

altri
2024
Conference Call

planting seeds
for tomorrow

+ Main Highlights of 2024



Pulp Market

Hardwood Pulp demand continued to grow in 2024 (+1.0%), adding to a record 2023. After a stronger H1, we saw some slowdown in H2. China was more volatile with Europe and North America more stable (and positives) through the year. Dissolving Pulp (DP) market remains sound with high single-digit growth in prices and demand.

Sound EBITDA mg & FCF in 2024

EBITDA reached € 218M in 2024, an increase of 59% YoY, which implied a margin of 25.5% (vs 17.4% in 2023). High FCF allowed for a 40% reduction in Net Debt, ending the year with a Net Debt/EBITDA ratio of 1.0x.

Diversification and Growth projects

The project of acetic acid and renewable-based furfural at Caima is progressing well, with the launch expected for 1Q26- IRR > 15%. At Biotek, the full migration of BHKP production to Dissolving Pulp (DP) at the end of 2026, is progressing according to plan.

Recent developments

The environment division of Xunta de Galicia, published a favourable Environmental Statement (DIA) regarding the Gama project, confirming the complying with all current regulations. Additionally, Altri signed a contract to acquire Greenalia Forest and Greenalia Logistics - a strategic step to increase our presence in Galicia and raw material supply.

+ Market Highlights

Global pulp demand slowed in 2024, but Hardwood continues to grow. Europe and North America were the best markets with China slowing from a record 2023. HW continues to gain share to SW

Global Pulp Demand by Type	Jan-Dec 24	YoY
Hardwood	41,406	1.0%
Softwood	23,713	-3.7%
Unbleached Sulphate	2,377	-5.0%
Sulphite	69	-33.3%
Total	67,565	-1.0%

Hardwood Pulp Demand by Region (Jan-Dec 24)		YoY
North America	3,703	10.6%
Western Europe	8,078	13.0%
Eastern Europe	1,578	17.8%
Latin America	2,861	-2.5%
Japan	1,017	4.9%
China	17,614	-5.7%
Rest of Asia/Africa	6,354	-0.8%
Oceania	201	10.8%
Total	41,406	1.0%

Source: PPPC (World Chemical Market Pulp Global 100 Report- December 2024 - Revised). Values in 000' tons

+ Market Highlights

Dissolving pulp (DP) maintained healthy and stable growth throughout 2024

Global Dissolving Pulp demand by region (Jan-Dec 24)		YoY
North America	527	14.8%
Western Europe	559	15.3%
Asia	6,467	5.0%
China	4,604	3.5%
Japan	147	-23.1%
Taiwan	33	20.2%
Thailand	286	25.7%
Rest of Asia	1,398	10.3%
Other	51	-2.8%
Total	7,605	6.3%

Source: Numera Analytica (Global DP Demand Report – December 2024). Values in 000' tons

+ Market Highlights

Inventories at European Ports were at 1.4M-1.5 M tons in the second half of 2024, a figure in line with historical averages

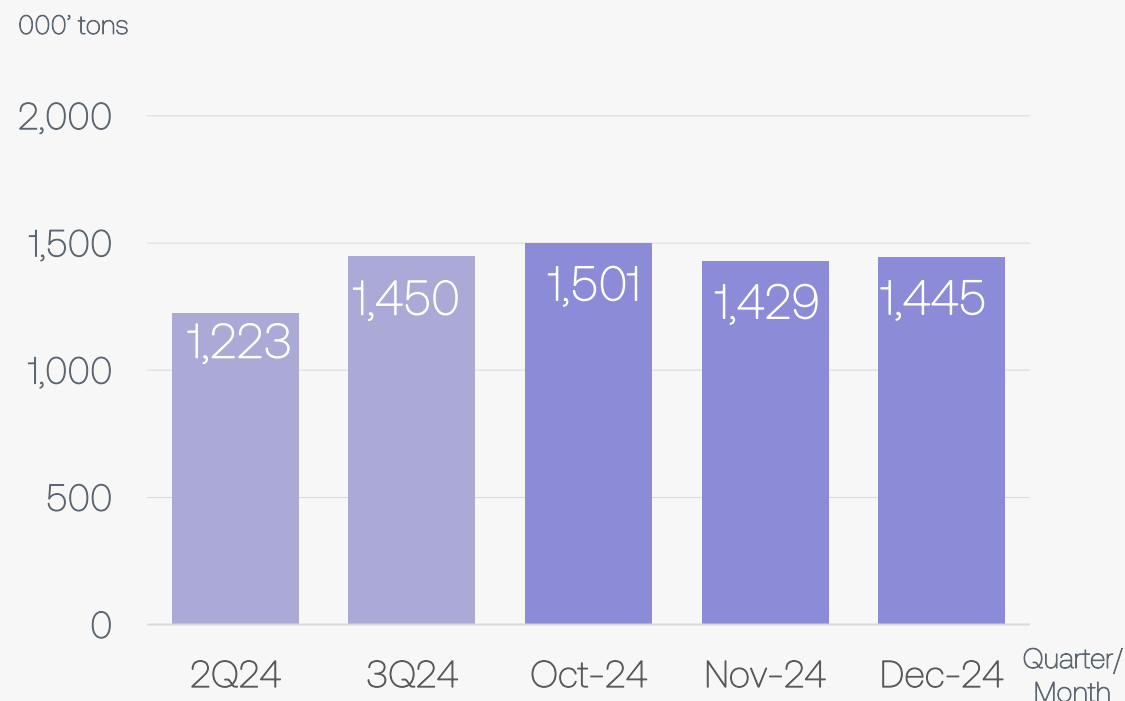
Yearly Pulp Stocks at European Ports*



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

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

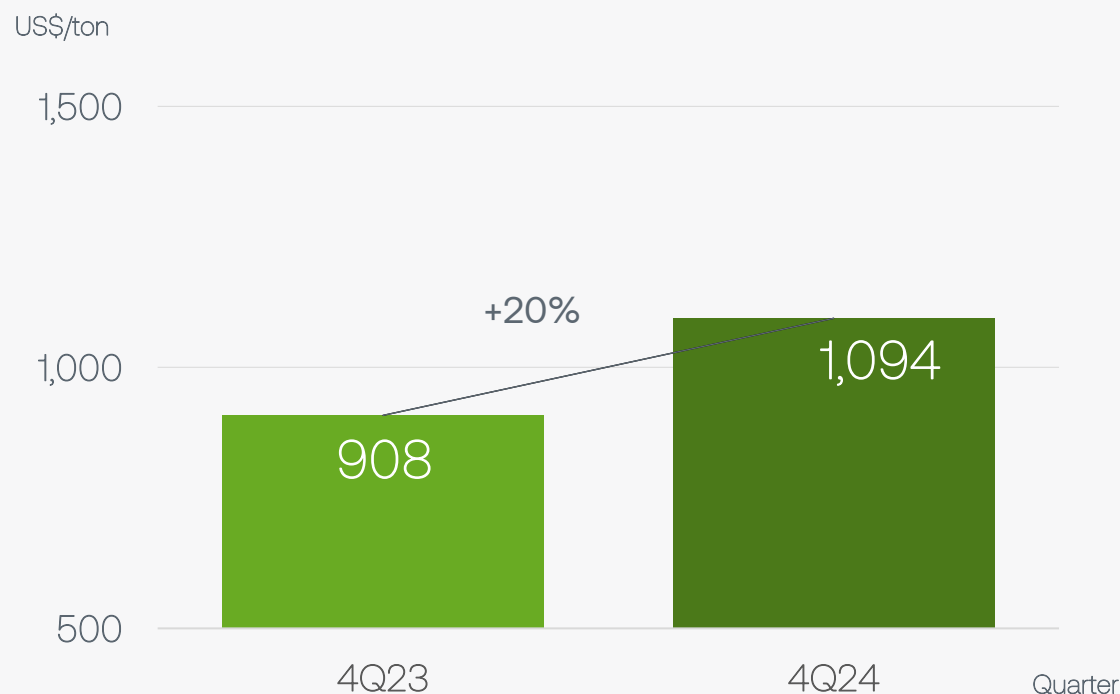
Monthly Pulp Stocks at European Ports*



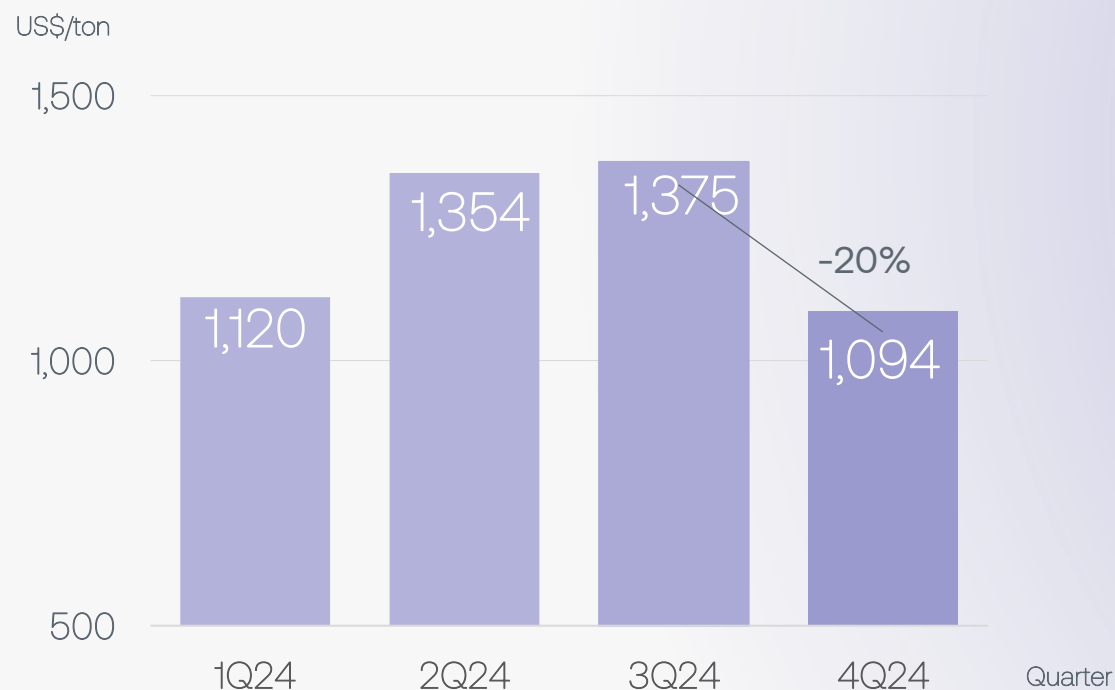
+ Market Highlights

Although pulp prices in Europe are higher in the 4Q24 (vs 4Q23), there was a correction during the last quarter to converge with China. The PIX price index ended Dec. at US\$ 1,000/ton.

Avg. PIX Prices (BHKP - Europe)*



* Source: FOEX.

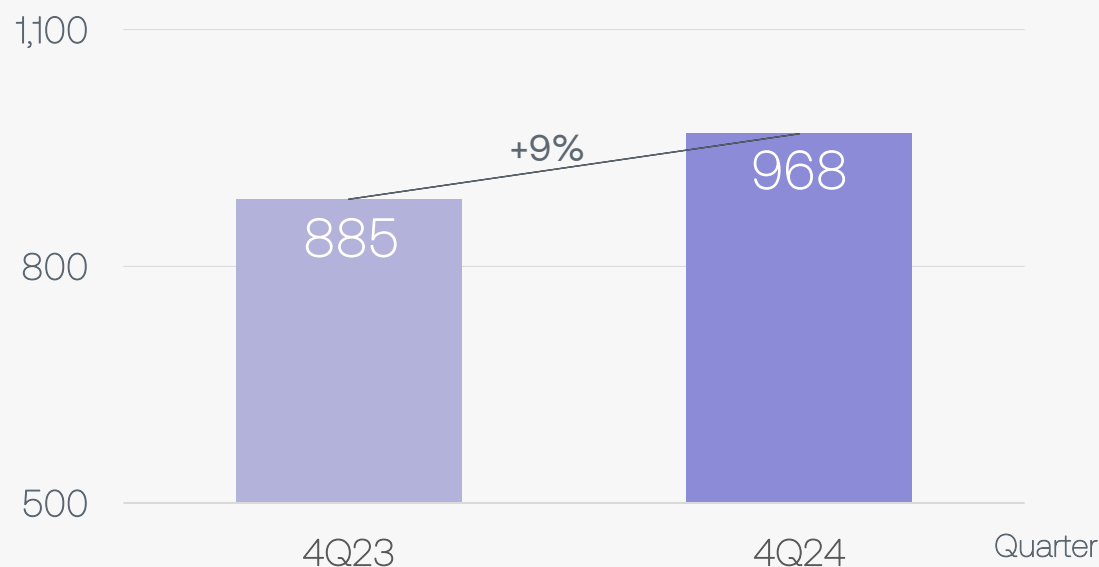


+ Market Highlights

Dissolving pulp (DP) price, correlated with the textile value chain, enjoyed from high operating rates of viscose and lyocell producers, which led to a 7% increase in 2024 (9% in 4Q24 vs 4Q23).

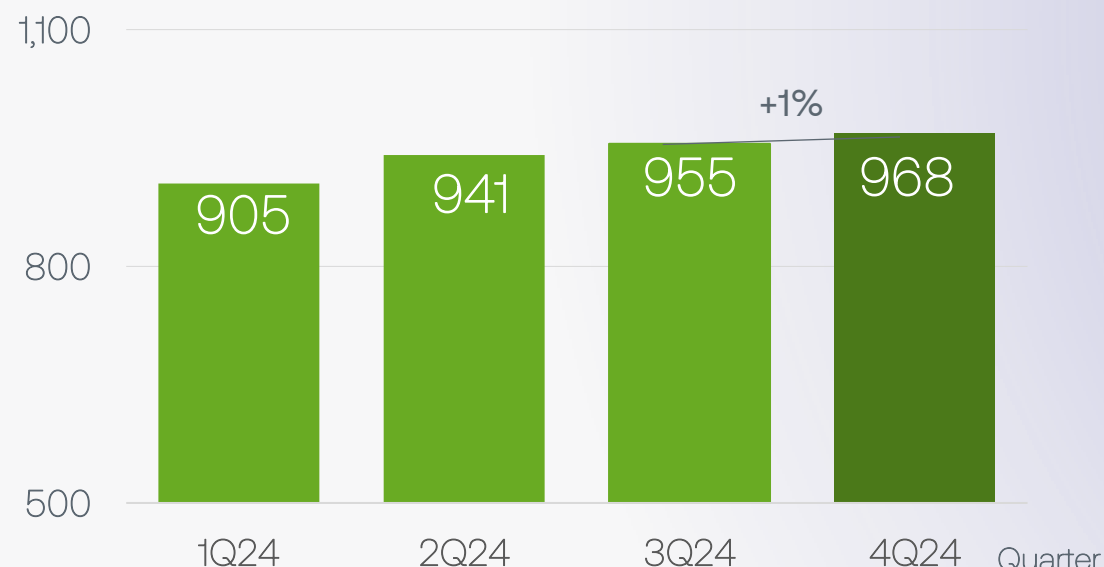
Avg. Prices (Imported DWP Hardwood China – Net Price)*

US\$/ton



* Source: CCF Group.

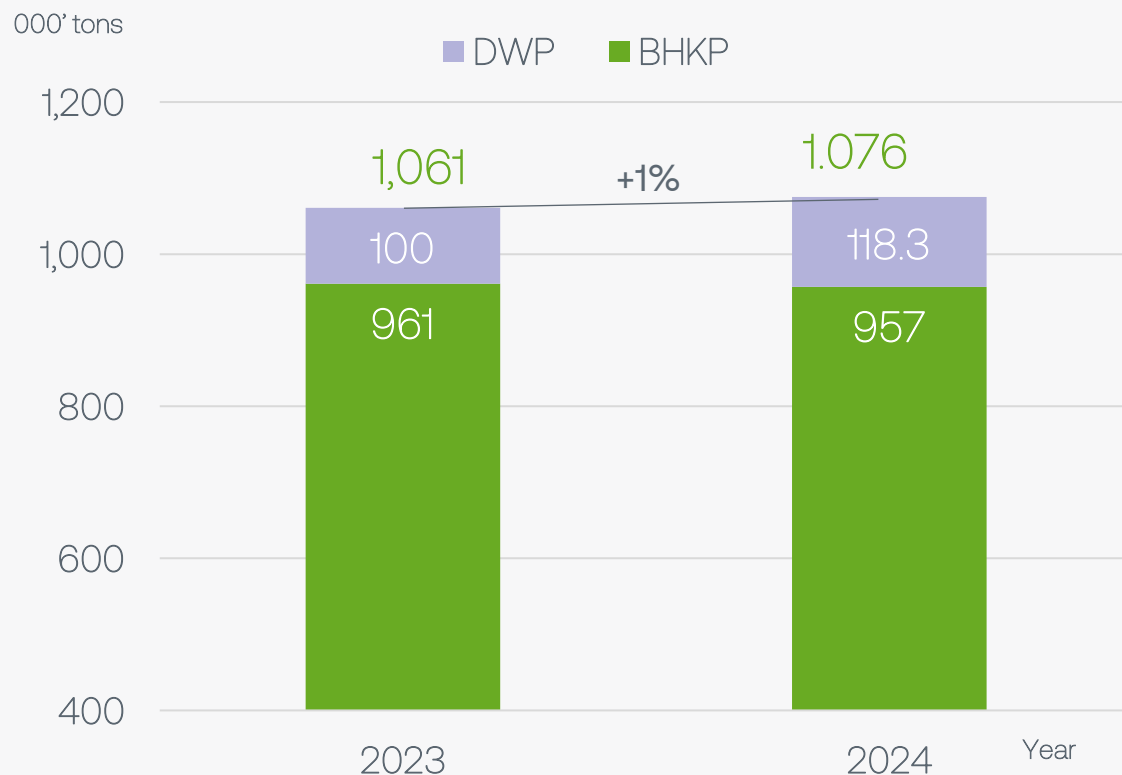
US\$/ton



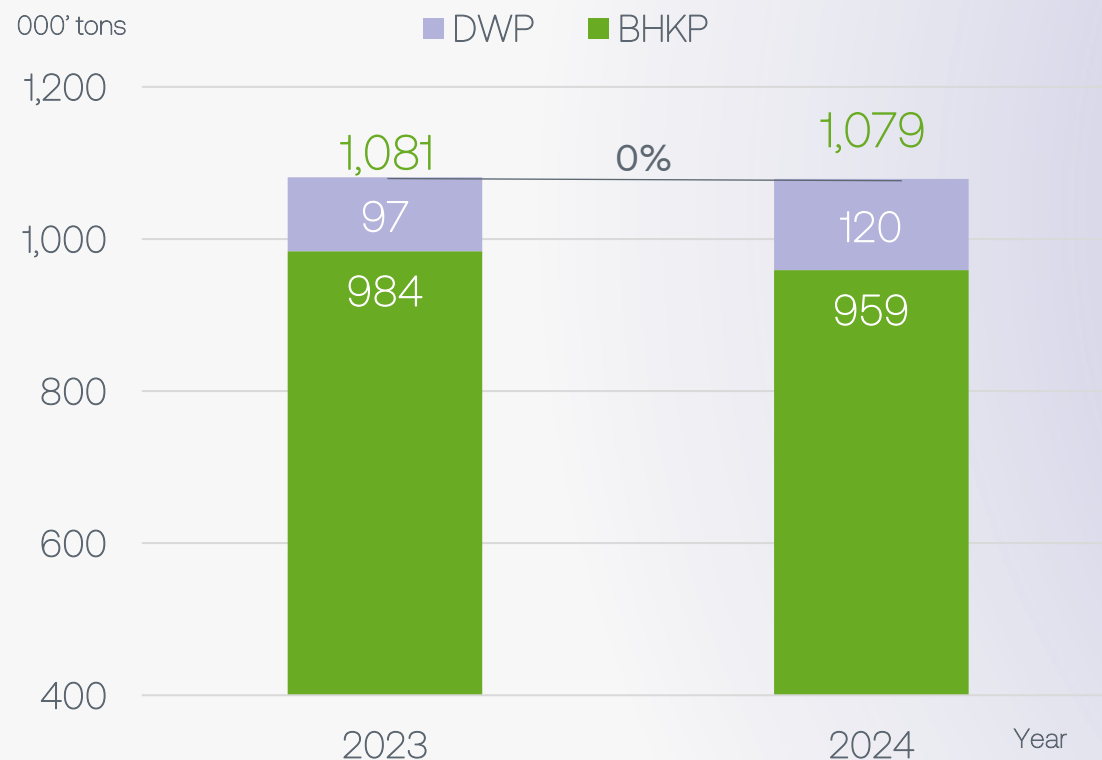
+ Operational Highlights

Altri's strategy to optimize inventories leads to balanced production and sales volumes

Production



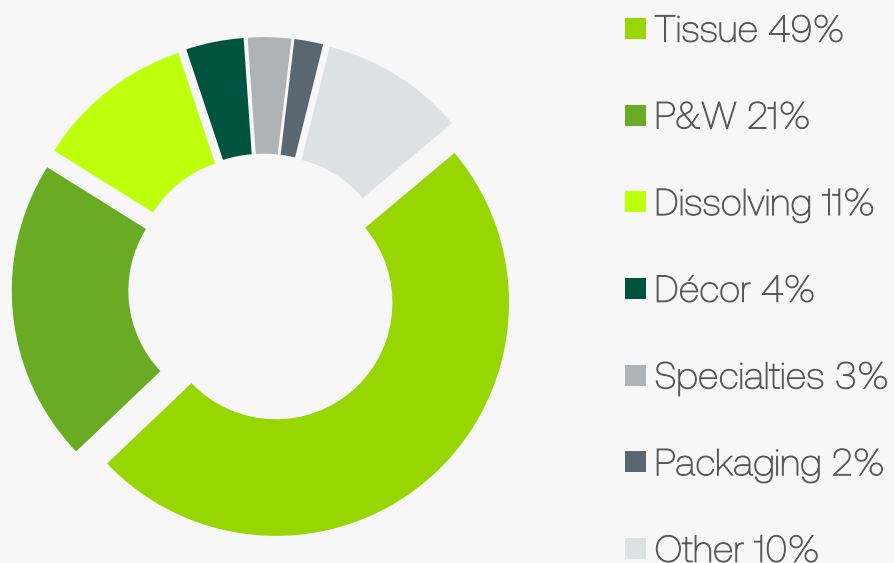
Sales



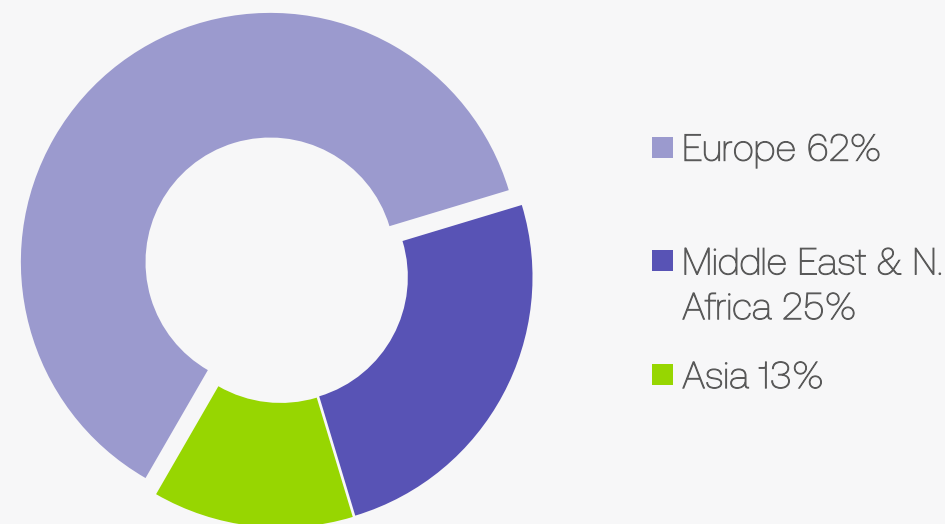
+ Operational Highlights

Tissue maintains near 50% sales weight and DP at 11% (9% in 2023, 8% in 2022 and 2021). Europe maintains its weight near 60% with Middle East and North Africa stabilizing at 25% (vs 25% in 2023, 17% in 2022 and 2021)

Sales Volume Breakdown 2024 by End Use



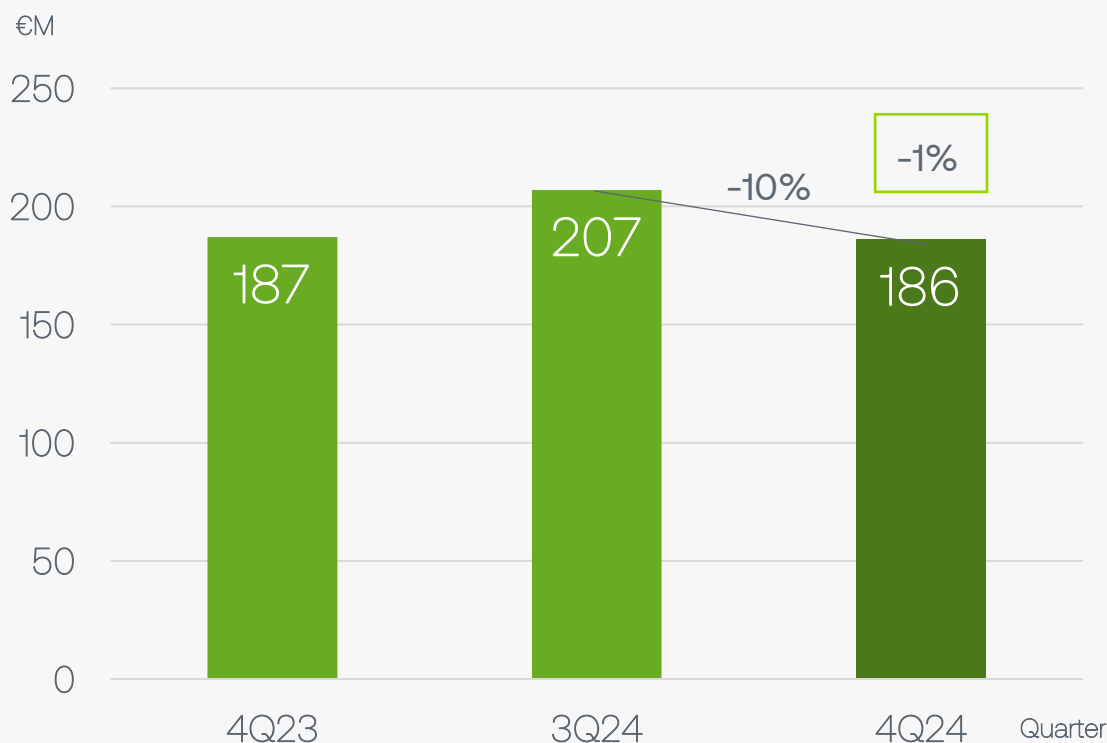
Sales Volume Breakdown 2024 by Region



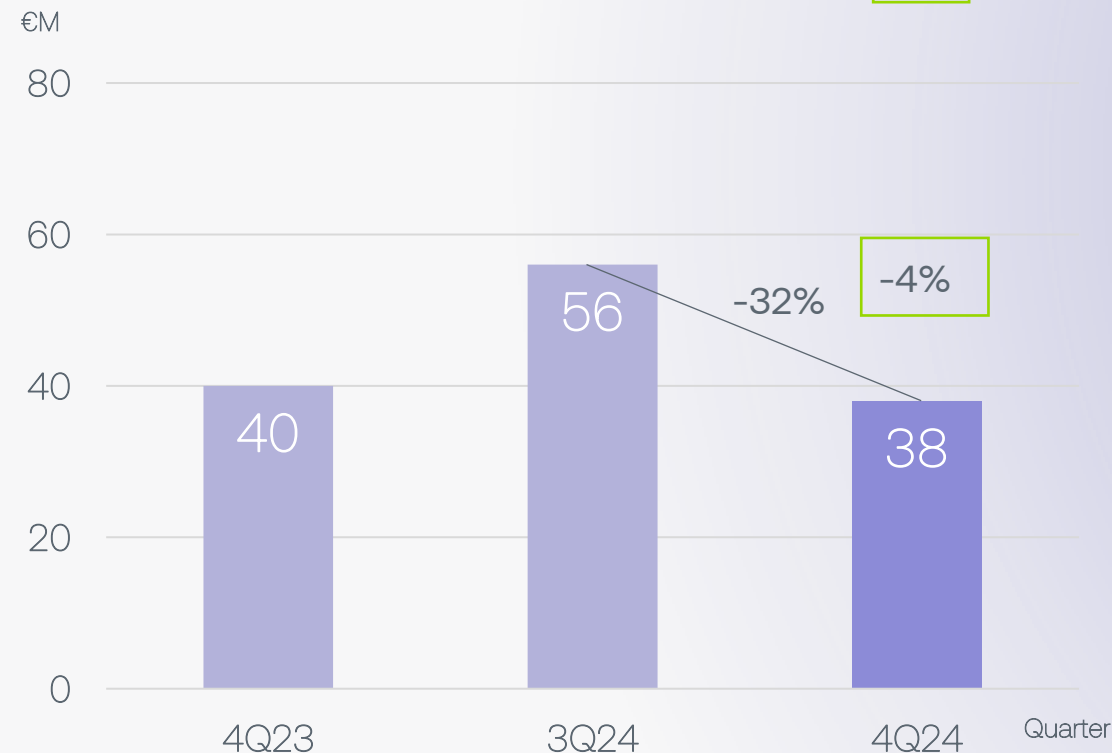
+ Financial Highlights

After a strong start of the year and reaching a price peak in July 2024, the pulp market environment was less dynamic in the 2H24. That was reflected in lower prices that affected volumes and profitability of the Altri Group.

Total Revenues



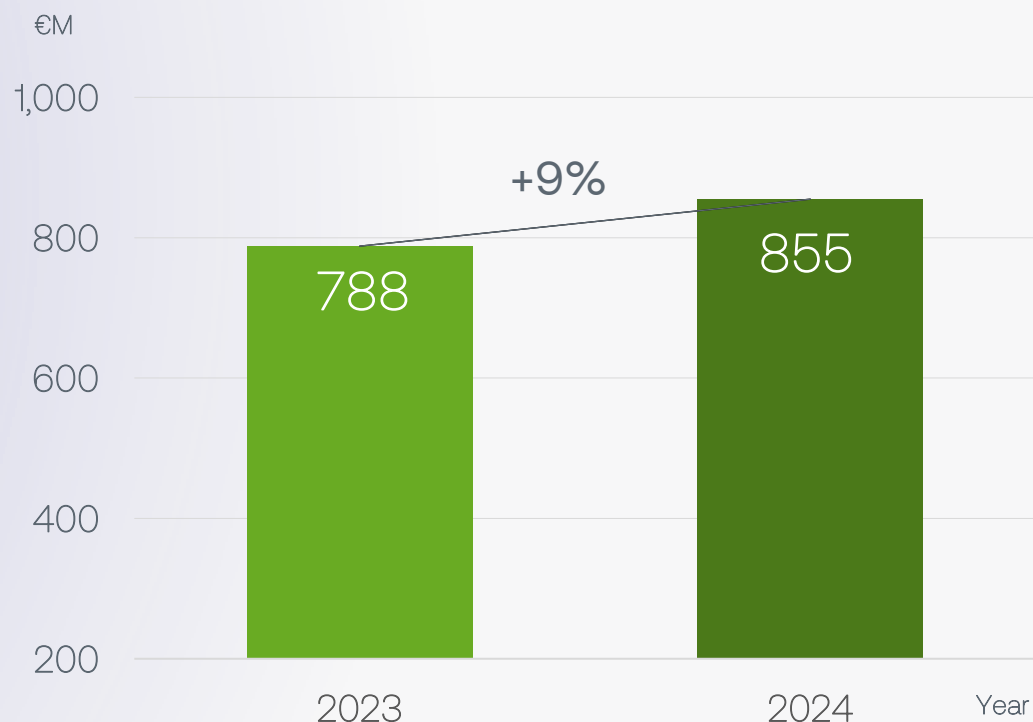
EBITDA



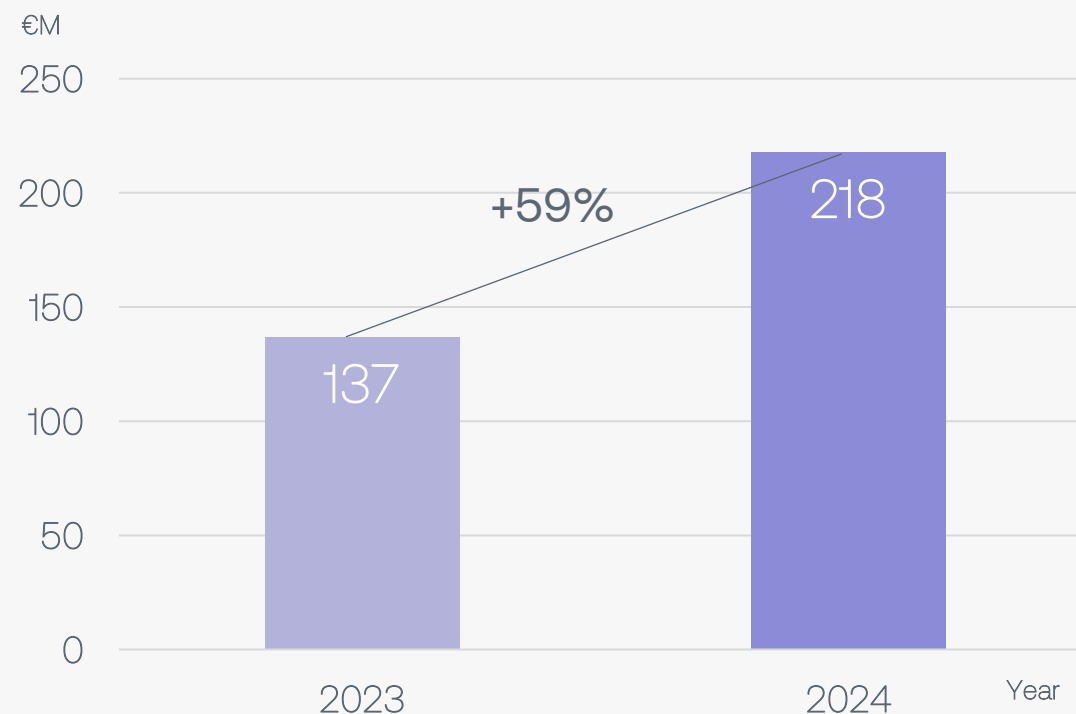
+ Financial Highlights

On an accumulated basis, revenues and EBITDA have improved, as the pulp market environment was more favorable in 2024

Total Revenues

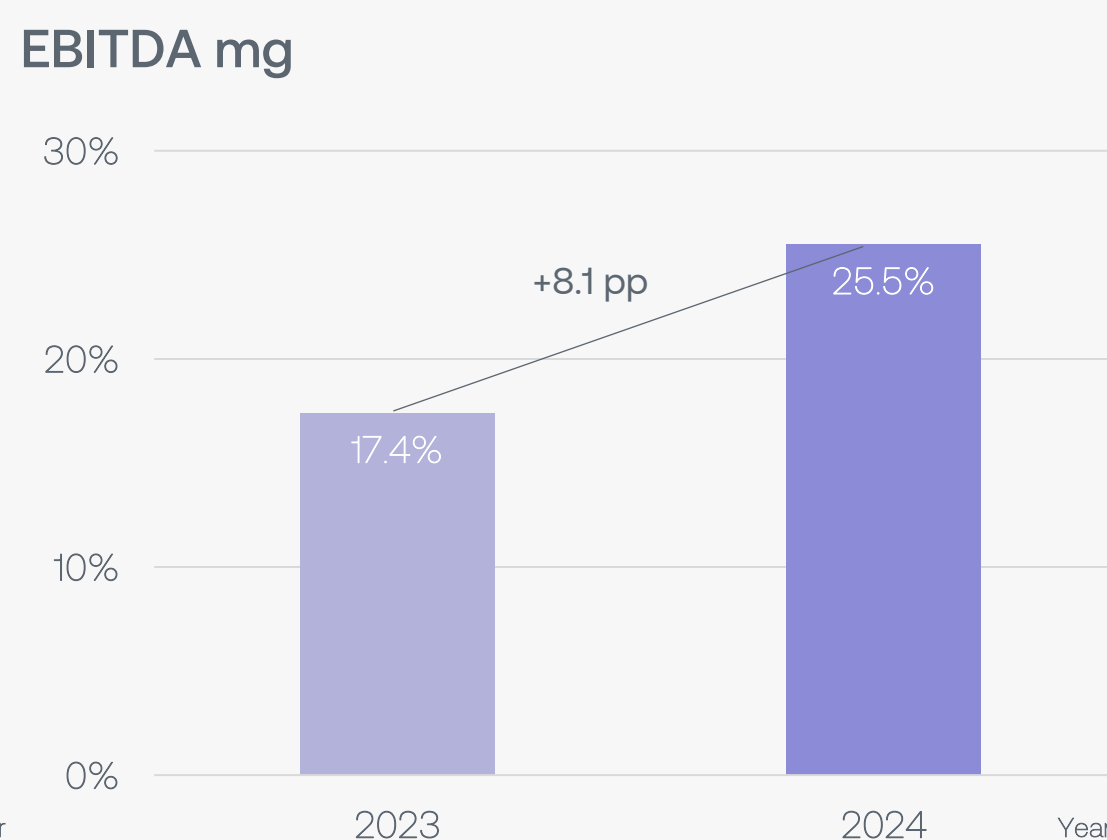
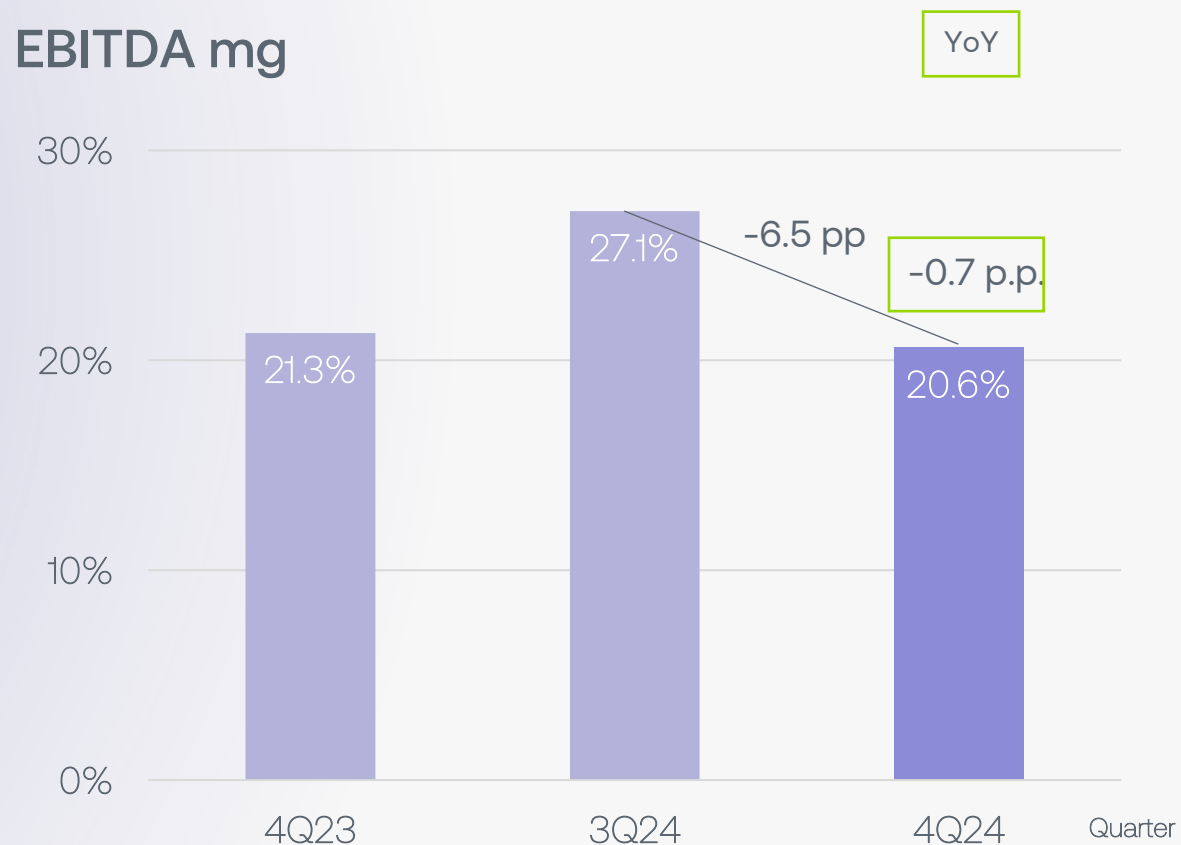


EBITDA



+ Financial Highlights

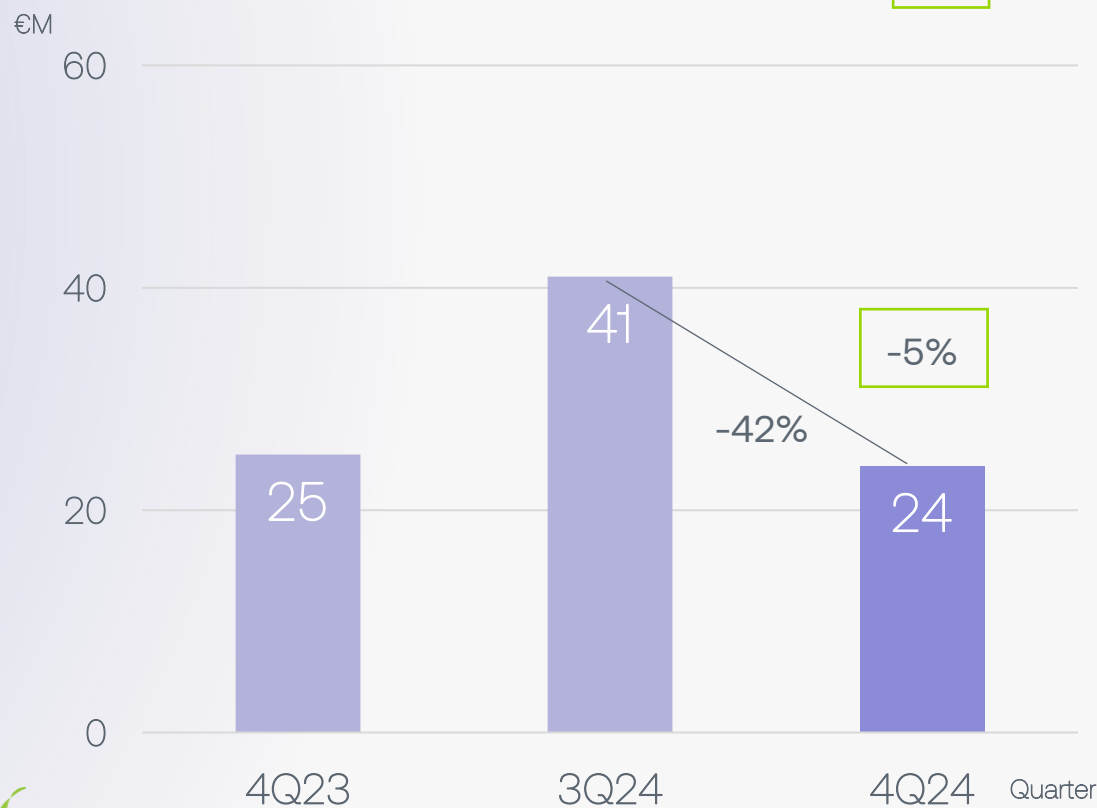
EBITDA margin in the mid 20's, as in 2024, a more normalized level



+ Financial Highlights

As a result of the mentioned effects, there was a decrease in EBIT and Net Profit during the last quarter of 2024

EBIT



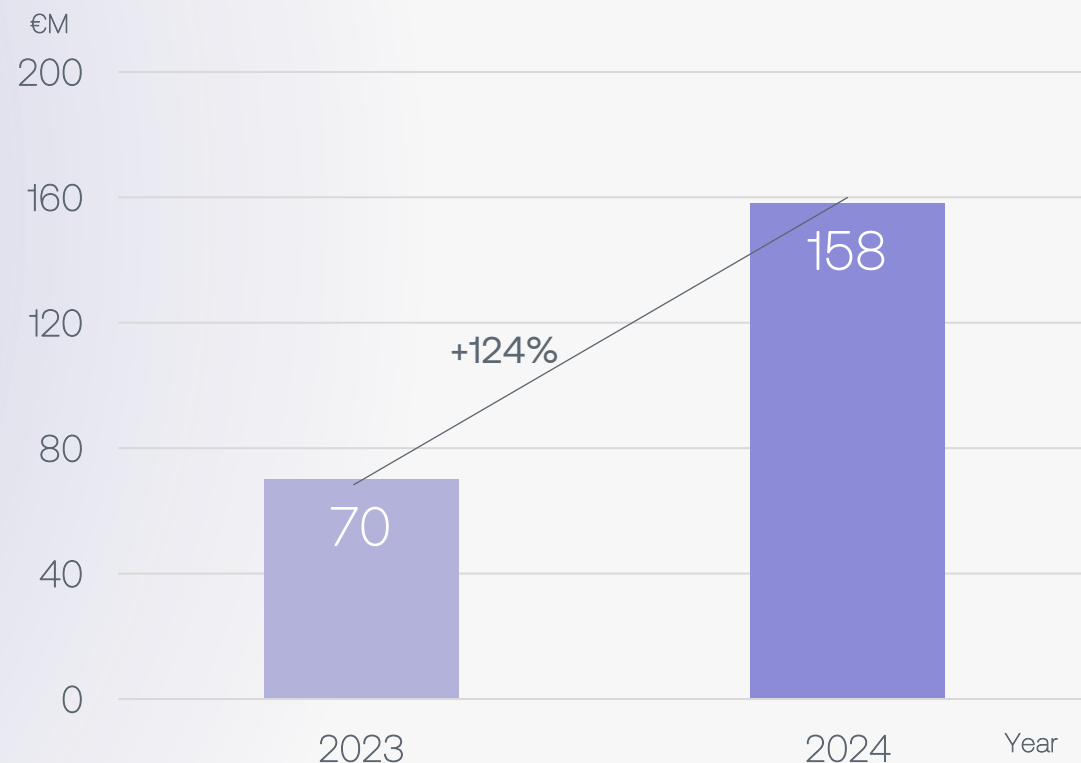
Net Profit



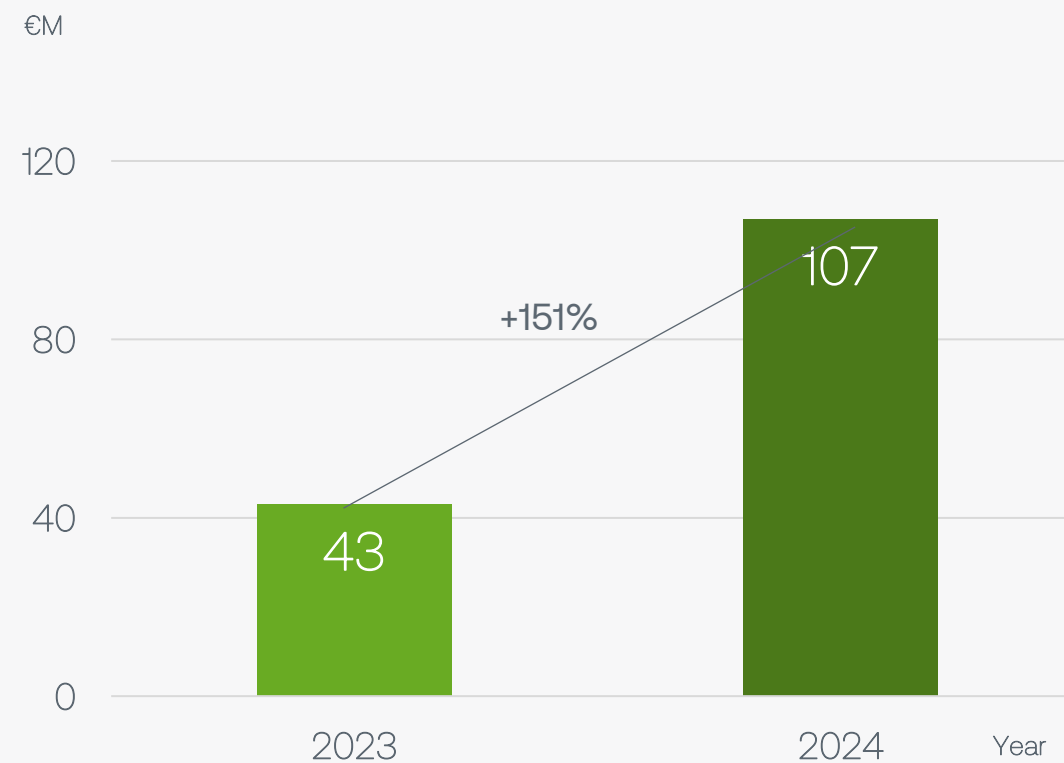
+ Financial Highlights

The level of profitability has recovered significantly during 2024 to more normalized levels, after a destocking year such as 2023

EBIT



Net Profit



+ Financial Highlights

Cost stabilization continues on track

Electricity & Natural Gas

The Group has operated most 2024 under a regulated framework regime, allowing it to sell electric energy at a regulated price per MW/h. That generates a positive energy balance between the electricity that is produced, energy consumed and natural gas costs. As mentioned in the previous quarter, there was an incident with the cogeneration turbine at Celbi in October, that limited the production of electricity and unbalanced our positive electricity surplus. As anticipated, the economic impact of that incident was about €6 M during the 4Q24. The impact should be residual during the 1Q25 due to insurance coverages while expecting the turbine to resume operation in late March 2025.

Wood

Prices remained fairly stable during 2024.

Chemicals

Chemical prices have been slowly trending downwards since the end of 2022, despite some supply constraints in the caustic soda in the 4Q24 that caused slightly higher costs.

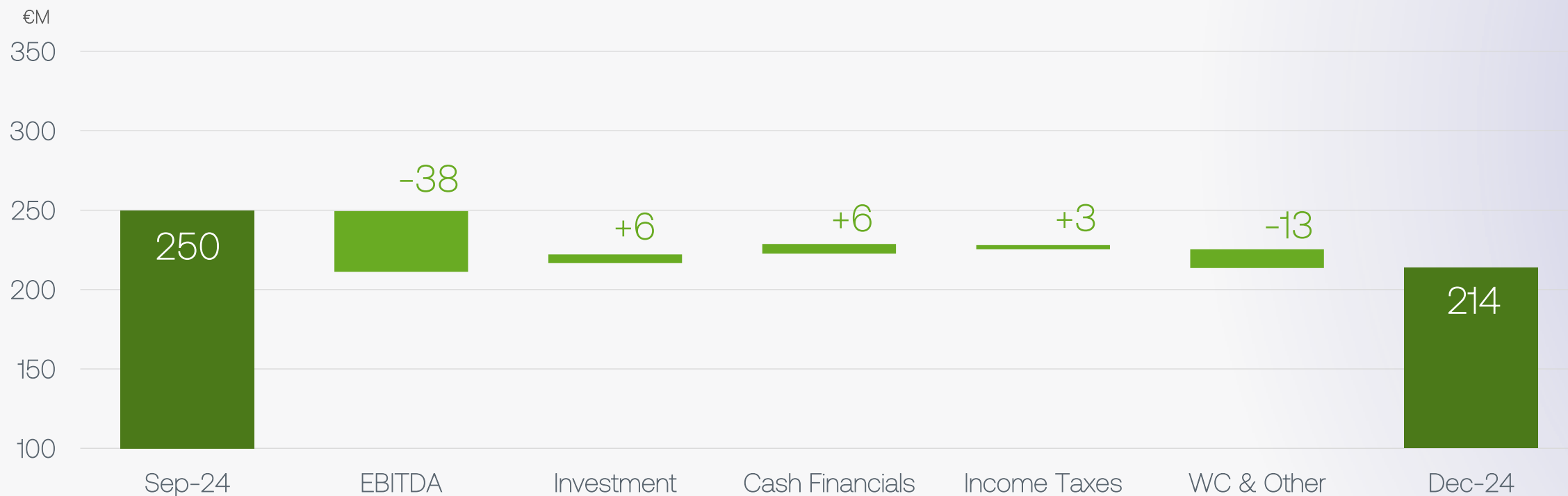


+ Financial Highlights

Net Debt maintained its downward trends during the quarter given the solid EBITDA level and a strict working capital management.

Net Debt/EBITDA LTM is now at 1.0x

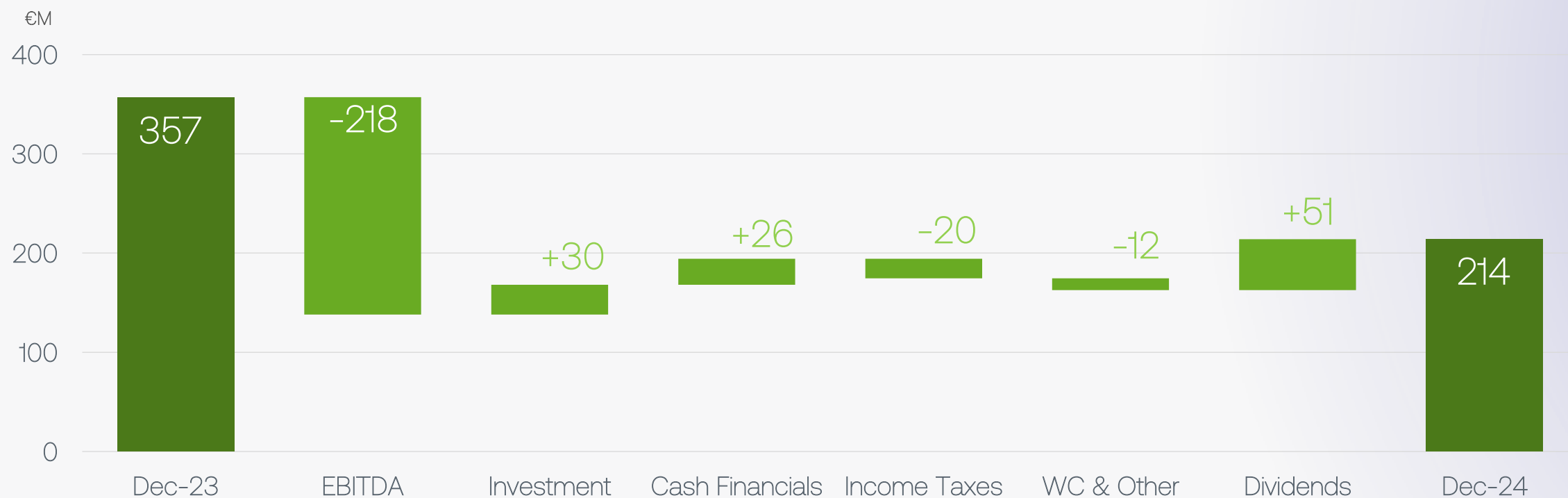
Net Debt



+ Financial Highlights

Significant reduction in Net Debt in 2024 due to a recovery in EBITDA, working capital well under control and a reimbursement of previous year's income tax paid in excess. Also, some growth Capex projects passed to 2025. Net Debt/EBITDA 2024 at 1.0x

Net Debt

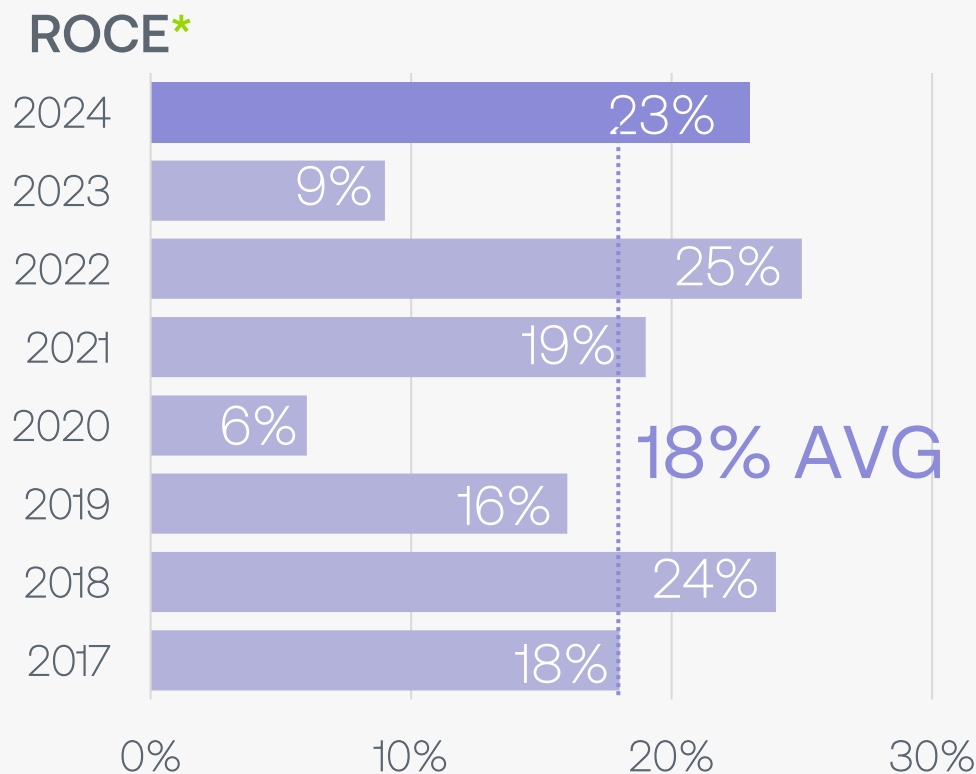


+ Financial Highlights

ROCE of 23% in 2024, a level consistent with Altri's goals and a more favorable pulp market environment

2024
ROCE

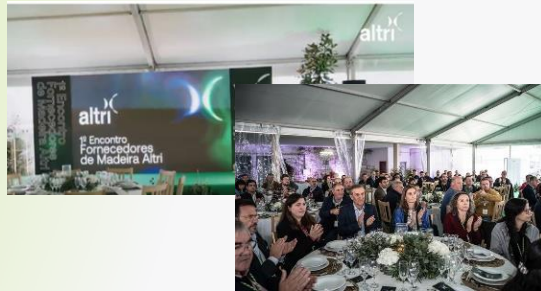
23%



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

+ Sustainability

Strengthening Supplier relationship and Employee education



Advanced Leadership Program for 10% of employees

The Advanced Leadership Program, an initiative of the Altri Group in partnership with Católica Lisbon School of Business and Economics, was concluded in December 2024. The program aimed to enhance the Group's workforce by promoting both personal and professional growth within their teams, including 76 participants from all the Group's companies (Altri Florestal, Biotek, Caima, and Celbi)

1st Wood Suppliers Meeting

The 1st *Altri Wood Suppliers Meeting* highlighted the importance of a solid and transparent relationship with suppliers, who play a key role in our value chain.

Presence at COP29

The Altri Group participated in the United Nations Climate Change Conference, held in Baku (Azerbaijan), from November 11 to 22. This is a statement of the Group's commitment, not only to sustainability but also to the climate action being undertaken by all countries and companies, which contribute to achieving the goals set by the Paris Agreement.

+ New Projects (I)– Acetic Acid and Furfural in Caima

Capex*

€25M

* financed partially by
green subsidies

EBITDA*

€5M

* ~80% margin

Revenues

€6-7M

* ~90% acetic acid |
~10% furfural

Start: **1Q26**

Target
Markets

Europe

End Industries

**Food
Medical
Industrial
Cosmetic**

IRR*

>15%

* Unlevered



+ New Projects (II)– Biotek conversion into DP

Price
(DP vs BHKP)
+41%*

* Avg 2019-2024

Production
Capacity
>180k DP*

* Potential for >200k

Cash Cost
(DP vs BHKP)
+10%-15%*

* at the factory

Full Conversion
end 2026

Target Markets
Asia

End Industries
**Textile
Specialities**



+ New Projects (III)– Gama (DP+ Lyocell) in North Spain

Capex*

€1,000M

* 250k/ton year of DP
and 60k of Lyocell

Cash Costs

Goal to become
a global
benchmark

Project IRR*

>10%

Start: **tbc**

Target
Markets

**Europe &
Asia**

End Industries
**Textile
Specialities**

Sustainable

Fossil fuel free

World's most sustainable
cellulosic based textile fibre
industrial unit

Certified sourced wood



+ Perspectives



1

The year 2024 confirmed the recent trend of shorter cycles in the pulp sector. After a promising start to the year, **global demand for pulp** slowed in the 2H24, despite positive figures for Europe and North America. At the end of 2024/early 2025, we began to see a reactivation of demand levels in China, driven by a more active domestic market and some supply-side restrictions on local pulp production.

2

After reaching new highs in the 2Q24, **pulp prices** corrected until the end of 2024. Price deterioration started in China, followed by Europe and North America, with decreases of around 20% in Q4 vs Q3 (2024). The list price of BHKP in Europe at the end of 2024 was at US\$ 1,000/ton. Recent announcements point for a recovery in BHKP prices in first months of the year 2025, although, on average, this improvement will still be barely visible in 1Q25.

3

The Altri Group maintains its **outlook of stable or slightly higher variable costs in 2025**. This evolution may be less optimistic during Q1 2025, while the normalization of the cogeneration turbine at Celbi only occurs in April 2025. Additionally, the increase in DP production at Biotek, higher electricity and gas prices, and some increase in caustic soda prices could also have an impact on short-term variable costs.

4

As a key pillar of its strategy, Altri continues to develop **diversification and growth projects**: i) at Biotek, the full migration of BHKP production to dissolving pulp (DP) by end of 2026 is progressing well ii) at Caima, the project of the acetic acid and furfural is planned to be launched in the 1Q26. iii) Gama in Galicia (Spain), had a positive development, with the local environmental authorities issuing a favourable statement confirming the project is compliant with all applicable environmental regulations.

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+ Highlights of 4Q24 Results

€ M	4Q24	4Q23	Var %	3Q24	4Q24/3Q24
Cellulosic Fibers	149.5	149.0	0.3%	172.8	-13.5%
Others ¹	36.1	38.2	-5.5%	34.2	5.7%
Total Revenues	185.6	187.3	-0.9%	207.0	-10.3%
EBITDA	38.3	39.8	-3.9%	56.1	-31.8%
EBITDA mg	20.6%	21.3%	-0.7 pp	27.1%	-6.5 pp
EBIT	23.7	25.0	-5.2%	40.6	-41.7%
EBIT mg	12.8%	13.3%	-0.5 pp	19.6%	-6.8 pp
Net Financials	-2.8	-6.5	56.1%	-7.4	61.7%
Income Tax	-3.5	-4.2	16.4%	-5.8	39.8%
Net Profit²	17.6	14.6	20.8%	27.6	-36.2%

¹ Others: 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 related to the cellulosic fiber production process.

² Attributable to the equity holders of the parente company

Note: Variation of unrounded figures.

+ Highlights of 2024 Results

€ M	2024	2023	Var %
Cellulosic Fibers	710.4	645.2	10.1%
Other ¹	144.9	143.1	1.3%
Total Revenues	855.3	788.2	8.5%
EBITDA	218.3	137.3	59.0%
EBITDA mg	25.5%	17.4%	+8.1 pp
EBIT	157.7	70.4	124.1%
EBIT mg	18.4%	8.9%	+9.5 pp
Net Financials	-19.9	-23.4	-15.1%
Income Tax	-31.3	-5.0	-531.7%
Net Profit²	107.2	42.8	150.6%

¹ Others: includes essentially i) sale of biomass and Rendering of operations and maintenance services to GreemVolt's biomass plants in Portugal and ii) sale of electric energy related to the cellulosic fiber production process.

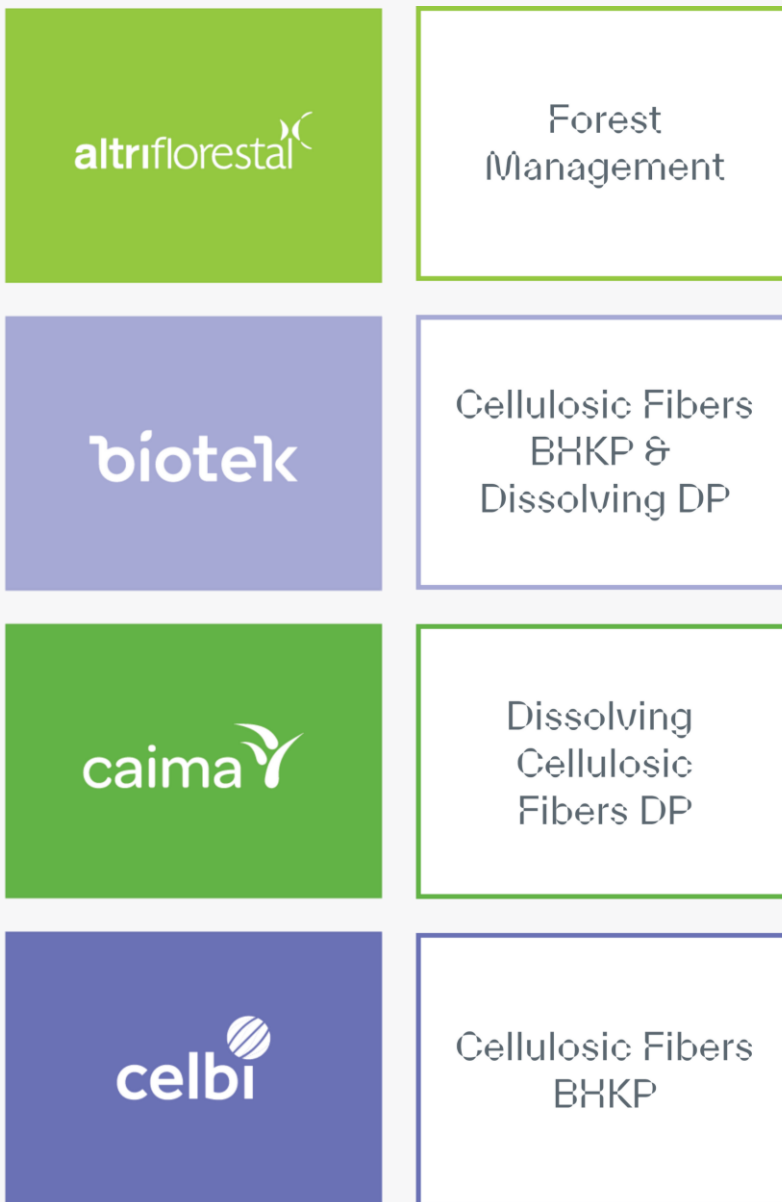
² Attributable to the equity holders of the parente company

Note: Variation of unrounded figures.

+ Highlights of 2024 Balance Sheet

€ M	2024	2023	Var %
Fixed & Biological Assets	438.7	457.8	-4.2%
Others	355.7	352.3	1.0%
Non-current Assets	794.4	810.1	-1.9%
Inventories	95.9	97.7	-1.8%
Trade Receivables	117.6	100.2	17.4%
Cash & Cash Equivalents	280.3	253.7	10.5%
Others	34.1	53.3	-36.0%
Current Assets	528.0	504.9	4.6%
Total Assets	1,322.4	1,315.0	0.6%
Equity and Non-controlling Interests	459.2	412.4	11.3%
Bank Loans & Other Loans	383.1	492.3	-22.2%
Lease Liabilities & Other	139.3	133.8	4.1%
Non-current Liabilities	522.4	626.1	-16.6%
Bank Loans & Other Loans	114.9	123.7	-7.1%
Trade Payables	122.9	84.4	45.6%
Lease Liabilities & Other	103.1	68.4	50.7%
Current Liabilities	340.8	276.5	23.3%
Liabilities & Equity	1,322.4	1,315.0	0.6%

+ Who we are



+ Ratings ESG

as of December 2024

ESG Rating	Altri Score	Previous Score	Evolution	Last Assessment	Peers
 SUSTAINALYTICS Scale: 100 to 0	11.9	14.5	↑	4Q24	Industry – Paper & Forestry – 2 nd in 76 Sub-industry – Paper & Pulp – 1 st in 58
 MSCI Scale: CCC to AAA	BBB	BBB	↔	1Q24	Within the industry average
 CDP Scale: D- to A	Climate: A- Forest: A- Water: B	Climate: A- Forest: B Water: B	↑	1Q24	Above the industry average
 ecovadis Scale: Bronze to Platinum	Platinum	Platinum	↔	3Q24	Top 1% Worldwide

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renewable world

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