

4Q21

# Institutional Presentation

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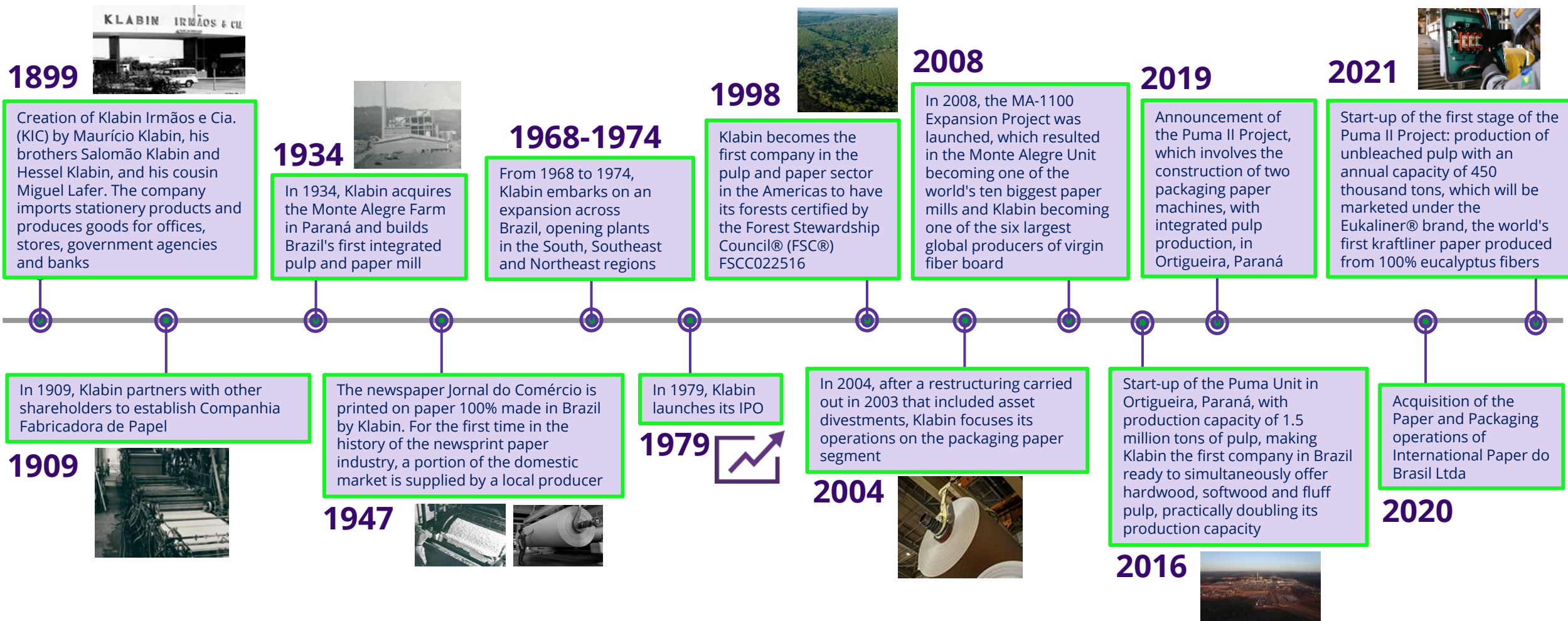


# Introduction

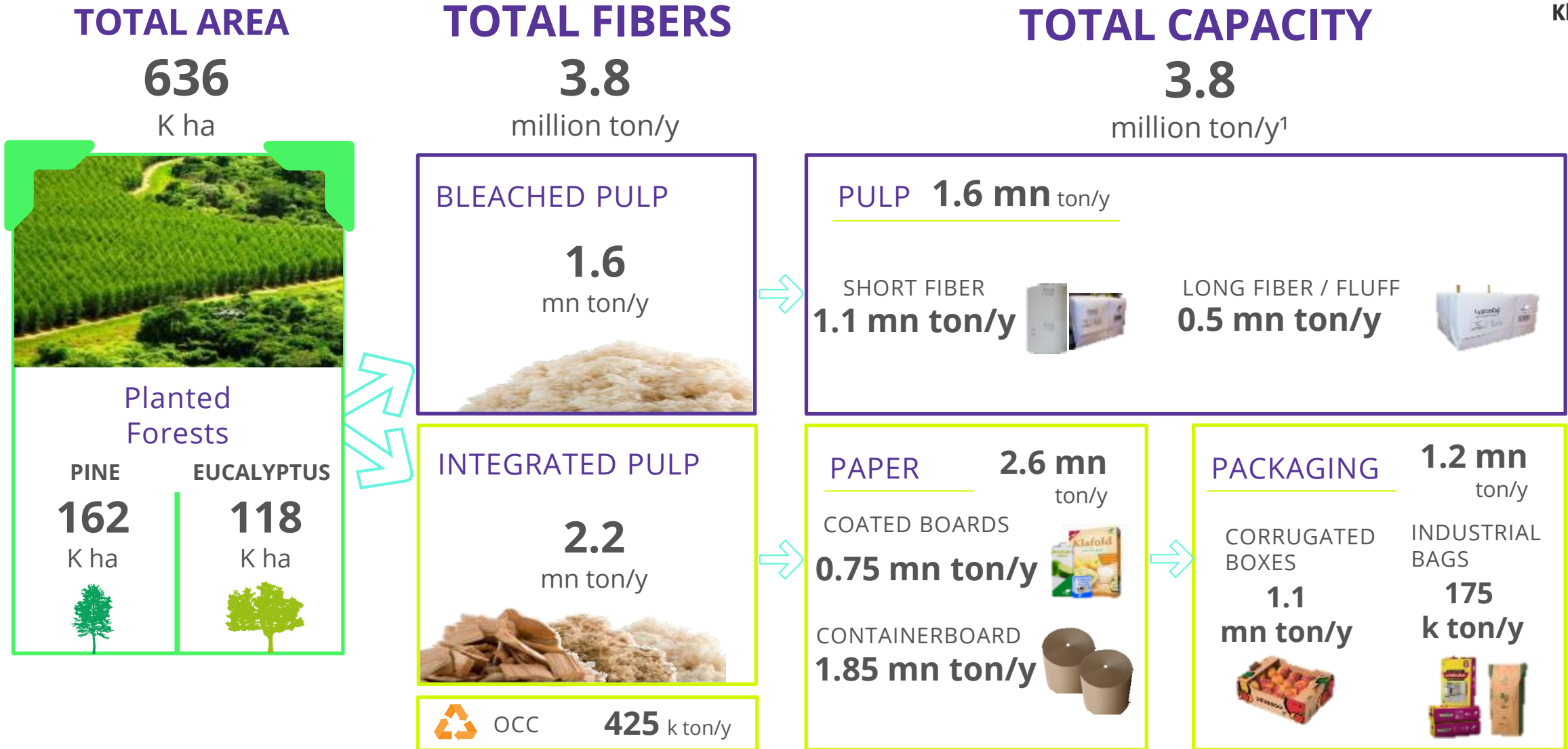


# → Timeline

## Klabin's 122 Years of History



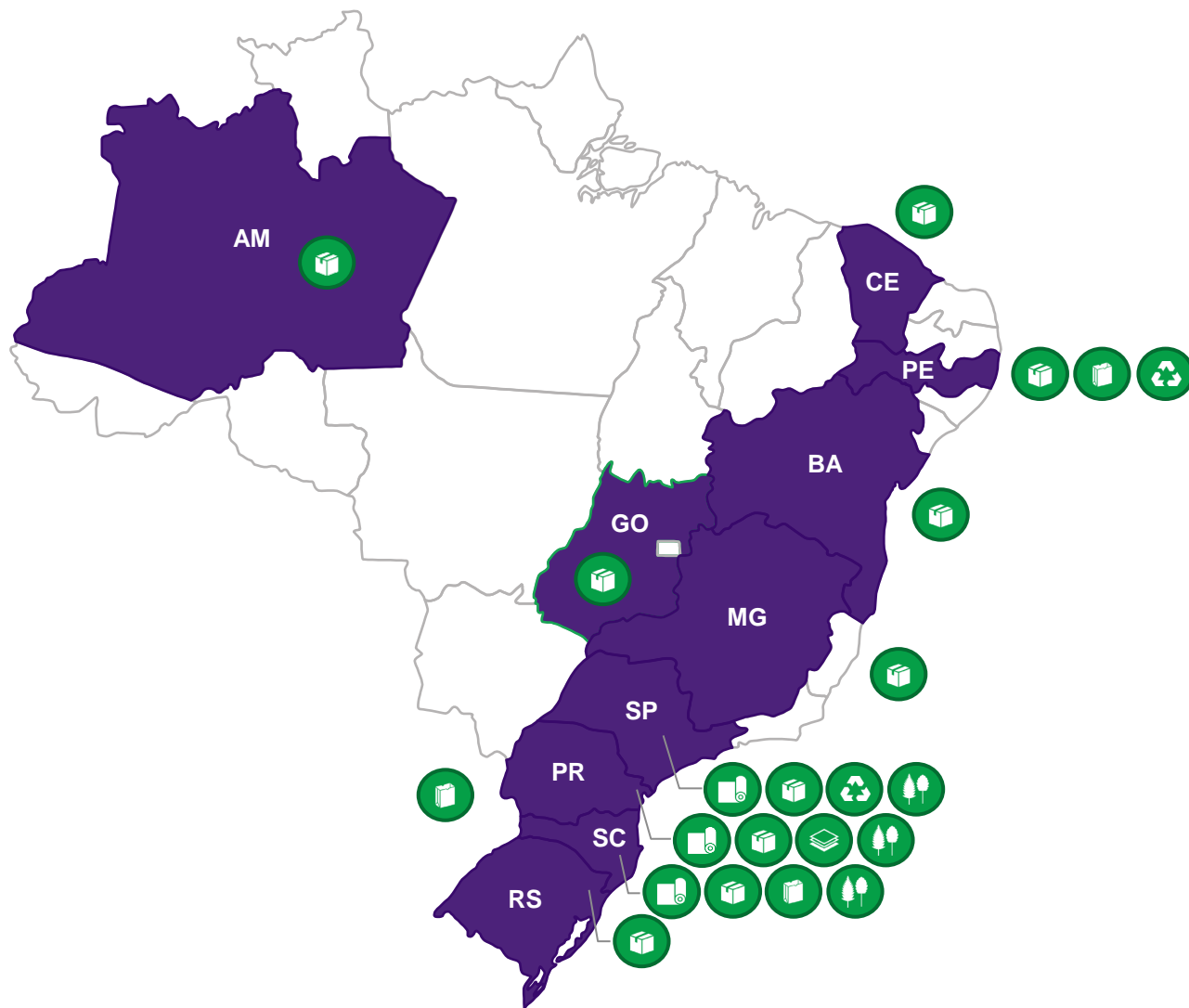
# → Integrated, Diversified and Flexible Business Model



1 - The total capacity of 3.8 million tons per year considers 1.6 million tons of pulp and 2.2 million tons of paper, with all paper production sold to the market. With an integrated model, Klabin uses part of this paper for conversion into packaging. In addition, paper production includes MP27 capacity of 450 k ton/y which started up in August 2021 and is still ramping up production. To see the post Puma II production capacity, go to the ["Klabin after Puma II" slide](#)

# → Operations Map

Klabin has 24 industrial units distributed across 10 states in Brazil and 1 in Argentina



## Pulp

PR Ortigueira



## Recycled Paper

PE Goiana  
SP Piracicaba  
SP Paulínia  
SP Franco da Rocha



## Packaging Paper

PR Monte Alegre  
SC Correia Pinto  
SC Otacílio Costa  
SP Angatuba



## Industrial Bags

PE Goiana  
SC Lages I  
SC Lages II  
ARG Pilar



## Corrugates Boxes Packaging

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



## Forestry

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

# → Forestry Competitiveness

## High Productivity in Fibers

### Total Land

**636 K ha**

- Own: **461 K** hectares
- Leased: **175 K** hectares

### Planted Area

**280 K ha**

- Pine: **162 K** hectares
- Eucalyptus: **118 K** hectares

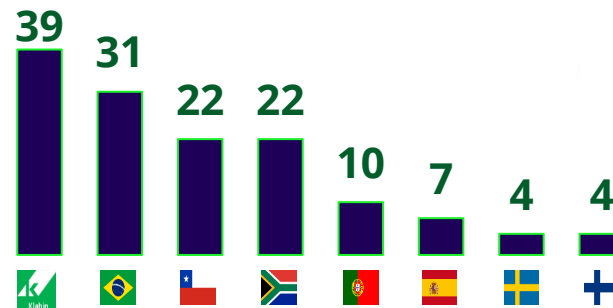
### Average Hauling Distance of Klabin Forests<sup>1</sup>

**79 km**

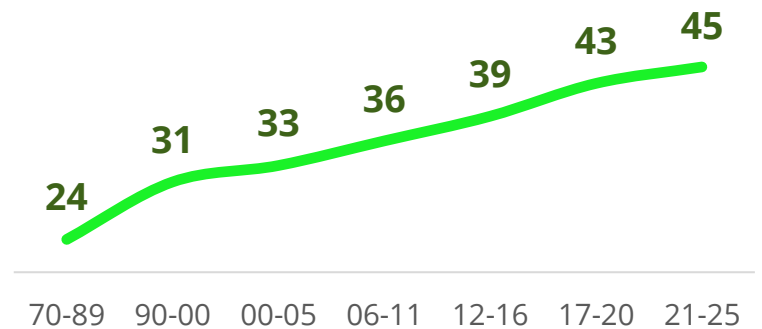
- Paraná: **79 km**
- Santa Catarina : **81 km**

### PINE

Forest Productivity<sup>2</sup> m<sup>3</sup>/ha/year<sup>2</sup>

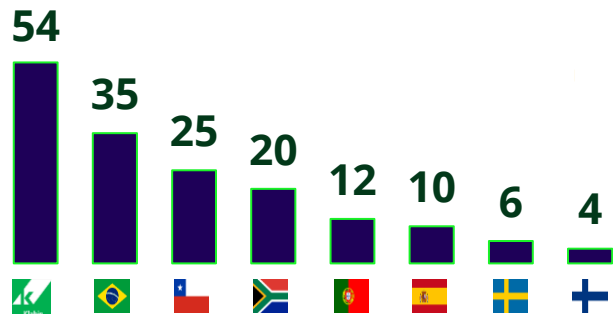


Mean Annual Increment (MAI) - Klabin

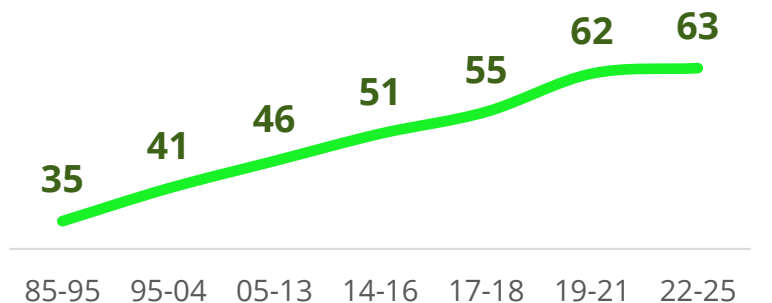


### EUCALYPTUS

Forest Productivity<sup>2</sup> m<sup>3</sup>/ha/year<sup>2</sup>



Mean Annual Increment (MAI) - Klabin

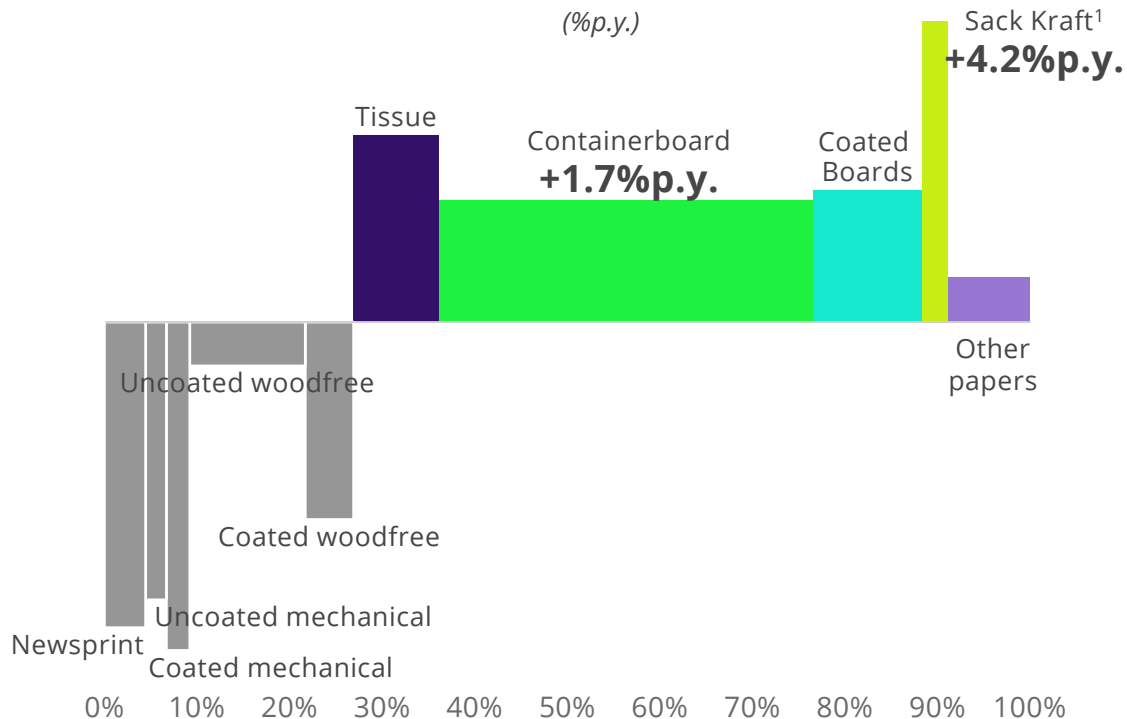




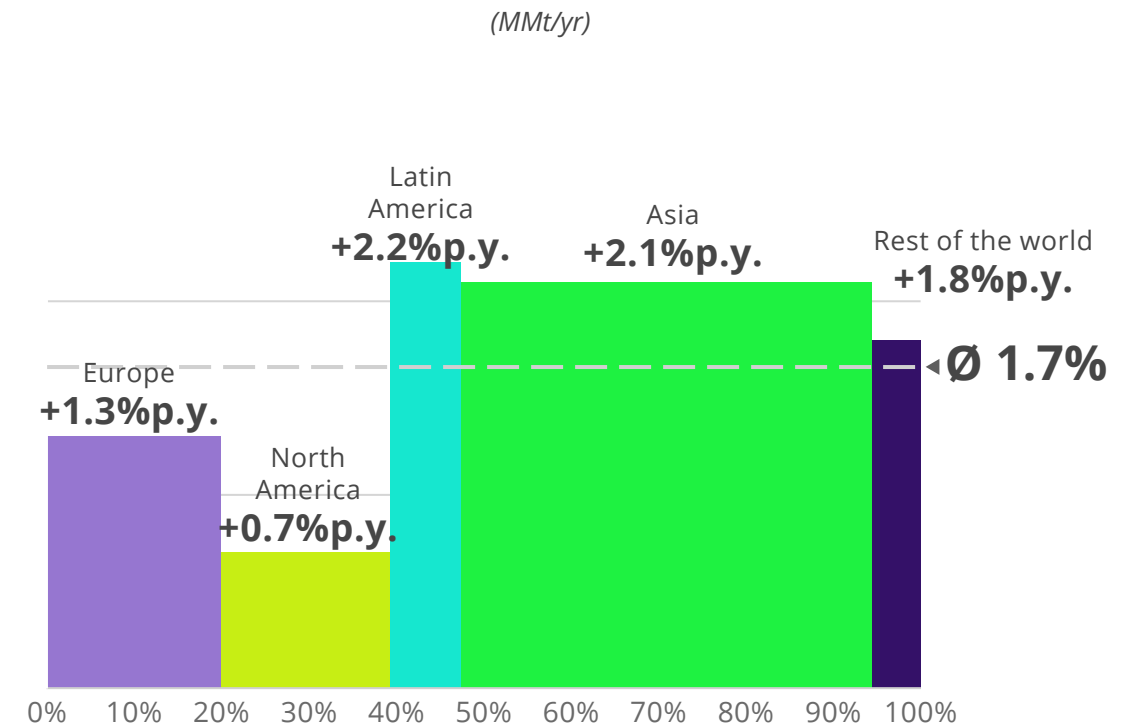
# → Pulp and Paper Markets

Focus on representative and consistent growing markets

## Long-term demand growth 2019-2030



## Growth of containerboard demand by region 2020-2030



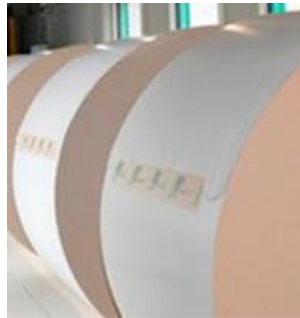


# → Paper and Packaging

Leadership position in the domestic market



Kraftliner



Coated  
Boards



Industrial  
Bags



Corrugated  
Boxes

## Market Share in Brazil<sup>1</sup>

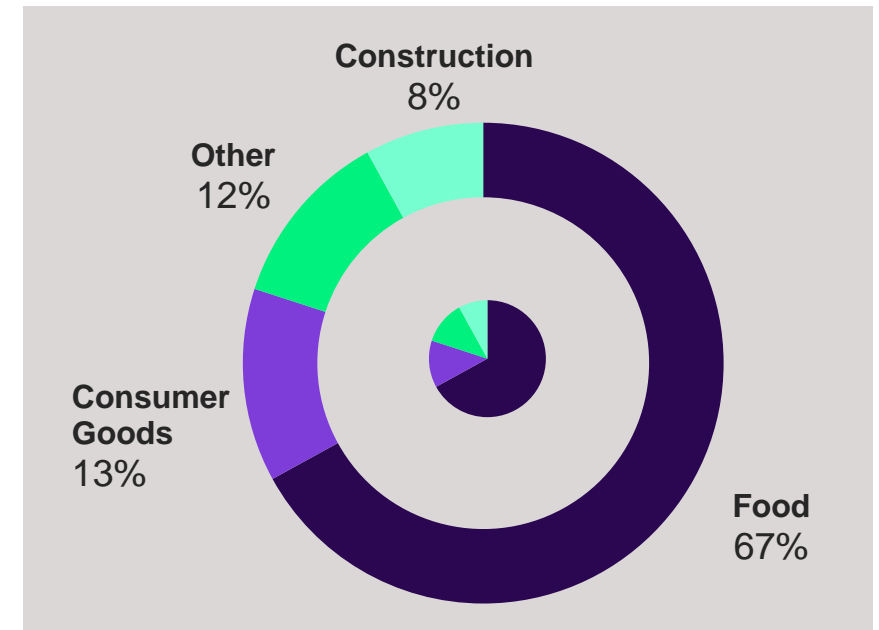
42%<sup>2</sup>

36%<sup>3</sup>

52%

24%

## Sales Destination (%)



1 - Sources: IBÁ, Empapel and Internal estimates

2 - From domestic installed capacity

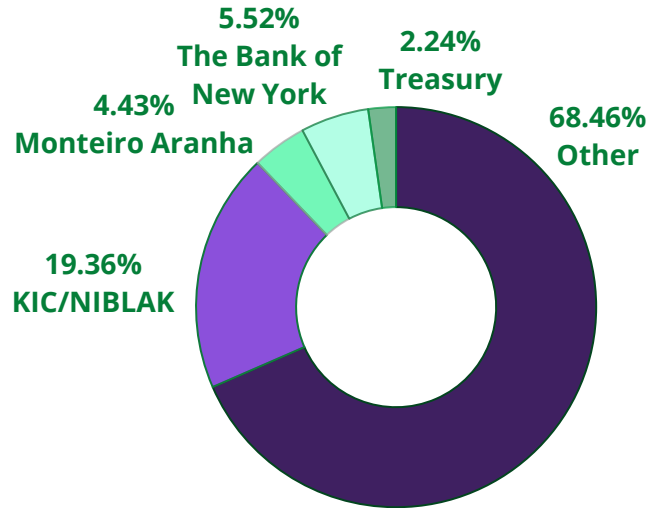
3 - LPB not included. Domestic market

# → Shareholder's Structure

KLBN3 (Common Shares), KLBN4 (Preferred Shares) e KLBN11 (Unit)

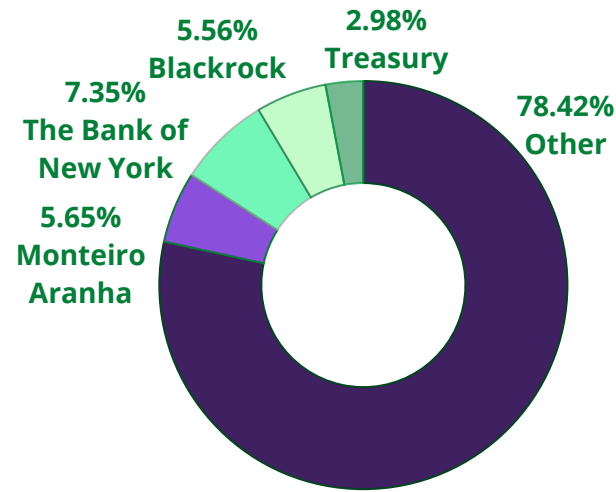
## TOTAL<sup>1</sup>

5,618 MM Shares



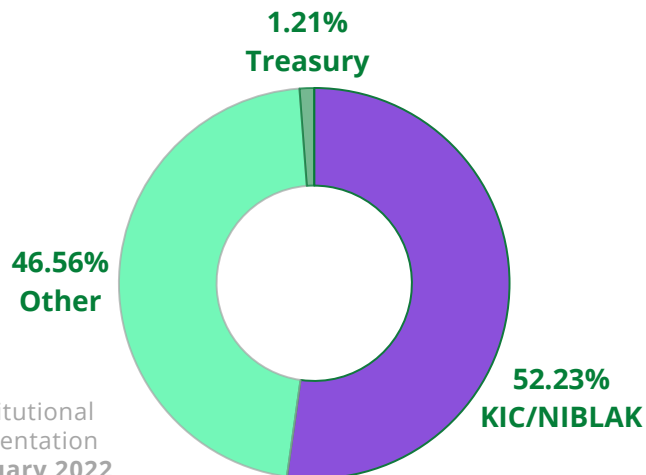
## KLBN11<sup>1</sup>

844 MM Shares



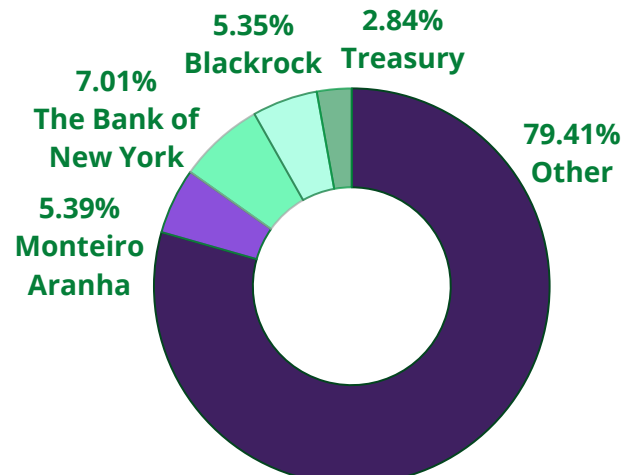
## KLBN3<sup>1</sup>

2,082 MM Shares



## KLBN4<sup>1</sup>

3,536 MM Shares



## Highlights



### Units – KLBN11

Stock composed of 1 Common and 4 Preferred shares to grant more liquidity to the paper



### Level 2 of B3

Greater transparency and higher diligence to shareholders as a whole



### Equal Economic Rights

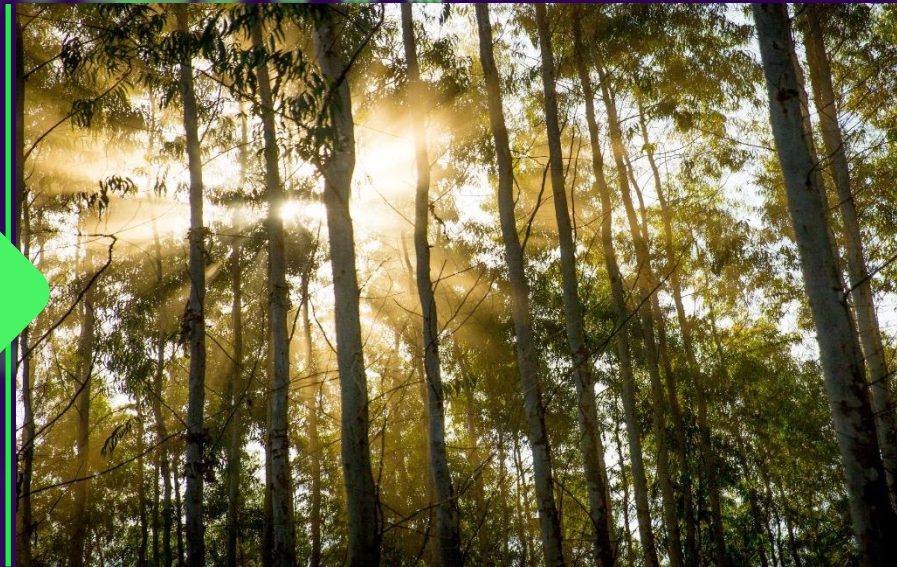
100% tag along and equivalent dividend distribution between common and preferred shares



### Parity

No premium paid on eventual migration to a single-share class company

# Sustainability



# → Conscious Development

Sustainability is in the forefront of Klabin's strategy

## RECOGNITIONS

Member of

**Dow Jones  
Sustainability Indices**

Powered by the S&P Global CSA

**Sustainability World Index  
Emerging Markets Index**

**Sustainability Award**  
Gold Class 2022

**S&P Global**



**Maximum performance (Triple A) in the programs:**

- Climate changes
- Forests
- Water security



**SLB of Klabin wins in the "ESG Deal of the Year" category** that highlights innovative and sustainable operations



**2018-2020**

**90.5%**

**Environmental Paper Company Index**

Recognizes transparency and continuous improvement

**ISE B3**

**9th consecutive year**

One of the most sustainable companies in Brazil

**ICO2 B3**

**Participant** of Carbon Efficient Index of B3



**Participant**

Best Emerging Markets Performers

## COMMITMENTS



Developed by the United Nations (UN), Klabin has been a **signatory to the Global Compact since 2003**



Klabin implements the recommendations of the **Task Force on Climate Related Financial Disclosures** and has been a **TCFD Supporter** since August 2020



Committed to monitoring and evaluating the performance and socio-environmental risks of its suppliers, **Klabin is the first Brazilian company to bring the EcoVadis methodology to the country**



Klabin has been a **signatory to the Business Pact for Integrity and Against Corruption since 2013**. The Pact has the objective of combating corruption and promoting more honest and ethical markets



In 2013, Klabin became a **signatory to the National Pact for the Eradication of Slave Labor**, making a commitment not to negotiate with those who exploit slave labor



# → Biodiversity

## Conservation and Growth



### FAUNA

**822** SPECIES

Identified<sup>1</sup>

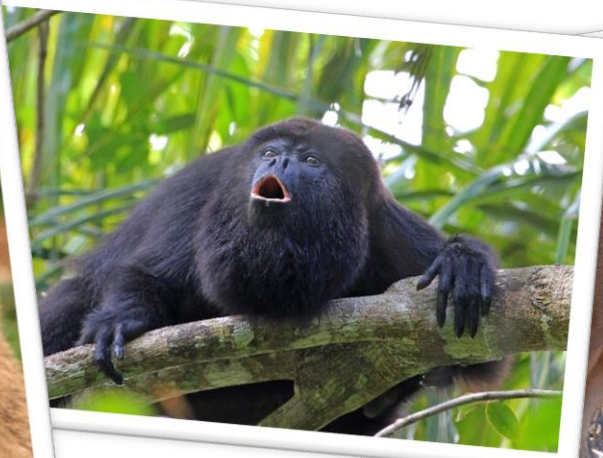


### FLORA

**1,905** SPECIES

Identified<sup>1</sup>

**Puma, pygmy brocket and howler monkey** are some of the endangered species, **protected in areas owned by Klabin**



**43%**

of native forests  
conserved

Private Natural Heritage  
Reserve  
(RPPN) from Klabin

**PARANÁ + SANTA  
CATARINA**

**8,839** HECTARES

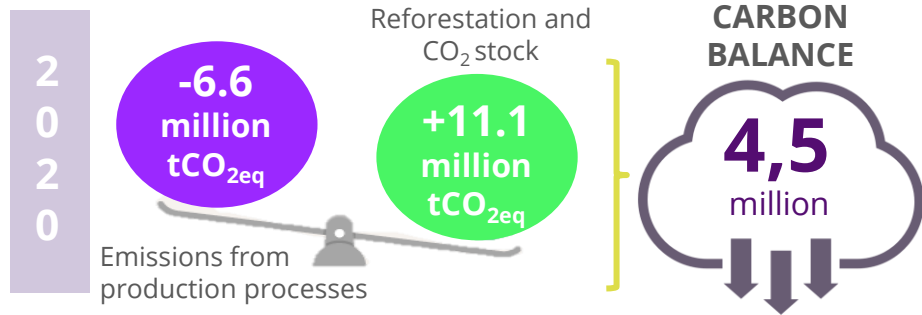
holding a **High Conservation  
Value**

**Area (HCVA)** and a newly  
inaugurated  
Nature Interpretation Center

# → Impacts

Low environmental impact with renewable and clean energy sources

## ATMOSPHERIC EMISSIONS



FROM 2019

the financial impacts associated with climate change are calculated in the company, based on the valuation of ecosystem services and the calculation of the carbon footprint

### Scope 1 emissions, in a thousand tCO<sub>2eq</sub>\*



## ENERGY

**90%** ENERGY MATRIX

Deriving from Clean and renewable Sources

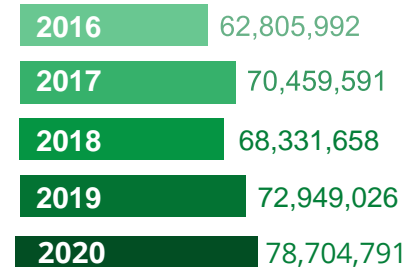


**57%** Black liquor

**32%** BIOMASS

**1%** Other Sources

### Total energy consumed, in GJ



### ISO 50001

Puma Unit certification, demonstrating good practices in energy management

**94%**

self-sufficient in energy

### SOLD ENERGY

**34%**

of the total produced

**EQUIVALENT TO**

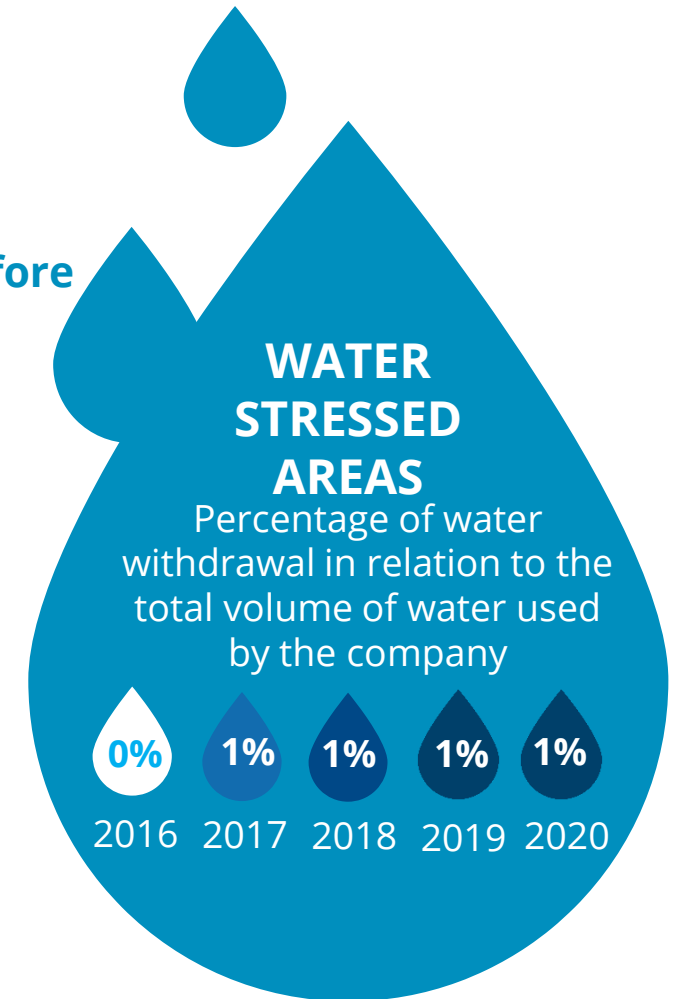
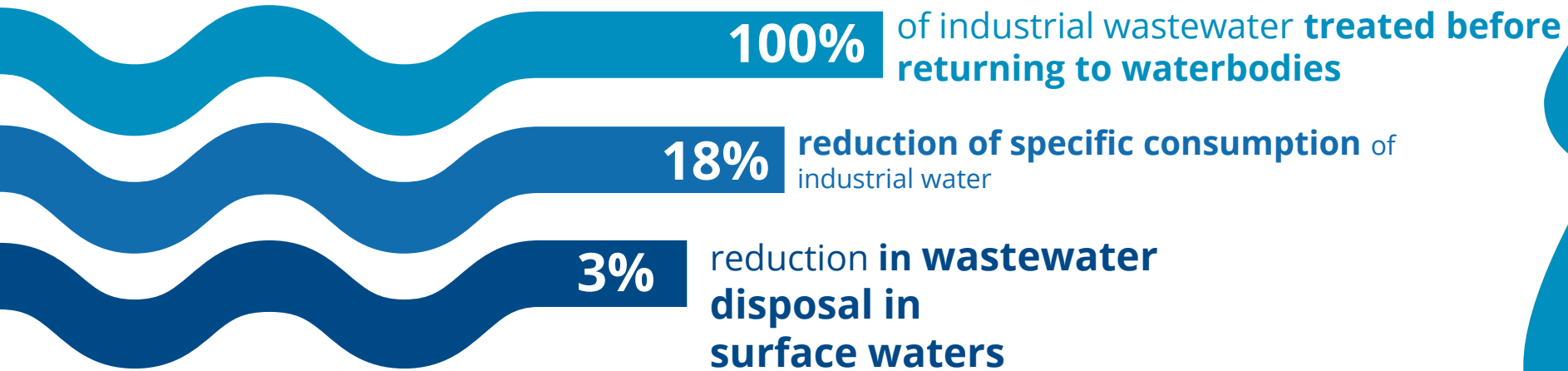
**3,626,683**

in GJ

# →Water resources

## Conscious Use

### WATER RESOURCES AND WASTEWATER



### SOLID WASTE



**98.3%**  
reuse and recycling  
of **solid waste** in  
2020

# → Forest management

Proper Care aligned with Preservation

## MOSAIC PLANTING

It combines planted forests and native forest, forming ecological corridors for wildlife transit, and the conservation of water resources and biodiversity



**42%** OF WOOD PURCHASED

certified and controlled by FSC® (FSC-C022516)



**13%** OF CONTROLLED WOOD

purchased from third parties following Klabin's **Controlled Timber Program**, which uses the FSC® chain of custody certification methodology





**Klabin's objectives for a sustainable development (KODS)** are in line with the complete UN' SDGs 2030 agenda, prioritizing 14 SDGs and indirectly impacting the other 3



### CONSTRUCTION OF A RENEWABLE FUTURE

- Energy Use
- Water Use
- Waste Management
- Climate Change

### CONTRIBUTION TO A SUSTAINABLE ECONOMY

- Local Development
- Social and Environmental Development of Suppliers
- Clients and Products
- Biodiversity

### TECHNOLOGY AND INNOVATION

- Information Security

### PROSPERITY TO THE PEOPLE AND COMMUNITY

- Diversity
- Occupational Health and Safety

## ESG PANEL

Indicators can be accessed on Klabin's **ESG platform**

**Access:** <https://esg.klabin.com.br/en>

# → Green Bonds

Klabin was the first Brazilian company to issue a 30 years green bond

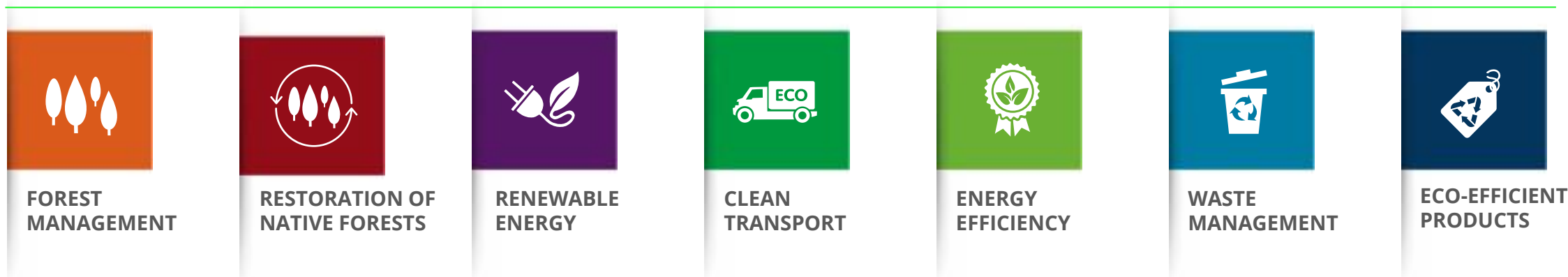
## US\$ 500 MILLION 2027

**Issuer:** Klabin Austria GmbH  
**Interest:** 4.875%  
**Term:** 10 years  
**Maturity:** October 19th, 2027

## US\$ 700 MILLION 2049

**Issuer:** Klabin Austria GmbH  
**Interest:** 7.000%  
**Term:** 30 years  
**Maturity:** April 3rd, 2049

### THE PROJECTS FUNDED PERTAIN TO 7 CATEGORIES:



# → Sustainability Linked Bond

Issue associated to sustainable performance indicators

## 2025 TARGETS



WATER  
CONSUMPTION

Consumption intensity equal or less than **3.68 m<sup>3</sup> per tonne** of production;



WASTE  
MANAGEMENT

Minimum of **97.5% reuse/recycling** of solid waste; and



SPECIES  
REINTRODUCTION

Reintroduction of at least **two extinct or threatened native species** in the ecosystem

**US\$ 500 MILLION**

**2031**

Issuer:	Klabin Austria GmbH
Interest:	3.200% p.y.
Term:	10 years
Maturity:	January 6th, 2031

# → Science Based Target initiative – SBTi



Klabin had its **targets for reducing greenhouse gas (GHG) emissions** approved by the Science Based Targets initiative (SBTi)



**GHG EMISSIONS**  
Goals approved in 2021 by the SBTi



**reduce GHG emissions** (scopes 1 – own emissions e 2 – emissions in purchased energy) per ton **of pulp, paper and packaging** by **25% by 2025** and by **49% by 2035**, taking 2019 as the base year



# → NetZero2050

A movement by Klabin and The UN Global Compact Network Brazil



Commitment to **engage companies to zero net greenhouse gas emissions by 2050**

ImPACT   
NETZERO



Pacto Global  
Rede Brasil

## GOAL

mobilize companies and society and make them aware of **the need to reduce greenhouse gas emissions** to stop global warming



**REDUCTION**  
and  
**NEUTRALIZATION**  
projects of **carbon**  
**emissions**  
by 2050



**limit** the increase  
in **global**  
**temperature to**  
**2°C**, looking to  
**stay below 1.5°C**



# Klabin's Markets



# Market Pulp

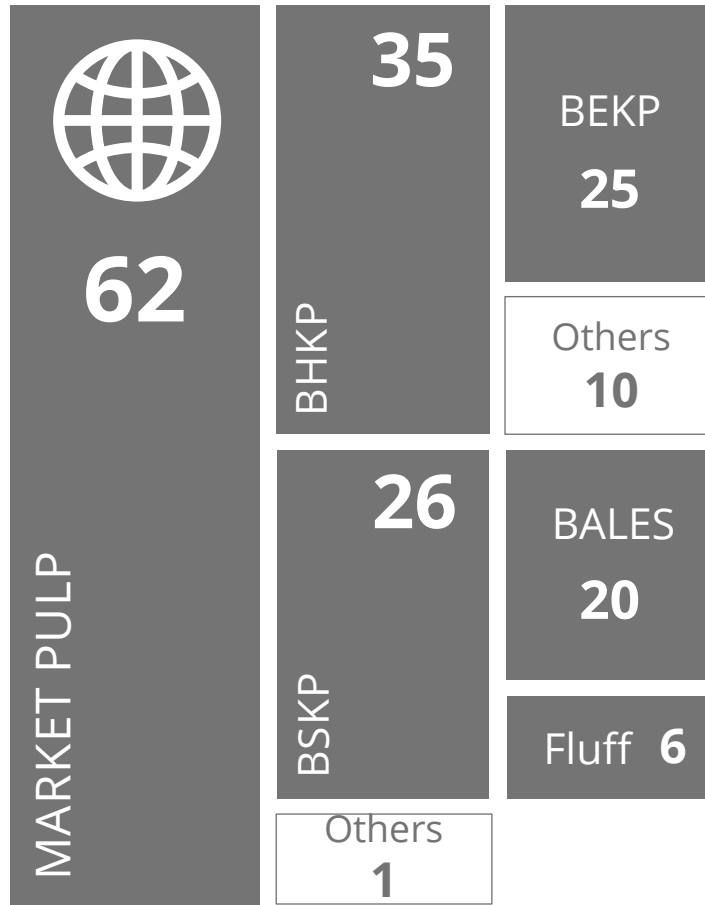


# → Global Market of Pulp

Growing markets

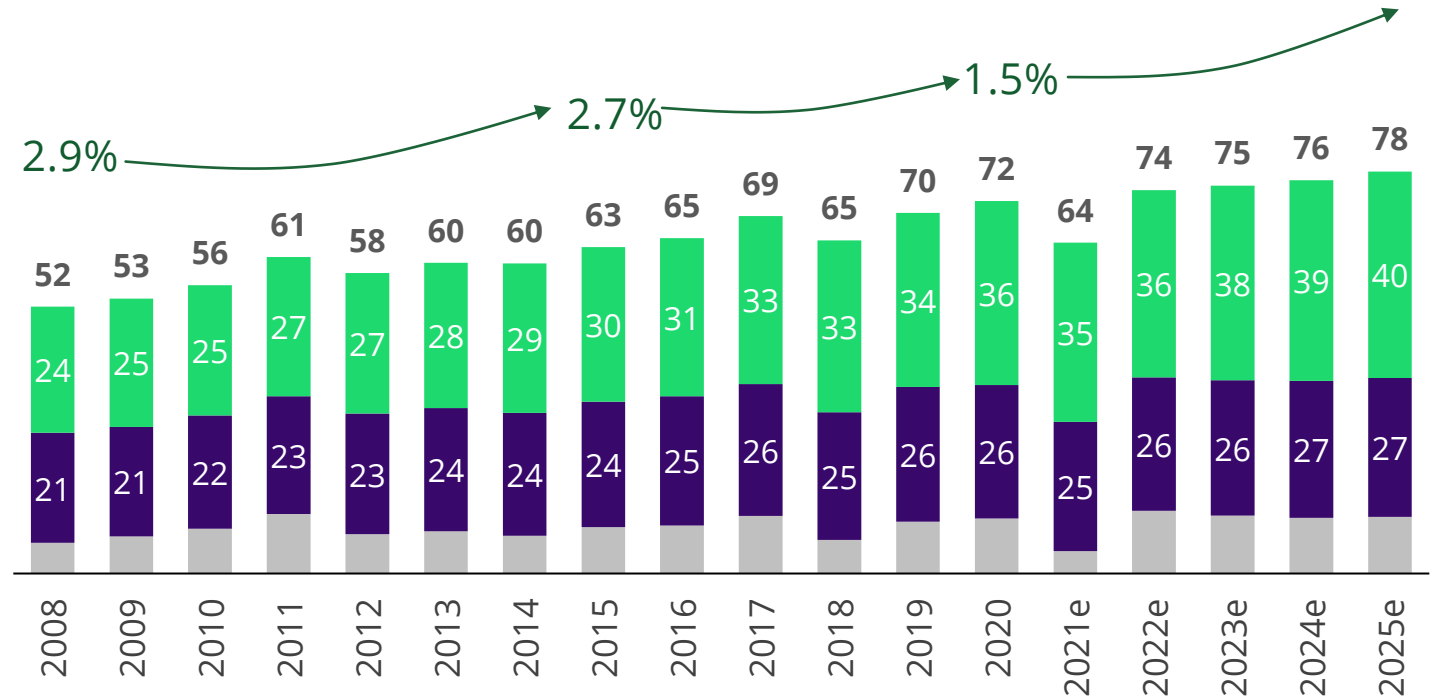
## Paper and Fibers Breakdown

Million tonnes (2020)



## Growth Projection

Million tonnes



■ BHKP  
■ BSKP  
■ Others

**BHKP**  
**+1.300** ktons/yr  
 3.3% p.y. 2022 until 2025

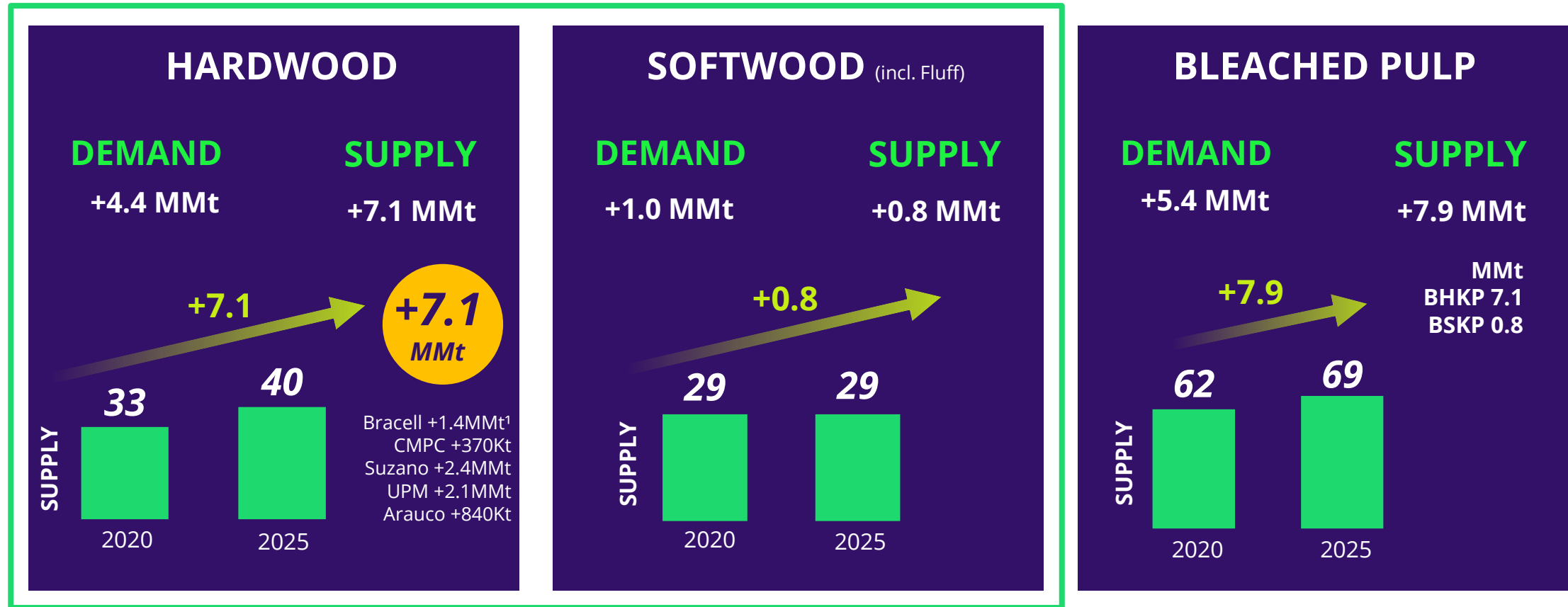
**BSKP**  
**+460** ktons/yr  
 1.4% p.y. until 2030



# → Klabin Operation Market

New supply more concentrated in hardwood

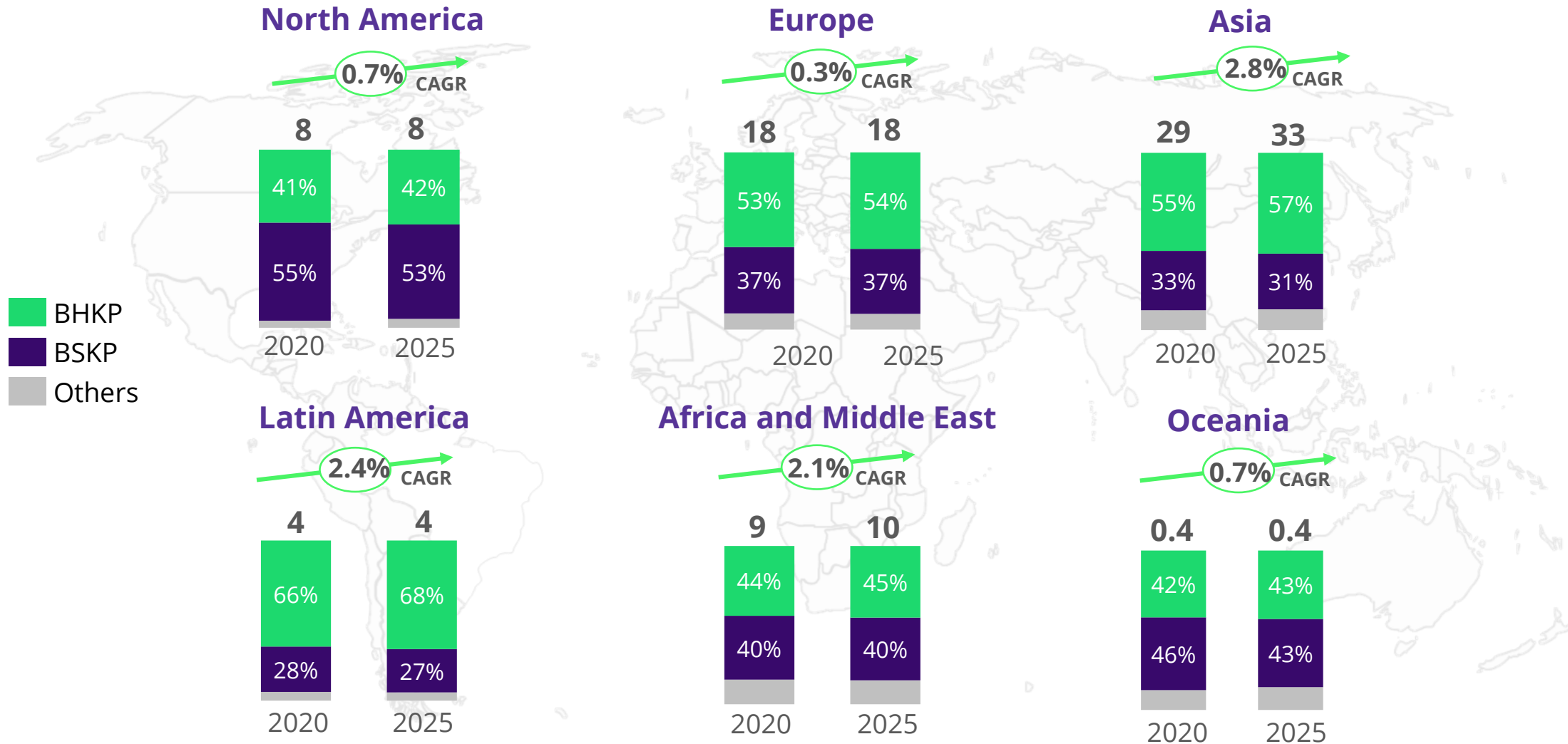
In softwood/fluff demand exceeds supply



 **Additional potential**

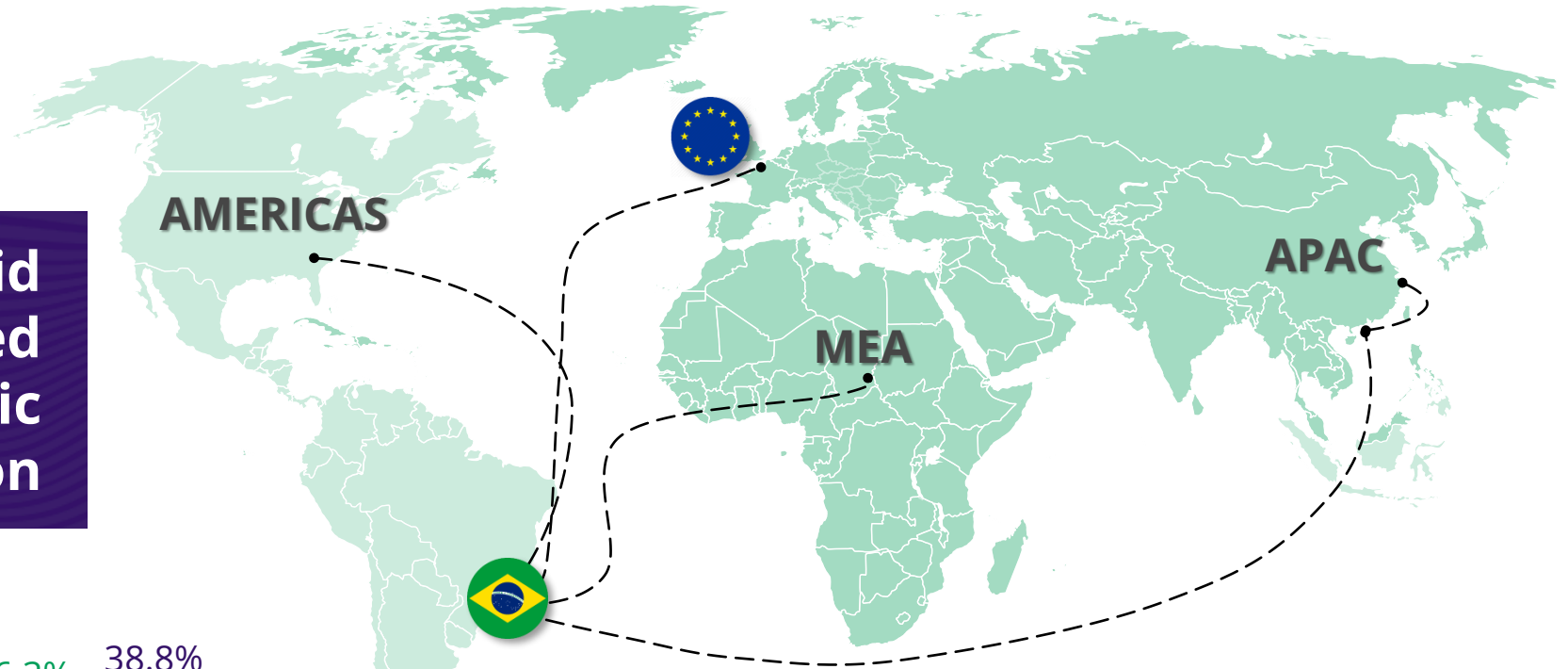
# → Pulp expected market growth

Demand by region – In million tonnes

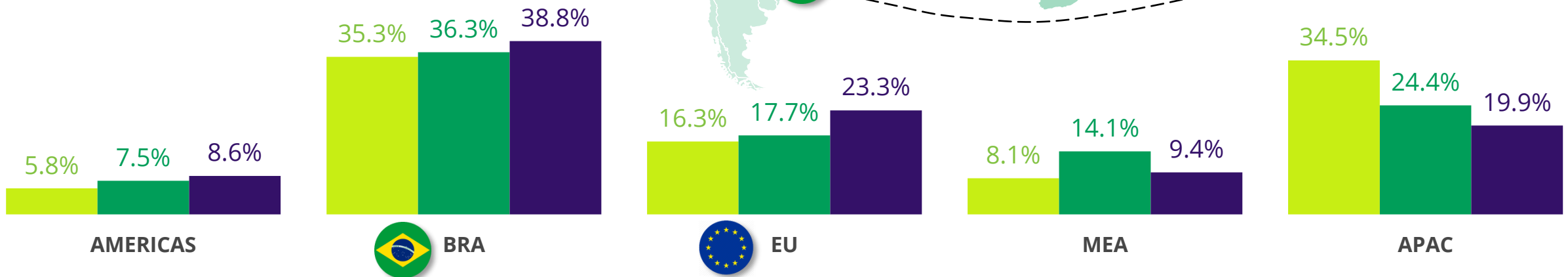


# → Results achieved

Klabin has a solid and diversified geographic position

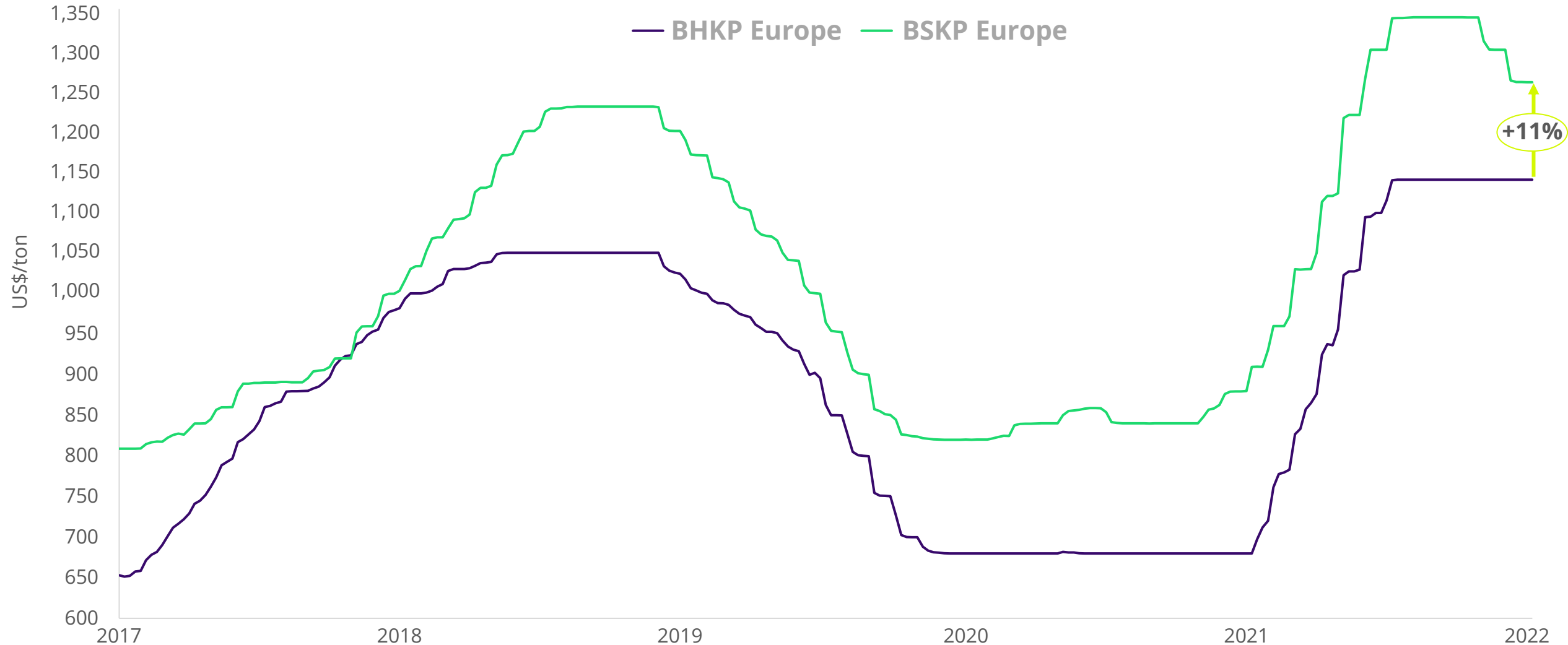


■ 2020 ■ 2021 ■ 2022e



# → China Pulp Indices Prices

Bleached Softwood Kraft Pulp (BSKP) and Bleached Hardwood Kraft Pulp (BHKP)

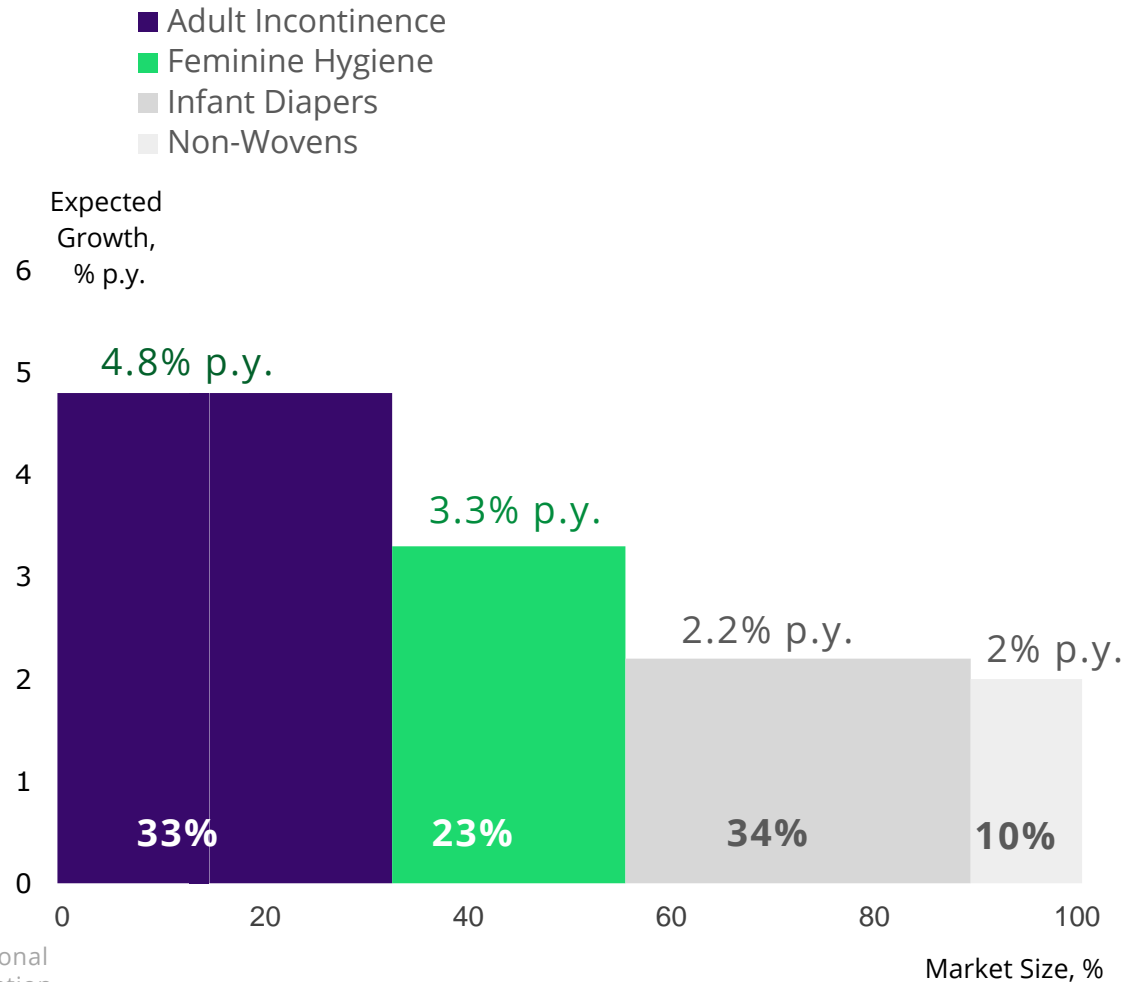


# → Fluff Market

With population aging, adult incontinence diapers market offers great opportunities

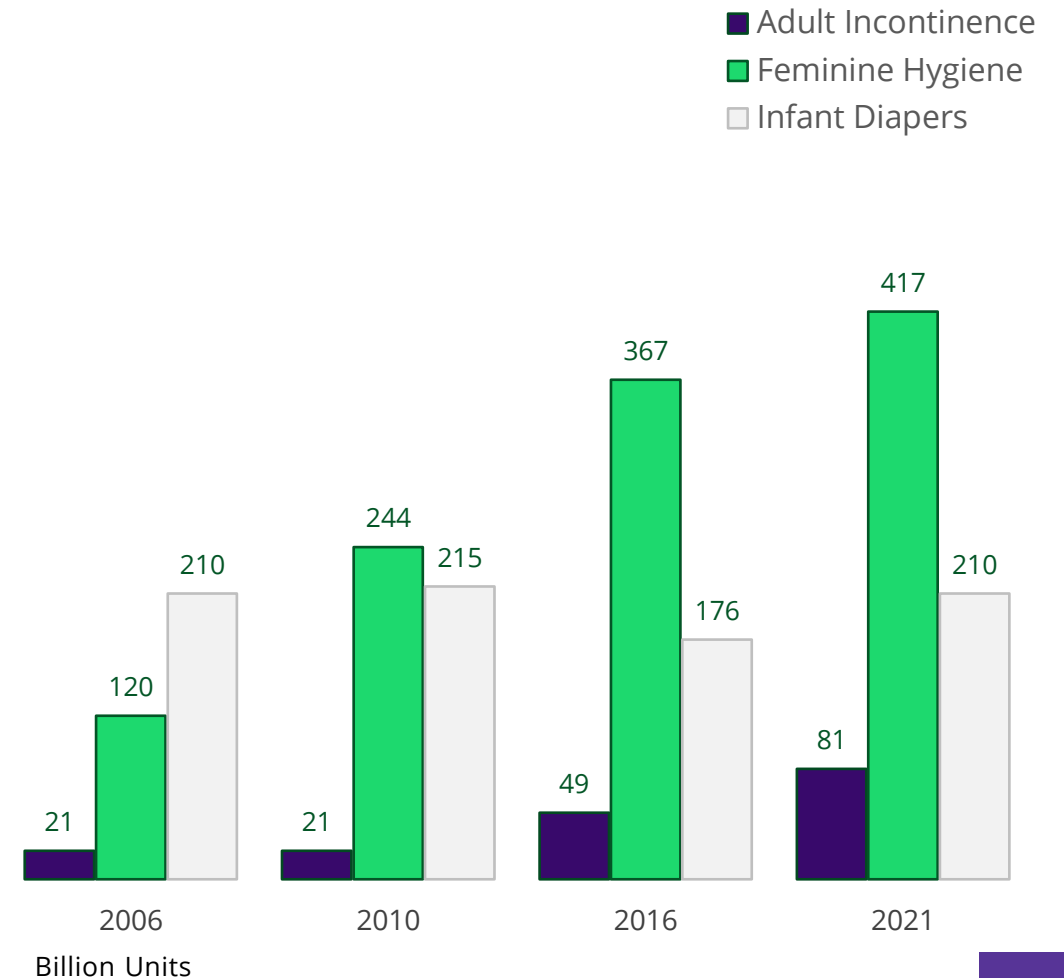
## Market Size and Growth

(Until 2030)



## Sales

(In billion units)

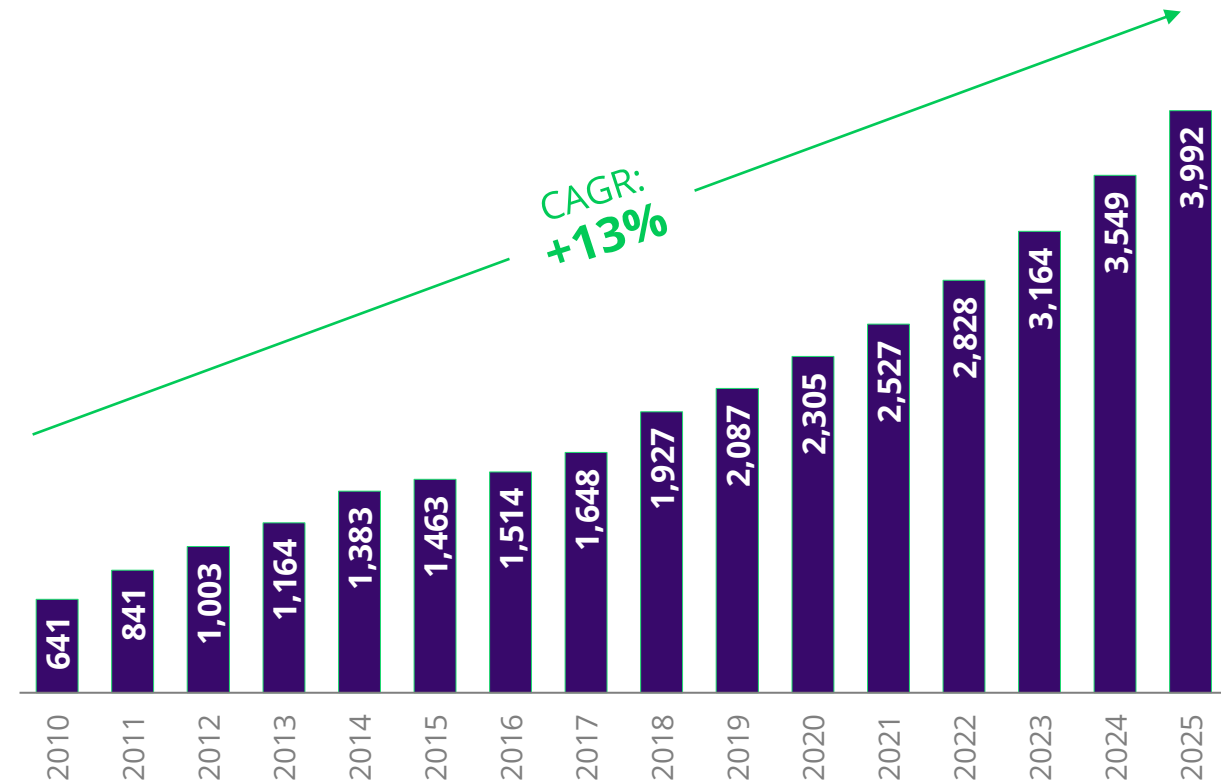




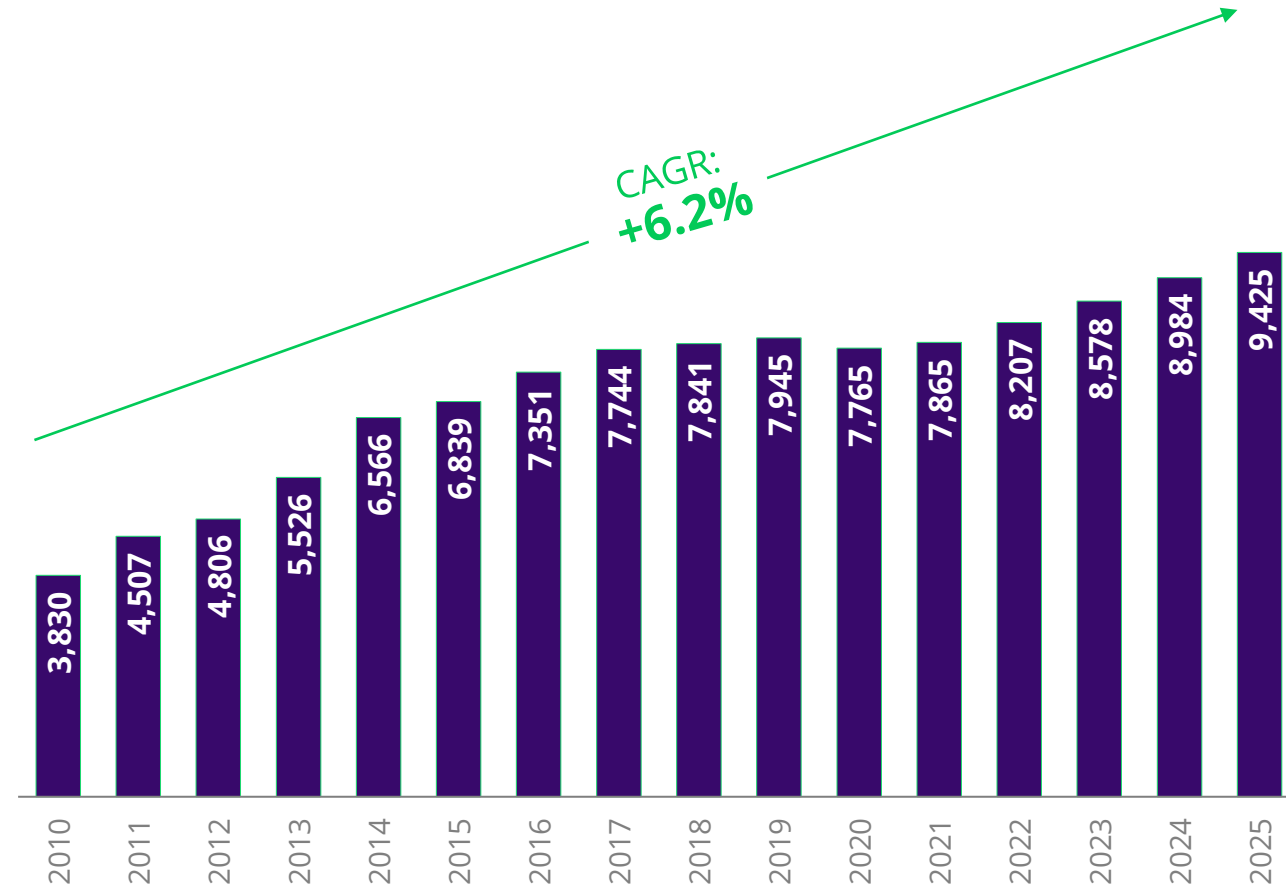
# → Fluff Market in Brazil

Brazil is the 3rd largest disposable diaper market in the world

## ADULT DIAPERS SALES (R\$ million)



## INFANT DIAPERS SALES (R\$ million)



# Kraftliner

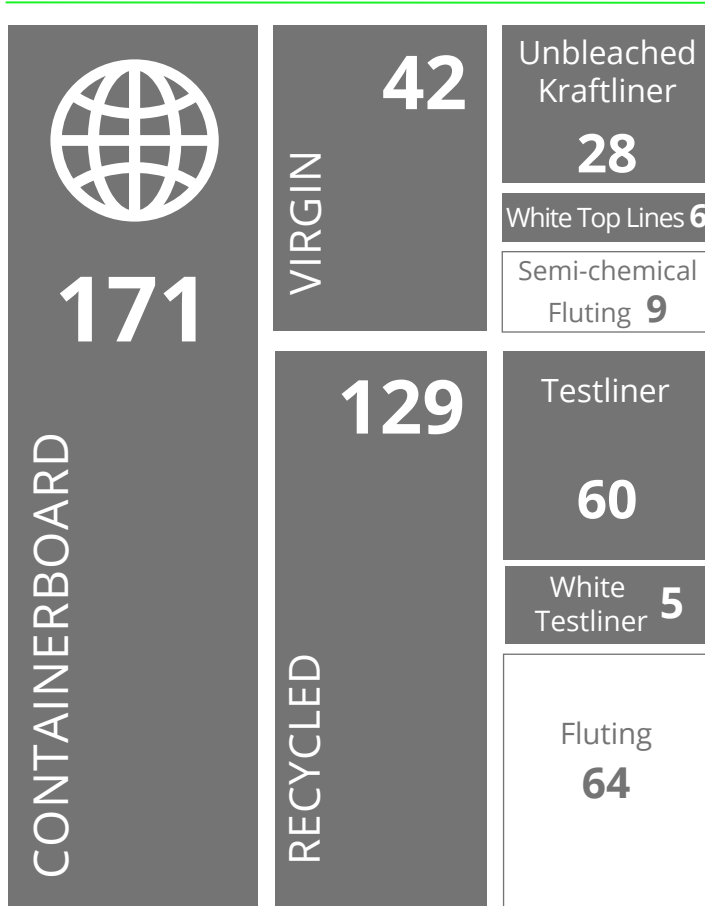


# → Global market of Containerboard

## Growth Expectations

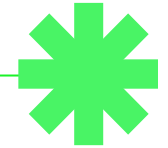
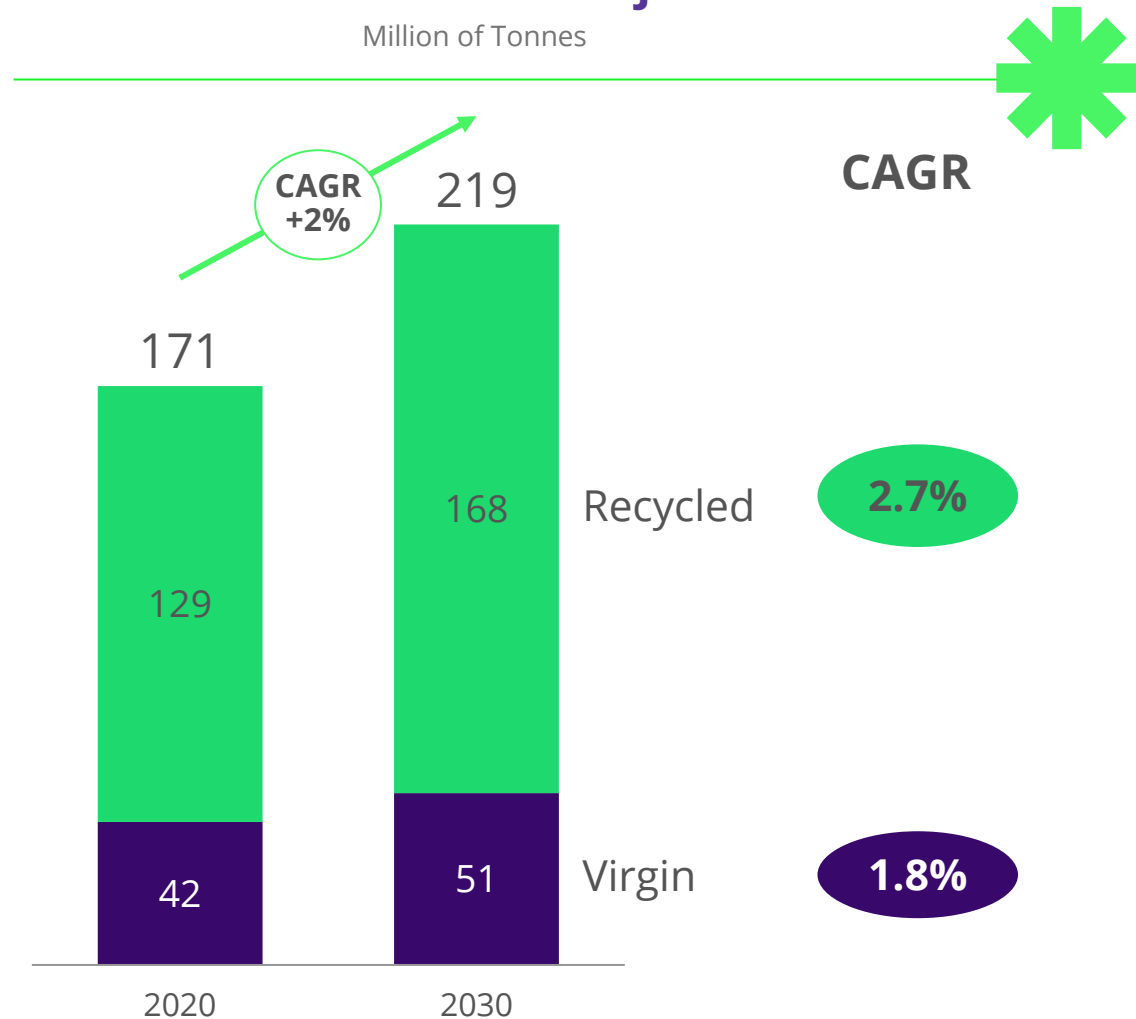
### Paper and Fibers Breakdown

Million of Tonnes (2020)



### Demand Growth Projection

Million of Tonnes



CAGR

2.7%

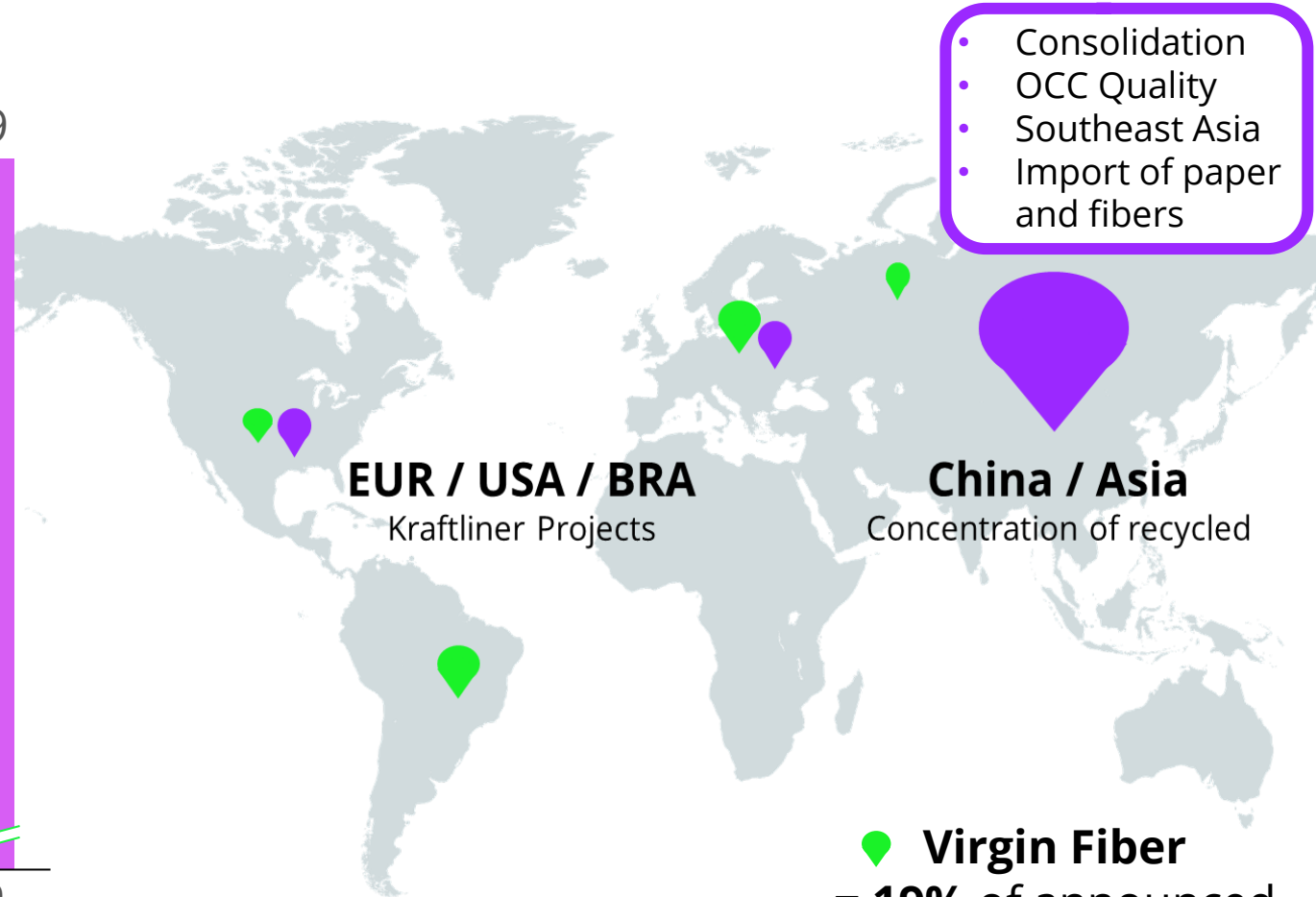
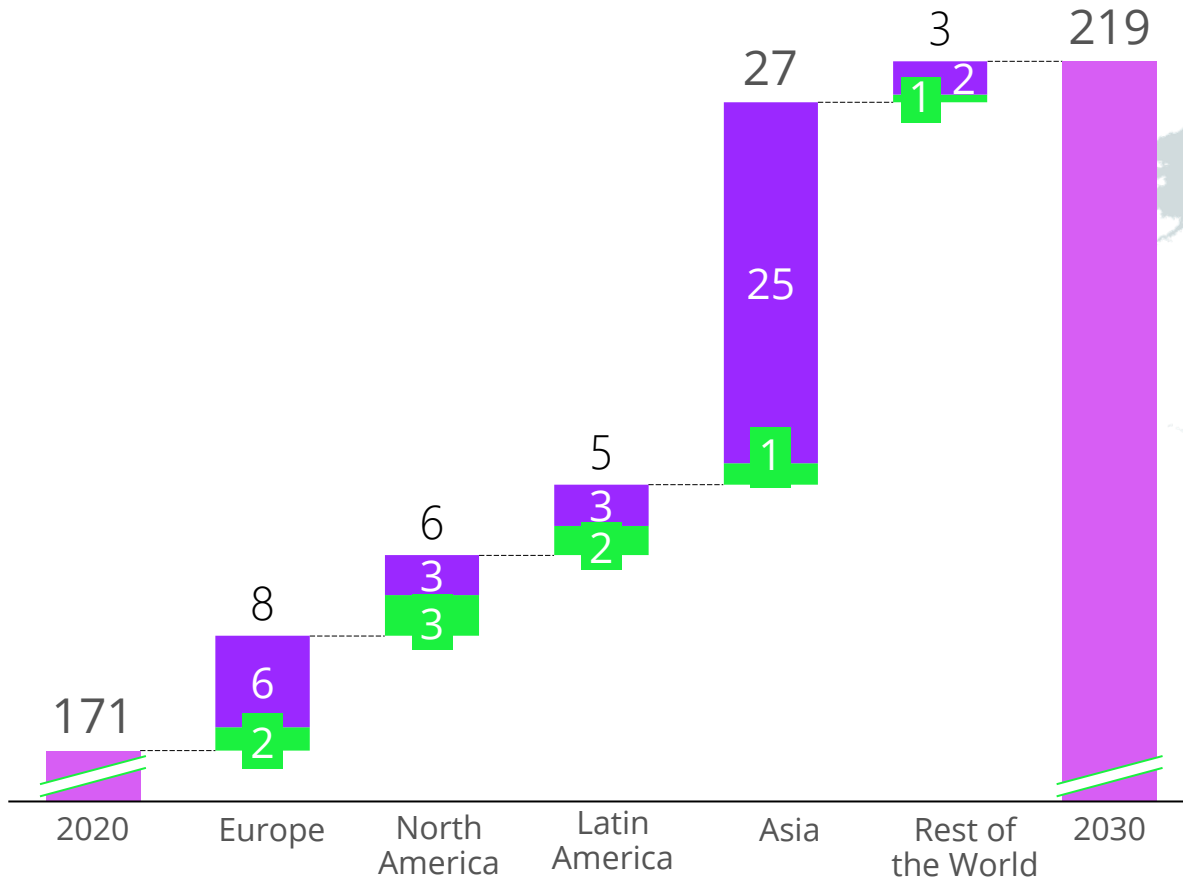
1.8%

# → Containerboard expected market growth

## Demand by region

### Growth by Region

million tonnes



**92** announcements of new capabilities

- Consolidation
- OCC Quality
- Southeast Asia
- Import of paper and fibers

# → Growth drivers

Urbanization, Sustainable Alternatives and New Technologies



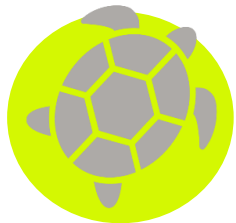
## Restrictive Regulation

Holding back access to OCC and surging up prices.



## E-Commerce

Consistent growth within the retail business.



## Sustainable Packaging Alternatives

Use of biodegradable, renewable, recyclable and compostable materials.



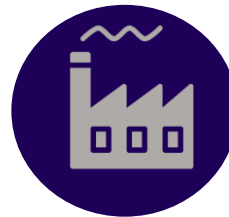
## Privileged Site

Higher forestry productivity



## Higher forestry productivity

Resilient demand increase alongside population growth.



## Industrial Park Renewal

New plants with significantly better technology than the previous ones.

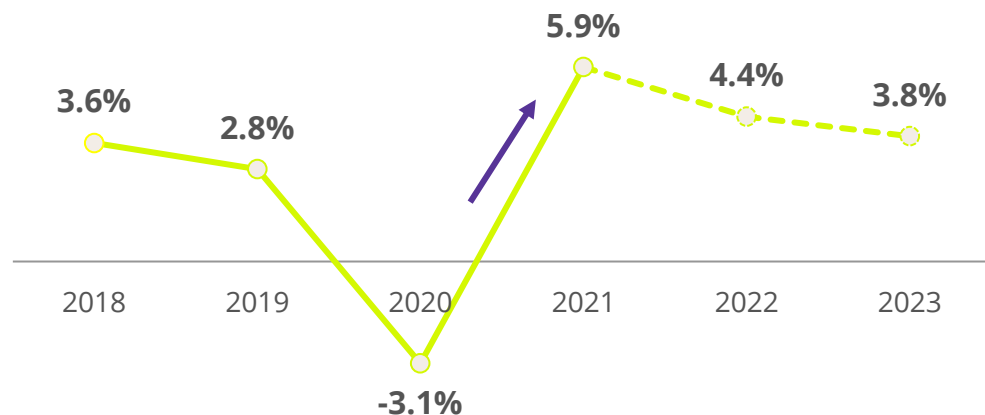


# → Kraftliner Market

## Startup of the new machine in ideal market conditions

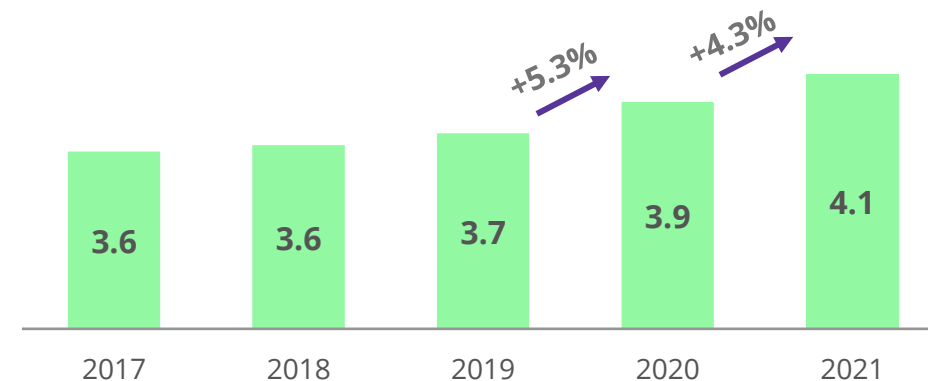
### Recovery in the global economic in 2021

Global GDP Growth

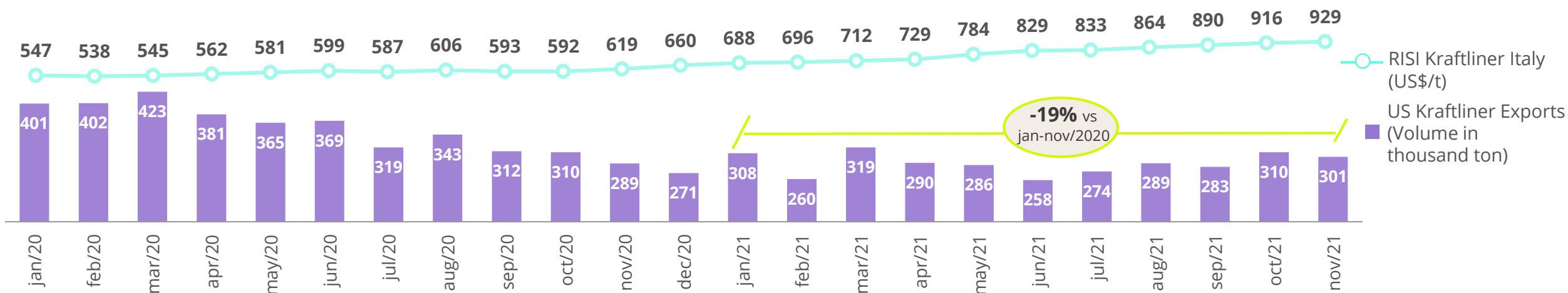


### High level of corrugated boxes consumption

Brazil expedition - Volume (million ton)



### Decrease in the US kraftliner exports driving the price increase



# Coated Boards

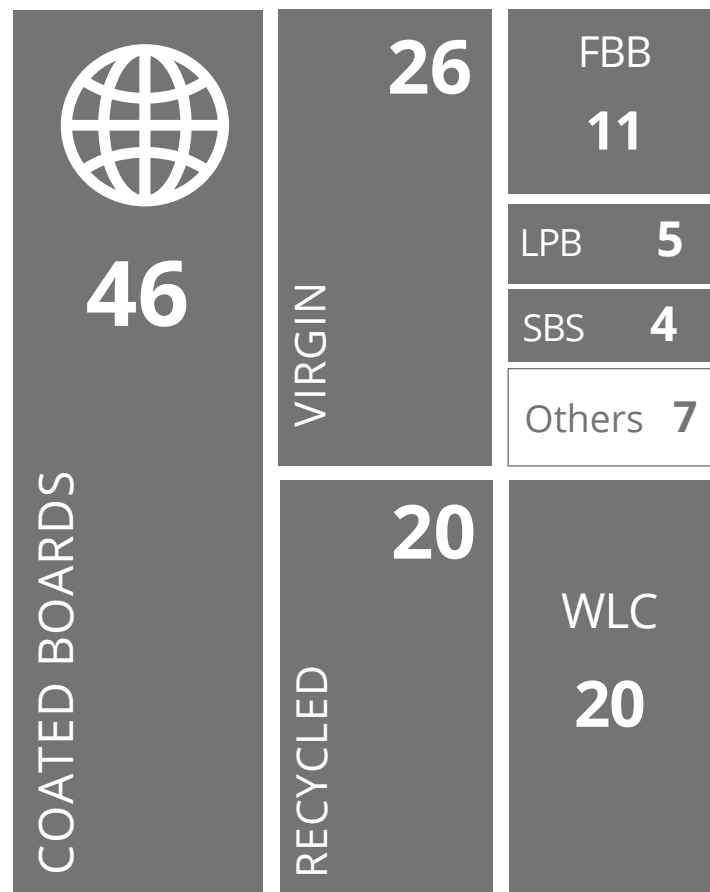


# → Coated Board Market Worldwide

Strong growth expected in the main markets served by MP 28

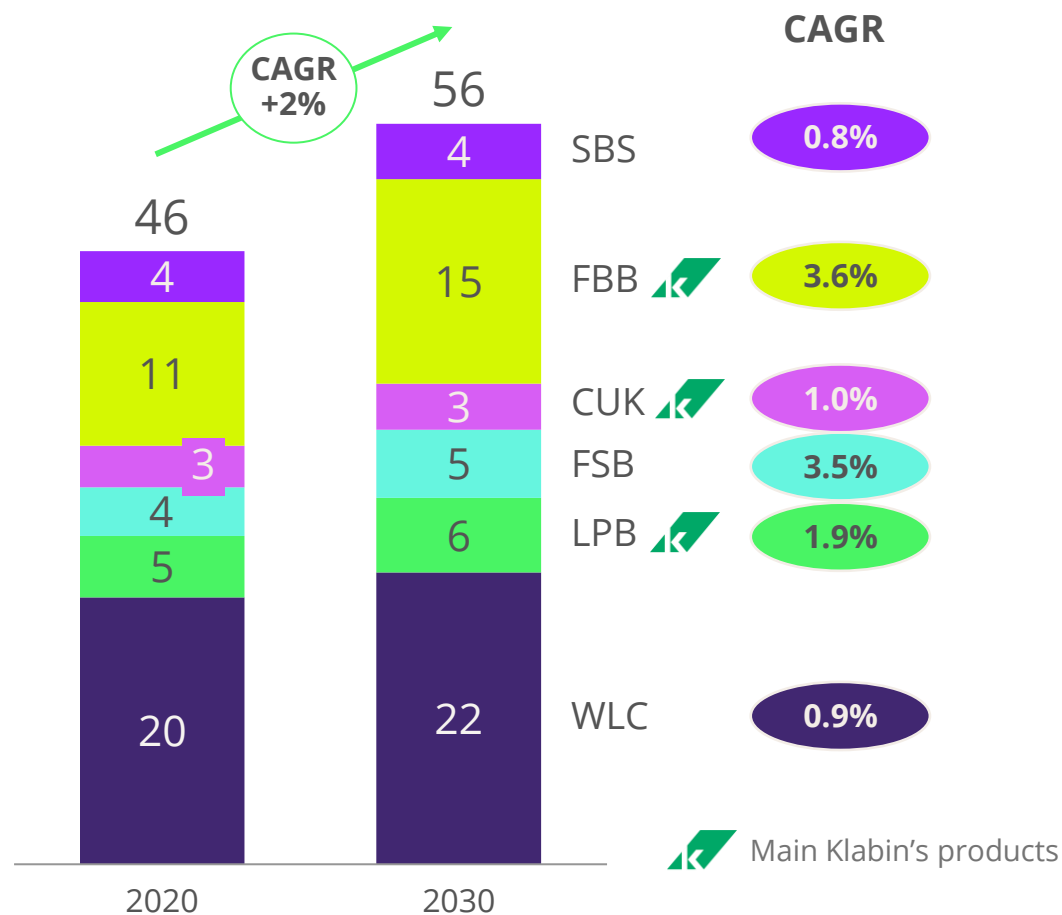
## Fiber and Paper Breakdown

Millions Ton (2020)



## Growth Projection

Million Ton



# → Coated Board Market Growth Drivers

Several drivers support the strong growth expected for the Coated Board demand



## Income increase



## Renewable and premium packaging

Growing concern with the consumption of sustainable products



## Urbanization, speed and praticity

Trend of increased consumption through delivery and to go food



## Packaging as a marketing tool

First contact point between the client and the brand



## Substitution of single-use plastic

Coated Board as the main beneficiary of the movement to replace the use of plastic



## Legislation

Recycled paper banned for use in food boxes

**Coated Board market  
requires more technology,  
processes and technical  
approval**



LPB (Liquid Packaging Board):  
used in liquid packaging



FBB (Folding Boxboard):  
used in food packaging

# → High Quality Virgin Fiber Coated Board Gaining Space

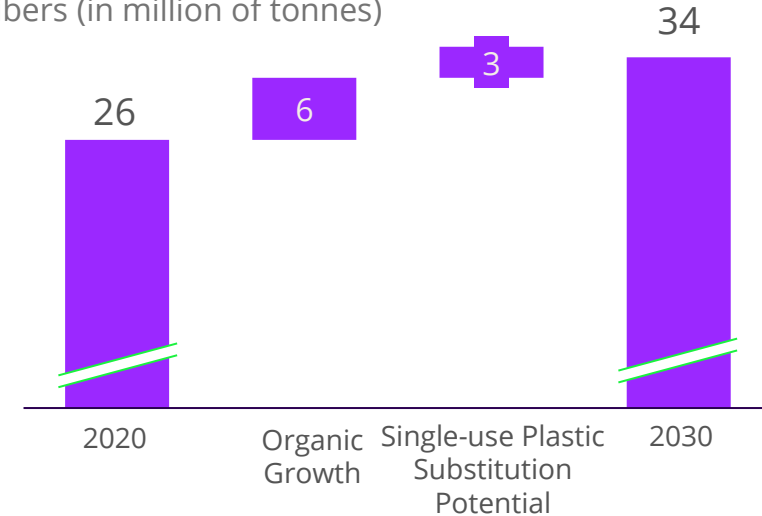
High potential for single-use plastic substitution

## Several single-use plastic alternative ads



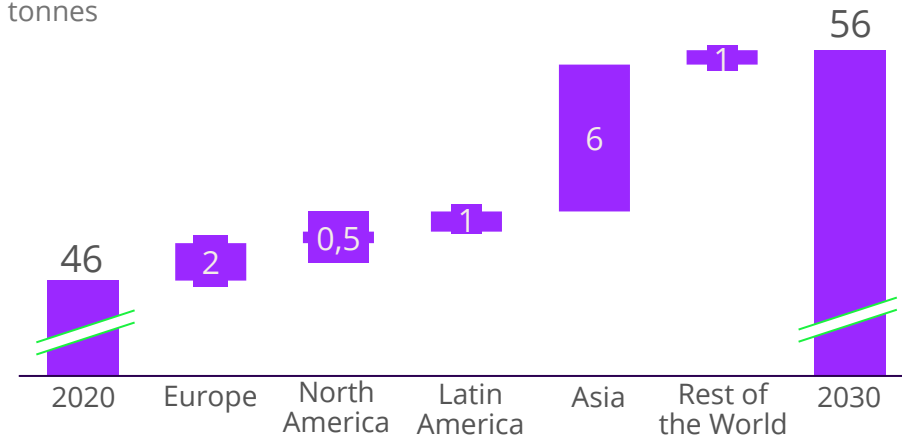
## Single-use Plastic substitution potential for global paperboard demand

Only Virgin Fibers (in million of tonnes)



## Coated Boards expected Market growth by region

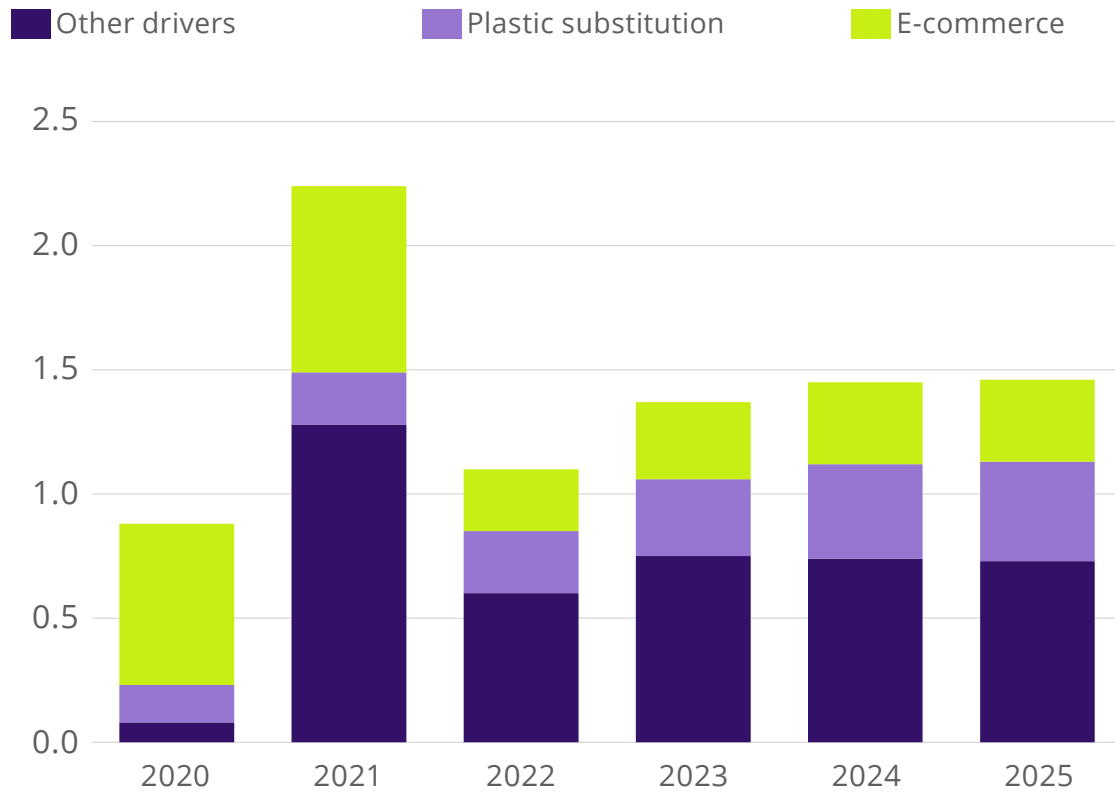
Million tonnes





# → Plastic Substitution

Plastic substitution growth will surpass e-Commerce in the European containerboard market



# Packaging

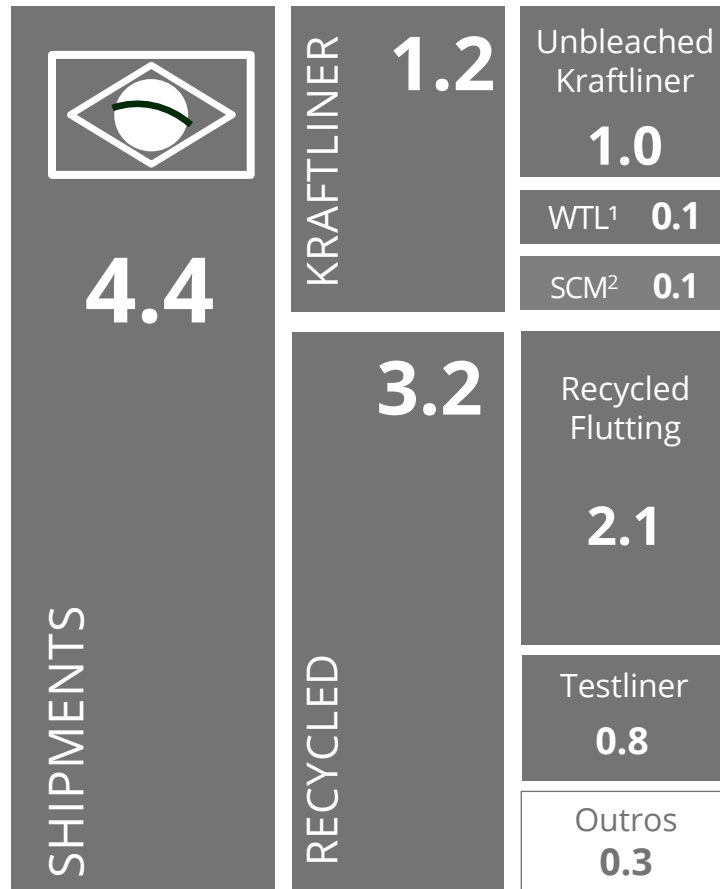


# → Corrugated Boxes Market

## In Brazil

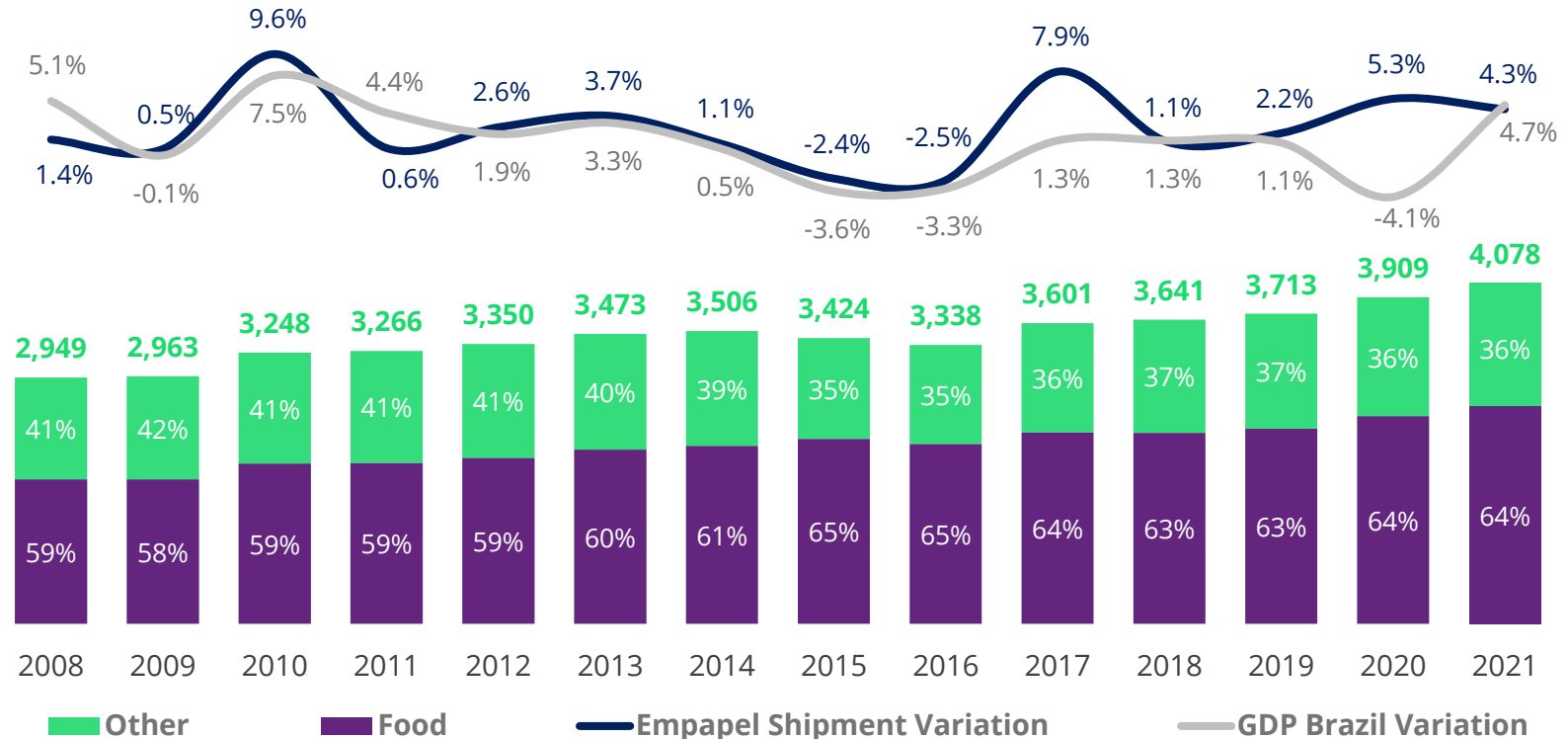
### Paper and Fibers Breakdown

Million tonnes (2018)



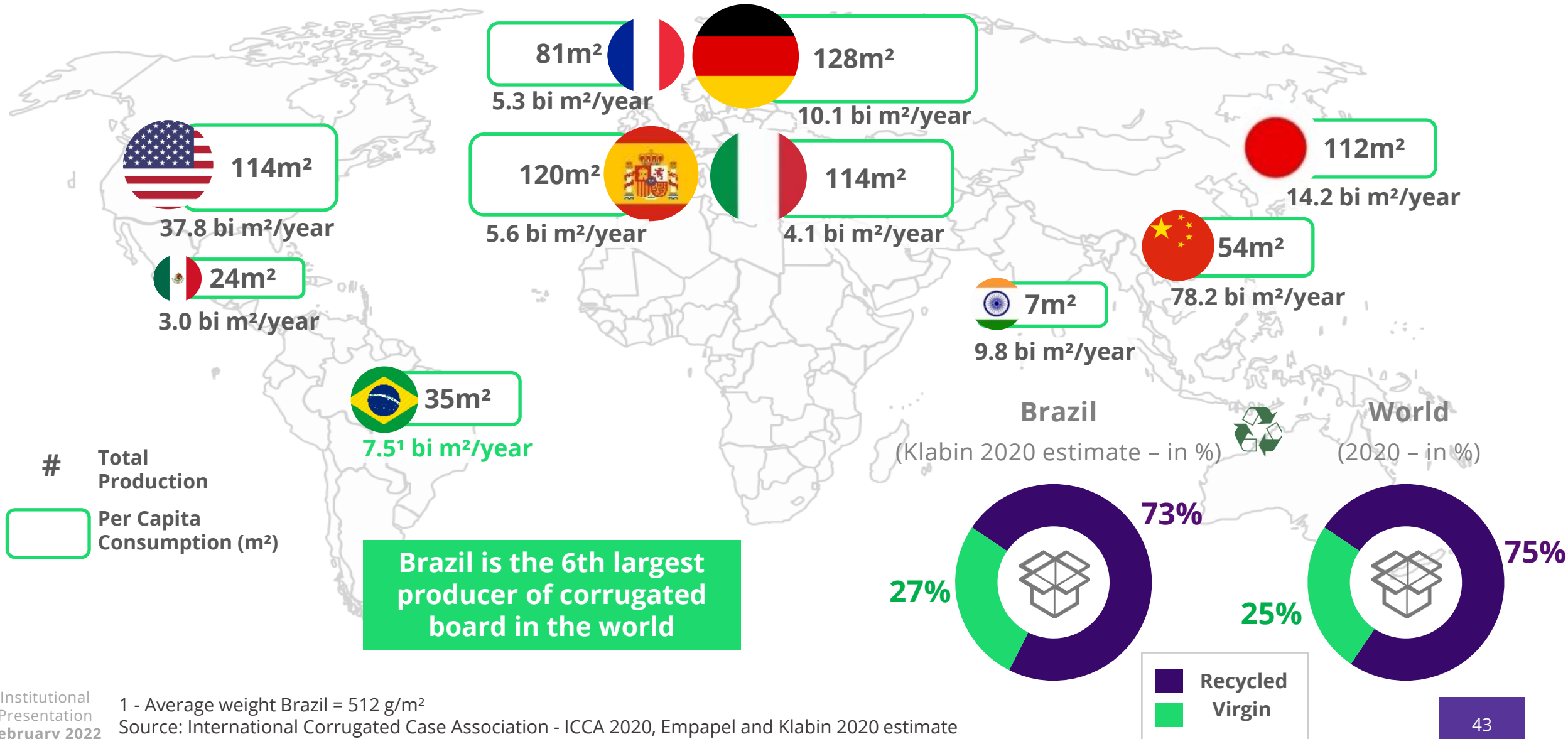
### Corrugated Boxes Shipments and Growth

Million tonnes and Var. %



# → Per capita corrugated boxes output

Brazil shows potential for growth

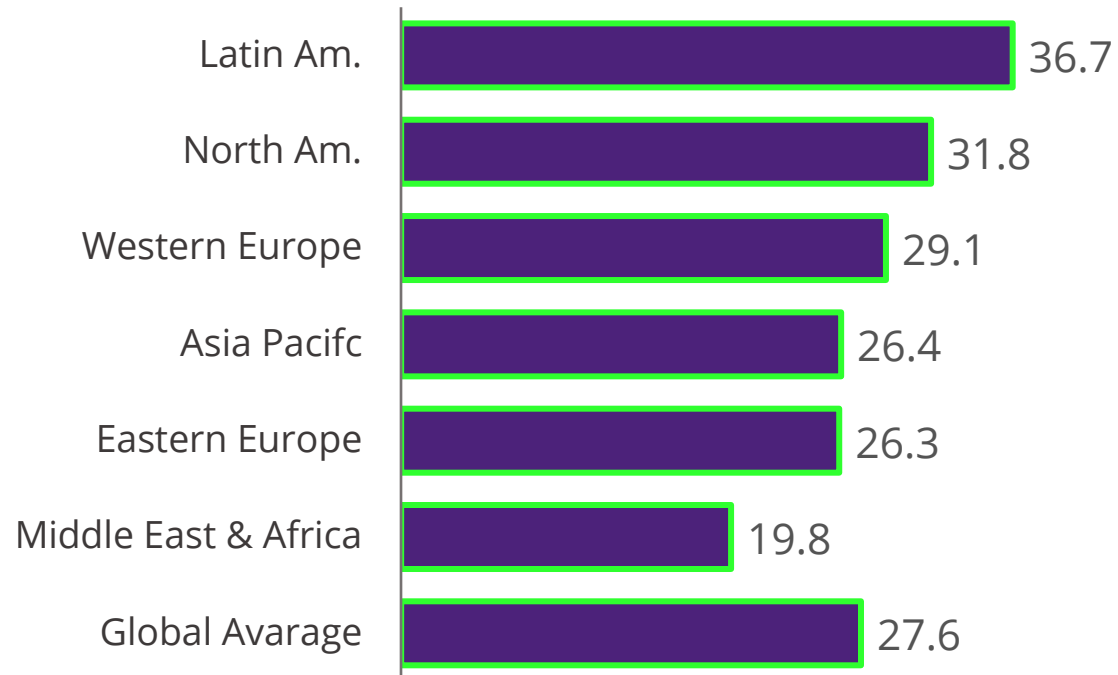


# → E-commerce

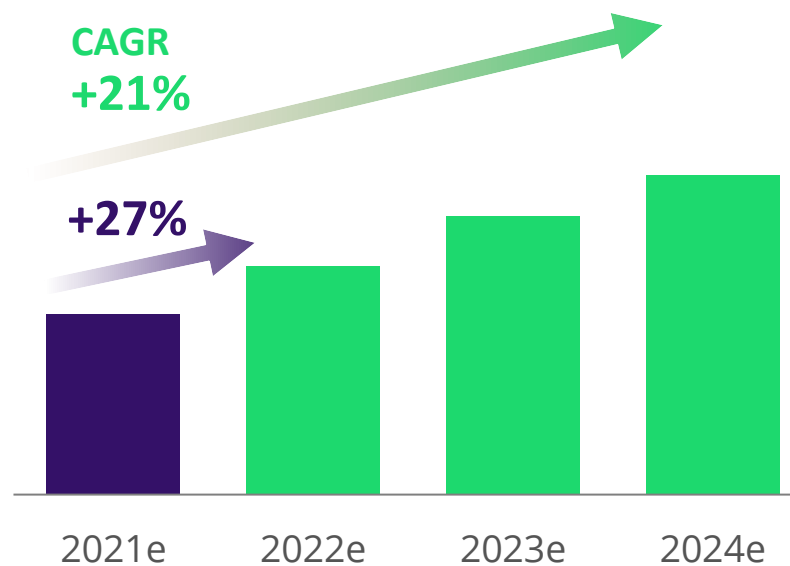
The global growth of e-commerce promotes the growth of corrugated boxes production  
Latin America led by Argentina and Brazil

## Online Sales Growth by Region in 2020

(%<sup>1</sup>, Dec/20)



## Evolution of e-commerce revenues in Brazil



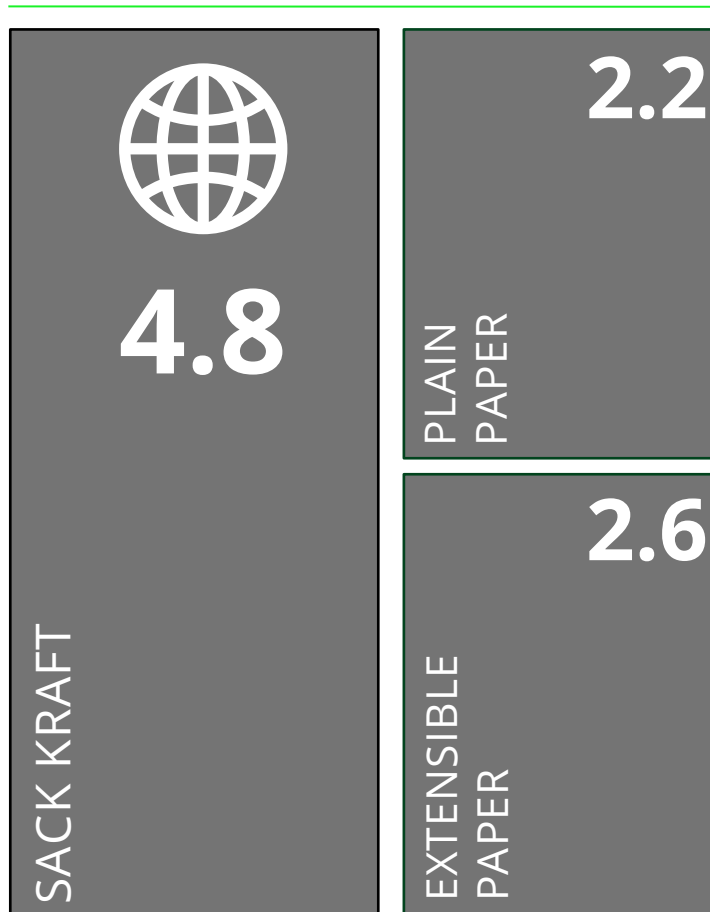


# → Industrial Bags Market

Growing Markets

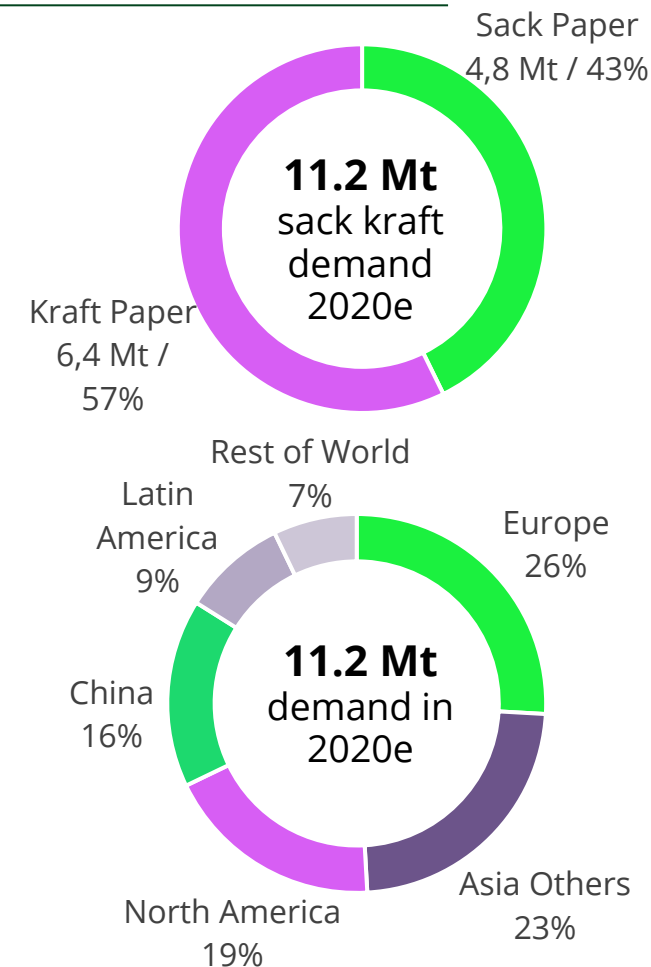
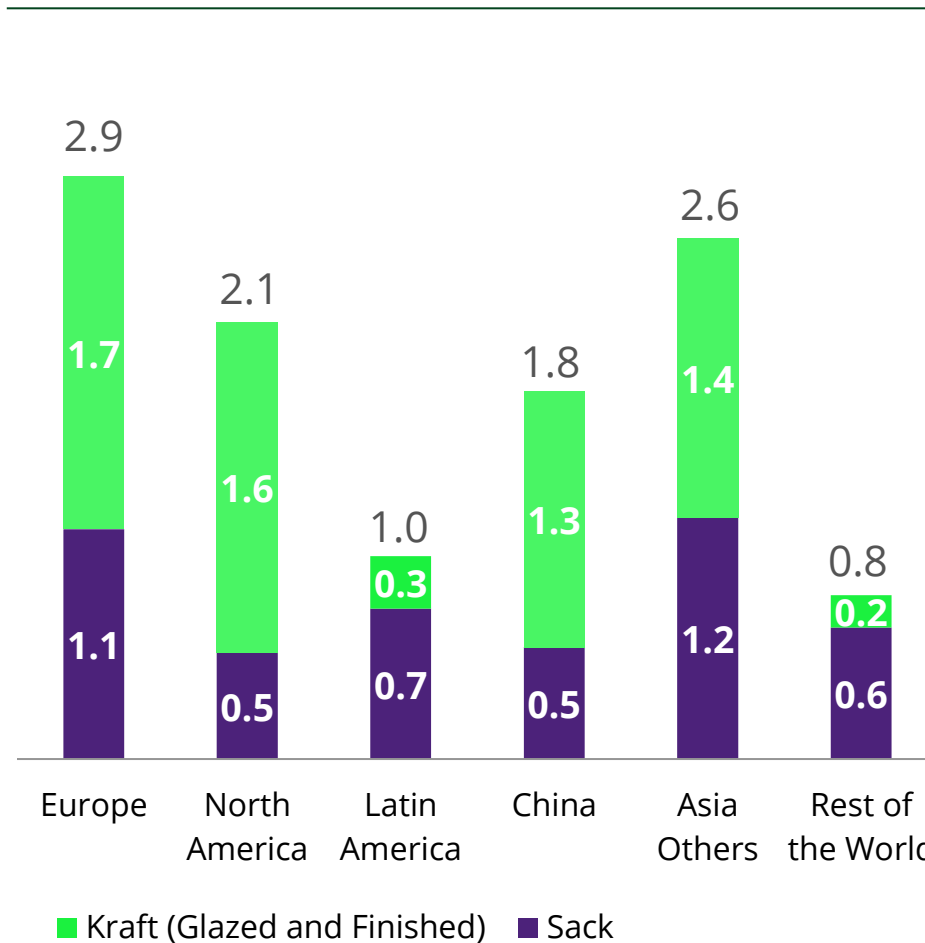
## Paper and Fibers Breakdown

Million tonnes (2020)



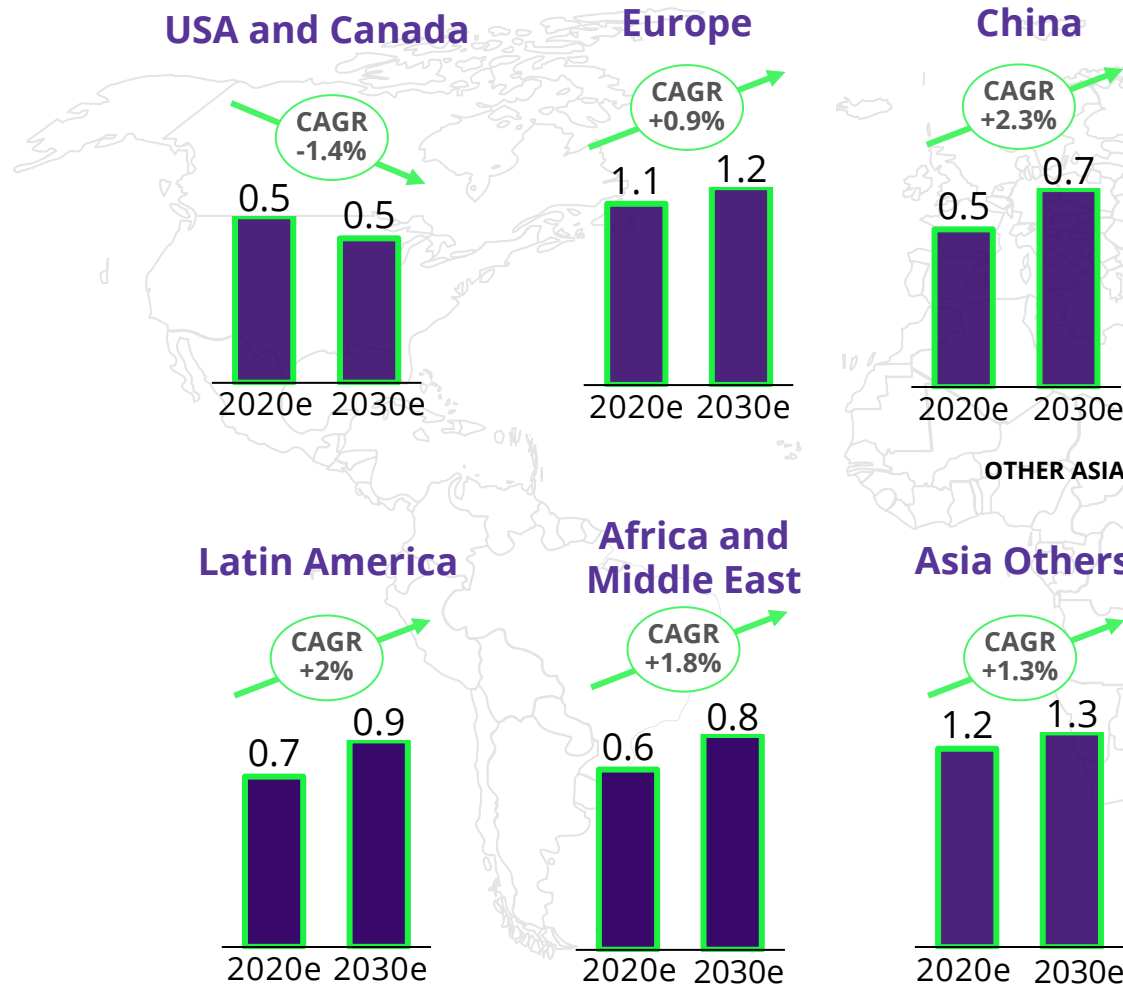
## Growth Projection of Sack Kraft by region

Million tonnes



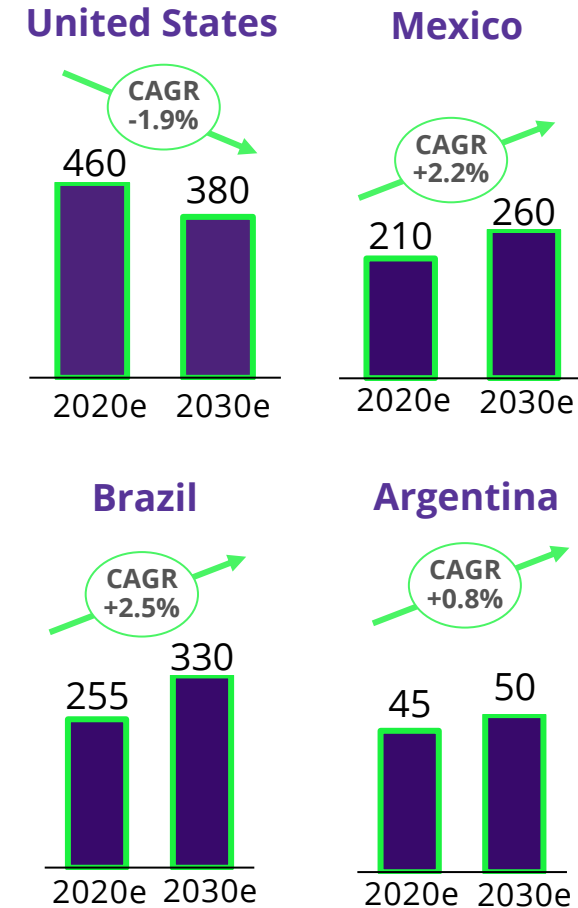
# → Sack Kraft expected market growth

Estimated demand for Sack Kraft by region - In million tonnes



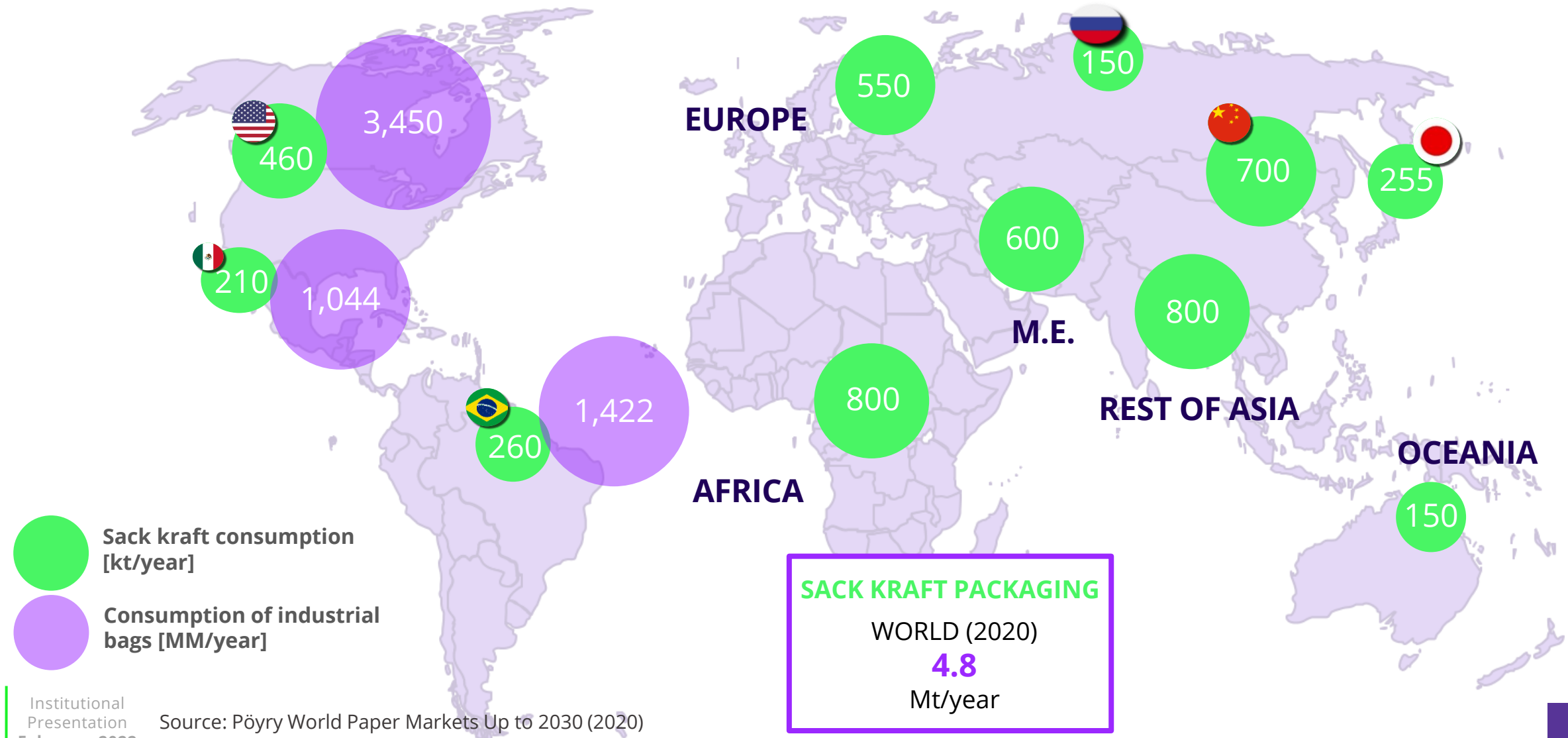
## Klabin's main markets

In Million tonnes



# → Consumption of Sack Kraft and Industrial Bags

2020: USA, Mexico, Argentina and Brazil among the largest estimated markets

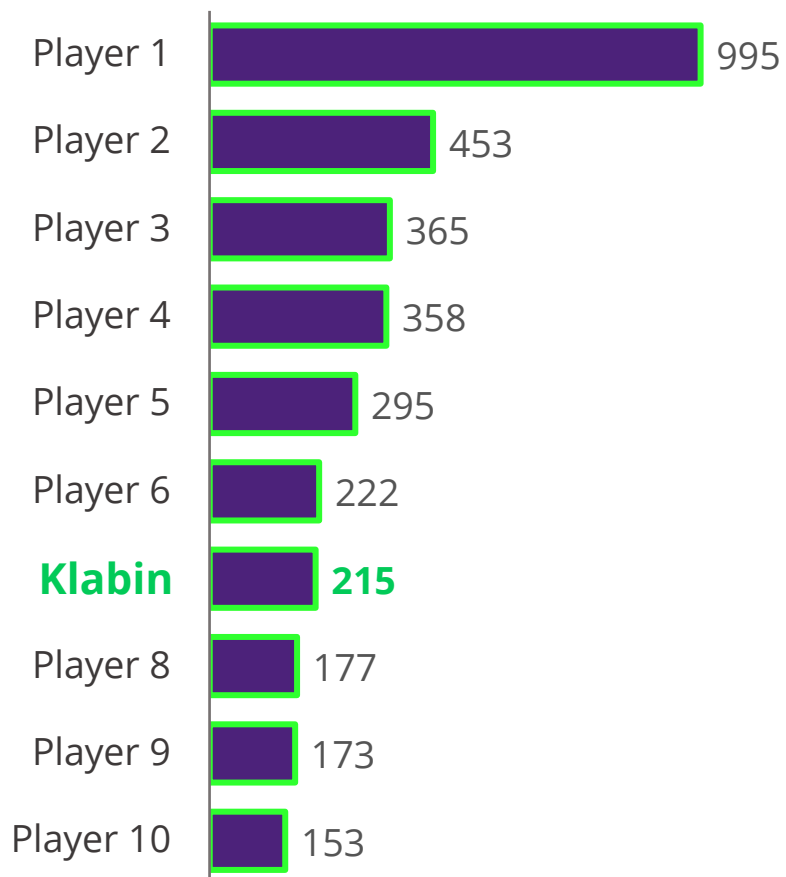


# → Industrial Bags Market

## Market Breakdown

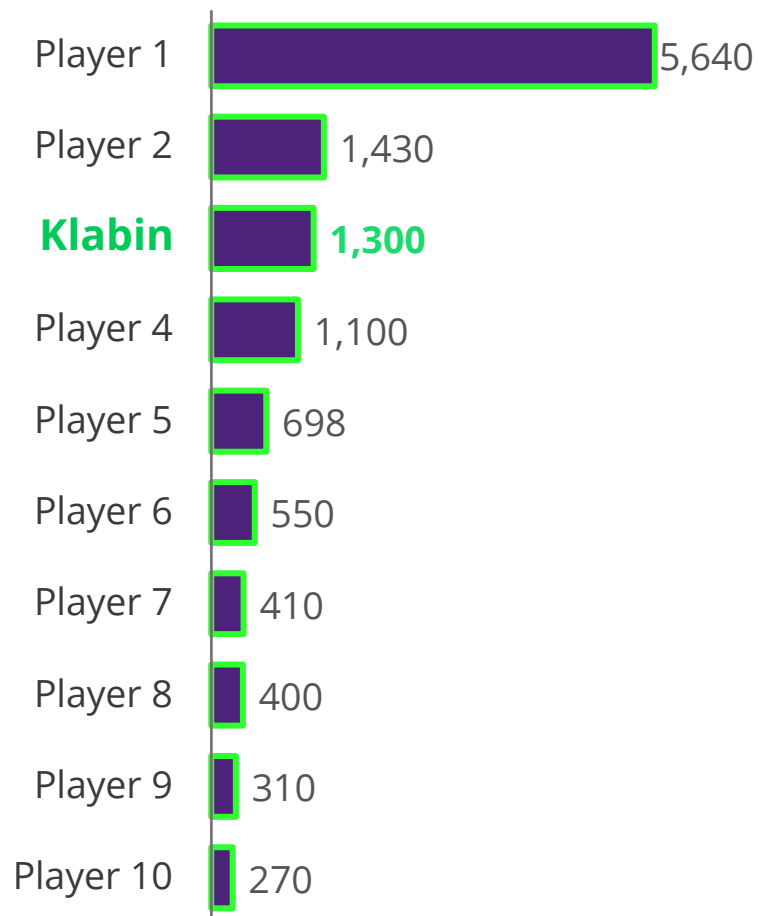
### Global Sack Kraft Producers

kt/year

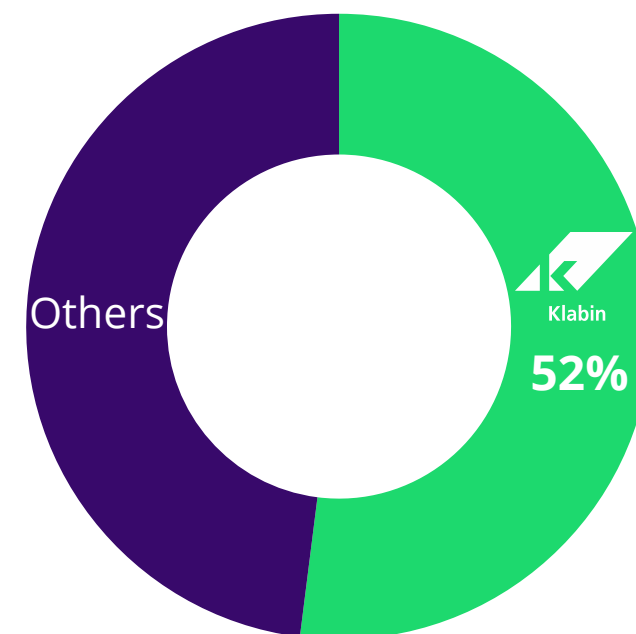


### Industrial Bags converters in world

2017 – Million bags per year



### Industrial Bags Market Share in Brazil



# Puma II Project







## Project Highlights

1

### White Top Liner

White Kraftliner  
Production taking  
advantage of bleached  
fiber availability on site

2

### Fixed Cost

Lower cash cost  
compared to Klabin's  
current cost

3

### Productivity

Biological Assets, Industrial  
and Logistic synergies will  
allow for greater efficiency

4

### Operational Efficiency

Fiber production line  
debottlenecking allowing  
for additional bleached  
pulp production for Puma I  
operations

5

### Additional Capacity

Expected production to  
reach above nominal  
capacity levels due to  
historical performance  
records trend

# → Project Highlights

Distinct products for growing distinct markets

## White Top Liner

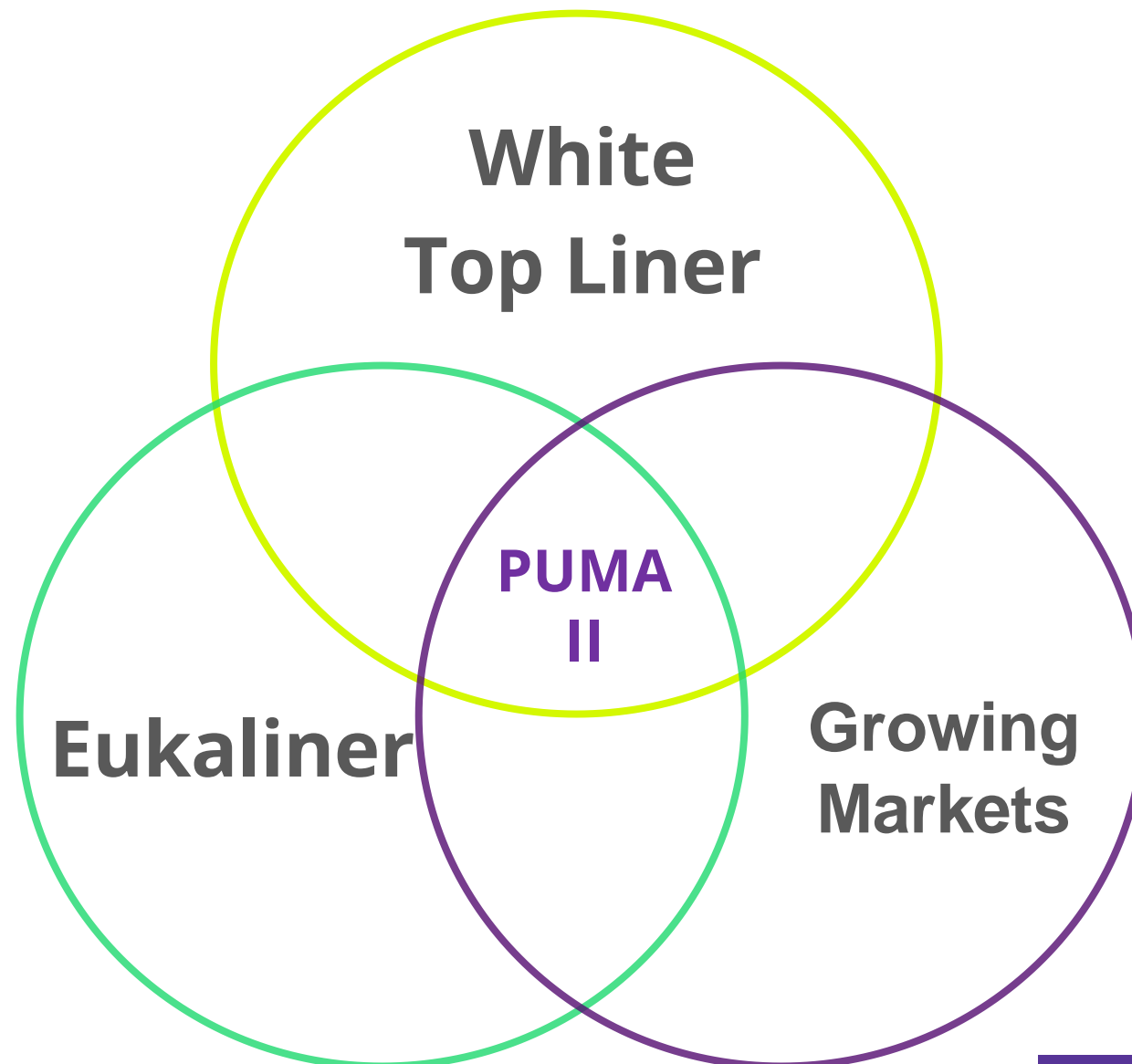
- Demand for approx, 6 Million t/y
- Demand grows 3% to 4% p.y.
- Low integration market
- New product on the most demanded grammage range

## Eukaliner

- Klabin's Patent - essentially eucalyptus
- 100% Virgin Fiber
- 10% gain on physical properties

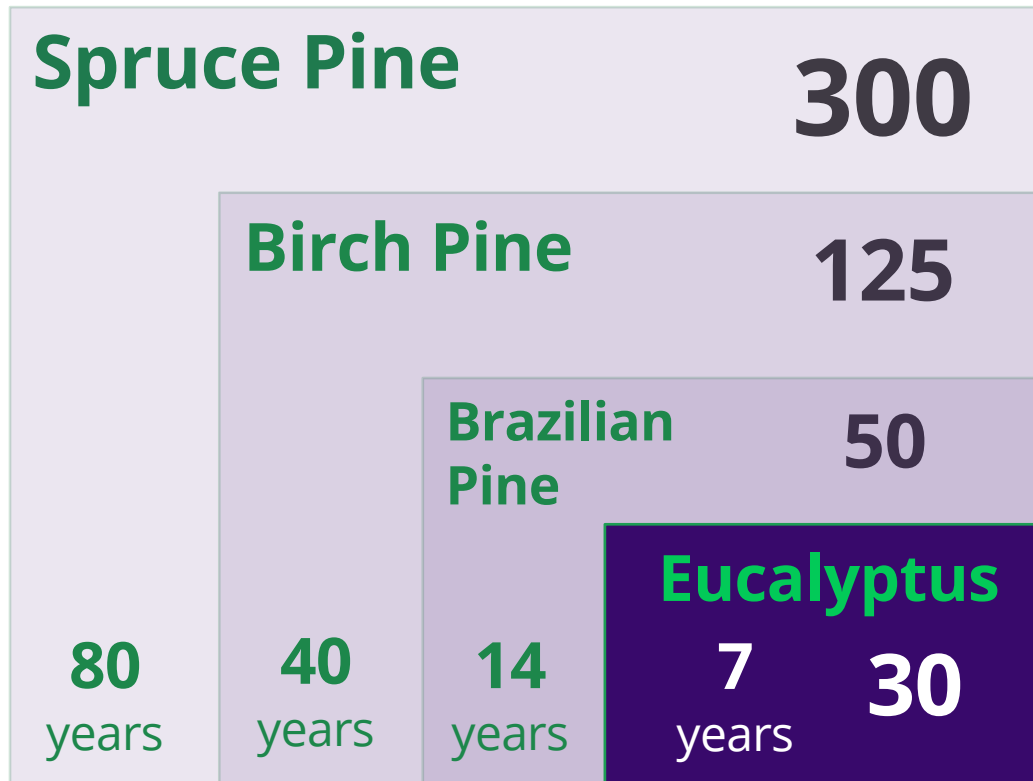
## Growing Markets

- E-commerce market
- Food market
- Shelf-Ready Packaging



## Planted area & Years to harvest

(for 450 kt of Kraftliner)



# Area (k ha)



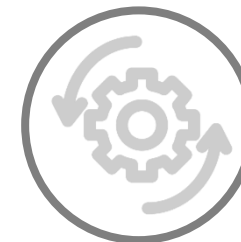
### Sustainability

- Planted area reduction
- Smaller loss after recycling



### Quality

- Better printability
- Endurance on low grammages



### Efficiency

- Weight Reduction
- Lesser water retention
- Better performance on corrugator (productivity)

10x  
smaller  
area

10x  
faster to  
grow

# → 1<sup>st</sup> Machine

Hot market and most of the production allocated in contracts

## PM 27

**STARTUP**  
August 30,  
2021

**Production  
Ramp-up :**



Capacity: **450** thousand ton/year<sup>1</sup>

Fibers: **100%** Short Fiber

Type: Eukaliner® + Eukaliner White®<sup>2</sup> (20% of the capacity)

Low/Medium Grammage (90 to 200 g/m<sup>3</sup>)



Image of the 1<sup>st</sup> Paper Machine (PM27) of the Puma II Project in Ortigueira-PR

**100% of the production sold,  
70% through contracts<sup>3</sup>**

1 - Production capacity refers to saleable production and does not consider creep capacity

2 - White Top Liner

3 - According to the 2Q21 Release of August 10, 2021

4 - According to internal data released on Klabin Day 2021 on December 8, 2021

# → Eukaliner® Differentials

Innovative product tested and approved by customers worldwide




First  
kraftliner made  
from 100%  
eucalyptus fiber



>10% of  
grammage  
reduction



Better  
printability



**Eukaliner®**  
awarded in Packaging  
Innovation by the PPI  
Awards, Fastmarkets RISI



More  
sustainable



Stronger  
structure



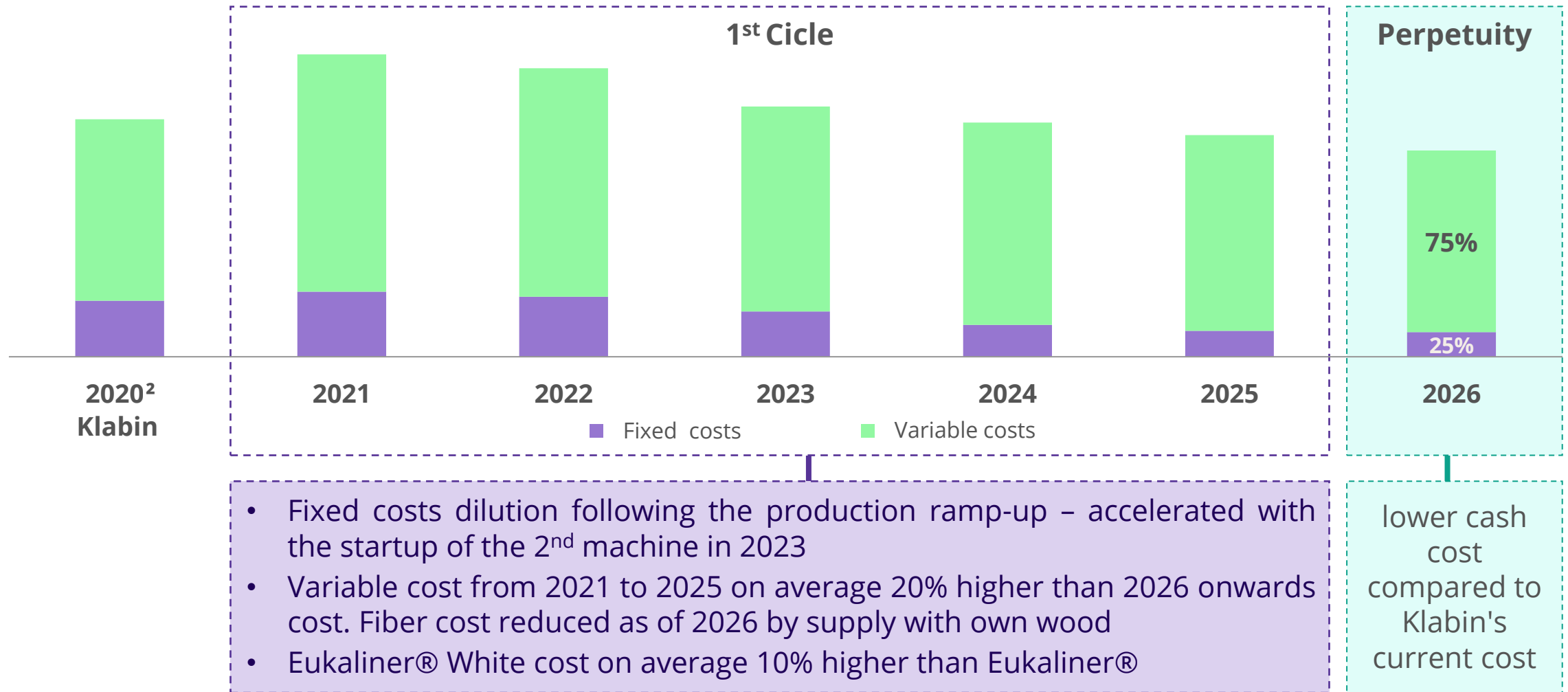
Higher  
performance  
and energy and  
vapor savings

**Tested and Approved**  
for customers worldwide -  
structure, performance  
and grammage reduction



# → Eukaliner® Cash Cost (R\$/ton)<sup>1</sup>

Lower production cost compared to Klabin's current assets



1 - Cost in real terms without SG&A

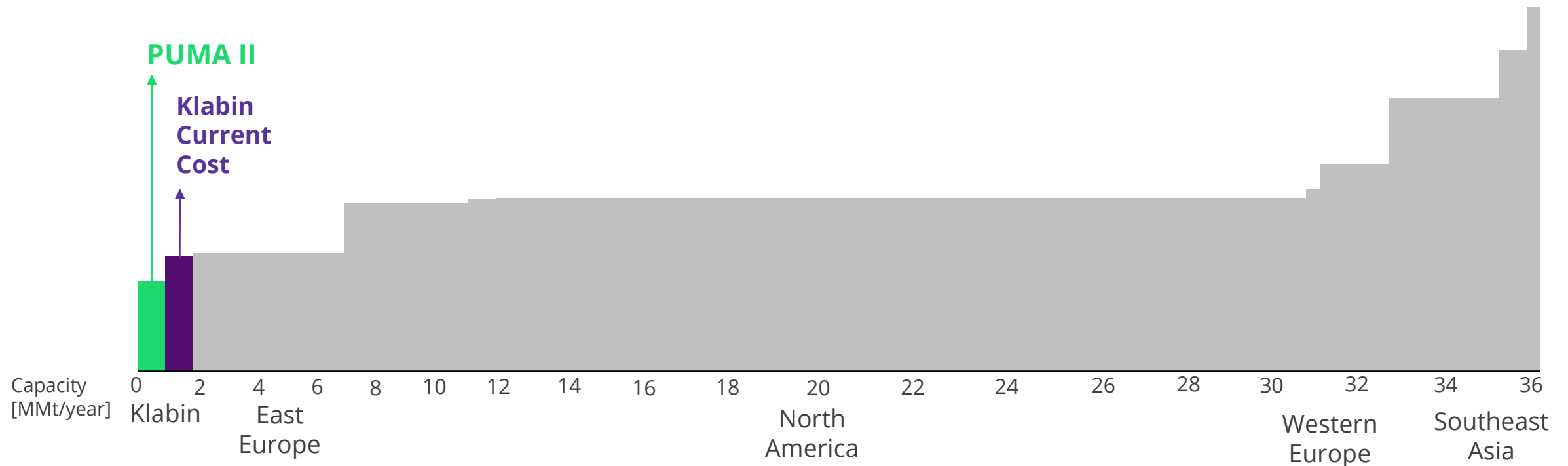
2 - The maintenance stoppage of the Monte Alegre unit in 2020 was reduced due to the pandemic. For better comparability of the numbers the cost was adjusted considering a normalized maintenance stop



# → Cash Cost

New machines will improve the Klabin's kraftliner plant competitiveness

## Global Cash Cost Curve Kraftliner



# → 2<sup>nd</sup> Machine

Flexibility to produce Coated Board and/or Kraftliner with higher value creation



## PM 28

Capacity: **460** thousand ton/year<sup>1</sup>

Type: Coated Board (LPB<sup>2</sup>/Folding/Carrierboard) and/or Kraftliner

Possibility to produce white Coated Board without considerable modifications in the unit

Medium/High Grammage (150 to 350 g/m<sup>2</sup>)

**\* STARTUP**  
(2<sup>nd</sup> quarter of 2023)

**2023**

**2024**

**2025**

**2026**  
onward

**Production Ramp-up: 50%<sup>3</sup>**  
(% over capacity)

**75%**

**95%**

**100%**

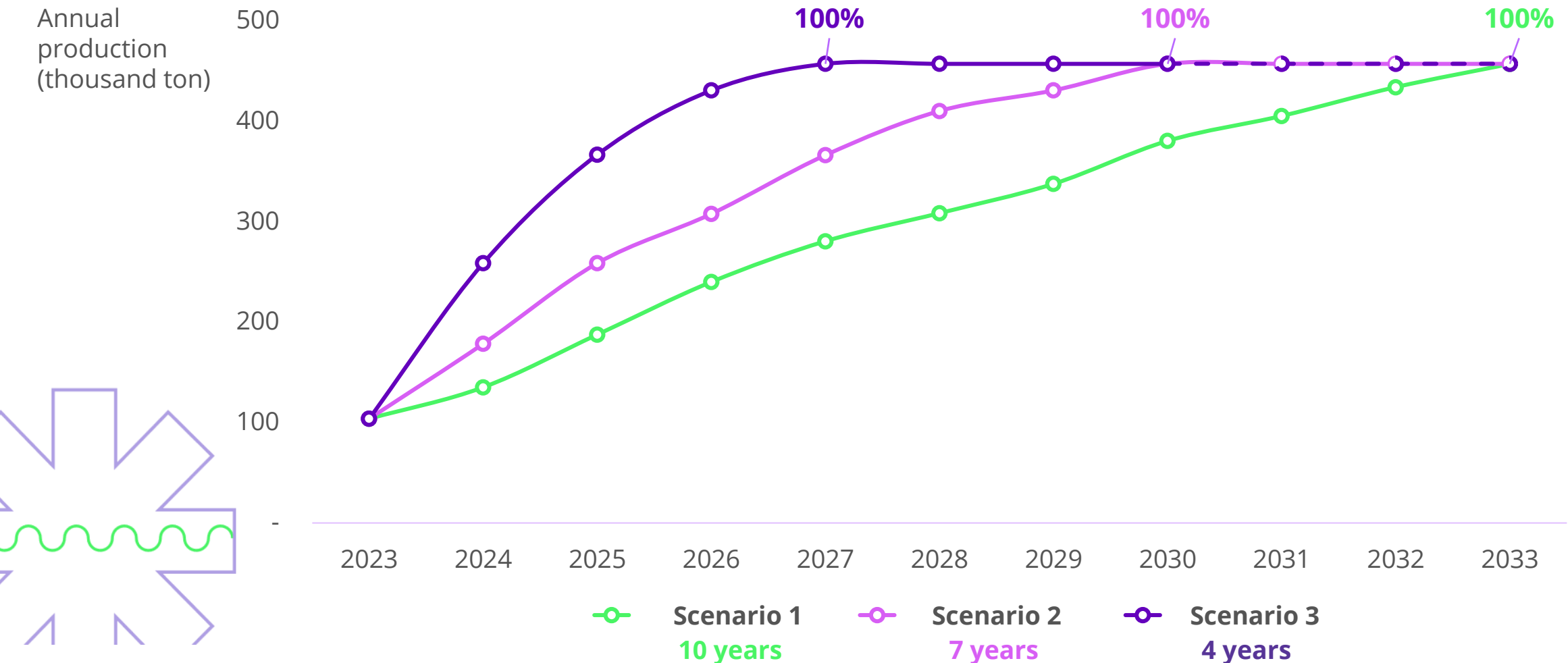
1 - Production capacity does not consider creep capacity

2 - LPB: Liquid Packaging Board

3 - Production of 50% of capacity is associated with the partial year of production given start-up in the second quarter of 2023

# → Incremental Coated Board Production Scenarios

Coated Board flexibility production ramp-up depending on market conditions



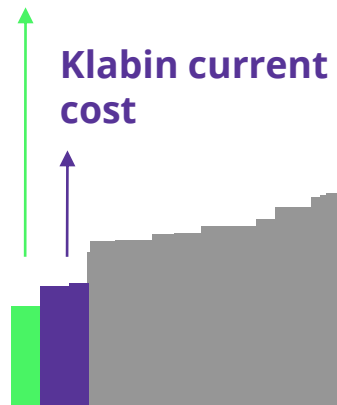
(Term to reach total Coated Board production capacity)

# → Coated Board Cash Cost

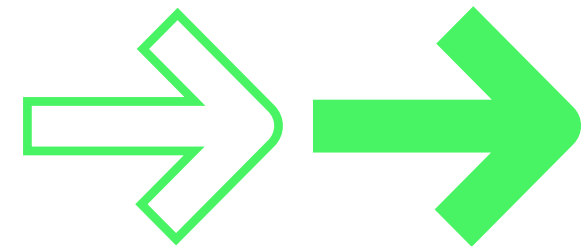
High competitiveness and production cost efficiency

## Global Cash Cost Curve Coated Board

MP 28: estimated  
cash cost



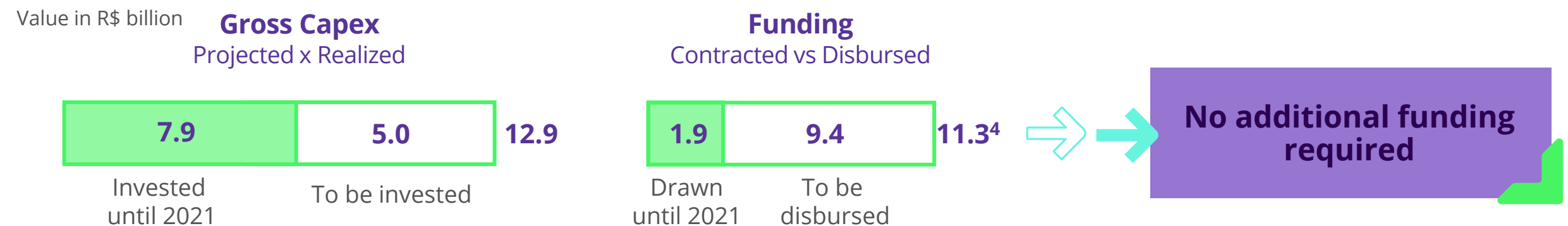
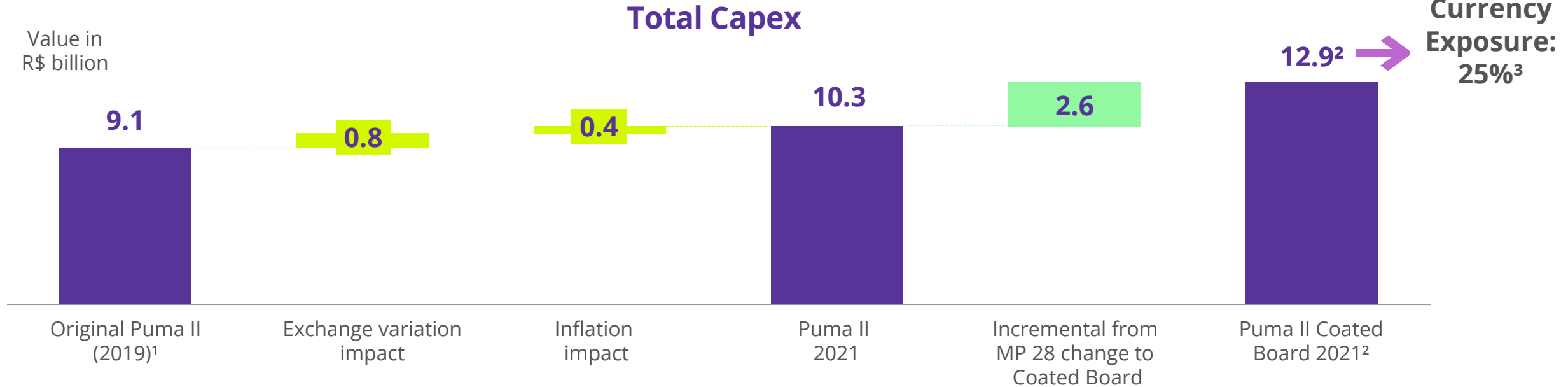
Cash cost  
in USD/ton





# → Investments & Resource Sources

Current cash position and cash generation from current business will be the main sources of funds



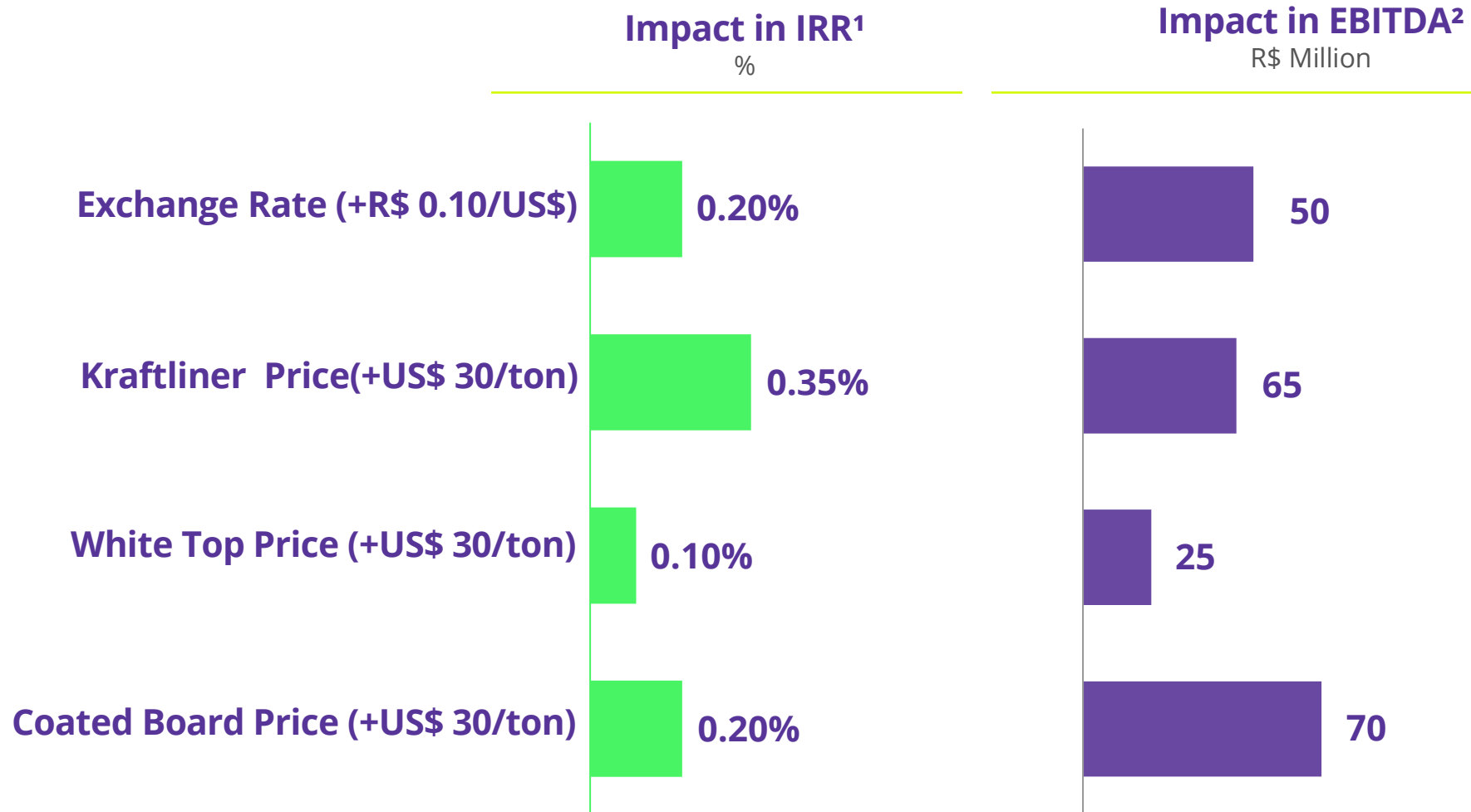
1 - Original Capex in real terms base 2019 at R\$/US\$ 3.66 readjusted to 2021 basis at R\$/US\$ 4.90

2 - Of this amount around R\$ 1.2 billion refers to tax credits

3 - Referring to the complete project

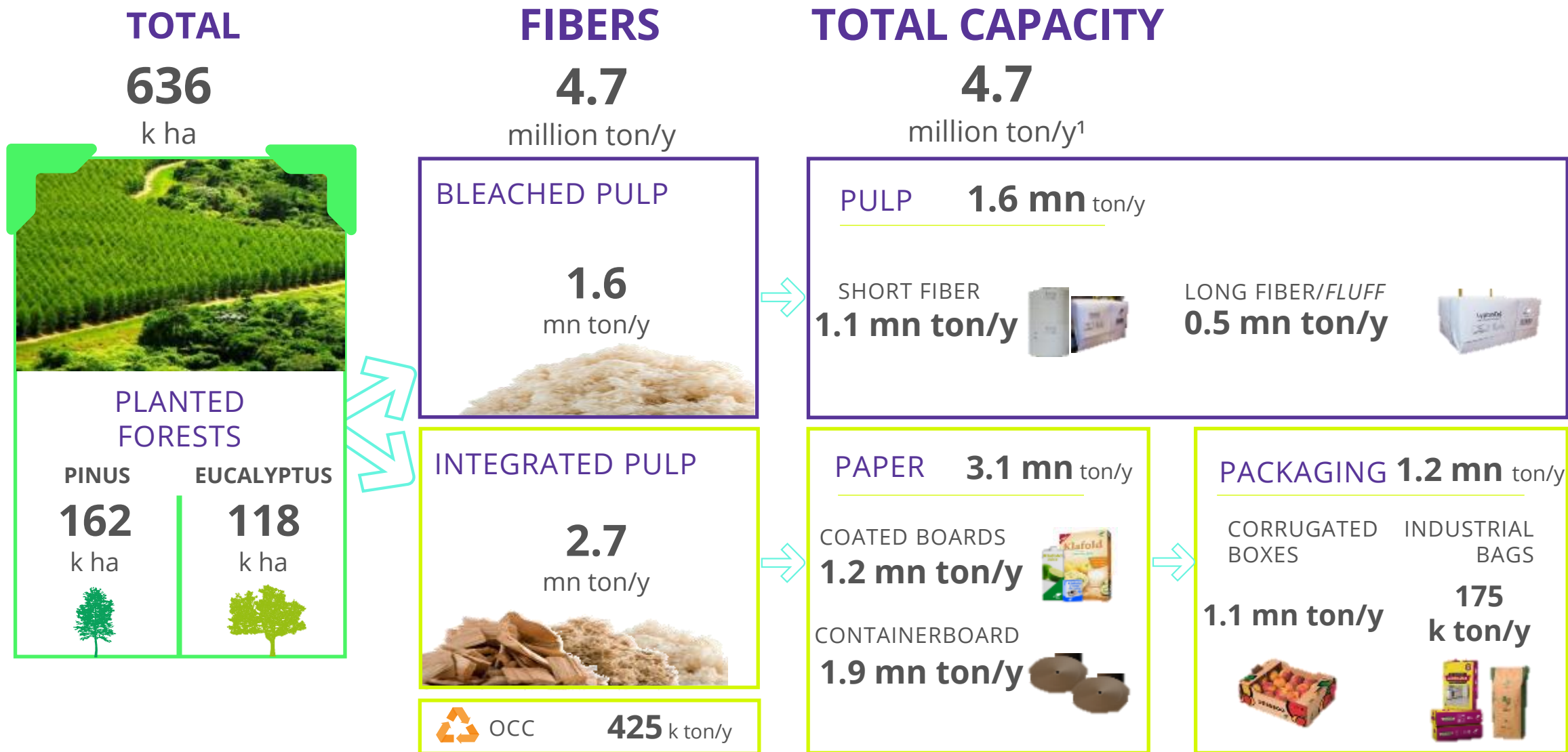
4 - Financing from BNDES (R\$ 3.0 bn), FINNVERA (R\$ 3.9 bn) and IDB INVEST/IFC/JICA (R\$ 4.5 bn) considering the US\$/R\$ rate at the end of the period

# → Sensitivity Analysis (PM 27 + PM 28)



# → Klabin after Puma II

Growth with the maintenance of the integrated, diversified and flexible business model



# → Puma II Project

Project reinforces the Company's unique attributes

## Value Creation

2<sup>nd</sup> Machine with Coated Board production ensures **growth** with greater **value creation** to shareholders

## Innovation

Advances in **biobarriers** application for new uses of Coated Board and **Eukaliner®**, the world's first kraftliner produced with 100% eucalyptus fiber

## Sustainability

Less land needed, **substitute products for single-use plastic**, reduced water consumption and energy from **renewable** sources

## Resilience

**Diversified** product portfolio and integration ensures **flexibility** and less volatility of results

# Special Projects and Growth





# → 23 Special Projects and Growth

The projects have fast and high returns

Approved on June, 2021

Projects with fast  
and high returns



Low investment in relation to the  
expected cash generation



Deleveraging acceleration

## Investments

TOTAL



2021

2022

R\$ 342  
million

R\$ 125  
million

R\$ 217  
million

Conversion capacity increase after ramp-up:

~30 k ton/year of Corrugated Boxes

~9 k ton/year of Industrial Bags

R\$ 251  
million

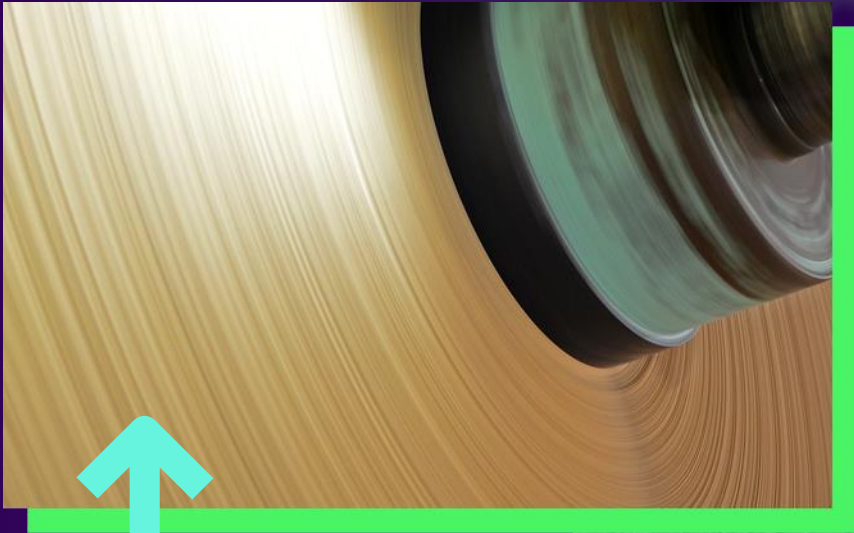


Directed towards increasing the  
capacity for converting paper into  
packaging

Other  
projects



Targeted at all Klabin's operating  
segments and substantially focused  
on cost optimization



4Q21

Results

# → Consistent Performance

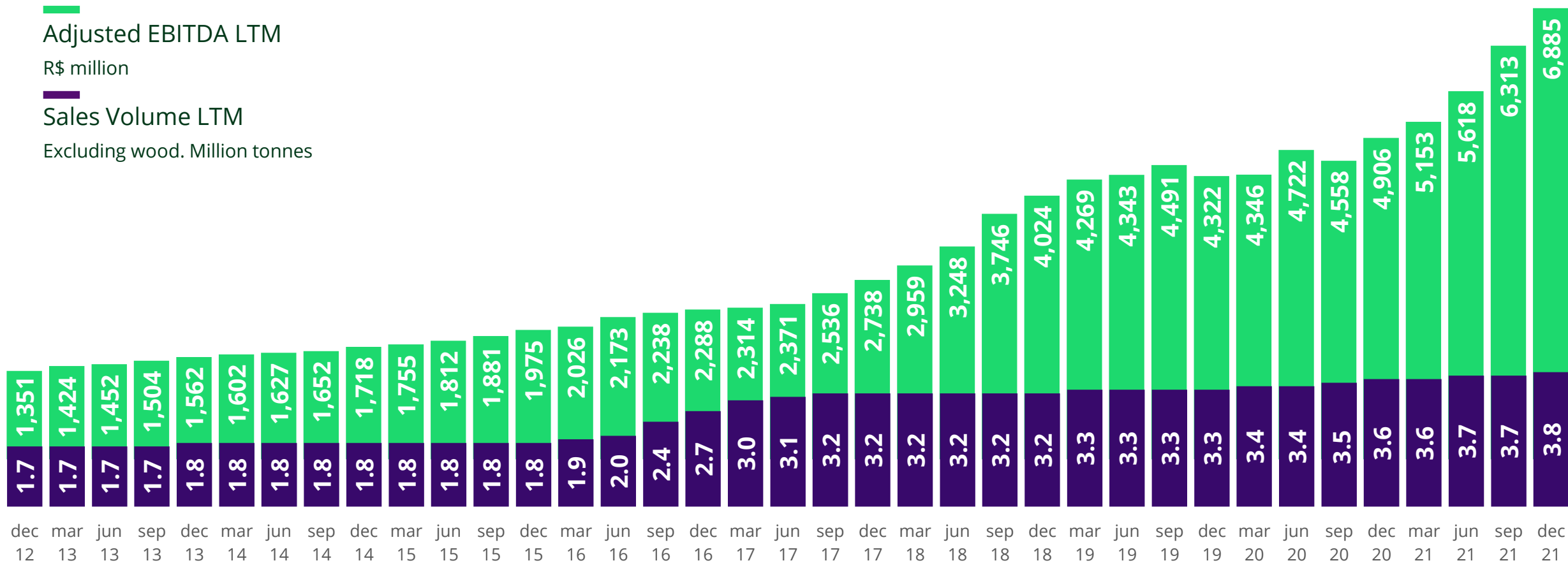
## Sales Volume vs Adjusted EBITDA

Adjusted EBITDA LTM

R\$ million

Sales Volume LTM

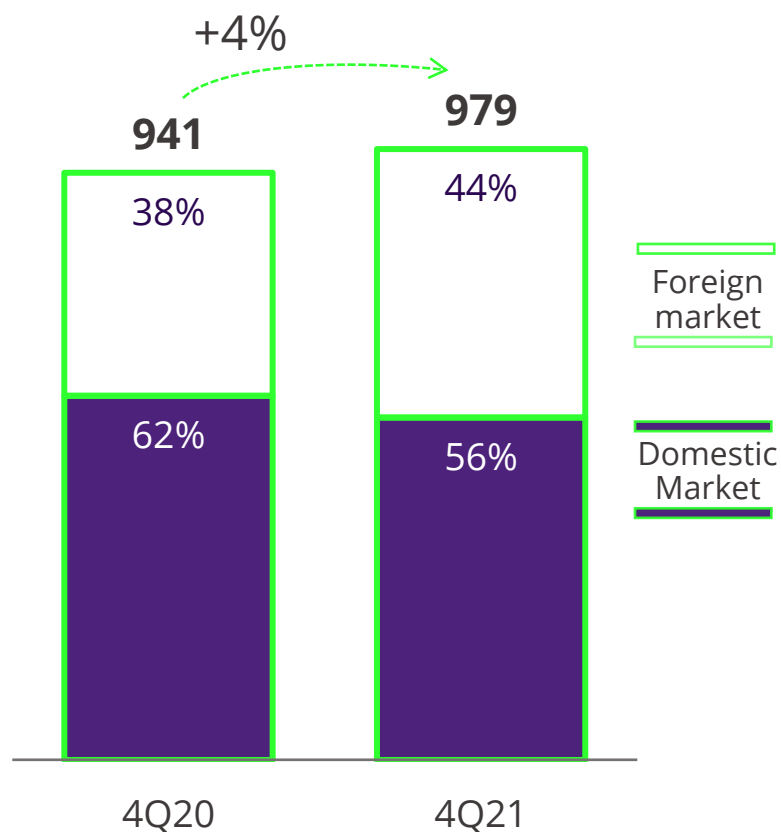
Excluding wood. Million tonnes



# → 4Q21 Results

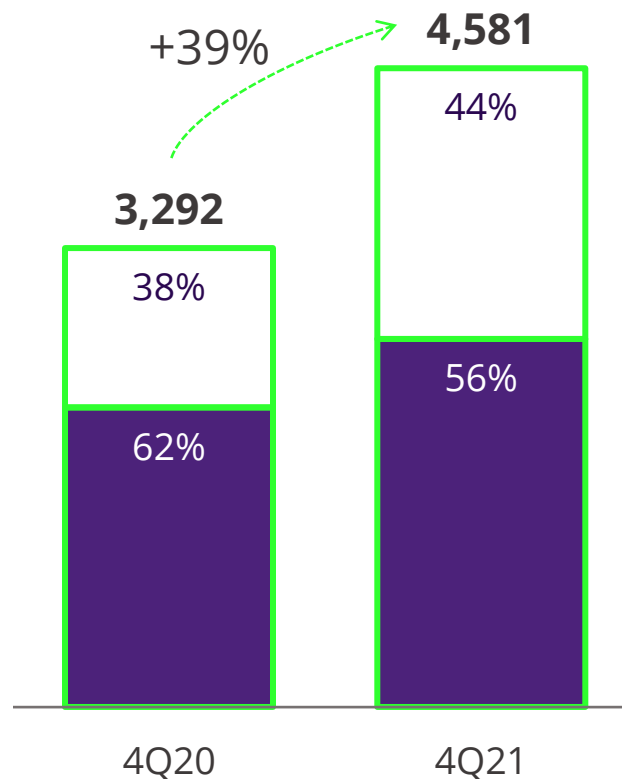
Price adjustments over the year and the depreciation of the real versus the dollar drive the quarter's result

Sales Volume<sup>1</sup>  
Thousand tons



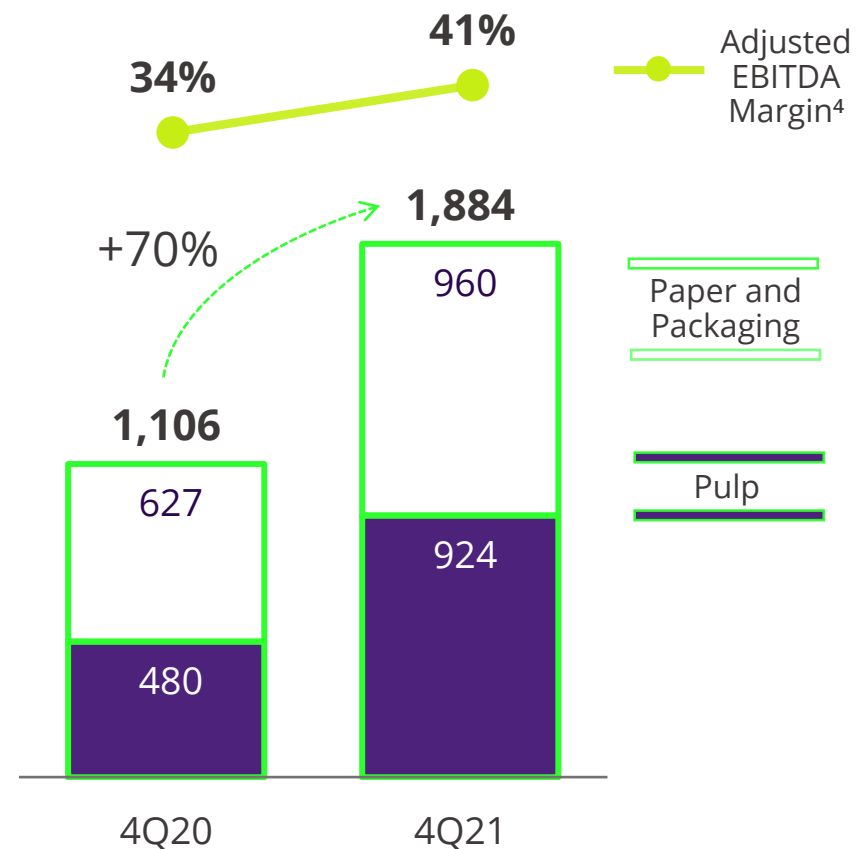
1 – Does not consider wood sales

Net Revenue<sup>2</sup>  
R\$ million



2 – Includes wood and other revenues

Adjusted EBITDA by segment<sup>3,4</sup>  
R\$ million



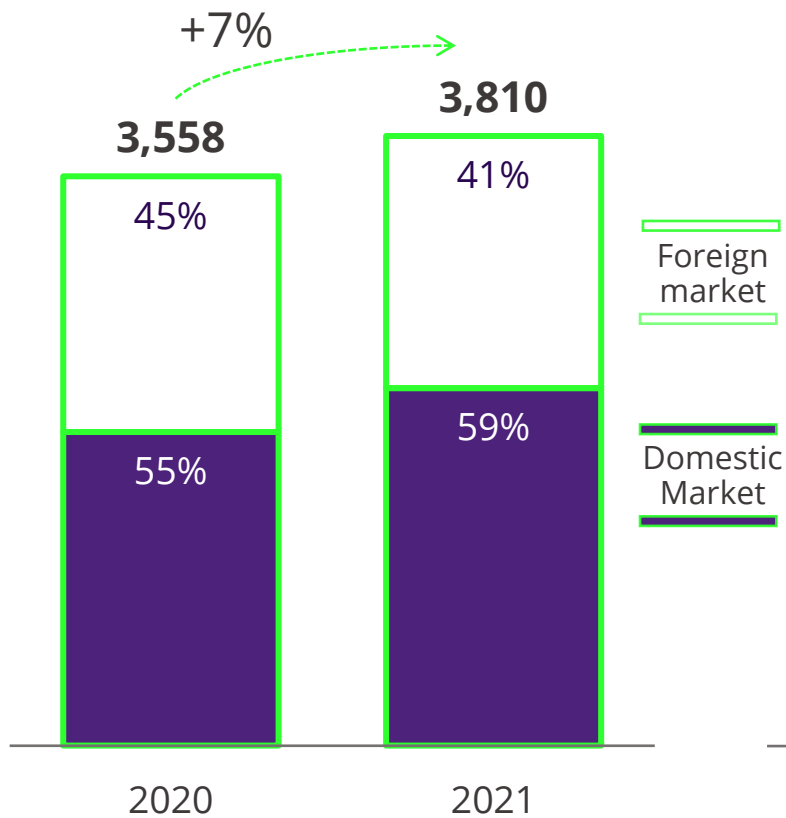
3 – 'Others' results were allocated in the respective businesses  
4 – Disconsidering the non-recurring effects



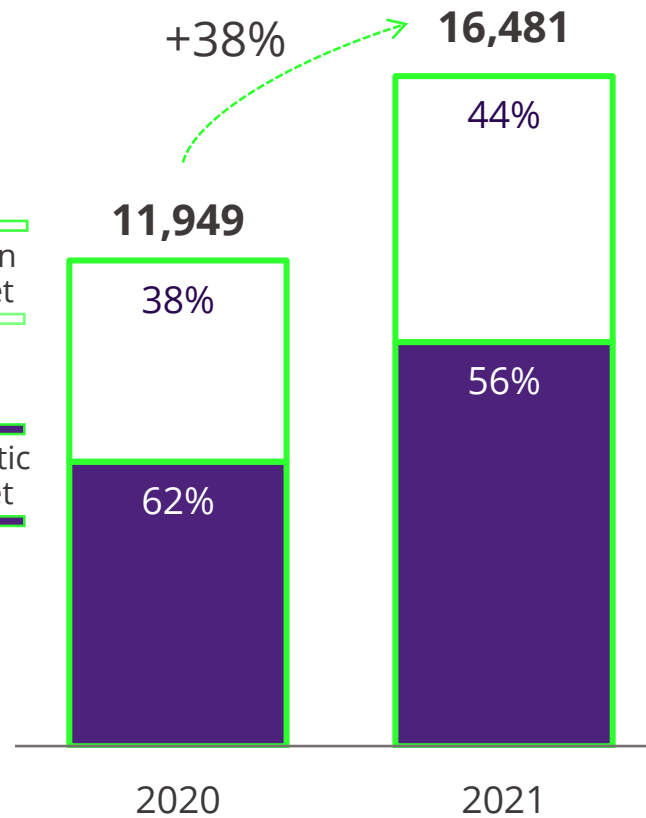
# → 2021 Results

Integrated, diversified and flexible business model proven by 12<sup>th</sup> consecutive year of EBITDA growth

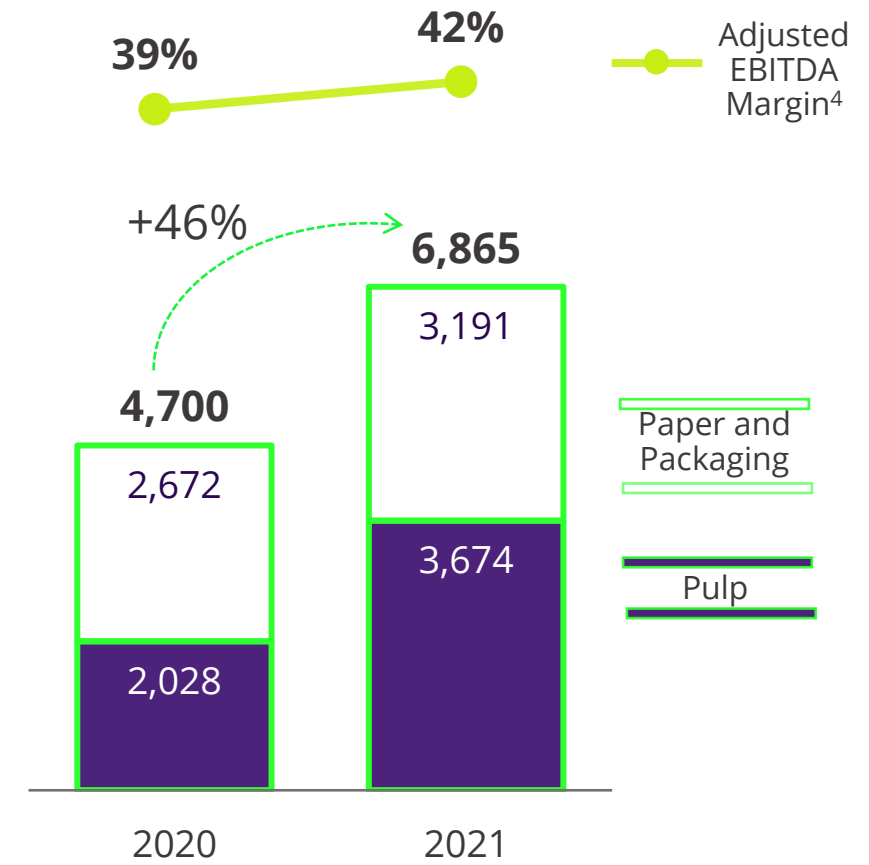
Sale Volume<sup>1</sup>  
Thousand tons



Net Revenue<sup>2</sup>  
R\$ million



Adjusted EBITDA per Segment<sup>3,4</sup>  
R\$ million



1 - Does not consider wood sales

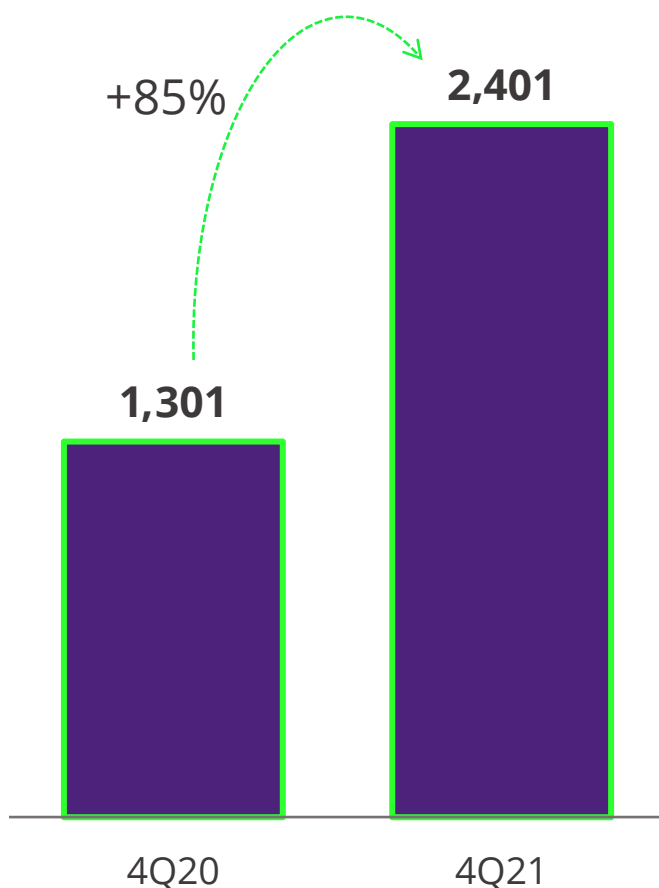
2 - Includes wood and other revenues

3 - Results from 'others' allocated to the respective businesses

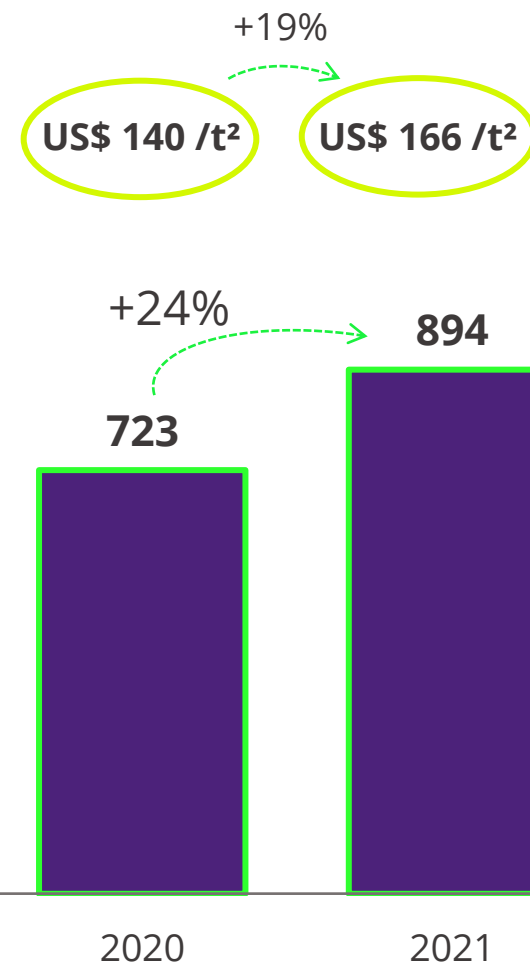
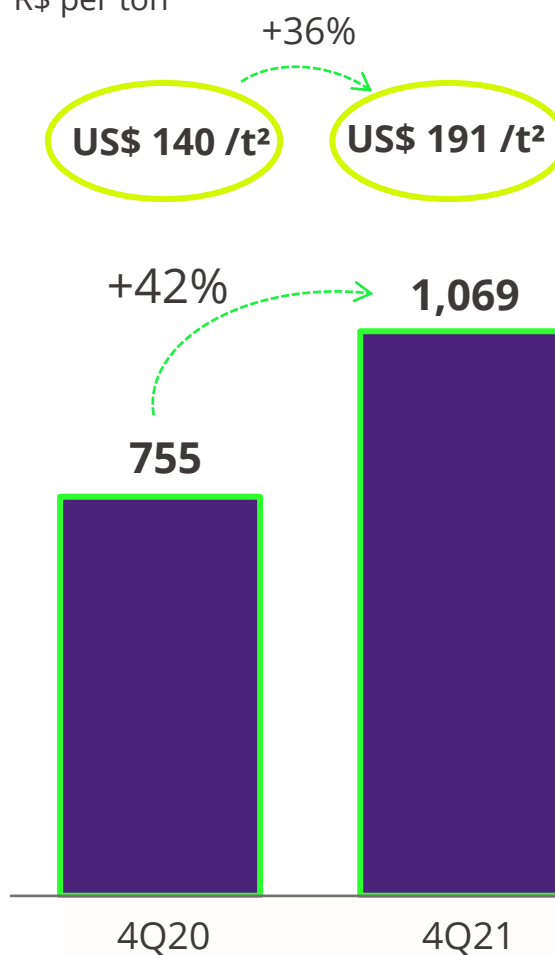
4 - Disconsidering the non-recurring effects

Price increases, flexible sales mix between locations, a diversified product portfolio and the devaluation of the BRL benefit the business results

Adjusted EBITDA/t<sup>1</sup>  
R\$ per ton



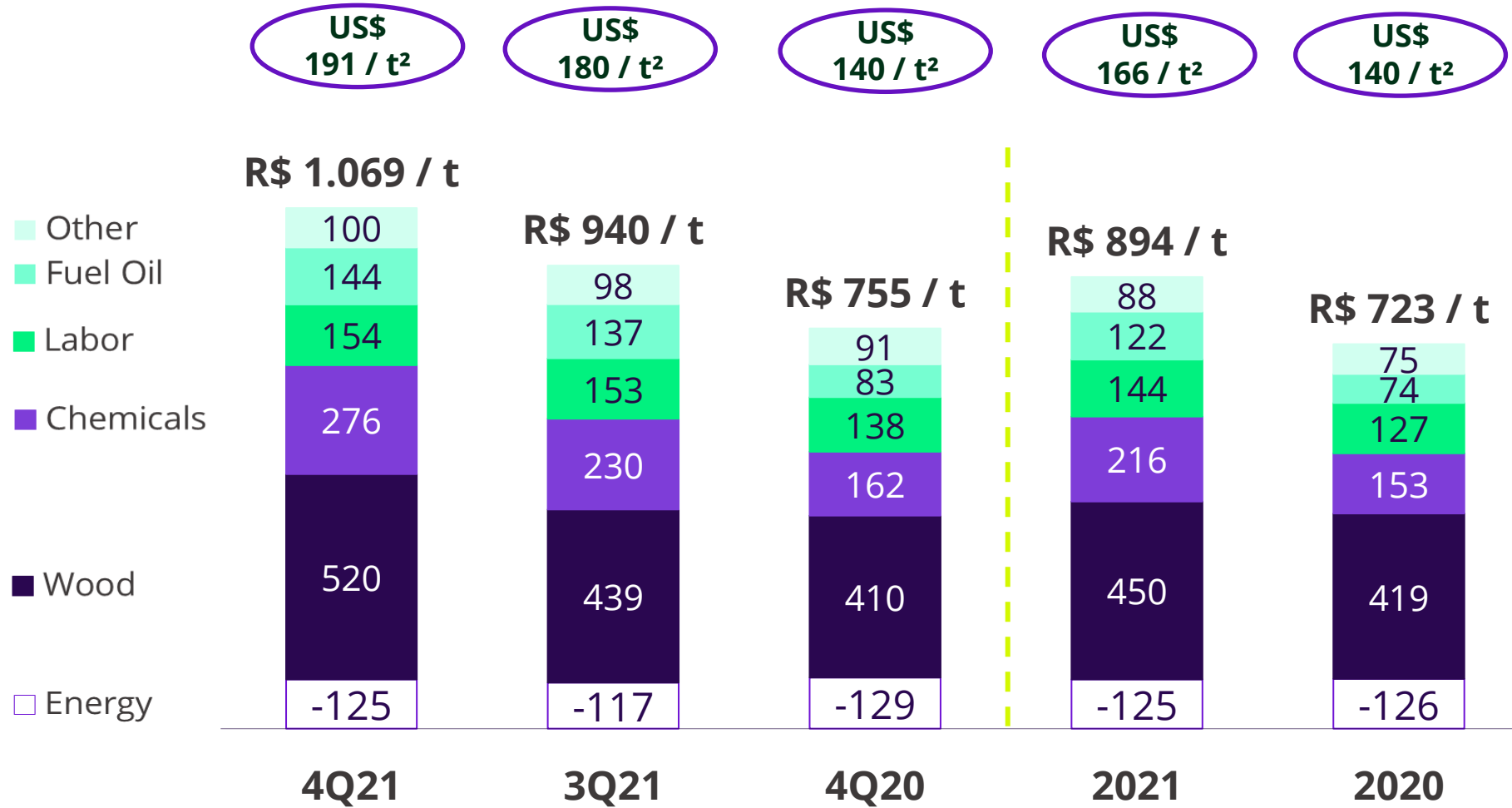
Production cash Cost  
R\$ per ton





# → Cash Cost 4Q21

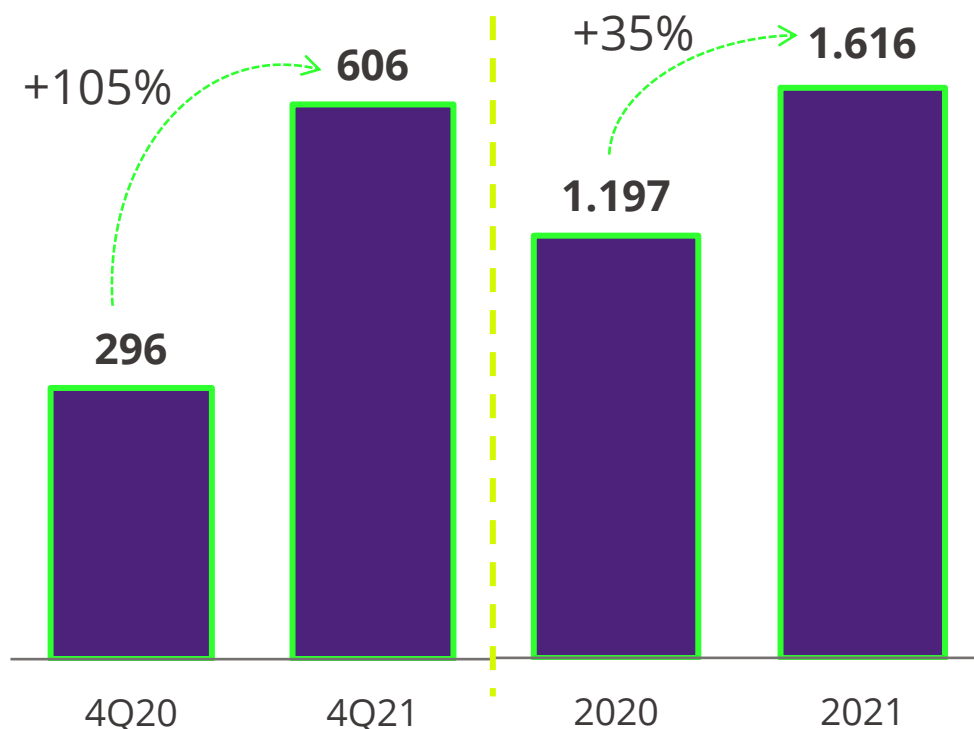
## Pulp Production Cash Cost



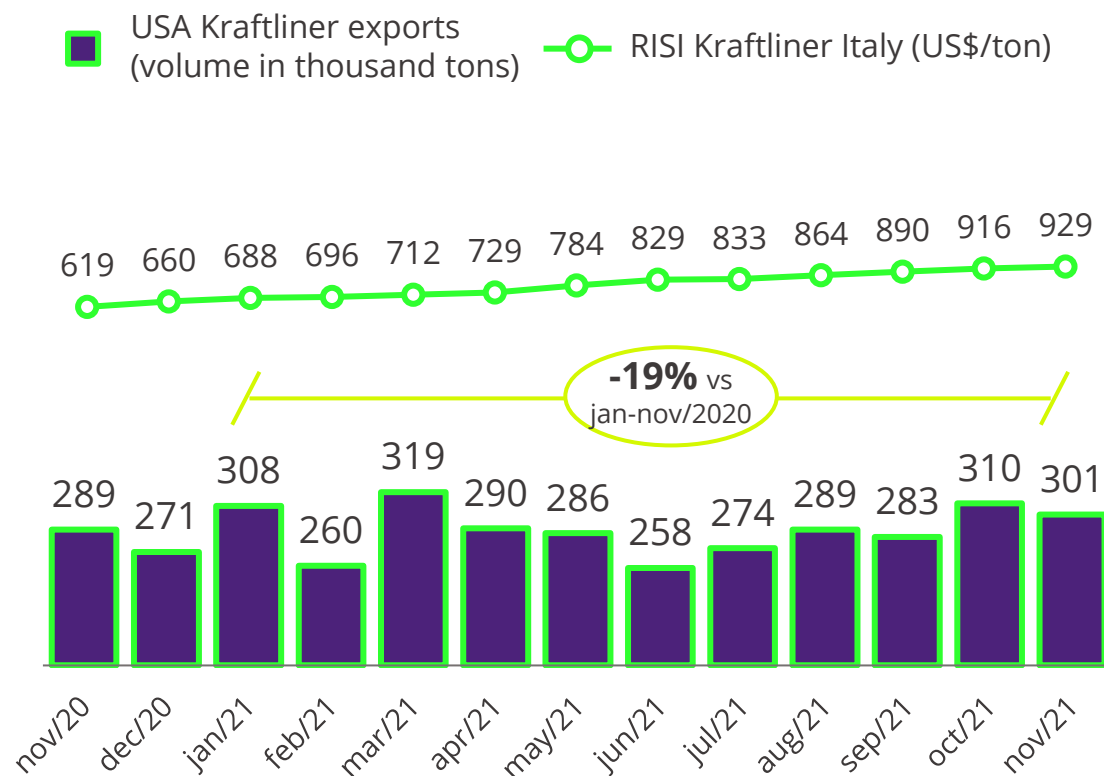
## Reduction of Kraftliner exports from the USA affects the supply and demand balance, increasing prices in USD/t and benefiting Net Revenues

### Containerboard<sup>1</sup> Net Revenue

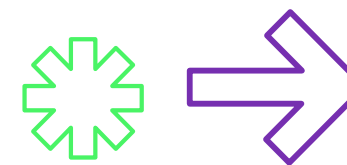
R\$ million



### USA reduction in kraftliner exports



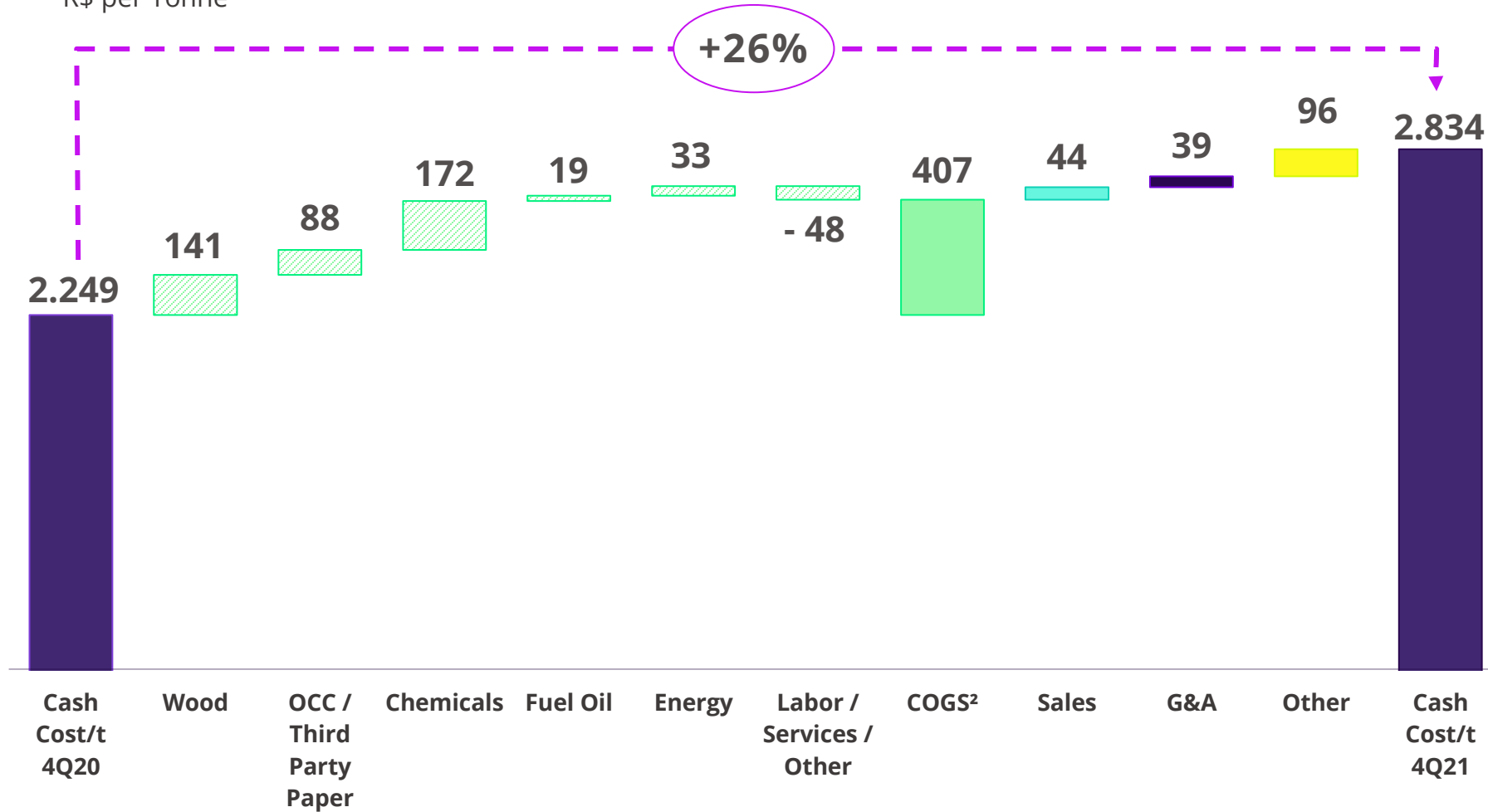
Source: Fastmarkets RISI



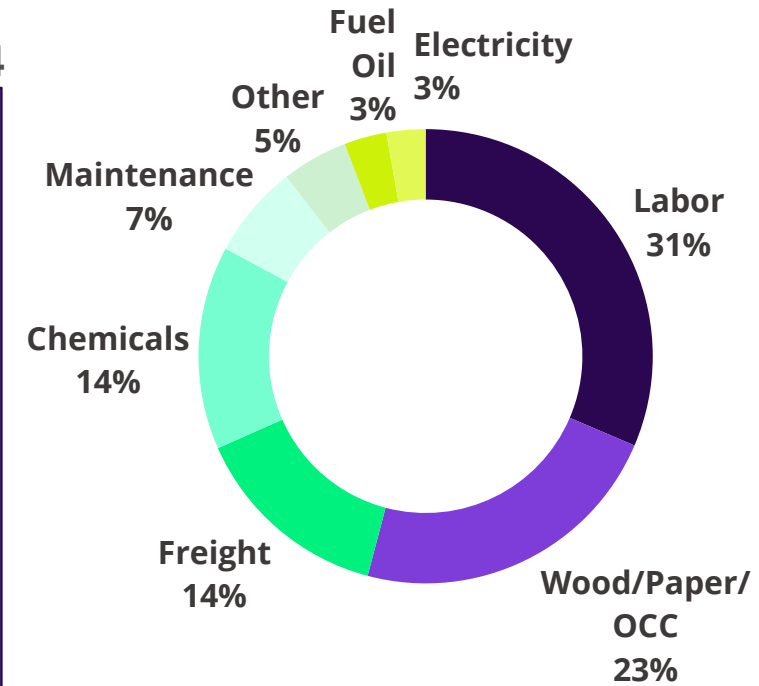
# → Cash Cost 4Q21

## Unitary Cash Cost

Total Cash Cost Evolution<sup>1</sup>  
R\$ per Tonne



Total Cash Cost Composition

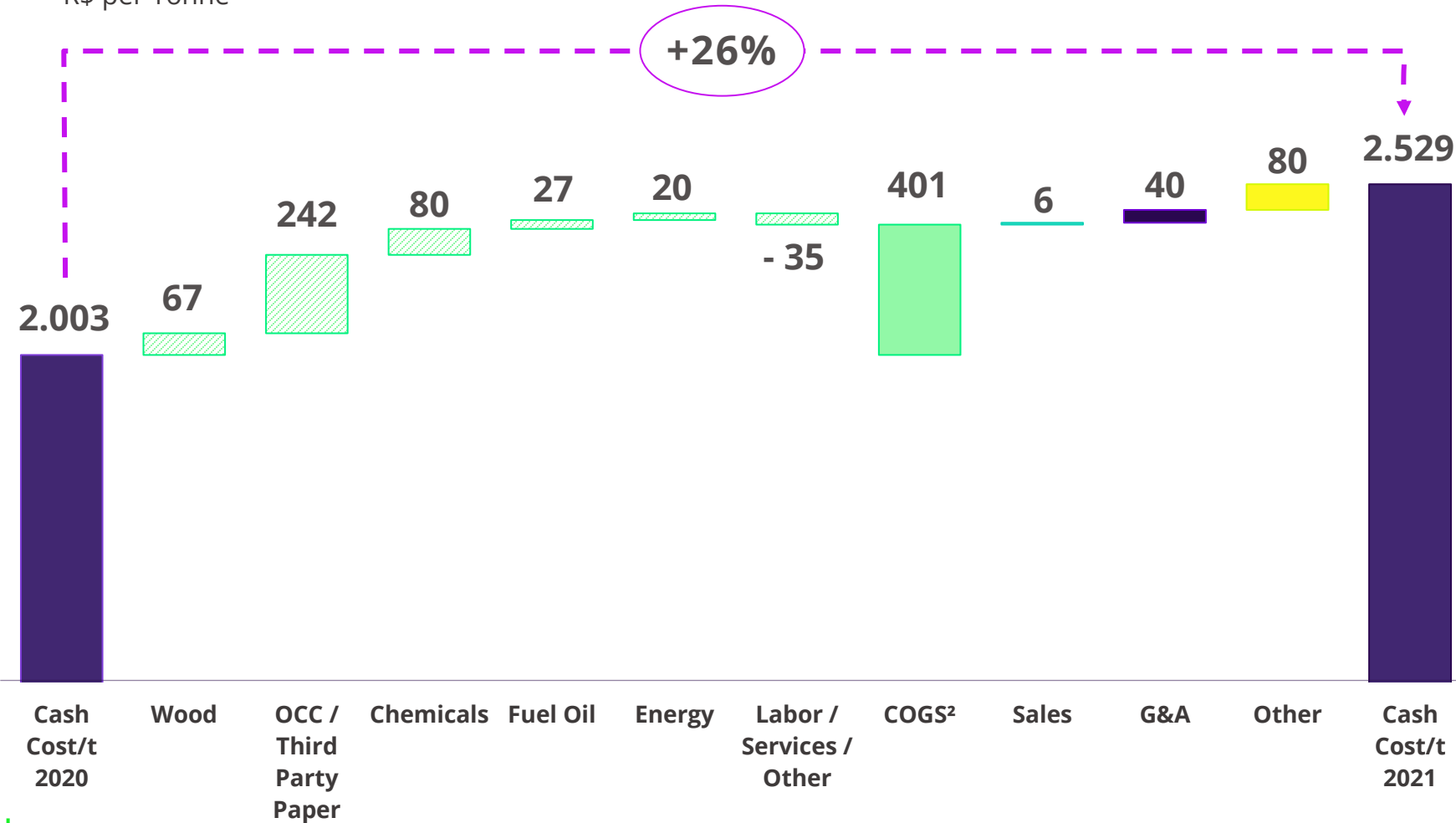


# → Cash Cost 2021

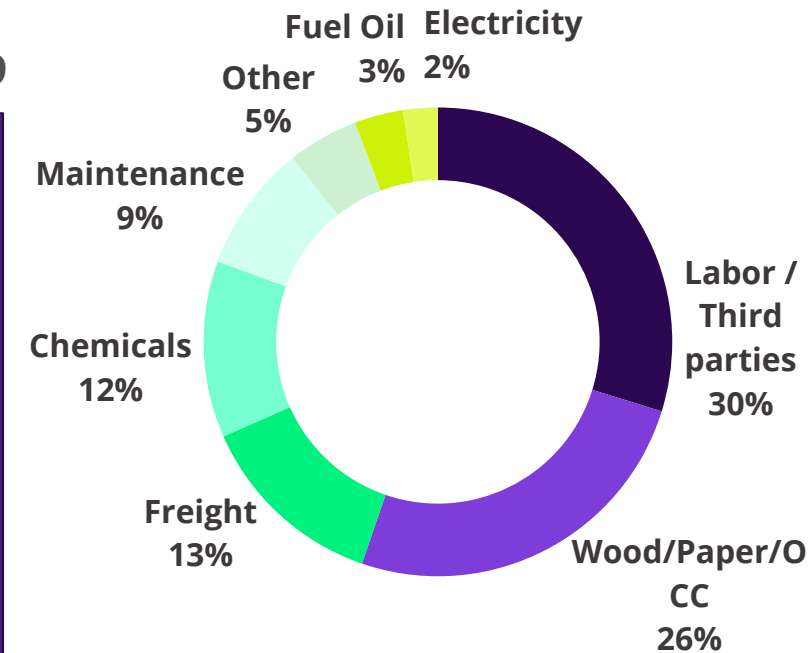
## Unitary Cash Cost

### Total Cash Cost Evolution<sup>1</sup>

R\$ per Tonne



### Total Cash Cost Composition



# → Free Cash Flow (FCF)

Adjusted Free Cash Flow reached R\$3.8 billion in the last twelve months, representing Adjusted FCL Yield of 13.2%

R\$ million	4Q21	3Q21	4Q20	2021	2020
<b>Adjusted EBITDA</b>	<b>1,884</b>	<b>1,928</b>	<b>1,312</b>	<b>6,885</b>	<b>4,906</b>
(-) Capex <sup>1</sup>	(1,159)	(1,000)	(2,008)	(3,878)	(5,174)
(-) Interest Paid/Received	(286)	(134)	(636)	(1,033)	(1,510)
(-) Income Tax	(193)	(203)	(2)	(507)	(9)
(+/-) Working Capital Variation	(43)	408	765	(393)	2,534
(-) Dividends & IOC	(402)	-	-	(402)	(223)
(+/-) Others	(18)	(171)	(205)	(181)	(394)
<b>Free Cash Flow</b>	<b>(216)</b>	<b>829</b>	<b>(774)</b>	<b>492</b>	<b>131</b>
Dividends & IOC	402	-	-	402	223
Puma II Project	759	623	1,468	2,579	4,045
Special Projects and Growth	119	130	296	335	339
<b>Adjusted Free Cash Flow<sup>2</sup></b>	<b>1,065</b>	<b>1,582</b>	<b>990</b>	<b>3,808</b>	<b>4,737</b>
<b>Adjusted FCF Yield<sup>3</sup></b>				<b>13.2%</b>	<b>20.4%</b>

1 – Capex under cash accrual method does not consider investments into SPVs (Special Purpose Vehicles)

2 – Excluding dividends and expansion projects

3 – Yield - Adjusted FCF per share (excluding treasury stock) divided by the average price of the Units in the LTM

# → Net Debt and Leverage

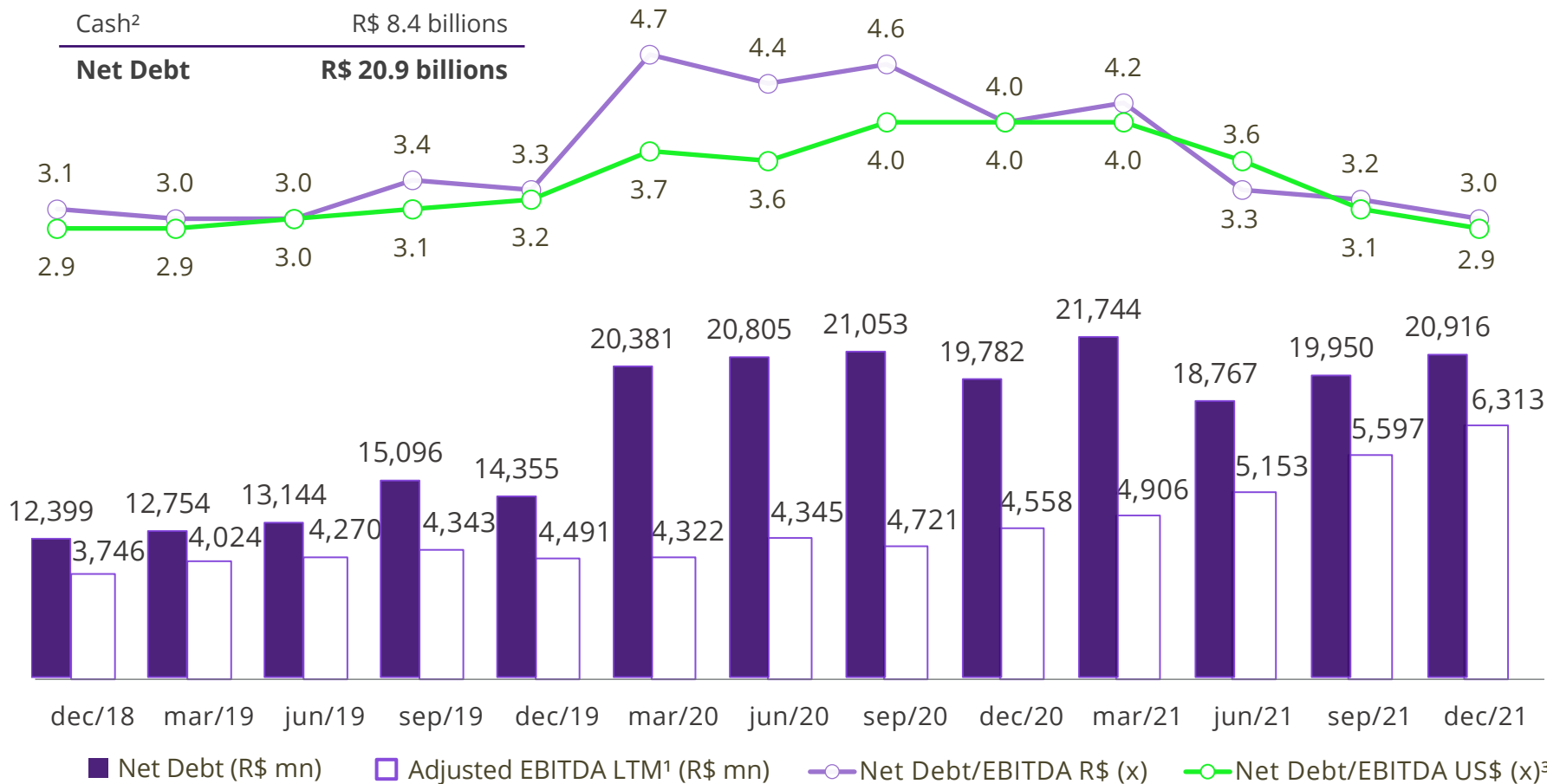
**Solid EBITDA and cash generation contribute to deleveraging even during the Puma II investment cycle**

**As of 12/31/2021**

Gross Debt R\$ 29.3 billions

Cash<sup>2</sup> R\$ 8.4 billions

**Net Debt R\$ 20.9 billions**



## Financial Indebtedness Policy

Leverage Target

**Net Debt/Adjusted EBITDA:**

**2.5x a 3.5x** → **Out of investment cycles**

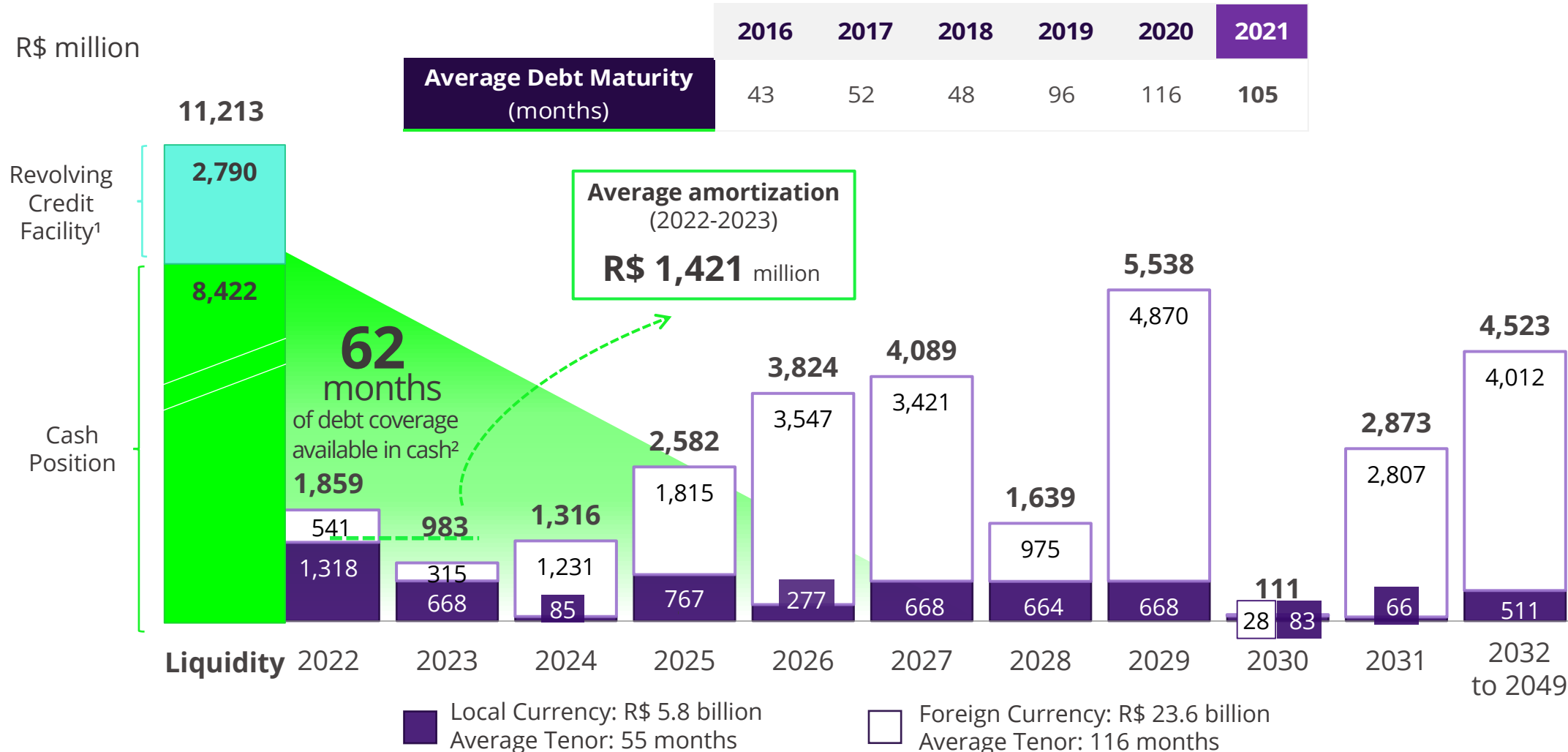
**3.5x a 4.5x** → **In investment cycles**

**Policy: investment cycle is defined as projects above USD 1 billion**



# → Debt Maturity

Average debt maturity of ~9 years and average amortization of R\$ 1,421 million between 2022 and 2023, the remaining construction period for the Puma II Project

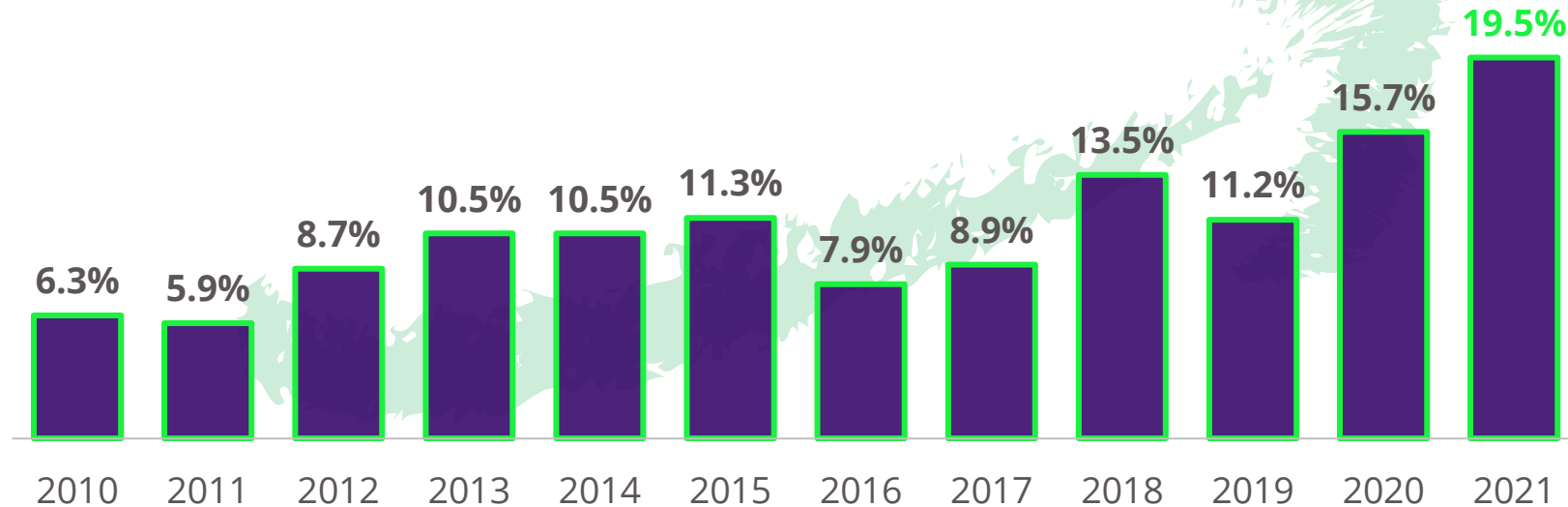


# → ROIC (Return on Invested Capital)<sup>1</sup>

Solid operating result and discipline in capital allocation leveraging ROIC

Production Debottlenecking  
Costs Reduction

Puma I  
High Return Projects



**PUMA II**  
2020 to  
2025

**OPERATIONAL  
EFFICIENCY**



**CAPITAL ALLOCATION  
DISCIPLINE**

1 - ROIC:  $\frac{[EBITDA - \text{Sustaining CAPEX} - \text{Cash Tax}]}{[\text{Total Asset} - \text{PP\&E UnderConst.} - \text{Total Liability (exc. Debt)}^2 - \text{Bio. Assets Adjustment}^3]}$

2 - Total Liability - Total Debt

3 - Fair Value of Biological Assets - Deferred Tax ref. Biological Assets

# → Shareholders Remuneration (Accrual Basis)

20% of 4Q21 Adjusted EBITDA in Dividend Payment

**Dividends 4Q21<sup>1</sup>**

**R\$ 377 million**

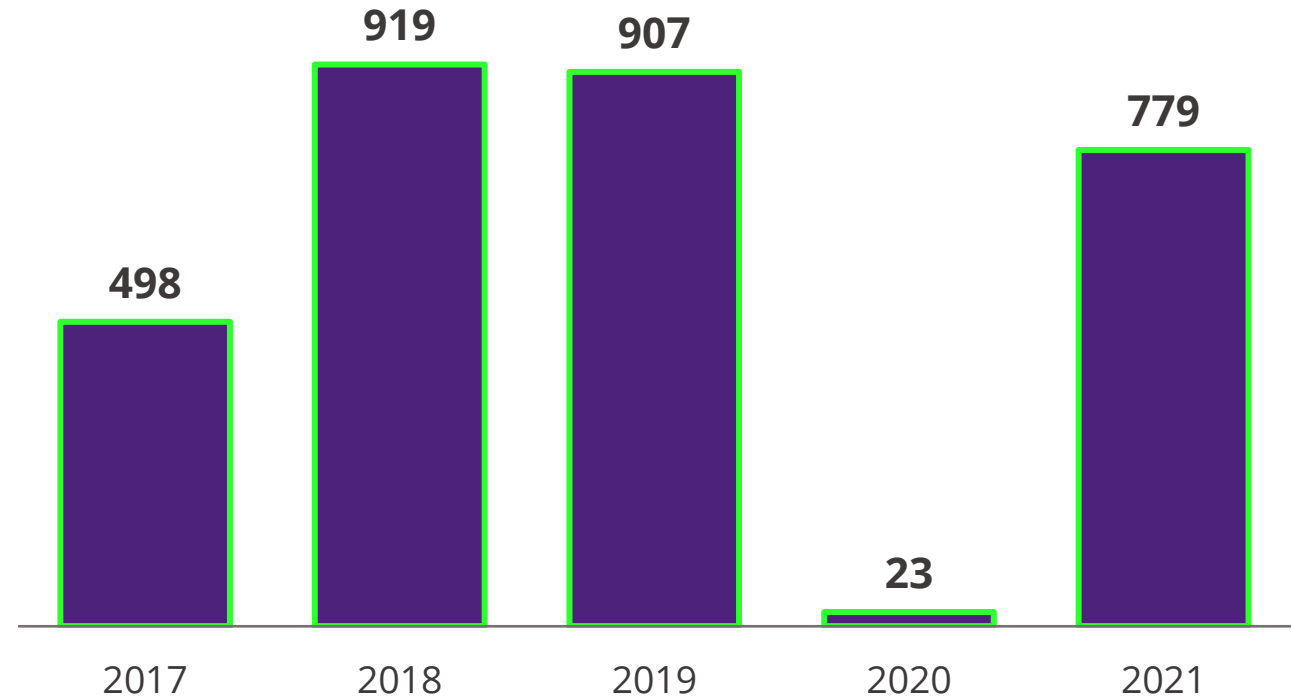
**DIVIDENDS + IOC 3Q21<sup>2</sup>**

**R\$ 402 million**

**Dividends & IOC Policy<sup>3</sup>:**

**Target: between 15% and 25% of Adjusted EBITDA**

**Dividends + IOC**  
R\$ million – accrual basis



# → Income Statement

(R\$ thousands)	4Q21	3Q21	4Q20	Δ 4Q21/3Q21	Δ 4Q21/4Q20	2021	2020	Δ 2021/2020
<b>Gross Revenue</b>	<b>5.260.020</b>	<b>5.037.071</b>	<b>3.817.872</b>	<b>4%</b>	<b>38%</b>	<b>19.011.678</b>	<b>13.697.654</b>	<b>39%</b>
Discounts and Rebates	(678.963)	(673.770)	(525.690)	1%	29%	(2.514.202)	(1.748.860)	44%
Cash Flow Hedge Realization	-	(5.070)	-	n/a	n/a	(16.088)	-	n/a
<b>Net Revenue</b>	<b>4.581.057</b>	<b>4.358.231</b>	<b>3.292.182</b>	<b>5%</b>	<b>39%</b>	<b>16.481.388</b>	<b>11.948.794</b>	<b>38%</b>
Variation in the Fair Value of Biological Assets	664.154	403.232	341.053	65%	95%	1.308.791	658.389	99%
Cost of Products Sold	(2.790.089)	(2.602.482)	(2.299.639)	7%	21%	(10.247.334)	(7.885.299)	30%
<b>Gross Profit</b>	<b>2.455.122</b>	<b>2.158.981</b>	<b>1.333.596</b>	<b>14%</b>	<b>84%</b>	<b>7.542.845</b>	<b>4.721.884</b>	<b>60%</b>
Selling Expenses	(376.052)	(310.379)	(306.441)	21%	23%	(1.249.359)	(1.139.138)	10%
General & Administrative Expenses	(265.986)	(195.921)	(245.727)	36%	8%	(886.244)	(717.799)	23%
Other Revenues (Expenses)	3.183	36.184	262.187	-91%	-99%	74.020	316.696	-77%
<b>Total Operating Expenses</b>	<b>(638.855)</b>	<b>(470.116)</b>	<b>(289.981)</b>	<b>36%</b>	<b>120%</b>	<b>(2.061.583)</b>	<b>(1.540.241)</b>	<b>34%</b>
<b>Operating Income (Before Fin. Results)</b>	<b>1.816.267</b>	<b>1.688.865</b>	<b>1.043.615</b>	<b>8%</b>	<b>74%</b>	<b>5.481.262</b>	<b>3.181.643</b>	<b>72%</b>
<b>Equity Pickup</b>	<b>14.206</b>	<b>8.749</b>	<b>6.052</b>	<b>62%</b>	<b>135%</b>	<b>25.612</b>	<b>33.123</b>	<b>-23%</b>
Financial Expenses	(483.797)	(310.090)	(262.247)	56%	84%	(1.642.969)	(3.791.000)	-57%
Liabilities Foreign Exchange Result	(123.641)	(172.590)	1.253.038	-28%	n/a	73.265	(4.202.765)	n/a
<b>Total Financial Expenses</b>	<b>(607.438)</b>	<b>(482.680)</b>	<b>990.791</b>	<b>26%</b>	<b>n/a</b>	<b>(1.569.704)</b>	<b>(7.993.765)</b>	<b>-80%</b>
Financial Revenues	195.087	82.515	86.210	136%	126%	379.493	382.603	-1%
Assets Foreign Exchange Result	22.739	109.469	(148.498)	-79%	n/a	99.748	582.031	-83%
<b>Total Financial Revenues</b>	<b>217.826</b>	<b>191.984</b>	<b>(62.288)</b>	<b>13%</b>	<b>n/a</b>	<b>479.241</b>	<b>964.634</b>	<b>-50%</b>
<b>Financial Result</b>	<b>(389.612)</b>	<b>(290.696)</b>	<b>928.503</b>	<b>34%</b>	<b>n/a</b>	<b>(1.090.463)</b>	<b>(7.029.131)</b>	<b>-84%</b>
<b>Net Income Before Taxes</b>	<b>1.440.861</b>	<b>1.406.918</b>	<b>1.978.170</b>	<b>2%</b>	<b>-27%</b>	<b>4.416.411</b>	<b>(3.814.365)</b>	<b>n/a</b>
Income Tax and Soc. Contrib.	(390.755)	(191.614)	(651.170)	104%	-40%	(1.011.537)	1.424.875	n/a
<b>Net Income (Loss)</b>	<b>1.050.106</b>	<b>1.215.304</b>	<b>1.327.000</b>	<b>-14%</b>	<b>-21%</b>	<b>3.404.874</b>	<b>(2.389.490)</b>	<b>n/a</b>
Net income (Loss) Attributable to Noncontrolling Interests	154.883	121.026	7.402	28%	1992%	385.004	98.380	291%
<b>Net Income Attributable to Klabin's Stockholders</b>	<b>895.223</b>	<b>1.094.278</b>	<b>1.319.598</b>	<b>-18%</b>	<b>-32%</b>	<b>3.019.870</b>	<b>(2.487.870)</b>	<b>n/a</b>
Depreciation/Amortization/Exhaustion	732.339	637.110	609.818	15%	20%	2.696.342	2.382.911	13%
Change in Fair Value of Biological Assets	(664.154)	(403.232)	(341.053)	65%	95%	(1.308.791)	(658.389)	99%
Net Realization of Cash Flow Hedge	-	5.070	-	n/a	n/a	16.088	-	n/a
<b>Adjusted EBITDA</b>	<b>1.884.452</b>	<b>1.927.813</b>	<b>1.312.380</b>	<b>-2%</b>	<b>44%</b>	<b>6.884.901</b>	<b>4.906.165</b>	<b>40%</b>
Non-Recurring Effects <sup>1</sup>	-	-	(206.061)	n/a	n/a	(20.231)	(206.061)	-90%
<b>Adjusted EBITDA (excl. non-recurring effects)</b>	<b>1.884.452</b>	<b>1.927.813</b>	<b>1.106.319</b>	<b>-2%</b>	<b>70%</b>	<b>6.864.670</b>	<b>4.700.104</b>	<b>46%</b>

<sup>1</sup>Refers to R\$20 million net gain from the sale of Nova Campina in 1Q21 and of R\$ 206 million referring to goodwill gain realized on the purchase of IP assets in 4Q20

# → Balance Sheet

Assets (R\$ thousands)	dec-21	sep-21	dec-20
<b>Current Assets</b>	<b>13.901.740</b>	<b>14.075.288</b>	<b>10.960.935</b>
Cash and Cash-Equivalents	6.405.200	6.958.432	5.208.830
Securities	2.017.235	1.994.787	1.347.897
Receivables	2.808.514	2.656.638	1.806.918
Inventories	2.003.394	1.789.381	1.379.131
Recoverable taxes and contributions	401.001	393.111	824.771
Other receivables	266.396	282.939	393.388
<b>Noncurrent Assets</b>	<b>28.173.967</b>	<b>26.760.772</b>	<b>24.309.326</b>
Deferred income tax and social contribution	629.601	693.581	765.099
Taxes to compensate	701.604	789.908	769.092
Judicial Deposits	113.729	113.289	118.843
Other receivables	178.046	195.979	175.502
Investments	273.436	264.833	268.444
Property, plant & equipment, net	19.549.018	18.658.891	16.670.773
Biological assets	5.528.050	4.846.420	4.657.821
Right of use asset	1.058.099	1.052.433	808.420
Intangible assets	142.384	145.438	75.332
<b>Total Asset</b>	<b>42.075.707</b>	<b>40.836.060</b>	<b>35.270.261</b>

Liabilities and Equity (R\$ thousands)	dec-21	sep-21	dec-20
<b>Current Liabilities</b>	<b>5.570.841</b>	<b>5.415.631</b>	<b>3.678.290</b>
Loans and financing	1.804.995	1.732.143	652.983
Debentures	54.305	66.057	68.038
Suppliers	2.504.827	2.461.924	2.003.029
Taxes payable	282.381	211.285	193.871
Salaries and payroll charges	431.369	474.861	377.816
Liability use benefit	185.667	193.012	143.721
Other accounts payable	307.297	276.349	238.832
<b>Noncurrent Liabilities</b>	<b>29.418.639</b>	<b>28.963.277</b>	<b>27.207.210</b>
Loans and financing	25.783.921	25.409.346	23.853.204
Debentures	1.695.198	1.695.329	1.764.765
Other accounts payable - Investors SCPs	208.246	197.976	301.671
Lease liability	901.034	881.625	679.591
Taxes payable	184.996	204.961	85.567
Other accounts payable	645.244	574.040	522.412
<b>Stockholders' Equity</b>	<b>5.739.568</b>	<b>5.397.998</b>	<b>3.810.305</b>
Capital	4.475.625	4.475.625	4.475.625
Capital reserve	(343.463)	(343.463)	(365.791)
Revaluation reserve	48.705	48.705	48.705
Profit reserve	1.624.044	-	-
Valuation adjustments to shareholders' equity	103.246	254.873	823.476
Retained earnings	-	1.130.821	(993.826)
Treasury stock	(168.589)	(168.563)	(177.884)
<b>Equity Attrib. to Noncont. Interests</b>	<b>1.346.659</b>	<b>1.059.154</b>	<b>574.456</b>
<b>Total Liability + Equity</b>	<b>42.075.707</b>	<b>40.836.060</b>	<b>35.270.261</b>

The statements contained in this presentation are forward-looking projections. Such statements are exposed to known and unknown risks and uncertainties that may cause these expectations not to materialize or to differ materially from those anticipated.

These risks include, among others, alterations in the future demand for the Company's products, changes in the factors that impact the domestic and international prices of products, changes in cost structures, changes in the seasonality of markets, changes in the prices charged by competitors, exchange variations, changes in the political-economic scenario in Brazil, in emerging and international markets.

Klabin cannot give any certainty as to the fulfillment of the expectations presented.





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