



Klabin

2Q23

Earnings Presentation



ri.klabin.com.br

DISCLAIMER



This presentation may contain forward-looking projections or statements. Such statements are exposed to known and unknown risks and different nature uncertainties that may cause these expectations not to materialize or to differ materially from those anticipated. Furthermore, these expectations and projections are made based on estimates, information or methodology that may be inaccurate or incorrect.

Those risks and uncertainties, among others, are related to: (i) future demand for the Company's products; (ii) changes in the aspects that impact the domestic and international product prices; (iii) changes in cost structures; (iv) changes in the seasonality of markets; (v) competition in the markets in which the Company operates; (vi) exchange variations; (vii) changes in the global market and especially in the markets where the Company operates or sells its products; (viii) capital markets; and (ix) factors that affect the company's operation, including changes in laws and regulations. For additional information on factors that may impact the Company's statements, please consult the Reference Form, in particular item 4 (Risk Factors), which is registered with CVM and also available on the Company's Investor Relations website.

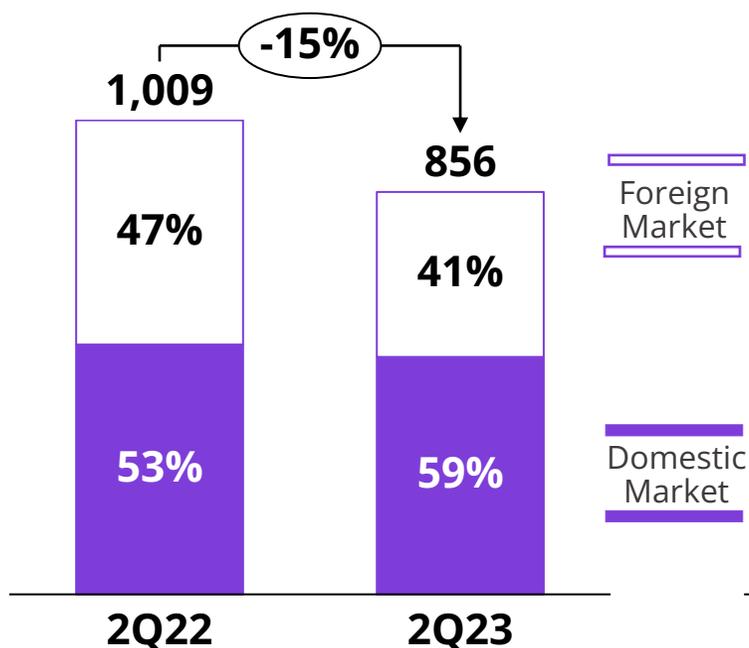
There is no guarantee that the Company's expectations or projections will occur and current results are no guarantee of future performance. This presentation is up to this date and Klabin has no obligation to update it in light of new information and/or future events.



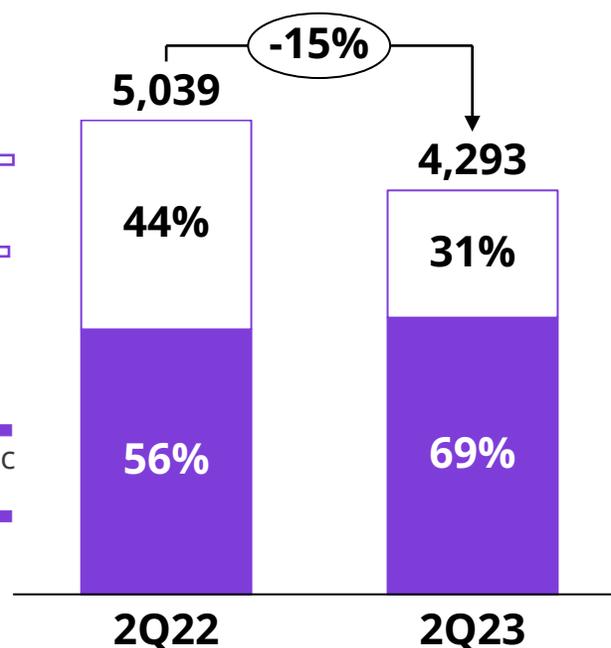
2Q23 RESULTS



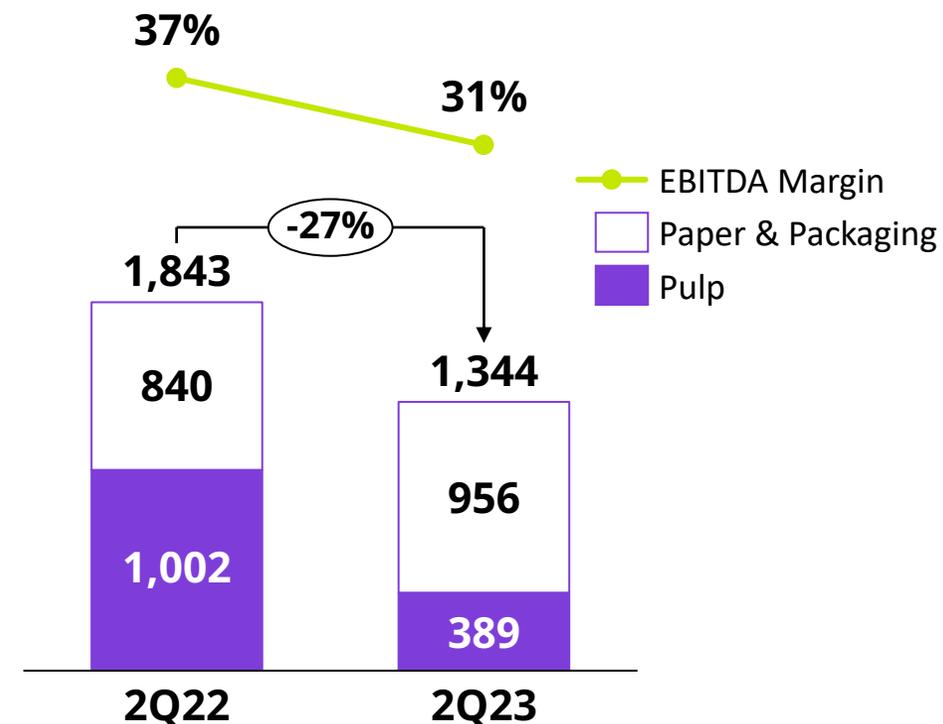
Sales Volume¹
(thousand tons)



Net Revenue²
(R\$ million)



Adjusted EBITDA by Segment^{3 4}
(R\$ million)



1 - Excludes wood sales

2 - Includes wood sales and other revenues

3 - 'Others' results were allocated in the respective businesses

4 - Excludes non-recurring effects

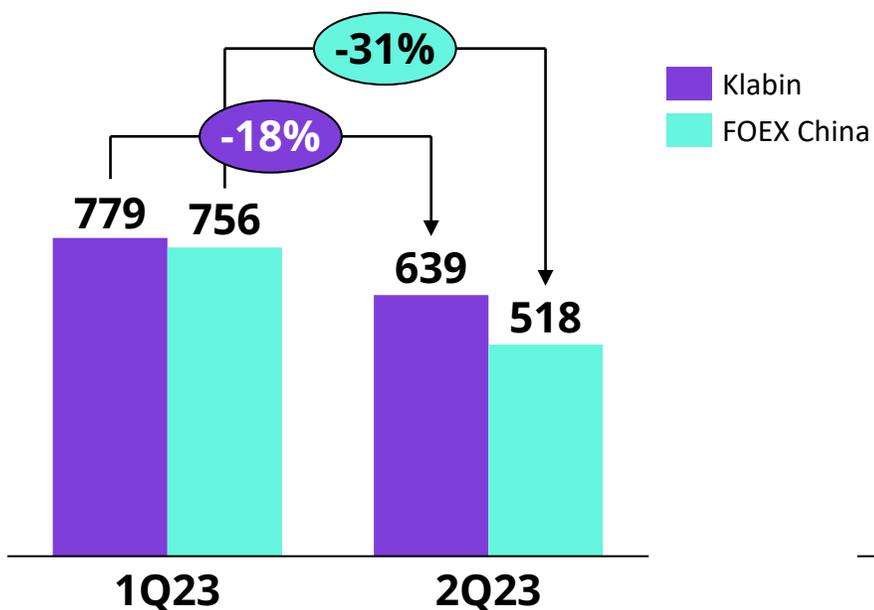
PULP



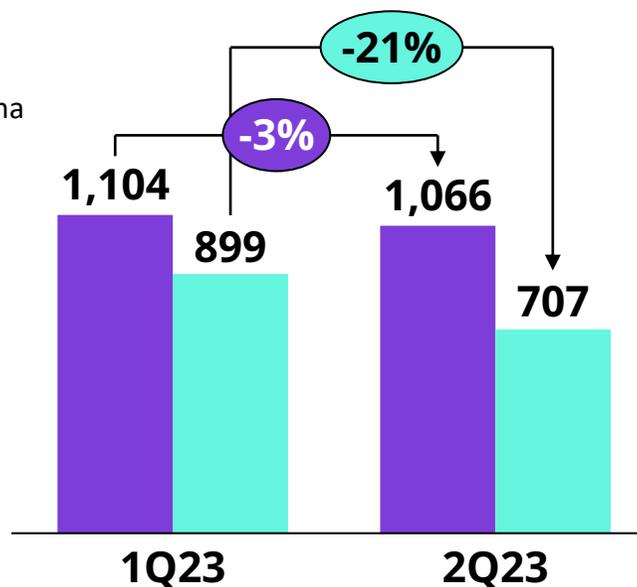
Diversified fiber portfolio, with emphasis on fluff, and flexibility in the mix between geographies support Klabin prices when compared to FOEX

Adjusted EBITDA/t ⁴	
Pulp	R\$ 1,162/t

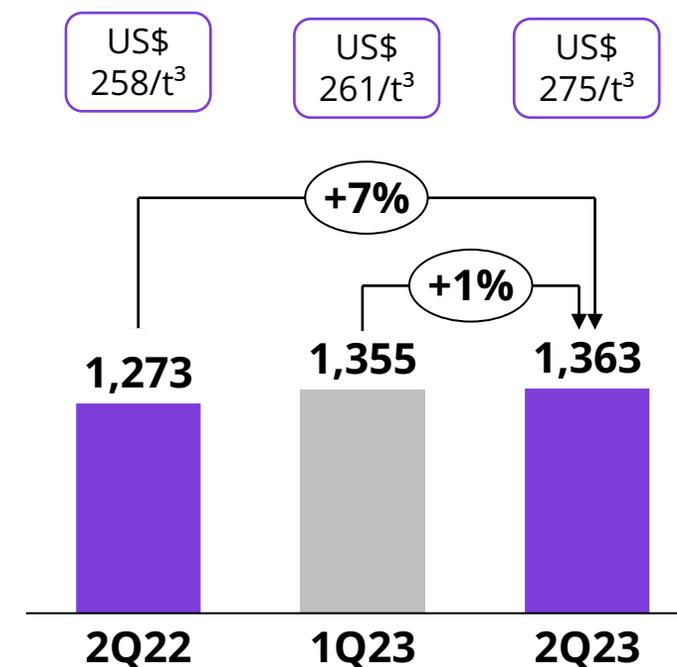
Short Fiber¹
(US\$/t)



Fluff/Long Fiber¹
(US\$/t)



Production Cash Cost²
(R\$/t)



1 - Comparison of the average realized prices of Short Fiber and Fluff/Long Fiber by Klabin versus FOEX China for Short Fiber and Long Fiber, respectively

2 - Excludes scheduled maintenance shutdown costs

3 - Calculated based on the average dollar for the period

4 - See methodology on the EBITDA section in the [Earnings Release](#)

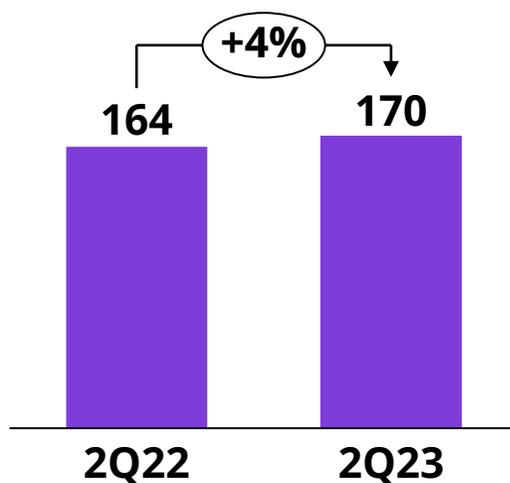
COATED BOARD



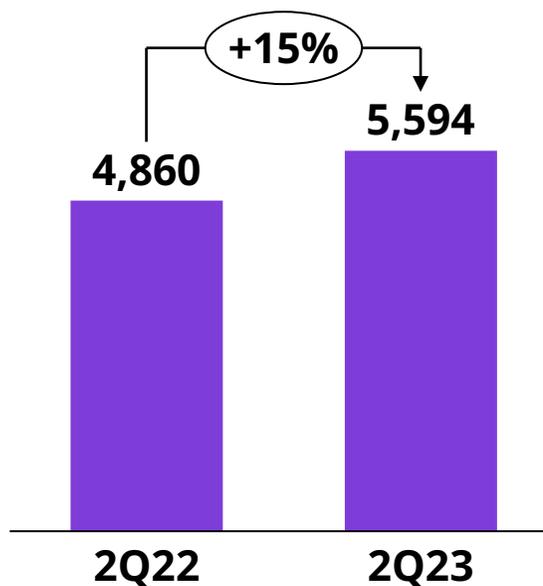
Stable market with demand supported by new consumption habits and trend towards sustainable packaging consumption through the replacement of single-use plastic

Adjusted EBITDA/t ¹	
Paper & Packaging	R\$ 1,831/t

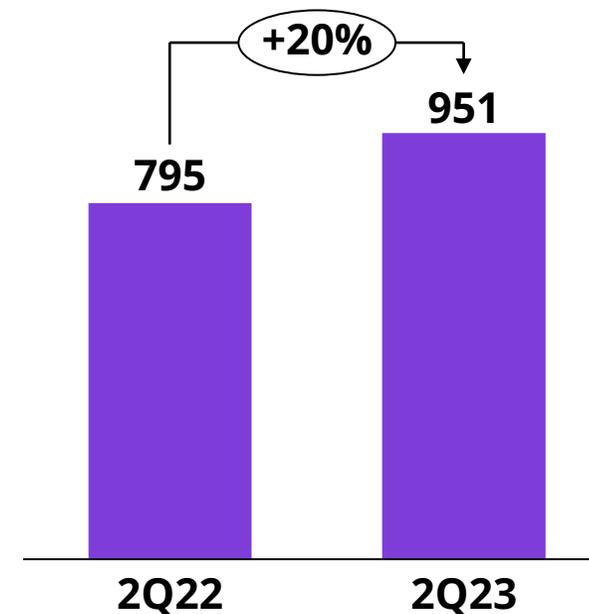
Sales Volume
(thousand tons)



Net Price
(R\$/t)



Net Revenue
(R\$ million)



1 - See methodology on the EBITDA section in the [Earnings Release](#)

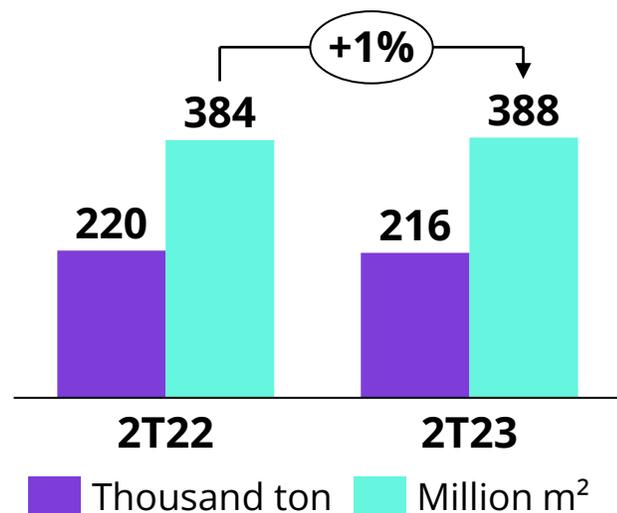
CORRUGATED BOXES



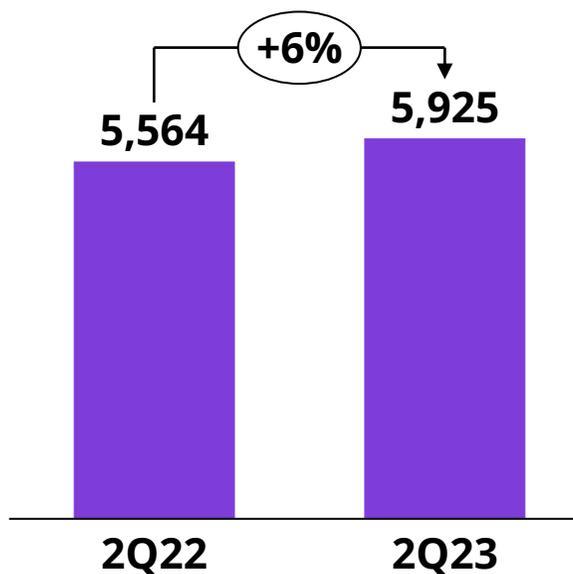
A resilient market and price transfers reinforce the solid pillars of the segment and reaffirm the benefits of the integrated business model

Adjusted EBITDA/t ¹	
Paper & Packaging	R\$ 1,831/t

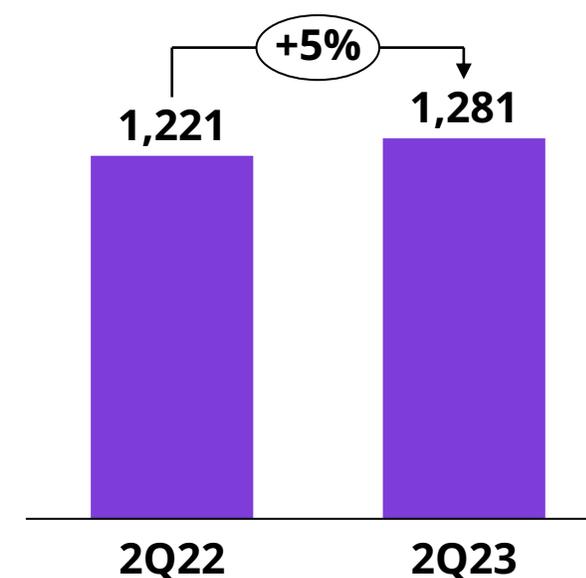
Sales Volume
(Corrugated Boxes)



Net Price
(R\$/t)



Net Revenue
(R\$ million)



1 - See methodology on the EBITDA section in the [Earnings Release](#)

FREE CASH FLOW (FCF)

Discipline in investment management and working capital led Adjusted FCL Yield to 21.0%, growth of 6.5 p.p. compared to 2Q22



R\$ million	2Q23	1Q23	2Q22	LTM 2Q23	LTM 2Q22
Adjusted EBITDA	1,344	1,942	1,990	7,502	7,528
(-) Capex ¹	(1,029)	(1,175)	(1,545)	(5,476)	(4,703)
(-) Lease contracts - IFRS 16	(60)	(64)	(53)	(255)	(197)
(-) Interest Paid/Received ²	(208)	(432)	(393)	(994)	(1,024)
(-) Income Tax	(47)	(58)	(120)	(332)	(703)
(+/-) Working Capital Variation ²	152	(5)	(201)	371	(384)
(-) Dividends & IOC	(389)	(381)	(346)	(1,671)	(1,125)
(+/-) Others	(9)	(30)	(12)	159	(148)
Free Cash Flow	(245)	(202)	(680)	(695)	(756)
Dividends & IOC	389	381	346	1,671	1,125
Puma II Project	433	521	882	2,681	2,858
Special Projects and Growth	210	173	236	940	597
Adjusted Free Cash Flow³	787	872	784	4,597	3,824
Adjusted FCF Yield⁴				21.0%	14.5%

1 - Capex under cash method

2 - Reclassification between Interest Paid/Received and Change in Working Capital in 1Q23

3 - Excluding dividends and special and expansion projects

4 - Yield - Adjusted FCF per unit (excluding treasury stock) divided by the average price of the Units in the LTM

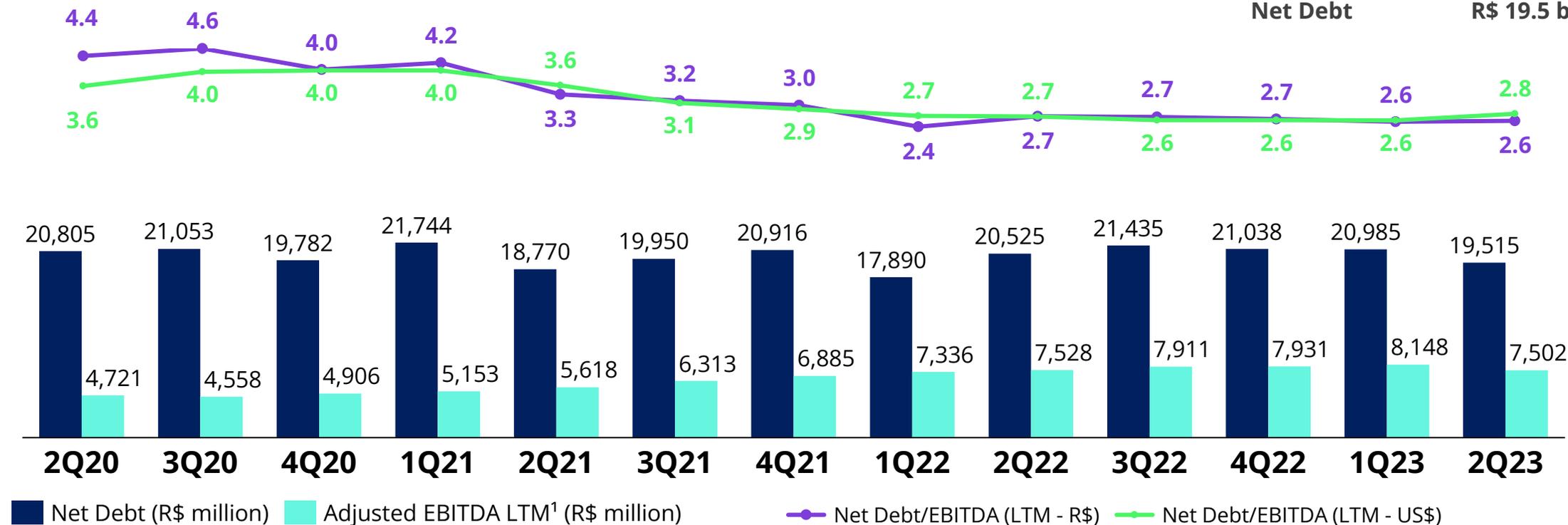
NET DEBT AND LEVERAGE

Company leverage stable compared to 1Q23



06/30/2023 Balance

Gross Debt	R\$ 25.5 billion
Cash ²	R\$ 6.0 billion
Net Debt	R\$ 19.5 billion

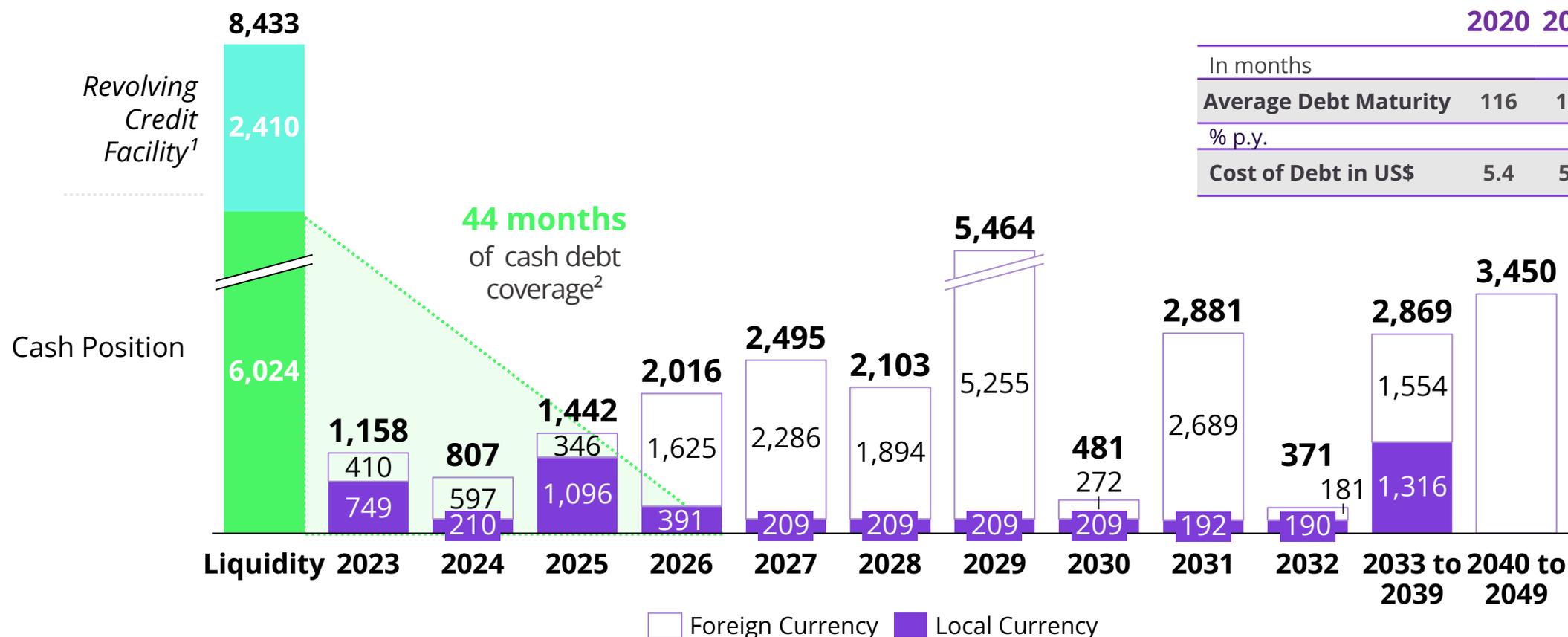


1 - LTM: last twelve months
 2 - Excludes the Revolving Credit Facility of US\$ 500 million due on Oct/26
 3 - Net Debt/EBITDA (US\$): considers the final dollar of the period to calculate the Net Debt and the average dollar of the period for EBITDA



AMORTIZATION SCHEDULE

Average debt maturity of ~8.7 years and 44 months of cash debt coverage



	2020	2021	2022	2Q23
In months				
Average Debt Maturity	116	105	109	104
% p.y.				
Cost of Debt in US\$	5.4	5.1	5.2	5.3

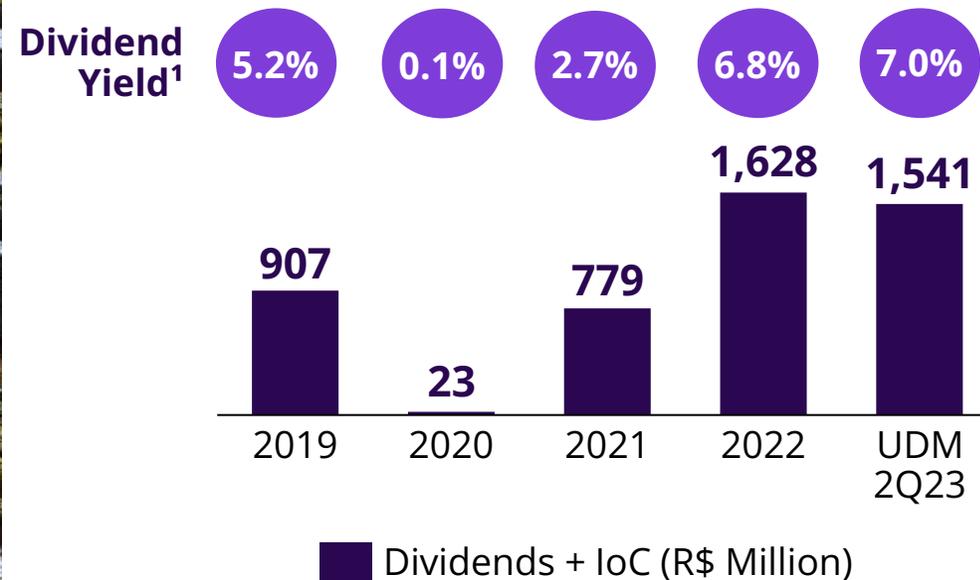
86% of gross debt in USD has its exposure at a fixed-rate in US\$

1 - Revolving Credit Facility (RCF) of US\$ 500 million due on Oct/26
 2 - Excludes RCF of US\$ 500 million availability



DIVIDENDS & IOC

R\$ million considering accrual basis



2Q23 Dividends+ IoC²: **R\$ 269 million**

Dividend Policy³: **Target between 15% and 25% of Adjusted EBITDA**

1 - Calculated based on the earnings paid per unit and the average daily closing price of the unit in the period
2 - As approved at the Board of Directors' Meetings held in 08/01/2023
To access the Notice to Shareholders, [click here](#)
3 - To access the Dividend and Interest on Capital Policy, [click here](#)



PUMA II PROJECT: PM27 (Phase I)

Eukaliner® production, the world's first kraftliner made from 100% eucalyptus

First Machine





PUMA II PROJECT: PM28 (Phase II)

New state-of-the-art machine with advanced technology for Coated Board production

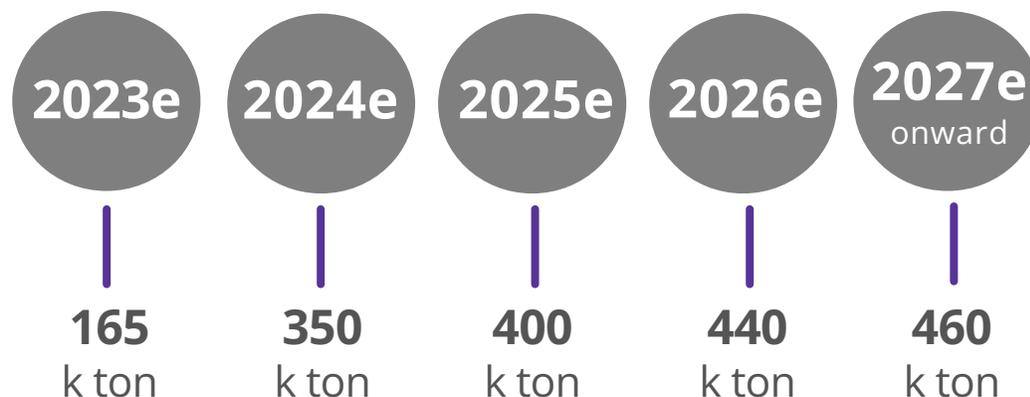
Second Machine

Coated Board production

Flexibility for: White Top Liner and Kraftliner

START-UP
June 9, 2023

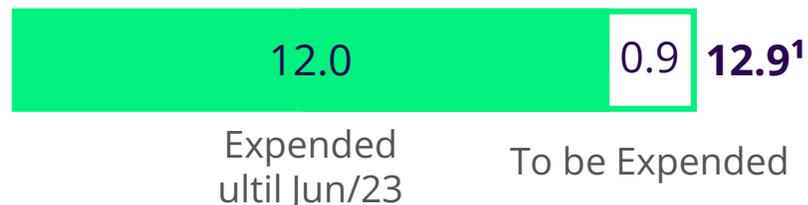
Ramp-up Production²



Gross Capex

Budgeted vs Expended

Amounts in R\$ billion



Funding

Funded vs Withdrawn



1 - Gross Capex base date 2021 at an exchange rate of BRL 4.90/US\$, including recoverable taxes of approximately R\$ 1.2 billion

2 - Considers the end of period R\$/US\$ rate



ESG HIGHLIGHTS

Advances in 2Q23 strengthened Klabin's leadership position in sustainability

Sustainability Report 2022 Release

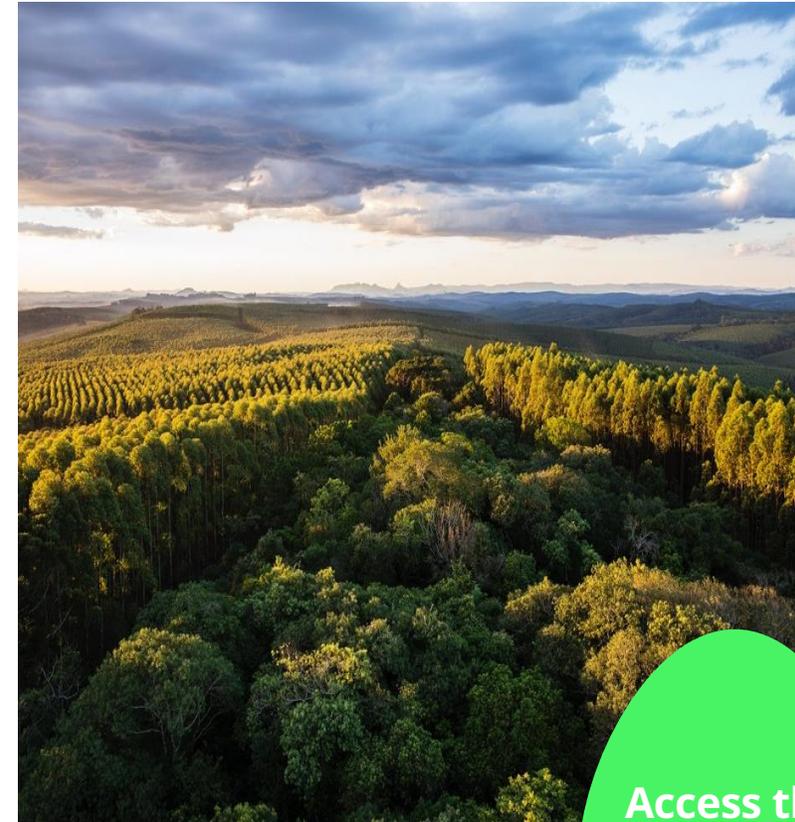
[Click here](#) to access

ISS-ESG Corporate Rating "Prime" Category

Klabin leads the sector in the main ESG ratings, such as CDP (Triple A) and S&P Corporate Sustainability Assessment (Global and Emerging Markets leader)

Klabin awarded in EcoLayer Innovation

Innovative and sustainable sackraft packaging for the construction and fertilizer sectors as a new use for replacing single-use plastic



Access the
[ESG Panel](#)





klabin
invest



Klabin

RI.KLABIN.COM.BR

INVEST@KLABIN.COM.BR

+55 (11) 3046-8401

[SOCIAL MEDIA](#)

