

1Q21

Earnings Presentation



This presentation may contain forward-looking projections or statements. 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, changes in the future demand for the Company's products, changes in the aspects 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.

→ 1Q21 Highlights

Adjusted EBITDA, excluding non-recurring effects, reaches R\$1.254 billion in 1Q21, a growth of 22% compared to 1Q20

Net Revenue

R\$ **3.467** bn

+**34%** compared to 1Q20

Adjusted Free Cash Flow Yield

17.4%

R\$ **4.5** bn of cash generation in the last twelve months

ROIC (Return on Invested Capital)

16.5%

compared to 11.5% in 1Q20 (last twelve months)

Puma II Update

Coated Board

2nd machine of coated board with higher value creation

Puma II Construction

88%

of the 1st phase **completed** as measurement of 05/02/2021

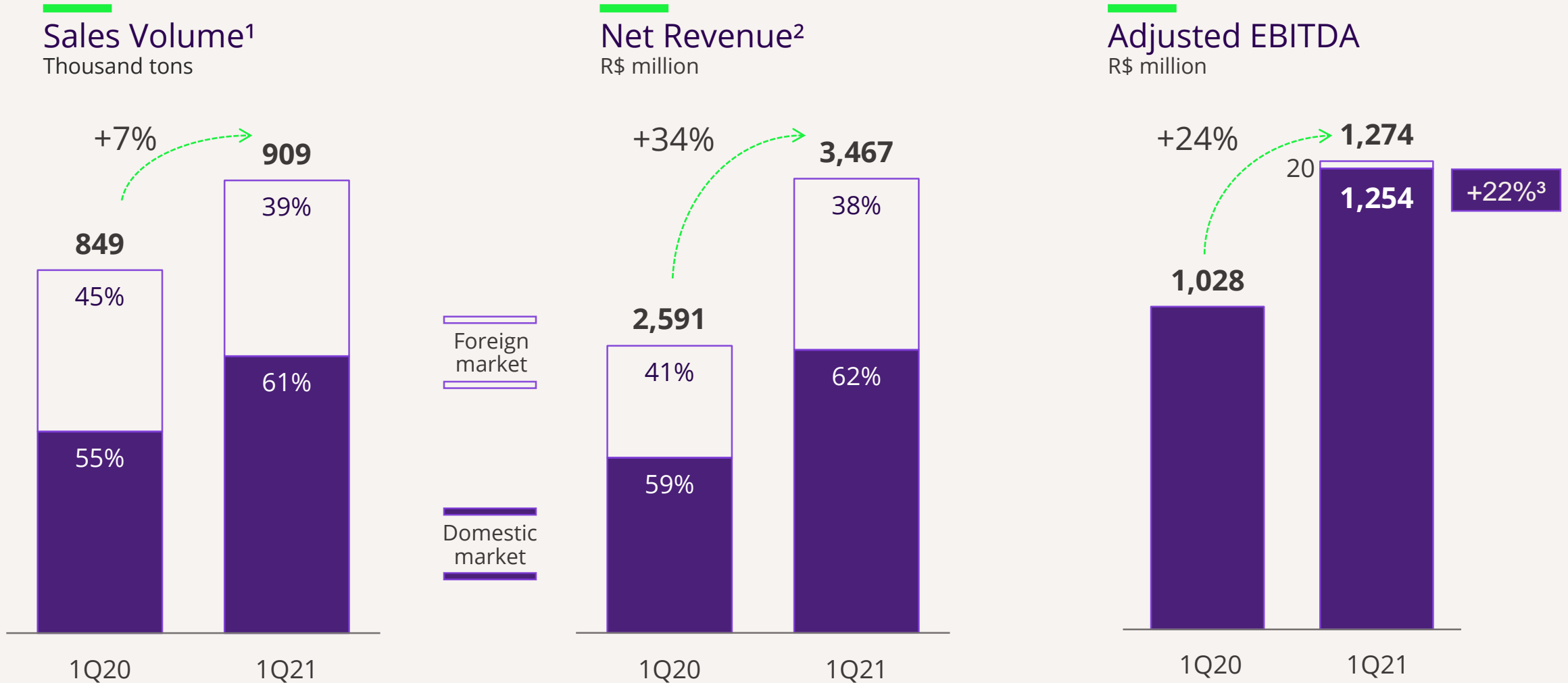
Issuance of Sustainability Linked Bonds

US\$ 500 million

ten-year term and coupon and yield of 3.2% per year

→ 1Q21 results

Increase in Sales Volume and Net Revenue drives the quarter results



1 - Does not consider wood sales

2 - Includes wood and other revenues and the Hedge Accounting impact of R\$ 11.0 million negative in 1Q21

3 - Excludes non-recurring effect of the net gain from the sale of Nova Campina in 1Q21

→ Pulp

Production of 1,562 thousand tons in the last twelve months

No maintenance
stoppage in 2021

Pulp Production Thousand tons

1Q20 LTM

1Q21 LTM

1,542 k
ton

1,562 k
ton

+4%

413

396

118

114

283

295

Long Fiber/
Fluff

Short Fiber

1Q20

1Q21

Production Cash Cost R\$ per ton

US\$ 175 /t¹

US\$ 138 /t¹

US\$ 155 /t¹

US\$ 141 /t¹

+3%

+12%

722

745

693

776

1Q20 LTM

1Q21 LTM

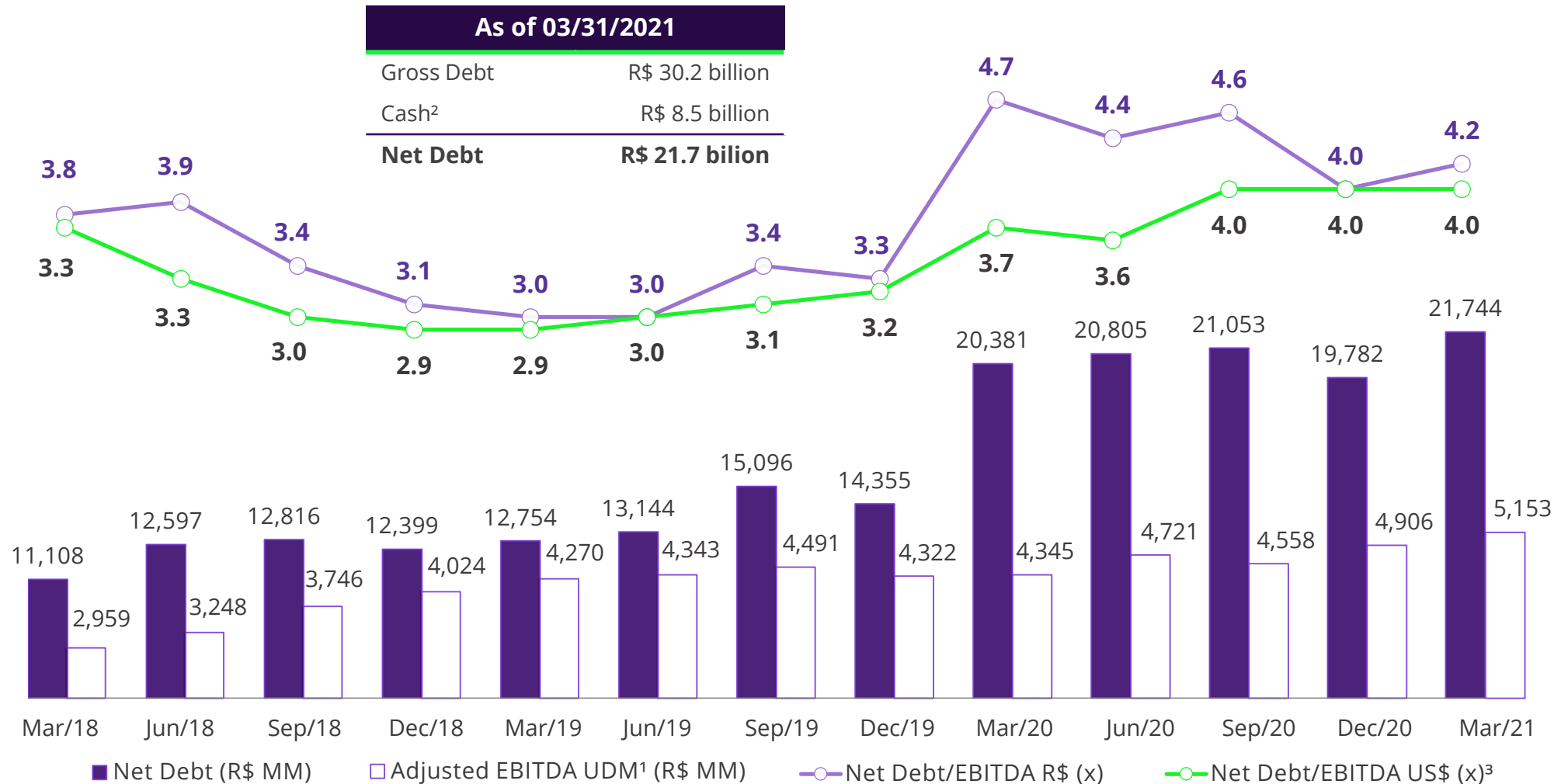
1Q20

1Q21

1 - Based on the average exchange rate for the period

→ Net Debt And Leverage

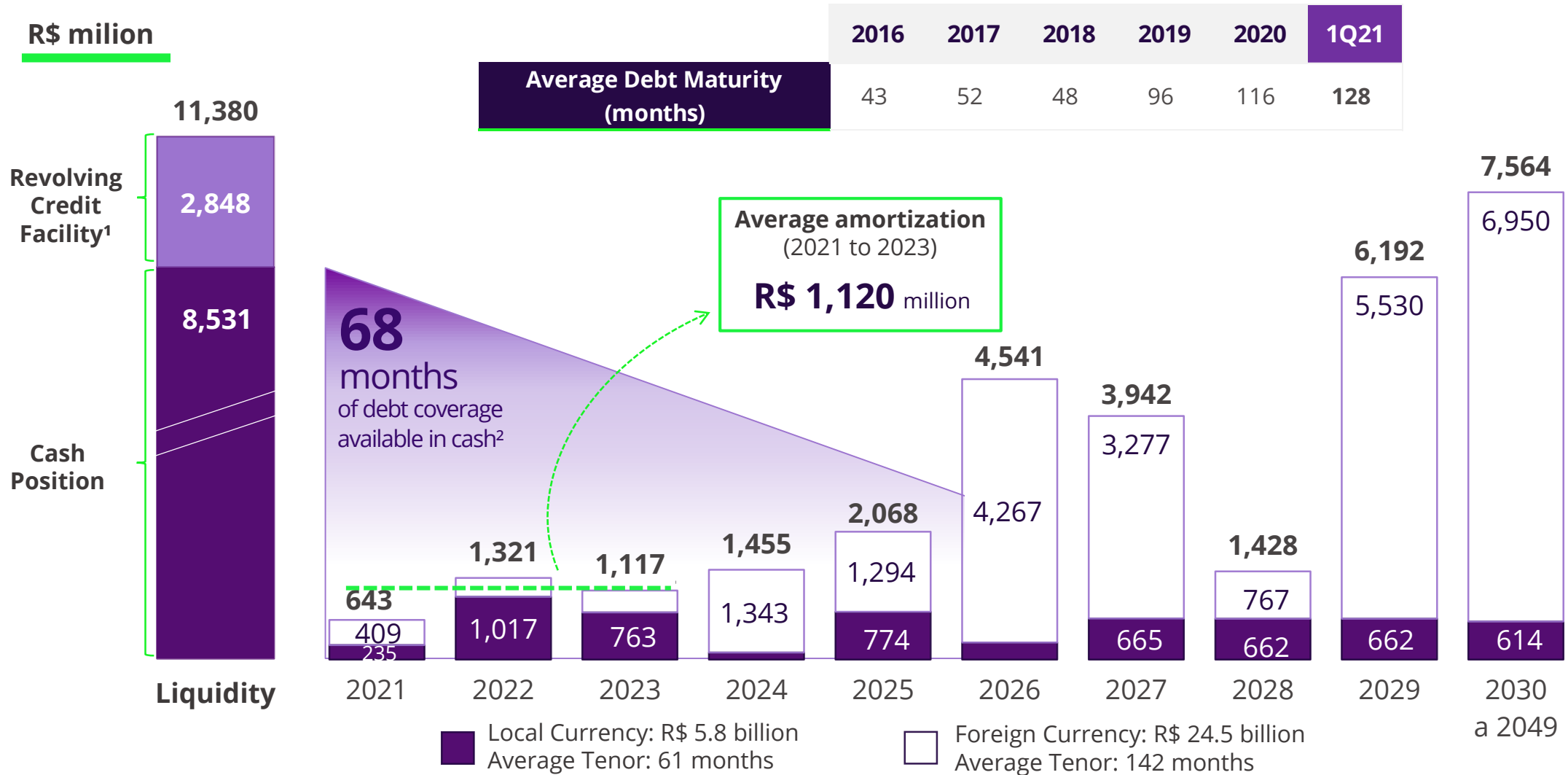
Net debt and leverage consistent with the Puma II investment cycle and within established parameters of the Company's financial indebtedness policy



1 - LTM: Last Twelve Months
 2 - Disconsiders the Revolving Credit Facility of US\$ 500 million due on Dec/23
 3 - Net Debt/EBITDA (US\$): considers the final FX rate for Net Debt and the average FX rate for EBITDA

→ Debt Maturity

Average debt maturity of ~11 years and average amortization of R\$ 1,120 million between 2021 and 2023, the remaining construction period for the Puma II Project



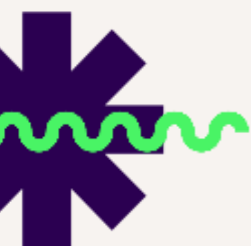
1 - Revolving Credit Facility (RCF) of US\$ 500 million due on Dec/23

2 - Excludes RCF's US\$ 500 million availability

→ Free Cash Flow (FCL)

Adjusted Free Cash Flow reached R\$ 4.5 billion in the Last Twelve Months, with Adjusted FCL Yield of 17.4%

R\$ million	1Q21	4Q20	1Q20	LTM 1Q21	LTM 1Q20
Adjusted EBITDA	1,274	1,312	1,028	5,153	4,345
Capex ¹	(815)	(2,008)	(820)	(5,169)	(3,097)
(-) Interest Paid/Received	(222)	(636)	(243)	(1,490)	(1,095)
(-) Income Tax	(40)	(2)	(1)	(48)	(47)
(+/-) Working Capital	(532)	926	(308)	1,887	(478)
(-) Dividends & IOC	-	-	(223)	-	(910)
(+/-) Others	74	(240)	(32)	(186)	(32)
Free Cash Flow	(261)	(648)	(600)	148	(1,314)
Dividends & IOC	-	-	223	-	910
Puma II Project	497	1,468	527	4,014	1,798
Special Projects and Growth	67	296	23	383	210
Adjusted Free Cash Flow²	303	1,116	173	4,546	1,604
Adjusted FCF Yield³				17.4%	7.6%



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

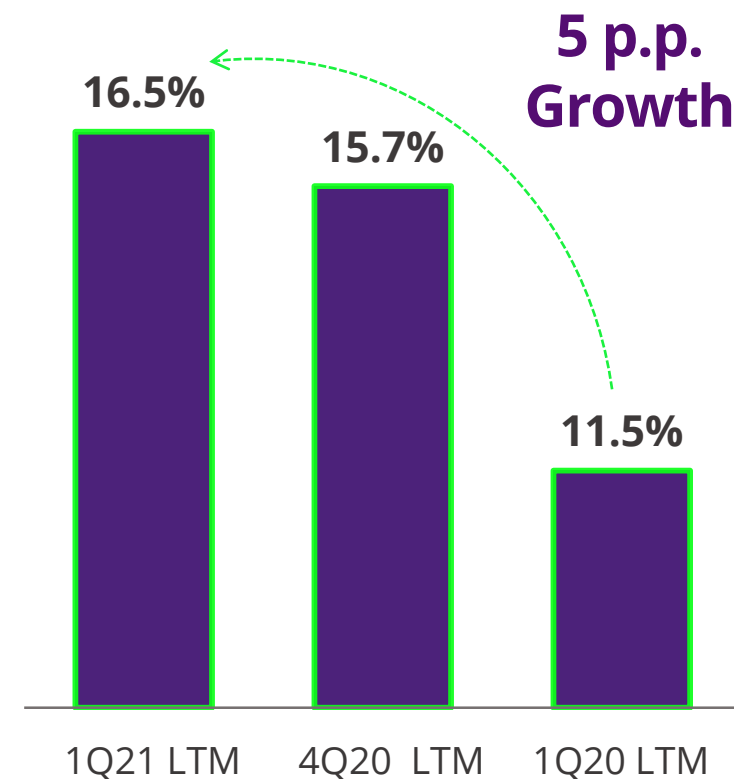
2 - Disregarding Dividends & IOC as well as Special and Expansion Projects

3 - Adjusted Free Cash Flow of the last twelve months, divided by the company's market value considering the average KLBN11 price in the same period (treasury shares are excluded)

→ ROIC (Return on Invested Capital)

Solid operational results and discipline in capital allocation leveraging the ROIC

ROIC (R\$ million) - LTM ¹	1Q21	4Q20	1Q20
Total Asset	36,738	35,544	35,029
(-) Total Liability (ex-debt)	(4,006)	(3,580)	(3,561)
(-) Construction in Progress	(5,029)	(4,174)	(1,769)
Invested Capital	27,703	27,790	29,699
(-) CPC 29 Adjustment ²	(1,367)	(1,596)	(1,809)
Adjusted Invested Capital	26,336	26,194	27,890
Adjusted EBITDA	5,153	4,906	4,345
(-) Sustaining Capex	(773)	(790)	(1,089)
(-) Income Tax and Soc. Contr. (cash)	(48)	(9)	(47)
Adjusted Operating Cash-Flow	4,333	4,107	3,209
ROIC³	16.5%	15.7%	11.5%



¹ Average of the last 4 quarters (Last Twelve Months)

² Fair Value of Biological Assets minus Deferred Taxes of Biological Assets

³ ROIC (Last Twelve Months): Adjusted Operating Cash-Flow / Adjusted Invested Capital



→ Puma II Project

Klabin's continuous path of sustainable growth and value creation

1st Machine

- **88%¹** of the construction completed
- **START-UP:** 2nd half of **JULY/21**
- Capacity: **450** thousand tons/year¹

**~60% of production sold
through contracts**

Capex (R\$ million)				
1Q19	2Q19	3Q19	4Q19	2019
-	288	430	554	1,271
1Q20	2Q20	3Q20	4Q20	2020
527	908	1,141	1,468	4,045
1Q21				
497				

2nd Machine

- Shift production from Kraftliner to **COATED BOARD** with **HIGHER** shareholder value generation
- **START-UP:** 2nd Quarter of 2023
- Capacity: **460** thousand tons/year²
- Total Capex of the Project updated to: **R\$ 12.9 billion³**

**No additional
funding required**



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Investor Relations

ri.klabin.com.br/en/
invest@klabin.com.br

+55 11 3046-8401

klabin
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