated	
Country	**Description of plans**	**12/31/2023**	**12/31/2022**
Germany	Premium for length of service	623	617
Germany	Pension plan	13,082	14,179
Italy	Premium for length of service	5,003	5,649
Mexico	Pension plan	679	642
Mexico	Premium for length of service	453	409
Mexico	Premium for dismissal without cause	3,510	2,892
USA	Healthcare plan (post-retirement)	-	527
Thailand	Pension plan	6,258	7,156
	Total	29,608	32,071
	Current	1,843	1,698
	Non-current	27,765	30,373

Pension plans in Germany, Mexico and Thailand fall within the concept of defined benefit plans; the plan in Italy and the post-retirement health care plan United States are closed to new members, following active employees accumulating benefits. Fitesa does not have an independent fund established.

The actuarial valuation of the benefit plans was made on December 31, 2023, using appropriate assumptions for that date and updated data on beneficiaries for each of the plans separately, and Fitesa is fully liable for the actuarial risks.

The main assumptions used for actuarial calculation were:

	Consolidated	
	12/31/2023	**12/31/2022**
Discount rate (average)	4.73%	4.65%
Inflation (average)	2.48%	2.82%
Salary adjustment (Mexico)	5.00%	5.00%
Salary adjustment (Thailand)	4.70%	4.70%
Increase in benefit payments (Germany)	2.10%	2.60%
Increase in benefits (Italy)	3.10%	3.50%

Changes in employee benefit obligations are as follows:

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	Consolidated	
	12/31/2023	**12/31/2022**
Opening balance	32,071	42,896
Cost on plans (current year)	2,098	2,859
Benefits paid	(2,886)	(3,651)
Actuarial (losses) gains	(592)	(5,573)
Exchange rate changes in plans abroad	(1,083)	(4,460)
Employee benefits	**29,608**	**32,071**

18 Tax incentives

Refer to the following incentives, which, for reporting purposes, are considered in the consolidated in net sales revenue or in cost in the case of ICMS (sales tax), and in the income tax line, in the case of IRPJ (corporate income tax), when coming from subsidiaries or in equity in net income of subsidiaries originating from the joint venture.

(a) Value-added tax on sales and services (ICMS) recorded in the tax reporting month of the subsidiaries and joint venture and recognized by the parent company using the equity accounting method, consolidated as of December 31, 2023, totaled R$ 183,046 (R$ 201,825 as of December 31, 2022).

The subsidiary Fitesa Nãotecidos S.A. has a Term of Agreement with the Department for Development and Investment (SDPI) of the State of Rio Grande do Sul, through the Fundopem/Integrar Program, which came into effect on 07/01/2021 with a duration of 90 months and includes a reduction in the monthly incremental ICMS due. Additionally, it enjoys deemed ICMS credit in accordance with RICMS/RS provided for in item CXXXV of art. 32, Book I and ICMS Granted in accordance with State Decree / SP 62,560 provided for in item II of art. 52 of Annex II of RICMS/SP. The subsidiary and application in consumer products in the hygiene, cleaning, and beauty segments., headquartered in Rio Grande do Sul, enjoys an ICMS tax incentive, through the use of ICMS tax credit, under the terms of State Decree 55392 of 2020.

The joint venture Crown Embalagens Metálicas da Amazônia S.A. enjoys, in its operations at its unit in Manaus, the ICMS tax incentive granted by the Amazonas State Development Council (CODAM), represented by a reduction of the percentage of the tax owed; it has an ICMS tax incentive granted by the Sergipe Industrial Development Program (PSDI), represented by a reduction of the percentage of tax owed at the unit in Estância-SE, with this benefit expiring in 2034; it uses an ICMS tax incentive granted by Piauí State Industrial Development Fund (FUNDIPI) represented by the presumed ICMS credit at its plant in Teresina-PI, expiring in 2033; is a beneficiary of ICMS tax incentive at the Rio Verde - GO plant through the Pró Goiás Program, which has a reduction in the percentage due on own operations, falling due in 2032. At the Uberaba-MG plant, it has an ICMS tax incentive granted by the State Department of Minas Gerais, represented by ICMS deferral in its production operations. Despite the aforementioned terms being the

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ones granted by each State, Complementary Law 160/2017 provides for that all incentives will cease in December 2032, except those granted to establishments located in the Manaus Free Trade Zone.

(a) Corporate income tax (IRPJ): The joint venture Crown Embalagens Metálicas da Amazônia S.A. has, in its unit in Manaus-AM, reduced the calculation base of Import Tax and exemption from the Industrialized Products Tax, as well as the reduction of the calculation basis of Income Tax granted by the Superintendency of Development for the Amazon - SUDAM, with this benefit expiring in 2032, and also has a reduction in the income tax calculation base granted by the Northeast Development Superintendency (SUDENE), with this benefit expiring in 2026 in the Teresina-PI unit and 2029 in the Estância-SE unit. These incentives can be renewed depending on the investments made in the plant after the last incentive granted.

19 Shareholders' equity

a. Capital

Company's capital totals R$ 759,851, comprised of 16,020,849 shares, and 5,872,569 are common shares and 10,148,280 are preferred shares, with no voting right, nominative and with no par value.

b. Capital reserves

- *Company's convertible debentures*

  In 2018 and 2022, respectively, the 2nd and 3rd issue of debentures convertible into shares were approved, with the following characteristics and conditions:

  Maturity date: December 12, 2028 (2nd issue) and May 13, 2032 (3rd issue).

  Issue amount: R$ 500,000 (2nd issue) and R$ 200,000 (3rd issue), totaling 700,000 debentures with a unit value of R$ 1.

  Convertibility: the debentures are convertible into common and preferred shares, respecting the proportionality of the Issuer's common and preferred shares. The conversion shall occur at any time, at the issuer's sole discretion, and/or if there is a declaration of early maturity. Shares will have the same characteristics and will enjoy the same rights and advantages as the other common and preferred shares of the Issuer, under the terms of its bylaws, as well as any rights resolved in corporate acts by the Issuer on a date prior to the conversion date, including referring to dividends that may be approved and paid as of the conversion date.

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The 2nd issue debentures will be convertible into 1,842,682 common shares and 3,184,306 preferred shares. The 3rd issue of debentures will be convertible into 382,580 common shares and 661,130 preferred shares.

Remuneration: the 2nd Issue of debentures will be remunerated at fixed interest rate corresponding to 7% per annum, due in June and December; the 3rd issue of debentures will be remunerated by fixed interest corresponding to 11% per annum, due in February, May, August and November.

Prepaid redemption: the Issuer may, in its sole discretion and at any time, redeem all of the debentures in advance.

Optional amortization: the debentures may, at the issuer's discretion and at any time, be subject to optional amortization, which shall proportionally cover all debentures, and shall, in any event, be limited to 98% of the balance of unit nominal value of debentures.

Considering its characteristics and the criteria regarding convertibility of shares applicable to these issuances, the Company recognized the principal value of the debentures in a specific account in shareholders' equity and its remuneration in current liabilities.

- *Convertible debentures of subsidiary*

  In 2022 and 2023, the 1st and 2nd issue of debentures convertible into shares of Fitesa Nãotecidos S.A. were approved, with the following characteristics and conditions:

  Maturity date of the 1st Issue: March 09, 2032 (1st series) and May 18, 2032 (2nd series); and 2nd issue (single series): January 27, 2033.

  Amount of issues: 1st issue, R$ 400,000 (1st series) and R$ 800,000 (2nd series), and 2nd Issue, R$ 500,000 totaling 1,700,000 debentures with an unit value of R$ 1,000.

  Convertibility: debentures are convertible into common shares. The conversion shall occur at any time, at the issuer's sole discretion, and/or if there is a declaration of early maturity. Shares will have the same characteristics and will enjoy the same rights and advantages as the other common shares of the Issuer, under the terms of its bylaws, as well as any rights resolved in corporate acts by the Issuer on a date prior to the conversion date, including referring to dividends that may be approved and paid as of the conversion date. The debentures of the 1st and 2nd Issue will be convertible into 417,749,611 common shares.

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Remuneration: the debentures of the 1st and 2nd issues are remunerated by fixed interest corresponding to 11% and 13% per annum, respectively, due in the months of February, May, August and November of each year.

Prepaid redemption: the Issuer may, in its sole discretion and at any time, redeem all of the debentures in advance.

Optional amortization: at any time on the issue date, which shall proportionally cover all the debentures, and shall, under any circumstances, be limited to 98% of the balance of the unit face value of the debentures.

Considering its characteristics and the criteria regarding convertibility of shares applicable to these issuances, the Company recognized the principal value of the debentures in a specific account in shareholders' equity as non-controlling interest and its remuneration in current liabilities.

- *Goodwill in the acquisition of subsidiaries' shares*

The surplus value on the acquisition of capital in a subsidiary is taken into account.

c. Profit reserves

- *Legal reserve*

The legal reserve is set up at the rate of 5% of the net income determined in each fiscal year, pursuant to article 193 of Law 6404/76 up to the limit of 20% of the capital.

- *Reserve for investments and working capital*

Established according to article 27, paragraph one of the Bylaws, formed based on the balance of adjusted profit after deducting the mandatory dividends, and may not exceed, together with the legal reserve, the value of the capital.

d. Equity valuation adjustment

i) Revaluation reserve

It is formed as a result of the revaluations of property, plant and equipment of subsidiaries, based on an appraisal report prepared by independent appraisers, carried out by depreciation or write-off of evaluated assets against retained earnings.

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ii) Other comprehensive income

The effects of exchange rate changes on investments in subsidiaries abroad and the actuarial gains/losses on post-employment benefits are considered under this heading.

e. Dividends and interest on own capital

According to the By-laws, each year the shareholders will receive a minimum dividend of 30% from net income, calculated under the Corporation Law.

	12/31/2023	12/31/2022
Net income for the year	366,360	865,619
Legal Reserve - 5%	(18,318)	(43,281)
Realization of revaluation reserve	158	241
Basis of calculation for dividends	348,200	822,579
Percentage of application for dividends	30%	30%
Minimum compulsory dividends	**104,460**	**246,774**
Distribution of supplementary dividends	1,230	560,658
Proposed distribution of dividends	**105,690**	**807,432**
Dividends per share	6.60	50.40

The Board of Directors' meetings in 2023 approved, subject to ratification by the Shareholders' Meeting to be convened at the right time, the distribution of R$ 105,690, as dividends, paid in the year due to income (loss) for the year.

20 Financial instruments

Derivatives

The Company, by means of its subsidiaries carry out operations with derivative financial instruments. The management of these instruments is done through operating strategies and internal controls, aimed at assuring liquidity, profitability and security. The contracting of financial instruments with the objective of offering protection is performed by means of a periodic analysis of the risk exposure that Management intends to cover (exchange rate, interest rate, etc.). The control policy consists of permanent follow-up of the conditions engaged versus those in force in the market.

The subsidiary Fitesa Simpsonville Inc. has a cash flow swap for financing agreements in US dollars, with index linked to the LIBOR rate plus fixed interest of 1.8% p.a. for the same currency plus fixed interest of 2.81% p.a.

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The current position with respect to derivatives contracts is as follows:

		Consolidated					
		Recognized amount					
Swap contracts	Index	Reference value		In the income (loss)		Amount receivable (payable), net	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Interest rate swap - liability position	2.81%	126,661	135,780	2,430	644	17,211	21,984

The operations of the Company and of its subsidiaries are subject to the risk factors described below:

Credit risk

It results from the possibility of the Company and its subsidiaries incurring losses arising out of default of their counterparties or financial institutions depository of resources or financial investments. To mitigate these risks, the Company and its subsidiaries adopt as a practice the analysis of the financial situation of their counterparties, as well as the definition of credit limits and permanent monitoring of open positions. As regards financial institutions, the Company and its subsidiaries only conduct operations with low risk financial institutions and no concentration of funds in one or few institutions.

The book values of financial assets classified as loans and receivables represent the maximum credit exposure. The maximum credit risk exposure on financial statement date was:

	Consolidated	
	12/31/2023	12/31/2022
Cash and cash equivalents	679,928	792,339
Trade accounts receivable	1,310,842	1,371,312
Total	1,990,770	2,163,651

Maximum exposure to credit risk for receivables between domestic and foreign markets is as follows:

	Consolidated	
	12/31/2023	12/31/2022
National	347,127	330,847
Abroad	963,715	1,040,465
Total	1,310,842	1,371,312

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The breakdown of receivables by maturity in the financial statements was as follows:

	Consolidated			
	Accounts receivable 12/31/2023	**Provision for estimated losses 12/31/2023**	**Accounts receivable 12/31/2022**	**Provision for estimated losses 12/31/2022**
Falling due	1,224,217	-	1,294,059	-
Overdue for 1–30 days	53,159	-	48,590	-
Overdue 31–180 days	40,585	(7,119)	30,608	(1,944)
Overdue for more than 180 days	20,346	(20,346)	13,828	(13,829)
	1,338,307	(27,465)	1,387,085	(15,773)

Liquidity risk

Liquidity risk is the risk of the Company and its subsidiaries encountering difficulties in performing the obligations associated with its financial liabilities that are settled with cash payments or with another financial asset.

We present below the contractual maturities of financial liabilities including payment of estimated interest up to the final maturity date of liabilities:

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	Consolidated					
December 31, 2023	**Book value**	**Contractua l cash flow**	**12 months**	**2 years**	**3 years**	**4 years or more**
Non-derivative financial liabilities						
Loans and financing	2,955,797	4,927,999	1,082,199	937,583	818,026	2,090,191
Suppliers	466,271	466,271	466,271	-	-	-
Leases payable	42,574	72,586	38,200	6,457	5,847	22,082
Derivative financial liabilities						
Currency rate swap used to hedge	(17,211)	(17,211)	(17,211)	-	-	-
Total	3,447,431	5,449,645	1,569,459	944,040	823,873	2,112,273

Price risk of goods sold or produced or of input acquired

It results from the possibility of market oscillation of the price of products marketed or produced by the Company's subsidiaries and of other input used in the production process. These price fluctuations may cause substantial alterations in the Company's revenues and costs of these subsidiaries and in the equity in net income of subsidiaries of the Company. In order to mitigate these risks, the Company and its subsidiaries permanently monitor local and international markets, seeking to anticipate price changes; in a significant portion of its sales, there are contracts with customers that have clauses regulating transfers to the product price resulting from fluctuations in prices of the main raw materials and production inputs.

Exchange rate risk

Result from the possibility of oscillations of the exchange rates of foreign currencies used by the Company and its subsidiaries for the acquisition of inputs, the sale of products and the contracting of financial instruments. Due to its volume of exports, the maintaining of investments in subsidiaries abroad, and also due to the fact that a significant portion of sales have contracts with customers with contractual clauses regulating transfers to the price of products resulting from fluctuations in the prices of the main raw materials and regulating the transfer of exchange rate fluctuations, the Company and its subsidiaries have natural protection against their liabilities in US dollars and Euros, maintaining constant monitoring of inflows and outflows in foreign currency in order to avoid exposure. In addition to hedge these fluctuations, the Company permanently assesses the contracting of hedge operations to mitigate these risks.

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Foreign exchange exposure – On financial instruments

The actual exposure to currency risk different from the one where the operations are and consequently cash generation is presented below, based on nominal values expressed in foreign currency:

	Consolidated	
	12/31/2023	
	US$ (thou.)	Euro (thousand)
Accounts receivable	16,841	-
Cash and cash equivalents	10,685	6,592
Loans and financing	(164,762)	(188,499)
Suppliers	(146)	40,844
Net balance sheet exposure	(137,382)	(141,063)

The following exchange rates were applied during the year:

	Spot rate on the date of financial statements	
	12/31/2023	12/31/2022
US$ (USD)	4.84	5.22
€	5.35	5.57

Sensitivity analysis - on financial instruments

The bases used for projecting effects on exchange rate devaluation consider only those instruments effectively exposed to the changes between the currency of the instrument and the functional currency of the Company and its subsidiaries.

A reasonably possible change of the reais against the currencies US$ and euro, as of December 31, would have affected the measurement of the financial instruments denominated in foreign currency and affected the shareholders' equity and the income (loss) by the amounts shown below. The analysis considers that all the remaining variables, especially interest rates, will be constant and any impact in forecast of sales and purchase will be ignored. Other foreign currencies are used in other countries where subsidiaries operate and substantial changes that could affect shareholders' equity and results are not expected.

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	Consolidated
December 31, 2023	**Changes in income (loss) for the year**
USD rate (3.28% change)	(21,803)
EUR rate (3.28% change)	(24,746)

The subsidiary Fitesa Sweden has loans in US Dollars and Euros that generate exchange rate risks in relation to its functional currency, which is the Swedish Krona.

Interest rate risk

Results from the possibility of the Company and its subsidiaries suffering losses arising from oscillations of interest rates levied on their financial assets and liabilities. Aiming to mitigate this kind of risk, the Company maintains a permanent follow-up of the market and may decide, under certain circumstances to carry out hedge operations to lock the financial cost of the operations.

On the dates of consolidated financial statements, the profile of financial instruments remunerated through Company's interests was:

	Consolidated	
	Book value	
	12/31/2023	**12/31/2022**
Fixed rate instruments		
Interest earning bank deposits	247,064	49,173
Loans and financing	1,990,021	2,157,482
Variable rate instruments		
Interest earning bank deposits	233,638	151,267
Loans and financing	965,776	1,585,344

Cash flow sensitivity analysis for variable rate instruments

A change of 10 percentage points in the interest rate base, on the date of the consolidated financial statements, would have impacted, before the corresponding income tax effects, and the income (loss) for the year in accordance with the amounts shown below. The analysis considers that all the remaining variables, especially regarding foreign currency, are kept constant.

Cash flow sensitivity analysis	**Shareholders' equity and income (loss) for the year**	
	12/31/2023	**12/31/2022**
Change in interest rate on financing	4,452	6,665
Change in interest rate on interest earning bank deposits	3,000	2,341

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Capital structure risk (or financial risk)

Results from the choice between own capital (capital contributions and profit retention) and third party capital that the Company and its subsidiaries make to finance its operations. To mitigate liquidity risks and optimize capital weighted average cost, the Company and its subsidiaries permanently monitor indebtedness level in accordance with market standards and index compliance ("covenants") provided for in loan contracts. Under certain circumstances hedge operations are carried out to avoid fluctuations in the financial cost of the operations.

Fair value

The following table shows the book and fair values of financial assets and liabilities, including their fair value hierarchy. It does not include information on the fair value of financial assets and liabilities not measured at fair value if the book value is a reasonable approximation of fair value.

	Consolidated			
	12/31/2023		12/31/2022	
	Book value	Fair value	Book value	Fair value
Assets measured at amortized cost				
Cash and cash equivalents	679,928		792,339	
Trade accounts receivable	1,310,842		1,371,312	
Assets measured at fair value				
Derivative financial instruments (interest and currency swap)	17,211	17,211	21,984	21,984
Liabilities measured by the amortized cost				
Loans and financing	2,955,797		3,742,827	
Suppliers	466,271		532,935	
Leases	42,574		45,640	

The fair value that is determined for disclosure purposes is calculated based on the present value of principal and future cash flows, discounted at market interest rate on the date of presentation of the consolidated financial statements. The interest rates used to discount estimated cash flows, when applicable, are based on the government bonds' yield curve on the date of consolidated financial statements.

The estimated fair value for derivative financial instruments contracted by the Company and its subsidiaries was determined by information available in the market and specific valuation methodologies and classified as Level 2 in fair value hierarchy. However, judgment was required in the interpretation of the market data to produce the estimate of the fair value of each operation.

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	Consolidated	
	12/31/2023	12/31/2022
(i) Revenues		
Total revenue from reportable segment	5,845,605	7,172,818
Revenue from other segments	228,389	159,807
Consolidated revenue	**6,073,994**	**7,332,625**

(ii) Income before income tax and social contribution

Total income before taxes of reportable segment	(199,046)	436,010
Income before taxes from other segments	542,015	542,259
Consolidated income before income tax and social contribution from continued operations	**342,969**	**978,269**

	12/31/2023	12/31/2022
(iii) Assets		
Total assets of reportable segment	6,936,978	7,901,907
Assets from other segments	1,656,568	1,107,903
Total assets – consolidated	**8,593,546**	**9,009,810**
(iv) Liabilities		
Total liabilities of reportable segment	3,804,946	4,744,969
Liabilities from other segments	342,087	238,187
Total liabilities – consolidated	**4,147,033**	**4,983,156**

For purposes of decision-making, the Company's management actively manages sales revenues through analysis of sales by business of its subsidiaries, with the following segregation:

	12/31/2023			12/31/2022		
Business segments	**Nonwoven**	**Other**	**Consolidated**	**Nonwoven**	**Other**	**Consolidated**
Latin America	1,717,943	228,389	1,946,332	2,038,593	159,807	2,198,400
United States	1,584,696	-	1,584,696	2,109,336	-	2,109,336
Europe and China	2,189,410	-	2,189,410	2,611,517	-	2,611,517
Southeast Asia	353,556	-	353,556	413,372	-	413,372
Total revenue by industry	**5,845,605**	**228,389**	**6,073,994**	**7,172,818**	**159,807**	**7,332,625**

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22 Sales revenue

	Consolidated	
	12/31/2023	12/31/2022
Gross revenue from sales	6,400,992	7,673,099
Sales tax	(301,720)	(305,647)
Refunds and rebates	(25,278)	(34,827)
Net sales	6,073,994	7,332,625

23 Expenses per type

The costs of products sold and sales and administrative expenses in the years ended December 31, 2023 and 2022 are as follows:

	Consolidated	
	12/31/2023	12/31/2022
Raw materials and consumption materials	3,308,501	4,405,216
Personnel expenses	868,198	785,649
Depreciation and amortization	537,247	522,236
Transport expenses	192,733	243,175
Electricity expenses	366,851	295,163
Other expenses	435,169	505,747
Costs of products sold, sales expenses and administrative expenses	5,708,699	6,757,186

The expenses of the parent company were not reported because they are immaterial.

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24 Financial revenues and expenses

	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Interest earning bank deposits	9,976	9,301	26,932	12,939
Revenues from interest on own capital	-	23,359	-	-
Restatement of tax credits	503	502	503	7,422
Other financial revenues	-	22	1,640	357
Net exchange rate change	-	1,574	39,244	138,547
Interest on financing	(3,477)	(9,761)	(250,209)	(163,451)
Interest on convertible debentures	(56,624)	(47,819)	(239,553)	(139,608)
Other financial expenses	(648)	(610)	(44,748)	(5,694)
Net financial income (loss)	(50,270)	(23,432)	(466,191)	(149,488)

Net exchange rate changes are mainly due to loans with customers abroad and loans and financing raised in several operation geographies of companies and in a currency different from their functional currency.

25 Earnings per share

In accordance with CPC 41 - Earnings per share (IAS 33), the table below shows the reconciliation of net income for the year with amounts used to calculate basic and diluted net earnings per share.

	Consolidated	
	12/31/2023	12/31/2022
Net income for the year	366,360	865,619
Weighted average number of common and preferred shares issued	16,020,849	16,020,849
Weighted average number of common and preferred shares considering dilutive effects	22,091,547	21,775,380
Basic earnings per share - in reais (R$)	22.87	54.03
Diluted earnings per share - in reais (R$)	16.58	39.75

The Company has a class of potential diluted common and preferred shares that refers to convertible debentures. For these debentures, a calculation is made considering the conversion into shares on the closing date. The number and category of shares to be converted is disclosed in Note 19.

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21 Operating segments

a. Basis for segmentation

The Company considers that its reportable segment is the Nonwovens segment. This segment offers a single product whose application is used in the sanitary disposable industries (mainly disposable diapers and sanitary napkins), medical disposable products (surgical caps and aprons, masks and cleaning and disinfection wipes) and industrial applications (mattresses, furniture, footwear, agriculture, packaging, etc.).

The Nonwovens segment, regardless of product application, is managed in a unified manner, including industrial management.

Other operations include the production of rigid plastic packaging and the cultivation and sale of wood, pursuant to Note 1 – Operations. None of these operating segments reached any of the quantitative thresholds to be included as a reportable segment in 2023 or 2022. There are no integration levels between these operations and the reportable segment.

b. Reconciliation of information on reportable segments with the amounts reported in the financial statements: