# Klabin S.A.

Interim financial statements for the three-month and six-month periods ended June 30, 2022

All amounts in thousands of Reais unless otherwise stated

## BALANCE SHEETS

| | | Parent Company | | Consolidated | |
|---|---|---|---|---|---|
| **ASSETS** | **Note** | **06/30/2022** | **12/31/2021** | **06/30/2022** | **12/31/2021** |
| **Current** | | | | | |
| Cash and cash equivalents | 5 | 4,330,885 | 5,966,190 | 4,875,896 | 6,405,200 |
| Marketable securities | 6 | 2,507,233 | 2,003,249 | 2,520,360 | 2,017,235 |
| Accounts receivable: | | | | | |
| Trade receivables | 7 | 2,292,226 | 2,250,418 | 2,983,131 | 2,868,703 |
| Allowance for expected credit losses (ECLs) | 7 | (57,409) | (59,185) | (58,132) | (60,189) |
| Related parties | 8 | 678,810 | 533,074 | - | - |
| Inventories | 9 | 1,869,520 | 1,774,357 | 2,145,144 | 2,003,394 |
| Taxes recoverable | 10 | 571,392 | 343,330 | 631,535 | 401,001 |
| Other assets | | 254,865 | 261,322 | 240,395 | 256,797 |
| **Total current assets** | | **12,447,522** | **13,072,755** | **13,338,329** | **13,892,141** |
| Assets held for sale | | **11,844** | **9,599** | **11,844** | **9,599** |
| **Non-current** | | | | | |
| **Long-term receivables** | | | | | |
| Deferred income tax and social contribution | 11 | - | 652,363 | - | 629,601 |
| Judicial deposits | 19 | 114,702 | 112,295 | 220,702 | 113,729 |
| Taxes recoverable | 10 | 576,012 | 701,604 | 576,012 | 701,604 |
| Related parties | 8 | 65,500 | 100,897 | - | - |
| Other assets | | 125,292 | 177,737 | 126,976 | 178,046 |
| **Total long-term receivables** | | **881,506** | **1,744,896** | **923,690** | **1,622,980** |
| Investments | | | | | |
| Interests in subsidiaries and joint venture | 12 | 2,520,672 | 1,964,359 | 265,065 | 261,145 |
| Other | | 12,589 | 12,291 | 12,589 | 12,291 |
| Property, plant and equipment | 13 | 20,685,556 | 18,873,164 | 21,785,177 | 19,549,018 |
| Biological assets | 14 | 4,428,595 | 3,772,191 | 6,657,254 | 5,528,050 |
| Right-of-use assets | 16 | 1,107,244 | 1,021,248 | 1,150,040 | 1,058,099 |
| Intangible assets | | 83,313 | 82,376 | 145,885 | 142,384 |
| | | **28,837,969** | **25,725,629** | **30,016,010** | **26,550,987** |
| **Total non-current assets** | | **29,719,475** | **27,470,525** | **30,939,700** | **28,173,967** |
| **Total assets** | | **42,178,841** | **40,552,879** | **44,289,873** | **42,075,707** |

The accompanying notes are an integral part of this quarterly information.

All amounts in thousands of Reais unless otherwise stated

| | | Parent Company | | Consolidated | |
|---|---|---|---|---|---|
| **LIABILITIES AND EQUITY** | **Note** | **06/30/2022** | **12/31/2021** | **06/30/2022** | **12/31/2021** |
| **Current** | | | | | |
| Trade payables | 15 | 2,065,631 | 1,889,436 | 2,187,703 | 1,991,103 |
| Trade payables (Forfait) | 15 | 571,735 | 513,724 | 571,735 | 513,724 |
| Lease liabilities | 16 | 172,719 | 182,714 | 176,558 | 185,667 |
| Tax obligations | | 366,563 | 179,095 | 418,086 | 229,860 |
| Social security and labor obligations | | 406,036 | 424,000 | 414,339 | 431,369 |
| Borrowings | 17 | 1,386,815 | 1,913,606 | 1,288,473 | 1,804,995 |
| Debentures | 18 | 38,001 | 54,305 | 38,001 | 54,305 |
| Provision for income tax and social contribution | | - | 70,756 | 30,113.00 | 52,521 |
| Related parties | 8 | 36,224 | 12,137 | - | - |
| Other payables and provisions | | 256,463 | 261,973 | 327,051 | 307,297 |
| **Total current liabilities** | | **5,300,187** | **5,501,746** | **5,452,059** | **5,570,841** |
| **Non-current** | | | | | |
| Lease liabilities | 16 | 966,504 | 867,689 | 1,006,043 | 901,034 |
| Borrowings | 17 | 25,313,142 | 25,981,321 | 25,185,564 | 25,783,921 |
| Debentures | 18 | 1,408,836 | 1,695,198 | 1,408,836 | 1,695,198 |
| Deferred income tax and social contribution | 11 | 487,625 | - | 546,825 | - |
| Payables - Investors in Special Partnership Companies (SPCs) | | - | - | 207,955 | 208,246 |
| Provision for tax, social security, labor and civil contingencies | 19 | 58,600 | 50,092 | 58,774 | 50,304 |
| Provision for actuarial liabilities | | 370,588 | 364,884 | 370,588 | 367,890 |
| Tax obligations | | 135,411 | 184,996 | 135,411 | 184,996 |
| Other payables and provisions | | 164,676 | 167,385 | 230,064 | 227,050 |
| **Total non-current liabilities** | | **28,905,382** | **29,311,565** | **29,150,060** | **29,418,639** |
| **Total liabilities** | | **34,205,569** | **34,813,311** | **34,602,119** | **34,989,480** |
| **Equity** | | | | | |
| Share capital | 20.1 | 4,475,625 | 4,475,625 | 4,475,625 | 4,475,625 |
| Capital reserves | | (319,104) | (343,463) | (319,104) | (343,463) |
| Revaluation reserve | | 48,705 | 48,705 | 48,705 | 48,705 |
| Revenue reserves | | 1,247,044 | 1,624,044 | 1,247,044 | 1,624,044 |
| Carrying value adjustments | 20.2 | 1,286,280 | 103,246 | 1,286,280 | 103,246 |
| Retained earnings (accumulated losses) | | 1,389,965 | - | 1,389,965 | - |
| Treasury shares | 20.3 | (155,242) | (168,589) | (155,242) | (168,589) |
| **Equity attributable to the equity holders of Klabin** | **20** | **7,973,272** | **5,739,568** | **7,973,272** | **5,739,568** |
| **Non-controlling interests** | **20.5** | **-** | **-** | **1,714,482** | **1,346,659** |
| **Consolidated equity** | | **7,973,272** | **5,739,568** | **9,687,754** | **7,086,227** |
| **Total liabilities and equity** | | **42,178,841** | **40,552,879** | **44,289,873** | **42,075,707** |

The accompanying notes are an integral part of this quarterly information.

All amounts in thousands of Reais unless otherwise stated

## STATEMENTS OF INCOME

| | | Parent Company | | | |
|---|---|---|---|---|---|
| | Note | 4/1 to 6/30/2022 | 1/1 to 6/30/2022 | 4/1 to 6/30/2021 | 1/1 to 6/30/2021 |
| **Net sales revenue** | 21 | 4,999,318 | 9,519,197 | 3,860,852 | 7,206,402 |
| Change in the fair value of biological assets | 14 | 255,811 | 706,713 | 250,000 | 86,248 |
| Cost of products sold | 22 | (3,390,633) | (6,131,415) | (2,459,413) | (4,833,858) |
| **Gross profit** | | **1,864,496** | **4,094,495** | **1,651,439** | **2,458,792** |
| **Operating expenses (income)** | | | | | |
| Selling | 22 | (463,727) | (793,241) | (267,295) | (511,845) |
| General and administrative | 22 | (235,068) | (464,448) | (209,142) | (405,496) |
| Other income (expenses), net | 22 | 101,407 | 87,421 | (1,145) | 26,854 |
| | | **(597,388)** | **(1,170,268)** | **(477,582)** | **(890,487)** |
| Share of profit (loss) of subsidiaries and joint ventures | 12 | 121,080 | (18,425) | (2,333) | 213,623 |
| **Profit before finance result and taxes** | | 1,388,188 | 2,905,802 | 1,171,524 | 1,781,928 |
| **Finance result** | 23 | (365,608) | (363,002) | (141,083) | (323,774) |
| **Profit (loss) before taxes on income** | | **1,022,580** | **2,542,800** | **1,030,441** | **1,458,154** |
| **Income tax and social contribution** | | | | | |
| Current | 11 | (154,302) | (274,593) | (151,390) | (197,292) |
| Deferred | 11 | (116,594) | (532,242) | (219,878) | (230,493) |
| | | **(270,896)** | **(806,835)** | **(371,268)** | **(427,785)** |
| **Profit for the period** | | **751,684** | **1,735,965** | **659,173** | **1,030,369** |
| **From continuing operations** | | **751,684** | **1,735,965** | **659,173** | **1,028,153** |
| **From discontinued operations** | **13** | **-** | **-** | **-** | **2,216** |
| **Attributable to the equity holders of Klabin** | | **751,684** | **1,735,965** | **659,173** | **1,030,369** |
| **Attributable to non-controlling interests** | | **-** | **-** | **-** | **-** |
| **Earnings (loss) per share:** | | | | | |
| **Basic and diluted earnings per common share - R$** | 25 | **0.1365** | **0.3155** | **0.1201** | **0.1877** |
| **Basic and diluted earnings per preferred share - R$** | 25 | **0.1365** | **0.3155** | **0.1201** | **0.1877** |
| **Earnings (loss) per share - discontinued operations:** | | | | | |
| **Basic and diluted earnings per common share - R$** | 25.1 | **-** | **-** | **-** | **0.0004** |
| **Basic and diluted earnings per preferred share - R$** | 25.1 | **-** | **-** | **-** | **0.0004** |

The accompanying notes are an integral part of this quarterly information.

All amounts in thousands of Reais unless otherwise stated

| | Note | 4/1 to 6/30/2022 | 1/1 to 6/30/2022 | 4/1 to 6/30/2021 | 1/1 to 6/30/2021 |
|---|---|---|---|---|---|
| | | | | | Consolidated |
| **Net sales revenue** | 21 | 5,038,955 | 9,461,085 | 4,075,553 | 7,542,100 |
| Change in the fair value of biological assets | 14 | 586,376 | 958,056 | 198,701 | 241,405 |
| Cost of products sold | 22 | (3,341,463) | (6,058,556) | (2,464,809) | (4,854,763) |
| **Gross profit** | | **2,283,868** | **4,360,585** | **1,809,445** | **2,928,742** |
| **Operating expenses (income)** | | | | | |
| Selling | 22 | (503,559) | (870,109) | (296,087) | (562,928) |
| General and administrative | 22 | (243,851) | (480,403) | (219,869) | (424,337) |
| Other income (expenses), net | 22 | 78,363 | 85,894 | 2,782 | 34,653 |
| | | **(669,047)** | **(1,264,618)** | **(513,174)** | **(952,612)** |
| Share of profit (loss) of subsidiaries and joint ventures | 12 | (10,073) | 10,189 | 1,732 | 2,657 |
| **Profit before finance result and taxes** | | 1,604,748 | 3,106,156 | 1,298,003 | 1,978,787 |
| **Finance result** | 23 | (302,840) | (380,115) | (207,046) | (410,155) |
| **Profit (loss) before taxes on income** | | **1,301,908** | **2,726,041** | **1,090,957** | **1,568,632** |
| **Income tax and social contribution** | | | | | |
| Current | 11 | (196,778) | (332,705) | (153,706) | (205,173) |
| Deferred | 11 | (133,479) | (546,812) | (218,495) | (223,995) |
| | | **(330,257)** | **(879,517)** | **(372,201)** | **(429,168)** |
| **Profit for the period** | | **971,651** | **1,846,524** | **718,756** | **1,139,464** |
| **From continuing operations** | | **971,651** | **1,846,524** | **718,756** | **1,137,248** |
| **From discontinued operations** | **13** | **-** | **-** | **-** | **2,216** |
| **Attributable to the equity holders of Klabin** | | **751,684** | **1,735,965** | **659,173** | **1,030,369** |
| **Attributable to non-controlling interests** | | **219,967** | **110,559** | **59,583** | **109,095** |
| **Earnings (loss) per share:** | | | | | |
| **Basic and diluted earnings per common share - R$** | 25 | **0.1365** | **0.3155** | **0.1201** | **0.1877** |
| **Basic and diluted earnings per preferred share - R$** | 25 | **0.1365** | **0.3155** | **0.1201** | **0.1877** |
| **Earnings (loss) per share - discontinued operations:** | | | | | |
| **Basic and diluted earnings per common share - R$** | 25.1 | **-** | **-** | **-** | **0.0004** |
| **Basic and diluted earnings per preferred share - R$** | 25.1 | **-** | **-** | **-** | **0.0004** |

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All amounts in thousands of Reais unless otherwise stated

## STATEMENTS OF COMPREHENSIVE INCOME

| | | Parent Company | | | | Consolidated | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Note | 4/1 to 6/30/2022 | 1/1 to 6/30/2022 | 4/1 to 6/30/2021 | 1/1 to 6/30/2021 | 4/1 to 6/30/2022 | 1/1 to 6/30/2022 | 4/1 to 6/30/2021 | 1/1 to 6/30/2021 |
| **Profit for the period** | | **751684** | **1,735,965** | **659,173** | **1,030,369** | **971,651** | **1,846,524** | **718,756** | **1,139,464** |
| **Other comprehensive income:** | | | | | | | | | |
| Foreign currency translation adjustments (i) | | 7,353 | 9,418 | 5,645 | 5,746 | 7,353 | 9,418 | 5,645 | 5,746 |
| Adjustment of cash flow hedge | 28 | (1,602,131) | 1,793,190 | 2,429,497 | 712,027 | (1,602,131) | 1,793,190 | 2,429,497 | 712,027 |
| Deferred income tax on cash flow hedge | 28 | 544,724 | (609,685) | (826,029) | (242,089) | 544,724 | (609,685) | (826,029) | (242,089) |
| Adjustment of actuarial liabilities | | (3,598) | (5,704) | (5,322) | (10,644) | (3,598) | (5,704) | (5,322) | (10,644) |
| Deferred income tax on actuarial liabilities | | 1,223 | 1,939 | 1,810 | 3,619 | 1,223 | 1,939 | 1,810 | 3,619 |
| **Total comprehensive income for the period** | | **(300,745)** | **2,925,123** | **2,264,774** | **1,499,028** | **(80,778)** | **3,035,682** | **2,324,357** | **1,608,123** |
| **Attributable to the equity holders of Klabin** | | | **2,925,123** | **2,264,774** | **1,499,028** | **(300,745)** | **2,925,123** | **2,264,774** | **1,499,028** |
| **Attributable to non-controlling interests** | | - | - | - | - | **219,967** | **110,559** | **59,583** | **109,095** |

(i) Effects that may impact the result in the future only in the event of disposal or dissolution of the investee.

The accompanying notes are an integral part of this quarterly information.

All amounts in thousands of Reais unless otherwise stated

## STATEMENTS OF CHANGES IN EQUITY

| | Note | Share capital | Capital reserve | Revaluation reserve | Revenue reserves | Carrying value adjustments | Treasury shares | Retained earnings accumulated losses) | Equity attributable to the equity holders of of Klabin | Non-controlling interests (i) | Consolidated equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **At December 31, 2020** | | **4,475,625** | **(365,791)** | **48,705** | **-** | **823,476** | **(177,884)** | **(993,826)** | **3,810,305** | **574,456** | **4,384,761** |
| Profit for the period | | - | - | - | - | - | - | 1,030,369 | **1,030,369** | 119,556 | **1,149,925** |
| Other comprehensive income for the period | | - | - | - | - | 468,659 | - | - | **468,659** | - | **468,659** |
| Total comprehensive income for the period | | - | - | - | - | 468,659 | - | 1,030,369 | **1,499,028** | **119,556** | **1,618,584** |
| Capital increase by non-controlling shareholders | 1 | - | - | - | - | - | - | - | - | 287,000 | **287,000** |
| Stock Option Plan | 24 | | | | | | | | | | |
| Treasury shares sold | | - | 14,250 | - | - | - | 4,696 | - | **18,946** | - | **18,946** |
| Award of treasury shares | | - | - | - | - | (4,696) | 4,696 | - | - | - | - |
| Recognition of the stock option plan remuneration | | - | - | - | - | 7,133 | - | - | **7,133** | - | **7,133** |
| Maturity of stock option plan | | - | 8,090 | - | - | (8,090) | - | - | - | - | - |
| Withdrawals from stock option plan | | - | - | - | - | 18 | (18) | - | - | - | - |
| **At June 30, 2021** | | **4,475,625** | **(343,451)** | **48,705** | **-** | **1,286,500** | **(168,510)** | **36,543** | **5,335,412** | **981,012** | **6,316,424** |
| | | | | | | | | | | | |
| **At December 31, 2021** | | **4,475,625** | **(343,463)** | **48,705** | **1,624,044** | **103,246** | **(168,589)** | **-** | **5,739,568** | **1,346,659** | **7,086,227** |
| Profit for the period | | - | - | - | - | - | - | 1,735,965 | **1,735,965** | 123,627 | **1,859,592** |
| Other comprehensive income for the period | | - | - | - | - | 1,189,158 | - | - | **1,189,158** | - | **1,189,158** |
| Total comprehensive income for the period | | - | - | - | - | **1,189,158** | - | **1,735,965** | **2,925,123** | **123,627** | **3,048,750** |
| Capital increase by non-controlling shareholders | 1 | - | - | - | - | - | - | - | - | 285,560 | **285,560** |
| Stock Option Plan | 24 | | | | | | | | | | |
| Treasury shares sold | | - | 16,668 | - | - | - | 6,839 | - | **23,507** | - | **23,507** |
| Award of treasury shares | | - | - | - | - | (6,839) | 6,839 | - | - | - | - |
| Recognition of the stock option plan remuneration | | - | - | - | - | 8,074 | - | - | **8,074** | - | **8,074** |
| Maturity of stock option plan | | - | 7,691 | - | - | (7,691) | - | - | - | - | - |
| Withdrawals from stock option plan | | - | - | - | - | 331 | (331) | - | - | - | - |
| Distribution of dividends | 20 | - | - | - | (377,000) | - | - | (346,000) | **(723,000)** | (41,364) | **(764,364)** |
| **At June 30, 2022** | | **4,475,625** | **(319,104)** | **48,705** | **1,247,044** | **1,286,280** | **(155,242)** | **1,389,965** | **7,973,272** | **1,714,482** | **9,687,754** |

(i) During the period of 2022, there was change in the % of equity interest held by non-controlling interests.

The accompanying notes are an integral part of this quarterly information.

All amounts in thousands of Reais unless otherwise stated

## STATEMENTS OF CASH FLOWS

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 1/1 to 06/30/2022 | 1/1 to 06/30/2021 | 1/1 to 06/30/2022 | 1/1 to 06/30/2021 |
| **Net cash provided by operating activities** | **2,596,428** | **1,775,041** | **2,728,627** | **1,582,358** |
| **Cash provided by operations** | **3,989,320** | **2,604,180** | **3,932,821** | **2,679,380** |
| Profit for the period from continuing operations | 1,735,965 | 1,028,153 | 1,846,524 | 1,137,248 |
| Profit for the period from discontinued operations | - | 2,216 | - | 2,216 |
| Depreciation and amortization | 659,014 | 523,574 | 636,538 | 506,772 |
| Change in the fair value of biological assets | (706,713) | (86,248) | (958,056) | (241,405) |
| Depletion of biological assets | 778,407 | 700,267 | 950,339 | 820,122 |
| Deferred income tax and social contribution | 532,242 | 230,493 | 546,812 | 223,995 |
| Interest and foreign exchange variations on borrowing and debentures | 865,693 | 456,678 | 764,640 | 260,790 |
| Realization of hedge reserve | (8,945) | 11,018 | (8,945) | 11,018 |
| Interest on leases | 32,703 | 19,555 | 34,393 | 20,928 |
| Foreign exchange variations on trade receivables and related partie | 190,472 | (746) | 235,754 | (10,552) |
| Allowance for expected credit losses | (1,776) | (858) | (2,057) | (9,271) |
| Estimated inventory losses | 21,985 | 9,345 | 22,042 | 3,553 |
| Result on disposal of assets | (11,516) | (12,234) | (11,516) | (12,234) |
| Share of profit (loss) of subsidiaries and joint ventures | 18,425 | (213,623) | (10,189) | (2,657) |
| Other | (116,636) | (63,410) | (113,457) | (31,143) |
| **Changes in assets and liabilities** | **(1,392,892)** | **(829,139)** | **(1,204,194)** | **(1,097,022)** |
| Trade receivables and related parties | (342,619) | (620,033) | (350,182) | (671,353) |
| Inventory | (117,148) | (297,807) | (163,792) | (236,656) |
| Taxes recoverable | 189,896 | 623,958 | 202,803 | 623,893 |
| Marketable securities | (503,984) | (392,440) | (503,125) | (392,337) |
| Other assets | 706,613 | 17,903 | 587,855 | 47,046 |
| Trade payables | (460,164) | (346,003) | (255,100) | (403,257) |
| Tax obligations | 67,127 | 17,089 | 116,233 | 3,444 |
| Social security and labor obligations | (17,964) | 21,202 | (17,030) | (3,556) |
| Other liabilities | (622,283) | 105,337 | (514,111) | 46,980 |
| Income tax and social contribution paid | (292,366) | (104,031) | (307,745) | (111,226) |
| Changes in assets and liabilities from mergers | - | 145,686 | - | - |
| **Net cash used in investing activities** | **(2,762,754)** | **(1,371,154)** | **(2,972,775)** | **(1,268,407)** |
| Purchases of property, plant and equipment | (1,734,627) | (1,106,807) | (2,338,679) | (1,219,152) |
| Planting and purchases of standing wood | (573,636) | (345,435) | (971,854) | (500,064) |
| Acquisition of investments and payment in subsidiaries (cash) | (523,958) | (84,851) | 285,560 | 287,000 |
| Proceeds from disposal of assets | 45,929 | 157,296 | 45,929 | 157,296 |
| Dividends received from subsidiaries | 23,538 | 8,643 | 6,269 | 6,513 |
| **Net cash provided by (used in) financing activities** | **(1,468,979)** | **(188,940)** | **(1,285,156)** | **987,320** |
| New borrowing | 2,747,983 | 1,600,298 | 2,748,124 | 2,697,309 |
| Repayment of borrowing and debentures | (2,342,314) | (1,008,504) | (2,296,070) | (947,346) |
| Payment of interest on borrowing and debentures | (966,863) | (688,932) | (832,104) | (627,979) |
| Payment of lease liabilities | (143,392) | (110,748) | (145,636) | (111,030) |
| Disposal of treasury shares | 23,507 | 18,946 | 23,507 | 18,946 |
| Advances on future capital increases | (64,900) | - | - | - |
| Dissolution of SPC | - | - | - | - |
| Withdrawal of investors - SPCs | - | - | - | - |
| Payment of dividends - SPCs and SPEs | - | - | (59,977) | (42,580) |
| Dividends/interest on capital paid | (723,000) | - | (723,000) | - |
| **Increase (decrease) in cash and cash equivalents** | **(1,635,305)** | **214,947** | **(1,529,304)** | **1,301,271** |
| **Cash and cash equivalents at the beginning of the period** | **5,966,190** | **4,529,748** | **6,405,200** | **5,208,830** |
| **Cash and cash equivalents at the end of the period** | **4,330,885** | **4,744,695** | **4,875,896** | **6,510,101** |

The accompanying notes are an integral part of this quarterly information.

All amounts in thousands of Reais unless otherwise stated

## STATEMENTS OF VALUE ADDED

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 1/1 to 6/30/2022 | 1/1 to 6/30/2021 | 1/1 to 6/30/2022 | 1/1 to 6/30/2021 |
| **Revenue** | | | | |
| Sales of products | 11,006,644 | 8,530,625 | 10,962,754 | 8,891,728 |
| Change in the fair value of biological assets | 706,713 | 86,248 | 958,056 | 241,405 |
| Other revenue | 45,929 | 157,296 | 45,929 | 157,296 |
| Allowance for expected credit losses (ECLs) | 1,776 | 5,829 | 2,057 | 9,185 |
| | **11,761,062** | **8,779,998** | **11,968,796** | **9,299,614** |
| **Inputs acquired from third parties** | | | | |
| Cost of products sold | (3,611,069) | (3,055,533) | (3,713,897) | (3,115,597) |
| Materials, electricity, outsourced services and other | (2,360,128) | (2,345,289) | (2,127,850) | (2,570,899) |
| | **(5,971,197)** | **(5,400,822)** | **(5,841,747)** | **(5,686,496)** |
| **Gross value added** | **5,789,865** | **3,379,176** | **6,127,049** | **3,613,118** |
| **Retentions** | | | | |
| Depreciation, amortization and depletion | (1,437,421) | (473,802) | (1,586,877) | (265,367) |
| **Net value added generated by the Company** | **4,352,444** | **2,905,374** | **4,540,172** | **3,347,751** |
| **Value added received through transfer** | | | | |
| Share of profit (loss) of subsidiaries and joint ventures | (18,425) | 213,623 | 10,189 | 2,657 |
| | - | - | - | - |
| Finance income, including exchange variations | 237,692 | 61,052 | 258,813 | (27,000) |
| | **219,267** | **274,675** | **269,002** | **(24,343)** |
| **Total value added for distribution** | **4,571,711** | **3,180,049** | **4,809,174** | **3,323,408** |
| **Distribution of value added:** | | | | |
| **Personnel** | | | | |
| Direct compensation | 740,378 | 644,149 | 754,543 | 658,424 |
| Benefits | 211,694 | 219,463 | 215,235 | 222,455 |
| Government Severance Indemnity Fund for Employees (FGTS) | 53,122 | 52,292 | 53,213 | 52,420 |
| | **1,005,194** | **915,904** | **1,022,991** | **933,299** |
| **Taxes and contributions** | | | | |
| Federal | 1,079,213 | 703,540 | 1,150,085 | 722,080 |
| State | 141,266 | 138,854 | 141,266 | 138,854 |
| Municipal | 9,379 | 6,556 | 9,379 | 6,556 |
| | **1,229,858** | **848,950** | **1,300,730** | **867,490** |
| **Remuneration of third party capital** | | | | |
| Interest | 600,694 | 384,826 | 638,929 | 383,155 |
| | **600,694** | **384,826** | **638,929** | **383,155** |
| **Remuneration of own capital** | | | | |
| Dividends, interest on capital and profit sharing on debentures | 346,000 | - | 387,364 | - |
| Retained earnings for the period | 1,389,965 | 1,030,369 | 1,348,601 | 1,030,369 |
| Loss (profit) for the period attributable to non-controlling interests | - | - | 110,559 | 109,095 |
| | **1,735,965** | **1,030,369** | **1,846,524** | **1,139,464** |
| **Value added distributed** | **4,571,711** | **3,180,049** | **4,809,174** | **3,323,408** |

The accompanying notes are an integral part of this quarterly information.

## 1. GENERAL INFORMATION

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

The Company also has equity interests in other companies (Notes 3 and 12) with operating activities related to the Company's business objectives.

### 1.1 Effects of COVID-19

The Company has continued to work actively on preventive measures to help control the spread of the Coronavirus (COVID-19), reinforcing hygiene protocols, disseminating information on the subject through its internal communication channels, and following the guidelines of the World Health Organization (WHO). Following a fall in COVID-19 cases and increased vaccination rates across the country, all employees from the administrative areas returned to face-to-face work three days a week. This progressive return strategy was organized and planned to mitigate the risks of contagion. Although the progress of the vaccination program has led to a positive outlook for the global economy, it is likely that totally overcoming the economic effects of the pandemic will still take some time.

To date, the Company's Management has not identified significant impacts on the forecast production, sale and shipment of its products, which are part of the supply chain of basic necessities in the food, cleaning products and personal and hospital hygiene segments, which were boosted in the market to meet demand driven by COVID-19.

### 1.2 Effects of the Russia-Ukraine War

To date the Company has not had any impact related to the Russia-Ukraine war in spite of the possibility of having consequences on the pulp and paper market, mainly due to the high price of oil. Petroleum products generate chemical products, some of which are used in industrial processes. Fuel is used to transport wood, raw materials and final products, and is also burned as part of the industrial process.

In this regard, the Company draws a high percentage of its fuel from renewable sources within the industrial process, which minimizes the impacts caused by the war. One of the recent innovations adopted by the Company is replacing fuel oil with a 100% clean and renewable energy source: biomass gasification.

The Company does not foresee any major impacts as it has low exposure to the Russian market.

This review considered subsequent events that occurred up to the date of issue of this interim financial statements, and no significant effects were identified that should be reflected in the interim financial statements for the three-month and six-month periods ended June 30, 2022.

The Company believes that it is difficult to measure the impacts of the war, and that conditions, forecasts and analyses change continuously as global geopolitical events unfold.

### 1.3 Statement of compliance

The issue of this interim financial statements of Klabin S.A. (the "Company") and its subsidiaries was authorized by the Finance Director on July 26, 2022.

Management has evaluated the Company's and its subsidiaries' ability to continue as a going concern, and believes that they have the necessary resources and ability to develop the business in the future on a continuing basis, and is not aware of any uncertainties that could cast significant doubt on their ability to continue as a going concern.

Management asserts that all information that is relevant to the interim financial statements, and only such information, is disclosed, and that it corresponds to the information used in managing the Company.

## 2. BASIS OF PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

### 2.1 Basis of presentation of the interim financial statements

The Company's interim financial statements for the period ended June 30, 2022, comprises the individual and consolidated interim financial information, prepared based on all the relevant information of the Company, which corresponds to that used by management, in accordance with CPC 21 (R1) – "Interim Financial Reporting" and IAS 34 – "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB).

### 2.2 Summary of significant accounting policies adopted and statement of compliance

The accounting practices, consolidation bases and calculation methods adopted for the preparation of the interim financial information, as well as the main judgments adopted when making the estimates used in the application of the accounting practices, are the same as those adopted for the preparation of the individual and consolidated financial statements for the year ended December 31, 2021, including the adoption of new accounting pronouncements, when applicable.

All amounts in thousands of Reais unless otherwise stated

## 3. CONSOLIDATION OF FINANCIAL STATEMENTS

Subsidiaries are fully consolidated from the date of acquisition of control, and continue to be consolidated until the date on which such control ceases to exist, except for joint ventures, which are accounted for using the equity accounting method, both in the individual interim financial statements and in the consolidated interim financial statements.

The subsidiaries' interim financial statements is prepared for the same reporting period as the parent company, using accounting practices that are consistent with the practices adopted by the parent company. The following criteria were adopted for consolidation purposes: (i) investments in subsidiaries and the Company's share of the profit (loss) of subsidiaries and joint ventures are eliminated; and (ii) profits from intercompany transactions and the related assets and liabilities are also eliminated.

The consolidated interim financial statements covers Klabin S.A. and its subsidiaries at June 30, 2022, December 31, 2021 and June 30, 2021, as follows:

| | | | | Equity interest - % | | |
|---|---|---|---|---|---|---|
| | Country | Activity | Interest | 06/30/2022 | 12/31/2021 | 06/30/2021 |
| **Subsidiaries** | | | | | | |
| Cerejeira Reflorestadora S.A. | Brazil | Reforestation | Direct | 100 | 100 | 100 |
| Klabin da Amazônia - Soluções em Embalagens de Papel Ltda (i) | Brazil | Manufacture and sale of products | Direct | 100 | 100 | 100 |
| Klabin Argentina S.A. | Argentina | Industrial sacks | Direct | 100 | 100 | 100 |
| Klabin Áustria GmbH | Austria | Sale of products in the foreign market | Direct | 100 | 100 | 100 |
| Klabin do Paraná Produtos Florestais Ltda. | Brazil | Manufacture of herbal medicines | Direct | 100 | 100 | 100 |
| Klabin Finance S.A. | Luxembourg | Finance | Direct | 100 | 100 | 100 |
| Klabin Fitoprodutos Ltda. | Brazil | Manufacture of herbal medicines | Direct | 100 | 100 | 100 |
| Klabin Florestal Ltda. | Brazil | Forestry | Direct | 100 | 100 | 100 |
| Klabin Forest Products Company | United States | Sale of products in the foreign market | Direct | 100 | 100 | 100 |
| Klabin Paranaguá SPE S.A. | Brazil | Port services | Direct | 100 | 100 | 100 |
| Kla Holding S.A. (i) | Brazil | Investments in companies | Direct | 100 | 100 | 100 |
| IKAPÊ Empreendimentos Ltda. | Brazil | Hotels | Direct | 100 | 100 | 100 |
| Monterla Holdings S.A. | Brazil | Investments in companies | Direct | 100 | 100 | 100 |
| Klabin Foryou Soluções em Papel S.A. | Brazil | Packaging customization services | Direct | 100 | 100 | 100 |
| Manacá Reflorestadora S.A. (i) | Brazil | Reforestation | Direct | 100 | 100 | - |
| Cambará Reflorestadora S.A. (i) | Brazil | Reforestation | Direct | 100 | 100 | - |
| Pinheiro Reflorestadora S.A. (i) | Brazil | Reforestation | Direct | 100 | - | - |
| Guaricana Reflorestadora S.A. | Brazil | Reforestation | Direct | 35 | 35 | 35 |
| Sapopema Reflorestadora S.A. (i) | Brazil | Reforestation | Direct | 15 | 17 | 20 |
| Aroeira Reflorestadora S.A. (i) | Brazil | Reforestation | Direct | 13 | 18 | 22 |
| **Special Purpose Entities** | | | | | | |
| Harmonia | Brazil | Reforestation | Direct | 77 | 73 | 73 |
| Araucária | Brazil | Reforestation | Direct | 68 | 63 | 57 |
| Serrana | Brazil | Reforestation | Direct | 66 | 65 | 74 |
| Monte Alegre | Brazil | Reforestation | Direct | - | - | 83 |
| **Joint ventures** (ii) | | | | | | |
| Florestal Vale do Corisco S.A. | Brazil | Reforestation | Direct | 51 | 51 | 51 |
| Pinus Taeda Florestal S.A. | Brazil | Reforestation | Direct | 26 | 26 | 26 |

(i) See information in Note 4.
(ii) Investment in unconsolidated joint ventures.

## 4. MAIN EVENTS OF THE PERIOD

### 4.1 Expansion project – "Puma II"

As disclosed in a Material Fact to the market, on April 16, 2019 and May 5, 2021 stages I and II, respectively, of the packaging paper segment capacity expansion project named "Puma II Project" were approved, covering the construction of two paper machines with integrated pulp production, located at Klabin's industrial unit in the municipality of Ortigueira (PR), named "Puma Project".

The Puma II Project is divided into two stages:

On August 30, 2021, the Company informed the market through a Material Fact that the first stage of the Project had been completed, and that production had started on the same date, including the construction of a main fiber line for unbleached pulp production, integrated with the kraftliner and white kraftliner (white top liner) paper machines. The production capacity is 450 thousand tons per year, which are being sold under the Eukaliner® brand, the world's first kraftliner paper 100% made of eucalyptus fibers; and

The second stage, after a review of the market, engineering and economic feasibility studies carried out in May 2021, will include the installation of a cardboard paper machine integrated with a complementary fiber line, with a production capacity of 460 thousand tons per year.

The construction of the second stage began in September 2021, 47% of the construction have already been concluded based on the measurements performed on July 10, 2022 and startup is slated for the second quarter of 2023.

The gross investment budgeted for the construction of the Puma II Project, including the incremental investment to convert the machine from the second phase of the project to cardboard production, is R$ 12,900,000, subject to exchange rate fluctuations, of which R$ 9,400,000 was disbursed by June 30, 2022, and the remainder by 2023. Approximately R$ 1,000,000 relates to taxes recoverable.

Investments in the Project will be funded by the Company's cash position and cash generation from its current business, and may be complemented by withdrawals from contracted and unused financing facilities.

### 4.2 Investment in special projects and expansions

According to the Notice to the Market released on June 29, 2021, the Company approved a total of 23 Special Projects and Expansions offering high short-term returns, in continuation of its growth and deleveraging strategy, with a total investment of R$ 342,000.

Until June 30, 2022, R$ 98,042 had been disbursed, and the remainder is expected to be disbursed during 2022.

Most of the investments, totaling R$ 251,000, have been allocated to increasing the capacity to convert paper into packaging, especially two new printers that will be installed at the Betim (MG) and Goiana (PE) units, and a new miscellaneous bags line at the Lages (SC) unit. The other projects are distributed across all Klabin's operating segments, and are mainly focused on cost optimization.

### 4.3 Expansion project – "Horizonte"

As announced to the market on February 8, 2022, the Company's Board of Directors approved the expansion of the corrugated cardboard conversion unit located in Horizonte, Ceará.

The project, start-up of which scheduled for the first quarter of 2023, has an incremental production capacity of 80 thousand tons of corrugated cardboard per year, and mainly aims to serve the growing fruit market in the northeast region of Brazil. The Project includes the acquisition of a corrugator and printer, in addition to the transfer of two printers from the Goiana (PE) unit. The investment totals R$ 188,000, of which R$ 100,000 is estimated to be disbursed in 2022, and the remainder in 2023.

Up to June 30, 2022, R$ 24,000 had been disbursed.

### 4.4 Special Purpose Entities (SPEs) – Forestry

#### 4.4.1 Pinheiro Reflorestadora S.A.

On January 17, 2022, Pinheiro Reflorestadora S.A. was established with the main purpose of exploring forestry activity in the State of Rio Grande do Sul.

On April 28, 2022, an advance on future capital increase was made by Klabin S.A. in the amount of R$ 60,000, to be paid up within 120 days from the end of fiscal year 2022, in order to make the planned investments.

The purpose of the Forestry SPEs is to expand the Company's forest mass in partnership with investors, aiming to supplying current factories, as well as making expansion projects viable.

All amounts in thousands of Reais unless otherwise stated

### 4.4.2 Cerejeira Reflorestadora S.A.

On March 28, 2019, the Company established Cerejeira Reflorestadora S.A., with the main purpose of exploring forestry activity in the State of Paraná. The new company is currently in the structuring phase, without active operations.

As at June 30, 2022, the SPE's capital is R$88 thousand, represented by 88 thousand registered common shares, fully subscribed and paid-up, with no par value.

### 4.4.3 Sapopema Reflorestadora S.A.

On July 26, 2019, the Company established the SPE Sapopema Reflorestadora S.A., together with a Timber Investment Management Organization (TIMO), whose main purpose is to explore forestry activities in the State of Paraná - PR.

At an extraordinary meeting held on January 10, 2022, the distribution of dividends in the total amount of R$ 30,000 was approved, which were paid to shareholders in proportion to their respective interests in the share capital, of which R$ 22,216 to the shareholder TIMO, and R$ 7,784 to the shareholder Klabin S.A.

At an extraordinary meeting held during 2021 and 2022, capital increases were approved, subscribed and paid up by TIMO, for the purchase of forests.

| Date | R$ thousand | Common shares | Unit price | Preferred shares | Unit issue price |
|---|---|---|---|---|---|
| 01/12/2021 | 50,000 | 29,004,368 | 1.00 | 6,321,605 | 3.32 |
| 04/30/2021 | 50,000 | - | - | 15,054,570 | 3.32 |
| 09/14/2021 | 80,000 | - | - | 24,087,314 | 3.32 |
| 03/03/2022 | 30,000 | - | - | 18,065,484 | 3.32 |
| 04/08/2022 | 30,000 | | | | |

Accordingly, the Company's share capital increased from R$ 558,199, divided into 163,261,171 common shares and 134,657,486 preferred shares. Klabin holds 51% of the voting capital and 15% of the total capital of the Company (51% of the voting capital and 17% of the total capital at December 31, 2021).

### 4.4.4 Aroeira Reflorestadora S.A.

On September 9, 2020, the Company established the Special Purpose Entity (SPE) Aroeira Reflorestadora S.A. ("Aroeira"), the main purpose of which is to explore forestry activities in the State of Santa Catarina.

On May 2, 2022, the TIMO contributed R$ 195,560, of which 44,163,637 new registered preferred shares with no par value, at the unit issue price of R$ 4.30.

At an extraordinary meeting held on June 8, 2022, a contribution of biological assets by Klabin S.A. was approved. These assets were appraised at R$ 18,099, corresponding to 18,098,956 registered common shares with no par value.

At an extraordinary meeting held on June 13, 2022, a capital increase by the TIMO in the amount of R$ 68,000 was approved through the subscription and payment of 16,983,134 new registered common shares with no par value at the unit issue price of R$ 1.00, and 8,624,591 new registered preferred shares with no par value at the unit issue price of R$ 5.91, of which R$ 30,000 have already been paid up.

The SPE's share capital was thus R$ 533,756, represented by 236,742,099 subscribed and paid-up shares. The SPE's shares are divided into 139,502,766 registered common shares with no par value and 97,239,333 registered preferred shares with no par value. At June 30, 2022, Klabin holds 51% of the voting capital and 13% of the total capital of the SPE, while the TIMO holds the remaining capital (51% of the voting capital and 18% of the total capital at December 31, 2021).

### 4.4.5 Establishment of Manacá Reflorestadora S.A.

On April 26, 2021, the SPE named Manacá Reflorestadora S.A. was established, with the main purpose of exploring forestry activities in the State of Santa Catarina.

On November 22, 2021 and January 26, 2022, capital increases were made by Klabin S.A. in the amount of R$ 100 thousand and R$ 28,000 respectively, at a rate of one share per R$ 1.00 received.

On May 13 and 30, 2021, an advance on future capital increase was made by Klabin S.A. in the amount of R$ 1,200 and R$ 2,400, to be paid up within 120 days from the end of fiscal year 2022, in order to make the planned investments.

### 4.4.6 Establishment of Cambará Reflorestadora S.A.

On April 26, 2021, the SPE named Cambará Reflorestadora S.A. was established, with the main purpose of exploring forestry activities in the State of Paraná.

On January 18, 2022, a capital increase was made by Klabin S.A. in the amount of R$ 106,000 at a rate of one share per R$ 1.00 received.

### 4.4.7 Construction of the Port of Paranaguá

As announced to the market on August 13, 2019, at an auction held at the headquarters of B3 in São Paulo, Klabin S.A. won the bid for the warehouse at the Port of Paranaguá to carry out the unloading, loading and storage of general cargo, especially paper and pulp.

At an extraordinary meeting held on May 29, 2022, a capital increase of R$ 80,000 from the advance on future capital increase made on May 10, 2021 by Klabin and a new capital increase of R$ 44,000 were approved, both subscribed and paid up through the issue of 124,000,000 new registered common shares with no par value at the unit issue price of R$ 1.00.

As at June 30, 2022, the share capital of "Klabin Paranaguá SPE S.A." is R$ 144,016, divided into 144,016,000 common shares of R$ 1.00 each.

## 4.5 Closure of subsidiaries

On March 23, 2022, at the Annual and Extraordinary General Meeting, the Company approved the merger of two wholly-owned subsidiaries, Klabin Florestal and Monterla Holding, and this operation was completed on April 20, 2022. The merger of Florestal and Monterla into the Company reflect an effort to simplify and rationalize the Company's corporate structure, with the main purpose of generating administrative, financial and operational efficiency gains, as well as avoiding unnecessary expenses.

## 4.6 14$^{th}$ issue of debentures

On June 17, 2022, the Company informed the market through a Material Fact that its Board of Directors approved, at a meeting held on that date, the 14th issue of simple, non-convertible, unsecured debentures, in a single series, see Note 30.

## 4.7 Acquisition of assets of Farol Florestas e Verde Paraná

On April 7, 2022, the conditions for the acquisition of the companies *Farol Florestas e Participações Ltda. and, indirectly, Verde Paraná Agroflorestal Ltda.*, located in Brazil, were concluded. All agreements and legal approvals were signed, and on that date R$ 132,370 were disbursed for the acquisition. The Company used its own funds to make the payment.

The acquired operations consist in 6 thousand hectares of formed forests.

The transaction aims at the acquisition of forest assets and is in line with the Company's strategy of growth in the forestry business, increasing its operational flexibility and bringing greater stability to its results. Shareholders are not required to ratify the transaction, as it is not covered by the requirements of Article 256 of Law 6,404/76.

All amounts in thousands of Reais unless otherwise stated

### 4.7.1 Acquisition balance sheet

The assets involved in the transaction were actually acquired on April 7, 2022 through the acquisition of all the units of interest of Farol Florestas e Participações Ltda and Verde Paraná Agroflorestal Ltda., which became part of the Company's economic group as a wholly-owned subsidiary from that date.

The balance sheets of the acquired companies at the acquisition date do not present balances that cannot be reliably measured, and are represented by the following groups of assets and liabilities:

**Verde Paraná Agroflorestal Ltda.**

| Assets | 04/07/2022 | Liabilities | 04/07/2022 |
|---|---|---|---|
| Cash and cash equivalents | 186 | Trade payables | 34 |
| Accounts receivable | 131 | Advances from customers | - |
| Taxes recoverable | 20 | Taxes payable | 49 |
| **Total current assets** | **337** | **Total current liabilities** | **83** |
| **Long-term receivables** | | Deferred income tax and social contribution | 21,689 |
| Property, plant and equipment | 9 | **Total non-current liabilities** | **21,689** |
| Biological assets | 109,766 | | |
| **Total non-current assets** | **109,775** | **Equity** | **88,340** |
| **Total assets** | **110,112** | **Total liabilities and equity** | **110,112** |

**Farol Florestas Participações Ltda.**

| Assets | 04/07/2022 | Liabilities | 04/07/2022 |
|---|---|---|---|
| Cash and cash equivalents | 25 | Loans with related parties | 73,544 |
| **Total current assets** | **25** | **Total non-current liabilities** | **73,544** |
| **Long-term receivables** | | | |
| Deferred taxes | 5,998 | | |
| Biological assets | 88,340 | | |
| **Total non-current assets** | **94,338** | **Equity** | **20,819** |
| **Total assets** | **94,363** | **Total liabilities and equity** | **94,363** |

## 5. CASH AND CASH EQUIVALENTS

In accordance with its practices, the Company has made low-risk investments with financial institutions considered by management as prime banks both in Brazil and abroad (according to the ratings assigned to them by risk ratings agencies as disclosed in Note 27).

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 06/30/2022 | 12/31/2021 | 06/30/2022 | 12/31/2021 |
| Cash and bank deposits - local currency | 16,341 | 27,761 | 19,782 | 29,776 |
| Cash and bank deposits - foreign currency (i) (ii) | 389,737 | 286,630 | 540,268 | 401,365 |
| Financial investments - local currency | 3,924,807 | 5,651,799 | 4,315,846 | 5,974,059 |
| **Total cash and cash equivalents** | **4,330,885** | **5,966,190** | **4,875,896** | **6,405,200** |

(i) Mainly in U.S. dollars.
(ii) Includes overnight operations.

All amounts in thousands of Reais unless otherwise stated

Financial investments in local currency relating to Bank Deposit Certificates (CDBs) and other repurchase transactions are indexed to the Interbank Deposit Certificate (CDI) rate, with an average annual yield of 13.73% in the period ended June 30, 2022 (9.51% at December 31, 2021). Financial investments in foreign currency relating to overnight operations have an average annual yield of 1.15% (0.30% at December 31, 2021), with immediate liquidity as guaranteed by the financial institutions.

## 6. MARKETABLE SECURITIES

Marketable securities comprise:

(i) National Treasury Bills ("LFT") and National Treasury Notes ("NTN-B"). LFT has yields indexed to the Special System for Settlement and Custody (SELIC) interest rate and maturities in 2023, and NTN-B has yields indexed to the Amplified Consumer Price Index (IPCA) + 4.81% (average) p.a. and maturities from 2022 to 2040, with an amount corresponding to R$ 2,507,233 in the parent company and R$ 2,520,360 in the consolidated at June 30, 2022 (R$ 2,003,249 in the parent company and R$ 2,017,235 in the consolidated at December 31, 2021).

(ii) Bonds purchased through the wholly-owned subsidiary Klabin Finance, denominated in US Dollars, with fixed returns from 3.52% to 4.02%, maturing in 2028 and 2038 and with an amount corresponding to R$ 13,127 as at June 30, 2022 (R$ 13,986 as at December 31, 2021).

At June 30, 2022, the balance of these securities was R$ 2,507,233 in the parent company and R$ 2,520,360 in the consolidated (R$ 2,003,249 and R$ 2,017,235, respectively, at December 31, 2021). Given their features, their fair value is basically the principal plus interest as originally stipulated.

## 7. TRADE RECEIVABLES

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | **06/30/2022** | **12/31/2021** | **06/30/2022** | **12/31/2021** |
| **Trade receivables** | | | | |
| Local | 1,899,530 | 1,933,163 | 1,930,386 | 1,960,100 |
| Foreign | 392,696 | 317,255 | 1,052,745 | 908,603 |
| | **2,292,226** | **2,250,418** | **2,983,131** | **2,868,703** |
| Allowance for expected credit losses (ECLs) | (57,409) | (59,185) | (58,132) | (60,189) |
| **Total trade receivables** | **2,234,817** | **2,191,233** | **2,924,999** | **2,808,514** |
| | | | | |
| **Past due** | **22,804** | **25,303** | **37,942** | **33,841** |
| % on total portfolio (without ECLs) | -1.51% | -1.51% | -0.68% | -0.92% |
| Not yet due | 2,269,422 | 2,225,115 | 2,945,189 | 2,834,862 |
| 1 to 10 days | 1,810 | 6,714 | 1,810 | 6,745 |
| 11 to 30 days | 15,332 | 16,297 | 25,254 | 20,483 |
| 31 to 60 days | 2,729 | 1,743 | 7,763 | 5,733 |
| 61 to 90 days | 2,933 | 421 | 3,115 | 880 |
| Over 90 days | - | 128 | - | - |
| **Total trade receivables** | **2,292,226** | **2,250,418** | **2,983,131** | **2,868,703** |

All amounts in thousands of Reais unless otherwise stated

At June 30, 2022, the average collection period for trade receivables is approximately 80 days (88 days at December 31, 2021) for domestic market sales, and approximately 121 days (125 days at December 31, 2021) for foreign market sales, and interest is charged after the contractual maturity date.

As mentioned in Note 27, the Company has rules for establishing credit limits, monitoring trade notes past due and the risk of not receiving the amounts arising from credit sales transactions.

## 7.1 Allowance for expected credit losses (ECLs)

The allowance for expected credit losses (ECLs) is considered by Management to be sufficient to cover any losses on the outstanding receivables. The changes in the allowance for expected credit losses were as follow:

| | Parent Company | Consolidated |
|---|---|---|
| **Balance at December 31, 2020** | **(56,106)** | **(76,110)** |
| ECLs for the year | (14,866) | (15,870) |
| Reversals of ECLs | 16,765 | 28,055 |
| Definitive write-off | 2,803 | 3,736 |
| Merger balance (i) | (7,781) | - |
| **Balance at December 31, 2021** | **(59,185)** | **(60,189)** |
| ECLs for the year | (3,605) | (4,060) |
| Reversals of ECLs | 3,883 | 4,619 |
| Definitive write-off | 1,498 | 1,498 |
| **Balance at June 30, 2022** | **(57,409)** | **(58,132)** |

The balance of the allowance for expected credit losses relate mainly to trade notes with a high risk of not being received. The Company continuously monitors the balance of receivables and its estimated risk of default, considering the concept of incurred losses and expected losses, and when there is an allowance is made when recovery is not/is less expected. The expense incurred upon the recognition of the allowance for expected credit losses is recorded in the statement of income, under “Selling expenses”.

The Company maintains an insurance policy for receivables in the domestic and foreign markets for all business units, except for wood customers of the Forestry unit, in addition to certain customers that do not meet specific risk requirements, such as going concern status and liquidity. The current policy expires in September 2023.

## 7.2 Receivables discounting operations

In the six-month period ended June 30, 2022, receivables discounting operations without the right of return were carried out with specific customers in the amount of R$ 1,608,176 in the parent company and R$ 3,127,566 in the consolidated (R$ 1,992,000 in the parent company and R$ 3,985,000 in the consolidated at December 31, 2021), for which all the risks and benefits associated with the assets were transferred to the counterparty, meaning that prepaid receivables with third parties were excluded from the interim financial statements since there is no right of return.

The amount recognized for the six-month period ended June 30, 2022 was R$ 57,207 in the parent company and R$ 53,159 in the consolidated (R$ 15,537 in the parent company and R$ 54,367 in the consolidated at June 30, 2021). This operation is recognized in profit or loss under "Discounts and Rebates" (Note 21).

All amounts in thousands of Reais unless otherwise stated

## 8. RELATED PARTIES

### 8.1 Balances and transactions with related parties

| | Klabin Argentina | Silent Partnership Companies | Klabin Austria | Klabin Forest Products Company | Pinheiro Reflorestadora | Aroeira Reflorestadora | Guaricana Reflorestadora | Sapopema Reflorestadora | Outras | Total | Klabin Austria | Total | Total | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | 06/30/2022 | | 06/30/2022 | 12/31/2021 | 06/30/2021 |
| | | | | | | | | | | | | Parent Company | | |
| **Type of relationship** | (i) Subsidiary | (ii) Subsidiary | (i) Subsidiary | (i) Subsidiary | (iv) Subsidiary | (ii) Subsidiary | (ii) Subsidiary | (ii) Subsidiary | (i) (ii) (iii) e (iv) | | (vi) Subsidiary | | | |
| **Balances** | | | | | | | | | | | | | | |
| Current assets | 156,603 | 20,595 | 455,993 | 35,459 | - | 1,272 | 281 | 635 | 7,972 | **678,810** | - | **678,810** | **533,074** | **484,458** |
| Non-current assets | 24 | - | - | - | 60,000 | 4 | 1 | - | 5,471 | **65,500** | - | **65,500** | **100,897** | **171** |
| Current liabilities | - | 15,720 | - | 101 | - | 104 | 20,299 | - | - | **36,224** | 284,858 | **321,082** | **341,433** | **266,248** |
| Non-current liabilities | - | - | - | - | - | - | - | - | - | **-** | 12,357,490 | **12,357,490** | **14,732,520** | **12,205,368** |
| **Transactions** | | | | | | | | | | | | | | |
| Sales revenue | 35,054 | 10,188 | 2,758,916 | 44,081 | - | 8,115 | 5,176 | 13,367 | 37,029 | **2,911,926** | - | **2,911,926** | **4,410,070** | **1,847,654** |
| Purchases | - | (44,461) | - | - | - | (40,939) | (51,629) | (20,918) | - | **(157,947)** | - | **(157,947)** | **(268,926)** | **(195,803)** |
| Interest expenses on financing | - | - | - | - | - | - | - | - | - | **-** | (440,134) | **(440,134)** | **(977,272)** | **(438,491)** |
| Guarantee commission - expenses | - | - | - | - | - | - | - | - | (113) | **(113)** | - | **(113)** | **(595)** | **(359)** |

(i) Balance receivable from product sale transactions carried out at prices and under terms (average of 180 days) and conditions established between the parties.
(ii) Purchase of timber at prices and under terms (45 days) and conditions established between the parties. Considers all SCPs and SPEs described in Note 3.
(iii) Guarantee commission paid semiannually, calculated based on the 7th issue debenture agreement.
(iv) Advances on future capital increases.

All amounts in thousands of Reais unless otherwise stated

## 8.2 Management and Supervisory Board compensation and benefits

Management and Supervisory Board compensation is determined by the shareholders at the Annual General Meeting (AGM), in accordance with the Brazilian corporate legislation and the Company's bylaws. Accordingly, at the AGM held on March 23, 2022, the shareholders determined the overall amount of the annual compensation of the Management and Supervisory Board as being up to R$ 71,000 for 2022, of which R$ 57,000 excluding the INSS, which is to be borne by the Company as instructed by the CVM (R$ 58,000 for 2021, of which R$ 49,000 not considering the INSS).

The table below shows the compensation of the Management and Supervisory Board:

| | Short term | | Long term | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Board fees (i) | | Benefits (ii) | | Bonus and share-based compensation (i) (iii) | | Total compensation | |
| | 1/1 to 6/30/2022 | 1/1 to 6/30/2021 | 1/1 to 6/30/2022 | 1/1 to 6/30/2021 | 1/1 to 6/30/2022 | 1/1 to 6/30/2021 | 1/1 to 6/30/2022 | 1/1 to 6/30/2021 |
| Board of Directors and Supervisory Board | 11,140 | 10,674 | 894 | 782 | 13,466 | 12,966 | 25,500 | 24,422 |

(i) Amount includes charges.
(ii) The benefits granted are those usually practiced in the market for senior management.
(iii) For Statutory Officers only.

In addition, the Company grants the Statutory Officers the ILP Matching and ILP Performance Plan, described in Note 24.

## 9. INVENTORY

| | Parent company | | Consolidated | |
|---|---|---|---|---|
| | 06/30/2022 | 12/312021 | 06/30/2022 | 12/31/2021 |
| Finished products | 522,915 | 531,081 | 731,431 | 713,073 |
| Work in progress | 66,640 | 47,686 | 71,213 | 52,358 |
| Timber and logs | 225,331 | 209,084 | 225,387 | 209,138 |
| Maintenance supplies | 414,600 | 389,693 | 425,961 | 400,307 |
| Raw materials | 673,882 | 601,354 | 724,136 | 651,117 |
| Estimated inventory losses | (58,237) | (36,252) | (59,315) | (37,273) |
| Other | 24,389 | 31,711 | 26,331 | 14,674 |
| **Total inventory** | **1,869,520** | **1,774,357** | **2,145,144** | **2,003,394** |

Raw materials inventory includes paper rolls transferred from paper units to conversion units.

The expenses incurred for the recognition of estimated inventory losses is recorded in the statement of income under “Cost of products sold”.

The increase in the inventory of raw materials, as well as of wood and logs, is connected with the new Puma II paper production machine, as mentioned in Note 4.1.

The Company does not have any inventory pledged as collateral.

All amounts in thousands of Reais unless otherwise stated

## 10. TAXES RECOVERABLE

| | 06/30/2022 | | 12/31/2021 | |
|---|---|---|---|---|
| | Current Assets | Non-current Assets | Current Assets | Assets Assets |
| Value-added Tax on Sales and Services (ICMS) | 250,890 | 405,892 | 275,230 | 547,522 |
| Social Integration Program (PIS)/Social Contribution on Revenue (COFINS) | 300,306 | 11,143 | 51,901 | 18,403 |
| Income Tax/Social Contribution (IR/CS) | 5,926 | 153,717 | - | 130,481 |
| Tax on Industrialized Products (IPI) | 5,102 | - | 6,323 | - |
| Special regime for the reintegration of tax amounts for exporting companies (Reintegra) | 7,372 | - | 6,241 | - |
| Other | 1,796 | 5,260 | 3,635 | 5,198 |
| **Parent Company** | **571,392** | **576,012** | **343,330** | **701,604** |
| Subsidiaries | 60,143 | - | 57,671 | - |
| **Consolidated** | **631,535** | **576,012** | **401,001** | **701,604** |

PIS/COFINS, IPI and ICMS within current assets are expected to be offset against the same taxes payable in the next 12 months. Based on analyses and budget projections approved by Management, the Company does not foresee any risk of non-realization of these tax credits, provided the budget projections expected.

### a) ICMS

The Company has balances related to credits from taxes and contributions levied on purchases of property, plant and equipment, as permitted by prevailing legislation, in addition to a government ICMS subsidy granted by the Government of Paraná on behalf of the Puma I Project, which has been used to offset taxes payable of the same type. The ICMS credits of the Puma I Project are indexed to the Conversion and Monetary Update Factor (FCA) of the State of Paraná, with an offsetting period up to 2036 provided for in the protocol granting the subsidy.

### b) PIS/COFINS

The amounts recorded in the non-current group refer to: (I) appropriation of PIS and COFINS credits on buildings incorporated into PP&E, acquired or built for the purpose of the production of goods for sale by the Company, within a period of twenty-four (24) months, calculated based on the cost of construction or acquisition of the building, as per Article 6 of Law 11,488/07; as well as (ii) with the final and unappealable decision on June 17, 2022, recognizing the possibility of using the PIS and COFINS credits on purchase of waste paper prospectively, and the recovery of credits from October 2007 to June 2022 extemporaneously. The Company recognized in its balance sheet R$ 197,400 related to credits against profit for the period, of which R$ 47,079 refers to monetary adjustment. The Company also recognized in profit for the period the amount of R$ 3,000 related to charges due to success fees and tax advisory.

### c) IRPJ/CSLL

On September 23, 2021, the Federal Superior Court (STF) unanimously decided on the non-levying of IRPJ and CSLL on amounts related to the SELIC rate, such that the taxpayer received a refund of the tax overpaid.

On October 16, 2019, the Company filed a writ of mandamus seeking the recognition of the non-levying of IRPJ and CSLL on amounts arising from monetary adjustment and default interest, including SELIC, in view of its nature as an indemnity, applied to refunds on taxes overpaid, and the case was decided in favor of the Company.

Given this scenario, as there is a probability of success for the Company as a result of the STF decision, and based on the definitions of CPC 32 – "Income Taxes" and ICPC 22 – "Uncertainty over Income Tax Treatment", the Company recognized R$ 130,000 in 2021 in non-current assets. In the calendar year 2022, the complement of such tax overpaid was recognized, as well as the effects of the SELIC update on this amount.

IRPJ and CSLL credits were recognized in profit or loss for the year, in the current income tax and social contribution line item, against non-current taxes recoverable, and are recognized as such in the balance sheet, in the absence of a final and unappealable decision. The Company is awaiting the court's definition of the necessary elements regarding the specific circumstances relevant to the specific case, which would allow certainty regarding the tax credits that could be used, in the absence of the binding effects of the STF decision. The credits will be offset after the final and unappealable decision and subsequent approval of the credit by the tax authority.

In current assets, the recorded balance refers to the negative balance of IRPJ and CLL from prior years, as well as the crediting of IRRF (withholding income tax) for 2022.

## 11. CURRENT AND DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

The Company, included in the Taxable Profit regime, maintained the annual calculation system for the calendar year 2022, and maintained the cash regime for taxation of the foreign exchange variation, that is, exchange rate effects are taxable as and when they are settled.

This option is not valid for subsidiaries classified under the Presumed Profit regime, as well as for foreign subsidiaries.

Pursuant to ICPC 22 – "Uncertainty Over Income Tax Treatments", the Company maintains the concept evaluation procedures introduced by the standard with respect to any difference in interpretation with the tax authorities, and has not identified any aspects of its practices to be highlighted for the three-month period ended June 30, 2022.

All amounts in thousands of Reais unless otherwise stated

## 11.1 Nature and expected realization of deferred taxes

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 06/30/2022 | 12/31/2021 | 06/30/2022 | 12/31/2021 |
| Provision for tax, social security and civil contingencies | 6,973 | 5,000 | 6,973 | 5,000 |
| Nondeductible provisions | 166,592 | 173,193 | 167,178 | 174,005 |
| Tax losses and negative bases | 175,850 | 304,716 | 177,853 | 308,713 |
| Actuarial liability | 126,000 | 124,061 | 127,068 | 125,083 |
| Provision for labor contingencies | 14,848 | 13,346 | 14,848 | 13,346 |
| Foreign exchange variations | 755,406 | 1,153,717 | 755,406 | 1,153,717 |
| Gain or loss on financial instruments | 491,725 | 845,755 | 491,725 | 845,755 |
| Right-of-use assets (IFRS 16) | 752,016 | 138,476 | 754,377 | 138,575 |
| Other temporary differences | 48,995 | 63,704 | 49,347 | 62,802 |
| **Non-current assets** | **2,538,405** | **2,821,968** | **2,544,775** | **2,826,996** |
| Fair value of biological assets | 631,515 | 549,337 | 663,481 | 577,009 |
| Depreciation tax rate vs. useful life rate (Law 12,973/14) | 532,261 | 474,144 | 532,328 | 474,166 |
| Deemed cost of property, plant and equipment (land) | 545,378 | 545,378 | 545,378 | 545,378 |
| Interest capitalized (Law 12,973/14) | 405,474 | 319,816 | 405,474 | 319,816 |
| Asset revaluation reserve | 25,092 | 25,092 | 25,092 | 25,092 |
| Accelerated depreciation (Law 12,272/12) | 59,292 | 62,423 | 59,292 | 62,423 |
| Lease liabilities (IFRS 16) | 720,598 | 113,969 | 722,949 | 114,066 |
| Non-approved tax credit - Aparas (i) | 51,113 | - | 51,113 | - |
| Other temporary differences | 55,307 | 79,446 | 86,493 | 79,445 |
| **Non-current liabilities** | **3,026,030** | **2,169,605** | **3,091,600** | **2,197,395** |
| | | | | |
| **Net balance in the balance sheet - assets/(liabilities)** | **(487,625)** | **652,363** | **(546,825)** | **629,601** |

(i) Refers to the deferral of taxation of the original amount of the PIS and COFINS credits on purchase of waste paper, at the time of their approval. See Note 10.

Management, based on the approved budget, estimates that the tax credits arising from temporary differences and tax losses will be realized as follows:

| | 06/30/2022 | |
|---|---|---|
| | Parent Company | Consolidated |
| 2022 | 664,095 | 667,724 |
| 2023 | 426,749 | 428,073 |
| 2024 | 286,600 | 287,072 |
| 2025 | 316,088 | 316,560 |
| 2026 | 342,148 | 342,620 |
| 2027 onwards | 502,725 | 502,726 |
| **Total** | **2,538,405** | **2,544,775** |

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

All amounts in thousands of Reais unless otherwise stated

## 11.2 Analysis of income tax and social contribution in the results

| | Parent Company | | | |
|---|---|---|---|---|
| | 4/1 to 6/30/2022 | 1/1 to 6/30/2022 | 4/1 to 6/30/2021 | 1/1 to 6/30/2021 |
| **Profit before income tax and social contribution** | **1,022,580** | **2,542,800** | **1,030,441** | **1,458,154** |
| Combined tax rate | 34% | 34% | 34% | 34% |
| **Tax (expense) income at nominal rate** | **(347,677)** | **(864,552)** | **(350,350)** | **(495,772)** |
| Permanent (additions) exclusions | 1,186 | (1,328) | - | - |
| Tax Incentives (PAT/LE/Deductions Donations) | 12,304 | 23,098 | - | - |
| Interest on capital | - | - | - | - |
| Share of profit (loss) of subsidiaries and joint ventures | 41,168 | (6,264) | (793) | 72,632 |
| Income tax and social contribution on SELIC (i) | 17,317 | 28,920 | - | - |
| Investment subsidies (ii) | 8,076 | 15,695 | - | - |
| Income tax and social contribution from prior years | (0) | 16,529 | - | - |
| Differences in income tax and social contribution rates o : | - | - | - | - |
| Other | (1) | - | (20,125) | (4,645) |
| Provision for profits earned abroad | (1,857) | (3,902) | - | - |
| Unrecognized deferred taxes from prior years | (1,418) | (15,043) | - | - |
| Portion exempt from the 10% surcharge | 6 | 12 | - | - |
| **Income tax and social contribution** | **(270,896)** | **(806,835)** | **(371,268)** | **(427,785)** |
| Current | (154,302) | (274,593) | (151,390) | (197,292) |
| Deferred | (116,594) | (532,242) | (219,878) | (230,493) |
| **Effective rate** | **26.49%** | **31.73%** | **36.03%** | **29.34%** |

| | Consolidated | | | |
|---|---|---|---|---|
| | 4/1 to 6/30/2022 | 1/1 to 6/30/2022 | 4/1 to 6/30/2021 | 1/1 to 6/30/2021 |
| **Profit before income tax and social contribution** | **1,301,908** | **2,726,041** | **1,090,957** | **1,568,632** |
| Combined tax rate | 34% | 34% | 34% | 34% |
| **Tax (expense) income at nominal rate** | **(442,649)** | **(926,854)** | **(370,925)** | **(533,335)** |
| Permanent (additions) exclusions | 1,181 | (1,340) | - | - |
| Tax Incentives (PAT/LE/Deductions Donations) | 13,675 | 26,109 | - | - |
| Interest on capital | - | - | - | - |
| Share of profit (loss) of subsidiaries and joint ventures | (24,074) | (653) | 588 | 903 |
| Income tax and social contribution on SELIC (i) | 17,317 | 28,920 | - | - |
| Investment subsidies (ii) | 8,076 | 15,695 | - | - |
| Income tax and social contribution from prior years | (0) | 16,506 | - | - |
| Differences in income tax and social contribution rates o : | 100,098 | (18,198) | 32,270 | 90,613 |
| Other | (625) | (628) | (34,134) | 12,651 |
| Provision for profits earned abroad | (1,857) | (3,902) | - | - |
| Unrecognized deferred taxes from prior years | (1,418) | (15,209) | - | - |
| Portion exempt from the 10% surcharge | 18 | 36 | - | - |
| **Income tax and social contribution** | **(330,257)** | **(879,517)** | **(372,201)** | **(429,168)** |
| Current | (196,778) | (332,705) | (153,706) | (205,173) |
| Deferred | (133,477) | (546,810) | (218,495) | (223,995) |
| **Effective rate** | **25.37%** | **32.26%** | **34.12%** | **27.36%** |

(i) See information on IRPJ/CSLL credit in Note 10.
(ii) ICMS tax and financial benefits and incentives treated as investment subsidies, pursuant to Complementary Law 160/2017.

All amounts in thousands of Reais unless otherwise stated

## 11.3 Analysis of income tax and social contribution in the statement of comprehensive income

| | | Parent Company and Consolidated | | | |
|---|---|---|---|---|---|
| | Note | 4/1 to 6/30/2022 | 1/1 to 6/30/2022 | 4/1 to 6/30/2021 | 1/1 to 6/30/2021 |
| Adjustment of cash flow hedge | 28 | 544,724 | (609,685) | (826,029) | (242,089) |
| Adjustment of actuarial liabilities | | 1,223 | 1,939 | 1,810 | 3,619 |
| **Deferred** | | **545,947** | **(607,746)** | **(824,219)** | **(238,470)** |

All amounts in thousands of Reais unless otherwise stated

## 12. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

Parent Company

| | Klabin Finance S.A. | Klabin Áustria GmbH | Embacorp Sol. Embal. Papel Ltda | Riohold Holdings | Aroeira Reflorest. S.A. | Sapopema Reflorest. S.A. | Silent Partnership Companies | Joint ventures: Florestal Vale do Corisco S.A. | Joint ventures: Pinus Taeda Florestal S.A. | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | (iv) | (iv) | (iv) | (iv) | | (i) | (i) | | |
| **At December 31, 2020** | **126,827** | **311,745** | **-** | **425,667** | **-** | **126,334** | **631,643** | **157,963** | **98,109** | **212,212** | **2,090,500** |
| Acquisition and capital contribution (iv) | - | - | - | - | 53,657 | - | - | - | - | 86,548 | 140,205 |
| Merger of subsidiaries (iv) | - | - | - | (425,667) | - | - | (246,868) | - | - | 10,462 | (662,073) |
| Transfer to assets held for sale (v) Sale | - | - | (2,216) | - | - | - | - | - | - | - | (2,216) |
| Dividends distributed | - | - | - | - | - | (7,564) | (4,582) | (12,320) | (8,219) | (13,618) | (46,303) |
| Share of profit (loss) of subsidiaries and joint ventures (ii) | (107,447) | 558,869 | 2,216 | - | 49,356 | (3,602) | 1,010 | 13,309 | 12,303 | 66,259 | 592,273 |
| Foreign exchange variations on investments abroad (iii) | - | - | - | - | - | - | - | - | - | 11,226 | 11,226 |
| Unrealized intercompany profit | - | (184,747) | - | - | 8,639 | 3,582 | 22,811 | - | | (9,538) | (159,253) |
| **At December 31, 2021** | **19,380** | **685,867** | **-** | **-** | **111,652** | **118,750** | **404,014** | **158,952** | **102,193** | **363,551** | **1,964,359** |
| Acquisition and capital contribution (iv) | - | - | - | - | 18,099 | - | - | - | - | 570,759 | 588,858 |
| Merger of subsidiaries (iv) | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to assets held for sale (v) | - | - | - | - | - | - | - | - | - | - | - |
| Dividends distributed | - | - | - | - | - | (7,784) | (931) | (3,719) | (2,550) | (8,554) | (23,538) |
| Share of profit (loss) of subsidiaries and joint ventures (ii) | (1,613) | (153,958) | - | - | (4,863) | 7,134 | 90,254 | 10,855 | (666) | 20,547 | (32,310) |
| Foreign exchange variations on investments abroad (iii) | - | - | - | - | - | - | - | - | - | 9,418 | 9,418 |
| Unrealized intercompany profit | - | 25,312 | - | - | (2,943) | (1,675) | 8,054 | - | | (14,864) | 13,885 |
| **At June 30, 2022** | **17,767** | **557,221** | **-** | **-** | **121,946** | **116,425** | **501,391** | **166,088** | **98,977** | **940,857** | **2,520,672** |

**Summary of the financial information of subsidiaries at June 30, 2022**

| | Klabin Finance S.A. | Klabin Áustria GmbH | Embacorp Sol. Embal. Papel Ltda | Riohold Holdings | Aroeira Reflorest. S.A. | Sapopema Reflorest. S.A. | Silent Partnership Companies | Florestal Vale do Corisco S.A. | Pinus Taeda Florestal S.A. |
|---|---|---|---|---|---|---|---|---|---|
| **Total assets** | 17,873 | 13,733,153 | - | - | 984,902 | 804,608 | 748,776 | 432,158 | 398,562 |
| **Total liabilities** | 107 | 13,016,496 | - | - | 54,888 | 33,442 | 31,386 | 106,495 | 10,415 |
| **Equity** | 17,766 | 716,657 | - | - | 930,014 | 771,166 | 615,518 | 304,379 | 390,758 |
| **Profit (loss) for the period** | (1,614) | (153,958) | - | - | 79,779 | 51,537 | 101,873 | 21,284 | (2,611) |

(ii) Because they are joint ventures (Note 3), Vale do Corisco and Pinus Taeda Florestal are not consolidated, and they are the only investments presented in the consolidated balance sheets as investments, with the recognition of the respective shares of the profit (loss) of subsidiaries and joint ventures.
(ii) Includes the effects of the variation and realization of the fair value of biological assets (Note 14) when the results of the subsidiary suffer such an impact, in addition to the foreign exchange variations on investments abroad not characterized as units.
(iii) Subsidiaries and associates with the characteristics of units with foreign exchange variations allocated to other comprehensive income.
(iv) See Note 4.

All amounts in thousands of Reais unless otherwise stated

## 13. PROPERTY, PLANT AND EQUIPMENT

### 13.1 COMPOSITION OF PROPERTY, PLANT AND EQUIPMENT

| | | | 06/30/2022 | | | 12/31/2021 |
|---|---|---|---|---|---|---|
| **Parent Company** | **Cost** | **Accumulated depreciation** | **Net** | **Cost** | **Accumulated depreciation** | **Net** |
| Land | 2,172,869 | - | **2,172,869** | 2,164,045 | - | **2,164,045** |
| Buildings and construction | 3,375,586 | (898,398) | **2,477,188** | 3,377,465 | (842,327) | **2,535,138** |
| Machinery, equipment and facilities | 19,570,651 | (7,906,758) | **11,663,893** | 19,032,748 | (7,360,221) | **11,672,527** |
| Construction in progress | 4,197,686 | - | **4,197,686** | 2,360,463 | - | **2,360,463** |
| Other (i) | 648,171 | (474,251) | **173,920** | 602,473 | (461,482) | **140,991** |
| **Total** | **29,964,963** | **(9,279,407)** | **20,685,556** | **27,537,194** | **(8,664,030)** | **18,873,164** |
| **Consolidated** | | | | | | |
| Land | 2,573,205 | - | **2,573,205** | 2,503,224 | - | **2,503,224** |
| Buildings and construction | 3,418,780 | (907,933) | **2,510,847** | 3,421,004 | (851,832) | **2,569,172** |
| Machinery, equipment and facilities | 19,595,704 | (7,934,893) | **11,660,811** | 19,059,463 | (7,389,145) | **11,670,318** |
| Construction in progress | 4,849,315 | - | **4,849,315** | 2,648,029 | - | **2,648,029** |
| Other (i) | 670,777 | (479,778) | **190,999** | 625,075 | (466,800) | **158,275** |
| **Total** | **31,107,781** | **(9,322,604)** | **21,785,177** | **28,256,795** | **(8,707,777)** | **19,549,018** |

(i) Refers to leasehold improvements, vehicles, furniture and fittings and IT equipment.

Information on property, plant and equipment pledged as collateral for transactions carried out by the Company is included in Note 17.

### 13.2 Changes in property, plant and equipment

| | | | | | | Parent Company |
|---|---|---|---|---|---|---|
| | **Land** | **Buildings and construction** | **Machinery, equipment and facilities** | **Construction in progress** | **Other** | **Total** |
| **At December 31, 2020** | **2,051,026** | **1,951,235** | **6,349,828** | **5,538,261** | **142,680** | **16,033,030** |
| Purchases (i) and (ii) | - | - | - | 3,381,292 | - | 3,381,292 |
| Disposals | - | (163) | (3,313) | - | (566) | (4,042) |
| Depreciation | - | (112,578) | (1,008,383) | - | (60,573) | (1,181,534) |
| Internal transfers | 22,355 | 627,113 | 6,284,503 | (7,001,030) | 67,059 | - |
| Embacorp merger | 90,677 | 91,521 | 72,023 | 1,017 | 2,258 | 257,496 |
| Interest capitalized (iii) | - | - | - | 431,156 | - | 431,156 |
| Other (iv) | (13) | (21,990) | (22,131) | 9,767 | (9,867) | (44,234) |
| **At December 31, 2021** | **2,164,045** | **2,535,138** | **11,672,527** | **2,360,463** | **140,991** | **18,873,164** |
| Purchases (i) and (ii) | 8,660 | - | - | 2,247,776 | - | 2,256,436 |
| Disposals | - | (12,903) | (2,819) | - | (17) | (15,739) |
| Depreciation | - | (65,516) | (615,969) | - | (27,270) | (708,755) |
| Internal transfers | 164 | 16,219 | 616,989 | (695,934) | 62,561 | (1) |
| Interest capitalized (iii) | - | - | - | 285,297 | - | 285,297 |
| Other (iv) | - | 4,250 | (6,835) | 84 | (2,345) | (4,846) |
| **At June 30, 2022** | **2,172,869** | **2,477,188** | **11,663,893** | **4,197,686** | **173,920** | **20,685,556** |

(i) Net of taxes recoverable (Note 10).
(ii) See information in Note 4.
(iii) Capitalized interest on loans related to ongoing projects.
(iv) Includes subsidies and transfers to other balance sheet groups.

All amounts in thousands of Reais unless otherwise stated

| | | | | | | Consolidated |
|---|---|---|---|---|---|---|
| | Land | Buildings and construction | Machinery, equipment and facilities | Construction in progress | Other | Total |
| **At December 31, 2020** | **2,374,134** | **2,074,808** | **6,432,157** | **5,648,428** | **141,246** | **16,670,773** |
| Purchases (i) and (ii) | - | - | - | 3,741,272 | - | 3,741,272 |
| Disposals | - | (163) | (3,313) | - | (566) | (4,042) |
| Depreciation | - | (113,011) | (1,011,353) | - | (60,914) | (1,185,278) |
| Internal transfers | 132,452 | 625,700 | 6,278,463 | (7,104,016) | 67,401 | - |
| Interest capitalized (iii) | - | - | - | 431,156 | - | 431,156 |
| Other (iv) | (3,362) | (18,162) | (25,636) | (68,811) | 11,108 | (104,863) |
| **At December 31, 2021** | **2,503,224** | **2,569,172** | **11,670,318** | **2,648,029** | **158,275** | **19,549,018** |
| Purchases (i) and (ii) | 71,963 | - | 9 | 2,626,785 | - | 2,698,757 |
| Disposals | - | (12,903) | (2,819) | - | (17) | (15,739) |
| Depreciation | - | (65,648) | (616,969) | - | (27,573) | (710,190) |
| Internal transfers | 6,704 | 16,219 | 619,637 | (710,195) | 67,586 | (49) |
| Interest capitalized (iii) | - | - | - | 285,297 | - | 285,297 |
| Other (iv) | (8,686) | 4,007 | (9,365) | (601) | (7,272) | (21,917) |
| **At June 30, 2022** | **2,573,205** | **2,510,847** | **11,660,811** | **4,849,315** | **190,999** | **21,785,177** |

(i) Net of taxes recoverable (Note 10).
(ii) See information in Note 4.
(iii) Capitalized interest on loans related to ongoing projects.
(iv) Includes subsidies and transfers to other balance sheet groups.

Depreciation was mainly allocated to the production costs for the period.

## 13.3 Useful lives and depreciation method

The table below shows the average annual depreciation rates calculated based on the straight-line method, which were applicable during the six-month period ended June 30, 2022 and the year ended December 31, 2021, defined based on the economically useful lives of assets:

| | **Average rate % in 2022** | **Average rate % in 2021** |
|---|---|---|
| Buildings and constructions | 4.96 | 4.95 |
| Machinery, equipment and facilities | 10.11 | 10.05 |
| Other | 12.21 | 11.98 |

## 13.4 Construction and installations in progress

At June 30, 2022, the balance of construction and installations in progress refers mainly to projects for the development of industrial facilities, such as the construction of a paper machine for complementary fiber production, integrated with a cardboard machine, located at Klabin's industrial unit in the municipality of Ortigueira (PR), as part of the second phase of the Puma II Project, as described in Note 4. It also includes the construction at the Monte Alegre (PR) unit of a water treatment plant for boiler IV, with completion slated for July 2022, and the replacement of an electrostatic precipitator at the Correia Pinto (SC) unit, scheduled for completion in December 2022, as well as other projects associated with the Company's operational continuity.

## 13.5 Impairment of assets

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

All amounts in thousands of Reais unless otherwise stated

At June 30, 2022, the Company used a weighted average cost of capital of 5.72% in local currency (4.48% at December 31, 2021) to estimate the future cash flow from each cash-generating unit.

When an indication of impairment is identified, it will be recognized in profit or loss at the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of the net sales price and the value in use of the asset.

## 14. BIOLOGICAL ASSETS

The Company's biological assets are comprised of the planting of pine and eucalyptus trees (tree species) for the supply of raw materials for the production of short, long and fluff fiber pulp used to manufacture paper and for the sale of logs to third parties.

At June 30, 2022, the Company and its subsidiaries own 290 thousand hectares (277 thousand hectares at December 31, 2021) of planted areas, not including permanent preservation areas and legal reserves it maintains in compliance with Brazilian environmental legislation.

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

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | **06/30/2022** | **12/31/2021** | **06/30/2022** | **12/31/2021** |
| Cost of development of biological assets | 2,574,100 | 2,168,680 | 3,764,876 | 3,026,145 |
| Fair value adjustment of biological assets | 1,854,495 | 1,603,511 | 2,892,378 | 2,501,905 |
| | **4,428,595** | **3,772,191** | **6,657,254** | **5,528,050** |

In the six-month period ended June 30, 2022 and in the year ended December 31, 2021, no need for impairment provision was identified.

### 14.1 Assumptions regarding the recognition of the fair value of biological assets

The fair value measurement of biological assets considers certain estimates, such as: the price of wood, the discount rate, the harvesting plan for the forests and the productivity level, all of which are subject to uncertainties and fluctuations which could impact the Company's future results.
The Company recognizes its biological assets at fair value. When calculating this fair value, the Company adopts the following assumptions:

(i) Eucalyptus forests are maintained at historical cost through the third year of planting and pine forests through the fifth year of planting, based on Management's understanding that during this period the historical cost of biological assets will approximate their fair value, in addition to the fact that it is only possible to carry out inventories to assess the growth and expected production of the forest after this period;

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

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

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

(v) The projected productivity volumes of forests are determined based on a categorization which considers the forest type, genetic material, handling system, productive potential, rotation, region and age. Together, these characteristics make up an index called the Average Annual Growth (AAG) index, which is expressed in cubic meters per hectare/year, and which is utilized as the basis for projecting a forest's productivity. The Company's harvesting plan timescale varies mainly from 6 to 7 years for eucalyptus trees and 14 and 15 years for pine trees;

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

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

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

(ix) The Company reviews the fair value of its biological assets on a quarterly basis, since it understands that this period is sufficiently short to prevent any significant misstatement of the fair value of the biological assets recorded in its interim financial statements.

All amounts in thousands of Reais unless otherwise stated

## 14.2 Reconciliation and movements in fair value

| | Parent Company | Consolidated |
|---|---|---|
| **At December 31, 2020** | **3,357,941** | **4,657,821** |
| Planting and purchases of standing wood (i) | 989,974 | 1,254,264 |
| Depletion: | **(1,457,850)** | **(1,692,826)** |
| Historical cost | (662,503) | (746,186) |
| Fair value adjustment | (795,347) | (946,640) |
| Change in fair value due to: | **866,240** | **1,308,791** |
| Price | 971,361 | 1,445,962 |
| Growth (iii) | (105,121) | (137,171) |
| Contribution/Establishment of subsidiary (ii) | (53,657) | - |
| Fair value adjustment on contribution/establishment of subsidiary (ii) | (117,237) | - |
| Dissolution of SPC | 186,780 | - |
| **At December 31, 2021** | **3,772,191** | **5,528,050** |
| Planting and purchases of standing wood (i) | 746,197 | 1,121,487 |
| Depletion: | **(778,407)** | **(950,339)** |
| Historical cost | (322,680) | (382,700) |
| Fair value adjustment | (455,727) | (567,639) |
| Change in fair value due to: | **706,713** | **958,056** |
| Price | 431,205 | 621,512 |
| Growth (iii) | 275,508 | 336,544 |
| Contribution to subsidiary (ii) | (18,099) | - |
| **At June 30, 2022** | **4,428,595** | **6,657,254** |

(i) Net of taxes recoverable (Note 10).
(ii) See information in Note 4, related to forest additions in the establishment and capital contribution of subsidiaries.
(iii) In addition to the effect of forest growth due to its upcoming harvest, this amount refers to adjustments arising from assumptions that affect the fair value of biological assets, such as review of the harvest plan, productivity table, change in the discount rate, change of administrative costs, and others.

The depletion of biological assets for the six-month period ended June 30, 2022 and for the year ended December 31, 2021 was substantially appropriated to production cost, after allocation to inventories through forest harvesting and use in the production process or sale to third parties.

All amounts in thousands of Reais unless otherwise stated

### 14.3 Sensitivity analysis

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

The assumptions applied include sensitivity to the prices used in the evaluation, and the discount rate used to obtain the discounted cash flow. Prices refer to the prices obtained in the regions in which the Company is located. The discount rate corresponds to the average cost of capital, taking into consideration the basic interest rate (SELIC) and inflation levels.

Significant increases (decreases) in the prices used for the appraisal would result in an increase (decrease) in the fair value of the biological assets.
The weighted average price used for the appraisal of the biological assets at June 30, 2022 was R$100/m3 (R$93/m3 at December 31, 2021).

The effects of a significant increase (decrease) in the discount rate used in the measurement of the fair value of biological assets would result in a decrease (increase) in the values measured. At June 30, 2022, the Company used a weighted average cost of capital of 5.72% in local currency for the parent company and 7.15% for the subsidiaries (4.48% for the parent company and 5.34% for the subsidiaries at December 31, 2021).

## 15. TRADE PAYABLES

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | **06/30/2022** | **12/31/2021** | **06/30/2022** | **12/31/2021** |
| Local currency | 1,583,525 | 1,754,959 | 1,660,935 | 1,784,387 |
| Foreign currency | 482,106 | 134,477 | 526,768 | 206,716 |
| **Total trade payables (without Forfait)** | **2,065,631** | **1,889,436** | **2,187,703** | **1,991,103** |
| Local currency (Forfait) | 571,735 | 513,724 | 571,735 | 513,724 |
| **Total trade payables** | **2,637,366** | **2,403,160** | **2,759,438** | **2,504,827** |

The Company generally operates with an average payment term of approximately 65 days with its operational suppliers (67 days at December 31, 2021). In the case of suppliers of property, plant and equipment, the payment terms are based on the commercial negotiations for each transaction.

### 15.1 Trade payables (Forfaiting)

The balance of trade payables (Forfaiting) at June 30, 2022, in the amount of R$ 571,735 (R$ 513,724 at December 31, 2021) in the parent company and in the consolidated, saw no material changes in terms of procurement conditions (negotiated payment terms and prices), remaining at normal market conditions. T

These transactions enable suppliers to manage better their cash flow needs, benefiting from improved trade relations with the Company.

## 16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### 16.1 Accounting practices and assumptions regarding recognition

Right-of-use assets and lease liabilities are recognized at their future values based on the considerations assumed in the contract, adjusted to their net present values. Right-of-use assets are amortized on a straight-line basis over the terms of the respective contracts, in the appropriate line item in the statement of income ("Cost of products sold"/"Administrative expenses"/"Selling expenses" as appropriate). Interest expenses corresponding to the amortization of the adjustment to net present value of the contracts are allocated to "Finance result".

The depreciation of right-of-use assets is calculated using the straight-line method over the remaining term of each contract.

The Company recognizes its Right-of-use Assets and Lease Liabilities based on the following assumptions:

(i) Transactions subject to contracts with terms exceeding 12 months are within the scope of the standard. The Company assessed the renewal terms and, as no relevant renewal issues were identified, elected not to take contract renewals into account, as the assets involved in its operations are not essential to conducting its business, and may be replaced at the end of the contract with new assets acquired or new transactions other than those agreed;

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

(iii) Considering only operations involving specific assets as defined in the contract, or for exclusive use over the term of the contract;

(iv) Inclusion of taxes recoverable based on the definition of the consideration set out in the contracts, where applicable;

(v) The net present value of the contracts is calculated based on the cash flow from the consideration set out in the contract, discounted at the discount rate defined for the asset class;

(vi) The discount rate for the period ended June 30, 2022 is calculated based on the risk-free interest rates available in the Brazilian market, adjusted to the Company's circumstances. The rates for leases of forests, administrative buildings and commercial warehouses for contracts signed in the six-month period ended June 30, 2022 are as follow: 7.93% per year for contracts with maturities of up to 5 years; 8.82% for maturities of 6 to 10 years; 9.08% for maturities of 11 to 15 years; 9.79% for maturities of 16 to 20 years and 10.24% for maturities exceeding 20 years, and 7.80% per year for transactions involving machinery and equipment;

(vii) Re-measurement of leases to reflect any revaluations or modifications will be carried out in the month of the one-year anniversary of each contract (reset), when the Company will determine the need for adjustments to the monthly and annual payments and, where applicable, any such adjustments will be recognized in assets against lease liabilities; and

All amounts in thousands of Reais unless otherwise stated

(viii) The Company analyzed, with respect to its transactions that are within the scope of the standard, the effects related to contingencies and impairment risks, and did not identify any impacts.

The Company's leases in effect at June 30, 2022 do not contain covenants requiring compliance with financial ratios, and do not include any variable payment clauses, guaranteed residual value clauses or purchase options at the end of the contract terms.

The Company performed an assessment at June 30, 2022 and concluded that there were no impacts related to the separation of components in the lease contracts, and no impacts on the initial direct costs associated with the contracts for the measurement of the asset.

## 16.2 Breakdown of and changes to right-of-use assets and lease liabilities

At June 30, 2022, the Company had 478 lease contracts in the parent company and 498 in the consolidated (451 in the parent company and 469 in the consolidated at December 31, 2021). The breakdown of and changes to right-of-use assets and lease liabilities are as follow:

**Parent Company**

| Right-of-use assets | 12/31/2021 | Amortization | Additions/Write-offs | 06/30/2022 |
|---|---|---|---|---|
| Land | 593,969 | (26,493) | 95,391 | 662,867 |
| Buildings | 45,599 | (6,929) | 4,226 | 42,896 |
| Machinery and equipment | 380,383 | (80,091) | 99,892 | 400,184 |
| Merger balance | 1,297 | - | - | 1,297 |
| **Total assets** | **1,021,248** | **(113,513)** | **199,509** | **1,107,244** |

| Lease liabilities | 12/31/2021 | Interest | Payments | Additions/Write-offs | Transfer Current/Non-current | 06/30/2022 |
|---|---|---|---|---|---|---|
| Current liabilities | 182,714 | 30,519 | (143,392) | 27,370 | 75,508 | 172,719 |
| Non-current liabilities | 867,689 | - | - | 174,323 | (75,508) | 966,504 |
| **Total liabilities** | **1,050,403** | **30,519** | **(143,392)** | **201,693** | **-** | **1,139,223** |

**Consolidated**

| Right-of-use assets | 12/31/2021 | Amortization | Additions/Write-offs | 06/30/2022 |
|---|---|---|---|---|
| Land | 630,488 | (27,759) | 97,566 | 700,295 |
| Buildings | 45,890 | (6,929) | 4,226 | 43,187 |
| Machinery and equipment | 381,721 | (80,514) | 105,351 | 406,558 |
| **Total assets** | **1,058,099** | **(115,202)** | **207,143** | **1,150,040** |

| Lease liabilities | 12/31/2021 | Interest | Payments | Additions/Write-offs | Transfer Current/Non-current | 06/30/2022 |
|---|---|---|---|---|---|---|
| Current liabilities | 185,667 | 32,211 | (145,636) | 28,363 | 75,953 | 176,558 |
| Non-current liabilities | 901,034 | - | - | 180,962 | (75,953) | 1,006,043 |
| **Total liabilities** | **1,086,701** | **32,211** | **(145,636)** | **209,325** | **-** | **1,182,601** |

All amounts in thousands of Reais unless otherwise stated

Parent Company

| Right-of-use assets | 12/31/2020 | Amortization | Additions/Write-offs | 12/31/2021 |
|---|---|---|---|---|
| Land | 501,910 | (41,772) | 133,831 | 593,969 |
| Buildings | 8,325 | (11,816) | 49,090 | 45,599 |
| Machinery and equipment | 293,242 | (142,388) | 229,529 | 380,383 |
| Merger balance | - | - | 1,297 | 1,297 |
| **Total assets** | **803,477** | **(195,976)** | **413,747** | **1,021,248** |

| Lease liabilities | 12/31/2020 | Interest | Payments | Additions/Write-offs | Transfer Current/Noncurrent | Merger | 12/31/2021 |
|---|---|---|---|---|---|---|---|
| Current liabilities | 141,837 | (16,805) | (239,709) | 141,585 | 154,728 | 1,078 | 182,714 |
| Non-current liabilities | 676,464 | (47,514) | - | 393,248 | (154,728) | 219 | 867,689 |
| **Total liabilities** | **818,301** | **(64,319)** | **(239,709)** | **534,833** | **-** | **1,297** | **1,050,403** |

Consolidated

| Right-of-use assets | 12/31/2020 | Amortization | Additions/Write-offs (i) | 12/31/2021 |
|---|---|---|---|---|
| Land | 504,973 | (43,082) | 168,597 | 630,488 |
| Buildings | 8,712 | (11,080) | 48,258 | 45,890 |
| Machinery and equipment | 294,735 | (142,543) | 229,529 | 381,721 |
| **Total assets** | **808,420** | **(196,705)** | **446,384** | **1,058,099** |

| Lease liabilities | 12/31/2020 | Interest | Payments | Additions/Write-offs | Transfer Current/Non-current | 12/31/2021 |
|---|---|---|---|---|---|---|
| Current liabilities | 143,721 | (18,805) | (243,179) | 148,037 | 155,893 | 185,667 |
| Non-current liabilities | 679,591 | (49,514) | - | 426,850 | (155,893) | 901,034 |
| **Total liabilities** | **823,312** | **(68,319)** | **(243,179)** | **574,887** | **-** | **1,086,701** |

In the six-month period ended June 30, 2022, the Company recognized an expense of R$ 11,102 related to short-term leases (contracts of less than 12 months) or operations involving low-value assets (R$ 7,306 at June 30, 2021).

## 16.3 Maturity schedule of the leases

| | Parent Company 06/30/2022 | | | | Consolidated 06/30/2022 | | | |
|---|---|---|---|---|---|---|---|---|
| | Land | Buildings | Machinery and equipment | Total | Land | Buildings | Machinery and equipment | Total |
| 2022 | 39,079 | 7,448 | 77,116 | 123,643 | 41,785 | 7,448 | 77,788 | 127,021 |
| 2023 | 75,734 | 13,190 | 124,948 | 213,872 | 80,321 | 13,190 | 126,285 | 219,796 |
| 2024 | 69,961 | 10,428 | 105,036 | 185,425 | 74,549 | 10,428 | 106,309 | 191,286 |
| 2025 | 68,061 | 10,229 | 88,366 | 166,656 | 72,649 | 10,229 | 89,638 | 172,516 |
| 2026 - 2030 | 321,372 | 5,546 | 72,670 | 399,588 | 342,861 | 5,546 | 72,670 | 421,077 |
| 2031 - 2035 | 280,939 | - | - | 280,939 | 301,704 | - | - | 301,704 |
| 2036 - 2040 | 127,891 | - | - | 127,891 | 139,622 | - | - | 139,622 |
| 2041 - 2058 | 127,726 | - | - | 127,726 | 131,571 | - | - | 131,571 |
| | **1,110,763** | **46,841** | **468,136** | **1,625,740** | **1,185,062** | **46,841** | **472,690** | **1,704,593** |
| Embedded interest | (431,095) | (2,972) | (52,450) | (486,517) | (465,720) | (2,972) | (53,300) | (521,992) |
| **Lease liabilities** | **679,668** | **43,869** | **415,686** | **1,139,223** | **719,342** | **43,869** | **419,390** | **1,182,601** |

## 16.4 Potential right to PIS/COFINS recoverable

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

| | Parent Company and Consolidated | |
|---|---|---|
| **Cash flow** | **Nominal** | **Adjusted to present value** |
| Lease consideration | 519,531 | 463,259 |
| PIS/COFINS (9.25%) | 48,057 | 42,851 |

All amounts in thousands of Reais unless otherwise stated

## 16.5 Project flow with inflation for compliance with CPC 06 (R2) – IFRS 16 Leases

Pursuant to CIRCULAR LETTER/CVM/SNC/SEP/No. 02/2019, the Company chose as an accounting practice to follow the requirements of CPC06 (R2) (IFRS16 Leases) for the measurement and re-measurement of its right of use, using a discounted cash flow model which did not consider inflation. Management assessed the use of the nominal cash flow, and concluded that this did not lead to the material misstatement of the information disclosed.

To ensure the faithful representation of information for the purposes of compliance with CPC06 (R2) (IFRS16 – "Leases") and the CVM's technical guidelines, the Company states the balances of its assets and liabilities excluding inflation, as recorded (real flow x real rate), and the estimated inflated balances in comparative periods (nominal flow x nominal rate).

Other assumptions, such as the maturity schedule of liabilities and the interest rates used in the calculation, are disclosed in other items within the same note. Inflation indices are observable in the market, meaning that users of the financial statements can develop the nominal flows.

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | **06/30/2022** | **12/31/2021** | **06/30/2022** | **12/31/2021** |
| **Actual flow** | | | | |
| Right-of-use assets | 1,107,244 | 1,021,248 | 1,150,040 | 808,420 |
| Lease liabilities | 1,623,818 | 1,472,091 | 1,699,453 | 1,132,437 |
| Embedded interest | (484,595) | (421,688) | (516,852) | (309,125) |
| | **1,139,223** | **1,050,403** | **1,182,601** | **823,312** |

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | **06/30/2022** | **12/31/2021** | **06/30/2022** | **12/31/2021** |
| **Flow with inflation effects** | | | | |
| Right-of-use assets | 1,474,497 | 1,287,729 | 1,533,907 | 1,337,326 |
| Lease liabilities | 2,234,252 | 1,922,216 | 2,349,162 | 2,021,816 |
| Embedded interest | (662,022) | (549,579) | (712,938) | (596,587) |
| | **1,572,230** | **1,372,637** | **1,636,224** | **1,425,229** |

All amounts in thousands of Reais unless otherwise stated

## 17. BORROWINGS

### 17.1 Breakdown of borrowings

| | Annual interest rate - % | | | 06/30/2022 |
|---|---|---|---|---|
| | | Current | Non-current | Total |
| **In local currency** | | | | |
| BNDES - Project Puma II | TLP + 3.58% | 190,435 | 3,044,794 | 3,235,229 |
| BNDES - Other | TJLP | 20,386 | 144,852 | 165,238 |
| Export credit notes (in R$) | 102% of CDI | 16,282 | 350,000 | 366,282 |
| CRA | 95% to 102% of CDI or IPCA + 3.50% to IPCA + 4.51% | 459,131 | 2,916,312 | 3,375,443 |
| Other | 0.76% to 8.5% | 1,017 | 1,817 | 2,834 |
| Borrowing cost | | (14,267) | (63,984) | (78,251) |
| | | 672,984 | 6,393,791 | 7,066,775 |
| **In foreign currency (i)** | | | | |
| Export prepayments (ii) | USD + 5.40% | 2,946 | 654,750 | 657,696 |
| Export credit notes (ii) | 4.70%, 5.64% and 5.67% | 32,933 | 3,004,373 | 3,037,306 |
| Export prepayments in subsidiaries | USD + 5.20% to 8.29% | 284,858 | 12,357,490 | 12,642,348 |
| Term Loan (BID Invest and IFC) (ii) | Libor + 1.59% | 186,136 | 1,166,410 | 1,352,546 |
| Finnvera (ii) | USD + Libor + 0.40% to 0.95% or USD + 3.38% | 236,485 | 873,701 | 1,110,186 |
| ECA (ii) | EUR + 0.45% | 6,362 | 18,959 | 25,321 |
| Gain (loss) on derivative instruments (swap) (ii) | 4.70% to 5.67% | | 1,037,414 | 1,037,414 |
| Borrowing cost | | (35,889) | (193,746) | (229,635) |
| | | 713,831 | 18,919,351 | 19,633,182 |
| **Total Parent Company** | | **1,386,815** | **25,313,142** | **26,699,957** |
| **Subsidiaries:** | | | | |
| **In foreign currency (i)** | | | | |
| Bonds (Notes) (ii) | 3.20% to 7.00% | 198,567 | 12,311,088 | 12,509,655 |
| Borrowing cost | | (12,051) | (81,176) | (93,227) |
| | | 186,516 | 12,229,912 | 12,416,428 |
| **Elimination of prepayments in subsidiaries** | | **(284,858)** | **(12,357,490)** | **(12,642,348)** |
| **Total Consolidated** | | **1,288,473** | **25,185,564** | **26,474,037** |

(i) In U.S. Dollars.
(ii) Transaction designated as subject to hedge accounting, see Note 28.

| | Annual interest rate - % | | | 12/31/2021 |
|---|---|---|---|---|
| | | Current | Non-current | Total |
| **In local currency** | | | | |
| BNDES - Project Puma II | TLP + 3.58% | 43,522 | 1,104,452 | 1,147,974 |
| BNDES - Other | TJLP | 10,910 | 154,515 | 165,425 |
| Export credit notes (in R$) | 102% of CDI | 9,410 | 350,000 | 359,410 |
| CRA | 95% to 102% of CDI or IPCA + 3.50% to IPCA + 4.51% | 1,235,193 | 2,916,310 | 4,151,503 |
| Other | 0.76% to 8.5% | 1,907 | 3,259 | 5,166 |
| Borrowing cost | | (14,690) | (70,564) | (85,254) |
| | | 1,286,252 | 4,457,972 | 5,744,224 |
| **In foreign currency (i)** | | | | |
| Export prepayments (ii) | USD + 5.40% | 3,244 | 697,563 | 700,807 |
| Export credit notes (ii) | 4.70%, 5.64% and 5.67% | 17,732 | 3,004,373 | 3,022,105 |
| Export prepayments in subsidiaries | USD + 5.20% to 8.29% | 329,296 | 14,732,520 | 15,061,816 |
| Term Loan (BID Invest and IFC) (ii) | Libor + 1.59% | 51,691 | 508,923 | 560,614 |
| Finnvera (ii) | USD + Libor + 0.60% to 0.95% or USD + 3.38% | 251,186 | 1,051,719 | 1,302,905 |
| ECA (ii) | EUR + 0.45% | 7,339 | 25,494 | 32,833 |
| Gain/loss on derivative instruments (swap) (ii) | 4.70% to 5.67% | - | 1,688,053 | 1,688,053 |
| Borrowing cost | | (33,134) | (185,296) | (218,430) |
| | | 627,354 | 21,523,349 | 22,150,703 |
| **Total Parent Company** | | **1,913,606** | **25,981,321** | **27,894,927** |
| **Subsidiaries:** | | | | |
| **In foreign currency (i)** | | | | |
| Bonds (Notes) (ii) | 3.20% to 7.00% | 234,277 | 14,632,136 | 14,866,413 |
| Borrowing cost | | (13,592) | (97,016) | (110,608) |
| | | 220,685 | 14,535,120 | 14,755,805 |
| **Elimination of prepayments in subsidiaries** | | **(329,296)** | **(14,732,520)** | **(15,061,816)** |
| **Total Consolidated** | | **1,804,995** | **25,783,921** | **27,588,916** |

(i) In U.S. Dollars.
(ii) Transaction designated as subject to hedge accounting, see Note 28.

### a) National Bank for Economic and Social Development (BNDES)

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

## b) Export prepayments and export credit notes

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

## c) Bonds (Notes)

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

(i) In July 2014, fundraising of $ 500,000 U.S. Dollars was completed, with a ten-year term maturing in 2024, with a coupon of 5.25% paid semi-annually, for the purpose of financing the activities of the Company and its subsidiaries in the normal course of business and serving the respective corporate purposes. In April 2019 and January 2021, the Company carried out repurchases in the respective amounts of $ 228,500 U.S. Dollars and $ 98,000 U.S. Dollars. On March 21, 2022, an early partial repurchase of $ 36,000 U.S. Dollars was carried out. These repurchases are in line with the Company's debt management strategy.

(ii) In September 2017, the Company issued Green Bonds in the amount of $ 500,000 U.S. Dollars, with a ten-year term to 2027 and a semiannual coupon of 4.88%. The amount is intended for reforestation activities, the restoration of native forests, investments in renewable energy, efficient logistics using rail transport, the recycling of solid waste and the development of eco-efficient products, among other sustainability practices. In 2020, the Company carried out a repurchase in the amount of $ 10,000 U.S. Dollars. On March 21, 2022, an early partial repurchase of $ 235,000 U.S. Dollars was carried out. The repurchases are in line with the Company's debt management strategy.

(iii) In March 2019, funding of $ 500,000 U.S. Dollars was completed, with a ten-year term and maturity in 2029 and a coupon of 5.75% per year and $ 500,000,000 U.S. Dollars in Green Bonds with a 30-year term and maturity in 2049, with a coupon of 7% per year, with the purpose of prepaying or refinancing the debts of the Company and its subsidiaries, as well as to reinforce the cash position. During 2020, a $ 18,500 U.S. Dollars repurchase of the Bonds maturing in 2029 was carried out in line with the Company's debt management strategy.

(iv) In July 2019, the Bonds maturing in 2029 were reopened, and additional funding with a nominal value of $ 250,000 U.S. Dollars was concluded, with a coupon of 5.75% and a yield of 4.90% per year, for the purpose of the prepayment or the refinancing of the debts of the Company and its subsidiaries, as well as reinforcing the cash position.

(v) In January 2020, Green Bonds maturing in 2049 were reopened, and additional funding with a nominal value of $ 200,000 U.S. Dollars was concluded, with a coupon of 7.00% and a yield of 6.10% per year, with the purpose of the financing or refinancing, in whole or in part, of costs and/or investments in eligible Green Projects.

(vi) In January 2021, the Company finished raising $ 500,000 U.S. Dollars in Sustainability Linked Bonds (SLB) maturing in 2031 at a coupon of 3.20% per year, for the purposes of the early repurchase of the Bond maturing in 2024.

### d) Finnvera (Finnish Export Credit Agency)

As part of the funds necessary for the execution of the Puma Project, the Company entered into a loan agreement for the financing of the assets acquired from the Puma I Project. The commitment amount is up to $ 460,000 U.S. Dollars due in 2026, divided into two tranches, the first of up to $ 414,000 U.S. Dollars with an interest rate of 3.4% p.a., and the second tranche of up to $ 46,000 U.S. Dollars with an interest rate of LIBOR 6M + 1% p.a., with two disbursements in 2015 totaling $ 326,000 U.S. Dollars, and a final disbursement of $ 39,000 U.S. Dollars was released in the fourth quarter of 2016, giving a total of $ 364,000 U.S. Dollars. The amount raised in USD was lower than originally forecast due to the impact of imports being in Euros and the appreciation of the US Dollar against the Euro during the period. $ 67,000 U.S. Dollars was raised for the Puma II Project in 2020 and $ 165,000 U.S. Dollars in March 2022 with an interest rate of LIBOR 6M + 0.55% p.a. maturing in 2031.

### e) Term Loans (BID Invest and IFC)

As part of the funding for the Puma II Project, $ 100,000 U.S. Dollars was raised, divided into two tranches, the first was $ 48,000 U.S. Dollars with an interest rate of LIBOR 6M + 1.45% per year maturing in 2026, and the second tranche of $ 52,000 U.S. Dollars with an interest of LIBOR 6M + 1.75% maturing in 2029.

### f) Agribusiness Receivables Certificates (CRAs)

The Company issued simple debentures as underlying assets for the issue of Certificates of Agribusiness (CRAs), as follows:

(i) CRA I - issued by Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. in March 2017 in the amount of R$ 845,900, with a term of five years and semiannual interest at 95% of the CDI. These certificates are linked to the 8th Issue of Simple, Non-convertible, Unsecured Debentures, in a Single Series, for Private Placement, of Klabin S.A. Its maturity was on March 28, 2022.

(ii) CRA II - issued by Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. in December 2017 in the amount of R$ 600,000, with a term of six years and semiannual interest at 97.5% of the CDI. These certificates are linked to the 9th Issue of Simple, Non-convertible, Unsecured Debentures, in a Single Series, for Private Placement, of Klabin S.A.

(iii) CRA III - issued by Ápice Securitizadora S.A. in September 2018 in the amount of R$ 350,000, with a term of six years and semiannual interest at 102% of the CDI. These certificates are linked to the 10th Issue of Simple, Non-convertible, Unsecured Debentures, in a Single Series, for Private Placement, of Klabin S.A.

(iv) CRA IV – issued by VERT Companhia Securitizadora in April 2019 in the amount of R$ 1,000,000 divided into two series. The first series in the total amount of R$ 200,000, with a seven year maturity and semiannual interest at 98% of the CDI. The second series in the total amount of R$ 800,000, with a ten year maturity and semiannual interest corresponding to the internal rate of return of the IPCA + 4.5081% p.a. These certificates are linked to the 11th Issue of Simple, Non-convertible, Unsecured Debentures, in up to Two Series, for Private Placement, of Klabin S.A.

(v) CRA V - issued by VERT Companhia Securitizadora in July 2019 in the amount of R$ 966,000 with a ten year term and interest at the IPCA + 3.5% p.a. These certificates are linked to the 13th Issue of Simple, Non-convertible, Unsecured Debentures, in a Single Series, for Private Placement, of Klabin S.A.

## g) Derivatives (swaps)

In December 2018, the Company obtained a R$ 1,879,000 export credit note from Banco Bradesco with maturity in 2026 and with an interest rate of 114% of the CDI, without collateral and without covenants, linked with two foreign exchange and interest rate swaps of the same amount in U.S. Dollars and with an interest rate of 5.6% per year and the same maturity as the credit note, and none of the instruments can be settled separately.

In March 2019, the Company contracted a swap with Banco Itaú with an asset position at 114.65% of the CDI and a liability position at U.S. Dollars 5.40% per year. This transaction is linked to the $12^{th}$ issue of debentures in the amount of R$ 1,000,000, which occurred in April 2019, as disclosed in Note 19 b).

In May 2019, the Company contracted a swap with Bradesco with an asset position at 114.03% of the CDI and a liability position at U.S. Dollars 4.70% per year. This transaction is linked to an export credit note of R$ 1,125,000, contracted in May 2019 with the same bank and maturing in May 2026.

All amounts in thousands of Reais unless otherwise stated

Gains and losses on derivative instruments are marked to market, which corresponds to their fair value.

### h) Revolving Credit Facility (RCF)

On October 7, 2021, the Company took out a Revolving Credit Facility ("RCF") amounting to $ 500,000 U.S. Dollars and maturing in October 2026, characterized as Sustainability-Linked.

The maintenance cost (commitment fee) if the facility is not disbursed will be between 0.36% p.a. and 0.38% p.a., and if the line is drawn, between LIBOR+1.20% p.a. and LIBOR+1.25% p.a.

The cost of this revolving credit facility is linked to the annual performance in terms of the increased reuse of solid industrial waste as an environmental indicator. The sustainability indicator used for this transaction is one of Klabin's Sustainable Development Goals ("KODS") to be achieved by 2030.

### i) Export Credit Agency (ECA)

On December 30, 2021, the Company contracted an Export Credit Agency (ECA) line of credit in the amount of $ 447,000 U.S. Dollars, with a drawdown period until February 2024, at the floating rate of LIBOR 6M+0.40% p.a. and maturity in September 2033. The financing is guaranteed by Finnvera and relates to the importing of equipment for stage two of the Puma II Project.

## 17.2 Schedule of non-current maturities

The maturity dates of the Company's borrowing at June 30, 2022, classified in non-current liabilities in the consolidated balance sheet, are as follows:

| Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 and thereafter | Total |
|---|---|---|---|---|---|---|---|
| **Amount** | 878,200 | 1,272,427 | 2,891,339 | 3,213,218 | 2,326,845 | 14,603,535 | **25,185,564** |

All amounts in thousands of Reais unless otherwise stated

## 17.3 Summary of changes in borrowings

| | Parent Company | Consolidated |
|---|---|---|
| **Balance at December 31, 2020** | **24,713,679** | **24,506,187** |
| Fundraising | 2,696,598 | 2,718,480 |
| Loss on financial instruments | (60,229) | (60,229) |
| Accrued interest | 1,817,832 | 1,546,456 |
| Exchange and monetary variations | 1,171,065 | 1,074,134 |
| Amortization | (1,069,234) | (1,035,464) |
| Interest payment | (1,374,784) | (1,160,648) |
| **Balance at December 31, 2021** | **27,894,927** | **27,588,916** |
| Fundraising | 2,747,983 | 2,748,124 |
| Loss on financial instruments | (650,639) | (650,639) |
| Accrued interest | 2,273,043 | 946,860 |
| Exchange and monetary variations | (2,336,904) | (1,111,774) |
| Amortization | (2,311,210) | (2,264,966) |
| Interest payment | (917,243) | (782,484) |
| **Balance at June 30, 2022** | **26,699,957** | **26,474,037** |

Klabin Austria GMbH, located in Austria and a wholly-owned subsidiary of Klabin S.A., announced on March 21, 2022 the early repurchase of the 2024 and 2027 Senior Notes, through a takeover bid. The transaction was well received by the market, and reached the total amount of $ 271,000 U.S Dollars, of which $ 36,000 U.S. Dollars corresponded to the 2024 bond and $ 235,000 U.S. Dollars to the 2027 bond.

The Company also has financing linked to the execution of the PUMA II Project with BNDES, contracted and disbursed in the amount of R$2,000,000 occurred on April 18, 2022 and May 30, 2022, respectively, completing the disbursements for this financing line.

## 17.4 Guarantees

The financing agreements with BNDES are guaranteed by the land, buildings, improvements, machinery, equipment and facilities of the plant in Ortigueira (PR), which were the objects of the related borrowing.

The financing from Finnvera is guaranteed by the industrial plants in Angatuba (SP), Piracicaba (SP), Betim (MG), Goiana (PE), Otacílio Costa (SC), Jundiaí (SP) and Lages (SC).

The financing agreements with IDB Invest and IFC are guaranteed by the industrial plants in Correa Pinto (SC) and Telêmaco Borba (PR).

Export credits, export prepayments, Bonds, Certificates of Agribusiness Receivables and working capital are not collateralized.

## 17.5 Restrictive covenants

All amounts in thousands of Reais unless otherwise stated

As at the closing date of the interim financial statements, the Company and its subsidiaries had no financing contracts in place featuring covenants establishing obligations to maintain certain financial ratios linked to the results, liquidity and leverage in connection with the contracted operations, breaches whereof would lead to the debt becoming immediately due and payable.

## 18. DEBENTURES

### 18.1 Breakdown

| | Parent Company and Consolidated | | | | | |
|---|---|---|---|---|---|---|
| | | | 06/30/2022 | | | 12/31/2021 |
| | 7th Issue | 12th Issue | Total | 7th Issue | 12th Issue | Total |
| Principal | - | - | - | 30,769 | - | 30,769 |
| Interest | 497 | 37,504 | 38,001 | 829 | 22,707 | 23,536 |
| **Current liabilities** | **497** | **37,504** | **38,001** | **31,598** | **22,707** | **54,305** |
| Principal | - | 1,000,000 | 1,000,000 | - | 1,000,000 | 1,000,000 |
| Gain / loss on derivative instruments (swap) | - | 408,836 | 408,836 | - | 695,198 | 695,198 |
| **Non-current liabilities** | **-** | **1,408,836** | **1,408,836** | **-** | **1,695,198** | **1,695,198** |
| **Total liability from debentures** | **497** | **1,446,340** | **1,446,837** | **31,598** | **1,717,905** | **1,749,503** |

### 18.2 Changes

| | Parent Company and Consolidated |
|---|---|
| **Balance at December 31, 2020** | **1,832,803** |
| Gain or (loss) on financial instruments | (38,798) |
| Accrued interest and monetary variation | 59,528 |
| Amortizations (7th issue) | (61,201) |
| Interest paid (7th issue) | (10,192) |
| Interest paid (12th issue) | (32,637) |
| **Balance at December 31, 2021** | **1,749,503** |
| Gain or (loss) on financial instruments | (286,363) |
| Accrued interest and monetary variation | 64,421 |
| Amortizations (7th issue) | (31,104) |
| Interest paid (7th issue) | (2,107) |
| Interest paid (12th issue) | (47,513) |
| **Balance at June 30, 2022** | **1,446,837** |

### a) 7th issue of debentures

On June 23, 2014, the Company completed its 7th issue of debentures, with 55,555,000 simple, guaranteed, debentures issued, at a nominal unit value of R$ 14.40, totaling R$ 800,000, simultaneously divided into two series of 27,777,500 debentures each.

| | Number | Unit value | Total value (R$ thousand) | Interest rate | Maturity | Amortization | Interest | Nature | Subscription warrant |
|---|---|---|---|---|---|---|---|---|---|
| 7th issue (2nd series) | 27,777,500 | 14.40 | 399,996 | IPCA + 2.50% | 6/15/2022 | Semiannual | Semiannual | Debt | No |

(i) 1st Series - The 1st series of the 7th issue of debentures issue matured in June 2020, with the conversion of 27,739,244 debentures into shares of the Company. The Company issued 27,739,244 Units comprising 27,739,244 common shares and 110,956,976 preferred shares, for a total capital increase of R$ 399,000.

All amounts in thousands of Reais unless otherwise stated

1st series debenture holders who chose to convert into shares were also paid returns in an amount equivalent to dividends and interest on capital paid by the Company from June 2014 to June 2020, totaling R$ 101,000.

2nd Series – the 2nd Series Debentures matured on June 15, 2022, with a yield at the IPCA + 2.50% p.a., paid semiannually together with principal amortization, with a two-year grace period, and have no convertible debt, and are therefore unrelated to the subscription warrants.

Acquirers of 1st series debentures must also acquire 2nd series debentures. R$ 29,000 from the subscription warrants of the debentures issued was allocated to equity. Debenture holders may opt for early conversion into Units at any time.

BNDES subscribed to 98.86% of the debentures, with market debenture holders subscribing to the remainder.

### b) 12th issue of debentures

On April 1, 2019, the Company completed its 12th issue of debentures, not convertible into shares, with 100 thousand debentures issued at a nominal unit value of R$ 10 thousand, totaling R$ 1,000,000, with maturity on March 19, 2029. The interest paid will be of 114.65% of the CDI rate semiannually, with amortization to occur in 2027, 2028 and 2029. This transaction has a linked swap contracted with Banco Itaú with an asset position at 114.65% of the CDI and a USD liability position of U.S. Dollars 5.40% per year, as disclosed in Note 17.

| | Number | Unit value | Total value (R$ thousand) | Interest rate | Maturity | Amortization | Interest | Nature | Subscription warrant |
|---|---|---|---|---|---|---|---|---|---|
| 12th issue | 100,000 | 10,000.00 | 1,000,000 | 114.65% of CDI | 3/19/2029 | Annual (8th, 9th and 10th year) | Semiannual | Debt | No |

## 19 PROVISION FOR TAX, SOCIAL SECURITY, LABOR AND CIVIL RISKS

### 19.1 Provisioned risks

Based on the individual analysis of the lawsuits filed against the Company and its subsidiaries, and the opinion of legal counsel, provisions were recorded in non-current liabilities for losses considered probable, as follow:

All amounts in thousands of Reais unless otherwise stated

| | | | | 06/30/2022 |
|---|---|---|---|---|
| **Parent company:** | **Provisioned amount** | **Judicial deposits Restricted (i)** | **Liabilities Net** | **Judicial deposits Unrestricted (i)** |
| Tax: | | | | |
| PIS/COFINS | - | - | - | 33,003 |
| ICMS/IPI | - | - | - | 49,673 |
| Income tax and social contribution (IF | (22) | - | (22) | 869 |
| IPTU | (8,284) | - | (8,284) | - |
| OTHER | - | - | - | 17,658 |
| | **(8,306)** | **-** | **(8,306)** | **101,203** |
| Labor | (43,671) | 12,791 | (30,880) | - |
| Civil | (6,623) | 708 | (5,915) | - |
| | **(58,600)** | **13,499** | **(45,101)** | **101,203** |
| **Subsidiaries** | | | | |
| Civil (ii) | - | 106,000 | - | - |
| Other risks | (174) | - | - | - |
| **Consolidated** | **(58,774)** | **119,499** | **(45,101)** | **101,203** |

(i) Balance corresponding to the amount of judicial deposits in non-current assets.
Judicial deposit refers to purchase at an auction.

| | | | | 12/31/2021 |
|---|---|---|---|---|
| **Parent Company** | **Provisioned amount** | **Judicial deposits Restricted (i)** | **Liabilities Net** | **Judicial deposits Unrestricted (i)** |
| Tax | | | | |
| PIS/COFINS | - | - | - | 32,108 |
| ICMS/IPI | - | - | - | 47,693 |
| IR/CS | - | - | - | 875 |
| OTHER | (22) | 22 | - | 11,289 |
| | **(22)** | **22** | **-** | **91,965** |
| Labor | (39,254) | 14,639 | (24,615) | - |
| Civil | (10,816) | 5,669 | (5,147) | - |
| | **(50,092)** | **20,330** | **(29,762)** | **91,965** |
| **Subsidiaries** | | | | |
| Other risks | (212) | 1,434 | 1,222 | - |
| **Consolidated** | **(50,304)** | **21,764** | **(28,540)** | **91,965** |

(i) Balance corresponding to the amount of judicial deposits in non-current assets

## 19.2 Changes in the provisioned amounts

| | | | | Consolidated |
|---|---|---|---|---|
| | **Tax** | **Labor** | **Civil** | **Net exposure** |
| **Balance at December 31, 2020** | **-** | **(19,043)** | **(5,439)** | **(24,482)** |
| Increases/new lawsuits | - | (6,328) | (2,799) | **(9,127)** |
| Write-offs and reversals | - | - | - | **-** |
| Changes in deposits | - | 755 | 3,091 | **3,846** |
| **Balance at December 31, 2021** | **-** | **(24,616)** | **(5,147)** | **(29,763)** |
| Increases/new lawsuits | (8,306) | (8,434) | (1,823) | **(18,563)** |
| Write-offs and reversals | - | 4,017 | 6,016 | **10,033** |
| Changes in deposits | - | (1,847) | (4,961) | **(6,808)** |
| **Balance at June 30, 2022** | **(8,306)** | **(30,880)** | **(5,915)** | **(45,101)** |

## 19.3 Unrecognized tax, social security, labor and civil contingencies

At June 30, 2022, the Company and its subsidiaries were parties to other tax, labor and civil proceedings involving risks of loss for the Company assessed as "possible", totaling approximately: R$ 5,411,507, R$ 240,000 and R$ 83,000, respectively (R$ 5,147,000, R$ 214,000 and R$ 61,000 at December 31, 2021). Based on individual analyses of the corresponding legal and administrative proceedings, and supported by the opinion of its legal advisors, Management understands that since these losses are deemed "possible" they are not subject to provisions.

At June 30, 2022, the Company was a defendant in several proceedings, such as:

### a) Tax lawsuits

(i) Tax collection claim filed by the Federal Government to collect IRPJ due to alleged undue deductions for royalties for the use of brands and goodwill formed in the acquisitions of the companies Klamasa and Igaras. The total amount of this lawsuit at June 30, 2022 is approximately R$ 1,346,000 (R$ 1,317,000 at December 31, 2021), of which R$ 915,000 represents goodwill, R$ 79,000 royalties and R$ 343,000 as IRPJ and CSLL tax losses.

(ii) Tax collection claim filed by the Municipality of Lages/SC regarding the collection of ISS on the manufacture of packaging with custom printed graphics from January 2001 to December 2004 and January to April 2011. The total amount at June 30, 2022 was approximately R$ 2,341,000 (R$ 2,126,000 at December 31, 2020).

(iii) Tax collection claim filed by the Municipality of Rio de Janeiro/RJ to collect ISS on the manufacture of packaging with custom printed graphics from September 1996 to October 2001. The total amount of this execution at June 30, 2022 was approximately R$ 276,000 (R$ 262,000 at December 31, 2021).

(iv) Tax collection claim filed by the Federal Government to collect differences in IRPJ and CSLL, for carrying out an indirect legal transaction involving the companies Norske Skog Pisa Ltda. and Lille Holdings S/A., with a fine increased from 75% to 150%. The total amount of this execution at June 30, 2022 is approximately R$ 95,000 (R$ 93,000 at December 31, 2021).

(v) Plea for reversal filed by the Federal Government against Klabin S.A. and Aracruz Celulose S.A., to reverse the judgment handed down in the civil case to rule out the application of the SELIC rate, as well as the rates provided for in CIEX resolution No. 2/79 in relation to the IPI premium credit. The total amount of this action at June 30, 2022 is approximately R$ 108,000 (R$ 106,000 at December 31, 2021).

(vi) Administrative proceedings regarding the collection of a contribution of 2.6% on gross revenue from the sale of the production of the agro-industrial activity. The total amount of this action at June 30, 2022 is approximately R$ 381,000 (R$ 375,000 at December 31, 2021).

(vii) Administrative proceedings seeking to adjust the IRPJ and CSLL tax bases for the calendar year 2013, alleging that the Company made undue exclusions due to changes to the exchange variation regime. The total amount involved at June 30, 2022 is approximately R$ 249,000 (R$ 244,000 at December 31, 2021).

(viii) Disallowing of compensation in view of the disagreement regarding the FINSOCIAL credit correction criterion in 2017. The total amount involved at June 30, 2022 is approximately R$ 126,000 (R$ 122,000 at December 31, 2021).

(ix) Disallowing of COFINS credit offsetting, arising from underpayments related to the expansion of the calculation base referred to in Law No. 9,718/98. The total amount involved at June 30, 2022 is approximately R$ 71,000 (R$ 69,000 at December 31, 2021).

### b) Civil and environmental lawsuits

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

### c) Labor claims

The main claims concern overtime, pain and suffering, health exposure and risk exposure premiums, as well as indemnities and subsidiary liability of third parties. No individual action is of a significant enough amount to have an adverse and material impact on the Company's results.

### d) Lawsuits filed by the Company

At June 30, 2022, the Company was a plaintiff in lawsuits for which there are no amounts recognized in its financial statements, the assets are recognized only after a final and unappealable court decision is rendered and the gain is definitely certain.

## 20 EQUITY

### 20.1 Share capital

Klabin S.A.’s subscribed and paid-up capital is R$ 4,475,625 at March 31, 2022 (R$ 4,475,625 at December 31, 2021), comprising 5,617,892,756 shares (5,617,892,756 at December 31, 2021), without par value, held as follows:

All amounts in thousands of Reais unless otherwise stated

| | 06/30/2022 | | 12/31/2021 | |
|---|---|---|---|---|
| **Shareholders (i)** | **Common shares** | **Preferred shares** | **Common shares** | **Preferred shares** |
| Klabin Irmãos S.A. | 945,359,142 | - | 945,359,142 | - |
| Niblak Participações S.A. | 142,023,010 | - | 142,023,010 | - |
| Monteiro Aranha S.A. | 69,792,293 | 237,585,607 | 57,952,818 | 190,207,058 |
| The Bank of New York Department (ii) | 61,983,236 | 247,932,944 | 61,974,654 | 247,898,616 |
| BLACKROCK | 49,370,285 | 197,481,140 | 47,481,895 | 189,927,580 |
| Treasury shares | 23,150,192 | 92,600,768 | 25,140,398 | 100,561,592 |
| Other (iii) | 790,050,437 | 2,760,563,702 | 801,796,678 | 2,807,569,315 |
| **Total shares** | **2,081,728,595** | **3,536,164,161** | **2,081,728,595** | **3,536,164,161** |

(i) The position may differ from the bookkeeping bank's base for transaction logging registration issues.
(ii) Foreign shareholders.
(iii) Shareholders holding less than 5% of the shares.

In addition to registered common and preferred shares, the Company negotiates certificates of deposit of shares ("Units") corresponding to 1 (one) common share (ON) and 4 (four) preferred shares (PN).

The Company's authorized capital comprises 6,400,000,000 registered common shares (ON) and/or registered preferred shares (PN), as approved at the Extraordinary General Meeting held on March 24, 2021.

## 20.2 Carrying value adjustments

The "Carrying value adjustments" group, created by Law No. 11,638/07 as part of the equity accounts, concerns valuation adjustments arising from asset and liability increases and decreases, where applicable.

The balance recognized by the Company refers to: (i) the adoption of the deemed cost of PP&E for forest land, for which the Company opted upon the initial adoption of the new accounting standards converging with IFRS on January 1, 2009; (ii) exchange rate changes associated with foreign subsidiaries with a functional currency other than the Company's; (iii) balances associated with the share awards plan granted to executives (Note 24); (iv) cash flow hedge accounting (Note 28); and (v) actuarial liability variations.

| | Parent Company and Consolidated | |
|---|---|---|
| | **06/30/2022** | **12/31/2021** |
| Deemed cost of property, plant and equipment (i | 1,058,680 | 1,058,680 |
| Foreign currency translation adjustments | (61,012) | (70,430) |
| Stock option plan | 5,083 | 11,208 |
| Cash flow hedge reserve (i) | 424,138 | (759,367) |
| Actuarial liability (i) | (140,609) | (136,845) |
| **Total carrying value adjustments** | **1,286,280** | **103,246** |

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

Exchange rate differences on foreign subsidiaries are realized against income only in the event of the disposal or dissolution of the subsidiary. Other items in the carrying value adjustments account, based on their nature and by virtue of the applicable accounting standards, are not realized against income, even upon financial settlement.

Changes in Carrying Value Adjustments balances are shown in the "Statements of comprehensive income" and "Statements of changes in equity".

## 20.3 Treasury shares

At June 30, 2022, the Company holds 115,750,960 shares of its own issue in treasury, corresponding to 23,150,192 Units. At June 30, 2022, the trading price on B3, the São Paulo Stock Exchange, is R$ 20.20 per "Unit" (B3 ticker KLBN11).

In accordance with the Stock Option Plan described in Note 24, access to which granted as a form of long-term compensation to the Company's officers, in February 2022, 10,197,840 treasury shares were sold for R$ 16,000, corresponding to 2,039,568 "Units". The right to use 10,197,840 shares, corresponding to 2,039,568 "Units", as also granted. The amount was derecognized from the treasury shares account at the historical cost of R$ 7,000.

## 20.4 Dividends/interest on capital

Dividends/interest on capital represent a portion of the profits earned by the Company, which are distributed to the shareholders as remuneration of the capital invested during the fiscal year. All shareholders are entitled to receive dividends and interest on capital proportionately to their ownership interest, as guaranteed by the Brazilian corporate legislation and the Company's Bylaws. It is also provided for in the Bylaws, the right of Management to approve interim and/or interim distributions during the year in advance, "ad referendum" of the Annual General Meeting intended to assess the accounts for the year.

Interest on capital, for the purposes of compliance with tax rules, is recorded in the "Finance costs" line item. For the purposes of preparing the financial statements, interest on capital is reversed from income to retained earnings, making up the balance of the minimum mandatory dividend, as stipulated by the CVM.

The basis for calculating the minimum mandatory dividend defined in the Company's Bylaws is adjusted by the setup, realization and reversal, in the respective fiscal year, of the "Biological assets reserve", giving the Company's shareholders the right to receive a minimum mandatory dividend of 25% of each year's adjusted profit. In addition, the Company is entitled to distribute dividends and interest on capital from the "Revenue Reserves" balances held in Equity.

## 20.5 Non-controlling interests

At June 30, 2022, non-controlling shareholders' share of the consolidated equity is R$ 1,714,482 (R$ 1,346,659 at December 31, 2021). This corresponds to the 65.26%, 85.10% and 86.69% of capital held by the shareholders of the subsidiaries Guaricana Reflorestadora S.A., Sapopema Reflorestadora S.A. and Aroeira Reflorestadora S.A., respectively and proportionally. These companies are 100% consolidated into the Company's financial statements, and these shareholders' interests are shown separately, since they are characterized as equity instruments because of these entities' corporate structures.

All amounts in thousands of Reais unless otherwise stated

| | | | 06/30/2022 |
|---|---|---|---|
| **Equity interest %** | **Guaricana Reflorestadora S.A.** | **Sapopema Reflorestadora S.A.** | **Aroeira Reflorestadora S.A.** |
| Non-controlling shareholders (TIMO) | 65.26% | 85.10% | 86.69% |
| Klabin S.A | 34.74% | 14.90% | 13.31% |
| **Total** | **100%** | **100%** | **100%** |

## 21 NET SALES REVENUE

The Company's net sales revenue is comprised of the following:

| | | | | **Parent Company** |
|---|---|---|---|---|
| | **4/1 to 06/30/2022** | **1/1 to 06/30/2022** | **4/1 to 06/30/2021** | **1/1 to 06/30/2021** |
| Gross sales revenue | 5,690,046 | 10,823,569 | 4,455,673 | 8,324,445 |
| Discounts and rebates | (38,388) | (57,207) | (9,613) | (15,537) |
| Cash flow hedge | - | 8,945 | - | (11,018) |
| Taxes on sales | (652,340) | (1,256,110) | (585,208) | (1,091,488) |
| **Net sales revenue** | **4,999,318** | **9,519,197** | **3,860,852** | **7,206,402** |
| | | | | |
| Domestic market | 2,792,786 | 5,361,029 | 2,433,948 | 4,550,247 |
| Foreign market | 2,206,532 | 4,158,168 | 1,426,904 | 2,656,155 |
| **Net sales revenue** | **4,999,318** | **9,519,197** | **3,860,852** | **7,206,402** |

| | | | | **Consolidated** |
|---|---|---|---|---|
| | **4/1 to 06/30/2022** | **1/1 to 06/30/2022** | **4/1 to 06/30/2021** | **1/1 to 06/30/2021** |
| Gross sales revenue | 5,765,252 | 10,809,887 | 4,695,747 | 8,714,587 |
| Discounts and rebates | (46,290) | (53,159) | (32,157) | (54,367) |
| Cash flow hedge | - | 8,945 | - | (11,018) |
| Taxes on sales | (680,007) | (1,304,588) | (588,037) | (1,107,102) |
| **Net sales revenue** | **5,038,955** | **9,461,085** | **4,075,553** | **7,542,100** |
| | | | | |
| Domestic market | 2,817,494 | 5,425,198 | 2,460,489 | 4,620,642 |
| Foreign market | 2,221,461 | 4,035,887 | 1,615,064 | 2,921,458 |
| **Net sales revenue** | **5,038,955** | **9,461,085** | **4,075,553** | **7,542,100** |

All amounts in thousands of Reais unless otherwise stated

## 22 COSTS, EXPENSES AND OTHER INCOME BY NATURE

| | Parent company | | | |
|---|---|---|---|---|
| | 1/4 to 60/30/2022 | 1/1 to 06/30/2022 | 1/4 to 06/30/2021 | 1/1 to 06/30/2021 |
| **Cost of products sold** | | | | |
| Variable costs (raw materials and consumables) | (1,401,213) | (2,740,839) | (1,198,387) | (2,344,318) |
| Personnel | (561,067) | (1,123,956) | (502,556) | (981,710) |
| Depreciation and amortization | (325,512) | (633,414) | (210,387) | (498,250) |
| Depletion | (516,469) | (778,407) | (413,637) | (707,206) |
| Other | (586,372) | (854,800) | (134,446) | (302,374) |
| | **(3,390,633)** | **(6,131,415)** | **(2,459,413)** | **(4,833,858)** |
| **Selling expenses** | | | | |
| Freight | (378,314) | (638,725) | (218,071) | (408,094) |
| Commission | (14,508) | (30,729) | (6,742) | (12,558) |
| Personnel | (27,978) | (57,910) | (26,802) | (56,492) |
| Depreciation and amortization | (866) | (1,736) | (963) | (1,740) |
| Port and storage expenses | (28,811) | (49,784) | (14,509) | (32,310) |
| Other | (13,250) | (14,357) | (208) | (651) |
| | **(463,727)** | **(793,241)** | **(267,295)** | **(511,845)** |
| **General and administrative expenses** | | | | |
| Personnel | (108,176) | (231,314) | (114,364) | (225,600) |
| Services contracted | (82,055) | (161,828) | (63,368) | (120,274) |
| Depreciation and amortization | (11,680) | (23,865) | (11,928) | (23,584) |
| Maintenance | (7,962) | (13,251) | 2,805 | (7,512) |
| Other | (25,195) | (34,191) | (22,287) | (28,526) |
| | **(235,068)** | **(464,448)** | **(209,142)** | **(405,496)** |
| **Other income (expenses), net** | | | | |
| Revenue from sales of property, plant and equipment | 6,219 | 33,957 | 706 | 161,768 |
| Cost of sales and write-offs of property, plant and equipment | (18,009) | (22,441) | (3,561) | (149,534) |
| PIS/COFINS tax credits | 140,087 | 140,087 | - | - |
| Other | (26,890) | (64,182) | 1,710 | 14,620 |
| | **101,407** | **87,421** | **(1,145)** | **26,854** |
| **Total** | **(3,988,021)** | **(7,301,683)** | **(2,936,995)** | **(5,724,345)** |

All amounts in thousands of Reais unless otherwise stated

| | Consolidated | | | |
|---|---|---|---|---|
| | 4/1 to 06/30/2022 | 1/1 to 06/30/2022 | 4/1 to 06/30/2021 | 1/1 to 06/30/2021 |
| **Cost of products sold** | | | | |
| Variable costs (raw materials and consumables) | (1,433,329) | (2,785,300) | (1,270,927) | (2,366,446) |
| Personnel | (566,734) | (1,135,309) | (503,658) | (985,942) |
| Depreciation and amortization | (314,458) | (610,878) | (234,016) | (480,931) |
| Depletion | (634,486) | (950,339) | (453,585) | (820,122) |
| Other | (392,456) | (576,731) | (2,623) | (201,322) |
| | **(3,341,463)** | **(6,058,556)** | **(2,464,809)** | **(4,854,763)** |
| **Selling expenses** | | | | |
| Freight | (394,310) | (671,120) | (231,865) | (434,010) |
| Commission | (29,150) | (55,955) | (15,873) | (30,709) |
| Personnel | (30,084) | (62,269) | (28,819) | (58,809) |
| Depreciation and amortization | (884) | (1,771) | (983) | (1,775) |
| Port and storage expenses | (36,027) | (64,068) | (20,166) | (43,154) |
| Other | (13,104) | (14,926) | 1,619 | 5,529 |
| | **(503,559)** | **(870,109)** | **(296,087)** | **(562,928)** |
| **General and administrative expenses** | | | | |
| Personnel | (109,269) | (231,546) | (115,519) | (227,879) |
| Services contracted | (82,884) | (161,990) | (64,008) | (121,488) |
| Depreciation and amortization | (11,918) | (23,889) | (12,172) | (24,066) |
| Maintenance | (8,042) | (13,264) | 2,834 | (7,587) |
| Other | (31,738) | (49,715) | (31,004) | (43,317) |
| | **(243,851)** | **(480,403)** | **(219,869)** | **(424,337)** |
| **Other income (expenses), net** | | | | |
| Revenue from sales of property, plant and equipment | 6,219 | 33,957 | 706 | 161,768 |
| Cost of sales and write-offs of property, plant and equipment | (18,009) | (22,441) | (3,561) | (149,534) |
| PIS/COFINS tax credits | 140,087 | 140,087 | - | - |
| Other | (49,934) | (65,709) | 5,637 | 22,419 |
| | **78,363** | **85,894** | **2,782** | **34,653** |
| **Total** | **(4,010,510)** | **(7,323,174)** | **(2,977,983)** | **(5,807,375)** |

All amounts in thousands of Reais unless otherwise stated

## 23 FINANCE RESULT

| | Parent Company | | | |
|---|---|---|---|---|
| | 4/1 to 06/30/2022 | 1/1 to 06/30/2022 | 4/1 to 06/30/2021 | 1/1 to 06/30/2021 |
| **Finance income** | | | | |
| Income from financial investments | 149,096 | 325,787 | 56,260 | 62,661 |
| Social Integration Program (PIS)/Social Contribution on Revenue (COFINS) on finance income | (10,585) | (20,001) | (3,349) | (5,365) |
| Monetary adjustment | 15,206 | 39,469 | 11,464 | 32,012 |
| Other | 54,057 | 70,809 | 2,304 | 2,637 |
| | **207,774** | **416,064** | **66,679** | **91,945** |
| **Finance costs** | | | | |
| Interest and monetary adjustment on borrowing | (640,739) | (1,097,214) | (373,798) | (785,603) |
| Interest capitalized on property, plant and equipment (i) | 155,944 | 285,297 | 98,773 | 193,103 |
| Derivative financial instruments (SWAP) (ii) | 7,228 | 78,860 | (96,363) | (164,756) |
| Guarantees on borrowing | (51) | (113) | (174) | (359) |
| Remuneration of investors - SCPs | - | - | - | - |
| Commission | (15,225) | (30,318) | (15,892) | (30,945) |
| Other | (42,053) | (62,386) | (9,558) | (20,122) |
| | **(534,896)** | **(825,874)** | **(397,012)** | **(808,682)** |
| **Foreign exchange variations** | | | | |
| Foreign exchange variation - assets | 170,607 | (178,373) | (154,044) | (30,893) |
| Foreign exchange variation - liabilities (ii) | (209,093) | 225,181 | 343,294 | 423,856 |
| | **(38,486)** | **46,808** | **189,250** | **392,963** |
| **Finance result** | **(365,608)** | **(363,002)** | **(141,083)** | **(323,774)** |

(i) See information in Note 13.
(ii) Considers the effects of adopting hedge accounting, as described in Note 28.

| | Consolidated | | | |
|---|---|---|---|---|
| | 4/1 to 06/30/2022 | 1/1 to 06/30/2022 | 4/1 to 06/30/2021 | 1/1 to 06/30/2021 |
| **Finance income** | | | | |
| Income from financial investments | 146,750 | 318,328 | 61,006 | 71,968 |
| Social Integration Program (PIS)/Social Contribution on Revenue (COFINS) on finance income | (10,698) | (20,223) | (3,359) | (5,375) |
| Monetary adjustment | 76,910 | 103,428 | 11,464 | 32,012 |
| Other | 4,029 | 28,065 | 2,949 | 3,286 |
| | **216,991** | **429,598** | **72,060** | **101,891** |
| **Finance costs** | | | | |
| Interest and monetary adjustment on borrowing | (559,729) | (992,292) | (342,191) | (731,080) |
| Interest capitalized on property, plant and equipment (i) | 155,944 | 285,297 | 98,773 | 193,103 |
| Derivative financial instruments (SWAP) (ii) | 7,228 | 78,860 | (96,363) | (164,756) |
| Guarantees on borrowing | (51) | (113) | (174) | (359) |
| Remuneration of investors - SCPs | (9,854) | (18,323) | (10,747) | (26,329) |
| Commission | (22,122) | (86,958) | (18,731) | (98,838) |
| Other | (54,627) | (77,955) | (9,856) | (20,823) |
| | **(483,211)** | **(811,484)** | **(379,289)** | **(849,082)** |
| **Foreign exchange variations** | | | | |
| Foreign exchange variation - assets | 147,617 | (140,236) | (155,566) | (32,460) |
| Foreign exchange variation - liabilities (ii) | (184,237) | 142,007 | 255,749 | 369,496 |
| | **(36,620)** | **1,771** | **100,183** | **337,036** |
| **Finance result** | **(302,840)** | **(380,115)** | **(207,046)** | **(410,155)** |

(i) See information in Note 13.
(ii) Considers the effects of adopting hedge accounting, as described in Note 28.

All amounts in thousands of Reais unless otherwise stated

## 24 STOCK OPTION PLAN

### 24.1 ILP Matching

On February 8, 2022, the Board of Directors approved, as provided for in the Long-Term Incentive Plan Based on the Units approved and amended, respectively, at the Company's General Meetings held on December 20, 2011 and on March 23, 2022 (the "Plan"), the Program for Granting Units for All ("Program").

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

The current Plan established that statutory and non-statutory officers may use a percentage of 15% to 25% (until 2018 the percentage was 15% to 50%), managers from 15% to 40%, and the other employees from 5% to 10% of their variable remuneration to acquire shares held in treasury.

The shares awarded and the expenses proportional to the granting period, recognized in the statement of income, are accumulated in equity in the "Carrying Value Adjustments" line item, until the end of the award period, either through the expiration of the three-year term, or based on any other clause of the Plan that terminates the award.

The table below presents information on the plans:

### Statutory and non-statutory officers

| | 2018 Plan (i) | 2019 Plan | 2020 Plan | 2021 Plan | Total |
|---|---|---|---|---|---|
| Start of the plan | 02/28/2019 | 02/28/2020 | 02/26/2021 | 02/28/2022 | |
| Final grant date | 02/28/2022 | 02/28/2023 | 02/26/2024 | 02/28/2025 | |
| Treasury shares acquired by beneficiaries | 1,146,395 | 1,140,020 | 1,169,700 | 1,355,905 | 6,851,205 |
| Purchase value per share (R$) | 3.61 | 3.87 | 5.41 | 4.64 | |
| Treasury shares awarded as usufruct | 1,146,395 | 1,140,020 | 1,169,700 | 1,355,905 | 6,851,205 |
| Value of the right to use per share (R$) | 3.61 | 3.87 | 5.41 | 4.64 | |
| Accumulated plan expenses - from the beginning | 4,136 | 3,490 | 2,813 | 699 | 18,458 |
| Plan expenses - 1/1 to 6/30/2022 | 230 | 748 | 1,055 | 699 | 2,732 |
| Plan expenses - 1/1 to 6/30/2021 | 696 | 748 | 703 | - | 2,555 |

(i) Terminated plans

### Managers

| | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | Total |
|---|---|---|---|---|---|
| Start of the plan | 02/28/2019 | 02/28/2020 | 02/26/2021 | 02/28/2022 | |
| Final grant date | 02/28/2022 | 02/28/2023 | 02/26/2024 | 02/28/2025 | |
| Treasury shares acquired by beneficiaries | 1,809,185 | 1,848,470 | 1,834,990 | 2,399,645 | 9,508,875 |
| Purchase value per share (R$) | 3.61 | 3.87 | 5.41 | 4.64 | |
| Treasury shares awarded as usufruct | 1,809,185 | 1,848,470 | 1,834,990 | 2,399,645 | 9,508,875 |
| Value of the right to use per share (R$) | 3.61 | 3.87 | 5.41 | 4.64 | |
| Accumulated plan expenses - from the beginning | 6,427 | 5,049 | 4,246 | 1,225 | 22,562 |
| Plan expenses - 1/1 to 6/30/2022 | 234 | 916 | 1,489 | 1,225 | 3,864 |
| Plan expenses - 1/1 to 6/30/2021 | 1,093 | 1,127 | 1,103 | - | 3,633 |

(i) Terminated plans

All amounts in thousands of Reais unless otherwise stated

### Other employees

| | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | Total |
|---|---|---|---|---|---|
| Start of the plan | 02/28/2019 | 02/28/2020 | 02/26/2021 | 02/28/2022 | |
| Final grant date | 02/28/2022 | 02/28/2023 | 02/26/2024 | 02/28/2025 | |
| Treasury shares acquired by beneficiaries | 548,300 | 527,285 | 497,385 | 1,343,955 | 2,916,925 |
| Purchase value per share (R$) | 3.61 | 3.87 | 5.41 | 4.64 | |
| Treasury shares awarded as usufruct | 548,300 | 527,285 | 497,385 | 1,343,955 | 2,916,925 |
| Value of the right to use per share (R$) | 3.61 | 3.87 | 5.41 | 4.64 | |
| Accumulated plan expenses - from the beginning | 1,696 | 1,651 | 1,109 | 681 | 5,137 |
| Plan expenses - 1/1 to 6/30/2022 | 88 | 318 | 391 | 681 | 1,478 |
| Plan expenses - 1/1 to 6/30/2021 | 278 | 369 | 298 | - | 945 |

(i) Terminated plans

## 24.2 ILP Performance

The purpose of this Program is to strengthen alignment with the Company's strategy and the interests of Shareholders, conditioning its receipt to the achievement of a performance objective, namely, the TSR (Total Shareholder Return) X Ke (Cost of Equity).

The plan has a duration of five years, and its receipt is conditional upon the achievement of the performance objectives after this five year period (vesting period), in addition to the employee remaining at Klabin.

At June 30, 2022, the provisioned balance corresponds to R$ 15,193 (R$ 18,000 at December 31, 2021).

# 25 EARNINGS (LOSS) PER SHARE

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

As mentioned in Note 20, the changes in the balance of treasury shares affect the weighted average number of preferred shares held in treasury in the calculation for the six-month period ended June 30, 2022. The weighted average used in the calculation of the earnings (loss) per share was determined as follows:

**Weighted average number of treasury shares at June 30, 2022** (i)

| | | | |
|---|---|---|---|
| **Jan** | + | 125,708,750 | x 1/6 |
| **Feb** | + | 115,635,160 | x 1/6 |
| **Mar** | + | 115,661,640 | x 1/6 |
| **Apr** | + | 115,710,605 | x 1/6 |
| **May** | + | 115,742,715 | x 1/6 |
| **Jun** | + | 115,761,165 | x 1/6 |
| **6 months 2022** | = | **117,370,006** | |

All amounts in thousands of Reais unless otherwise stated

(*) As the Company only holds Units in treasury, the breakdown into ON and PN shares abides by the Units' breakdown.

The tables below reconcile the profit or loss for the six-month periods ended June 30, 2022 and 2021 with the amounts used in the calculation of basic and diluted earnings (loss) per share:

| | Parent Company and Consolidated | | |
|---|---|---|---|
| | 1/1 to 06/30/2022 | | |
| | Common shares (ON) | Preferred shares (PN) | Total |
| **Denominator** | | | |
| Total weighted average number of shares | 2,081,729 | 3,536,164 | 5,617,893 |
| Weighted average number of treasury shares | (23,474) | (93,896) | (117,370) |
| Weighted average number of outstanding shares | **2,058,255** | **3,442,268** | **5,500,523** |
| % of shares in relation to the total | **37.42%** | **62.58%** | **100%** |
| **Numerator** | | | |
| Profit attributable to each class of shares | **649,585** | **1,086,380** | **1,735,965** |
| Weigthed average number of outstanding shares | **2,058,255** | **3,442,268** | **5,500,523** |
| **Basic and diluted earnings per share (in R$)** | **0.3156** | **0.3156** | |

| | Parent Company and Consolidated | | |
|---|---|---|---|
| | 1/1 to 06/30/2021 | | |
| | Common shares (ON) | Preferred shares (PN) | Total |
| **Denominator** | | | |
| Total weighted average number of shares | 2,081,729 | 3,536,164 | 5,617,893 |
| Weighted average number of treasury shares | (25,948) | (103,791) | (129,738) |
| Weighted average number of outstanding shares | **2,055,781** | **3,432,373** | **5,488,154** |
| % of shares in relation to the total | **37.46%** | **62.54%** | **100%** |
| **Numerator** | | | |
| Profit attributable to each class of shares | **385,961** | **644,408** | **1,030,369** |
| Weighted average number of outstanding shares | **2,055,781** | **3,432,373** | **5,488,154** |
| **Basic and diluted earnings per share (in R$)** | **0.1877** | **0.1877** | |

## 26 OPERATING SEGMENTS

### 26.1 Criteria for the identification of operating segments

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

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

(ii) Paper segment: mainly involves the production of cardboard, kraftliner and recycled paper rolls and their sale in the domestic and foreign markets;

All amounts in thousands of Reais unless otherwise stated

(iii) Conversion segment: involves the production of corrugated cardboard boxes, corrugated cardboard and industrial sacks and their sale in the domestic and foreign markets; and

(iv) Pulp segment: includes the production of short, long and fluff fiber pulp and their sale in the domestic and foreign markets.

## 26.2 Consolidated information about operating segments

| | | | | | | 1/1 to 6/30/2022 |
|---|---|---|---|---|---|---|
| | Forestry | Paper | Conversion | Pulp | Corporate eliminations | Total Consolidated |
| Net revenue: | | | | | | |
| Domestic market | 159,841 | 1,441,996 | 2,738,665 | 1,093,711 | (9,015) | **5,425,198** |
| Foreign market | - | 1,709,303 | 256,014 | 2,061,617 | 8,953 | **4,035,887** |
| **Revenue from sales to third parties** | **159,841** | **3,151,299** | **2,994,679** | **3,155,328** | **(62)** | **9,461,085** |
| Revenue between segments | 1,193,684 | 1,816,439 | 35,923 | 65,007 | (3,111,053) | - |
| **Total net sales** | **1,353,525** | **4,967,738** | **3,030,602** | **3,220,335** | **(3,111,115)** | **9,461,085** |
| Change in the fair value of biological assets | 958,112 | - | - | (56) | - | **958,056** |
| Cost of products sold | (1,977,902) | (2,975,287) | (2,697,243) | (1,395,133) | 2,987,009 | **(6,058,556)** |
| **Gross profit** | **333,735** | **1,992,451** | **333,359** | **1,825,146** | **(124,106)** | **4,360,585** |
| Operating expenses (income) | (114,156) | (534,643) | (346,030) | (451,161) | 191,561 | **(1,254,429)** |
| **Operating profit before finance result** | **219,579** | **1,457,808** | **(12,671)** | **1,373,985** | **67,455** | **3,106,156** |
| | | | | | | |
| **Sale of products (in metric tons)** | | | | | | |
| Domestic market | - | 297,039 | 476,724 | 255,004 | 367 | **1,029,135** |
| Foreign market | - | 345,336 | 31,478 | 503,260 | - | **880,073** |
| Inter-segmental | - | 514,559 | 2,321 | 16,714 | (533,594) | - |
| | **-** | **1,156,934** | **510,523** | **774,978** | **(533,227)** | **1,909,208** |
| **Sale of timber (in metric tons)** | | | | | | |
| Domestic market | 570,472 | - | - | - | - | **570,472** |
| Inter-segmental | 7,263,541 | - | - | - | (7,263,541) | - |
| | **7,834,014** | **-** | **-** | **-** | **(7,263,541)** | **570,472** |
| | | | | | | |
| **Investments during the period** | 349,307 | 1,653,648 | 132,247 | 100,550 | 737,023 | **2,972,775** |
| **Depreciation, depletion and amortization** | (901,072) | (318,435) | (60,435) | (294,351) | (12,584) | **(1,586,877)** |
| **Total assets - 6/30/2022** | 12,488,178 | 4,973,317 | 3,152,196 | 16,836,483 | 6,839,699 | **44,289,873** |
| **Total liabilities - 6/30/2022** | 3,547,746 | 1,320,544 | 812,343 | 2,005,094 | 26,916,391 | **34,602,118** |
| **Equity - 6/30/2022** | 7,225,950 | 3,652,773 | 2,339,853 | 14,831,389 | (20,076,692) | **7,973,273** |
| **Non-controlling interests** | 1,714,482 | - | - | - | - | **1,714,482** |

| | | | | | | 4/1 to 6/30/2022 |
|---|---|---|---|---|---|---|
| | Forestry | Paper | Conversion | Pulp | Corporate eliminations | Total Consolidated |
| Net revenue: | | | | | | |
| .Domestic market | 88,409 | 744,510 | 1,417,209 | 574,190 | (6,824) | **2,817,494** |
| .Foreign market | - | 873,838 | 129,074 | 1,218,541 | 8 | **2,221,461** |
| **Revenue from sales to third parties** | **88,409** | **1,618,348** | **1,546,283** | **1,792,731** | **(6,816)** | **5,038,955** |
| Revenue between segments | 605,589 | 944,419 | 14,082 | 29,811 | (1,593,901) | - |
| **Total net sales** | **693,998** | **2,562,767** | **1,560,365** | **1,822,542** | **(1,600,717)** | **5,038,955** |
| Change in the fair value of biological assets | 586,432 | - | - | (56) | - | **586,376** |
| Cost of products sold | (1,155,782) | (1,632,900) | (1,421,917) | (737,526) | 1,606,662 | **(3,341,463)** |
| **Gross profit** | **124,648** | **929,867** | **138,448** | **1,084,960** | **5,945** | **2,283,868** |
| Operating expenses (income) | (22,052) | (289,746) | (179,221) | (240,880) | 52,779 | **(679,120)** |
| **Operating profit before finance result** | **102,596** | **640,121** | **(40,773)** | **844,080** | **58,724** | **1,604,748** |
| | | | | | | |
| **Sale of products (in metric tons)** | | | | | | |
| .Domestic market | - | 152,057 | 243,591 | 135,604 | 180 | **531,433** |
| .Foreign market | - | 173,131 | 15,496 | 288,849 | - | **477,475** |
| Inter-segmental | - | 268,415 | 975 | 8,015 | (277,405) | - |
| | **-** | **593,603** | **260,062** | **432,468** | **(277,225)** | **1,008,908** |
| **Sale of timber (in metric tons0** | | | | | | |
| .Domestic market | 306,389 | - | - | - | - | **306,389** |
| .Inter-segmental | 3,677,999 | - | - | - | (3,677,999) | - |
| | **3,984,389** | **-** | **-** | **-** | **(3,677,999)** | **306,389** |
| | | | | | | |
| **Investments during the period** | 174,460 | 971,255 | 66,328 | 60,300 | 249,211 | **1,521,554** |
| **Depreciation, depletion and amortization** | (600,652) | (168,793) | (28,183) | (157,535) | (6,583) | **(961,746)** |

All amounts in thousands of Reais unless otherwise stated

| | 1/1 to 6/30/2021 | | | | | |
|---|---|---|---|---|---|---|
| | Forestry | Paper | Conversion | Pulp | Corporate eliminations | Total Consolidated |
| Net revenue: | | | | | | |
| Domestic market | 175,976 | 1,210,263 | 2,436,777 | 930,706 | (133,080) | **4,620,642** |
| Foreign market | - | 905,281 | 236,472 | 1,790,723 | (11,018) | **2,921,458** |
| **Revenue from sales to third parties** | **175,976** | **2,115,544** | **2,673,249** | **2,721,429** | **(144,098)** | **7,542,100** |
| Revenue between segments | 811,066 | 1,149,991 | 19,081 | 56,060 | (2,036,198) | - |
| **Total net sales** | **987,042** | **3,265,535** | **2,692,330** | **2,777,489** | **(2,180,296)** | **7,542,100** |
| Change in the fair value of biological assets | 241,405 | - | - | - | - | **241,405** |
| Cost of products sold | (1,521,831) | (2,238,411) | (2,222,233) | (984,406) | 2,112,118 | **(4,854,763)** |
| **Gross profit** | **(293,384)** | **1,027,124** | **470,097** | **1,793,083** | **(68,178)** | **2,928,742** |
| Operating expenses (income) | (60,738) | (307,536) | (278,100) | (344,738) | 41,157 | **(949,955)** |
| **Operating profit before finance result** | **(354,122)** | **719,588** | **191,997** | **1,448,345** | **(27,021)** | **1,978,787** |
| **Sales of products (metric tons)** | | | | | | |
| Domestic market | - | 313,009 | 530,809 | 270,445 | - | **1,114,263** |
| Foreign market | - | 208,336 | 31,358 | 501,287 | - | **740,981** |
| Inter-segmental | - | 496,260 | 2,234 | 16,595 | (515,089) | - |
| | **-** | **1,017,605** | **564,401** | **788,327** | **(515,089)** | **1,855,244** |
| **Sales of timber (in metric tons)** | | | | | | |
| Domestic market | 1,779,316 | - | - | - | - | **1,779,316** |
| Inter-segmental | 6,718,253 | - | - | - | (6,718,253) | - |
| | **8,497,569** | **-** | **-** | **-** | **(6,718,253)** | **1,779,316** |
| **Investments during the period** | 161,470 | 161,072 | 113,526 | 1,250,920 | 32,228 | **1,719,216** |
| **Depreciation, depletion and amortization** | (809,205) | (192,812) | (55,796) | (258,382) | (10,699) | **(1,326,894)** |
| **Total assets - 6/30/2021** | 9,440,688 | 4,270,975 | 2,868,348 | 13,867,421 | 7,832,775 | **38,280,207** |
| **Total liabilities - 6/30/2021** | 2,820,708 | 861,141 | 794,549 | 1,305,274 | 26,182,111 | **31,963,783** |
| **Equity - 6/30/2021** | 5,638,968 | 3,409,834 | 2,073,799 | 12,562,147 | (18,349,336) | **5,335,412** |
| **Non-controlling interests** | 981,012 | - | - | - | - | **981,012** |

| | 4/1 to 6/30/2021 | | | | | |
|---|---|---|---|---|---|---|
| | Forestry | Paper | Conversion | Pulp | Corporate eliminations | Total Consolidated |
| Net revenue: | | | | | | |
| .Domestic market | 104,930 | 609,487 | 1,282,669 | 542,781 | (79,378) | **2,460,489** |
| .Foreign market | - | 519,249 | 118,264 | 977,551 | - | **1,615,064** |
| **Revenue from sales to third parties** | **104,930** | **1,128,736** | **1,400,933** | **1,520,332** | **(79,378)** | **4,075,553** |
| Revenue between segments | 422,726 | 586,990 | 10,126 | 30,775 | (1,050,617) | - |
| **Total net sales** | **527,656** | **1,715,726** | **1,411,059** | **1,551,107** | **(1,129,995)** | **4,075,553** |
| Change in the fair value of biological assets | 198,701 | - | - | - | - | **198,701** |
| Cost of products sold | (829,439) | (1,098,062) | (1,148,974) | (490,736) | 1,102,402 | **(2,464,809)** |
| **Gross profit** | **(103,082)** | **617,664** | **262,085** | **1,060,371** | **(27,593)** | **1,809,445** |
| Operating expenses (income) | (82,268) | (155,691) | (142,159) | (183,051) | 51,727 | **(511,442)** |
| **Operating profit before finance result** | **(185,350)** | **461,973** | **119,926** | **877,320** | **24,134** | **1,298,003** |
| **Sales of products (metric tons)** | | | | | | |
| .Domestic market | - | 150,007 | 266,247 | 141,928 | - | **558,182** |
| .Foreign market | - | 115,364 | 16,044 | 256,735 | - | **388,143** |
| .Inter-segmental | - | 254,699 | 1,211 | 7,938 | (263,848) | - |
| | **-** | **520,070** | **283,502** | **406,601** | **(263,848)** | **946,325** |
| **Sales of timber (in metric tons)** | | | | | | |
| .Domestic market | 1,369,445 | - | - | - | - | **1,369,445** |
| .Inter-segmental | 3,491,346 | - | - | - | (3,491,346) | - |
| | **4,860,791** | **-** | **-** | **-** | **(3,491,346)** | **1,369,445** |
| **Investments during the period** | 76,173 | 65,884 | 89,174 | 714,640 | (41,938) | **903,933** |
| **Depreciation, depletion and amortization** | (454,311) | (97,254) | (28,668) | (114,378) | (6,145) | **(700,756)** |

The balance in the Corporate/Exclusions column concerns the corporate unit's expenses not apportioned among the segments, and eliminations refer to adjustments of operations between the segments.

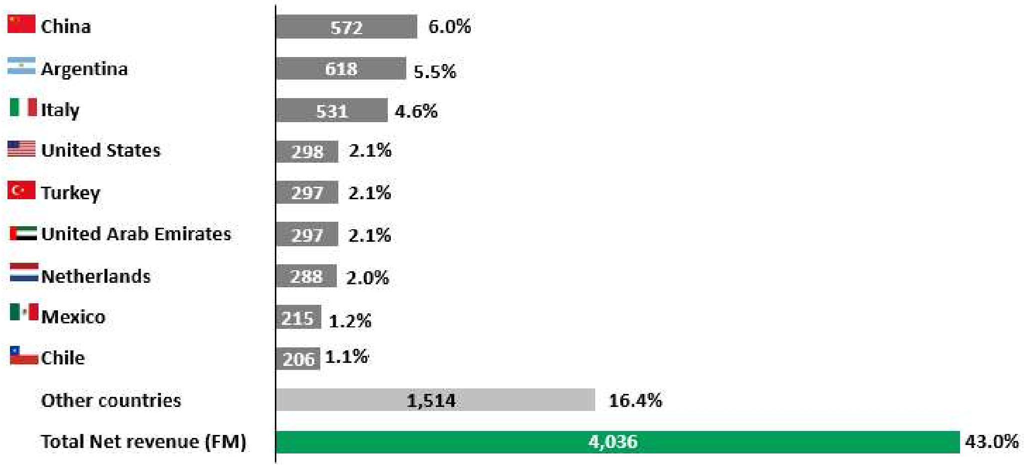
Information about the finance result and income tax was not disclosed in the segment reporting because management does not consider such data on a segmented basis, but rather on a consolidated basis.

## 26.3 Information on net sales revenue

The table below shows the distribution of net revenue from the foreign market for the periods ended June 30, 2022 and 2021:

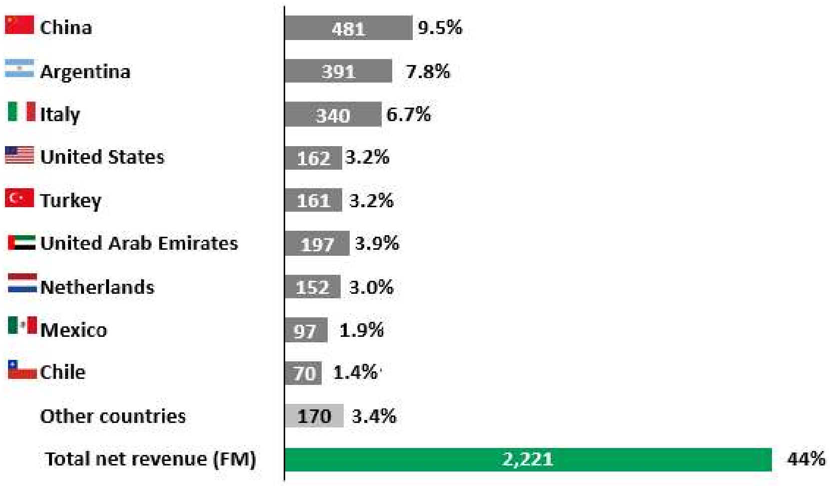
Net revenue in R$/Million – Foreign market (FM)

Consolidated – 06/30/2022



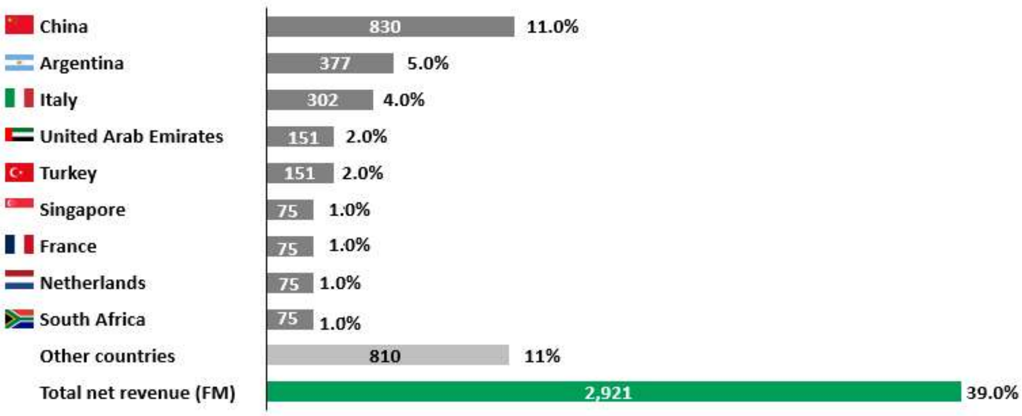

Net revenue in R$/Million – Foreign market (FM)

Consolidated 04/01/2022 – 06/30/2022



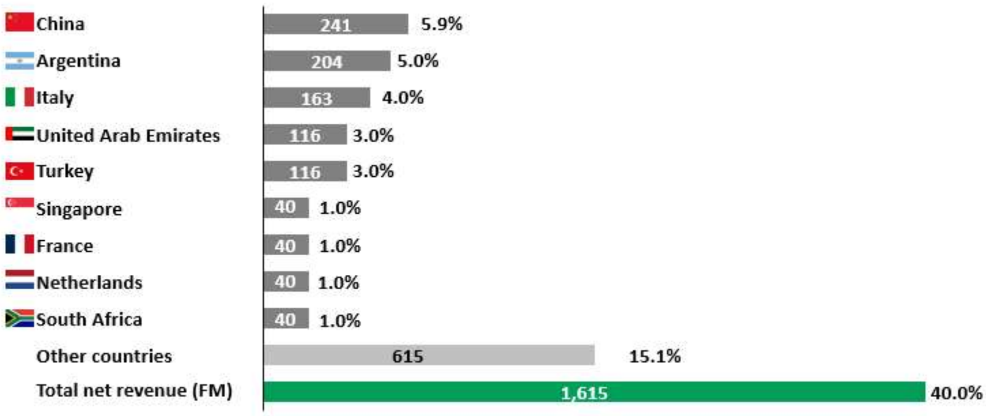
**Net revenue in R$/Million – Foreign market (FM)**

**Consolidated – 06/30/2021**




**Net revenue in R$/Million – Foreign market (FM)**

**Consolidated 04/01/2021 – 06/30/2021**




In the paper segment, in the six-month period ended June 30, 2022, a single customer from the paper segment accounted for approximately 6.2% (R$ 584,341) of the Company's net revenue (R$ 744,508 at June 30, 2021, 15% of net sales revenue). The remaining customer base is diluted, as none of the other customers individually accounts for a material share (above 10%) of the Company’s net sales revenue.

All amounts in thousands of Reais unless otherwise stated

# 27 RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

## 27.1 Risk management

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

These risks are managed based on strategies prepared and approved by the Company's management, involving the establishment of control systems and setting exposure limits. The Company does not enter into transactions involving financial instruments for speculative purposes.

Management also carries out regular assessments of the Company's consolidated position, monitors the financial results obtained, analyzes future projections to ensure compliance with the defined business plan, and monitors the risks to which it its exposed.

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

## 27.2 Market risk

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

### a) Foreign exchange rate risk

The Company has transactions denominated in foreign currencies (mainly in U.S. Dollars) that are exposed to market risks arising from fluctuations in foreign exchange rates. Any fluctuation in a foreign exchange rate could increase or reduce these balances. The composition of this exposure is as follows:

| | Consolidated | |
|---|---|---|
| | 06/30/2022 | 12/31/2021 |
| Bank deposits and financial investments | 540,268 | 401,365 |
| Trade receivables (net of allowance for expected credit losses) | 1,023,917 | 908,603 |
| Other assets and liabilities | 2,020,000 | 1,620,000 |
| Borrowings and debentures | (20,853,602) | (23,562,597) |
| **Net exposure** | **(17,269,417)** | **(20,632,629)** |

At June 30, 2022, the balances of this net exposure by year of maturity are as follow:

All amounts in thousands of Reais unless otherwise stated

| Year | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 onwards | Total |
|---|---|---|---|---|---|---|---|
| Amount | 3,099,309 | (391,755) | (1,111,651) | (1,677,001) | (3,180,152) | (14,008,167) | **(17,269,417)** |

At June 30, 2022, the Company did not have derivatives contracted to hedge against cash flow foreign exchange exposure. To protect against this net liability exposure, the Company has highly probable sales forecasts with forecast annual cash flow from U.S. Dollars-denominated revenue of approximately $ 1,000,000 U.S. Dollars. Its receipt, if confirmed, exceeds or approximates the flow of the payment of the related liabilities, offsetting the cash effect of future exchange rate exposure.

Furthermore, since January 4, 2021, the Company has adopted the cash flow hedge accounting program, considering the balances of foreign currency-denominated borrowing as hedging instruments, designating its highly probable future U.S. Dollar-denominated revenue as hedge objects. This practice aims to mitigate the exchange rate effects seen in the Company's statement of income, and to demonstrate the effectiveness of the exchange risk management mentioned above. See Note 28 for details on the hedge program and more information on Management's strategy for this topic.

In addition, the Company has derivative instruments (Notes 17 and 18) in place only for exchange rate-interest rate swaps, converting the issue of a certain export credit note and the corresponding local currency debentures into U.S. Dollars. These are not matched operations, and they are executed exclusively to convert domestic currency-denominated borrowing into foreign currency-denominated contracts.

### b) Interest rate risk

The Company has borrowing indexed to the variations in the TLP, LIBOR, IPCA and CDI and financial investments indexed to the variations in the CDI, SELIC and IPCA, which expose these assets and liabilities to fluctuations in interest rates, as shown in the interest sensitivity analysis below. The Company does not have derivative contracts to swap/hedge against the exposure to these market risks.

The Company considers that the high cost associated with entering into transactions at fixed interest rates in the Brazilian macroeconomic scenario justifies its choice of floating rates.

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

All amounts in thousands of Reais unless otherwise stated

| | | Consolidated |
|---|---|---|
| | 06/30/2022 | 12/31/2021 |
| Financial investments - CDI | 4,315,846 | 5,974,059 |
| Financial investments - Selic | 756,321 | 828,294 |
| Financial investments - IPCA | 1,750,912 | 1,174,956 |
| **Asset exposure** | **6,823,079** | **7,977,309** |
| | | |
| Financing - CDI | (3,741,725) | (4,510,913) |
| Financing - TJLP | (3,403,301) | (1,318,565) |
| Financing - Libor | (6,157,734) | (5,586,431) |
| Debentures - IPCA | (1,446,837) | (1,749,503) |
| **Liability exposure** | **(14,749,597)** | **(13,165,412)** |

## 27.3 Risk relating to the application of funds

The Company is exposed to risk relating to the application of funds, including deposits in banks and other financial institutions, foreign exchange transactions, financial investments and other financial instruments that are contracted. The exposure relates mainly to financial investments and transactions involving securities, which are described in Notes 5 and 6, respectively.

In relation to the quality of the financial assets of the Company invested in financial institutions, an internal policy is set for approving the types of operations being entered into and analyzing the ratings given by ratings agencies, to assess the feasibility of the investment of the funds in a given institution, provided it meets the acceptance criteria of the policy.

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

| | | Consolidated |
|---|---|---|
| | 06/30/2022 | 12/31/2021 |
| National rating AAA (bra) | 4,986,036 | 5,349,093 |
| National rating AA+(bra) | 2,410,220 | 3,073,342 |
| | **7,396,256** | **8,422,435** |

## 27.4 Credit risk

Credit risk is the risk that a business counterparty to a transaction will not fulfill an obligation established in a financial instrument, based on an advance to a supplier, or under a contract with a customer, leading to a financial loss to the Company. In addition to the investments referred to above, the Company is exposed to credit risk in its operating activities (mainly in connection with trade receivables).

At June 30, 2022, the maximum exposure to credit risk was the carrying amount of the trade receivables shown in Note 7. Note 26 provides information on customer concentration risk.

All amounts in thousands of Reais unless otherwise stated

Credit risk in the Company's operating activities is managed based on specific rules regarding the acceptance of customers, credit analysis and the establishment of exposure limits for customers, which are reviewed periodically. Past-due invoices are promptly monitored for settlement, and an allowance for expected credit losses is set up for items at risk of default.

The Company maintains an insurance policy for domestic and international receivables for all its business units, as described in Note 7.

## 27.5 Liquidity risk

The Company monitors the risk of shortages of funds in the global market by managing its capital through the regular use of a liquidity planning tool, ensuring it has funds available for the fulfillment of its obligations, mainly concentrated on financing from financial institutions.

The table below shows the maturity of the financial liabilities contracted by the Company and reported in the consolidated balance sheet: the amounts include principal and future interest on transactions, calculated using the rates and indices prevailing at June 30, 2022:

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 and thereafter | Total |
|---|---|---|---|---|---|---|---|
| **Trade payables** | (2,759,438) | - | - | - | - | - | **(2,759,438)** |
| **Borrowing and debentures** | (1,107,136) | (3,012,529) | (3,054,549) | (4,215,100) | (4,926,745) | (26,039,576) | **(42,355,636)** |
| **Total** | **(3,866,574)** | **(3,012,529)** | **(3,054,549)** | **(4,215,100)** | **(4,926,745)** | **(26,039,576)** | **(45,115,074)** |

The budget projection for the coming years approved by Management with the Board of Directors indicates that the Company has the ability to meet these obligations.

## 27.6 Capital management

The Company's capital structure is monitored through net indebtedness, made up of the balance of borrowing (Note 17) and debentures (Note 18), less cash, cash equivalents and marketable securities (Notes 5 and 6), and through the net debt ratio obtained based on the net debt-to-equity ratio(Note 20), including the balance of all capital issued and all reserves established.

| | Consolidated | |
|---|---|---|
| | **06/30/2022** | **12/31/2021** |
| Cash and cash equivalents and marketable securities | 7,396,256 | 8,422,435 |
| Borrowing and debentures | (27,920,874) | (29,338,419) |
| **Net indebtedness** | **(20,524,618)** | **(20,915,984)** |
| Equity | 7,973,272 | 5,739,568 |
| **Net indebtedness ratio** | **(2.57)** | **(3.64)** |

## 27.7 Financial instruments by category

The Company has the following categories of financial instruments:

All amounts in thousands of Reais unless otherwise stated

| | | Consolidated |
|---|---|---|
| | 06/30/2022 | 12/31/2021 |
| Cash and cash equivalents | 4,875,896 | 6,405,200 |
| Trade receivables (net of allowance for expected credit l | 2,924,999 | 2,808,514 |
| Other assets | 588,073 | 548,572 |
| Marketable securities | 2,520,360 | 2,017,235 |
| **Assets - at amortized cost** | **10,909,328** | **11,779,521** |
| | | |
| Borrowing and debentures | 27,920,874 | 29,338,419 |
| Trade payables | 2,187,703 | 1,991,103 |
| Trade payables (Forfait) | 571,735 | 513,724 |
| Other payables | 1,150,587 | 1,121,321 |
| **Liabilities at amortized cost** | **31,830,899** | **32,964,567** |

## a) Amortized cost

The financial instruments included in this group refer to balances arising from usual transactions, such as Trade Receivables, Trade Payables, Borrowing and Debentures, Financial Investments, Marketable securities and Cash and Cash Equivalents. All these instruments are recorded at their notional amounts plus, when applicable, contractual charges and interest rates, in respect of which the related income and expenses are recognized in the results for each period.

## 27.8 Sensitivity analysis

The Company presents below its sensitivity analysis of the foreign exchange and interest rate risks to which it is exposed, considering any effects that would impact the future results based on the exposure at June 30, 2022. The sensitivity analysis does not consider the impacts of foreign exchange variations on the Company's cash flow.

## a) Foreign exchange exposure

The Company has assets and liabilities indexed to a foreign currency in the balance sheet as at June 30, 2022 and, for sensitivity analysis purposes, it adopted for Scenario I the future market rate in effect in the period. For Scenarios II and III this rate was adjusted by 25% and 50%, respectively.

The sensitivity analysis of the exchange variation was calculated in respect of the net foreign exchange exposure (basically borrowing, trade receivables and trade payables in foreign currency), not considering the effect on the scenarios of any projected export sales that will offset this net foreign exchange exposure.

Furthermore, the Company adopts hedge accounting (see Note 28), meaning that the effects of foreign exchange variations do not directly affect the result for the year, and are recognized in equity until their actual settlement, in other comprehensive income.

All amounts in thousands of Reais unless otherwise stated

Accordingly, the table below shows a simulation of the effects of the foreign exchange rate variations on the balance sheet, other comprehensive income, and finance result if all other variables remain constant, considering the balances at June 30, 2022:

| | Balance at 6/30/2022 | Scenario I | | Scenario II | | Scenario III | |
|---|---|---|---|---|---|---|---|
| | US$ | Rate (A) | R$ gain (loss) | Rate (B) = A+25% | R$ gain (loss) | Rate (C) = A+50% | R$ gain (loss) |
| **Assets** | | | | | | | |
| Cash and cash equivalents | 103,144 | 5.41 | 17,947 | 6.77 | 158,017 | 8.12 | 297,261 |
| Trade receivables, net of allowance for expected credit losses | 200,982 | 5.41 | 34,971 | 6.77 | 307,905 | 8.12 | 579,231 |
| Other assets and liabilities | 385,643 | 5.41 | 67,102 | 6.77 | 590,806 | 8.12 | 1,111,424 |
| Borrowing and debentures | (3,981,215) | 5.41 | (692,731) | 6.77 | (6,099,221) | 8.12 | (11,473,860) |
| **Net effect on balance sheet** | | | **(572,711)** | | **(5,042,493)** | | **(9,485,944)** |
| **Effect on other comprehensive income** | | | **(739,186)** | | **(6,508,233)** | | **(12,243,295)** |
| **Net effect on finance result** | | | **166,475** | | **1,465,740** | | **2,757,351** |

## b) Interest rate exposure

The Company has financial investments, borrowings and debentures pegged to the CDI, TLP, IPCA, Selic and LIBOR floating interest rates. For sensitivity analysis purposes, the Company adopts the rates effective on dates close to the dates of its interim financial statements, obtained from the Central Bank of Brazil's website, using the same rate for the SELIC, LIBOR, IPCA and CDI for Scenario I, because of the similarity of these rates. The rates were adjusted by 25% and 50% in scenarios II and III, respectively.

As such, with all other variables remaining constant, the table below simulates the effects of interest rate changes on the equity and future results (consolidated) for 12 months, considering the balances at June 30, 2022:

| | | Balance at 6/30/2022 | Scenario I | | Scenario II | | Scenario III | |
|---|---|---|---|---|---|---|---|---|
| | | R$ | Rate (A) | R$ gain (loss) | Rate (B) = A+25% | R$ gain (loss) | Rate (C) = A+50% | R$ gain (loss) |
| **Financial investments** | | | | | | | | |
| CDBs | CDI | 4,315,846 | 13.15% | 567,534 | 16.44% | 141,883 | 19.73% | 283,767 |
| LFTs | Selic | 756,321 | 13.25% | 100,213 | 16.56% | 25,053 | 19.88% | 50,106 |
| NTN - B | IPCA | 1,750,912 | 11.89% | 208,183 | 14.86% | 52,046 | 17.84% | 104,092 |
| **Borrowing** | | | | | | | | |
| NCE (R$) and CRA | CDI | (3,741,725) | 13.15% | (492,037) | 16.44% | (123,009) | 19.73% | (246,018) |
| BNDES | TJLP | (3,403,301) | 7.01% | (238,571) | 8.76% | (59,643) | 10.52% | (119,286) |
| Debentures | IPCA | (1,446,837) | 11.89% | (172,029) | 14.86% | (43,007) | 17.84% | (86,014) |
| Exp. prepayments, Term Loan and Finnvera | Libor | (6,157,734) | 3.69% | (227,018) | 4.61% | (56,754) | 5.53% | (113,509) |
| **Net effect on finance result** | | | | **(253,725)** | | **(63,431)** | | **(126,862)** |

# 28 CASH FLOW HEDGE ACCOUNTING

## 28.1 Hedge accounting practice

The Company has hedge accounting in place to improve the information quality of its financial statements. The purpose of this is to demonstrate the effects of foreign exchange variations on profit or loss, arising from the natural hedging relationship between its USD-denominated revenue and its indebtedness in U.S. Dollars, only insofar as these transactions do take place.

All amounts in thousands of Reais unless otherwise stated

On January 4, 2021, the Company adopted a cash flow hedge accounting program for highly probable future revenue, designating foreign exchange variation of its borrowing and debentures ("debt instruments") denominated in foreign currency (U.S. Dollars) and/or converted into foreign currency through swaps as currency hedges of its highly probable future revenue denominated in the same currency.

In cash flow hedge, the effective portion of the foreign exchange variations on U.S. Dollars-denominated debt instruments is presented in the balance sheet, in the Carrying Value Adjustments account, and recognized in other comprehensive income, net of taxes thereon, determined as the difference between the closing PTAX rate on the transaction date and the PTAX rate on the date of hedge designation.

This adoption of hedge accounting produces no cash effects, with its effects being limited to the accounting presentation of the transactions involved in the hedging arrangement, and the hedge relationship is expected to be highly effective.

The Company carried out the partial repurchase of its Bonds maturing in 2024 and 2027 in the amount of $ 271,000 U.S. Dollars (Note 17). Such debt contracts are considered as hedging instruments within the Company's hedge accounting program. Of the repurchased amount, $ 121,000 U.S. Dollars was rolled out using the Bonds maturing in 2031.

The amount rolled out will remain in Other Comprehensive Income (OCI) until the related revenue (hedged item) is realized.

## 28.2 Breakdown of the cash flow hedge program

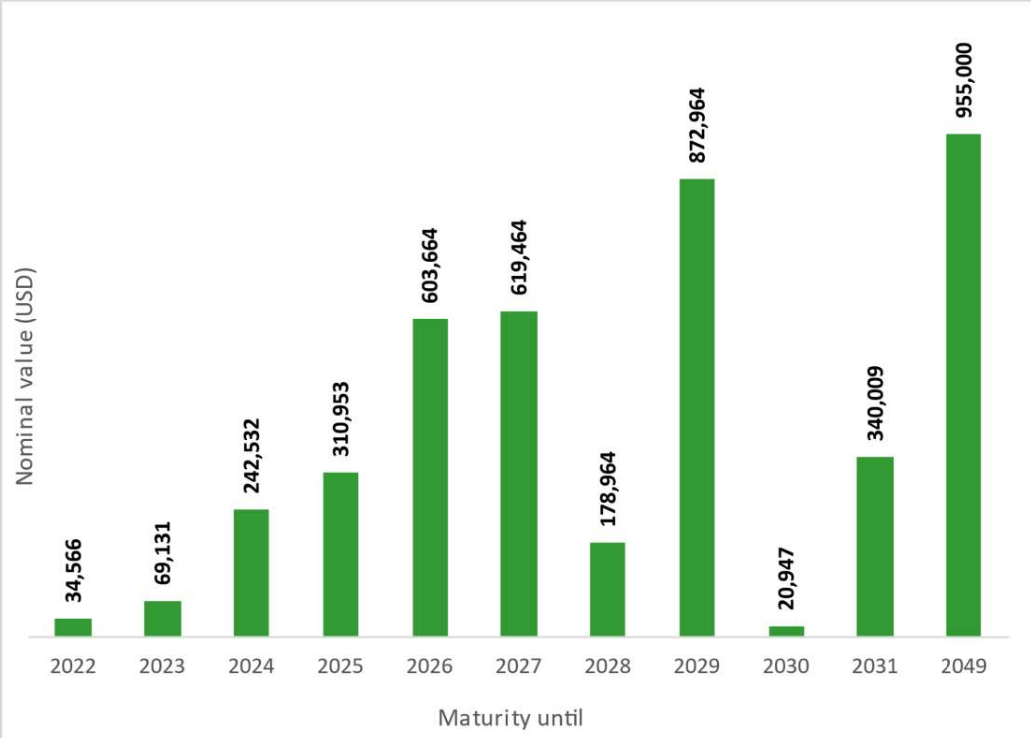
The hedging instruments are comprised of 22 foreign currency-denominated borrowing agreements, including debentures, Bonds, export credit notes, prepaid exports, term loans (BID Invest and IFC), ECA and SWAP (debentures and NCE), the last payment of which is due in April 2049.

| | | | | | | | Parent Company and Consolidated |
|---|---|---|---|---|---|---|---|
| | | | | | | | 06/30/2022 |
| **Hedging instrument** | **Currency** | **Maturity until** | **Nominal value (USD)** | **Contract clause rate** | **Exchange variation recognized in the hedge reserve** | **Hedge cost** | **Adjustment to revenue** |
| Bonds | USD | apr/49 | 2,669,462 | 5.16 and 5,46 | (277,848) | - | - |
| Debenture | USD | mar/29 | 265,783 | 5.16 | (20,040) | 317,999 | - |
| ECA | USD | sep/31 | 321,306 | 5.16 | (67,153) | - | (8,945) |
| Export credit notes | USD | dec/26 | 766,643 | 5.16 | (57,805) | 764,446 | - |
| Export prepayments | USD | apr/29 | 125,000 | 5.16 | (9,425) | - | - |
| Term loans | USD | oct/29 | 100,000 | 5.16 | (7,540) | - | - |
| | | | **4,248,194** | | **(439,811)** | **1,082,445** | **(8,945)** |

These financial instruments are recorded as current and non-current liabilities in the Company's balance sheet, under "Borrowing" and "Debentures". Notes 17 and 18 provide details of the transactions described.

The table below shows the portion of highly probable future U.S. Dollars-denominated revenue which is defined as the hedged item.

All amounts in thousands of Reais unless otherwise stated




## 28.3 Changes in the period

The table below shows changes in the Cash flow hedge reserve allocated to equity during the period:

| | Parent Company and Consolidated |
|---|---|
| **Balance at December 31, 2020** | **-** |
| Change in the fair value of the hedging instrument | (1,166,644) |
| Realization of hedge reserve to profit or loss | 16,088 |
| Income tax and social contribution effect (i) | 391,189 |
| **Balance at December 31, 2021** | **(759,367)** |
| Change in the fair value of the hedging instrument | 1,802,135 |
| Realization of hedge reserve to profit or loss | (8,945) |
| Income tax and social contribution effect (i) | (609,685) |
| **Balance at June 30, 2022** | **424,138** |

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

The table above has been adjusted for better presentation.

In the period ended June 30, 2022, the borrowing related to the hedging instrument was subject to foreign exchange variations (fair value changes) in the amount of R$ 439,811, recognized in equity under "Carrying value adjustments", for as long as the future U.S. Dollars -denominated revenue (the hedged item) remains unrealized.

In the same period, the Company realized export revenue in the amount of $ 22,000 U.S. Dollars under the hedge accounting program and for which borrowing designated as hedging instruments was settled concurrently, leading to income of R$ 8,945 as accumulated foreign exchange variations, recognized in the statement of income for the period under "Sales revenue".

The effects of marking to market of the fair value of the hedging instruments and of the settlement of the hedged items through the realization of the hedge reserve in Sales Revenue gave rise to the amount of R$ 1,793,190 recognized in the statement of comprehensive income for the period ended June 30, 2022, or R$ 1,481,545 after taxes.

### 28.4 Hedge accounting effectiveness test

In the period ended June 30, 2022, the Company conducted effectiveness tests which demonstrated that the hedge accounting program is highly effective given the economic relationship arising from the analysis of the hedge ratio, the effects of the credit risk involved in the instrument and the hedged item, and the assessment of the critical terms.

## 29 INSURANCE COVERAGE

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

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

The Company also has other insurance policies, such as general liability insurance, D&O liability, national and international transport and forest insurance, cyber-risks insurance, environmental pollution insurance, credit insurance for the domestic and international markets, crane insurance, drone insurance, and insurance against third-party damage caused by vehicles.

At June 30, 2022, the following insurance policies are in place:

All amounts in thousands of Reais unless otherwise stated

| Insurance Type | Maximum Indemnity Limit (R$ thousand) (not reviewed) | Currency | Effective Period |
|---|---|---|---|
| Operational Risks + Lost Profits | 3,700,000 | R$ | 10/05/22 |
| Protection and Indemnity - P&I (marine risks) | 350,000 | USD | 03/13/23 |
| Domestic Market Credit | 240,000 | R$ | 09/30/23 |
| Foreign Market Credit | 160,000 | US$ | 09/30/23 |
| Directors and Officers (D&O) | 120,000 | R$ | 07/02/23 |
| Cyber | 119,000 | R$ | 06/11/23 |
| General Liability (RCG) | 75,000 | R$ | 07/31/22 |
| Environmental Liability | 50,000 | R$ | 07/13/24 |
| Named Risks | 41,745 | R$ | 02/22/23 |
| Export Shipping (merchandise) | 20,000 | USD | 04/30/23 |
| Import Shipping (merchandise) | 20,000 | USD | 04/30/23 |
| Domestic Freight (merchandise) | 15,000 | R$ | 04/30/23 |
| Forests (fire and weather events) | 12,000 | R$ | 11/19/22 |
| Miscellaneous Risks (cranes) | 6,185 | R$ | 04/30/23 |
| Mandatory Liability | 4,210 | R$ | 06/17/23 |
| Elective Vehicle Liability Insurance (RCFV) | 250 | R$ | 10/30/22 |
| RETA (drones) | 167 | R$ | 09/11/22 |

## 30 Events after the reporting period

### a) 14th issue of debentures (CRA VI)

On July 15, 2022, the Company completed its 14th issue of simple, non-convertible, unsecured debentures, in a single series, of Klabin, in the total principal amount of R$ 2,500,000 (“Debentures”), in the context of a securitization operation with a rate corresponding to IPCA + 6.7694% and a maximum term of up to 12 years (maturity in 2034).

The Debentures were subject to a private placement, fully subscribed by the securitization company and linked to certificates of agribusiness receivables (CRA), which were object of a swap operation, exchanging the amount of principal from reais to dollars, with final fixed effective rate of 5.2% per year. This transaction is part of the continuous liability management carried out by Klabin, improving the Company’s liquidity profile and financial indebtedness.

### b) Settlement of derivatives (swaps)

On July 15, 2022, the Company carried out the early settlement of the swap linked to export credit note and the full early amortization of the NCE. On that date, principal of R$ 1,879,000 and interest of R$ 24,200 were paid for full amortization of the NCE and there was the early settlement of the swap in the amount of R$ 779,021 at the time the operation was closed.

### c) Figueira Project

As informed in a Material Fact to the market on July 20, 2022, in compliance with article 157, paragraph 157, paragraph 4 of Law 6,404/76 and CVM Resolution 44/2021, the Company informed that the Company’s Board of Directors approved, at a meeting held on that date, the construction of a new corrugated cardboard unit ("Figueira Project" or "Project").

The Project will be implemented in the city of Piracicaba, State of São Paulo. The site has strategic location, 950 thousand m² and conditions to receive future projects of recycled paper production projects and additional capacity of corrugate cardboard.

The scope of the Project includes the installation of 2 corrugators, 9 printers, in addition to all the infrastructure and support areas of the site. The annual production capacity of the new unit in Piracicaba will be of 240 thousand tons of corrugated cardboard. After optimization of the current assets, Klabin's incremental net capacity of corrugated cardboard will be of approximately 100 thousand tons per year. With this Project and the addition of capacity of the Horizonte Project, Klabin's nominal capacity of corrugated cardboard conversion will be of approximately 1.3 million tons per year.

The investment in the Figueira Project totals R$ 1,570,000, including around R$ 200,000 of recoverable taxes. The disbursement will occur between the years 2022 and 2024 and will be financed by the Company's cash position. The Project start-up is scheduled for the second quarter of 2024.

The Figueira Project is aligned with Klabin's growth plan and reinforces its belief in the Brazilian market, especially of corrugated cardboard packaging, its commitment to the creation of sustainable value for all stakeholders and the confidence in its integrated, diversified and flexible business model.

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

## BOARD OF DIRECTORS

**Chairman**
Paulo Sergio Coutinho Galvão Filho

**Board Members**
Wolff Klabin
Camilo Marcantonio Junior
Celso Lafer
Daniel Miguel Klabin
Francisco Lafer Pati
Horacio Lafer Piva
Alberto Klabin
Mauro Gentile Rodrigues da Cunha
Roberto Klabin Martins Xavier
Roberto Luiz Leme Klabin
Sergio Francisco Monteiro de Carvalho Guimarães
Vera Lafer
Isabella Saboya de Albuquerque

## SUPERVISORY BOARD

João Adamo Junior
João Alfredo Dias Lins
Louise Barsi
Maurício Aquino Halewicz
Raul Ricardo Paciello

## EXECUTIVE BOARD

| | |
|---|---|
| Cristiano Cardoso Teixeira | Chief Executive Officer |
| Marcos Paulo Conde Ivo | Chief Financial and Investor Relations Officer |
| Flávio Deganutti | Chief Paper Business Officer |
| Francisco Cezar Razzolini | Chief Industrial Technology, Innovation and Sustainability Officer |

| | |
|---|---|
| Herbert Wang Ho | Ana Paula Marzano Cerqueira |
| Chief Controlling Officer | Accountant - CRC 1SP204118/O |

Klabin

**Officers' Statement on the Quarterly Information**

We, as Officers of KLABIN S.A., a corporation headquartered in the city of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, 3.600, 3rd, 4th and 5th floors, Itaim Bibi, CEP 04538-132, enrolled in the National Corporate Taxpayer's Registry (CNPJ) under No. 89.637.490/0001-45, declare that we have reviewed, discussed and agreed with the set of quarterly information for the period ended June 30, 2022.

São Paulo, July 26, 2022

| | |
|---|---|
| Cristiano Cardoso Teixeira | Chief Executive Officer |
| Marcos Paulo Conde Ivo | Chief Financial and Investor Relations Officer |
| Flavio Deganutti | Officer |
| Francisco Cezar Razzolini | Officer |

Klabin

**Officers' Statement on the Independent Auditor's Report**

We, as Officers of KLABIN S.A., a corporation headquartered in the city of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, 3.600, 3rd, 4th and 5th floors, Itaim Bibi, CEP 04538-132, enrolled in the National Corporate Taxpayers' Registry (CNPJ) under No. 89.637.490/0001-45, declare that we have reviewed, discussed and agreed with the opinions expressed in the independent auditor's report related to the set of quarterly information for the period ended June 30, 2022.

São Paulo, July 26, 2022

| | |
|---|---|
| Cristiano Cardoso Teixeira | Chief Executive Officer |
| Marcos Paulo Conde Ivo | Chief Financial and Investor Relations Officer |
| Flavio Deganutti | Officer |
| Francisco Cezar Razzolini | Officer |

# Report on review of parent company and consolidated condensed interim financial statements

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

## Introduction

We have reviewed the accompanying condensed interim balance sheet of Klabin S.A. ("Company") as at June 30, 2022 and the related condensed statements of income and comprehensive income for the quarter and six-month period then ended, and the condensed statements of changes in equity and cash flows for the six-month period then ended, as well as the accompanying consolidated condensed interim balance sheet of Klabin S.A. and its subsidiaries ("Consolidated") as at June 30, 2022 and the related consolidated condensed statements of income and comprehensive income for the quarter and six-month period then ended, and the consolidated condensed statements of changes in equity and cash flows for the six-month period then ended, and explanatory notes.

Management is responsible for the preparation and presentation of these parent company and consolidated condensed interim financial statements in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - Interim Financial Reporting, of the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

## Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated condensed interim financial statements referred to above are not prepared, in all material respects, in accordance with CPC 21 and IAS 34.

pwc

Klabin S.A.

## Other matters

### Condensed statements of value added

The interim condensed financial statements referred to above include the parent company and consolidated condensed statements of value added for the six-month period ended June 30, 2022. These statements are the responsibility of the Company's management and are presented as supplementary information. These statements have been subjected to review procedures performed together with the review of the condensed interim financial statements for the purpose of concluding whether they are reconciled with the condensed interim financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these condensed statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated condensed interim financial statements taken as a whole.

### Review of prior-year and prior-period information

The condensed interim financial statementsmentioned in the first paragraph includes accounting information, presented for comparison purposes, related to the statements of income, comprehensive income, changes in equity, cash flows, and value added for the quarter ended June 30, 2021, obtained from the condensed interim balance for that quarter, and also to the balance sheet as at December 31, 2021, obtained from the financial statements at December 31, 2021. The review of the condensed interim financial statements for the quarter ended June 30, 2021 and the audit of the financial statements for the year ended December 31, 2021 were conducted under the responsibility of another independent auditors, who have issued their review report on August 10, 2021 and their audit report on February 8, 2022, respectively, both unqualified.

São Paulo, July 26, 2022

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



Renato Barbosa Postal
Contador CRC 1SP187382/O-0

DocuSign

## Certificate Of Completion

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Subject: Please DocuSign: KLABINJUE22.REV DOCUSIGN.pdf
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## Record Tracking

| | | |
|---|---|---|
| Status: Original<br>28 July 2022 \| 09:19 | Holder: Eder Oliveira<br>eder.oliveira@pwc.com | Location: DocuSign |
| Status: Original<br>28 July 2022 \| 09:27 | Holder: CEDOC Brasil<br>BR_Sao-Paulo-Arquivo-Atendimento-Team@pwc.com | Location: DocuSign |

| Signer Events | Signature | Timestamp |
|---|---|---|
| Renato Barbosa Postal<br>renato.postal@pwc.com<br>Sócio<br>PricewaherhouseCoopers Auditores Independentes Ltda.<br>Security Level: Email, Account Authentication (None), Digital Certificate<br>**Signature Provider Details:**<br>Signature Type: ICP Smart Card<br>Signature Issuer: AC SERASA RFB v5<br>**Electronic Record and Signature Disclosure:**<br>Not Offered via DocuSign | DocuSigned by:<br>Renato Barbosa Postal<br>2F5068F0522C416...<br><br>Signature Adoption: Pre-selected Style<br>Using IP Address: 18.231.224.29 | Sent: 28 July 2022 \| 09:21<br>Resent: 28 July 2022 \| 09:26<br>Viewed: 28 July 2022 \| 09:26<br>Signed: 28 July 2022 \| 09:27 |

| In Person Signer Events | Signature | Timestamp |
|---|---|---|

| Editor Delivery Events | Status | Timestamp |
|---|---|---|

| Agent Delivery Events | Status | Timestamp |
|---|---|---|

| Intermediary Delivery Events | Status | Timestamp |
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| Certified Delivery Events | Status | Timestamp |
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| Carbon Copy Events | Status | Timestamp |
|---|---|---|
| Eder Oliveira<br>eder.oliveira@pwc.com<br>Manager<br>PricewaterhoseCoopers<br>Security Level: Email, Account Authentication (None)<br>**Electronic Record and Signature Disclosure:**<br>Not Offered via DocuSign | COPIED | Sent: 28 July 2022 \| 09:27<br>Viewed: 28 July 2022 \| 09:27<br>Signed: 28 July 2022 \| 09:27 |

| Witness Events | Signature | Timestamp |
|---|---|---|

| Notary Events | Signature | Timestamp |
|---|---|---|

| Envelope Summary Events | Status | Timestamps |
|---|---|---|
| Envelope Sent | Hashed/Encrypted | 28 July 2022 \| 09:21 |
| Certified Delivered | Security Checked | 28 July 2022 \| 09:26 |
| Signing Complete | Security Checked | 28 July 2022 \| 09:27 |
| Completed | Security Checked | 28 July 2022 \| 09:27 |

| Payment Events | Status | Timestamps |
|---|---|---|