

altri

planting seeds
for **tomorrow**



Earnings announcement

1Q24

(unaudited information)

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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 1Q24

The Altri Group achieved **total revenues of € 222.7 M in 1Q24**, a decrease of 0.9% over the same period of last year. This evolution is explained, despite the increase in sales volume as a result of an increase in overall demand, by the average pulp price level in 1Q24, which was around 17% lower compared to 1Q23. Despite the comparison with the same period of the previous year, we continue to see a positive trend already recorded in relation to 4Q23, with **total revenues in 1Q24 growing 18.9% vs 4Q23, which reflects the improvement in market conditions.**

The Altri Group recorded an EBITDA of € 50.0 M in 1Q24, a value in line with the € 50.2 M reached in 1Q23. The EBITDA margin was 22.5%, which compares with the 22.3% reported in the same period of last year. **The operational profitability of the Altri Group continues to improve on a quarterly basis, with the EBITDA of 1Q24 growing around 25.7% vs the 4Q23.**

Global pulp demand continues to improve at the start of 2024, with the Asian market showing positive signs, reinforced by increased demand from Europe and North America. This improvement has globally led to **successive increases in pulp prices (BHKP) during 2024.**

At the General Shareholders' Meeting held on 3 May 2024, it was decided to distribute **dividends** in the amount of € 51.3 M, corresponding to **€ 0.25 per share, relative to 2023 results.** Despite significantly lower level of earnings in 2023 than in 2022, the board of directors has proposed to maintain the level of ordinary dividends, representing a **payout ratio of 120% on the results obtained in 2023.** This decision shows the commitment of the Altri Group to a stable return on results to its shareholders, within the appropriate limits of financial soundness.

The Altri Group continues to develop various **diversification projects** in line with its strategic plan, in which the Gama project, in Galicia, is included. Of the projects in the execution phase, we would highlight the project for the recovery and valorization of acetic acid and furfural from renewable sources, at Caima, expected to be completed by the end of 2025.

Message from the CEO

After one of the most sudden changes of cycle in more than two decades, the cellulosic fiber market is experiencing a significant recovery at the start of the year, sustained essentially by the Asian and European markets. We are experiencing a positive dynamic in these regions, which are being accompanied by North America, as a result of an improvement in demand from the various segments, with particular emphasis on P&W (Printing and Writing).

In this more positive context, the Altri Group increased the level of production at its three units in Portugal, even considering the scheduled downtime at Caima's unit. Sales of cellulosic fibers were stronger, with around 90% of the total going to international markets, making it possible to take advantage of the increase in prices since the summer of last year.

In a context of recovering prices, although still lower than those recorded in the same period last year, we increased production, but also sales, which, combined with a decrease in costs, had a positive impact on the results achieved during the first quarter of this year. Total revenues amounted to 222.7 million Euro, EBITDA reached 50 million Euro and the Net Profit, compared to the same quarter last year, increased by around 10%, to 21.6 million Euro.

The positive dynamic we are seeing in the market, both in terms of demand and prices, allows us to look forward to this second quarter with greater confidence, anticipating a strengthening of profitability. It is this positive outlook that allows us, in addition to remunerating our shareholders with dividends with a higher payout than the net results reported in 2023, to present the financial solidity to proceed with the investments necessary to continue growing in a sustainable manner.

It is also what allows us to maintain our focus on the development of the various projects underway, including the Gama project, in Galicia. To this end, together with our teams, we are pursuing diversification projects at our various production units, including the project to recover and valorize acetic acid and furfural from renewable sources, at Caima, expected to be completed by the end of 2025.

José Soares de Pina
Altri's CEO

Operating and Financial Performance

↳ Pulp Market

Global demand for pulp during the first quarter of 2024 recorded an increase of 6.2% vs the same period of the previous year, while the evolution of demand for Hardwood pulp was even more positive, with a 10.1% increase over the same period of the previous year, according to the PPPC (World Chemical Market Pulp Global 100 Report – March 2024).

In regional terms, and focusing essentially the Hardwood pulp market, which is more relevant for the Altri Group, we positively highlight China (+12.2%), North America (+11.8%) and the European market, which showed a different dynamic from 2023, with a rise of 13.4% in Western Europe and 30.7% in Eastern Europe.

Table 1 – Global Pulp Demand

Thousand Tons	Jan-Mar 24	Jan-Mar 23	Var.%
<i>Bleached Hardwood Sulphate</i>	10,033	9,114	10.1%
<i>Bleached Softwood Sulphate</i>	6,116	5,989	2.1%
<i>Unbleached Sulphate</i>	592	648	-8.7%
<i>Sulphite</i>	22	25	-12.7%
Global Pulp Demand	16,762	15,776	6.2%
<i>Bleached Hardwood Sulphate per region</i>			
North America	869	777	11.8%
Western Europe	2,049	1,806	13.4%
Eastern Europe	407	312	30.7%
Latin America	700	818	-14.3%
Japan	246	243	1.4%
China	4,134	3,684	12.2%
Rest of Asia/Africa	1,583	1,430	10.7%
Oceania	44	44	-1.6%
Total	10,033	9,114	10.1%

Source: PPPC (World Chemical Market Pulp Global 100 Report- March 2024).

One of the relevant factors to assess the balance of demand and supply of pulp in the European market is the level of stocks in European ports. After a global destocking trend in the pulp and paper industry's value chain for a great part of 2023, with port stocks reaching levels well above historical averages, peaking at 1.8 M tons in June, we have seen a sustained reduction since September. The year 2023 ended with a historically low level of stocks, close to 1.2 M tons, a level that remained similar during the first quarter of 2024.

Table 2 – Pulp Stocks

Thousand Tons	2020	2021	2022	2023	2024		
					Jan	Feb	Mar
Stocks (EU Ports)	1,542	1,198	1,157	1,546	1,280	1,158	1,231

Note: Monthly end-of-period stocks. Average for quarterly and annual values.

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

During the 1Q24, the price of the PIX pulp index (BHKP) in Europe continued the upward trend it has been on since September 2023, ending the first quarter of 2024 at US\$ 1,220/ton. The price of the European PIX pulp index (BHKP) recorded, in average terms, an increase of 23% in 1Q24 vs. 4Q23 in US\$, and an increase of 22% in Euro. The year-on-year comparison with 1Q23 is still negative, with a decrease of 16% in US\$ and 18% in Euro.

The destocking process we are witnessing in the pulp and paper sector's value chain led to higher volatility in pulp prices during 2023, with a sharp reduction in prices until the summer. With the normalization of value chains, plus strong demand from the Chinese market, the impact of new capacity on the global pulp market has been absorbed and has led to a sustained recovery in global pulp prices.

Table 3 – BHKP Average Pulp Price Evolution in Europe (2018 to 1Q24)

US\$/ton	2018	2019	2020	2021	2022	2023	2024
							1Q
Average Pulp Price (BHKP)	1,037	858	680	1,014	1,286	1,044	1,120

Source: FOEX.

Global demand for Dissolving Pulp (DP) has registered a 3.2% decrease during the first two months of 2024, when compared with the same period of the previous year, according to Numera Analytics (Global DP Demand Report – February 2024). Nevertheless, Altri has continued to experience an increase in demand for this type of product. We recall that DP is targeted for textile and used mainly in Asia, the region that absorbs around 83% of the demand. During 1Q24, DP prices were practically unchanged (+1%) compared to 1Q23, and increased by 2% compared to 4Q23, once again exceeding US\$ 900/ton.

Table 4 – Global Dissolving Pulp Demand

Thousand Tons	Jan-Feb 24	Jan-Feb 23	Var.%
North America	87	87	0.6%
Western Europe	99	73	35.0%
Asia	964	1,029	-6.3%
China	697	761	-8.3%
Japan	21	37	-42.2%
Taiwan	7	5	61.4%
Thailand	36	28	31.6%
Rest of Asia	202	199	1.3%
Other	9	8	11.3%
Total	1,159	1,197	-3.2%

Source: Numera Analytics (Global DP Demand Report – February 2024).

The Altri Group

- Operating Performance

Total volume of pulp produced in the 1Q24 reached 275.4 thousand tons, an increase of 15.0% vs the same quarter in the previous year, but a decrease of 1.6% when compared to the previous quarter. The sales in volume of pulp in the first quarter of 2024 reached 298.5 thousand tons, an increase of 18.7% vs. 1Q23 and an increase of 10.3% when compared to the 4Q23. The recent levels of production and sales are a reflection of a more normalized market, following a period of lower demand and destocking in the sector in the first part of 2023.

Table 5 – Operating Indicators (Quarter)

Thousand Tons	1Q24	1Q23	1Q24/1Q23	4Q23	1Q24/4Q23
Pulp Production BHKP	250.2	214.8	16.5%	255.0	-1.9%
Pulp Production DWP	25.2	24.7	1.9%	24.7	1.8%
Total Production	275.4	239.5	15.0%	279.7	-1.6%
Pulp Sales BHKP	263.6	228.8	15.2%	249.4	5.7%
Pulp Sales DWP	34.9	22.6	54.3%	21.2	64.9%
Total Sales	298.5	251.4	18.7%	270.6	10.3%

In terms of end use, Tissue continues to show solid levels of demand, with a weight of 47% in 1Q24. The P&W (Printing and Writing) segment regained the weight it lost in 2023, with a significant increase in orders from customers in this segment. We believe there may be some restocking effect, after a reverse movement for a great part of 2023, which may have been excessive. In regional terms, Europe (including Portugal) accounts for 64% of sales, followed by the Middle East and North Africa with 24%, with Turkey being the main destination in the Middle East.

Table 6 – Weight of Sales (Volume) by End Use

	1Q24	2023	2022	2021
Tissue	47%	51%	53%	50%
P&W	25%	19%	24%	19%
Dissolving	12%	9%	8%	8%
Décor	4%	4%	5%	7%
Specialties	3%	3%	5%	6%
Packaging	2%	2%	2%	2%
Other	7%	12%	3%	8%

Table 7 – Weight of Sales (Volume) by Region

	1Q24	2023	2022	2021
Europe (excl. Portugal)	55%	50%	61%	61%
Middle East & North Africa	24%	25%	17%	17%
Asia	12%	14%	7%	8%
Portugal	9%	11%	15%	14%

- **Economic and Financial Performance**

During the 1Q24, total revenues of Altri Group amounted to € 222.7 M, a 0.9% decrease vs 1Q23 and an increase of 18.9% vs. 4Q23. Although the comparison between 1Q24 and the same period last year in terms of pulp prices is still unfavorable, the increase in volumes sold almost offset this evolution. When comparing with the last quarter of 2023, the increase in revenues is a consequence of the sequential improvement in the average pulp sales price and the increase in volumes sold, given the favorable market environment.

In the 1Q24, EBITDA reached € 50.0 M, a value in line with the € 50.2 M recorded in the 1Q23, and the EBITDA margin was 22.5%, an increase of 0.2 p.p. when compared to the same period in the previous year. When compared to the 4Q23, there is a more positive evolution, with an increase of 25.7% in

EBITDA and an improvement of 1.2 p.p. of the EBITDA margin. If we exclude the effect of the change in fair value of biological assets (€ 5.6 M) in the previous quarter, the improvement in the EBITDA margin would be of 4.2 p.p..

The Altri Group's financial results reached € -4.7 M in the 1Q24, which compares with € -5.8 M in the 1Q23. Despite the increase in interest expenses due to the evolution of interest rates, this effect was more than offset by the effect of the increase in interest earned and the favorable evolution of exchange rate differences.

The Net Profit of the Altri Group in the 1Q24 reached € 21.6 M, a growth of 10.0% when compared with € 19.6 M in the same period of the previous year. Compared to 4Q23, net income increased by around 48.0%.

Table 8 – Income Statement Highlights of the 1Q24

€ M	1Q24	1Q23	1Q24/1Q23	4Q23	1Q24/4Q23
Cellulosic fibers	186.0	189.1	-1.6%	149.0	24.8%
Others ¹	36.7	35.6	3.1%	38.2	-3.9%
Total Revenues	222.7	224.7	-0.9%	187.3	18.9%
EBITDA	50.0	50.2	-0.3%	39.8	25.7%
EBITDA mg	22.5%	22.3%	+0.2 pp	21.3%	+1.2 pp
EBIT	34.8	32.8	5.9%	25.0	39.2%
EBIT mg	15.6%	14.6%	+1.1 pp	13.3%	+2.4 pp
Net financials	-4.7	-5.8	-18.4%	-6.5	-26.9%
Income tax	-8.6	-7.6	13.0%	-4.2	105.8%
Net profit²	21.6	19.6	10.0%	14.6	48.0%

¹ Others: includes essentially i) sale of biomass and rendering of operation and maintenance services to Greenvolt's biomass plants in Portugal and ii) sale of Electric Energy (cogeneration) related to the cellulosic fiber production process.

² Attributable to equity holders of the parent

Note: Variation of unrounded figures

- Investment

The total net investment (i.e., payments in the period relating to acquisitions of property, plant and equipment) made by the Altri Group during the 1Q24 reached € 11.8 M, which compares with the € 18.4 M in the same period of last year.

Table 9 – Investment

€ M	1Q24	1Q23	2023	2022	2021
Total Net Investment	11.8	18.4	60.7	45.3	26.1

- Debt

The Altri Group's net debt reached € 339.9 M at the end of March 2024, a decrease vs € 356.7 M at the end of 2023. This level of debt is equivalent to a Net Debt/EBITDA LTM ratio of 2.5x. The total net debt, (i.e., when adding lease liabilities), was around € 413.9 M at the end of 1Q24. The reduction in the level of debt during the quarter is essentially due to an improvement in the level of EBITDA, to an investment figure which, despite being in line with expectations, is relatively low in relation to 2023 and to a strict management of working capital. By the end of March 2024, around 34% of the debt of the Altri Group was remunerated at a fixed rate (including interest rate swap contracts).

Table 10 – Debt

€ M	1Q24	2023	2022	2021
Net Debt	339.9	356.7	325.8	344.0

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 highlight:

- **CDP Ranking update** – During the first quarter of 2024, the Group obtained a Leadership rating (A-) in i) Climate Change and ii) Forests, registering a rating improvement in the Forests category. In the Water Security category, the Altri Group maintained its previous rating (B). In general terms, CDP places Altri above the average for the sector, Europe and the global average in all categories, when compared to more than 21,000 companies included in this assessment.



- **MSCI ranking update** – The Altri Group has been rated BBB by MSCI maintaining a rating that places the Group within the industry average for the sector.



- **The Antwerp Declaration** – Altri has signed the 'Antwerp Declaration' for a European Industrial Pact, joining more than 700 signatories from various sectors of activity for Europe's industrial future. This Declaration mobilizes 10 concrete actions to be taken by European companies, such as making Europe globally competitive in energy terms and promoting the demand for net-zero, low-carbon products and circular economies, with a view to their growth.



Perspectives

The trend of improving demand in the pulp market, which we have seen since the summer of 2023, should continue during the first half of 2024. After a particularly strong 2023 in terms of increased demand, China continues to show positive dynamics in 2024. In addition, Europe is also showing a positive level of demand, driven by some restocking effect from the Printing & Writing (P&W) segment, which was heavily affected in 2023.

Despite **important increases in installed capacity in the pulp industry** in 2023 and the expected increase during the third quarter of 2024, **pulp prices have maintained a sustained rise in recent months.** In addition to dynamic global demand, we have seen several factors that have negatively influenced value chains and the expectation of access to product, namely strikes at important supply ports, fires, floods and announcements of capacity closures in the softwood segment. Already during the second quarter of 2024, two consecutive price increases (BHKP) in Europe of US\$ 80/ton for April and US\$ 60/ton for May were announced and implemented, taking the list price of BHKP pulp to a new high of US\$ 1,440/ton.

After a fairly significant decrease in costs during 2023, **the Altri Group anticipates some stabilization of variable costs in 2024.** In any case, the Altri Group will continue to work to maintain an optimized, sustained level of costs that is appropriate for solid profitability. Taking this expectation into account and considering the positive evolution of prices that has taken place during the second quarter of 2024, **we expect a positive trend in the Group's level of profitability in the short term.**

As a pillar of its strategy, the Altri Group continues to develop various **diversification projects at its various production units**, including the project to recover and valorize acetic acid and furfural from renewable sources, at Caima, which is expected to be completed by the end of 2025.

In what regards the **Gama project, in Galicia (Spain)**, Altri is currently in the process to obtain an environmental license, an essential condition for making the final investment decision. It should be noted that the Gama project is the result of a Memorandum of Understanding (MoU) signed with Impulsa, a public-private consortium from the Autonomous Community of Galicia, to exclusively study the construction of a greenfield industrial plant to produce dissolving pulp and sustainable textile fibers.

Annexes

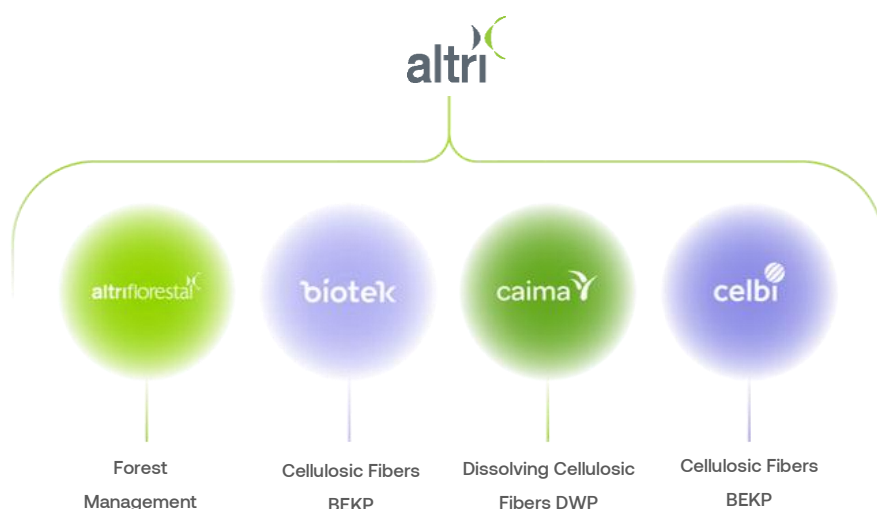
- Description of Altri Group

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

At the end of 2023, the Altri Group managed around 92.8 thousand hectares of forest in Portugal, entirely certified by the Forest Stewardship Council® (FSC® - C004615) and by Programme for the Endorsement of Forest Certification (PEFC), two of the most acknowledged certification entities worldwide.

Altri has three pulp mills in Portugal, with an installed capacity that, in March 2024, surpassed 1.1 million tonnes/year of cellulosic fibers.

Altri's current organic structure at the end of March 2024 can be represented as follows:



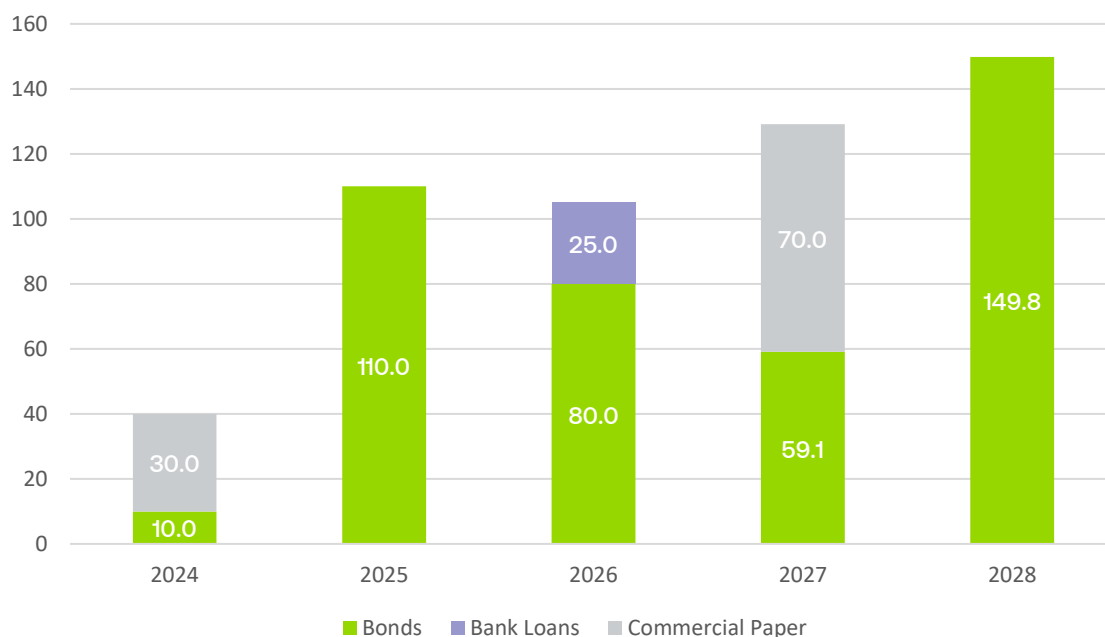
- Pulp mill's Maintenance Downtime Schedule

Table 11 – Scheduled Downtime

Mill	Date	Status
Caima	March 2024	Concluded
Celbi	Sep/Oct 2024	Scheduled
Biotek	March 2025	Scheduled

- Debt Maturity Profile

Graph 1 – Debt Maturity Profile



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

- Ratings ESG

Table 12 – Ratings ESG

ESG Rating	Altri Score	Previous Score	Evolution	Last Assessment	Peers
 Scale: 100 to 0	14.7	19.3	↑	2Q23	Industry Group – Paper & Forestry 7 th out of 82
 Scale: CCC to AAA	BBB	BBB	↔	1Q24	Within industry average
 Scale: D- to A	Climate: A- Forest: A- Water: B	Climate: A- Forest: B Water: B	↑	1Q24	Above industry average
 Scale: Bronze to Platinum	Platinum	N.A.	—	2Q23	Top 1% Worldwide

- Income Statement (1Q24)

Table 13 – Income Statement (1Q24)

€ M	1Q24	1Q23	1Q24/1Q23	4Q23	1Q24/4Q23
Cellulosic fibers	186.0	189.1	-1.6%	149.0	24.8%
Others ¹	36.7	35.6	3.1%	38.2	-3.9%
Total revenues	222.7	224.7	-0.9%	187.3	18.9%
Cost of sales	108.4	112.0	-3.3%	103.4	4.8%
External supplies and services	48.7	47.2	3.1%	35.6	36.7%
Payroll expenses	12.1	11.6	4.3%	13.1	-7.9%
Other expenses	3.5	3.7	-5.0%	4.3	-17.8%
Change in fair value of biological assets	0.0	0.0	s.s.	-5.6	s.s.
Provisions and impairment losses	0.0	-0.1	s.s.	-3.4	s.s.
Total expenses	172.7	174.5	-1.0%	147.5	17.1%
EBITDA	50.0	50.2	-0.3%	39.8	25.7%
EBITDA margin	22.5%	22.3%	+0.2 pp	21.3%	+1.2 pp
Amortization and depreciation	-15.3	-17.4	-12.1%	-14.8	3.1%
EBIT	34.8	32.8	5.9%	25.0	39.2%
EBIT margin	15.6%	14.6%	+1.1 pp	13.3%	+2.4 pp
Financial results	-4.7	-5.8	-18.4%	-6.5	-26.9%
Profit before income tax	30.0	27.0	11.1%	18.5	62.3%
Income tax	-8.6	-7.6	13.0%	-4.2	105.8%
Consolidated net profit	21.5	19.4	10.3%	14.3	49.6%
Attributable to:					
Equity holders of the parent	21.6	19.6	10.0%	14.6	48.0%
Non-controlling interests	-0.1	-0.2	-34.1%	-0.2	-54.9%

¹ Others: includes essentially i) sale of biomass and rendering of operation and maintenance services to Greenvolt's biomass plants in Portugal and ii) sale of Electric Energy (cogeneration) related to the cellulosic fiber production process.

Note: Variation of unrounded figures

- Balance Sheet (1Q24)

Table 14 – Balance Sheet (1Q24)

€ M	1Q24	2023	Var(%)
Biological assets	115.7	114.8	0.8%
Property, plant and equipment	340.1	343.0	-0.8%
Right-of-use assets	67.9	68.8	-1.4%
Goodwill	265.6	265.6	0.0%
Investments in joint ventures and associates	0.9	0.8	3.4%
Others	20.1	17.0	18.6%
Total non-current assets	810.3	810.1	0.0%
Inventories	84.3	97.7	-13.7%
Trade receivables	132.2	100.2	32.0%
Cash and cash equivalents	194.0	253.7	-23.5%
Others	35.4	53.3	-33.6%
Total current assets	445.9	504.9	-11.7%
Total assets	1,256.2	1,315.0	-4.5%
Total equity and Non-controlling interests	422.8	412.4	2.5%
Bank loans	25.0	25.0	0.0%
Other loans	467.5	467.3	0.0%
Reimbursable government grants	0.4	0.5	-15.7%
Lease liabilities	63.4	63.8	-0.6%
Others	71.5	69.5	2.9%
Total non-current liabilities	627.8	626.1	0.3%
Bank loans	0.0	0.3	-100.0%
Other loans	46.4	123.3	-62.4%
Reimbursable government grants	0.3	0.3	-17.7%
Lease liabilities	10.6	17.5	-39.6%
Trade payables	87.0	84.4	3.1%
Others	61.2	50.5	21.2%
Total current liabilities	205.6	276.5	-25.7%
Total liabilities and equity	1,256.2	1,315.0	-4.5%

Note: Variation of unrounded figures

- Glossary

BHKP: Bleached Hardwood Kraft Pulp

CDP: Carbon Disclosure Project (ESG Rating agency)

DP or DWP: Dissolving pulp

EBIT: Profit before income tax and Financial results

EBIT margin: EBIT / Total Revenues

EBITDA: Profit before income tax, Financial results and Amortization and depreciation

EBITDA LTM: EBITDA reported in the last twelve months

EBITDA margin: EBITDA / Total Revenues

Ecovadis: ESG Rating agency

ESG: Environment, Social and Governance

Financial results: Results related to investments, Financial expenses and Financial income

MSCI: ESG Rating agency

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

Net Profit: Net profit attributable to equity holders of the parent

Payout ratio: Dividends/Net Profit

Sustainalytics: ESG Rating agency

Total Net Debt: Net Debt + Lease Liabilities

Total Revenues: Sales + Services rendered + Other income



planting seeds
for **tomorrow**

Earnings announcement

1Q24



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



CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AND
NOTES

1Q24

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2024 AND 31 DECEMBER 2023

(Translation of financial statements originally issued in Portuguese - Note 21)
(Amounts expressed in Euros)

ASSETS	Notes	31.03.2024	31.12.2023
NON-CURRENT ASSETS:			
Biological assets		115,688,597	114,772,851
Property, plant and equipment		340,128,949	343,009,709
Right-of-use assets		67,876,644	68,817,713
Investment properties		24,169	24,169
Goodwill		265,630,973	265,630,973
Intangible assets		542,320	516,126
Investments in joint ventures and associates	4.2	877,902	849,230
Other investments		234,776	235,067
Derivative financial instruments	11	3,707,925	3,698,302
Deferred tax assets		15,619,661	12,504,327
Total non-current assets		<u>810,331,916</u>	<u>810,058,467</u>
CURRENT ASSETS:			
Inventories		84,301,362	97,705,734
Trade receivables		132,226,686	100,162,819
Other receivables		11,741,852	17,833,570
Income tax		18,022,934	25,261,492
Other current assets		3,889,620	4,797,621
Derivative financial instruments	11	1,728,968	5,426,904
Cash and cash equivalents	6	193,973,459	253,703,406
Total current assets		<u>445,884,881</u>	<u>504,891,546</u>
Total assets		<u>1,256,216,797</u>	<u>1,314,950,013</u>
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	8	25,641,459	25,641,459
Legal reserve		5,128,292	5,128,292
Hedging reserve		(13,047,285)	(2,061,868)
Other reserves		378,696,043	335,928,153
Consolidated net profit/(loss) for the period attributable to Equity holders of the parent		21,563,375	42,786,141
Total equity attributable to Equity holders of the parent		<u>417,981,884</u>	<u>407,422,177</u>
Non-controlling interests		4,831,296	4,935,455
Total equity		<u>422,813,180</u>	<u>412,357,632</u>
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Bank loans	9	25,000,000	25,000,000
Other loans	9	467,483,031	467,267,117
Reimbursable government grants	9	433,980	514,650
Lease liabilities		63,399,897	63,797,897
Other non-current liabilities		12,782,866	13,042,914
Deferred tax liabilities		40,055,310	40,298,124
Pension liabilities		300,340	300,340
Provisions	10	1,649,188	1,649,188
Derivative financial instruments	11	16,734,203	14,221,026
Total non-current liabilities		<u>627,838,815</u>	<u>626,091,256</u>
CURRENT LIABILITIES:			
Bank loans	9	-	328,183
Other loans	9	46,420,400	123,341,705
Reimbursable government grants	9	282,513	343,100
Lease liabilities		10,588,536	17,528,877
Trade payables		87,048,810	84,437,149
Liabilities associated with contracts with customers		5,729,633	6,126,218
Other payables		14,885,227	15,148,743
Income tax		1,630,838	1,630,838
Other current liabilities		28,127,826	25,138,452
Derivative financial instruments	11	10,851,019	2,477,860
Total current liabilities		<u>205,564,802</u>	<u>276,501,125</u>
Total liabilities and equity		<u>1,256,216,797</u>	<u>1,314,950,013</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 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 21)
(Amounts expressed in Euros)

	<u>Notes</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
Sales		219,244,243	214,486,332
Services rendered		1,605,647	1,865,394
Other income	15	1,869,914	8,336,381
Costs of sales		(108,364,807)	(112,013,863)
External supplies and services		(48,714,405)	(47,241,271)
Payroll expenses		(12,061,590)	(11,560,962)
Amortisation and depreciation		(15,278,266)	(17,371,871)
Provisions and impairment losses	10	-	55,504
Other expenses		(3,544,406)	(3,730,088)
Results related to investments	13	28,672	(29,992)
Financial expenses	12	(9,599,768)	(9,008,788)
Financial income	12	4,844,995	3,247,449
Profit before income tax		<u>30,030,229</u>	<u>27,034,225</u>
Income tax		(8,571,013)	(7,587,631)
Consolidated net profit for the period		<u>21,459,216</u>	<u>19,446,594</u>
Attributable to:			
Equity holders of the parent	14	21,563,375	19,604,579
Non-controlling interests		(104,159)	(157,985)
		<u>21,459,216</u>	<u>19,446,594</u>
Earnings per share			
Basic	14	0.11	0.10
Diluted	14	0.11	0.10

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 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 21)
(Amounts expressed in Euros)

	<u>Notes</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
Consolidated net profit/(loss) for the period		21,459,216	19,446,594
Other comprehensive income from continued operations:			
Items that may be reclassified to profit or loss in the future			
Changes in fair value of cash flow hedging derivatives - gross amount	11	(15,030,483)	6,637,036
Changes in fair value of cash flow hedging derivatives - deferred tax		4,045,066	(1,769,135)
Change in exchange rate reserve		<u>(18,251)</u>	<u>(4,776)</u>
		(11,003,668)	4,863,125
Other comprehensive income from discontinued operations:			
Items that will not be reclassified to profit or loss			
Changes in the value of financial assets at fair value	5	-	(27,091,096)
		-	(27,091,096)
Other comprehensive income for the period		(11,003,668)	(22,227,971)
Total consolidated comprehensive income for the period		<u>10,455,548</u>	<u>(2,781,377)</u>
Attributable to:			
Equity holders of the parent			
Continued operations		10,559,707	24,467,704
Discontinued operations		-	(27,091,096)
Non-controlling interests			
Continued operations		(104,159)	(157,985)
Discontinued operations		-	-
		<u>10,455,548</u>	<u>(2,781,377)</u>

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 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 21)
(Amounts expressed in Euros)

Notes	Attributable to Equity holders of the parent					Consolidated net profit/(loss) for the period	Total	Non-controlling interests	Total equity
	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				
Balance as at 1 January 2023	25,641,459	5,128,292	8,201,686	117,245,225	23,617,878	427,852,393	607,686,933	2,185,099	609,872,032
Appropriation of the consolidated net profit from 2022	-	-	-	427,852,393	-	(427,852,393)	-	-	-
Capital contributions by non-controlling interests	-	-	-	-	-	-	-	904,000	904,000
Total consolidated comprehensive income for the period	-	-	4,867,901	(4,776)	(27,091,096)	19,604,579	(2,623,392)	(157,985)	(2,781,377)
Balance as at 31 March 2023	<u>25,641,459</u>	<u>5,128,292</u>	<u>13,069,587</u>	<u>545,092,842</u>	<u>(3,473,218)</u>	<u>19,604,579</u>	<u>605,063,541</u>	<u>2,931,114</u>	<u>607,994,655</u>
Balance as at 1 January 2024	25,641,459	5,128,292	(2,061,868)	335,928,153	-	42,786,141	407,422,177	4,935,455	412,357,632
Appropriation of the consolidated net profit from 2023	-	-	-	42,786,141	-	(42,786,141)	-	-	-
Total consolidated comprehensive income for the period	-	-	(10,985,417)	(18,251)	-	21,563,375	10,559,707	(104,159)	10,455,548
Balance as at 31 March 2024	<u>25,641,459</u>	<u>5,128,292</u>	<u>(13,047,285)</u>	<u>378,696,043</u>	<u>-</u>	<u>21,563,375</u>	<u>417,981,884</u>	<u>4,831,296</u>	<u>422,813,180</u>

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 2024 AND 2023

(Translation of financial statements originally issued in Portuguese - Note 21)
(Amounts expressed in Euros)

	Notes	31.03.2024	31.03.2023
Operating activities:			
<i>Cash flows generated by operating activities (1)</i>		44,992,029	26,682,236
Investment activities:			
Receipts arising from:			
Investments	4.2	-	800,000
Property, plant and equipment		6,155	-
Investment grants		-	1,542,579
Interest and similar income		597,877	462,857
Payments relating to:			
Investments in subsidiaries net of cash and cash equivalents acquired		-	(3,000)
Property, plant and equipment		(11,782,765)	(18,362,095)
Intangible assets		(1,172)	-
<i>Cash flows generated by investment activities (2)</i>		(11,179,905)	(15,559,659)
Financing activities:			
Receipts arising from:			
Loans obtained		70,000,000	55,000,000
Capital contributions by non-controlling interests		-	904,000
Reimbursable government grants		350,550	-
Other financing transactions	11	817,186	704,057
Payments relating to:			
Interest and similar expenses		(8,218,711)	(3,987,932)
Loans obtained		(146,500,000)	(55,000,000)
Reimbursable government grants		(141,256)	(326,919)
Lease liabilities		(9,905,029)	(9,965,900)
Other financing transactions	11	(118,749)	(61,571)
<i>Cash flows generated by financing activities (3)</i>		(93,716,009)	(12,734,265)
Cash and cash equivalents at the beginning of the period		253,703,406	214,646,491
Changes in currency exchange rate		173,938	(168,422)
Cash and cash equivalents variation: (1)+(2)+(3)		(59,903,885)	(1,611,688)
Cash and cash equivalents at the end of the period	6	193,973,459	212,866,381

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 cellulosic fibres at three production plants. The Board of Directors considers, with reference to 31 March 2024, there is only one business segment, namely the production and commercialization of cellulosic fibers (Note 16).

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:

	31.03.2024	
	Closing of the period	Average of the period included in the financial statements
Swiss Francs	0.97650	0.94898

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION

a) Material Accounting Policies

The condensed consolidated financial statements, for the three months period ended on 31 March 2024, 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 2023.

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

b) Basis of Presentation

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; ii) financial assets measured at fair value; and iii) 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 2023.

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 2024:

	Effective date (financial years begun on or after)
Amendments to IAS 1 – Presentation of financial statements – Classification of current and non-current liabilities	01 Jan 2024
Amendments to IFRS 16 – Lease liabilities in sale and leaseback transactions	01 Jan 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements	01 Jan 2024

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

No new accounting standards or interpretations, with mandatory application in future economic years, have been endorsed by the European Union until the date of approval of these condensed consolidated financial statements.

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:

	Effective date (financial years begun on or after)
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	01 Jan 2025

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 2024, 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 2024 and 31 December 2023 are as follows:

Company	Registered office	Effective held percentage		Main activity
		31.03.2024	31.12.2023	
Parent company:				
Altri, SGPS, S.A.	Portugal			Holding (company)
Subsidiaries:				
Altri Abastecimento de Madeira, S.A.	Portugal	100.00%	100.00%	Timber commercialization
Altri Abastecimento de Biomassa, S.A.	Portugal	100.00%	100.00%	Biomass commercialization
Altri, Participaciones Y Trading, S.L.	Spain	100.00%	100.00%	Commercialization of cellulosic fibers
Altri Sales, S.A.	Switzerland	100.00%	100.00%	Group management support services
Celbi, S.A.	Portugal	100.00%	100.00%	Production and commercialization of cellulosic fibers
Altri Florestal, S.A.	Portugal	100.00%	100.00%	Forest management
Infloira – 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, S.A.	Portugal	100.00%	100.00%	Production and commercialization of cellulosic fibers
Captaraiz Unipessoal, Lda.	Portugal	100.00%	100.00%	Real estate
Biotek, S.A.	Portugal	100.00%	100.00%	Production and commercialization of cellulosic fibers
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)
Greenfiber, S.L.	Spain	75.00%	75.00%	Production and commercialization of cellulosic fibers
Greenfiber Development, S.L.U.	Spain	75.00%	75.00%	Production and commercialization of cellulosic fibers

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 2024 and 31 December 2023 are as follows:

Company	Registered office	Statement of financial position		Effective shareholding percentage		Main activity
		31.03.2024	31.12.2023	31.03.2024	31.12.2023	
Pulpchem Logistics, A.C.E.	Lavos, Portugal	-	-	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, Portugal	-	-	35.20%	35.20%	Provision of forest fire prevention and fighting services
C.V. Scheepvaartonderneming Schouwenbank (a)	Delfzijl, Netherlands	-	-	-	-	Management of freight vessels destined for ocean-going shipping
Investments in joint ventures		-	-			
Operfoz – Operadores do Porto da Figueira da Foz, Lda.	Figueira da Foz, Portugal	877,902	849,230	33.33%	33.33%	Port operations
Investments in associates		877,902	849,230			
		877,902	849,230			

(a) Investment in the company sold in the first quarter of 2023

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 period ended 31 March 2024 and in the year ended 31 December 2023 are detailed as follows:

	Statement of financial position		Statement of financial position		
	31.03.2024		31.12.2023		
	Operfoz	Total	Operfoz	Schouwenbank	Total
Opening balance	849,230	849,230	837,124	882,022	1,719,146
Increases	-	-	-	-	-
Disposals	-	-	-	(882,022)	(882,022)
Changes in currency exchange rate	-	-	-	-	-
Equity method:					
Effects on gains and losses pertaining to joint ventures and associates (Note 13)	28,672	28,672	12,106	-	12,106
Closing balance	877,902	877,902	849,230	-	849,230

The financial investment held in the joint venture C.V. Scheepvaartonderneming Schouwenbank was sold in the first quarter of 2023 for the amount of 800,000 Euro, having generated a capital loss of 82,022 Euro (Note 13).

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

During the three months period ended 31 March 2024 there were no changes in the consolidation perimeter compared to 31 December 2023 (Note 4).

Following the reorganisation operation that led to the separation of Altri's two autonomous business units (the cellulosic fiber sector and the electricity generation sector) and the consequent distribution of Greenvolt shares to shareholders, the remaining interest in Greenvolt was recognised at fair value through other comprehensive income. Accordingly, during the three-month period ended 31 March 2023, a reduction of 27.1 million Euro was recognised in the fair value through other comprehensive income of the financial interest that the Altri Group held in Greenvolt.

During the year ended 31 December 2023, the Altri Group carried out a distribution of Greenvolt shares to its shareholders, followed by a private placement of the remaining shares. Following the conclusion of these operations and as of 31 December 2023, the Altri Group did not hold any stake in Greenvolt's share capital.

6. CASH AND CASH EQUIVALENTS

As at 31 March 2024 and 2023, Cash and cash equivalents were as follows:

	31.03.2024	31.03.2023
Cash	183,015	31,669
Bank deposits	193,790,444	190,892,544
Cash and cash equivalents on the statement of financial position	193,973,459	190,924,213
Bank overdrafts (Note 9)	-	(631,872)
Cash and cash equivalents on the statement of cash flows	193,973,459	190,292,341

7. 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 2020 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 2024.

8. SHARE CAPITAL

As at 31 March 2024 and 31 December 2023, 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.

9. BANK LOANS, OTHER LOANS AND REIMBURSABLE GOVERNMENT GRANTS

As at 31 March 2024 and 31 December 2023, 'Bank loans', 'Other loans' and 'Reimbursable government grants' can be detailed as follows:

	31.03.2024					
	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 (Note 6)	-	-	-	-	-	-
Bank loans	-	25,000,000	25,000,000	-	25,000,000	25,000,000
Commercial paper	30,000,000	70,000,000	100,000,000	30,844,333	70,000,000	100,844,333
Bond loans	10,000,000	398,900,000	408,900,000	15,576,067	397,483,031	413,059,098
Other loans	40,000,000	468,900,000	508,900,000	46,420,400	467,483,031	513,903,431
Reimbursable government grants	282,513	433,980	716,493	282,513	433,980	716,493
	<u>40,282,513</u>	<u>494,333,980</u>	<u>534,616,493</u>	<u>46,702,913</u>	<u>492,917,011</u>	<u>539,619,924</u>
	31.12.2023					
	Nominal value			Book value		
	Current	Non-current	Total	Current	Non-current	Total
Bank loans	-	25,000,000	25,000,000	328,183	25,000,000	25,328,183
Bank overdrafts (Note 6)	-	-	-	-	-	-
Bank loans	-	25,000,000	25,000,000	328,183	25,000,000	25,328,183
Commercial paper	30,000,000	70,000,000	100,000,000	30,475,757	70,000,000	100,475,757
Bond loans	86,500,000	398,900,000	485,400,000	92,865,948	397,267,117	490,133,065
Other loans	116,500,000	468,900,000	585,400,000	123,341,705	467,267,117	590,608,822
Reimbursable government grants	343,100	514,650	857,750	343,100	514,650	857,750
	<u>116,843,100</u>	<u>494,414,650</u>	<u>611,257,750</u>	<u>124,012,988</u>	<u>492,781,767</u>	<u>616,794,755</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 12).

10. ACCUMULATED PROVISIONS AND IMPAIRMENT LOSSES

The movement occurred under provisions and impairment losses in the three months periods ended 31 March 2024 and 2023 can be detailed as follows:

	31.03.2024			
	Provisions	Impairment losses in receivables	Impairment losses in inventories	Total
Opening balance	1,649,188	2,363,932	10,388,363	14,401,483
Increases	-	-	-	-
Utilizations	-	-	-	-
Reversals	-	-	-	-
Closing balance	1,649,188	2,363,932	10,388,363	14,401,483

	31.03.2023			
	Provisions	Impairment losses in receivables	Impairment losses in inventories	Total
Opening balance	4,731,433	3,519,857	12,314,552	20,565,842
Increases	1,329,120	-	-	1,329,120
Utilizations	(29,493)	-	-	(29,493)
Reversals	(234,624)	(1,150,000)	-	(1,384,624)
Transfers	-	-	-	-
Closing balance	5,796,436	2,369,857	12,314,552	20,480,845

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.

11. DERIVATIVE FINANCIAL INSTRUMENTS

As at 31 March 2024 and 31 December 2023, Altri and its subsidiaries had in force derivative financial instrument contracts associated with hedging changes of interest rate, exchange rate, pulp price, energy price and a long-term renewable energy purchase agreement (VPPA - Virtual Power Purchase Agreement), in the form of a Contract for Differences (CfD). 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 only uses derivatives to hedge cash flows associated with operations generated by their activity.

As at 31 March 2024 and 31 December 2023, the recognised position of derivative financial instruments at fair value is as follows:

	31.03.2024				31.12.2023			
	Asset		Liability		Asset		Liability	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Interest rate derivatives	1,504,020	3,707,925	-	-	1,152,753	3,698,302	-	167,867
Exchange rate derivatives	224,948	-	956,521	141,442	2,940,885	-	15,812	-
Pulp price derivatives	-	-	5,973,652	-	1,333,266	-	-	-
Energy price derivatives	-	-	3,920,846	-	-	-	2,462,048	-
VPPA contracts derivatives	-	-	-	16,592,761	-	-	-	14,053,159
	1,728,968	3,707,925	10,851,019	16,734,203	5,426,904	3,698,302	2,477,860	14,221,026

The movement in the fair value of the derivative financial instruments during the three months period ended 31 March 2024 can be broken down as follows:

	Pulp price derivatives	Interest rate derivatives	Exchange rate derivatives	Energy price derivatives	VPPA contracts derivatives	Total
Opening balance	1,333,266	4,683,188	2,925,073	(2,462,048)	(14,053,159)	(7,573,680)
Change in fair value						
Effects on equity	(7,306,918)	415,098	(3,798,088)	(1,458,798)	(2,881,777)	(15,030,483)
Effects on the income statement	(967,000)	762,870	(117,927)	(1,992,483)	246,290	(2,068,250)
Effects on the statement of financial position	967,000	(649,211)	117,927	1,992,483	95,885	2,524,084
Closing balance	<u>(5,973,652)</u>	<u>5,211,945</u>	<u>(873,015)</u>	<u>(3,920,846)</u>	<u>(16,592,761)</u>	<u>(22,148,329)</u>

12. FINANCIAL RESULTS

The financial results for the three months periods ended 31 March 2024 and 2023 are detailed as follows:

	31.03.2024	31.03.2023
Financial expenses		
Interest expenses	7,510,393	5,386,611
Other financial expenses and losses	2,089,375	3,622,177
	<u>9,599,768</u>	<u>9,008,788</u>
Financial income		
Interest income	1,195,299	458,111
Other financial income and gains	3,649,696	2,789,338
	<u>4,844,995</u>	<u>3,247,449</u>

During the periods ended on 31 March 2024 and 2023, 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 9) and exchange rate losses.

The caption 'Other financial income and gains' includes, mainly, exchange rate gains and gains on interest rate derivative instruments.

13. RESULTS RELATED TO INVESTMENTS

The results related to investments for the three-month periods ended 31 March 2024 and 2023 can be detailed as follows:

	31.03.2024	31.03.2023
Capital losses related to the disposal of investments	-	(82,022)
Equity method (Note 4.2):		
Operfoz	28,672	52,030
	<u>28,672</u>	<u>(29,992)</u>

The financial investment held in the joint venture C.V. Scheepvaartonderneming Schouwenbank was sold in the first quarter of 2023 for the amount of 800,000 Euro, having generated a capital loss of 82,022 Euro (Note 4.2).

14. EARNINGS PER SHARE

Earnings per share for the three-month periods ended 31 March 2024 and 2023 were calculated based on the following amounts:

	<u>31.03.2024</u>	<u>31.03.2023</u>
Number of shares for basic and diluted earning calculation	205,131,672	205,131,672
Earnings for the purpose of calculating earnings per share	21,563,375	19,604,579
Earnings per share		
Basic	0.11	0.10
Diluted	0.11	0.10

15. OTHER INCOME

As of 31 March 2024 and 2023, the caption Other income was composed as follows:

	<u>31.03.2024</u>	<u>31.03.2023</u>
Investment and exploration subsidies	1,025,104	3,229,919
Gains in derivative instruments (Note 11)	275,378	2,485,559
Others	569,432	2,620,903
	<u>1,869,914</u>	<u>8,336,381</u>

The variation in the item “Investment and exploration subsidies” is essentially related to the incentive *Apoiar as Indústrias Intensivas em Gás*, obtained in 2023. The variation in the item “Others” refers essentially to claims relating to credit insurance.

16. INFORMATION BY SEGMENTS

With reference to 31 March 2024, the Board of Directors of the Altri Group considers that there is only one segment that can be reported, namely the production and commercialization of cellulosic fibers, and the management information is also prepared and analysed on this basis.

17. 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 2024 and 2023, there were no transactions with the Board of Directors, nor were they granted loans.

As at 31 March 2024 and 2023, balances and transactions with related entities can be summarised as follows:

	Payables	
	31.03.2024	31.03.2023
Balances		
Joint ventures and associates (a)	2,509,818	3,821,623
	<u>2,509,818</u>	<u>3,821,623</u>
	Purchases and acquired services	
	31.03.2024	31.03.2023
Transactions		
Joint ventures and associates (a)	6,434,525	9,100,304
	<u>6,434,525</u>	<u>9,100,304</u>

(a) Entities included in the consolidation using the equity method as at 31 March 2024 and 2023 (Note 4.2)

18. APPROPRIATION OF NET PROFIT

Regarding the 2023 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 21,331,956 Euro would be fully distributed as dividends. In addition, it proposed distributing as dividends an additional amount of reserves totalling 29,950,962 Euro, which corresponds to a total dividend distribution of:

Dividends	51,282,918 Euro
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The distribution of profits for the year and reserves proposed corresponds to the payment of a gross dividend of 0.25 Euro per share.

19. SUBSEQUENT EVENTS

From 31 March 2024 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.

20. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated condensed financial statements were approved by the Board of Directors and authorised for issue on 23 May 2024.

21. 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

Miguel Allegro Garcez Palha de Sousa da Silveira

João Carlos Ribeiro Pereira

Sofia Isabel Henriques Reis Jorge



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ALTRI, SGPS, S.A.

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

Share capital: Euro 25,641,459

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