

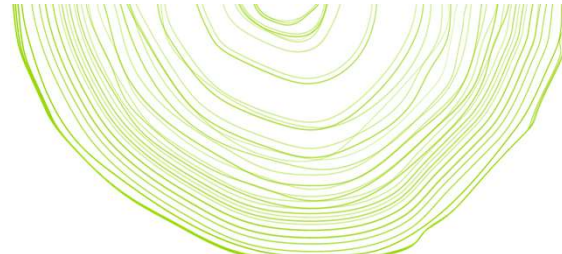
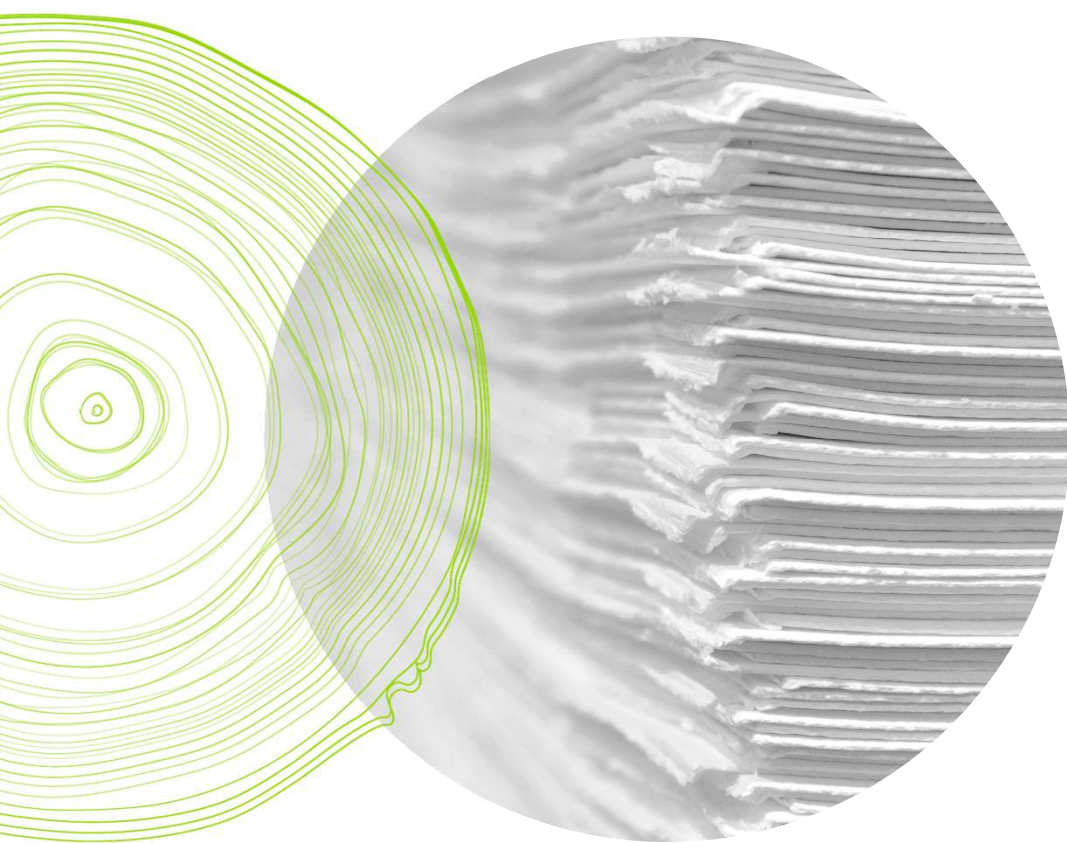
The logo for 'altri' is displayed in white lowercase letters. To the right of the text is a green graphic element consisting of two curved lines that form a partial circle or a stylized 'C' shape.

altri

2022

→ Conference Call





→ Main highlights of 2022

Record revenues and EBITDA

2022 was the best year on record with revenues reaching € 1,066 M (+34% YoY) and EBITDA at € 301 M (+32%).

Net Debt/EBITDA at 1.1x

Net Debt of € 326 M implies a 5% reduction vs 2021 setting a comfortable net Debt/EBITDA ratio

Generous year in dividends

Cash dividend and cash outflow from greenvolt's withholding tax (€79 M) and 52.5M shares of Greenvolt (€1.74 per share of Altri)

Gama as a growth pillar

Altri has been working actively in the several studies, financing and EU funds, needed to reach a final decision during 2023. We believe Gama is transformational for Altri, the region of Galiza and the European textile cluster.



Market highlights (I)

Inventories at European Ports returned to more normalized levels during the 4Q22



Yearly Pulp Stocks at European Ports *



*Monthly end-of-period stocks. Monthly average for annual and semester values.

Monthly Pulp Stocks at European Ports *



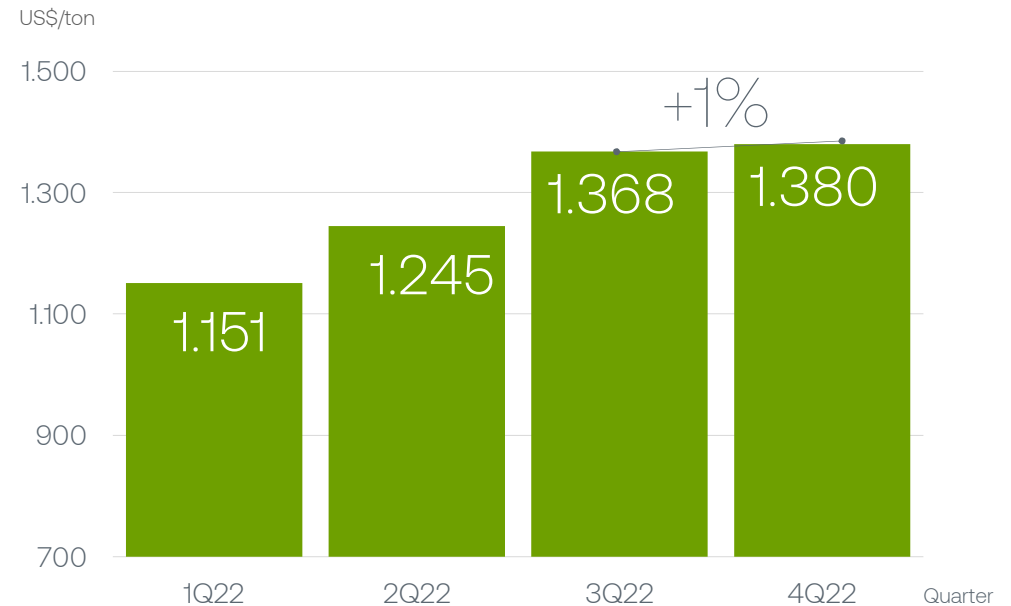
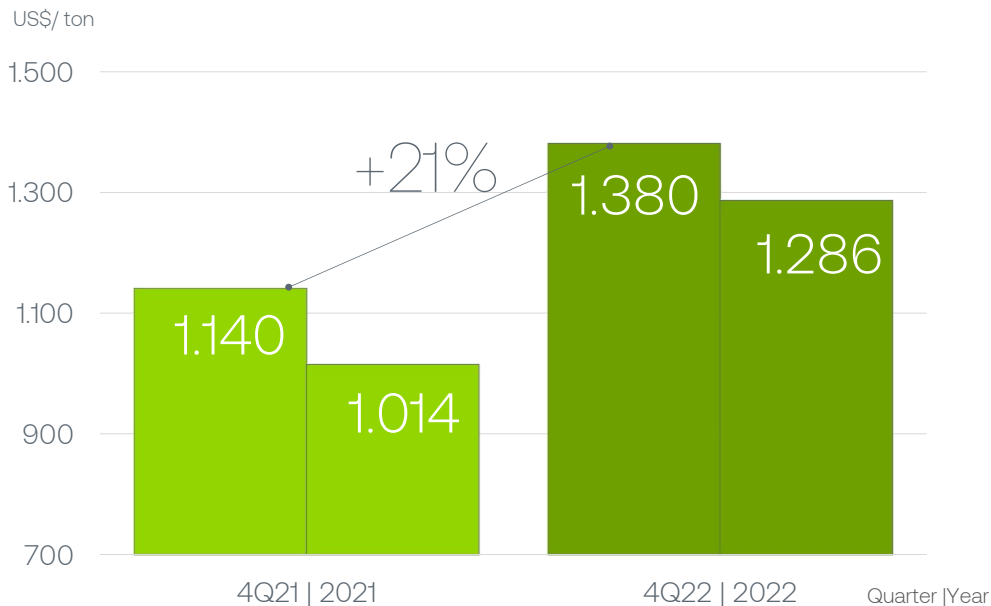
Source → Europulp (Federation of the National Associations of Pulp Sellers in Europe)



Market highlights (II)

List hardwood pulp prices in Europe remained at US\$1,380/ ton. since July but on a declining trend in Euros during the 4Q22, given the stronger EUR in the last months of the year.

Avg. Pix Prices (BHKP - Europe)





Operating highlights (I)

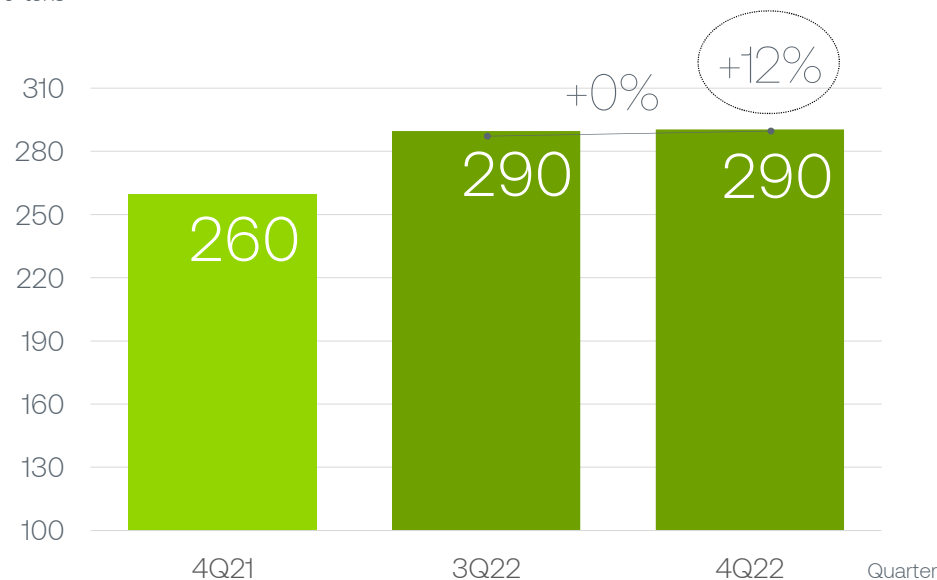
Production volumes continue at healthy levels.

Sales volumes affected by a softness in demand during December and inventory build for Celbi's downtime in the 1Q23

Production

○ YoY

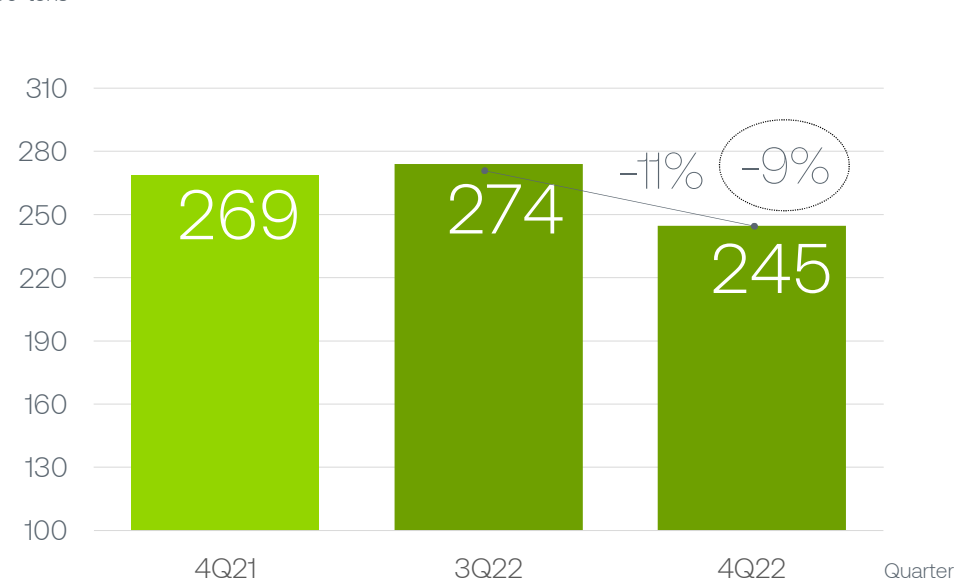
000' tons



Sales

○ YoY

000' tons

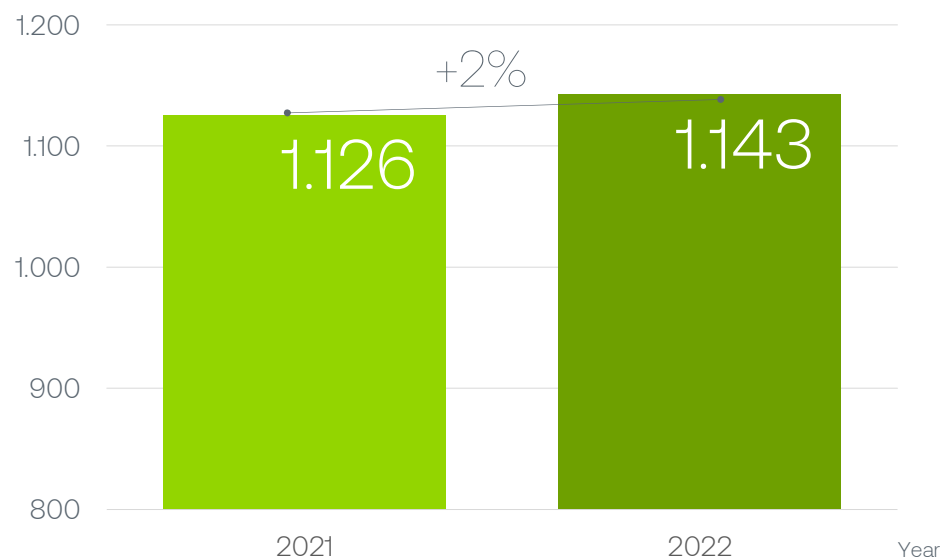


→ Operating highlights (II)

Evolution of production volumes in line with our expectations. Volumes sold affected by a softer Q4 and Celbi's scheduled downtime for the 1Q23

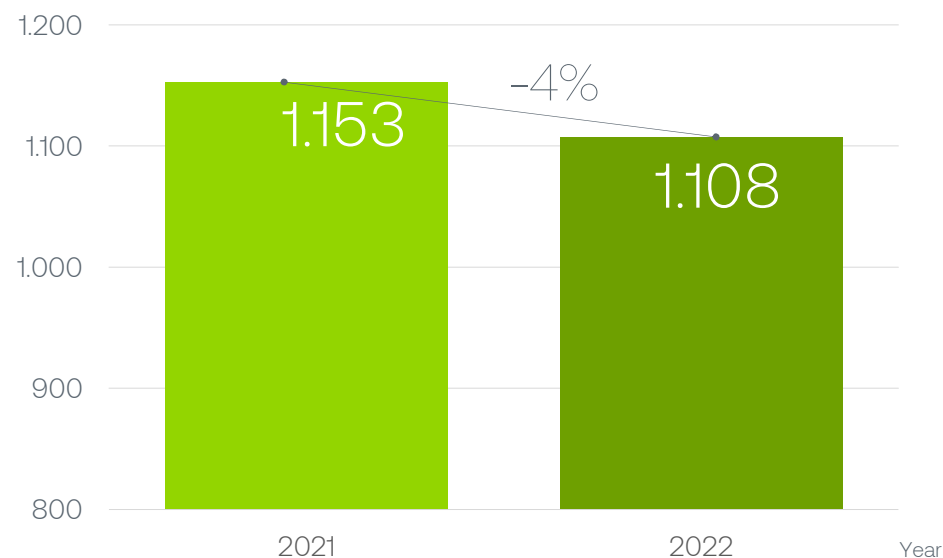
Production

000' tons



Sales

000' tons

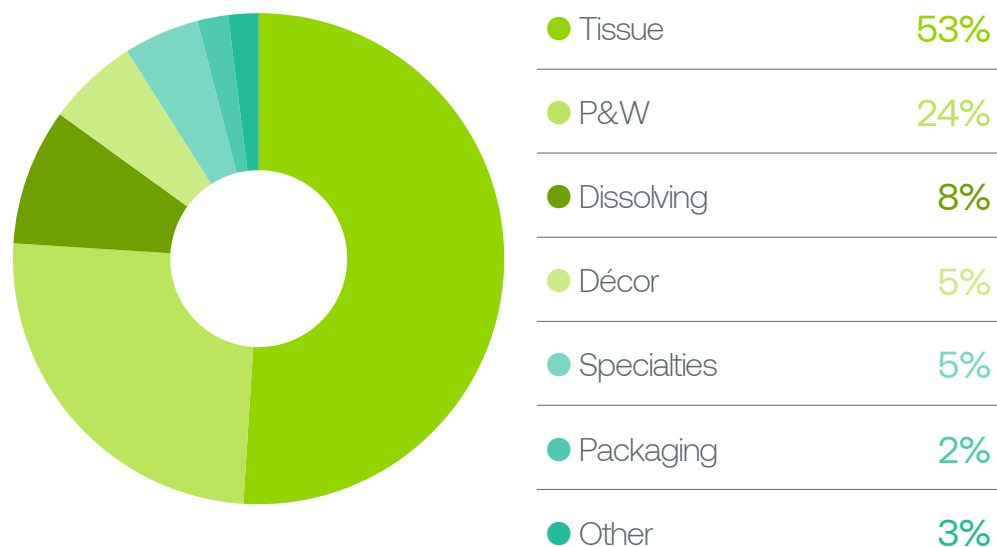


→ Operating highlights (III)

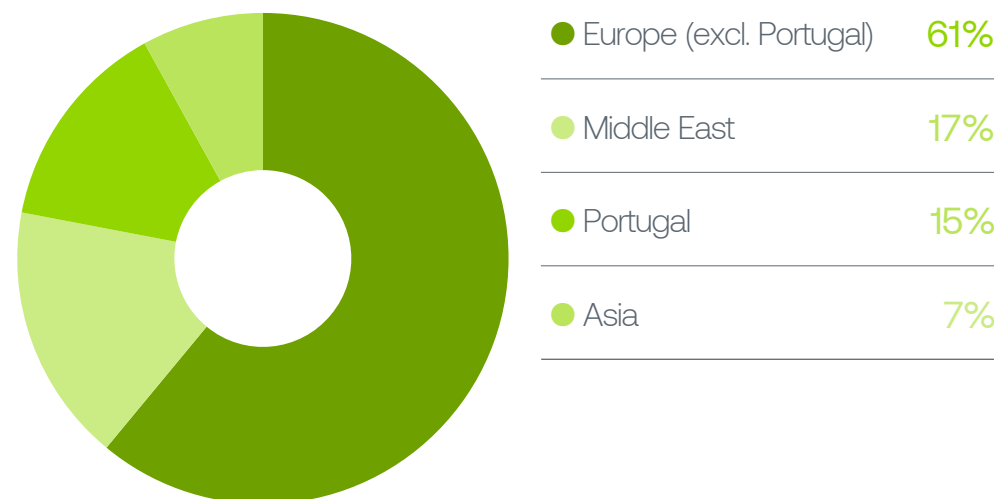
Demand for tissue continues strong. More cyclical segments as P&W, décor and packaging showed some softness near the end of the year



Sales volume breakdown 2022 by end use



Sales volume breakdown 2022 by region

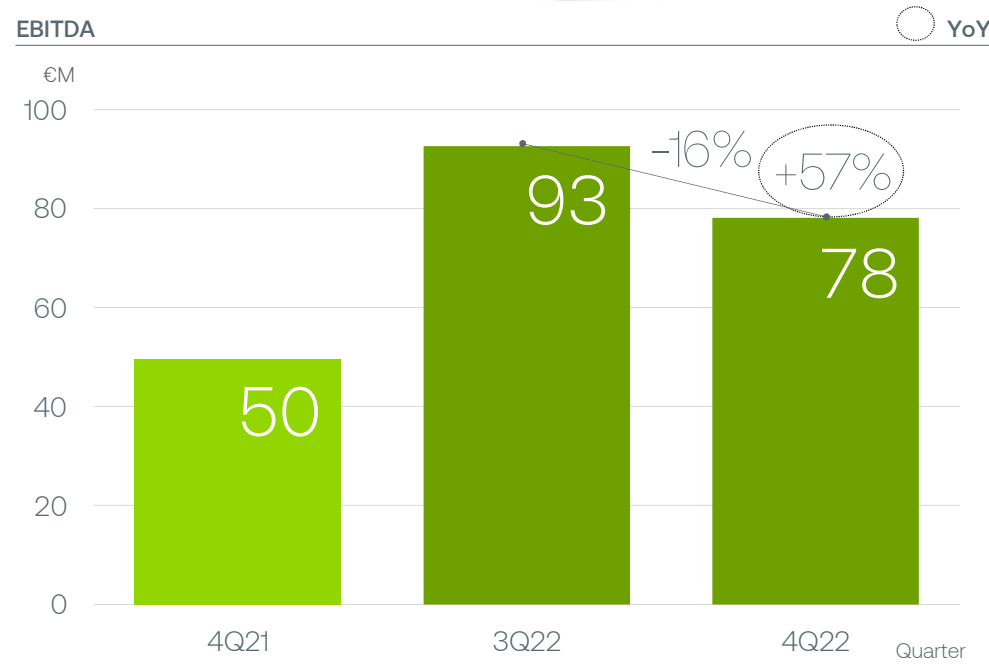
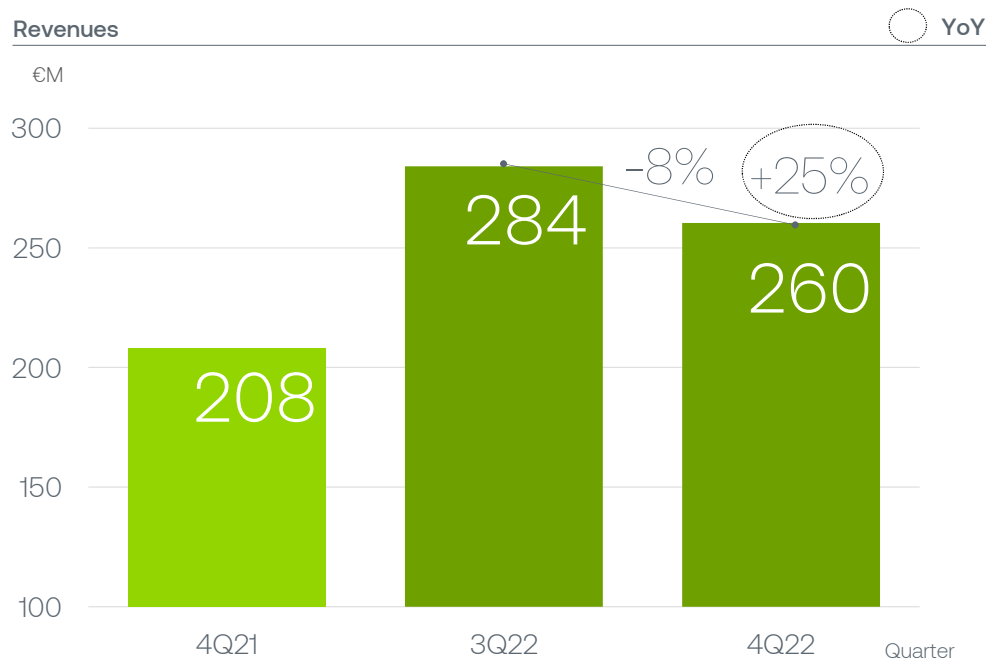




Financial highlights (I)

Revenues slowed in the 4Q22 given the lower volumes sold.

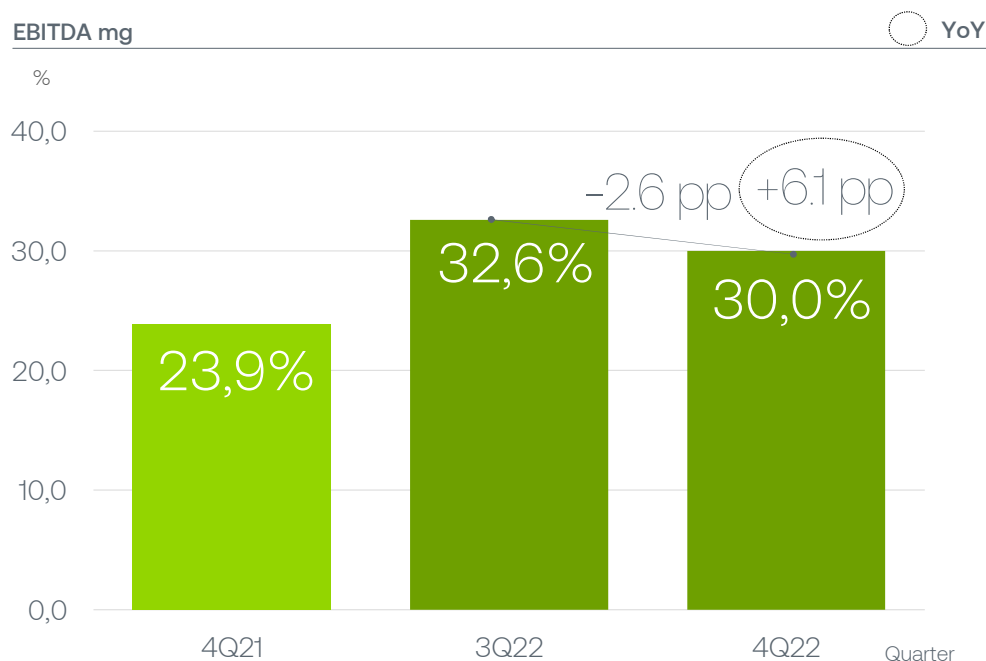
EBITDA remains at healthy levels





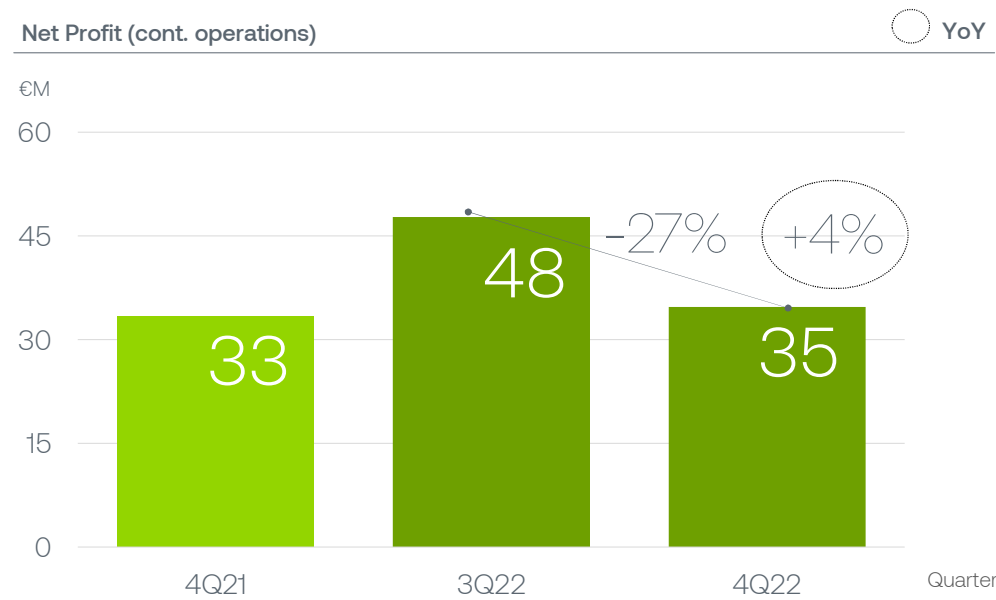
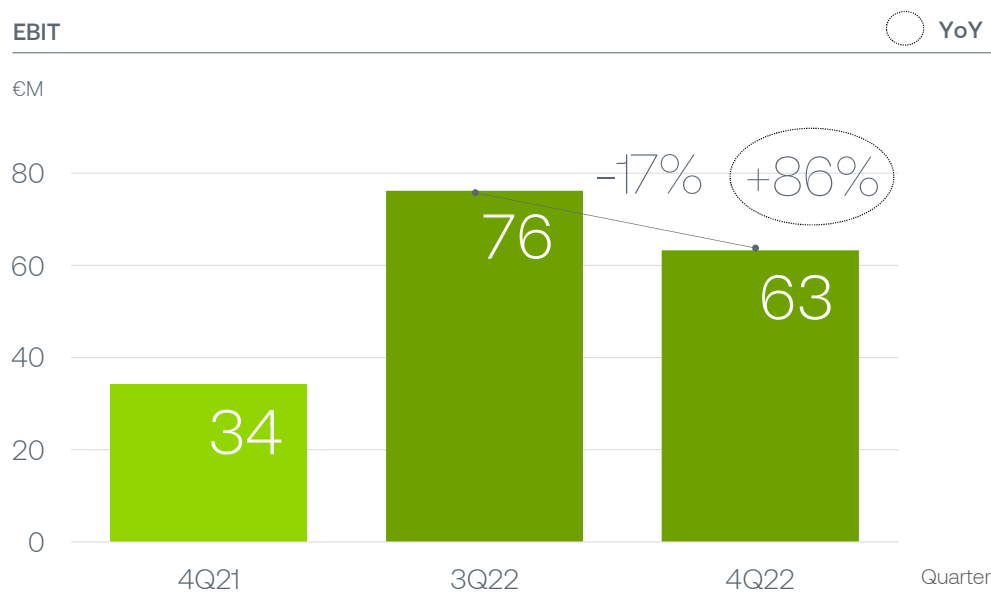
Financial highlights (II)

EBITDA margin reached 30.0% during the 4Q22, a slight decrease vs a record 3Q22 but +6.1 pp vs 4Q21. For the year, EBITDA remained barely flat at 28.3%



→ Financial highlights (III)

EBIT in the 4Q22 increased 86% YoY, despite a decrease of 17% QoQ due to lower volumes sold. Net profit (cont. operations) in the 4Q22 was in line with last year's 4Q21 mainly due to higher financial expenses

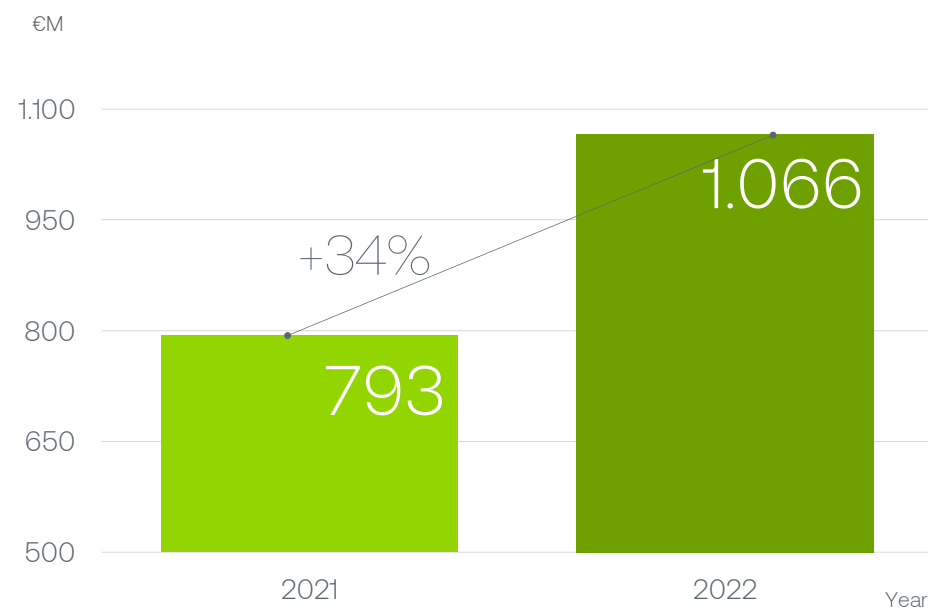




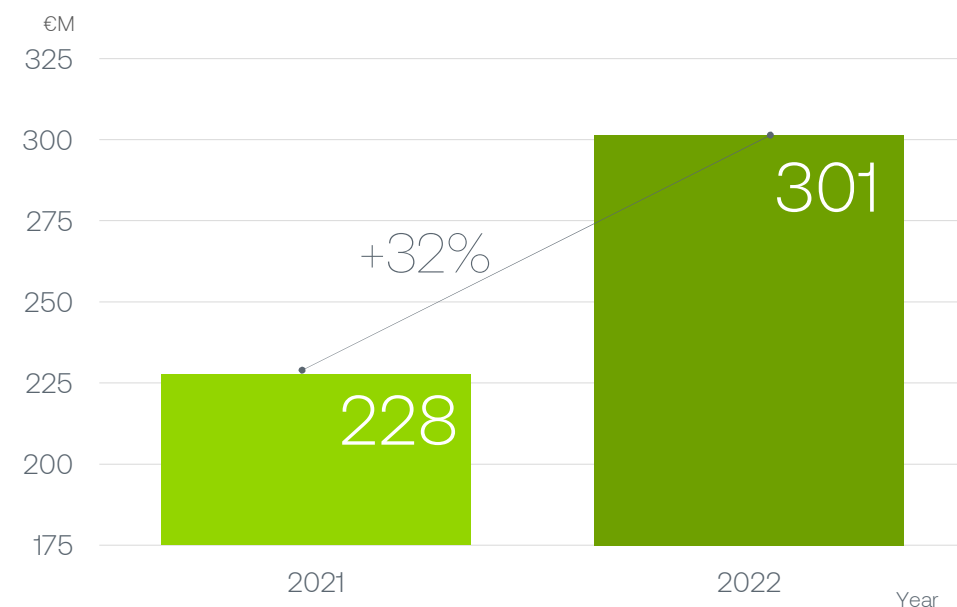
Financial highlights (IV)

A solid 2022 with revenues and EBITDA growing by 34% and 32% respectively

Revenues



EBITDA

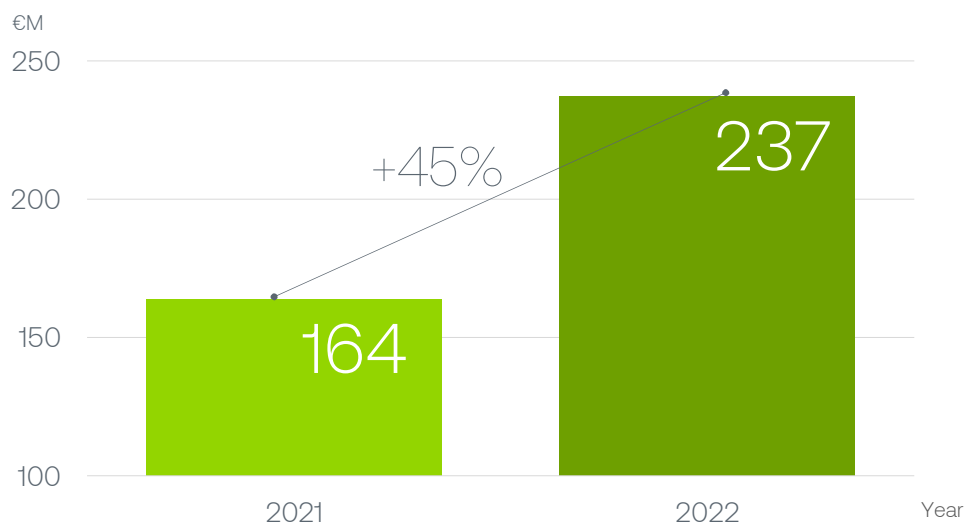




Financial highlights (V)

EBIT for the full year of 2022 increased by 45%. Higher financial expenses, including fx hedges led to a slower evolution of Net Profit (cont. operations) but still a sound 23% increase

EBIT



Net Profit (cont. operations)



→ Financial highlights (VI)

Cost inflation started to stabilize during the 4Q22

Electricity & Natural Gas

Self-consumption electricity regime fully implemented in the 4Q22 being able to sell the excess electricity production to the grid at pool prices. Natural gas prices decreased during the quarter.

Wood

The increase in prices during 2022 came from higher import needs but also from Iberian suppliers passing cost increases. Overall, we see a stabilisation of these trends.

Chemicals

Chemical prices have continued to increase during the 4Q22. Given the link to energy prices, we are starting to see price reductions going forward.

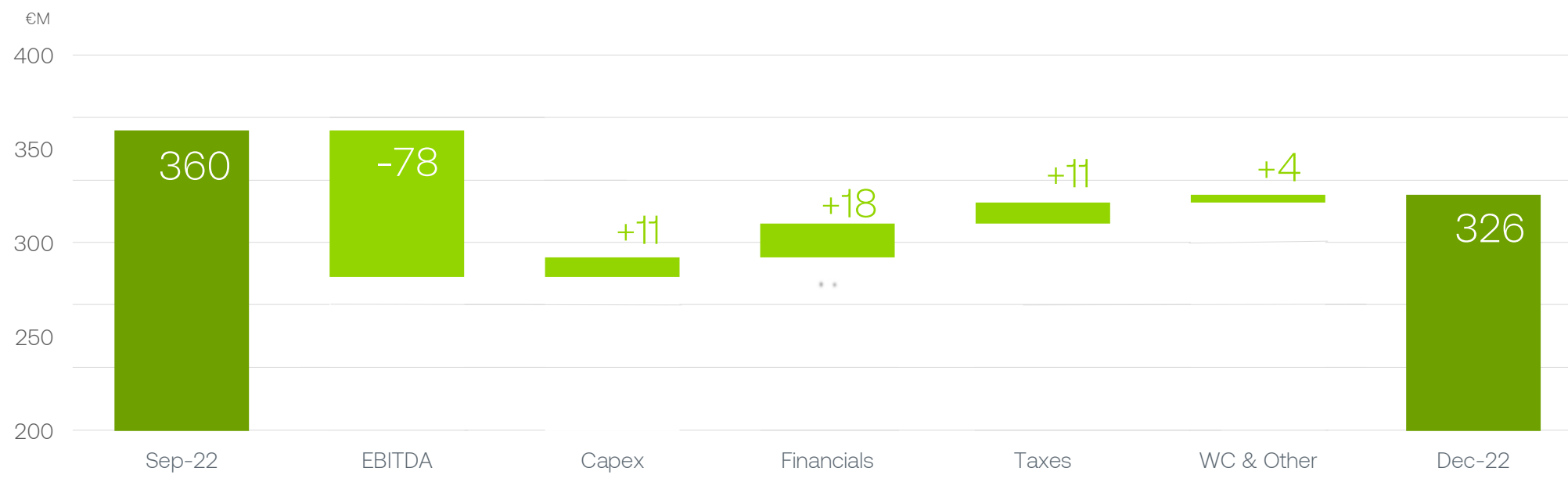




Financial Highlights (VII)

Cash flow generation in the quarter more normalized despite higher financials and taxes

Net Debt

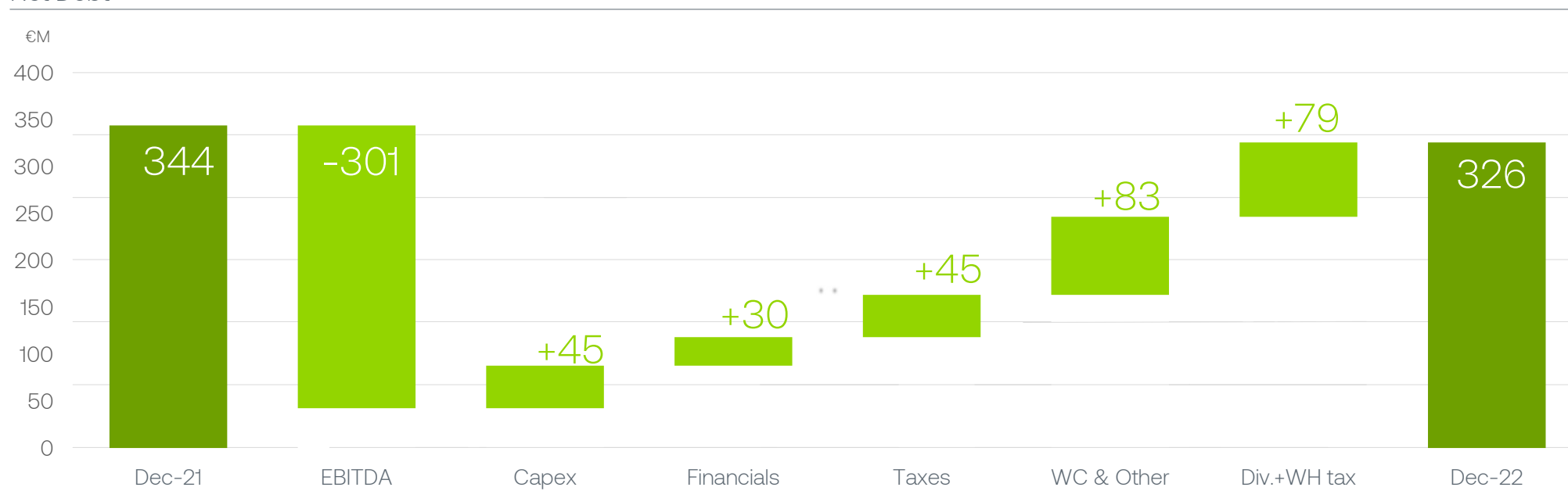




Financial Highlights (VIII)

Net Debt/ EBITDA 2022 at a comfortable 1.1x (vs 1.5x in 2021). Cash flow generation more limited due to higher WC needs (prices, inventories and one-off confirming effect), higher capex and additional dividends

Net Debt

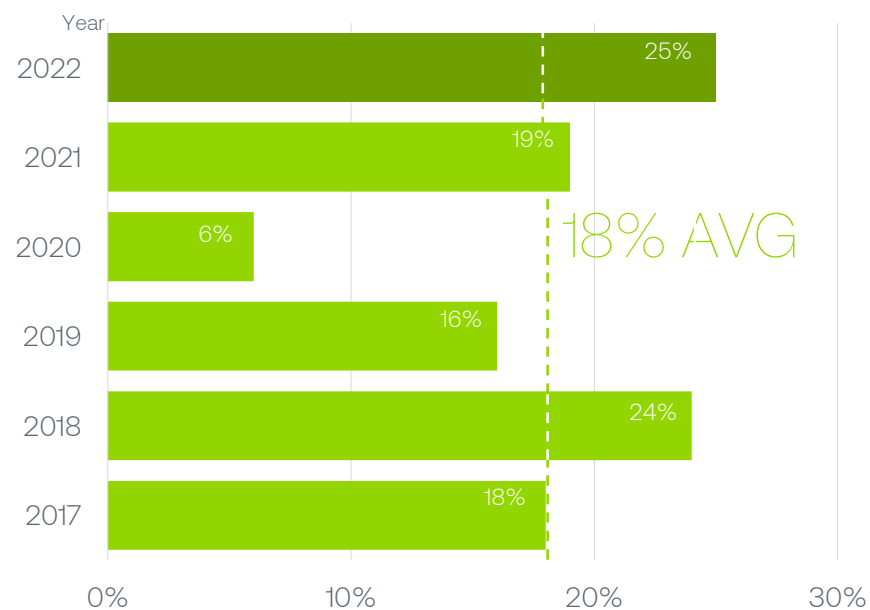


→ Financial Highlights (IX)

Altri ends 2022 with the highest ROCE levels of the past five years and one of the best-in-class

25%
2022 ROCE

ROCE*



* Return On Capital Employed (EBIT / (Shareholders Equity + Net Debt))

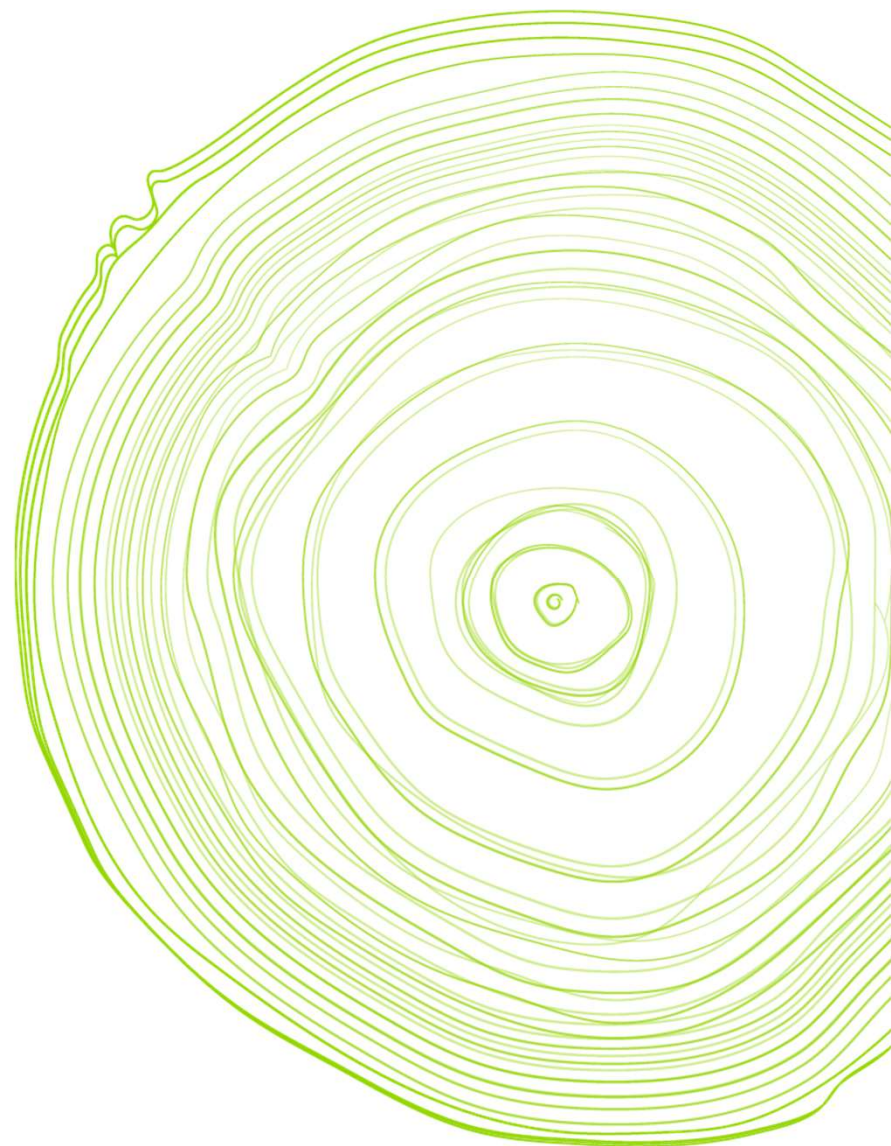


Sustainability (I)

Altri continues to improve its ESG ratings

The rating agency MSCI attributed a BBB rating, one notch improvement vs the previous rating. The rating agency CDP maintained its 'A-' rating in the climate change category mentioning Altri as a reference in the implementation of best practices.

MSCI
ESG RATINGS





Sustainability (II)

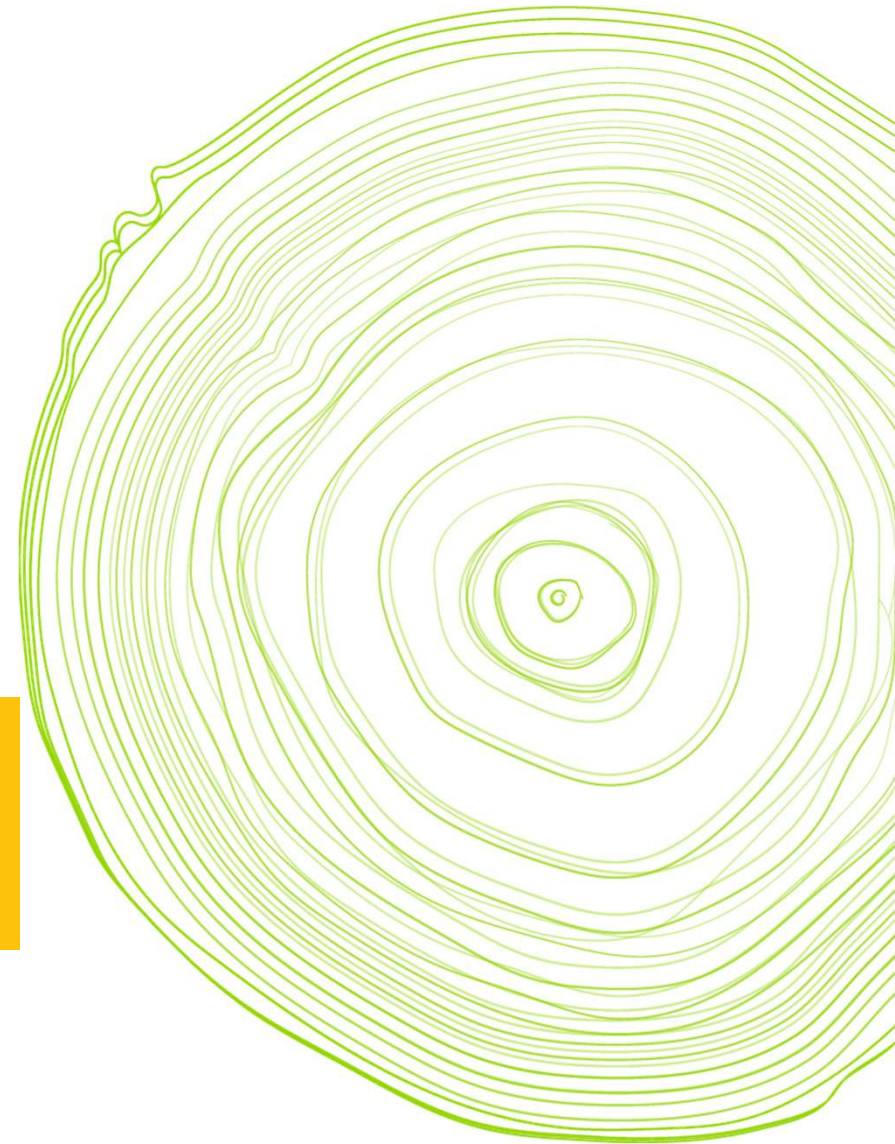
Altri's commitment in a more sustainable future continued during 2022 reaching important milestones towards its 2030 ambitious goals

Reduction of GHG emissions (scope 1 and 2) by 24% in 2022 vs 2020 (goal of -51% by 2030)

Use of primary energy from renewable sources at 93% in 2022 (goal of 100% by 2030)

Certified used wood of 70% in 2022 (goal of 80% by 2030 from 57% in 2018)

Reached 7 biodiversity spots by 2022 (goal of 15 by 2030 from 2 in 2018)



→ Perspectives



1

Pulp market in Europe showed some softness near the end of the year. Tissue segment demand remains solid. Weakness on cyclical segments, such as P&W and Décor. Market expectations point for a price correction during 2023.

2

Inventories in Europe are in a normalising phase, in particular due to a destocking effect from the P&W and Décor segments

3

China re-opening of the economy could be an upside for the industry. 2H23 could bring more stability and positive news for prices.

4

Cost inflation started to stabilise in the 4Q22. Lower costs such as energy and chemicals should have a positive impact in 2023.

5

Gama - work progressing at all fronts (environmental, engineering, economic, financing and EU funds). Decision to be taken during 2023.



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2022

Conference Call

→ Highlights of 4Q22 results

€ M	4Q22	4Q21	4Q22/4Q21	3Q22	4Q22/3Q22
Pulp	215.9	173.8	24.2%	244.2	-11.6%
Other*	44.5	34.3	29.8%	39.9	11.5%
Total Revenues	260.4	208.1	25.1%	284.1	-8.4%
EBITDA	78.1	49.6	57.3%	92.6	-15.7%
EBITDA mg	30.0%	23.9%	+ 6.1 pp	32.6%	- 2.6 pp
EBIT	63.3	34.1	85.7%	76.2	-16.9%
EBIT mg	24.3%	16.4%	+ 7.9 pp	26.8%	- 2.5 pp
Net profit of cont. operations	34.7	33.3	4.3%	47.7	-27.2%

* Other : includes essentially i) sale of biomass and rendering of operations and maintenance services to Greenvolt's biomass plants in Portugal and ii) sale of electric energy (cogeneration) related to the cellulosic fiber production process.

→ Highlights of 2022 results

€ M	2022	2021	YoY
Pulp	883.8	661.6	33.6%
Other*	182.4	131.8	38.4%
Total Revenues	1,066.2	793.4	34.4%
EBITDA	301.4	227.7	32.4%
EBITDA mg	28.3%	28.7%	- 0.4 pp
EBIT	237.4	163.8	45.0%
EBIT mg	22.3%	20.6%	+ 1.6 pp
Net profit of cont. operations	152.1	123.7	23.0%
Net Debt/ EBITDA LTM	1.1	1.5	

* Other : includes essentially i) sale of biomass and rendering of operations and maintenance services to Greenvolt's biomass plants in Portugal and ii) sale of electric energy (cogeneration) related to the cellulosic fiber production process.

→
Structure of Group Altri
as of December 2022

