



EARNINGS ANNOUNCEMENT
(unaudited information)

3Q21

This document is a translation of a document originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

Table of contents

Table of contents	2
Highlights of 3Q21	3
Message from the CEO	4
Operational and Financial Performance	5
Pulp Segment	5
Energy Segment (GreenVolt)	7
Consolidated Results (3Q21)	8
Consolidated Results (9M21)	9
Sustainability	11
Perspectives	12
Appendices	13
Description of the Altri Group	13
Pulp Mill's Maintenance Downtime Schedule	14

Highlights of 3Q21

Altri Group continues to register record levels in Pulp Production and Sales in 2021. Production reached 865.9 thousand tons and Sales 884.5 thousand tons in 9M21.

Total revenues for the Altri Group reached € 248.4 M during 3Q21, an increase of 75.5% vs. 3Q20, benefiting from a favourable pulp price environment and from the growth of the Energy segment.

Quarterly EBITDA grew 205.7%, when compared to the same period in the previous year, **to a record level of € 98.7 M. EBITDA margin reached 39.7%.** This performance shows the continuous search for efficiency improvement in the various plants of the Altri Group, despite the inflation of some costs that was felt during the quarter.

Altri Group's Net Profit reached € 48.1 M in 3Q21, an increase of 219.2% when compared to 3Q20.

Altri Group's Net Debt decreased to € 479.6 M at the end of September 2021, to very solid levels, as a result of the Group's internal cash flow generation and GreenVolt's IPO. If we look only at the **Pulp segment**, the debt reduction was around 20% in 3Q21 to € 357.3 M.

The Altri Group announced, already in October, the signing of a **MoU (Memorandum of Understanding) with a public-private consortium from the region of Galicia**, to jointly and exclusively study the construction of a **new industrial unit for Soluble Pulp and Sustainable Textile Fibers with an annual capacity of 200,000 tons.**

In the Energy segment, and after the successful IPO in July, **GreenVolt registered an extremely positive behaviour of its stock market value**, rewarding the national and international expansion strategy in the Renewable Energy area.

Message from the CEO

Sustainability is a competitiveness factor for Altri Group, and we continuously seek a balance between economic, social and environmental sustainability. The third quarter was a clear example of this at several levels, in our sustainable development and growth, as well as in the creation of value for all our stakeholders.

In addition to the systematic search for the best solutions to meet its Commitment 2030, Altri seeks upstream to encourage the forestry sector to adopt best practices, forest certification, and the creation of a set of solutions that stimulate biodiversity, as well as by increasing the production of green energy and the development of strategic projects.

It is in this context that Altri took a very relevant step, having been selected by the authorities of Galicia to develop a unique project of enormous ambition in the area of sustainable textiles, for the production of cellulosic-based textile fibers from Galician forests, which will progressively contribute to the replacement of synthetic fibers of fossil origin.

The boost given to our subsidiary GreenVolt, through its IPO and the consolidation of its ambitious project for national and international expansion in Biomass and Renewable Energies, was also entirely justified by its favourable stock market performance.

In terms of pulp segment activity, the first nine months of this year were the best ever in terms of production, with the third quarter continuing to show exceptional performance, setting a new Group record in terms of EBITDA. Our plants have been proving that it is possible to do better and more efficiently, with exceptional results.

This performance was achieved despite the pressures felt both in energy prices and the rising cost of wood, our main raw material, with a necessary increase in imports. It is essential that Portugal aligns its strategic interests, creating incentives for better forest management, with the adoption of best practices and the conversion of abandoned forests into forests with higher productivity.

These results are possible only with a special dedication and spirit of cooperation, both from our teams who daily strive to give their best, and from all our partners, suppliers, and customers.

José Soares de Pina

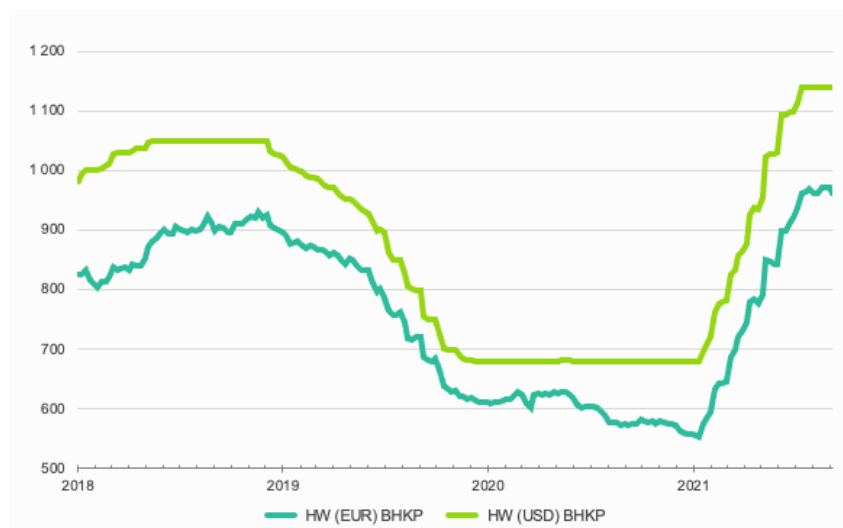
Operational and Financial Performance

Pulp Segment

Total worldwide demand during the first nine months of 2021 for Hardwood pulp showed a decrease of 4.8% compared to the same period in 2020, according to the Pulp and Paper Products Council (PPPC), World Chemical Market Pulp Global 100 Report (September 2021). The acceleration in demand in Western Europe (+4.9%) has not been enough to offset the decrease in China (-11.5%). The increase in world maritime freight prices, especially out of China, as well as the energy crisis that led the Chinese Government to decree restrictions on the operation of several industries (including the Papermaking industry), are the main causes for this slowdown.

According to the same source (World Chemical Market Pulp Global 100 Report - September 2021 by PPPC), the global inventory level of Hardwood pulp was 43 days at the end of September, an increase of 1 day when compared to the end of 3Q20. This increase contrasts with a year-on-year reduction of 22% in pulp inventories at European ports in September 2021, showing the current logistical difficulties in the sector.

BHKP Pulp Price Evolution in Europe (2018 to Sept21)



Source: FOEX.

During 3Q21 Pulp prices (BHKP) maintained their upward trend (+4% in USD), having maintained the level of 1,140 USD /ton for most of the quarter. Despite the decline in pulp prices in China during 3Q21, the strong demand for pulp in Europe by European paper producers led to the maintenance of prices.

At the end of September 2021, the PIX market price was at 1,140 USD/ton which compares to 1,099 USD/ton at the end of 2Q21 and 680 USD/ton at the end of 2020. On average, the price recorded by PIX was 1,138 USD/ton during 3Q21 vs 1,009 USD/ton in 2Q21.

Dissolving Pulp (DWP), targeted for textile use, recorded a global demand increase of 18% in the first seven months of 2021, according to the Pulp and Paper Products Council (PPPC), Global DP Demand Report - July 2021. This increase was driven by the post-pandemic recovery in Asia (+22%), namely from countries like China, India and Indonesia. Prices followed the general upward movement of pulp in 2021.

In operational terms, the total volume of pulp produced in 3Q21 reached 295.0 thousand tons, an increase of 6.5% vs 3Q20. Pulp sales in the same period reached 289.1 thousand tons (+12.8% vs. 3Q20).

Operational Indicators (Pulp)

Mil tons	3Q21	3Q20	3Q21/3Q20	2Q21	3Q21/2Q21
Production Pulp BHKP	271.5	253.6	7.1%	265.2	2.3%
Production Pulp DWP	23.5	23.5	0.1%	25.3	-6.9%
Total Production	295.0	277.1	6.5%	290.5	1.5%
Pulp Sales BHKP	264.0	231.3	14.1%	267.1	-1.2%
Pulp Sales DWP	25.1	25.0	0.6%	23.7	6.3%
Total Sales	289.1	256.2	12.8%	290.8	-0.6%

Total revenues associated to the Pulp segment of the Altri Group reached € 207.0 M during 3Q21, an increase of 74.0% vs 3Q20 and of 10.7% vs 2Q21. Pulp segment EBITDA reached € 79.4 M, +233.6% vs 3Q20 and +21.8% vs 2Q21 with EBITDA margin in 3Q21 reaching 38.4%, +18.4 p.p. when compared to the same period of 2020 despite inflationary pressure in some costs such as energy, wood (via increased imports) and chemicals.

Financial Indicators (Pulp)

€ M	3Q21	3Q20	3Q21/3Q20	2Q21	3Q21/2Q21
Pulp Total Revenues	207.0	119.0	74.0%	186.9	10.7%
EBITDA Pulp	79.4	23.8	233.6%	65.2	21.8%
EBITDA Pulp mg	38.4%	20.0%	+18,4 pp	34.9%	+3,5 pp

Energy Segment (GreenVolt)

GreenVolt continues to consolidate its ambitious project of national and international expansion in Biomass and Renewable Energy. Although it has already reported the 3Q21 results, we mention below the main highlights of the quarter:

- Total revenues reach 41.4 million Euros (+83.4%);
- EBITDA excluding transaction costs amounted to about €19.9 M (+108.5%);
- Net financial debt of 122.3 million Euros.

Completion of the acquisition of a 70% stake in the share capital of Track Profit Energy, Lda. ("Profit"), a company that operates in the decentralised electricity generation in Portugal, focused on the B2B segment. This acquisition was completed on August 24, 2021.

Acquisition of a 41.87% stake in Tresa Energía S.L. ("Perfecta Energía"), a Spanish company that operates in the decentralised electricity generation in Spain, focused on the B2C segment. This acquisition was completed on October 25, 2021.

During the 4Q21, GreenVolt has issued a 7-year Green Bond in the global amount of €100M, with a fixed coupon rate of 2.625% per annum.

The evolution of GreenVolt's recurrent operational activity during the third quarter of 2021 translated into total revenues of 41.4 million Euros, corresponding to a growth of about 83.4%, in an EBITDA excluding transaction costs that reached 19.9 million Euros, registering an increase of 108.5%.

Financial Indicators (Energy)

€ M	3Q21	3Q20	3Q21/3Q20
Energy Total Revenues	41.4	22.6	83.4%
EBITDA Energy excluding transaction costs	19.9	9.6	108.5%
EBITDA Energy excluding transaction costs mg	48.0%	42.3%	+5,7 pp
EBITDA Energy	18.8	9.6	96.9%

Transaction costs - Non-recurring transaction costs, mainly related to business combinations. Note: Considering Altri Group's definition of EBITDA, the contribution of the energy segment (GreenVolt) is € 19.3 M.

Consolidated Results (3Q21)

Altri Group's total revenues reached € 248.4 M during 3Q21, an increase of 75.5% vs. 3Q20, while operating costs grew 37.1% in 3Q21 vs. 3Q20, leading Altri Group's EBITDA to reach an absolute record level of € 98.7 M, an increase of 205.7% when compared to the same period last year. Consolidated net income reached € 48.1 M in 3Q21 vs € 15.1 M in 3Q20.

Income Statement of 3Q21

€ M	3Q21	3Q20	3Q21/3Q20	2Q21	3Q21/2Q21
Total revenues (a)	248.4	141.5	75.5%	207.7	19.6%
Cost of sales	79.4	59.1	34.4%	75.1	5.7%
External supplies and services	57.8	37.6	53.7%	51.3	12.7%
Payroll expenses	11.0	9.9	11.2%	11.0	0.0%
Other expenses	1.2	0.8	55.0%	0.7	84.1%
Provisions and impairment losses	0.3	0.9	-65.3%	0.2	39.9%
Total expenses	149.7	109.2	37.1%	138.3	8.3%
EBITDA (b)	98.7	32.3	205.7%	69.4	42.3%
EBITDA margin (c)	39.7%	22.8%	+16,9 pp	33.4%	+6,3 pp
Amortisation and depreciation	-22.9	-19.6	17.0%	-19.7	15.9%
EBIT (d)	75.9	12.7	495.4%	49.7	52.8%
EBIT margin (e)	30.5%	9.0%	+21,5 pp	23.9%	+6,6 pp
Results related to investments	-0.5	0.0	s.s.	0.0	s.s.
Financial expenses	-8.3	-7.0	17.9%	-7.0	18.2%
Financial income	2.7	1.0	183.5%	2.5	8.1%
Financial results	-6.0	-6.1	-0.3%	-4.5	33.9%
Profit before income tax and CESE	69.8	7.7	809.1%	45.1	54.7%
Income tax	-17.6	8.3	-311.9%	-13.5	30.3%
Energy sector extraordinary contribution (CESE)	0.0	-0.9	s.s.	-0.1	s.s.
Consolidated net profit for the period					
Attributable to Non-controlling interest	4.2	0.0	ss	0.0	ss
Attributable to Holders of equity in the parent company	48.1	15.1	219.2%	31.6	52.3%

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

(a) Total revenues = Sales + Services rendered + Other income

(b) EBITDA = Profit before income tax and CESE, Financial results and Amortisation and depreciation

(c) EBITDA margin = EBITDA / Total revenues

(d) EBIT = Profit before income tax and CESE and Financial results

(e) EBIT margin = EBIT / Total revenues

Consolidated Results (9M21)

Altri Group set an absolute record for production and sales in the first nine months of 2021, producing 865.9 thousand tons of pulp in 9M21 (+4.5% vs 9M20) while pulp sales reached 884.5 thousand tons, an increase of 7.0% vs 9M20.

Operational Indicators (Pulp)

Mil tons	9M21	9M20	9M21/9M20
Production Pulp BHKP	793.2	759.0	4.5%
Production Pulp DWP	72.7	69.9	3.9%
Total Production	865.9	828.9	4.5%
Pulp Sales BHKP	804.3	742.9	8.3%
Pulp Sales DWP	80.2	83.6	-4.0%
Total Sales	884.5	826.5	7.0%

Altri Group's total revenues reached € 635.3 M during 9M21, an increase of 35.3% vs. 9M20, while operating costs grew 14.3% in 9M21 vs. 9M20. Altri Group's EBITDA reached € 207.6 M, an increase of 117.8% when compared to the same period last year. Consolidated net profit for the period reached € 92.8 M in 9M21 vs € 24.3 M in 9M20.

Income Statement of 9M21

€ M	9M21	9M20	9M21/9M20
Total revenues	635.3	469.5	35.3%
Cost of sales	240.6	220.8	8.9%
External supplies and services	153.2	121.0	26.7%
Payroll expenses	31.5	29.5	6.6%
Other expenses	2.5	3.0	-15.8%
Provisions and impairment losses	-0.1	-1.1	ss
Total expenses	427.7	374.2	14.3%
EBITDA	207.6	95.3	117.8%
EBITDA margin	32.7%	20.3%	+12,4 pp
Amortisation and depreciation	-62.4	-59.1	5.6%
EBIT	145.2	36.2	301.1%
EBIT margin	22.9%	7.7%	+15,2 pp
Results related to investments	-0.5	0.1	-1043.1%
Financial expenses	-18.6	-20.0	-7.2%
Financial income	8.1	2.6	209.5%
Financial results	-10.9	-17.3	-37.0%
Profit before income tax and CESE	134.3	18.9	611.9%
Income tax	-36.2	5.4	-776.0%
Energy sector extraordinary contribution (CESE)	-1.1	-0.9	19.1%
Consolidated net profit for the period			
Attributable to Non-controlling interest	4.1	0.0	ss
Attributable to Holders of equity in the parent company	92.8	24.3	282.1%

Investments

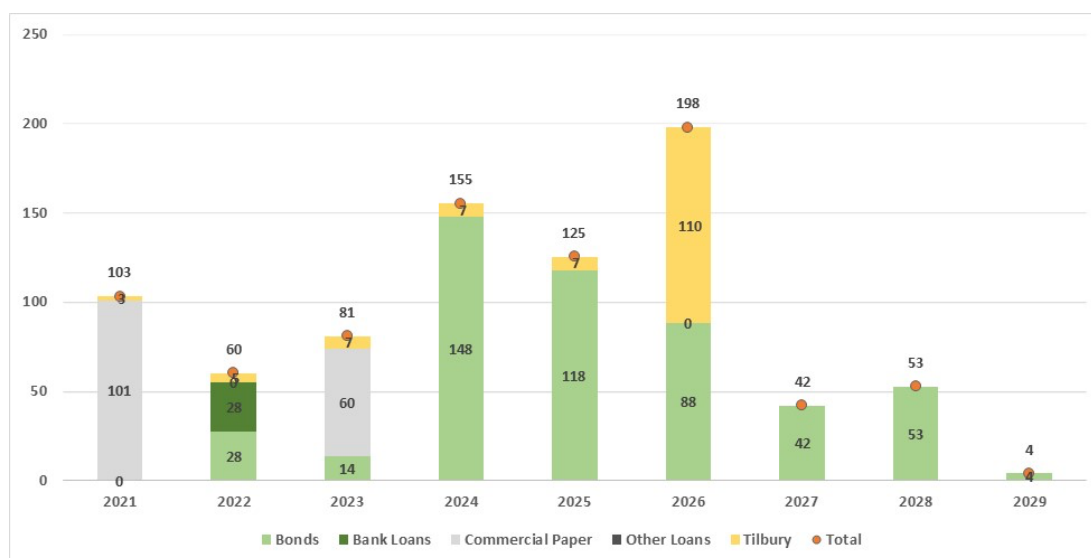
The total net investment¹ made during the third quarter of 2021 by the Altri Group amounted to approximately € 11.8 M, of which € 5.0 M are related to the Pulp segment and € 6.8 M are related to GreenVolt.

Nominal remunerated net debt

Altri Group's nominal remunerated net debt², as of September 30, 2021, amounted to € 479.6 M, a significant reduction when compared to 2Q21 mainly due to GreenVolt's IPO and the Group's internal generation of cash flow. Excluding the Energy segment (GreenVolt), nominal remunerated net debt related only to the Pulp segment was reduced in almost 20%, to € 357.3 M.

€ M	3Q21
Net Debt	479.6
Net Debt (excluding Energy segment)	357.3

Financial Debt Maturity Profile (€ M)



¹ Total net investment: Payments in the period relating to acquisitions of property, plant and equipment related to the operational activity of the Pulp and Energy segments.

² Nominal remunerated net debt: Bank loans (nominal amounts) + Other loans (nominal amounts) - Cash and cash equivalents.

Sustainability

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

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

Based on this strategy, and on the results of an auscultation carried out at the end of 2020, 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. Thus, resulting in the definition of the **"2030 Commitment"** of the Altri Group.

During the third quarter of 2021 we highlight the following initiatives aligned with the different objectives of Commitment 2030 defined by the Altri Group.



Altri signed the BCSD Portugal Manifesto entitled "Rumo à COP26". The United Nations COP26 on Climate Change is a crucial moment to accelerate the necessary transition to decarbonization and comply with the Paris Agreement on climate. Together with more than 80 member companies of BCSD Portugal, we corroborate the relevance of this conference and highlight the main expected outcomes.

The 11 points of the Manifesto reflect the different aspects to be considered to increase the ambition of the global and collective response, aligned with the goal of limiting the Earth's warming to 1.5°C, achieve the carbon emissions reduction target and accelerate the decarbonization process worldwide.



Altri joined act4nature Portugal, an initiative of BCSD Portugal - Business Council for Sustainable Development, through which companies are encouraged and mobilized to protect, promote and restore biodiversity and ecosystem services, contributing to halt and reverse their loss by 2030.

We subscribe to the 10 common commitments combined with individual commitments that Altri has assumed in its Commitment 2030, reinforcing its contribution to building a more sustainable world.

Perspectives

In the Pulp segment, we continue to experience strong demand in Europe, especially for printing and writing (P&W) paper end-uses. Likewise, we see a maintenance of logistical constraints for the coming months, and we believe they will continue to condition the dynamics of the Pulp and Paper market in Europe. On the cost side, one of the current challenges is the increasing growth in energy prices as well as the growing need for wood imports.

Already in October, Altri announced a Memorandum of Understanding (MoU) with a public-private consortium from the region of Galicia ('Impulsa'), to study exclusively the construction of a greenfield industrial unit that will have the capacity to produce annually about 200,000 tons of soluble pulp and sustainable fibers. This project will aim to supply the textile sector taking advantage of the exceptional textile cluster in the North of the Iberian Peninsula. The total investment of the project may surpass € 700 M, to build one of the best factories in the World in terms of sustainability and to be a reference in terms of operational profitability, achieving these goals without the use of fossil fuels and with an energetic surplus. Currently, the site selection process is at an advanced stage and the Environmental Impact Study is in its start-up phase.

The successful path of GreenVolt had as an important milestone this year its listing on the stock exchange and then the integration in the main national stock index (PSI-20), as a result of an Initial Public Offering (IPO) that registered a remarkable and diversified demand and allowed the company to make a significant share capital increase and thus attract a broad investor base and continue to promote its financial strategy of strengthening the capital structure and diversification of sources and types of funding.

The normal development of Altri's and GreenVolt's businesses, as we know, have different cycles and rhythms and attract the attention of different profiles of lenders and investors. In this context, given the growth prospects of GreenVolt and Altri, it seems reasonable and necessary to consider the study around the optimization of Altri's shareholding in GreenVolt, which may involve a possible process of segregating this shareholding if this is an appropriate response to the optimized evolution of the companies in question, adjusted to the reality underlying their own businesses and their development prospects and once the analysis of the impacts and advantages of a total separation of the paste and renewable energy businesses has been carried out. The possible segregation of each of these businesses, if implemented, may also allow for the segregation of the balance sheets of the two companies, contributing to both of them pursuing their business plans independently.

The implementation of this possible transaction will be based on a model in which Altri's shareholders will hold the majority shareholding that this company holds in GreenVolt, in a model that will be defined following the study referred to above, in circumstances that, therefore, are not likely to give rise to a transition of control over GreenVolt from Altri to another entity.

The possible implementation of such transaction of segregation of the companies and their businesses will naturally depend on obtaining all statutory, legal, contractual and regulatory approvals, in this case, in particular, to the extent applicable, by the Portuguese Securities Market Commission. In particular, such possible transaction, if it takes place, will always respect the lock-up undertakings agreed and in force until January 15, 2022, both by Altri and GreenVolt, in the context of the IPO, being implemented, if it is concluded for its feasibility and adequacy and after all required authorizations have been obtained, probably, during the second quarter of 2022.

Appendices

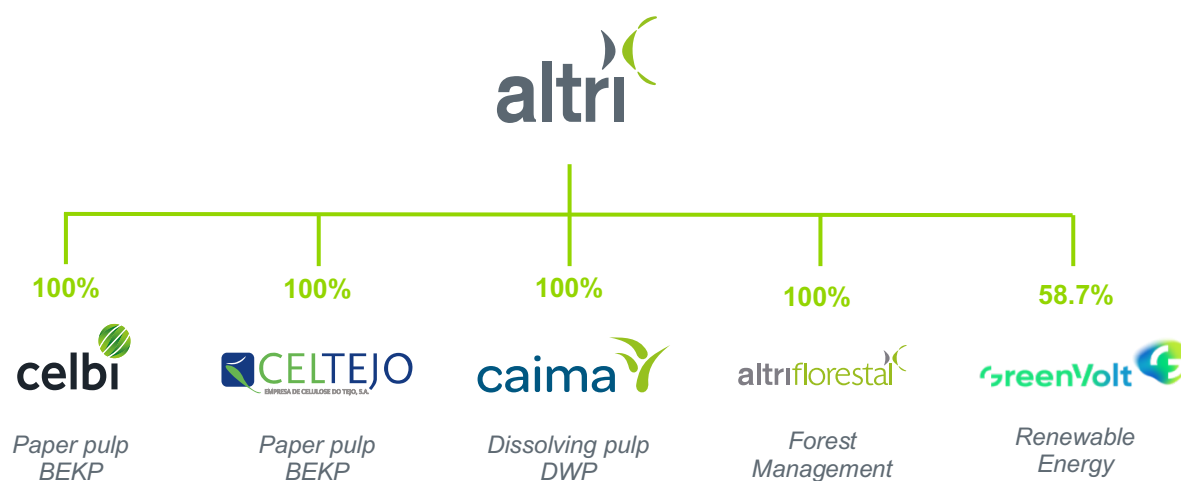
Description of the Altri Group

Altri is a reference in European eucalyptus pulp 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. 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 86.3 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 2020, reached more than 1.1 million tonnes/year of eucalyptus pulp.

Altri's current organic structure at the end of September 2021 can be represented as follows:



Pulp Mill's Maintenance Downtime Schedule

In terms of stoppages for maintenance during 2021, the schedule is as follows:

Mill	2021	Status
Celbi	October	Completed
Celtejo	No downtime	-
Caima	September	Completed



EARNINGS ANNOUNCEMENT

3Q21

ALTRI, SGPS, S.A.

Public company

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



FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021 AND 31 DECEMBER 2020

(Translation of financial statements originally issued in Portuguese - Note 20)
(Amounts expressed in Euros)

ASSETS	Notes	30.09.2021	31.12.2020
NON-CURRENT ASSETS:			
Biological assets		102,923,576	105,621,199
Property, plant and equipment	5	648,512,644	523,507,899
Right-of-use assets	5	122,398,520	65,462,658
Investment properties		23,043	82,131
Goodwill	5	484,370,704	265,630,973
Intangible assets	5	69,609,534	52,201,704
Investments in joint ventures and associates	4	1,275,458	755,583
Other investments		444,449	280,147
Other receivables	5	7,754,205	-
Other non-current assets		3,210,260	3,210,260
Derivative financial instruments	11	2,457,380	-
Deferred tax assets		27,139,936	27,757,056
Total non-current assets		1,470,119,709	1,044,509,610
CURRENT ASSETS:			
Inventories		73,675,543	75,454,614
Trade receivables		106,393,488	64,149,699
Assets associated with contracts with customers	5	23,426,916	7,476,825
Other receivables		11,795,727	9,691,305
Income tax		2,679,999	17,160,243
Other current assets		9,157,448	5,649,993
Derivative financial instruments	11	1,231,536	7,313,870
Cash and cash equivalents	6	342,256,689	254,568,719
Total current assets		570,617,346	441,465,268
Total assets		2,040,737,055	1,485,974,878
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	8	25,641,459	25,641,459
Legal reserve		5,128,292	5,128,292
Hedging reserve		(10,543,327)	3,515,384
Other reserves		394,261,772	376,043,942
Consolidated net profit/(loss) for the period		92,815,363	34,977,248
Total equity attributable to shareholders of the Parent Company		507,303,559	445,306,325
Non-controlling interests	5	169,712,493	14,584
Total equity		677,016,052	445,320,909
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Bank loans	9	132,058,794	27,500,000
Other loans	9	524,023,197	532,417,574
Reimbursable government grants	9	2,288,430	2,942,267
Shareholders loans	16	39,859,155	-
Lease liabilities		126,697,456	65,461,849
Other payables		16,164,503	-
Other non-current liabilities		8,247,010	10,487,366
Deferred tax liabilities		48,328,848	48,071,097
Pension liabilities		3,744,178	5,180,204
Provisions	5 and 10	21,290,874	16,689,458
Derivative financial instruments	11	26,631,271	1,053,386
Total non-current liabilities		949,333,716	709,803,201
CURRENT LIABILITIES:			
Bank loans	9	32,599,113	2,135,970
Other loans	9	129,918,947	168,869,728
Reimbursable government grants	9	653,837	2,847,177
Shareholders loans	16	703,269	-
Lease liabilities		10,785,286	9,588,771
Trade payables		126,192,748	104,104,493
Liabilities associated with contracts with customers		5,287,963	3,641,936
Other payables		29,715,250	13,394,102
Income tax		35,736,251	4,705,554
Other current liabilities		38,657,627	21,200,376
Derivative financial instruments	11	4,136,996	362,661
Total current liabilities		414,387,287	330,850,768
Total liabilities and equity		2,040,737,055	1,485,974,878

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

The Chartered Accountant

The Board of Directors

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE NINE AND THREE MONTHS PERIODS ENDED 30 SEPTEMBER 2021 AND 2020

(Translation of financial statements originally issued in Portuguese - Note 20)
(Amounts expressed in Euros)

	Notes	PERIOD ENDED AT		QUARTER ENDED AT	
		30.09.2021	30.09.2020	30.09.2021	30.09.2020
Sales		626,309,799	462,219,417	244,432,368	139,067,031
Services rendered		3,957,547	3,028,018	1,929,207	1,005,275
Other income	14	5,033,210	4,298,857	2,072,140	1,450,847
Costs of sales		(240,579,801)	(220,834,546)	(79,393,944)	(59,058,648)
External supplies and services		(153,247,498)	(120,975,338)	(57,773,015)	(37,582,028)
Payroll expenses		(31,475,066)	(29,524,926)	(11,016,432)	(9,908,801)
Amortisation and depreciation		(62,379,865)	(59,094,066)	(22,871,068)	(19,553,063)
Provisions and impairment losses	10	128,013	1,110,132	(312,069)	(900,000)
Other expenses		(2,540,175)	(3,021,906)	(1,207,900)	(780,856)
Results related to investments	4	(476,957)	50,276	(495,996)	(1,124)
Financial expenses	12	(18,576,949)	(20,020,447)	(8,282,059)	(7,023,414)
Financial income	12	8,126,276	2,625,859	2,735,244	964,759
Profit before income tax and CESE		134,278,534	19,861,330	69,816,476	7,679,978
Income tax		(36,208,129)	5,356,286	(17,597,687)	8,305,799
Energy sector extraordinary contribution (CESE)		(1,113,227)	(934,599)	-	(934,599)
Consolidated net profit for the period		96,957,178	24,283,017	52,218,789	15,051,178
Attributable to:					
Holders of equity in the parent company	13	92,815,363	24,287,739	48,056,861	15,055,662
Non-controlling interests		4,141,815	(4,722)	4,161,928	(4,484)
		96,957,178	24,283,017	52,218,789	15,051,178
Earnings per share					
Basic	13	0.45	0.12	0.23	0.07
Diluted	13	0.45	0.12	0.23	0.07

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

The Chartered Accountant

The Board of Directors

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE NINE AND THREE MONTHS PERIODS ENDED 30 SEPTEMBER 2021 AND 2020

(Translation of financial statements originally issued in Portuguese - Note 20)
(Amounts expressed in Euros)

	Notes	PERIOD ENDED AT		QUARTER ENDED AT	
		30.09.2021	30.09.2020	30.09.2021	30.09.2020
Consolidated net profit/(loss) for the period		96,957,178	24,283,017	52,218,789	15,051,178
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	11	(33,599,498)	3,520,731	(20,224,713)	2,494,815
Changes in fair value of cash flow hedging derivatives - deferred tax		2,347,584	(964,333)	1,046,278	(676,959)
Change in exchange rate reserve		(1,749,654)	48	(1,744,026)	(6,577)
		(33,001,568)	2,556,446	(20,922,461)	1,811,279
Other comprehensive income for the period		(33,001,568)	2,556,446	(20,922,461)	1,811,279
Total consolidated comprehensive income for the period		63,955,610	26,839,463	31,296,328	16,862,457
Attributable to:					
Shareholders in the Parent Company		77,764,355	26,844,185	45,084,960	16,866,941
Non-controlling interests		(13,808,745)	(4,722)	(13,788,632)	(4,484)

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

The Chartered Accountant

The Board of Directors

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2021 AND 2020

(Translation of financial statements originally issued in Portuguese - Note 20)

(Amounts expressed in Euros)

		Attributable to shareholders in the Parent Company							
	Notes	Share capital	Legal reserve	Hedging reserves	Other reserves	Profit and loss result	Total	Non-controlling interest	Total equity
Balance as at 1 January 2020	8	25,641,459	5,128,292	(2,493,790)	336,927,499	100,826,022	466,029,482	13,453	466,042,935
Appropriation of the consolidated result from 2019		-	-	-	100,826,022	(100,826,022)	-	-	-
Dividends distribution		-	-	-	(61,539,502)	-	(61,539,502)	-	(61,539,502)
Capital contributions by non-controlling interests		-	-	-	-	-	-	8,700	8,700
Total consolidated comprehensive income for the period		-	-	2,556,398	48	24,287,739	26,844,185	(4,722)	26,839,463
Balance as at 30 September 2020	8	25,641,459	5,128,292	62,608	376,214,067	24,287,739	431,334,165	17,431	431,351,596
Balance as at 1 January 2021	8	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)	-	-	-
Dividends distribution	8 and 17	-	-	-	(71,796,085)	-	(71,796,085)	-	(71,796,085)
Liquidation of companies		-	-	-	-	-	-	(704)	(704)
Acquisition of subsidiaries		-	-	-	-	-	-	460,476	460,476
Capital contributions by non-controlling interests		-	-	-	-	-	-	41,162,606	41,162,606
Change in holding percentage in subsidiaries	4.1	-	-	-	56,023,367	-	56,023,367	141,889,873	197,913,240
Others		-	-	-	5,597	-	5,597	(5,597)	-
Total consolidated comprehensive income for the period		-	-	(14,058,711)	(992,297)	92,815,363	77,764,355	(13,808,745)	63,955,610
Balance as at 30 September 2021	8	25,641,459	5,128,292	(10,543,327)	394,261,772	92,815,363	507,303,559	169,712,493	677,016,052

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

The Chartered Accountant

The Board of Directors

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE NINE AND THREE MONTHS PERIODS ENDED 30 SEPTEMBER 2021 AND 2020

(Translation of financial statements originally issued in Portuguese - Note 20)
(Amounts expressed in Euros)

	Notes	PERIOD ENDED AT		QUARTER ENDED AT	
		30.09.2021	30.09.2020	30.09.2021	30.09.2020
Operating activities:					
<i>Cash flows generated by operating activities (1)</i>		<u>211,666,210</u>	<u>120,091,146</u>	<u>128,212,303</u>	<u>43,892,748</u>
Investment activities:					
Receipts arising from:					
Investments		-	106,200	-	-
Property, plant and equipment		620,298	25,594	554,428	498
Investment grants		-	45,140	-	-
Interest and similar income		<u>318,089</u>	<u>559,236</u>	<u>139,902</u>	<u>189,390</u>
Payments relating to:					
Investments in subsidiaries net of cash and cash equivalents acquired	6	(174,054,908)	-	(4,765,344)	-
Investments in joint ventures	6	(3,236)	-	(3,236)	-
Loans conceded		(6,795,638)	-	(6,795,638)	-
Property, plant and equipment		(25,788,333)	(26,669,569)	(11,781,359)	(11,806,592)
Intangible assets	5	<u>(20,005,046)</u>	<u>-</u>	<u>(3,676)</u>	<u>-</u>
<i>Cash flows generated by investment activities (2)</i>		<u>(225,708,774)</u>	<u>(25,933,399)</u>	<u>(22,654,923)</u>	<u>(11,616,704)</u>
Financing activities:					
Receipts arising from:					
Loans obtained		517,433,378	340,000,000	156,427,318	175,000,000
Shareholders Loans	16	39,974,360	-	-	-
Capital contributions by non-controlling interests	5	41,162,606	8,700	345,000	8,700
Change in holding percentage in subsidiaries		142,507,740	-	142,507,740	-
Other financing transactions		<u>7,677,674</u>	<u>755,857</u>	<u>3,747,037</u>	<u>755,857</u>
Payments relating to:					
Interest and similar expenses		(11,960,018)	(10,694,384)	(3,503,353)	(3,741,933)
Distributed dividends	8 and 17	(71,796,085)	(61,539,502)	(20,513,167)	-
Loans obtained		(538,233,766)	(336,439,000)	(222,108,243)	(185,260,033)
Reimbursable government grants		(2,847,178)	(178,967)	(252,829)	(178,967)
Lease liabilities		(4,810,006)	(10,588,435)	(1,498,055)	(994,586)
Other financing transactions		<u>(16,236,849)</u>	<u>(3,100,678)</u>	<u>(4,171,168)</u>	<u>(20,567)</u>
<i>Cash flows generated by financing activities (3)</i>		<u>102,871,856</u>	<u>(81,776,409)</u>	<u>50,980,280</u>	<u>(14,431,529)</u>
Cash and cash equivalents at the beginning of the period		252,572,629	181,343,914	184,864,261	175,880,738
Changes to the scope of consolidation	5	1,020,787	-	1,020,787	-
Effect of currency exchange rate		(166,019)	-	(166,019)	-
Cash and cash equivalents variation: (1)+(2)+(3)		<u>88,829,292</u>	<u>12,381,338</u>	<u>156,537,660</u>	<u>17,844,514</u>
Cash and cash equivalents at the end of the period	6	<u>342,256,689</u>	<u>193,725,252</u>	<u>342,256,689</u>	<u>193,725,252</u>

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

The Chartered Accountant

The Board of Directors

1. INTRODUCTORY NOTE

1.1. General information

Altri, SGPS, S.A. ('Altri' or 'the Company') is a public company incorporated on 1 March 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 pulp at three production plants and on generating electricity via waste consumption and forest biomass through its power plants.

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, through the following acquisitions of companies:

- Acquisition of 51% of Tilbury Green Power Holdings Limited (owner of a biomass power plant in United Kingdom), as at June 30, 2021, in partnership with Equitix;
- Acquisition of 100% of V-Ridium Power Group Sp. Z.o.o. (development platform for solar and wind projects, located in Warsaw), on July 14, 2021;
- Acquisition of a 70% stake in Track Profit Energy and Track Profit II Invest, which are dedicated to the development of energy efficiency projects as well as the installation of photovoltaic solar projects, on August 24, 2021.

Faced with this reality in the Altri Group, its Board of Directors considers there are two business segments, namely, production and commercialization of bleached eucalyptus pulp and electricity generation via waste consumption and forest biomass, development, construction and operation of photovoltaic and wind power and decentralized energy generation, being management information also prepared and examined on that basis (Note 15).

The Altri Group's condensed consolidated financial statements are shown in Euros, in amounts rounded off to the nearest Euro. This is the currency used by the Group in its transactions and, as such, is deemed to be the functional currency.

The exchange rate used in converting the subsidiary's accounts from foreign currency to Euro was as follows:

	30.09.2021	
	End of the period	Average of the period included on income statement
Swiss Francs	1.08300	1.09042
Sterling Pounds	0.86053	0.85528
Polish Zloty	4.61970	4.56613

1.2. Regulatory environment

After the acquisitions of V-Ridium and Tilbury, the Group operates in several European countries: Portugal, Poland, United Kingdom, France, Romania, Bulgaria, Italy and Greece. Below, we highlight some regulatory changes that took place in the first nine months of 2021.

Portugal

- Adoption in June 2021, by the European Commission, of a positive assessment of the Recovery and Resilience Plan, in the amount of 16.6 billion euros (13.9 billion euros in grants and 2.7 billion euros in loans), allocating around 38% to measures to support climate goals;

- Resolution no. 42/2021 at the Portuguese Parliament, which recommends the reformulation of the model of public support to be attributed to forestry biomass plants according to the sustainable and ecological use of residual forest biomass, conditioning the issuance of operating licenses for new plants to the compliance with strict environmental and sustainability standards.

United Kingdom

- The “Renewables Obligation” system is a renewable energy support system that imposes an obligation on UK electricity traders to purchase a proportion of electricity from renewable sources, which increases year on year. To demonstrate compliance with this obligation, suppliers must present “ROC” certificates to the Ofgem regulator. Traders purchase ROCs from certified renewable energy producers. The annual evolution of ROCs is indexed to the evolution of the Retail Price Index (RPI) – plus a variable component, which depends on the evolution of the price of electricity in the market. For the period between April 1, 2021 and March 31, 2022, Ofgem has set the buy-out price of £50.80 per ROC.

Poland

- In February 2021, the government of Poland approved the “Energy Policy of Poland until 2040 (PEP2040)” which establishes Poland's strategy for energy transition and which is based on three pillars: I- Just Transition; II - A zero emission energy system and III - Good air quality. In this context, Poland takes on a target of reaching a target of at least 23% of renewable energy in final energy consumption in 2030 and in the electricity sector the target set is at least 32%. It is also expected the development of projects in various renewable technologies, including wind energy (offshore and onshore) and solar photovoltaic.
- In July 2016, the 10H law (“distance law”) came into force, preventing the construction of wind farms at a distance less than 10 times the height of wind turbines in residential properties, considerably limiting the implementation of new projects. This law is expected to be amended in the coming months, allowing for the development of new projects.
- Submission to the European Commission, in May 2021, of the Recovery and Resilience Plan, in the total amount of 36 billion Euros, which includes measures for the development of renewable energies.

France

- Adoption in June 2021, by the European Commission, of a positive assessment of the Recovery and Resilience Plan, in the amount of 39.4 billion Euros, allocating around 46% to measures to support climate goals.

Romania

- Submission to the European Commission of the Recovery and Resilience Plan, in the amount of 29 billion Euros, including amounts allocated to the energy transition.

Greece

- Approval by the European Commission of the Recovery and Resilience Plan, in the amount of 60 billion Euros, including amounts allocated to the energy transition.

Bulgaria

- Submission to the European Commission of the Recovery and Resilience Plan, in the amount of 6.6 billion Euros, including amounts allocated to the energy transition.

Italy

- Approval of the evaluation of the Recovery and Resilience Plan, in the amount of 191.5 billion euros (68.9 billion euros in grants and 122.6 billion euros in loans), allocating around 37% to measures to support climate goals.

2. MAIN ACCOUNTING POLICIES AND BASIS OF PRESENTATION

The condensed consolidated financial statements, for the nine and three months periods ended on 30 September 2021, 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 2020.

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 2020.

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.

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

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 2021:

	Effective date (financial years begun on or after)
Amendment to IFRS 4 Insurance Contracts - deferral of IFRS 9	01 Jan 2021
Amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2	01 Jan 2021
Proposed changes to leases IFRS 16: Covid-19 Leases Concessions after 30 June 2021	01 Apr 2021

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)
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 Group did not proceed with the early implementation of these amendments in the condensed consolidated financial statements for the nine months period ended 30 September 2021 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 begun on or after)
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01 Jan 2023
IFRS 17 – Insurance Contracts, including amendments	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

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

Amendment to IAS 1 Presentation of financial statements -
Classification of liabilities as current and non-current

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 30 September 2021, 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 30 September 2021 and 31 December 2020 are as follows:

Company	Registered office	Effective held percentage		Main activity
		30.09.2021	31.12.2020	
Parent company:				
Altri, SGPS, S.A.	Portugal			Holding (company)
Subsidiaries:				
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
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 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
Celtejo – Empresa de Celulose do Tejo, 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
Greenvolt- Energias Renováveis, S.A. (a)	Portugal	58.72%	100.00%	Electricity generation using waste and biomass sources
Bioródão, S.A.	Portugal	58.72%	100.00%	Electricity generation using waste and biomass sources
Ródão Power - Energia e Biomassa do Ródão, S.A.	Portugal	58.72%	100.00%	Production and commercialization of electric and thermal energy through cogeneration
Sociedade Bioelétrica do Mondego, S.A.	Portugal	58.72%	100.00%	Electricity generation using waste and biomass sources
Sociedade de Energia Solar do Alto Tejo (SESAT), Lda.	Portugal	46.97%	80.00%	Renewable energy sources
Golditábua, S.A. (b)	Portugal	58.72%	100.00%	Electricity generation
Ribatejo Green, Lda (c)	Portugal	-	70.00%	Electricity generation
Amieira Green, Lda (c)	Portugal	-	70.00%	Electricity generation
Paraimo Green, Lda	Portugal	41.10%	70.00%	Electricity generation
Piara Solar, Lda (c)	Portugal	-	70.00%	Electricity generation
Maio Green, Lda (c)	Portugal	-	70.00%	Electricity generation
Greenvolt Energias Renovaveis Holdco Limited (d)	United Kingdom	58.72%	-	Holding
Lakeside Topco Limited (d)	United Kingdom	29.95%	-	Holding
Lakeside Bidco Limited (d)	United Kingdom	29.95%	-	Holding
Tilbury Green Power Holdings Limited (e)	United Kingdom	29.95%	-	Holding
Tilbury Green Power Limited (e)	United Kingdom	29.95%	-	Electricity generation
Track Profit Energy, Lda (g)	Portugal	41.10%	-	Installation of decentralised solar energy production units.
Track Profit Energy II Invest, Unipessoal, Lda (g)	Portugal	41.10%	-	Development and financing of projects to improve energy efficiency through solar energy.

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

Company	Registered office	Effective held percentage		Main activity
		30.09.2021	31.12.2020	
V-Ridium Power Group Sp. z o.o. (f)	Poland	58.72%	-	Holding
V-Ridium Power Services Sp. z o.o. (f)	Poland	58.72%	-	Project development
V-Ridium Wind (EPV 1) sp. z o.o. (f)	Poland	58.72%	-	Project development - wind energy
VRW 1 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 2 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 3 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 4 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 5 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 8 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 9 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 10 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 11 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 12 Sp. z o.o. (f)	Poland	58.72%	-	Wind project
VRW 13 Sp. z o.o. (i)	Poland	58.72%	-	Wind project
VRW 14 Sp. z o.o. (i)	Poland	58.72%	-	Wind project
VRW 15 Sp. z o.o. (i)	Poland	58.72%	-	Wind project
V-Ridium Solar sp. z o.o. (f)	Poland	58.72%	-	Project development - Solar PV
VRS 1 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 3 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 6 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 7 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 8 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 9 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 10 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 11 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 12 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 13 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 14 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 15 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 16 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 18 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 19 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 22 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 23 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 24 Sp. z o.o. (f)	Poland	58.72%	-	PV project
VRS 25 Sp. z o.o. (f)	Poland	58.72%	-	PV project
J&Z PV Farms Mikulowa Sp. z o.o. (h)	Poland	58.72%	-	PV project
Merak Energia Sp. z o.o. (h)	Poland	58.72%	-	PV project
PVE 3 Sp. z o.o. (h)	Poland	58.72%	-	PV project
Rensol Energy (h)	Greece	58.72%	-	PV project
Rensol Energy Pv1 Mike (h)	Greece	58.72%	-	PV project
Rensol Energy Pv2 Mike (h)	Greece	58.72%	-	PV project
Rensol Energy Pv3 Mike (h)	Greece	58.72%	-	PV project
Rensol Energy Pv4 Mike (h)	Greece	58.72%	-	PV project
Rensol Energy Pv5 Mike (h)	Greece	58.72%	-	PV project
Rensol Energy Pv6 Mike (h)	Greece	58.72%	-	PV project
Rensol Energy Pv7 Mike (h)	Greece	58.72%	-	PV project
V-Ridium Bulgaria LTD (h)	Bulgaria	58.72%	-	Holding and project development
V Ridium Greece IKE (f)	Greece	58.72%	-	Holding and project development
V Ridium Renouvelables SAS (f)	France	58.72%	-	Holding and project development
V-ridium Italy S.r.l. (f)	Italy	58.72%	-	Holding and project development
Krajowy System Magazynów Energii sp. z o.o. (h)	Poland	29.95%	-	Project development

- (a) Formerly known as Bioelétrica da Foz, S.A.
(b) Company acquired in December 2020
(c) Company extinguished with effect on 31 March 2021
(d) Company incorporated in the first semester of 2021
(e) Company acquired on 30 June 2021
(f) Company acquired on 14 July 2021
(g) Company acquired on 24 August 2021
(h) Company acquired after 14 July 2021 (date of acquisition of the V-Ridium group)
(i) Company incorporated in the third trimester of 2021

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

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

On 14 July 2021, an increase in the subsidiary GreenVolt's share capital in the amount of 177,599,998.75 Euro was recorded, following which 41,788,235 new ordinary, book-entry, nominative shares without nominal value were issued at a unit subscription price of 4.25 Euro. As such, the share capital of the subsidiary which was that of 70,000,000 Euros is now of 247,599,998.75 Euros, represented by 116,788,235 ordinary, book-entry, nominative shares without nominal value.

These shares were subscribed:

- By a group of professional investors, who subscribed 30,588,235 shares, amounting to 129,999,998.75 euros;
- By the company V-Ridium Europe Sp. z o.o., which subscribed 11,200,000 shares, in the amount of 47,600,000 euros (with an issue premium in the amount of 8,400,000 euros), by delivering 11,200,000 shares of V-Ridium Power Group, Sp. z o.o., representing 100% of the share capital of that company, which is now wholly owned by the subsidiary GreenVolt.

On July 26, 2021, the Joint Global Coordinators, acting in the name and on behalf of the Managers, exercised the Greenshoe Option, resulting in the issue by the subsidiary GreenVolt of 4,588,235 additional shares, with a unit price of 4.25 Euro per share. Accordingly, GreenVolt resolved on the corresponding additional capital increase in the amount of 19,499,998.75 Euro, carried out through the issue of the new optional shares. As such, the share capital of the subsidiary which was that of 247,599,998.75 Euros is now of 267,099,997.50 Euros, represented by 121,376,470 ordinary, book-entry, nominative shares without nominal value.

As a result of these operations, Altri Group now holds 58.72% of Greenvolt - Energias Renováveis, S.A. and its subsidiaries.

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 30 September 2021 and 31 December 2020 are as follows:

Company	Registered office	Statement of financial position		Effective shareholding percentage		Main activity
		30.09.2021	31.12.2020	30.09.2021	31.12.2020	
<u>Pulp:</u>						
Pulpchem Logistics, A.C.E.	Lavos	-	-	50.00%	50.00%	Purchases of materials, subsidiary materials and services used in pulp and paper production processes
Afoelca - Agrupamento complementar de empresas para protecção contra incêndios, ACE	Herdade da Caniceira	-	-	35.20%	35.20%	Provision of forest fire prevention and fighting services
Investments in joint ventures		-	-			
Operfoz – Operadores do Porto da Figueira da Foz, Lda.	Figueira da Foz	776,378	755,583	33.33%	33.33%	Port operations
Investments in associates		776,378	755,583			
<u>Energy:</u>						
Augusta Energy Sp. z o.o. Group (a)	Poland	25,847	-	50.00%	-	Holding and project development
V-Ridium Renewables S.R.L (Romania) (b)	Romania	2,199	-	80.00%	-	Holding and project development
VRW 6 Żółkiewka Sp. z o.o. (a)	Poland	215,781	-	50.00%	-	Wind project
VRW 7 Kluczbork Sp. z o.o. (a)	Poland	106,176	-	50.00%	-	Wind project
CGE 25 Sp. z o.o. (a)	Poland	19,975	-	50.00%	-	Wind project
CGE 36 Sp. z o.o. (a)	Poland	108,256	-	50.00%	-	Wind project
Tarnawa Solar Park Sp. z o.o. (a)	Poland	20,847	-	51.00%	-	PV Project
Investments in joint ventures		499,080	-			
		1,275,458	755,583			

(a) Company acquired through the acquisition of the V-Ridium group, on 14 July 2021
(b) Company acquired after 14 July 2021 (date of acquisition of the V-Ridium group)

Operfoz has its registered office at Figueira da Foz and its main activity is operation of ports. The investments in joint ventures in the Energy sector are investments acquired through the subsidiary V-Ridium.

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.

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

The movements in the balance of this caption in the periods ended 30 September 2021 and 31 December 2020 are detailed as follows:

	Statement of financial position	
	30.09.2021	31.12.2020
Opening balance	755,583	725,472
Changes to the scope of consolidation (Note 5)	1,003,026	-
Acquisitions (Note 4)	2,199	-
Effect of currency exchange rate	(8,393)	-
Equity method:		
Effects on gains and losses pertaining to joint ventures and associates	(476,957)	30,111
Closing balance	1,275,458	755,583

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 period ended 30 September 2021, the following companies were acquired and constituted:

Company	Registered office	Empresa detentora	Held percentage as of the acquisition date	
			Direct	Effective
Greenvolt Energias Renováveis Holdco Limited (a)	United Kingdom	Greenvolt- Energias Renováveis, S.A.	100%	100%
Lakeside Topco Limited (a)	United Kingdom	Greenvolt Energias Renováveis Holdco Limited	51%	51%
Lakeside Bidco Limited (a)	United Kingdom	Lakeside Topco Limited	100%	51%
Tilbury Green Power Holdings Limited (b)	United Kingdom	Lakeside Bidco Limited	100%	51%
Tilbury Green Power Limited (b)	United Kingdom	Tilbury Green Power Holdings Limited	100%	51%
V-Ridium Power Group (c)	Poland	Greenvolt- Energias Renováveis, S.A.	100%	100%
Track Profit Energy, Lda (d)	Portugal	Greenvolt- Energias Renováveis, S.A.	70%	70%
Track Profit Energy II Invest, Unipessoal, Lda (d)	Portugal	Track Profit Energy, Lda	100%	70%

- (a) Company incorporated in the first semester of 2021
(b) Company acquired on 30 June 2021
(c) Company acquired on 14 July 2021 (Note 4)
(d) Company acquired on 24 August 2021

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

a) Tilbury Green Power Holdings Limited ("Tilbury")

The acquisition of 100% of Tilbury Green Power Holdings Limited was made by the subsidiary Lakeside Bidco Limited. The acquisition took place on 30 June 2021, so, as at 30 September 2021, the consolidated statement of financial position of the UK companies was considered, however, with an impact of three months on the income statement. Thus, the effects of these acquisitions on the condensed consolidated financial statements are detailed as follows:

Book values in Euro	On acquisition date	30.09.2021
Net assets acquired		
Property, plant and equipment	135,148,817	132,835,874
Right-of-use assets	57,291,299	56,690,110
Intangible assets	-	19,544,679
Trade receivables	2,617,293	-
Assets associated with contracts with customers	10,957,521	16,126,755
Other assets	3,403,218	1,112,534
Cash and cash equivalents	12,087,159	12,516,270
Other loans	(109,605,501)	-
Derivative financial instruments	(8,145,161)	-
Shareholders Loans	(172,588,200)	(312,254,667)
Lease liabilities	(57,291,299)	(57,124,806)
Provisions	(4,081,872)	(4,070,108)
Trade payables	(8,668,739)	(1,779,797)
Other liabilities	(5,462,285)	(3,777,170)
Total net assets acquired	(144,337,749)	(140,180,325)
Goodwill	150,868,770	
Non-controlling interests	-	
Acquisition cost:		
Payment of shares	(6,531,021)	
Payment of Shareholders loans	(172,588,200)	
	(179,119,221)	
Net Cash flow resulting from the acquisition (Note 6)		
Payments performed	(179,119,221)	
Cash and cash equivalents acquired	12,087,159	
	(167,032,062)	

Book values in Euro	Since acquisition date	9 months
Revenue	19,221,352	43,415,812
Net profit	3,764,417	(833,592)

This biomass plant, with approximately 42 MW available for renewable generation, is one of the UK's largest plants producing energy through biomass from municipal wood waste. The plant operates with the generality of its revenues under the Renewables Obligation Certificates (ROCs) system. The ROC component of revenues evolves according to the Retail Price Index (RPI), and a derivative contract has been signed that sets this annual growth at 3.4532% until 2037 (Note 11). For the main cost items - biomass and operation and maintenance - long-term contracts are in place.

The subsidiary GreenVolt's international expansion strategy in the biomass segment is based on the exportation of its technical competencies, namely operational excellence. This acquisition fits in the subsidiary GreenVolt's strategic pillars, namely the international expansion, the diversification of investment styles and the reinforcement of the assets and competencies base.

Thus, a partnership was agreed with an investor from the United Kingdom (Equitix Investment Management Ltd), reserving for the subsidiary GreenVolt a 51% shareholding position.

In accordance with the agreement between the subsidiary GreenVolt and Equitix, the Board of Directors of Altri considers that it controls Tilbury in accordance with the principles of IFRS 10. As the relevant matters, as defined by the Board of Directors of Altri, are approved and/or controlled by Altri, through the subsidiary GreenVolt, and the decisions where the approval of Equitix is required are deemed to be protective rights of Equitix. Therefore, these subsidiaries will be included in Altri by the full consolidation method considering that the Group controls its relevant activities.

At the date of presentation of these condensed consolidated financial statements and taking into consideration that the acquisition was concluded at 30 June 2021, the purchase price allocation is still ongoing as prescribed by IFRS 3, hence, the difference arising on acquisition (consideration paid vs. value of the assets acquired and liabilities and contingent liabilities assumed) was fully allocated to Goodwill.

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

As a result of the above, as at September 30, 2021, the deferred tax assets relating to derivative instruments and those relating to previous tax credits of the subsidiary, had not yet been considered. This process and the obtaining of evidence regarding the recoverability of these deferred taxes will be concluded together with the valuation process of the acquired assets. Given this is a recent acquisition, the fair value valuation process of the acquired assets is still ongoing, and is expected to be completed by December 31, 2021.

As at 30 June 2021, Altri recognised the non-controlling interests based on the share capital increase performed by Equitix on Lakeside Topco, subsidiary that holds 100% of Lakeside Bidco, amounting to 35.0 million pounds (approximately 40.8 million euros).

The acquired tangible fixed assets relate entirely to the assets allocated to the biomass power plant in the United Kingdom, whose construction was completed in January 2019. Therefore, a provision for dismantling and decommissioning of the plant was also recorded, to cover existing liabilities at the end of the useful life of the assets, relating to the physical dismantling of the plant, recovery of the land and other associated costs. Additionally, the balance of suppliers acquired is mainly related to amounts payable to suppliers responsible for the construction of the plant.

Regarding the right-of-use assets acquired, these relate to the land lease agreement, near the Port of Tilbury, which corresponds to the land where the power plant is located.

Finally, as part of the acquisition, an intangible asset was acquired, which relates to a supplementary agreement to the Power Purchase Agreement (signed on 23 March 2015) with ESB Independent Generation Trading Limited (ESB IGT), where part of the terms of the agreement are adjusted, which will benefit Tilbury. In this sense, Tilbury made a payment of around 20.0 million euros, which will be reflected in an increase in future revenues, as a result of the increase in the net energy sale price.

b) V-Ridium Power Group Sp. Z.o.o. ("V-Ridium")

The acquisition of 100% of V-Ridium Power Group Sp. Z.o.o. and its subsidiaries (Note 4) was carried out by the subsidiary Greenvolt Energias Renováveis S.A. on July 14, 2021. The transaction was carried out through a capital increase in kind in the aforementioned subsidiary, comprising all the shares of V-Ridium Power Group Sp. Z.o.o., and amounted to 56 million euros, to which a contingent amount of approximately 14 million euros should be added, which is expected to be fully paid in the year ended December 31, 2024, depending on various indicators related to the future evolution of the subsidiary. In view of the agreement and nature of this amount payable, the Group's Board of Directors considered the restated amount for the acquisition date as part of the price paid for the shares.

Altri therefore became the holder of the entire share capital and voting rights of V-Ridium Power Group, with V-Ridium Europe (former shareholder of V-Ridium Power Group) becoming the holder of a qualifying holding in the capital of the subsidiary GreenVolt. The effects of this acquisition on the condensed consolidated financial statements are detailed as follows:

Book values in Euro	On acquisition date	30.09.2021
Net assets acquired		
Property, plant and equipment	1,027,663	16,699,301
Right-of-use assets	580,894	616,271
Intangible assets	85,387	138,499
Goodwill	-	25,535
Trade receivables	568,539	806,002
Investments in joint ventures (Note 4.2)	1,003,026	499,080
Other receivables	1,928,979	9,029,794
State and other public entities	222,545	894,486
Other assets	297,744	354,611
Cash and cash equivalents	1,020,787	19,765,699
Lease liabilities	(580,894)	(633,906)
Trade and other payables	(359,631)	(45,660,894)
Other liabilities	(2,396,927)	(612,608)
Total net assets acquired	3,398,112	1,921,869
Goodwill	66,045,880	
Non-controlling interests	-	
Acquisition cost:		
Capital contributions in kind by non-controlling interests (Note 4)	(56,000,000)	
Contingent consideration liability	(13,443,992)	
	(69,443,992)	
Net Cash flow resulting from the acquisition (Note 6)		
Payments performed	-	
Cash and cash equivalents acquired	1,020,787	
	1,020,787	

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

Book values in Euro	Since acquisition date
Revenue	700,863
Net profit	(1,499,323)

The acquisition of V-Ridium is part of the subsidiary GreenVolt's strategy of positioning itself upstream of the value chain of the wind and photovoltaic energy segment, specifically in the project development segment, where profitability is higher and where the needs capital are smaller.

As at the date of presentation of these condensed consolidated financial statements, and given that the acquisition was completed on July 14, 2021, the fair value allocation exercise is ongoing under IFRS 3, with a difference allocated to Goodwill resulting from the acquisition (price paid vs. value of assets acquired and liabilities and contingent liabilities assumed). Regarding the joint venture Augusta Energy Sp. z.o.o. and considering that the Group has 10 subsidiaries (including the parent company), the equity method was applied to the consolidated financial statements. Given the recent acquisition, the fair value valuation process of the acquired assets is still ongoing and is expected to be completed by December 31, 2021.

As mentioned, V-Ridium is mainly dedicated to the development of wind and solar projects, up to the Ready to Build phase, when the sale will take place. In some cases, the company may also carry out the construction of plants, until they reach the Commercial Operation Date (COD) (sale of energy to the grid). V-Ridium, through its subsidiary V-Ridium Power Services, also provides Asset Management, Accounting and Administrative services to third parties.

The tangible fixed assets acquired mainly concern the assets in progress associated with the projects that V-Ridium is developing. In relation to acquired assets under right of use, these essentially concern the lease contracts for land associated with the same projects.

Investments in joint ventures are presented in Note 4.2.

Other receivables acquired refer essentially to loans granted to joint ventures (Note 16).

Other payables, on September 30, 2021, include a loan obtained by that subsidiary, from the subsidiary Greenvolt – Energias Renováveis, S.A., in the amount of 32.5 million euros.

After the acquisition of V-Ridium by the subsidiary GreenVolt, on July 14, 2021, a number of subsidiaries were acquired directly by the V-Ridium Group (Note 4). For these acquisitions, the concentration test was carried out, as provided for in IFRS 3 – Business Combinations, and it was concluded that three of the acquired subsidiaries, due to the nature of the transactions, the type of assets acquired and the initial stage of completion of the projects, were considered as acquisitions of assets, with tangible fixed assets in progress being recognised in the consolidated financial statements. Additionally, associated with these projects, approximately 10.7 million Euros were recognised under the caption 'Other payables', related to success fees payable to investment suppliers. The entire amount was classified as a current liability, to the extent that the enforceability of this liability is subject to the fulfillment of a set of milestones and compliance by third parties, even though it is closely related to the acquired assets and their characteristics. Although it is estimated that these milestones will be reached in a phased manner until 2023, they are not subject to an unconditional right on the part of the Group to defer payment for a period exceeding 12 months.

In the case of the other acquired subsidiaries, it was concluded that we are dealing with business combinations, having been recognised residual value Goodwill on September 30, 2021, as a result of said acquisitions, and the fair value valuation process has not been concluded.

c) Track Profit Energy and Track Profit II Invest (“Profit”)

The acquisition of 70% of the companies Track Profit Energy and Track Profit II Invest was carried out by the subsidiary GreenVolt on August 24, 2021. The acquisition value, at that date, amounted to approximately 2.3 million euros, plus a contingent amount of approximately 2.3 million euros, which are expected to be paid in full by the end of the year ended December 31, 2026, depending on the performance of the subsidiary. The effects of this acquisition on the consolidated financial statements are detailed as follows:

Book values in Euro	On acquisition date	30.09.2021
Net assets acquired		
Property, plant and equipment	891,691	884,626
Trade receivables	1,743,812	1,738,982
Other investments	134,518	134,618
Other assets	1,644,842	1,585,908
Cash and cash equivalents	529,266	1,250,203
Bank loans	(278,281)	(275,502)
Income tax	(89,000)	(91,508)
Lease liabilities	(447,255)	(444,553)
Trade and other payables	(776,371)	(384,498)
Other liabilities	(1,960,729)	(1,900,739)
Total net assets acquired	1,392,492	2,497,537
Goodwill	3,669,302	
Non-controlling interests	417,748	
Acquisition cost:		
Payment of shares	(2,349,250)	
Contingent consideration liability	(2,294,796)	
	(4,644,046)	
Net Cash flow resulting from the acquisition (Note 6)		
Payments performed	(2,349,250)	
Cash and cash equivalents acquired	529,266	
	(1,819,984)	

Book values in Euro	Since acquisition date	9 months
Revenue	357,026	4,573,484
Net profit	5,045	289,040

The acquisition of Profit stems from the subsidiary GreenVolt's growth strategy in the decentralized electricity generation segment, which has been experiencing strong growth in recent years and in which the subsidiary GreenVolt intends to have a significant presence in the Iberian market.

As at the date of presentation of these condensed consolidated financial statements and given that the acquisition was completed at the end of August 2021, the fair value allocation exercise is ongoing under IFRS 3, with Goodwill being allocated to difference resulting from the acquisition (price paid vs. value of assets acquired and liabilities assumed). In view of the recent acquisition, the fair value valuation process of the acquired assets is therefore still ongoing and is expected to be completed by December 31, 2021.

On the acquisition date, the subsidiary GreenVolt recognised the fair value of the non-controlling interests, in the amount of 417,748 euros, which corresponds to the fair value of the net assets on the acquisition date. After the acquisition, a capital increase was carried out by the minority shareholders, in the amount of 330,000 Euros, which the subsidiary GreenVolt followed in its share (70%), the total amount corresponding to 1,100,000 Euros, increasing the value of the non-controlling interests to the amount of 747,748 euros.

With effect on 31 March 2021, the companies Ribatejo Green, Lda., Amieira Green, Lda., Piara Solar, Lda. and Maior Green, Lda., which represented a residual contribution in the Group, were liquidated.

6. CASH AND CASH EQUIVALENTS

As at 30 September 2021 and 2020, Cash and cash equivalents are as follows:

	30.09.2021	30.09.2020
Cash	45,767	32,585
Bank deposits	342,210,922	193,692,667
Cash and cash equivalents on the statement of financial position	342,256,689	193,725,252
Bank overdrafts (Note 9)	-	-
Cash and cash equivalents on the statement of cash flows	342,256,689	193,725,252

During the nine-month period ended 30 September 2021, investment payments refer to the payments related to the acquisition of the subsidiary Golditábua, S.A. (in the amount of 2.3 million euros) and the payments related to the acquisition of the subsidiary Tilbury, including the payment of Shares and the payment of Shareholders Loans, net of the Cash and Cash equivalents incorporated as at the acquisition date (in the amount of 167.0 million euros), payments related to the acquisition of the subsidiary Profit, including the payment of Shares, net of the balance of Cash and Cash Equivalents incorporated at the acquisition date (in the amount of 1.8 million Euros) and payments related to the acquisition of subsidiaries and joint ventures by the V-Ridium Group, after the purchase by the Altri Group (in the amount of 3.0 million Euros).

Under 'Bank deposits', an immediately callable amount is included, which is contractually related with the payment of debt related to bank loans.

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 2017 may still be subject to review.

In accordance with tax legislation in Poland, Romania, Italy, Greece and Bulgaria, tax returns are subject to review and correction by the tax authorities for a period of five years. In France, legislation provides a three-year period for reviewing and correcting tax returns.

Under English law, tax returns are subject to review and correction by the tax authorities for a period of four years. As mentioned, the Group is analysing, in the exercise of allocation of the fair value of the assets of the subsidiary Tilbury, the recording of deferred taxes associated with reportable tax losses and derivative financial instruments.

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 30 September 2021.

8. SHARE CAPITAL

As at 30 September 2021 and 31 December 2020, 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.

As a result of the conclusion of the operation of admission to trading on Euronext Lisbon of all shares representing the share capital of the subsidiary Greenvolt - Energias Renováveis, S.A., it was decided the distribution of a gross dividend of 0.10 Euro for each share representing Altri's share capital (in the total amount of 20,513,167 Euro), and the distribution of 1 share of Greenvolt - Energias Renováveis, S.A. for each multiple of 55 shares representing Altri's share capital, up to a maximum of 5% of the total number of shares of the share capital at the time before the admission, which corresponded to 3,729,634 shares (Note 4.1).

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

9. BANK LOANS, OTHER LOANS AND REIMBURSABLE GOVERNMENT GRANTS

As at 30 September 2021 and 31 December 2020, 'Bank loans', 'Other loans' and 'Reimbursable government grants' can be detailed as follows:

	30.09.2021					
	Nominal value			Book value		
	Current	Non-current	Total	Current	Non-current	Total
Bank loans	31,330,806	135,893,640	167,224,446	32,599,113	132,058,794	164,657,907
Bank overdrafts	-	-	-	-	-	-
Bank loans	31,330,806	135,893,640	167,224,446	32,599,113	132,058,794	164,657,907
Commercial paper	100,500,000	60,000,000	160,500,000	100,615,989	60,000,000	160,615,989
Bond loans	27,500,000	466,650,000	494,150,000	29,302,959	464,023,197	493,326,155
Other loans	-	-	-	-	-	-
Other loans	128,000,000	526,650,000	654,650,000	129,918,947	524,023,197	653,942,144
Reimbursable government grants	653,837	2,288,430	2,942,267	653,837	2,288,430	2,942,267
	159,984,643	664,832,070	824,816,713	163,171,897	658,370,421	821,542,319

	31.12.2020					
	Nominal value			Book value		
	Current	Non-current	Total	Current	Non-current	Total
Bank loans	-	27,500,000	27,500,000	139,880	27,500,000	27,639,880
Bank overdrafts	1,996,090	-	1,996,090	1,996,090	-	1,996,090
Bank loans	1,996,090	27,500,000	29,496,090	2,135,970	27,500,000	29,635,970
Commercial paper	165,000,000	40,000,000	205,000,000	165,116,811	40,000,000	205,116,811
Bond loans	1,250,000	494,150,000	495,400,000	3,752,917	492,417,574	496,170,491
Other loans	-	-	-	-	-	-
Other loans	166,250,000	534,150,000	700,400,000	168,869,728	532,417,574	701,287,302
Reimbursable government grants	2,847,178	2,942,267	5,789,445	2,847,177	2,942,267	5,789,444
	171,093,268	564,592,267	735,685,535	173,852,875	562,859,841	736,712,716

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).

The amount under "Bank loans" mainly relates to the financing contracted by Lakeside Bidco Limited.

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

10. ACCUMULATED PROVISIONS AND IMPAIRMENT LOSSES

The movement occurred under provisions and impairment losses in the nine months periods ended 30 September 2021 and 2020 can be detailed as follows:

30.09.2021				
	Provisions	Impairment losses in receivables	Impairment losses in inventories	Total
Opening balance	16,689,458	3,618,696	13,046,936	33,355,090
Changes to the scope of consolidation (Note 5)	4,081,872	61,736	-	4,143,608
Effect of currency exchange rate	(11,764)	(2,342)	-	(14,106)
Increases	540,461	87,068	-	627,529
Utilizations	-	-	-	-
Reversals	-	(2,963)	(664,130)	(667,093)
Transfers	(9,153)	-	-	(9,153)
Closing balance	21,290,874	3,762,195	12,382,806	37,435,875

30.09.2020				
	Provisions	Impairment losses in receivables	Impairment losses in inventories	Total
Opening balance	17,307,171	3,624,622	14,837,369	35,769,162
Increases	112,649	-	900,000	1,012,649
Utilizations	(789,629)	-	-	(789,629)
Reversals	-	(2,962)	(2,007,170)	(2,010,132)
Transfers	(9,153)	-	-	(9,153)
Closing balance	16,621,038	3,621,660	13,730,199	33,972,897

The amount recorded under 'Provisions' includes the dismantling provision of the power generation plants operated by Greenvolt - Energias Renováveis, S.A. and its subsidiaries.

The increase recorded in the nine months period ended 30 September 2021 refers to the unwinding of the discount. This discount that results from the passage of time is recorded against the caption 'Financial expenses'.

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 30 September 2021 and 31 December 2020, companies of the Altri Group had in force derivative financial instrument contracts associated with hedging interest rate changes, inflation changes and derivative financial instrument contracts associated with hedging 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 30 September 2021 and 31 December 2020, the fair value of derivative financial instruments is as follows:

	30.09.2021				31.12.2020			
	Asset		Liability		Asset		Liability	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Interest rate derivatives	-	1,915,410	1,806,595	792,176	-	-	131,976	1,053,386
Exchange rate derivatives	1,231,536	541,970	1,924,611	756,109	7,313,870	-	230,685	-
Pulp price hedging derivatives	-	-	353,286	216,548	-	-	-	-
Inflation derivatives (RPI)	-	-	52,504	24,866,438	-	-	-	-
	1,231,536	2,457,380	4,136,996	26,631,271	7,313,870	-	362,661	1,053,386

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

The movement in the fair value of the derivative financial instruments during the nine months period ended 30 September 2021 can be broken down as follows:

	Interest rate derivatives	Exchange rate derivatives	Pulp price hedging derivatives	Inflation derivatives (RPI)	Total
Opening balance	(1,185,362)	7,083,185	-	-	5,897,823
Change in fair value					
Effects on equity	855,221	(9,382,791)	-	(25,071,928)	(33,599,498)
Effects on exchange rate conversion	(1,502)	-	-	152,986	151,484
Effects on the income statement	(483,693)	1,769,289	-	-	1,285,596
Effects on the statement of financial position	131,975	(376,897)	(569,834)	-	(814,756)
Closing balance	(683,361)	(907,214)	(569,834)	(24,918,942)	(27,079,351)

In June 2021, with the acquisition of Tilbury, derivative financial instrument contracts associated with the hedging of interest rate and inflation rate variations, were put into effect. These instruments are recorded at fair value. On 30 September 2021, changes in the fair value of derivatives were recorded in equity.

As mentioned above, the growth of the ROC component of Tilbury's revenue is influenced by the Retail Price Index (RPI), and, with the aim of hedging the uncertainty associated with the evolution of the RPI, an inflation derivative contract was celebrated, which fixed the annual growth at 3.4532% until 2037.

Additionally, also arising from the acquisition of Tilbury, an interest rate derivative contract was celebrated, with the objective of mitigating the volatility risk regarding the evolution of the interest rate of the new loan constituted in 2021, with a nominal value of approximately 140 million euros. In this case, the variable interest rate (indexing) "SONIA" was exchanged for a fixed interest rate of 0.8658%.

12. FINANCIAL RESULTS

The financial results for the nine months periods ended 30 September 2021 and 2020 are detailed as follows:

	30.09.2021	30.09.2020
Financial expenses		
Interest expenses	12,901,373	10,540,324
Other financial expenses and losses	5,675,576	9,480,123
	<u>18,576,949</u>	<u>20,020,447</u>
Financial income		
Interest income	69,249	29,403
Other financial income and gains	8,057,027	2,596,457
	<u>8,126,276</u>	<u>2,625,859</u>

During the nine months period ended on 30 September 2021, 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 the expenses on derivatives (Note 11). The caption 'Other financial income and gains' includes, mainly, exchange rate gains.

13. EARNINGS PER SHARE

Earnings per share for the nine months period ended 30 September 2021 and 2020 were calculated based on the following amounts:

	30.09.2021	30.09.2020
Number of shares for basic and diluted earning calculation	205,131,672	205,131,672
Result for the purpose of calculating earnings per share	92,815,363	24,287,739
Earnings per share		
Basic	0.45	0.12
Diluted	0.45	0.12

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

14. OTHER INCOME

As at 30 September 2021 and 2020, the caption 'Other Income' is detailed as follows:

	30.09.2021	30.09.2020
Investment and exploration subsidies	3,037,132	3,384,054
Gains on sales of assets	611,910	81,263
Others	1,384,168	833,540
	<u>5,033,210</u>	<u>4,298,857</u>

15. INFORMATION BY SEGMENTS

The Altri Group shows the following reportable segments:

- i) **Pulp**
Comprising essentially the three pulp mills in Portugal: Celulose Beira Industrial (Celbi), S.A., in Figueira da Foz; Celtejo – Empresa de Celulose do Tejo, S.A., in Vila Velha de Ródão; and Caima – Indústria de Celulose, S.A., located in Constância, and the forestry activity; and
- ii) **Energy**
Consisting of Greenvolt – Energias Renováveis, S.A. and its subsidiaries, whose activities include the production of energy from forest biomass, for sale to the public grid (with six power plants), the development, construction and operation of photovoltaic and wind power and decentralized energy generation. It should be noted that in the case of the acquisitions that took place during 2021, only the impacts from the acquisition date until 30 September 2021 were considered in the income statement.

The Group identified these two reportable segments, considering that these are Group facilities that carry on business where revenues and expenses can be separately identified and relative to which separate financial information is produced. The identification of the reportable segments made by the Group is consistent with the way the Board of Directors conducts and controls them, and on which it makes decisions.

The contribution of the business segments to the consolidated income statement for the nine months period ended 30 September 2021 is as follows:

	Energy	Pulp	Total	Eliminations	Consolidated
Sales	82,021,952	544,287,847	626,309,799	-	626,309,799
Sales - intersegmental	-	289,070,393	289,070,393	(289,070,393)	-
Services rendered	1,055,072	2,902,475	3,957,547	-	3,957,547
Services rendered - intersegmental	-	38,165,586	38,165,586	(38,165,586)	-
Other income	333,418	4,699,792	5,033,210	-	5,033,210
Other income - intersegmental	-	770,456	770,456	(770,456)	-
Total operating income	<u>83,410,442</u>	<u>879,896,549</u>	<u>963,306,991</u>	<u>(328,006,435)</u>	<u>635,300,556</u>
Cost of sales	(29,464,760)	(495,157,040)	(524,621,800)	284,041,999	(240,579,801)
External supplies and services	(21,197,504)	(175,500,411)	(196,697,915)	43,450,417	(153,247,498)
Payroll expenses	(2,501,320)	(28,973,974)	(31,475,294)	228	(31,475,066)
Amortisation and depreciation	(13,924,426)	(48,455,439)	(62,379,865)	-	(62,379,865)
Provisions and impairment losses	(89,079)	217,092	128,013	-	128,013
Other expenses	(269,592)	(2,350,610)	(2,620,202)	80,027	(2,540,175)
Total operating expenses	<u>(67,446,681)</u>	<u>(750,220,382)</u>	<u>(817,667,063)</u>	<u>327,572,671</u>	<u>(490,094,392)</u>
Operating results	<u>15,963,761</u>	<u>129,676,167</u>	<u>145,639,928</u>	<u>(433,764)</u>	<u>145,206,164</u>
Results related to investments					(476,957)
Financial results					(10,450,673)
Profit before income tax and CESE					134,278,534
Income tax					(36,208,129)
Energy sector extraordinary contribution (CESE)					(1,113,227)
Consolidated net profit for the period					<u>96,957,178</u>
Attributable to:					
Holders of equity in the parent company					92,815,363
Non-controlling interests					4,141,815
					<u>96,957,178</u>

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

The contribution of the business segments to the consolidated income statement for the nine months period ended 30 September 2020 is as follows:

	Energy	Pulp	Total	Eliminations	Consolidated
Sales	65,932,391	396,287,026	462,219,417	-	462,219,417
Sales - intersegmental	3,013,987	291,172,330	294,186,317	(294,186,317)	-
Services rendered	-	3,028,018	3,028,018	-	3,028,018
Services rendered - intersegmental	-	35,243,533	35,243,533	(35,243,533)	-
Other income	166,809	4,132,048	4,298,857	-	4,298,857
Other income - intersegmental	0	858,353	858,353	(858,353)	-
Total operating income	69,113,187	730,721,308	799,834,495	(330,288,203)	469,546,292
Cost of sales	(30,167,400)	(480,065,113)	(510,232,513)	289,397,967	(220,834,546)
External supplies and services	(13,627,906)	(147,626,240)	(161,254,146)	40,278,808	(120,975,338)
Payroll expenses	-	(29,530,128)	(29,530,128)	5,202	(29,524,926)
Amortisation and depreciation	(11,016,642)	(48,077,424)	(59,094,066)	-	(59,094,066)
Provisions and impairment losses	-	1,110,132	1,110,132	-	1,110,132
Other expenses	(77,417)	(3,159,551)	(3,236,968)	215,062	(3,021,906)
Total operating expenses	(54,889,365)	(707,348,324)	(762,237,689)	329,897,039	(432,340,650)
Operating results	14,223,822	23,372,984	37,596,806	(391,164)	37,205,642
Results related to investments					50,276
Financial results					(17,394,588)
Profit before income tax and CESE					19,861,330
Income tax					5,356,286
Energy sector extraordinary contribution (CESE)					(934,599)
Consolidated net profit for the period					24,283,017
Attributable to:					
Holders of equity in the parent company					24,287,739
Non-controlling interests					(4,722)
					24,283,017

16. 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 nine months periods ended 30 September 2021 and 2020, there were no transactions with the Board of Directors, nor were they granted loans.

As at 30 September 2021 and 2020, balances and transactions with related entities during the nine months periods ended on those dates can be summarised as follows:

	Payables		Receivables		Shareholders Loans		Lease liabilities	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020
Balances								
Joint ventures and associates (a)	2,167,014	2,418,856	6,823,619	-	-	-	-	-
Other related parties	280,242	195,249	-	-	40,562,424	-	454,330	-
	<u>2,447,256</u>	<u>2,614,105</u>	<u>6,823,619</u>	<u>-</u>	<u>40,562,424</u>	<u>-</u>	<u>454,330</u>	<u>-</u>

FINANCIAL INFORMATION 3Q2021

Condensed consolidated financial statements and notes

	Purchases and acquired services		Sales and services rendered		Interest obtained	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020
Transactions						
Joint ventures and associates (a)	13,904,246	13,419,663	69,615	-	16,629	-
Other related parties	1,881,580	2,405,976	-	-	-	-
	<u>15,785,826</u>	<u>15,825,639</u>	<u>69,615</u>	<u>-</u>	<u>16,629</u>	<u>-</u>
	Payments related to lease liabilities		Interest expense			
	30.09.2021	30.09.2020	30.09.2021	30.09.2020		
Joint ventures and associates (a)	-	-	-	-		
Other related parties	40,500	-	703,269	-		
	<u>40,500</u>	<u>-</u>	<u>703,269</u>	<u>-</u>		

(a) Entities included in the consolidation using the equity method as at 30 September 2021 and 2020 (Note 4.2)

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

The caption 'Shareholder loans' includes a loan obtained from a shareholder of one of Altri's subsidiaries, of 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, which was classified as current liabilities.

17. APPROPRIATION OF NET PROFIT

Regarding the 2020 financial year, the Board of Directors proposed in its annual report, which was approved in the General Meeting held on 30 April 2021, that the individual net profit of Altri, SGPS, S.A. in the amount of EUR 95,148,555, should be allocated as follows:

Free reserves	EUR 43,865,637
Dividends	EUR 51,282,918

The distribution of profits for the financial year results in the payment of a gross dividend of EUR 0.25 per share.

18. SUBSEQUENT EVENTS

Altri Group announced in October, the signing of a MoU (Memorandum of Understanding) with a public-private consortium from the region of Galicia, to jointly and exclusively study the construction of a new industrial unit for Soluble Pulp and Sustainable Textile Fibers with an annual capacity of 200,000 tons.

As at September 30, 2021 until the date of issue of this report, the Group acquired a 41.87% stake in the Spanish company Tresa Energía S.L. ("Perfecta Energía"), which holds a stake in the company Perfecta Consumer Finance.

Altri, through its subsidiary GreenVolt, thus becomes the holder of an important stake in a company with enormous potential in the renewable energy sector in Spain, which is dedicated to the development of energy efficiency projects, as well as the installation of photovoltaic solar projects for self-consumption. This business segment is based on the promotion of energy generation through a photovoltaic solar source through small units for self-consumption, being an unequivocal contribution to a decentralized energy transition model and promoting efficient solutions in the current context of market prices.

Perfecta Energía operates in the renewable energy sector, selling, installing and maintaining solar energy panels for residential customers' self-consumption. The company was founded in Madrid in 2019 and has been operating in central and eastern Spain, with plans to expand its activity to the entire Spanish territory.

During the 4Q21, subsidiary GreenVolt has completed the issuance of a 7-year Green Bond in the global amount of €100M, with a fixed coupon rate of 2.625% per annum. The Green Bonds now issued are part of subsidiary GreenVolt's strategy of diversifying the sources and types of financing, extending the debt maturity profile and strengthening its capital structure.

From 30 September 2021 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.

19. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorised for issue on 18 November 2021.

20. 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 Oliveira

Paula Simões de Figueiredo Pimentel Freixo

José Armindo Farinha Soares de Pina

José António Nogueira dos Santos

Carlos Alberto Sousa Van Zeller e Silva



ALTRI, SGPS, S.A.

Rua Manuel Pinto de Azevedo, 818
4100 – 320 Oporto PORTUGAL
Tel: + 351 22 834 65 02

www.altri.pt
