

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
KLABIN OVERSEAS LIMITED



Fuller & Roper Limited
Chartered Accountants and Statutory Auditors
12 Old Mills Industrial Estate
Paulton
BS39 7SU



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for the Year Ended 31 December 2018

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KLABIN OVERSEAS LIMITED
COMPANY INFORMATION
for the Year Ended 31 December 2018

DIRECTORS: Cristiano Cardoso Teixeira
Sandro Fabiano Avila

SECRETARY: Vistra Cosec Limited

REGISTERED OFFICE: 3 Station Road
Borough Green
Sevenoaks
Kent
TN15 8ER

REGISTERED NUMBER: 05270295 (England and Wales)

AUDITORS: Fuller & Roper Limited
Chartered Accountants and Statutory Auditors
12 Old Mills Industrial Estate
Paulton
BS39 7SU



REPORT OF THE DIRECTORS
for the Year Ended 31 December 2018

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of holding an interest in a partnership.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2018.

DIRECTORS

Cristiano Cardoso Teixeira has held office during the whole of the period from 1 January 2018 to the date of this report.

Other changes in directors holding office are as follows:

Eduardo De Toledo - resigned 26 November 2018

Sandro Fabiano Avila - appointed 26 November 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

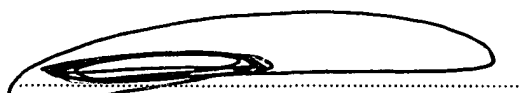
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Fuller & Roper Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


Cristiano Cardoso Teixeira - Director

Date: 26/9/19



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
KLABIN OVERSEAS LIMITED**

Opinion

We have audited the financial statements of Klabin Overseas Limited (the 'company') for the year ended 31 December 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). The previous years financial statements were unaudited.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

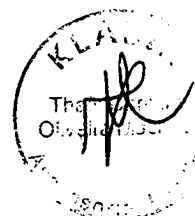
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
KLABIN OVERSEAS LIMITED

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



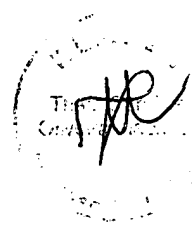
Simon Roper (Senior Statutory Auditor)
for and on behalf of Fuller & Roper Limited
Chartered Accountants and Statutory Auditors
12 Old Mills Industrial Estate
Paulton
BS39 7SU

Date: 26/9/19



INCOME STATEMENT
for the Year Ended 31 December 2018

	Notes	2018 \$	2017 as restated \$
TURNOVER		-	-
Other operating income		<u>(947)</u>	<u>(45,888)</u>
OPERATING LOSS and LOSS BEFORE TAXATION		(947)	(45,888)
Tax on loss	3	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(947)</u>	<u>(45,888)</u>



OTHER COMPREHENSIVE INCOME
for the Year Ended 31 December 2018

	Notes	2018 \$	2017 as restated \$
LOSS FOR THE YEAR		(947)	(45,888)
OTHER COMPREHENSIVE INCOME		<u> </u>	<u> </u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u> </u> <u>(947)</u>	<u> </u> <u>(45,888)</u>

The notes form part of these financial statements



BALANCE SHEET
31 December 2018

	Notes	2018 \$	2017 as restated \$
FIXED ASSETS			
Investments	6	50	50
CURRENT ASSETS			
Debtors	7	246,679	250,116
CREDITORS			
Amounts falling due within one year	8	-	(2,490)
NET CURRENT ASSETS		<u>246,679</u>	<u>247,626</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>246,729</u>	<u>247,676</u>
CAPITAL AND RESERVES			
Called up share capital	9	1,000	1,000
Retained earnings	10	<u>245,729</u>	<u>246,676</u>
SHAREHOLDERS' FUNDS		<u>246,729</u>	<u>247,676</u>

The financial statements were approved by the Board of Directors on 26/9/19 and were signed on its behalf by:


Cristiano Cardoso Teixeira - Director



STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 December 2018

	Called up share capital \$	Retained earnings \$	Total equity \$
Balance at 1 January 2017	1,000	292,564	293,564
Changes in equity			
Total comprehensive income	-	(45,888)	(45,888)
Balance at 31 December 2017	<u>1,000</u>	<u>246,676</u>	<u>247,676</u>
Changes in equity			
Total comprehensive income	-	(947)	(947)
Balance at 31 December 2018	<u>1,000</u>	<u>245,729</u>	<u>246,729</u>

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2018

1. **STATUTORY INFORMATION**

Klabin Overseas Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the US Dollar (\$).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors, and loans from fellow group companies are initially recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are initially recognised at transaction price.

Foreign currencies

Assets and liabilities in foreign currencies are translated into dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into dollars at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

3. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 December 2018 nor for the year ended 31 December 2017.

4. **PRIOR YEAR ADJUSTMENT**

The prior year's financial statements have been amended to change the presentation of the amount receivable from the partnership in which the company is a partner, as an other debtor rather than a trade debtor to better reflect the nature of this balance. The adjustment has had no effect on the loss for the year, or the net assets of the company.

5. **AUDITORS REMUNERATION**

Auditors remuneration of \$3,065 has been borne by a related party.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 20186. **FIXED ASSET INVESTMENTS**

	Unlisted investments \$
COST	
At 1 January 2018	
and 31 December 2018	50
NET BOOK VALUE	
At 31 December 2018	50
At 31 December 2017	50

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017 as restated
	\$	\$
Other debtors	246,679	250,116

Other debtors represents an amount owed by the limited partnership in which the company is a limited partner, in respect of accumulated profits.

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017 as restated
	\$	\$
Tax	-	2,490

9. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2018	2017 as restated
Number:	Class:	Nominal value:		
100	Ordinary	\$10	1,000	1,000

10. **RESERVES**

	Retained earnings \$
At 1 January 2018	246,676
Deficit for the year	(947)
At 31 December 2018	245,729

11. **ULTIMATE CONTROLLING PARTY**

The company is a wholly owned subsidiary of Klabin SA, a company incorporated in Brazil and listed on the Sao Paulo stock exchange. The directors are of the opinion that this is no ultimate controlling party.

