



EARNINGS ANNOUNCEMENT  
(unaudited information)

1Q22

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This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards adopted in European Union (IFRS-EU), some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

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# Highlights of 1Q22

## Pulp Segment

**Total revenues for Altri Group reached € 249.2 M during 1Q22, an increase of 46.5% vs 1Q21 and a sequential increase of 19.8% vs 4Q21, benefiting from the favorable pulp price environment.**

**The level of EBITDA in the 1Q22 increased by 85.6% to € 61.0 M vs 1Q21, which implies a margin improvement of 5.1 p.p. to 24.5%. On a sequential basis, EBITDA rose by 22.9%, an improvement in margin of 0.6 p.p. vs 4Q21. This performance shows the continuous search for efficiency improvement in the various plants of the Altri Group, in a challenging cost inflation environment.**

**Altri Group's Net Profit (Continued operations) reached € 29.8 M in 1Q22, an increase of 144.8% when compared to 1Q21.**

The Net Debt of the Altri Group at the end of 1Q22 was € 303.3 M, which compares to € 344.0 M at the end of 2021. This evolution, once again, shows the strong cash flow generation capacity of the Altri Group, leading to a reduction in the **Net Debt/EBITDA LTM ratio to 1.2x**.

In April, the Altri Group announced the area of Palas de Rei, in the province of Lugo in the autonomous community of Galicia, as **the location where it intends to build a greenfield industrial unit with an annual production capacity of 200,000 tons of dissolving pulp and sustainable textile fibers**. After this important milestone, several steps can move forward at an accelerated pace to allow an investment decision by the end of 2022.

**Since April, the Altri Group began to include environmental information in the invoices sent to its customers.** By sharing values per ton of greenhouse gas emissions, water consumption and renewable energy consumption, the Altri Group intends to increase transparency to customers and society, as well as to position itself in a higher level of continuous improvement in terms of sustainability.

## Message from the CEO

*Altri Group maintained a strong performance in the first three months of this year, continuing the work of excellence carried out in 2021. We presented a high level of production of cellulosic fibers, ultimately benefiting from the strong demand, but also from the continuing upward trend of prices in international markets.*

*The demand for cellulosic fibers continues to show a very positive dynamic, in most geographies, with the exception of China. There is a strong increase in the American continent, being particularly important the acceleration of demand in Western Europe.*

*This context, combined with low stocks, has led to successive price increases. The price reached 1,200 dollars per ton at the end of the first quarter, but since then, several updates totaling 100 dollars have been announced to the market. This result allowed the growth of our revenues as well as our EBITDA and net income.*

*This operational and financial performance, the result of the daily commitment of our people, but also of our partners, suppliers, and customers, becomes more relevant in the face of the adverse context we have faced, and will continue to face, of strong increases in the prices of energy and raw materials, especially chemicals and wood.*

*The inflationary pressures that are being felt are a reflection of the disruptions in the logistics chains that were already being felt last year, but are now exacerbated by Russia's invasion of Ukraine, a reprehensible act on all levels. And this is a reality that will be with us in the near future, requiring from all of us an increasingly prudent management.*

*The Altri Group is already an example in the efficiency of its operations, the result of constant investments that prove it is possible to achieve a balance between profitability and sustainability.*

*This is the right formula to make the Altri Group's business grow. And it is based on this careful analysis that we are progressing in the preparation of the Gama project in Galicia. In this sense, we recently took an important step by choosing Palas de Rei, in Lugo, as meeting the appropriate conditions for the location of the sustainable fiber complex. We are confident that we are taking the necessary steps to create the right conditions for a unique project for the production of sustainable cellulosic-based textile fibers.*

José Soares de Pina

# Operational and Financial Performance

## Pulp Segment

The global demand for Pulp showed an increase of 0.6% until February 2022, with the demand for Hardwood Pulp increasing by around 2.1% compared to the same period of 2021, according to the *PPPC (World Chemical Market Pulp Global 100 Report- February 2022)*.

Altri Group is essentially exposed to the Hardwood market, so when looking at the regional demand it should be noted that most geographical areas show a positive dynamic in early 2022. The main highlights are North America (+10.8%), Latin America (+3.7%) and Western Europe (+3.0%), which maintain the positive evolution already seen in 2021. China continues to show a decrease (-4.1%), being still affected by factors already identified in 2021 and which continue to restrict many of the economic relations with the Asian country, namely logistical factors (availability of ships and freight costs) and health factors (Zero Covid policy). Given the restrictions mentioned, exports of various types of paper from China to Europe are ultimately affected, strengthening the position of local paper producers and their suppliers of raw materials.

### Pulp Global Demand by Region

000' Tons	Jan-Feb 22	Jan-Feb 21	YoY
Bleached Hardwood Sulphate	6,010	5,887	2.1%
Bleached Softwood Sulphate	3,920	3,979	-1.5%
Unbleached Sulphite	463	464	-0.2%
Sulphite	20	21	-4.8%
<b>Pulp Global Demand</b>	<b>10,413</b>	<b>10,351</b>	<b>0.6%</b>
<b>Bleached Hardwood per region</b>			
North America	551	497	10.8%
Western Europe	1,366	1,327	3.0%
Eastern Europe	255	258	-1.2%
Latin America	426	410	3.7%
Japan	170	147	15.4%
China	2,258	2,355	-4.1%
Rest of Asia/Africa	944	865	9.1%
Oceania	42	28	50.7%
<b>Total</b>	<b>6,010</b>	<b>5,887</b>	<b>2.1%</b>

Source: PPPC (World Chemical Market Pulp Global 100 Report- February 2022).

One of the important factors to confirm the balance of demand and supply of Pulp in the European market is the level of stocks in European Ports. We see that this level of stocks has continued to decline monthly since September 2021, and in March 2022 it is close to historic lows. The level of stocks recorded in March 2022 is the lowest level of the quarter, representing a 20% decrease when compared to the same period last year and about 29% below the average level of the last three years. These stock levels continue to show strong demand in the European pulp market.

## Pulp Stocks in European Ports

Mil Tons	Mar-22	Feb-22	Jan-22	2021	2020	2019
Stocks (EU Ports)	1,108	1,152	1,113	1,198	1,542	1,912

Note: Monthly end-of-period stocks. Monthly average for annual values.

Source: Europulp (Federation of the National Associations of Pulp Sellers in Europe).

At the end of 1Q22, the price of Pulp (BHKP) in Europe was at 1,200 USD/ton, after two consecutive increases of 30 USD/ton, announced for February and March. This rise in Pulp prices had been initiated in 4Q21 in China, contributing to the price differential between the two regions narrowing significantly. The strong demand for pulp that continues to be felt in the European market, combined with a very low level of stocks, has already led to two additional announcements of pulp price increases of 50 USD/ton for April and May.

## BHKP Average Pulp Price Evolution in Europe (2017 to 1Q22)

US\$/ton	2022 1Q22	2021	2020	2019	2018	2017
Avg. Pulp Price (BHKP)	1,151	1,014	680	858	1,037	819

Source: FOEX.

Dissolving Pulp (DP), targeted for textile use and used mainly in Asia, started the year 2022 (until February) with a global demand increase of 1.6%, after a strong recovery of 14% in the year 2021, according to the Pulp and Paper Products Council (PPPC), Global DP Demand Report - February 2022. DP prices have followed the general upward movement in pulp prices in 2022, continuing to perform very strongly.

# Altri Group

## Operational Performance

Total volume of Pulp produced in 1Q22 achieved 280.3 thousand tons, a level almost equal to the same period in the previous year. In terms of Pulp sales, the volume reached approximately 298.1 thousand tons in 1Q22, a slight decrease of 2.1% when compared to 1Q21. In relation to the previous quarter, the evolution of pulp production (+7.9%) and sales (+10.9%) has a more positive evolution, essentially due to Celbi's scheduled shutdown in the previous quarter (October 2021).

## Operational Indicators (Quarters)

000' tons	1Q22	1Q21	1Q22/1Q21	4Q21	1Q22/4Q21
Production Pulp BHKP	256.5	256.5	0.0%	235.8	8.8%
Production Pulp DWP	23.8	23.9	-0.5%	23.9	-0.7%
<b>Total Production</b>	<b>280.3</b>	<b>280.4</b>	<b>-0.1%</b>	<b>259.8</b>	<b>7.9%</b>
Pulp Sales BHKP	264.0	273.2	-3.4%	255.9	3.2%
Pulp Sales DWP	34.1	31.4	8.5%	12.8	167.1%
<b>Total Sales</b>	<b>298.1</b>	<b>304.6</b>	<b>-2.1%</b>	<b>268.7</b>	<b>10.9%</b>

## Economic and Financial Performance

As mentioned in the 2021 Earnings Announcement, Altri Group considers the activity of GreenVolt as a 'Discontinued Operation' in terms of reporting financial information. As such, and already since the last quarter of 2021, the financial information presented is essentially focused on the Pulp activity.

Total revenues of Altri Group amounted to around € 249.2 M during 1Q22, a 46.5% increase vs 1Q21, as a result of the favorable evolution of pulp prices during the last year. EBITDA reached € 61.0 M, +85.6% vs 1Q21 with an EBITDA margin of 24.5%, +5.1 p.p. when compared to the same period in the previous year. The net profit of the Altri Group, excluding GreenVolt, achieved € 29.8 M, a significant increase of 144.8% comparatively to the € 12.2 M recorded in 1Q21.

## Income Statement Highlights of the 1Q22

€ M	1Q22	1Q21*	1Q22/1Q21	4Q21**	1Q22/4Q21
Pulp	200.0	135.4	47.7%	173.6	15.2%
Other	49.2	34.7	42.0%	34.5	42.7%
<b>Total Revenue</b>	<b>249.2</b>	<b>170.1</b>	<b>46.5%</b>	<b>208.1</b>	<b>19.8%</b>
<b>EBITDA</b>	<b>61.0</b>	<b>32.9</b>	<b>85.6%</b>	<b>49.6</b>	<b>22.9%</b>
<b>EBITDA margin</b>	<b>24.5%</b>	<b>19.3%</b>	<b>+5.1 pp</b>	<b>23.9%</b>	<b>+0.6 pp</b>
EBIT	44.5	16.8	165.4%	34.1	30.5%
EBIT margin	17.9%	9.9%	+8.0 pp	16.4%	+1.5 pp
<b>Net profit from Continued operations</b>	<b>29.8</b>	<b>12.2</b>	<b>144.8%</b>	<b>33.3<sup>2</sup></b>	<b>-10.4%</b>
Net profit from Discontinued operations <sup>1</sup>	3.7	1.0	267.4%	1.6	135.8%
<b>Consolidated Net Profit<sup>1</sup></b>	<b>33.6</b>	<b>13.2</b>	<b>154.2%</b>	<b>34.9</b>	<b>-3.8%</b>

\* 1Q21 restated according to IFRS 5. \*\* 4Q21 restated according to IFRS 3

<sup>1</sup> attributable to equity holders of the parent company

<sup>2</sup> The net profit in 4Q21 includes the recognition of tax benefits and other effects (reversal of provisions for tax processes, etc.)

Total Revenue are now presented by nature, namely, i) Pulp - refers to revenues directly from the sale of pulp and ii) Others - refers essentially to the sale of biomass, the rendering of operation and maintenance services of GreenVolt's biomass plants and the sale of energy (directly related to the production process of cellulosic fibers) to the national grid.

## Investment

The total net investment made by the Altri Group during the first quarter of 2022 was € 6.8 M, which compares with the € 5.9 M in 1Q21.

## Financial Net Debt

The Altri Group's Net Debt at the end of 1Q22 was € 303.3 M, a reduction from € 344.0 M at the end of 2021. This level of debt is equivalent to a Net Debt/EBITDA LTM ratio of 1.2x. The Total Net Debt level, when adding Lease Liabilities, was € 375.6 M at the end of 1Q22 vs € 417.1 M at the end of 2021.

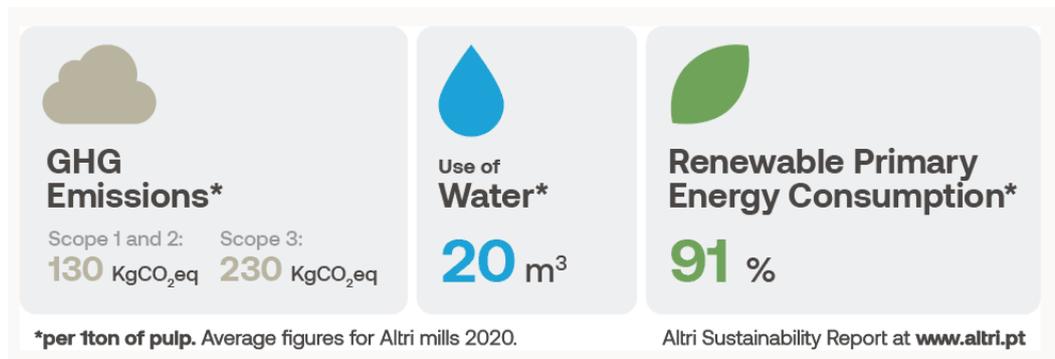
# Sustainability

The Altri Group has defined four strategic development vectors that focus its activity and its future investments:

- To Value the People
- Develop and Enhance the Forest
- Focus on Operational Excellence and Technological Innovation
- Affirming Sustainability as a Competitiveness Factor

Based on this strategy, the main sustainability objectives for the Group were identified, in line with the Sustainable Development Goals (SDGs) of the United Nations, and with the expectations of our stakeholders, resulting in the definition of the “2030 Commitment” of the Altri Group. Every quarter we see progress towards a more sustainable Group, of which we would highlight the following initiatives in 1Q22:

- **The Altri Group is a global pioneer in integrating environmental information in the invoices sent to its customers.** The documents sent to customers now present information regarding i) emissions of greenhouse gases, ii) the use of water and iii) the consumption of renewable energy, per ton of cellulosic fiber produced. This information is audited by an independent external entity.



- **EU taxonomy to meet the requirements of the regulation (EU) 2020/852.** In compliance with legal requirements, and with reference to December 31, 2021, the Altri Group publicly disclosed in the Sustainability Report, information about the eligibility of its economic activities regarding climate objectives, materialized by the size of their weight in income (turnover), operating expenses (OpEx) and capital expenditures (CapEx).
- **2030 Commitment – Current status by the end of 2021.** Altri Group achieves an excellent evolution of its environmental metrics, having accomplished more than 90% of the internally required goals at the end of 2021, in 10 of the 12 SDGs (Sustainable Development Goals) assumed with the United Nations. We include the table with the evolution mentioned in the annex.

# Perspectives

Pulp demand in Europe in 2022 maintains the strong momentum seen at the beginning of the year, especially for printing and writing paper (P&W) as well as Tissue end use segments. Strong demand for Pulp coupled with low availability, visible by historically low stock levels at European ports, led to the announcement of two additional Pulp (BHKP) price increases, announced for April (US\$50) and May (US\$50), to US\$1,300/ton.

Supply continues to be influenced by global logistics constraints, to which were added, during the quarter, additional challenges arising from the conflict in Ukraine and consequent difficulties in several value chains. China's restrictive health policy (Zero Covid) continues to be an important factor influencing the dynamics of global logistics as well as domestic demand. Given this context, the various regional markets end up operating in a more isolated manner, with North America being the most dynamic of the current markets, followed by Europe, Latin America and Rest of Asia/Africa.

The inflation of variable costs in the sector, and also for Altri Group, is one of most serious challenges for 2022 to which the Group is trying to manage in the best way. The increase in costs such as natural gas, chemicals as well as a higher level of wood imports ends up leading to a relevant increase in production costs per ton. On the other hand, the change from regulated energy regime to market regime during the 1Q22 improved significantly the energy balance of the Group. It is our belief that these factors support the maintenance or even the possible increase of pulp prices.

The Gama project in Galicia continues to move forward at a high pace, now with the potential location announced in April. The sustainable fiber plant is to be located in the Palas de Rei area in the province of Lugo, Autonomous Community of Galicia in Spain. After this important milestone, we are moving on to the next steps that include the environmental impact study, the detailed engineering and economic feasibility project, as well as the definition of the financing structure. We remind you that the Gama project stems from a Memorandum of Understanding (MoU) signed with Impulsa, a public-private consortium from the region of Galicia, to study exclusively the construction of a greenfield industrial plant with an annual production capacity of 200,000 tons of soluble pulp and sustainable textile fibers and for which a final investment decision is expected during the fourth quarter of 2022.

# Annexes

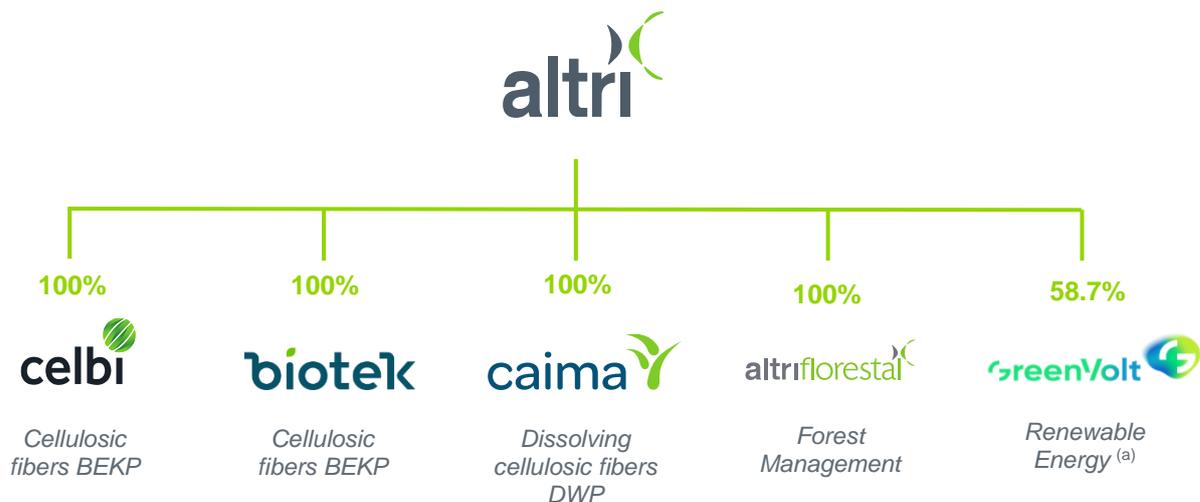
## Description of Altri Group

Altri is a reference in European eucalyptus cellulosic fibers producers. In addition to pulp production, the Group is also present in the renewable power production business from forest base sources, namely industrial cogeneration through black liquor and biomass through its subsidiary GreenVolt. The forestry strategy is based on the full use of all the components provided by the forest: pulp, black liquor and forest wastes.

Currently, Altri manages around 88.3 thousand hectares of forest in Portugal, entirely certified by the Forest Stewardship Council® (FSC® -C004615) and by Programme for the Endorsement of Forest Certification™ (PEFCTM), two of the most acknowledged certification entities worldwide.

Currently, Altri has three pulp mills in Portugal, with an installed capacity that, in 2021, reached more than 1.1 million tonnes/year of eucalyptus cellulosic fibers.

Altri's current organic structure at the end of March 2022 can be represented as below.



(a) Presented in this consolidated financial information as a Group of assets classified as held for distribution to shareholders, with reference to March 31, 2022.

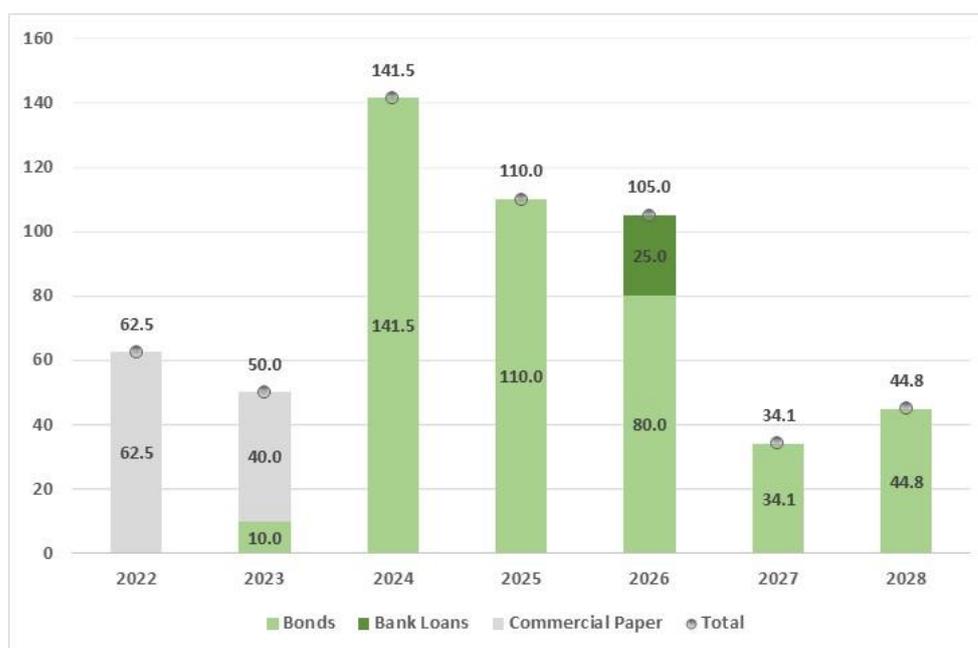
## Pulp Mill's Maintenance Downtime Schedule

In terms of stoppages for maintenance during 2022, the schedule is as follows:

Mill	2022	Status
Celbi	No downtime	-
Biotek	May	Scheduled
Caima	October	Scheduled

Source: Altri.

## Financial Debt Maturity Profile



Source Altri. Amounts in € M. Note: Commercial Paper renewable with multi-year maturity

# Income Statement of 1Q22

€ M	1Q22	1Q21*	1Q22/1Q21	4Q21**	1Q22/4Q21
Pulp	200.0	135.4	47.7%	173.6	15.2%
Other	49.2	34.7	42.0%	34.5	42.7%
<b>Total Revenue</b>	<b>249.2</b>	<b>170.1</b>	<b>46.5%</b>	<b>208.1</b>	<b>19.8%</b>
Cost of sales	103.7	86.0	20.6%	84.2	23.1%
External supplies and services	71.4	42.1	69.5%	62.2	14.7%
Payroll expenses	10.1	9.1	10.9%	14.3	-29.0%
Other expenses	3.0	0.6	369.0%	1.0	196.0%
Provisions and impairment losses	0.0	-0.7	s.s.	-3.4	s.s.
<b>Total expenses</b>	<b>188.2</b>	<b>137.2</b>	<b>37.2%</b>	<b>158.4</b>	<b>18.8%</b>
<b>EBITDA</b>	<b>61.0</b>	<b>32.9</b>	<b>85.6%</b>	<b>49.6</b>	<b>22.9%</b>
<b>EBITDA margin</b>	<b>24.5%</b>	<b>19.3%</b>	<b>+5.1 pp</b>	<b>23.9%</b>	<b>+0.6 pp</b>
Amortisation and depreciation	-16.5	-16.1	2.5%	-15.5	6.4%
<b>EBIT</b>	<b>44.5</b>	<b>16.8</b>	<b>165.4%</b>	<b>34.1</b>	<b>30.5%</b>
<b>EBIT margin</b>	<b>17.9%</b>	<b>9.9%</b>	<b>+8.0 pp</b>	<b>16.4%</b>	<b>+1.5 pp</b>
Results related to investments	0.1	0.1	s.s.	0.0	s.s.
Financial expenses	-6.0	-3.0	99.1%	-8.4	-28.7%
Financial income	2.3	2.9	-18.2%	1.0	126.4%
<b>Financial results</b>	<b>-3.5</b>	<b>-0.1</b>	<b>s.s.</b>	<b>-7.3</b>	<b>-52.5%</b>
<b>Profit before income tax and CESE of continued operations</b>	<b>41.0</b>	<b>16.7</b>	<b>145.8%</b>	<b>26.8</b>	<b>53.3%</b>
Income tax	-11.1	-4.5	s.s.	6.6	s.s.
Energy sector extraordinary contribution (CESE)	-0.1	0.0	s.s.	0.0	s.s.
<b>Consolidated net profit of continued operations</b>	<b>29.8</b>	<b>12.2</b>	<b>144.8%</b>	<b>33.3<sup>1</sup></b>	<b>-10.4%</b>
Profit after tax from discontinued operations	12.5	1.0	1137.0%	4.8	161.2%
<b>Consolidated net profit for the period</b>	<b>42.3</b>	<b>13.2</b>	<b>220.8%</b>	<b>38.1</b>	<b>11.1%</b>
<b>Attributable to:</b>					
<b>Equity holders of the parent</b>	<b>33.6</b>	<b>13.2</b>	<b>154.2%</b>	<b>34.9</b>	<b>-3.8%</b>
Non-controlling interests	8.8	0.0	s.s.	3.2	173.8%

Note: Financial information in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU)

\* 1Q21 restated according to IFRS 5. \*\* 4Q21 restated according to IFRS 3.

<sup>1</sup> The net profit in 4Q21 includes the recognition of tax benefits and other effects (reversal of provisions for tax processes, etc.).

## 2030 Commitment – Current status by the end of 2021

2030 Commitment	2018 base year	2021	Degree of compliance* (2021)	2030 Goal
 <b>Reduce</b> the specific use of water (m <sup>3</sup> /tSA) in Altri's industrial units by <b>50%</b>	20	19	100%	10
 <b>Reduce</b> the organic load (CQO,kg O <sub>2</sub> /tSA) in Altri's industrial effluents by <b>60%</b>	11	11	78%	4
 <b>Increase</b> by at least <b>60%</b> the amount of renewable electricity injected into the National Electrical Network (GWh)	625	896	99,9%	1000
 <b>100%</b> of the primary energy consumed in the industrial units of Altri is of renewable origin	83%	90%	99%	100%
 <b>Double</b> the number of women in leadership roles	19	24	92%	38
 <b>100%</b> of process waste recovered or reused	77%	81%	100%	100%
 <b>Reduce</b> specific emissions of GHG from scope 1 and 2 by <b>60%</b> (kgCO <sub>2</sub> /TSA)	192	131	98%	66
 <b>Reduce</b> scope emissions 3 by <b>30%</b> (kgCO <sub>2</sub> /TSA)	292	256	98%	202
 <b>Increase</b> the percentage of wood consumption with forest management certification by <b>40%</b>	57%	69%	102%	80%
 <b>Double</b> the area under natural conservation management (ha)	7980	9140	93%	16000
 <b>Develop</b> 13 biodiversity stations and biospots	2	4	100%	15
 Walk toward achieving <b>zero accidents</b> with lost days**	n.d.	21	0%	0

\* Degree of compliance of the goal in relation to 2021 targets

\*\*More than 3 days lost

# Glossary

**Total Revenue:** Sales + Services rendered + Other income

**EBITDA:** Profit before income tax and CESE, Financial results and Amortisation and depreciation of continued operations

**EBITDA margin:** EBITDA / Total Revenue

**EBIT:** Profit before income tax and CESE and Financial results of continued operations

**EBIT margin:** EBIT / Total Revenue

**Profit after tax from discontinued operations:** Profit after tax related to GreenVolt and its subsidiaries' activities

**Total net investment:** Payments in the period relating to acquisitions of property, plant and equipment related to the operational activity of the Pulp segment.

**EBITDA LTM:** EBITDA reported in the last twelve months

**Net Debt:** Bank loans (nominal amounts) + Other loans (nominal amounts) - Cash and cash equivalents

**Total Net Debt:** Net Debt + Lease Liabilities



CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS AND  
NOTES

1Q22

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2022 AND 31 DECEMBER 2021

(Translation of financial statements originally issued in Portuguese - Note 22)  
(Amounts expressed in Euros)

ASSETS	Notes	31.03.2022	31.12.2021 (Restated Note 5)
<b>NON-CURRENT ASSETS:</b>			
Biological assets		104,807,103	105,583,652
Property, plant and equipment		339,227,828	341,794,191
Right-of-use assets		62,325,618	63,961,630
Investment properties		24,169	24,169
Goodwill		265,630,973	265,630,973
Intangible assets		281,550	367,268
Investments in joint ventures and associates	4	885,547	758,652
Other investments		327,677	317,046
Other non-current assets		1,770,595	3,210,260
Derivative financial instruments	13	2,930,343	163,618
Deferred tax assets		16,855,092	16,813,768
<b>Total non-current assets</b>		<u>795,066,495</u>	<u>798,625,227</u>
<b>CURRENT ASSETS:</b>			
Inventories		82,060,947	82,821,010
Trade receivables		133,418,801	100,495,090
Other receivables		8,596,049	17,364,991
Income tax		1,964,177	3,361,653
Other current assets		4,644,273	7,716,549
Derivative financial instruments	13	754,788	1,130,725
Cash and cash equivalents	8	244,568,002	238,937,382
<b>Total current assets</b>		<u>476,007,037</u>	<u>451,827,400</u>
Group of assets classified as held for distribution to shareholders	7	1,103,033,805	1,042,658,547
<b>Total assets</b>		<u>2,374,107,337</u>	<u>2,293,111,174</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY:</b>			
Share capital	10	25,641,459	25,641,459
Legal reserve		5,128,292	5,128,292
Hedging reserve		(1,826,894)	(2,364,102)
Other reserves		521,587,003	393,895,052
Amounts recognized in other comprehensive income and accumulated in equity related to group of assets classified as held for distribution to shareholders	7	(11,726,507)	(7,835,311)
Consolidated net profit/(loss) for the period attributable to Equity holders of the parent		33,571,848	127,691,605
Total equity attributable to Equity holders of the parent		<u>572,375,201</u>	<u>542,156,995</u>
Non-controlling interests		182,889,389	181,349,138
<b>Total equity</b>		<u>755,264,590</u>	<u>723,506,133</u>
<b>LIABILITIES:</b>			
<b>NON-CURRENT LIABILITIES:</b>			
Bank loans	11	25,000,000	-
Other loans	11	458,398,551	458,218,797
Reimbursable government grants	11	1,961,512	2,288,430
Lease liabilities		62,081,383	62,858,948
Other non-current liabilities		5,875,591	6,724,855
Deferred tax liabilities		33,530,233	32,150,741
Pension liabilities		3,139,397	3,271,159
Provisions	12	3,688,322	4,082,239
Derivative financial instruments	13	715,605	540,350
<b>Total non-current liabilities</b>		<u>594,390,594</u>	<u>570,135,519</u>
<b>CURRENT LIABILITIES:</b>			
Bank loans	11	-	27,584,583
Other loans	11	64,082,522	97,854,330
Reimbursable government grants	11	653,837	653,837
Lease liabilities		10,193,742	10,255,602
Trade payables		145,446,311	134,741,292
Liabilities associated with contracts with customers		3,365,121	5,347,173
Other payables		16,110,751	16,626,218
Income tax		30,681,328	21,049,389
Other current liabilities		35,557,634	30,050,829
Derivative financial instruments	13	4,818,416	3,099,150
<b>Total current liabilities</b>		<u>310,909,662</u>	<u>347,262,403</u>
Liabilities directly associated with the group of assets classified as held for distribution to shareholders	7	713,542,491	652,207,119
<b>Total liabilities and equity</b>		<u>2,374,107,337</u>	<u>2,293,111,174</u>

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2022 AND 2021

(Translation of financial statements originally issued in Portuguese - Note 22)  
(Amounts expressed in Euros)

	<u>Notes</u>	<u>31.03.2022</u>	<u>31.03.2021</u> <u>(Restated</u> <u>Note 5)</u>
Sales		246,284,466	166,151,905
Services rendered		1,675,459	2,653,921
Other income	16	1,289,644	1,281,036
Costs of sales		(103,667,037)	(85,964,051)
External supplies and services		(71,396,543)	(42,111,241)
Payroll expenses		(10,140,267)	(9,145,117)
Amortisation and depreciation		(16,525,879)	(16,119,328)
Provisions and impairment losses	12	-	664,129
Other expenses		(3,021,016)	(644,115)
Results related to investments	4	126,895	50,902
Financial expenses	14	(5,957,672)	(2,992,033)
Financial income	14	2,340,551	2,861,062
<b>Profit before income tax and CESE from continuing operations</b>		<b>41,008,601</b>	<b>16,687,070</b>
Income tax		(11,100,250)	(4,500,158)
Energy sector extraordinary contribution (CESE)		(74,464)	-
<b>Consolidated net profit for the period from continuing operations</b>		<b>29,833,887</b>	<b>12,186,912</b>
Profit after tax from discontinued operations		12,497,749	1,010,308
<b>Consolidated net profit for the period</b>		<b>42,331,636</b>	<b>1,010,308</b>
Attributable to:			
<b>Equity holders of the parent</b>			
Continued operations	15	29,833,887	12,186,912
Discontinued operations	15	3,737,961	1,017,456
<b>Non-controlling interests</b>			
Continued operations	15	-	-
Discontinued operations	15	8,759,788	(7,148)
		<b>42,331,636</b>	<b>13,197,220</b>
<b>Earnings per share</b>			
From continuing operations			
Basic	15	0.15	0.06
Diluted	15	0.15	0.06
From discontinued operations			
Basic	15	0.02	0.00
Diluted	15	0.02	0.00

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2022 AND 2021

(Translation of financial statements originally issued in Portuguese - Note 22)  
(Amounts expressed in Euros)

	Notes	31.03.2022	31.03.2021 (Restated Note 5)
Consolidated net profit/(loss) for the period		42,331,636	13,197,220
Other comprehensive income:			
Items that may be reclassified to profit or loss in the future			
Changes in fair value of cash flow hedging derivatives - gross amount	13	742,602	(5,323,074)
Changes in fair value of cash flow hedging derivatives - deferred tax		(205,394)	1,383,171
Change in exchange rate reserve		2,216	(8,544)
		539,424	(3,948,447)
Other comprehensive income:			
Items that may be reclassified to profit or loss in the future			
Changes in fair value of cash flow hedging derivatives - gross amount		(13,489,312)	-
Changes in fair value of cash flow hedging derivatives - deferred tax		3,372,328	-
Change in exchange rate reserve		(1,655,754)	-
Changes in comprehensive income of joint ventures and associates, net of deferred taxes		(183,301)	-
		(11,956,039)	-
Other comprehensive income for the period		(11,416,615)	(3,948,447)
Total consolidated comprehensive income for the period		30,915,021	9,248,773
Attributable to:			
Shareholders in the Parent Company			
Continued operations		30,373,311	8,238,465
Discontinued operations		(153,235)	1,017,456
Non-controlling interests			
Continued operations		-	-
Discontinued operations		694,945	(7,148)
		30,915,021	9,248,773

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2022 AND 2021**

(Translation of financial statements originally issued in Portuguese - Note 22)  
(Amounts expressed in Euros)

		Attributable to shareholders in the Parent Company								
Notes	Share capital	Legal reserve	Hedging reserve	Other reserves	Amounts recognized in other comprehensive income and accumulated in equity related to group of assets classified as held for distribution to shareholders	Consolidated net profit/(loss) for the period attributable to Equity holders of the parent	Total	Non-controlling interests	Total equity	
	Balance as at 1 January 2021	25,641,459	5,128,292	3,515,384	376,043,942	-	34,977,248	445,306,325	14,584	445,320,909
	Appropriation of the consolidated result from 2020	-	-	-	34,977,248	-	(34,977,248)	-	-	-
	Total consolidated comprehensive income for the period	-	-	(3,939,903)	(8,544)	-	13,204,368	9,255,921	(7,148)	9,248,773
10	Balance as at 31 March 2021	25,641,459	5,128,292	(424,519)	411,012,646	-	13,204,368	454,562,246	7,436	454,569,682
	Balance as at 1 January 2022 - Published	25,641,459	5,128,292	(2,364,102)	393,895,052	(7,833,846)	127,799,449	542,266,304	181,273,579	723,539,883
	Restatement IFRS 3	-	-	-	-	(1,465)	(107,844)	(109,309)	75,559	(33,750)
5	Balance as at 1 January 2022 - Restated	25,641,459	5,128,292	(2,364,102)	393,895,052	(7,835,311)	127,691,605	542,156,995	181,349,138	723,506,133
10	Appropriation of the consolidated result from 2021	-	-	-	127,691,605	-	(127,691,605)	-	-	-
	Acquisition of subsidiaries	-	-	-	-	-	-	-	781,420	781,420
	Capital contributions by non-controlling interests	-	-	-	-	-	-	-	61,633	61,633
	Others	-	-	-	(1,870)	-	-	(1,870)	2,253	383
	Total consolidated comprehensive income for the period	-	-	537,208	2,216	(3,891,196)	33,571,848	30,220,076	694,945	30,915,021
10	Balance as at 31 March 2022	25,641,459	5,128,292	(1,826,894)	521,587,003	(11,726,507)	33,571,848	572,375,201	182,889,389	755,264,590

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2022 AND 2021

(Translation of financial statements originally issued in Portuguese - Note 22)  
(Amounts expressed in Euros)

	<u>Notes</u>	<u>31.03.2022</u>	<u>31.03.2021</u>
Operating activities:			
<i>Cash flows generated by operating activities (1)</i>		60,980,409	35,856,076
Investment activities:			
Receipts arising from:			
Property, plant and equipment		157,104	816
Interest and similar income		141,919	459,433
Payments relating to:			
Investments in subsidiaries net of cash and cash equivalents acquired		-	(1,757,502)
Property, plant and equipment		(6,770,431)	(7,085,042)
<i>Cash flows generated by investment activities (2)</i>		(6,471,408)	(8,382,295)
Financing activities:			
Receipts arising from:			
Loans obtained		57,500,000	40,000,000
Other financing transactions		-	1,680,275
Payments relating to:			
Interest and similar expenses		(3,813,741)	(3,769,185)
Loans obtained		(92,500,000)	(70,000,000)
Reimbursable government grants		(326,919)	-
Lease liabilities		(9,143,011)	(8,960,789)
Other financing transactions		(594,772)	(711,856)
<i>Cash flows generated by financing activities (3)</i>		(48,878,443)	(41,761,555)
Cash and cash equivalents at the beginning of the period		238,937,382	252,572,629
Changes in currency exchange rate		62	-
Cash and cash equivalents variation: (1)+(2)+(3)		5,630,558	(14,287,774)
Cash and cash equivalents at the end of the period	8	244,568,002	238,284,855

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

## 1. INTRODUCTORY NOTE

Altri, SGPS, S.A. ('Altri' or 'the Company') is a public company incorporated on 1 February 2005, whose head office is located at Rua Manuel Pinto de Azevedo, 818, in Oporto, and its main activity involves managing shareholdings, while its shares are listed at Euronext Lisbon.

Altri is dedicated to managing shareholdings primarily in the industrial sector, as the parent company of the group of companies shown under Note 4 and referred to as the Altri Group. There is no other company above it that includes these consolidated financial statements. The Altri Group's current activities focus on producing bleached eucalyptus cellulosic fibres at three production plants.

In July 2021, the subsidiary GreenVolt was listed on the stock exchange as a result of the Initial Public Offering (IPO). As a result of this operation, Altri Group now owns 58.72% of Greenvolt - Energias Renováveis, S.A. and its subsidiaries. The Altri Group carried out as well a study regarding the optimization of its shareholding in its subsidiary Greenvolt - Energias Renováveis, S.A., which, after analyzing the impacts and advantages of a full separation of the pulp and renewable energy businesses, concluded that such separation would be feasible as it would provide an adequate response to the optimized evolution of the companies concerned, adjusted to the underlying reality of their businesses and their growth perspectives. Accordingly, as of March 31, 2022, GreenVolt and its subsidiaries continue to be presented in this consolidated financial information as a Group of assets classified as held for distribution to shareholders (Notes 5 and 7). The distribution of the shares to the shareholders took place on May 25, 2022 (Notes 19 and 20).

Faced with this reality, the Board of Directors considers, with reference to March 31, 2022, there is only one business segment, namely the production and commercialization of bleached eucalyptus pulp (Note 17).

The Altri Group's condensed consolidated financial statements are presented in Euro, in amounts rounded off to the nearest Euro. This is the currency used by the Group in its operations and, as such, is deemed to be the functional currency. The exchange rates used for the conversion of balances and transactions in currencies other than Euro to Euro were as follows:

	31.03.2022	
	Closing of the period	Average of the period included in the financial statements
Swiss Francs	1.02694	1.03643
Sterling Pounds	0.84593	0.83636
Polish Zloty	4.65310	4.62435

## 2. MAIN ACCOUNTING POLICIES AND BASIS OF PRESENTATION

The condensed consolidated financial statements, for the three months periods ended on 31 March 2022, were prepared in accordance with IAS 34 – Interim Financial Reporting and include the condensed consolidated statement of financial position, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows, as well as, the selected explanatory notes. These condensed consolidated financial statements do not include all the information required to be published on the annual financial statements, and should, therefore, be read together with the condensed consolidated financial statements of the Altri Group for the financial year ended 31 December 2021.

The accounting policies adopted for preparation of the attached condensed consolidated financial statements were consistently applied during the periods being compared.

The Board of Directors assessed the capacity of the Company, its subsidiaries, joint ventures and associates to operate on a going concern basis, based on the entire relevant information, facts and circumstances, of financial, commercial or other nature, including events subsequent to the condensed consolidated financial statements' reference date, as available regarding the future. As a result of the assessment conducted, the Board of Directors concluded that it has adequate resources to keep up its operations, which it does not intend to cease in the short term. Therefore, it was considered appropriate to use the going concern basis in preparing the condensed consolidated financial statements.

The attached condensed consolidated financial statements were prepared based on the accounting books and records of the company, its subsidiaries, joint ventures and associates, adjusted in the consolidation process, in the assumption of going concern basis. When preparing the condensed consolidated financial statements, the Group used historical cost as its basis, modified, where applicable, via fair value measurement of i) biological assets measured at fair value, and ii) certain financial instruments, which are recorded at their fair value.

The preparation of condensed consolidated financial statements requires the use of estimates, assumptions and critical judgements in the process of determining accounting policies to be adopted by the Group, with significant impact on the book value of assets and liabilities, as well as on income and expenses for the period. Although these estimates are based on the best experience of the Board of Directors and on its best expectations regarding current and future events and actions, current and future results may differ from these estimates. Areas involving a higher degree of judgement or complexity, or areas with significant assumptions and estimates are disclosed in Note 2.4 of the accompanying notes to the consolidated financial statements of the Group for the financial year ended 31 December 2021.

### **3. CHANGES IN ACCOUNTING POLICIES AND COMPARABILITY OF THE CONSOLIDATED FINANCIAL STATEMENTS**

During the period, there were no changes in accounting policies. Likewise, no material errors were recognised in relation to previous financial years.

New accounting standards and their impact in these condensed consolidated financial statements:

Up to the date of approval of these condensed consolidated financial statements, the European Union endorsed the following accounting standards, interpretations, amendments and revisions, mandatorily applied to the financial year beginning on 1 January 2022:

	Effective date (financial years begun on or after)
Amendments to IFRS 3 Business Combinations, IAS 16 Property Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Annual Improvements to standards 2018-2020	01 Jan 2022

The adoption of these standards and interpretations had no relevant impact on the Group's condensed consolidated financial statements.

The following standards, interpretations, amendments, and revisions were endorsed by the European Union and have mandatory application in future years:

	Effective date (financial years begun on or after)
IFRS 17 – Insurance Contracts, including amendments to IFRS 17 (some of which not approved)	01 Jan 2023
Amendment to IAS 8: Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	01 Jan 2023
Amendment to IAS 1 Presentation of Financial Statements and Statement of Practice IFRS 2: Disclosure of Accounting Policies	01 Jan 2023

The Group did not proceed with the early implementation of these amendments in the condensed consolidated financial statements for the three months period ended 31 March 2022 due to the fact that their application is not yet mandatory. No significant impacts are expected on the financial statements resulting from their adoption.

The following standards, interpretations, amendments and revisions were not endorsed by the European Union at the date of the approval of the condensed consolidated financial statements, and therefore may not be applied in the European Union:

	Effective date (financial years began on or after)
Amendment to IAS 1 Presentation of financial statements - Classification of liabilities as current and non-current	01 Jan 2023
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01 Jan 2023
Amendment to IFRS 17 Insurance Contracts - Initial application of IFRS 17 and IFRS 9 - Comparative Information	01 Jan 2023

These standards have not yet been endorsed by the European Union and, as such, the Group did not proceed with the early adoption of any of these standards in the condensed consolidated financial statements for the period ended 31 March 2022, as their application is not mandatory, and is in the process of examining the expected effects of these standards.

#### 4. INVESTMENTS

##### 4.1 INVESTMENTS IN SUBSIDIARIES

The companies included in the consolidation by the full consolidation method, respective registered offices, proportion of capital held and main activity as at 31 March 2022 and 31 December 2021 are as follows:

Company	Registered office	Effective held percentage		Main activity
		31.03.2022	31.12.2021	
<u>Parent company:</u>				
Altri, SGPS, S.A.	Portugal			Holding (company)
<u>Subsidiaries:</u>				
Altri Abastecimento de Madeira, S.A.	Portugal	100.00%	100.00%	Timber commercialization
Altri, Participaciones Y Trading, S.L.	Spain	100.00%	100.00%	Commercialization of Eucalyptus pulp
Altri Sales, S.A.	Switzerland	100.00%	100.00%	Group management support services
Celulose Beira Industrial (Celbi), S.A.	Portugal	100.00%	100.00%	Production and commercialization of Eucalyptus pulp
Altri Florestal, S.A.	Portugal	100.00%	100.00%	Forest management
Inflora – Sociedade de Investimentos Florestais, S.A.	Portugal	100.00%	100.00%	Forest management
Viveiros do Furadouro Unipessoal, Lda.	Portugal	100.00%	100.00%	Plant production in nurseries and services related with forest and landscapes
Florestsul, S.A.	Portugal	100.00%	100.00%	Forest management
Caima Energia – Empresa de Gestão e Exploração de Energia, S.A.	Portugal	100.00%	100.00%	Generation of thermal energy and electricity
Caima – Indústria de Celulose, S.A.	Portugal	100.00%	100.00%	Production and commercialization of Eucalyptus pulp
Captaraiz Unipessoal, Lda.	Portugal	100.00%	100.00%	Real estate
Biotek, S.A.	Portugal	100.00%	100.00%	Production and commercialization of Eucalyptus pulp
Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.	Portugal	100.00%	100.00%	Real estate
Biogama, S.A.	Portugal	100.00%	100.00%	Holding (company)
<u>Subsidiaries classified as held for distribution to shareholders:</u>				
Greenvolt - Energias Renováveis, S.A. and its subsidiaries (a)	Portugal	58.72%	58.72%	Electricity production through biomass, solar, wind and distributed electricity generation

(a) The subsidiary Greenvolt - Energias Renováveis, S.A. and its subsidiaries were classified as Group of assets classified as held for distribution to shareholders since December 31, 2021. We present the perimeter of the companies included in the perimeter of this subsidiary in Note 7.2.

All entities above were included in the Altri Group's condensed consolidated financial statements using the full consolidation method.

#### 4.2 INVESTMENT IN JOINT VENTURES AND ASSOCIATES

Joint ventures and associates, registered offices, proportion of capital held, main activity and financial position as at 31 March 2022 and 31 December 2021 are as follows:

Company	Registered office	Statement of financial position		Effective shareholding percentage		Main activity
		31.03.2022	31.12.2021	31.03.2022	31.12.2021	
Pulpchem Logistics, A.C.E.	Lavos	-	-	50.00%	50.00%	Purchases of materials, subsidiary materials and services used in pulp and paper production processes
Afocelca - Agrupamento complementar de empresas para protecção contra incêndios, ACE	Herdade da Caniceira	-	-	35.20%	35.20%	Provision of forest fire prevention and fighting services
<b>Investments in joint ventures</b>		<b>-</b>	<b>-</b>			
Operfoz – Operadores do Porto da Figueira da Foz, Lda.	Figueira da Foz	885,547	758,652	33.33%	33.33%	Port operations
<b>Investments in associates</b>		<b>885,547</b>	<b>758,652</b>			
		<b>885,547</b>	<b>758,652</b>			

Operfoz has its registered office at Figueira da Foz and its main activity is operation of ports.

These entities were included in the Altri Group's consolidated financial statements using the equity method.

In the investments in joint ventures presented, the resolutions at the General Meeting are taken with unanimity, and the number of members in the Board of Directors is equal or decisions are taken with unanimity, with the parties having joint control.

The movements in the balance of this caption in the periods ended 31 March 2022 and 31 December 2021 are detailed as follows:

	Statement of financial position		Statement of financial position			
	31.03.2022		31.12.2021			
	Operfoz	Total	Operfoz	Perfecta Consumer Finance	V-Ridium Group	Total
Opening balance	758,652	758,652	755,583	-	-	755,583
Acquisition of subsidiaries	-	-	-	602,589	2,169,953	2,772,542
Increases	-	-	-	571,650	3,207	574,857
Changes in currency exchange rate	-	-	-	-	(35,649)	(35,649)
Equity method:						
Effects on gains and losses pertaining to joint ventures and associates	126,895	126,895	3,069	16,498	(292,702)	(273,135)
Transfer to discontinued activities	-	-	-	(1,190,737)	(1,844,809)	(3,035,546)
Closing balance	885,547	885,547	758,652	-	-	758,652

The accounting policies used by these joint ventures and associates are not significantly different from those used by the Altri Group, and as such no harmonization of the accounting policies was necessary.

## 5. CHANGES IN THE CONSOLIDATION PERIMETER

### 5.1 Restatement IFRS 5 - Discontinued operations

The condensed consolidated statement of income for the year ended March 31, 2021 has been restated, in accordance with IFRS 5, as a result of the classification of Greenvolt - Energias Renováveis, S.A. and its subsidiaries as a Group of assets classified as held for distribution to shareholders (Note 7). Thus, the impacts on the condensed consolidated statement of income for the

period ended March 31, 2021 are related to the reclassification of its transactions to the caption "Profit after tax from discontinued operations".

As of March 31, 2021, the impacts of the restatement of the condensed consolidated statement of income are as follows:

	31.03.2021 (Before Restatement)	Discontinued operations	31.03.2021 (After Restatement)
Sales	177,011,788	(10,859,883)	166,151,905
Services rendered	986,070	1,667,851	2,653,921
Other income	1,204,751	76,285	1,281,036
Costs of sales	(86,068,422)	104,371	(85,964,051)
External supplies and services	(44,201,774)	2,090,533	(42,111,241)
Payroll expenses	(9,446,679)	301,562	(9,145,117)
Amortisation and depreciation	(19,780,220)	3,660,892	(16,119,328)
Provisions and impairment losses	663,124	1,005	664,129
Other expenses	(674,624)	30,510	(644,114)
Results related to investments	50,902	-	50,902
Financial expenses	(3,287,076)	295,043	(2,992,033)
Financial income	2,861,062	-	2,861,062
<b>Earnings before taxes and CESE</b>	<b>19,318,902</b>	<b>(2,631,832)</b>	<b>16,687,070</b>
Income tax	(5,105,682)	605,524	(4,500,158)
Energy sector extraordinary contribution (CESE)	(1,016,000)	1,016,000	-
<b>Earnings after taxes and CESE</b>	<b>13,197,220</b>	<b>(1,010,308)</b>	<b>12,186,912</b>
Profit after tax from discontinued operations	-	1,010,308	1,010,308
<b>Consolidated net profit for the year</b>	<b>13,197,220</b>	<b>-</b>	<b>13,197,220</b>
Attributable to:			
<b>Equity holders of the parent</b>			
Continued operations	13,204,368	(1,017,456)	12,186,912
Discontinued operations	-	1,017,456	1,017,456
Non-controlling interests			
Continued operations	(7,148)	7,148	-
Discontinued operations	-	(7,148)	(7,148)
	<b>13,197,220</b>	<b>-</b>	<b>13,197,220</b>

## 5.2 Restatement IFRS 3 - Purchase Price Allocation

During the three-month period ended March 31, 2022 the Group, as a result of having more accurately ascertained information about the acquired assets, or having concluded valuation processes that were pending, as required by IFRS-EU, has restated the business combination processes.

In this context, the main impacts of the restatement made are detailed as follows:

### (i) Purchase Price Allocation (Tilbury Green Power Holdings - acquisition date June 30, 2021)

As mentioned in the consolidated financial statements for the year ended December 31, 2021, the Group proceeded with the process of allocating the price of Tilbury's acquisition price, being that, with reference to December 31, 2021, there were technical aspects under analysis, so the calculation of the Goodwill at that date was provisional (and may be changed depending on the conclusion of the valuation analysis).

During the three-month period ended March 31, 2022, the Group completed the fair value analysis of the intangibles acquired in the aforementioned business combination, having recorded the process of allocation of the acquisition price of Tilbury in a definitive basis (the difference between the price paid and the fair value of assets acquired and liabilities and contingent liabilities assumed was

allocated to Goodwill). The conclusion of this process led to the following impacts on the consolidated statement of financial position as of December 31, 2021:

- an increase in the caption "Group of assets classified as held for distribution to shareholders" in the amount of 2,716,538 Euros (through a decrease in Goodwill from discontinued activities in the amount of 9,825,916 Euros and an increase in intangible assets from discontinued activities in the amount of 12,542,454 Euros); and
- an increase in the caption "Liabilities directly associated with the group of assets classified as held for distribution to shareholders" in the amount of 3,081,539 Euros (through an increase in deferred tax liabilities from discontinued activities in the amount of 3,081,539 Euros).

The restatement of the consolidated financial statements was made with reference to June 30, 2021, the acquisition date of the entity, and therefore were also restated:

- the "Profit after tax from discontinued operations" as of December 31, 2021, which decreased by 360,109 Euros (through an increase in amortization for the year associated with revalued intangible assets from discontinued activities and a reduction in income tax for the period from discontinued activities, reflecting the tax impact of the increase in amortization);
- the caption "Amounts recognized in other comprehensive income and accumulated in equity related to group of assets classified as held for distribution to shareholders" as of December 31, 2021, which decreased in the amount of 1,465 Euros in the component allocated to the shareholders of the Parent Company, related to the impact in currency translation reserves; and
- the caption "Non-controlling interests" as of December 31, 2021, which decreased by 255,692 Euros (of which 252,265 Euros are the impact that occurred under the caption "Profit after tax from discontinued operations" and 3,427 Euros are the impact on currency translation reserves).

(ii) Allocation of the acquisition price (Perfecta Energía - acquisition date October 25, 2021)

The recognition of deferred tax assets, resulting from the purchase price allocation process of Perfecta Energía, led to the following impacts on the consolidated statement of financial position as of December 31, 2021:

- an increase in the item "Group of assets classified as held for distribution to shareholders" in the amount of 331,251 Euros (through a decrease in Goodwill from discontinued activities in the amount of 241,749 Euros and an increase in deferred tax assets from discontinued operations in the amount of 573,000 Euros); and
- an increase in the caption "Non-controlling interests", in the amount of 331,251 Euros, taking into consideration that such non-controlling interests were measured at the acquisition date by their share of the value of the net assets acquired.

As at the date of presentation of these condensed consolidated financial statements, the fair value allocation exercise of Perfecta Energía is in progress in accordance with IFRS 3, having been allocated to Goodwill from discontinued activities the difference resulting from the acquisition (price paid vs. value of assets acquired and liabilities and contingent liabilities assumed), in the amount of 8,789,921 Euros (restated provisional value). The purchase price allocation process will be concluded within the period up to twelve months counting from the acquisition date, as permitted by IFRS 3, that is, until 25 October 2022.

The impacts of the restatement on the consolidated statement of financial position as of December 31, 2021 are as follows:

ASSETS	31.12.2021 (Before Restatement)	(i) PPA Tilbury	(ii) PPA Perfecta	31.12.2021 (After Restatement)
<b>NON-CURRENT ASSETS:</b>				
Biological assets	105,583,652	-	-	105,583,652
Property, plant and equipment	341,794,191	-	-	341,794,191
Right-of-use assets	63,961,630	-	-	63,961,630
Investment properties	24,169	-	-	24,169
Goodwill	265,630,973	-	-	265,630,973
Intangible assets	367,268	-	-	367,268
Investments in joint ventures and associates	758,652	-	-	758,652
Other investments	317,046	-	-	317,046
Other non-current assets	3,210,260	-	-	3,210,260
Derivative financial instruments	163,618	-	-	163,618
Deferred tax assets	16,813,768	-	-	16,813,768
Total non-current assets	798,625,227	-	-	798,625,227
<b>CURRENT ASSETS:</b>				
Inventories	82,821,010	-	-	82,821,010
Trade receivables	100,495,090	-	-	100,495,090
Other receivables	17,364,991	-	-	17,364,991
Income tax	3,361,653	-	-	3,361,653
Other current assets	7,716,549	-	-	7,716,549
Derivative financial instruments	1,130,725	-	-	1,130,725
Cash and cash equivalents	238,937,362	-	-	238,937,362
Total current assets	451,827,400	-	-	451,827,400
Group of assets classified as held for distribution to shareholders	1,039,610,758	2,716,538	331,251	1,042,658,547
Total assets	2,290,063,385	2,716,538	331,251	2,293,111,174
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY:</b>				
Share capital	25,641,459	-	-	25,641,459
Legal reserve	5,128,292	-	-	5,128,292
Hedging reserve	(2,364,102)	-	-	(2,364,102)
Other reserves	393,895,052	-	-	393,895,052
Amounts recognized in other comprehensive income and accumulated in equity related to group of assets classified as held for distribution to shareholders	(7,833,846)	(1,465)	-	(7,835,311)
Consolidated net profit for the year attributable to Equity holders of the parent	127,799,449	(107,844)	-	127,691,605
Total equity attributable to Equity holders of the parent	542,266,304	(109,309)	-	542,156,995
Non-controlling interests	181,273,579	(255,692)	331,251	181,349,138
Total equity	723,539,883	(365,001)	331,251	723,506,133
<b>LIABILITIES:</b>				
<b>NON-CURRENT LIABILITIES:</b>				
Bank loans	-	-	-	-
Other loans	458,218,797	-	-	458,218,797
Reimbursable government grants	2,288,430	-	-	2,288,430
Lease liabilities	62,858,948	-	-	62,858,948
Other non-current liabilities	6,724,855	-	-	6,724,855
Deferred tax liabilities	32,150,741	-	-	32,150,741
Pension liabilities	3,271,159	-	-	3,271,159
Provisions	4,082,239	-	-	4,082,239
Derivative financial instruments	540,350	-	-	540,350
Total non-current liabilities	570,135,519	-	-	570,135,519
<b>CURRENT LIABILITIES:</b>				
Bank loans	27,584,583	-	-	27,584,583
Other loans	97,854,330	-	-	97,854,330
Reimbursable government grants	653,837	-	-	653,837
Lease liabilities	10,255,602	-	-	10,255,602
Trade payables	134,741,292	-	-	134,741,292
Liabilities associated with contracts with customers	5,347,173	-	-	5,347,173
Other payables	16,626,218	-	-	16,626,218
Income tax	21,049,389	-	-	21,049,389
Other current liabilities	30,050,829	-	-	30,050,829
Derivative financial instruments	3,099,150	-	-	3,099,150
Total current liabilities	347,262,403	-	-	347,262,403
Liabilities directly associated with the group of assets classified as held for distribution to shareholders	649,125,580	3,081,539	-	652,207,119
Total liabilities and equity	2,290,063,385	2,716,538	331,251	2,293,111,174

In turn, the impacts of the restatement on the consolidated income statement for the year ended December 31, 2021 are as follows:

	31.12.2021 (Before Restatement)	(i) PPA Tilbury	(ii) PPA Perfecta	31.12.2021 (After Restatement)
Sales	775,710,375	-	-	775,710,375
Services rendered	9,506,950	-	-	9,506,950
Other income	8,200,776	-	-	8,200,776
Costs of sales	(321,425,367)	-	-	(321,425,367)
External supplies and services	(201,247,844)	-	-	(201,247,844)
Payroll expenses	(43,248,488)	-	-	(43,248,488)
Amortisation and depreciation	(63,991,936)	-	-	(63,991,936)
Fair value changes in biological assets	(37,547)	-	-	(37,547)
Provisions and impairment losses	3,575,100	-	-	3,575,100
Other expenses	(3,291,162)	-	-	(3,291,162)
Results related to investments	3,069	-	-	3,069
Financial expenses	(22,075,872)	-	-	(22,075,872)
Financial income	8,612,984	-	-	8,612,984
<b>Earnings before taxes and CESE</b>	<b>150,291,038</b>	<b>-</b>	<b>-</b>	<b>150,291,038</b>
Income tax	(26,516,279)	-	-	(26,516,279)
Energy sector extraordinary contribution (CESE)	(97,227)	-	-	(97,227)
<b>Earnings after taxes and CESE</b>	<b>123,677,532</b>	<b>-</b>	<b>-</b>	<b>123,677,532</b>
Profit after tax from discontinued operations	11,552,292	(360,109)	-	11,192,183
<b>Consolidated net profit for the year</b>	<b>135,229,824</b>	<b>(360,109)</b>	<b>-</b>	<b>134,869,715</b>
Attributable to:				
<b>Equity holders of the parent</b>				
Continued operations	123,677,532	-	-	123,677,532
Discontinued operations	4,121,917	(107,844)	-	4,014,073
<b>Non-controlling interests</b>				
Continued operations	-	-	-	-
Discontinued operations	7,430,375	(252,265)	-	7,178,110
	<b>135,229,824</b>	<b>(360,109)</b>	<b>-</b>	<b>134,869,715</b>

Additionally, it should be noted that this restatement had no impact on the consolidated cash flow statement or the condensed consolidated income statement for the three-month period ended March 31, 2021.

## 6. CHANGES IN THE CONSOLIDATION PERIMETER

During the three-month period ended March 31, 2022, there were no changes in the consolidation perimeter of the continued operations compared to December 31, 2021. Regarding discontinued activities, the changes occurred in the perimeter are indicated in note 7.3.

## 7. DISCONTINUED ACTIVITIES

### 7.1 Background

In July 2021, the subsidiary GreenVolt was listed on the stock exchange as a result of the Initial Public Offering (IPO). As a result of this operation, Altri Group now owns 58.72% of Greenvolt - Energias Renováveis, S.A. and its subsidiaries. The Altri Group carried out as well a study regarding the optimization of its shareholding in its subsidiary Greenvolt - Energias Renováveis, S.A., which, after analyzing the impacts and advantages of a full separation of the pulp and renewable energy businesses, concluded that such separation would be feasible as it would provide an adequate response to the optimized evolution of the companies concerned, adjusted to the underlying reality

of their businesses and their growth perspectives. Accordingly, as of March 31, 2022, GreenVolt and its subsidiaries continue to be presented in this consolidated financial information as a Group of assets classified as held for distribution to shareholders (Notes 1 and 5). The distribution of the shares to the shareholders took place on May 25, 2022 (Notes 19 and 20).

During 2021, Altri Group, through the subsidiary GreenVolt, began a growth strategy based not only on biomass, but also dedicated to the development of wind and photovoltaic energy projects and decentralized electricity generation. During the first quarter of 2022, the subsidiary GreenVolt pursued its growth strategy, mainly through the following operations of the discontinued activities:

- Incorporation, on January 4, 2022, of Sustainable Energy One, in Spain, in which GreenVolt holds a 98.75% stake, for the development of small-scale solar projects, with a very fast time to market. Through this company, the Group signed a co-development agreement with Green Mind Ventures;
- Acquisition of resources from Oak Creek Energy Systems ("Oak Creek"), through the company incorporated in the United States V-Ridium Oak Creek Renewables (part of V-Ridium Group), which is 80% held by the Group. Oak Creek is dedicated to the promotion and development of renewable energy projects in the United States and Mexico. This operation was concluded on January 10, 2022;
- Co-development agreement for solar photovoltaic projects in Portugal established with Infraventus, a reference promoter in the Portuguese market, with a pipeline of 243 MW. This operation was concluded on March 9, 2022, through the acquisition of 50% of the share capital of six companies;
- Conclusion of the acquisition of a 35% stake in the German company MaxSolar BidCo GmbH (MaxSolar), a leading company in the development, implementation and management of solar photovoltaic and energy storage projects in the German and Austrian markets. The completion of this transaction occurred on March 31, 2022;
- Creation of Perfecta Industrial, a new business unit of distributed generation of renewable energy, focused on the commercial and industrial segment in the Spanish market.

## 7.2 Perimeter of the discontinued activities

The subsidiary companies classified as held for distribution to shareholders, their head offices, effective percentage of interest and main activity developed at March 31, 2022 and December 31, 2021 are as follows:

Company	Registered office	Effective held percentage		Main activity
		31.03.2022	31.12.2021	
<u>Subsidiaries classified as held for distribution to shareholders:</u>				
Greenvolt- Energias Renováveis, S.A.	Portugal	58.72%	58.72%	Electricity generation and holding company
Ródão Power - Energia e Biomassa do Ródão, S.A.	Portugal	58.72%	58.72%	Electricity generation using waste and biomass sources
Sociedade Bioelétrica do Mondego, S.A.	Portugal	58.72%	58.72%	Electricity generation using waste and biomass sources
Energia Unida, S.A.	Portugal	58.72%	58.72%	Promotion, development and management of self-consumption installations
Goldfábua, S.A.	Portugal	46.97%	46.97%	Renewable energy sources
Sociedade de Energia Solar do Alto Tejo (SESAT), Lda.	Portugal	58.72%	58.72%	Electricity generation
Paraimo Green, Lda	Portugal	41.10%	41.10%	Electricity generation
Greenvolt Energias Renováveis Holdco Limited	United Kingdom	58.72%	58.72%	Holding
Lakeside Topco Limited	United Kingdom	29.95%	29.95%	Holding
Lakeside Bidco Limited	United Kingdom	29.95%	29.95%	Holding
Tilbury Green Power Holdings Limited	United Kingdom	29.95%	29.95%	Holding
Tilbury Green Power Limited	United Kingdom	29.95%	29.95%	Electricity generation using biomass from urban waste wood
Track Profit Energy, Lda	Portugal	41.10%	41.10%	Installation of decentralised solar energy production units (B2B)
Track Profit Energy II Invest, Unipessoal, Lda	Portugal	41.10%	41.10%	Development and financing of projects to improve energy efficiency through solar energy.
Tresa Energia, S.L.	Spain	24.77%	24.77%	Installation of decentralised solar energy production units (B2C)
Garuda Solar, SL (a)	Spain	19.82%	—	Installation of decentralised solar energy production units
Perfecta Geston, SL (a)	Spain	24.77%	—	Provision of project and facility management and administrative processing services
Tresa Energia Industrial (a)	Spain	24.77%	—	Installation of decentralised solar energy production units (B2B)
V-Ridium Power Group Sp. Z.o.o.	Poland	58.72%	58.72%	Holding Company
V-Ridium Power Services Sp. z o.o.	Poland	58.72%	58.72%	Project development
V-Ridium Wind (EPV 1) sp. z o.o.	Poland	58.72%	58.72%	Development of wind energy projects
VRW 1 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 2 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 3 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 4 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 5 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 8 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 9 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 10 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 11 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 12 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 13 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 14 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
VRW 15 Sp. z o. o.	Poland	58.72%	58.72%	Wind energy project
FW Lubieszewo Sp. z o.o.	Poland	58.72%	58.72%	Wind energy project
VRW 16 Sp. z o.o.	Poland	58.72%	58.72%	Wind energy project
VRW 17 Sp. z o.o.	Poland	58.72%	58.72%	Wind energy project
VRW 18 Sp. z o.o.	Poland	58.72%	58.72%	Wind energy project
WPP FOREST WIND DOO (a)	Serbia	58.72%	—	Wind energy project
WPP GREENWATT DOO (a)	Serbia	58.72%	—	Wind energy project
WPP WEST WIND DOO (a)	Serbia	58.72%	—	Wind energy project
WPP BLACK MUD DOO (a)	Serbia	58.72%	—	Wind energy project
WPP EAST WIND ONE DOO (a)	Serbia	58.72%	—	Wind energy project
WINDNET Sp. Z o.o. (a)	Poland	58.72%	—	Holding Company
Agat Energia Sp. z o.o. (a)	Poland	58.72%	—	Wind energy project
Ametyst Energia Sp. z o.o. (a)	Poland	58.72%	—	Wind energy project
Bursztyn Energia Sp. z o.o. (a)	Poland	58.72%	—	Wind energy project
Szafir Energia Sp. z o.o. (a)	Poland	58.72%	—	Wind energy project
Diament Energia Sp. z o.o. (a)	Poland	58.72%	—	Wind energy project
Koral Energia Sp. z o.o. (a)	Poland	58.72%	—	Wind energy project
Perla Energia Sp. z o.o. (a)	Poland	58.72%	—	Wind energy project
Rubin Energia Sp. z o.o. (a)	Poland	58.72%	—	Wind energy project
Szmaragd Energia Sp. z o.o. (a)	Poland	58.72%	—	Wind energy project
Topaz Energia Sp. Z o.o. (a)	Poland	58.72%	—	Wind energy project

		31.03.2022	31.12.2021	
WINDNET 2 Sp. Z o.o. (a)	Poland	58.72%	—	Holding Company
Mars Energia Sp. Z o.o. (a)	Poland	58.72%	—	Wind energy project
Neptun Energia Sp. Z o.o. (a)	Poland	58.72%	—	Wind energy project
Saturn Energia Sp. Z o.o. (a)	Poland	58.72%	—	Wind energy project
Wenus Energia Sp. Z o.o. (a)	Poland	58.72%	—	Wind energy project
Jowisz Energia Sp. Z o.o. (a)	Poland	58.72%	—	Wind energy project
Uran Energia Sp. Z o.o. (a)	Poland	58.72%	—	Wind energy project
V-Ridium Galicia Wind, S.L.U. (a)	Poland	58.72%	—	Wind energy project
V-Ridium Solar sp. z o.o.	Poland	58.72%	58.72%	Development of solar energy projects
VRS 1 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 3 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 6 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 7 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 8 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 9 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 10 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 11 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 12 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 13 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 14 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 15 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 16 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 18 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 19 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 22 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 23 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 24 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
VRS 25 Sp. zo.o.	Poland	58.72%	58.72%	Solar energy project
J&Z PV Farms Mikulowa Sp. z o.o.	Poland	58.72%	58.72%	Solar energy project
Merak Energia Sp. z o.o.	Poland	58.72%	58.72%	Solar energy project
PVE 3 Sp. z o.o.	Poland	58.72%	58.72%	Solar energy project
Green Venture Rotello S.r.l.	Italy	58.72%	58.72%	Solar energy project
V-Ridium Solar Lazio 1 S.r.l.	Italy	58.72%	58.72%	Solar energy project
V-Ridium Solar Marche 1 S.r.l.	Italy	58.72%	58.72%	Solar energy project
V-Ridium Solar Abruzzo 1 S.r.l.	Italy	58.72%	58.72%	Solar energy project
Green Venturo Montenero Srl	Italy	58.72%	58.72%	Solar energy project
Green Venturo Montorio Srl	Italy	58.72%	58.72%	Solar energy project
V-Ridium Solar 45 SRL (a)	Italy	58.72%	—	Solar energy project
V-Ridium Solar Abruzzo 2 S.r.l. (a)	Italy	58.72%	—	Solar energy project
V-Ridium Solar Puglia 1 S.r.l (a)	Italy	58.72%	—	Solar energy project
V-Ridium PV Greece M.I.K.E.	Greece	58.72%	58.72%	Solar energy project
Rensol Energy Pv1 Mike	Greece	58.72%	58.72%	Solar energy project
Rensol Energy Pv2 Mike	Greece	58.72%	58.72%	Solar energy project
Rensol Energy Pv3 Mike	Greece	58.72%	58.72%	Solar energy project
Rensol Energy Pv4 Mike	Greece	58.72%	58.72%	Solar energy project
Rensol Energy Pv5 Mike	Greece	58.72%	58.72%	Solar energy project
Rensol Energy Pv6 Mike	Greece	58.72%	58.72%	Solar energy project
Rensol Energy Pv7 Mike	Greece	58.72%	58.72%	Solar energy project
V-Ridium Bulgaria LTD	Bulgaria	58.72%	58.72%	Holding, project development
V Ridium Greece IKE	Greece	58.72%	58.72%	Holding, project development
V Ridium Renouvelables SAS	France	58.72%	58.72%	Holding, project development
V-ridium Italy S.r.l.	Italy	58.72%	58.72%	Holding, project development
Krajowy System Magazynów Energii sp. z o.o.	Poland	29.95%	29.95%	Project development
V-Ridium Renewables S.R.L (Romania)	Romania	58.72%	58.72%	Holding, project development
V-Ridium Spain, S.L.U. (a)	Spain	58.72%	—	Holding, project development
OSD V-Ridium Sp. z o.o.	Poland	58.72%	58.72%	Electricity distribution
Magazyn EE Turoń Kościelna Sp. Z o.o. (a)	Poland	58.72%	—	Electricity generation
Magazyn EE Kozienice Sp. Z o.o. (a)	Poland	58.72%	—	Electricity generation
Magazyn EE Elk Sp. Z o.o. (a)	Poland	58.72%	—	Electricity production
Magazyn EE Mieczysławów Sp. Z o.o. (a)	Poland	58.72%	—	Electricity production
Magazyn EE Kamionka Sp. Z o.o. (a)	Poland	58.72%	—	Electricity generation
Magazyn EE Siedce Sp. Z.o.o (a)	Poland	58.72%	—	Electricity generation

		31.03.2022	31.12.2021	
Green Repower Photovoltaic Single Member P.C. (a)	Poland	58.72%	—	Electricity generation
V-Ridium Inc.	USA	58.72%	58.72%	Holding, project development
V-Ridium Oak Creek Renewables, LLC	USA	46.97%	46.97%	Holding, project development
V-Ridium Oak Creek Holdings, LLC	USA	46.97%	46.97%	Holding, project development
NetWind Services LLC (a)	USA	41.69%	—	Electricity generation
NetWind Services ApS (a)	Denmark	41.69%	—	Electricity generation
Oak Creek de Mexico, S. de R.L. de CV (a)	Mexico	46.97%	—	Holding, project development
Renewable Frontier, S. de R.L. de CV (a)	Mexico	46.97%	—	Holding, project development
Oak Creek Energia de Mexico, S. de R.L. de CV (a)	Mexico	46.97%	—	Holding, project development
Monclova Solar, S. de R.L. de C.V. (a)	Mexico	46.97%	—	Electricity generation
Monclova Solar 2, S. de R.L. de C.V. (a)	Mexico	46.97%	—	Electricity generation
Dime Energia Renovable, S. de R.L. de C.V. (a)	Mexico	46.97%	—	Electricity production
Energia Renovable La Noria, S. de R.L. de C.V. (a)	Mexico	46.97%	—	Electricity generation
Sustainable Energy One, SL (a)	Spain	57.98%	—	Development of solar projects

(a) Company acquired/incorporated in the first quarter of 2022

### 7.3 Changes occurred in the perimeter of the discontinued activities

During the first quarter of 2022, the most significant change in the perimeter of discontinued activities was the acquisition of Oak Creek Group. The acquisition of 80% of Oak Creek, through the company incorporated in the United States V-Ridium Oak Creek Renewables (part of V-Ridium Group), was concluded on January 10, 2022. The acquisition value, at that date, amounted to approximately 1.3 million US dollars, plus a contingent amount of approximately 6.7 million US dollars (corresponding to the fair value of the maximum contingent consideration, with the present value of the estimated future payments taking into consideration management's best estimate of the payment term, as well as the probability of conclusion of the projects that are in progress at the acquisition date), which is expected to be paid in full by the end of the year ended December 31, 2030, depending on the future sale of the projects to be developed by the subsidiary.

The acquisition of Oak Creek will allow the subsidiary GreenVolt to enter the market for the promotion and development, construction and operation of renewable energy projects (solar photovoltaic and wind), in the United States and Mexico, relying on a very experienced team with a vast track record in the development of energy projects in those markets.

As at the date of presentation of these condensed consolidated financial statements, the fair value allocation exercise is ongoing in accordance with IFRS 3, having been allocated to Goodwill of discontinued activities the difference resulting from the acquisition (price paid vs. value of assets acquired and liabilities assumed). The purchase price allocation process is ongoing, and it is expected to be concluded until December 31, 2022.

In this context, a provisional Goodwill of discontinued activities of 3,903,350 Euros was calculated regarding this acquisition, based on the expected capacity to generate projects and their sale by the management team in place.

### 7.4 Amounts recognized in the financial statements

In accordance with IFRS 5, all the activities of Greenvolt - Energias Renováveis, S.A. and its subsidiaries were presented under "Profit after tax from discontinued activities" in the consolidated income statement for the period of three months ended March 31, 2022, with the information for the period of three months ended March 31, 2021 having been restated (Note 5.1).

At March 31, 2022, the results from discontinued operations are as follows:

	<u>31.03.2022</u>
Sales	37,437,002
Services rendered	5,786,663
Other income	386,026
Costs of sales	(5,504,820)
External supplies and services	(11,196,071)
Payroll expenses	(4,735,586)
Amortisation and depreciation	-
Provisions and impairment losses	(48,530)
Other expenses	(210,145)
Results related to investments	(168,851)
Financial expenses	(5,481,061)
Financial income	1,107,730
<b>Earnings before taxes and CESE of discontinued operations</b>	<u>17,372,357</u>
Income tax	(3,923,608)
Energy sector extraordinary contribution (CESE)	(951,000)
<b>Earnings after taxes and CESE of discontinued operations</b>	<u>12,497,749</u>

It is the Group's expectation that transactions between continuing operations and discontinued operations, namely sales of biomass and operation and maintenance services, will continue after distribution, which is why the income and expenses in the discontinued activities line have been eliminated. It is the Group's understanding that this disclosure best represents the activity of continuing operations after distribution. The amount of income from transactions between continuing and discontinued operations is approximately 13.0 million Euros at March 31, 2022 and 12.1 million Euros at March 31, 2021.

As of March 31, 2022, the main assets and liabilities of the discontinued activities present the following detail:

	<u>31.03.2022</u>
Property, plant and equipment	385,317,660
Goodwill	116,673,310
Intangible assets	146,488,519
Cash and cash equivalents	238,075,005
Bank loans	(166,991,505)
Other loans	(247,744,443)
Other net liabilities	(82,327,232)
<b>Total net assets</b>	<u>389,491,314</u>
Group of assets classified as held for distribution to shareholders	1,103,033,805
Liabilities directly associated with the group of assets classified as held for distribution to shareholders	(713,542,491)
<b>Total recognised in the statement of financial position</b>	<u>389,491,314</u>
Hedging reserve	(11,026,505)
Comprehensive income of joint ventures and associates	(183,301)
Exchange rate reserve	(516,701)
<b>Amounts recognized in other comprehensive income and accumulated in equity related to group of assets classified as held for distribution to shareholders</b>	<u>(11,726,507)</u>

Additionally, it should also be mentioned that the discontinued activities did not have any impact on the consolidated cash flow statement, since the transfer to discontinued activities occurred with reference to December 31, 2021.

### 7.5 Subsequent events of discontinued activities

During 2022, the subsidiary GreenVolt carried out the following operations:

- On April 5, 2022, GreenVolt launched Energia Unida (EU), a distributed generation company dedicated to collective self-consumption through the concept of energy communities;
- On April 21, 2022, GreenVolt completed the acquisition of 50% of Univergy Autoconsumo, a Spanish distributed generation company that operates in the commercial and industrial market segment, for the price of 13.5 million Euro;
- GreenVolt, through its existing partnership with KGAL, has entered into five long-term renewable energy supply agreements (PPA - Power Purchase Agreement) with T-Mobile Polska, one of the largest Polish telecom operators;
- GreenVolt, through subsidiaries of the V-Ridium group, has acquired a solar photovoltaic plant in Romania (LIONS);
- GreenVolt, through its subsidiary V-Ridium, has acquired a project for the development of a wind farm in Iceland.

## 8. CASH AND CASH EQUIVALENTS

As at 31 March 2022 and 2021, Cash and cash equivalents are as follows:

	<u>31.03.2022</u>	<u>31.03.2021</u>
Cash	35,155	36,555
Bank deposits	<u>244,532,847</u>	<u>238,248,301</u>
Cash and cash equivalents on the statement of financial position	<u>244,568,002</u>	<u>238,284,855</u>
Bank overdrafts (Note 11)	-	-
Cash and cash equivalents on the statement of cash flows	<u>244,568,002</u>	<u>238,284,855</u>

## 9. CURRENT AND DEFERRED TAXES

According to current Portuguese legislation, tax returns are subject to review and correction by the Portuguese tax authorities during a period of four years (five years for Social Security), except when there have been tax losses, tax benefits granted, or when inspections, complaints or challenges are in progress, in which cases, depending on the circumstances, the deadlines are extended or suspended. Thus, the Group's tax returns since 2018 may still be subject to review.

The Group's Board of Directors considers that any corrections resulting from reviews/inspections by the tax authorities to those tax returns will not have a material effect on the condensed consolidated financial statements as at 31 March 2022.

## 10. SHARE CAPITAL

As at 31 March 2022 and 31 December 2021, the Company's share capital was fully subscribed and paid up, consisting of 205,131,672 shares with a nominal value of 12.5 cents of Euro each.

## 11. BANK LOANS, OTHER LOANS AND REIMBURSABLE GOVERNMENT GRANTS

As at 31 March 2022 and 31 December 2021, 'Bank loans', 'Other loans' and 'Reimbursable government grants' can be detailed as follows:

	31.03.2022					
	Nominal value			Book value		
	Current	Non-current	Total	Current	Non-current	Total
Bank loans	-	25,000,000	25,000,000	-	25,000,000	25,000,000
Bank overdrafts	-	-	-	-	-	-
Bank loans	-	25,000,000	25,000,000	-	25,000,000	25,000,000
Commercial paper	62,500,000	40,000,000	102,500,000	62,684,414	40,000,000	102,684,414
Bond loans	-	420,400,000	420,400,000	1,398,108	418,398,551	419,796,659
Other loans	-	-	-	-	-	-
Other loans	62,500,000	460,400,000	522,900,000	64,082,522	458,398,551	522,481,073
Reimbursable government grants	653,837	1,961,512	2,615,349	653,837	1,961,512	2,615,349
	<u>63,153,837</u>	<u>487,361,512</u>	<u>550,515,349</u>	<u>64,736,359</u>	<u>485,360,063</u>	<u>550,096,422</u>

	31.12.2021					
	Nominal value			Book value		
	Current	Non-current	Total	Current	Non-current	Total
Bank loans	27,500,000	-	27,500,000	27,584,583	-	27,584,583
Bank overdrafts	-	-	-	-	-	-
Bank loans	27,500,000	-	27,500,000	27,584,583	-	27,584,583
Commercial paper	70,000,000	40,000,000	110,000,000	70,099,494	40,000,000	110,099,494
Bond loans	25,000,000	420,400,000	445,400,000	27,754,836	418,218,797	445,973,633
Other loans	-	-	-	-	-	-
Other loans	95,000,000	460,400,000	555,400,000	97,854,330	458,218,797	556,073,127
Reimbursable government grants	653,837	2,288,430	2,942,267	653,837	2,288,430	2,942,267
	<u>123,153,837</u>	<u>462,688,430</u>	<u>585,842,267</u>	<u>126,092,750</u>	<u>460,507,227</u>	<u>586,599,977</u>

The book value includes accrued interest and the expenditures with the issuance of the loans. These expenses were deducted from its nominal value and are being recognised as financial expenses along the life period of the loan (Note 14).

## 12. ACCUMULATED PROVISIONS AND IMPAIRMENT LOSSES

The movement occurred under provisions and impairment losses in the three months periods ended 31 March 2022 and 2021 can be detailed as follows:

	31.03.2022			
	Provisions	Impairment losses in receivables	Impairment losses in inventories	Total
Opening balance	4,082,239	3,612,771	10,414,552	18,109,562
Increases	-	-	-	-
Utilizations	(390,866)	-	-	(390,866)
Reversals	-	-	-	-
Transfers	(3,051)	-	-	(3,051)
Closing balance	<u>3,688,322</u>	<u>3,612,771</u>	<u>10,414,552</u>	<u>17,715,645</u>

	31.03.2021			
	Provisions	Impairment losses in receivables	Impairment losses in inventories	Total
Opening balance	16,689,458	3,618,696	13,046,936	33,355,090
Increases	30,488	-	-	30,488
Utilizations	-	-	-	-
Reversals	-	-	(664,130)	(664,130)
Transfers	(3,051)	-	-	(3,051)
Closing balance	<u>16,716,895</u>	<u>3,618,696</u>	<u>12,382,806</u>	<u>32,718,397</u>

The amount recorded under "Provisions" at March 31, 2021, includes the dismantling provision of the power generation plants operated by Greenvolt - Energias Renováveis, S.A. and its subsidiaries. At December 31, 2021, this amount was transferred to the caption "Liabilities directly associated with the group of assets classified as held for distribution to shareholders" and, therefore, at March 31, 2022, this amount is presented in the referred caption (Note 7).

The amount recorded under the caption 'Provisions' is the best estimate from the Board of Directors in order to address the entirety of losses to be incurred with currently ongoing legal proceedings.

### 13. DERIVATIVE FINANCIAL INSTRUMENTS

As at 31 March 2022 and 31 December 2021, companies of the Altri Group had in force derivative financial instrument contracts associated with hedging interest rate changes, exchange rate changes and pulp price changes. All these instruments are recorded at fair value, based on assessments carried out by specialized external entities, which were subject to internal validation.

Altri Group subsidiaries only use derivatives to hedge cash flows associated with operations generated by their activity.

As at 31 March 2022 and 31 December 2021, the fair value of derivative financial instruments is as follows:

	31.03.2022				31.12.2021			
	Asset		Liability		Asset		Liability	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Interest rate derivatives	-	2,197,344	250,887	-	-	163,618	144,498	540,350
Exchange rate derivatives	754,788	732,999	3,858,504	715,605	1,130,725	-	2,273,978	-
Pulp price hedging derivatives	-	-	709,025	-	-	-	680,674	-
	<u>754,788</u>	<u>2,930,343</u>	<u>4,818,416</u>	<u>715,605</u>	<u>1,130,725</u>	<u>163,618</u>	<u>3,099,150</u>	<u>540,350</u>

The movement in the fair value of the derivative financial instruments during the three months period ended 31 March 2022 can be broken down as follows:

	Interest rate derivatives	Exchange rate derivatives	Pulp price hedging derivatives	Total
Opening balance	(521,230)	(1,143,253)	(680,674)	(2,345,157)
Change in fair value				
Effects on equity	2,534,817	(1,763,859)	(28,356)	742,602
Effects on the income statement	(67,130)	(773,981)	(2,303,537)	(3,144,648)
Effects on the statement of financial position	-	594,771	2,303,542	2,898,313
Closing balance	1,946,457	(3,086,322)	(709,025)	(1,848,890)

#### 14. FINANCIAL RESULTS

The financial results for the three months periods ended 31 March 2022 and 2021 are detailed as follows:

	31.03.2022	31.03.2021 (Restated)
Financial expenses		
Interest expenses	2,977,455	2,416,852
Other financial expenses and losses	2,980,217	575,181
	<u>5,957,672</u>	<u>2,992,033</u>
Financial income		
Interest income	10,785	27,210
Other financial income and gains	2,329,766	2,833,852
	<u>2,340,551</u>	<u>2,861,062</u>

During the three months period ended on 31 March 2022, the caption 'Other financial expenses and losses' includes, among others, expenses incurred with loans, which are being recognised as an expense over the life of the respective loan (Note 11) and the expenses on derivatives (Note 13). The caption 'Other financial income and gains' includes, mainly, exchange rate gains.

#### 15. EARNINGS PER SHARE

Earnings per share for the three months period ended 31 March 2022 and 2021 were calculated based on the following amounts:

	31.03.2022	31.03.2021 (Restated)
Number of shares for basic and diluted earning calculation	205,131,672	205,131,672
Earnings of continued operations for the purpose of calculating earnings per share	29,833,887	12,186,912
Earnings of discontinued operations for the purpose of calculating earnings per share	3,737,961	1,017,456
Earnings per share		
From Continued Operations		
Basic	0.15	0.06
Diluted	0.15	0.06
From Discontinued Operations		
Basic	0.02	0.00
Diluted	0.02	0.00

## 16. OTHER INCOME

As at 31 March 2022 and 2021, the caption 'Other Income' is detailed as follows:

	31.03.2022	31.03.2021 (Restated)
Investment and exploration subsidies	850,653	857,863
Others	438,991	423,173
	<u>1,289,644</u>	<u>1,281,036</u>

## 17. INFORMATION BY SEGMENTS

As mentioned in Notes 1 and 7, GreenVolt and its subsidiaries are presented in this consolidated condensed financial information as a Group of assets classified as held for distribution to shareholders, since December 31, 2021. Under the terms of the operations referred to above, the planned reorganization will have as its objective the separation of Altri's two autonomous business units corresponding to the exercise of the management of investments in the paper pulp sector and in the electric energy production sector, respectively. This reorganization was part of a rationale of focus and transparency of Altri's business, aimed at giving each of the areas greater visibility and perception of value by the market, and allowed the Altri Group to concentrate its activity on its core business, the production of bleached pulp from eucalyptus. Therefore, with reference to March 31, 2022, the Board of Directors considers that there is only one segment that can be reported, namely the production and commercialization of bleached paper pulp from eucalyptus, and the management information is also prepared and analysed on this basis.

## 18. RELATED PARTIES

Altri Group subsidiary companies have relationships with each other that qualify as transactions with related parties, which were carried out at market prices.

In the consolidation procedures, transactions between companies included in the consolidation using the full consolidation method are eliminated, since the consolidated financial statements show information on the holder and its subsidiaries as if it were a single company, and so they are not disclosed under this note.

During the three months periods ended 31 March 2022 and 2021, there were no transactions with the Board of Directors, nor were they granted loans.

#### 18.1 Related parties from continued activities

As at 31 March 2022 and 2021, balances and transactions from continued activities with related entities during the three months periods ended on those dates can be summarised as follows:

	Purchases and acquired services		Payments related to lease liabilities	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Transactions</b>				
Joint ventures and associates (a)	7,817,623	4,185,915	-	-
Other related parties	668,792	556,521	6,817,228	6,785,682
	<u>8,486,415</u>	<u>4,742,436</u>	<u>6,817,228</u>	<u>6,785,682</u>
	Payables		Receivables	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Balances</b>				
Joint ventures and associates (a)	2,243,660	686,513	-	-
Other related parties	239,283	130,581	658	-
	<u>2,482,943</u>	<u>817,094</u>	<u>658</u>	<u>-</u>

- (a) Entities included in the consolidation using the equity method as at 31 March 2022 and 2021 (Note 4.2)

'Other related parties' includes subsidiaries of Ramada Group, Cofina Group, shareholders and other related entities.

#### 18.2 Related parties from discontinued activities

As at 31 March 2022 and 2021, balances and transactions from discontinued activities with related entities during the three months periods ended on those dates can be summarised as follows:

	<b>Transactions</b>				
	Purchases and acquired services	Sales and services rendered	Payments related to lease liabilities	Interest expense	Interest obtained
Joint ventures and associates	-	389,826	-	-	353,835
Other related parties	21,525	139,428	25,500	707,860	-
	<u>21,525</u>	<u>529,254</u>	<u>25,500</u>	<u>707,860</u>	<u>353,835</u>
	<b>Balances</b>				
	Payables	Receivables	Loans granted	Shareholders Loans	
Joint ventures and associates	-	251,718	48,718,622	-	
Other related parties	29,506	285,697	10,020,196	41,246,944	
	<u>29,506</u>	<u>537,415</u>	<u>58,738,818</u>	<u>41,246,944</u>	

The caption 'Shareholder loans' includes a loan obtained from a shareholder of one of Altri's subsidiaries classified as a discontinued activity, Lakeside Topco Limited. This loan bears interest at

a rate of 7% and the payment date of the loan is due on 31 March 2054. Thus, the totality of the nominal value of the loan was classified as non-current. The corresponding interest is also recorded under the same caption.

It is worth noting that as of March 31, 2021, there were no balances or transactions with related parties from discontinued activities.

## 19. APPROPRIATION OF NET PROFIT

Regarding the 2021 financial year, the Board of Directors proposed in its annual report that the individual net profit of Altri, SGPS, S.A. in the amount of 88,065,822 Euros, should be allocated as follows:

Dividends	EUR 51,282,918
Free reserves	EUR 36,782,904

The Board of Directors proposed to the General Meeting in its annual report the distribution, under the conditions presented in the respective proposal, which was approved in the General Meeting held on 29 April 2022, of a cash dividend corresponding to 25 cents per share. The same proposal also contemplated the distribution of a dividend in kind, consisting of a maximum number of 52,523,229 shares representing GreenVolt's share capital and voting rights. If in this scenario of joint distribution, i.e. in cash and in kind (the latter, as referred to in Notes 1 and 7) the amount to be distributed exceeded the amount of distributable funds, the portion of the dividend in cash would be reduced by the amount corresponding to the excess, rounded down (to a minimum of 0.01 Euros per share).

On May 25, 2022, and according to the previously announced conditions, the amount of the dividend in cash was reduced by the amount corresponding to the surplus, rounded off by default, as the distributable funds corresponding to the distribution in kind exceeded the amount of 112,748,942 Euros, as approved by the General Meeting.

Accordingly, a total cash dividend of 49,231,601 Euros (0.24 Euros per share) was distributed and 48,118,446 GreenVolt shares (Note 20) were distributed.

## 20. SUBSEQUENT EVENTS

The Gama project in Galicia continues to move forward at a high pace, with the potential location having been announced in April. The sustainable fibre plant is to be located in the Palas de Rei area in the province of Lugo, Autonomous Community of Galicia in Spain. The next expected steps include the environmental impact study, the detailed engineering and economic feasibility project, as well as the definition of the financing structure. It should be reminded that the Gama project stems from a Memorandum of Understanding (MoU) signed with Impulsa, a public-private consortium from the region of Galicia, to study exclusively the construction of a greenfield industrial plant with an annual production capacity of 200,000 tons of soluble pulp and sustainable textile fibers and for which a final investment decision is expected during the fourth quarter of 2022.

As mentioned in note 19, on May 25, 2022, and in accordance with the conditions previously announced, the distribution of 48,118,446 shares representing the share capital of GreenVolt took

place, following which the Altri Group now holds 19.08% of GreenVolt, with a total of 23,154,783 shares.

Regarding the war in Ukraine, notwithstanding the terrible devastation caused by its invasion by the Russian Federation, it is also important to note the very present challenge that is being overcome, namely in terms of the generalized inflation of variable costs and which the Group continues to try to manage in the best way possible. The war in Ukraine and the sanctions decreed on Russia by a number of Western countries should contribute to a worsening of logistical constraints and general inflation of production factors and of some variable costs.

Subsequent events that occurred in the group through the subsidiary GreenVolt are shown in note 7.5.

From 31 March 2022 to the date of issue of this report, there were no other relevant facts that could materially affect the financial position and future results of the Altri Group, its subsidiaries, joint ventures and associates included in the consolidation.

## **21. APPROVAL OF THE FINANCIAL STATEMENTS**

The consolidated condensed financial statements were approved by the Board of Directors and authorised for issue on May 26, 2022.

## **22. TRANSLATION NOTE**

These consolidated financial statements are a translation of the financial statements originally issued in Portuguese in accordance with IAS 34 – Interim Financial Reporting and with the International Financial Reporting Standards as adopted by the European Union, some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

The Board of Directors

Alberto João Coraceiro de Castro

Paulo Jorge dos Santos Fernandes

João Manuel Matos Borges de Oliveira

Domingos José Vieira de Matos

Laurentina da Silva Martins

Pedro Miguel Matos Borges de Oliveira

Ana Rebelo de Carvalho Menéres de Mendonça

Maria do Carmo Guedes Antunes de Oliveira

Paula Simões de Figueiredo Pimentel Freixo Matos Chaves

José Armindo Farinha Soares de Pina

Carlos Alberto Sousa Van Zeller e Silva

Vítor Miguel Martins Jorge da Silva



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**ALTRI, SGPS, S.A.**

Head office: Rua Manuel Pinto de Azevedo, 818, Porto

Share capital: Euro 25,641,459

Registered in the Oporto Commercial Registry Office under the single registration and tax identification number - 507 172 086

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