GREENVOLT – ENERGIAS RENOVÁVEIS, S.A.

Public limited company (*sociedade anónima*)

Registered office: Rua Manuel Pinto de Azevedo 818, 4100-320 Porto, Portugal

Fully subscribed and paid-up share capital: €70,000,000

Registered at the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 506 042 715

PROSPECTUS

FOR

ADMISSION TO TRADING ON EURONEXT LISBON OF UP TO 121,376,470 ORDINARY NOMINATIVE BOOK-ENTRY SHARES, WITHOUT NOMINAL VALUE, REPRESENTING 100 PERCENT OF THE SHARE CAPITAL OF GREENVOLT – ENERGIAS RENOVÁVEIS, S.A. FOLLOWING THE SHARE CAPITAL INCREASE IF FULLY SUBSCRIBED

This Prospectus should be read together with the documents incorporated by reference, which form part of it.

AN INVESTMENT IN SHARES INVOLVES A HIGH DEGREE OF RISK. SEE THE CHAPTER ENTITLED "RISK FACTORS", BEGINNING ON PAGE 36, FOR A DISCUSSION OF IMPORTANT MATTERS INVESTORS SHOULD CONSIDER PRIOR TO MAKING AN INVESTMENT IN SHARES.

1 July 2021

JOINT GLOBAL COORDINATORS

BNP PARIBAS CaixaBank

JOINT BOOKRUNNERS

Santander JBCapital

FINANCIAL ADVISOR

LAZARD

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INTRODUCTION AND WARNINGS

All capitalised terms have the meanings ascribed to them in Chapter 1 (*Definitions*). All references to laws and regulations refer to such laws and regulations as amended from time to time. All time references are to Lisbon time.

Greenvolt – Energias Renováveis, S.A. ("**Greenvolt**" or the "**Issuer**") intends to carry out a share capital increase in the maximum aggregate amount of €205,499,998.56 by means of a contribution in cash in the amount of €149,499,998.56 and contribution in kind in the amount of €56,000,000.00.

Accordingly, the Issuer is initially offering up to 30,588,235 ordinary, nominative, book-entry shares, without nominal value (the "**Initial Offer Shares**") on a private placement basis (the "**Offering**") through (i) private placements to qualified investors as defined in Article 2 of the Prospectus Regulation (as defined below) ("**Qualified Investors**") and (ii) private placements to certain institutional investors in various other jurisdictions outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S (as defined below).

The indicative non-binding offering price range at which each Initial Offer Share is being offered in the Offering is between €4.25 and €5.00 (the "**Offering Price Range**"). The Offering Price Range is indicative only, may change during the book-building period (expected to occur from 2 July 2021 to 8 July 2021 – the "**Book-building Period**") and may be set within, above or below the Offering Price Range. The final price of the Initial Offer Shares (the "**Offering Price**") and the final number of Initial Offer Shares to be subscribed upon completion of, and pursuant to, the Offering and issued on the Settlement Date (the "**Offering New Shares**") will be determined by the Issuer after close consultation with BNP PARIBAS and CaixaBank, S.A. (the "**Joint Global Coordinators**") and Banco Santander, S.A. and JB Capital Markets, Sociedad de Valores, S.A.U. (the "**Joint Bookrunners**" and, together with the Joint Global Coordinators, the "**Managers**"), upon completion of the Book-building Period and will be published by the Issuer on the CMVM's website (www.cmvm.pt) and on the Issuer's website (www.greenvolt.pt) by means of an announcement detailing the Offering Price and the exact number of Offering New Shares (the "**Pricing Statement**"). No independent experts will be consulted in determining the Offering Price.

The payment in euro for the Offering New Shares by the relevant subscribers and delivery of the Offering New Shares to the relevant subscribers is expected to occur on or about 12 July 2021 (the "**Settlement Date**"), and the commencement of trading of all shares representing the entire share capital of the Issuer (the "**Shares**"), is expected to occur on or about 13 July 2021, subject to a reduction or an extension of the timetable for the Offering, date on which all then existing Shares are expected to be admitted to listing and trading on Euronext Lisbon (the "**Admission**").

Additionally, Altri, SGPS, S.A. and Caima Energia - Empresa de Gestão e Exploração de Energia, S.A. (the "**Current Shareholders**") granted an option to the Joint Global Coordinators and the Joint Bookrunners (the "**Greenshoe Option**"), exercisable in whole or in part, no later than 30 calendar days after Admission having occurred, to subscribe a number of shares to be issued by the Issuer at the Offering Price representing up to 15 percent of the Initial Offer Shares (the "**Option Shares**"), for the purpose of covering short positions resulting from overallotments or from sales of Shares. See Chapter 16 ("*The Offering and the Subscription in Kind*"). The final number of Option Shares to be subscribed upon exercise of the Greenshoe Option and issued no later than 30 (thirty) days after the Admission (the "**Option New Shares**") will be published by the Issuer on the CMVM's website (www.cmvm.pt) and on the Issuer's website (www.greenvolt.pt) by means of an announcement detailing the exact number of Option New Shares.

Furthermore, on the Settlement Date, subject to the applicable conditions precedent in a certain investment agreement entered into by and between the Issuer, Altri, SGPS, S.A. and V-Ridium Europe Sp. z o.o. ("**V-Ridium**") being met, the Issuer will issue up to 11,200,000 Shares to be subscribed by V-Ridium ("**Contribution in Kind New Shares**") upon a contribution in kind to be made thereby to the Issuer consisting of all shares representing the share capital of V-Ridium Power Group, Sp. z.o.o. ("**V-Ridium Power**").

On the Settlement Date, assuming the issue of all Initial Offer Shares pursuant to the Offering, the Offering New Shares will represent up to 25.2 percent of the then existing Shares and the Contribution in Kind New Shares will represent up to 9.2 percent of the then existing Shares. If the Greenshoe Option is exercised in full, upon the issue of the Option Shares, such Option Shares will represent up to 3.8 percent of the then existing Shares. See Chapter 16 ("*The Offering and the Subscription in Kind*").

All Shares, including, for the avoidance of doubt, the 75,000,000 ordinary shares representing the share capital of the Issuer as at the date hereof (the "**Existing Shares**"), the Offering New Shares, the Contribution in Kind New Shares and the Option Shares (if applicable), will form a single class (*categoria*) and therefore rank *pari passu* in all respects and be fungible for all purposes with the other Shares upon their admission to trading on Euronext Lisbon.

This prospectus ("**Prospectus**") was drawn up and approved on 1 July 2021 by the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*) ("**CMVM**"), as competent authority under Regulation (EU) no. 2017/1129 of the European Parliament and of the Council, of 14 June 2017 (the "**Prospectus Regulation**") and the Portuguese Securities Code (*Código dos Valores Mobiliários*), approved by Decree-Law no. 486/99, of 13 November (the "**PSC**").

The Prospectus has been prepared for the purposes set forth in Articles 1(1) and 3(3) of the Prospectus Regulation and its form and content comply with Delegated Regulation 2019/979, Delegated Regulation 2019/980 and any other applicable legal and regulatory provisions, in connection with the Admission. The Offering is not subject to the obligation to publish a prospectus under and for the purposes of the Prospectus Regulation as it consists solely of (i) private placements to Qualified Investors; and (ii) private placements to certain institutional investors in various other jurisdictions outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S (as defined below).

The Prospectus expires on 1 July 2022, that is, 12 months after its approval and provided that it is supplemented by any supplements required under Article 23 of the Prospectus Regulation or the PSC.

The CMVM only approves this Prospectus in terms of it meeting the standards of completeness, consistency and comprehensibility imposed by the Prospectus Regulation. Hence, the approval of the Prospectus by the CMVM is not an endorsement of the Issuer or of the quality of the Shares.

The persons or entities that, under the provisions of Articles 149 and 243 of the PSC and Article 11(1) of the Prospectus Regulation, are responsible for the completeness, veracity, validity, clarity, objectivity and lawfulness of the information contained in this Prospectus being complete, true, up-to-date, clear, objective and lawful are indicated in Chapter 8 ("*Responsibility for the Information contained in the Prospectus*").

Under the provisions of Article 11(2) of the Prospectus Regulation and Article 149(4) of the PSC (ex vi Article 243), the persons or entities responsible for the information contained in the Prospectus may not be held liable solely on the basis

of the summary, or any translation thereof, unless the summary, when read together with other parts of the Prospectus, contains misleading, inaccurate or inconsistent references or does not provide key information necessary for investors to determine whether and when to invest in the Shares.

Under the provisions of Article 234(2) of the PSC, the decision to admit securities to trading by Euronext "*does not extend to any guarantee over the contents of the information, the economic and financial situation of the issuer, its viability or the quality of the securities admitted*".

Other than the Issuer, no entity has been authorised to provide information or make any statement not contained in this Prospectus or which contradicts information contained in this Prospectus. If a third party were to issue such information or statement, it should not be regarded as authorised by (or made on behalf of) the Issuer and as such should not be regarded as reliable.

The existence of this Prospectus does not ensure that the information contained in it will remain unchanged from the date of its availability. Pursuant to Article 23 of Regulation 2017/1129 and the PSC, every significant new factor, material mistake or material inaccuracy relating to the information included in a prospectus which may affect the assessment of the Shares, and which arises or is noted between the time when the Prospectus is approved and the start of trading on Euronext Lisbon, shall be mentioned in a supplement to the Prospectus without undue delay. Such supplement shall be approved in the same way as the Prospectus, within a maximum of five working days, and published in accordance with at least the same arrangements as were applied when the original Prospectus was published (see Chapter 21 ("*Information incorporated by reference and documentation available to the public*"). The summary, and any translations thereof, shall also be supplemented, where necessary, to take into account the new information included in the supplement.

The main risks associated with the Issuer's activity, its shareholder structure and the Shares to be subscribed are detailed in Chapter 3 ("*Risk Factors*"). Potential investors should carefully consider the risks referred to and the other warnings contained in this Prospectus before making any investment decision. If any doubts remain regarding these matters, potential investors should consult their legal, tax and financial advisors. Prospective investors should also inform themselves of any applicable legal and tax implications in their country of residence arising from the acquisition, holding or disposal of the Shares.

Notwithstanding the duties of information and suitability imposed on financial intermediaries, each prospective investor must make its own determination of the suitability of subscribing the Initial Offer Shares or acquiring any other Shares, with reference to its own investment objectives and experience, and any other factors that may be relevant to it in connection therewith. Prior to an investment decision, and to the extent applicable, each prospective investor should consult with its legal advisers to determine whether and to what extent (i) the Shares are investments permitted by law; (ii) the Shares may be used as collateral for various types of borrowings; and (iii) other restrictions apply to the subscription, purchase, offer, sale or pledge of any of the Shares. Financial institutions should consult their legal advisers and the relevant regulatory authorities to determine the appropriate treatment of the Shares under any applicable rules.

In particular, potential investors should have: (i) sufficient knowledge and experience to carry out a careful assessment of the Issuer's shares, the advantages and risks of investing in the Issuer's shares and the information contained or incorporated by reference in this Prospectus or any supplement thereto; (ii) access to and be knowledgeable about

appropriate analytical instruments to assess, in the context of their own particular financial conditions, an investment in the Shares and its impact on their investment portfolio; (iii) sufficient financial resources and liquidity to support all the risks inherent to an investment in the Issuer's shares; (iv) an in-depth understanding of the terms and conditions applicable to the Issuer's shares; (v) be familiar with the relevant financial markets, if necessary with the advice of a financial adviser or other suitable adviser; and (vi) be able to assess possible scenarios regarding economic, tax and interest rates factors, or any others that may affect their investment and ability to bear the applicable risks.

Accordingly, each prospective investor acknowledges that: (i) it has not relied on any of the Managers, or any person affiliated with any of the Managers, regarding the accuracy of any information; (ii) it has only relied on the information contained in this Prospectus; and (iii) no person has been authorised to provide any information or to make any representation concerning the Issuer or its subsidiaries, or the Shares (without prejudice to the information contained herein), and, if provided or made, any such information or representation should not be relied upon as having been authorised by the Issuer or the Joint Global Coordinators (without prejudice to the information contained herein).

ANY INVESTMENT DECISION SHOULD BE MADE BASED ON THE PROSPECTUS AS A WHOLE AND FOLLOWING AN INDEPENDENT EVALUATION OF THE ISSUER'S ECONOMIC CONDITION, FINANCIAL POSITION AND OTHER DETAILS. NO INVESTMENT DECISION SHOULD BE TAKEN BEFORE THE PROSPECTIVE INVESTOR'S (OR ITS ADVISORS') PRIOR REVIEW OF THE PROSPECTUS AS A WHOLE. HOWEVER, THIS PROSPECTUS DOES NOT CONSTITUTE A RECOMMENDATION BY THE ISSUER OR AN INVITATION BY THE ISSUER TO SUBSCRIBE THE SHARES AND DOES NOT CONSTITUTE AN ANALYSIS AS TO THE QUALITY OF THE SHARES. ADDITIONALLY, THE CONTENTS OF THIS PROSPECTUS ARE NOT TO BE CONSTRUED AS LEGAL, BUSINESS OR TAX ADVICE.

THE DELIVERY OF THIS PROSPECTUS SHALL NOT, UNDER ANY CIRCUMSTANCES, IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER OR THAT THE INFORMATION SET FORTH HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF, WITHOUT PREJUDICE TO THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS IF AND TO THE EXTENT REQUIRED UNDER APPLICABLE LAWS.

The Managers are acting exclusively for Greenvolt and no one else in connection with the Admission, and will not regard any other person (whether or not a recipient of this Prospectus) as a client in relation to the Admission and will not be responsible to anyone other than Greenvolt for providing the protections afforded to their respective clients, or for providing advice, in relation to the Admission or any other transaction, arrangement or matter referred to in this Prospectus.

None of the Managers, or their respective affiliates, or any of its or their respective directors, officers, employees or advisers accepts any responsibility whatsoever for, or makes any representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy, completeness or verification, or any other statement made or purported to be made by it, or on behalf of it, by the Issuer, the members of the Board of Directors or any other person, in connection with the Issuer, and nothing in this Prospectus should be relied upon as a promise or representation in this respect, whether relating to the past or future. Each of the Managers and their respective affiliates, and their respective directors, officers, employees and advisers, disclaims to the fullest extent permitted by law all and any responsibility or liability whatsoever, whether arising in tort, contract or otherwise, which it might otherwise have in respect of this Prospectus or any such statement.

Although the Managers are party to various agreements pertaining to the Offering and each of the Managers has entered or might enter into a financing arrangement with the Issuer or any of its affiliates, this should not be considered as a recommendation by any of them to invest in the Initial Offer Shares.

DISTRIBUTION RESTRICTIONS

The distribution of this Prospectus and the Offering may be restricted in certain jurisdictions and may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. This Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase any Shares in any jurisdiction in which such offer or invitation would be unlawful. The Issuer and the Managers require persons into whose possession this Prospectus comes to inform themselves about and observe all such restrictions. None of the Issuer, the Managers, nor any of their respective affiliates and/or representatives, accepts any legal responsibility for any violation by any person, whether or not a prospective subscriber or purchaser of the Shares, of any such restrictions. Each of the Issuer and the Managers reserve the right, in their own absolute discretion, to reject any offer to subscribe or purchase Initial Offer Shares that the Issuer, the Managers or their respective agents believe may give rise to a breach or violation of any laws, rules or regulations.

Information to Distributors

Solely for the purposes of the product governance requirements contained in: (a) Directive 2014/65/EU on markets in financial instruments ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; (c) Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**") (and together with the above, the "**Product Governance Requirements**"), and disclaiming any and all liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that the Shares are: (i) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II and paragraph 3 of the FCA Handbook Conduct of Business Sourcebook (as applicable); and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the Product Governance Requirements) should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is provided for information purposes only and is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering (including the "*Risk Factors*" included herein).

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or Chapter 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

Notice to prospective investors in the United States

The Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the U.S. for offer or sale as part of their distribution and may not be offered or sold within the U.S. unless the Shares are registered under the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act is available. All offers and sales of the Initial Offer Shares will be made outside the U.S. in "offshore transactions" as defined in, and in compliance with, Regulation S and in accordance with applicable law. The distribution of this Prospectus and the offer and sale of the Initial Offer Shares in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. See Chapter 20 ("*Selling and Transfer Restrictions*").

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY U.S. STATE SECURITIES COMMISSION NOR ANY NON-U.S. SECURITIES AUTHORITY HAS APPROVED OR DISAPPROVED THESE SECURITIES OR DETERMINED THAT THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

Notice to Investors in the European Economic Area

This Prospectus has been prepared on the basis that any offer to subscribe Initial Offer Shares in any Member State of the European Economic Area (the "**EEA**") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the Initial Offer Shares. Accordingly, any person making or intending to make an offer of the Initial Offer Shares in any such Member State may only do so in circumstances where no obligation arises for the Issuer or any of the Managers to publish a prospectus pursuant to Article 1 of the Prospectus Regulation or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. Neither the Issuer nor the Managers have authorised, nor do they authorise, the making of any offer of the Shares in circumstances where an obligation arises for the Issuer or the Managers to publish or supplement a prospectus for such offer.

For persons in Member States of the EEA, this Prospectus and the Offering (when made) are only addressed to, and directed at, persons who are "qualified investors" within the meaning of the Prospectus Regulation (the "**Qualified Investors**"). In any Member State, the attached Prospectus is directed only at Qualified Investors and must not be acted on or relied on by persons who are not Qualified Investors. Any investment or investment activity to which this Prospectus relates is available in any Member State only to Qualified Investors and will be engaged in only with such persons.

Notice to Investors in the United Kingdom

For persons in the United Kingdom, this Prospectus and the Offering (when made) are only addressed to, and directed at, persons who are "qualified investors" within the meaning of the Prospectus Regulation, as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the **"UK Prospectus Regulation**"), who: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) fall within Article 49(2)(a) to (d) of the Order; or (iii) are otherwise persons to whom it may otherwise lawfully be communicated (all such persons being referred to as "**Relevant Persons**"). In the United Kingdom, this Prospectus is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to

which this Prospectus relates is available in the United Kingdom only to Relevant Persons and will be engaged in only with such persons.

PRESENTATION OF FINANCIAL INFORMATION

Under the terms of Article 8(1) of the PSC, annual financial information contained in the accounts or prospectus that is (i) submitted to the CMVM; or (ii) published following any request for admission to trading on regulated markets shall be subject to an auditor's report prepared by a statutory auditor or an audit firm.

Taking into consideration the Prospectus Regulation, Delegated Regulation 2019/979 and Delegated Regulation 2019/980, an issuer must present historical financial information covering the last three fiscal years in an equity securities prospectus.

This Prospectus is in compliance with ESMA's Guidelines on Alternative Performance Measures, as amended on 15 October 2015, and the Q&A on Alternative Performance Measures Guidelines published in October 2017.

Except when explicitly mentioned otherwise, financial information included in this Prospectus is presented in euro, rounded to the nearest unit, and has been prepared in accordance with the basis of preparation disclosed in Note 4 of the Annual Audited Consolidated Financial Statements in accordance with IFRS-EU.

This Prospectus includes the Annual Audited Consolidated Financial Statements.

Basis of preparation of the Annual Audited Consolidated Financial Statements

The Issuer prepared historical audited consolidated financial statements in accordance with IFRS-EU until 31 December 2017. In November 2018, Altri acquired from EDP the remaining 50 percent of the shares representing the Issuer's share capital. Since then the Issuer and its subsidiaries were included in Altri Group's consolidated financial statements using the full consolidation method. It therefore made use of the exemption provided under Article 7(3)(b) of Decree-Law no. 158/2009, of 13 July 2009, and has not prepared consolidated financial statements since that date. However, considering the process of listing of the Issuer's shares, the Issuer has prepared the historical consolidated financial statements for the remaining years (as at and for the years ended 31 December 2020, 2019 and 2018 and as at 1 January 2018, in what concerns the consolidated statement of financial position).

The Group's historical consolidated financial information as at and for the years ended 31 December 2020, 2019 and 2018 presented in this Prospectus has been extracted or derived from the Annual Audited Consolidated Financial Statements.

The Annual Audited Consolidated Financial Statements included in this Prospectus have been prepared in accordance with the basis of preparation disclosed in Note 4 of the Annual Audited Consolidated Financial Statements and in accordance with IFRS-EU, applicable as of 1 January. The Annual Audited Consolidated Financial Statements and related notes have been audited by Deloitte & Associados, SROC S.A., as independent auditor, who issued an unqualified opinion, as stated in its report appearing therein.

The main accounting policies adopted in the preparation of the attached consolidated financial statements are described in Note 5 of the Annual Audited Consolidated Financial Statements. These policies were consistently applied during the periods under analysis, except for those resulting from the adoption of IFRS 16 - Leases, which was applied for the financial years beginning on or after 1 January 2019. The impacts of the first-time adoption of IFRS 16 are disclosed in detail in Note 5 of the Annual Audited Consolidated Financial Statements.

The accompanying consolidated financial statements were prepared from the accounting books and records of the Issuer and its subsidiaries, adjusted in the consolidation process, on a going concern basis. When preparing the consolidated financial statements, the Group used historical cost as its basis, modified, where applicable, via fair-value measurement.

All transactions, balances, cash flows and dividends distributed among Group companies have been eliminated in the consolidation process, as have unrealised gains on transactions between Group companies. Unrealized losses have also been eliminated when they do not indicate an impairment of the transferred asset. All transactions and balances with parent entities outside the perimeter of the Group are reflected as related-party transactions and balances.

Basis of preparation of the Unaudited Consolidated Pro Forma Financial Information

This Prospectus also includes, in Annex I, pro forma financial information with reference to 31 December 2020 ("**Unaudited Consolidated Pro Forma Financial Information**") pertaining to the acquisition by the Issuer of Tilbury Green Power Holdings Limited ("**Tilbury Holdings**") from UK Green Infrastructure Platform Ltd., Electricity Supply Board, Burmeister & Wain Scandinavian Contractor A/S and Aalborg Energie Technik A/S, as a means to acquire the wholly-owned subsidiary of Tilbury Holdings, Tilbury Green Power Ltd. ("**Tilbury Green Power**"), owner of Tilbury Green Power ("**TGP**"), a biomass power plant located in the United Kingdom. The Unaudited Consolidated Pro Forma Financial Information has been prepared by the Issuer to illustrate, on a pro forma basis, how this acquisition might have impacted the Issuer's consolidated financial statements on 31 December 2020, prepared in accordance with IFRS-EU. Nevertheless, the Unaudited Consolidated Pro Forma Financial Information has been prepared based on financial information prepared by an entity other than the Issuer and, as such, the Issuer shall not take any responsibility as to the accuracy or correctness of such information.

The Unaudited Consolidated Pro Forma Financial Information relates to a hypothetical situation and therefore does not purport to represent, and does not represent, what the consolidated financial situation or the consolidated results of operations of the enlarged group would have been had the Issuer's acquisition of Tilbury Holdings occurred on the date indicated therein or any other date, nor is the Unaudited Consolidated Pro Forma Financial Information indicative of the Issuer's future results of operations or financial position. The Unaudited Consolidated Pro Forma Financial Information is accompanied by a report prepared by Deloitte & Associados, SROC, S.A., as provided for in the applicable laws and regulations. The Unaudited Consolidated Pro Forma Financial Information includes the identified conversion adjustments from Generally Accepted Accounting Practice in the United Kingdom (UK GAAP) to IFRS-EU for the items where the Issuer's management understands that there are material differences between the two accounting standards. The Unaudited Consolidated Pro Forma Financial Information should be read in conjunction with the Issuer's Annual Audited Consolidated Financial Statements and the information set forth under "Risk Factors". As at the date of this Prospectus, the Issuer has concluded the acquisition of Tilbury Holdings.

The Unaudited Consolidated Pro Forma Financial Information does not relate to hypothetical situations not capable of constituting a significant gross change within the meaning of Article 1(e) of the Delegated Regulation 2019/980 or a significant financial commitment within the meaning of its Article 18(4) and, therefore, does not contemplate potential transactions without significant impact such as those relating to V-Ridium Power, Profit Energy and Perfecta Energia (as better defined below).

FORWARD-LOOKING STATEMENTS

This Prospectus includes "forward-looking statements" within the meaning of the securities laws of certain jurisdictions. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "target", "believe", "estimate", "anticipate", "expect", "aim", "plan", "seek", "intend", "may", "might", "will", "could", "continue", "is likely to", "forecast", or "should" or, in each case, their negative, or other variations or comparable terminology. Forward-looking statements include all statements that are not historical facts. Forward-looking statements appear in a number of places in this Prospectus and include, among other things, statements addressing matters such as: (i) the Issuer's strategy, outlook and growth prospects; (ii) the Issuer's financial condition; (iii) the Issuer's working capital, cash flow and capital expenditures; (iv) the Issuer's dividend policy; (v) the Issuer's business strategy, plans and objectives for future products and services, future operations and events; (vi) the Issuer's management targets; (vii) the impact of regulation on the Issuer's operations; (viii) general economic trends and trends in the Issuer's industry; and (ix) the competitive environment in which the Issuer operates.

Although the Issuer believes that the expectations reflected in these forward-looking statements are reasonable, by their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and the Issuer's actual results of operations, financial condition and liquidity, and the development of the industry in which the Issuer's operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus. Potential investors should not place undue reliance on these forward-looking statements. In addition, even if the Issuer's actual results of operations, financial condition and liquidity, and the development of the industry in which the Issuer operates, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Accordingly, risks, uncertainties and other important factors could cause actual results of the Issuer to differ materially from those expressed or implied in forward-looking statements.

These risks and others described under "*Risk Factors*" are not exhaustive. Other sections of this Prospectus describe additional factors that could adversely affect the Issuer's results of operations, financial condition, liquidity and the development of the sectors in which the Issuer operates. New risks can emerge from time to time and it is not possible for the Issuer to predict all such risks, nor can the Issuer assess the impact of all such risks on its business or the extent to which any risks, or combination of risks and other factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, potential investors should not rely on forward-looking statements as a prediction of actual results. Potential investors should read the Chapter entitled "*Risk Factors*" for a more complete discussion of the factors that could affect the Issuer's future performance and the industry in which it operates.

The Issuer undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, including, without limitation, changes in the Issuer's business or acquisition strategy or planned capital expenditures, or to reflect the occurrence of unanticipated events, except as required by law or by the rules and regulations of the CMVM and Euronext Lisbon. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on the Issuer's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

ALTERNATIVE PERFORMANCE MEASURES

In accordance with the ESMA Guidelines on Alternative Performance Indicators, of 5 October 2015 (ESMA/2015/1415) ("**Guidelines**"), the "net operating income", "operating income", "operating cash flow", "EBITDA", "normalized EBITDA", "EBIT" and "Net Debt" are examples of alternative indicators performance figures determined from, or based on, the financial statements prepared in accordance with the applicable financial reporting framework.

In accordance with the aforementioned Guidelines it must be disclosed, (i) the definitions of the alternative performance indicators used, (ii) a reconciliation of the alternative performance indicator with the total, subtotal or item with the most direct reconciliation presented in the financial statements corresponding period, and (iii) an explanation for the use of alternative performance indicators and comparative data.

This Prospectus contains management measures of performance or alternative performance measures ("**APMs**"), used by management to evaluate Greenvolt's overall performance, business and operations. These APMs are not audited, or subject to review by the Issuer's auditors and are not measurements required by, or presented in accordance with, IFRS-EU.

The Issuer has presented these non-IFRS measures in this Prospectus because it considers them to be important supplemental measures of performance and believes that they are widely used by investors, securities analysts admitted to trading and other interested parties to compare performance between companies and enhance their understanding of the business, position, financial autonomy, and Group's results. Since not all companies compute these or other non-IFRS financial measures in the same way, the manner in which management has chosen to compute the non-IFRS financial measures presented herein may not be comparable with similarly defined terms used by other companies.

However, such measures, are not a financial measure defined in IFRS-EU, therefore cannot be considered a substitute to any indications of operating performance or as measures defined in IFRS-EU, such as income, turnover, gross income, other income, net income or operational cash flows operational, investment or financing activities, or any other measure related to the Issuer's profitability or liquidity in accordance with IFRS-EU. The non-IFRS financial measures do not necessarily indicate whether cash flow will be sufficient or available to meet cash requirements and may not be indicative of historical operating results, nor are such measures meant to be predictive of future results.

These measures should not be considered in isolation. Therefore, it must be considered only in addition to the financial information prepared in accordance with IFRS-EU. Investors are cautioned not to place undue reliance on these APMs and are advised to review these APMs in conjunction with the Annual Audited Consolidated Financial Statements and accompanying notes.

Alternative performance measures, as defined in this Prospectus, may not be comparable with measures with identical designation used by other companies, since other companies, even in the same sector of activity may calculate differently similarly titled measures, so that such similarly titled measures may not be comparable to that of the Issuer.

Each of the non-IFRS-EU financial measures presented as APMs in this Prospectus is defined below:

- "**EBITDA**" means operating profit before amortisation and depreciation and impairment reversals/(losses) in non-current assets. EBITDA is used by investors, analysts and management to evaluate profitability.

The Issuer understands that EBITDA is a useful indicator used by management to monitor the underlying performance of business and operations evolution. However, EBITDA does not necessarily indicate whether cash flows will be sufficient or will be available for capital requirements and may not indicate the results of the Issuer's operations, as well as, it may not be a reliable measure of performance comparison between companies belonging to the same sector of activity.

The term EBITDA is usually associated with the result that a company can generate exclusively from its operating activity, thus excluding financial results (positive or negative), taxes and depreciation and amortisation and impairment reversals /(losses) in non-current assets. In any case, EBITDA and the related ratios presented in this Prospectus in relation to the Issuer should not be considered in isolation. The applied methodology may differ, from case to case, due to differences in the classification of items to be included in its calculation and may therefore not really constitute an operational performance measure. The recipients of this Prospectus should be cautious when comparing EBITDA, or adjusted variations in EBITDA, reported by the Issuer and other companies.

- "**Adjusted EBITDA**" means EBITDA excluding (i) other income from claim compensations from property damage and inventory damage, (ii) other expenses from inventory damage, and (iii) other income from investment grants. Adjusted EBITDA is adjusted for these items as it impacts comparability and thus provides an understanding of adjusted profitability.
- "**EBITDA margin and Adjusted EBITDA margin**" mean EBITDA and Adjusted EBITDA, respectively, as a percentage of revenue excluding biomass sales. EBITDA margins and Adjusted EBITDA margin are measures of profitability used by investors, analysts and management to evaluate profitability.
- "**Operating profit**" means consolidated net profit for the year before financial expenses and financial income, income tax and CESE. Operating profit is used by investors, analysts and management to evaluate profitability.
- "**Net operating costs**" means (i) costs of sales excluding the cost of biomass sold, (ii) external supplies and services, (iii) other expenses, excluding inventory damage, and (iv) other income excluding claim compensations from property damage and inventory damage, and excluding investment grants. Net operating costs is used by investors, analysts and management to evaluate profitability.
- "**Net debt + Shareholders loans**" means the sum of bonds, other loans and lease liabilities ("**Gross Debt**"), less cash and cash equivalents, plus Shareholders loans.
- "**Capital Expenditure (Capex)**" means acquisition costs incurred during the year classified as Property, plant and equipment.

For a reconciliation of each of the above alternative performance measures to the most directly reconcilable line item, subtotal or total presented in the Annual Audited Consolidated Financial Statements, please see Section 13.1.4 ("*Other Unaudited Financial and Operating Data*").

1. DEFINITIONS

Except as otherwise required by the context, the following terms used in this Prospectus shall have the following meaning:

"**AdC**" means the Portuguese Competition Authority.

"**Adjusted EBITDA**" means the APM EBITDA excluding (i) other income from claim compensations from property damage and inventory damage (ii) other expenses from inventory damage and (iii) other income from investment grants.

"**Adjusted EBITDA Margin**" means the APM Adjusted EBITDA as a percentage of revenue excluding biomass sales.

"**ADMIE**" means independent power transmission operator.

"**Admission**" means the admission to listing and trading of all Shares on Euronext Lisbon.

"**AEPO**" means a Greek Environmental Conditions Approval Decision.

"**AIncA**" means the Assessment of Environmental Incidents (*Avaliação de Incidências Ambientais*).

"**Allocation**" means the allocation of the Initial Offer Shares, expected to take place following the end of the Book-building Period. Allotment to investors will be determined by the Issuer, at its entire discretion as to whether or not and how to allot the Initial Offer Shares.

"**Altri**" means Altri, SGPS, S.A.

"**Altri Florestal**" means Altri Florestal, S.A.

"**Altri Group**" means Altri and its subsidiaries.

"**Altri Madeira**" means Altri Abastecimento de Madeira, S.A.

"**Altri SL**" means Altri, Participaciones Y Trading, S.L.

"**Annual Audited Consolidated Financial Statements**" means the consolidated financial statements prepared by the Issuer comprising the consolidated statement of financial position as at 31 December 2020, 2019 and 2018 and as at 1 January 2018, the consolidated income statements, the consolidated statements of comprehensive income and consolidated cash flows for the years ended 31 December 2020, 2019 and 2018 and related notes prepared in accordance with IFRS-EU and subject to audit, approved by the Board of Directors in a meeting held on 24 June 2021 and by the General Meeting of Shareholders in a meeting also held on 24 June 2021.

"**APA**" means the Portuguese Environment Agency (*Agência Portuguesa do Ambiente*).

"**APMs**" means Alternative Performance Measures.

"**Articles of Association**" means the articles of association of the Issuer.

"**Biomass Power Plants**" means the Constância Power Plant, the Figueira da Foz I Power Plant, the Figueira da Foz II Power Plant, the Mortágua Power Plant and the Ródão Power Plant.

"**Biomass Power Plant Developer**" means the Issuer, in respect of Constância Power Plant, Figueira da Foz I Power Plant and Mortágua Power Plant, Sociedade Bioelétrica do Mondego, in respect of Figueira da Foz II Power Plant, and Ródão Power, in respect of Ródão Power Plant.

"**Biomass Supply Agreement**" means each of the long-term biomass supply agreements entered into by and between each of Greenvolt or its subsidiaries and Altri Madeira in relation to each of the Biomass Power Plants.

"**Bioródão**" means Bioródão, S.A.

"**BIPV**" means building-integrated photovoltaics.

"**Board of Directors**" means the board of directors of the Issuer.

"**Book-building Period**" means the book-building period in respect of the Initial Offer Shares pursuant to the Offering, commencing on 2 July 2021 and ending on 8 July 2021, subject to a reduction or an extension of the timetable for the Offering.

"**CARD**" means distribution network access agreement (*convention d'accès au réseau de distribution*).

"**CAGR**" means Compound Annual Growth Rate.

"**Caima Energia**" means Caima Energia - Empresa de Gestão e Exploração de Energia, S.A.

"**Caima Indústria**" means Caima – Indústria de Celulose, S.A.

"**Capex**" means the APM acquisition costs incurred during the year classified as Property, plant and equipment.

"**CCDR**" means the Regional Coordination and Development Commission, which notably acts as regional environmental authority.

"**CCGT**" means combined cycle gas turbine.

"**Celbi**" means Celulose Beira Industrial (Celbi), S.A.

"**Celtejo**" means Celtejo – Empresa de Celulose do Tejo, S.A.

"**CESE**" means the extraordinary contribution on the energy sector.

"**CfD**" means contract for difference.

"**CHP**" means combined heat and power.

"**CIEG**" means the costs of general economic interest.

"**CIT**" means corporate income tax (*Imposto sobre o Rendimento de Pessoas Coletivas*).

"**COD**" means commercial operation date.

"**CO^2**" means carbon dioxide.

"**CMVM**" means the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*).

"**Constância Power Plant**" means the Biomass Power Plant located in Constância, owned and operated by the Issuer, as described in Section 10.1 ("*Main Activities of the Issuer*").

"**Contribution in Kind**" means the contribution in kind by V-Ridium to the Issuer consisting of all shares representing the share capital of V-Ridium Power.

"**Contribution in Kind New Shares**" means the Shares to be subscribed by V-Ridium upon in the Contribution in Kind.

"**Conventions**" means conventions entered into by Portugal for the avoidance of double taxation.

"**CPPA**" means corporate power purchase agreement.

"**CVM**" means the central securities depository (*Central de Valores Mobiliários*) managed by Interbolsa.

"**Current Shareholders**" means Altri and Caima Energia.

"**Decree-Law no. 189/88**" means Decree-Law no. 189/88, of 27 May, which set forth the general principals of the electricity generation framework, together with the applicable guaranteed remuneration.

"**Decree-Law no. 29/2006**" means Decree-Law no. 29/2006, of 15 February, establishing the general principles for the organisation and operation of the National Electricity System, as well as the exercise of generation, transmission, distribution and supply activities.

"**Decree-Law no. 172/2006**" means Decree-Law no. 172/2006, of 23 August, establishing the legal framework for generation, transmission, distribution and supply activities.

"**Decree-Law no. 141/2010**" means Decree-Law no. 141/2010, of 31 December, establishing the legal framework for the Guarantees of Origin.

"**Decree-Law no. 5/2011**" means Decree-Law no. 5/2011, of 10 January, which approved several measures to promote the production of forest biomass and to ensure the supply of energy from biomass power plants.

"**Decree-Law no. 64/2017**" means Decree-Law no. 64/2017, of 12 June, which granted certain municipalities the possibility of installing and operating biomass power plants, by creating a special regime and benefits for the municipalities in question.

"**Delegated Regulation 2019/979**" means Commission Delegated Regulation (EU) 2019/979 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council, with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus and the notification portal, and repealing Commission Delegated Regulation (EU) 382/2014 and Commission Delegated Regulation (EU) 2016/301.

"**Delegated Regulation 2019/980**" means Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, supplementing Regulation (EU) no. 2017/1129 of the European Parliament and of the Council, as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) 809/2004.

"**Deloitte**" means Deloitte & Associados, SROC S.A., with registered office at Avenida Engenheiro Duarte Pacheco, no. 7, 1070-100 Lisbon, Portugal, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 43 and with the CMVM under no. 20161389.

"**DGEG**" means the Directorate General for Energy and Geology (*Direção Geral de Energia e Geologia*).

"**DNC**" means declared net capacity.

"**DNO**" means Distribution Network Operator.

"**DREAL**" means the French Regional Directorate For The Environment, Development And Housing (*Direction Régionale Environnement Aménagement Logement*).

"**DSO**" means Distribution System Operator.

"**EBITDA**" means the APM operating profit before amortisation and depreciation and impairment reversals/(losses) in non-current assets.

"**EBITDA Margin**" means the APM EBITDA as a percentage of revenue excluding biomass sales.

"**EC**" means the European Commission.

"**EDP**" means EDP – Energias de Portugal, S.A.

"**EDP Group**" means EDP – Energias de Portugal, S.A. and its subsidiaries.

"**EEA**" means the European Economic Area.

"**EEGO**" means the Issuing Body of Guarantees of Origin (*Entidade Emissora de Garantias de Origem*).

"**EIA**" means Environment Impact Assessment.

"**EIB**" means the European Investment Bank.

"**EIS**" means Environmental Impact Study.

"**EIncA**" means Environmental Incidents Study (*estudo de incidências ambientais*).

"**Electricity Framework**" means Decree-Law no. 29/2006 and Decree-Law no. 172/2006, jointly referred.

"**ENTSO-E**" means European Network of Transmission System Operators for Electricity.

"**Environmental Code**" means the French Environmental Code (*Code de l'environnement*).

"**EPC**" means any engineering, procurement and construction contracts or supply and installation contracts for the power plants.

"**Equitix**" means Equitix Investment Management Limited.

"**ERSE**" means the Energy Services Regulatory Authority.

"**ESCO**" means energy savings performance contracts.

"**ESG**" means Environmental, Social and Governance.

"**ESG Risk Rating**" means the ESG risk rating issued by Sustainalytics on 9 June 2021.

"**ESMA**" means the European Securities and Markets Authority.

"**ETF**" means Enhanced Transparency Framework.

"**ETS**" means Emission Trading Scheme.

"**EU**" means the European Union.

"**Euro**" or "**€**" means the official currency of the EU Member States that adopted the single currency under the Treaty on the Functioning of the EU.

"**Euronext**" means Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.

"**Euronext Lisbon**" means the regulated market named "Euronext Lisbon", managed by Euronext.

"**Existing Shares**" means the 75,000,000 ordinary shares that represent the share capital of the Issuer as at the date hereof.

"**FER1 Decree**" means the Italian Ministerial Decree of 4 July 2019 on incentives for renewable sources.

"**Figueira da Foz I Power Plant**" means the Biomass Power Plant located in Figueira da Foz, owned and operated by the Issuer, as described in Section 10.1 ("*Main Activities of the Issuer*").

"**Figueira da Foz II Power Plant**" means the Biomass Power Plant located in Figueira da Foz, owned and operated by Sociedade Bioelétrica do Mondego, as described in Section 10.1 ("*Main Activities of the Issuer*").

"**FMS**" means fuel measurement and sampling.

"**FPC**" means a fixed price certificate.

"**Framework Agreement**" means each of the long-term framework agreements entered into by and between the owner of each Pulp Facility and the developer of the related Biomass Power Plant, setting the general terms and conditions applicable to each of the Lease Agreements, O&M Agreements and Utilities Agreements.

"**French Energy Code**" means the French Energy Code (*Code de l'énergie*).

"**French Forest Code**" means the French Forest Code (*Code Forestier*).

"**French Planning Code**" means the French Town and Country Planning Code (*Code de l'urbanisme*).

"**GDP**" means gross domestic product.

"**GDUoS**" means Generation Distribution Use of System.

"**General Meeting of Shareholders**" means the general meeting of shareholders of the Issuer.

"**GHG**" means greenhouse gas.

"**Golditábua**" means Golditábua, S.A.

"**GoOs**" means Guarantees of Origins.

"**Governmental Order no. 76/2021**" means Governmental Order no. 76/2021, of 1 April.

"**Greenshoe Option**" means the option granted by the Issuer to the Joint Global Coordinators (acting on behalf of the Managers), exercisable in whole or in part, no later than 30 calendar days after the Admission having occurred, to subscribe the Option Shares at the Offering Price for the purpose of covering short positions resulting from overallotments or from sales of Shares.

"**Group**" means the Issuer and its subsidiaries.

"**GSE**" means the Italian Energy Services Manager (*Gestore dei Servizi Energetici*).

"**GVA**" means Gross Value Added.

"HCl" means hydrochloric acid.

"HEDNO" means Hellenic Electricity Distribution Network Operator.

"HF" means hydrogen fluoride.

"ICNF" means the Portuguese Institute for Nature Conservation and Forests (*Instituto da Conservação da Natureza e das Florestas*).

"**ICPE**" means classified facilities for the protection of the environment ("*Installation classée pour la protection de l'environnement"*).

"**IEA**" means the International Energy Agency.

"**IFRS**" means the Standards and Interpretations issued by the International Accounting Standards Board. They comprise: (a) International Financial Reporting Standards; (b) International Accounting Standards; (c) IFRIC Interpretations; and (d) SIC Interpretations.

"**IFRS-EU**" means the IFRS, as adopted by the EU, pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards, as amended from time to time.

"**IGAMAOT**" means the Inspectorate General of Agriculture, Sea, the Environment and Spatial Planning.

"**IMF**" means the International Monetary Fund.

"**Initial Offer Shares**" means the 30,588,235 ordinary, nominative, book-entry shares, without nominal value, representing the share capital of the Issuer initially offered by the Issuer.

"**Interbolsa**" means Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.

"**IOTA Nomenclature**" means the French nomenclateure of installations, works and activities (*nomenclature des installations, ouvrages, travaux et activités*).

"**IRENA**" means International Renewable Energy Agency.

"**ISP**" means Tax on Petroleum and Energy Products (*Imposto sobre Produtos Petrolíferos*).

"**Issuer**" or "**Greenvolt**" means Greenvolt – Energias Renováveis, S.A. (formerly known, until November 2018, as EDP Produção – Bioeléctrica, S.A. and as Bioelétrica da Foz, S.A. until March 2021), with registered office at Rua Manuel Pinto de Azevedo 818, 4100-320 Porto, Portugal, with a share capital of €70,000,000 and registered with the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 506 042 715.

"**Italian Environmental Code**" means Italy's Legislative Decree no. 152/2006.

"**Joint Bookrunners**" means Banco Santander, S.A. and JB Capital Markets, Sociedad de Valores, S.A.U.

"**Joint Global Coordinators**" means BNP PARIBAS and CaixaBank, S.A.

"**KPI**" means Key Performance Indicators.

"**KWc**" means kilowatt peak (*kilowatt crête*).

"**Last Resort Supplier**" means the licensed last resort supplier (*comercializador de último recurso*) under and for the purposes of Decree-Law no. 172/2006, i.e. SU Eletricidade, S.A., previously named EDP Serviço Universal, S.A.

"**LCOE**" means Levelized Cost of Energy.

"**Lease Agreement**" means each of the long-term lease agreements entered into by and between the owner of each Pulp Facility and the developer of the related Biomass Power Plant.

"**LEI**" means the Legal Entity Identifier.

"**LNEG**" means *Laboratório Nacional de Energia e Geologia, I.P.*

"**Lower-tier PFICs**" means a PFIC and any of its subsidiaries or other entities in which the PFIC, directly or indirectly, owns equity.

"**LPG**" means liquefied petroleum gas.

"**LT-LEDS**" means long-term low greenhouse gas emission development strategies.

"**Managers**" means, together, the Joint Global Coordinators and the Joint Bookrunners.

"**Market Abuse Regulation**" means Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

"**MIBEL**" means *Mercado Ibérico de Eletricidade*.

"**Ministerial Order no. 237/2013**" means Ministerial Order no. 237/2013, of 24 July, establishing the prior notification procedure for the installation of power plants under the special regime, which do not require a generation licence and sell energy under general market rules.

"**Ministerial Order no. 243/2013**" means Ministerial Order no. 243/2013, of 2 August, establishing the licensing regime for power plants under the special regime that benefit from a guaranteed remuneration scheme.

"**Mórtagua Power Plant**" means the Biomass Power Plant located in Mortágua, owned and operated by the Issuer, as described in Section 10.1 ("*Principal Activities of the Issuer*").

"**MVA**" means Megavolt Ampere.

"**MW**" means Megawatt.

"**MWh**" means Megawatt per hour.

"**National Guidelines**" means Ministerial Decree of 10 September 2010, which approved Italy's National Guidelines for the authorisation of renewable energy plants.

"**NDC**" means Nationally Determined Contributions.

"**NECP**" means the national energy climate plans of a given country.

"**Net Debt + Shareholders loans**" means the APM sum of bonds, other loans and lease liabilities ("**Gross Debt**"), less cash and cash equivalents, plus Shareholders loans.

"**Net Operating Costs**" means the APM (i) costs of sales, excluding the cost of biomass sold, (ii) external supplies and services, (iii) other expenses, excluding inventory damage, and (iv) other income excluding claim compensations from property damage and inventory damage, and excluding investment grants.

"**Offering**" means the offering of the Initial Offer Shares by the Issuer to (i) private placements to Qualified Investors; and (ii) private placements to certain institutional investors in various other jurisdictions outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S.

"**Offering New Shares**" means the final number of Initial Offer Shares to be subscribed upon completion of, and pursuant to, the Offering and issued on the Settlement Date.

"**Offering Price**" means the final subscription price of the Initial Offer Shares, as indicated in the Pricing Statement.

"**Offering Price Range**" means the indicative non-binding offering price range at which the Initial Offer Shares are being offered in the Offering of €4.25 up to and including €5.00 per Offer Share.

"**OFGEM**" means the United Kingdom's Office of Gas and Electricity Markets.

"**OMIE**" means OMI, Polo Español S.A. (OMIE).

"**OMIP**" means Omip - Pólo Português, S.G.M.R., S.A.

"**Operating Profit**"[1] means consolidated net profit for the year before financial expenses and financial income, income tax and CESE.

"**OPEX**" means operating expenses.

"**Option Closing Date**" means the date on which the Option New Shares will be issued and the respective Offering Price is paid to the Issuer, as determined by the Joint Global Coordinators (on behalf of the Managers) in their absolute discretion.

"**Option New Shares**" means the final number of Option Shares to be subscribed upon exercise of the Greenshoe Option and issued on the Option Closing Date.

"**Option Shares**" means the Shares to be issued by the Issuer at the Offering Price representing up to 15 percent of the Initial Offer Shares pursuant to the Greenshoe Option.

"**O&M**" means operation and maintenance.

"**O&M Agreement**" means each of the long-term operation, maintenance, biomass internal management, waste management and general service provision agreements (*contrato de prestação de serviços de manutenção, de operação de gestão interna da biomassa, de gestão de resíduos e serviços gerais*) entered into by and between the owner of each Pulp Facility and the developer of the related Biomass Power Plant.

"**Paraimo Green**" means Paraimo Green, Lda.

"**Paris Agreement**" means the Paris Climate Agreement adopted within UNFCCC.

"**PCC**" means the Portuguese Companies Code (*Código das Sociedades Comerciais*), approved by Decree-Law no. 262/86, of 2 September.

"**PEP 2040**" means Poland's Energy Policy until 2040 (*Polityka energetyczna Polski do 2040 roku*).

[1] Using consolidated accounts for the basis of its calculation.

"**Perfecta Energia**" means Tresa Energía S.L., with registered office at Calle Pedro de Valdivia 36, 4th floor right, 28006, Madrid, Spain and registered with the Commercial Registry Office of Madrid under the sole registration and taxpayer number B-88309745.

"**PFIC**" means Passive Foreign Investment Issuer.

"**PIT**" means Personal Income Tax (*Imposto sobre o Rendimento das Pessoas Singulares*).

"**PLN**" means Polish zlotys.

"**PNEC 2030**" means Portugal's National Plan for Energy and Climate 2030.

"**PNI 2030**" means Portugal's National Investment Plan (*Plano de Investimento Nacional*).

"**PPA**" means power purchase agreement.

"**Prefect**" means French state's representative in a department or region (*Préfet*).

"**Pricing Statement**" means the announcement to be published by the Issuer on the CMVM's website (www.cmvm.pt) and on the Issuer's website (www.greenvolt.pt) detailing the Offering Price and the exact number of Offering New Shares.

"**Production Licence**" means Electricity Production Licence (*licença de produção*).

"**Profit Energy**" means Track Profit Energy, Lda., with registered office at Rua Pedro Álvares Cabral, no. 24, 5.º B, 2670-391 Loures, Portugal, with a share capital of €841,000 and registered with the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 514 108 649.

"**Prospectus**" means this prospectus dated 1 July 2021 relating to the admission to trading of the Shares on Euronext Lisbon.

"**Prospectus Regulation**" means Regulation (EU) no. 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended by Regulation (EU) 2019/2115 of the European Parliament and of the Council of 27 November 2019 and by Regulation (EU) 2021/337 of the European Parliament and of the Council of 16 February 2021.

"**PSC**" means the Portuguese Securities Code (*Código dos Valores Mobiliários*), approved by Decree-Law no. 486/99, of 13 November.

"**PTF**" means technical and financial proposal for grid connection (*proposition technique et financière*).

"**Pulp Facilities**" means the pulp facilities owned and operated by the Pulp Facility Operators.

"**Pulp Facilities Operators**" means Caima Indústria, Celbi and Celtejo.

"**Qualified Investors**" means qualified investors, as defined in Article 2 of the Prospectus Regulation.

"**RAE**" means the Greek Regulatory Authority for Energy.

"**RCN 2050**" means the Roadmap to Carbon Neutrality.

"**REGO**" means Renewable Energy Guarantees Origin.

"**Regulation S**" means Regulation S under the U.S. Securities Act.

"**REMIT**" means Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency.

"**REN**" means REN – Rede Eléctrica Nacional, S.A.

"**Renewable Energy Directive**" means European Parliament and Council Directive 2009/28/EC on the use of energy from renewable sources.

"**RES**" means Renewable Energy Source.

"**Reserved Capacity**" means Reserved Capacity for injection in the Public Grid (*Reserva de Capacidade para injeção na Rede Elétrica de Serviço Público*).

"**RND**" means National Electricity Distribution Grid (*Rede Nacional de Distribuição*).

"**RO**" means Renewables Obligation, a renewables support scheme introduced in the United Kingdom on 1 April 2002.

"**ROC**" means Renewables Obligation Certificates.

"**RO Order**" means the Renewables Obligation Order 2015.

"**Ródão Power**" means Ródão Power – Energia e Biomassa do Ródão, S.A.

"**Ródão Power Plant**" means the Biomass Power Plant located in Vila Velha de Ródão, owned and operated by Ródão Power, as described in Section 10.1 ("*Principal Activities of the Issuer*").

"**SCRs**" means Significant Code Reviews.

"**SDAC**" means Single Day-Ahead Coupling.

"**Shares Lending Agreement**" means the shares lending agreement entered into by and between BNP PARIBAS, acting as Stabilisation Manager on behalf of the Managers, and Altri on or around 1 July 2021.

"**SESAT**" means Sociedade de Energia Solar do Alto Tejo (SESAT), Lda.

"**Settlement**" means the financial settlement by means of the payment in euro for the Offering New Shares by the relevant subscribers and the delivery of the Offering New Shares (under the form of temporary shares (*cautelas*)) thereto and the delivery of the V-Ridium Power Shares to the Issuer and the delivery of the Contribution in Kind New Shares to V-Ridium (also under the form of temporary shares (*cautelas*)), all these events to take place of the Settlement Date.

"**Settlement Agent**" means Banco Santander Totta, S.A.

"**Settlement Date**" means the date on which Settlement is completed, which is expected to occur on or about 12 July 2021, subject to a reduction or an extension of the timetable for the Offering.

"**Shareholders**" means the shareholders of the Issuer.

"**Shares**" means all ordinary, nominative, book-entry shares, without nominal value, representing the entire share capital of the Issuer.

"**SIDC**" means Single Intraday Coupling.

"**Sociedade Bioelétrica do Mondego**" means Sociedade Bioelétrica do Mondego, S.A.

"**SO2**" means sulphur dioxide.

"**Stabilisation Manager**" means BNP PARIBAS.

"**Stabilisation Period End Date**" means the date falling 30 calendar days after the Admission.

"**Statutory Audit Board**" means the statutory audit board (*Conselho Fiscal*) of the Issuer, appointed by the General Meeting of Shareholders at a meeting held on 24 June 2021.

"**Statutory Auditor**" means Deloitte, the statutory auditor (*Fiscal Único*) of the Issuer in office until the appointment of the Statutory Audit Board, which occurred on 24 June 2021.

"**Statutory External Auditor**" means Deloitte.

"**Subscription in Kind**" means the subscription in kind by V-Ridium of 11,200,000 Shares by contributing in kind the V-Ridium Power Shares to the Issuer.

"**Sustainalytics**" means Sustainalytics, a leading independent provider of ESG ratings, research and analysis.

"**TCR**" means Targeted Charging Review.

"**TGP**" means Tilbury Power Plant.

"**TIC**" means total installed capacity.

"**Tilbury Green Power**" means the wholly-owned subsidiary of Tilbury Holdings, Tilbury Green Power Ltd.

"**Tilbury Holdings**" means Tilbury Green Power Holdings Limited.

"**TNUoS**" means transmission network use of system charges.

"**Trading Day**" means a day on which Euronext Lisbon is open for trading.

"**Treaty**" means the Convention Between the United States of America and the Portuguese Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, as amended from time to time.

"**TSO**" means Transmission System Operator.

"**TYNDP**" means Ten-Year Network Development Plan.

"**Unaudited Consolidated Pro Forma Financial Information**" means the unaudited consolidated pro forma financial information as of and for the year ended 31 December 2020 and respective notes, together with the accompanying report issued by Deloitte under and for the purposes set forth in Delegated Regulation 2019/980, which forms part of Annex I ("*Unaudited Consolidated Pro Forma Financial Information*").

"**Underwriting Agreement**" means the underwriting agreement entered into by and between the Issuer, Altri, Caima Energia and the Managers on or around 1 July 2021.

"**UNFCCC**" means the United Nations Framework Convention on Climate Change.

"**UPACs**" means Self-Consumption Generation Units (*Unidades de Produção para Autoconsumo*).

"**UPPs**" means Small-Scale Production Units (*Unidades de Pequena Produção*).

"**U.S.**" or "**United States**" means the United States of America.

"**U.S. Holder**" means a beneficial owner of shares and (i) a citizen or individual resident of the United States; (ii) a corporation, or other entity taxable as a corporation, created or organised in or under the laws of the United States, any state therein or the District of Columbia; or (iii) an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

"**USD**" means the United States Dollar.

"**Utilities Agreement**" means each of the long-term purchase and sale of utilities agreements entered into by and between the owner of each Pulp Facility and the developer of the related Biomass Power Plant.

"**VAT**" means Value Added Tax.

"**V-Ridium**" means V-Ridium Europe Sp. z o.o., a company incorporated under the laws of Poland, with registered offices at Aleja Wyścigowa 6, 02-681 Warszwava, Poland, registered in the National Court Register under the KRS no. 0000898358 and with a registered share capital of PLN 50,000.

"**V-Ridium Investment Agreement**" means the investment agreement entered into on 24 June 2021 by and between the Issuer, Altri and V-Ridium (as sole shareholder of V-Ridium Power) in respect of V-Ridium Power.

"**V-Ridium Power**" means V-Ridium Power Group, Sp. z.o.o., a company incorporated under the laws of Poland, with registered offices at Aleja Wyscigowa 6, 02-681 Warszwava, Poland, registered in the Polish commercial registry under no. 0000772074 and with a registered share capital of PLN 1,310,000.

"**V-Ridium Power Shares**" means shares representing 100 percent of V-Ridium Power's share capital with all rights attaching to them and free from any charges, liens or encumbrances, which will be delivered by V-Ridium to the Issuer in the Subscription in Kind.

"**WACC**" means weighted average cost of capital.

2. SUMMARY

Section A – Introduction and Warnings
A.1. Introduction
a) **Name and ISIN of securities**: Greenvolt - Energias Renováveis, S.A. ("**Issuer**" or "**Greenvolt**") currently has a share capital of €70,000,000 and is offering, on a private placement basis, 30,588,235 ordinary, nominative, book-entry shares, without nominal value (the "**Initial Offer Shares**") (the "**Offering**"). The final number of Initial Offer Shares to be subscribed upon completion of, and pursuant to, the Offering and issued on 12 July 2021 ("**Settlement Date**") (the "**Offering New Shares**"), when admitted to trading on Euronext Lisbon ("**Admission**"), shall have the same ISIN code as the shares currently representing the share capital of the Issuer, i.e. PTGNV0AM0001, and the CFI code ESVUFR.
b) **Identity and contact details of the Issuer, including LEI**: The Issuer is a limited liability company by shares ("*sociedade anónima*") incorporated under Portuguese law, with registered office at Rua Manuel Pinto de Azevedo, 818, 4100-320 Porto, Portugal, with a share capital of €70,000,000 and registered with the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 506 042 715. The legal entity identifier of the Issuer is 549300ZSZ6VJXXCVUM49. The Issuer's telephone number is (+351) 228 246 502 and e-mail address is sede@greenvolt.pt.
c) **Identity and contact details of the competent authority which approved the Prospectus**: *Comissão do Mercado de Valores Mobiliários* ("**CMVM**"), with registered office at Rua Laura Alves, no. 4, 1050-138 Lisbon, with telephone number (+351) 213 177 000 and e-mail address cmvm@cmvm.pt.
d) **Prospectus**: The Prospectus has been prepared for the purposes set forth in Articles 1(1) and 3(3) of Regulation (EU) no. 2017/1129 of the European Parliament and of the Council of 14 June 2017 ("**Prospectus Regulation**") and any other applicable legal and regulatory provisions, in connection with the Admission. The Offering it not subject to the obligation to publish a prospectus under and for the purposes of the Prospectus Regulation as it consists solely of (i) qualified investors as defined in Article 2 of the Prospectus Regulation (as defined below) ("**Qualified Investors**"); and (ii) private placements to certain institutional investors in various other jurisdictions outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S (as defined below). The Prospectus has been approved on 1 July 2021 and expires on 1 July 2022, that is, 12 months after its approval and provided that it is supplemented by any supplements required under Article 23 of the Prospectus Regulation.
e) **Warnings and information regarding subsequent use of the Prospectus**: This summary should be read as an introduction to the Prospectus. Any decision to invest in the Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor may, under the national legislation of the Member States of European Union ("**EU**"), have to bear the costs of translating the Prospectus before legal proceedings are initiated. Investment in the Shares involves risks and investors may lose all or a part of their investment as a result of subscribing the Shares. Civil liability in relation to this summary, including any translation thereof, attaches only to the persons responsible for this Prospectus but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Shares. This Prospectus cannot be used in any subsequent resale or placement of the Shares by financial intermediaries.
Section B – Key information on the Issuer
B.1. Who is the issuer of the securities?
a) **Registered offices, legal form, LEI, legislation governing its activities and country of incorporation:** The Issuer is a limited liability company by shares ("*sociedade anónima*") incorporated under Portuguese law, with registered office at Rua Manuel Pinto de Azevedo 818, 4100-320 Porto, Portugal, with a share capital of €70,000,000, registered with the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 506 042 715. The legal entity identifier of the Issuer is 549300ZSZ6VJXXCVUM49. The Issuer's telephone number is (+351) 228 246 502 and e-mail address is sede@greenvolt.pt. The Issuer is governed by the Portuguese law applicable to commercial companies and holding companies, including the PCC, the PSC, and other applicable legislation. The activities of the Issuer are also regulated, depending on the place where it does business, by EU directives and regulations, and by the laws of EU Member States and those of other applicable jurisdictions.
b) **Main activities**: According to its Articles of Association, the corporate scope of the Issuer is "(a) the promotion, development, operation, maintenance and management, directly or indirectly, in Portugal or abroad, of power stations and other facilities of generation, storage and supply of renewable energy, such as sourced from bioelectric, solar, wind, water, industrial or urban waste, biomass or any other renewable source, and (b) the performance of any research and implementation of projects in any way connected with the energetic sector, including without limitation in the fields of renewable energies, efficient and sustainable use of energy resources, management of energy generation or consumption, and (c) the provision of consultancy, assistance or training services in the fields of energy, resources' use, energy transition or any others connected thereto".
c) **Main shareholders, including if the Issuer is directly or indirectly controlled and by whom:** As of the date of this Prospectus, the Issuer's main shareholder is Altri, SGPS, S.A. ("**Altri**"), which directly and indirectly holds 100 percent of the Issuer's voting rights.
d) **Identity of main directors:** The Board of Directors currently in office, appointed at the General Meeting of Shareholders held on 24 June 2021 for the 2021/2023 term of office, is comprised of 11 members, including Clara Raposo (Chairperson) and João Manuel Manso Neto (chief executive officer).

e) Identity of statutory external auditor: Deloitte & Associados, SROC, S.A., with registered office at Avenida Engenheiro Duarte Pacheco, 7, 1070-100 Lisbon, Portugal, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under number 43 and with the CMVM under number 20161389, represented by Nuno Miguel dos Santos Figueiredo, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under number 1272 and with the CMVM under number 20160883.

B.2. What is the key financial information of the Issuer?

a) Selection of key historical financial information

Consolidated income statement data

	2020	2019	2018
Revenue	89,877,619	64,283,355	50,537,103
Operating profit	27,208,392	12,077,609	6,833,031
Consolidated net profit for the year attributable to Equity holders of the parent	17,934,337	6,795,387	5,202,616
Year on year revenue growth	39.8%	27.2%	n.a.[(a)]
EBITDA Margin	38.0%	35.3%	39.8%
Earnings per share	1,793	680	520

(a) Not applicable, given that the information for the corresponding homologous period is not presented in the Prospectus.

Consolidated statement of financial position

	31.12.2020	31.12.2019	31.12.2018
Total assets	196,421,477	204,183,623	169,809,886
Total equity	67,311,075	39,791,788	33,426,824
Total liabilities	129,110,402	164,391,835	136,383,062
Net financial debt (long term debt plus short term minus cash) (Net debt + Shareholders loans)	82,036,592	114,820,201	104,606,413

Consolidated statement of cash flows data

	2020	2019	2018
Net cash from operating activities	28,643,596	30,337,547	9,180,027
Net cash used in investing activities	(3,777,216)	(31,847,231)	(43,394,845)
Net cash (used in)/from financing activities	(26,872,981)	10,909,494	27,776,856

b) Pro Forma Accounts

***Consolidated* Pro Forma Income Statement**

	2020
Revenue	122,057,355
Operating profit	22,942,413
Consolidated net profit for the year	1,689,070

Consolidated Pro Forma Statement of Financial Position

	31.12.2020
Total assets	574,808,443
Total equity	102,059,602
Total liabilities	472,748,841

c) Brief description of any qualifications in the auditor's report relating to the historical financial information

The Annual Audited Consolidated Financial Statements contains the following emphases of matter and restriction on use and distribution: "*We draw attention to note 4, which describes the basis of preparation and special purpose of the Consolidated Financial Statements. The Consolidated Financial Statements are prepared in connection with the announced potential listing of Greenvolt – Energias Renováveis, S.A. and for the purposes of providing historical consolidated financial information for inclusion in the prospectus for the admission to the Euronext Lisbon regulated market. As such, these Consolidated Financial Statements may not be suitable for another purpose. This report was prepared at request of the Board of Directors of Greenvolt – Energias Renováveis, S.A. in relation to the referred initial public offering and for inclusion in the related prospectus. Therefore, it must not be used for any other purpose or any other market, or published in any other document or prospectus without our written consent. Our opinion is not modified in respect of these matters.*".

B.3. What are the key risks specific to the Issuer?

Greenvolt believes that the risk factors summarily presented below are the most relevant risk factors, the occurrence of which could have substantial adverse impacts on Greenvolt's activities, the evolution of its business, operational results, financial situation, profits, assets and/or liquidity, as well as on Greenvolt's future prospects and its capacity to attain the targets set.

Risks associated with the Biomass Power Plants and their operation:

a) **Risks related to the operation of the Biomass Power Plants**: The Issuer's activity depends on the level of performance of the Biomass Power Plants and Tilbury Power Plant or major overhauls. Mechanical failures or other defects in the Biomass Power Plants' equipment, or accidents that result in suspension of the activities or under-performance of the Biomass Power Plants, could impact the Issuer's business, particularly if occurring at Figueira da Foz II, the Issuer's Biomass Power Plant with the highest injection capacity.

b) **Risks arising from the Biomass Power Plants being subject to biomass supply shortage and price variations**: Although each of the Biomass Power Plants has ensured its own biomass supply through a long-term biomass supply agreement with Altri Madeira, under

which Altri Madeira undertakes to deliver the necessary quantity of biomass with the quality and on the delivery dates agreed by the parties, the Issuer may be impacted by biomass supply shortages, biomass supply quality disparities and significant biomass price variations. Cost of biomass is the Issuer's main operating cost, having represented 41.5 percent of electricity revenue in 2020.

c) **Risks deriving from the link between the Biomass Power Plants' operation and the operation of the Pulp Facilities**: The continuous operation of the Biomass Power Plants (with the exception of Mortágua Power Plant) is dependent on the normal operation of the associated Pulp Facilities. An event leading to interruption in the activity of a given Pulp Facility may impact the normal operation of the associated Biomass Power Plant, to the extent that such event prevents the Pulp Facility from supplying the necessary utilities to the associated Biomass Power Plant, and eventually lead to a suspension in its generation of electricity.

d) **Risks deriving from the lack of registered title for occupation of the site by the Mortágua Power Plant**: The Mortágua Power Plant's right of occupation and installation stems from several promissory lease agreements entered into between the EDP Group and the relevant landowner, which were never converted into definitive lease agreements by the Issuer. The Issuer is currently proceeding with an assessment of the plots and their respective titles in order to establish definitive lease agreements or otherwise proceed with legal possession by usucaption (*usucapião*) of the plots in 2022, once the statutory period for this form of possession has elapsed. If one or more landlords make a successful claim in this respect, this may have a material adverse effect on the Issuer's business, financial condition, prospects, results of operations or cash flows.

e) **The Issuer may be subject to liquidity risk**: The Issuer is exposed to liquidity risk and may face a shortage of cash to meet its obligations as and when they fall due and/or to pursue the strategies outlined in compliance with its commitments to third parties. As of 31 December 2020, the amount of consolidated loans – consolidated loans including bonds, other loans, lease liabilities and shareholders' loans – maturing in the next 12 months is approximately €41.8 million, the Group's unused available credit lines amounted to approximately €30 million and its cash and cash equivalents totalled €14.1 million. On that same date, the Issuer had negative working capital in the amount of €36.3 million. Taking into consideration the exercise performed on the Unaudited Consolidated Pro Forma Financial Information the acquisition of Tilbury Holdings is expected to lead to an estimated negative working capital of around €126.8 million. The capital increase in cash of €50 million in 2021 reduces the negative net working capital to €76.8 million.

Risks arising from the shareholding structure and contractual relationship with certain counterparties:

a) **Risks resulting from potential conflict between Altri's interests and those of the future minority shareholders**: Altri holds, directly and indirectly, the entire share capital of the Issuer. Following the share capital increase it will continue to hold, directly or indirectly, the majority of the Shares and will therefore hold sufficient voting rights to approve or block resolutions of the General Meeting of Shareholders, such as the distribution of dividends. Although the Issuer does not expect any structural conflict between Altri's interests and the Issuer's own interests, Altri may elect to exercise its influence over the business, strategy and financial condition of the Issuer in a manner that conflicts with the interests of the other Shareholders, which could have a material adverse effect on the Issuer's business, financial condition and results of operations.

b) **Risks arising from the Altri Group entities being the main counterparties of the Issuer**: The activities of the Issuer are supported by long-term contracts entered into with entities from the Altri Group, such entities being the Issuer's main counterparties. Although the Altri Group is a creditworthy group of entities, the Issuer is significantly exposed to Altri's counterparty risk as its main operation contracts depend on Altri Group companies. In what specifies concerns to purchase and acquire services, transactions with related parties amounted to €45,955,216 with reference to 31 December 2020, representing circa 81 percent of the Issuer's total costs of sales and external supply and services with reference to 31 December 2020. Any such potential conflict of interest or material breach of contract could have a material adverse effect on the Issuer's business, financial condition and results of operations, since the Issuer may face problems in finding other third parties to supply biomass and to ensure the provision of operation and maintenance services or in internalizing such services at the same efficiency and cost levels as currently provided by Altri.

Risks associated with the energy sector, sectorial regulation and changes in laws:

a) **Risks arising from changes in laws and regulations**: The Group's activity is focused on electricity generation and related services that depend on licences and permits awarded to the Group under highly regulated legal frameworks and its development and profitability is significantly dependent on the policies and regulatory frameworks supporting such development. Laws and regulations affecting the Group's activities may be subject to amendments, notably as a result of governmental decisions, the ordinary expiry of regulatory periods, unilateral imposition by regulators, the State Budget or legislative authorities, or as a result of judicial or administrative proceedings or actions. In addition to possible amendments to the applicable legal frameworks, additional laws and regulations may be implemented. In this scenario, a change in European or national laws and regulations may ultimately revise any applicable remuneration regime, as well as any incentives and public subsidies granted to biomass power plants.

b) **Risks arising from changes in tax laws and other regulatory charges**: The Issuer's profits, business model and development of future projects in its pipeline is also affected by other general laws and regulations, including taxes, levies and other charges, which may be amended or subject to varying interpretations, from time to time, such as the Extraordinary Contribution on the Energy Sector and the "clawback" mechanism. Taxes, charges and contributions not foreseen at present may have significant impacts on the Issuer's profit and business model, as well as the development of future projects in its pipeline.

c) **Risks inherent to certain pending and possible environmental future claims that may result in the application of fines and ancillary penalties**: The Issuer is currently involved in (i) two administrative misdemeanour proceedings as a defendant, which may result, should their outcome prove unfavourable to the Issuer, in a total aggregate liability of up to €288,000 as well as potentially applicable ancillary sanctions (such as the prohibition of receiving public subsidies, seizure of equipment, closure of the facility and suspension of permits and authorisation); and (ii) two environmental misdemeanour proceedings due to the Issuer's failure to provide, until 31 January 2020, an inventory of sealed radioactive sources, which may constitute two serious offences if the Issuer is found guilty of these charges.

Risks related to the investment strategy:

a) **The Issuer may not be able to purchase other biomass power plants or other assets within its business plan (wind and solar PV) and benefit from the optimisation potential and may not be able to implement an equity rotation strategy**: The Issuer may not be able to acquire targeted projects in the context of international competitive procedures, considering the Issuer's profitability investment criteria,

or be able to implement an operational optimisation of its power plants and benefit from their increased value and potential for equity rotation.

b) **The Issuer is expanding its activities to markets in which it has less experience**: The Issuer foresees the expansion of its activities to other energy sectors and to other geographies in Europe in which the Issuer has less experience and know-how. In this context, the Issuer and Altri entered into the V-Ridium Investment Agreement for the acquisition of V-Ridium Power (a company with subsidiaries in Poland, France, Italy and Greece), which is subject to the satisfaction of certain conditions precedent that constitute preparatory works to the investment, such as valuation of the contribution in kind by an independent auditor and the execution of a contribution agreement to secure the automatic acquisition of the shares of V-Ridium Power. Additionally, the Issuer, together with funds managed by Equitix, recently completed the acquisition of Tilbury Holdings, the owner (through Tilbury Green Power) of a fully operational renewable energy biomass power plant located in the port of Tilbury, Essex, England. These acquisitions (especially V-Ridium, if completed) are expected to significantly contribute to the expansion of the Issuer businesses and growth. The focus on segments and geographies in which the Issuer has less experience and knowhow and are dependent upon weather conditions, may expose it to development, operational and regulatory risks with which the Issuer is not familiar. In order to maintain and expand its business, Greenvolt needs to engage experienced developers and recruit, promote and maintain executive management and qualified technical personnel, in Greenvolt and its subsidiaries, including V-Ridium and TGP.

c) **The Issuer may face challenges in the licencing and development of new projects:** The Issuer may face challenges in the successful development of new projects, namely considering growing competitiveness in the market. The development of new projects is significantly affected by scarcity of grid capacity and any rights for the development of new projects are subject to increasingly competitive processes for the attribution of grid capacity or significant capital expenditure for the reinforcement of grid capacity. There is also a significant level of uncertainty in the licensing phase, where planning and environmental restrictions may wholly or partially prevent implementation of the project, extend timelines and increase costs to ensure the successful implantation of the projects.

d) **The Issuer may not be able to implement its asset rotation strategy and may face challenges in the sale of minority stakes in certain projects**: The Issuer's growth strategy is rooted in a vertically integrated renewable energy business model focused on the development of renewable projects (biomass, solar and wind projects) in several countries in Europe, with flexible options for asset or equity rotation. However, there can be no assurance that the Issuer will be able to implement its asset rotation strategy and to conclude divestment opportunities that allow it to realise the anticipated benefits of the projects under development or already in operation.

Section C – Key information on the securities

C.1. What are the main features of the securities?

a) **Type, class and ISIN:** The Offering New Shares are ordinary, nominative, book-entry shares, without nominal value, representing the share capital of the Issuer. After their admission to trading on Euronext Lisbon, the Offering New Shares will have the ISIN code PTGNV0AM0001 and the CFI code ESVUFR. All shares representing the share capital of the Issuer will trade under the symbol "GVOLT". On the Settlement Date, assuming the issue of all Initial Offer Shares pursuant to the Offering, the Offering New Shares will represent 25.2 percent of the then existing Shares and the shares issued in connection with the Subscription in Kind (as defined below) will represent 9.2 percent of the then existing Shares. If the Greenshoe Option (as defined below) is exercised in full, upon the issue of the Option New Shares (as defined below), such Option New Shares will represent 3.8 percent of the then existing Shares and the Offering New Shares, the Subscription in Kind Shares and Option New Shares will represent a maximum 46,376,470 of the then existing Shares.

b) **Currency, denomination, nominal value and number of securities**: Up to 121,376,470 Shares representing around 100 percent of the Issuer's share capital, without nominal value, will be admitted to trading in Euros.

c) **Rights granted by the securities:** The Shares are ordinary and, therefore, they all form part of the same class (*categoria*), with all inherent rights and obligations as established in the PCC, the PSC and the Articles of Association.

d) **Restriction to the free transferability of securities:** Neither the law, nor the Articles of Association provide for any restrictions on the transferability of the Shares.

e) **Dividend policy:** As of the date of this Prospectus, based on the Issuer's business plan (up to 2025), the Issuer will seek to harmoniously combine the achievement of an investment grade rating with a sustainable dividend policy. As an accelerated growth company, the Issuer does not expect to distribute dividends in the horizon of the business plan, not foreseeing under its Articles of Association any obligation to distribute dividends or a minimum threshold for such distribution. This does not mean that the Issuer will never distribute dividends. The payment of dividends (if any) by the Issuer and its respective amount and timing will depend on a number of factors, including the Issuer's capital structure, availability of distributable reserves, future sales and profits, financial condition, general economic and business conditions and any other factors the Board of Directors may deem relevant. There can be no assurance that a dividend will be declared in any given year. If a dividend is declared, there can be no assurance that the dividend amount will be as described above. Moreover, any dividend paid in any given year will not be indicative of any dividends to be paid in any subsequent year. If any dividend is distributed, all Shares will be entitled to the same gross dividend.

f) **Seniority of the securities in the Issuer's capital structure in the event of insolvency**: In the event of the Issuer's liquidation, and once the rights of unsubordinated creditors have been satisfied, the remainder of the assets (if any) shall firstly be channelled to the repayment of the contributions effectively made by each shareholder (corresponding to the portion of share capital held by such shareholder). If there is still a positive balance to be distributed following this repayment, it shall be apportioned among shareholders in the proportion applicable to the distribution of profits amongst them.

C.2. Where will the securities be traded?

The Issuer has requested the admission to trading of the Shares on Euronext Lisbon.

C.3. Is there a guarantee attached to the securities?

No.

C.4. What are the key risks specific to the securities?

Below are some of the main risks specific to the securities:

Volatility may trigger a fall in the price of the Issuer's shares and in the value of the investment: Prior to Admission, there has been no public trading market for the Shares. There is no assurance that an active trading market for the Shares will develop and continue or, if developed, will be sustained following the admission to trading of the Shares. If an active trading market is not developed or continued, the liquidity and trading price of the Shares could be adversely affected. Therefore, there can be no assurance that (i) an active and liquid trading market will develop or continue after the admission to trading of the Shares on Euronext Lisbon, (ii) the share price of the Shares will not decline below the price a given investor has paid to acquire Offering New Shares, or (iii) prospective investors will be able to sell their Shares quickly. The market price of the Issuer's shares may be lower than the Offering Price for the Offering New Shares. The Issuer cannot guarantee to investors that, following the subscription of the Offering New Shares, it will be possible to sell shares of the Issuer at a price equal to or higher than the Offering Price.

Section D – Key information on the Offering and the admission to trading on a regulated market

The Offering: The Offering will be made by private placements to (i) Qualified Investors and (ii) certain institutional investors in various other jurisdictions outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S. Additionally, the Issuer granted an option to the Joint Global Coordinators (acting on behalf of the Managers) (the "**Greenshoe Option**"), exercisable in whole or in part no later than 30 calendar days after Admission having occurred, to call for the Issuer to issue up to an aggregate maximum of 15 percent of the total number of Initial Offer Shares at the Offer Price, for the purpose of covering short positions resulting from overallotments or from sales of Shares, but for the avoidance of doubt, at the sole discretion of the Joint Global Coordinators. In addition, subject to customary conditions precedent, under the V-Ridium Investment Agreement the Issuer agreed to issue Shares to V-Ridium and V-Ridium agreed to subscribe such Shares and pay the related subscription price to Greenvolt by means of the Subscription in Kind (as defined below).

Offering Price and number of Initial Offer Shares: Prior to the Offering, there has been no public market for the Shares. The Offering Price is expected to be indicative and non-binding, in the range of €4.25 up to and including €5.00 per Offer Share (the "**Offering Price Range**"). The Offering Price and the exact number of Initial Offer Shares will be determined based on a book-building process. The Offering Price may be set within, above or below the Offering Price Range. The Offering Price Range has been determined by the Issuer, after consultation with the Joint Global Coordinators and the Joint Bookrunners, and no independent experts were consulted in determining the Offering Price Range. The Offering Price Range is indicative only, it may change during the Book-building Period and may be set within, above or below the Offering Price Range. The Offering Price and the final number of the Offering New Shares will be determined by the Issuer, in consultation with the Joint Global Coordinators and the Joint Bookrunners, upon completion of the Book-building Period based on the book-building process and taking into account economic and market conditions, a qualitative and quantitative assessment of demand for the Initial Offer Shares, and qualitative and quantitative assessment of demand for the Initial Offer Shares, and any other factors deemed appropriate, and will be published by the Issuer on the CMVM's website (www.cmvm.pt) and on the Issuer's website (www.greenvolt.pt) in a pricing statement. No independent experts will be consulted in determining the Offering Price. The Offering Price Range may be changed.

Book-building Period: Subject to a reduction or an extension of the timetable for the Offering, prospective investors may subscribe for Initial Offer Shares during the Book-building Period, i.e. the period commencing on (and including) 2 July 2021 and ending on (including) 8 July 2021.

Allocation: The maximum number of Initial Offer Shares may be increased prior to the allocation of the Initial Offer Shares (the "**Allocation**"). Upon a change in the number of Offering New Shares, references to Offering New Shares in the Prospectus should be read as referring to the amended number of Offering New Shares. The Allocation is expected to take place following the end of the Book-building Period, on or around 9 July 2021, subject to a reduction or an extension of the timetable for the Offering. Following the end of the Book-building Period, all subscription orders received from Qualified Investors and from institutional investors will be evaluated according to the prices offered and certain qualitative criteria such as: the time of the purchase order, the investor type and investment horizons of the respective Qualified Investors and institutional investors, qualitative feedback during the marketing process, focus on the industry, as well as any other criteria that allows for a high-quality investor base. Allocation to investors who applied to subscribe for Initial Offer Shares will be determined by the Issuer, in close consultation with the Joint Global Coordinators, and full discretion will be exercised as to whether or not and how to allot the Initial Offer Shares. There is no maximum or minimum number of Initial Offer Shares for which prospective investors may subscribe and multiple (applications for) subscriptions are permitted. If the Offering is over-subscribed, investors may receive fewer Initial Offer Shares than they applied to subscribe for. If closing of the Offering does not take place, the Offering will be withdrawn, all applications for the Initial Offer Shares will be disregarded, any allotments made will be deemed not to have been made, any application payments already made will be returned without interest or other compensation and the admission of the Shares in Euronext Lisbon will not take place.

Payment: Payment will take place on the Settlement Date, subject to a reduction or an extension of the timetable for the Offering, the delivery of the Offering New Shares in book-entry form being made against (i) delivery by V-Ridium (as defined below) of shares representing 100 percent of V-Ridium Power's share capital with all rights then attaching to them and free from any charges, liens or encumbrances, which will be delivered by V-Ridium to the Issuer in the Subscription in Kind (as defined below) (the "**V-Ridium Power Shares**") and (ii) payment (in euros) for and delivery of the Offering New Shares . Taxes and expenses, if any, must be borne by the investor. Investors must pay the Offering Price in full, in immediately available funds in euro, on or before the Settlement Date.

Delivery of Shares: The Initial Offer Shares will be delivered in book-entry form. If Settlement does not take place on the Settlement Date as planned, or at all, the Offering may be withdrawn, in which case all subscriptions for Initial Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be returned without interest or other compensation. Any dealings in the Shares prior to Settlement are at the sole risk of the parties concerned.

Trading: The commencement of trading of all shares representing the entire share capital of the Issuer (the "**Shares**") on the Euronext Lisbon regulated market is expected to occur on or about 13 July 2021, on which the Admission will occur.

Settlement Agent: Banco Santander Totta, S.A.

Joint Global Coordinators: BNP PARIBAS and Caixabank, S.A.

Managers: BNP Paribas, CaixaBank, S.A., Banco Santander, S.A. and JB Capital Markets, Sociedad de Valores, S.A.U.

Prospectus: The Prospectus has been prepared for the purposes set forth in Section A.1.d).

a) **Calendar** (subject to a reduction or an extension of the timetable for, or the withdrawal of, the Offering. The timetable below sets forth certain expected key dates for the Offering):

Event	Expected Date
Start of Book-building Period	2 July 2021
End of Book-building Period	8 July 2021
Pricing and Allocation	9 July 2021
Publication of Pricing Statement	9 July 2021
Financial settlement of the Offering New Shares	12 July 2021
Physical settlement of the Offering New Shares by delivery of temporary shares (*cautelas*)	12 July 2021
Registration of share capital increase	12 July 2021
Conversion of the Offering New Shares from temporary shares (*cautelas*) into definitive form	13 July 2021
Listing and admission to trading	13 July 2021

b) **Distribution of the Offering:** Not applicable.

c) **Amount and immediate dilution resulting from the Offering:** Taking into account that the Current Shareholders waived their pre-emption rights in the subscription of the Initial Offer Shares, if they do not subscribe any Initial Offer Shares as any other Qualified Investor in the context of the Offering (a possibility that none of the Current Shareholders has set aside), they will suffer an immediate dilution as a result of the Offering of (i) up to 29.0 percent (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares which will solely be placed with Qualified Investors and certain institutional investors, as better described above, and the Greenshoe Option is not exercised); or (ii) up to 31.9 percent (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares which will solely be placed with Qualified Investors and certain institutional investors, as better described above, and the Greenshoe Option is fully exercised); or (iii) up to 38.2 percent (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares which will solely be placed with Qualified Investors and certain institutional investors, as better described above, and the Greenshoe Option and the Subscription in Kind (as defined below) are fully exercised).

Taking into account the net assets value of the Issuer as at 31 December 2020, as disclosed in the Consolidated financial statements at that date, adjusted by the capital increase in cash of 50,000,000 euros ocorred on 31 March 2021, which results in a total net assets value of 1,56 euros per share considering the shares as at 31 march 2021 of 75,000,000

For the avoidance of doubt, all dilution calculations are made on the basis of the low end of the Offering Price, i.e. €4.25

Furthermore, no later than 10 (ten) trading days after the Admission Date and subject to prior completion and registration of the Issuer's share capital increase through the Offering and the Subscription in Kind, of (i) Shares in a maximum number corresponding to 5 percent of the total number of shares that represent the Issuer's share capital and voting rights on this date (for the avoidance of doubt, corresponding to €70,000,000, represented by 75,000,000 ordinary shares as at the date hereof) i.e. up to 3,750,000 Shares, and (ii) a cash amount corresponding to €0.10 for each share representing Altri's share capital, which, in any event, shall not exceed the maximum aggregate amount of €20,513,167.20, to persons who are shareholders of Altri at 23:59 (GMT) on 8 July 2021, and by reference to the number of Altri shares held by such persons on that record date, under the terms and conditions to be made public by Altri prior to the aforementioned distribution.

d) **Reasons for the Offering, Subscription in Kind (as defined below) and Admission and estimated net proceeds:** In the context of the Altri Group's strategy to consolidate its leadership position in the Portuguese market and to become a recognised player in the international renewable energy market, by opening a part of the Issuer's share capital to entities outside the Altri Group the Issuer expects to gain certain advantages by establishing the capital markets as a source of financing for its future growth . The listing will also enhance the Issuer and Group's value proposition through an increased level of autonomy *vis-à-vis* the Altri Group, allowing for an independent capital structure. The issue of the Offering New Shares and the Admission is also expected to unlock shareholder value, principally by providing visibility on the Issuer's standalone valuation and by potentially reducing Altri's holding discount. In addition, the Admission will create a market in the Shares for the Issuer's future shareholders.

The Issuer intends to principally use the net proceeds of the issue of the Offering New Shares, which, assuming the Offering is fully subscribed, will correspond to a net amount of approximately €7,339 thousand, after deducting all expenses, including the fees due to the Joint Global Coordinators and other advisors, registration of the Shares with CVM and admission of the Offering New Shares to trading on Euronext Lisbon, to help the Issuer achieve its plans for growth and expansion, built on three axes – biomass (develop biomass in Portugal, extend secured tariff periods and acquire and optimise under-performing biomass assets in Europe), solar and on-shore wind development, and decentralised generation of power.

e) **Subscription and placement arrangements and conflicts of interest:**

(i) **Subscription in Kind**: The Issuer agreed to issue 11,200,000 Shares to V-Ridium Europe Sp. z o.o ("**V-Ridium** "), with all rights then attaching to them and free from any charges, liens or encumbrances, and V-Ridium agreed to subscribe such 11,200,000 Shares and pay the related subscription price to Greenvolt, by contributing in kind the V-Ridium Power Shares to the Issuer ("**Subscription in Kind**"). Greenvolt and V-Ridium agreed that the subscription price for each Share to be subscribed under the Subscription in Kind shall correspond to the maximum price per Share of the Offering Price Range, with the total amount of the subscription price for all such Shares corresponding to a valuation of the V-Ridium Power Shares, and that settlement should occur simultaneously with that of the Offering.

(ii) **Lock-up arrangements:** The Issuer and each of the Shareholders shall not, without the prior written consent of the Joint Global Coordinators (on behalf of the Managers) during the period of 180 days from the date of Admission directly or indirectly: (i) issue, offer, lend, mortgage, assign, charge, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares or any interest in Shares or any securities convertible into or exercisable or exchangeable for, or substantially similar to, Shares or any interest in Shares or file any registration statement under the Securities Act or file or publish any prospectus with respect to any of the foregoing; or (ii) enter into any swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Shares, whether any such swap or transaction described in (i) or (ii) above is to be settled by delivery of the Shares or such other securities, in cash or otherwise. The foregoing undertaking shall not apply to (i) share pledges in connection with lending arrangements and (ii) employee stock option plans to the extent such plans are disclosed in the Prospectus. Pursuant to the V-Ridium Investment Agreement, the Issuer, Altri and V-Ridium have agreed on V-Ridium being subject to a lock-up period of 24 (twenty four) months after the Admission, during which V-Ridium shall not, directly or indirectly, sell, transfer, encumber or otherwise dispose any of the Contribution in Kind New Shares or any of the rights attaching to them, subject, in case of breach, to a penalty in the global amount of €14 million euros. Pursuant to lock-up commitments dated 23 June 2021, on certain assumptions, Promendo Investimentos, S.A., Caderno Azul, S.A., Actium Capital, S.A., Livrefluxo, S.A. and 1 Thing, Investments, S.A., holders of qualifying holdings in the voting share capital of Altri, undertook towards the Issuer not to, during the period of 180 days from the date of Admission, directly or indirectly: (i) offer, lend, mortgage, assign, charge, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares held thereby or any interest in any Shares held thereby or any securities convertible into or exercisable or exchangeable for, or substantially similar to, Shares or any interest in Shares; or (ii) enter into any swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Shares held thereby, whether any such swap or transaction described in (i) or (ii) above is to be settled by delivery of any Shares held thereby or such other securities, in cash or otherwise.

(iii) **Underwriting Agreement**: The Issuer, Altri, Caima Energia – Empresa de Gestão e Exploração de Energia, S.A. ("**Caima Energia**") and the Managers entered into an underwriting agreement on or around 1 July 2021 (the "**Underwriting Agreement**") pursuant to which, on the terms and subject to the conditions contained therein, the Issuer has agreed to issue the Initial Offer Shares to subscribers procured by the Managers, as agents for the Issuer, and the Managers have agreed to, acting severally, but not jointly nor jointly and severally, use their best efforts to procure subscribers for the Initial Offer Shares and, in case those subscribers fail to settle their Initial Offering Shares, the Managers have agreed to settle themselves such Shares (that were subscribed by the subscribers but not settled), in accordance with the underwriting commitment under the Underwriting Agreement, at the Offering Price. Pursuant to the Underwriting Agreement, the Issuer has agreed to pay the Managers an aggregate commission of 2.25 percent of the gross proceeds of the Offering and from the sale of the Initial Offer Shares it may, at its discretion, pay the Managers a discretionary fee of up to 1 percent of the gross proceeds of the Offering from the sale of the Initial Offer Shares. The Underwriting Agreement is subject to the fulfilment of certain conditions and it may be terminated upon the occurrence of certain events in the reasonable opinion of the Joint Global Coordinators (after consultation with the Managers), acting jointly and in good faith and following consultation with the Issuer (and the Current Shareholders, where applicable) at any time prior to 8:00 a.m. on the Settlement Date (or thereafter, in respect of the Option Shares only).

(iv) **The Greenshoe Option:** Under the terms of the Underwriting Agreement, the Issuer has granted the Joint Global Coordinators (acting on behalf of the Managers) the Greenshoe Option, which permits the Joint Global Coordinators (acting on behalf of the Managers) to call for the Issuer to issue up to an aggregate maximum of 15 percent of the total number of the Initial Offer Shares at the Offer Price (which, for the avoidance of doubt, do not include the shares issued in connection with the Subscription in Kind, for the purpose of covering short positions resulting from overallotments or from sales of Shares), at the sole discretion of the Joint Global Coordinators. The Greenshoe Option shall be exercisable in whole or in part, by notice in writing to the Issuer, at any time up to (and including) the Stabilisation Period End Date and, to the extent not exercised, will automatically terminate on the Stabilisation Period End Date if not exercised up to (and including) such date. Upon being notified to issue the Option New Shares, the Issuer shall promptly give effect to it and take all steps required for the issuance of such Option New Shares.

In the ordinary course of business, each of the Managers and other parts of their respective groups at any time: (i) may invest on a principal basis or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions, for their own accounts or the accounts of customers, in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of the Issuer, Altri, Caima Energia or any other company that may be involved in any proposed transaction; and (ii) may provide or arrange financing and other financial services to other companies that may be involved in any proposed transaction or a competing transaction, in each case whose interests may conflict with those of the Issuer, Altri or Caima Energia.

The Issuer and Caima Energia are wholly owned, directly or indirectly, by Altri. With a view to ensuring the Issuer's independence *vis-à-vis* its shareholders and that their control over the Issuer is not exercised in an abusive manner, the Issuer seeks to ensure total transparency in mutual relationships through strict compliance with the regulatory and legal provisions applicable to it, notably those relating to information obligations, information rights of the shareholders, related party transactions and potential conflicts of interest. As far as the Issuer is aware, there are no arrangements in place that may cause Altri to exercise a different type of control over Greenvolt or to change or subvert the manner described above, namely through abusive control, after the date of this Prospectus.

f) Estimated expenses in relation to the Offering and the Admission: The expenses of the Offering include fees due to the Managers and costs with other advisors and with the admission of the Shares to trading, which are estimated to amount to €7,339 thousand. Greenvolt will not charge any costs to investors**.**

3. RISK FACTORS

An investment in shares, including the acquisition and holding of any Shares, involves a high degree of risk. Prospective investors should carefully consider the information in this Prospectus and the documents incorporated by reference herein, as well as the following risk factors, before investing in any Shares. The occurrence of any of the following risks could have a material adverse effect on the Issuer's business, financial condition, prospects, results of operations or cash flows. Therefore, the trading price of the Shares could decline due to any of these risks, and investors may lose all or part of the investment made.

References in this Chapter to "the Issuer" or "Group" are to the Issuer and its subsidiaries. The Issuer cannot ensure that, in the event of adverse scenarios, the policies and procedures it uses to identify, monitor and manage risks will be effective. The risk factors described below are those considered most relevant to investors when making an investment decision. However, additional risks not currently known, or currently deemed immaterial, may also have material adverse effects. This Prospectus also contains statements about future events that involve risks and uncertainties. Please note that actual results may differ materially from those foreseen in these forward-looking statements.

Within each category of risk, those considered by the Issuer to be the most material risks are set out first. The Issuer has assessed the relative materiality of the risk factors based on the probability of their occurrence and expected magnitude of their negative impact. The order of the categories does not imply that any category of risk is more material than any other. Prospective investors should read the information set out in this Prospectus (including the documents incorporated by reference herein) and form their own opinion prior to making an investment decision.

3.1. Risks associated with the Biomass Power Plants activity and their operation

3.1.1 Risks related to the operation of the Biomass Power Plants

The Issuer's activity depends on the level of performance of the Biomass Power Plants and TGP (and any other biomass power plants that the Issuer may operate in the future) and their adequate operation and maintenance. Mechanical failures or other defects in the Biomass Power Plants' equipment, or accidents that result in suspension of the activities (such as, for example, the 2017 forest fires that damaged the Mortágua Power Plant and required the suspension of its activity for almost 70 days and, the 2019 dust explosion in the fuel handling system in TGP that caused a six-month outage), or the under-performance of the Biomass Power Plants or major overhauls (such as, for example, the major maintenance carried out on the Mortágua Power Plant which required the suspension of its activity for more than 40 days), could impact the Issuer's business.

The operation of the Biomass Power Plants is ensured through long-term operation and maintenance contracts established with Altri Group's companies (each such company being the owner of the facility where the relevant Biomass Power Plant is installed, with the exception of the Mortágua Power Plant), establishing minimum availability/level of services and an obligation to proceed with extensive repair or the replacement of damaged equipment. Although the Issuer will be entitled to compensation for default or shortfalls in performance, there is the risk that damages settled under the operation and maintenance contracts in place will not be sufficient to fully compensate the Issuer's decrease in revenues.

The Altri Group companies (and any subcontractor thereof) that ensure the operation and maintenance of the Biomass Power Plants follow the higher operational standards for this type of industry and there are no relevant incidents to report with respect to major unplanned overhauls, damages to third party property, environmental damages or personal injuries. On the other hand, the insurance coverage maintained by the Group with respect to each of the Biomass Power Plants should be able to cover the main risks resulting from their operational activity. The engineering, procurement and construction contracts and the guarantees provided thereunder follow common standards for this type of agreements.

In 2020, the total days of outage of the Biomass Power Plants was 74 days. For further details on the total days of outage of each Biomass Power Plant, please refer to Section 10.1 ("*Main activities of the Issuer*").

Due to the fact that it is the most recently built Biomass Power Plant, with the highest injection capacity (34.5MW) and longest contractual term (2044), the Figueira da Foz II Power Plant contributes significantly to the Group (39 percent of GWh injected to the grid and 38 percent of the Group's revenues in 2020, not considering biomass sold). As such, any adverse fact or circumstance relating to the Figueira da Foz II Power Plant will have a greater impact on the Issuer than any adverse fact or circumstance relating to any other of the Biomass Power Plants.

Without prejudice to the standards followed in this respect, the lack of relevant incidents and the existence of insurance deemed appropriate by the Group, the occurrence of any of the risks described above may have a material adverse effect on the Issuer's business, financial condition, prospects, results of operations or cash flows.

3.1.2 Risks arising from the Biomass Power Plants being subject to biomass supply shortage and price variations

The operation of the Biomass Power Plants (namely, the ability to sustain high load factors over time) is dependent on continuous access to biomass supply. Biomass refers to the set of products consisting of, at least partially, vegetable material resulting from agriculture or forestry activities, or certain forms of waste, the Issuer focusing its activity on residues derived from forestry operations and wood waste from industrial processes. Although each of the Biomass Power Plants has ensured its own biomass supply through a long-term biomass supply agreement with Altri Madeira, under which Altri Madeira undertakes to deliver the necessary quantity of biomass with the quality and on the delivery dates agreed by the parties, the Issuer may be impacted by biomass supply shortages, arbitrage occurring at the suppliers' level and significant biomass price variations.

Cost of biomass[2] is the Issuer's main operating cost, having represented 41.5 percent[3] of electricity revenue in 2020.

On average, 30 to 40 percent of the biomass supplied to the Biomass Power Plants results from the paper pulp facilities production process (eucalyptus bark resulting from the debarking of the wood used in such operation) and the remainder of the biomass being procured by Altri either from forest owned or managed by entities of Altri Group or from other sources. Notwithstanding the protection granted to the Issuer under the Biomass Supply Agreement with respect to the quality and quantities of biomass to be supplied, which are determined by the Biomass Power Plants in September of each year based on their efficiency and minimum consumption requirements, and the obligation of Altri Madeira to procure the necessary biomass through alternative sources (namely, and as already mentioned, biomass resulting from the paper pulp facilities production process, residual forest biomass collected from forest owned or managed by entities

[2] In 2020, cost of biomass = cost of sales – cost of biomass sold = €39,028,957 – €3,023,190 = €36,005,767.

[3] In 2020, cost of biomass / electricity revenue = €36,005,767 / €86,854,429 = 41.5 percent.

of Altri Group, or biomass from other national sources or from the Galiza region), the Issuer cannot dismiss the risk of disruption in the biomass supply chain. Any such disruption may adversely affect the operation of the Biomass Power Plants.

Under the Biomass Supply Agreement, the biomass price is fixed for all biomass sourced from the paper pulp facilities production process for the duration of the agreement (which is coincident with the duration of the guaranteed tariff for the Biomass Power Plants), however the annual price determined for other sources of biomass is subject to review on a yearly basis in accordance with a budget to be agreed by the parties reflecting the actual costs incurred by Altri Madeira with the supply of biomass in the previous year. In addition, any variation greater than 2 percent in the costs of biomass supplied from sources other than the biomass resulting from the paper pulp facilities production process may lead to a revision of prices in the following semester. As such, the Issuer and the subsidiaries operating the Biomass Power Plants may be subject to some volatility in the prices of biomass, impacted by the source of biomass supplied by Altri Madeira. Additionally, the Biomass Supply Agreement does not provide for minimum supply percentages depending on the types or origins of biomass, but rather a price for each type of biomass and a commitment to supply sufficient quantities to guarantee the full operation of the Biomass Power Plants, irrespective of the types of biomass concerned.

In addition, the cost of biomass under the Biomass Supply Agreement may be affected by market volatility due to shortage of biomass in the supply chain, which in turn may be impacted by weather and seasonality factors, the reduction of forest areas producing biomass, restrictions imposed by law on the planting of new eucalyptus areas, distance to the origin of biomass, or the construction of more biomass facilities, developments which fall outside the Issuer's control. Transport cost is a key component of the marginal supply cost, with longer routes entailing higher risks of deterioration of the product's quality, leading to higher emissions. Notwithstanding, most of the biomass processed at the Biomass Power Plants comes from areas of close proximity. Furthermore, the transportation of biomass in adequate vehicles with large capacities (90 m3) increases transport efficiency and, consequently, reduces emissions of CO^2. The restrictions imposed on the cultivation of eucalyptus, together with the wood deficits foreseen in the coniferous sector as a result of the forest fires of 2003, 2004 and 2017, may generate a resource deficit. However, such deficit may be compensated by the Issuer with the use of other type of biomass namely deriving from other economic activities, for example, agricultural. Also, forestry biomass does not exhaust itself in the cultivation of eucalyptus as forestry biomass may also arise from new types of forestry, such as pinewood and acacia wood which can be used for the same purpose, as well as other types of waste.

Furthermore, the presence of water and sand in biomass (i) has an adverse impact on its calorific value and, therefore, its achieved load factor, consequently affecting its performance; and (ii) may lead to important equipment failure. The Issuer is addressing this problem by trying to link biomass cost to achieved energy generation output.

In what concerns TGP, it may also be subject to biomass supply shortage and price variations, but, similarly to the Biomass Power Plants, as described above, has ensured its own biomass supply through a long-term biomass supply agreement of waste wood biomass until 2037. The referred biomass supply agreement foresees a fixed price and an obligation of the supplier to provide 100 percent of the biomass to TGP. The risk of presence of water and sand in biomass further described in the paragraph above also may apply to TGP.

The occurrence of any of the risks described above that may have an impact on the Biomass Power Plants and TGP's access to biomass, including without limitation biomass shortages, factors adversely impacting the supply chain or

volatility in the biomass price, may have a material adverse effect on the Issuer's business, financial condition, prospects, results of operations or cash flows.

3.1.3 Risks deriving from the link between the Biomass Power Plants operation and the operation of the Pulp Facilities

The continuous operation of the Biomass Power Plants (with the exception of Mortágua Power Plant) is dependent on the normal operation of the associated Pulp Facilities, which supply some of the utilities required for the operation of the Biomass Power Plants, namely water and compressed air.

An event leading to the interruption of activity of a given Pulp Facility may impact the normal operation of the associated Biomass Power Plant, to the extent that such event prevents the Pulp Facility from supplying the necessary utilities to the associated Biomass Power Plant, and eventually lead to a suspension in its generation of electricity.

If the interruption of activity in a given Pulp Facility is only temporary, risks arising from the possible consequent interruption of the associated Biomass Power Plant may be mitigated given that the affected Biomass Power Plant can operate in normal conditions with the water treatment, effluent treatment and compressed air in normal operation, even if the associated Pulp Facility is at a standstill.

However, an unexpected event leading to an interruption in the supply of utilities by a Pulp Facility may impact the normal operation of the associated Biomass Power Plant, to the extent that such event may lead to a suspension in its generation of electricity. Programmed outages of the Pulp Facilities and the Biomass Power Plants may be scheduled simultaneously to mitigate the negative impact of suspending the supply of utilities or, if this is not possible, alternative solutions (namely the rental of equipment for the supply of compressed air) may be put in place to avoid a suspension of the activities of any affected Biomass Power Plant. Otherwise, suspension of the supply of utilities by the Pulp Facilities, with potential impact on the operation of the affected Biomass Power Plant, would be limited to rare situations caused by an external problem outside the control of the Group (thunderstorms, earthquakes, forest fires, defects related to the power grid, acts of terrorism, etc.) which would stop the Biomass Power Plant even with all utilities available.

The occurrence of any of the risks described above may temporarily impact the operation of the Biomass Power Plants and have a material adverse effect on the Issuer's business, financial condition, prospects, results of operations or cash flows.

There is no relevant history regarding supply interruption events of water and compressed air, as such events are rare and of short duration. Notwithstanding, in the last 18 months, while the Constância Power Plant had no events to report, in the Figueira da Foz I Power Plant and Figueira da Foz II Power Plant there were outages during scheduled shutdowns of Celbi. These outages were used to perform preventive maintenance activities, so their impact was minimal (as these activities would have to be performed in any case). Ródão Power Plant had three stoppages due to lack of compressed air (each lasting less than 6 hours).

3.1.4 Risks deriving from the lack of registered title for occupation of the site by the Mortágua Power Plant

The Mortágua Power Plant's right of occupation and installation stems from several promissory lease agreements entered into between EDP Group and the relevant landowners. These promissory lease agreements were never converted into definitive lease agreements by the Issuer given that the identification of the current landowners of the plots where the

Mortágua Power Plant is installed is still in course. As such, although no claim has been made by any potential landowner since the beginning of the Mortágua Power Plant's operation, the Issuer is currently proceeding with an assessment of the plots and their respective titles in order to establish definitive lease agreements or otherwise proceed with legal possession by usucaption (*usucapião*) of the plots in 2022 once the statutory period for this form of possession has elapsed.

If one or more landlords make a successful claim in this respect, that may have a material adverse effect on the Issuer's business, financial condition, prospects, results of operations or cash flows.

In 2020, electricity sales at Mortágua Power Plant amounted to circa €9.5 million, corresponding to circa 11 percent of the Group's electricity sales, which amounted, in the same period, to approximately €86.9 million[4].

3.1.5 The Issuer may be subject to liquidity risk

The Issuer is exposed to liquidity risk and may face a shortage of cash to meet its obligations as and when they fall due and/or to pursue the strategies outlined in compliance with its commitments to third parties. The Group pursues an active refinancing policy guided by two main principles: (i) maintaining a high level of free and readily available resources to address short-term needs; and (ii) extending or maintaining debt maturity according to expected cash flows and the leveraging capability of its statement of financial position.

The Group has maintained a liquidity reserve, in the form of credit lines, with its relationship banks in order to ensure its ability to meet its commitments without having to refinance in unfavourable conditions. As of 31 December 2020, the amount of consolidated loans, including bonds, other loans, lease liabilities and shareholders' loans, maturing in the following 12 months is approximately €41.8 million (it was €75.2 million as of 31 December 2019, €111.3 million as of 31 December 2018 and €39.2 million as of 1 January 2018). On the same date, the Group had unused credit lines (namely bank overdrafts, pledged current accounts and unused commercial paper programs) in the amount of approximately €30 million. Additionally, the Group's cash and cash equivalents totalled €14.1 million (€16.1 million as of 31 December 2019, €6.7 million as of 31 December 2018 and €13.1 million as of 1 January 2018), representing approximately 24 percent of its current liabilities as at 31 December 2020. Finally, as at 31 December 2020, the Issuer had negative working capital (defined by the difference between current assets and current liabilities) in the amount of €36.3 million, calculated based on the difference between current assets (€22.2 million) and current liabilities (€58.6 million), which became positive by means of the €50 million in new cash contributions resulting from the share capital increase executed in March 2021 that were mostly used to repay short term loans.

The potential acquisition of V-Ridium is not expected to impact the Issuer's liquidity within the next 12 months, since it is planned to be acquired by the Issuer pursuant to the Contribution in Kind and the additional payment for the V-Ridium shares will be paid subject to the continued commitment of the key managers and proper execution of the business plan. However, the Issuer and funds managed by the Equitix Group recently completed the acquisition of Tilbury Holdings for an enterprise value of £246.5 million. This transaction, as presented in the Unaudited Consolidated Pro Forma Financial Information, will increase the Issuer's consolidated Net debt plus Shareholders' loans by €312 million, thus having a negative impact on liquidity and working capital. Taking into consideration the exercise performed on the Unaudited

[4] Excluding sales of biomass.

Consolidated Pro Forma Financial Information, the acquisition of Tilbury Holdings is expected to lead to an estimated negative working capital of around €126.8 million, calculated based on the difference between current assets (€48.5 million) and current liabilities (€175.2 million), mainly explained by the contracting of credit lines through Greenvolt. The capital increase in cash of €50 million, which occurred in 2021, reduces the negative net working capital to €76.8 million.

Please refer to Section 0 ("*Working capital statement*") on working capital present requirements.

If there is a significant change in the creditworthiness of the financial institutions on which the Issuer relies for its funding, if the financial condition of the Issuer or the markets deteriorate, or if the operational implementation of the risk management policy is not correctly carried out, the Issuer's liquidity position could be negatively affected, which could in turn have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

Additionally, potential delays in projects commissioning and/or delivery (hence resulting in the periods between upfront investments and revenue collection being longer than expected) may adversely affect liquidity, growth strategy, business financial condition and results of operation of the Issuer**.**

3.2. Risks arising from the shareholding structure and contractual relationship with certain counterparties

3.2.1 Risks resulting from potential conflict between Altri's interests and those of the future minority shareholders

Altri holds, directly and indirectly, the entire share capital of the Issuer. Following the share capital increase (i.e. the issuance of the Offering New Shares, Contribution in Kind New Shares and Option Shares) it should continue to hold, directly or indirectly, the majority of the Shares and therefore hold sufficient voting rights to approve or block resolutions of the General Meeting of Shareholders, such as the distribution of dividends and the appointment of the majority of the members of the Board of Directors. Altri will also be able to block the approval of other resolutions of the General Meeting of Shareholders, including changes to the Issuer's current share capital or Articles of Association, and will have the power, among other things, to cast the decisive vote regarding the Issuer's management, business strategy and development, nominations for its Board of Directors and, consequently, the Issuer and its subsidiaries. In addition, Altri will be able to influence decisions relating to the payment of dividends at the General Meeting of Shareholders, including preventing the distribution of dividends in any given fiscal year or approving the distribution of amounts in excess of those recommended by the Board of Directors, which may conflict with the interests and expectations of the remaining Shareholders, as well as those of the Board of Directors.

Although the Issuer does not expect any structural conflict between Altri's interests and the Issuer's own interests, Altri may elect to exercise its influence over the business, strategy and financial condition of the Issuer in a manner that will conflict with the interests of the Issuer and of the other Shareholders. Any such potential conflict of interest could have a material adverse effect on the Issuer's business, financial condition and results of operations.

3.2.2 Risks arising from the Altri Group entities being the main counterparties of the Issuer

The activities of the Issuer are supported by long-term contracts ensuring the provision of relevant services at least throughout the term of the feed-in-tariffs period entered into with entities from the Altri Group, such entities being the Issuer's main counterparties.

The Biomass Power Plants are installed within industrial facilities held by the Pulp Facility Operators, with the exception of the Mortágua Power Plant, which is the Biomass Power Plant with the lowest injection capacity (10 MW). Title for such

occupation rights is granted under the Lease Agreements for the plots of land where the Biomass Power Plants are installed. The operation and maintenance of the Biomass Power Plants are carried out under the O&M Agreements. Biomass supply for all the Biomass Power Plants is ensured through the Biomass Supply Agreements. Utilities required for the Biomass Power Plants' operation are supplied by the Altri Group entities which operate the corresponding Pulp Facilities. The Group's counterparties in the Lease Agreements, Utilities Agreements, O&M Agreements and Biomass Supply Agreements are all Altri Group entities.

In addition, Altri is the supplier of the back-office services (such as procurement, legal, financial, accountability and human resources).

Accordingly, although Altri Group is a creditworthy group of companies with no recent history of events of default in the context of the Issuer's relationship with Altri Group entities, the Issuer is significantly exposed to Altri's counterparty risk as its main operation contracts depend on Altri Group's companies performing their contractual obligations as and when due. Therefore, a possible breach of contract would have a more significant and adverse impact on the Issuer than would otherwise occur had it entered into these contractual relationships with unrelated counterparties, seeing as in the Lease Agreements and Utilities Agreements the counterparties of the Altri Group will not or are unlikely to be replaceable, and as regards the Biomass Supply Agreements and O&M Agreements there is no guarantee of similar contractual conditions being agreed with other third parties.

These contracts are qualified as transactions with related parties and are carried out at market prices and at arm's length terms in accordance with industry market practices. In what specifically concerns purchase and acquired services, transactions with related parties amounted to €45,955,216 with reference to 31 December 2020, representing circa 81 percent of the Issuer's total costs of sales and external supply and services with reference to 31 December 2020. For a more detailed description of the several agreements entered into by the Issuer with related parties, please refer to Section 6.2 ("*Related party transactions"*).

The Issuer cannot exclude potential conflicts of interests in the management of its contractual relationships taking into account that the Issuer is currently controlled by Altri, which will continue to hold a significant shareholding position upon completion of the Offering (including, if applicable, the exercise of the Greenshoe Option) and the Subscription in Kind.

Any such potential conflict of interest or material breach of contract could have a material adverse effect on the Issuer's business, financial condition and results of operations, since the Issuer may face problems in finding other third parties to supply biomass and to ensure the provision of O&M services or in internalizing such services at the same efficiency and cost levels as currently provided by Altri.

3.3. Risks associated with the energy sector, sectorial regulation and changes in laws

3.3.1 Risks arising from changes in laws and regulations

The Group's activity is focused on electricity generation and related services (including the development, construction, licensing and operation of power plants in several countries through V-Ridium and through TGP, if such acquisitions are executed, and through co-development in Romania) pursuant to licences and other legal or regulatory permits, as applicable, granted by governments, municipalities and regulatory entities, with the Biomass Power Plants being remunerated through feed-in tariffs, and TGP being remunerated through ROCs and energy market prices. Such licences, permit and feed-in tariffs are awarded under highly regulated legal frameworks which are, in turn, highly dependent on

European and national economic, financial, tax, energy, environmental and sustainability policies. Indeed, the development and profitability of renewable energy projects is significantly dependent on the policies and regulatory frameworks supporting such development.

Therefore, laws and regulations affecting the Group's activities may be subject to amendments, notably as a result of governmental decisions, the ordinary expiry of regulatory periods, unilateral imposition by regulators, the State Budget or legislative authorities, or as a result of judicial or administrative proceedings or actions. In addition to possible amendments to the applicable legal frameworks, additional laws and regulations may be implemented.

In this scenario, a change in European or national laws and regulations may ultimately revise any applicable remuneration regime, as well as any incentives and public subsidies granted to biomass power plants (and other renewable energy projects), for instance under the revised renewable energy Directive 2018/2001/EU (RED II). Increasingly stringent carbon regulations and energy efficiency requirements could lead to higher associated costs for the company and compliance issues. In this context, the Issuer highlights the authorisation granted to the Government under Law no. 75-B/2020, of 31 December (enacting the 2021 State Budget Law) to evaluate and reassess the public incentives granted to biomass power plants and, more recently, National Assembly Resolution (*Resolução da Assembleia da República*) no. 42/2021, of 3 February, recommending the Government to reformulate the public support models to be granted to forest biomass power plants, by restricting the issuance of operation licences for new power plants to power plants that duly comply with environmental and sustainability criteria. This resolution aims to promote the use of surplus residual forest biomass (*biomassa florestal residual*) which does not impact on the deficit of organic material and degradation of the soil, specifically recommending that the Government not to grant operation licences to biomass plants using energy crops (*culturas energéticas*). The possibility that any new regulation enacted pursuant to said reformulation of public support to biomass plants may have an impact on the Issuer's activity or prospects cannot be excluded. For further details regarding the power plants' remuneration regime, please refer to Chapter 10 ("*Description of the Issuer's business*"), and regarding the regulatory framework, please see Chapter 12 ("*Regulatory framework of the Issuer's activity*").

3.3.2 Risks arising from changes in tax laws and other regulatory charges

The Issuer's business is also affected by other general laws and regulations, including taxes, levies and other charges, which may be amended or subject to varying interpretations, from time to time, which could impose additional costs on the Issuer's activity.

This is the case of regimes subject to successive amendments and changing interpretation in the past few years, such as the Extraordinary Contribution on the Energy Sector, intended to finance social and environmental policies and reduce the tariff debt of the National Electricity System, which withdrew renewable and cogeneration exemption as from 2019. In 2020, the Issuer's CESE amounted to €1,078,934 (compared to €797,390 in 2019).

This is also the case of the "clawback" mechanism, as better described in Chapter 12 ("*Regulatory Framework of the Issuer's Activity*") below, which was introduced in Portugal in 2013 as a competition balancing mechanism and which was recently amended to broaden its scope.

In light of the above, other taxes, charges and contributions, not foreseen at present, may be enacted during the lifetime of the Issuer's power plants and have significant impacts on its profit and business model, as well as the development of future projects in the Issuer's pipeline.

3.3.3 Risks inherent to certain pending and possible environmental future claims that may result in the application of fines and ancillary penalties

The Issuer operates in a highly regulated industry and its operations are subject to the applicable environmental laws and regulations and to inspections by regulatory agencies (such as IGAMAOT and APA). Most misdemeanours related to environmental damage are governed by the Environmental Misdemeanour Framework Law and, depending on the seriousness of the infraction, the Issuer may be subject to fines and ancillary penalties.

The Issuer is currently involved in (i) two administrative misdemeanour proceedings as a defendant, which may result, should their outcome prove unfavourable to the Issuer, in a total aggregate liability of up to €288,000 as well as potentially applicable ancillary sanctions, such as the prohibition of receiving public subsidies, seizure of equipment, closure of the facility and suspension of permits and authorisations; and (ii) two environmental misdemeanour proceedings due to the Issuer's failure to provide, until 31 January 2020, an inventory of sealed radioactive sources, which may constitute two serious offences if the Issuer is found guilty of these charges. If the Issuer is found guilty, these proceedings could result in a fine ranging from €24,000 to €144,000, as well as the application of the ancillary sanctions listed in the previous paragraph**.** For further details on these legal proceedings, please refer to 10.11 (*Legal and arbitration proceedings*) below.

Although the outcome of these proceedings, even if the Issuer is found guilty, is not expected to have a direct material impact on the Issuer's activity, business development, operational results or financial situation, the Issuer cannot exclude the possibility of an unfavourable decision negatively affecting its interests and reputation.

3.4. Risks related to the investment strategy

3.4.1. The Issuer may not be able to purchase other biomass power plants or other assets within its business plan (wind and solar PV) and benefit from the optimisation potential and may not be able to implement an equity rotation strategy

The Issuer intends to develop its business strategy in part through the acquisition of other biomass power plants already in operation, which the Issuer identifies as being operated below their potential capacity and, therefore, as potentially benefiting from optimisation with the aim of consolidating underperforming biomass assets in Europe. The Issuer also intends to implement an equity rotation strategy, namely through V-Ridium, via the sale of minority stakes to financial investors in several renewable energy projects (namely wind and solar), to maximise project return for de-risked assets.

There is the risk that the Issuer may not be able to acquire the targeted projects in the context of international competitive procedures and that it is not able to complete a successful equity partnership for the deleverage of the projects, considering the Issuer's profitability investment criteria and the financial conditions in the market. In particular, there can be no assurance that the V-Ridium acquisition will be executed, that the acquisition of Profit Energy and Perfecta Energia will be completed successfully within the expected timeframe or at all. Any such event may lead to delays or other adverse impacts on the implementation of the Issuer's strategy and objectives. Notwithstanding, the Issuer will continue to pursue several investment opportunities.

Once it has acquired a majority shareholding in biomass power plants, the Issuer intends to implement its operational and management skills with a view to enhancing the efficiency of those power plants and, consequently, increasing value to the Issuer and all stakeholders involved. However, the successful implementation of the changes necessary to improve

a plant's operating conditions is not certain and unexpected factors, such as the existence of contracts already in force with little margin for negotiation of amendments or the acquisition of assets with unknown defects / liabilities, may delay the process and impact the Issuer's activity. In addition, the Issuer's ability to meet the targets for its EBITDA and Net Profit growth may be jeopardised if the envisaged transactions are not completed as and when expected by the Issuer or if the Issuer is unable to take advantage of the upsides and synergies identified in the relevant transactions and is therefore required to seek out other opportunities, which may not be immediately available or may imply higher costs or adaptations to its defined international expansion strategy.

3.4.2. The Issuer is expanding its activities to energy sectors and markets in which it has less experience

The Issuer's current core business is the management of biomass power plants, more specifically the Biomass Power Plants located in Portugal. In accordance with its defined strategy plan, the Issuer foresees the expansion of its activities to other energy sectors (namely solar photovoltaic and onshore wind energy) in Portugal and to other geographies in Europe. Although the Issuer believes that solar and wind are the main renewable drivers to achieve the energy transition in Europe, the focus on segments and geographies in which the Issuer has less experience and knowhow and which are dependent upon weather conditions may expose it to development, operational and regulatory risks with which the Issuer is not familiar, thus requiring it to engage employees and developers with a strong track-record and expertise.

Electricity generation output from solar photovoltaic and onshore wind power plants are highly dependent on weather conditions, particularly wind and sunshine hours, which vary substantially across different locations, seasons and years. In respect of wind power plants, turbines only operate when wind speeds fall within certain operating ranges that vary by turbine type and manufacturer. If wind speeds fall outside or towards the lower end of these ranges, energy output declines. With regards to solar farms, the level of solar energy impacts the production of electricity, within specific operating ranges, which are particularly affected by temperature. Accordingly, the Issuer cannot guarantee that its solar photovoltaic and onshore wind power plants will be able to meet their anticipated generation levels and any such shortfall in generation levels could have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

The Issuer and Altri entered into the V-Ridium Investment Agreement for the acquisition of V-Ridium Power, a leading player in the renewable energy sector with a large portfolio of wind and solar projects, mainly in Poland and Greece, totalling about 2,700 MW (probability-weighted by a mortality rate depending on technology, geography and stage of development), of which circa 1,130 MW are in an advanced phase of development and circa 1,470 MW are in an early stage of development. The portfolio in Greece will be executed through a recently established joint venture with a Greek developer. The V-Ridium Investment Agreement is subject to the satisfaction of certain conditions precedent that constitute preparatory works to the investment, such as valuation of the contribution in kind by an independent auditor and the execution of a contribution agreement to secure the automatic acquisition of the shares of V-Ridium Power on the Settlement Date. Furthermore, on 30 June 2021, the Issuer, jointly with funds managed by Equitix, completed the acquisition of Tilbury Holdings, the owner through Tilbury Green Power of TGP, a fully operational renewable energy biomass power plant with a net generating capacity of 43.6 MW (with injection capacity currently limited to 41.6 MW), located in the port of Tilbury, Essex, England. In addition, the Issuer is analysing a possible investment involving the co-development of solar and wind projects in Romania with an experienced Romanian wind and solar energy developer and operator. These projects, totalling 170 MW, are already in an advanced phase of development and are being carried out

by the latter. Additionally, the Issuer reached an agreement to acquire 70 percent of Profit Energy, a decentralised generation player. The completion of this transaction is subject to customary conditions being met, in accordance with the memorandum of understanding executed on 16 June 2021 setting forth the non-binding main terms and conditions for the subscription of 100 percent of the share capital increase of Perfecta Energia, through which the Issuer will hold a 29.23 percent stake in the share capital of Perfecta Energia.

The Issuer's current injection capacity amounts to 98 MW. Taking into account the acquisition of Tilbury Holdings, and assuming that V-Ridium will be acquired and that the joint venture in Romania will be completed, the Issuer's total pipeline will increase to circa 3.6 GW (including its pipeline in Portugal).

These acquisitions are expected to allow the Issuer to follow its strategic project of international growth, solidifying its position in the renewable energy sector within the European market and thus contributing to the expansion of its business. Completion of these acquisitions and the joint venture will involve regular interactions with V-Ridium in what regards V-Ridium Power, Equitix in what regards Tilbury Holdings, Current Shareholders in what regards Profit Energy and Perfecta Energia, and the Romanian developer in what regards the envisaged joint venture in Romania, and will result in the Issuer developing activities in new markets and geographies, with the inherent aforementioned challenges and risks. Accordingly, although these acquisitions, if completed, are expected to enhance the Issuer's position in the renewable energy sector in order to upscale its activities in relevant European markets, as in any other similar arrangement, risks may arise related to its performance by the relevant parties and implementation of the envisaged strategy in each relevant market.

Hence, these acquisitions may require adaptations and execution measures, with the current personnel employed by Tilbury Holdings / Tilbury Green Power, V-Ridium Power, Profit Energy and Perfect Energia playing a relevant role in such transitions.

In order to maintain and expand its business, Greenvolt needs to recruit, promote and maintain qualified executive management, technical personnel and employees to operate the Biomass Power Plants, other biomass power plants to be operated by the Group and other solar and wind power plants and equipment also in the Group's remit. Although the Group has not experienced to date any significant loss of key personnel, labour disputes or work stoppages (including due to the Covid-19 pandemic), a future inability to attract or retain sufficient technical and managerial personnel could limit or delay Greenvolt's development efforts or negatively affect its operations. The loss of key executive management or technical personnel, which the Issuer cannot exclude, also considering that the contribution of these individuals could be affected by their own circumstances, could lead to a loss of specific know-how in several areas of the company's activities and result in difficulties in the implementation of the Issuer's defined business strategy, in the execution of critical operations and in assuring the normal and timely flow of the business activities developed by the Group. The Group's extensive experience and track-record in renewables, particularly in its core business, mitigates its exposure to the potential impacts of this risk, if and when the same occurs, but there can be no assurance that such losses of personnel will not occur or that adequate replacements can be found, which exposes Greenvolt to a potential loss of competitiveness possibly resulting in diminished profitability and growth prospects, which could in turn have a material adverse effect on Greenvolt's business, financial condition, results of operations and prospects.

In what specifically refers to V-Ridium, since key personnel plays a crucial role in the development and implementation of the projects in the pipeline, retaining directors, senior managers and other key employees assumes great importance,

particularly due to the development stage of the projects to be carried out by V-Ridium, a risk that is to a certain extent mitigated by (i) the existence of lock-in agreements with key managers (total of 12) for a period of 36 months upon completion of the transaction, (ii) the circumstance of V-Ridium Power Shares being acquired by the Issuer pursuant to the Contribution in Kind and (iii) the implementation of an incentive plan targeting those key managers and employees. If these adaptations and execution measures are unsuccessful or not adequately carried out, the Issuer will be exposed to adverse effects, particularly a negative impact on its pipeline activities and business development, as well as its future prospects or ability to achieve the goals set.

3.4.3. The Issuer is exposed to foreign currency risk as it operates in markets where the currency is different from euro

The Issuer is subject to the risk associated with fluctuations in the cost of the purchase and sale of energy in connection with the promotion, development, operation, maintenance and management of power stations and other facilities for the production, warehousing and supply of electricity from renewable sources with the cost of investments denominated in foreign currencies. The Issuer is also subject to the risk of transactional foreign currency, as well as currency fluctuations which can occur when the Issuer incurs revenue in one currency and costs in another, or its assets or liabilities are denominated in foreign currency, and there is an adverse currency fluctuation in the value of net assets, debt and income denominated in foreign currencies.

With the completion of the transaction contemplated in the V-Ridium Investment Agreement, the Issuer will become the sole owner of V-Ridium Power whose main business is developed in Poland with the Polish Zloty (PLN) as the official currency, and the recently completed acquisition of Tilbury Holdings in the United Kingdom which official currency is the pound Sterling (£), the Issuer may be exposed to currency translation risk, creating a potential exposure to loss of economic value in the event of one or more currencies' exchange rate adversely changing.

The Issuer will attempt to naturally hedge currency fluctuation risks by matching its non-euro costs with revenues in the same currency and by using various financial instruments. Nonetheless, there can be no assurance that the Issuer's efforts to mitigate the effects of currency exchange rate fluctuations will be successful, that the Issuer will undertake hedging activities which effectively protect its financial condition and operating results from the effects of exchange rate fluctuations, that these activities will not result in additional losses, or that the Issuer's other risk management policies will operate successfully.

3.4.4. The Issuer may face challenges in the licencing and development of new projects

The Issuer may face challenges in the successful development of new projects, namely considering growing competitiveness in the market. This may happen in Portugal and in other countries where the Issuer is planning to expand its businesses (namely through V-Ridium, which is envisaging the development of a significant project pipeline, in particular in Poland and Greece, and through co-development in Romania), especially in what concerns early-stage and advanced phase projects, the conclusion of which depend on factors outside the Issuer's control, notably in terms of availability of the electricity grid, access to transmission and distribution lines, obtaining suitable sites and obtaining necessary licensing (environmental clearance, construction permits, production licenses, among others).

The development of new projects is significantly affected by scarcity of grid capacity and any rights for the development of new projects are subject to increasingly competitive processes for the attribution of grid capacity or significant capital expenditure for the reinforcement of grid capacity.

The development of projects is also subject to a significant level of uncertainty in the licensing phase, where planning and environmental restrictions may wholly or partially prevent implementation of the project, extend timelines and increase costs to ensure the successful implantation of the projects.

In this context, the Issuer is developing several projects in Portugal – namely, the development of the new Mortágua power plant with 10 MW of installed capacity, licensed under Decree-Law no. 64/2017, and two solar projects to be developed by SESAT and Paraimo Green (please refer to Section 10.1 (*"Main activities of the Issuer"*)), under which the Issuer is subject to grid capacity being awarded by DGEG and is exposed to licensing risk. V-Ridium currently has 2,604 MW at an advanced and early stage of development (before licensing), which represent 95 percent of V-Ridium's asset portfolio, and the Issuer is analysing the co-development in Romania of 170 MW already in an advanced stage of development.

Regarding pipeline projects for which a power purchase agreement or other similar long-term agreements are not secured, the Issuer will be exposed to variation in the market prices of electricity that may continue until the project reaches the ready to build stage and such agreements are secured or the Issuer may opt not to develop that particular project.

Additionally, despite the cash flow generation capability the Issuer enjoys and plans to enjoy from the protection of the feed-in-tariff regimes, PPAs, CfDs and ROCs, it is not possible to ensure or predict the remuneration conditions of the Issuer's assets when they are initiated or at the end of their term, given that they will depend on the merchant electricity prices and other market conditions in operation at the time and, as such, this may have a material impact on the value of the Issuer's assets and its future cash flow generation capability.

3.4.5. The Issuer may not be able to implement its asset rotation strategy and may face challenges in the sale of stakes in certain projects

The Issuer' growth strategy is rooted in a vertically integrated renewable energy business model focused on the development of renewable projects (biomass, solar and wind projects) in several countries in Europe, with flexible options for asset or equity rotation. The partnerships to be established with recognised local developers with proven capabilities in the development of renewable projects, such as in Greece (through V-Ridium) and in Romania, is intended to allow for the implementation of an asset rotation strategy in an early stage of development, selling the projects at the ready-to-build phase at an optimal value due to the lack of development risk, while allowing some projects to be carefully selected and operated, using strong operating know-how to promote the sale of a minority stake (up to 49 percent) to investors. Furthermore, at the ready-to-build-stage, the Issuer aims to sell-down 70-80 percent of selected assets to tier 1 partners.

There can be no assurance that the Issuer will be able to implement its asset rotation strategy and to conclude divestment opportunities that allow the Issuer to realise the anticipated benefits for the projects under development or in operation. The delay in concluding divestment strategies could cause the Issuer to reject or delay other investments and/or increase its debt levels, which could have a material impact on its cost of funding, earnings and cash flow generation.

The Issuer may face challenges in the sale of minority stakes in projects developed with other partners and co-developers and in the sale-down of 70-80 percent of selected assets to tier 1 partners, depending on the market or financial context, and the divestment of any such stakes may depend on agreements for the joint sale of relevant projects through tag along or drag along mechanisms to be agreed. Such mechanisms may, if exercised, lead to the Issuer selling stakes on terms and conditions it may not control and that may not correspond to the Issuer's expectations. If this happens, the Issuer may have to dispose of a shareholding prior to the envisaged investment period and may not adequately and efficiently reinvest the proceeds resulting from the sale in profitable terms and in accordance with its defined strategy. In this context, the difficulties arising from the sale of the previously mentioned stakes may have a negative impact on the Issuer's financial ability to pursue its investment and growth strategy and, ultimately, the capability to execute its target revenue and EBITDA growth (please refer to Section 10.4 ("*Strategy and objectives of the Issuer"*)).

3.4.6. The financing of new projects is dependent on lenders' credit analysis and risks associated with project finance transactions

In order to implement its growth strategy, the Issuer intends to finance the development of new projects by contracting financing, particularly on a project finance basis. The ability of the Issuer to raise financing for the development of these projects and the terms and conditions applicable to such financing, including aspects such as the relevant amount, applicable interest, maturity, security package and other relevant standard covenants and undertakings, may change from time to time and will depend not only on macroeconomic trends and circumstances outside the Issuer's control, but also on the credit analysis carried out by the lender(s) or each project. On the other hand, the stage of each project will also have an impact on the banks' credit analysis. Therefore, the Issuer's investment and growth strategy may be adversely affected if the Issuer is unable to raise financing and/or the conditions of such financing, including pricing, are too expensive or onerous. More specifically, the Issuer expects to make investments amounting to €300 million in 2021, of which €220 million refer to the recent acquisition of Tilbury Holdings, €30 million refer to V-Ridium's capital needs for investments and €50 million refer to other endeavours in Portugal, namely related to decentralised generation, solar photovoltaic and upgrades in the Biomass Power Plants. Please note that this investment estimate considers the impact of 100 percent of Tilbury Holdings' acquisition, with full consolidation of the financing raised at the acquisition structure level and excluding the partner equity intake, please see Section 10.5 ("*The Issuer's main objectives"*).

Furthermore, financing of the projects on a project finance basis may imply additional risks (such as interest rate risk; in fact, although most project finance contracts are set up with interest rate hedging schemes, this risk cannot be neglected, as possible interest rate fluctuations may still have an undesired impact on results), restrictions on the management of the projects, the potential provision of material guarantees and security on the assets and revenues of the Issuer and its subsidiaries that may be financed to develop each project financed on a project finance basis, as well as potential limitations on the payment of dividend and other distributions to the Issuer, which may result in implementation difficulties regarding ongoing or planned projects.

3.4.7. Sustainability and ESG matters may impact the Issuer's business and reputation

Sustainability and ESG matters are today of undoubtedly and growing importance, especially in the case of companies operating in the renewables sector. Companies are required to evidence their performance and provide information in this respect, as these matters are more and more scrutinized by investors in the context of assessing, among other aspects, the long-term sustainability of a company, notably in the sector the Group operates. Therefore, the performance

of the Issuer on sustainability and ESG matters, as well as its management, is thus expected to be under great and increasing scrutiny.

The Issuer's strategic commitment with promoting renewable energy, carbon neutrality and circular economy is aligned with its sustainability strategy. Climate change is occurring around the world and events such as increased frequency of extreme weather may impact the Issuer's business in various ways. Climate change could result therefore in a reduction of growth and profitability for the Issuer.

There is no certainty that the Issuer will manage all the sustainability and ESG matters and/or issues successfully, or that it will successfully meet its sustainability and ESG commitments and/or targets, and what is expected by investors and/or remaining stakeholders of the Issuer in this respect. Any failure or perceived failure by the Issuer in this respect could have a material adverse effect on its reputation and on its business, financial condition, or results of operations, including the sustainability of the Issuer's business over time. For further details, including in respect of the ESG Risk Rating, please refer to Section 10.6 ("*Environmental, Social and Governance*").

3.4.8. The Unaudited Consolidated Pro Forma Financial Information is presented for illustrative purposes only and may not provide an indication of the companies' combined financial condition or results of operations following the acquisition of Tilbury Holdings by the Issuer

Given the significance of the Issuer's acquisition of Tilbury Holdings, this Prospectus includes Unaudited Consolidated Pro Forma Financial Information as at and for the year ended 31 December 2020. Such Unaudited Consolidated Pro Forma Financial Information has been prepared by the Issuer to illustrate, on a pro forma basis, the impact on the Issuer's consolidated statement of financial position for the year ended 31 December 2020 of this acquisition of Tilbury Holdings by the Issuer. See Annex I ("*Unaudited Consolidated Pro Forma Financial Information*"). The Unaudited Consolidated Pro Forma Financial Information is presented for illustrative purposes only and reflects estimates and certain assumptions made by the Issuer's management considered reasonable under the circumstances and based on the information existing as of the date of preparation of this information. Notwithstanding, the Unaudited Consolidated Pro Forma Financial Information has been prepared based on financial information prepared by an entity other than the Issuer and, as such, the Issuer shall not take any responsibility as to the accuracy or correctness of such information. Actual adjustments may differ materially from the information presented in the Unaudited Consolidated Pro Forma Financial Information. The Unaudited Consolidated Pro Forma Financial Information relates to a hypothetical situation and therefore does not purport to represent, and does not represent, what the consolidated financial situation or the consolidated results of operations of the enlarged group would have been had the Issuer's acquisition of Tilbury Holdings occurred on the date indicated therein or any other date, nor is the Unaudited Consolidated Pro Forma Financial Information indicative of the Issuer's future results of operations or the Issuer's financial position. The consolidated financial statements of TGPH and its subsidiary as at and for the year ended 31 December 2020 prepared in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), were audited by PricewaterhouseCoopers Chartered Accountants and Statutory Auditors (Dublin) which issued the corresponding audit report, which contains a material uncertainty related to going concern. See Annex I ("*Unaudited Consolidated Pro Forma Financial Information*"). As explained in Note 1.2 of the consolidated financial statements of TGPH, the going concern assumption was related with breaches on financial debt in 2019 which were cured in 2020 and under the signed

agreements the repayments were deferred and the shareholders of TGPH agreed to initiate the sale of the company, process that was concluded and resulted in the expected acquisition by the Issuer and Equitix, and therefore the going concern assumption is dependent on the conclusion of the sale and refinancing of TGPH.

Although V-Ridium's financial accounts under IFRS are not currently available (only in local currency under Polish GAAP), a relevant goodwill amount is expected (although not yet possible to estimate at this time) to be generated by the acquisition of V-Ridium (equity price of €56 million, plus up to €14 million earn-out – of which €7 million relates to the lock-up period of V-Ridium's current key managers – for a 100 percent equity investment, to be paid three years after acquisition). Based on the limited information available so far, no significant impact on the Issuer's accounts is expected to arise in the income statement from this acquisition given V-Ridium's current low level of revenues, costs and profits. For further details, please see "*Investment Agreement and Contribution in Kind*" in Section 10.1 (*Main activities of the Issuer*).

3.5. Risks related to the Offering and Initial Offer Shares and the market

3.5.1 Volatility may trigger a fall in the price of the Issuer's shares and in the value of the investment

Prior to the Offering, there has been no public market for the Shares. The Offering Price may not be indicative of the market price for the Shares after the Offering has been completed. The Issuer can give no assurance that an active trading market for the Shares will develop or, if it does develop, that will continue following the Admission. If an active trading market does not develop or continue, the liquidity and trading price of the Shares could be adversely affected. Therefore, there can be no assurance that (i) an active and liquid trading market will develop or continue after admission to trading of the Shares on Euronext Lisbon, (ii) the price of the Shares will not decline below the Offering Price, regardless of the Issuer's operating performance, or (iii) prospective investors will be able to sell their Shares quickly.

The trading price of the Shares may be subject to fluctuations in response to factors beyond the Issuer's control, including fluctuations in the stock market and in general economic conditions or political, legislative, regulatory and tax changes in Portugal and in other countries in which the Group operates or may operate in the future, fluctuations in the Issuer's operating results and in investors' expectations in this regard, relevant budget deficits and the sustainability of public debt, political conditions and perceptions of stability in Portugal and in other countries in which the Group operates or may operate in the future, actual or estimated changes in the activity, results or financial situation of the Group, variations in financial estimates and analysts' recommendations regarding the Issuer and the geographies in which the Group operates, as well as changes in the financial and capital markets generally, announcements made by the Issuer or its competitors about significant contracts, merger and acquisition agreements, new services and products, major operating events, the future issue or disposal of the Issuer's shares or assets and changes in investors' perception of the Issuer and of the investment environment.

General market and industry factors may also adversely affect the market price of the Issuer's shares, regardless of the operating performance of the Issuer and its subsidiaries. In addition, if a significant number of the Issuer's shares are acquired by a limited number of investors, this could have a negative impact on the liquidity of those shares. The price of the Issuer's shares may vary as a result and investors may be unable to acquire or dispose of the Issuer's shares at the expected price.

3.5.2 If closing of the Offering does not take place, purchases of the Shares will be disregarded and the admission of the Shares in Euronext Lisbon will not take place

The closing of the Offering may not take place on the Settlement Date if the Issuer (upon consultation with the Joint Global Coordinators) so decide, or at all if certain conditions referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date. If closing of the Offering does not take place, the Offering will be withdrawn, all applications for the Initial Offer Shares will be disregarded, any allotments made will be deemed not to have been made, any application payments already made will be returned without interest or other compensation and the admission of the Shares in Euronext Lisbon will not take place.

The Issuer, and/or the Managers do not accept any responsibility or liability for any loss incurred by any person as a result of a withdrawal of the Offering or the related annulment of any transaction.

3.5.3 Exchange rate fluctuations can have a significant impact on the value of the Shares

The market price of the Shares is denominated in Euro. Fluctuations in the exchange rate between the Euro and other currencies may affect the value of the Shares held by investors from countries using currencies other than the Euro. In addition, any payments in cash of dividends on the Shares will be denominated in Euro and, therefore, will be subject to exchange rate fluctuations when converted to an investor's local currency.

3.5.4 The market price of the Shares and the Issuer's ability to raise capital through a future offering of Shares may be adversely affected if sales of a substantial number of Shares occur, or by the perception that such sales could occur following the admission to trading

Sales of a substantial number of Shares in the public market following the admission to trading of the Shares on Euronext Lisbon, or the perception that such sales will or might occur, could adversely affect the market price of the Shares and the Issuer's ability to raise capital through a future offering of Shares.

Under the terms of the Underwriting Agreement, the Issuer and the Managers have agreed to the Issuer and each of the Shareholders being subject to a lock-up period of 180 days after the Admission, subject to certain exemptions. Additionally, under the terms of the V-Ridium Investment Agreement, the Issuer, Altri and V-Ridium have agreed (subject to penalties) to V-Ridium being subject to a lock-up period of 24 months after the Admission, in respect of the Contribution in Kind New Shares. Altri's main shareholders, which hold circa 70 percent of its shares, will also agree to lock-up arrangements concerning the Issuer's shares expected to be distributed in kind by Altri to Altri's shareholders, for a lock-up period of 180 days after the Admission. Upon expiration of these lock-up periods, the market price of the Shares may be adversely affected due to a potential increase in volatility.

Any such future issues of Shares by the Issuer or the disposal of the Contribution in Kind New Shares by V-Ridium could dilute the ownership interests of the then existing Shareholders. In general, any disposal by the Issuer's principal, V-Ridium, Altri or management shareholders or by the Issuer itself could materially and adversely affect the trading price of the Shares.

3.5.5 Any increases in the Issuer's share capital may have a negative impact on the share price and existing shareholders may experience a dilution of their shareholdings

The Issuer may, in the future, increase its share capital, by means of contributions in cash or in kind, to finance any acquisitions or investments or to strengthen its balance sheet. This may have a negative impact on the Issuer's share price. Shareholders have pro rata subscription rights in share capital increases by means of contributions in cash, in the case of issuances of new Shares or other securities that entitle the holder to acquire new Shares. However, this right may be limited or suppressed by a resolution taken at a general meeting of shareholders. In these cases, the Issuer's shareholders may suffer dilution in their shareholdings.

The shareholders may be exposed to their respective proportion of share ownership and voting rights in the Issuer being reduced, following the completion of the Offering and the Subscription in Kind, in the amount of (i) 35.8 percent (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares, and that the Greenshoe Option is not exercised), when compared with the Shares existing and held by the relevant shareholders prior to the share capital increase carried out pursuant to the Offering; or (ii) 38.2 percent (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares, and that the Greenshoe Option is fully exercised), when compared with the Shares existing and held by the relevant shareholders prior to the share capital increase carried out pursuant to the Offering.

3.5.6 Greenvolt cannot ensure investors that the registration of the share capital increase before the competent commercial registry office and the subsequent admission to trading of the Shares will take place on the scheduled date

The admission to trading of the Shares on Euronext Lisbon, scheduled to occur on 13 July 2021, requires prior registration of the share capital increase through the Offering and the Subscription in Kind with the competent commercial registry office (which is expected to occur on 12 July 2021). Greenvolt cannot ensure investors that the aforementioned registration of the share capital increase with the commercial registry office will take place when scheduled and, in case of a delay, there may be a relevant time gap between payment of the Offering Price and receipt of the Shares by the relevant shareholder of the Issuer. Additionally, completion of the commercial registration of the share capital increase is subject to the interpretation of the applicable legislation, the Issuer's Articles of Association and relevant corporate resolutions by the competent Portuguese commercial registry office.

Likewise, a delay in the admission to trading of the Shares may affect their liquidity.

3.5.7 The Issuer may not pay dividends in the near future

Prior to the date of this Prospectus, and with reference to the fiscal years ended on 31 December 2020, 31 December 2019 and 31 December 2018, the Issuer has not paid any dividends. As an accelerated growth company, the Issuer does not expect to distribute dividends during the horizon of its business plan, i.e. up to and including 2025, due to growth opportunities.

Regardless of the Issuer's past dividend distribution track-record and its current dividend policy, this does not mean that the Issuer excludes the possibility of or will never distribute dividends. In this regard, please see Section 15.1 ("*Dividend Policy*"), which describes the Issuer's dividend policy in further detail.

However, there is also no guarantee that the Issuer will be able to make dividend distributions in the future, or that future dividend distributions will comply with the dividend policy followed hitherto or the estimated pay-out. Such dividend distributions will depend on several factors, including the Issuer's business prospects, treasury needs and financial

performance, market conditions and the general economic context, including the fiscal and regulatory environment, as well as the amount of distributable results and/or capital reserves.

3.5.8 Potential investors may face tax consequences resulting from an investment in the Shares

Potential investors should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where dividends are paid or the Shares are transferred, in cases where the investors are resident for tax purposes in other jurisdictions.

Dividends paid by the Issuer in respect of the Shares are generally subject to Portuguese income tax to be collected through withholding, subject to applicable exemptions or relief under the applicable Conventions. Capital gains on the sale of any Shares are likewise generally subject to tax, to be declared through the filing of a tax return, subject to applicable exemptions or relief under the applicable Conventions. Under the terms of the Shares, the Issuer is not required to pay any additional amounts to the extent that any withholding or tax applies.

Accordingly, if any such withholding or tax were to apply to income arising in respect of the Shares, investors would receive less than the full amount otherwise expected by such investors.

For a description of the material tax consequences resulting from an investment in the Shares, please see Chapter 19 ("*Taxation*"). Potential investors are nonetheless advised not to rely on the tax summary contained in this Prospectus and to instead consult their own tax advisers with respect to the potential tax consequences arising from the acquisition, ownership and disposal of the Shares, including the legal and tax consequences in foreign jurisdictions.

3.5.9 No rating

The Issuer is not rated and no rating has been requested for the Issuer. Therefore, investors will not be able to assess the risk of investing in Greenvolt's shares based on a rating.

4. REASONS FOR THE OFFERING, THE SUBSCRIPTION IN KIND AND ADMISSION AND USE OF PROCEEDS

4.1 Reasons for the Offering, the Subscription in Kind and the Admission

In the context of the Altri Group's strategy, on 18 March 2021 Altri announced the Group's intention to consolidate its leadership position in the Portuguese biomass market and to become a recognised player in the renewable energy international market, not only through forest biomass, which is and will continue to be the Issuer's core business, but also through innovative solar and wind energy models, among other plans. This strategy and the need for its implementation led the General Meeting of Shareholders to approve the issue of the Offering New Shares (and, if applicable, the Option New Shares) and the issue of Shares which will be subject to the Subscription in Kind, thereby opening a part of the Issuer's share capital to entities outside the Altri Group, and the immediate subsequent listing of the Shares in Euronext Lisbon.

Becoming a listed company is expected to provide certain advantages to the Issuer and the Group, by establishing capital markets as a source of financing for future growth of the Issuer. Furthermore, such listing will also enhance the Issuer and Group's value proposition through an increased level of autonomy *vis-à-vis* the Altri Group, allowing for an independent capital structure, moving from a parent-subsidiary relationship to a diversified investor base, with bespoke governance principles, providing investors with the opportunity to invest directly in Greenvolt and participate in its growth plans, notwithstanding the existing relationships between the Issuer and entities comprised within the Altri Group, which are in line with the best practices applicable to listed companies.

The Admission is also expected to unlock shareholder value, principally by providing visibility on the Issuer's standalone valuation and by potentially reducing Altri's holding discount.

4.2 Use of proceeds

The Issuer intends to principally use the net proceeds of the issue of the Offering New Shares, which, assuming the Offering is fully subscribed, will correspond to a net amount of approximately €142,161 thousand, after deducting all expenses, including the fees due to the Joint Global Coordinators and other advisors, registration of the Shares with CVM and admission of the Offering New Shares to trading on Euronext Lisbon, to help the Issuer achieve its plans for growth and expansion built on three axes – biomass (develop biomass in Portugal, extend secured tariffs periods, and acquire and optimise under-performing biomass assets in Europe), solar and on-shore wind development and decentralised generation of power, as described in more detail in Section 10.4 ("*Strategy and objectives of the Issuer"*). There is no upfront defined allocation for the proceeds that will result from the issue of the Offering New Shares and, accordingly, no order of priority has been established by the Issuer in this respect. The proceeds arising from the issue of the Offering New Shares, complemented by project financing and self-funding, will thus be used by the Issuer from time to time taking into account the opportunities that may arise in the implementation of its growth and expansion strategy, namely linked to the acquisitions of Profit Energy and Perfecta Energia, as well as the capital injection in V-Ridium for current commitments regarding pipeline projects. The acquisition of Tilbury Holdings has been financed through short-term credit lines and refinanced with new debt. Please see Section 10.7 ("*Investments of the Issuer"*) for further details on the envisaged investments.

In order to execute this business plan, no additional share capital increase beyond the Offering is currently foreseen by the Issuer.

5. GENERAL INFORMATION ABOUT THE ISSUER AND THE GROUP

5.1. Corporate information about the Issuer

The Issuer's legal name is Greenvolt – Energias Renováveis, S.A. and its commercial name is Greenvolt.

The Issuer is a limited liability company (*sociedade anónima*) incorporated and operating under Portuguese law, with registered office at Rua Manuel Pinto de Azevedo 818, 4100-320 Porto, Portugal, and registered with the Commercial Registry Office (*Conservatória do Registo Comercial*) under the sole registration and taxpayer number 506 042 715.

As of the date of this Prospectus, the Issuer's share capital is €70,000,000, divided in 75,000,000 Shares with no nominal value. The Issuer's fiscal year begins on 1 January and ends on 31 December.

The Issuer's telephone number is (+351) 228 346 502 and its official website is www.greenvolt.pt.

The Issuer's LEI code is 549300ZSZ6VJXXCVUM49.

5.2. Corporate purpose

According to its Articles of Association, the Issuer's corporate purpose is "(a) the promotion, development, operation, maintenance and management, directly or indirectly, in Portugal or abroad, of power stations and other facilities of generation, storage and supply of renewable energy, such as sourced from bioelectric, solar, wind, water, industrial or urban waste, biomass or any other renewable source; (b) the performance of any research and implementation of projects in any way connected with the energetic sector, including without limitation in the fields of renewable energies, efficient and sustainable use of energy resources, management of energy generation or consumption; and (c) the provision of consultancy, assistance or training services in the fields of energy, resources' use, energy transition or any others connected thereto".

The Board of Directors may decide on the acquisition or disposal of investments in shareholdings of limited liability companies, or associate itself with other legal entities, public or private, in order to incorporate new companies, complementary groups of companies, consortiums and participation associations, even if subject to special laws, and whether or not with a corporate purpose in line with the Issuer's corporate purpose.

5.3. History

The Issuer was incorporated in 2002, for an unlimited period of time, under the corporate name "EDP Produção - Bioeléctrica S.A.".

To fulfil its energetic needs and expand its activity in a strategic sector, and with the specific aim of enhancing the value of forest resources, in 2006 Altri invested indirectly through Caima Indústria and Caima Energia in 50 percent of the share capital and voting rights, capital contribution and debts of the Issuer (at the time still named EDP Produção – Bioeléctrica S.A.) to generate electricity from forest biomass in partnership with EDP.

In 2018, Altri reached an agreement with EDP to acquire, directly through its subsidiary Caima Indústria, the shares representing the remaining 50 percent of the share capital of the Issuer (at the time still named EDP Produção – Bioeléctrica S.A.). The Portuguese Competition Authority having decided not to object to the proposed acquisition, the transaction took place at the end of November 2018 and Altri, indirectly through Caima Indústria, took control of the

entire share capital of the Issuer (at the time still named EDP Produção – Bioeléctrica S.A.). The acquisition of the remaining 50 percent of the Issuer's share capital and shareholders' loans on the acquisition date amounted to €55.6 million.

At that time, the Issuer (still named EDP Produção – Bioeléctrica S.A.) was already a leading player in electric power production through forest biomass and, directly or through its wholly owned subsidiaries, operated four plants in Portugal having a new plant under construction (Figueira da Foz II Power Plant), the completion of which was foreseen to occur in the first half of 2019. The Issuer (at that time still named EDP Produção – Bioeléctrica S.A.) was the leader in this market segment, holding a 50 percent share of the licences for generating electricity from forest biomass.

The acquisition of the entire share capital of the Issuer (at that time still named EDP Produção – Bioeléctrica S.A.) allowed Altri to pursue its strategy of continuous integration between the biomass produced by forestry activity and the production of energy from this renewable resource, increasing its capacity to actively contribute to smart forest planning and management and, consequently, promoting its sustainability.

Following this acquisition, the Issuer changed its corporate name to "Bioeléctrica da Foz, S.A." and, as of the acquisition date, became consolidated in the Altri Group.

In 2019, the Figueira da Foz II Power Plant entered into operation. This power plant is owned by Sociedade Bioelétrica do Mondego (100 percent held by the Issuer), which financed its investments in Figueira da Foz II through the issue of "Sociedade Bioelétrica do Mondego 2019-2029" green bonds, in the amount of €50 million. This bond issue is aligned with the conditions set forth by the Green Bond Principles and was the first green bond issuance admitted to trading in Portugal, on Euronext Access Lisbon. For further details, please see paragraph entitled *Investment in Sociedade Bioelétrica do Mondego in 2017-2019* in Section 10.7(a) of Chapter 10 ("*Description of the Issuer's business*"). Together with the other Biomass Power Plants, the Figueira da Foz II Power Plant was expected to contribute to the pursuit of a structural policy in the energy field.

On 31 December 2020, the Issuer acquired the entire share capital of Golditábua, a company that holds a production licence for the operation of a solar photovoltaic power plant named Tábua, as better described in Section 10.4 ("*Strategy and objectives of the Issuer*").

The Issuer changed its corporate name to "Greenvolt – Energias Renováveis, S.A." in 9 March of 2021.

5.4. Structure of the Altri Group and of the Group

As better described in Section 6.1 ("*Main shareholders of the Issuer*"), the Issuer is directly and indirectly held by Altri. As of the date of this Prospectus, Altri's main shareholders[5] are Promendo Investimentos, S.A. (holding 18.67 percent of Altri's voting rights[6]), Caderno Azul, S.A. (holding 15.11 percent of Altri's voting rights[7]), Actium Capital, S.A. and

[5] Consulted on the date hereof (source: http://www.altri.pt/pt/investors/shareholder-information/shareholder-structure).

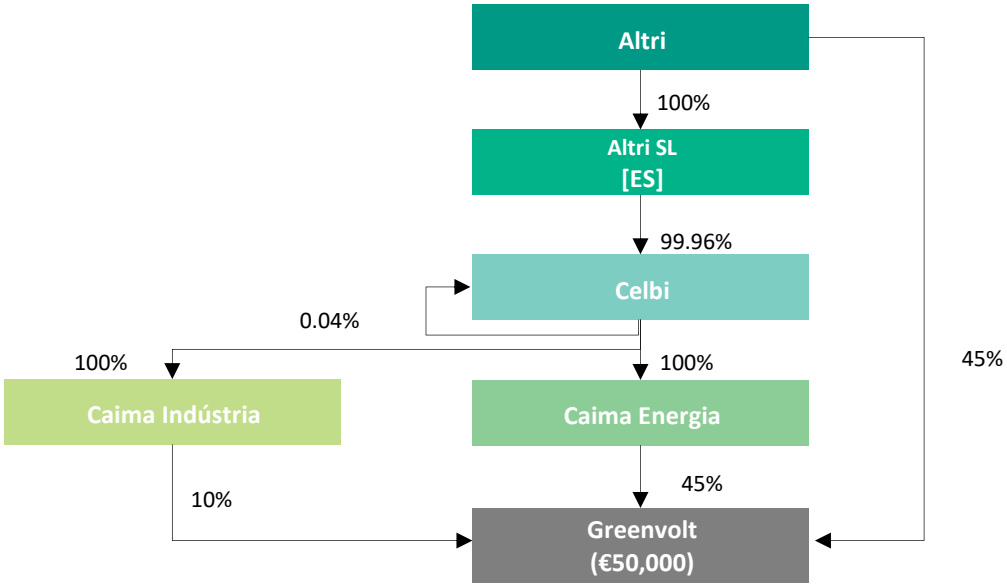
[6] Altri's shares directly held by the company Promendo Investimentos, S.A., of which the director Ana Rebelo de Carvalho Menéres de Mendonça is director and majority shareholder.

[7] Altri's shares held by the company Caderno Azul, S.A. are attributable to João Manuel Matos Borges de Oliveira, its director and majority shareholder.

Livrefluxo, S.A. (each holding 13 percent of Altri's voting rights[8] [9]) and 1 Thing, Investments, S.A. (holding 10.01 percent of Altri's voting rights[10]).

Altri's main focus is the production of eucalyptus pulp through the production of bleaching eucalyptus kraft pulp (BEKP) and dissolving pulp (DWP). Altri operates three pulp mills, namely Celbi and Celtejo, producing BEKP, and Caima, producing DWP. Altri – through its subsidiary Altri Florestal – manages a forest area of about 86.3 thousand hectares in Portugal. To optimise forest management, Altri develops (through the Issuer) biomass, a single renewable source of energy.

The following diagram sets forth the shareholding structure of the Altri Group until 2020, in which the Issuer was and is currently integrated:



In 2020, the Altri Group developed a strategic plan centred around the Issuer's ambitious project for national and international expansion, aiming to consolidate the Issuer's leading position at the national level in its sector of activity and to assert its position as a key player in the renewable energy market at the international level.

To that end, at the close of 2020 and during the course of the first quarter of 2021, several corporate reorganisation transactions were implemented to restructure the Group and to organise and consolidate the Issuer's capital and shareholding structure, with a specific emphasis on the Issuer, in preparation for the implementation of the central piece of the aforementioned strategic plan, subject to market conditions and the applicable circumstances – the issue of the Offering New Shares and the admission to trading of the Shares in Euronext Lisbon.

The first phase of the reorganisation process, carried out towards the end of 2020, involved a restructuring of the Issuer's equity structure, through a change in ownership of the supplementary capital contributions, in the global amount of

[8] Altri's shares held by the company Actium Capital, S.A. are attributable to Paulo Jorge dos Santos Fernandes, its director and dominant shareholder.

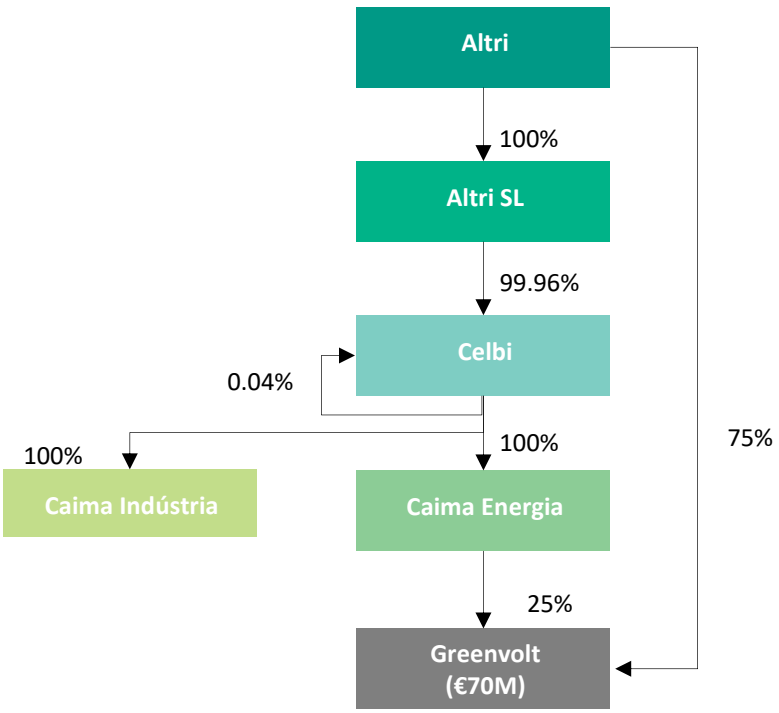
[9] Altri's shares held by the company Livrefluxo, S.A. are attributable to Domingos José Vieira de Matos, its director and majority shareholder.

[10] Altri's shares are directly held by the company 1 Thing, Investments, S.A., whose board of directors includes Altri's director Pedro Miguel Matos Borges de Oliveira.

€13,150,000, from the Issuer's shareholders (Caima Indústria, Caima Energia and Altri) to the Issuer, that amount being directly recorded in the Issuer's other reserves. In parallel, shareholder loans provided by Caima Energia, in the amount of €9,583,819, were converted into supplementary capital contributions to the Issuer. The last step of this first phase of the reorganisation process saw Caima Indústria transfer its 10 percent stake in the Issuer's share capital to Caima Energia, such share transfer agreement having been completed on 30 December 2020. All these actions allowed the Issuer to centralise its share capital under the control of Altri and Caima Energia (a company also operating in the energy sector) and to strengthen its capital and liquidity.

The second phase of the reorganisation process involved further transactions to reinforce and consolidate the Issuer's capital, including another change in the ownership of the supplementary capital previously contributed by Caima Energia to the Issuer and its consequent incorporation in reserves. Alongside this, and in order to strengthen Altri's shareholder position, on 29 March 2021, Altri acquired from Caima Energia 30 percent of the Issuer's shares held by it, resulting in the current equity structure where Altri owns 75 percent and Caima Energia owns 25 percent of the Issuer's share capital. Following this restructure of the Issuer's shareholdings and considering the need to grant the Issuer a share capital in line with its ambitious strategic objectives, a share capital increase of the Issuer was performed by means of new cash contributions in the amount of €50,000,000 and the incorporation of available retained earnings in the amount of €19,950,000 (corresponding to 14,000,000 shares with a nominal value of €5 each). Therefore, as from 31 March 2021, the Issuer's share capital is of €70,000,000. On 3 May 2021, the Issuer's General Meeting of Shareholders approved the conversion of the Issuer's shares, which at the time represented the entire share capital of the Issuer (14,000,000 shares with a nominal value of €5 each), into 75,000,000 book-entry shares without nominal value.

Upon completion of the actions described in the preceding paragraphs, as at the date of this Prospectus, the shareholding structure of the Altri Group, in which the Issuer is integrated, may be summarised as follows:



Upon completion of the Offering and the Subscription in Kind, and the exercise of the Greenshoe Option if applicable, and based on the assumption that the Offering New Shares are fully subscribed and 11,200,000 Shares are delivered to V-Ridium under the Subscription in Kind, the shareholding structure of the Altri Group may change, as better detailed in Section 6.1 ("*Main Shareholders and related party transactions*").

5.5. Subsidiaries

The Issuer directly owns and operates the Constância Power Plant, the Figueira da Foz I Power Plant and Mortágua Power Plant. Additionally, the Issuer is the holding company of the following main subsidiaries, all of which are incorporated under Portuguese law:

Sociedade Bioelétrica do Mondego

Sociedade Bioelétrica do Mondego is a fully directly owned subsidiary of the Issuer, which holds 100 percent of the voting share capital thereof.

Sociedade Bioelétrica do Mondego is incorporated and operates under Portuguese law, has registered office at Lugar da Leirosa, Marinha das Ondas 3090-484, Figueira da Foz, Portugal, a share capital of €50,000 and is registered with the Commercial Registry Office under the sole registration and taxpayer number 514193620. Sociedade Bioelétrica do Mondego's corporate purpose is the promotion, development and management, directly or indirectly, of power plants and other facilities for the production and sale of bio-electric energy in Portugal, through waste sources and biomass, and the undertaking of studies and implementation of projects within the same framework, as well as the provision of any other related activities and services.

Sociedade Bioelétrica do Mondego holds a production licence issued by the General-Directorate for Energy and Geology on 30 June 2017 for the operation of the Figueira da Foz II Power Plant, with an installed capacity of 40.865 MW, limited to injecting 34.5 MVA in the public grid, which entered into operation in 2019.

Bioródão

Bioródão is a fully directly owned subsidiary of the Issuer, which holds 100 percent of the voting share capital thereof.

Bioródão is incorporated and operates under Portuguese law, has registered office at Lugar da Leirosa, Marinha das Ondas 3090-484, Figueira da Foz, Portugal, a share capital of €50,000 and is registered with the Commercial Registry Office under the sole registration and taxpayer number 514201991. Bioródão's corporate purpose is the promotion,

development and management, directly or indirectly, of power plants and other facilities for the production and sale of bio-electric energy in Portugal, through waste sources and biomass, and the undertaking of studies and implementation of projects within the same framework, as well as the provision of any other related activities and services. The subsidiary is currently dormant.

Ródão Power

Ródão Power is a fully directly owned subsidiary of the Issuer, which holds 100 percent of the voting share capital thereof.

Ródão Power is incorporated and operates under Portuguese law, has registered office at the industrial premises of Portucel Tejo, S.A., 6030-223 Vila Velha de Ródão, a share capital of €50,000 and is registered with the Commercial Registry Office under the sole registration and taxpayer number 507029135. Ródão Power's corporate purpose is the production and distribution of electrical energy and thermal energy, implementing the cogeneration process.

Ródão Power holds a production licence issued by the General-Directorate for Energy and Geology on 26 January 2009 for the operation of the Ródão Power Plant, with an installed capacity of 13,232 MW, limited to injecting 13 MVA in the public grid, which entered into operation in December 2006.

Golditábua

Golditábua is a fully directly owned subsidiary of the Issuer, which holds 100 percent of the voting share capital thereof.

Golditábua is incorporated and operates under Portuguese law, has registered office at Lugar da Leirosa, Marinha das Ondas 3090-484, Figueira da Foz, Portugal, a share capital of €50,000 and is registered with the Commercial Registry Office under the sole registration and taxpayer number 514771089. Golditábua's corporate purpose is the production of electrical energy; the development of renewable projects; engineering, consultancy and training services; and the leasing of movable and immovable property.

Golditábua holds a production licence issued by the General-Directorate for Energy and Geology on 19 July 2019 for the operation of a solar photovoltaic power plant named Tábua, with an installed capacity of 48 MW, limited to injecting 40 MVA in the public grid. Its commercial operation is foreseen to start in mid-2022. Please refer to Section 10.1(b) ("*Main activities of the Issuer*").

SESAT

SESAT is a subsidiary directly owned by the Issuer, which holds 80 percent of the voting share capital thereof.

SESAT is incorporated and operates under Portuguese law, has registered office at Praça da República, no. 116, R/C, 6050-350 Nisa, Portugal, a share capital of €50,000 and is registered with the Commercial Registry Office under the sole registration and taxpayer number 515261769. SESAT's corporate purpose is the development of projects in the field of renewable energies; the promotion, production and commercialisation of renewable energy; and the production and commercialisation of renewable energies equipment.

SESAT is developing a solar photovoltaic power plant project in Nisa. Please refer to Section 10.1 ("*Main activities of the Issuer*").

Paraimo Green

Paraimo Green is a subsidiary directly owned by the Issuer, which holds 70 percent of the voting share capital thereof.

Paraimo Green is incorporated and operates under Portuguese law, has registered office at Avenida das Tulipas, no. 6, 5th floor, Miraflores Office Centre, 1495-158 Algés, Portugal, a share capital of €1,000 and is registered with the Commercial Registry Office under the sole registration and taxpayer number 515465194. Paraimo Green's corporate purpose is the production of electrical energy; the development of renewable projects; engineering, consultancy and training services; and the leasing of property and real estate.

Paraimo Green obtained a title of reserved capacity issued by E-Redes - Distribuição de Eletricidade, S.A. Please refer to Section 10.1(b) ("*Main activities of the Issuer*").

5.6. Remuneration and benefits

For the year of 2020, no remuneration was paid by the Issuer (including any contingent or deferred compensation) and no benefits in kind were granted to any member of the Board of Directors identified below in Chapter 7 ("*Management and Supervisory Bodies of the Issuer*"), seeing as such members of the Board of Directors were remunerated by other companies within the Altri Group based on the duties they perform in those companies.

In addition, for the year of 2020 no amounts were set aside or accrued by the Issuer or its subsidiaries to provide for pension, retirement or similar benefits.

6. MAIN SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

6.1. Main shareholders of the Issuer

Ownership Structure

On the date of this Prospectus, in accordance with Article 4(1) and (2) of the Articles of Association, the fully subscribed and paid-up share capital of the Issuer amounts to €70,000,000 and is represented by 75,000,000 book-entry shares with no nominal value.

As of the date of this Prospectus the direct holders of the Shares are the following:

	As at the date of this Prospectus	
Shareholder	**Number of Shares**	**Percentage of share capital and voting rights held**
Altri	56,250,000	75%
Caima Energia	18,750,000	25%
	75,000,000	100%

Therefore, as explained in more detail in Section 5.4 ("*Structure of the Altri Group and of the Group"*), the Issuer is directly and indirectly (through Caima Energia) held by Altri.

Upon completion of the Offering and the Subscription in Kind, and based on the assumptions that (i) the Offering New Shares are fully subscribed and 11,200,000 Shares are delivered to V-Ridium under the Subscription in Kind; and (ii) the Greenshoe Option is not exercised, the direct holders of the Shares would be as follows:

Shareholder	**Number of Shares**	**Percentage of share capital and voting rights held**
Altri	56,250,000	48%
Caima Energia	18,750,000	16%
V-Ridium	11,200,000	10%
Other shareholders	30,588,235	26%
	116,788,235	100%

Upon completion of the Offering and the Subscription in Kind, and based on the assumptions that (i) the Offering New Shares are fully subscribed and 11,200,000 Shares are delivered to V-Ridium under the Subscription in Kind; and (ii) the Greenshoe Option is fully exercised, the direct holders of the Shares would be as follows:

Shareholder	Number of Shares	Percentage of share capital and voting rights held
Altri	56,250,000	46%
Caima Energia	18,750,000	15%
V-Ridium	11,200,000	9%
Other shareholders	35,176,470	29%
	121,376,470	100%

Following a resolution passed by Altri's annual general meeting of shareholders on 30 April 2021, a proposal was approved enabling Altri to decide on the distribution of assets to the shareholders in accordance with Articles 31 and 32 of the PCC, such proposal being incorporated herein by reference. Pursuant to item 4 of the referred resolution, Altri may decide to distribute Shares, up to the global maximum of 5,000,000 Shares or the number of Shares that, on this date, represent a maximum of 5 percent of the Issuer's existing share capital and voting rights (for the avoidance of doubt, corresponding to €70 million represented by 75,000,000 ordinary shares), and a cash amount corresponding to up to a maximum of €0.10 (ten cents) for each share representing Altri's share capital, which, in any event, shall not exceed the maximum aggregate amount of €20,513,167.20, to the shareholders of Altri on a given date in proportion to the shares representing Altri's share capital held by such shareholders on such date, under the terms and conditions to be made public by Altri prior to the relevant distribution.

In this context, Altri's Executive Committee, under the powers delegated by the board of directors of Altri, will resolve on or around 13 July 2021 to approve the distribution, to be performed no later than 10 (ten) trading days after the Admission Date and subject to prior completion and registration of the Issuer's share capital increase through the Offering and the Subscription in Kind, of (i) Shares in a maximum number corresponding to 5 percent of the total number of shares that represent the Issuer's share capital and voting rights on this date (for the avoidance of doubt, corresponding to €70,000,000, represented by 75,000,000 ordinary shares as at the date hereof) i.e. up to 3,750,000 Shares, and (ii) a cash amount corresponding to €0.10 for each share representing Altri's share capital, which, in any event, shall not exceed the maximum aggregate amount of €20,513,167.20, to persons who are shareholders of Altri at 23:59 (GMT) on 8 July 2021, and by reference to the number of Altri shares held by such persons on that record date.

After completion and registration of the share capital increase of the Issuer as described above, Altri will disclose an announcement on the CMVM's website (www.cmvm.pt) and its website (www.altri.pt) informing about the additional details regarding this distribution of Shares, including details as to the number and nature of Shares that will be distributed and where this Prospectus may be consulted by the shareholders of Altri.

General information about the Shares

The Shares form part of a single class of book-entry ordinary shares without nominal value and represent the entire share capital of the Issuer. On the date of this Prospectus, these Shares grant the respective shareholders identical rights, entitling each shareholder to the same voting rights (in the proportion of the number of Shares held) and to, at least, one vote, according to the law and the Articles of Association, in any given general meeting of shareholders.

The Shares are registered under the symbol "GVOLT" with the ISIN Code PTGNV0AM0001 and the CFI code ESVUFR.

Relationship with the Altri Group

The Issuer and Caima Energia are wholly owned, directly or indirectly, by Altri. Consequently, as of 31 December 2020, Altri owned, directly and indirectly, 100 percent of the voting share capital in the Issuer.

With a view to ensuring the independence of the Issuer *vis-à-vis* its shareholders and that their control over the Issuer is not exercised in an abusive manner, the Issuer seeks to ensure total transparency in mutual relationships through strict compliance with the regulatory and legal provisions applicable to it, notably those relating to information obligations, information rights of the shareholders (including the rights detailed in Chapter 18 ("*Information Concerning the Securities to be Admitted to Trading*"), related party transactions and potential conflicts of interest.

As far as the Issuer is aware, there are no arrangements, operations or agreements in place that may cause Altri to exercise a different type of control over Greenvolt or change or subvert the manner described in the paragraph above, namely through abusive control, after the date of this Prospectus.

6.2. Related party transactions

In the normal course of business, the Group enters into transactions with related parties. A related party transaction as defined by IAS 24 is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. Pursuant to IAS 24, related parties include (i) parties with whom the Issuer forms an affiliated group or in which it holds an interest that enables it to exercise a significant influence over the business policy of the associated company, as well as (ii) the principal shareholders in the Issuer, including their affiliates and the key management personnel of the Issuer or of Altri.

The Issuer and its subsidiaries have relationships among each other and with the Altri Group that qualify as transactions with related parties and which were carried out at market prices. In the consolidation procedures, transactions between the Issuer and its subsidiaries and between the subsidiaries are eliminated given that such subsidiaries are included in the consolidation perimeter of the Issuer using the full consolidation method, since the Annual Audited Consolidated Financial Statements show information on the Issuer and its subsidiaries as if they were a single company and, therefore, they are not disclosed below.

Balances as of 31 December 2020, 31 December 2019 and 31 December 2018, as well as the transactions with related entities during the financial years ended 31 December 2020, 31 December 2019 and 31 December 2018, can be summarised as follows:

Balances (Euro)	Trade payables, Other payables and Other current liabilities			Trade receivables, Other receivables and Assets associated with contracts with customers		
	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2020	31 Dec 2019	31 Dec 2018
Altri	(1,018,440)	(584,557)	-	4,615	-	-
Celbi	(1,744,263)	(2,700,864)	(2,052,765)	19,580	-	-
Caima Indústria	(378,362)	(440,283)	(370,364)	-	-	-
Caima Energia	-	-	-	-	-	-
Celtejo	(560,777)	(1,496,197)	(962,685)	-	-	-
Altri Florestal	-	(228,735)	(78,604)	-	-	-
Altri Madeira	(3,071,273)	(286,143)	-	-	-	-
Actium Capital, S.A.	(350,100)	-	-	-	-	-
Caderno Azul, S.A.	(350,100)	-	-	-	-	-
Promendo Investimentos, S.A.	(350,100)	-	-	-	-	-
Livrefluxo, S.A.	(350,100)	-	-	-	-	-
1 Thing, Investments, S.A.	(350,100)	-	-	-	-	-
Cofihold, S.A.	(7,002)	-	-	-	-	-
	(8,530,617)	**(5,736,779)**	**(3,464,418)**	**24,195**	**-**	**-**

Balances	Income Tax	Lease liabilities		
	31 Dec 2020	31 Dec 2020	31 Dec 2019	31 Dec 2018
Altri	(3,411,127)	-	-	-
Celbi	-	(4,423,028)	(4,564,000)	-
Caima Indústria	-	(884,247)	(928,626)	-
Celtejo	-	(813,731)	(869,663)	-
	(3,411,127)	**(6,121,006)**	**(6,362,289)**	**-**

Balances	Shareholders' loans		
	31 Dec 2020	31 Dec 2019	31 Dec 2018
Altri	-	-	(13,273,499)
Caima Indústria	-	-	(1,474,833)
Caima Energia	-	(24,596,424)	(96,565,538)
	-	**(24,596,424)**	**(111,313,870)**

Transactions	Purchases and acquired services			Sales and services rendered			Interest expense		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Altri	1,656,000	1,020,150	-	-	-	-	-	180,699	15,017
Caima Energia	-	-	-	-	-	-	240,057	771,045	442,601
Celbi	5,522,207	11,406,116	9,659,205	-	-	-	-	-	-
Caima Indústria	1,186,814	1,309,966	1,297,804	-	-	-	-	16,655	1,820
Altri Florestal	-	1,259,236	246,446	-	-	-	-	-	-
Celtejo	1,962,017	4,897,893	5,119,717	-	-	-	-	-	-
Altri Madeira	35,628,178	840,570	-	3,013,987	-	-	-	-	-
	45,955,216	**20,733,931**	**16,323,172**	**3,013,987**	**-**	**-**	**240,057**	**968,399**	**459,438**

Transactions	Payments Lease liabilities		
	2020	2019	2018
Celbi	(356,232)	(250,832)	-
Caima Indústria	(83,772)	(83,352)	-
Celtejo	(88,116)	(87,674)	-
	(528,120)	**(421,858)**	**-**

Purchases and acquired services

Altri provides management corporate services to the Issuer, of a strategic, management and administrative nature, and contributes to the definition of its investment and financing policies. These services amounted to €1,656,000 as of 31 December 2020 and €1,020,150 as of 31 December 2019.

Celbi provides operation, maintenance and utilities services and other general services to the Issuer for both power plants located in Figueira da Foz. These services amounted to €5,522,207 as of 31 December 2020, €11,406,116 as of 31 December 2019 and €9,659,205 as of 31 December 2018.

Caima Indústria provides operation, maintenance and utilities services and other general services to the Issuer for the power plant located in Constância. These services amounted to €1,186,814 as of 31 December 2020, €1,309,966 as of 31 December 2019 and €1,297,804 as of 31 December 2018.

Celtejo provides operation, maintenance and utilities services and other general services to the Issuer for the power plant located in Vila Velha de Ródão. These services amounted to €1,962,017 as of 31 December 2020, €4,897,893 as of 31 December 2019 and €5,119,717 as of 31 December 2018.

In 2019 and 2018, Altri Florestal provided biomass procurement services to the Issuer, notably involving several operational areas focused on ensuring the adequate and normal supply of forest biomass to each power plant. As of 1 January 2020, operations have been restructured and this contract is no longer in force. These services amounted to €1,259,236 as of 31 December 2019 and €246,446 as of 31 December 2018.

Altri Madeira provides services to the Issuer related to the acquisition and sale of biomass, acting as a central purchasing entity. The services provided amounted to €35,628,178 as of 31 December 2020 and €840,570 as of 31 December 2019.

It is worth mentioning that the transfer of control of the biomass occurs upon its consumption, which explains why as at 31 December 2020 the Group does not have any biomass inventories.

For further details regarding the relevant agreements entered into the Issuer and Altri Group please refer to Chapter 3 ("*Risk Factors*") and Section 10.1 ("*Main activities of the Issuer*").

Sales and services rendered

In January 2020, the Group sold all the inventories of forest biomass held by it to Altri Madeira. Following this sale, Altri Madeira became the Group's only buyer and supplier of biomass, having become the sole responsible for the biomass inventory. These sales amounted to €3,013,987 as at 31 December 2020 and are included in the revenue for that year.

Financing

At the General Meeting of Shareholders, held on 22 December 2020 it was unanimously approved that the amount of supplementary capital (€13,150,000), would be transferred to the exclusive and unconditional ownership of the Issuer, classified as 'Other reserves', thereby reinforcing the Issuer's financial position.

At the same meeting, it was also unanimously approved that the shareholder Caima Energia - Empresa de Gestão e Exploração de Energia, S.A. would perform a supplementary capital increase, in the amount of €9,583,819, by conversion of loans granted to the Issuer, in order to reinforce the company's equity.

Regarding the 'Shareholders loans', repayment was expected within a maximum period of one year and remunerated at a 6-month Euribor rate plus a spread of 1.5 percent.

As at 31 December 2020, 2019 and 2018, the reconciliation of the change in 'Shareholders loans' to cash flows is as follows:

	2020	2019	2018
Balance as at 1 January	24,596,424	111,313,870	29,558,688
Payments of shareholder loans obtained	(14,913,000)	(92,230,135)	-
Receipts of shareholder loans obtained	-	5,000,000	81,500,000
Conversion of shareholder loans to supplementary capital	(9,583,819)	-	-
Change in expenses incurred	(99,605)	512,689	255,182
Change in debt	(24,596,424)	(86,717,446)	81,755,182
Balance as at 31 December	-	24,596,424	111,313,870

During the financial years ended 31 December 2020, 2019 and 2018 there were no transactions with the Board of Directors, nor were they granted loans.

6.3. Agreements or provisions affecting the governance of the Issuer

As at the date of this Prospectus, the Issuer is not aware of any agreements that may result in a change of its shareholding structure after the publication of this Prospectus or of any other agreements pertaining to the exercise of any rights associated with the holding of the Issuer's shares, other than as described in this Prospectus, in particular the Greenshoe Option and the Subscription in Kind, as better described in Section 16.1 ("*The Offering*") and Section 16.2 ("*The Subscription in Kind*"). The Issuer is also not aware of any shareholders' agreements entered into by and between any of its shareholders. The Articles of Association do not contain any provisions that may restrict, defer or postpone the transfer of qualified shareholdings, notably, but not limited to, any provisions that limit the number of shares held by any shareholder.

7. MANAGEMENT AND SUPERVISORY BODIES OF THE ISSUER

According to Article 278(1)(a), 278(3) and Article 413(1)(b) of the PCC and the Articles of Association, the corporate bodies of the Issuer are:

(a) the General Meeting of Shareholders;

(b) the Board of Directors; and

(c) the Statutory Audit Board (*Conselho Fiscal*) and a Statutory External Auditor (*revisor oficial de contas*).

According to the Articles of Association, the Issuer shall also have a Secretary and an alternate secretary. The Board of Directors may also appoint a Chief Executive Officer or an Executive Committee, as well as other specialised committees.

General Meeting of Shareholders

In accordance with the Articles of Association, the Board of the General Meeting of Shareholders is composed of at least a Chairperson and a Secretary. The General Meeting of Shareholders elects the Board of the General Meeting of Shareholders, whose members must be independent. Under the PCC, the independence criteria and other requirements applicable to the Board of the General Meeting of Shareholders are the same as those applicable to the members of the Statutory Audit Board (described below).

Among other tasks, the Chairman of the Board of the General Meeting of Shareholders is responsible for (i) convening the General Meeting of Shareholders; (ii) preparing the meetings; (iii) chairing the meetings; (iv) verifying the proper constitution of the meetings; (v) verifying the quorum; and (vi) counting the votes and announcing the results.

Board of Directors

The Issuer follows a one-tier governance model, where the management structure lies with the Board of Directors and the supervisory structure includes a Statutory Audit Board and a Statutory External Auditor. According to the Articles of Association, the Board of Directors may appoint a Chief Executive Officer. Under the PCC, the Board of Directors may delegate to the Managing Director all powers for the day-to-day management of the Issuer, except the powers to: (i) appoint its Chairman; (ii) co-opt directors; (iii) request that a General Meeting of Shareholders is convened; (iv) decide on annual accounts and reports of the Issuer; (v) provide any pledges (*cauções*) or personal or real estate guarantees on behalf of the Issuer; (vi) change the registered office of the Issuer; (vii) increase the share capital of the Issuer; or (viii) approve any reports prepared in connection with any merger, spin-off or restructuring of the Issuer.

The Board of Directors has representation powers and is responsible for ensuring the management of the Issuer's business, exercising all management acts pertaining to the Issuer's corporate purpose, setting strategic guidelines, and appointing and generally supervising the activity of the Managing Director and of any specialised committees.

In accordance with the Articles of Association, the Board of Directors may be composed of a minimum of three and a maximum of fifteen members, elected by the General Meeting of Shareholders for a three-year term of office. All members can be re-elected for one or more terms of office.

The Chairman of the Board of Directors is appointed by the General Meeting of Shareholders from among the members of the Board.

According to the Articles of Association, the powers of the Board of Directors include, but are not limited to, the following:

- to purchase, dispose of and encumber any movable assets, namely auto vehicles, and, within its legal limitations, immovable assets;
- to purchase, dispose of and encumber holdings in other companies;
- to rent movable and immovable assets;
- to mandate attorneys or authorise signatories for the performance of certain acts or category of acts, within the terms of its own term of office;
- to represent Greenvolt, in or outside court, to file or challenge suits, to settle and waive in these proceedings, and to carry out a settlement through arbitration, to which end the Board of Directors can delegate its powers to a sole mandated person;
- to appoint the Secretary and the alternate secretary;
- to approve the annual budget of Greenvolt;
- to decide to associate Greenvolt with other natural or legal entities, public or private, in accordance with the terms of its Articles of Association, as well as to appoint any natural or legal persons to sit on other companies' governing bodies;
- to decide to issue bonds or to contract loans in the national and/or foreign financial markets;
- to decide if Greenvolt is to provide technical and financial support to its subsidiaries; and
- to approve its rules of procedure, which include the rules of engagement with the remaining corporate bodies.

Under the PCC, the powers of the Board of Directors include the following:

- requesting the convening of the General Meeting of Shareholders;
- deciding on the provision of personal or real estate surety or guarantees by Greenvolt;
- deciding on the opening or closing of any establishments or any important parts thereof;
- deciding on important extensions or reductions of Greenvolt's activities;
- deciding on significant changes to Greenvolt's organisation;
- deciding on changes to the headquarters of Greenvolt, under the terms provided for in the Articles of Association;
- deciding on increases in Greenvolt's share capital, under the terms provided for in the Articles of Association;
- deciding on plans for mergers, spin-offs and the conversion of the Issuer; and
- deciding on any other matter on which any Director requests a decision from the Board of Directors.

The members of the Board of Directors, under Portuguese law and the Articles of Association, are elected by the General Meeting of Shareholders.

Under the terms set forth in the Articles of Association, and in accordance with the applicable law, one director may be elected from among the candidates proposed in lists signed by groups of shareholders, provided that none of these groups holds more than twenty percent or less than ten percent of the share capital of Greenvolt. The same shareholder cannot sign more than one list and each list shall identify at least two eligible candidates for each office. If there are several lists proposed by different shareholders' groups, the voting will respect to all lists as a whole.

Pursuant to the Articles of Association, the Board of Directors will meet quarterly (each a "**Board Meeting**") and whenever convened by the Chairman of the Board or by two members of the Board of Directors. The Board of Directors may only

decide if the majority of its members are present or represented and resolutions are approved by a simple majority of the votes cast by the Directors present or represented or voting by correspondence. The Board Meetings may be carried through telematic means.

A Director (an "**Appointing Director**") may appoint another board member (a "**Proxy Director**") to attend and vote on their behalf at a Board Meeting, by giving written notice to the Chairman of the Board. A Proxy Director shall be entitled to vote at a Board Meeting simultaneously (i) on their own behalf, in their capacity as a Director, and (ii) on behalf of the Appointing Director, in their capacity as a Proxy Director. A Proxy Director does not need to exercise both votes at a Board Meeting in the same way.

The Articles of Association establish, in accordance with applicable law, that the Board of Directors shall appoint a substitute (by calling the alternate members or, if there are none, by co-optation) in case of death, resignation, temporary or permanent incapacity of any member or the absence of any member in two Board Meetings, whether consecutively or not, without a justification being submitted and accepted by the Board of Directors.

Board Practices

The Issuer's Board of Directors, as of the date of this Prospectus, was elected for the 2021/2023 term of office.

As at the date of this Prospectus, the Issuer only has one management service contract with the Chief Executive Officer, which provides for benefits upon termination of employment. The Issuer (and its subsidiaries) does not have any other administrative, management or supervisory bodies' service contracts.

As at the date of this Prospectus, the Issuer complies with its corporate governance regime, adopts the IPCG Corporate Governance Code 2018 recommendations, as updated and revised in 2020, in accordance with CMVM Regulation 4/2013 and will issue a corporate governance report in accordance with such regulation and the PSC.

Current Board of Directors

As of the date of this Prospectus, the Board of Directors is composed of 11 members and all the elected members have adequate knowledge and skills for the performance of their duties. The Board of Directors entrusted the current management of the Issuer to a Managing Director at the meeting held on 24 June 2021 for the 2021/2023 term of office.

For the purposes of the duties of the members of the Board of Directors, their professional address is the Issuer's registered office at Rua Manuel Pinto de Azevedo 818, 4100-320 Porto, Portugal.

The current Board of Directors, elected at the General Meeting of Shareholders held on 24 June 2021 for the 2021/2023 term of office, is composed of the following members:

- Clara Raposo (Chairperson);
- João Manuel Manso Neto (Chief Executive Officer);
- Paulo Jorge dos Santos Fernandes;
- José Armindo Farinha Soares de Pina;
- João Manuel Matos Borges de Oliveira;
- Ana Rebelo de Carvalho Menéres de Mendonça;
- Pedro Miguel Matos Borges de Oliveira;
- Domingos José Vieira de Matos;

- Clementina Barroso;
- Céline Abecassis-Moedas; and
- António Jorge Viegas de Vasconcelos

Regarding disclosure of the relationship between members of the Issuer's current Board of Directors, Paulo Jorge dos Santos Fernandes and Domingos José Vieira de Matos are brothers-in-law and João Manuel Matos Borges de Oliveira and Pedro Miguel Matos Borges de Oliveira are siblings.

The biographies of the members of the Board of Directors are as follows:

Clara Raposo

Chairperson of the Board of Directors appointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Economics - Nova University of Lisbon (1992); MSc in Economics – Queen Mary & Westfield College, University of London (1994); PhD in Finance – London Business School, University of London (1998); Course – Full Professor of Finance – ISEG Lisbon School of Economics & Management, University of Lisbon (2010-present); President of the Supervisory Board – IDEFE, S.A. (2011-2014); Member of the Audit Committee – Fundbox, SGFII (2012-2015); Member of the Audit Committee – Fundbox, SGFIM (2014-2018); Member of the Pedagogical Board – ISEG (2014-2018); Non-Executive Independent Member – Interbolsa, S.A. (2018-present); Member of the Senate – University of Lisbon (2018-present); Member of the University Coordination Council (CCU) – University of Lisbon (2018-present); President/Dean of ISEG Lisbon School of Economics & Management, University of Lisbon (2018-present); Board of Directors Member – Portuguese Institute of Corporate Governance (2019-present); Member of the International Advisory Board – School of Business and Economics, University of Maastricht (2020-present); Member of the European Advisory Board – Association for the Advancement of Collegiate Schools of Business (2020-present); Member of the Advisory Board – Business Council for Sustainable Development Portugal (2020-present).

Throughout her career, Clara Raposo was responsible for and lectured various curricular units of several study programmes, such as: Macroeconomics – Nova University of Lisbon (1992-1993); Introduction to Management – University of Oxford (1998-2000); Finance – University of Oxford (1998-2000); Finance – MBA Programme Saïd Business School, Oxford (1998-2000); Financial Management – ISEG and ISCTE (2000-2018); Corporate Finance – Doctoral Programme ISCTE (2000-2010); Corporate Finance – ISEG (2010-2018); Corporate Finance – Doctoral Programme ISEG (2010-2013). In addition, Clara Raposo was a lecturer of various executive education and postgraduate programmes.

João Manuel Manso Neto

Member of the Board of Directors and Chief Executive Officer appointed in the General Meeting of Shareholders held on 18 March 2021, having resigned from his mandate for the 2020/2022 term of office on 23 June 2021 and reappointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Economics – ISEG Lisbon School of Economics & Management, University of Lisbon (formerly known as *Instituto Superior de Economia*) (1981); Postgraduate in European Economy – Portuguese Catholic University (1982); Course – American Bankers Association (1982); Advanced Management Program for Overseas Bankers – Wharton School of Business (1985); Financial and Commercial Retail South Central Director – Banco Português do

Atlântico (1981-1995); Financial Directorate, Large Institutional Businesses and Treasury General Director, Board Member – BCP Investment Bank and Vice-Chairman of BIG Bank Gdansk (1995-2002); Board Member – Grupo Banco Português de Negócios (2002-2003); General Director and Board Member – EDP Produção (2003-2005); Member of the Executive Board of Directors of EDP, appointed in March 2006 and successively reappointed in April 2009, February 2012, April 2015 and April 2018 for a term that lapsed on 31 December 2020; Member of the Executive Committee of EDP Renováveis appointed in March 2008 and then appointed as CEO of this same company in February 2012, for a term that lapsed on 31 December 2020.

Following an anonymous complaint, circumstances related with Mr. João Manso Neto's position at EDP are being investigated by the Portuguese Public Prosecutor ("*Ministério Público*") in connection with alleged corruption, which took place in 2007 and 2008, the investigation covering facts occurring until 2014. This investigation and all alleged facts are completely unrelated with Greenvolt, bearing no connection with this company, and all alleged facts are being contested by Mr. João Manso Neto, no formal accusation having been made to this date. Mr. João Manso Neto is currently a named defendant ("*arguido*") in this case, subject to the duty of informing the authorities of his place of residence at all times ("*termo de identidade e residência*"), which is usual in any pending investigations of this nature.

As of 31 December 2020, and at any time during the last five years, the other companies in which he performed management or supervisory functions or in which he was a shareholder were:

- OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A. (Director);
- Operador del Mercado Ibérico de Energía, Polo Español, S.A. (OMEL) (Counsellor);
- EDP Renováveis, S.A.;
- EDP Energias de Portugal, S.A.;
- MIBGÁS (2016-18).

Paulo Jorge dos Santos Fernandes

Member of the Board of Directors appointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Electronic Engineering – University of Porto (1982); MBA from Nova University of Lisbon (1983-1984); Course – was one of the founders of Cofina, S.A. (company that led to the incorporation of Altri, by a demerger); Assistant to the Production Director – Cortal, S.A. (1982-1984); Managing Director – Cortal, S.A. (1986-1989); Chairman of the Board of Directors – Cortal, S.A. (1989-1994); Board Member – Crisal – Cristais de Alcobaça, S.A. (1995-2005); Board Member – Grupo Vista Alegre, S.A. (1997-2005); Board Member – Sociedade Independente de Comunicação, S.A. (2000-2001).

Throughout his career, he has also held positions in various associations: President – *Fédération Européene de Mobilier de Bureau* for Portugal (1989-1994); Chairman of the General Meeting – Associação Industrial de Águeda (1989/1990); Member of the Advisory Board – Associação Industrial Portuense (1991/1993); Board of Governors Member – MBA Alumni Association (2005); Chairman of the Supervisory Board – BCSD (2013-2016); Member of the Advisory Board in Engineering and Management – Instituto Superior Técnico of the University of Lisbon (2006-present); Board Member – CELPA – Associação da Indústria Papeleira (2016).

Paulo Jorge dos Santos Fernandes is a shareholder of Altri since 2005 and has been a Board member since that date. He is also Vice-Chairman of Altri.

As of 31 December 2020, the other companies in which he performs management or supervisory functions are:

- A Nossa Aposta – Jogos e Apostas On-Line, S.A.;
- Actium Capital, S.A.;
- Articulado – Actividades Imobiliárias, S.A.;
- Cofihold, S.A.;
- Cofihold II, S.A.;
- Cofina, S.G.P.S, S.A. (CEO);
- Cofina Media, S.A.;
- Elege Valor, Lda.;
- F. Ramada II Imobiliária, S.A.;
- Préstimo – Prestígio Imobiliário, S.A.;
- Ramada Aços, S.A.;
- Ramada Investimentos e Indústria, S.A.;
- Santos Fernandes & Vieira Matos, Lda.;
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.; and
- Fisio Share - Gestão de Clínicas, S.A.

José Armindo Farinha Soares de Pina

Member of the Board of Directors appointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Civil Engineering – New Jersey Institute of Technology (1989-1993); Master's Degree in Construction Management – Instituto Superior Técnico of the University of Lisbon (1994-1995); Advanced Programme in Business Management – Indiana University (2005); Advanced Programme – INSEAD (2008); Course – Several roles and functions – DOW Chemical Company (1995-2020): Sales and Marketing management positions for Europe, Middle East and Africa in the Building Material and Polymers divisions, based in Portugal, Germany and Switzerland (1995-1999); Global Managing Director – ADC Inc. Germany (nonwoven elastic materials unit) (2005-2007); Global Head of Strategy and Business Development of the Specialty Chemicals Division (Switzerland) (2008-2010); President and Global CEO – AgroFresh Inc. (2010-2014); President of Agricultural Sciences and Biotechnology Division for Asia/Pacific, China (2014-2017); Corporate Director of Strategy and Business Development for Asia/Pacific, China (2017-2020).

Throughout his career, he has also held management positions in other organisations: Board Member – World Monuments Fund for Portugal (1996-2010); Vice-Chairman – CropLife Asia (2014-2017).

José Armindo Farinha Soares de Pina was appointed as CEO of Altri in April 2020.

As of 31 December 2020, the other companies in which he performs management or supervisory functions are:

- Altri Madeira;
- Altri Florestal;

- Caima Indústria;
- Caima Energia;
- Celtejo;
- Celbi;
- Florestsul, S.A.;
- Greenvolt.

João Manuel Matos Borges de Oliveira

Member of the Board of Directors appointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Chemical Engineering – University of Porto (1982); MBA – INSEAD (1986); Course – Assistant of the Production Director – Cortal, S.A. (1982-1983); Production Director – Cortal, S.A. (1984-1985); Marketing Director – Cortal, S.A. (1987-1989); General Manager – Cortal, S.A. (1984-1994); Board Member – Seldex (1989-1994); Vice-Chairman – Cortal, S.A. (1989-1995); Non-Executive Director – Atlantis, S.A. (1996-2000); Non-Executive Director – Vista Alegre, S.A. (1997-2000); Board Member – Efacec Capital, SGPS, S.A. (1998-1999); Non-Executive Director – Zon Multimédia, SGPS, S.A. (2008-2011).

Throughout his career, he has also held management positions in other organisations/associations: Vice-Chairman of the General Meeting – Associação Industrial de Águeda (1992-1994); Chairman of the Supervisory Board – Associação Industrial do Distrito de Aveiro (1995-2004); Member – ISCTE-IUL CFO Advisory Forum (2011-2013).

João Manuel Matos Borges de Oliveira is shareholder of Altri since 2005 and has been a Board member since that date.

As of 31 December 2020, the other companies in which he performs management or supervisory functions are:

- Caderno Azul, S.A.;
- Cofina, S.G.P.S., S.A.;
- Cofina Media, S.A.;
- Cofihold, S.A.;
- Cofihold II, S.A.;
- Elege Valor, Lda.;
- F. Ramada II Imobiliária, S.A.;
- Indaz, S.A.;
- Préstimo – Prestígio Imobiliário, S.A.;
- Ramada Aços, S.A.;
- Ramada Investimentos e Indústria, S.A.;
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.;
- Universal – Afir, S.A.

Ana Rebelo de Carvalho Menéres de Mendonça

Member of the Board of Directors appointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Economics – Portuguese Catholic University in Lisbon (1993); Course – Economic journalist with Semanário Económico newspaper (1996); Commercial Department – Citibank (1996); Board Member – Promendo, S.A. (1996); Board Member – Promendo, SGPS, S.A. (2009).

Ana Rebelo de Carvalho Menéres de Mendonça was appointed as a Board member of Altri in April 2014.

As of 31 December 2020, the other companies in which she performs management or supervisory functions are:

- Cofina, S.G.P.S., S.A.;
- Cofihold, S.A.;
- Cofihold II, S.A.;
- F. Ramada II Imobiliária, S.A.;
- Promendo Investimentos, S.A.;
- Préstimo – Prestígio Imobiliário, S.A.;
- Ramada Aços, S.A.;
- Ramada Investimentos e Indústria, S.A.

Pedro Miguel Matos Borges de Oliveira

Member of the Board of Directors appointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Financial Management – ISAG (1996); MBA – Portuguese Catholic University – Business School (Porto) & ESADE (2000); Business Valuation Course – EGE – Business Management School (2009); Course – Management consultant – Feráguedа, Lda. (1986-2000); Manager – Bemel, Lda. (1992); Assistant Manager – Galan, Lda. (1997-1998); Assistant Manager of the Saws and Tools Department – F. Ramada, Aços e Indústrias, S.A. (1999-2000); Director of the Saw and Tools Department – F. Ramada, Aços e Indústrias, S.A. (2000); Board Member – Universal Afir, Aços Especiais e Ferramentas, S.A. (2006); Board Member – F. Ramada – Investimentos, SGPS, S.A. (2009).

Pedro Miguel Matos Borges de Oliveira was appointed as a Board member of Altri in April 2014.

Domingos José Vieira de Matos

Member of the Board of Directors appointed on the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Economics – School of Economics, University of Porto (1974); Course – Board Member – Cortal, S.A. (1978-1994); Founding Partner – Promede – Produtos Médicos, S.A. (1983-present); Board Member – Electro Cerâmica, S.A. (1998-2000).

Domingos José Vieira de Matos is a shareholder of Altri since 2005 and has been a Board member since that date.

As of 31 December 2020, the other companies in which he performs management or supervisory functions are:

- Cofina, S.G.P.S., S.A.;
- Cofihold, S.A.;
- Cofihold II, S.A.;
- Elege Valor, Lda.;

- F. Ramada II Imobiliária, S.A.;
- Livrefluxo, S.A.;
- Préstimo – Prestígio Imobiliário, S.A.;
- Ramada Aços, S.A.;
- Ramada Investimentos e Indústria, S.A.;
- Santos Fernandes & Vieira Matos, Lda.;
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.;
- Universal - Afir, S.A.

Clementina Barroso

Member of the Board of Directors appointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Management – ISCTE (1981); Master in Management – ISE (1984-1985); PhD in Business Administration – ISCTE IUL (2015); Certified Public Accountant (ROC), registered with the Portuguese Institute of CPA (*Ordem dos Revisores Oficiais de Contas*) under no. 734, since March 1990; Certified Accountant registered with the *Ordem dos Contabilistas Certificados* under no. 30295, since 1982.

Clementina Barroso has also held the following relevant positions: Executive Director and member of the Board of INDEG (Instituto para o Desenvolvimento da Gestão Empresarial) / ISCTE (1999-2013); Non-Executive member of the Board of Directors and member of the Audit Committee – FundBox – SGFII, S.A. (*Sociedade Gestora de Fundos de Investimento Imobiliário, S.A.*) (2012-2013); Non-Executive member of the Board of Directors and member of the Audit Committee – FundBox – SGFIM, S.A. (*Sociedade Gestora de Fundos de Investimento Mobiliário, S.A.*) (2011-2016); Non-Executive member of the Board of Directors and President of the Audit Committee – FundBox – SGFIM, S.A. (*Sociedade Gestora de Fundos de Investimento Mobiliário, S.A.*) (2016-2019); President of the General Meeting of Shareholders – Science 4 YOU, S.A. (2014-2020);

As of 31 December 2020, the other companies in which she performs management or supervisory functions are:

- EDP - Energias de Portugal, S.A.;
- Banco CTT, S.A.

Throughout her career, Clementina Barroso has held the following academic positions: Professor of the Finance Department at ISCTE Business School lecturing in the BSc degree in Management, Finance and Accounting, Economics, Marketing Management, Human Resources Management (1982-2021) and in the following courses (i) Financial Accounting, (ii) Investments, (iii) Corporate Finance, (iv) Fundamentals of Finance, (v) Analysis and Corporate Finance; and Member of the Consulting Board of ISCTE Junior Consulting (2011). Furthermore, Clementina has been a member of the Board of IPCG - Portuguese Institute of Corporate Governance (*Instituto Português de Corporate Governance*) (2016-present).

Céline Abecassis-Moedas

Member of the Board of Directors appointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Management and Economics – *École Normale Supérieure de Cachan and La Sorbonne* (1994); MSc in Scientific Methods of Management (DEA) – Dauphine University (Paris) (1996); PhD in Management Studies – *École Polytechnique* (1999); Strategy of Leadership course – Kellogg School of Management (2014); International Directors Programme (certified IDP-C in Corporate Governance) – INSEAD (2017); Advanced Financial Statement Analysis – Amsterdam Institute of Finance (2019).

Throughout her career, Céline Abecassis-Moedas has held the following executive positions: Research Assistant – Orange Labs (Paris) (1996-1999); E-Business Product Manager – Lectra (1999-2000); Management Consultant – AT Kearney (2000-2002); Assistant Professor in Strategy – Queen Mary's School of Business and Management (2002-2005); Assistant Professor in Strategy – Portuguese Catholic University (2005-2013); International Faculty Fellow – MIT's Sloan School of Management (2011-2012); affiliate Professor in Strategy & Innovation and Academic Director of "Fashion & Technology" course unit – ESCP Business School (Paris) (2014-2019); Associate Professor in Strategy & Innovation – Portuguese Catholic University (2013-2015); Founder & Academic Director of the Centre for Technological Innovation & Entrepreneurship – Portuguese Catholic University (2015-present); Dean for Executive Education – Portuguese Catholic University (2019-present).

Throughout her career, Céline Abecassis-Moedas has held the following non-executive positions: Non-Executive Director and Lead Independent Director – Europac (*Papeles y Cartones de Europa, S.A.*) (2012-2019); Non-Executive Director – CTT Correios de Portugal, S.A. (2016-2020); Non-Executive Director – CUF, S.A. (2016-present); Non-Executive Director – Vista Alegre Atlantis, S.A. (2020-present).

António Jorge Viegas de Vasconcelos

Member of the Board of Directors appointed in the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Electrotechnical Engineering – University of Porto (1977-1982); Master's Degree in Engineering – Erlangen-Nuremberg University (1982-1985); Course – Deputy Secretary General – EUELECTRIC (European association of electricity undertakings) (1989-1996); Invited to set up the Portuguese Electricity Regulatory Authority (ERSE) (1996); Chairman – ERSE (1997); Co-founder and Chairman – Council of European Energy Regulators (CEER) (2000); Co-founder and co-chair – EU/U.S. Energy Regulators' Roundtable (2000-2005); Co-founder of the Ibero-American Association of Energy Regulatory Authorities (ARIAE) (2000); Chairman – European Regulators Group of Electricity and Gas (ERGEG) (2003); Owner and Chairman – NEWES, New Energy Solutions (2007-present); Advisory Board Member – APREN (Portuguese Association of Renewable Energy) (2007-present); Partner – Novenergiall (private equity fund for renewable energy) (2007-2008); Alternate Member of the Administrative Board – ACER (Agency for the Cooperation of Energy Regulators) (2010-2018); Member – European Commission Advisory Group on the Energy Roadmap 2050 (2011); President – Portuguese Association of Electric Vehicles (2012-2016); Board Member – Homing Homes (2017-2020); Board Member – FF New Energy Ventures, S.A. (2019-present); Business Advisory Board Member – INESCTEC (2019-present); Supervisory Board Member – econnect GmbH & Co. KgaA (2020-present).

Throughout his career, António Jorge Viegas de Vasconcelos has held the following academic positions: Monitor – Faculty of Engineering (University of Porto) (1982); Guest Professor – University of Pavia (Italy) (1990-1991); Invited Professor for

MIT/Portugal on Sustainable Energy Systems – University of Lisbon (2007-present); Invited Professor – WU Vienna (2013-present); Part-time Professor – European University Institute (2018-present).

As of 31 December 2020, and at any time during the last five years, the other companies in which he performed management or supervisory functions were:

- NEWES, New Energy Solutions, Lda. (Managing Partner);
- SOFID (Member of the Strategic Council);
- Homing Homes, Lda. (Manager);
- FF New Energy Venture, S.A. (Board of Directors Member); and
- Econnext GmbH & Co. KgaA (Supervisory Board Member).

Statutory Audit Board

The Statutory Audit Board is, under the governance model adopted, and together with the Statutory External Auditor, the auditing body of the Issuer responsible for the internal oversight of Greenvolt.

In accordance with the Articles of Association, the Statutory Audit Board shall be composed of three members and shall have one or two alternates.

In accordance with Article 414(4) of the PCC, the Statutory Audit Board must include at least one member holding an appropriate academic degree for the exercise of his/her functions who possesses knowledge of auditing or accounting and is independent.

Also, in accordance with Article 414(6) of the PCC, the Statutory Audit Boards of companies with shares admitted to trading on a regulated market must be composed of a majority of independent members. For these purposes, a person is considered independent if they are not associated with any specific interest group within the Issuer or subject to any circumstance likely to affect their impartiality in analysis or decision, particularly in relation to:

(a) holding or acting in the name or on behalf of a shareholder that holds a qualifying participation exceeding 2 percent of the share capital of the Issuer; or
(b) having been re-elected to more than two terms of office, whether consecutive or not.

Additionally, in accordance with Article 414-A of the PCC, the following persons cannot be elected or appointed as members of the Statutory Audit Board or as the statutory external auditor:

(a) beneficiaries of special benefits from Greenvolt;
(b) persons who carry out administrative functions in Greenvolt;
(c) members of the management bodies of companies which are in a controlling or group situation with Greenvolt;
(d) a partner in a general partnership company (*sociedade em nome coletivo*) that is in a control relationship with Greenvolt;
(e) persons who, directly or indirectly, provide services or establish a significant business relationship with Greenvolt or with companies which are in a controlling or group situation with Greenvolt;
(f) persons who carry out functions in competing companies and that act in the name or on behalf of such companies or who are otherwise bound to the interests of a competitor;

(g) the spouses or certain direct or indirect relatives, including, with respect to indirect relatives, people barred under the provisions of paragraphs (a), (b), (c), (d) and (f), as well as spouses of persons covered by paragraph (e);

(h) those in positions of management or supervision in five other companies, except for law firms and companies of chartered accountants;

(i) chartered accountants in relation to which other incompatibilities provided in the respective legislation exist; and

(j) the legally barred, the incapacitated, the insolvent, the bankrupt and those subject to a judgment barring them, even temporarily, from the exercise of public functions.

Given that Greenvolt is an issuer of securities that will be admitted to trading on a regulated market, it will be qualified as a public interest entity (*entidade de interesse público*), thus becoming subject to the audit supervision regime approved by Law 148/2015, which regulates the public supervision activity of chartered accountants and auditors from other EU Member States and third countries in Portugal and determines, in particular, that Greenvolt's Statutory Audit Board must be composed of a majority of independent members, including its Chairman.

The majority of the members of the Statutory Audit Board, including its Chairperson, are independent as required by Article 414(5) and 414(6) of the PCC and pursuant to Law no. 148/2015, of 9 September (*Regime Jurídico da Supervisão de Auditoria*) ("**Law 148/2015**"), which will apply to Greenvolt as a public interest entity (*entidade de interesse público*) when it becomes an issuer of shares admitted to trading on a regulated market. Furthermore, the members of the Statutory Audit Board are not in breach of any of the criteria of incompatibility set out in Article 414-A, paragraph 1 of the PCC.

The members of the Statutory Audit Board (including the alternate members) are elected by the General Meeting of Shareholders for a three-year term.

If the General Meeting of Shareholders fails to elect the Statutory Audit Board, the Board of Directors must, and any shareholder may, petition the courts for the necessary appointment.

If the General Meeting of Shareholders does not designate the Chairperson of the Statutory Audit Board, the Chairperson shall be appointed by the members of the Statutory Audit Board.

If the Chairperson leaves office prior to the end of the term for which he/she was elected, the other members of the Statutory Audit Board must choose, from among themselves, a substitute to exercise these duties until the end of the current term of office.

Alternate members who replace members who have resigned shall remain in office until the next annual General Meeting of Shareholders, at which time the vacant positions shall be filled.

In the absence of an elected alternate member to replace a vacancy left by an effective member, the vacant positions, of both the effective member and the alternate member, shall be filled by means of a new election.

Pursuant to Article 420 of the PSC, the Statutory Audit Board is responsible for, among others:

- monitoring the management of Greenvolt;
- verifying compliance with the law and with the Articles of Association;
- verifying the regularity of the books, accounting records and supporting documents;

- verifying, whenever deemed convenient, and in the manner deemed appropriate, the extension of cash and stock of any kind of goods or other values that belong to Greenvolt or that were received by Greenvolt as a guarantee, deposit or otherwise;
- verifying the accuracy of the financial statements of Greenvolt;
- verifying that the accounting policies and valuation criteria adopted by Greenvolt lead to a correct valuation of Greenvolt's assets and results;
- preparing an annual report on its monitoring activity and providing an opinion on the report, financial statements and proposals presented by the Board of Directors;
- convening the General Meeting of Shareholders, whenever the Chairperson of the Board of the General Meeting of Shareholders fails to do so;
- supervising the efficacy of Greenvolt's risk management system, internal control system and internal audit system;
- receiving communications on irregularities presented by shareholders, employees of Greenvolt and others;
- appointing and hiring services from experts to help one or more of its members in the exercise of their duties. The hiring and fees of these experts should take into consideration the importance of the underlying matters and the financial situation of Greenvolt;
- certifying that the corporate governance report includes the features mentioned in Article 245-A of the PSC;
- appointing substitute directors in accordance with the law and the Articles of Association; and
- complying with any other attributions defined by the applicable law and the Articles of Association.

The current Statutory Audit Board, elected at the General Meeting of Shareholders held on 24 June 2021 for the 2021/2023 term of office, is composed of the following members:

- Pedro João Reis de Matos Silva (Chairperson);
- Francisco Domingos Ribeiro Nogueira Leite; and
- Cristina Isabel Linhares Fernandes.

The biographies of the members of the Statutory Audit Board are as follows:

Pedro João Reis de Matos Silva

Chairperson of the Statutory Audit Board appointed on 24 June 2021, following the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Finance – ISEG (formerly known as *Instituto Superior de Ciências Económicas e Financeiras*) (1971); Course in Auditing and Accounting – *Centre D'enseignement Supèrieur des Affaires (CESA),* Versailles (1974); Course in Industrial Project Analysis – Economic Development Institute, World Bank (1980); Internship in Athens – promoted by the World Bank (1980); Course – Naval Reserve Officer – Naval Administration (1972); Consultant – Portuguese Industrial Association (1972-1974); Auditor – A. Andersen (1974); held various positions such as Technical Specialist, Division Head and Services Director – Institute to Support Small and Medium-Sized Companies (IAPMEI) (1975-1986); Statutory Auditor and Partner – M. Silva, P. Caiado, P. Ferreira & Associados, Lda. (1987-present); Economic Advisor to the Prime Minister (1987-1991); Economic and Financial Advisor to the Minister for Industry and Energy (1993-1995); Chairman of the Supervisory Board – Banco Português do Atlântico (1993-1995); Member of the Audit Committee

– Banco Espírito Santo, S.A. (2012-2014); Chairman of the Statutory Audit Board – Ordem dos Revisores Oficiais de Contas (2005-2010); Member of the Senior Board of the Statutory Board – Ordem dos Revisores Oficiais de Contas (2016-2018).

Throughout his career, Pedro João Reis de Matos Silva has performed functions as statutory auditor in several large companies, such as:

- Portugal Telecom, SGPS, S.A.;
- Galp Energia, SGPS, S.A.;
- Transgás, S.A.;
- Águas de Douro e Paiva, S.A.

From 1972 to 1992, he was also a visiting professor at ISEG, having taught the following subjects: Public Finance and Taxation; Business Economics; Accounting and Balance Sheet Analysis; and Analytical Accounting.

Francisco Domingos Ribeiro Nogueira Leite

Member of the Statutory Audit Board appointed on 24 June 2021, following the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Law – University of Lisbon; Course – General Secretary – Sociedade Geral de Projetos Industriais e Serviços, S.A. (1989-1992); Statutory Board Member – Euroshore, S.A. (1991-1992); President – SIJE, S.A. (1994-1995); Executive Board Member – FERNAVE – Formação Técnica, Psicologia Aplicada e Consultoria em Transporte e Portos S.A. (2003-2007); Chairman of the Board of Directors – ECOSAÚDE – Educação, Investigação e Consultoria em Trabalho, Saúde e Ambiente, S.A. (2010-2012); Chairman of the Board of Directors – Real Vida Seguros, S.A. (2012-2013); Chairman of the Board of Directors – BPN (IFI) Cabo Verde (2012-2013); Chairman of the Board of Directors – BPN Crédito – Instituição Financeira de Crédito, S.A. (2012-2014); Chairman of the Board of Directors – Banco EFISA, S.A. (2012-2019); Chairman of the Board of Directors – BPN Serviços – Serviços Administrativos, Operacionais e Informáticos ACE (2012-2019); Chairman of the Board of Directors – Imofundos – Sociedade Gestora de Fundos de Investimento Imobiliário, S.A. (2012-2019); Board Member – Parups, S.A. (2012-2019); Board Member – Parparticipadas SGPS, S.A. (2012-2019); Chairman of the Board of Directors – Parvalorem, S.A. (2012-2019); Manager – SAROS – Sociedade de Mediação de Seguros, Lda. (2019-present); Sole Director – FERNAVE – Formação Técnica, Psicologia Aplicada e Consultoria em Transporte e Portos, S.A. (2019-present); Sole Director – ECOSAÚDE – Educação, Investigação e Consultoria em Trabalho, Saúde e Ambiente, S.A.

Francisco Domingos Ribeiro Nogueira Leite is also the main shareholder of Sociedade Pharegistrum – Consultoria Farmacêutica e Técnica, Lda.

Cristina Isabel Linhares Fernandes

Member of the Statutory Audit Board appointed on 24 June 2021, following the General Meeting of Shareholders held on 24 June 2021, for the 2021/2023 term of office.

Skills and experience: Degree in Economics – University of Coimbra (1991-1996); Post-graduation in Taxation – Instituto Superior de Administração e Gestão of Porto; Qualified as a Chartered Accountant, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under number 1262 (2006); MBA – Porto Business School (2006-2007); Course – Senior of the Audit Division – Arthur Andersen, S.A. (Porto) (1996-2001); Manager

of the Audit Division – Deloitte (Porto) (2001-2005); Senior Manager of the Audit Division – Deloitte (Angola) (2005-2006); Statutory Audit Board Member – Altri (2007-2013); Statutory Audit Board Member – F. Ramada Investimentos, SGPS, S.A. (2007-2013); Statutory Audit Board Member – Cofina, SGPS, S.A.(2007-2013); Responsible for the Accounting and Financial area – APAF – Engineering Services, Lda. (2016-present).

Throughout her career, Cristina Isabel Linhares Fernandes has attended various training courses, such as: Corporate Finance (2004); Accounting Normalisation System (2008); Corporate Restructuring – Legal and Tax Aspects (2010); Tax Incentives (2014); VAT recovery on bad and doubtful debts (2017); Prevention of money laundering and terrorist financing (2019). All of these training courses were organised by the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*).

Statutory External Auditor

The Statutory External Auditor is responsible for legally certifying Greenvolt's financial statements, as well as for the examination of the Greenvolt's accounts, pursuant to Article 420(4) of the PCC.

Deloitte, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 43 and with the CMVM under no. 20161389, represented by Nuno Miguel dos Santos Figueiredo (registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 1272 and with the CMVM under no. 20161389), was appointed as the Statutory External Auditor (*Revisor Oficial de Contas*) at the General Meeting of Shareholders held on 26 July 2018 for the 2017/2019 term of office and at the General Meeting of Shareholders held on 14 July 2020 for the 2020/2022 term of office. Notwithstanding, in line with the terms of the Issuer's other governing bodies, the Statutory External Auditor resigned from its role and was re-elected for the 2021 term of office at the general meeting held on 24 June 2021.

Secretary of Greenvolt

Pursuant to the PCC, listed companies shall appoint an effective and an alternate Secretary. The persons acting as Secretary must hold a university degree, or be a solicitor, or hold adequate qualifications and may not exercise such functions in more than seven companies. The Secretary shall, among other powers:

- provide support to the meetings of the Issuer's corporate bodies;
- draft the minutes of the meetings of the corporate bodies and sign these minutes together with the members of the corporate bodies;
- maintain the Issuer's minutes books, attendance lists, share registration book and related documentation;
- issue convening notices for the meetings of all corporate bodies;
- certify the signatures of the members of the statutory bodies on the Issuer's documents;
- certify, fully or partially, the content of the Issuer's Articles of association, the Issuer's books or filed documents, as well as the identity and the powers of the members of the statutory governing bodies;
- provide feedback, pursuant to the applicable legal provisions, to Shareholders' requests for information;
- request the registration, where applicable, of all corporate actions subject to registration.

The current Secretary, who was appointed as secretary of the Board of the General Meeting of Shareholders following a meeting held on 24 June 2021 for the 2021/2023 term of office, is as follows:

Teresa Raquel Pereira Fernandes da Rocha Carvalho (Effective)

Sérgio Filipe Moreira da Silva (Alternate)

Committees

Remuneration Committee

Under the Articles of Association and in accordance with the applicable law, the General Meeting has delegated the powers to define the remuneration of the Issuer's corporate bodies to a Remuneration Committee.

The Remuneration Committee is composed of two members, one of whom is the Chairperson, with casting vote, who is appointed by the General Meeting of Shareholders for a period of three years, corresponding to the term of office of the corporate bodies.

The Remuneration Committee is responsible for approving the remuneration of the members of the Board of Directors and other governing bodies, in representation of the shareholders, according to a remuneration policy prepared by the Remuneration Committee itself and submitted to the approval of the General Meeting of Shareholders. The operating rules and scope of the powers to be exercised by the Remuneration Committee, and the rules that govern its relations with the other corporate bodies, are established in an internal regulation which will be proposed by the Board of Directors and submitted to the approval of the General Meeting of Shareholders.

As at the date of this Prospectus, the members of the Remuneration Committee are:

- Fernanda Luísa Z. C. Vieira de Moura (Chairperson); and
- Francisco Domingos Ribeiro Nogueira Leite.

Strategic and Operational Monitoring Committee

The Strategic and Operational Monitoring Committee is composed of four Directors and functions as an internal committee of the Board of Directors. The role of the Strategic and Operational Monitoring Committee is, namely, to support the Board of Directors in matters of corporate governance appraisal and evaluation, and to provide opinions in relation to the Issuer or its subsidiary companies on: (i) the Annual Budget and any amendments; (ii) the Medium-Term Strategic Plan; (iii) the execution of the Business Plans, Investment Plans and Activity Plans; (iv) the Issuer's Annual Budgets; (v) the incurring of costs or making of investments outside the scope of the Annual Budget. The Strategic and Operational Monitoring Committee is governed by an internal regulation approved by the Board of Directors.

As at the date of this Prospectus, the members of the Strategic and Operational Monitoring Committee are:

- João Manuel Manso Neto;
- Paulo Jorge dos Santos Fernandes;
- João Manuel Matos Borges de Oliveira; and
- José Armindo Farinha Soares de Pina.

Audit, Risk and Related Parties' Transactions Committee

The Audit and Related Parties' Transactions Committee is composed of three Directors, appointed by the Board of Directors for a period of three years, corresponding to the term of office of the corporate bodies. The Audit and Related Parties' Transactions Committee performs supervisory audit and control functions, independently from the Board of Directors, and also supervises the transactions between the Issuer and related parties. Its functions include carrying out general and specific audits to the Issuer's activities, preparing gap analysis reports and improvement proposals, defining principles and policies for the Issuer's relationships with related parties and verifying compliance with said principles and policies, enforcing their implementation. The Board of Directors establishes, by means of an internal regulation, the rules that govern the Audit and Related Parties' Transactions Committee.

On 24 June 2021, the Audit and Related Parties' Transactions Committee approved the rules for the identification, in-house reporting and procedure to be followed in the event of conflicts of interest, applicable to all the Group's employees who play a decisive role in transactions with related parties. These rules are available on the Issuer's website at (www.greenvolt.pt).

As part of its improvement of governance practices, on 24 June 2021 the Audit and Related Parties' Transactions Committee approved Greenvolt's Regulation on Conflicts of Interest and Transactions between Related Parties, available on the Issuer's website at (www.greenvolt.pt). This Regulation sets out the rules for the prevention, identification and resolution of Greenvolt's potential corporate conflicts of interest.

As at the date of this Prospectus, the members of the Audit and Related Parties' Transactions Committee are:

- Clara Raposo (Chairperson);
- Clementina Barroso (Vice-Chairperson); and
- António Jorge Viegas de Vasconcelos.

Recruitment and Remuneration Committee

The Recruitment and Remuneration Committee reports to and assists the Board of Directors in drafting the policies regulating the appointment, re-election, hiring, dismissal and performance evaluation of the company's employees, proposing the remuneration policy applicable throughout the Issuer's organisational structure. This Committee also monitors the implementation of and compliance with these policies. The Recruitment and Remuneration Committee is governed by an internal regulation approved by the Board of Directors and is elected for a period of three years, corresponding to the term of office of the corporate bodies.

As at the date of this Prospectus, the members of the Recruitment and Remuneration Committee are:

- João Manuel Matos Borges de Oliveira;
- Paulo Jorge dos Santos Fernandes; and
- Céline Abecassis-Moedas.

Ethics and Sustainability Committee

The role of the Ethics and Sustainability Committee is to assist the Board of Directors in integrating sustainability and incorporating ESG objectives and criteria into the Group's strategy and management processes, promoting industry best practices in all its activities, with a view to enhancing long-term sustainable value creation for the Group. It also has the mission of safeguarding and monitoring the implementation of and compliance with the Issuer's Code of Ethics and Conduct. This document reflects the principles and rules guiding the internal and external relationships between the Group and its stakeholders and steers the professional and personal conduct of all company members, based on common ethical principles and values. This Committee also ensures the maintenance of high standards of ethical practices in the Issuer's business and professional conduct. The Ethics and Sustainability Committee's competences include, among others, the drafting of sustainability policies and good practices to be submitted for approval by the Board of Directors, the implementation of these policies and monitoring of compliance and the preparation of the Issuer's Annual Sustainability Report, also serving as the recipient of complaints, ensuring their rigorous investigation and fair treatment, and providing for the adoption of appropriate measures to deal with any improper conduct and punish the offender, if applicable. The Board of Directors establishes, by means of an internal regulation, the rules governing the Ethics and Sustainability Committee, which is elected for a period of three years, corresponding to the term of office of the corporate bodies.

As at the date of this Prospectus, the members of the Ethics and Sustainability Committee are:

- Céline Abecassis-Moedas (Chairperson);
- Clementina Barroso;
- João Manuel Manso Neto;
- Raquel Rocha Carvalho (Legal);
- Sofia Reis Jorge (Sustainability Directorate); and
- António Jorge Pedrosa (People Management, Talent & Communication).

Other

To the best of the Issuer's knowledge, there are no actual or potential conflicts of interest between the individuals that are part of the Issuer's management and supervisory bodies and the Issuer or any other company of the Group.

There are no existing or proposed service agreements between any members of the Board of Directors or of the supervisory bodies of the Issuer and the Issuer or any member of the Group providing for benefits upon termination of employment, other than the management service contract with the Chief Executive Officer.

The members of the Board of Directors, the Statutory Audit Board and the Statutory External Auditor do not hold Shares of the Issuer and, therefore, are not subject to any restrictions with respect to the disposal of the Shares.

As at the date of this Prospectus, none of the members of the Board of Directors or of the supervisory bodies have, at any time in at least the past five years:

(a) been convicted for fraudulent offences;

(b) been members of the administrative, management or supervisory bodies, or senior managers (relevant to establishing that a company has the appropriate expertise and experience for its management) of, or held another

executive function at, any company or partnership at the time of, or immediately preceding, any bankruptcy, receivership or liquidation of such company or partnership, or has otherwise been associated with any such bankruptcy, receivership or liquidation; or

(c) received any official public incrimination and/or sanction by any statutory or regulatory authorities (including any designated professional bodies) or have been disqualified by a court from acting as members of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of the affairs of any company.

8. RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THE PROSPECTUS

The form and content of the Prospectus complies with the terms set forth in the PSC, the Prospectus Regulation, Delegated Regulation 2019/980, as well as other applicable laws and regulations.

The information in this Prospectus that has been sourced from third parties has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as the Issuer is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

8.1. Identification of the entities responsible for the information in the Prospectus

The persons and entities listed below are responsible for the information contained in this Prospectus, which is complete, true, up to date, clear, objective and lawful as at the date of this Prospectus, in the terms and subject to the exceptions referred to in Articles 149, 150 and 243 of the PSC and Article 11 of the Prospectus Regulation.

For the avoidance of doubt, those persons for which no specific position is identified have acted as members of the relevant management or supervisory body of the Issuer.

8.1.1. The Issuer[11]

- Greenvolt, a public limited company (*sociedade anónima*) incorporated under the laws of Portugal, with registered office at Rua Manuel Pinto de Azevedo 818, 4100-320 Porto, Portugal, with a share capital of €70,000,000 and registered with the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 506 042 715.

8.1.2. Members of the Board of Directors in office at the date of this Prospectus

- Clara Raposo (Chairperson)
- João Manuel Manso Neto (Chief Executive Officer)
- Paulo Jorge dos Santos Fernandes
- José Armindo Farinha Soares de Pina
- João Manuel Matos Borges de Oliveira
- Ana Rebelo de Carvalho Menéres de Mendonça
- Pedro Miguel Matos Borges de Oliveira
- Domingos José Vieira de Matos
- Clementina Barroso
- Céline Abecassis-Moedas
- António Jorge Viegas de Vasconcelos (Members)

8.1.3. Members of the Board of Directors in office at the time of the approval of the Annual Audited Consolidated Financial Statements and Unaudited Consolidated Pro Forma Financial Information

- José Armindo Farinha Soares de Pina (Chairman)

[11] Including related to the preparation of the Unaudited Consolidated Pro Forma Financial Information.

- Carlos Alberto Sousa Van Zeller e Silva
- José António Nogueira dos Santos
- Miguel Allegro Garcez Palha de Sousa da Silveira
- João Carlos Ribeiro Pereira
- João Manuel Manso Neto (Members)

8.1.4. Members of the Statutory Audit Board in office at the date of this Prospectus

- Pedro João Reis de Matos Silva (Chairperson)
- Francisco Nogueira Leite
- Cristina Isabel Linhares Fernandes

8.1.5. Statutory External Auditor in office at the date of this Prospectus

- Deloitte, represented by Nuno Miguel dos Santos Figueiredo, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 1272 and with the CMVM under no. 20161389.

8.1.6. Statutory Auditor in office at the time of the approval of the Annual Audited Consolidated Financial Statements and of the report accompanying the Unaudited Consolidated Pro Forma Financial Information

- Deloitte, represented by Nuno Miguel dos Santos Figueiredo, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 1272 and with the CMVM under no. 20161389.

  Deloitte was responsible for the auditors' report on the Annual Audited Consolidated Financial Statements and the report accompanying the Unaudited Consolidated Pro Forma Financial Information.

8.1.7. Independent auditor responsible for assessing the value of the V-Ridium Power Shares pursuant to Article 28 of the PCC

- Ana Cristina Louro Ribeiro Doutor Simões, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 946 and with the CMVM under no. 20160563.

8.2. Relevant legal provisions regarding responsibility for the information contained in the Prospectus

Under the terms of Article 149(3) of the PSC, applicable *ex vi* Article 243 of the PSC, the liability of the persons referred to in Section 8.1 ("*Identification of the entities responsible for the information in the Prospectus*") is excluded when they can prove that the addressee knew or should have known about the irregularity in the contents of the Prospectus on the date the declaration was issued or when the withdrawal of such declaration was still possible.

Under the terms of Article 149(4) of the PSC, applicable *ex vi* Article 243 of the PSC, and Article 11(2) of the Prospectus Regulation, liability is further excluded whenever the damages in question result solely from the Prospectus summary, or any translation thereof, unless the summary, when read together with other parts of the Prospectus, contains misleading, inaccurate or inconsistent references or does not provide key information necessary for investors to determine whether

and when to invest in the relevant securities. Under the terms of Article 149(2) of the PSC, applicable *ex vi* Article 243 of the PSC, any fault is judged according to the highest standards of professional diligence.

Under the terms set forth in Article 150(a) and 150(b) of the PSC, applicable *ex vi* Article 243 of the PSC, and regarding this Prospectus, the Issuer shall be liable regardless of fault in the event of liability of its Board of Directors, sole auditor, Statutory Audit Board and/or Statutory External Auditor or of other persons who have certified or otherwise assessed the financial statements on which this Prospectus is based.

Under Article 243(b) of the PSC, the right to compensation should be exercised within six months after becoming aware of the unconformity of the Prospectus or of its amendment and will cease, in any case, two years after the date of publication of this Prospectus or the date of publication of the supplement containing the deficient information or statement.

8.3. Responsibility statements

The persons and entities mentioned in 8.1.1 to 8.1.7 above state that, to the best of their knowledge, after carrying out all reasonable diligence to attest such statement, the information contained in this Prospectus, or in the sections for which each entity is responsible in accordance with the applicable legal provisions, is in accordance with the facts, there being no omissions likely to affect its import.

9. INDUSTRY OVERVIEW AND TRENDS

9.1. Energy policies and regulations

9.1.1. The international framework: the Paris Climate Agreement

Global warming and the concerns associated with it are an ever more present banner in the policies of many nations and in the mindset of people around the world. We have thus witnessed an increasing growth in pro-sustainability and neutrality solutions, in order to ensure the sustainability of the whole world.

The Paris Agreement is a legally binding international treaty adopted within the context of the UNFCCC's 21st Conference of the Parties in Le Bourget, near Paris, by 196 countries on 12 December 2015. In accordance with the Paris Agreement, it is necessary to reduce global greenhouse gas emissions in order to limit global temperature increase in the 21st century to 2º Celsius above pre-industrial levels and to pursue efforts to limit the increase to 1.5º Celsius. This Paris Agreement includes commitments from major emitting countries to mitigate or, preferably, eliminate their climate pollution and to strengthen those commitments over time. In addition to those commitments, the agreement provides a pathway for developed nations to assist developing nations in their mitigation and adaption efforts.

The Paris Agreement provides a framework for global climate action, including the mitigation of and adaptation to climate change, transparent report and strengthening of climate goals. To achieve this, the Paris Agreement requires deep economic and social transformation. The Paris Agreement also provides a framework for finance, technology and capacity building support for developing countries that require it. Each aspect is covered as follows:

- Finance: developed countries should provide financial assistance to developing countries. Additionally, voluntary contribution by other parties is encourage. Finance support is required as large-scale investments are required for mitigation of the emissions and adaptation to the adverse impacts of climate change;
- Technology: the Paris Agreement supports accelerating technology development, a transfer for targeting both reducing of greenhouse gases and improving resilience to climate change;
- Capacity-Building: as not all developing countries have sufficient capacity to deal with many of the challenges resulting from climate change, the Paris Agreement emphasizes on climate-related capacity-building. As already mentioned, it requests developed countries to enhance support.

The Paris Agreement established a process working scheme 5-year cycles with increasingly ambitious climate goals. By 2020, countries were requested to submit their NDCs, which are national action plans for climate change, detailing the specific actions that will be taken by each country to reduce their greenhouse gas emissions, in line with the Paris Agreement objectives, and to build their resilience to the impacts of rising temperatures.

Moreover, the Paris Agreement invited countries to prepare and submit, in 2020, LT-LEDS setting out a long-term development strategy for their NDCs. Unlike NDCs, LT-LEDS are not mandatory. With the Paris Agreement, participating countries also established an ETF. Under the ETF, starting in 2024, countries will report transparently on actions taken and the progress achieved in relation to climate change mitigation and adaptation measures and support provided or received. The framework also establishes international procedures for the review of submitted reports. The information gathered through the ETF will feed into the global stocktake, which will assess collective progress towards achieving the

long-term climate goals set. Based on this assessment, recommendations will then be presented to countries in order to formulate more ambitious plans for the following cycle in the form of the Nationally Determined Contributions pledged under the Paris Agreement. All 134 of those Nationally Determined Contributions included renewable energy targets for electricity generation. If all renewable power targets included in the Nationally Determined Contributions are implemented, an additional 1,041 gigawatts (GW) of renewables would be added by 2030, most of which (567 GW) in Asia. Global installed capacity for renewable power generation would consequently grow almost 42 percent, from 2,523 GW in 2019 to an estimated 3,564 GW in 2030[12].

9.1.2. European Green Deal

The Paris Climate Agreement is not the only framework to have established guidelines and standards to regulate and ensure global neutrality and sustainability. At the European level, in 2013 the European Commission presented the RCN 2050 which set the goal of climate neutrality by 2050 for the EU, having also defined intermediate milestones to be reached by 2030 and 2040.

The RCN 2050 presented a new strategy with more ambitious targets to be achieved by 2030 (see below), which were later updated in 2018 in the context of the EU Energy and Climate Framework 2030:

- Achieve at least a 40 percent reduction in greenhouse gas emissions compared to 1990 levels. To achieve this, the following is proposed:
  - (i) Sectors included in the EU ETS will have to reduce their emissions by 43 percent compared to 2005, for which the ETS has been revised for the post-2020 period; and
  - (ii) Sectors outside the ETS will have to reduce their emissions by 30 percent compared to 2005, which translates into mandatory targets for each Member State.
- Achieve at least 32 percent of the EU's total energy consumption from renewable sources. This target is binding at the EU level. The initial target of 27 percent was revised upwards in 2018 and includes a clause to revise the target once again upwards, by 2023 at the latest;
- Improve energy efficiency by at least 32.5 percent compared to projected energy consumption, to be achieved collectively by the EU and with an upward revision clause by 2023 at the latest. In 2018, the initial target of 27 percent was revised upwards;
- Achieve 15 percent electricity interconnection (i.e. 15 percent of the electricity generated in the EU must be transportable to other Member States).

To complement the RCN 2050, in 2019 the EC presented the European Green Deal, establishing an action plan to boost the efficient use of resources in order to help promote the transition to a clean circular economy, to restore biodiversity and mitigate pollution.

The European Green Deal areas of actions are:

- A higher level of EU climate ambition for 2030 and 2050 to achieve climate neutrality by 2050:

[12] Renewable energy and climate pledges: Five years after the Paris Agreement (irena.org)

As part of the European Green Deal, in September 2020 the EC proposed to raise the 2030 greenhouse gas emissions reduction target, including emissions and removals, to at least 55 percent compared to 1990.

- Clean, affordable and secure energy supply:

  Energy production and use in all economic sectors accounts for more than 75 percent of the EU's greenhouse gas emissions and thus the further decarbonisation of the energy system is essential to achieve the 2030 and 2050 climate targets. With this in mind, the EC proposed the prioritisation of high-energy efficiency, increase in offshore wind energy production, the forward-looking set-up of a competitive decarbonised gas market and the addressing of methane emissions in the energy sector.

- Mobilising industry for a clean and circular economy:

  Industry accounts for 20 percent of the EU's greenhouse gas emissions. It takes 25 years to transform an industrial sector and all value chains. To reach the 2050 targets, decisions and actions need to be taken in the next five years.

- Energy and resource efficiency in building construction and renovation:

  The annual renovation rate of the building stock in Member States is currently between 0.4 percent and 1.2 percent. This rate will need to be at least doubled to achieve the EU's energy efficiency and climate targets.

- Accelerate the transition to sustainable and smart mobility:

  Transport industry accounts for a quarter of the EU's greenhouse gas emissions, and it is growing. To achieve climate neutrality, a 90 percent reduction in transport emissions is needed by 2050. All types of transport – road, rail, air and inland waterway – will have to contribute to this reduction.

- Devising a fair, healthy and environmentally friendly food system:

  Food production continues to pollute air, water and soil, contributing to biodiversity loss and climate change, and consumes excessive natural resources, while a significant proportion of food is wasted.

  The EC's proposals for the common agricultural policy for the period 2021-2027 provide for at least 40 percent of the overall common agricultural policy budget and at least 30 percent of the maritime and fisheries fund to contribute to climate action.

- Preservation and restoration of ecosystems and biodiversity:

  The EU is failing to meet some of its most important environmental targets for 2020, such as the Aichi targets under the Convention on Biological Diversity. To ensure that the EU plays a key role in this area, in May 2020 the EC presented a European Biodiversity Strategy for 2030.

- Aiming for zero pollution for a toxic-free environment:

  In 2021, the EC will adopt a "zero pollution" action plan for air, water and soil. To ensure a toxic-free environment, the EC will present a chemicals strategy for sustainability.

Considerable investment is needed to realise the aspirations of the European Green Deal. The EC has estimated that achieving today's climate and energy targets by 2030 will require €260 billion of additional annual investment,

approximately 1.5 percent of the 2018 GDP. The EC has proposed a 25 percent target for mainstreaming the climate dimension in all EU programmes and the EIB has set itself the objective of doubling its climate change target from 25 percent to 50 percent by 2025, thus becoming the European climate change bank. Finally, the private sector will be key to financing the green transition.

9.1.3. *Plano Nacional Integrado Energia Clima 2030*

The aforementioned legal and regulatory standards and guidelines, together with Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, have led to the adoption, by various Member States, of their own integrated energy and climate plan, in line with the aforementioned standards. The PNEC 2030 is the main energy and climate policy instrument in Portugal.

This instrument is aligned with RCN 2050 and establishes the national objectives for greenhouse gas emissions, renewable energies, energy efficiency and interconnection, as well as long-term emission targets. To achieve carbon neutrality in 2050, the PNEC 2030 includes the reduction of greenhouse gas emissions between 45 percent to 55 percent by 2030, between 65 percent to 75 percent by 2040 and between 85 percent and 90 percent by 2050, in comparison to 2005 levels.

The main line of actions described in PNEC 2030 are to: (i) decarbonise the Portuguese economy, (ii) prioritise energy efficiency, (iii) reinforce the focus on renewable energy and reduce Portugal's energy dependency, (iv) ensure the security of electricity supply, (v) promote sustainable mobility, (vi) promote sustainable agriculture and enhance carbon capture, (vii) develop an innovative and competitive industry, and (viii) ensure a democratic and cohesive transition.

Since the PNEC 2030 is aligned with the PNI 2030, the PNI 2030 considers a total investment of €21.9 billion during the 2020-2030 decade, approximately 66 percent (€13.7 billion) of which contributes to the objectives of the PNEC 2030. Additionally, the PNEC 2030 considers an additional investment budget in the energy sector of between €17.1 to €18.7 billion. Total installed wind and solar power is expected to be 18.3 GW (9.3 GW for wind and 9.0 GW for solar). The PNEC 2030 forecasts a growth in biomass installed capacity from 0.4 GW in 2020 to 0.5 GW in 2030[13].

For further details on the PNEC 2030 requirements and objectives as regards the regulatory framework of the Issuer's activity, please refer to Section 12.1 ("*Overview*").

9.2. Renewable Energy Market Outlook

Market trends in renewable technology point in the direction of progressive growth. In this regard, CAGR of the new annual power instalments of renewable technology reached 8.6 percent worldwide in the period 2010-2020. Solar photovoltaic technology has led the growth, with a CAGR of 33.2 percent, and installed power in 2020 (708 GW) has almost reached wind energy (733 GW). The increasing development of PV technology is based on the advantages offered by this technology when compared to other renewables, namely:

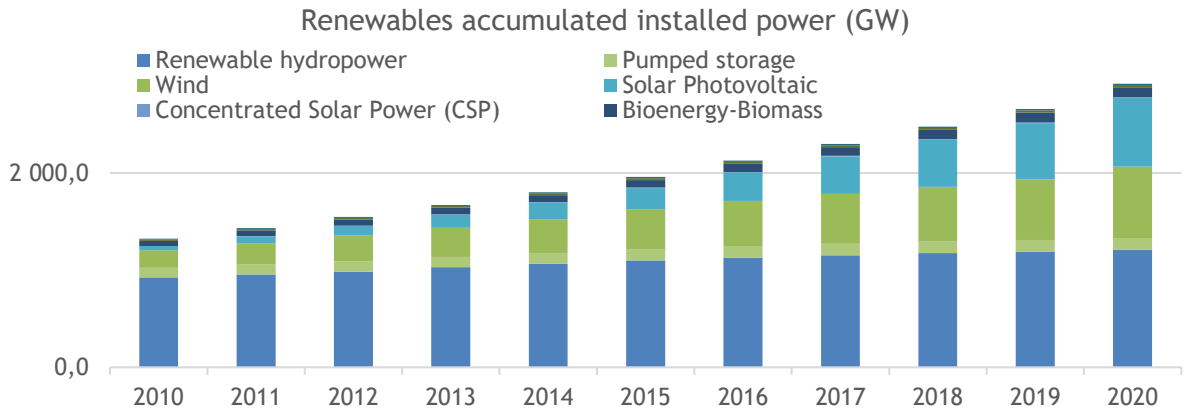
- In the last decade, PV has experienced a rapid decline of the global weighted average LCOE: "*Between 2010 and 2019, the PV LCOE fell 82 percent*"[14];

[13] Source: Table 7 of the PNEC 2030.

[14] Source: IRENA.

- The simplicity of PV technology, from both a constructive and operational point of view; and
- The wide distribution of the solar resource, in comparison to wind or biomass resources.

Biomass technology has had a CAGR of 6.6 percent, though its share in the energy matrix is still residual (3.7 percent). Finally, hydro energy is the most widespread renewable technology, with a circa 44 percent share of the energy mix. Despite its growth, the matrix has become more diversified and the share of this technology has reduced from 76 percent in 2010 to the above-mentioned 44 percent.



Technology accumulated power (GW)	2010	2015	2020
Renewable hydropower	925.8	1,099.8	1,210.6
Pumped storage	99.8	111.9	121.3
Wind	180.8	416.2	733.3
Solar Photovoltaic	40.3	217.5	707.5
Concentrated Solar Power (CSP)	1.3	4.8	6.5
Bioenergy - Biomass	54.2	78.6	102.9
Bioenergy - Others*	11.4	18.1	23.7
Other Renewables: Marine, Geothermal	10.2	12.3	14.6
Total Renewable Electric power**	**1,224.0**	**1,847.2**	**2,799.0**

* Liquid biofuels and biogas

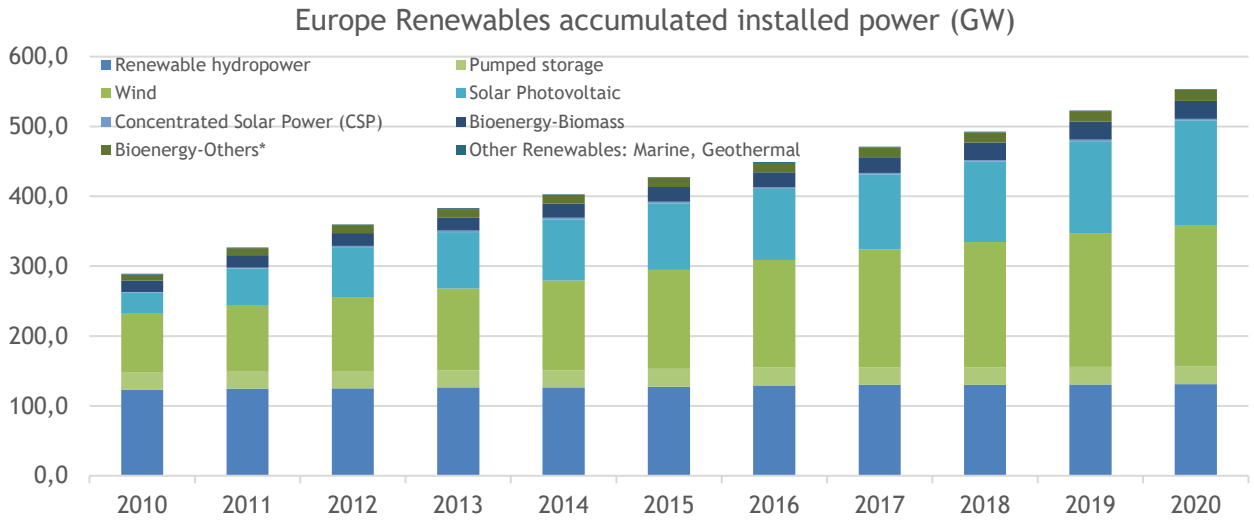
** Pumped storage power is provided but it is not included in category but not in the "Total renewable Electric power"

Source: IRENA

Based on IRENA data, around 37 percent of the generation power installed globally comes from renewable sources.

Taking a closer look at Europe, the CAGR of new annual power instalments of renewable technology reached 7.2 percent in the period 2010-2020, a slightly more moderate percentage than at the global level. Between 2010 and 2020, wind energy (the technology with the highest installed power in Europe) has shown a CAGR of 9.1 percent, with solar

photovoltaic showing a CAGR of 17.5 percent. Regarding bioenergy and biomass, they have shown a CAGR of 4.7 percent, though their share in the energy matrix is still residual (4.9 percent).



Technology Power Capacity (GW)	2010	2015	2020
Renewable hydropower	123.4	127.6	131.2
Pumped storage	24.3	25.6	25.2
Wind	84.4	141.5	201.5
Solar Photovoltaic	30.1	95.4	150.6
Concentrated Solar Power (CSP)	0.7	2.3	2.3
Bioenergy - Biomass	16.5	21.0	26.0
Bioenergy - Others*	8.5	13.0	15.7
Other Renewables: Marine, Geothermal	1.0	1.1	1.2
Total Renewable Electric power**	**264.7**	**402.0**	**528.5**

* Liquid biofuels and biogas

** Pumped storage capacity is provided but it is not included in category but not in the "Total renewable Electric power"

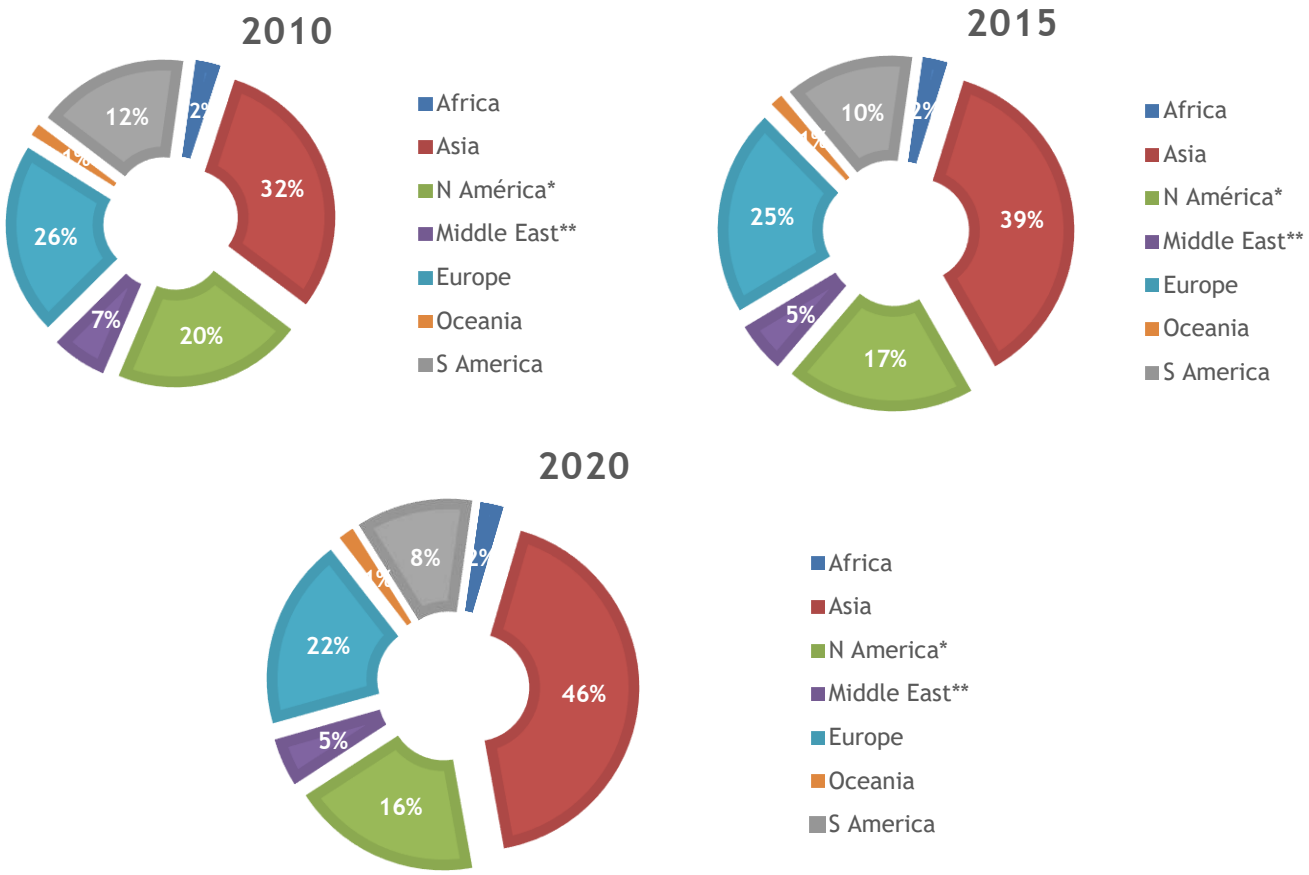
Source: IRENA

Based on IRENA data, around 50 percent of the generation power installed in Europe comes from renewable sources.

Asia is the only continent in the world that has increased over the last years its share in the world's renewable energy installed power, making up 46 percent of the total renewable energy power in 2020 (representing a CAGR of 12.8 percent between 2010 and 2020). The decline in costs that has enabled the rapid development of solar technology has been even faster in Asia since most equipment suppliers are Asian, mainly Chinese. The module price decrease boosted by Asian manufacturers has resulted in a huge amount of new solar facilities in this continent. There are also Asian wind turbine manufacturers that are almost totally focused on this market, offering very competitive prices based, among other factors, on a very competitive steel price in Asia.

On the other hand, South America was the continent that has demonstrated a slower rate of grow, with a CAGR of 4.7 percent between 2010 and 2020. Europe stands in the middle, roughly maintaining the share of world renewable power with a CAGR, between 2010 and 2020, of 6.6 percent.

Accumulated renewable power by Region (GW)[15]:



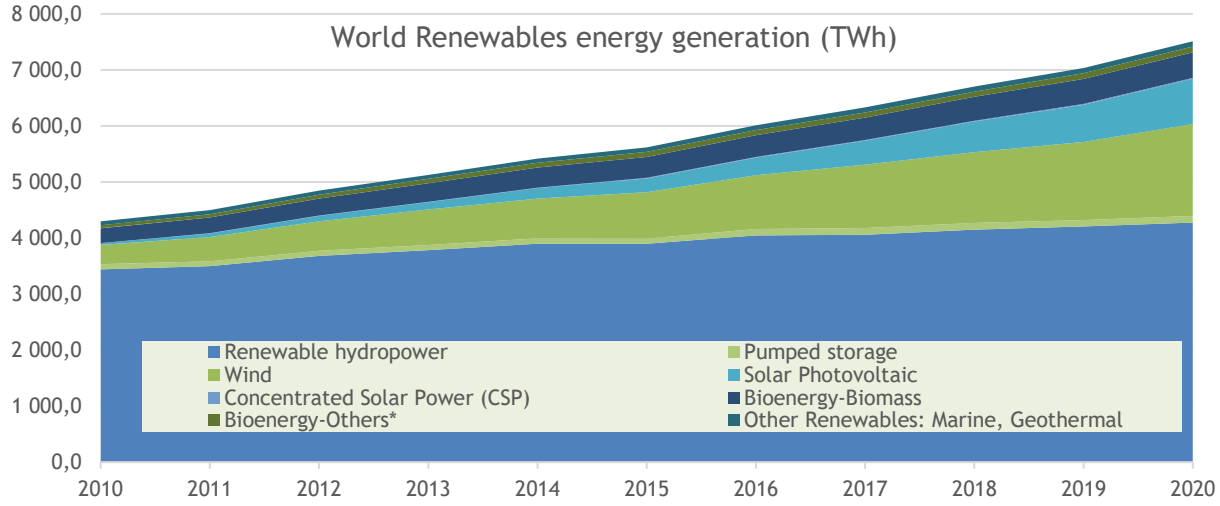
9.2.1. Renewable energy generation

Hydro power has been, is and will continue to be, in the mid-term, the leading technology in the renewables mix in terms of energy generation, with its load factor having remained quite flat over time, at around 41 percent worldwide. Many countries highly dependent on hydro energy have diversified their matrix by introducing other renewable energies to avoid lack of supply in dry years or increased electricity cost for the use of oil products.

Regarding wind energy generation in 2018, it was four times greater than in 2010, having increased its share from 2015 onwards. Wind energy load factor has improved from 22 percent to 26 percent over time. Solar photovoltaic is the brightest technology in the energy generation sector, having recorded an 8x increase in production from 2010 to 2018. However, the load factor has been quite stagnant in recent years, at around 13 percent. In both wind and solar technologies, one of the reasons behind the decline of the LCOE is the increased efficiency of equipment (wind turbines, photovoltaic modules, inverters and trackers).

[15] Source: IRENA.

Finally, biomass and bioenergy technology have barely changed over the last decade, both in terms of share (around 6.5 percent) and load factor (around 55 percent).



Technology Electric Generation (TWh)	2010	2015	2020***
Renewable hydropower	3,439.3	3,896.0	4,276.1
Pumped storage	93.9	94.2	118.8
Wind	342.8	829.8	1,642.5
Solar Photovoltaic	32.1	242.2	805.6
Concentrated Solar Power (CSP)	1.7	10.2	13.6
Bioenergy-Biomass	265.3	375.4	457.3
Bioenergy-Others*	51.9	90.1	103.1
Other Renewables: Marine, Geothermal	69.0	82.1	94.7
Total Renewable Electric Generation**	**4,202.0**	**5,525.7**	**7,392.8**

* Liquid biofuels and biogas

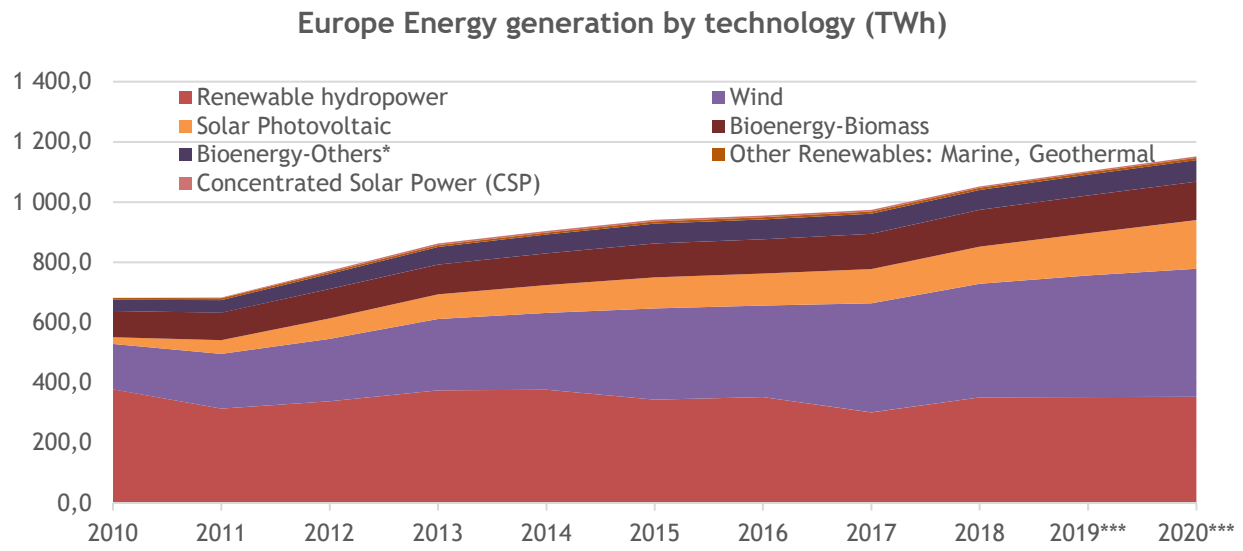
** Pumped storage power is provided but it is not included in category but not in the "Total renewable Electric Generation"

*** 2019 and 2020 values are estimated by G-advisory based on the load factor of 2018 for each technology and the installed power for each year.

Source: IRENA

In Europe, wind technology has become the leading technology in terms of production, having generated around 425 TWh. Wind's average load factor has been 2,005 equivalent hours. Energy generated by hydropower facilities has been quite stable, at around 350 TWh. Solar photovoltaic amounted to only 3 percent of generation in 2010, while in 2020 it reached 14 percent. However, the average load factor is still relatively low (mean value of 11 percent) but has grown gradually over the years. This makes sense considering that the average age of the plants installed in Europe is quite old and, therefore, the equipment is less efficient. Besides, except for the Mediterranean countries, Europe is not a particularly good territory in terms of irradiation, at least, in comparison with other geographies in the world. Finally,

biomass and bioenergy technology have barely changed over the last decade, both in terms of share (around 6.3 percent) and load factor (around 54 percent).



Technology Electric Generation (TWh)	2010	2015	2020***
Renewable hydropower	377.9	343.3	353.4
Pumped storage	31.1	30.0	28.8
Wind	150.2	303.5	425.0
Solar Photovoltaic	22.6	103.3	161.4
Concentrated Solar Power (CSP)	0.8	5.6	4.9
Bioenergy-Biomass	86.9	112.5	128.0
Bioenergy-Others*	37.4	65.9	71.7
Other Renewables: Marine, Geothermal	6.1	7.2	7.5
Total Renewable Electric Generation**	**713.0**	**971.2**	**1,151.8**

* Liquid biofuels and biogas

** Pumped storage power is provided but it is not included in category but not in the "Total renewable Electric Generation"

*** 2019 and 2020 values are estimated by G-advisory based on the load factor of 2018 for each technology and the installed power for each year.

Source: IRENA

9.2.2. Energy consumption

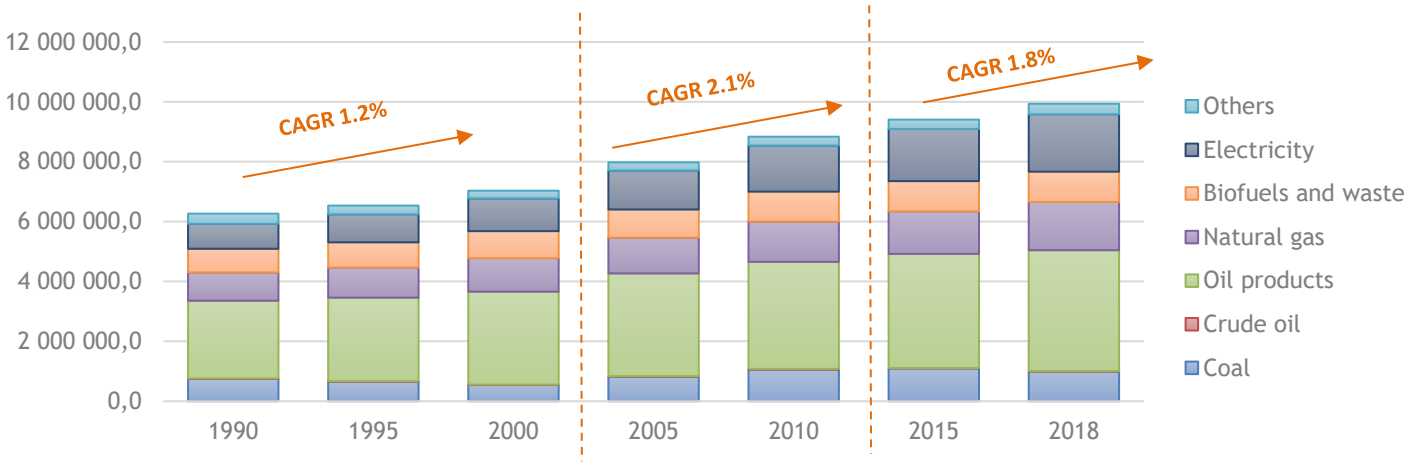
Globally speaking, final energy consumption has increased throughout the years fostered by the demographic increase and the development of countries' economies.

According to IEA data, in 2018 worldwide final energy consumption was dominated by three main sectors with an equivalent share percentage (29 percent): transport, industry and buildings (residential, commercial and services),

meaning that the energy consumption of these 3 sectors made up 79 percent of global energy consumption, with each sector representing a third of this amount.

Year	Coal	Crude oil	Oil products	Natural gas	Biofuels and waste	Electricity	Others
1990	751,739	10,913	2,595,230	944,409	790,960	834,254	339,671
1995	660,320	11,138	2,789,815	1,005,865	842,366	935,008	291,775
2000	541,691	13,726	3,105,737	1,119,246	902,805	1,091,798	257,029
2005	825,410	12,525	3,432,774	1,194,586	940,969	1,301,294	272,292
2010	1,058,479	21,939	3,574,760	1,345,822	1,002,077	1,537,998	296,657
2015	1,097,261	13,500	3,811,786	1,422,661	1,008,654	1,740,726	313,398
2018	994,497	12,588	4,038,502	1,611,345	1,012,374	1,918,779	349,617

Source: International Energy Agency (ktoe)



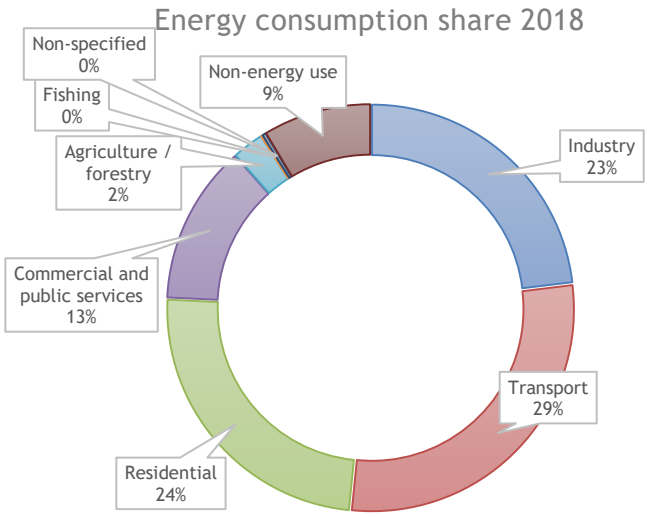
Notwithstanding the pro-sustainability regulatory frameworks, the predominant sources of energy are still fossil fuels, such as oil products (41 percent), natural gas (16 percent), coal (10 percent) and crude oil (0.1 percent). However, the electric sector has increased its share from 13 percent in 1990 to 19 percent in 2018; meanwhile, biofuels and waste have maintained their stake. The expectation is that electricity will see increased growth in the future, to the detriment of current fossil fuels.

The CAGR of the industry sector's worldwide electricity consumption has amounted to 2.6 percent since 1990. Buildings (residential, commercial and services sectors) have always been the most electro intensive, with their share of electricity consumption having increased over the years, from 19 percent to 32 percent. The trend in these two sectors is to increase the use of electricity, to the detriment of fossil fuels, for heating/colding purposes.

Finally, electricity consumption in transport is still negligible since the penetration of electric vehicles is marginal so far, having a relatively flat and almost negligible stake of consumption, in comparison with other sources, of around 1.1 percent.

In Europe, final energy consumption has decreased in comparison to 2005 driven mainly by the economic crisis of 2008 and energy efficiency measures introduced in recent years in different sectors.

In Europe, the residential, commercial and public services sector was the most demanding in terms of final energy consumption with a stake of 37 percent, followed by transport (29 percent) and industry (23 percent). Predominant sources are still fossil fuels such as oil products, natural gas, coal and crude oil.



Source: IEA

Notwithstanding this, the electric sector has increased its share from 16 percent, in 1990, to 21 percent in 2018.

9.3. Portugal electricity system overview

9.3.1. Generation

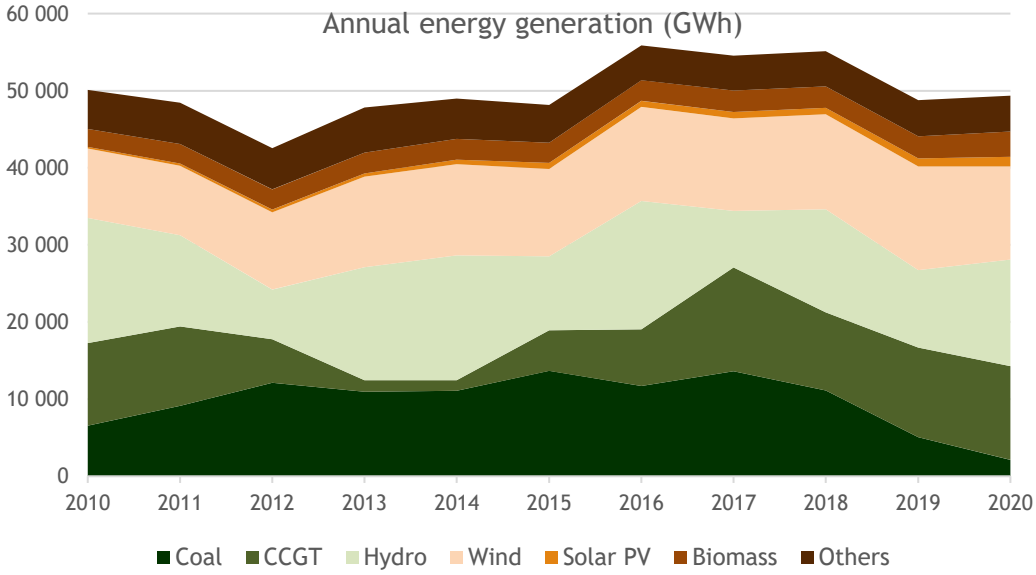
In Portugal, electricity generation is open to competition and is structured by two legal regimes: (i) ordinary regime, which includes classical non-renewable thermal generators and large hydroelectric power plants, and (ii) special regime, which encompasses renewable resources, cogeneration units, UPPs and UPACs. Ordinary and special generators, as well as, suppliers, can participate freely in the wholesale electricity market, selling electricity through organised markets or through bilateral contracts. Electricity generated from renewable resources power plants which initiated their licensing procedure before the enactment of Decree-Law no. 215-B/2012, of 8 October still benefit from technology specific feed-in tariffs. These feed-in tariffs are no longer applicable to renewable generation plants which initiated the respective licensing procedure after the entering into force of Decree-Law no. 215-B/2012, of 8 October, save if the award of reserved capacity was granted through tender in which case generators may benefit from public tender-based guaranteed revenues, as better detailed in Section 12.3.2. (*Remuneration regime*).

Following the approval of Decree-Law no. 76/2019, of 3 June, the granting of a prior Reserved Capacity title is required before a renewable generator can apply for a production licence to build a power plant. Additionally, the government may launch a tender procedure for the granting of Reserved Capacity titles for one or more network areas or otherwise, when the grid has no available capacity, such Reserved Capacity may be contracted with the relevant grid operator provided the generator bears the costs for the required reinforcement of the grid.

Specific remuneration mechanisms may apply for other special regime resources, i.e., UPPs, cogeneration and UPACs. In addition to this, a specific incentive scheme for the construction and operation of biomass energy plants located near high fire risk forest areas was approved by the European Commission under EU State aid rules in 2019.

9.3.2. Portuguese generation technologies

The Portuguese electricity generation mix used to rely, to a great extent, on fossil fuels but has gradually evolved over the past two decades to integrate a significant amount of renewable resources. This positive trend is aligned with the Portuguese and EU decarbonisation objectives, as detailed in PNEC 2030 presented to the EC for the 2030 horizon. Generation from renewable resources, especially from onshore wind but also from hydroelectricity, biomass and solar energy, significantly increased in the first decade of this century, while most fuel-oil and gas-oil power units have been phased out. Expectations for the near future are that coal plants will be finally shut down, volumes of solar photovoltaic plants will be increased and battery storage facilities installed. By the end of 2020, the national installed power share per type of technology was dominated by hydro and wind, followed by CCGT and coal. In terms of produced electricity, hydro, wind and CCGT present the largest share. Solar PV penetration is still low in the Portuguese generation mix.



Coal

The Portuguese generation system included only two large coal-fired power plants: Sines (1,180 MW), which ceased coal operation in January 2021, and Pego (628 MW), which is expected to cease coal operation before the end of 2021. Sines was initially expected to be shut down in September 2023, but rising carbon dioxide costs and additional taxes have made coal plants increasingly uncompetitive, which led to EDP (owner of Sines Power Station) having requested to advance its closure. EDP is now evaluating the development of a green hydrogen project in Sines.

Additional taxes for coal used to generate electricity were implemented in 2018 and are expected to rise, gradually, until 2022. These taxes consist of a rate equal to 10 percent of the ISP and a tax corresponding to 10 percent of the additional levy on CO^2 emissions.

CCGT

CCGT power plants in Portugal include the Central Termoelétrica do Ribatejo (1,200 MW), Central Termoelétrica de Lares (885 MW), Central de Ciclo Combinado da Tapada do Outeiro (990 MW), and Pego C.C. (830 MW). Installed power of

CCGT has remained constant in the past decade but annual generation has varied greatly, conditioned by hydroelectric production, commodity costs and the availability of other thermal generation technologies, namely coal. For instance, in 2013 and 2014 it remained at around 1.5 TWh, while in recent years it has reached around 12 TWh.

Hydro

Portugal has abundant hydropower resources. It has storage, run-of-the-river, and pumped hydro storage plants. Storage plants accumulate large quantities of water that can be used in the driest months, while run-of-the-river may include a small storage power, and turbines operate depending on the river's flow. Pumped hydro storage plants include a system for pumping water from a lower elevation reservoir to a higher elevation, from where it can then be turbined again when most convenient from an electricity price approach. Its most important river basins are the Lima, Cávado, Mondego, Tejo, Guadiana and Douro (the latter being, by far, the most relevant in terms of generation capacity and production). Hydropower is strongly affected by hydrological conditions, which vary from year to year around 12 TWh. Hydro installed power has increased considerably in recent years, with renewable hydro power (excluding pumped storage) having increased from 5,693 MW in 2014 to 7,193 MW in 2017. As indicated in PNEC 2030, new hydro power plants with storage capacity and pumping totalling 2 GW of additional capacity are expected to be installed by the end of the decade. Hydro pumping is intended to play a key role in the provision of additional storage capacity to the system, for greater stability and efficiency, together with hydrogen and batteries.

Wind

By the end of 2020, Portugal had a total of 5,246 MW of installed power of onshore wind power generation. In terms of installed power it represents a share of 22.7 percent and in terms of total generation of 24.5 percent. Most of this power was installed before 2012, when feed-in tariffs were granted to wind generators, but the installation trend of new wind power plants has remained steady in the past years. Wind power production is massively obtained in the Centre and Northern regions of Portugal, together representing 87 percent of the overall production. It is important to mention that, in the central region, the capacity factor, which measures the number of equivalent hours at full load with respect to the number of hours available in each period, is around 0.4, much higher than the number of equivalent hours at full load of other regions of Portugal, where these factors range from 0.2 to 0.3. Under PNEC 2030, a significant increment in renewable power is expected in the coming decade, especially of wind and solar photovoltaic.

Solar photovoltaic

Solar photovoltaic capacity started to be installed in Portugal in 2005 and has increased continuously ever since. By the end of 2020 total solar photovoltaic installed capacity amounted to 879 MW and had produced 1.3 TWh. These quantities remain relatively low in comparison with other renewable energy sources, like wind, as they account for 3.8 percent and 2.6 percent of total installed power and generation in 2020, respectively. The penetration of solar in Portugal is significantly lower than in Spain. However, given the high irradiation rates in Portugal, the lower installation costs and the focus set by the Portuguese government on this particular technology to increase the share of renewables in the country's future electricity mix, a significant growth in solar is expected in the next years. In fact, PNEC 2030 foresees a cumulative power of 8.1 GW to 8.9 GW of solar photovoltaic power by 2030. Two rounds of auctions have been held by the Portuguese government, in 2019 and 2020, to grant access to the network to new solar and combined solar plus

storage capacity. 1,150 MW and 670 MW were awarded, respectively, with very low bid prices. More tenders are expected to be held in the period 2021-2030 to achieve the targets set.

Biomass

Biomass refers to the set of products consisting of, at least partially, vegetable material resulting from agriculture or forestry activities, or certain forms of waste, which can be used as fuel by recovering its energy content through the production of heat and electricity. Biomass can be in the form of solid biomass, biogas or liquid biofuels depending on its origin and the transformation processes involved. The installed power of biomass power generation in Portugal has remained stable at around 600 MW in the past decade, with a significant increase in 2019 to almost 700 MW. Around half of the total biomass generation capacity consists of combined heat and power (cogeneration). The most common biomass resources used in Portugal are wood residues derived from forestry operations and wood waste from industrial processes, particularly from the paper and pulp industry. Other biomass resources receiving attention are animal waste and municipal solid waste. The Portuguese territory is very rich in raw materials that can be used as sources of biomass, seeing as forests cover more than one third of the territory. Forestry residues and municipal waste are typically combusted in furnaces and boilers to produce heat for a steam turbine generator. Biomass power plants are generally small, usually less than 25 MW, due to limitations in the supply of the necessary raw material. Their size can be increased if the biomass resource used is readily available and located close to the generation plant, but values are rarely beyond 75 MW and in most cases are below 50 MW. Existing biomass power units commissioned before 2013 still benefit from the former feed-in tariff schemes, with an average value of €119 per MWh for forest biomass and €102 to €104 per MWh for animal biomass. The new support scheme for biomass electricity generation approved in 2019 aims to encourage forest owners to clean their land at risk of fires by using these forest residues to produce biomass energy. Only installations that meet certain requirements are eligible, such as proximity to critical forest fire risk areas and less than 10 MW power for each single plant. The subsidy consists of a feed-in premium in addition to the market price paid to designated installations for all energy produced, as well as an environmental tariff premium linked to the use of biomass from Portuguese forests in “critical areas”. The scheme will run for 15 years with a budget of around €320 million, which will be funded through an increase in energy tariffs.

Cogeneration and others

Other technologies include oil and gas, other renewable resources with scarce representation and cogeneration with non-renewable fuels, predominantly natural gas. Cogeneration is the production of energy from a fossil fuel, like natural gas, or from a renewable combustible, like biogas or biomass, which harness the thermal heat resulting from the energy production process for productive uses. Cogeneration plants are subject to the Special Status Regime, with priority access to the grid and energy sold at a regulated tariff. Natural gas-based cogeneration power and electricity production have remained stable throughout the period 2010-2020, accounting for 3.3 percent of total installed power and almost 9 percent of total generation in 2020.

9.3.3. Future installation of renewable energies in Portugal

PNEC 2030 forecasts a significant growth in two renewable technologies: wind and solar. Solar photovoltaic is the technology expected to be developed faster, with an expected CAGR of 26.2 percent between 2020 and 2030, implying an annual installation of 812 MW. The growth in wind energy is more moderate, with a CAGR of 5.9 percent and annual

installation rate of around 400 MW. Total installed power of wind and solar is expected to be 18.3 GW (9.3 GW for wind and 9.0 GW for solar).

The PNEC 2030 forecasts a growth in biomass installed capacity from 0.4 GW in 2020 to 0.5 GW in 2030[16].

9.3.4. Transmission

Transmission is the transportation of electricity at high voltage levels from power plants to boundary delivery points that then feed the distribution network and, in some cases, to very intensive consumers directly connected to the transmission grid.

Portugal

REN is the single TSO of Portugal's RND (with 8,733 km of lines across the country). Its functions include the planning, construction, operation and maintenance of the transmission grid and its interconnections with the Spanish transmission system. REN is also responsible for the system's operation and the security and adequacy of electricity supply. Allowed revenues for transmission activity and transmission tariffs for network users are determined by ERSE. The 400 kV lines follow a longitudinal design aligned with the coastline, with several transversal branch circuits extending from west to east to interconnect with the Spanish transmission network. The transmission network also comprises several 220 kV lines in the northern half of the country and old 150 kV circuits throughout the country. Network planning is REN's responsibility and is based on a national 10-year horizon network development plan, established in line with the European TYNDP, which is reviewed every two years and sent to DGEG for approval. REN also participates in the elaboration of the European TYNDP and promotes the submission of some projects proposed in the Portuguese national 10-year horizon network development plan to be considered as projects of common interest. Investments made in recent years to reinforce the transmission system have been driven by the need for stronger interconnection with Spain, but also to cope with the higher penetration levels of renewable resources, particularly wind energy, usually in inland areas, where the natural resource is more abundant but consumption is lower.

International interconnections

Cross-border interconnection capacity provides the electricity system with robustness and security and improves market competitiveness and efficiency.

Portugal is interconnected with Spain through several transmission lines along its border. It is interconnected to the rest of Europe through Spain and, therefore, its degree of integration in the European electricity network is conditioned by the network transfer capacity between Spain and France, which remains low in comparison with other European borders.

Portugal has historically been a net importer of electricity from Spain, except for the period 2016-2018. The 2018-2027 national 10-year horizon network development plan and the 2018 TYNDP include a project for the construction of a new transmission line reinforcing the interconnection capacity between Portugal and Spain. This project consists of a 400kV overhead line between Fontefría (Spain) and Ponte de Lima (Portugal) and requires further internal reinforcements to complement it at both sides. Interconnection capacity would increase by around 500 MW. This project was included in the ENTSO-E's projects of common interest list in 2013, 2015 and 2017. Its commissioning date is still uncertain.

[16] Source: Table 7 of the PNEC 2030

9.3.5. Distribution

Electricity is distributed in the RND, which consists of high, medium and low voltage lines. Most electricity consumers are connected to the distribution network. The role of the DSO consists in managing the network by developing and maintaining the existing infrastructures. The allowed revenues, tariff methodology and tariff structure are defined by ERSE. As a regulated network activity, distribution is subject to a public concession regime. In Portugal, the company E-Redes - Distribuição de Eletricidade, S.A. is the main distribution DSO and was privatised in 2013. It holds the concession to operate the national distribution network in high and medium voltage and is also the concessionaire of most low voltage municipal distribution systems. Besides E-Redes - Distribuição de Eletricidade, S.A., there are several small electricity distributors, mainly small local communities organised as cooperatives that operate in single municipalities at the low voltage level, with less than 1 percent of market share. DSOs have long grappled with the challenge of integrating decentralised and intermittent generation in the distribution networks. For this reason, and as noted in PNEC 2030, national research and innovation initiatives are planned to integrate smart energy management systems and new infrastructures, such as new storage systems, in the distribution networks.

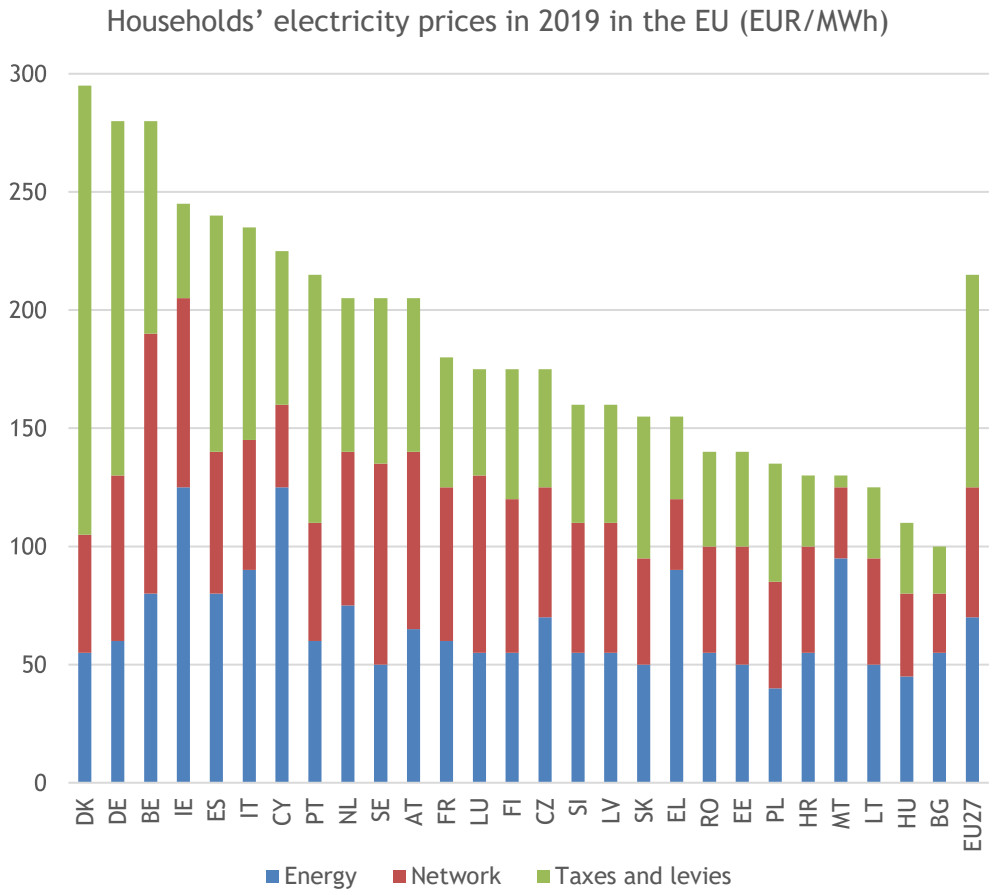
9.3.6. Retail activity

According to REN, there are almost 6.2 million consumers in Portugal, most of which use low voltage, 23,500 medium voltage and 350 high and extra high voltage. Retailers are responsible for managing relations with end consumers, including billing and customer service. The electricity retail sector in Portugal has experienced a gradual process of liberalisation since 2006. The majority of consumers buy electricity in the free retail market, where they can choose among several suppliers.

A regulated market coexists with the liberalised market regime under the figure of supplier of last resort, subject to a public concession regime like other regulated activities. This regime exists for certain consumer groups that require special protection, such as economically vulnerable consumers or consumers whose supplier has been prevented from exercising its activity. In addition, a transitory regulated tariff, annually reviewed by ERSE, is still available for other customers until 2025, even though most consumers have already switched to the free market. The last resort supplier is also required to buy special regime electricity from producers under regulated prices (feed-in tariff).

The final electricity prices paid by customers under the different markets are composed of the following components:

- Energy and supply costs, which include the cost of purchasing electricity on the wholesale market, but also retailer's operating costs to run the business, including sales, billing and profit margin. Consumers in the regulated market pay the energy tariff and the supply tariff, set by ERSE, while in the liberalised market each supplier defines this price in free competition;
- Network access tariff, paid by all consumers, comprises the global technical system operation tariff, the transmission network tariff, the distribution network tariffs and the supplier switch operation tariff; and
- VAT and other taxes, defined by the government, are the same across the liberalised and regulated markets. Final electricity prices for consumers in Portugal are among the highest in Europe, mainly due to a high VAT (23 percent) and various additional taxes and regulated charges.



Source: EC Report on Energy prices and costs in Europe[17], with data from Eurostat.

9.4. Biomass technology insights

Biomass has certain characteristics that must be properly addressed when using it as energy source, such as its heterogeneity, low density and high degree of moisture. To cope with these special characteristics, the design, construction and operation of biomass to energy plants must be accomplished by specialised companies, thus reducing the competence and risk of new entrants. There are different types of biomass depending on their nature and source. Each biomass plant must be designed taking into consideration the specific characteristics of the biomass to be used as fuel. Biomass can be directly burned for heating or power generation, or it can be converted into oil or gas substitutes. Liquid biofuels, a renewable substitute for gasoline, are mostly used in the transport sector.

Regarding the different technologies applicable to biomass to produce energy, the most predominant are the following:

(a) **Thermal technologies**: The biomass thermo-chemical conversion is based on biomass combustion. There are three main methods of biomass thermo-chemical conversion depending on the amount of air spent to oxidise the biomass: (i) direct combustion in excess air, (ii) gasification in reduced air, and (iii) pyrolysis in the absence

[17] Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and Committee of the Regions Energy prices and costs in Europe, COM(2020) 951 final.

of air. Direct combustion is the best established and most commonly used technology for converting biomass into heat;

(b) **Biochemical technologies**: Biochemical processes, such as anaerobic digestion, can also produce clean energy by transforming the biomass into biogas, which can produce electricity and/or heat using a gas engine. In Portugal, biogas is usually produced from municipal solid waste, sludge produced in water treatment plants, sludge from industrial activities (food industry, paper mills, etc.), cattle manure, pig slurry, chicken poultry, etc. At the end of 2020, the installed power of biogas plants in Portugal was 72 MW.

9.5. Biomass plants' key performance indicators

The main KPIs of the most common biomass power plants, namely direct combustion biomass power plants, are summarised as follows:

(a) **Electrical power**: As mentioned, biomass power plants in Portugal are mostly below 50 MW. Moreover, plants in the high end of this threshold (50 MW) will need considerable amounts of biomass, around 300,000 to 500,000 tons per year, depending on the biomass humidity, which entails a challenge in terms of biomass supply and logistics;

(b) **Thermal power**: Biomass combustion plants with thermal capacity over 50 MW are considered large combustion plants under European regulation and, therefore, are subject to stricter environmental requirements;

(c) **Biomass consumption**: This KPI is driven by the biomass type used, based on its energy density. In the case of low energy density biomass, such as agricultural waste or forest biomass, biomass amounts are higher, increasing supply and logistics difficulties. Moreover, the seasonal nature of certain agricultural waste, such as straw, implies the need to make enough biomass storage capacity available for the whole year, usually not at the plant site but rather distributed in external storing facilities. Higher capacity plants have higher biomass demands, which tends to increase their operational complexity and the biomass logistics and storage needs;

(d) **Gross efficiency**: European regulation establishes that large combustion plants, with thermal power over 50 MW, must fulfil certain limits and conditions established in the corresponding best available technologies documents. One such requirement is the need to comply with the gross efficiency threshold included in the best available technologies for large combustion biomass plants, which for new biomass plants is 33.5 percent to 38 percent and for existing biomass plants is 28 percent to 38 percent. Furthermore, as the biomass power plant LCOE strongly depends on biomass cost, reaching higher efficiencies is of great relevance for the project's economic feasibility;

(e) **Electricity self-consumption**: Self-consumption is highly related to the biomass pre-treatment processes and the cooling system. If the biomass is received pre-treated (milled and sorted), self-consumption will be lower. Equally, if the plant's cooling media is water (cooling towers), self-consumption will be lower. On the other hand, the configuration of the biomass plant may have the biomass pre-treatment facilities electrically connected to the power plant, thus counting as self-consumption, or have a separate grid connection; and

(f) **Availability**: Reaching high availability levels is crucial for biomass to be cost effective. Biomass power plants can operate on base load with availabilities of around 80 percent to 90 percent. Also, their manageability (i.e. they can run at any time provided that feedstock biomass is available on site) gives biomass a significant advantage compared with other renewable sources.

9.6. Environmental aspects

The main advantage of biomass, from an environmental standpoint, is that it is considered carbon neutral given that biomass has a biogenic origin. This does not mean that biomass does not emit CO^2 in the combustion process, but the CO^2 emitted is previously fixed in solid carbon (for example by plants, trees, etc.) during the maturing process of the feedstock later used as fuel in biomass plants.

Another big advantage is that biomass is "renewable", since new plants and trees can (in principle) be planted and grown in a never-ending process. This is not the case with customary fossil fuels (coal, oil derivative fuels, natural gas, etc.).

On the other hand, biomass to power or heat biomass power plants is based on the technology used for classic thermal power or heat generating plants: the combustion of fuel in a furnace and the recovery of the combustion heat in a boiler to produce high temperature and high pressure steam, which will then be used for generating power or useful heat by an end consumer (industrial process, district heating, etc.). This means that all the environmental impacts of classical thermal power plants must also be considered and properly addressed in a biomass power plant, such as air emissions, water discharges, waste generation (slag, flying ashes, lubricating oil and greases), noise prevention, dust prevention, visual impact, among others. For further details on the Issuer's main objectives, such as its commitment to carbon neutrality and promotion of the circular economy, Section 10.5 ("*The Issuer's main objectives*").

9.7. Economic aspects

LCOE past and prospects

The LCOE is a ratio that expresses the average total investment and operating costs per unit of total electricity generated over an assumed lifetime. It is normally used to assess and compare alternative methods of energy production. Unlike other renewables (whose LCOE relies mainly on the initial investment and OPEX), the LCOE of biomass is highly dependent on fuel costs, which is the cost of the biomass itself. For power plants located at a close distance to biomass production facilities, such as paper mills or board factories, the LCOE can be highly competitive (with the cost being even lower in cases where the plant owner is also the biomass production owner).

The LCOE for biomass power plants also relies on the biomass quality (i.e. its energy density). The energy density of the biomass somewhat limits the size of the power plant, due to the fact that the amount of biomass required for a high capacity plant would make the logistics more difficult and costly.

Another aspect that leads in the cost reduction is the installed capacity of the technology. In the case of Portugal, at the end of 2020 biomass power plants represented a total installed capacity of 703 MW with a share of 7 percent of the country's total electricity generation. A final advantage of biomass with respect to other renewable sources is that it is manageable.

Investment CAPEX[18]

The typical average CAPEX is around €2,500 per MW, ranging between around €2,000 per MW for power plants with an installed capacity of 50MW or more and around €2,700 per MW for power plants with an installed capacity of 20MW or less. From this value, the material investment accounts for 88 percent.

OPEX[19]

The total OPEX amount for a typical biomass power plant in Portugal is approximately €50 per MWh, which is split as follows:

(a) **Biomass costs**: As indicated above, this represents the highest operative cost for the plant. In Portugal, the average cost ranges between €30 to €40 per MWh, around 70 percent of the total OPEX;

(b) **O&M costs**: These refer to the O&M agreement signed for a power plant. The range for a non-full scope contract (i.e. spare costs excluded) is between €7 to €12 per MWh. The O&M costs also depend on economies of scale. As a complement to this, a spare parts cost should be considered, based on the contractual terms (i.e. EPC expiration guarantees);

(c) **Supplies**: This item includes water, electricity, gas and chemicals used in the processes. These represent around 4 percent of the total OPEX. Among these, self-consumption electricity and water are the most significant because the amount is also determined by economies of scale;

(d) **Insurance**: The typical value observed in recent biomass projects is around 0.3 percent to 0.6 percent of the initial material investment;

(e) **Management**: These costs are typically 2 percent of the total OPEX; and

(f) **Other costs**: These costs typically amount to €3.5 per MW.

Recurrent CAPEX/Overhaul strategies

Biomass power plants suffer continuous wear and tear due to the abrasive and, sometimes, corrosive characteristics of biomass. They therefore need recurrent investments to maintain equipment in proper conditions and to achieve good availability and efficiency levels. Moreover, the steam turbine generator needs annual inspections as well as an intermediate overhaul every 3 years and a complete overhaul every 6 years. During these overhauls, an in-depth review of the steam turbine generator is performed and the most worn parts are replaced, preferably by the steam turbine generator supplier. The cost of these overhauls is remarkable and is not usually included in the O&M agreement. In this regard, the plant owner usually signs a long-term service agreement with the steam turbine generator supplier, with a yearly cost, which includes daily supervision of the steam turbine generator production parameters (by means of a remote monitoring system), as well as the provision of support in the annual programmed maintenance operations and of any spare parts needed during the overhauls. Corrective maintenance and spare parts are often excluded from the scope of the long-term service agreement in order to reduce its price.

[18] These are industry typical numbers, therefore the following figures and values may be not comparable to the Issuer's values.

[19] These are industry typical numbers, therefore the following figures and values may be not comparable to the Issuer's values.

9.8. Portuguese biomass market

9.8.1. Portuguese forestry sector

The forestry sector is responsible for 13 percent of the GVA of Portuguese industry and 2 percent of Portugal's GVA[20]. There are more than 6,000 forestry companies, which employ around 94,600 people. In 2018, the total direct economy associated to the sector was €1,379 million[21].

The relevance of this sector is explained by the significant extension of forested areas in Portugal. 32 percent of the Portuguese territory is dedicated to forest production, with forested area occupying 6.2 million acres with 3.22 million acres of forest tree zone. The predominant industries in this sector are mostly linked to the use of wood in two important industries: chemical pulp (mainly eucalyptus) and the board sector (particle board, medium density fibreboard, etc.). Portugal is also the main cork producer in the world.

The country's productive forests are mostly populated by pine and eucalyptus, which accounts for 70 percent of the forested area of Portugal's North and Central regions, whereas the Alentejo region is dominated by oak trees (mainly cork and holm oak).

The biomass and wood industries in Portugal are the following:

(a) **Pulp and panel industries**: The Portuguese pulp industry mainly consumes eucalyptus (hardwood species). However, one specific company produces craft paper from softwood. The panel industry mainly uses softwood;

(b) **Thermal and electricity production**: The forestry industry has historically been connected to the bioenergy sector for various reasons. In the case of the pulp industries, wood remains not used in the production processes, due to their size or characteristics (bark, small diameter wood, etc.), have been used to produce thermal energy and, in some cases, electricity (combined heat and power plants) for the factories themselves. Moreover, in the case of paper mills, the so-called "black liquor" generated in the process of heating the wood is burned in a boiler to obtain thermal energy and electrical energy used to reduce the energy costs of the process; and

(c) **Pellet production**: This industry has significantly grown in recent years, having reached a consumption capacity of almost 4 million m^3 per year of wood. Current production is about half this figure, with the market being fundamentally focused on exports. Although pellet production is mainly based on coniferous wood, hardwoods are also used (notwithstanding the fact that eucalyptus is not used for pellet production).

There has traditionally been a relationship between biomass power plants and the forest industry in Portugal, which represents a competitive advantage given that it provides companies with greater control over biomass logistics and prices. However, there are currently three biomass power plants not owned or operated by forest companies.

At present, 64 percent of the biomass resources generated by wood harvesting for the forest industries are already being used to produce electricity. Considering that orography, it is extremely difficult to use the totality of biomass resources, the forest biomass used is almost entirely of Portuguese origin. In this scenario, the search for and development of new

[20] Eurostat and INE data for 2015.

[21] INE "*Contas Económicas de Silvicultura*".

sources of biomass is advisable and it would be helpful to analyse the potential of forest biomass from cork and holm oak areas. It is possible to obtain biomass from cork oak forests, with yields of 4 tons per acre of biomass every ten years, and from holm oak forests, with yields of up to 60 tons per acre every 25 years. Considering the extent of cork and holm oak forest in Portugal, the biomass potential of these two species could theoretically amount to 1,125 million tons per year.

9.8.2. Portuguese agricultural sector

The Portuguese agricultural is historically dominated by small properties (70 percent of farms in Portugal are less than 5 acres) and lack of sophisticated means. However, the sector is showing signs of change in this regard. The increase seen in larger agricultural structures (over 50 acres) means that, although they still only represent 4 percent of all farms, they now account for around 70 percent of the used agricultural land area, with a much higher level of productivity than smaller farms. There has also been growth in organic farming, which generally produces goods with greater added value.

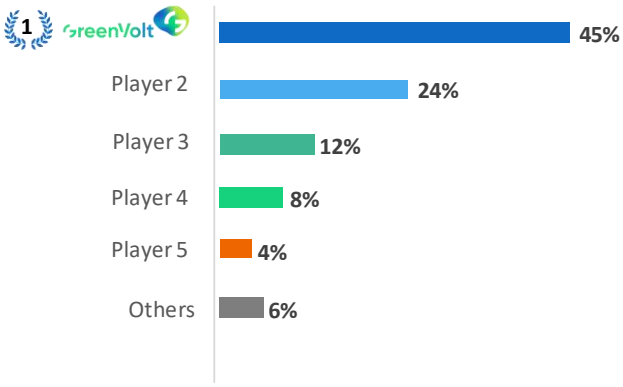
The production of fruit, horticultural products and animals (which represent 62 percent of total production) has increased at an average annual rate of 4.5 percent, 2.6 percent and 1.5 percent, respectively, since 2007. Although oil only represented 1.8 percent of the total production in 2018, it has grown at an average annual rate of around 7 percent in recent years. Based on the acres cultivated by crop and their biomass productivity, it is estimated that the biomass potential of the agricultural sector is of around 1.18 million tons per year for Portugal.

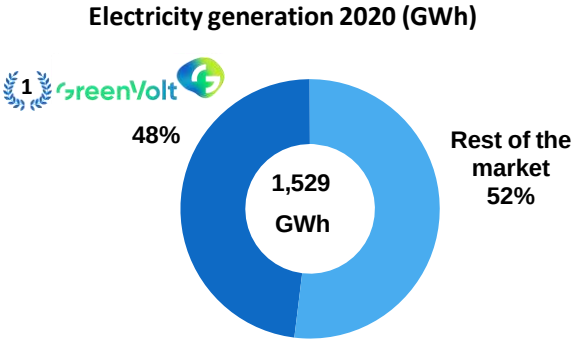
9.8.3. Biomass sector key players

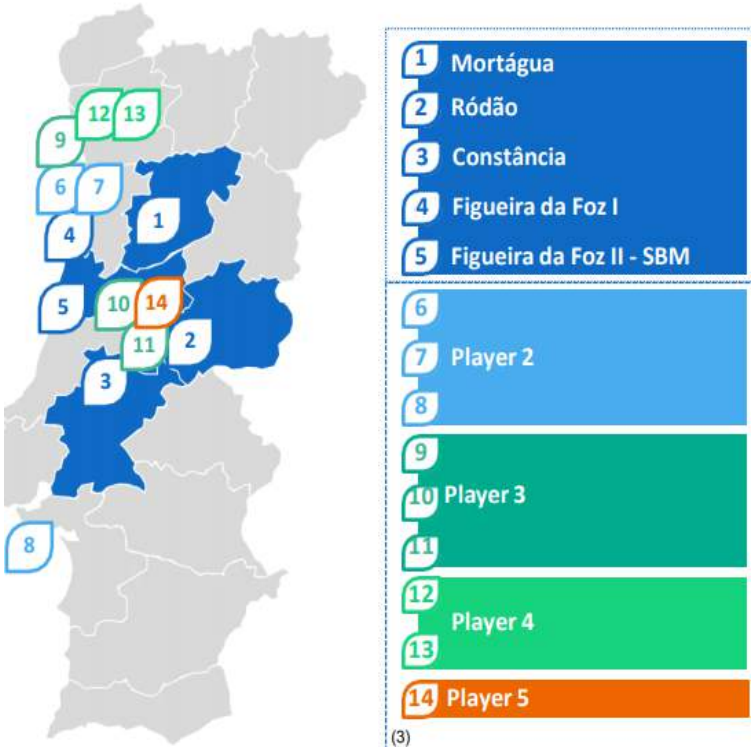
The main consumer of biomass in Portugal are the pulp and paper companies, since they use by-products of their own productive process as biomass. The second most important biomass consumer is the pellet market in Portugal, which produces around 1 million tons per year, meaning a biomass consumption of around 2 million tons per year of woodchips and sawdust.

In terms of renewable energy production from forestry biomass sources (excluding cogeneration, which is Greenvolt's niche), there are 5 main competitors in Portugal, where Greenvolt is the leader in terms of installed capacity and electricity generation (2020)[22]:

[22] Source: DGEG; E2P; Biomass players public information.







Greenvolt has 98 MW of installed biomass power, distributed across 5 facilities in Portugal (please refer to Section 5.5 ("*Subsidiaries*"). Yearly output of the Biomass Power Plants is 733 GWh, meaning a load factor of around 7,500 equivalent hours per year. Yearly production of the Biomass Power Plants accounts for around 2 percent of the total renewable electricity production in Portugal and 27 percent of the biomass electricity production.

Meanwhile, the Issuer's biomass installed power represents 0.7 percent of the renewable energy installed power in Portugal and 16 percent of the biomass installed power.

9.8.4. Supply Chain

9.8.4.1. Biomass market

The biomass sector in Portugal has been traditionally linked to the forestry industry and, especially, to the pulp and paper industry.

The supply chain of forest biomass in Portugal is mainly characterised by:

- 85 percent of land ownership is private (with most forest plots smaller than a hectare; and
- Most of the wood demand and production of biomass comes from forest residues, provided by the forest industry (controlled by large forest industry groups).

Thus, while the forest industry groups set the wood and biomass demand, several small independent forestry companies are responsible for harvesting and transporting the forestry products. These small companies make the distribution of biomass resources to large consumers feasible.

9.8.4.2. Biomass flows in Portugal

Most of the bioenergy projects in Portugal are linked to the pulp and panel industry. The restrictions imposed on the cultivation of eucalyptus, together with the wood deficits foreseen in the coniferous sector as a result of the forest fires of 2003, 2004 and 2017, may generate a resource deficit. Given that the origin of the biomass sector is linked to the forest industry, the entire supply chain is linked to forest exploitation and controlled by the big pulp and paper companies.

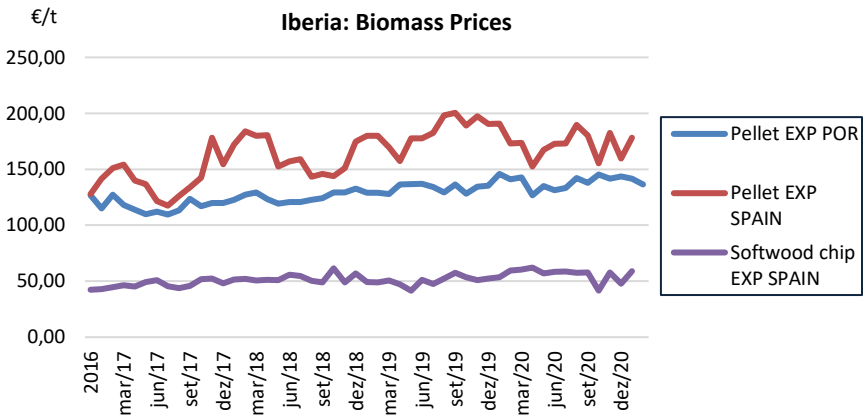
With an adequate supply chain orientation, it would be possible to produce energy from other abundant sources of biomass, such as agricultural crops, by developing the appropriate logistics and storage mechanisms, even if the main supply activity would be eminently seasonal.

Notwithstanding the above, the Issuer mitigates the aforementioned risk considering the entire supply of biomass being provided by Altri Madeira under long-term biomass supply agreements which result from the paper pulp production process at Altri group paper pulp facilities (for further details see Section 10.1 ("*Main activities of the Issuer*")).

In addition, forestry biomass does not exhaust itself in the cultivation of eucalyptus. Nevertheless, the Issuer considers other type of biomass namely residues deriving from other economic activities, for example, agricultural or certain forms of waste, but also considers forestry biomass arising from new types of forestry, such as pinewood and acacia wood which can be used for this purpose, as well as other types of waste. As such, not only residues deriving from forestry operations are considered, but also wood waste from industrial processes.

9.8.4.3. Biomass prices

Historically, Portuguese biomass woodchip prices are around 15 percent cheaper than Spanish prices. The price of industrial biomass woodchips in Spain has stood at around €35 to €40 per ton (at 30 percent moisture) in recent years, with the price of the same material in Portugal standing at around €30 to €35 per ton (at 30 percent moisture).



Biomass price evolution. Source: Portuguese and Spanish market.

9.9. Electricity Remuneration Mechanisms

The main regulatory policies, fiscal incentives and public financing at the European level are as follows:

(a) **Feed-in tariff ("FiT")**: a remuneration mechanism designed to support and accelerate the installation of renewable energy facilities by providing producers with a guaranteed remuneration, above market price;

(b) **Electricity utility quota obligation/Renewable Portfolio Standard ("RPS")**: a policy requiring that a minimum percentage of the electricity supply or the installed capacity comes from renewable sources of energy;

(c) **Net metering**: energy consumption is subtracted from energy produced and the total amount is net at the end of each billing cycle;

(d) **Net billing**: energy consumption and production are recorded and invoiced separately for each billing cycle;

(e) **Biofuel blend obligation/mandates**: a policy requiring a minimum percentage of biofuels within the composition of the fuels used;

(f) **Renewable transport obligation/mandate**: a policy requiring that transportation use a minimum amount of energy from renewable sources;

(g) **Renewable heat obligation/mandate**: a policy requiring that a certain amount of the heat energy consumed is generated from renewable energy sources;

(h) **Fossil fuel bans**: a policy imposing restrictions on or prohibition to certain uses of fossil fuels;

(i) **Tradable Renewable Energy Certificates**: Renewable Energy Certificates ("**RECs**") are generated from each unit of renewable energy produced (normally megawatt-hour) and can be traded, bought or sold; and

(j) **Tendering auctions**: schemes designed to allocate financial support for renewable energy projects, normally based on the price for the energy produced.

9.9.1. Iberian Market

9.9.1.1. Feed-in Tariff

Portugal

The FiT schemes applied to most of the assets located in Portugal are based on Decree-Law no. 339-C/2001, of 29 December, which established the FiT schemes for most renewable technologies in Portugal (FiT scheme "A"). In 2005, the Portuguese Government published Decree-Law no. 33-A/2005, of 16 February, which laid down rules slightly reducing the FiT for new renewable assets in Portugal (FiT scheme "B"). The FiT is applicable to renewable assets registered until 7 November 2012. In 2012, because of Portugal's changing economic circumstances and the drop in electricity demand, the government introduced a series of structural reforms in several sectors, including the electricity sector. One of the outcomes of this process was a new regulatory framework (Decree-Law no. 215-A/2012 and Decree-Law no.215-B/2012, of 8 October, which incorporated the renewables regime), which allowed anyone producing electricity from renewable sources to sell it on the open market.

A new regime for UPPs and UPACs was introduced by Decree-Law no. 153/2014 and replaced the remuneration regime previously applicable to micro and mini generation units, which continues to be applicable only to installations registered

until January 2015, when Decree-Law no. 153/2014 came into force. Decree-Law no. 153/2014 was subsequently revoked and renewable small-scale generation units are now governed by Decree-Law no. 172/2006 (as amended by Decree-Law no. 76/2019) and a new legal regime applicable to self-consumption of renewable energy was enacted by Decree-Law no. 162/2019 of 25 October 2019. For further details on this matter, please refer to Section 12.3 ("*Generation*").

Spain

In Spain, remuneration for renewable energy facilities is currently regulated by the following provisions:

(a) Law no. 24/2013, of 26 December, on the Electricity Sector;

(b) Royal Decree no. 413/2014, of 6 June, which regulates the production of electricity from renewable energy sources, co-generation and waste;

(c) Ministerial Order no. 1045/2014, of 16 June, which approves the remuneration parameters for standard power generation plants based on renewables, co-generation and waste sources;

(d) Ministerial Order no. 130/2017, of 17 February, which approves the remuneration parameters for standard power generation plants based on renewables, co-generation and waste sources;

(e) Royal Decree no. 17/2019, of 22 November, which establishes the reasonable return for the next regulatory period (2020-2025) for generation facilities established before 2013 (7.4 percent) and after 2013 (7.1 percent); and

(f) Ministerial Order no. 171/2020, of 24 February, which approves the remuneration parameters for the new regulatory period (2020-2022) for standard power generation plants based on renewables, co-generation and waste sources.

The regulation sets a remuneration scheme for standard facilities (*instalaciones tipo*) based on achieving a so-called "reasonable return" (currently 7.4 percent or 7.1 percent, before taxes, for existing facilities) over the projected lifetime of the facility, taking into account both the future revenues to be earned in accordance with the regulation and the revenues already received by the facility under the previous regime. For those facilities that fulfil the requirements of Royal Decree no. 413/2014, the remuneration scheme is based on a fixed annual payment (Rinv) based on the nominal capacity of the facility plus a variable payment (Ro) depending on the output of the facility.

Royal Decree no. 413/2014 establishes three thresholds or limits based on the equivalent hours of generation:

(a) **Uf**: if the number of equivalent hours is lower than Uf, the specific remuneration would be zero;

(b) **Nh**: if the number of equivalent hours is greater than Nh, the specific remuneration would be 100 percent of the value established for each year. If the number of hours is between Uf and Nh, the remuneration would be linearly calculated in accordance with the actual equivalent hours reached by the plant; and

(c) **Maximum Cap**: MWh produced in excess of the maximum cap for operational equivalent hours will not receive any operational remuneration.

The regulatory lifetime of renewable energy, cogeneration or waste-to-energy plants is divided into "regulatory periods" of 6 years, each of which is itself subdivided into two 3-year semi-regulatory periods. The first semi-regulatory period

started in 2014 and finished in 2016. The second semi-regulatory period started in 2017 and finished in 2019. The third regulatory period started on 1 January 2020 and will continue until 31 December 2022.

9.9.1.2. Auctions

Portugal

In 2019 and 2020, the Portuguese Government launched solar tenders to foster investment in solar renewable assets and to help achieve the ambitious objective of Portugal becoming carbon neutral by 2050. One of the key objectives of the PNEC 2030 is to reinforce the focus on renewable energy and to efficiently manage the increase in the number of grid applications. Under the tenders, the generators were awarded a grid access point for the lifetime of the plant. In the auctions launched in 2019 and 2020, the bidding rules consider different options for remuneration of the projects:

(a) **Fixed price or Contract for difference:** in 2019 auction the sponsor offered a discount on the reference tariff set by the Government over 15 years. This alternative was slightly changed in the 2020 auction, that included a monthly settlement mechanism based on the difference between the awarded price and the wholesale market price;

(b) **Fixed payment to the system (merchant)**: participants offer the system operator an annual compensation in order to participate in the wholesale market; and

(c) **Merchant with energy storage** (included in the 2020 auction, with a storage capacity of at least 20 percent of the grid connection capacity and with a duration of at least 1 hour): considers a fixed payment per capacity determined as €per MW and an amount payable by the generator, based on the 90 percent injection capacity when the wholesale price goes above a level which varies quarterly and is set for a 15-year horizon. Participants offer a discount to the auction fixed payment in terms of €per MW.

Two auctions have taken place so far, in 2019 and 2020, with an aggregated awarded capacity of approximately 1.8 GW (1,150 MW in 2019 of solar projects and 670 MW of solar and storage projects in 2020). The outcome of these auctions has been considerably low electricity prices awarded as a result of a highly competitive tender. While in 2019 75 percent of the capacity awarded was via the fixed price option, with a minimum price of €14.7 per MWh offered by Akuo Renováveis Portugal, Lda., in 2020 only a slot of 10 MW, 1.5 percent of the capacity, was granted to Solarengoradar – Unipessoal, Lda. for €11.14 per MWh, a record low price in a renewable energy auction. In the case of the merchant option (fixed payment to system), in 2019 Iberdrola Portugal – Electricidade e Gás, S.A. was the company awarded the most capacity in this option, with 139 MW and an average compensation to the system operator of €22.29 per MWh, whereas in 2020 Audax Energia, S.A. was the company awarded most capacity, with 157 MW and an average payment to the system operator of €75.1 per MW. With the inclusion of the merchant with energy storage possibility in 2020, over 70 percent of the capacity was awarded using this bidding option. Hanwa Q Cells GmbH was the company awarded the most capacity under this option, with 315 MW and a 231 percent discount on average over the base price (equivalent to approximately €1.2 per MWh).

Spain

On 3 November 2020, Royal Decree no. 960/2020 established a new remuneration framework for auctions for renewable energy facilities, based on the long-term recognition of a price for energy. Participation in these auctions is also permitted

for the extension or modification of pre-existing facilities. The product to be auctioned is installed power, electrical energy or a combination of both and the bid variable is the price per unit of electrical energy. Selective auctions can be held (technology, size, manageability, location, etc.) at the discretion of the Government.

Ministerial Order no. 1161/2020, published on 4 December 2020, followed the regulatory framework created by Royal Decree 960/2020 and established the operating methodology and a tentative timetable for future auctions in Spain. On 26 January 2021, the first renewable capacity auction was held, corresponding to the capacity considered for the year 2020. A total of 84 agents, with a total volume of 9,700 MW, participated in this auction.

9.9.1.3. Power Purchase Agreements

PPAs are contracts defining the commercial terms for the sale of electricity between two parties in the mid- to long-term. PPAs may assume one of two types:

1) **Physical PPA (on-site and off-site)**

In a physical on-site PPA, the generator and consumer are connected through a direct line and the electricity is injected from the generation facility to the consumer through this line. In a physical off-site (sleeved) PPA, there are three parties involved: the generator, the buyer and the retailer. In this configuration, the generator delivers the energy to the grid and the retailer then delivers it to the buyer, but the payment of the fixed price is directly settled between the generator and the consumer. The consumer then pays a service fee to the retailer. The object of this type of PPA is the sale of electricity and guarantees of origin and prices are usually fixed or have a fixed term.

2) **Synthetic or financial PPA**

In this case there is no physical delivery of the energy to the buyer. The generator injects the electricity into the grid, receiving the wholesale market price, and the buyer acquires the electricity from the market, also paying market price. The parties periodically settle the difference between the hourly market price and the agreed fixed price through the financial PPA.

Currently in the MIBEL Market, most of the negotiated PPAs are Synthetic PPAs:

- **Term**: the term of the PPA varies from 5 to 15 years, with potential extension periods and with the possibility of including various price schemes during the contract term. Shorter terms have recently been observed. Settlement periods for the PPA contract range from a monthly to annual basis;
- **Volume**: the contracted volume can range from 100 percent of the electricity production to a fixed percentage of the electricity production or consumption or a fixed volume (e.g. P90 or 90 percent of the P50);
- **Price:**
  - (i) **Fixed**: the buyer pays a fixed price for every MWh delivered during the contract term, usually measured at the delivery point;
  - (ii) **Floor price plus fee**: the buyer pays for every MWh delivered during the contract term at the market price, discounting a fee. If the market price falls below a certain level (floor price), the off-taker pays the floor price, thus guaranteeing a minimum payment; and

(iii) **Collar**: the PPA establishes a minimum price (floor) and a maximum price (cap). Between these two limits, the applicable price is the wholesale spot price. In the scenario of the spot price breaching either the floor or the cap, the applicable price is the floor or the cap. A collar PPA may or may not include a service fee to be paid to the off-taker.

- **Compensation mechanism**: to safeguard cases where the market price strongly falls during a specific period, PPAs can include a compensation mechanism under which the off-taker payments are returned during an extension period: this debt is progressively paid in subsequent years. The compensation mechanism and contract term may remain in force until the debt has been fully paid; and
- **Guarantees of origin**: it is usually essential for the off-taker to receive the guarantees of origin for the full volume of the contract, in order to profit from (or sell to third parties) the green energy covered by the contract. In some cases, the buyer may agree to share with the seller part of the profits derived from the guarantees of origin, above a certain threshold.

9.9.1.4. MIBEL electricity market

MIBEL is the electricity market for selling and acquiring energy in the Iberian Peninsula and comprises the future and spot electricity markets. In the futures market trades are closed at least two days before the energy dispatch and in the spot markets trades take place the day before dispatch in the day-ahead market and intraday adjustments are made in the intraday market. Companies authorised to buy and sell power in the spot MIBEL place bids in the wholesale market, while final settlement of orders is performed by OMIE, which is responsible for the operation and economic management of the market, on the basis of matching selling and buying offers under a marginal cost scheme. The result of matching selling offers and buying demands forms the hourly programme of power output and consumption for the 24 hours of the following day, the so-called day-ahead programme. The hourly programming of electricity output based on matching prices cannot guarantee the feasible operation of the system, as there might be technical restrictions in the transmission grid that should be considered, particularly considering that electricity supply must be equal to demand at any time and that there are technical limits in electrical lines and substations. Because of this, the Spanish TSO and the Portuguese TSO have to review the day-ahead programme settled by OMIE in order to assess its feasibility, taking into consideration transmission grid limitations, and, whenever necessary, to adjust the day-ahead programme to ensure the proper and reliable operation of the electrical system. The adjustments are negotiated in additional markets, which are necessary to ensure the reliability of the system. This involves a complex process of real-time supervision and control of the network's status, including the planning and maintenance of the electricity system in the medium and long-term. TSOs are responsible for this task, thus ensuring a steady and secure supply of quality power.

Day-ahead market

The so-called wholesale market, or day-ahead market, is a marginal price market in which sale and purchase bids are matched for the 24 hours of the following day.

All generating assets available in the system, which are not engaged in physical bilateral agreements or are out of service due to breakdowns or maintenance, must offer power in this market. At the time of writing of this report, energy sale and purchase bids are limited to a floor of €0 per MWh and a cap of €180 per MWh. Nonetheless, these limits are planned to disappear in the short to medium-term, allowing for the appearance of negative prices or prices higher than €180 per

MWh. Suppliers, last resort suppliers, qualified consumers and non-resident suppliers registered as purchasers operate on the demand side. When trades are settled in this market, assessments are performed to verify that the maximum interconnection capacity with foreign electricity systems is not exceeded, taking into consideration any physical bilateral agreements that could have an influence in this regard.

After all sale and purchase bids have been placed and the trading interval closed, OMIE matches the bids for the programming period, i.e. it identifies the point on the supply-demand curve, starting from the lowest sales bid and highest purchase bid. The outcome of this matching will determine the quantity of power each agent has committed to deliver based on the sale and purchase bids accepted and matched at the marginal price for each programming period. This is obtained by identifying the sales bid performed by the last generating asset which had to be accepted to meet demand.

Intraday market

The purpose of the intraday market is to cover any imbalances between energy supply and demand following the publication of the feasible daily programme. Unlike the day-ahead market, participation is not mandatory. It is an adjustment market open to all market agents placing sale and purchase bids, without differentiating between producers and consumers. The intraday market has six sessions throughout the day and, as with the day-ahead market, the market operator is responsible for matching the bids placed for each programming period.

The MIBEL market has been integrated in a continuous European electricity market called the XBID, developed to create an integrated cross-border European intraday market and which entered into force on 12 June 2018, accepting orders from 13 June 2018. The purpose of XBID is to allow energy trading between different parts of Europe on an ongoing basis and increase the overall efficiency of intraday market transactions across Europe. The hybrid operating model currently adopted is based on the integration of the XBID European intraday market complemented by the execution of Iberian auction sessions in force. Agents will be able to carry out their operations, both internally within the MIBEL and with offers on the other side of the French border, through the functionalities provided by XBID. At the start of the hour immediately following the closing of the auction, negotiation shall commence in the continuous market of those periods prior to the horizon of the next intraday auction session and until the time immediately preceding the supply. As described, the adopted hybrid model will allow continuous trading within the 6 auctions system, although this may vary in the future.

Ancillary markets

Ancillary services are those needed to ensure that electricity is supplied under suitable conditions of security, quality and reliability, involving the continuous monitoring of the supply-demand balance, which can be compulsory or optional for the generation units. The ancillary services market includes any optional services the TSO considers necessary to ensure that the system can operate in a steady and reliable way in each generation market session. Until 2019, an upwards capacity reserve mechanism was in force through which the TSO paid some generation units to keep operating at their technical minimum, being in exchange forced to intervene in the resolution of any possible imbalances that may occur. After the opening of XBID, this service, which was particularly expensive for the system, stopped being necessary and was removed.

When the day-ahead market session closes, OMIE sends the results to the TSOs. The TSOs then assess the technical feasibility of the matched generating assets added to the outcomes of any physical bilateral agreements to be able to

guarantee the security and reliability of supply in the transmission grid, since the aforementioned matching process only takes into account prices. A procedure to resolve technical constraints is triggered if the resulting schedule exceeds the maximum interconnection capacity between electricity systems or does not fulfil supply security requirements. Technical constraints consist of any restrictions imposed as a result of the status of the transmission grid or the electricity system to guarantee a safe and reliable supply of quality power. These constraints are defined in the operating procedures of the Spanish and Portuguese electricity systems. This mechanism adjusts the allocations causing the breach of cross-border interconnection capacity and the allocation of output from generating assets affecting supply security. Once these constraints have been resolved, the system operators inform the market agents and the market operator issues a final feasible daily programme.

9.9.2. Guarantees of origin and other green incentives

A guarantee of origin is a renewable energy certificate that allows electricity consumers to track the source of their power consumption. EU Directive 2001/77/EC introduced guarantees of origin for the first time and described them as "an electronic document which has the sole function of providing proof to a final customer that a given share or quantity of energy was produced from renewable sources". Therefore, guarantees of origin provide information to electricity consumers about the origin of their electricity and its associated impact on the environment in a transparent and reliable way.

A guarantee of origin is essentially a certificate that corresponds to 1MWh of electricity produced and includes detailed information on the origin of the power, the energy source (technology) and other elements such as the age of the power plant, location, subsidy, etc.

Every producer of renewable electricity operating in countries participating in the guarantees of origin system is entitled to receive a guarantee of origin, corresponding to the quantity of renewable electricity produced, from an issuing body, usually the national registry that keeps track of all commercial transactions. In Portugal, REN has acted as the EEGO since June 2020.

On the one hand, electricity producers can voluntarily sell their guarantees of origin to a power supplier or to a business that wants to make a claim related to renewables. Once the customer uses the guarantee of origin for disclosure proposes, the electronic document is cancelled. On the other hand, the power supplier may only disclose renewable electricity in electricity bills and for advertisement purposes if they have cancelled the guarantees of origin for the delivered amount of energy issued in the register. This register system makes it possible to track ownership, verify claims and prevents electricity suppliers from double selling renewable energy.

Guarantees of origin are primarily used by electricity suppliers to prove that the electricity delivered by them is renewable and by businesses to reduce their Green House Gas Protocol Scope 2 emissions. Guarantees of origin are heterogeneous products differentiated by technology, age, location and subsidy, leading to several sub-markets with varying price levels and market liquidity.

Guarantees of origin are valid for 12 months after the production of the energy. Member States must ensure that all guarantees of origin that have not been cancelled shall expire, at the latest, 18 months after the production of the energy. The European market of guarantees of origin has enabled consumers and investors to satisfy their demand for buying environmentally friendly products, services and investments.

Through the purchase of power backed by renewable energy guarantees of origin, consumers can signal to the market that they prefer renewable energy or products made with renewable energy. For companies that want to become zero emitters, guarantees of origin are the main way of documenting the origin of their power supply.

As regards other green initiatives, the RE100 should be highlighted. This global initiative brings together the world's most influential businesses to drive the transition to 100 percent renewable electricity. At present, the initiative has more than 300 members operating in more than 175 markets and consuming around 315 TWh per year of renewable energy. The United Nations Global Compact is another very relevant initiative, calling on companies to align their strategies and operations with the Sustainable Development Goals and to promote the increased use of clean and sustainable energy.

9.10. Solar PV and Wind technologies in Europe

According to the NECP of European countries, wind and solar PV are the main renewable drivers to achieve energy transition in Europe (they currently represent circa 45 percent of renewable electricity generation and are expected to achieve circa 600 GW in 2030):

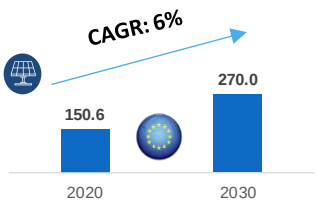
- Expected increase in solar PV installed capacity in Europe of circa 79 percent by 2030 (6 percent CAGR 2020-2030); and
- Expected increase in wind installed capacity in Europe of circa 62 percent by 2030 (5 percent CAGR 2020-2030).

Certain geographies where the Issuer is present, show higher growth rates than the expected average growth in Europe, both in the solar PV and wind arenas. Increasing installed capacity in both technologies is essential to comply with the EU´s targets for 2030 and to reach carbon neutrality by 2050.

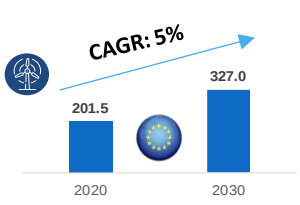
- Expected increase in solar PV installed capacity in selected geographies (namely Portugal, Poland, Greece, Italy and France) of circa 189 percent by 2030 (11 percent CAGR 2020-2030); and
- Expected increase in wind installed capacity in selected geographies of circa 90 percent by 2030 (7 percent CAGR 2020-2030).

Europe | **Geographies where Greenvolt will be present**

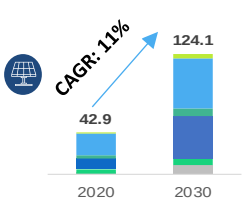
Installed capacity (GW)



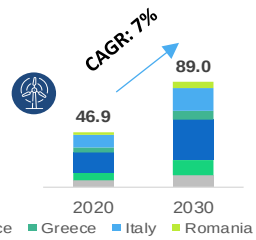
+79% Solar PV installed capacity in **Europe by 2030**



+62% Wind installed capacity in **Europe by 2030**



+189% Solar PV installed capacity **by 2030**



+90% Wind installed capacity **by 2030**

Source: National Energy Climate Plan of selected geographies (NECPs); IRENA database; IRENA Market Report - Renewable energy prospects for the European Union (2018).

(a) **Key market highlights in Poland and Greece**

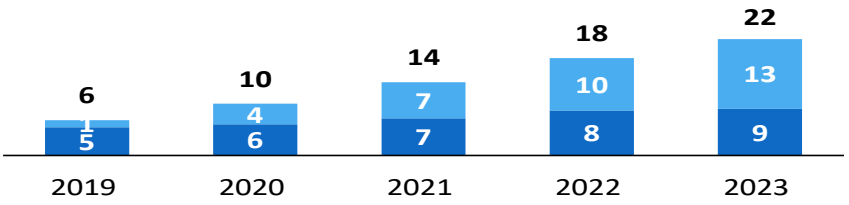
Poland and Greece present solid growth perspectives in order to comply with the EU´s targets. For that purpose, both countries have CfD programmes in place with new auctions expected to occur in the following 12 months:

- +12.6 GW of Solar PV and +3.5 GW of On-shore Wind installed capacity expected in Poland (2019-2023);
- +2.9 GW of Solar PV and +2.0 GW of On-shore Wind installed capacity expected in Greece (2019-2023).

Poland

Market capacity evolution (GW)

+12.6 GW of Solar PV
+3.5 GW of On-shore Wind



Key market highlights

- Phase out of coal (72% of mix) with Wind & Solar as key drivers
- 28.5% target generation from RES by 2040 (+13.5% vs. 2020)
- Top 5 EU countries by final energy consumption

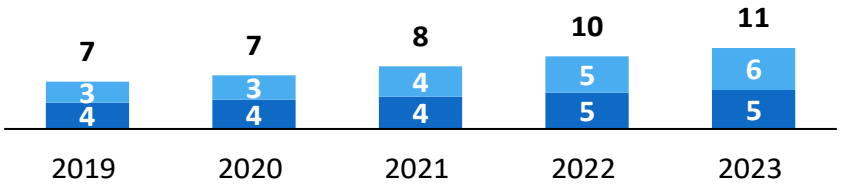
CfD programmes

- **Frequency (months):** 12
- **Next auction:** 8 and 11 of June 2021
- **Price** (PLN/MWh, Nov-Dec 2020)
  - Solar PV: > 1 MW: 340
    < 1 MW: 360
  - Wind: > 1 MW: 250
    < 1 MW: 320

Greece

Market capacity evolution (GW)

+2.9 GW of Solar PV
+2.0 GW of On-shore Wind



Key market highlights

- 15 GW of Wind and Solar PV installed capacity by 2030 (with total RES capacity growth expected at around 61-64%)
- New National Energy and Climate Plan 2021-2030 expects RES investments of ~€43bn to reach the 2030 target

CfD programmes

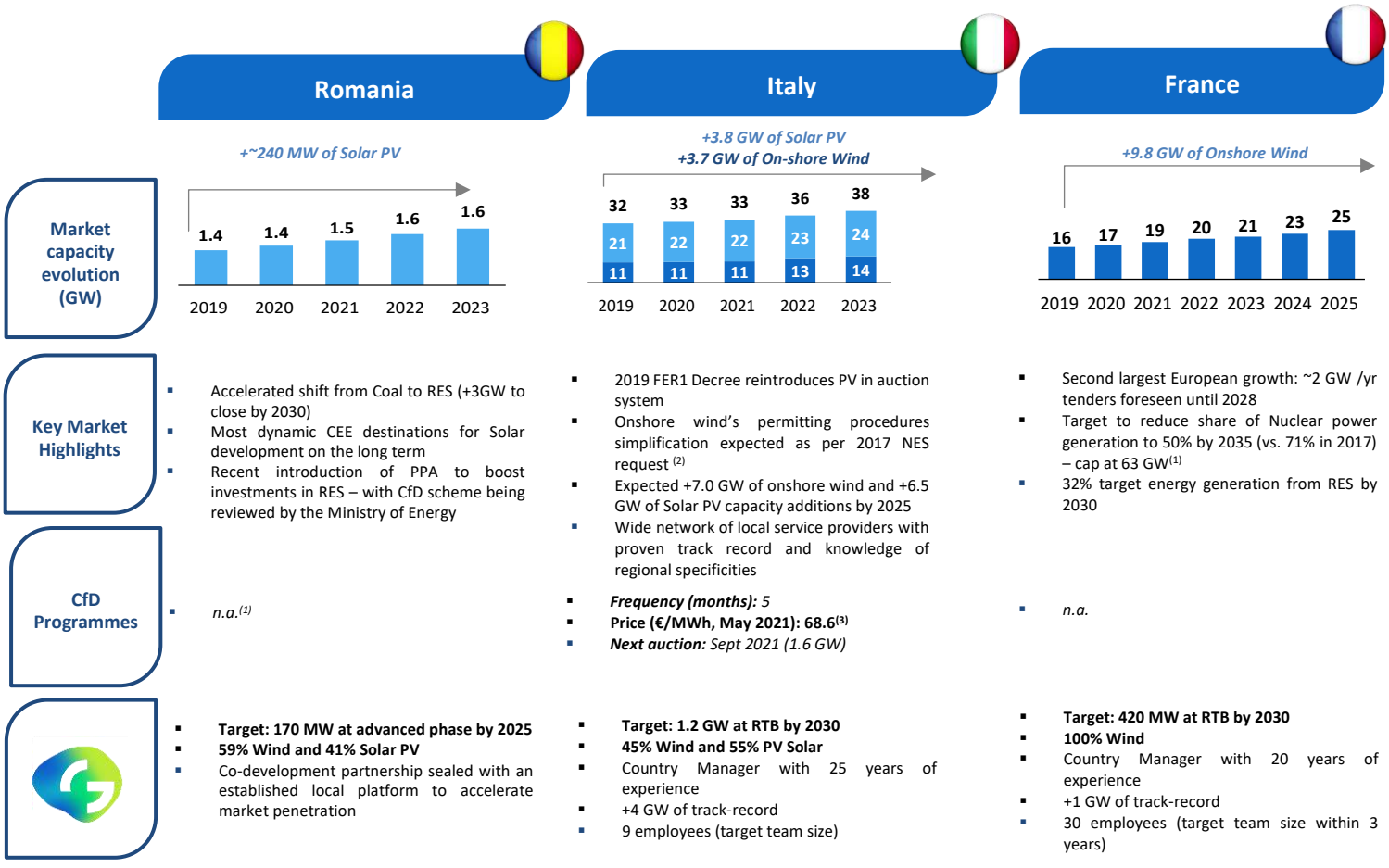
- Frequency (months): 5
- Next auction: n.a.
- **Price (€/MWh, July 2020)**
  - **Solar PV: 49.8**
  - **Wind: 55.7**

Sources: Bloomberg NEF (Capacity short term forecast, May 20th 2021), RAE, GreenSolver, Public information.

(b) **Key market highlights in Romania, Italy and France**

Romania, Italy and France present solid growth perspectives in order to comply with the EU´s targets. For that purpose, these countries have CfD programmes in place or expected to be in place in the short-term:

- Romania has a PPA market to boost investments and a new CfD scheme is expected to be in place in the short-term, as it is currently being reviewed by the energy authorities:
  - +240 MW of Solar PV installed capacity expected in Romania (2019-2023).
- Italy has a CfD programme in place with a new auction expected next September (1.6 GW):
  - +3.8 GW of Solar PV and +3.7 GW of On-shore Wind installed capacity expected in Italy (2019-2023).
- France presents an auction programme of 2 GW per year foreseen until 2028, as the country is gradually phasing out nuclear power generation:
  - +9.8 GW of On-shore Wind installed capacity expected in France (2019-2025).



(1) *Not applicable as only PPA scheme considered for Romania; (2) The National Energy Strategy, published by the Italian Government in 2017; (3) Average price of the CfDs bids of the winners*

Sources: Bloomberg NEF (Capacity short term forecast, 20 May 2021), RAE, GreenSolver, Public information.Renewable Energy Market Outlook.

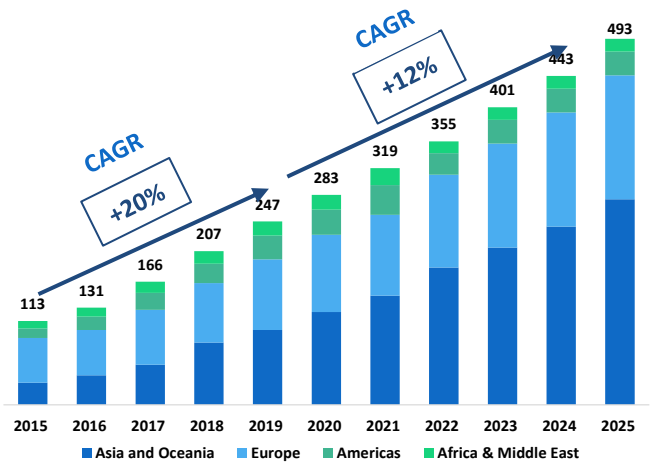
9.11. Decentralised Generation

Decentralised Generation presents high growth prospects globally and in the Iberian Peninsula:

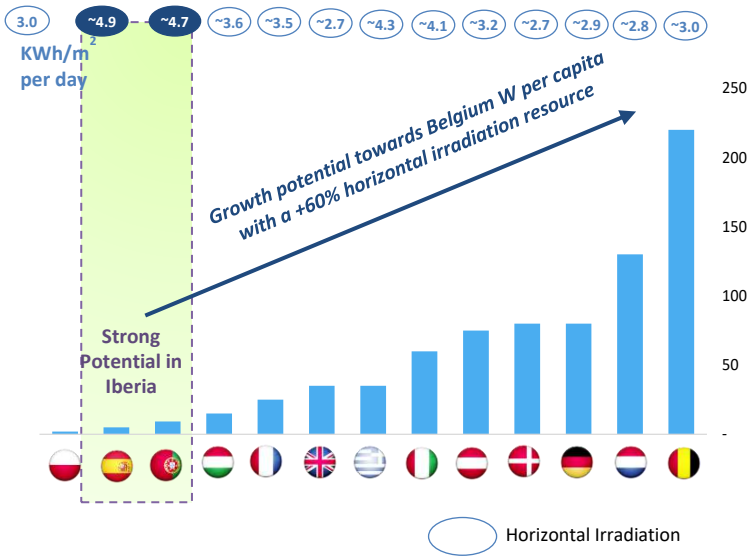
- +12 percent annual increase expected from 2020 to 2025 in installed capacity globally;

Self-consumption in Spain and Portugal presents low levels compared with other European countries, with growth potential when compared to Belgium, considering that Spain and Portugal have a higher (+60 percent) horizontal irradiation resource.

Projected Decentralised Solar Capacity (GW)



Solar PV Capacity in Residential Sector (W/Capita 2018)



Sources: Power Europe, Global Solar Atlas, Monitor Deloitte

9.12. UK electricity overview

UK's generation mix has significantly changed since 2009, with a significant shift towards renewable energy sources:

- The combined share of coal, gas and oil generation fell from 77.5 percent in 2009 to 45.5 percent in 2019, whilst renewables increased from 4.0 percent in 2009 to 36.5 percent in 2019; and
- In June 2019, the UK Government became the first worldwide to pass legislation targeting net-zero emissions by 2050, surpassing the previous target of an 80 percent reduction.

Within the renewables, waste and biomass represent a relatively small percentage of total installed capacity in the UK, at 15.4 percent in 2019:

- However, waste and biomass contribute with a disproportionately high proportion of renewable generation, at 30.7 percent (36 TWh) in 2019, given their typical baseload dispatch profile.

Since 2009, there has been a decline in the United Kingdom's electricity demand, down from circa 351 TWh in 2009 to circa 309 TWh in 2019. There are several reasons behind this decline, including:

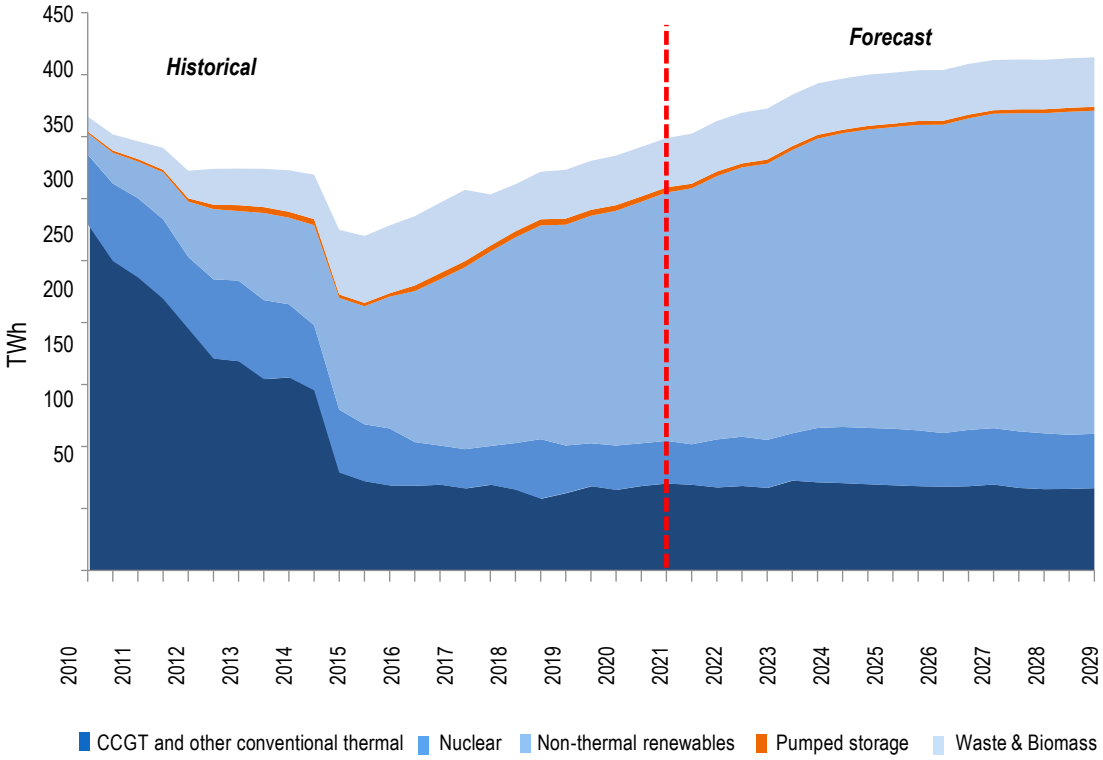
- Impact of energy efficiency measures (e.g. more efficient lightbulbs and domestic appliances);
- Continuing transition of the economy to less energy-intensive industries; and
- Lower levels of economic growth, especially since the recession in 2008-2009.

However, with the electrification of heating and transport (e.g. increased adoption of electric vehicles) as well as diminishing marginal energy efficiency gains, it is expected that electricity demand will revert to long-term growth, with an expected CAGR of 1.4 percent for the next 30 years. Please refer to Section 12.7.1 ("*United Kingdom Regulatory*

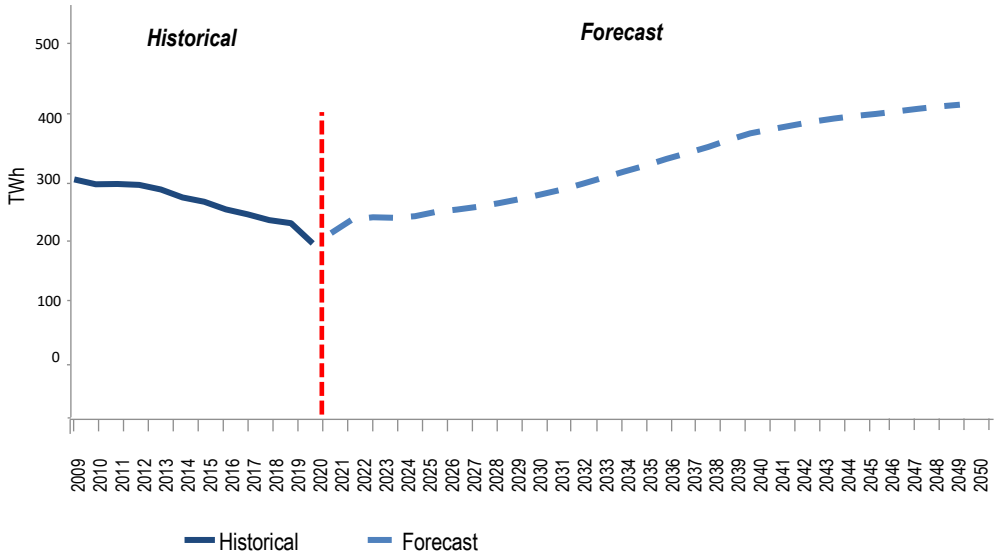
Framework") for more information on the regulatory framework applicable to biomass electricity generation in the United Kingdom.

*

UK Electricity Generation Overview



UK Electricity Demand Overview



Note: CCGT and other conventional thermal includes gas turbines, oil engines, coal, and battery storage.

Source: Market Consultants.

10. DESCRIPTION OF THE ISSUER'S BUSINESS

In the context of the Altri Group's strategy, on 18 March 2021, Altri announced the Group's intention to consolidate its leadership position in the Portuguese market and to become a recognised player in the renewable energy international market, not only through forest biomass, which is and will continue to be the Issuer's core business, but also through innovative solar and wind energy models, among other plans.

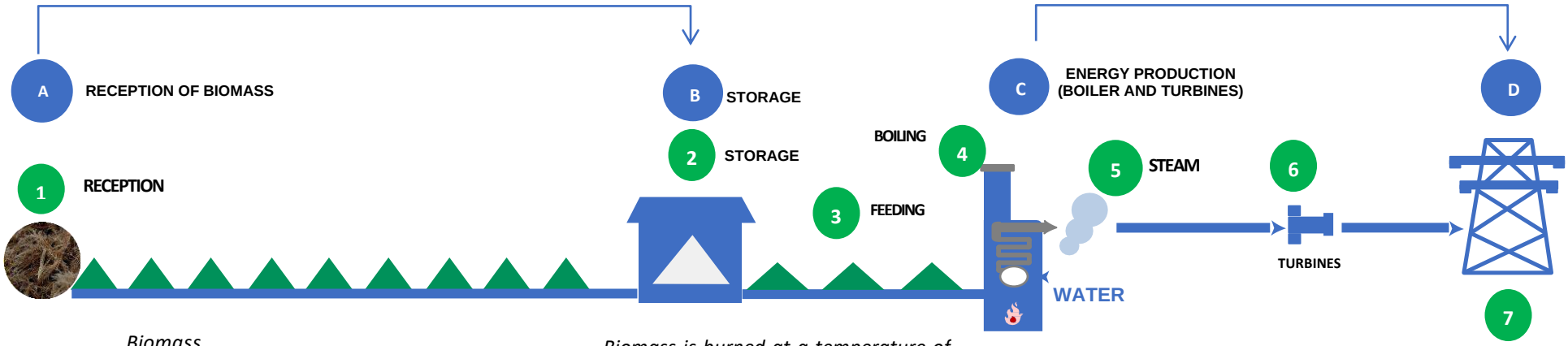
10.1. Main activities of the Issuer

The Issuer is part of Altri's renewable energy division and its core business is the ownership and development of biomass power plants in Portugal, which the Issuer and/or its subsidiaries have been doing for the last two decades, it being that, until 2018, the ownership and development of biomass power plants was carried out through a joint venture with EDP. The Issuer's strategic positioning is based on differentiation, currently having forestry biomass as its core business without excluding the potential use of other types of biomass, notably waste and residues and thus avoiding approximately 156 thousand tons of CO^2 emissions (location based) in 2020. As biomass refers to the set of products consisting of, at least partially, vegetable material resulting from agriculture or forestry activities, or certain forms of waste, the Issuer focus on residues derived from forestry operations and wood waste from industrial processes.

Biomass is solar energy stored in organic matter. As trees and plants grow, the process of photosynthesis uses energy from the sun to convert carbon dioxide into carbohydrates (sugars, starches and cellulose). Carbohydrates are the organic compounds that make up biomass. When plants die, the decay process releases the energy stored in these carbohydrates and discharges carbon dioxide back into the atmosphere. The use of biomass for energy causes no net increase in carbon dioxide emissions into the atmosphere because as trees and plants grow, they remove carbon from the atmosphere through photosynthesis. Using biomass to produce energy is often a way to dispose of waste materials that would otherwise create environmental risks – such as forest fires.

Diagram showing process from forestry waste biomass to electrical energy production:

Snapshot of the Biomass process



1 **Reception** of agroforestry Biomass

2 **Storage and treatment** of Biomass **to adapt it for boiling** physical requirements

3 4 **Feeding Biomass to boiling process** (700ºC–900ºC) to produce combustion gases

5 6 **Combustion gases** are **filtered** to **steam,** which is **transformed** by the **turbine into electrical**

7 **Electrical energy is exported to the network** through substation and

Greenvolt has limited supply risk given that (i) it is a fully integrated player and (ii) fuel is partly received from Altri's pulp facilities

As mentioned in Chapter 9 ("*Industry Overview and Trends*"), endogenous energy resources, particularly those of a renewable nature, constitute one of the main focuses of the current Portuguese energy policy with the purpose of minimising energy dependence and reducing the emission of polluting substances. In Portugal, a significant portion of biomass is already used, mainly in the industries of paper pulp production, panels, agglomerates and production of densified biomass for energy purposes. The mobilisation of new transformation technologies is vital for the dissemination of biomass use as an alternative to fossil fuels (gas and oil derivatives).

In addition to reducing the risk of fire in the central region of Portugal, which has a significant forest density, biomass electricity generation activity based on residual forest biomass has positive effects on the economy and helps rural development, by energetically valuing waste materials from the forests.

As such, on top of reducing the use of fossil fuels, subsequently reducing the emission of CO^2 into the atmosphere, the activity of biomass power plants has improved forest management in the central region.

According to 2020 statistics on renewables: (i) made available by the Portuguese Association for Renewable Energies (*Associação Portuguesa de Energia Renováveis*), biomass contributed towards 7 percent of the total national electricity generation[23]; and (ii) made available by DGEG, biomass power plants represent an installed capacity of 703 MW in Portugal, of which 467 MW pertain to cogeneration plants (generating heat and power simultaneously) and 240 MW to biomass power plants.[24]

All electrical energy produced by the Issuer through forestry biomass is injected in the national electricity grid. In 2020, the Issuer led the renewable energy sector of forestry base and injected 732.6 GWh renewable electric energy in the national electricity grid

In addition to the biomass power plant activity carried out in Portugal, the Issuer will also start to operate TGP, a biomass power plant operating in the UK, following the recent acquisition, together with funds managed by Equitix, of Tilbury Holdings. For further details on this asset, please refer to Section 10.1 ("*Main activities of the Issuer"*), sub-section (a) (ii).

On the other hand, the Issuer is engaged in developing UPPs, photovoltaic solar power plants and wind power plants. For further details on these assets, please refer to Section 10.1 ("*Main activities of the Issuer"*), sub-section (b) (i) for assets located in Portugal and sub-section (b) (ii) for assets located in Europe.

Description of Assets

(a) Biomass power plants

(i) Portugal – Biomass Power Plants

Introduction

As already referred, the Biomass Power Plants have been developed over the last two decades and their operation is generally grounded in the Issuer's symbiotic relationship with the Altri Group entities which own the relevant pulp production factories and installations.

Additionally, the biomass used for electricity generation in the Biomass Power Plants is provided by Altri Madeira under Biomass Supply Agreements for each of the Biomass Power Plants, entered into between the Issuer and/or the

[23] APREN report entitled "Anuário/Yearbook 2020" issued in April 2020, available at aprenebook2020-2.pdf.

[24] DGEG report entitled "Estatísticas Rápidas – n.º 193" issued in December 2020, available at dgeg-arr-2020-12.pdf.

Subsidiaries, which set forth the biomass price, quality, capacity and delivery mechanism of the biomass for the Biomass Power Plants. Circa 35 percent of the biomass supplies, namely bark biomass, has its origin in Altri's pulp facilities.

With the exception of Mortágua Power Plant, each of the remaining Biomass Power Plants, owned and operated by the Issuer and/or its subsidiaries, is located close to a Pulp Facilty, owned and operated by a company comprised within the Altri Group, as follows (for 2020):

- **Constância Power Plant**, with an installed capacity of 13.67 MW (14,700 MVA) and an injection capacity limited to 11.8 MW, installed in Caima Indústria's pulp facility located in Constância, parish of Constância, in the municipality of Constância, district of Santarém, processing forest biomass*;* biomass consumption: 1.78 ton/MWh injection; consumption: 140,590 ton;
- **Figueira da Foz I Power Plant**, with an installed capacity of 34.317 MW (36,900 MVA) and an injection capacity limited to 30 MW, installed in Celbi's pulp facility located in Leirosa, parish of Marinha das Ondas, in the municipality of Figueira da Foz, district of Coimbra, processing forest biomass*;* biomass consumption: 1.63 ton/MWh injection; consumption: 372,064 ton;
- **Figueira da Foz II Power Plant**, with an installed capacity of 40.865 MW (48.940 MVA) and an injection capacity limited to 34.5MW, installed in Celbi's pulp facility located in Leirosa, parish of Marinha das Ondas, in the municipality of Figueira da Foz, district of Coimbra, processing forest biomass*;* biomass consumption: 1.46 ton/MWh injection; consumption: 416,576 ton;
- **Mortágua Power Plant**, with an installed capacity of 10 MW (10,000 MVA) and an injection capacity limited to 10 MW, located in Lugar do Freixo, parish of Mortágua, in the municipality of Mortágua, district of Viseu, processing forest biomass*;* biomass consumption: 2.05 ton/MWh injection; consumption: 149,379 ton; and
- **Ródão Power Plant**, with an installed capacity of 13.232 MW (14,400MVA) and an injection capacity limited to 11.8 MW, installed in Celtejo's pulp facility located in Vila Velha de Ródão, parish of Vila Velha de Ródão, in the municipality of Vila Velha de Ródão, district of Castelo Branco, processing forest biomass*;* biomass consumption: 1.89 ton/MWh injection; consumption: 125,322 ton.

As the Constância, Figueira da Foz (I and II) and Ródão Biomass Power Plants are installed close to a Pulp Facility, the Biomass Power Plants benefit from synergies established with the related Pulp Facilities namely for the provision of services, including operation and maintenance, internal management of biomass, waste management and general services, which are provided by the owner of the Pulp Facility to the Biomass Power Plant Developer of the relevant Biomass Power Plant under the respective O&M Agreement, at market prices. In addition, the utilities used for the generation of electricity from biomass, including demineralized water and compressed air, are purchased by each Biomass Power Plant Developer from the owner of the related Pulp Facility at market prices.

The Mortágua Power Plant is located in a forestry region and therefore benefits from short supply radius.

The Biomass Power Plants amount to a total 112.8 MW of electric power installed capacity and 98 MW injection capacity and, as mentioned, generated 733 GWh in 2020.

The Biomass Power Plants benefit from guaranteed remuneration (feed-in tariff) under the applicable legal regimes set forth under the relevant licence for each of the Biomass Power Plants, depending on the tariff set when the Biomass

Power Plants were licenced and subject to a term, in accordance with the table below:

BIOMASS POWER PLANT	APPLICABLE LEGAL FRAMEWORK	TARIFF AMOUNT (2020 Average)	TERM
Constância	Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 225/2007, of 31 May	€117 per MWh	25 years as from grid connection (July 2034)
Figueira da Foz I	Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 225/2007, of 31 May	€119.1 per MWh.	25 years as from grid connection (April 2034)
Mortágua	Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 168/99, of 18 May, and by Decree-Law no. 225/2007, of 31 May	€130.8 per MWh	25 years from entry into operation (August 2024)
Figueira da Foz II	Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 225/2007, of 31 May, and Decree-Law no. 5/2011, of 10 January	€115.1 per MWh.	25 years as from grid connection (July 2044)
Ródão	Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 33-A/2005, of 16 February	€120.1 per MWh	25 years as from grid connection (November 2031)

The Biomass Power Plants inject the electricity generated in the public grid, which they sell to the Last Resort Supplier under power purchase agreements, following the legal standard model. The Last Resort Supplier acquires the electricity generated at the tariff price set for each Biomass Power Plant.

Biomass Power Plants owned and directly operated by the Issuer

The three Biomass Power Plants directly owned and operated by the Issuer (Constância Biomass Power Plant, Figueira da Foz I Biomass Power Plant and Mortágua Biomass Power Plant) have a total injection capacity of 51.8 MW and, in 2020, injected 381 GWh (359 GWh were injected in 2019), generating a total revenue for sales of energy and biomass of €48.8 million (€48.1 million in 2019) and consuming a total of 662 thousand tons of residual forest biomass (617 thousand tons were consumed in 2019), being that, in 2020:

- Energy sales recorded an increase of €2.8 million, mostly due to the fact that in the previous year the Mortágua Power Plant had an outage of 30 days to carry out more extensive maintenance activities. The Figueira da Foz I Power Plant also had a maintenance outage in 2019, not having had any outages in 2020; and
- Biomass sales decreased by €2.2 million. This is because at the beginning of 2020 the Issuer sold all its forest biomass stock to Altri Madeira, which became the Issuer's sole biomass supplier, and the Issuer ceased to supply biomass, in 2019, to Sociedade Bioelétrica do Mondego, which also became supplied solely by Altri Madeira.

Operating expenses, costs with sales and supplies of external services amounted to €31.6 million in 2020, registering a €3 million decrease compared to the previous year. This was due, on the one hand, to the €4 million decrease in supplies of external services, triggered by the decrease of maintenance expenses, as major annual repairs were carried out at the aforementioned three plants in 2019. On the other hand, there was an increase in costs of sales of €1 million, due to the

increase in electricity sales. As such, the abovementioned biomass power plants yielded total revenue less cost of sales and external supplies and services, as disclosed on the Issuer standalone financial statements of €17.2 million in 2020 (€13.5 million in 2019).

Indirectly, the Issuer contracted half a hundred workers to carry out the operation and maintenance activities of these plants.

Constância Power Plant

The Constância Power Plant's establishment licence (*licença de estabelecimento*) was obtained on 29 November 2007 and its operation licence (*licença de exploração*) was obtained on 14 August 2009. In accordance with the power plant grid connection certificate (*auto de ligação à rede*), grid connection was achieved in July 2009.

Guaranteed remuneration was awarded under Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 225/2007, of 31 May, and on average corresponds to €117.0 per MWh for 2020, calculated in accordance with the following formula:

*Valuation = {[5.44*minimum (Pot_{dec};PL/720)*PL/576/Pot_{dec}+0.036*PL]*1 + (0.00002*370*PL)*Z)} / (1-0.015/IPC_{m-1}/IPC_{ref}*(1-depreciation))*

For this power plant, the following parameters have been considered: (i) IPC ref: 92.948; (ii) capacity (kW): 12467; and (iii) Z factor: 8.2.

Guaranteed remuneration was granted for 25 years as from grid connection (i.e., until July 2034).

In 2020, the Constância Power Plant consumed 140,590 tons of biomass and injected 79,112 MWh into the grid, operating for 350 days with a total of 14 days of outage, with an availability of 91.8 percent (calculated using 366 days for 2020) and a load factor (also calculated using 366 days for 2020) of 76.2 percent. The power plants are deemed 100 percent available when in operation 350 days per year, while load factor is calculated as net production in MWh divided by net installed capacity, by 366 days and by 24 hours.

In 2020, the Constância Power Plant achieved a total revenue for sales of energy and biomass of €9.5 million.

Figueira da Foz I Power Plant

The Figueira da Foz I Power Plant's establishment licence (*licença de estabelecimento*) was obtained on 27 May 2009 and its operation licence (*licença de exploração*) was obtained on 3 August 2009. In accordance with the power plant grid connection certificate (*auto de ligação à rede*), grid connection was achieved in April 2009.

Guaranteed remuneration was awarded under Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 225/2007, of 31 May, and on average corresponds to €119.1 per MWh in 2020, calculated in accordance with the following formula:

*Valuation = {[5.44*minimum (Pot_{dec};PL/720)*PL/576/Pot_{dec}+0.036*PL]*1 + (0.00002*370*PL)*Z)} / (1-0.015/IPC_{m-1}/IPC_{ref}*(1-depreciation))*

For this power plant, the following parameters have been considered: (i) IPC ref: 92.835; (ii) capacity (kW): 28 776; and (iii) Z factor: 8.2.

Guaranteed remuneration was granted for 25 years as from grid connection (i.e., until April 2034).

In 2020, the Figueira da Foz I Power Plant consumed 372,038 tons of biomass and injected 228,561 MWh into the grid, operating for 361 days with a total of 5 days of outage, achieving an availability of 94.5 percent (calculated using 366 days for 2020) and a load factor (also calculated using 366 days for 2020) of 86.7 percent.

In 2020, the Figueira da Foz I Power Plant achieved a total revenue for sales of energy and biomass of €29.7 million.

Mortágua Power Plant

The Mortágua Power Plant's establishment licence (*licença de estabelecimento*) was obtained on 11 July 1997 (amended on 22 April 1999) and its operation licence (*licença de exploração*) was obtained on 21 October 2005. In accordance with the power plant grid connection certificate (*auto de ligação à rede*), grid connection was achieved in August 1999.

Guaranteed remuneration was awarded under Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 168/99, of 18 May, and by Decree-Law no. 225/2007, of 31 May, and on average corresponds to €130.8 per MWh in 2020, calculated in accordance with the following formula:

$$Valuation = \{[5.44*minimum\ (Pot_{dec};PL/720)*PL/576/Pot_{dec}+0.036*PL]*1 + (0.00002*370*PL)*Z)\} / (1-0.015/IPC_{m-1}/IPC_{ref}*(1-depreciation))$$

For this power plant, the following parameters have been considered: (i) IPC ref: 85.027; (ii) capacity (kW): 7 400; and (iii) Z factor: 8.2.

Guaranteed remuneration was granted for 25 years from entry into operation (i.e., until August 2024).

In 2020, the Mortágua Power Plant consumed 149,376 tons of biomass and injected 72,990 MWh into the grid, operating for 343 days with a total of 23 days of outage, achieving an availability of 91.6 percent (calculated using 366 days for 2020) and a load factor (also calculated using 366 days for 2020) of 83.1 percent.

In 2020, the Mortágua Power Plant achieved a total revenue for sales of energy and biomass of €9.6 million.

The Mortágua Power Plant facility was concluded in 1999 by the EDP Group, which entered into several promissory lease agreements with a number of relevant landowners. These promissory lease agreements were not converted into definitive lease agreements by the Issuer because thus far it has not been possible to identify the current landowners of the plots in question. As such, although no claim has been made by any potential landowner during the operation of the Mortágua Power Plant, the Issuer is currently proceeding with an assessment of the plots and their respective titles in order to contract the land definitively or otherwise proceed with legal possession by usucaption (*usucapião*) of the plots in 2022, once the statutory period for this form of possession has elapsed.

Mortágua Power Plant concession under development

On 1 July 2020, the Issuer entered into an agreement with the Municipality of Mortágua for the design, construction, supply, financing and entry into operation of a new forest biomass plant in Mortágua, having been awarded the concession of the associated operation rights. This agreement was executed under a specific legal framework (Decree-Law no. 64/2017) which allows for the development of biomass power plants by municipalities and companies entitled to develop biomass power plants under an agreement entered into with the relevant municipality. The agreement is subject to the condition precedent that the 10 MW biomass power plant is licensed by the relevant authorities under the

applicable legal regime, namely the award of reserved capacity to connect to the grid and the attribution of the power plant's production licence (for which the Issuer is currently applying). The Issuer requested the issuance of the power plant production licence on 1 July 2020. On 31 August 2020, DGEG replied that for the granting of the production licence, a title of reserved capacity would have to be obtained and all necessary regulatory requirements met, including the study by the Portuguese Institute for Nature Conservation and Forests (*Instituto da Conservação da Natureza e das Florestas*) ("**ICNF**") assessing the quantity of available biomass for energy generation. The Issuer is currently awaiting the publication of the ICNF's study, but it expects the production licence to be granted during 2021. Once the production licence is granted, it will take approximately 24 months for the new Mortágua Power Plant to be operational. Considering its specific legal framework (Decree-Law no. 64/2017), this biomass power plants' remuneration is not the remuneration regime applicable to the biomass power plants currently in operation. For further information on the remuneration regime, please refer to Section 12.3.4 ("*Specific legal framework for the development of Biomass Power Plants*").

Provided that all necessary documents are obtained and requirements met, the Issuer will be awarded the concession to operate the power plant for 30 years and receive the remuneration generated by it.

Please note that this agreement includes an assignment and change of control limitation, pursuant to which the total or partial assignment of the concessionaire (i.e., the Issuer) further to a restructuring, takeover, transformation, demerger, merger, acquisition, dissolution or insolvency of the company, leading to the transfer of the agreement to a third party entity (except within the same economic group as the concessionaire), as well as the disposal of the Issuer's shares, is subject to the Municipality of Mortágua's prior consent.

Biomass Power Plant owned and operated by Sociedade Bioelétrica do Mondego

Sociedade Bioelétrica do Mondego obtained the Figueira da Foz II Power Plant's production licence (*licença de produção*) on 30 June 2017 and operation licence (*licença de exploração*) on 7 June 2019. In accordance with the power plant grid connection certificate (*auto de ligação à rede*), grid connection was achieved in July 2019.

Guaranteed remuneration was awarded under Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 225/2007 and Decree-Law no. 5/2011, of 10 January, and on average corresponds to €115.1 per MWh in 2020, calculated in accordance with the following formula:

$$Valuation = \{[5.44*minimum\ (Pot_{dec};PL/720)*PL/576/Pot_{dec}+0.036*PL]*1 + (0.00002*370*PL)*Z)\} / (1-0.015/IPC_{m-1}/IPC_{ref}*(1-depreciation))$$

For this power plant, the following parameters have been considered: (i) IPC ref: 104.291; (ii) capacity (kW): 34 500; (iii) Z factor: 9.6, and (iv) depreciation: 1.5 percent.

Guaranteed remuneration was granted for 25 years as from grid connection (i.e., until July 2044). According to Decree-Law no. 5/2011, the feed-in-tariff for this biomass plant depends on the compliance with an action plan for the sustainability of supply of biomass which is approved by ICNF. Sociedade Bioelétrica do Mondego submitted this plan on 17 October 2019, which was approved by ICNF on 5 December 2019.

The Figueira da Foz II Power Plant injected 285,974 MWh of electricity in 2020 (whereas 116 GWh of electricity were injected in 2019). The corresponding turnover was €32.9 million (while in 2019 it amounted to €13.3 million).

As such, the Sociedade Bioelétrica do Mondego yielded total revenue less cost of sales and external supplies and services,

as disclosed on the Sociedade Bioelétrica do Mondego standalone financial statements of €14.1 million in 2020 (€6.5 million in 2019). In 2020, the Figueira da Foz II Power Plant operated for 356 days with a total of 10 days of outage, achieving an availability of 95.4 percent (calculated using 366 days for 2020) and a load factor (also calculated using 366 days for 2020) of 94.4 percent.

The Issuer implemented innovative solutions to overcome utilisation-related attrition in the construction of the Figueira da Foz II Power Plant, having used maximum quality materials and implemented tailor-made adjustments to the boiler. This led to a reduction of the period necessary for this plant's annual shutdown, an increase of the average stoppage cycle and an increase in yearly production when compared with the remaining power plants, thus leading to higher availability and load factor.

Considering that Sociedade Bioelétrica do Mondego started its activity of energy generation and injection into the public grid at the end of July 2019, the year of 2020 showed an increase in its income and expenses when compared to the previous year.

Operating expenses, cost of sales and provision of external services reached a total of 18.8 million euros (6.8 million euros in 2019).

In 2020, the power plant consumed approximately 415,268 tons of biomass (whereas in 2019 consumption only reached 176 thousand tons) from the region, which amounted to €12.7 million (€4.9 million in 2019).

Due to the fact that it is the most recently built and the Biomass Power Plant enjoying the highest installed capacity (34.5MW) and the longest contractual term (2044), Figueira da II Power Plant contributes significantly to the Group: 39 percent of GWh injected to the grid and 38 percent of Group's revenues in 2020, excluding biomass sales.

Biomass Power Plant owned and operated by Ródão Power

The Ródão Power Plant's production licence (*licença de produção*) was obtained on 9 April 2008 and its operation licence (*licença de exploração*) was obtained on 28 January 2009. In accordance with the power plant grid connection certificate (*auto de ligação à rede*), grid connection was achieved in December 2006.

Guaranteed remuneration was awarded under Decree-Law no. 189/88, of 27 May, as amended by Decree-Law no. 33-A/2005, of 16 February, and on average corresponds to €120.1 per MWh in 2020, calculated in accordance with the following formula:

$$Valuation = \{[5.44*minimum\ (Pot_{dec};PL/720)*PL/576/Pot_{dec}+0.036*PL]*1 + (0.00002*370*PL)*Z)\} / (1-0.015/IPC_{m-1}/IPC_{ref}*(1-depreciation))$$

For this power plant, the following parameters have been considered: (i) IPC ref: 89.616; (ii) capacity (kW): 12 467; (iii) Z factor: 8.2.

Guaranteed remuneration was granted for 25 years as from grid connection (i.e., until November 2031).

In 2020, the Ródão Power Plant consumed about 119,011 tons of biomass (versus 117,720 tons in 2019) from the region, which amounted to €3.5 million (€3.2 million in 2019). The Ródão Power Plant injected 66,006 MWh of electricity into the grid (65.2 GWh in 2019).

In 2020, the Ródão Power Plant operated for 345 days with a total of 22 days of outage, achieving an availability of 89.2

percent (calculated using 366 days for 2020) and a load factor (also calculated using 366 days for 2020) of 63.8 percent.

The Issuer is performing a planned overhaul of Ródão Power Plant's turbine in order to improve this plant`s efficiency.

In 2020, general sales registered a slight increase in relation to the same period of the previous year, with a turnover of €8.2 million (€7.8 million in 2019). Electricity sales amounted to €7.9 million, a little more than the €7.8 million achieved in 2019. In 2020, Ródão Power Plant sold biomass in the amount of €0.2 million.

Operating expenses, costs of sales and supplies of external services amounted to €6.5 million, an increase of 10 percent compared to 2019. This was due, on the one hand, to the increase in the cost of sales, corresponding to the cost of biomass sales, and, on the other, to the increase in external services, which increased maintenance costs. Ródão Power Plant had a major outage in 2020, which had not occurred in 2019. As such, Ródão Power yielded total revenue less cost of sales and external supplies and services, as disclosed on the Ródão Power standalone financial statements of €1.7 million in 2020 (€1.9 million in 2019).

In 2020, it contributed €3.3 million (the same amount as in 2019) in the acquisition of forest waste.

The Ródão Power Plant indirectly employs, through Celtejo, approximately ten workers who carry out operation and maintenance activities.

Material agreements

The Issuer entered into a back-office agreement with Celbi on 4 June 2021 for the provision of back-office services, for a period of 2 years, automatically renewable for equal periods of time provided that none of the Parties wishes to terminate the agreement.

Each of the Biomass Power Plants has entered into the following agreements for the purposes of their operation:

	CONSTÂNCIA	FIGUEIRA DA FOZ I	MORTÁGUA	FIGUEIRA DA FOZ II	RÓDÃO
Biomass Supply Agreement	Entered into with Altri Madeira on 4 June 2021, in force until 31 July 2034	Entered into with Altri Madeira on 4 June 2021, in force until 30 April 2034	Entered into with Altri Madeira on 4 June 2021, in force until 30 August 2024	Entered into with Altri Madeira on 4 June 2021, in force until 31 July 2044	Entered into with Altri Madeira on 4 June 2021, in force until 30 November 2031
Framework Agreement	Entered into with Caima Indústria on 4 June 2021, with effects as of 1 July 2009 and a 25-year term	Entered into with Celbi on 4 June 2021, with effects as of 1 April 2009 and a 25-year term	Not applicable	Entered into with Celbi on 4 June 2021, with effects as of 1 August 2019 and a 25-year term	Entered into with Celtejo on 4 June 2021 with effects as of 1 January 2007 and a 25-year term
Lease Agreement	Entered into with Caima Indústria on 4 June 2021, with effects as of 1 July 2009 and with an initial term on 30 June 2034 Annual rent in the amount of €83,772	Entered into with Celbi on 4 June 2021, with effects as of 1 April 2009 and with initial an term on 30 March 2034 Annual rent in the amount of €177,732	Please refer to the Mortágua power plant description above	Entered into with Celbi on 4 June 2021, with effects as of 1 August 2019 and with an initial term on 31 July 2044 Annual rent in the amount of €178,500	Entered into with Celtejo on 4 June 2021, with effects as of 1 January 2007 and with an initial term on 31 December 2032 Annual rent in the amount of €88,116
O&M Agreement	Entered into with Caima Indústria on 4 June 2021, in	Entered into with Celbi on 4 June 2021, in force until	Entered into with Celtejo on 4 June 2021, in force until	Entered into with Celbi on 4 June 2021, in force until	Entered into with Celtejo on 4 June 2021, in force until

	CONSTÂNCIA	FIGUEIRA DA FOZ I	MORTÁGUA	FIGUEIRA DA FOZ II	RÓDÃO
	force until 31 July 2034 Annual global price in the amount of €1,003,944	30 April 2034 Annual global price in the amount of €1,505,916	31 July 2034 Annual global price in the amount of €516,000	31 July 2044 Annual global price in the amount of €1,503,720	31 July 2034 Annual global price in the amount of €1,048,236
Utilities Agreement	Entered into with Caima Indústria on 4 June 2021, in force until 30 April 2034	Entered into with Celbi on 4 June 2021, in force until 30 April 2034	Not applicable	Entered into with Celbi on 4 June 2021, in force until 31 July 2044	Entered into with Celtejo on 4 June 2021, in force until 30 April 2034

All material agreements were entered into with the Issuer's related parties on 4 June 2021 under standard market terms and conditions for the equivalent provision of services (and service agreements), not materially deviating from the terms and conditions of the agreements previously in place, before the execution of the current ones identified in the table above. For further details on related party transactions and amounts see Section 6.2 ("*Related party transactions*").

Biomass Supply Agreements

The Biomass Supply Agreements ensure the continuous supply of biomass to the Biomass Power Plants for the term of the guaranteed tariff of each of the Biomass Power Plants. Under such agreements, Altri Madeira is responsible for delivering the necessary quantity of biomass with the quality and on the delivery dates agreed by the parties, subject to the determination, to be made in September of each year by the Issuer and/or its subsidiaries, of the efficiency and minimum consumption requirements of each of the Biomass Power Plants.

Altri Madeira may procure the biomass through alternative sources, namely biomass resulting from the paper pulp facilities production process, residual forest biomass collected from forest owned or managed by entities of the Altri Group, or biomass from other national sources or from the Galiza region, with the prices agreed by the parties varying depending on the source of the biomass supplied. Under the Biomass Supply Agreements, the biomass price is fixed at €per ton for all biomass sourced from the paper pulp facilities production process for the duration of the agreement (which is coincident with the duration of the guaranteed tariff for the Biomass Power Plants); however, the annual price determined for other sources of biomass is subject to review on a yearly basis in accordance with a budget to be agreed by the parties reflecting the actual costs incurred by Altri Madeira with the supply of biomass in the previous year.

The Biomass Supply Agreements foresee a price revision mechanism (applicable only to biomass supplied from sources other than the paper pulp facilities production process) in case of any variation greater than 2 percent in the costs of the biomass supplied, in which case the parties may proceed to revise the price applicable to the biomass in the following semester. The Biomass Supply Agreements do not provide for minimum supply percentages depending on the types or origins of biomass, but rather a price for each type of biomass and a commitment to supply sufficient quantities to guarantee the full operation of the Biomass Power Plants, irrespective of the types of biomass concerned.

Lastly, the Biomass Supply Agreements foresee that the supplier must undertake to comply with the owner supplier conduct code, attached to the agreement, and to ensure that any subcontractor also acts in accordance with this code. The referred supplier conduct code includes environmental protection principles, namely the use of resources efficiently, ensuring adequate operational control in order to minimize environmental impacts, the adoption of practices that contribute to the reduction of greenhouse gas emissions and the principles of the circular economy in all its operations,

the identification, monitoring and mitigation of environmental risks and impacts of activities carried out, services rendered and/or goods supplied, promoting the continuous improvement of activities carried out, services rendered and/or goods supplied, in accordance with Sustainability criteria, ensuring that workers have adequate training and are aware of the environmental risks associated with the work they will develop in order to implement prevention and control measures that avoid environmental impacts and the Compliance with national legislation, international environmental protection standards, and environmental certifications appropriate to the activities carried out, as well as the environmental requirements of the Group.

Framework Agreements

Each of the Constância, Figueira da Foz I, Figueira da Foz II and Ródão Power Plants have entered into a Framework Agreement (*Acordo Geral – União de Contratos*) executed between the owner of each Pulp Facility and the related Biomass Power Plant Developer, setting the general terms and conditions applicable to each of the Lease Agreements, O&M Agreements and Utilities Agreements for the referred Biomass Power Plants, without prejudice to any other specific conditions arising from the referred agreements.

The purpose of these Framework Agreements is to ensure that the referred agreements are jointly in force for a 25-year period, therefore covering the guaranteed remuneration period of the Biomass Power Plants (except for the Lease Agreements which may be further extended as better detailed below). Therefore, in the event that one of the referred agreements terminates, the other agreements shall also be considered terminated, unless otherwise agreed by the parties.

In case of definitive breach by either party of the Framework Agreements or any of the agreements referred above, the non-defaulting party has the right to terminate the Framework Agreements and remaining agreements. Definitive breach will include the following situations: (i) breach of payment obligations, except if remedied within the remedy period, counted as from the non-defaulting party's notice, (ii) continuous and serious breach of the safety and discipline rules, (iii) use of the contracted assets and utilities for purposes other than those set forth in the agreements and contrary to the law and public order, (iv) partial or entire assignment of the contractual position without the other party's prior written consent, (v) definitive and wrongful breach of any of the agreements subject to the Framework Agreements, and (vi) force majeure event for a period exceeding six months.

Lease Agreements

The Lease Agreements ensure the use of the Biomass Power Plants in the Pulp Facilities for the term of the guaranteed tariff of each of the Biomass Power Plants. The Lease Agreements have a 25-year term which is automatically extended for an additional 5-year period, unless the owner of the Biomass Power Plant expressly refuses such extension within a 6-month prior notice period. Except for this right attributed to the owner of the Biomass Power Plant, neither party is entitled to terminate the Lease Agreements during their initial 25-year term. Please refer to the table above for the initial terms of each of the Lease Agreements.

The Lease Agreements set forth an annual rent which shall be paid in 12 (twelve) monthly instalments until the eighth day of the relevant month. The annual rent is updated in accordance with the rent update legal coefficients for leases published annually by the National Statistics Institute (*Instituto Nacional de Estatística*). Please refer to the table above for the annual rent paid by the lessees as owners of the Biomass Power Plants.

The owner of the Biomass Power Plant shall not assign, partially or entirely sublease or allow any other entity's use of the Biomass Power Plant without the prior written consent of the owner of the Pulp Facility, except in case of assignment, sublease or right of use to other Altri Group entities, which shall adhere to the respective Lease Agreement.

If the owner of the Pulp Facility wishes to dispose of, sell, assign the use of or create any other right, charge or encumbrance over the facility in which the Biomass Power Plant is installed or enter into any contract, even if promissory or through an option with similar effects, the same shall ensure that the Lease Agreements, as well as all agreements entered into between the owner of the Biomass Power Plant and the owner of the Pulp Facility comprised under the scope of the Framework Agreements, remain in force. The owner of the Pulp Facility also undertakes, under the relevant Lease Agreement, to not exercise any legal or material action that may have a negative impact on the activity of the relevant Biomass Power Plant.

In addition to the termination rights in case of definitive breach set forth under the Framework Agreements (as better described below), the lessee has a termination right in the following cases: (i) breach of tax and charges payments by the owner of the Pulp Facility, (ii) the owner of the Pulp Facility disposes of the Facility, leading to termination of the agreements entered into between the owner of the Biomass Power Plant and the owner of the Pulp Facility comprised under the scope of the Framework Agreement, and (iii) the practice of any action that leads to the closing down of the Biomass Power Plant for a period exceeding 3 (three) months or to loss of the Biomass Power Plant's operation licence.

At the date of this Prospectus, the Lease Agreements are registered or pending registered in the Land Registry Office. Therefore, the Lease Agreements are opposable to third parties.

O&M Agreements

Under the O&M Agreements, the owner of the Pulp Facility provides the owner of the Biomass Power Plant with operation, maintenance, biomass internal management, waste management and general services, complying with the level of service quality indicators set forth in the respective O&M Agreement and taking into consideration any obligations set forth under the Biomass Power Plant's production and environmental licences, applicable legislation and any procedures agreed between the parties.

The owner of the Pulp Facility, as operator, assumes the following main responsibilities, among others: (i) to develop its activity in collaboration with the biomass supplier to ensure the continuous operation of the relevant Biomass Power Plant, (ii) to receive the biomass supplied by the biomass supplier and assess its quality and quantity, as well as measuring and signing the biomass delivery certificate, (iii) to carry out sewage treatment and any legal or other obligation set forth under the relevant licences in this respect, as well as to conduct any necessary inspections and liaise with the relevant authorities in this respect, (iv) to carry out waste treatment, (v) monitor the operation of the Biomass Power Plant, (vi) promptly communicate to the owner of the Biomass Power Plant the existence of any defects or malfunctions in its operation, (vii) promptly repair or replace any equipment or parts in case of defects or malfunctions, (viii) ensure the Biomass Power Plant's availability at the levels set forth in the O&M Agreements, (ix) appoint a technician to represent the Biomass Power Plant before the DGEG, and (x) deliver monthly reports to the owner of the Biomass Power Plant.

Although the annual outage is not included in the scope of the O&M Agreements, they also foresee the procedure for the annual outage of the respective Biomass Power Plant, which shall be proposed and coordinated by the operator, and the amount of which shall be agreed between the parties under the operation budget and following an open book model.

Other than the referred annual outage and major repairs above the €60,000 threshold, all other repair and maintenance activities are included within the scope of the O&M Agreements.

The operator shall present, until 15 November of each year, an operational budget proposal for the following year, which shall be approved by the owner of the respective Biomass Power Plant. The operator shall observe the agreed operational budget at all times.

The annual global price corresponds to the sum of the amounts due for maintenance works, internal biomass management and waste management services, and general services. The parties acknowledge that the annual price corresponds to the market price for equivalent services. Please refer to the table above for the annual global price of the O&M Agreements for each of the Biomass Power Plants. The annual global price is paid monthly, within 30 days of the operator's submission of the invoices corresponding to the services provided under the O&M Agreements. The annual global price shall be annually updated in accordance with the Consumer Price Index.

Compliance with or breach of the level of service quality indicators gives rise to the payment of a premium to the operator or the application of a penalty by the operator, respectively.

Lastly, the O&M Agreements foresee that the operator must undertake to comply with the owner supplier conduct code, attached to the agreement, and to ensure that any subcontractor also acts in accordance with this code. The referred supplier conduct code includes environmental protection principles, namely the use of resources efficiently, ensuring adequate operational control in order to minimize environmental impacts, the adoption of practices that contribute to the reduction of greenhouse gas emissions and the principles of the circular economy in all its operations, the identification, monitoring and mitigation of environmental risks and impacts of activities carried out, services rendered and/or goods supplied, promoting the continuous improvement of activities carried out, services rendered and/or goods supplied, in accordance with Sustainability criteria, ensuring that workers have adequate training and are aware of the environmental risks associated with the work they will develop in order to implement prevention and control measures that avoid environmental impacts and the Compliance with national legislation, international environmental protection standards, and environmental certifications appropriate to the activities carried out, as well as the environmental requirements of the Group.

Utilities Agreements

Under the Utilities Agreements, the owner of each Pulp Facility sells industrial and process water, demineralised water, compressed air and steam, and further manages and transports the biomass to the Biomass Power Plant. The quantities of the referred utilities to be supplied shall be set forth in the annual budget agreed between the parties. The owner of the Pulp Facility shall monitor and control the consumption of the referred utilities.

The utilities provided shall be paid monthly in accordance with the formulae set forth in the Utilities Agreement. Any amendment equal to or exceeding 5 percent of the average price of the utilities acquired by the owner of the Pulp Facility triggers the review of the referred formulae. The parties acknowledge that the monthly price corresponds to the market price for equivalent services.

The Utilities Agreements foresee that any suspension in the supply of utilities shall be agreed between the parties, without prejudice to any suspension agreed due to outage, defect or malfunction, or in case of force majeure.

Lastly, the Utilities Agreements foresee that the utilities provider must undertake to comply with the owner supplier conduct code, attached to the agreement, and to ensure that any subcontractor also acts in accordance with this code. The referred supplier conduct code includes environmental protection principles, namely the use of resources efficiently, ensuring adequate operational control in order to minimize environmental impacts, the adoption of practices that contribute to the reduction of greenhouse gas emissions and the principles of the circular economy in all its operations, the identification, monitoring and mitigation of environmental risks and impacts of activities carried out, services rendered and/or goods supplied, promoting the continuous improvement of activities carried out, services rendered and/or goods supplied, in accordance with Sustainability criteria, ensuring that workers have adequate training and are aware of the environmental risks associated with the work they will develop in order to implement prevention and control measures that avoid environmental impacts and the Compliance with national legislation, international environmental protection standards, and environmental certifications appropriate to the activities carried out, as well as the environmental requirements of the Group.

Movement and waste recovery agreement (including ashes and slag collection (recolha de cinzas e escórias))

Although there are no agreements in place ensuring the movement and waste recovering for the ashes and slag collections, the Issuer and its subsidiaries may, from time to time, enter into such agreements on an opportunistic basis.

Surveillance and Safety Agreement (only applicable to Mortágua Biomass Power Plant)

Although there are no agreements in place ensuring the Surveillance and Safety Agreement for the Mortágua Power Plant, the Issuer may, from time to time, enter into such agreements on an opportunistic basis.

(ii) United Kingdom – TGP

Introduction

In the context of an organised competitive process for the acquisition of a biomass power plant located in the United Kingdom, the Issuer, together with funds managed by Equitix, recently completed the acquisition of Tilbury Holdings, the owner through Tilbury Green Power of a fully operational renewable energy biomass power plant, which processes waste wood, with a net generating capacity of 43.6 MW (with injection capacity currently limited to 41.6 MW in line with the ROC accreditation limit set by the OFGEM). This biomass power plant presents a biomass consumption of 226,738 ton, exported energy of 280,999 MWh and a biomass consumption of 0.81 ton/MWh (for 2020).

TGP is strategically located in the South East of England, which has the highest population density in the country and intense construction activity, circa 25 miles from London, directly by the River Thames in the port of Tilbury, Essex, England. TGP is one of the few large-scale power plants in the vicinity capable of disposing of grades B and C waste wood. This location also allows TGP to benefit from the high concentration of waste wood within close proximity, providing the strong competitive advantage of economically processing waste wood with few viable alternatives for recovery.

The construction of this biomass power plant commenced in August 2015, having become operational in January 2019. It generates around 330-335 GWh per year, being categorised as a dedicated biomass plant accredited to receive 1.4 ROC per MWh. TGP has the benefit of a land lease until 2054 and has been designed based on conventional grate and boiler technology from reputable supplier Aalborg Energie Technik A/S. After a dust deflagration event in the fuel handling system in April 2019, which resulted in extended outage until October 2019, essential fire and deflagration protection

upgrades and further enhancements to ventilation systems from bunker and fuel handling systems were installed and TGP is currently considered one of highest specification plants in the United Kingdom regarding fire and deflagration protection systems, pursuant to the reviews and assessments of Dangerous Substances and Explosive Atmospheres Regulations (DSEAR) and Control of Substances Hazardous to Health (COSHH).

The biomass power plant project enjoys a supportive long-term regulatory framework, as it has a high degree of cash flow visibility, with circa 58 percent of the revenues underpinned by a RPI-indexed ROC until 2037 and maximised through a baseload dispatch profile to guarantee stable, long-term revenues, combined with a largely fixed operational cost structure (i.e. operation and maintenance, fuel supply and ash offtake).

Furthermore, the United Kingdom is Europe's largest biomass market in terms of installed capacity with 4.9 GW (as at the end of 2019) and the United Kingdom Government has been supportive of the long-term role of waste wood biomass plants. As low-quality waste wood grades B and C are not suitable for recycling, its use by TGP makes it an essential infrastructure asset with an important long-term role in the processing and disposal of London's construction and household waste wood.

Taking into account its location and implementation, TGP offers multiple long-term value enhancement opportunities, including continuation as a waste wood biomass plant or conversion to energy from waste.

Certain key contracts

TGP, as generator, has a 15-year power purchase agreement in place with ESB IGT, as off-taker, covering wholesale power together with ROCs, REGOs and embedded benefits. This agreement expires in January 2034, subject to a five-year option to extend.

TGP benefits from a long-term fixed fee operations and maintenance agreement until 2039 (extendable with 24 months' notice prior to the end of the contract) with WBOC Ltd., which is responsible for addressing and rectifying any defects or faults, both in normal operations and arising from design or construction and for costs of excess abatement chemicals consumption and liquid fuel (required for start-up) above the capped levels. This agreement comprehensively covers all operational and maintenance aspects of the plant, notably lifecycle repairs and maintenance, except the operation of the weighbridge which has been contractually passed to the fuel supplier in 2020.

(b) Solar Photovoltaic and On-Shore Wind Power Plants

Solar photovoltaic and wind are the main renewable drivers to achieve energy transition in Europe and the European electricity sector can accommodate large shares of solar photovoltaic and wind power generation[25].

As part of its strategy, the Issuer is expanding its activities geographically and to renewables other than biomass, notably to solar photovoltaic and wind projects in Portugal and in other European countries.

Based on its experience of managing biomass power plants in Portugal and aware of the need for an energy transition towards decarbonisation, in 2020 the Issuer began to expand its activity to other fields of renewable energy, namely solar energy, and is currently analysing wind energy projects, as further detailed below.

[25] Source: International Renewables Energy Agency – Renewable Energy Prospects for the European Union – February 2018.

(i) Portugal

Tábua solar power plant

In this context, Golditábua, a fully directly owned subsidiary of the Issuer acquired at the end of 2020, is developing its first solar photovoltaic project, with an installed capacity of 48 MW, limited to injecting 40 MW in the public grid, located in the parish of São João da Boa Vista, municipality of Tábua, district of Coimbra.

On 19 July 2019, Golditábua obtained Tábua solar power plant's production licence (*licença de produção*), which set forth several conditions which are standard in these licences, such as limiting the injection capacity into the public grid to 40 MW and entering into operation within two years as from the date of issuance of the production licence, with a one-year extension approved by DGEG (to a total of 3 years). In accordance with the production licence, the solar power plant's connection infrastructure to the public grid cost shall be borne by Golditábua and this infrastructure may not interfere with the existing public grid infrastructure.

The production licence was subject to two amendments, which were endorsed on 4 December 2020, with a change in the location of the solar power plant, the abovementioned one-year extension of its date of entry into operation (19 July 2022) and an authorisation to increase the power plant's reserved capacity to 48 MW on 20 May 2021.

Golditábua is awaiting the issuance of the solar power plant's construction licence and is preparing to execute a supply agreement for its installation, with negotiations with suppliers expected to be finalised by the end of June 2021.

32.1 million euros, which includes the acquisition cost of Golditábua, is the amount of the investment foreseen to install the Tábua solar power plant which is expected to generate 479.5 GWh per year on average.

The Tábua solar power plant shall be subject to general remuneration. Following its installation, the Issuer intends to enter into a direct power purchase agreement or contract for differences, currently in negotiation, to supply the electricity generated by the Tábua solar power plant directly to CELBI, which shall acquire the electricity at an agreed fixed price of €38 per MW (not subject to indexation) during the first 10 years and applicable to the entire energy output, therefore mitigating market risk.

The project is now in the implementation and construction phase. It is expected that the Tábua solar photovoltaic power plant will achieve commercial operation in 2022.

SESAT solar power plant

SESAT is developing a solar photovoltaic power plant project in Nisa, having requested the attribution of 600 MW grid connection capacity from the General-Directorate for Energy and Geology on 18 June 2019. The project was selected by REN and provisionally ranked 59th in accordance with the terms of reference for the award of reserved capacity through an agreement to be entered into with the grid operators for the reinforcement of the grid. The definitive ranking is yet to be published.

The Issuer is currently undertaking the EIA and awaiting from REN's feedback in relation to the budget for the purposes of implementation of grid infrastructure in order to develop such project. The project shall be in operation within 24 months as from the issuance of the project's production licence.

The amount of the investment foreseen to install the SESAT solar power plant is not estimated yet.

Paraimo Green solar power plant

On 21 November 2019, Paraimo Green obtained a title of reserved capacity, issued by the EDP distribution network operator, for the injection of 37.6 MVA into the public grid in the substation of Paraimo Green.

The Issuer is currently undertaking the EIA for the purposes of requesting to DGEG the issuance of the production licence. The project shall be in operation within 24 months as from the issuance of the project's production licence.

€29 million euros is the amount of the investment foreseen to install the Paraimo solar power plant.

(ii) Europe

Introduction

As part of its investment growth strategy, the Issuer, Altri and V-Ridium recently entered into the V-Ridium Investment Agreement in respect of V-Ridium Power, an European leading player in the renewable energy sector with a large portfolio of wind and photovoltaic power generation assets under development, construction or operation, namely in Poland, France, Italy and Greece (described in further detail in this Prospectus below).

V-Ridium is an active developer in the central and eastern European markets, with a targeted development strategy per country based on the following key success factors:

- In Poland, it acts as a full-scope developer, enjoying established relationships with local authorities and large-scale landowners, access to grid connection and availability, and has revived abandoned On-shore Wind projects;
- In Greece, it has established partnerships with premium Greek developers;
- In Italy, V-Ridium will focus on Co-development and greenfield development; and
- In France, given that it is structurally scarce in terms of renewable projects, the company will focus on own-development.

The management of V-Ridium Power has developed over 1.1 GW (excluding co-developments) of renewable projects, and sold the following renewable assets (selected transactions):

Year	Technology	Project	Capacity	Buyer	Description
2007	Wind	Relax	1.2 GW	edp renewables	• **Portfolio and development platform** sold to **EDPR** in the biggest RES deal • Managed by future GEO founders, **EDPR** became No. 1 RES player
2011	Wind	GEO	104 MW	edp renewables	• GEOR develops **two Wind farms** and offers **EDPR** a JV, both executed successfully
2015	Wind	GEO	90 MW	IKEA	• **Two Wind farms** successfully sold to **IKEA** • Transaction named **"2015 RES Deal of the Year in Poland"**
2018	Wind	GEO	204 MW	Vestas	• GEOR creates JV with **Vestas** investing in **seven Wind farms** with total capacity of **204 MW**
2019	PV	GEO	21 MW	Eesti Energia	• **21 MW of constructed Solar PV portfolio** sold with **CfD support** scheme from auction (June 2017)

2019	PV	GEO	40 MW	GREEN GENIUS	• GEOR won **Solar PV auction** in 2018 with over **40MW Solar PV projects** • **20 MW** was sold to **European utility**
2019	PV	GEO	59 MW	KGAL	• GEOR creates JV with German fund **KGAL** called Augusta Energy under which it invests in **59 MW in a PV installation**
2019	Wind	GEO	210 MW	edp renewables	• GEOR sales **210 MW of RTB Wind portfolio** with **CfD support** scheme from auction (December 2019)
2020	Wind	GEO	51 MW	TAALERI	• **51 MW of RTB Wind portfolio** sold with **CfD support** scheme from auction (December 2019)
2020	PV	GEO	22 MW	SPECTRIS	• GEOR exits with **22 MW Solar PV projects** to **Chinese funds** with PV auction won in 2019
2020	PV & Wind	V-Ridium	-	V·ridium	• GEOR rebrands and establishes **new operating and investment platform V-Ridium** • **Management** team remained **unchanged**
Total			2.0 GW		

V-Ridium Power is a Polish limited liability company, established in 2019 and registered in the National Court Register under registration number 0000772074, with registered seat in Warsaw at Aleja Wyścigowa 6, 02-681. V-Ridium Power develops and operates onshore wind and solar installations, in Poland and selected European countries, and plans to develop and to construct solar and wind installations with a total capacity exceeding 1.5 GW. V-Ridium Power has management structures in Poland and Greece, has a country head office in France, where a team of 10 people is expected to be set up in the second semester of 2021, and has already identified a central core team of up to 9 people in Italy.

V-Ridium has successfully developed and constructed around 500 MW of wind and solar projects, and currently manages a total of over 140 wind turbines for a combined power of 210 MW.

Investment Agreement and Contribution in Kind

In accordance with the Investment Agreement, V-Ridium will transfer to the Issuer, by means of the Contribution in Kind, all shares representing the share capital of V-Ridium Power, the valuation for such shares amounting to €56,000,000, for a 100 percent equity investment on a "debt free, cash free basis" and with a normalised level of working capital. In addition, the V-Ridium Investment Agreement establishes that the Issuer shall pay V-Ridium an earn-out of up to €14,000,000, on the day falling on the third anniversary of the Settlement Date, subject to (i) the compliance with the lock-up period of V-Ridium's current key managers (€7 million relating to this condition) (ii) the successful and full execution of an agreed business plan for V-Ridium Power (€7 million relating to this condition, divided by several projects).

The transaction is subject to conditions precedent customary in transactions of this nature being met, including the completion of the Offering, its conclusion being estimated to occur on the Settlement Date.

If this acquisition process is successfully completed, the Issuer will, through V-Ridium Power and its subsidiaries, have access to a portfolio of planned or actual wind and photovoltaic power generation assets which are under development, construction or operation by V-Ridium Power or its subsidiaries in several locations across Europe.

As mentioned, V-Ridium is a recently established company whose value stems from its project pipeline and experienced management team. The company financials reflect this early stage of the company's life. As at 31 December 2020[26], it registered 20,114,989 PLN in revenues, 5,265,628 PLN net results, assets in the amount of 70,876,581 PLN and equity of 8,296,241 PLN. Please note that since V-Ridium does not have financial consolidated accounts organised under IFRS, these references were extracted from the unaudited company management accounts under Polish GAAP and are purely indicative.

Projects and capabilities

As a result of the envisaged acquisition by the Issuer of shares of V-Ridium Power, which is due to be completed through the Subscription in Kind, the Issuer will own a company with a vast portfolio of solar and wind projects, including both greenfield projects and projects in later stages of development (even including projects that have already won the CfD's support). These projects are mainly located in Poland and Greece and shall significantly expand the Issuer's activity in those markets.

With the envisaged acquisition of V-Ridium Power, the Issuer will become vertically integrated in the value chain, since V-Ridium Power holds a full set of in-house capabilities in all activities of the value chain, namely:

- **Development**: wind and solar photovoltaic development and environmental teams comprised of 24 employees performing feasibility studies, land securing, administrative permits, public consultations, micro-siting, annual energy production, and optimal technology selection;
- **Construction management**: technical and construction team of 6 professionals in charge of structure, management engineering, purchase & construction contracts (e.g. TSA and SSA contracting), and project management; and
- **Operation and energy management**: O&M and Asset Management teams of 14 professionals responsible for providing (i) technical O&M services: local site management, regular inspections and "walk downs", day to day on-site operations, preventive and corrective maintenance; (ii) commercial services: contract administration and invoicing, insurance and claims management, GoOs and CfD, management, financial and tax services, among others; (iii) energy management: energy sales contracting, optimisation of PPA structuring needs and auctions strategy; and (iv) consulting services: tailor-made solutions, including performance management, obsolescence assessment and cost-effective upgrades. Projects currently managed by V-Ridium Power include 129 solar farms with a total installed capacity of 174 MW and 13 on-shore wind farms with a total installed capacity of 334 MW.

(c) Small-Scale Generation Units

In addition, the Issuer is currently focused on decentralised generation, a fast-growing market being actively encouraged by Governments in Iberia. The Issuer believes that energy efficiency and the decentralised generation of electrical power are areas of potential growth in the short to medium-term in Europe, namely in Portugal and Spain, as key global megatrends will enhance decentralised generation development and self-consumption penetration in Iberia remains significantly below other European countries. Therefore, the Issuer is focused on building a less sizable but still strategic

[26] The following financials are calculated on the basis of an applicable €/PLN exchange rate of as at 31 December 2020: €/PLN 4.54.

presence in this market, taking advantage of market's under-penetration and capturing significant growth opportunities available to enhance the increasingly strategic access to consumer in the new energy transition, while increasing the Issuer's commitment towards energy transition and carbon neutrality.

Entry into this highly fragmented market with an attractive regulatory framework is planned to be achieved through the acquisition of majority shareholdings in existing operating companies with stable business models and ambitious plans for growth, which need capital to implement their business plans.

In geographical terms, the Issuer is presently analysing opportunities for potential transactions in the Iberian market, seeing as this is its natural market. Before expanding progressively throughout other European geographies, the Issuer intends to develop a first leading position in Iberia.

On 20 January 2020, the Issuer obtained prior registration from DGEG to install 14 UPPs, with a maximum capacity of 990 kV each**,** of which 9 will be located in Figueira da Foz (to be connected to the substation of Gala) and 5 are to be located in Vila Velha de Ródão (to be connected to the substation of Vila Velha de Ródão). These UPPs are subject to general remuneration and are licenced under Decree-Law no. 172/2006, of 23 August, as amended by Decree-Law no. 76/2019, of 3 June. The connection of the UPPs to the distribution grid are to be connected to a 30 kV line for each site.

The UPPs are to be installed in Celbi and Celtejo's facilities under supply and service provision agreements currently under negotiation. The Issuer expects that they will enter into commercial operation by May 2022 and that the UPPs will generate 22 GWh per year.

The amount of the investment foreseen to install the UPPs is €8 million. Following their installation, the Issuer intends to enter into a direct power purchase agreement or contract for differences to supply the electricity generated by these UPPs directly to Celbi and Celtejo, which shall acquire the entire output of the electricity generated at a fixed price, therefore mitigating market risk.

10.2. Issuer's main markets

The Issuer's core business operations are currently based in Portugal, with all its subsidiaries incorporated under Portuguese law and all its power plants, already in operation or under development, located in Portugal.

However, the Issuer has a broad geographical outlook, spanning various European countries. It intends to leverage its longstanding operational excellence in Portugal to expand internationally and increase its activities in Europe through profitable acquisitions of biomass power plants in operation (as is the case with Tilbury), as well as other business opportunities focused on solar photovoltaic and wind farms (as is the case with V-Ridium), as better detailed in Chapter 9 ("*Industry Overview and Trends*"), Section 10.1 ("*Main activities of the Issuer*"), Section 10.4 ("*Strategy and objectives of the Issuer*") and Section 10.7 ("*Investments of the Issuer*").

10.3. Key competitive strengths

Considering the structural policy in the energy field, which promotes the reduction of external dependency and of the greenhouse effect resulting from the use of fossil fuels, the Issuer is very well positioned in a growing sector. In addition to contributing to job creation and smart forest management, the use of forest biomass reduces the risk of forest fires and fosters an environment for the production of clean and renewable energy, thus reinforcing the Issuer's commitment to sustainability.

The Issuer believes that it has the following key competitive strengths:

- ***The Issuer is a unique biomass efficiency-reference player in Portugal with great potential to consolidate in Europe.*** As better detailed in Section 10.4 ("*Strategy and objectives of the Issuer*"), the Issuer is looking to boost its position as a leading biomass player in Portugal while reducing its exposure to biomass by entering the solar photovoltaic and on-shore wind market. The Issuer is currently analysing the possible acquisition of various underperforming biomass assets to enhance its European footprint, among which is the already announced potential acquisition of TGP as a first step towards extending its geographical base and consolidating the Issuer's position as a European biomass player. See Section 10.7 ("*Investments of the Issuer*") for more details on envisaged investments.

- ***The assets in operation are subject to regulated remuneration regimes with limited risk exposure to volatility of market prices.*** Although exposed to regulatory risk (which is limited considering that the feed-in tariffs granted in Portugal have not been retroactively reviewed), the Issuer's core activity is carried out under a protective remuneration regime, as all biomass power plants are operated based on regulated revenues under a feed-in tariff regime with a duration of 25 years. See Section 12.3.2 ("*Remuneration Regime*") for further details on the applicable feed-in regime. The portfolio of biomass plants in operation has an feed-in tariff remaining life of 15 years, or 17 years if the 15-year feed-in-premium for the new Mortágua plant is considered. Although the Issuer's activity takes into account the volatility of market prices when contracting new agreements for the sale of electricity, the Issuer and its subsidiaries operate the Biomass Power Plants under a guaranteed remuneration regime and it is expected that the projects under development will contract the electricity generated through stable long-term power purchase agreements (PPA) or contracts for differences with low credit risk institutions.

- ***Operational track record with stable production and strong performance ratios. The Group has a strong ability to capture efficiencies given its industrial operator profile.*** The operation and maintenance of the Biomass Power Plants is ensured by entities comprised within the Altri Group (or any subcontractors thereof) that follow the higher operational standards for this type of industry and there are no relevant incidents to report with respect to major unplanned overhauls, damages to third party property, environmental damages or personal injuries, except for two fires that occurred in Mortágua (in 2017, as a result of the major forest fires in the region, leading to a 70-day stoppage) and Ródão (in 2018, which led to a loss of biomass inventories).

- ***Through V-Ridium, the Issuer will have a tangible pan-European Solar PV and Wind pipeline and aims to establish itself as a leading renewables player in Europe.*** The Issuer and V-Ridium (see Section 10.7(b) ("*Forecasted or ongoing acquisitions and investments*")) are developing a Solar PV and On-shore Wind pipeline of 3.6 GW, of which more than 1.5 GW of the tangible pipeline (under construction, ready to build or in advanced phase) is in project-scarce markets (see also Section 10.1 ("*Main activities of the Issuer*") for further details on V-Ridium's projects and capabilities). Furthermore, the Issuer is also considering other potential partnerships with established solar photovoltaic and onshore wind developers with the aim of standing as a reference player in these sectors and focus on decentralised generation, hence significantly increasing its scale in a profitable manner and diversifying its sectors of activity, business models (centralised vs decentralised)

and geographies. Additionally, the Issuer will employ an asset rotation strategy to maximise project return for de-risked assets while carefully selecting and optimize pipeline capacity to remain on balance.

- ***The Issuer should be able to benefit from robust, predictable and stable long-term cash flows and a regulated profile which provides (i) strong visibility and (ii) an attractive yield profile***. The Biomass Power Plants operated either directly by the Issuer or through its subsidiaries benefit from a stable regulatory regime (see Chapter 12 ("*Regulatory Framework of the Issuer's activity*") for further details on the applicable regulatory regime)), with no retroactive changes having ever occurred, even under stressed macro conditions in Portugal. The relevant regulatory risk is limited by the support provided by the Portuguese government and the EU to the renewables sector, recognising's biomass' role as a key energy source for the EU in 2030, required to enable the region to advance with its decarbonisation of energy uses, for which no other cost-effective solutions are yet available[27]. To a certain extent, the same applies to TGP future investments as although subject to a different regulatory framework, it also benefits from a stable regulatory regime with similar features.

- ***Highly experienced management team with a proven track record in the operation of biomass & CHP plants, as well as the development of new plants***. The Issuer holds a highly qualified and experienced management team and best-in-class technical expertise as a leading biomass player in Portugal (see Chapter 7 ("*Management and Supervisory Board of the Issuer*") for further details on the expertise and curricula of the management team), enjoying proven track-record in the acquisition and integration of brownfield biomass assets and capable of giving scale and exporting technical know-how and proprietary operating process to consolidate the Issuer as a reference player in Europe. The team's extensive track record in project development is expected to play a major role in the Issuer's development of solar photovoltaic and wind in Europe.

- ***The Issuer's financial profile offers a solid ground for further growth.*** Notwithstanding the negative working capital (as further detailed in Section 0 ("*Working capital statement*"), As of 31 March 2021, the Issuer holds a total financial indebtedness of €26.1 million and cash over €70.5 million in cash, as further detailed under Section 14.1 ("*Capitalisation and Indebtedness*"). As of 30 June 2021, the Issuer held a total of €230 million of bank lines (€130 million committed and €100 million uncommitted), of which €115 million are not used (namely, €105 million committed lines still available and €10 million uncommitted lines still available), which for the avoidance of doubt already takes into account the Tilbury Holdings acquisition.

10.4. Strategy and objectives of the Issuer

Greenvolt's strategy stems from its solid regulated biomass operation foundation, to be enriched by solar PV and wind development and rotation, and decentralised generation market opportunities.

The Issuer has designed an innovative business model and strategy that will support the reinforcement of its market presence. The Issuer's plan to execute this strategy includes the following key components:

[27] Source: IRENA – Renewable Energy Prospects for the European Union – February 2018.

Leverage on its expertise in forestry biomass to develop biomass in Portugal and to acquire and optimise under-performing biomass assets in Europe.

The Issuer intends to focus on owning and operating biomass assets, for which it possesses in-depth know-how, extensive experience and proven systems and management processes, as well as the critical mass to benefit from operating efficiencies and scale.

The Issuer is part of Altri's renewable energy division and is strongly committed to promoting carbon neutrality and the circular economy. The Issuer's strategic positioning is based on differentiation, having forestry biomass as its core business without excluding the potential use of other types of biomass, notably waste and residues, thus avoiding approximately 156 thousand tons of CO^2 emissions (location based).

All electrical energy produced by the Issuer through forestry biomass is injected into the national electricity grid. In 2020, the Issuer led the forestry renewable energy sector and injected 733 GWh of renewable electric energy into the national electricity grid. This green energy, directly injected into the grid, helps to make the national grid less carbon intensive and more diversified. In this sense, the production of electric energy from renewable sources such as biomass contributes to the decarbonisation of the electro-producing system and is in line with the Roadmap for Carbon Neutrality 2050 (RNC 2050), approved by Council of Ministers Resolution no. 107/2019, of 1 July.

The Issuer's core operations are currently based in Portugal, with all subsidiaries of the Group incorporated under Portuguese law and all its biomass power plants located in Portugal. The Issuer aims for a broader geographical outlook, spanning various European countries, and to leverage its longstanding operational excellence in Portugal to expand internationally. At the date of this Prospectus, the Issuer has signed a sale and purchase agreement for the acquisition of Tilbury Green Power, a 42 MW biomass plant located in London, UK (described in further detail in this Prospectus, notably in Section 10.7 ("*Investments of the Issuer*") below).

Furthermore, the Issuer has identified business opportunities according to the following criteria: (i) availability of biomass (forestry or waste wood), (ii) regulated tariffs, (iii) size (target minimum of 30 MW) and (iv) actionability (existence of counterparty interest in selling). Greenvolt has identified over 30 brownfield opportunities in Europe, including more than 30 MW in Portugal, and aims to consolidate more than 40 MW of biomass add-ons per year in Europe.

Develop new assets on Solar PV and On-shore Wind in Europe to achieve accretive profitable growth over the next few years.

The Issuer is developing 109 MW of solar PV in Portugal, 62 MW of which are ready to build and established, in May 2021, a preliminary agreement for the acquisition of V-Ridium, a Polish players of reference in the renewable energy sector with a pipeline of Solar PV and On-shore Wind projects, mainly in Poland and, through a recently established joint venture, in Greece, amounting to around 2.7 GW[28], of which more than 1.3 GW is currently under construction, ready to build or in advanced phase. Furthermore, V-Ridium intends to develop solar PV and wind projects in France and Italy, forecasting to identify early stage development projects of 1.6 GW to be executed from 2025 onwards.

[28] Net installed capacity, probability weighted by a mortality rate depending on technology, geography and stage of development.

In these technologies, the Issuer is targeting project accretive returns of circa 150 to 200 bps above Greenvolt's cost of capital.

Should the acquisition of V-Ridium be executed, the Issuer will have access to a large pipeline of projects which is envisaged to operate under stable long-term contracts (power purchase agreements or contracts for differences with low credit risk institutions) and a platform to develop further opportunities for growth in strategic technologies and in selected European countries.

Additionally, the Issuer is analysing a possible investment in the co-development of solar and wind projects in Romania, totaling 170 MW, which are in an advanced phase of development.

Focus on the development stage of assets while employing an asset rotation optionality strategy.

Mainly through V-Ridium, the Issuer will focus on the development stage of renewable assets, which the Issuer believes to be the highest return phase of the value chain, and will apply an asset rotation strategy farming down assets (sale of full equity) at Ready-to-Build stage or the sale of minority shareholdings after COD to equity investors. The Issuer intends to operate and manage renewable assets using its own and V-Ridium's experienced teams, and potentially partnering up with financial investors whenever this adds value to an investment. These potential financial partners should be well-known and recognised financial institutions, such as investment funds and private equity investors, among others, which offer credibility and guarantees as to their involvement. However, the Issuer intends to always remain a major shareholder and to manage the power stations invested in, even if a financial partner is in charge of managing the financial investment area. Teaming up with financial partners will allow the Issuer to reduce its cost of capital (per project), reducing its financial commitment and allowing it to gain access to wider funding resources and opportunities.

The Issuer aims to retain 20 percent to 30 percent of the operating portfolio of circa 3.6 GW[29] by 2025 pipeline (i.e. circa 1.1 GW would remain on balance sheet) since it believes that favorable market conditions, knowledge of the strategic and financial players and potential acquirers, deep knowledge of the assets' characteristics, together with a management track record of selling down accumulated through years of experience will help achieve this target.

Pursue geographic diversification to explore greater growth opportunities and achieve higher returns.

Its focus on six main markets, namely Portugal, Poland, Greece, Italy, France and Romania, will help ensure exposure to the markets in which the Issuer believes the renewable energy sector will continue to grow significantly and in which the development of projects are usually challenging yet highly rewarded. In addition, the Issuer may also explore additional acquisition opportunities outside these key markets.

Develop Decentralised Generation also as a core avenue for profitable growth.

The Issuer seeks to take advantage of the decentralised generation market's under-penetration and capture significant growth opportunities with a view to achieving a leading position in Europe, with the Iberian market as its priority, through an active external growth strategy and organic developments. The Issuer also aims to increase its commitment towards energy transition, carbon neutrality and circular economy.

[29] Net installed capacity, probability weighted by a mortality rate depending on technology, geography and stage of development in what concerns V-Ridium's pipeline.

At the date of this Prospectus, the Issuer has signed a memorandum of understanding for the acquisition of a 70 percent equity stake in Profit Energy, a well-established decentralised generation player in Portugal, with a total of circa 30 MW installed by 2020 and €0.7 million EBITDA (described in further detail in this Prospectus, notably in section 10.7 ("*Investments of the Issuer*") below).

Furthermore, the Issuer entered into a memorandum of understanding, on 16 June 2021, envisaging the acquisition of 29.23 percent of Perfecta Energia, which sells, installs and maintains solar PV panels for the domestic segment's self-consumption (as further detailed in Section 10.7(b) ("*Forecasted or ongoing acquisitions and investments*")). In 2020, Perfecta Energia achieved total revenues of €2.1 million and a net profit of the period before income tax, financial expenses and amortizations and depreciations of €-1.7 million.

Employ a growth-oriented financial strategy.

The Issuer intends to focus on maximising the cash generation potential of the assets held in its portfolio to fund its significant pipeline. As such, no dividend payments to the Issuer's shareholders are expected during the horizon of its business plan (up to 2025).

Foster a low-risk approach.

The Issuer intends to maintain, over time, a portfolio of contracted assets with a low-risk profile due to creditworthy off-taker counterparties, long-term contracted revenues (CfD and PPA backed projects), well established and tested technologies in which the Issuer believes to have (or to gain with V-Ridium's acquisition) deep expertise and significant experience, located in countries where market conditions are currently considered stable and known.

10.5. The Issuer's main objectives

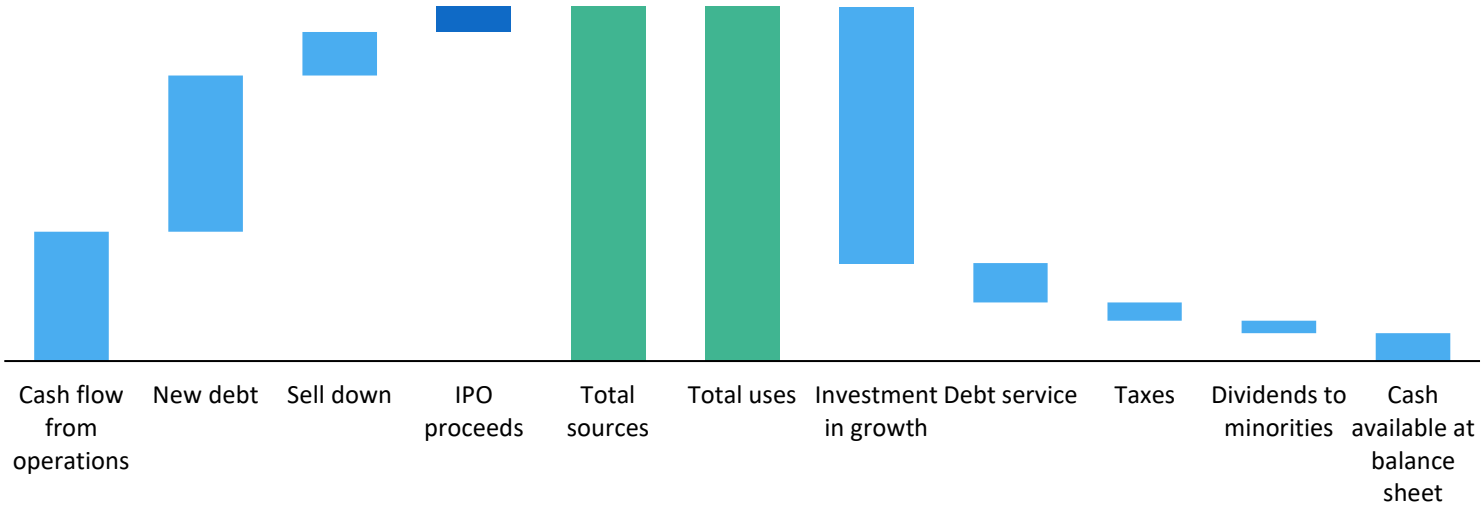
The Issuer intends to maintain a well-established financial position, targeting to achieve 3.5x to 4.0x of net leverage in 2025, through a combination of cash on hand and credit facilities. This prudent strategy should provide the required flexibility to push forward with the expected growth, consider potential future accretive business opportunities, and help mitigate any unexpected events that may reduce its cash flow generation.

As global targets, the Issuer aims to increase its MWs under direct management from 98 MW in 2020 to circa 1.1 GW in 2025, based on which it expects to increase its EBITDA and net profit at an annual growth rate of 40 percent, considering full consolidation (100 percent) of the solar PV projects in Águeda and Nisa, of Tilbury Holdings, of the co-development in Greece and the joint venture in Romania.

A total amount of €1.5 to €1.8 billion would be needed to fund the existing development plan which, together with other fund needs such as taxes and debt service, is planned to be financed via a mix of cash flow from operations, sale of minority stakes in certain projects, the Offering proceeds and new debt. In this respect, the Issuer has a funding, liquidity and treasury policy establishing well defined objectives to keep financing itself independently, whilst complying with clear requirements and criteria for raising finance, privileging medium to long-term financing and ensuring low cost financing and low WACC, as well as pursuing an active refinancing strategy capable of meeting short-term needs and maintaining and/or extending financing maturities in accordance with its generated cash flows. Please see Chapter 11 ("*Operating and Financial Review and Prospects*") for more details on the Issuer's liquidity and capital resources requirements, principles and policies.

The Issuer expects to make investments amounting to €300 million in 2021: the Issuer invested €220 million in the acquisition of Tilbury Holdings, expects to invest €30 million in V-Ridium's capital needs for investment and €50 million in other endeavours in Portugal, focused on decentralised generation, solar photovoltaic and Profit Energy. Please note that this investment estimate considers the impact of Tilbury Holding's acquisition, with full consolidation of the financing raised at the acquisition structure level and excluding the partner equity intake.

The graph below illustrates Greenvolt's sources and uses of funds:



As of the date of this Prospectus, the Issuer's pipeline by net installed capacity, probability weighted by a mortality rate depending on technology, geography and stage of development in what concerns V-Ridium's pipeline, expected to develop until 2025, is the following:

Type of power plant	Pipeline per project status				Total (MW)	Mix (%)	
	Under construction	RTB	Advanced phase	Early stage		within country	per country / type of plant
	(MW)	(MW)	(MW)	(MW)			
Portugal	**-**	**62**	**52**	**600**	**714**	**100%**	**20%**
Solar PV power plants	-	62	47	600	709	99%	28%
Biomass power plants	-	-	5	-	5	1%	100%
% Total	0%	9%	7%	84%	100%		
Poland	**98**	**30**	**939**	**1,057**	**2,124**	**100%**	**59%**
Wind power plants	50	0	267	420	737	35%	68%
Solar PV power plants	48	30	672	637	1387	65%	55%
% Total	5%	1%	44%	50%	100%		
Greece	**-**	**-**	**190**	**418**	**608**	**100%**	**17%**
Wind power plants	-	-	74	165	239	39%	22%
Solar PV power plants	-	-	116	253	369	61%	15%
% Total	0%	0%	31%	69%	100%		
Romania	**-**	**-**	**170**	**-**	**170**	**100%**	**5%**

Type of power plant	Pipeline per project status				Total (MW)	Mix (%)	
	Under construction	RTB	Advanced phase	Early stage		within country	per country / type of plant
	(MW)	(MW)	(MW)	(MW)			
Wind power plants	-	-	100	-	100	59%	9%
Solar PV power plants	-	-	70	-	70	41%	3%
% Total	0%	0%	100%	0%	100%		
Total	**98**	**92**	**1,346**	**2,075**	**3,611**	**100%**	
Wind power plants	50	0	441	585	1076	30%	100%
Solar PV power plants	48	92	905	1490	2535	70%	100%
Biomass power plants	-	-	5	-	5	0%	100%
% Total	3%	3%	37%	57%	100%		

As mentioned, the Issuer aims to retain 20 percent to 30 percent of the pipeline and sell the remaining at Ready to Build stage or sell minority stakes one year after COD.

The pipeline in Poland and Greece is to be developed by V-Ridium and, as such, is dependent on the closing of the V-Ridium acquisition and the pipeline in Romania is dependent on the Issuer's interest in pursuing certain projects that will be presented to it in the context of the co-development agreement.

In Portugal, the 600 MW Early stage projects are to be developed by SESAT (80 percent owned by the Issuer) and the 47 MW at Advanced stage are to be developed by Paraimo Green (70 percent owned by the Issuer). Please note that the pipeline considers full consolidation of the solar PV projects in Águeda, of the co-development in Greece by V-Ridium and of the joint venture in Romania.

The Issuer's medium-term ambition until 2025 is to build a well-diversified low risk portfolio of assets by technology (biomass, solar PV, wind and decentralised generation) and geography, with a significant contribution of fully contracted and regulated revenue stream and contributing to a significant decrease of CO^2 emissions.

Through the generation of electricity using residual forest biomass, the Issuer is avoiding the CO^2 emissions that would be emitted if fossil fuels were used to generate the same electricity.

The use of biomass resulting from forest cleaning and waste from the wood processing industries is crucial in the production of renewable energy and the energy generated from forestry biomass, a source with positive impacts on the mitigation of climate change when compared to fossil fuels. Although the process of generating electricity from biomass may also emit carbon dioxide, such emissions are not accounted for in climate change targets, as CO^2 has been sequestered in the lifetime of the biomass. Fossil fuels are only used in the Biomass Power Plants for the start-up of the boilers.

In order to reinforce commitment to minimising the environmental impacts of its activity, the Issuer's biomass power plants subject to environmental licensing (i.e., Figueira da Foz I Power Plant and Figueira da Foz II Power Plant) have implemented so-called "*best available techniques*", which are set forth by APA[30].

[30] Melhores técnicas disponíveis (MTD) | Agência Portuguesa do Ambiente (apambiente.pt)

Figueira da Foz I Power Plant has implemented the following best available technologies:

(a) Regarding the minimisation of gas emissions:

  (i) Reduction of NOx (nitrogen oxides) emissions; and

  (ii) Combustion optimisation (computerised control system) .

(b) Regarding the reduction of SO2, HCI and HF emissions:

  (i) Choice of fuel (use of residual forest biomass as the main fuel, with negligible sulphur and fluoride contents and relatively low chloride contents).

(c) Regarding the reduction of particulate matter and particulate associated heavy metal emissions:

  (i) Electrostatic precipitators;

  (ii) Reduction of mercury emission; and

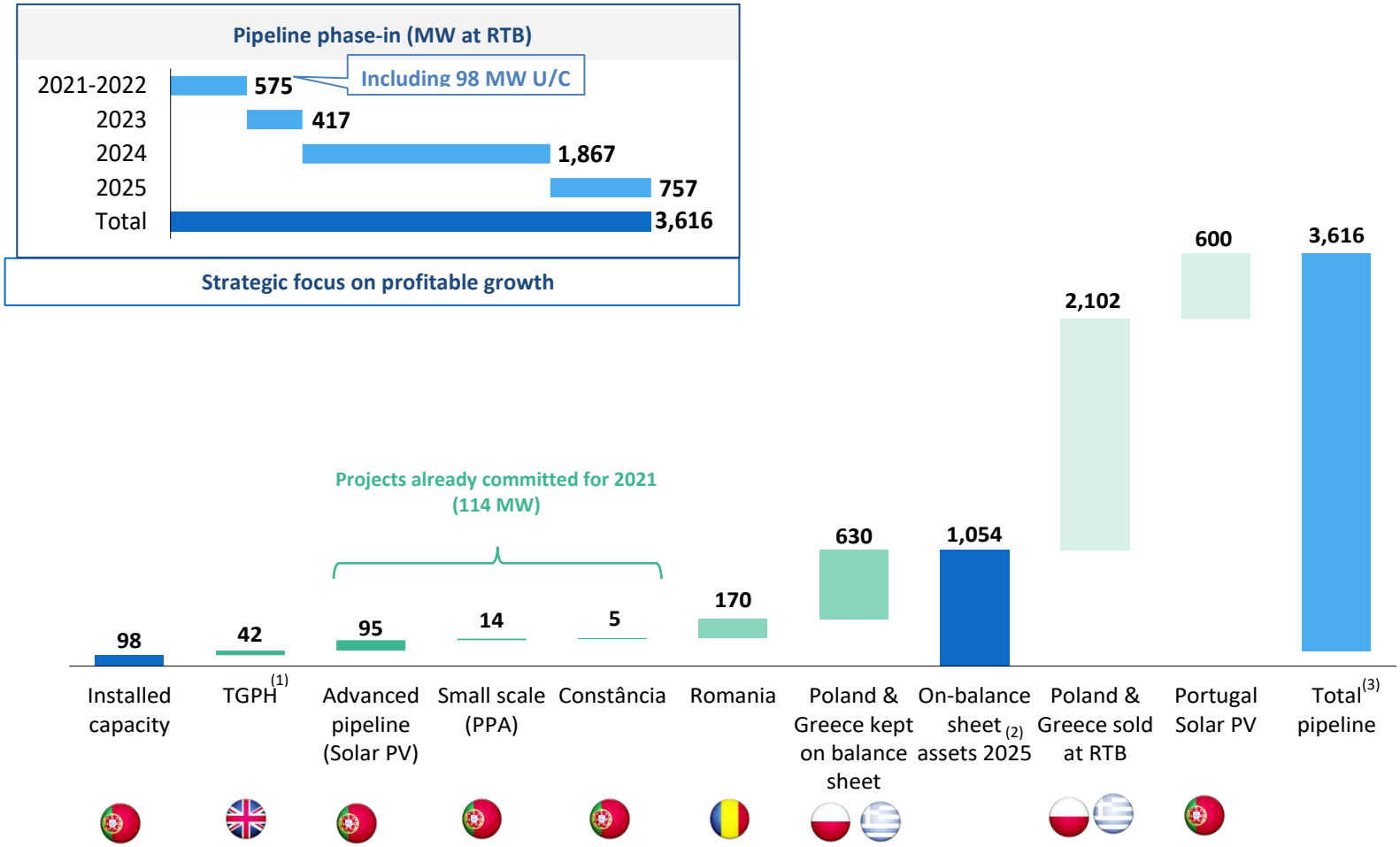
  (iii) Choice of fuel (use of residual forest biomass as the main fuel, with negligible mercury content.

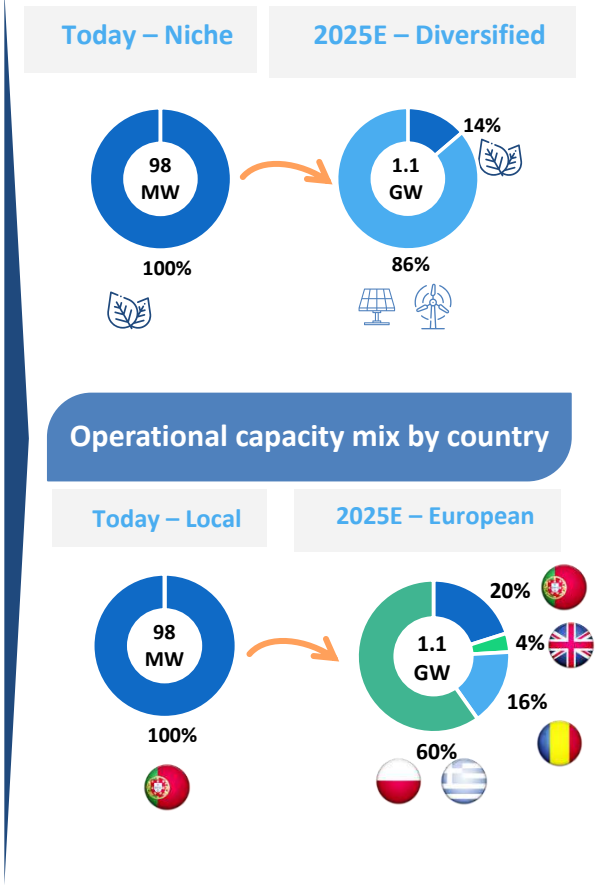
Figueira da Foz II Power Plant has implemented the following best available technologies to minimise its gas emissions:

(a) Selective non-catalytic NOx (nitrogen oxides) reduction system with injection of ammonia solution into the furnace; and

(b) Hydrated lime injection system in the gas duct, in order to reduce SO2, HCI and HF emissions and bag filter to minimise emission of particulates.

In light of the above, the Issuer is committed to fostering carbon neutrality and promoting renewable energy and the circular economy. While doing so, the Issuer also provides an adequate destination for residual forest biomass, contributing to the correct cleaning of forest areas, which in its turn significantly contributes to the prevention of forest fires. The waste generated by the Issuer (ash and slag) is entirely disposed of in recovery or recycling destinations, thus fully avoiding the disposal of this waste in landfills. In addition, part of the slags generated in the fluidised bed biomass boilers operated by the Issuer are declassified as waste and are re-used as raw material for the production of other products (such as cement and mortar).





Note: Net pipeline figures excluding Biomass acquisitions; (1) Signed on 7th of June, closing subject to conditions precedent customary in transactions of this nature being met; (2) Consolidated capacity; (3) Excluding injection capacity and TGPH

Greenvolt's pipeline is made up of assets classified as "Under Construction", "Ready-to-Build", "Advanced stage", and "Early stage".

Projects are classified in accordance with procedures and criteria which have been designed to be as objective as possible, including the following main characteristics and requirements for each phase:

- Under Construction: refers to projects in respect of which (i) the route to market secured; (ii) the agreements with the project's main suppliers (such as BOP contracts) have been entered into; (iii) construction activity has already started or is about to start in respect of certain project's main features: substations, interconnection lines and generation facilities; and (iv) construction financing secured.
- Ready-to-Build: projects in respect of which (i) all permits are valid and binding; (ii) agreements granting the use of the land have been executed; (iii) ready for participation in the existing support scheme; and (iv) ready to obtain bankable offtake contracts.
- Advanced phase: projects in respect of which (i) the use of land is secured; and (ii) achieved positive result of initial.
- Environmental screening: (i) grid connection capacity confirmed with local DSO and applied for or in the process of application; and (ii) zoning plan in place or an agreement with the local authorities to implement such zoning.
- Early stage: projects under analysis (i) where the land area and owners were identified and partially secured; (ii) environmental restrictions identified; and (iii) confirmation by internal research of obtaining the access and connection point.

Additional detail on the pipeline can be obtained in the following tables:

Under Construction															
Project	Country	Tech.	Net Capacity (Mw)	Ownership (%)	Attributable Capacity (MW)	RTB	COD	Site Control	Interconnection Rights	Environmental Permits	Compensation Mechanism	Contract Lenghts	Off-taker	Currency
Nakło nad Notecia 1			8.0	100%	8.0	ü	2Q22	ü	ü	ü	CfD	15 years	TBD	PLN
Nakło nad Notecia 2			8.0	100%	8.0	ü	2Q22	ü	ü	ü	CfD	15 years	TBD	PLN
Nakło nad Notecia 3			8.0	100%	8.0	ü	2Q22	ü	ü	ü	CfD	15 years	TBD	PLN
Nakło nad Notecia 4			8.0	100%	8.0	ü	2Q22	ü	ü	ü	CfD	15 years	TBD	PLN
Oborniki 1			8.0	100%	8.0	ü	2Q22	ü	ü	ü	CfD	15 years	TBD	PLN
Oborniki 2			8.0	100%	8.0	ü	2Q22	ü	ü	ü	CfD	15 years	TBD	PLN
Wolka Dobrynska			34.5	100%	34.5	ü	4Q22	ü	ü	ü	CfD	15 years	TBD	PLN
Podlasek			15.4	100%	15.4	ü	4Q22	ü	ü	ü	CfD	15 years	TBD	PLN
Under Construction capacity			98		98									

Ready-to-build														
Project	Country	Tech.	Net Capacity (MW)	Ownership (%)	Attributable Capacity (MW)	RTB	COD	Site Control	Interconnection Rights	Envirnomental Permits	Compensation Mechanism	Contract Lenghts	Off-taker	Currency
Tábua			48.0	100%	48.0	2021	jul-22	ü	ü	n.a.	PPA	10 years	Altri Group	EUR
UPPs			14.0	100%	14.0	2021	may-22	ü	ü	n.a.	PPA	10 years	Altri Group	EUR
Opalenica 61			6.0	100%	6.0	2021	2022	P	P	P	CfD Auction	15 years	TBD	PLN
Trzemeszno 1			8.0	100%	8.0	2021	2022	P	P	P	CfD Auction	15 years	TBD	PLN
Trzemeszno 2			8.0	100%	8.0	2021	2022	P	P	P	CfD Auction	15 years	TBD	PLN
Czarnków			8.0	100%	8.0	2021	2022	P	P	P	CfD Auction	15 years	TBD	PLN
Ready-to-Build capacity			92		92									

Advanced Phase														
Project	**Country**	**Tech.**	**Capacity (MW)**	**(%)**	**Attributable Capacity (MW)**	**RTB**	**COD**	**Site Control**	**Interconnection Rights**	**Envirnomental Permits**	**Compensation Mechanism**	**Contract Lengths**	**Off-taker**	**Currency**
Constância			5.0	100%	5.0	2021	2023	Ongoing [1]	**P**	n.a.[2]	FiT	TBD	n.a.	EUR
Águeda			47.0	70%	47.0	2022	4Q23	**P**	**P**	Ongoing [3]	PPA	10 years	Altri Group	EUR
Adv. Phase capacity Portugal (2 projects)			**52**		**52**									
RTB 2022			22.8	100%	22.8	2022	2024	**P**	**P**		CfD/PPA	15/10 years [4]	TBD	PLN
RTB 2023			84.6	100%	84.6	2023	2025	**P**			CfD/PPA	15/10 years [4]	TBD	PLN
RTB 2024			159.6	100%	159.6	2024	2026	**P**		**P**	CfD/PPA	15/10 years [4]	TBD	PLN
RTB 2021			32.4	100%	32.4	2021	2022	**P**		**P**	CfD Auction	15 years	TBD	PLN
RTB 2022			72.0	100%	72.0	2022	2023	**P**		**P**	CfD Auction	15 years	TBD	PLN
RTB 2023			24.0	100%	24.0	2023	2024	**P**			CfD Auction	15 years	TBD	PLN
RTB 2024			543.2	100%	543.2	2024	2025	**P**			CfD Auction	15 years	TBD	PLN
Adv. Phase capacity Poland (24 projects)			**939**		**939**									
RTB 2023			74.2	100%	74.2	2023	2024	Application for Prod. Cert.			CfD	20 years	n.a.	EUR
RTB 2022			36.0	100%	36.0	2022	2023	Production Certificate			CfD	20 years	n.a.	EUR
RTB 2023			15.3	100%	15.3	2023	2024	Production Certificate			CfD	20 years	n.a.	EUR
RTB 2024			64.8	100%	64.8	2024	2025	Production Certificate			CfD	20 years	n.a.	EUR
Adv. Phase capacity Greece (11 projects)			**190**		**190**									
RTB 2022			100.0	100%	100.0	2022	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
RTB 2022			70.0	100%	70.0	2022	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Adv. Phase capacity Romania (4 projects)			**170**		**170**									

(1) Waiting for ICNF site control final considerations; (2) Environmental permits not mandatory when capacity is below 50 MW, according to the Portuguese Environmental Agency; (3) Environmental Permit currently under environmental impact assessment; (4) 15 years for CfD and 10 years for PPA.

In addition, there are 2,075MW in the early stage development phase.

Considering the volume of assets on the balance sheet projected in the base case, as well as the standard margins obtainable, both with these assets and with the sales of Ready to Build projects, the Issuer estimates a growth in EBITDA and net profit of 40 percent per year, considering 100 percent of all projects and Tilbury Holdings.

For a review of the forecasted or ongoing acquisitions and investments made under the previously described strategy, including company acquisitions, see section 10.7(b) ("*Forecasted or ongoing acquisitions and investments*").

10.6. Environmental, Social and Governance

The Issuer is strategically committed to promoting renewable energy, carbon neutrality and the circular economy (see Section 10.5 ("*The Issuer's main objectives*") for further details). The Issuer is a signatory of the United Nations Global Compact and is committed to the ten principles of this initiative listed below, as well as to fulfilling its fundamental responsibilities in terms of human rights, labour, environment and anti-corruption.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

In 2015, the United Nations Member States adopted the 2030 Agenda for Sustainable Development which includes the Sustainable Development Goals, an action plan centred on people, the planet, prosperity, peace and partnerships, with an urgent call for action by all countries – both developed and developing.

The Issuer is a leader in the forest-based renewable energy sector in Portugal, with expectations of growth in other renewable energy sources, holding a 48 percent market share of Portuguese energy injected from biomass[31]. The electric energy produced through biomass is integrated into the national electricity grid, with the exception of self-consumption.

In February 2019, Sociedade Bioelétrica do Mondego developed a green bond framework, which served as the basis for the issuance of its SBM 2019-2029 Green Bond. The proceeds of this issue were exclusively used to finance the construction of the 34.5 MW biomass power plant located in Figueira da Foz (for further details, please see the paragraph entitled *Investment in Sociedade Bioelétrica do Mondego in 2017-2019* in Section 10.7(a) of Chapter 10 ("*Description of the Issuer's Business"*)). This was the first green bond issuance admitted to trading in Portugal, on Euronext Access Lisbon aligned with the Green Bond Principles published by the International Capital Market Association, having obtained a positive Second Party Opinion (SPO) from Sustainalytics, which may be consulted here: Green Bond SPO Sociedade Bioelétrica do Mondego.pdf (altri.pt). In the 2020 edition of the Euronext Lisbon Awards, the SBM Green Bond was the Winner of the category "Finance for the Future".

Sustainalytics assigned the Issuer an ESG Risk Rating of 29.3 (considered medium risk), which was made public on 23 June 2021. The Issuer was assigned with an ESG Risk Exposure of 55.3 (considered high). The Biomass Power Plants (as of 2020)

[31] Source: DGEG.

release negative environmental externalities including air pollutants, solid waste and wastewater. Related incidents may trigger environmental fines, clean-up costs, civil lawsuits, community opposition and even operational shutdowns. The company's carbon footprint is affected by the burning of biomass used to generate electricity. Increasingly stringent carbon regulations and energy efficiency requirements could lead to higher associated costs for the company and compliance issues. The Issuer's power generation operations may require significant quantities of water. As water resources are increasingly constrained, the Issuer may face limited freshwater availability, higher water prices or even regulatory restrictions on water use. The Issuer's overall exposure is high and is similar to subindustry average. Resource use, carbon-own operations and emissions, effluents and waste are notable material ESG issues. The Issuer was also assigned an ESG management score of 50.8 points out of 100, which is considered strong. This means that the Issuer's overall ESG-related disclosure follows best practice, signalling strong accountability to investors and the public. However, the ESG Risk Rating awarded is not permanent, meaning that the ESG Risk Rating assigned to the Issuer may vary and/or be withdrawn in the future.

The Issuer has a strong corporate governance framework and organisational model based on a structured set of principles and codes, with a view to pursuing a long-term sustainable strategy in strict compliance with applicable laws and regulations, as well as the main international standards and guidelines. It is supported by a well-established and organized system, which includes:

(i) Risk, Recruitment & Remuneration and Audit and related Parties´ Transaction Committees;

(ii) Strategic and Operational Monitoring Committee;

(iii) Ethics and Sustainability Committee;

(iv) Strong Code of Ethics and active Risk Management; and

(v) Reporting and disclosure according with market references.

As of the date of this Prospectus, the Issuer has a well-balanced and diverse Board of Directors, with 4 independent members and 4 female members (representing circa 36 percent).

An Ethics and Sustainability Committee assists the Board of Directors in integrating sustainability and ESG objectives and criteria in the Group's strategy and management processes, promoting the industry's best practices in all its activities to enhance long-term sustainable value creation (for further details, please see paragraph entitled *Ethics and Sustainability Committee* of Chapter 7 ("*Management and Supervisory Bodies of the Issuer*"). This Committee is also entrusted with the mission of safeguarding and monitoring the implementation of and ongoing compliance with the Issuer's Code of Ethics and Conduct, as well as ensuring high standards of ethical practices in business and professional conduct.

Certifications

Greenvolt has the following certifications:

- ISO 9001- Quality Management System[32];

[32] International standard that specifies requirements for a quality management system. Organisations use this standard to demonstrate their ability to consistently provide products and services that meet customer and regulatory requirements.

- ISO 14001- Environmental Management System[33];

- ISO 45001- Occupational Health and Safety Management System[34];

In addition, the Issuer is conscious of the (positive and negative) impact of its biomass power plants and facilities on the communities where these have been set-up. In this respect, the majority of the Biomass Power Plants (with the exception of the Mortágua Power Plant) are located within Paper Pulp Facilities operated by Altri Group companies which have well defined plans to support the local communities and regions where these facilities are in operation. Likewise, the Altri Group regularly monitors noise and emissions levels in order to assess the impact of its operations on surrounding communities.

10.7. Investments of the Issuer

The Issuer's strategy includes the continuous optimisation of its portfolio of assets and businesses, through strategic acquisitions and/or non-core disposals, as well as investments in existing strategic assets. Such acquisitions, disposals and investments may have an impact on the Issuer's future financial statements including, *inter alia*, revenues from energy sales and services, other income, other expenses, amortisation, depreciation and impairment, as well as the Issuer's net cash flows from operations and net cash flows from investing activities. The Issuer expects to make investments amounting to €300 million in 2021: the Issuer invested €220 million in the acquisition of Tilbury Holdings, and expects to invest €30 million in V-Ridium's capital needs for investments and €50 million in other endeavours in Portugal, notably focused on decentralised generation, solar photovoltaic and upgrades in the Biomass Power Plants. Please note that this investment estimate considers the impact of Tilbury Holding's acquisition, with full consolidation of the financing raised at the acquisition structure level and excluding the partner equity intake.

For further details on the funding of the Issuer's investments, please see Section 10.5 ("*The Issuer's main objectives*").

(a) Acquisitions and investments completed during the period covered by the Annual Audited Consolidated Financial Statements

The financial results of the Issuer have been partly driven by acquisitions of assets and businesses, as well as investments in new assets, which have impacted the Issuer's revenues, costs, amortisation, depreciation and interest expenses. The impact of an acquisition or investment in any given period depends on its date, with the impact of such acquisition or investment only being accounted for in full in the following complete financial year. As a result, such transactions make it difficult to compare performance between periods, especially when the Issuer has carried out several acquisitions and investments throughout the period under review.

(i) Acquisition of Golditábua in 2020

During the year ended 31 December 2020, the Issuer acquired 100 percent of Golditábua's share capital. The Issuer intends to further develop Golditábua's photovoltaic project, thus increasing the Issuer's solar photovoltaic installed capacity of 48MW and consolidating its strategic ambitions of being a key player in solar energy production. The Issuer purchased Golditábua's entire share capital for an approximate amount of €3.9 million, which was financed with the

[33] Criteria for an environmental management system. It maps out a framework that companies and organisations can follow to set up an effective environmental management system.

[34] International standard that specifies requirements for an occupational health and safety (OH&S) management system, providing guidance for its use, to enable an organisation to proactively improve its OH&S performance in preventing injury and ill-health.

Issuer's own funds with €1 million to be paid in 2031. As regards the implementation and construction stage, although there is no firm commitment, additional capital expenditures in the region of €28.2 million are foreseen to cover EPC, land acquisitions, grid connection and other costs. These capital expenditures will be financed, in about 80 percent, by project finance and the remaining portion by own funds. In terms of the project finance, the company requested proposals from five banks and is currently in the negotiation phase.

(ii) Investment in Sociedade Bioelétrica do Mondego in 2017-2019

The Issuer is committed to integrating its sustainability agenda in its corporate finances. Thus, through sustainable financing, the Issuer intends to invest in projects aimed at improving its environmental performance. In the year ended 31 December 2019, the Issuer reached an important milestone with the construction of a new biomass production plant in Marinha das Ondas, Figueira da Foz. This is the Group's fifth Biomass Power Plant and the construction of the Figueira da Foz II Power Plant represented a global investment of circa €83 million, distributed into €12.3 million, €40.6 million and €30.1 million[35], from 2017 to 2019, respectively.

In order to finance this investment, in February 2019 Sociedade Bioelétrica do Mondego developed a SBM green bond framework, which served as the basis for the issuance of its SBM 2019-2029 Green Bond ("**green bond loan**"), by private subscription, in the amount of €50,000,000 and with a coupon rate of 1.90 percent. The proceeds from this issue were exclusively used to finance the 34.5 MW biomass power plant.

This bond issue was made in line with the Green Bond Principles published by the ICMA (International Capital Market Association), having obtained a positive Second Party Opinion (SPO) from Sustainalytics, which may be consulted here: Green Bond SPO Sociedade Bioelétrica do Mondego.pdf (altri.pt).

This investment contributed to the diversification of the Group's energy sources and is part of the strategy defined for national energy policy, through the construction of a plant for the production of electricity from non-conventional sources (namely, energy recovery of forest biomass). This Biomass Power Plant started operating in mid-2019, having produced a total of 116,030 MWh in the start-up year and 285,974 MWh in 2020.

(b) Forecasted or ongoing acquisitions and investments

(i) Biomass

General

Bioenergy is the largest source of renewable energy in the EU and biomass is expected to remain a key energy source for the EU in 2030, as it is needed to enable the decarbonisation of energy uses for which no other cost-effective solutions are available. Biomass is the main source of renewable energy for industry, providing a feedstock for chemicals production and delivering process heat at high temperatures. For transport, biomass is the main source of renewable energy besides electrification. In the power sector, it enables flexibility in renewable electricity generation[36].

[35] These amounts were recorded in AFT (acquisitions in each of the years – accounting). They are not supposed to be read according to a cash flow logic.

[36] Source: International Renewables Energy Agency – Renewable Energy Prospects for the European Union – February 2018.

The biomass market is a robust industry in Portugal with an increasing number of relevant market participants building large-scale positions in biomass energy generation. The Issuer is a leading Portuguese renewable energy player and the largest biomass operator in Portugal, holding around 48 percent of the biomass market share in 2020[37]. The Issuer, either directly or through other Biomass Power Plant Developers, currently operates the Biomass Power Plants, which are located in four regions of Portugal, notably in Mortágua, Vila Velha de Ródão, Constância and Figueira da Foz (where there are two power plants) (please see Section 5.5 ("*Subsidiaries*") for more information on the Issuer's subsidiaries and the Biomass Power Plants). Backed by the experience gained over more than ten years operating these power plants, the Issuer has in-depth expertise in the design, management and operation of biomass power plants in Portugal, currently operating installations with an aggregate injection capacity of 98 MW, generating around 730GWh annually. Between 2018 and 2020, the Issuer's adjusted EBITDA grew from €18.2 million to €32.8 million and its adjusted EBITDA margin reached 37.8 percent (described in detail in Section 13.1.4 ("*Other Unaudited Financial and Operating Data*")). The availability of Figueira da Foz II Power Plant, the largest biomass power plant of the Group, was above 95 percent in 2020, using 366 days.

The operation of biomass power plants is the Issuer's core business and represents a critical basis for its future strategic growth. The Issuer does not intend to focus its growth in greenfield projects, but rather to leverage its business by acquiring other biomass power plants already in operation, in pursuit of its market consolidation objective. This acquisition strategy targets biomass power plants identified by the Issuer as operating below their potential capacity and which the Issuer believes may benefit from its experience and management. To maximise its investment strategy, the Issuer intends to acquire majority shareholdings in the power plants identified and subsequently increase their efficiency to bring greater value to all stakeholders involved, including the Issuer itself.

Portugal

As the Issuer is still awaiting the issuance by the DGEG of a production licence for a biomass power plant in Mortágua with a capacity of 10 MW, capex in relation to the investments to be made in this power plant is still to be ascertained.

United Kingdom (Tilbury Green Power)

In the context of an organised competitive process for the acquisition of a biomass power plant located in the United Kingdom, the Issuer, together with funds managed by Equitix, recently completed the acquisition of Tilbury Holdings, the owner through Tilbury Green Power of a fully operational renewable energy biomass power plant, which processes waste wood, with a net generating capacity of 43.6 MW (with injection capacity currently limited to 41.6 MW in-line with ROC accreditation limit set by the OFGEM.

Upon completion of the acquisition of Tilbury Holdings, the Issuer holds an indirect stake of 51 percent in Tilbury Holdings and funds managed by Equitix holding the remaining 49 percent, in a transaction that amounted to an enterprise value of £246.5 million, supported by the Issuer and funds managed by Equitix in a 51 percent and 49 percent proportion, respectively. Further details on the financials of the acquisition of Tilbury Holdings can be found in notes 2, 6.1 and 6.2

[37] Source: based on energy injected, General Directorate for Energy and Geology (Direção Geral de Energia e Geologia.

included in Annex I ("*Unaudited Consolidated Pro Forma Financial Information*"). The estimated capex in Tilbury Green Power amounts to €220 million.

As of the year ended in 31 December 2020, TGP reported a turnover of £28.6 million and statutory EBITDA of £9.3 million[38]. However, in 2020 the statutory EBITDA was affected by several circumstances. The normalized EBITDA for the year, considered by the Issuer, amounts to £18.0 million, reflecting adjustments to the statutory EBITDA mainly linked to (i) the shortage of wood supply during the first UK lockdown (April / May), which led to significant downtime in the plant; (ii) lower electricity prices, which were adversely impacted by the reduced demand registered during the lockdown period, leading to a decrease in market revenues; and (iii) one-off professional and legal costs associated with negotiations with suppliers and financing institutions given the lower production levels during the lockdown period. The Issuer targets an equity return post-synergies of between 8.5 percent and 10.5 percent from the acquisition of Tilbury Holdings. Tilbury Holdings income statement and balance sheet for the year ended 31 December 2020, converted to euros and adjusted as detailed in the Notes of the Unaudited Consolidated Pro Forma Financial Information, can be consulted in Section 13.2 ("*Unaudited Consolidated Pro forma Financial Information*").

This acquisition process has been completed on 30 June 2021, TGP having become the first biomass power plant operated (although indirectly) by the Issuer in a foreign country and the power plant with greatest capacity taking into account the capacity of the biomass power plants currently managed by the Issuer in Portugal.

Other potential investments

In addition to its potential international operations, the Issuer devotes special attention to developments in the Iberian Peninsula, which is its natural market, remaining open to considering possible acquisitions that create value for the company's shareholders and stakeholders and which promote market consolidation. In this regard, please see the description of the Issuer's potential acquisition of a stake in Perfecta Energia's share capital, as set out below.

Backed by a sustainable long-term approach, in addition to possible acquisitions of biomass power plants in Portugal or abroad, the Issuer aims to explore the possibility of using other types of fuel in its biomass power plants, notably those linked to the promotion of a circular economy, and using other types of biomass which complement forest biomass, such as waste and residues.

(ii) Solar and On-shore Wind development

General

In strategic terms, seeing as solar photovoltaic and wind capacity is expected to significantly increase in Europe especially in the geographies where the Issuer is focusing its growth efforts (Portugal, Poland, France, Greece, Italy and Romania), the Issuer defined the European market as its key target market in the solar and on-shore wind sectors, subordinating its action to the criteria of shareholder profitability, and requiring security as regards estimated cash flows, always operating under PPAs entered into with low-risk counterparties.

Unlike the limited growth the Issuer expects to occur in respect greenfield projects of biomass, which defined the Issuer's acquisition strategy as described above, the Issuer believes that there are substantial solar photovoltaic and wind

[38] Operating profit + depreciation of tangible assets.

development opportunities, which is the most valuable stage of the solar photovoltaic and wind value chain. In this scenario, the Issuer envisages to carefully select and optimise a pan-European solar photovoltaic and wind platform pipeline capacity to remain on-balance sheet, following an equity rotation strategy with financial investors to maximise project return for de-risked assets.

Portugal

In addition to the previously mentioned investment in Golditábua, the Issuer has a construction project for another photovoltaic solar plant in Águeda, Portugal, with an injection capacity of 37.6 MW, which has already obtained a reserved capacity title awarded to Paraimo Green, S.A. (in which the Issuer holds a 70 percent stake). The Issuer is currently undertaking the EIA for the purposes of requesting the DGEG's issuance of the production licence. The estimated investment to install the Paraimo solar power plant amounts to €29 million. The project shall be in operation within 24 months of the issuance of the project's production licence.

The Issuer submitted a request for the award of grid capacity for a 600 MW solar plant located in Nisa, south of Portugal. The project was selected by REN and is provisionally ranked 59th in accordance with the terms of reference. The definitive ranking is yet to be published. Located in the Pego/Falagueira axis, this project could potentially be installed with no environmental or planning constraints across 800 hectares of land. The Issuer is currently undertaking the EIA and awaiting from REN's feedback in relation to the budget for the purposes of implementation of grid infrastructure in order to develop such project. The amount of the investment foreseen to install this solar power plant is not estimated yet.

Europe

Internationally, the Issuer has based its approach towards other European countries on a co-development strategy which is informed by a project-by-project analysis based on the financial guidelines previously described. Accordingly, investment in or the acquisition of projects in other European countries will be subject to the criteria of profitability and of stability and predictability of cash flows.

The Issuer is analysing a possible investment in co-developing solar and wind projects in Romania with a Romanian experienced wind and solar energy developer and operator, which are in advanced phase, and are being carried out by the latter. For that purpose, a joint-venture will be established, in which the Issuer will hold a 50 percent stake, with pending Shareholder Agreement terms.

Decentralised Generation in Portugal

The Issuer is also considering investment in small-scale solar photovoltaic units dedicated to consumption, namely 14MW of solar photovoltaic energy dedicated to Celbi's and Celtejo's own consumption.

The Issuer expects that the UPPs, whose supply and service provision agreements are currently under negotiation, will enter into commercial operation by May 2022 and will require a capex of €8 million. The Issuer recently entered into a memorandum of understanding in respect of the acquisition of a 70 percent stake in the share capital of Track Profit Energy Lda., a company focused on UPAC (client owned units for self-consumption), led illumination, O&M and ESCO in Portugal, with a total of circa 30 MW projects installed by 2020, of which 10 MW were installed during 2020. In 2021, Profit Energy expects to install 15 to 20 MW. The management team of Profit Energy will hold the remaining 30 percent of equity.

Profit Energy generated a net profit of the period before income tax, financial expenses and amortizations and depreciations of €0.7 million in 2020, with targeted annual growth of circa 40 percent until 2025.

On 16 June 2021, the Issuer entered into a memorandum of understanding setting forth the non-binding main terms and conditions for the subscription of 100 percent of a share capital increase of Perfecta Energia, through which the Issuer intends to hold a stake of 29.23 percent in the share capital of Perfecta Energia. This potential transaction reflects the expansion of the Issuer's business in the residential self-consumption sector, in line with the Issuer's growth strategy. Accordingly, the Issuer intends to subscribe the new issued shares of Perfect Energia through a contribution in cash in the amount of €8.673.348, being granted a call option to purchase a controlling stake in Perfecta Energia.

(c) Share of net profit in joint ventures and co-investments

The Issuer currently does not hold any share interests in co-investments nor any joint ventures with any third parties.

10.8. Environmental issues

The Issuer is currently subject to ongoing administrative misdemeanour proceedings brought by IGAMAOT (please refer to Section 3.3.3 ("*Risks inherent to certain pending and possible future environmental claims that may result in the application of fines and ancillary penalties*") for further details on these proceedings). The Issuer does not envisage any material impact on its businesses or activities if these proceedings are not decided in favour of the Issuer.

Other than the matter outlined above, and as described in Section 10.6 (*Environmental, Social and Governance*), the Issuer is not aware, at the date of this Prospectus, of any material environmental matters or issues that may affect the Issuer's business activities.

10.9. Employees

Until the close of 2020 , the Issuer did not have any contractual labour relationships and, therefore, did not have any employees. As of the date of this Prospectus, the Issuer will have 17 employees on its staff. Most of these will perform their functions from Lisbon and the remaining few will perform their functions in Figueira da Foz, Porto and Mortágua. Regarding job positions, the Issuer's staff will be composed of: a M&A manager; IR & MA director; project finance manager; financial analyst; new energy projects director; technical manager; financial director; project technician; senior technician accounting and consolidation; advisor (two); junior technician; operational manager; secretary (two); and driver.

With respect to each person referred to as a member of the administrative, management or supervisory bodies of the Issuer, none holds a share ownership or any options over shares in the Issuer as of the date of this Prospectus, except for an amount equivalent to an equity participation right attributed to the Chief Executive Officer under its management agreement, according to which the Chief Executive Officer has the right to receive an amount equivalent to the investment of 2 million euros in Greenvolt shares at the closing price on the date of admission to trading. This right can be exercised (i) from 19 March 2024 for 50 percent of the shares and (ii) from 19 March 2025 for the remaining percent without limitation, to be paid as variable remuneration (to accrue to the remaining contractually agreed variable remuneration).

The Issuer holds employee retention, training, and retribution policies, fully aligned with its objectives.

The Issuer also promotes a focus on diversity by building an inclusive culture to attract and retain a wider range of people on its workforce.

10.10. Material contracts

Except as disclosed in this Prospectus, in the two years immediately preceding its publication, neither the Issuer nor any member of the Group entered into any material contract other than contracts entered into in the ordinary course of their respective businesses.

In addition, except as disclosed in this Prospectus, neither the Issuer nor any member of the Group entered into any material contract other than contracts entered into in the ordinary course of their respective businesses containing any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this Prospectus.

10.11. Legal and arbitration proceedings

At any given time, either the Issuer or any of its subsidiaries may be a party to governmental, legal or arbitration proceedings or subject to non-litigated claims arising from its business activities. These governmental, legal or arbitration proceedings may involve customers, suppliers, employees and administrative, central, municipal, tax, environmental or any other authorities.

By reference to 31 December 2020, the Issuer is involved in two administrative misdemeanour proceedings as a defendant, which may result, should their outcome prove unfavourable to the Issuer, in a total aggregate liability of up to €288,000 as well as potentially applicable ancillary sanctions, such as the prohibition of receiving public subsidies, seizure of equipment, closure of the facility and suspension of permits and authorisations**.**

On 18 September 2020, the Issuer was notified by IGAMAOT of the start of two environmental misdemeanour proceedings due to the Issuer's failure to provide, until 31 January 2020, an inventory of sealed radioactive sources, which may constitute two serious offences if the Issuer is found guilty of these charges. If the Issuer is found guilty, these proceedings could result in a fine ranging from €24,000 to €144,000, as well as the application of the ancillary sanctions listed in the previous paragraph.

All sealed radioactive sources in place were and are included in an annual inspection carried out by an external certified company. Malfunctions in the sealed radioactive sources were not detected in these inspections and thus there was no environmental damage or health damage to workers . However, to avoid any future failure to provide an annual inventory of sealed radioactive sources to the Portuguese Environmental Agency (APA) until 31 January of each year, the Issuer has updated its SIAWISE platform (legislation applicability alert platform) with a MOP (timetable of mandatory communication obligations to the authorities).

On 9 June 2020, the Issuer underwent an inspection by IGAMAOT aimed at verifying compliance with the conditions and obligations set forth under the Sole Environmental Title (TUA) 20180123000293.

Based on the analysis of the documents provided during this inspection, on 31 March 2021 IGAMAOT accused the Issuer of not having in place a financial guarantee insuring its environmental liabilities. In IGAMAOT's understanding, the Issuer's environmental insurance policy is insufficient to cover its environmental responsibility, considering that it excludes the insurance company's responsibility in case of wilful default by the Issuer.

IGAMAOT's environmental misdemeanour proceedings against the Issuer may constitute a very serious offence if the Issuer is found guilty of these charges. Although the Issuer believes that these proceedings have no legal grounds to proceed, it plans to contract an addendum to the environmental insurance policy in order to include wilful default within its scope.

Notwithstanding the above, the Issuer is not aware of any material governmental, legal or arbitration proceedings involving the Issuer during the 12 months prior to the date of this Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Issuer and/or the subsidiaries forming part of the Group as a whole.

11. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Each potential investor should read the information contained in this Chapter in conjunction with the Chapter 13 entitled "Selected Consolidated Financial Information" and the Annual Audited Consolidated Financial Statements, including the notes thereto, appearing elsewhere in this Prospectus.

We have prepared Annual Audited Consolidated Financial Statements for the years ended 31 December 2020, 31 December 2019 and 31 December 2018 in accordance with the basis of preparation disclosed in note 4 to the Annual Audited Consolidated Financial Statements and consistent with IFRS-EU. The discussion contained herein is based on the Annual Audited Consolidated Financial Statements.

Overview

The Group's activities are currently focused on the promotion, development and management, both directly and indirectly, of power plants and other facilities for the production and sale of energy, using sources of waste and biomass, the carrying out of studies and execution of projects within the same scope, and the provision of any other related activities and services. The company currently operates plants in Mortágua, Constância, Figueira da Foz, Vila Velha de Ródão and Mondego (Figueira da Foz).

The Group's activities currently focus on generating electricity via waste consumption and forest biomass.

Financial condition

Information on Consolidated Statements of Financial Position

The following table shows information from the consolidated statements of financial position as at 31 December 2020, 31 December 2019 and 31 December 2018

	As at 31 December			Change (1)	
(amounts expressed in Euros)	2020	2019	2018	2020-2019	2019-2018
		(audited)		(unaudited)	
ASSETS					
NON-CURRENT ASSETS:					
Property, plant and equipment	160,466,245	166,809,912	144,915,916	(6,343,667)	21,893,996
Right-of-use assets	5,433,575	5,737,867	-	(304,292)	5,737,867
Intangible assets	6,795,875	1,418,432	1,537,395	5,377,443	(118,963)
Other investments	-	-	-	-	-
Deferred tax assets	1,493,924	2,503,285	2,336,918	(1,009,361)	166,367
Total non-current assets	**174,189,619**	**176,469,496**	**148,790,229**	**(2,279,877)**	**27,679,267**
CURRENT ASSETS:					
Inventories	1,108	3,041,661	1,500,765	(3,040,553)	1,540,896
Trade receivables	19,580	-	-	19,580	-
Assets associated with contracts with customers	7,476,825	7,365,847	8,018,339	110,978	(652,492)
Other receivables	11,578	988,262	2,478,325	(976,684)	(1,490,063)
Income tax receivable	387	-	-	387	-
Other tax assets	115,287	7,271	2,174,477	108,016	(2,167,206)
Other current assets	506,427	203,819	140,294	302,608	63,525
Cash and cash equivalents	14,100,666	16,107,267	6,707,457	(2,006,601)	9,399,810
Total current assets	**22,231,858**	**27,714,127**	**21,019,657**	**(5,482,269)**	**6,694,470**
Total assets	**196,421,477**	**204,183,623**	**169,809,886**	**(7,762,146)**	**34,373,737**
EQUITY AND LIABILITIES					
EQUITY:					
Share capital	50,000	50,000	50,000	-	-
Legal reserve	10,000	10,000	10,000	-	-
Supplementary capital	9,583,819	13,150,000	13,150,000	(3,566,181)	-
Other reserves and retained earnings	39,718,335	19,772,948	15,014,208	19,945,387	4,758,740
Consolidated net profit for the year attributable to Equity holders of the parent	17,934,337	6,795,387	5,202,616	11,138,950	1,592,771

(amounts expressed in Euros)	As at 31 December			Change (1)	
	2020	2019	2018	2020-2019	2019-2018
		(audited)		(unaudited)	
Total equity attributable to Equity holders of the parent	67,296,491	39,778,335	33,426,824	27,518,156	6,351,511
Non-controlling interests	14,584	13,453	-	1,131	13,453
Total equity	**67,311,075**	**39,791,788**	**33,426,824**	**27,519,287**	**6,364,964**
LIABILITIES:					
NON-CURRENT LIABILITIES					
Bonds	48,463,769	49,673,801	-	(1,210,032)	49,673,801
Other loans	-	-	-	-	-
Lease liabilities	5,836,636	6,088,752	-	(252,116)	6,088,752
Other payables	820,348	-	-	820,348	-
Other non-current liabilities	611,632	834,043	1,106,111	(222,411)	(272,068)
Deferred tax liabilities	3,258,306	2,844,621	3,048,177	413,685	(203,556)
Provisions	11,538,164	11,388,007	9,238,147	150,157	2,149,860
Total non-current liabilities	**70,528,855**	**70,829,224**	**13,392,435**	**(300,369)**	**57,436,789**
CURRENT LIABILITIES					
Bonds	1,545,172	294,954	-	1,250,218	294,954
Other loans	40,007,311	50,000,000	-	(9,992,689)	50,000,000
Shareholders loans	-	24,596,424	111,313,870	(24,596,424)	(86,717,446)
Lease liabilities	284,370	273,537	-	10,833	273,537
Trade payables	8,537,852	11,931,566	6,914,258	(3,393,714)	5,017,308
Other payables	3,939,205	1,954,692	3,462,979	1,984,513	(1,508,287)
Income tax payable	3,411,514	150,718	944,931	3,260,796	(794,213)
Other tax liabilities	565,732	4,012,039	-	(3,446,307)	4,012,039
Other current liabilities	290,391	348,681	354,589	(58,290)	(5,908)
Total current liabilities	**58,581,547**	**93,562,611**	**122,990,627**	**(34,981,064)**	**(29,428,016)**
Total liabilities	**129,110,402**	**164,391,835**	**136,383,062**	**(35,281,433)**	**28,008,773**
Total equity and liabilities	**196,421,477**	**204,183,623**	**169,809,886**	**(7,762,146)**	**34,373,737**

(1) Changes in amount and in percentage are computed considering absolute amounts, when presented.

Assets

"Assets" comprise non-current assets and current assets. Non-current assets primarily consist of property, plant and equipment and current assets primarily consist of assets associated with contracts with customers and cash and cash equivalents.

Non-current assets

As of 31 December 2020, non-current assets amounted to €174.2 million, a decrease of €2.3 million compared to the €176.5 million registered as of 31 December 2019. This decrease was primarily due to the following two reasons: (i) a decrease of €6.3 million in property, plant and equipment; and (ii) a decrease in deferred tax assets in the amount of €1 million. The decrease was partially offset by an increase of €5.4 million increase in intangible assets. The decrease in property, plant and equipment was mainly related to amortisation in the amount of €11.7 million, €3.8 million in impairment reversals and €1.6 million in additions, of which €680 thousand related to the land used for the Golditábua photovoltaic project and approximately €893 thousand to the new turbine of Ródão Power. The increase in intangible assets was mainly due to the €2.6 million impairment reversals and €2.9 million in additions relating to the acquisition of the operation license for the Golditábua photovoltaic project.

As of 31 December 2019, non-current assets amounted to €176.5 million, an increase of €27.7 million compared to the €148.8 million registered as of 31 December 2018. This increase was primarily due to the following reasons: (i) an increase of €21.9 million in property, plant and equipment; and (ii) an increase in right-of-use assets of €5.7 million. The increase in property, plant and equipment was mainly related to the conclusion of the construction of the Figueira da Foz II Power

Plant. The increase in right-of-use assets relates to the recognition of these assets following the mandatory adoption of IFRS 16 – Leases.

As of 31 December 2018, non-current assets amounted to €148.8 million, an increase of €29.2 million compared to the €119.6 million registered as of 1 January 2018. This increase was primarily due to the following reasons: (i) an increase of €27.7 million in property, plant and equipment; and (ii) an increase in deferred tax assets of €1.7 million. The increase in property, plant and equipment was mainly related to the construction of the Figueira da Foz II Power Plant. The increase in deferred tax assets relates to the recognition of impairment losses not accepted for tax purposes.

Current assets

As of 31 December 2020, current assets amounted to €22.2 million, a decrease of €5.5 million as compared to the €27.7 million registered as of 31 December 2019. This decrease was primarily due to a decrease in cash and cash equivalents of €2.0 million and in inventories of €3.0 million. The decrease in inventories is explained by the sale in January 2020 of all forest biomass inventories to Altri Madeira, an entity of the Altri Group. Since that date, Altri Madeira has been the Group's only buyer and supplier of biomass, having become the sole responsible for the biomass inventory (see note 16. of the Annual Audited Consolidated Financial Statements).

As of 31 December 2019, current assets amounted to €27.7 million, an increase of €6.7 million as compared to the €21.0 million registered as of 31 December 2018. This increase was primarily due to an increase in cash and cash equivalents of €9.4 million and in inventories of €1.5 million. The increase was partially offset by a decrease in other tax assets of €2.2 million (see note 21. of the Annual Audited Consolidated Financial Statements) and in other receivables of €1.5 million.

As of 31 December 2018, current assets amounted to €21.0 million, an increase of €3.5 million as compared to the €17.5 million registered as of 1 January 2018. This increase was primarily due to an increase in inventories of €1.0 million, assets associated with contracts with customers of €4.4 million, other receivables of €2.5 million, and other tax assets of €2.2 million. The increase was partially offset by a decrease in cash and cash equivalents of €6.4 million. Assets associated with contracts with customers are related to the amount of energy supplied but not yet invoiced to the customer SU Eletricidade, S.A, which was received at the start of the following year (see note 20. of the Annual Audited Consolidated Financial Statements). Other receivables consist of Insurance claims which relate to compensations receivables arising from fires that affected some of the subsidiaries of the Group in 2018 and 2017, which were received from insurers during 2019 (see note 19. of the Audited Consolidated Annual Financial Statements).

Equity and liabilities

"Equity" consists of equity attributable to equity holders of the parent and non-controlling interests. Non-current liabilities primarily consist of interest-bearing liabilities and provisions, whereas current liabilities primarily consist of other loans, lease liabilities and trade payables.

Equity

As of 31 December 2020, total equity amounted to €67.3 million, an increase of €27.5 million compared to the €39.8 million registered as of 31 December 2019. This increase was primarily due to the total consolidated net profit for the year in the amount of €17.9 million and conversion of shareholder loans to supplementary capital in the amount of €9.6 million.

As of 31 December 2019, total equity amounted to €39.8 million, an increase of €6.4 million compared to the €33.4 million registered as of 31 December 2018. This increase was primarily due to the total consolidated net profit for the year in the amount of €6.8 million.

As of 31 December 2018, total equity amounted to €33.4 million, an increase of €5.2 million compared to the €28.2 million registered as of 1 January 2018. This increase was due to the total consolidated net profit for the year in the amount of €5.2 million.

Liabilities

Non-current liabilities

As of 31 December 2020, non-current liabilities amounted to €70.5 million, a decrease of €0.3 million compared to the €70.8 million registered as of 31 December 2019.

As of 31 December 2019, non-current liabilities amounted to €70.8 million, an increase of €57.4 million compared to the €13.4 million registered as of 31 December 2018. This increase was primarily due to an increase in bonds of €49.7 million, lease liabilities of €6.1 million and provisions of €2.1 million. The increase in bonds was mainly related to the bond issue named "Sociedade Bioelétrica do Mondego 2019-2029", made on 26 February 2019 by Sociedade Bioelétrica do Mondego, in the nominal amount of €50 million with a fixed coupon rate of 1.90 percent. This issue was aligned with the conditions set forth by the Green Bond Principles and it was the first green bond admitted to trading in Portugal, on Euronext Access Lisbon. The increase in lease liabilities relates to the recognition of lease liabilities following the mandatory adoption of IFRS 16 – Leases. The referred provisions consist mainly of provisions for the decommissioning, dismantling, demolition and environmental rehabilitation of the power plants.

As of 31 December 2018, non-current liabilities amounted to €13.4 million, a decrease of €43.5 million compared to the €56.9 million registered as of 1 January 2018. This decrease was primarily due to a decrease in other loans.

Current liabilities

As of 31 December 2020, current liabilities amounted to €58.6 million, a decrease of €35.0 million compared to the €93.6 million registered as of 31 December 2019. This decrease was primarily due to a decrease in other loans of €10.0 million and in shareholders loans of €24.6 million.

As of 31 December 2019, current liabilities amounted to €93.6 million, a decrease of €29.4 million compared to the €123.0 million registered as of 31 December 2018. This decrease was primarily due to a decrease in shareholders loans of €86.7 million. The decrease was partially offset by an increase in other loans of €50.0 million, trade payables of €5.0 million and other tax liabilities of €4.0 million.

As of 31 December 2018, current liabilities amounted to €123.0 million, an increase of €71.0 million compared to the €52.0 million registered as of 1 January 2018. This increase was primarily due to an increase in shareholders loans of €81.8 million. The increase was partially offset by a decrease in other loans of €9.7 million.

Operating results

Information on consolidated income statement data

The following table shows information from consolidated income statement data for the 2020, 2019 and 2018 full years periods:

(amounts expressed in Euros)	Year ended 31 December			Change [1]			
	2020	2019	2018	2020-2019		2019-2018	
		(audited)		(unaudited)			
Revenue	89,877,619	64,283,355	50,537,103	25,594,264	39.8%	13,746,252	27.2%
Other income	222,437	851,448	3,313,368	(629,011)	(73.9%)	(2,461,920)	(74.3%)
Costs of sales	(39,028,957)	(24,880,975)	(19,870,281)	14,147,982	56.9%	5,010,694	25.2%
External supplies and services	(17,920,494)	(17,470,548)	(13,517,660)	449,946	2.6%	3,952,888	29.2%
Provisions and impairment reversals /(losses) in current assets	41	-	-	41	-	-	-
Other expenses	(129,539)	(82,425)	(364,828)	47,114	57.2%	(282,403)	(77.4%)
Operating profit before amortization and depreciation and Impairment reversals /(losses) in non-current assets	33,021,107	22,700,855	20,097,702	10,320,252	45.5%	2,603,153	13.0%
Amortisation and depreciation	(12,148,457)	(10,623,246)	(7,764,671)	1,525,211	14.4%	2,858,575	36.8%
Impairment reversals /(losses) in non-current assets.	6,335,742	-	(5,500,000)	6,335,742	-	(5,500,000)	(100,0%) -
Operating profit	27,208,392	12,077,609	6,833,031	15,130,783	125.3%	5,244,578	76.8%
Financial expenses	(1,791,223)	(1,872,466)	(620,739)	(81,243)	(4.3%)	1,251,727	201.7%
Financial income	67	480	443	(413)	(86.0%)	37	8.4%
Profit before income tax and CESE	25,417,236	10,205,623	6,212,735	15,211,613	149.1%	3,992,888	64.3%
Income tax	(6,412,734)	(2,616,493)	(1,010,119)	3,796,241	145.1%	1,606,374	159.0%
Energy sector extraordinary contribution (CESE)	(1,078,934)	(797,390)	-	281,544	35.3%	797,390	-
Consolidated net profit for the year	17,925,568	6,791,740	5,202,616	11,133,828	163.9%	1,589,124	30.5%
Attributable to:							
Equity holders of the parent	17,934,337	6,795,387	5,202,616	11,138,950	163.9%	1,592,771	30.6%
Non-controlling interests	(8,769)	(3,647)	-	5,122	140.4%	3,647	-
	17,925,568	6,791,740	5,202,616	11,133,828	163.9%	1,589,124	30,5%

[1] Changes in amount and in percentage are computed considering absolute amounts, when presented.

Revenue

The Group's revenue is mainly derived from the sale of electricity to the national public grid. Revenue from electricity sales by the Group amounted to €86.9 million for the year ended 31 December 2020, compared to €64.3 million for the year ended 31 December 2019, an increase of €22.6 million, or 35.1 percent. As of 31 December 2020, the Group recognised sales related to the sale of biomass in a total amount of €3.0 million to Altri Madeira. This amount related to the sale of the complete inventories of forest biomass held by the Group as of January 2020.Since then, Altri Madeira became the only buyer and supplier of biomass of the Group, having become the sole responsible for the biomass inventory.

Revenue from electricity sales by the Group amounted to €64.3 million for the year ended 31 December 2019, compared to €50.5 million for the year ended 31 December 2018, an increase of €13.7 million, or 27.2 percent. This increase over the years is mainly explained by the operation of the Figueira da Foz II Power Plant, which began operating in mid-2019. The Figueira da Foz II Power Plant was in operation for approximately half of the year 2019 and, in 2020, it completed its first 12 months of operation.

Other income

The Group's other income is mainly linked to Investment grants, related to the non-repayable investment grant awarded to finance the Mortágua Power Plant (2018: €232,744; 2019: €222,411 and 2020: €222,412), as well as claim compensations in 2018 and 2017. The Group has recognised claim compensations for business interruption (€1,055,948), property damage (€1,555,220) and inventory damage (€459,875) in 2018, and recognised €505,331 of claims compensation linked to Property damage in 2019. These are the compensations received from insurers following the fires that affected some of the Group's subsidiaries in 2018 and 2017.

Cost of sales

The cost of sales increased by €14.1 million, from €24.9 million for the year ended 31 December 2019 to €39.0 million for the year ended 31 December 2020, an increase of 56.9 percent. In the previous year, the cost of sales increased by €5.0 million, from €19.9 million for the year ended 31 December 2018 to €24.9 million for the year ended 31 December 2019, an increase of 25.2 percent. This increase was largely in line with the growth in revenue resulting from the Group's electricity sales, the sale of all forest biomass inventories to Altri Madeira in January 2020 and the inclusion of handling costs, which were previously accounted for in external supplies and services.

External supplies and services

"External supplies and services" include specialised services, subcontracts, energy and fluids and materials. The cost of external supplies and services increased by €0.4 million, from €17.5 million for the year ended 31 December 2019 to €17.9 million for the year ended 31 December 2020, an increase of 2.6 percent. In the previous year, the cost of external supplies and services increased by €4.0 million, from €13.5 million for the year ended 31 December 2018 to €17.5 million for the year ended 31 December 2019, an increase of 29.2 percent. This was mainly due to the start of operation of the Figueira da Foz II Power Plant.

Depreciation and amortisation expenses

Depreciation and amortisation expenses are calculated using the straight-line method, in accordance with the estimated useful life period for each group of assets. Depreciation and amortisation increased by €1.5 million, or 14.4 percent, from €10.6 million for the year ended 31 December 2019 to €12.1 million for the year ended 31 December 2020. In the previous year, depreciation and amortisation increased by €2.9 million, or 36.8 percent, from €7.8 million for the year ended 31 December 2018 to €10.6 million for the year ended 31 December 2019. This was mainly due to the start of operation of the Figueira da Foz II Power Plant.

Impairment in non-current assets

Impairment reversals in non-current assets increased in the amount of €6.3 million for the year ended 31 December 2020. This was mainly due to the reversal of impairments in 2020 for property, plant and equipment and intangible assets accounted for in previous periods. Impairment losses in non-current assets amounted to €5.5 million for the year ended 31 December 2018. This was mainly due to the recognition of impairments in 2018 in property, plant and equipment with respect to the Constância and Mortágua plants. The assessment of impairment of non-current assets considered the methods and assumptions disclosed in note 13. and 15. of the Annual Audited Consolidated Financial Statements.

Financial expenses

For the year ended 31 December 2020, there was a decrease of €0.1 million in financial expenses, from €1.9 million for the year ended 31 December 2019 to €1.8 million for the year ended 31 December 2020. For the year ended 31 December 2019, there was an increase of €1.3 million in financial expenses, from €0.6 million for the year ended 31 December 2018 to €1.9 million for the year ended 31 December 2019.

Income tax

Income tax amounted to €6.4 million for the year ended 31 December 2020, compared to €2.6 million for the year ended 31 December 2019, reflecting an increase of €3.8 million. Income tax amounted to €2.6 million for the year ended 31 December 2019, compared to €1.0 million for the year ended 31 December 2018, reflecting an increase of €1.6 million. This was mainly due to the start of operation of the Figueira da Foz II Power Plant.

Energy sector extraordinary contribution (CESE)

The CESE regime, initially established under the State Budget Law for 2014 (Law no. 83-C/2013, of 31 December), as subsequently amended, created a contribution with the purpose of financing mechanisms to promote the sustainability of the energy system, through the creation of a fund aimed at reducing tariff debt and financing social and environmental policies. CESE amounted to €1.1 million for the year ended 31 December 2020 and €0.8 million for the year ended 31 December 2019. This variation is mainly explained by the impacts of the changes in the applicable legislation (please see Section 12.3.6 ("*Other legal regimes impacting generation activity*")).

Profit for the year

As a result of the above, the Issuer's profit for the year ended 31 December 2020 amounted to €17.9 million, an increase of €11.1 million compared to the profit of €6.8 million registered in the year ended 31 December 2019. Profit for the year ended 31 December 2019 amounted to €6.8 million, an increase of €1.6 million compared to the profit of €5.2 million registered in the year ended 31 December 2018.

Cash Flows

The following table sets forth the principal components of cash flows for the years ended 31 December 2020, 31 December 2019 and 31 December 2018:

	Year ended 31 December			Change (1)	
(amounts expressed in Euros)	**2020**	**2019**	**2018**	**2020-2019**	**2019-2018**
		(audited)		**(unaudited)**	
Net cash from operating activities (1)	28,643,596	30,337,547	9,180,027	(1,693,951)	21,157,520
Net cash used in investing activities (2)	(3,777,216)	(31,847,231)	(43,394,845)	28,070,015	11,547,614
Net cash (used in)/ from financing activities (3)	(26,872,981)	10,909,494	27,776,856	(37,782,475)	(16,867,362)
Cash and cash equivalents at the beginning of year	16,107,267	6,707,457	13,145,419	9,399,810	(6,437,962)
Net increase/(decrease) of cash equivalents: (1)+(2)+(3)	(2,006,601)	9,399,810	(6,437,962)	(11,406,411)	15,837,772
Cash and cash equivalents at the end of year	14,100,666	16,107,267	6,707,457	(2,006,601)	9,399,810

(1) Changes in amount and in percentage are computed considering absolute amounts, when presented.

Net cash from operating activities

Net cash inflow from operating activities, namely receipts from customers, payments to suppliers, other receipts/(payments) relating to operating activities and income tax (paid)/received, decreased by €1.7 million in the year

ended 31 December 2020, from an inflow of €30.3 million in the year ended 31 December 2019 to an inflow of €28.6 million in the year ended 31 December 2020. Net cash inflow from operating activities increased by €21.2 million in the year ended 31 December 2019, from an inflow of €9.2 million in the year ended 31 December 2018 to an inflow of €30.3 million in the year ended 31 December 2019. The increase in the consolidated net cash from operating activities in 2019 was essentially due to i) the start of the activity of the Figueira da Foz II plant, which contributed with €9.5 million of cash from operating activities, ii) the receipt of €4.7 million from EDP (which should have been received in December 2018 and that it was only received in January 2019), and iii) the receipt of €2.5 million of insurance claims.

Net cash used in investing activities

Net cash used in investing activities decreased by €28.1 million in the period ended 31 December 2020, from an outflow of €31.8 million in the period ended 31 December 2019 to an outflow of €3.8 million in the period ended 31 December 2020. Net cash used in investing activities decreased by €11.5 million in the period ended 31 December 2019, from an outflow of €43.4 million in the period ended 31 December 2018 to an outflow of €31.8 million in the period ended 31 December 2019. This variation mainly relates to payments made towards the construction of the Figueira da Foz II Power Plant from 2017 to 2019.

Net cash (used in)/ from financing activities

Net cash from financing activities decreased by €37.8 million in the period ended 31 December 2020, from an inflow of €10.9 million in the period ended 31 December 2019 to an outflow of €26.9 million in the period ended 31 December 2020. This was mainly explained by the fact that in 2019 the Group had a net inflow of €100.0 million of loans (compared with net outflow of €10.0 million in 2020), partially compensated with a net outflow of €87.2 million of shareholders loans (compared with a net outflow of €14.9 million of shareholders loans in 2020).

Net cash used in financing activities decreased by €16.9 million in the period ended 31 December 2019, from an inflow of €27.8 million in the period ended 31 December 2018 to an inflow of €10.9 million in the period ended 31 December 2019. This was mainly explained by the fact that in 2018 the Group had a net outflow of €52.9 million of loans (compared with net inflow of €100.0 million in 2019), partially compensated with a net inflow of €81.5 million of shareholders loans (compared with a net outflow of €87.2 million of Shareholders loans in 2019).

Liquidity and Capital Resources

The Issuer's liquidity requirements consist mainly of current assets and liabilities, capital expenditure and debt and tax servicing requirements. The primary sources of liquidity are cash from operations, cash and cash equivalents and undrawn credit facilities (namely, commercial paper programs).

The Group anticipates that the funds needed to fulfil the commitments for future financial investments and to fund investment in planned material fixed assets will come from cash flow from operating activities, borrowings, and proceeds from the Offering.

The main objective of the liquidity risk management policy is to ensure that the Group has, at all times, the necessary financial resources to meet its responsibilities and to pursue its strategies outlined fulfilling all its commitments to third parties, as they become due, by adequately managing the maturity of the Group's corresponding loans.

Thus, the Group pursues an active refinancing policy that procures: (i) to maintain a high level of free and readily available resources to address short-term needs; and (ii) to extend or maintain debt maturity as required by estimated cash-flows and the Group's leveraging capability taking into account its financial position.

As at 31 December 2020, the Issuer considers that the Group's working capital, calculated by the difference between current assets and current liabilities, is negative by around €36.3 million. Notwithstanding, through the share capital increase of 31 March 2021, the working capital became positive by around €13.7 million.

However, taking into consideration the exercise performed on the Unaudited Consolidated Pro Forma Financial Information, the acquisition of TGP is expected to lead to an estimated negative working capital of €126.8 million, mainly explained by the contracting of credit lines through Greenvolt. These already contracted credit lines are commercial paper lines with annual revolving, and the Issuer is studying the possibility, together with the relevant banks, of extending the maturity of these credit lines. The capital increase in cash of €50 million carried out during 2021, reduces the negative net working capital to €76.8 million.

The ability to generate cash from operations depends on future operating performance, which is in turn dependent, to a certain extent, on general economic, financial, competitive, market, political, regulatory and other factors, many of which are beyond the Group's control, including the factors discussed in Chapter 3 ("*Risk Factors*").

Please see Section 13.1.4 ("*Other Unaudited Financial and Operating Data*") for a definition of net debt and a reconciliation of net debt to the consolidated statement of financial position and Section 10.7 ("*Investments of the Issuer"*) for details of the Issuer's past and planned capex.

12. REGULATORY FRAMEWORK OF THE ISSUER'S ACTIVITY

12.1. Overview

The ground rules and current organisation of the Portuguese National Electricity System closely follow European Union regulation and policies and are direct transpositions of such principles and diplomas, namely, the Renewable Energy Directive, the "Winter Package" presented by the European Commission on 30 November 2016 and, most recently, the Clean Energy for all Europeans package agreed in June 2018 between the Commission, the European Parliament and the Council, which set forth new rules for improving energy efficiency in Europe and includes several legislative acts on the energy performance of buildings, renewable energy, energy efficiency, governance and electricity market design (recasting the Renewable Energy Directive with the enactment of Directive 2018/2001/EU and the Directive on common rules for the internal market for electricity (EU) 2019/944, which replaces Electricity Directive (2009/72/EC), and the new Regulation on the internal market for electricity (EU) 2019/943, which replaced the Electricity Regulation (EC/714/2009) on 1 January 2020).

In Portugal, the PNEC 2030 was approved on 21 May 2020 and published in the official gazette on 10 July 2020, establishing ambitious targets for renewable energy generation and consumption, notably a target of 47 percent of energy consumption from renewable sources by 2030, which will require a very significant increase in installed capacity (approximately double). The Roadmap to Carbon Neutrality 2050 (RCN 2050) also sets a target of 80 percent of electricity generation from renewable sources by 2030 and 100 percent by 2050.

The ground rules and current organisation of the Portuguese National Electricity System are laid down in the following diplomas:

(a) Decree-Law no. 29/2006; and

(b) Decree-Law no. 172/2006.

The Electricity Framework regulates the four types of activities developed by the electricity sector, namely, generation, transmission, distribution and supply activities. Subject to certain exceptions, each of these activities must be operated independently, from a legal, organisational and/or decision-making standpoint.

The generation and supply of electricity are now liberalised activities, subject only to the relevant licenses and/or prior registrations, as applicable, whereas transmission and distribution activities remain subject to concession agreements awarded through public tenders.

12.2. Public Authorities

In Portugal, the energy sector is jointly regulated by the governmental bodies responsible for the energy sector (currently the Ministry of the Environment and Energy Transition (*Ministério do Ambiente e da Transição Energética*) and the State Department of Energy (*Secretaria de Estado da Energia*)), the Directorate General for Energy and Geology (*Direção Geral de Energia e Geologia*) and the Energy Services Regulatory Authority (*Entidade Reguladora dos Serviços Energéticos*). Other relevant entities, such as the System Global Manager (*Gestor Global do Sistema*), the Portuguese Environment Agency (*Agência Portuguesa do Ambiente*) and the Portuguese Competition Authority (*Autoridade da Concorrência*) also play an important role in the regulation of the sector's activities.

Ministry of the Environment and Energy Transition

The Ministry of the Environment and Energy Transition is the governmental body responsible for formulating, conducting, implementing and evaluating environmental policies, spatial planning, cities, housing, urban, suburban and road passenger transport, climate, nature conservation and energy, with a view to promoting sustainable development and social and territorial cohesion.

Within this Ministry, the State Department of Energy is responsible for defining energy policies, managing several public administration bodies such as the Directorate General for Energy and Geology, amongst others, and the concessions awarded in the energy sector, such as the TSO – entrusted with transporting electricity on a national or regional level, using fixed infrastructure – and DSO – entrusted with distributing electricity, operating at low and medium voltage levels – concessions, and is also responsible for legislating and regulating the legal frameworks applicable to the energy sector, in particular, to define the applicability of guaranteed remuneration and tariffs (in consultation with the regulator), the amount of tax or special contributions to be levied, and the launch of public tenders.

The Ministry and the State Department of Energy are also responsible for suggesting and supporting the legislative procedures and preparation of legal frameworks to be approved by the government, which have a direct impact on the energy sector.

Directorate General for Energy and Geology

DGEG is the public administration body responsible for the licensing of activities in the energy sector. It is also responsible for contributing to the design, promotion and evaluation of policies relating to energy and geological resources, from the point of view of ensuring sustainable development and security of supply. More specifically, the DGEG:

(a) Contributes to the definition, implementation and evaluation of energy policies and the identification and exploitation of geological resources;

(b) Promotes and participates in the elaboration of the legislative and regulatory framework for the development of policies and measures on the prospecting, exploitation, protection and enhancement of geological resources and the respective business and contractual context;

(c) Carries out monitoring actions in the fields of energy and geological resources, in accordance with the legislation applicable to these sectors;

(d) Supports the Portuguese government in taking decisions in crisis or emergency situations, within the framework of the law, and provides the means for the permanent operation of the Emergency Energy Planning Commission; and

(e) Proposes the Distribution Network Regulation and the Transmission Network Regulation of the Portuguese Electricity System.

Energy Services Regulatory Authority

ERSE is an independent administrative authority acting as regulator in Portugal with respect to the electricity, natural gas, LPG in all categories, petroleum-derived fuels and biofuels sectors, as well as the operations management of the electric mobility network.

ERSE is also responsible for fixing and approving tariffs and regulated prices for electricity. ERSE has the power, amongst others, to make and approve the following regulations:

(a) Regulation on Access to Networks and Interconnections, approved by Regulation no. 560/2014, of 10 December, published in the Portuguese official gazette on 22 December, amended by Regulation no. 620/2017, of 23 November, published in the Portuguese official gazette on 18 December;

(b) Regulation on Trade Relations (for both the energy and natural gas sectors), approved by Regulation no. 1129/2020, of 30 December, published in the Portuguese official gazette on 30 December;

(c) Tariff Regulation, approved by Regulation no. 619/2017, of 23 November, published in the Portuguese official gazette on 18 December, as amended by Regulation no. 76/2019, of 13 December, published in the Portuguese official gazette on 18 January, and further amended by Regulation no. 496/2020, of 12 May, published in the Portuguese official gazette on 26 May;

(d) Regulation on Quality of Service, Regulation no. 629/2017, of 23 November, published in the Portuguese official gazette on 20 December, which was amended by ERSE on 23 March and is currently under public consultation; and

(e) Regulation on Network Operations, approved by Regulation no. 557/2014, of 10 December, published in the Portuguese official gazette on 19 December, amended by Regulation no. 621/2017, of 23 November, published in the Portuguese official gazette on 18 December.

System Global Manager

The role of System Global Manager is assigned to REN, the company awarded the TSO concession and the entity responsible for the operation of the Portuguese National Electricity System. The TSO is, among other things, responsible for:

(a) The overall technical management of the system to ensure that it is operating properly, safely and always with reserve margins;

(b) The management of the interconnections network;

(c) The technical operation of market planning; and

(d) Compensation for energy balances.

Portuguese Environment Agency

APA is a public institute within the scope of the Portuguese Ministry of the Environment and Energy Transition, whose mission is to propose, develop and monitor, in an integrated and participative manner, public policies for the environment and sustainable development, in close cooperation with other sectoral policies and public and private entities. It is responsible for the environmental licensing of generation projects and, under certain circumstances, for the enforcement of the environmental legal framework.

Portuguese Competition Authority

AdC is an independent agency responsible for enforcing the competition rules foreseen in the Portuguese Competition Act, approved by Law no. 19/2012, of 8 May. AdC follows the most up to date principles on creating European anti-trust regulatory institutions and has substantial independence from the government and other state bodies. It envisages itself

as a centre of excellence in competition matters in Portugal, fulfilling its role as a partner institution of the European Network of Competition Regulators. AdC has regulatory, supervisory and disciplinary powers to:

(a) Propose laws to the competent institutions and approve regulations required to enforce a competitive environment;

(b) Issue recommendations and general directives on restrictive practices;

(c) Propose and approve codes of conduct and best practices;

(d) Gather information and decide on administrative procedures related to anti-trust practices, preparing and deciding on cases involving the application of sanctions or preventive measures; and

(e) Decide on notifications of mergers and acquisitions.

12.3. Generation

12.3.1 Overview

The framework applicable to renewable energy generation is set out in the following legal diplomas:

(a) Electricity Framework;

(b) Decree-Law no. 141/2010;

(c) Ministerial Order no. 237/2013; and

(d) Ministerial Order no. 243/2013.

Electricity generation is subject to licensing and is carried out in a competitive environment. It is divided into two regimes: an ordinary regime (*regime ordinário*) and a special regime (*regime especial*).

The special regime covers: (i) the generation of electricity subject to a specific legal framework, such as electricity generation through cogeneration (renewable or non-renewable) or endogenous resources (e.g. wind, solar, biomass, biogas), small-scale generation and generation without network injection; and (ii) the generation of electricity using endogenous resources, either renewable or non-renewable, which is not subject to a specific legal framework and thus falls under the general framework applicable to the special regime (namely, in what concerns licensing and tariffs). All other generation units which fall outside the scope of these criteria are included in the ordinary regime.

The systematic organisation of Decree-Law no. 172/2006 has been rearranged under Decree-Law no. 76/2019 and, although there is still a distinction between special regime generation and ordinary regime generation, the corresponding licensing procedures are subject to the same legal framework.

However, while the generation of electricity under the ordinary regime is always subject to the general remuneration regime (i.e. selling electricity at market prices, either through bilateral agreements or on organised markets), the generation of electricity under the special regime may either be subject to the general remuneration regime or the guaranteed remuneration regime, as better detailed below.

12.3.2 Remuneration Regime

The applicable legislation foresees two different types of remuneration for special regime plants:

(a) General remuneration regime, pursuant to which the sponsors sell the electricity generated to the grid at market price or under a bilateral agreement; and

(b) Guaranteed remuneration regime, pursuant to which the sponsors sell the electricity generated to the Last Resort Supplier under a guaranteed price for a determined period, such price being fixed or indexed to a reference rate which can have maximum/minimum thresholds.

Under the current legal framework, the guaranteed remuneration regime may only be granted under the terms set forth in the law, as follows:

(a) Under special tenders launched by the government, which shall determine the terms of the guaranteed remuneration to apply to the projects awarded under such tender;

(b) For power plants with maximum installed capacity up to 1 MW (within a limited number fixed annually by order of the member of government responsible for the energy sector), as defined in Ministerial Order to be approved by the member of government responsible for the energy sector; and

(c) For overpowering or hybrid projects, as defined in Ministerial Order to be approved by the member of government responsible for the energy sector or under special tenders launched by the government.

In the case of tender procedures, the tender documents may define a specific feed-in tariff or a reference tariff in relation to which the bidders will offer a discount.

In the case of reserved capacity granted by title issued by the public grid operator other than under a tender procedure or by agreement between the applicant and the public grid operator for investment in the reinforcement of the grid, the generators will be remunerated under the general remuneration regime.

Pursuant to Article 55 of Decree-Law no. 172/2006, the Last Resort Supplier is obliged to acquire power generated under the special regime that benefits from specific remuneration schemes, paying special regime generators a feed-in tariff that will depend on their generation technology, the legal framework in force on the date of licensing of the relevant power plant, and the contractual conditions under which their licensing request was submitted.

On the other hand, generators that do not benefit from a feed-in tariff must sell their generated energy in the organised electricity markets or through bilateral agreements. To facilitate energy trading by these generators, Decree-Law no. 215-B/2012 foresaw the creation of a Market Facilitator and Aggregator, to be selected under a public tender procedure, to receive and trade the energy generated by special regime generators operating under market rules. However, a Market Facilitator/Aggregator is still to be appointed. As such, until this appointment, SU Eletricidade, S.A., in its capacity as last resort supplier, must purchase the electricity generated by special regime generation power plants with an injection power no higher than 1 MW operating under the general regime, if so requested by these plants, at a price calculated based on the formula set out in Decree-Law no. 76/2019.

Tariffs applicable prior to Decree-Law no. 76/2019

Notwithstanding the above, the former legal regime, in force until 2012, foresaw the granting of a feed-in tariff to special regime generators in a much broader manner.

Decree-Law no. 189/88, of 27 May, and the amendments thereto, including Decree-Law no. 313/95, of 24 November, Decree-Law no. 168/99, of 18 May, Decree-Law no. 312/2001, of 10 December, Decree-Law no. 339-C/2001, of 29 December, Decree-Law no. 33-A/2005, of 16 February, Decree-Law no. 225/2007, of 31 May, and Decree-Law no. 35/2013, of 28 February, establish a specific formula for calculating the tariffs to be paid to generators for the electricity

generated by renewable energy power plants (excluding large hydro power plants) that initiated their licensing procedure prior to the entry into force of Decree-Law no. 215-B/2012, of 8 October.

This regime was revoked by Decree-Law no. 215-B/2012, of 8 October, but without affecting the right of projects implemented according to the former regime to benefit from the feed-in tariffs set under that regime. Power plants (i) with an operation licence issued until the date of enactment of Decree-Law no. 215-B/2012, of 8 October, (ii) which have a production licence and have obtained the operation licence 12 months after the date of enactment of the referred Decree-Law, (iii) which have benefitted from the attribution of a connection point and have obtained the operation licence 12 months after the date of enactment of the referred Decree-Law, or (iv) installed pursuant to rights and conditions set in public tenders for the granting of injection capacity, shall maintain the remuneration awarded under the applicable revoked legal regimes.

Following the entry into force of Decree-Law no. 215-B/2012, the licensing of any new renewable energy project benefitting from a guaranteed remuneration scheme must be subject to a tender procedure.

12.3.3 Licensing

Process for the attribution of grid capacity

The currently applicable legal framework expressly foresees that the launch of the procedure for obtaining a Production Licence depends on the prior granting of Reserved Capacity. This may be granted by:

(a) Title issued by the public grid operator, following the submission of a request identifying the substation, capacity and voltage level of the required connection via the website of DGEG, which, within five days and depending on the location of the connection point to the grid, shall submit such request to the grid operators – i.e., either REN as TSO or E-Redes - Distribuição de Eletricidade, S.A. as DSO. The grid operator may only refuse the sponsor's request if there is no available capacity;

(b) Agreement between the applicant and the public grid operator for investment in the reinforcement of the grid, following the submission of a project to the grid operator, which will assess the requests received by grid areas, classifying the projects in line with the Terms of Reference issued by DGEG in February 2020. The grid operator shall promote a study to assess the required infrastructure and grid costs, depending on whether this infrastructure is or not foreseen in the grid operator's development and investment plan (*Plano de Desenvolvimento e Investimento da Rede Nacional de Transporte e de Distribuição*). The regime establishes that the costs arising from the power plant's connection to the grid must be borne by the holder of the Production Licence (when the connection is made for its own use). If the connection is to be made available to other users, these costs are split in proportion to each of the users' power plant's installed capacity; and

(c) Title issued by the public grid operator, following a public tender procedure launched by order of the member of government responsible for the energy sector, which may be an electronic auction, for the purposes of attribution of reserved capacity. In this case, the tender procedure and rules may set forth (i) the remuneration of the projects, (ii) the milestones and deadlines for entry into operation of the project, (iii) the duration of the licence, and (iv) the costs borne by the awarded entity.

Environmental Licensing

The awarding of the Production Licence is subject to prior environmental licensing and procedures. For this purpose, it is important to define whether the specific project will be subject either to an environmental impact assessment (*avaliação de impacte ambiental*) or assessment of environmental incidents (*avaliação de incidênciais ambientais*):

(a) EIAs shall be carried out in accordance with Decree-Law no. 151-B/2013, of 31 October. Annex II of this Decree-Law provides a list of "energy industry" projects that are mandatorily subject to an EIA, including industrial facilities destined to the production of electrical energy, under which power plants with an installed capacity equal to or greater than 50 MW are subject to a mandatory EIA procedure. Furthermore, whenever power plants are located in sensitive areas (areas included in the National Network of Protected Areas, in the Natura 2000 Network or in zones with buildings classified or under classification as cultural heritage) and have an installed capacity equal to or greater than 20 MW, they will also be subject to a mandatory EIA procedure. Power plants located in sensitive areas but with an installed capacity below 20 MW will be subject to a case-by-case analysis to determine whether a mandatory EIA procedure is necessary.

In addition, a power plant may be subject to a mandatory EIA procedure whenever, due to its location, size or nature, it is considered (by ministerial decision) likely to cause a significant impact on the environment, based on the criteria set forth in Annex III of Decree-Law no. 151-B/2013, of 31 October. The sponsor shall deliver to APA, the authority responsible for the EIA, an EIS analysing and quantifying the proposed project's possible impacts and proposing measures to mitigate these. The EIA is concluded with the issuance of the Declaration of Impact Assessment (which may be favourable, conditionally favourable or unfavourable);

(b) AIncA shall be carried out in accordance with Decree-Law no. 76/2019 and power plants not subject to a mandatory EIA but located in an area included in the Natura 2000 Network shall be subject to this assessment, which is conducted by the relevant CCDR. The applicant must submit to the CCDR an EIncA analysing the proposed project's local impacts and identifying the mitigation, recovery and monitoring measures to be applied to any affected areas. The CCDR's final decision in this regard may be favourable, conditionally favourable or unfavourable; and

(c) Other situations: if a project is not subject to the assessments detailed above, the relevant CCDR must issue a favourable opinion regarding its location. This decision is mandatory for the request of a production licence.

The main regulatory agencies responsible for enforcing the environmental legal framework are IGAMAOT and APA. Most of the misdemeanours related to environmental damage are governed by the Environmental Misdemeanour Framework Law and Decree-Law no. 140/99, of 14 April, setting forth the Natura 2000 Network legal regime.

According to this law, environmental misdemeanours can be classified as mild, serious or very serious, depending on the gravity of the infraction. For very serious environmental misdemeanours, the applicable fine ranges from €10,000 to €200,000 for individuals and €24,000 to €5 million for companies. Whenever the presence, emission or release of one or more hazardous substances seriously affects the health and safety of persons or goods and the environment, the minimum and maximum limits of the above-mentioned fine may be increased to double the amount. For serious environmental misdemeanours, the applicable fine ranges from €2,000 to €40,000 for individuals and €12,000 to

€216,000 for companies. In the case of mild environmental misdemeanours, the applicable fine ranges from €200 to €4,000 for individuals and €2,000 to €36,000 for companies.

Ancillary penalties can also be applied to very serious and serious environmental misdemeanours, including, among other things, the prohibition to apply for subsidies and public benefits, prohibition to participate in public tenders, suspension of licences and authorisations, closing down of industrial establishments or sites subject to authorisation or licence issued by a public authority, sealing of equipment, and the seizure of animals.

Specific environmental frameworks

Decree-Law no. 151-B/2013, of 31 October establishes the EIA legal regime pursuant to Directive 2011/92/EU, of the European Parliament and the Counsel, amended Directive 2014/52/EU. The mentioned legal regime is applicable to the industrial installations for the production of electricity, steam and hot water with a power equal or higher than 50 MW that are subject to an EIA procedure in order to assess the environmental effects of such facilities which are likely to have significant effects on the environment.

Decree-Law no. 127/2013, of 30 August, sets forth the legal regime for industrial emissions, establishing the ground rules for avoiding or reducing air, water and soil emissions as well as waste production, and transposing into national law Directive 2010/75/EU of the European Parliament and the Council.

According to this regime, industrial emissions into water, air and soil are regulated by a single environmental licence (*licença ambiental*) containing all legal requirements and thresholds for these emissions.

This regime is applicable to energy sector industries, notably fossil fuel-burning power plants with a thermal installed capacity equal to or exceeding 50 MW, which must have a specific environmental licence attributed by APA to operate. Additionally, considering that its capacity exceeds 50 MW, the facility is also considered a large combustion plant according to the legal regime for the industrial emissions.

The legal framework on air quality is set forth in Decree-Law no. 39/2018, of 11 July, which establishes the regime for the prevention and control of air pollutant emissions and is applicable to (i) combustion installations with a rated thermal input ranging between 1 MW and 50 MW (medium combustion installations (MICs)); (ii) complexes of new MICs; (iii) industrial activities, in accordance with Annex I, Part 2; (iv) combustion installations that burn refinery fuel for the production of energy within oil and gas refineries; and (v) furnaces and burners of industrial activities with a rated thermal input ranging between 1 MW and 50 MW.

According to this legal regime, APA shall issue an air emissions title for installations subject to continuous monitoring of at least one pollutant. This title is integrated in and is part of the single environmental licence. Monitoring obligations may be periodic or continuous, depending on the maximum mass thresholds and whenever the licence or title for the operation of the industrial establishment expressly determines the need for this type of monitoring.

For combustion installations with a capacity greater than 50 MW, the applicable emission limit values are those set in the Industrial Emissions Regime (Decree-Law no. 127/2013), which enacted Directive 2010/75/EU.

The Industrial Emissions Regime outlines the emission limit values for air emissions that must be complied with by combustion installations with a capacity greater than 50 MW, installations that use organic solvents and issue organic volatile compounds, and installations that produce titanium dioxide.

Decree-Law no. 39/2018 only applies to installations subject to the Industrial Emissions Regime on a subsidiary basis, regarding matters not regulated by said regime.

According to the 'polluter pays' principle, an operator that causes environmental damage through air pollution is under the obligation to pay compensation to the State and may also have to pay compensation to third parties under civil liability rules. The breach of this legal regime is considered an environmental misdemeanour, which can be considered light or serious, depending on its gravity, and determines the payment of fines along with possible ancillary penalties.

Whenever a situation of serious danger to the environment or to human health is at stake, the General Inspector of IGAMAOT and the CCDR may adopt the necessary measures to prevent or eliminate the dangerous situation, such as suspension of activity, closing down of part or all of the installation in question, or seizure of part or all of the equipment.

Whenever the breach refers to emission limit values contained in an environmental licence issued under the Industrial Emissions Regime, it will be considered an environmental misdemeanour and fines will apply along with possible ancillary penalties.

The environmental liability legal regime (Decree-Law no. 147/2008, of 29 July) does not apply directly to damages caused to the air.

Operators subject to the Industrial Emissions Regime must draft annual environmental reports (*relatório ambiental anual*) containing all relevant environmental information, which are to be submitted to APA.

Apart from the abovementioned annual environmental reports, operators must regularly send APA information on air and wastewater emissions, the production of waste and noise audits.

Production Licence

Electricity generation requires a Production Licence (*licença de produção*) and an operation licence (*licença de exploração*). The Production Licence is granted to the project owner for the purposes of authorising the establishment and operation of an electricity generation power plant and sets out the characteristics of the project (installed capacity, equipment, location of the injection into the public grid) and any specific requirements the owner may be subject to.

The licensing procedure for the granting of the Production Licence is set out in Decree-Law no. 172/2006. Variations to this procedure may result from specific rules approved under a tender procedure for the granting of reserved capacity/production licences for new plants.

Application for a Production Licence with DGEG starts with the applicant's submission of a request containing the elements set forth in Annex I of Decree-Law 172/2006, which include, among others, submission of the title of reserved capacity, proof of the right to use the land covered by the power plant, the power plant's execution project (*projeto de execução*), environmental licensing and a favourable opinion regarding the location of the power plant issued by the relevant municipality.

For the purposes of granting a new Production Licence, DGEG shall consider the relevant criteria set out in Article 6 of Decree-Law 172/2006, including the ways in which the project contributes towards (i) energy policy goals and targets, namely in terms of supply safety but also bearing in mind the goal of diversifying energy sources; (ii) environmental law goals and targets; and (iii) local development, while also considering: (a) its contribution towards the achievement of environmental policy objectives and both national and EU targets for renewable energy consumption, and (b) the

technology used for the generation of electricity and how it also contributes to the environmental policy objectives and the operative flexibility of the electricity system.

The licence holder shall deliver to DGEG, within 30 days from the date of granting of the Production Licence, an autonomous, irrevocable and on first demand guarantee bond (*caução*), in an amount corresponding to 2 percent of the investment foreseen for the implementation of the power plant (not exceeding, in any case, 10 million euros). This bond shall guarantee the licence holder's compliance with all its obligations until the plant's entry into operation. DGEG may enforce this bond if the licence holder does not initiate the operation of a solar plant within the term set in the Production Licence.

The general deadline for a power plant's entry into operation is counted as from the date of issuance of the Production Licence and cannot exceed two years for power plants operating under the special regime (*regime especial*) – i.e., power plants using a renewable source of energy for electricity generation. The deadline may, however, be extended for one additional year by the licensing entity and may, under exceptional circumstances, be extended further by order of the member of government responsible for the energy sector.

Operation Licence

A power plant can only enter into operation once its owner has been granted an operation licence (*licença de exploração*), which may only be requested when the power plant is fully constructed.

Decree-Law no. 172/2006 also foresees the possibility of the owner carrying out tests, rehearsals and operation under a trial regime (*autorização para exploração em regime experimental*) prior to the power plant's entry into operation. However, this trial regime is subject to the maximum period established in the relevant authorisation, with connection to the grid being subject to DGEG's prior consent.

The operation licence sets out the conditions for the power plant's operation and is integrated in the original Production Licence. The issuance of this licence leads to DGEG's release of the bond.

Transfer of licences

The transfer or assignment of the Production Licence may only occur after the issuance of the operation licence. DGEG's consent is required for this and the transferor must specify the reasons for the transfer in the respective request. The transfer shall be endorsed to the relevant Production Licence within 30 days of DGEG confirming its consent.

Expiration and Termination

A Production Licence may expire in cases where its holder does not comply with certain obligations (such as delivery of the production licence bond or entry into operation of the project within the deadlines foreseen by law), a new Production Licence is issued for the same power plant, the owner renounces the licence with 6-months' prior notice and/or the owner is dissolved, becomes insolvent or ceases its activity.

On the other hand, the Production Licence may be revoked by DGEG if the holder breaches its obligations during the operation of the power plant, such as its obligations in the exercise of the generation activity or those set forth under the technical inspection, loses its civil liability insurance policy, abandons the project, or introduces significant changes to the power plant without DGEG's prior consent.

12.3.4 Specific legal framework for the development of Biomass Power Plants

The Council of Ministers Resolution no. 53/2020, of 10 July, enacted the National Energy and Climate Plan for 2021-2030 (PNEC 2030). The PNEC 2030 was published to comply with the obligations assumed by the Member States under Regulation (EU) 2018/1999 of the European Parliament and of the Council, of 11 December 2018, on the Governance of the Energy Union and Climate Action. One of the goals of PNEC 2030 is fostering a better use of biomass for energy purposes. It is noted that forest biomass is an important endogenous resource and that energy recovery is a solution that will help create more value in the forestry sector. It is also noted that Portugal's energy transition will, to a large extent, occur in the electricity sector: due to the potential for the development of a strongly decarbonized electricity generating sector based on renewable endogenous resources (water, wind, sun, biomass and geothermal energy). Solar energy will become predominant given the abundance of this resource in Portugal and the highly competitive prices of the associated technology.

Council of Ministers Resolution no. 107/2019, of 1 June, also enacted the Roadmap to Carbon Neutrality 2050, a highly relevant programmatic framework aimed at defining a strategy in line with the goals arising from the Paris Agreement. According to the Roadmap to Carbon Neutrality 2050, biomass is emerging as one of the decarbonisation vectors to reach the Paris Agreement goals. Its consumption is expected to grow until 2030/35 and subsequently fall below current levels, with the emergence or increased use of other more competitive energy vectors. It is in the industrial sector that the consumption of biomass is most evident, replacing, among other sources, petroleum coke. Positive ecosystem impacts are expected in areas where air pollution hinders vegetation growth and causes damage to agriculture and biodiversity; on the other hand, the increase in biomass consumption for electricity production and industrial processes is seen as a trade-off for air quality, with a possible impact on increased emissions from non-methane volatile organic compounds (NMVOC) and fine particles (PM2.5).

The generation of electricity using biomass is subject to the Electricity Framework.

Decree-Law no. 189/88, of 27 May

Prior to the enactment of the current Electricity Framework, biomass power plants were subject to the previous framework established by Decree-Law no. 189/88. This framework set forth a formula for the calculation of remuneration based on a load factor (*fator de potência*).

Decree-Law no. 189/88 was successively amended by several diplomas, among which the Issuer highlights the following, which have established specific provisions for the remuneration of biomass power plants:

(a) Decree-Law no. 168/99, of 18 May, revised the remuneration calculation formula and set forth the 144-month term (i.e. 12 years) guaranteed remuneration, counting as from entry into operation of the biomass power plant;

(b) Decree-Law no. 339-C/2001, of 29 December, revised the remuneration calculation formula, introducing a coefficient "Z" depending on the technology and source of energy used by the power plant. Biomass power plants are not specifically foreseen under this framework and therefore the "Z" coefficient corresponds to 1;

(c) Decree-Law no. 33-A/2005, of 16 February, revised the remuneration calculation formula and established a "Z" coefficient of 8.2 for forest biomass power plants up to an installed capacity of 150 MW. The diploma sets

forth a 15-year term for biomass power plants' guaranteed remuneration, counting as from injection to the grid, which may be further extended by the member of government responsible for the energy sector; and

(d) Decree-Law no. 225/2007, of 31 May, revised the remuneration calculation formula and maintained the Z" coefficient of 8.2 for forest biomass power plants. The diploma extends the term of biomass power plants' guaranteed remuneration to 25 years, counting as from injection to the grid.

In accordance with the aforesaid legal frameworks, following the term of the guaranteed remuneration period referred above, biomass power plants shall transition to the general remuneration regime, as outlined in Section 12.3.2 ("*Remuneration Regime*").

Decree-Law no. 5/2011, of 10 January

Decree-Law no. 5/2011 resulted from the international public tenders launched in 2006 by DGEG (for the construction of 15 forest biomass thermoelectric power stations throughout the country, with capacities ranging from 2 to 11 MVA depending on location and with a maximum aggregate capacity of around 100 MVA, as well as for power plants which, at the date of its enactment, had already been granted authorisation for the use of residual forest biomass).

For those plants, Decree-Law no. 5/2011 approved a higher "Z" coefficient of 9.6 in the formula for calculation of the applicable feed-in tariff under Decree-Law no. 189/88, to be applied to power plants entering into operation until 31 December 2013 or 31 December 2014 (the latter, if environmental licensing was required).

Considering the difficulties faced in implementing the projects, those deadlines have been successively extended:

- Decree-Law no. 179/2012, of 3 August, extended the deadline for entry into operation until 31 December 2016 or 31 December 2017 (if environmental licensing is required);
- Decree-Law no. 166/2015, 21 August, extended the deadline for entry into operation until 31 December 2018 or 31 December 2019 (if environmental licensing is required); and
- Decree-Law no. 48/2019, of 12 April, further extended the deadline for entry into operation to 31 December 2019 or 31 December 2020, respectively, applying a discount of 0.3 percent to the tariff for each period of six months from 31 December 2016 to the entry into force of the operation licence (or provisional operation licence or trial period operation) for plants which changed their connection point, or a discount of 5 percent to the tariff for each month of delay, for power plants entering into operation after 31 December 2018 (or 31 December 2019 for power plants subject to EIA).

Decree-Law no. 5/2011 will no longer be applicable to any new biomass plants to have initiated their licensing procedure after the enactment of this piece of legislation.

Pursuant to Decree-Law no. 5/2011, the following obligations concerning the operation period are specifically applicable to the Biomass Power Plants:

(i) Organisation and maintenance of a system for recording the database in order to the sources of supply and consumption of the power plant;

(ii) Within 6 months of the entry into operation of the power plant, submission of a 10-year action plan (with a view to ensuring power plants' long-term sustainability of supply) to the National Forest Authority, currently

the *Instituto de Conservação Nacional das Florestas*. This plan must be developed in close cooperation with forest producers' organisations and local authorities; and

(iii) Scheduling of the power plants' maintenance periods in coordination with the transmission system operator.

Considering that the Biomass Power Plants result from the DGEG's 2006 tender, having been assigned power capacity but not yet installed, Decree-Law no. 5/2011, pursuant to the amendments introduced by Decree-Law no. 166/2015, of 21 August, specifically safeguards the possibility of performing the following amendments:

(i) Change of the respective reception points, according to Order no. 243/2013; and

(ii) Partial or full integration and/or redistribution of their respective powers, which entails submission at a discounted tariff.

Decree-Law no. 64/2017, of 12 June

Decree-Law no. 64/2017 grants certain municipalities the option of installing and operating biomass power plants, establishing a special regime and benefits for these municipalities. This regime is limited to a maximum installed capacity of 60 MW on the continent and each of the power plants is limited to 10 MW. The biomass power plants must be located in municipalities appointed by Governmental order and which are in critical fire areas and/or forest areas and/or close to industrial parks and areas with increased thermal energy use.

Decree-Law no. 64/2017 was subsequently amended by Decree-Law no. 120/2019, of 22 August, which set forth the possibility of the municipalities under this special legal framework assigning their right to install a biomass power plant through a contract. This Decree-Law also established a premium over the general market remuneration of the power plants for production and of electricity based on biomass, forest protection and fire management, attributable during 15 years.

Decree-Law no. 64/2017 was pending approval by Governmental Order (*Portaria*) in order to determine the elements necessary to request the production and operation licences under this legal framework, as well as the bidding procedure to be launched by DGEG in the event of requests for installation and operation licences exceeding 60 MW in general or 10 MW per power plant. The Portuguese Parliament has approved several resolutions since 2018 emphasising the need to develop and promote the use of forest biomass: e.g. National Assembly Resolution (*Resolução da Assembleia da República*) no. 71/2018, of 19 January, recommended that the Government develops a programme to promote the use of agroforestry biomass for self-consumption, through the granting of incentives and tax benefits, and National Assembly Resolution (*Resolução da Assembleia da República*) no. 73/2018, of 19 January, recommended that the Government creates a programme to reduce and control forest biomass, including the use of biomass for thermal energy production plants.

Governmental Order no. 76/2021 was recently enacted to clarify the above situations. The request for a production licence is dependent on obtaining prior reserved capacity to inject into the public grid, which shall be obtained by direct request to the grid operators. In addition, the production licence shall be delivered together with the contract entered into between the municipality and a public or private entity for the purposes of assigning the right of installation of the power plant under this legal framework, an opinion issued by APA and an opinion issued by the National Institute for Forest and Nature Conservation (*Instituto da Conservação da Natureza e das Florestas, I. P*).

Governmental Order no. 76/2021 also determined the framework applicable to the bidding procedure to be launched by DGEG in the event of requests for installation and operation licences exceeding 60 MW in general or 10 MW per power plant, as established by Decree-Law no. 64/2017. Within this bidding procedure, promoters shall offer discounts to the market premium established by Governmental Order no. 410/2019, of 27 December, and DGEG shall select the promoters taking into account the greatest discounts offered and the highest percentage of generated energy intended for self-consumption.

Other programmatic measures

Since 2018, the Portuguese Parliament has approved several resolutions emphasising the need to develop and promote the use of forest biomass: e.g. National Assembly Resolution (*Resolução da Assembleia da República*) no. 71/2018, of 19 January, recommended that the Government develop a programme to promote the use of agroforestry biomass for self-consumption, by providing incentives and tax benefits, and National Assembly Resolution no. 73/2018, of 19 January, recommended that the Government creates a programme for the reduction and control of forest biomass, including the use of biomass for thermal energy production plants. However, these programmes are yet to be implemented.

National Assembly Resolution (*Resolução da Assembleia da República*) no. 42/2021, of 3 February, recommends that the Government reformulates the public support models to be granted to forest biomass power plants, by restricting the issuance of operation licences for new power plants to power plants that duly comply with environmental and sustainability criteria. This resolution aims to promote surplus residual forest biomass (*biomassa florestal residual*) which does not impact on the deficit of organic material and degradation of the soil, specifically recommending the Government not to grant operation licences to biomass plants using energy crops (*culturas energéticas*).

12.3.5 Specific legal framework for the development of the Small-Scale Production Units' Regulatory Framework

UPPs were first foreseen in Portuguese Law under Decree-Law no. 153/2014, of 20 October, and were further regulated by Ministerial Orders nos. 14/2015 and 15/2015, of 23 January, and Ministerial Order no. 60-E/2015, of 2 March. This legal regime also includes UPACs.

Decree-Law no. 76/2019 revoked the provisions of Decree-Law no. 153/2014, of 20 October, in what concerns renewable small-scale generation units whose output is entirely delivered to the grid, which became governed by Decree-Law no. 172/2006.

Under said framework, UPPs are subject to prior registration and an operation certificate. UPPs are plants with an installed capacity of up to 1 MW and which aim to sell their electricity in the grid. Other small-scale generation projects with an installed capacity exceeding 1 MW and connection to the grid are subject to the general generation activity under the Electricity Framework, including the prior award of reserved capacity for injection into the grid, as described in Section 12.3.3 ("*Licensing*").

Dispatch no. 41/2019, of 9 October, approved by DGEG and amended by Dispatches no. 43/2019, of 23 October, and no. 6/DG/2020, of 17 February, sets forth general rules for the registration of small-scale generation units under the applicable platform.

Remuneration

Ministerial Order no. 15/2015, of 23 January, set the reference tariff applicable in 2015 to electricity produced by small-scale generation units at €95 per MWh and determined the percentages to be applied to this reference tariff, according to the energy source used by those generators. This tariff was successively maintained by Ministerial Order for the years 2016 to 2019.

With the enactment of Decree-Law no. 76/2019, the promotor of new renewable energy projects based on a single generation technology with a maximum installed capacity of 1 MW and with the aim of selling all electricity generated to the grid, may opt between general or guaranteed remuneration. Guaranteed remuneration shall be obtained by auction in which the bidders offer discounts on the reference tariff established by the Portuguese Government.

Ministerial Order no. 80/2020, of 25 March, set the reference tariff for 2020 at €45 per MWh, to be applied to electricity produced by renewable energy projects based on a single generation technology with a maximum installed capacity of 1 MW and with the aim of selling all electricity generated to the grid. The quota of installed capacity to be awarded each civil year to UPPs under the guaranteed remuneration regime is 20 MW.

12.3.6 Other legal regimes impacting generation activity

Extraordinary Contribution on the Energy Sector (CESE)

The CESE regime, established under the State Budget Law for 2014 (Law no. 83-C/2013, of 31 December), created a contribution with the purpose of financing mechanisms to promote the sustainability of the energy system, through the creation of a fund aimed at reducing tariff debt and financing social and environmental policies. Agents operating in the energy sector, namely in the generation, transport or distribution of electricity, with certain exceptions, such as renewable and cogeneration power plants, are subject to the payment of this contribution, which is levied on the value of their net assets recognised in the accounts (with reference to 1 January). The revenue obtained is consigned to the Fund for the Systemic Sustainability of the Energy Sector (*Fundo para a Sustentabilidade Sistémica do Sector Energético*) created for this purpose, which aims to contribute to the energy sector's sustainability goals by promoting policies related to energy efficiency and the reduction of tariff debt.

The CESE regime was successively extended, with several amendments, notably under the State Budget Law for 2019 (Law No. 71/2018, of 31 December) which ended the exemption for power generation plants that use renewable energy sources covered by guaranteed remuneration. The payment exemption was, however, maintained for facilities with licences or contractual rights granted following a public tender. In addition, the State Budget Law for 2020 (Law No. 2/2020, of 31 March) extended the exemption from payment of CESE to entities operating power plants that use renewable energy sources up to 20 MW of installed capacity and benefitting from a feed-in tariff, except in cases where the combined installed capacity of the power plants with guaranteed remuneration, owned by the same taxpayer, exceeds 60 MW.

Clawback

Clawback is a regulatory mechanism established by Decree-Law no. 74/2013, of 4 June, to ensure balanced competition in the Portuguese wholesale electricity market, with an impact on the allocation of CIEG among participants in the electricity system, for the purposes of capturing the alleged windfall profits reaped by Portuguese generators as a result

of higher pool prices following the introduction of taxes on Spanish generators. This mechanism imposes the amounts to be invoiced to electric energy producers due to the competition balance mechanism, based on the results of a study carried out annually by ERSE, which should take into consideration the effects of capacity remuneration mechanisms and other policies related to security of supply in place in other Member States. Additionally, in terms of tariff repercussions, the prices of tariff terms (unit clawback) to be applied to the electricity injected into the grid (defined annually) may be differentiated by technology/regime of electricity generation.

On 9 August 2019, Decree-Law no. 104/2019 amended the clawback mechanism, further detailing and widening its scope. It specified that electricity producers who do not benefit from any guaranteed remuneration mechanism are subject to the clawback mechanism, except producers that compensate the electrical system in the context of tenders or whose installed power is less than 5MW.

On 2 January 2020, the Secretary of State for Energy issued information no. 8/2019/SEAEne, which demonstrated the authorities' willingness to exclude from the payment of clawback entities theoretically subject to its scope (i.e., merchant plants) but that do not benefit from the windfall profit created by market distortions. This is the case of merchant plants that contracted the physical delivery of electricity through a fixed PPA price.

Unlawful Accumulation of Public Incentives

Pursuant to Order (*Portaria*) no. 69/2017, of 16 February 2017, renewable energy generators awarded guaranteed remuneration which had also received other public incentives to promote renewable energy generation would be required to reimburse the National Electricity System (by means of a set-off against the tariff due and payable every month to each generator) for such unlawful accumulation of benefits.

For this purpose, DGEG was tasked with identifying and quantifying the relevant amounts in respect of each renewable energy generator, in order to initiate the required reimbursements following the issuance of an order by the Ministry for Energy. However, no such order has been published since the issuance of Order no. 69/2017 and, more than four years later, no other specific measures have been undertaken in this respect.

Guarantees of Origin

Guarantees of origin were first foreseen under Decree-Law no. 141/2010, of 31 December, which established that renewable generators must request from the EEGO the issuance of guarantees of origin for the energy generated. The LNEG was initially appointed as EEGO, with this role having been later transferred to REN, which is currently responsible for issuing guarantees of origin.

The Procedures Manual of the EEGO was published in February 2020. This manual foresees the mechanisms for the issuance and transfer of guarantees of origin. All renewable energy generators must be registered in the EEGO platform and request the issuance of their respective guarantees of origin, supporting the costs of such registry.

While renewable energy generators receiving a feed-in tariff are barred from freely trading their respective guarantees of origin, in accordance with Article 9 of Decree no. 141/2010, it is mandatory that they be issued and transferred to DGEG. In the case of entities receiving a feed-in tariff as referred to above, the payment of such remuneration may be suspended if the relevant generator has not complied with its obligations.

12.4. Transmission

Electricity transmission is carried out through the national transmission network, under an exclusive concession granted by the Portuguese State for a 50-year period. The concession for electricity transmission was awarded to REN until 2057 under Decree-Law no. 29/2006, following the concession previously also granted to REN under Decree-Law no. 182/95, of 27 July.

12.5. Distribution

Electricity distribution is carried out through the national distribution network, consisting of a medium and high voltage network, and through low voltage distribution networks.

At present, the national medium and high voltage distribution network is operated under an exclusive concession granted by the Portuguese State for a 35-year period. This concession was awarded to E-Redes - Distribuição de Eletricidade, S.A., pursuant to Decree-Law no. 29/2006. The terms of the concession are set forth in Decree-Law no. 172/2006.

The low voltage distribution networks are operated under concession agreements granted by the municipalities. Most of the low voltage distribution networks are handled by E-Redes - Distribuição de Eletricidade, S.A., alongside some local concessionaires with less than 100,000 clients.

12.6. Supply

The supply of electricity is open to competition, subject only to a registration regime. Suppliers may freely buy and sell electricity, so far as provided that they are constituted as market agents before REN, as System Global Manager (through a contract of adherence to the ancillary services' market, which requires the supplier to pay deviations on behalf of its clients). For this purpose, they have the right to access the national transmission and distribution networks, upon payment of the access tariffs set by ERSE.

Electricity suppliers must comply with certain public service obligations to ensure the quality and continuity of supply, as well as consumer protection obligations with respect to prices, access tariffs and access to information in simple and understandable terms.

Electricity supply in Portugal currently follows the regime set forth in the Electricity Framework.

12.7. Regulatory Frameworks in respect of UK, Poland, Greece, France and Italy

12.7.1 United Kingdom Regulatory Framework

This section sets out an overview of the key aspects of the United Kingdom's energy regulatory framework, insofar as it is relevant to the Tilbury biomass project.

Renewables Obligation

Summary of Renewables Obligation Scheme[39]

The RO imposes a renewables obligation on electricity licensed suppliers to source a certain amount of their energy from renewable sources. This amount increases year on year. To demonstrate that they have met this obligation, suppliers

[39] This section is based on the RO legislation for England and Wales.

must present ROCs to the UK's gas and electricity markets regulator, OFGEM. ROCs are issued by OFGEM to accredited renewable energy generators and can be freely traded on the market, either together with, or separately from, the electricity to which they relate.

Subject to limited "grace periods", on 31 March 2017[40] the RO closed to new accreditation applications in respect of all eligible technologies, having closed to certain technologies earlier than this date[41]. The RO is therefore now closed to all new projects; however, accredited projects will continue to receive support under the ROC mechanism up until 2037 or 20 years post accreditation, whichever comes earlier.

Subject to limited exceptions, UK government policy is that support for accredited generators under the RO is "grandfathered" at the original banding level. The policy of 'grandfathering' support is not expressly set out in the legislation.

Each accredited generator receives a certain number of ROCs per MWh. The number of ROCs/MWh is known as the "banding".

Commissioning and the OFGEM Register

To become accredited under the RO, generators were required to be "commissioned" and to have made an application for accreditation to OFGEM. Commissioning is a key test in terms of obtaining RO accreditation and is defined in the legislation as: "*in relation to a generating station, means the completion of such procedures and tests in relation to that station as constitute, at the time they are undertaken, the usual industry standards and practices for commissioning that type of generating station in order to demonstrate that that generating station is capable of commercial operation;"* [42]

Generators must be accredited by OFGEM in order to receive ROCs for their eligible output of electricity. The publicly available Renewables & CHP Register (the "**Register**") lists all accredited generators.

Issuing ROCs

For OFGEM to calculate the number of ROCs to be issued to generators, generators must submit monthly data on their electricity output. Based on the data submitted, ROCs are issued by OFGEM to the generator's account on the Register, according to the net renewable electricity generated by the station (see below in respect of biomass requirements). As noted above, ROCs are awarded to generators per MWh of renewable output, depending on the "banding" of the renewable technology being used to generate the electricity.

This data is submitted through the Register. Generators have two months after the month of generation to submit their output data. The deadlines for submission are outlined each year in the an "Issue Schedule" document, available on OFGEM's website.[43] In 2021/2022, OFGEM intend to issue the ROCs one month after the deadline for data submission.

[40] Renewables Obligation Closure Order 2014/2388.

[41] For example, onshore wind (closed 12 March 2016) large-scale >5MW solar PV (closed 31 March 2015) and small-scale ≤5MW solar PV (closed 31 March 2016), subject to applicable "grace periods".

[42] Article 2 Renewables Obligation Order 2015/1947.

[43] https://www.ofgem.gov.uk/publications/renewable-obligation-certificate-roc-issue-schedule-20212022.

Supplier Demand for ROCs

The RO Order requires all suppliers above a certain size to present and "surrender" a specified number of ROCs per MWh, based on each supplier's effective supplies. The specified number of ROCs required increases from year to year, which means that the demand for ROCs, and therefore the demand for new renewable generation stations, also increases year on year. For 2021/2022 the obligation is 0.492 ROCs per MWh of energy produced.[44]

Suppliers must therefore purchase ROCs from accredited generators or traders, and surrender the ROCs to OFGEM to demonstrate their compliance with the RO Order. If a supplier does not have sufficient ROCs for the relevant period, they must make an index-linked penalty payment into a "buy-out fund". The "buy-out price" is adjusted annually in line with the UK's retail prices index and for 2021/2022 is set at £50.80 per ROC.[45] Whilst ROCs currently have no fixed, centrally administered price, the market value of ROCs is intrinsically linked to this buy-out price (and the recycling payments – see below).

OFGEM also charges interest on any late payments made by electricity suppliers. The buy-out fund and interest on late payments is then recycled (net of OFGEM's costs) to suppliers on a pro rata basis in line with their achievement of their renewable energy targets. Accordingly, the value of ROCs is determined not only by the buy-out price, but also the above recycled payments. The price will reflect the renewable energy achievements of suppliers, which will have a corresponding effect on the level of the recycled fund.

In order to maintain the demand for ROCs, the RO Order provides for a headroom mechanism, which ensures that the obligation level in respect of any annual obligation period is set at a level that ensures a shortage of ROCs in the market. The headroom calculation is determined by the volume of expected renewable generation for the year to come plus 10 percent. This mechanism limits, but does not completely eliminate, the risk of over-supply (and therefore devaluation) of ROCs in any given annual obligation period.

Fixed Price Certificates

On 1 April 2027, a FPC scheme will be introduced to replace ROCs on 1 April 2027 and will run until the RO end date of 31 March 2037, in respect of all projects which are still RO-accredited at that time. The broad principles of how the FPC scheme will operate have been set out in the primary legislation[46] but implementing details will come through secondary legislation.

The 2013/14 government consultation[47] which covered the FPC scheme confirmed that the value of a fixed price certificate, will be set at the long-term value of a ROC (the buyout price at the relevant time being plus 10 percent) and will remain inflation-linked. There will also be a legal obligation on a purchasing body to purchase FPCs at that fixed price.

The obligation to purchase ROCs will shift from electricity suppliers to a purchasing body. The purchasing body will be responsible for directly buying ROCs from RO-accredited generators, thereby replacing the current traded certificate

[44]https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/923126/renewables-oglibation-guidance-note-2021-22.pdf.

[45]https://www.ofgem.gov.uk/publications/renewables-obligation-ro-buy-out-price-mutualisation-threshold-and-mutualisation-ceilings-2021-22.

[46] Sections 32N–32Z2 of the Electricity Act 1989.

[47]https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/289078/Transition_and_Grace_Periods_Government_Response_-_12_Mar_2014.pdf.

market. The Secretary of State may designate OFGEM, the CFD counterparty or the Secretary of State itself to act as the purchasing body under the FPC Scheme.

OFGEM Audits

OFGEM retains the right to audit accredited generating stations from time to time, to ensure compliance with the scheme's rules. This is meant to protect against errors in ROC calculations, fraud and to ensure that the generators are still eligible for accreditation.

Since the RO closures, OFGEM has conducted wide-scale auditing of many grace period stations, and a significant number of these audits are still ongoing. OFGEM can audit these stations after accreditation.

In 2019/2020, OFGEM carried out 108 targeted audits of generators, of which more than two thirds (70 percent) were rated either "weak" or "unsatisfactory"[48].

OFGEM can suspend ROC issues until problems identified by an audit have been resolved. OFGEM also has the power to withdraw accreditation in certain circumstances and to revoke or permanently withhold ROCs as appropriate.

Biomass under the RO

Generating stations using fuel such as biomass or waste to generate renewable electricity must meet additional requirements to be eligible to receive ROCs, as summarised below.

Sustainability Criteria: In order to be issued ROCs, fuelled stations that are not exempt from reporting are required to collect and submit information on the sustainability criteria relating to the fuel used by such generating stations. These criteria are:

(i) Land criteria: which focuses on the land from which the biomass is sourced, and

(ii) GHG criteria: which accounts for the life cycle GHG emissions of the biomass.

OFGEM publishes detailed guidance on this sustainability criteria: https://www.ofgem.gov.uk/publications/renewables-obligation-sustainability-criteria.

Biomass generators must also agree FMS procedures with OFGEM. ROCs can only be issued in relation to the proportion of electricity that is generated from renewable sources and therefore the number of ROCs issued to a biomass plant may be adjusted to take into account any fossil-derived contamination of the feedstock. FMS procedures determine the renewable output that is eligible for ROCs and help the operator accurately report on the sustainability criteria. Once accredited, electricity generation and fuel use data must be submitted to support ROC claims. Supplementary information may also be required to illustrate the implementation of FMS procedures. This is typically a monthly requirement.

OFGEM publishes detailed guidance on FMS: https://www.ofgem.gov.uk/publications/renewables-obligation-fuel-measurement-and-sampling-guidance.

[48] https://www.ofgem.gov.uk/sites/default/files/docs/2021/03/ro_annual_report_2019-20_final_v1_0.pdf.

Tilbury and Dedicated Biomass Grace Period

The TGP project was granted RO accreditation with an effective date of 26 October 2017 and is entitled to receive 1.4 ROCs/MWh until 31 March 2037. As at the date of this Prospectus, TGP sells all the ROCs generated by the TGP project via a power purchase agreement with ESB Independent Generation Trading Ltd as buyer.

The TGP project was originally accredited with a TIC of circa 45,000 kW and DNC of circa 41,000 kW. However, further to a RO audit (see below) OFGEM has recommended a change of the TIC and DNC to 44,500 kW and 41,585 kW respectively.

The TGP project was accredited after the RO closure date of 31 March 2017, because TGP was awarded a place within the "dedicated biomass cap" (summarised below), which entitled the project to an 18-month grace period[49] following the RO closure date (effectively an extension of the RO closure date until 30 September 2018). As the project was accredited after the RO closure date of 31 March 2017, it will not receive 20 full years' worth of RO support, but is entitled to receive support until March 2037.

The dedicated biomass cap was a process launched by the United Kingdom's Government in 2013, pursuant to which new build electricity-only dedicated biomass capacity in England and Wales could apply for a place within a limited 400 MW aggregated capacity across all eligible projects. Each of the projects awarded a place within the cap could expect to receive grandfathered support under the RO, i.e. ROC levels applicable at the time of full accreditation of the generating station would be maintained for the accredited capacity of the station for the entire duration of its RO support. Allocation of a space within the cap was not a pre-condition for support under the RO, but projects that did not gain a place within the cap would risk losing the benefits of the grandfathering policy. On 16 March 2015, TGP was granted a place within the cap with a capacity limit of 44 MW of declared net capacity (although please note the comment above that the accredited capacity was a lower amount).

The TGP project was subject to an OFGEM RO audit, with the respective report having been issued on 9 September 2019. The audit report provided a "Weak" assurance rating, which means that the audit identified moderate examples of non-compliance. Further to the issue of the audit report, TGP's representatives have been in communications with OFGEM in relation to such issues of non-compliance, a number of which have been resolved.

Renewable Energy Guarantees of Origin

REGOs (the UK's equivalent of EU GoOs) were introduced pursuant to the Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulation 2003 and are used to confirm that electricity has been generated from a renewable energy source. Like ROCs, REGOs may be sold either together with the power to which they relate or separately.

Licensed electricity suppliers are obliged, under the conditions of their supply licence, to make certain fuel mix disclosures to their customers. REGOs must therefore be held by suppliers as evidence of any renewable electricity in the mix of fuels information provided to customers. Certain suppliers or offtakers of power may agree to a price for the transfer of REGOs from the generator, but their market value is uncertain considering that it is determined by market dynamics and does not benefit from any Government price support, grandfathering policy or equivalent.

[49] Renewables Obligation Closure Order 2014/2388.

The Tilbury project was granted REGO accreditation with an effective date of 26 October 2017.

Grid

Tilbury is connected to the low voltage distribution network and, as such, is known as an "embedded" generator. Electricity distribution is a licensable activity under the Electricity Act 1989 and TGP is connected to the distribution network of Eastern Power Networks Plc, a licensed DNO.

The contractual terms of a distribution connection project's connection are set out in a connection agreement established with the DNO, which often incorporates the publicly available National Terms of Connection.[50] DNOs are also subject to numerous requirements under law and industry codes. Notably, under the Electricity Act 1989, DNOs have a duty to make (and maintain) a connection to their customers, subject to very limited exceptions.

Embedded benefits

As stated above, TGP is an embedded generator and under current market arrangements as at the date of this Prospectus, embedded generators are able to access certain "embedded benefits", i.e. additional revenue streams which are available to distribution connected generation but not available to transmission connected generators. Generally speaking, embedded benefits have arisen where electricity suppliers' exposure to industry balancing services charges is based on their "net demand" – meaning their total demand less any distribution connected generation output. Embedded generators can therefore reduce a supplier's exposure to such charges, e.g. TNUoS, GDUoS charges and avoided transmission and distribution losses.

These revenue streams are generally accessed via a power purchase agreement, between the generator and the supplier/offtaker who is registered to the meter at the generation site, whereby the two parties will agree on a payment or share of the avoided cost or benefit. As these benefits derive from various industry codes and sources which may change over the lifetime of a generation project, there is no guarantee of the amount or duration of such benefits, i.e. there is no concept of grandfathering or any price guarantee in respect of embedded benefits. Certain of the charging regimes (e.g. avoided transmission/distribution losses) may either represent a cost or a benefit to the supplier and, if it represents a cost, this may be charged to the generator (either on a 100 percent pass-through or other commercially agreed basis) via its power purchase agreement with the supplier.

There are also significant ongoing changes taking place to the embedded benefits as a result of a number of industry code modifications and TCR and SCRs[51] , as OFGEM addresses what it perceives to be harmful distortions arising from the current charging framework. It is expected that this will result in a reduction in certain embedded benefits for distributed generators.

Generation licence

It is a criminal offence[52] for a person to generate electricity for the purposes of providing a supply to any premises, or to enable the provision of such a supply, without a licence or exemption. Licences are obtained from and administered by

[50] https://www.energynetworks.org/industry-hub/statutory-information.

[51] https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/network-charging-and-access-reform?sort=publication_date.

[52] Electricity Act 1989, ss 4(1)(a) and 5.

OFGEM and generally include several obligations applicable to the licence holder in terms of compliance with market arrangements and adherence to industry codes.

However, pursuant to its powers under the Electricity Act 1989, the Secretary of State can create (by order) exemptions from the licensing requirement on either an individual basis or a 'class' basis (where any person satisfying the conditions for the exemption may undertake the relevant activity provided that these conditions remain satisfied).

The Electricity (Class Exemptions from the Requirement for a Licence) Order 2001 (Class Exemptions Order), SI 2001/3270 sets out class exemptions for the generation, distribution and supply of electricity.

One such exemption is the "Class A: Small generators" exemption, which applies to persons who do not at any time provide more electrical power from any one generating station than 10 megawatts; or 50 megawatts in the case of a generating station with a declared net capacity of less than 100 megawatts.

TGP is therefore currently exempt from the requirement to hold a generation licence, as the Tilbury project (which is the only generating station owned or operated by TGP) has a capacity of less than 50MW.

REMIT

Following the United Kingdom's departure from the EU, REMIT has been retained in United Kingdom's law by application of the European Union (Withdrawal) Act 2018 and amended by a subsequent statutory instrument to ensure its operability.

REMIT prohibits market manipulation and insider trading and obliges wholesale energy market participants to publicly disclose inside information. REMIT also places an obligation on market participants to register with a national regulatory authority.

In the event of a breach of REMIT, OFGEM can publicly censure or place unlimited financial penalties on those who break the rules. OFGEM can also demand payment for profits, or losses suffered, from non-compliance with REMIT.

As a market participant, TGP is required to register with OFGEM. TGP's registration (with effect from 31 December 2020) is set out in OFGEM's public national register.[53]

12.7.2 Poland Regulatory Framework

Poland is one of the largest countries in terms of energy production and consumption in Europe, with energy consumption exceeding its production.

Annual consumption of electricity in Poland for the year 2019 was 169.4 TWh. Power generation in Poland is expected to exceed 244 TWh in 2050, to keep up with the expected consumption growth driven by industry, household and transportation demands. Poland also has one of the highest energy prices in Europe due to an energy mix dominated by hard coal and lignite (which accounts for over 80 percent of generation).

Poland is under pressure to meet its 25 percent renewable energy sources consumption target for 2030, especially considering that the target for 2020 has not been met. A fine of PLN 8 billion (approx. €1.9 billion) annually can potentially

[53] https://www.ofgem.gov.uk/publications/public-version-gb-registration-database-0.

be imposed on Poland. National documents, including the PEP 2040 and National Plan for Energy and Climate for 2021-2030 (*Krajowy plan na rzecz energii i klimatu na lata 2021-2030*), are based on the principles of EU directives.

The last modification to the PEP 2040 shows the Polish Government's growing commitment to a more ambitious increase of the renewable energy sources generation share within the national energy mix given that renewable energy sources target fulfilment will be monitored every two years to exercise political and economic pressure on non-complying countries.

Poland's renewable energy sources targets imply that the capacity of those sources should be growing at a pace of circa 1-1.5 GW. Development of renewable energy sources is a key strategic direction of the PEP 2040, with solar sources securing summer peak demand.

Solar projects are strategic for Poland as a replacement of thermal generation, particularly in the summer time when black-out risk exists. Current market share of about 14 percent in the Polish PV market for small-scale projects and 7 percent for large-scale projects, which is expected to grow significantly in the coming years, based on track record and project development capabilities.

Large-scale PV projects are the only way to significantly increase renewable energy sources capacity in Poland in the next 3 years as there are only about 0.3 GW onshore ready to build wind projects in 2021, with new wind projects not expected to reach that stage before 2024, if the 10H rule (as described in the following paragraphs) is lifted.

The 10H rule entered into force in July 2016. It banned the construction of wind power plants within a distance less than 10 times the height of the wind turbines from residential properties. Under the current technology, which uses windmills about 200 meters tall, the ban extends up to 2 km from residential construction. Given the broadly dispersed distribution of housing in Poland, the ban has excluded up to 99 percent of the country's surface for the potential siting of new wind projects. This has caused an abrupt halt in the development of economically feasible new projects taking advantage of the current state of technology, and windmills with much greater generating capacity than available just a few years ago.

However, the 10H rule is expected to be lifted in 2021, thus allowing for the development of new wind projects.

In the next 3 to 4 years, the gap in new renewable energy sources capacity can be mostly filled by large-scale PV projects. In the large-scale auctions to be held from 2021-2023, large PV projects will be competing with each other and limited competition from wind projects may have a positive impact on prices in the coming years.

The Polish support system for renewable energy sources installations is mainly based on energy auctions. Since 2016, the system has contributed to a rapid increase in investment in renewable energy installations in Poland.

Renewable energy sources auctions are organised by the Energy Regulatory Office once or twice a year for both new and existing installations. Support is provided in the form of covering the so-called 'negative balance'.

This support system is expected to continue until 2026/2027 to ensure that Poland meets its renewable energy sources 2030 obligation. In the auction system, renewable projects are split into small-scale installations (<= 1 MW) and large-scale installations (> 1MW). Wind and solar projects are jointly assigned to one renewable energy sources technology basket. Only "ready to build" stage projects can participate in the auction after verification of the relevant building permit, interconnection agreement and construction timeline. The bid includes the volume of electricity in MWh to be delivered within 15 years and the price per 1 MWh the bidder is prepared to sell energy for.

The support is awarded to the bidders who submit the lowest price. The auction continues until the volume and value is fully exhausted. Competitive pressure has been assured by a rule which drops 20 percent of the bids, starting from the highest one. The size of the auctions is determined by the government, depending on the capacity of the new projects available on the market, to maintain competitive pressure.

As there has been little new development of wind projects due to the 10h rule, the wind volume available for auction has been decreasing. Wind volume in the 2020 auction was below expectations, as merchant price was significantly above the CfD price, thus allowing more solar projects to win the auction. Current energy prices remain very attractive for power generation companies. PV projects are expected to dominate the auction system in 2021-2023 due to lack of viable wind projects and continuous government support.

Actual CfD price for all projects is indexed by a 2-year cumulative inflation as indexed from the auction date, not from the first generation date. Indexation is then continued throughout the entire support period.

PPA and CPPA are becoming market standard for renewable energy sources providers in Poland. Renewable energy sources installations have reached (for large-scale projects) or are approaching (for small-scale projects) grid parity.

CPPAs have become even more attractive for clients since the introduction of an additional capacity fee on 1 January 2021. This capacity fee, i.e. the fee for readiness to secure the supply of electricity, is intended to ensure energy security (continuous supply of electricity). The exact value of the power fee will be determined by the Energy Regulatory Office. The fee rates for the following calendar year will be announced by 31 December of each year.

12.7.3 Greece Regulatory Framework

Overview of renewable energy sources licencing process

The main steps of the licensing process in terms of renewable energy sources projects under Greek law,can be divided into the following main phases:

Phase 1

Power production license/producer certificate (see below for further analysis).

Phase 2

Upon granting of the production license/producer certificate by the RAE, the applicants may proceed with the following steps, which can be carried out in simultaneously:

- Approval of environmental terms or exemption from the approval of environmental terms: This decision is issued by the regional state authorities or the Ministry of Energy and Environment as per project specifications, for an initial term of fifteen (15) years. Certain renewable energy sources power stations installed in land plots and agricultural land are exempted, subject to certain conditions, from the requirement to obtain an AEPO in accordance with Article 8 paragraph 13 of Law no. 3468/2006, as amended by Article 126 of Law no. 4685/2020.
- Connection offer: The connection offer is granted by the competent operator depending on the project, namely the HEDNO or the ADMIE. The competent operator for connection offers granted to renewable energy

sources and CHP stations of the interconnected system and grids of up to 8 MW capacity is HEDNO, while for stations with a capacity of more than 8 MW, the competent operator is ADMIE.

- Other permits: Renewable energy sources projects may be required to acquire permits to install the project in a forested area.

Phase 3

Upon the granting of the AEPO and the final connection offer, the applicants may proceed with the request for an installation permit and the establishment of connection and power purchase agreements with the renewable energy sources operator for a feed-in-premium.

- Installation permit: The installation permit is granted in accordance with the provisions of Article 8 of Law no. 3468/2006.
- Connection agreement: Once the connection offer has become binding, the applicant may submit an application to the competent operator to execute a system or grid connection contract. The beneficiary must submit a copy of the installation permit and the connection offer in this application. The connection agreement is signed and is valid from the granting of the installation permit, if required.
- Power purchase agreements: Renewable energy sources projects enter into a power purchase agreement with the renewable energy sources operator further to the tender process to receive state aid in the form of a feed-in-premium, pursuant to Law no. 4414/2016. According to an exemption set forth in Article 4, paragraph 12 of Law no. 4414/2016, as amended by Article 21 of Law no. 4643/2019, projects, or project clusters with a common connection point to the system, with a capacity greater than 250 MW may be exempted from the competitive procedures to receive operating support in the form of a feed-in-premium.
- Small-scale building permit: Building permits are granted by the local town planning authorities following a standard application.

Phase 4

Operating licence: After the station has been completed and prior to the application for authorization (operating license), the holder of the installation permit must apply to the relevant operator with whom the applicant has entered into the connection contract to temporarily connect the station to the system or the grid. The operating license for renewable energy sources or CHP power stations is valid for at least twenty (20) years and can be renewed for up to an equal time period.

The shift from power production licenses to Producer Certificates

In May 2020, Law no. 4685/2020 introduced several amendments with a view to simplifying the first stages of the renewable energy sources licensing process and accelerating the examination of pending applications by the competent authorities. As far as Phase 1 of the licensing process is concerned, this law replaced the previously applicable power production license with a producer certificate issued via an automated process administered through a new electronic register and applicable to projects that applied for a power production license from September 2018 onwards. This certificate is a prerequisite for renewable energy sources producers to proceed with the next phases of the licensing process. We note that the process described below applies to projects that do not fall under the special projects category,

as defined in Article 10, paragraph 5 of Law no. 4685/2020, and to projects exempt from the requirement to acquire a power production license pursuant to Article 4, paragraph 1 of Law no. 3468/2006.

According to Article 24 of Law no. 4685/2020, pending applications for the granting of a power production licence submitted after the September 2018 cycle and until the March 2021 cycle (namely until the last application cycle before the entry into force of Law no. 4685/2020) will be examined pursuant to Articles 10-21 of Law no. 4685/2020.

RAE is the competent authority pursuant to Article 20, paragraph 2 of Law no. 4685/2020 to examine applications and grant the producer certificate until any other authority is given this mandate by virtue of a ministerial decision. The competent authority completes the examination of the applications in each cycle for which no concerns are raised, warranting their comparative assessment, and invites the applicants by email to pay the special levy of Article 17 of Law no. 4685/2020. For projects falling under Article 24 of Law no. 4685/2020, a portion of the levy is payable within 3 months of notification by the competent authority. According to Article 24, paragraph 4 of Law no. 4685/2020, this portion amounts to 10-50 percent depending on the application cycle.

RAE is the competent authority pursuant to Article 20 paragraph 2 of Law no. 4685/2020 to examine applications and grant the producer certificate until any other authority is given this mandate by virtue of a ministerial decision. The competent authority completes the examination of the applications of each cycle for which no concerns are raised warranting their comparative assessment and invites the applicants by email to pay the special levy of Article 17 of Law no. 4685/2020. For projects falling under Article 24 of Law no. 4685/2020, a portion of the levy is payable within 3 months from the notification of the authority. This portion amounts to 10-50 percent depending on the application cycle according to Article 24 paragraph 4 of Law no. 4685/2020.

The competent authority issues an announcement inviting applicants to confirm their application, update the technical details thereof and confirm that their projects do not fall under the special projects category of Article 10 of Law no. 4685/2020, in accordance with Article 24, paragraph 3 of Law no. 4685/2020.

Licensing requirements and exemptions for projects below 1 MW

According to Article 4, paragraph 1 of Law no. 3468/2006, certain categories of renewable energy sources power stations (e.g. PV or solar thermal power stations with a capacity less than or equal to 1 MW) are exempted from the requirement to obtain a power production license (and thus a producer certificate). In case of adjacent projects owned by the same legal entity, their capacity is accumulated for the purposes of calculation of this threshold, beyond which a power production license/producer certificate is required. This exemption is preserved by Article 11 of new Law no. 4685/2020.

According to Article 8, paragraph 13 of Law no. 3468/2006, projects that fall under the exemptions provided for under Article 4 of Law no. 3468/2006 are also exempted from the obligation to acquire an installation permit and an operating license.

According to the same provision, certain categories of renewable energy sources power stations (e.g. solar PV stations up to 1 MW installed) sited in land plots and agricultural land are exempted, subject to certain conditions, from the requirement to obtain an AEPO (Article 8, paragraph 13 of Law no. 3468/2006, as amended by Article 126 of Law no. 4685/2020). These projects are instead required to obtain a certificate of exemption from the AEPO, which is granted by the competent regional authority within 20 days of application, and if the authority fails to provide this certificate within

the indicated deadline, it is deemed granted. This exemption applies provided that the relevant projects are not on a Natura 2000 site or coastal zones located less than 100 m from the shoreline.

Feed-in-premium – renewable energy sources auctions

Greece began to support renewable energy sources via a FiT in 2006. In 2016, Law no. 4414/2016 introduced a new support scheme for renewable energy sources (and CHP) in Greece, pursuant to which qualifying renewable energy sources projects may be granted 20-year operating aid agreements in the form of feed-in-premiums or CfDs between the market electricity price and a fixed reference. The level of support for (large-scale, with a capacity exceeding 400 KW) renewable energy sources is determined by technology specific or joint (for solar PV and wind parks) tenders and successful bidders enter into a contract with the renewable energy sources operator. According to Article 3, paragraph 5 of Law no. 4414/2016, small-scale renewable energy sources and CHP projects with a capacity equal to or less than 400 KW and experimental projects are exempted from the feed-in-premiums scheme and are eligible for standard FiT contracts with the renewable energy sources operator. Renewable energy sources projects with a capacity exceeding 250 MW and renewable energy sources project clusters with a common connection point to the grid with a total capacity exceeding 250 MW may be exempted from the tender process, in accordance with the requirements of Article 4, paragraph 12 of Law no. 4414/2016.

12.7.4 France Regulatory Framework

The construction and operation of wind farms and photovoltaic plants are subject to several regulations in France. (i) town planning law, (ii) environmental law and (iii) electric law must be taken into account when identifying the most common basic administrative milestones to be completed before a plant's commissioning date.

(a) **Town planning law**

As for the wind farms, wWhereas town planning law has been one of the most important regulations governing ruling the construction of wind farms for more than 15 years, thisit is no longer the case given thatsince aArticle R. 425-29-2 of the French Planning Code (which came into effect on 1 March 2017) provides that:

"If a projected onshore windfarm installation is subject to environmental authorisation byin application of the French Environment Code, Book I, Section VIII, chapter 1, this authorisation dispenses with the need for a building permit."

Nevertheless, in a decision dated 14 June 2018 the French Council of State ruled, in a decision dated 14 June 2018, that this article is not intended to, and does not, exempt projects from complying with the town planning law event though if no application for a building is necessary (Conseil d'État, 14 June 2018, Association Vent de Colère !, req. no. 409227).

As for PV installations, the construction of a plant (ground-mounted, roof-mounted or BIPV) must comply with the local town planning regulation ("plan d'occupation des sols", "plan local d'urbanisme").

Depending on the size, the peak capacity and the location of the project, either a building permit or a declaration for work is required under the French Town Planning Code:

	Absence of formality	Declaration for Work	Building Permit
Projects	Power : <3 kWc and Height above the ground: <1,80 meters	Power : <3 kWc and Height above the ground: <1,80 meters Or: Power: 3 – 250 kWc	Power: > 250 kWc

The table above does not include projects located within the perimeter of a heritage site or historical monument or in a current or future classified site.

For declaration for work, the petitioner files an application with the city hall. The instruction period is one month. When specific administrative entities must be consulted, this instruction period is longer (Article R 423-24 *et seq*. of the French Planning Code). Following this period, the decision is either favourable or unfavourable. Such decision may be express or implied.

For business permits, the petitioner also files an application with the city hall.

The instruction period of the business permit is three months, unless a formality implies a different deadline pursuant to Article R 423-24 *et seq*. of the French Planning Code, but exceptions are often applicable (for instance, when an environmental assessment is required in the business permit file, when a land clearing authorisation is necessary for the project, or when the project is located in a current or future classified site).

Following the end of the instruction period, the absence of an express decision means either a tacit approval or tacit refusal, depending on the case and the formalities necessary, but usually an order will be signed by the competent authority.

(b) **Environmental law**

As for the wind farms, the ICPE regime applies to wind farms pursuant to Law no. 2010-788 dated 12 July 2010 and Decree no. 2011-984 dated of 23 August 2011.

Thus, turbines with a mast's height of greater than 50 meters or with a capacity of greater than 20 MW are subject to the ICPE's authorisation, provided by Article L.512-1 of the Environmental Code, which is the strongest process of the ICPE regime (Article R. 511-9, Annex Item 2980 of the Environmental Code).

The implementation of the environmental authorisation's procedure is carried out by the State service in charge of the inspection of classified installations (the DREAL), in accordance with Article R. 181-3 of the Environmental Code. Inter alia, it This includes, inter alia, an environmental assessment (following in accordance with Article L 122-1 et seq. of the Environmental Code) and it is then necessary to organise the carrying out of a public enquiry prior to the delivery issuance of an environmental authorisation by the Prefect. Besides, the operator of the wind farm must also provide the necessary financial guarantees (Article L. 515-46 and Article R. 516-2 of the Environmental Code).

Therefore:

- Financial guarantees must result from a written undertaking by a credit institution, a finance company, an insurance company, a mutual guarantee company, deposit in the hand of the *Caisse des dépôts et consignations* or a private guarantee fund under certain conditions;
- As soon as the installation enters into operation, the operator must send to the Prefect a document certifying that the financial guarantees have been set up. This document is drawn up according to a model defined by a joint order of the Minister for the Economy and the Minister for Classified Installations; and
- Financial guarantees must be renewed at least three months before they expire (Article R. 516-2 of the Environmental Code).

Finally, as soon as the wind farm's operation leads to the good conservation status of a protected species, it is necessary to apply for a derogation to Article L. 411-1 of the Environmental Code.

As for PV installations, an environmental assessment and public enquiry are also necessary when these installations are deemed to have significant impacts on the environment or public health:

	Compulsory environmental assessment (which implies an opinion of the environmental authority and a public enquiry)	**Case by case examination before deciding an environmental assessment**	**No environmental assessment**
Type of projects	Ground-mounted solar system whose peak capacity is greater than 250 kw	Greenhouses used for agricultural purposes and shade houses ("*ombrières*") whose peak capacity is greater than or equal to 250 kW	Other projects

Other thresholds apply when determining whether a Natura 2000 impact assessment is additionally required. This impact study is submitted for the environmental authority's opinion (Article R 423-55 of the French Planning Code).

Three examples of authorisations usually required, especially for ground-mounted solar plants, are:

- Considering the general characteristics of a photovoltaic plant, it may be necessary to declare work or obtain a water law authorisation before starting its operation (see Section 2.1.5.0 of IOTA Nomenclature set up in Article R 214-1 of the Environmental Code); for photovoltaic plants requiring an authorisation, it would be applied for an environmental authorisation applicable since 1 March 2017 (see above).
- A land clearing authorisation may be necessary under the French Forest Code, which could sometimes imply another public inquiry (see Article L 341-1 et seq.);
- A protected species authorisation is necessary when the construction and operation of a photovoltaic plant is likely to have an adverse impact (destruction and disturbance of species and their habitats) on certain flora and fauna species that are subject to special protection (Article L. 411-1 et seq. of the Environmental Code).

Failure to comply with these regulations results in a criminal offence.

(c) **Electric law**

Under electric law, the operation of a photovoltaic plant and a wind farm (i) requires an operation authorisation granted by the Ministry of Energy, (ii) contracts entered into between the producer and the grid operator (usually Enedis, whose former name was *Électricité Réseau Distribution France*), and (iii) is subject to a specific electricity purchase tariff regime.

(i) **Authorisation to operate a facility producing electricity:**

This authorisation is nominative and is granted by the Ministry of Energy (Article L. 311-5 and Article R. 311-5 of the French Energy Code). It is no longer a key issue for wind farms and photovoltaic plants since energy production plants with peak capacity under a given threshold for any primary energy source are deemed authorised (Article L 311-6 of the French Energy Code) and the corresponding threshold for wind farms and photovoltaic plants is 50 MW (Article R 311-2 of the French Energy Code). Consequently, most of the wind farms and photovoltaic plants are deemed to be authorised.

(ii) **Grid related issues and contracts:**

A connection intended to serve an installation for production from renewable energy sources must be included in the regional renewable energy network connection plan, which defines the facilities to be created or reinforced in order to make the overall connection capacity available for production from renewable energy sources (Article L. 321-7 of the French Energy Code). In this case, the connection includes the facilities specific to the installation as well as a proportion of the facilities created in the application of this plan (Article L. 342-1 of the French Energy Code).

In this context, the producer is liable to pay a contribution for the connection to the installation and for the share calculated as a proportion of the installed power capacity to the total available guaranteed power within the pooling perimeter (Article L. 342-12 of the French Energy Code).

As regards the agreements with the grid operator, the procedure to connect a wind farm or a photovoltaic plant to the public distribution grid starts with the producer's application, by the producer, for a PTF issued by the grid operator. The producer returns the PTF duly executed PTF with the payment of the first instalment. Later, the producer and the grid operator enter into a grid connection agreement confirming the technical solution, the final costs together with the payment schedule, and the connection date. Once the plant is connected to the grid, the producer and the grid operator then conclude: the grid operating agreement that defines the conditions for the operation of the project in compliance with the conditions of the operation of the grid, the CARD that authorises the access to the grid, and, more specifically, the injection capacity and disconnection limitations.

(iii) **Description of support period and support scheme**

- **Call for tenders**

This procedure is governed by the French Energy Code (Article L. 311-10 *et seq*.; Article R. 311-12 *et seq*.).

The Energy Minister is the administrative authority who decides on the need to launch calls for tenders (Article R. 311-12 of the French Energy Code). The Energy Minister may launch (by public notice published in the official gazette of the European Union) two types of bidding procedures, at irregular intervals, to reach the renewable energy production targets (Article R311-12 of the French Energy Code), namely calls for tenders (most economically advantageous tender) or competitive dialogue (pre-selection of candidates followed by a dialogue to define the conditions under which candidates are invited to submit their final offer).

The selection criteria and timeframe of the procedures are set forth in the tender documents. The Energy Minister draws up specifications (Article R. 311-13 of the French Energy Code) which are then submitted to the *Commission de régulation de l'énergie* for its opinion (Article R. 311-14 of the French Energy Code). The *Commission de régulation de l'énergie* examines the call for tenders; however, some aspects may also be examined by third parties (Articles R. 311-14 to R. 311-25 of the French Energy Code). Following the tender procedure, the Energy Minister announces the successful candidates (Article R. 311-23 of the French Energy Code). It should be noted that these procedures are open to every resident in an EU Member State or in a country specified by a relevant international treaty.

Under the terms of Article L. 311-12 of the French Energy Code, the successful candidates benefit from a contract establishing additional remuneration for the electricity produced, in accordance with Articles L. 311-13-2 to L. 311-13-4 of the French Energy Code.

For large onshore wind power installations, a multi-year call for tender regime applies (under these thresholds, the open-window system applies).

The tender process applies to onshore wind farms with at least one of the following characteristics:

- At least seven (7) wind turbines;
- One of the wind turbines has a nominal power of more than 3 MW;
- Which can justify the rejection, addressed by *Electricité de France*, of a request for a remuneration supplement contract, under Article 3 of the Order of 6 May 2017 setting forth the conditions of the remuneration supplement for electricity produced by electricity production facilities using wind energy, with a maximum of 6 wind turbines;
- Which has, under the Order of 13 December 2016 setting forth the conditions of the remuneration supplement for electricity produced by electricity generating facilities using wind power, submitted a request for a remuneration supplement contract declared complete by *Electricité de France* or a remuneration supplement contract signed in advance and not yet in effect.

Except for photovoltaic projects below a certain threshold (100 kWc), public support for photovoltaic plants is only granted and allocated only through bidding procedures, with their own specifications and subject to the rules established in the French Energy Code above mentioned.

In that respect, three calls for tenders were launched in 2011, 2013 and 2014 for in relation to very large-sized rooftop plants and to ground-mounted plants and in 2016, another call for tenders was launched.

As regards the future, the multi-annual energy programming for energy sets out technology-specific targets (in terms of total installed capacity) to be achieved by 2018 and 2023. Regular bidding procedures are foreseen for the following types of solar plants until 2019 (Article 3 of Decree no. 2016-1442 dated 27 October 2016 and related to "*Programmation Pluriannuelle de l'Énergie*"):

- Ground-mounted solar plants: total targeted capacity of 1,000 MW per year until 2019 (through 2 bidding procedures per year)
- Rooftop solar plants: total targeted capacity of 450 MW per year until 2019 (through 3 bidding procedures per year).

As regards open-window tariffs:

For onshore windfarms, the CfD now applies (Article L. 314-8 *et seq*.; Article D. 314-23 to Article D. 314-52 of the French Energy Code)**.**

This regime establishes that *Electricité de France* is required to enter into a contract offering additional remuneration (Article L. 314-18 of the French Energy Code) when a producer submits a request to that effect.

The conditions of the additional remuneration are established based on:

- Investments and operating costs for high-performance installations, representative of each sector, including inspection costs (Article L. 314-25 of the French Energy Code);
- The cost of integrating the installation into the electrical system;
- Revenue from the installation, more specifically the use of the electricity produced, the use by the producers of the guarantees of origin and the use of the capacity guarantees provided under Article L. 335-3 of the French Energy Code;
- The impact of these facilities on the achievement of the objectives mentioned in Articles L. 100-1 and L. 100-2 of the French Energy Code;
- Cases in which the producers are also consumers of all or part of the electricity produced by the installations mentioned by Article L. 314-18 of the French Energy Code.

The level of this additional remuneration may not result in the total remuneration of the fixed assets, resulting from the accumulation of all the revenues of the installation and the financial or fiscal aid, exceeding a reasonable return on the assets, taking into account the risks inherent in these activities (Article L. 314-20 of the French Energy Code). It is, therefore, a "premium" for the operators excluded from the benefit of the purchase obligation and allowing them to make up the difference between the production cost and the price of sale of the energy produced on the market.

Nevertheless, the current framework still provides PPA for small plants or non-mature energies. PV plants located on building's rooftops with an installed capacity does not exceeding 100 kW may still benefit from feed-in tariff contracts (Art. D314-15 of the French Energy Code). Specific rules and additional tariffs apply for solar plants located in Corsica, Guadeloupe, French Guyana, Martinique, Mayotte and La Réunion.

It should be noted that eligibility for feed-in tariffs is limited to 20 years and that the tariff level depends on the type and the total capacity of the plant, without distinction of the building use of the building. Regulations also provide for digression coefficients that modify the rate annually or quarterly, depending on the coefficient. A production cap of up to 1600 hours is set up for the injection into the grid of the full capacity installed. If this cap is reached, additional injection of electricity into the grid will be paid at a lower tariff rate (5c€/kWh).

The commissioning of the plant must take place within eighteen months from the completion of the grid connection application, unless commissioning is delayed because of grid operator's delays in completing the connection works, subject to the producer's goodwill of the producer to complete his own work on time.

12.7.5 Italian Regulatory Framework

12.7.5.1. Authorisation and permits for photovoltaic and on-shore wind plants

(a) The Sole Authorisation procedure

As a general rule, pursuant to legislative decree no. 387/2003, implementing EU Directive 2001/77/CE, photovoltaic plants with a power capacity greater than 50 kW and on-shore wind plants with a power capacity greater than 60 kW are authorised under a sole authorisation (*autorizzazione unica*), granted by the competent Region (or, as the case may be, by the relevant Province as entrusted by the relevant region).

This sole authorisation is issued following the convening of a local authorities meeting (*conferenza dei servizi*) for all competent authorities to contextually examine the various public interests involved. This procedure is concluded with the issuance of the sole authorisation (provided that all required conditions are fulfilled) within a maximum of 90 days.

The sole authorisation replaces and includes all the authorisations required to construct, alter, increase the capacity of, totally or partially renovate and/or re-commission plants powered by renewable sources, as well as all related works and the infrastructures indispensable for the construction and operation of such plants, and shall include, where necessary, the environmental impact assessment procedure.

The environmental impact assessment procedure, which is carried out at the national or regional level depending on the size and quality of the projects, is regulated by the Italian Environmental Code. The procedure may imply (i) a preliminary check, which may result in a waiver of the full EIA or an order for the EIA to be carried out; followed, in the latter case, by (ii) a full EIA procedure.

It is worth noting that the National Guidelines entered into force on 4 October 2010. The National Guidelines are the general regulatory reference for (i) selection of the type of permit required for a specific plant (depending on size, location and technology used); (ii) the holding of the local authorities meeting; (iii) identification of the non-eligible areas for installation of the energy renewable plant; and (iv) decommissioning and environmental compensation.

A simplified mechanism was recently introduced by Decree-Law no. 77/2021 to speed up the authorisation process for projects intended to be built near protected areas. As regards this category of projects, the Ministry of Culture also participates in the procedure and may express its opinion on the project, only in the context of the local authorities meeting, via a mandatory but not binding opinion. In the event of inertia or dissent, the decision arising from the local authorities meeting based on the dominant opinions becomes effective and cannot be opposed by the Ministry of Culture.

While the sole authorisation is considered the main authorisation procedure for the construction and operation of photovoltaic plants and onshore wind plants, certain categories of plants are excluded by law from the scope of the sole authorisation. Pursuant to Section 12.1 of the National Guidelines and the provisions of Decree-Law no. 28/2011, as amended by Decree-Laws no. 76/2020 and 77/2021, certain categories of plants can be authorised by means of simplified authorisation procedure (reference is made, by the way of example, to photovoltaic plants with a power capacity of up to 10 MW connected to the medium voltage electricity grid and located in areas of industrial, productive or commercial use; roof-mounted photovoltaic plants meeting certain requirements; and photovoltaic plants and on-shore wind plants with power up to 1 MW, in cases where the regions issue specific provisions in this regard).

This legal framework has been further implemented and amended by regional legislation allowing for variations in the permission process within Italy.

Pursuant to Decree-Laws no. 77/2021 and 76/2020, simplified procedures have been adopted, from both an environmental and authorisation perspective, for non-essential variations, repowering and revamping interventions on photovoltaic and on-shore wind plants.

Please note that Decree-Law no. 77/2021 shall be converted into law by 30 July 2021, even with amendments, under penalty of ineffectiveness.

(b) The PAU and PAUR procedures

In addition to the above, specific authorisation procedures have been introduced by art. 27 and 27 *bis* of the Italian Environmental Code for projects subject to a national or regional EIA and developed after 21 July 2017, the date of entry into force of legislative decree no. 104/2017.

These authorisation procedures are known as "**PAU**" and "**PAUR**", depending on the authority (the Ministry of Ecological Transition or the relevant Region) considered competent with respect to the EIA.

While the PAUR procedure is mandatory in the case of regional EIA, the activation of the PAU procedure for plants subject to a national EIA is at the discretion of the proposer.

- **PAU**

According to this procedure, the final decision – to be adopted following the holding of the Conference of Authorities – will include the EIA decree and all applicable environmental authorisations; nevertheless, the sole authorisation is not formally comprised in the PAU and, therefore, the relevant Region and the Ministry of Ecological Transition shall coordinate the proceedings.

- **PAUR**

According to this procedure, the final decision – to be adopted following the holding of the Conference of Authorities – will include the EIA decree, the sole authorisation and all other authorisations, concessions, licenses, opinions and consents required for the construction and operation of the project in question.

Mandatory terms are provided for the end of the PAU and PAUR procedures. Therefore, the violation of these terms should trigger the potential liability of the competent authorities for any delay incurred.

(c) EIA and EIA screening provisions

- **Specific provisions for photovoltaic plants**

According to the Italian Environmental Code, as recently modified by Article 31, paragraph 6 of Decree-Law no. 77 of 31 May 2021, plants with a nominal peak capacity exceeding 1 MW up to 10 MW are subject to EIA Screening by the relevant Region; while photovoltaic plants with power exceeding 10 MW must be subject to the national EIA procedure carried out by the Ministry of Ecological Transition. According to Decree-Law no. 92 of 23 June 2021, these latter provisions apply to applications submitted from 31 July 2021.

As regards the construction and operation of photovoltaic plants with a capacity of up to 10 MW, connected to the medium voltage electricity grid and located in areas of industrial, productive or commercial use, the aforementioned Article 31 provides for specific acceleration rules from both an environmental and authorisation standpoint. These plants are subject to a simplified authorisation regime (the so-called "PAS", i.e. simplified enabling procedure) and are exempted from the EIA Screening, provided that the operator submits a self-certification stating that the plant in question is not

located in an 'unsuitable' area or any area specifically listed in Annex 3, letter f) of the National Guidelines. Here the legislator's aim was to speed up the installation of photovoltaic systems given that, despite the availability of incentives, operators are often not able to participate in the relevant auctions due to the lack of authorisations.

Please note that Article 4, paragraph 3 of legislative decree no. 28/2011 states that Regions and Provinces can introduce specific regulations according to which multiple projects located in the same area or adjacent areas must be subject to a cumulative EIA or EIA Screening.

- **Specific provisions for on-shore wind plants**

According to the Italian Environmental Code, on-shore wind plants with a nominal peak capacity exceeding 1 MW are subject to EIA Screening under the competence of the relevant Region; while on-shore wind plants with power exceeding 30 MW must be subject to the national EIA procedure carried out by the Ministry of Ecological Transition, as referred to in Annex II to Part Two, paragraph 2), point 6 of the Italian Environmental Code.

- **Common rules**

Pursuant to Decree-Law no. 77/2021, EIA and EIA Screening procedural terms have been significantly reduced, especially for renewable energy projects subject to the national EIA seeing as these are considered strategic projects to achieve the 2030 Target of the Italian Energy and Climate Plan. Where the terms to end the procedure exceed those indicated by law, specific fines are due by the public administration and their violation may trigger the potential liability of the competent authority for any delay incurred.

12.7.5.2. Access to the incentive system

The FER1 Decree aims to support, for the three-year period of 2019-2021, the production of electricity through plants powered by renewable sources. Although it provides for registers and auctions until 2021, the FER1 Decree introduces a safeguard principle represented by the indicative overall annual maximum cost for incentives of €5.8 billion. As of today, the extension of the FER1 Decree has not been issued.

The sources contemplated by the FER1 Decree are: onshore wind, hydroelectric, plants fuelled by landfill and gas residues from purification processes, and photovoltaic plants. We underline that, according to Article 65 of Decree-Law no. 1/2012, as amended by Decree-Laws no. 76/2020 and 77/2021, ground-mounted PV plants in agricultural areas cannot obtain the incentive tariff (the areas considered suitable for photovoltaic plants include industrial areas, National Polluted Sites (so called "**SIN**"), closed and rehabilitated landfills and landfill lots, quarries or quarry lots not suitable for further exploitation, for which the competent authority issuing the permit has certified the completion of the relevant recovery and environmental restoration activities, and, lastly, agro-photovoltaic plants with vertical installation of the modules).

The ranking mechanism

Access to the available incentives, managed by the Gestore dei Servizi Energetici S.p.A., can only take place through rankings in the registers and participation in competitive bidding procedures, depending on the size of the plants. Plants – either new or repowered or refurbished – with a capacity of between 0 MW and 1 MW will access the incentive scheme via registers, while plants with a capacity exceeding 1 MW will access it through auctions.

Another significant element is the grouping of plants into distinct categories by energy source, each of which will compete in the same register or in the same auction procedure. These categories are (A) wind and photovoltaic plants, (A-2) only

for registers, photovoltaic plants whose modules are installed in place of asbestos, and (B) hydroelectric and gas-fuelled plants. Additionally, there is a third category for plants subject to reconstruction.

Seven rounds of registers and auctions were scheduled, i.e. one every four months, starting in September 2019 and ending in September 2021.

With some exceptions, it should be noted that plants can only benefit from the incentives if the relevant works only begin after their ranking with the registries/tenders. Priority criteria are provided for both registers and auctions, among which we underline the offer of a percentage reduction of the reference tariff, which for auctions cannot be less than 2 percent or more than 70 percent of the basic incentive tariff provided by the FER1 Decree).

In cases where plants do not enter into operation within the deadlines provided by the FER1 Decree, the tariff expires at the end of this period, without grace periods but also without penalties in the event of admission to subsequent procedures.

Incentive scheme and tariff

There are two different incentive mechanisms, depending on the power of the plant:

- the all-inclusive tariff, consisting of a single tariff, corresponding to the entitlement tariff, which also remunerates the electricity withdrawn by the GSE; and
- an incentive, calculated as the difference between the applicable tariff and the hourly zonal energy price, since the energy produced remains at the operator's disposal.

For plants of up to 250 kW, it is possible to choose between the two incentive mechanisms, with the possibility of switching from one incentive mechanism to the other no more than twice during the entire incentive period. Installations with a capacity of more than 250 kW are only eligible for the second option (incentive).

One of the most relevant provisions of the FER1 Decree is the so-called two-way incentive recognition and payment mechanism. In the event that the difference between the tariff and the zonal energy price is negative, this mechanism provides that the difference must be returned to the GSE, which will make the appropriate adjustments or request a payment to the producer.

The period of entitlement to the incentive mechanisms starts from the plant's date of entry into commercial operation. The periods will range from 20 years (for most sources) to 25/30 years for certain other sources or larger plants; for example, solar plants are granted a period of 20 years.

Ministerial Decree 04/07/2019 provides for three different tariff definitions:

(1) The reference tariff is determined, depending on the source and type of plant and power, by applying:
    - The tariffs and any reductions provided for by Ministerial Decree 23/6/2016, for non-photovoltaic plants registered in a useful position in the Registers, which enter into operation within one year of the entry into force of Ministerial Decree 04/07/2019 and which have not benefited from the specific priority criteria provided for by the latter; and
    - The tariffs set out in Schedule 1 to Ministerial Decree 04/07/2019 for all other plants;

(2) The offered tariff is calculated by applying to the reference tariff any reductions requested by the Responsible Party during registration in the registers or auctions, in order to benefit from the relevant priority criteria;

(3) The offering tariff is calculated by applying to the offered tariff any further reductions provided under Ministerial Decree of 04/07/2019, for plants that have obtained a useful position in the rankings of the registers and auctions and have been subsequently admitted to the incentives mechanisms.

13. SELECTED CONSOLIDATED FINANCIAL INFORMATION

Each potential investor should read the information contained in this Chapter in conjunction with the Chapter 11 entitled "Operating and Financial Review and Prospects" and the Annual Audited Consolidated Financial Statements appearing elsewhere in this Prospectus.

The following tables contain the Issuer's selected historical consolidated financial information. The Issuer's selected historical consolidated financial information as of and for the years ended 31 December 2020, 2019 and 2018 has been extracted or derived from the Annual Audited Consolidated Financial Statements.

The Annual Audited Consolidated Financial Statements have been presented in euro and are prepared in accordance with IFRS-EU, as disclosed in Note 4 – Basis of presentation to the Annual Audited Consolidated Financial Statements.

The Annual Audited Consolidated Financial Statements contains the following emphases of matter and restriction on use and distribution: "*We draw attention to note 4, which describes the basis of preparation and special purpose of the Consolidated Financial Statements. The Consolidated Financial Statements are prepared in connection with the announced potential listing of Greenvolt – Energias Renováveis, S.A. and for the purposes of providing historical consolidated financial information for inclusion in the prospectus for the admission to the Euronext Lisbon regulated market. As such, these Consolidated Financial Statements may not be suitable for another purpose. This report was prepared at request of the Board of Directors of Greenvolt – Energias Renováveis, S.A. in relation to the referred initial public offering and for inclusion in the related prospectus. Therefore, it must not be used for any other purpose or any other market, or published in any other document or prospectus without our written consent. Our opinion is not modified in respect of these matters.*".

Furthermore, the following tables also contain the Unaudited Consolidated Pro Forma Financial Information, prepared with a view to providing information on the impact of the acquisition by the Issuer, together with funds managed by Equitix, of Tilbury Holdings on the Issuer's consolidated income statement for the year ended 31 December, as if it had occurred on 1 January 2020, and on its consolidated statement of financial position as at 31 December 2020, as if it had occurred on that date.

13.1. Selected consolidated financial data

13.1.1 Consolidated income statement data

The following table has been derived from the audited consolidated income statements of the Issuer, which are contained in the Annual Audited Consolidated Financial Statements.

	Year ended 31 December		
(amounts expressed in Euros)	**2020**	**2019**	**2018**
		(audited)	
Revenue	89,877,619	64,283,355	50,537,103
Other income	222,437	851,448	3,313,368
Costs of sales	(39,028,957)	(24,880,975)	(19,870,281)
External supplies and services	(17,920,494)	(17,470,548)	(13,517,660)
Provisions and impairment reversals/(losses) in current assets	41	-	-
Other expenses	(129,539)	(82,425)	(364,828)
Operating profit before amortisation and depreciation and impairment reversals/(losses) in non-current assets	33,021,107	22,700,855	20,097,702

Amortisation and depreciation	(12,148,457)	(10,623,246)	(7,764,671)
Impairment reversals/(losses) in non-current assets	6,335,742	-	(5,500,000)
Operating profit	27,208,392	12,077,609	6,833,031
Financial expenses	(1,791,223)	(1,872,466)	(620,739)
Financial income	67	480	443
Profit before income tax and CESE	25,417,236	10,205,623	6,212,735
Income tax	(6,412,734)	(2,616,493)	(1,010,119)
Energy sector extraordinary contribution (CESE)	(1,078,934)	(797,390)	-
Consolidated net profit for the year	17,925,568	6,791,740	5,202,616
Attributable to:			
Equity holders of the parent	17,934,337	6,795,387	5,202,616
Non-controlling interests	(8,769)	(3,647)	-
	17,925,568	6,791,740	5,202,616
Earnings per share			
Basic	1,793	680	520
Diluted	1,793	680	520

13.1.2 Consolidated statement of financial position

The following table has been derived from the audited consolidated statements of financial position of the Issuer, which are contained in the Annual Audited Consolidated Financial Statements.

(amounts expressed in Euros)	As at 31 December		
	2020	2019	2018
		(audited)	
ASSETS			
NON-CURRENT ASSETS:			
Property, plant and equipment	160,466,245	166,809,912	144,915,916
Right-of-use assets	5,433,575	5,737,867	-
Intangible assets	6,795,875	1,418,432	1,537,395
Other investments	-	-	-
Deferred tax assets	1,493,924	2,503,285	2,336,918
Total non-current assets	**174,189,619**	**176,469,496**	**148,790,229**
CURRENT ASSETS:			
Inventories	1,108	3,041,661	1,500,765
Trade receivables	19,580	-	-
Assets associated with contracts with customers	7,476,825	7,365,847	8,018,339
Other receivables	11,578	988,262	2,478,325
Income tax receivables	387	-	-
Other tax assets	115,287	7,271	2,174,477
Other current assets	506,427	203,819	140,294
Cash and cash equivalents	14,100,666	16,107,267	6,707,457
Total current assets	**22,231,858**	**27,714,127**	**21,019,657**
Total assets	**196,421,477**	**204,183,623**	**169,809,886**
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	50,000	50,000	50,000
Legal reserve	10,000	10,000	10,000
Supplementary capital	9,583,819	13,150,000	13,150,000
Other reserves and retained earnings	39,718,335	19,772,948	15,014,208
Consolidated net profit for the year attributable to Equity holders of the parent	17,934,337	6,795,387	5,202,616
Total equity attributable to Equity holders of the parent	67,296,491	39,778,335	33,426,824
Non-controlling interests	14,584	13,453	-
Total equity	**67,311,075**	**39,791,788**	**33,426,824**
LIABILITIES:			
NON-CURRENT LIABILITIES			
Bonds	48,463,769	49,673,801	-
Other loans	-	-	-
Lease liabilities	5,836,636	6,088,752	-
Other payables	820,348	-	-
Other non-current liabilities	611,632	834,043	1,106,111
Deferred tax liabilities	3,258,306	2,844,621	3,048,177
Provisions	11,538,164	11,388,007	9,238,147
Total non-current liabilities	**70,528,855**	**70,829,224**	**13,392,435**
CURRENT LIABILITIES			
Bonds	1,545,172	294,954	-
Other loans	40,007,311	50,000,000	-
Shareholders loans	-	24,596,424	111,313,870
Lease liabilities	284,370	273,537	-
Trade payables	8,537,852	11,931,566	6,914,258
Other payables	3,939,205	1,954,692	3,462,979
Income tax payables	3,411,514	150,718	944,931
Other tax liabilities	565,732	4,012,039	-
Other current liabilities	290,391	348,681	354,589
Total current liabilities	**58,581,547**	**93,562,611**	**122,990,627**
Total liabilities	**129,110,402**	**164,391,835**	**136,383,062**
Total equity and liabilities	**196,421,477**	**204,183,623**	**169,809,886**

13.1.3 Consolidated statement of cash flows data

The following table has been derived from the audited consolidated cash flow statements of the Issuer, which are contained in the Annual Audited Consolidated Financial Statements.

(amounts expressed in Euros)	Year ended 31 December		
	2020	**2019**	**2018**
		(audited)	
Operating activities:			
Receipts from customers	110,433,281	80,445,458	55,173,791
Payments to suppliers	(67,434,325)	(47,361,213)	(41,184,453)
Other receipts/(payments) relating to operating activities	(12,626,081)	889,978	(2,838,857)
Income tax (paid)/received	(1,729,279)	(3,636,676)	(1,970,454)
Net cash from operating activities (1)	28,643,596	30,337,547	9,180,027
Investing activities:			
Receipts arising from:			
Interests and similar income	55	479	482
Payments relating to:			
Investments	(821,779)	(18,000)	-
Property, plant and equipment	(2,955,492)	(31,829,710)	(43,395,327)
Intangible assets	-	-	-
Net cash used in investing activities (2)	(3,777,216)	(31,847,231)	(43,394,845)
Financing activities:			
Receipts arising from:			
Loans obtained	400,000,000	180,000,000	-
Capital contributions	9,900	-	-
Shareholder loans	-	5,000,000	81,500,000
Payments relating to:			
Interest and similar expenses	(1,441,761)	(1,438,513)	(778,769)
Loans obtained	(410,000,000)	(80,000,000)	(52,944,375)
Lease liabilities	(528,120)	(421,858)	-
Shareholder loans	(14,913,000)	(92,230,135)	-
Net cash (used in)/from financing activities (3)	(26,872,981)	10,909,494	27,776,856
Cash and cash equivalents at the beginning of the year	16,107,267	6,707,457	13,145,419
Net increase/(decrease) of cash equivalents: (1)+(2)+(3)	(2,006,601)	9,399,810	(6,437,962)
Cash and cash equivalents at the end of the year	14,100,666	16,107,267	6,707,457

13.1.4 Other Unaudited Financial and Operating Data

As mentioned above (please refer to Introduction and Warnings section), the following financial information includes measures which are not accounting measures as defined by IFRS-EU. These measures are not part of the financial statements or financial accounting records and have not been audited or otherwise reviewed by external auditors, consultants or experts. These measures should not be used instead of, or considered as alternatives to, historical financial results prepared in accordance with the basis of preparation disclosed in Note 4 to the Audited Annual Financial Statements and consistent with IFRS-EU. These measures may not be comparable to similarly titled measures disclosed by other companies:

	Year ended 31 December		
(amounts expressed in million Euros)	2020	2019	2018
		(unaudited)	
EBITDA [(1)(6)]	33.0	22.7	20.1
EBITDA margin [(2)(6)]	38.0%	35.3%	39.8%
Adjusted EBITDA [(3)(6)]	32.8	22.0	18.2
Adjusted EBITDA margin [(2)(6)]	37.8%	34.2%	36.0%
Operating profit [(4)(6)]	27.2	12.1	6.8
Net operating cost [(5)(6)]	(54.1)	(42.3)	(32.3)
Net Debt + Shareholders loans [(7)(8)]	82.0	114.8	104.6
Capital Expenditure (Capex) [(9)(10)]	1.6	30.0	41.4

(1) Defined as operating profit before amortisation and depreciation and impairment reversals /(losses) in non-current assets. EBITDA is used by investors, analysts and management to evaluate profitability. EBITDA is a non-IFRS-EU financial measure and should not be viewed as a substitute for any IFRS-EU financial measure. The Issuer has presented this non-IFRS-EU measure in this Prospectus because the Issuer considers it to be an important supplemental measure for investors in comparing performance between companies.

(2) EBITDA margin and Adjusted EBITDA margin are calculated as EBITDA and Adjusted EBITDA, respectively, as a percentage of revenue excluding biomass sales. These are non-IFRS-EU financial measures and should not be viewed as a substitute for any IFRS-EU financial measure. The Issuer has presented these non-IFRS-EU measures in this Prospectus because we consider them to be important supplemental measures for investors in comparing performance between companies.

(3) Defined as EBITDA excluding (i) other income from claim compensations from property damage and inventory damage, (ii) other expenses from inventory damage and (iii) other income from investment grants. Adjusted EBITDA is a non-IFRS-EU financial measure and should not be viewed as a substitute for any IFRS-EU financial measure. The issuer has presented this non-IFRS-EU measure in this Prospectus because we consider it to be an important supplemental measure for investors in comparing performance between companies.

(4) Defined as consolidated net profit for the year before financial expenses and financial income, income tax and CESE. Operating profit is a non-IFRS-EU financial measure and should not be viewed as a substitute for any IFRS-EU financial measure. The issuer has presented this non-IFRS-EU measure in this Prospectus because we consider it to be an important supplemental measure for investors in comparing performance between companies.

(5) Defined (i) as costs of sales excluding the cost of biomass sold, (ii) external supplies and services, (iii) other expenses, excluding inventory damage, (iv) other income excluding claim compensations from property damage and inventory damage, and excluding investment grants. Net operating costs is a non-IFRS-EU financial measure and should not be viewed as a substitute for any IFRS-EU financial measure. The Issuer has presented this non-IFRS-EU measure in this Prospectus because we consider it to be an important supplemental measure for investors in comparing performance between companies.

(6) The reconciliation of net operating costs, operating profit, EBITDA and Adjusted EBITDA is as follows:

(amounts expressed in Euros – as presented on the consolidated income statement)	Year ended 31 December 2020	2019	2018
Costs of sales	(39,028,957)	(24,880,975)	(19,870,281)
Cost of Biomass sold	3,023,190	-	-
External supplies and services	(17,920,494)	(17,470,548)	(13,517,660)
Other expenses	(129,539)	(82,425)	(364,828)
Inventory damage	-	-	339,193
Other income	222,437	851,448	3,313,368
Investment grants	(222,412)	(222,411)	(232,744)
Claim compensation - property damage	-	(505,331)	(1,555,220)
Claim compensation - inventory damage	-	-	(459,875)
Net operating costs	**(54,055,775)**	**(42,310,242)**	**(32,348,047)**
Operating profit (1)	**27,208,392**	**12,077,609**	**6,833,031**
Amortisation and depreciation (2)	(12,148,457)	(10,623,246)	(7,764,671)
Impairment reversals /(losses) in non-current assets (3)	6,335,742	-	(5,500,000)
Operating profit before amortisation and depreciation and impairment reversals/(losses) in non-current assets (1)-(2)-(3)	33,021,107	22,700,855	20,097,702
EBITDA (4)	**33,021,107**	**22,700,855**	**20,097,702**
Claim compensations from property damage (5)	-	505,331	1,555,220
Claim compensations from inventory damage (6)	-	-	459,875
Inventory damage (7)	-	-	(339,193)
Investment grants (8)	222,412	222,411	232,744
Adjusted EBITDA (4)-(5)-(6)-(7)-(8)	**32,798,695**	**21,973,113**	**18,189,056**
Revenue	89,877,619	64,283,355	50,537,103
Biomass sales	(3,023,190)	-	-
Revenue excluding biomass sales	**86,854,429**	**64,283,355**	**50,537,103**
EBITDA margin	**38.0%**	**35.3%**	**39.8%**
Adjusted EBITDA margin	**37.8%**	**34.2%**	**36.0%**

(7) Defined as the sum of bonds, other loans and lease liabilities ("Gross Debt"), less cash and cash equivalents, plus Shareholders loans. Net debt + Shareholders loans, and Gross Debt are a non-IFRS-EU financial measures and should not be viewed as a substitute for any IFRS-EU financial measure. The Issuer presented this non-IFRS-EU measure in this Prospectus because considers it to be an important supplemental measure for investors in comparing performance between companies.

(8) Net debt + Shareholders loans is calculated as follows:

(amounts expressed in Euros as presented in the consolidated statement of financial position)	As at 31 December 2020	2019	2018
NON-CURRENT LIABILITIES (1) = (2) + (3) + (4)	**54,300,405**	**55,762,553**	**-**
Bonds (2)	48,463,769	49,673,801	-
Other loans(3)	-	-	-
Lease liabilities (4)	5,836,636	6,088,752	-
CURRENT LIABILITIES (5)= (6) + (7) + (8) + (9)	**41,836,853**	**75,164,915**	**111,313,870**
Bonds (6)	1,545,172	294,954	-
Other loans (7)	40,007,311	50,000,000	-
Shareholders loans (8)	-	24,596,424	111,313,870
Lease liabilities (9)	284,370	273,537	-
Gross Debt + Shareholders loans (10) = (1)+ (5)	**96,137,258**	**130,927,468**	**111,313,870**
Cash and cash equivalents (11)	14,100,666	16,107,267	6,707,457
Net Debt + Shareholders loans (12) = (10) –(11)	**82,036,592**	**114,820,201**	**104,606,413**

(9) Defined as investments in power plants and investment in photovoltaic park, recorded as property plant or equipment incurred in the year. Capital Expenditure is a non-IFRS-EU financial measure and should not be viewed as a substitute for any IFRS-EU financial measure. The Issuer presented this non-IFRS-EU measure in

this Prospectus because we consider it to be an important supplemental measure for investors in comparing performance between companies.

(10) Capital expenditure (Capex) is as follows:

(amounts expressed in Euros)	As at 31 December 2020	2019	2018
Additions			
Property, plant and equipment.....	1,588,052	30,021,635	41,365,506
Capital expenditure	**1,588,052**	**30,021,635**	**41,365,506**

13.2. Unaudited Consolidated Pro forma Financial Information

The information included below should be read jointly with Annex I ("*Unaudited Consolidated Pro Forma Financial Information*"), which includes information on the financial data used to compile this pro forma financial information and the hypotheses, assumptions and adjustments used in preparing this information. This information was exclusively prepared to provide information on the impact of the acquisition of Tilbury Holdings (and no other potential acquisition) on the Issuer's consolidated income statement for the year ended 31 December 2020 as if it had occurred on 1 January 2020 and on its consolidated statement of financial position as at 31 December 2020, as if it had occurred on that date.

The Unaudited Consolidated Pro Forma Financial Information does not relate to hypothetical situations not capable of constituting significant gross change within the meaning of Article 1(e) of Delegated Regulation 2019/980 or a significant financial commitment within the meaning of its Article 18(4) and, therefore, does not contemplate other potential transactions with a significant impact, such as those relating to V-Ridium Power, Profit Energy and Perfecta Energia. Furthermore, *pro forma* financial information on the envisaged acquisition of V-Ridium Power has not been prepared since the potential impact of this specific acquisition is not considered material to deem or justify the preparation of such pro forma financial information in accordance with the ESMA's Guidelines on disclosure requirements under the Prospectus Regulation, published on 4 March 2021, with reference ESMA32-382-1138. On the other hand, the preparation of *pro forma* financial information in relation to the envisaged acquisition would be disproportionately burdensome for the Issuer to include together with the Unaudited Consolidated Pro forma Financial Information.

As the Unaudited Consolidated Pro Forma Financial Information relates to a hypothetical situation, this information does not purport to represent, and does not represent, the Issuer's consolidated financial situation or consolidated results of operations.

13.2.1. Unaudited consolidated pro forma income statement for the year ended 31 December 2020

				Proforma Adjustments										
	Greenvolt	TGPH UK GAAP	Harmonization UK GAAP to IFRS - EU (IFRS 16)	Business Combination	Transactions costs	Credit lines through Greenvolt	Financing expenses - Financing agreement through the company Lakeside BidCo Limited	ECL - Financing agreement - Lakeside BidCo Limited	Financing expenses - Equitix Shareholder loan	Elimination of financial expenses (Shareholder loan and debt)	Financing expenses - Greenvolt Shareholder loan	Elimination of intragroup and tax effect	TGPH non-controlling interests	Pro Forma
			5 and 6.2	6.1	6.3	6.4.1	6.4.2	6.4.2	6.4.3 and 6.5	6.4.5	6.4.6	6.4.6	6.5	
Revenue	89.877.619	32.179.736	-	-	-	-	-	-	-	-	-	-	-	122.057.355
Other income	222.437	1.041.088	-	-	-	-	-	-	-	-	-	-	-	1.263.525
Costs of sales	(39.028.957)	(9.729.139)	-	-	-	-	-	-	-	-	-	-	-	(48.758.096)
External supplies and services	(17.920.494)	(12.830.612)	2.371.134	-	(3.809.723)	-	-	-	-	-	-	-	-	(32.189.695)
Provisions and impairment reversals /(losses) in current assets	41	-	-	-	-	-	-	-	-	-	-	-	-	41
Other expenses	(129.539)	-	-	-	-	-	-	-	-	-	-	-	-	(129.539)
Operating profit less amortization and depreciation and Impairment reversals /(losses) in non-current assets	33.021.107	10.661.073	2.371.134	-	(3.809.723)	-	-	-	-	-	-	-	-	42.243.591
Amortization and depreciation	(12.148.457)	(7.570.152)	(1.604.369)	-	-	-	-	-	-	-	-	-	-	(21.322.978)
Impairment reversals /(losses) in non-current assets	6.335.742	(199.935)	-	(4.114.007)	-	-	-	-	-	-	-	-	-	2.021.800
Operating profit	27.208.392	2.890.986	766.765	(4.114.007)	(3.809.723)	-	-	-	-	-	-	-	-	22.942.413
Financial expenses	(1.791.223)	(35.461.744)	(2.382.471)	-	-	(945.000)	(4.976.008)	(198.739)	(2.698.650)	35.461.744	(3.921.529)	3.921.529	-	(12.992.091)
Financial income	67	4.247	-	-	-	-	-	-	-	-	-	-	-	4.314
Profit before income tax and CESE	25.417.236	(32.566.511)	(1.615.706)	(4.114.007)	(3.809.723)	(945.000)	(4.976.008)	(198.739)	(2.698.650)	35.461.744	(3.921.529)	3.921.529	-	9.954.636
Income tax	(6.412.734)	-	-	-	-	245.700	-	-	-	-	-	(1.019.598)	-	(7.186.632)
Energy sector extraordinary contribution (CESE)	(1.078.934)	-	-	-	-		-	-	-	-	-		-	(1.078.934)
Consolidated net profit for the year	17.925.568	(32.566.511)	(1.615.706)	(4.114.007)	(3.809.723)	(699.300)	(4.976.008)	(198.739)	(2.698.650)	35.461.744	(3.921.529)	2.901.931	-	1.689.070
Attributable to:														
Equity holders of the parent	17.934.337	(32.566.511)	(824.010)	(2.098.144)	(3.063.061)	(699.300)	(2.537.764)	(101.357)	(1.376.312)	35.461.744	(1.999.980)	2.901.931	(1.418.664)	9.612.909
Non-controlling interests	(8.769)	-	(791.696)	(2.015.863)	(746.662)	-	(2.438.244)	(97.382)	(1.322.338)	-	(1.921.549)	-	1.418.664	(7.923.839)
	17.925.568	(32.566.511)	(1.615.706)	(4.114.007)	(3.809.723)	(699.300)	(4.976.008)	(198.739)	(2.698.650)	35.461.744	(3.921.529)	2.901.931	-	1.689.070

13.2.2. Unaudited consolidated pro forma statement of financial position as of 31 December 2020

				Proforma Adjustments										
	Greenvolt	TGPH UK GAAP	Harmonization UK GAAP to IFRS - EU (IFRS 16)	Acquisition cost of 100% TGPH	Elimination of intragroup balances	Business Combination	Transactions costs	Credit lines through Greenvolt	Financing agreement through the company Lakeside BidCo Limited	Repayments of external debt and derivatives	Share capital increase - Equitix	Equitix Shareholder loan	New Purchase Power Agreement (ESB IGT)	Pro Forma
ASSETS			5 and 6.2	6.1	6.1	6.1	6.3	6.4.1	6.4.2	6.4.2	6.4.3 and 6.5	6.4.3	6.6	
NON-CURRENT ASSETS:														
Property, plant and equipment	160 466 245	135 026 772	-	-	-	-	-	-	-	-	-	-	-	295 493 017
Goodwill	-	-	-	-	-	140 516 960	-	-	-	-	-	-	-	140 516 960
Right-of-use assets	5 433 575	-	52 791 927	-	-	-	-	-	-	-	-	-	-	58 225 502
Intangible assets	6 795 875	-	-	-	-	-	-	-	-	-	-	-	19 089 658	25 885 533
Investments	-	-	-	5 573 041	-	(5 573 041)	-	-	-	-	-	-	-	-
Other non-current assets	-	-	-	-	-	-	-	-	4 697 895	-	-	-	-	4 697 895
Other investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax assets	1 493 924	-	-	-	-	-	-	-	-	-	-	-	-	1 493 924
Total non-current assets	174 189 619	135 026 772	52 791 927	5 573 041	-	134 943 919	-	-	4 697 895	-	-	-	19 089 658	526 312 831
CURRENT ASSETS:														
Inventories	1 108	-	-	-	-	-	-	-	-	-	-	-	-	1 108
Trade receivables	19 580	1 659 633	-	-	-	-	-	-	-	-	-	-	-	1 679 213
Assets associated with contracts with customers	7 476 825	-	-	-	-	-	-	-	-	-	-	-	-	7 476 825
Other receivables	11 578	-	-	-	-	-	-	-	-	-	-	-	-	11 578
Income tax receivable	387	-	-	-	-	-	-	-	-	-	-	-	-	387
Other tax assets	115 287	-	-	-	-	-	-	-	-	-	-	-	-	115 287
Other current assets	506 427	9 242 363	-	-	-	-	-	-	-	-	-	-	-	9 748 790
Shareholders loans	-	-	-	155 360 412	(155 360 412)	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	14 100 666	7 122 208	-	(160 933 453)	-	-	(3 809 723)	105 000 000	125 108 676	(114 746 773)	38 558 250	38 152 231	(19 089 658)	29 462 424
Total current assets	22 231 858	18 024 204	-	(5 573 041)	(155 360 412)	-	(3 809 723)	105 000 000	125 108 676	(114 746 773)	38 558 250	38 152 231	(19 089 658)	48 495 612
Total assets	196 421 477	153 050 976	52 791 927	-	(155 360 412)	134 943 919	(3 809 723)	105 000 000	129 806 571	(114 746 773)	38 558 250	38 152 231	-	574 808 443
EQUITY AND LIABILITIES														
EQUITY:														
Share capital	50 000	5 055 414	-	-	-	(5 055 414)	-	-	-	-	-	-	-	50 000
Legal reserve	10 000	-	-	-	-	-	-	-	-	-	-	-	-	10 000
Supplementary capital	9 583 819	-	-	-	-	-	-	-	-	-	-	-	-	9 583 819
Other reserves and retained earnings	39 718 335	(106 171 826)	-	-	-	106 171 826	-	-	-	-	-	-	-	39 718 335
Currency Translation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consolidated net profit for the year attributable to Equity holders of the parent	17 934 337	(32 228 561)	(1 598 946)	-	-	33 827 507	(3 063 061)	-	-	-	-	-	-	14 871 276
Total equity attributable to Equity holders of the parent	67 296 491	(133 344 973)	(1 598 946)	-	-	134 943 919	(3 063 061)	-	-	-	-	-	-	64 233 430
Non-controlling interests	14 584	-		-	-	-	(746 662)	-	-	-	38 558 250	-	-	37 826 172
Total equity	67 311 075	(133 344 973)	(1 598 946)	-	-	134 943 919	(3 809 723)	-	-	-	38 558 250	-	-	102 059 602
LIABILITIES:														
NON-CURRENT LIABILITIES:														
Bonds	48 463 769	-	-	-	-	-	-	-	-	-	-	-	-	48 463 769
Other loans	-	98 228 090	-	-	-	-	-	-	127 235 355	(98 228 090)	-	-	-	127 235 355
Derivative financial instruments	-	8 267 053	-	-	-	-	-	-	-	(8 267 053)	-	-	-	-
Shareholders loans	-	155 360 412	-	-	(155 360 412)	-	-	-	-	-	-	38 152 231	-	38 152 231
Lease liabilities	5 836 636	-	54 353 880	-	-	-	-	-	-	-	-	-	-	60 190 516
Other payables	820 348	3 336 930	-	-	-	-	-	-	-	-	-	-	-	4 157 278
Other non-current liabilities	611 632	-	-	-	-	-	-	-	-	-	-	-	-	611 632
Deferred tax liabilities	3 258 306	-	-	-	-	-	-	-	-	-	-	-	-	3 258 306
Provisions	11 538 164	3 895 810	-	-	-	-	-	-	-	-	-	-	-	15 433 974
Total non-current liabilities	70 528 855	269 088 295	54 353 880	-	(155 360 412)	-	-	-	127 235 355	(106 495 143)	-	38 152 231	-	297 503 061
CURRENT LIABILITIES:														
Bonds	1 545 172	-	-	-	-	-	-	-	-	-	-	-	-	1 545 172
Other loans	40 007 311	6 381 322	-	-	-	-	-	105 000 000	2 571 216	(6 381 322)	-	-	-	147 578 527
Derivative financial instruments	-	1 870 308	-	-	-	-	-	-	-	(1 870 308)	-	-	-	-
Shareholders loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	284 370	-	36 993	-	-	-	-	-	-	-	-	-	-	321 363
Trade payables	8 537 852	2 362 546	-	-	-	-	-	-	-	-	-	-	-	10 900 398
Other payables	3 939 205	4 480 384	-	-	-	-	-	-	-	-	-	-	-	8 419 589
Income tax payable	3 411 514	-	-	-	-	-	-	-	-	-	-	-	-	3 411 514
Other tax liabilities	565 732	812 839	-	-	-	-	-	-	-	-	-	-	-	1 378 571
Other current liabilities	290 391	1 400 255	-	-	-	-	-	-	-	-	-	-	-	1 690 646
Total current liabilities	58 581 547	17 307 654	36 993	-	-	-	-	105 000 000	2 571 216	(8 251 630)	-	-	-	175 245 780
Total liabilities	129 110 402	286 395 949	54 390 873	-	(155 360 412)	-	-	105 000 000	129 806 571	(114 746 773)	-	38 152 231	-	472 748 841
Total equity and liabilities	196 421 477	153 050 976	52 791 927	-	(155 360 412)	134 943 919	(3 809 723)	105 000 000	129 806 571	(114 746 773)	38 558 250	38 152 231	-	574 808 443

13.3. Significant change in the financial position of the Issuer

On 19 March 2021, the Issuer's shareholders decided to transfer the ownership of the existing supplementary capital (amounting to €9,583,819) to the Issuer and, therefore, that amount was transferred to "Other reserves and retained earnings".

On 31 March 2021, a share capital increase was approved by means of new cash contributions in the amount of €50,000,000 and the incorporation of available retained earnings in the amount of €19,950,000. Hence, as at 31 March 2021, the share capital of the Issuer amounted to €70,000,000.

On 30 April 2021, the commercial paper issued (amounting to €40 million) was early redeemed. Therefore, as of 30 April 2021 onwards the total issued amount was nil.

As of 30 June 2021, the Issuer held €230 million of available credit lines (€130 million committed and €100 million uncommitted), of which €115 million are not used (namely, €105 million committed lines still available, and €10 million uncommitted lines still available), which for the avoidance of doubt already takes into account the Tilbury Holdings acquisition, as the Issuer issued on 23 June 2021 €115 million of commercial paper classified as current debt, in line with the assumptions made in the exercise performed on the Unaudited Consolidated Pro Forma Financial Information, regarding the acquisition of Tilbury Holdings.

Other than mentioned above, there has been no other significant change in the financial performance and/or financial position of the Group since 31 December 2020, the end date of the last financial period for which Annual Audited Consolidated Financial Statements have been published.

14. ISSUER'S CAPITALISATION AND INDEBTEDNESS

14.1. Capitalisation and indebtedness

The following tables present the Group's capitalisation and indebtedness as of 31 March 2021 and 31 December 2020, on an actual basis.

These tables should be read in conjunction with Chapter 4 ("*Reasons for the Offering, the Subscription in Kind and the Admission and use of proceeds*") and the Annual Audited Consolidated Financial Statements appearing elsewhere in this Prospectus, together with the notes to the tables below.

Statement of capitalisation	31 March 2021 (Unaudited)	31 December 2020 (Unaudited)
A. Guaranteed	-	-
B. Secured	2,547,116	1,545,172
C. Unguaranteed / unsecured	40,007,311	40,007,311
D. TOTAL CURRENT DEBT (including current portion of non-current debt) (A + B + C)	**42,554,427**	**41,552,483**
E. Guaranteed	-	-
F. Secured	47,220,558	48,463,769
G. Unguaranteed / unsecured	-	-
H. TOTAL NON-CURRENT DEBT (excluding current portion of non-current debt) (E + F + G)	**47,220,558**	**48,463,769**
I. TOTAL INDEBTEDNESS (D + H)	**89,774,985**	**90,016,252**
Equity		
J. Share capital	70,000,000	50,000
K. Legal reserve	10,000	10,000
L. Supplementary capital	-	9,583,819
M. Other reserves and retained earnings	47,286,491	39,718,335
N. TOTAL CAPITALISATION (J + K + L + M)	**117,296,491**	**49,362,154**
O. TOTAL INDEBTEDNESS AND CAPITALISATION (I + N)	**207,071,476**	**139,378,406**

None of the total current debt or total non-current debt is indirect or contingent indebtedness.

The table below presents the Group's net financial indebtedness as of 31 March 2021 and 31 December 2020:

Statement of indebtedness	31 March 2021 (Unaudited)	31 December 2020 (Unaudited)
A. Cash	-	-
B. Cash equivalents [54]	70,506,068	14,100,666
C. Other current financial assets	-	-
D. Liquidity (A + B + C)	**70,506,068**	**14,100,666**
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) [55]	40,007,311	40,007,311
F. Current portion of non-current financial debt [56]	2,834,262	1,829,542
G. Current financial indebtedness (E + F)	**42,841,573**	**41,836,853**
H. Net current financial indebtedness (G - D)	**(27,664,495)**	**27,736,187**
I. Non-current financial debt (excluding current portion and debt instruments) [57]	52,984,358	54,300,405
J. Debt instruments	-	-
K. Non-current trade and other payables	820,348	820,348
L. Non-current financial indebtedness (I + J + K)	**53,804,706**	**55,120,753**
M. Total financial indebtedness (H + L)	**26,140,211**	**82,856,940**

The difference between the line item total indebtedness in the table Statement of capitalisation, and the line item Current financial indebtedness plus the line item Non-current financial indebtedness in the table Statement of indebtedness of €6,871,294 and €6,941,354, as of 31 March 2021 and 31 December 2020, respectively, corresponds to the Lease liabilities and Non-current Other payables not included in the Statement of capitalisation table.. As at 31 March 2021, the non-current and current portion of lease liabilities is €5,763,800 and €287,146, respectively, and as at 31 December 2020, it is €5,836,636 and €284,370, respectively. The amounts of lease liabilities do not bear interests and are related with the application of IFRS 16 Leases.

As of 31 March 2021, the Issuer held a total financial indebtedness of €26.1 million and cash over €70.5 million in cash.

During the month of April 2021, commercial paper loans amounting to, approximately, €40 million, included in line "C. Unguaranteed / unsecured" in the table "Statement of capitalisation" and in line "E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)" in the table "Statement of indebtedness", were repaid, therefore resulting in a decrease of the same amount in 'Cash equivalents'. Other than the changes referred (repayment of commercial paper loans amounting to, approximately, €40 million). As of 30 June 2021, the Issuer held €230 million of available credit lines (€130 million committed and €100 million uncommitted), of which €115 million are not used (namely, €105 million committed lines still available, and €10 million uncommitted lines still available), which for the avoidance of doubt already takes into account the Tilbury Holdings acquisition, as the Issuer issued on 23 June 2021 €115 million of commercial paper classified as current debt, in line with the assumptions made in the exercise performed on the Unaudited Consolidated Pro Forma Financial Information, regarding the acquisition of Tilbury Holdings.

[54] Corresponds to bank deposits. There are no restrictions on the availability of cash equivalents.

[55] Includes the current portion of commercial paper, which is due in the following 12 months.

[56] Includes the current portion of bond loans and the current portion of lease liabilities, which are due in the following 12 months.

[57] Includes the non-current portion of bond loans and the non-current portion of lease liabilities, which are not due in the following 12 months.

Other than mentioned above, there has been no material change in the Issuer's capitalisation and indebtedness position since 31 March 2021.

14.2. Working capital statement

As at 31 December 2020, the Issuer considers that the Group's working capital, defined by the difference between current assets (€22.2 million) and current liabilities (€58.6 million), is negative by around €36.3 million. Notwithstanding, following the share capital increase of 31 March 2021, the working capital became positive by around €13.7 million.

However, taking into consideration the exercise performed on the Unaudited Consolidated Pro Forma Financial Information, the acquisition of TGP is expected to lead to an estimated negative working capital in the amount of €126.8 million, as of 31 December 2020, calculated based on the difference between current assets (€48.5 million) and current liabilities (€175.2 million), mainly explained by the contracting of credit lines through the Issuer. These credit lines are already contracted, the commercial paper lines being annual revolving and the Issuer is also studying the possibility, together with the relevant banks, of extending the maturity of these credit lines. The capital increase in cash of €50 million carried out earlier this year, reduces the negative net working capital to €76.8 million.

It should be noted that the above mentioned estimated working capital does not include the proceeds of the Offering.

Given that the generation of cash flow is dependent on numerous factors that at the time are not likely to be anticipated by the Group, the Issuer is currently seeking to remedy any insufficiencies through the following mechanisms: (i) negotiating further long-term financing debt (namely, bonds) in order extend the Issuer's debt maturity profile renegotiation to further loans to enlarge the debt maturity profile; and (ii) using the net proceeds of the issue of the Offering New Shares.

As of 30 June 2021, the Issuer held €230 million of available credit lines (€130 million committed and €100 million uncommitted), of which €115 million are not used (namely, €105 million committed lines still available, and €10 million uncommitted lines still available), which for the avoidance of doubt already takes into account the Tilbury Holdings acquisition, as the Issuer issued on 23 June 2021 €115 million of commercial paper classified as current debt, in line with the assumptions made in the exercise performed on the Unaudited Consolidated Pro Forma Financial Information, regarding the acquisition of Tilbury Holdings.

In the opinion of the Issuer, the Group's working capital is sufficient for the Group's present requirements, that is, for at least 12 months following the date of this Prospectus.

15. DIVIDEND POLICY AND PROFIT FORECAST

15.1. Dividend policy

Prior to the date of this Prospectus, and with reference to the fiscal years ended on 31 December 2020, 31 December 2019 and 31 December 2018, the Issuer has not paid any dividends.

As of the date of this Prospectus, based on its business plan (up until 2025), the Issuer will seek to harmoniously combine the achievement of an investment grade rating with a sustainable dividend policy.

As it is an accelerated growth company, the Issuer does not expect to distribute dividends in the horizon of the business plan (up until 2025), neither foreseeing under its Articles of Association an obligation to distribute dividends nor a minimum threshold for such. Regardless of the Issuer's past dividend distribution track record and its current dividend policy, this does not mean that the Issuer excludes the possibility of or will never distribute dividends. The payment of dividends (if any) by the Issuer and its respective amount and timing will depend on a number of factors, including the Issuer's capital structure, availability of distributable reserves, future sales and profits, financial condition, general economic and business conditions and any other factors the Board of Directors may deem relevant.

There can be no assurance that a dividend will be declared in any given year. If a dividend is declared, there can be no assurance that the dividend amount will be as described above. Moreover, any dividend paid in any given year will not be indicative of any dividends to be paid in any subsequent year. If any dividend is distributed, all Shares will be entitled to the same gross dividend.

In what concerns the Portuguese legal provisions in respect of the payment of dividends, please see Section 18.4.5 ("*Dividends*").

15.2. Profit forecast

Introduction

On 8 June 2021, Altri disclosed a capital markets day presentation in respect of the Issuer, where it provided information on the EBITDA and Net Profit targeted by the Issuer for the year ending 31 December 2025. On the basis set out below, the Issuer forecasted a growth in its EBITDA and Net Profit for the year ending 31 December 2025 of around 40 percent annually ("**Profit Forecast**"), from the 2020 values, considering 100 percent of all projects (notably the V-Ridium co-development in Greece, joint venture in Romania, Sesat and Paraimo) and Tilbury Holdings.

The Issuer defines "Net Profit" for this purpose as consolidated net profit for the year, excluding Impairment reversals/(losses) in non-current assets and energy sector extraordinary contribution (CESE). Net profit is a measure of profitability used by investors, analysts and management to evaluate profitability.

The Profit Forecast reflects the forward-looking expectations of the Issuer based upon assumptions and estimates about future events and actions, including the assessment of opportunities and risks identified by the Board of Directors taking into account, among others, factors within and not within the influence or control of the Issuer. The Assumptions (as defined below) used by the Issuer in the calculation of the Profit Forecast are subject to change as a result of many uncertainties due to, among others, operational, economic, financial, accounting, competitive, regulatory and tax environments, or as a result of other factors of which the Issuer is or may be unaware of at the date of this Prospectus.

Should one or more of these Assumptions (as defined below) prove to be inappropriate or incorrect, the Issuer's targets referred to above may have to be reviewed and may materially deviate from the Profit Forecast.

The occurrence of certain risks described in Chapter 3 ("*Risk factors*") of this Prospectus may also have an impact on the Issuer's business, financial condition, prospects, results of operations, cash flows, profit and business model, results or outlook, and thus jeopardize its forecasts. Additionally, achieving the aforementioned proposed targets is highly dependent upon the successful implementation of the Issuer's strategy, which stems from its solid regulated biomass operation foundation, which the Issuer proposes to enrich by solar photovoltaic and wind development and rotation, and decentralized generation market opportunities, as described in more detail in Section 10.4 (*Strategy and objectives of the Issuer*).

The Profit Forecast corresponds only to targets set by the Issuer, which may or may not be achieved as explained above. Therefore, the Issuer makes no undertaking and gives no assurance as to the Profit Forecast being achieved. Accordingly, prospective investors should treat information regarding the Profit Forecast with caution, should not place undue reliance on the Profit Forecast and no investment in Shares may be made relying on the fact that the Issuer will achieve the Profit Forecast.

The Profit Forecast should thus be read in this context and construed accordingly.

Basis of Preparation

The Profit Forecast and the Assumptions (as defined below) were prepared in accordance with the Delegated Regulation 2019/980 and the ESMA Questions and Answers on the Prospectus Regulation.

The basis of accounting used for the Profit Forecast is comparable with the Issuer's historical financial information and consistent with its accounting policies, which are in accordance with IFRS-EU as adopted by the EU, and are those which were applied in preparing the Issuer's financial statements for the year ending 31 December 2020.

Assumptions

The Issuer has prepared the Profit Forecast on the basis referred to above and the assumptions set out below ("**Assumptions**"). The Profit Forecast is inherently uncertain and there can be no guarantee or assurance that any of the factors listed or referred to below will not occur and/or, if they do, what would be their effect on the Issuer's business, financial condition, prospects, results of operations, cash flows, profit and business model, results or outlook.

In preparing the Profit Forecast, the Issuer has used financial results data available until 2020 and made the following assumptions for the period from 2021 through to 2025 ("**Assumption Period**"):

Factors not within the influence or control of the Issuer

- Absence of changes in market conditions (including, without limitation, in relation to the client or customer demand or the competitive environment) which are or may become material for the Profit Forecast;
- No relevant changes in the political and/or economic environment, in Portugal or in the European countries of relevance to the Issuer's strategy, which may be material in the context of the Profit Forecast;
- Maintenance of the currency exchange rates assumed in the Profit Forecast, which are aligned with the current level of the market;

- Maintenance of the inflation, interest or tax rates applicable in the markets where the Group develops or plans to develop its activities;
- No changes in the taxes or tariffs applicable to the energy sector in countries where the Group operates or plans to operate and that may be material in the context of the Profit Forecast;
- No change in general sentiment towards the Issuer, the Group and/or their operations, which may have a material impact on the Issuer and the Group;
- No changes in the accounting standards or policies used for the Profit Forecast and which are material in the context of the Profit Forecast;
- Absence of significant biomass price variations;
- Continuous access to quality biomass supply on the agreed delivery dates;
- Normal operation of the associated Pulp Facilities, which supply some of the utilities required for the operation of the Biomass Power Plants, namely water and compressed air;
- The increasing competitiveness in the markets where the Group operates or plans to operate has no detrimental impact on the Issuer or its subsidiaries' ability to develop new projects;
- Absence of adverse effects in the licensing phase of new projects, notably in what concerns planning and environmental restrictions that may wholly or partially prevent the implementation thereof, notably in the cases of the projects under development by V-Ridium, the two solar projects to be developed by SESAT and Paraimo Green and the new Mortágua power plant;
- No adverse impact of weather conditions on the development of the Group's activities, notably wind and solar businesses;
- Maintenance of (i) the Issuer's key management and its current and future subsidiaries; and (ii) the partnerships with strong local and well-known developers which are key to the implementation of an asset rotation strategy in an early stage of development or the selling of projects at the ready-to-build phase at an optimised value due to lack of development risk;
- Absence of challenges in the sale of minority stakes in projects developed with partners and co-developers and in the sale-down of 70-80 percent of selected assets to tier 1 partners;
- Ability of the Issuer to raise financing to develop new projects, particularly on a project finance basis, and no reduction in the Group's available financing for the development of its activities and new projects;
- Maintenance of the existing relationship with Altri Group entities, timely performance of the contractual relationships associated with the activity of the Issuer and absence of any issues in respect of the Group's contracts which are material in the context of the Profit Forecast;
- Completion of the acquisitions of V-Ridium, Profit Energy and Perfecta Energia;
- Inexistence of any other event that has a material adverse effect on the Issuer or the Group's results of operations, financial condition or financial performance; and

- No change in control of Altri or Greenvolt.

Factors within the influence or control of the Issuer

- Development of the Issuer's business strategy in the terms expected through the acquisition of biomass power plants already in operation, which the Issuer identifies as being operated below their potential capacity, and the enhancement of the efficiency of those power plants;
- Implementation of an equity rotation strategy, namely through V-Ridium, through the sale of minority stakes to financial investors in several renewable energy projects, particularly wind and solar;
- Expansion of the Issuer's activities to other energy sectors (namely solar photovoltaic and onshore wind energy) in Portugal and to other geographies in Europe;
- Absence of any technical failures or other defects in the Biomass Power Plants' and TGP's equipment, or accidents that result in suspension of the activities in the Biomass Power Plants and TGP or in other power plants operated by the Issuer or any subsidiary;
- Absence of unplanned overhauls, damages to third party property, environmental damages or personal injuries; and
- Compliance with all the applicable environmental and other relevant laws and regulations and absence of any breach that could cause financial or reputational adverse impacts.

16. THE OFFERING AND THE SUBSCRIPTION IN KIND

The Issuer intends to carry out a share capital increase in the aggregate maximum amount of 41,788,235 Shares by means of contribution in cash for the subscription of 30,588,235 Shares pursuant to the Offering and contribution in kind for the subscription of 11,200,000 Shares pursuant to the Contribution in Kind (assuming the Greenshoe Option is not exercised).

16.1. The Offering

Introduction

The Issuer is offering the Initial Offer Shares pursuant to the Offering following a resolution passed to that effect by the General Meeting of Shareholders held on 1 July 2021, as part of a share capital increase of the Issuer that is expected to settle, as the Subscription in Kind, on the Settlement Date. The Offering Price and Allocation, as well as the Pricing Statement, will be approved by means of a resolution passed to the effect by the General Meeting of Shareholders to be held no later than the date expected for the publication of the Pricing Statement. Additionally, the Issuer granted an option to the Joint Global Coordinators (acting on behalf of the Managers) (the "**Greenshoe Option**"), exercisable in whole or in part, no later than 30 calendar days after Admission having occurred, to call for the Issuer to issue up to an aggregate maximum of 15 percent of the Initial Offer Shares (the "**Option Shares**") (which, for the avoidance of doubt, do not include the shares issued in connection with the Subscription in Kind) at the Offering Price, for the purpose of covering short positions resulting from overallotments or from sales of Shares. If the Greenshoe Option is exercised, the relevant Option Shares will be issued pursuant to a resolution to be passed by the Board of Directors upon receiving notification of the exercise of the Greenshoe Option, under a resolution passed by the General Meeting of Shareholders held on 28 June 2021 approving the suppression of Shareholders' pre-emption rights in respect of the potential exercise of the Greenshoe Option and granting powers to the Board of Directors, under Article 4(2) of the Articles of Association, to increase the share capital of the Issuer by means of contributions in cash in order to permit the issue of the Option New Shares following the exercise of the Greenshoe Option. Therefore, potential investors (as potential new Shareholders) will not have the benefit nor shall be entitled to any the Shareholders' pre-emption rights in respect of the issue of the Option New Shares if the Greenshoe Option is exercised and thus the subscription of any Initial Offer Shares entails the acceptance by such potential investors (as potential new Shareholders) of the suppression of such pre-emption rights in respect of the issue of the Option New Shares if the Greenshoe Option is exercised.

If certain events make it impracticable or inadvisable, in the good faith judgment of the Joint Global Coordinators, to proceed with the Offering or the delivery of the Shares pursuant to the Underwriting Agreement or as contemplated by the Prospectus, the Joint Global Coordinators (acting on behalf of the Managers) may, in their absolute discretion and following consultation with the Issuer and the Current Shareholders, (i) allow the Offering to proceed on the basis of the Prospectus, subject to the publication by the Issuer of a supplement to the Prospectus, if so requested by the Joint Global Coordinators; or (ii) give notice to the Issuer and the Shareholders to terminate the Underwriting Agreement (in the case of a notice given on or before Admission) or terminate the obligations of the Managers in relation to the Option Shares (in the case of a notice given after Admission).

Furthermore, If closing of the Offering does not take place, the Offering will be withdrawn, all applications for the Initial Offer Shares will be disregarded, any allotments made will be deemed not to have been made, any application payments

already made will be returned without interest or other compensation and the admission of the Shares in Euronext Lisbon will not take place.

If the Underwriting Agreement is terminated, the obligations of each of the parties thereunder shall immediately cease to have any effect, provided that: (i) any accrued rights and obligations impending on the parties thereto shall continue to be in full force and effect, (ii) the Issuer and the Current shall continue to bear certain costs and expenses, as provided under the Underwriting Agreement, (iii) the Managers shall return all documents of title to the Initial Offer Shares to the persons who provided such documents, and (iv) certain provisions of the Underwriting Agreement shall, notwithstanding, remain in full force and effect, notably those concerning indemnities, fees and commissions, taxation, and governing law and jurisdiction. For the avoidance of doubt, if the Underwriting Agreement is terminated, the Issuer may still, at its discretion, proceed with the Offering to the extent that all applicable laws and regulations are duly complied with.

The Offering consists of an offering which is exempted from the publication of a prospectus for public offerings according to the Prospectus Regulation, as it consists solely of private placements of Initial Offer Shares to: (i) Qualified Investors and (ii) certain institutional investors in various other jurisdictions outside the United States, in "offshore transactions" as defined in, and in compliance with, Regulation S. The Offering is restricted to certain jurisdictions and is subject to the selling restrictions detailed in Chapter 20 ("*Selling and Transfer Restrictions*"). There will be no public offering of the Initial Offer Shares in any jurisdiction, including Portugal. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy or subscribe any of the Shares in any jurisdiction in which or to any person to whom it would be unlawful to make such an offer. In the case of partial subscription of the Initial Offering Shares, the Issuer's share capital increase will only be performed in respect of the Shares subscribed and as required to meet the subscription orders received under the terms provided for in the law and the resolutions passed by the General Meeting of Shareholders. However, if the Offering New Shares are less than the Initial Offer Shares, the Offering New Shares will be issued and admitted to trading in Euronext Lisbon, subject to all applicable laws and regulations, notably in what concerns dispersion, but the liquidity of the Shares may be adversely impacted.

Without prejudice to the following section, any changes or amendments to the Offering's terms and conditions is subject, when applicable, to the publication of a supplement to this Prospectus, subject to the CMVM's approval, pursuant to Article 23 of the Prospectus Regulation, as well as an announcement to the public, if required pursuant to applicable law.

Indicative Timetable

Subject to a reduction or an extension of the timetable for, or the withdrawal of, the Offering, the timetable below sets forth certain expected key dates for the Offering.

Event	**Expected Date**
General Meeting of Shareholders approving the Offering	1 July 2021
Start of Book-building Period	2 July 2021
End of Book-building Period	8 July 2021
Pricing and Allocation	9 July 2021
General Meeting of Shareholders approving Pricing and Allocation	9 July 2021
Publication of Pricing Statement	9 July 2021
Financial settlement of the Offering New Shares	12 July 2021
Physical settlement of the Offering New Shares by delivery of temporary shares (*cautelas*)	12 July 2021
Registration of share capital increase	12 July 2021

Conversion of the Offering New Shares from temporary shares (*cautelas*) into definitive form	13 July 2021
Listing and admission to trading	13 July 2021

The Issuer, in close consultation with the Joint Global Coordinators, may adjust the dates, times and periods set in the timetable and throughout this Prospectus. If the Issuer should decide to do so, an announcement will be published by the Issuer on the CMVM's website (www.cmvm.pt) and on the Issuer's website (www.greenvolt.pt), provided that any extension will be for a minimum of one full day and any reduction of the timetable for the Offering or the Admission will be published as referred above prior to the proposed end of the reduced Book-building Period. Any other material alterations will be published through an announcement that will be disclosed on the CMVM's website (www.cmvm.pt) and on the Issuer's website (www.greenvolt.pt) and if required in a supplement to this Prospectus, subject to the CMVM's approval.

Offering Price and number of Initial Offer Shares

The Offering Price is expected to be set within the indicative non-binding range of €4.25 up to and including €5.00 per Offer Share (the "**Offering Price Range**"). The Offering Price Range has been determined by the Issuer, after consultation with the Joint Global Coordinators and the Joint Bookrunners, and no independent experts were consulted in determining the Offering Price Range. The Offering Price Range is indicative only, may change during the Book-building Period and may be set within, above or below the Offering Price Range.

The Offering Price and the final number of the Offering New Shares will be determined by the Issuer after consultation with the Joint Global Coordinators and the Joint Bookrunners, upon completion of the Book-building Period, based on the book building process and taking into account economic and market conditions, a qualitative and quantitative assessment of demand for the Initial Offer Shares, and any other factors deemed appropriate, and will be published by the Issuer on the CMVM's website (www.cmvm.pt) and on the Issuer's website (www.greenvolt.pt) in the Pricing Statement. No independent experts will be consulted in determining the Offering Price.

There can be no assurance that the prices at which the Shares will trade in the public market after the Offering will not be lower than the Offering Price Range or that an active trading market for the Shares will develop and continue after the Offering.

Change of the Offering Price Range or number of Initial Offer Shares

The Offering Price Range is an indicative price range only. The Issuer, in close consultation with the Joint Global Coordinators, reserves the right to change the Offering Price Range and/or to increase or decrease the maximum number of Initial Offer Shares prior to Allocation. Upon a change of the number of Initial Offer Shares, references to Initial Offer Shares in this Prospectus should be read as referring to the amended number of Initial Offer Shares.

Book-building Period

Subject to a reduction or an extension of the timetable for the Offering, prospective investors may subscribe for Initial Offer Shares during the Book-building Period. In the event of a reduction or extension of the Book-building Period, the dates on which pricing, allotment, admission and first trading of the Initial Offer Shares, as well as payment (in euros) for, and delivery of, the Initial Offer Shares in the Offering will occur may be advanced or extended accordingly.

The Offering will be conducted through a book-building process. During the Book-building Period, the Managers will market the Initial Offer Shares among investors in accordance with, and subject to, the selling and transfer restrictions set forth in this Prospectus. Investors may make their subscription proposals during this period, indicating the number of Initial Offer Shares they would be interested to subscribe. Subscription proposals by investors for the Initial Offer Shares constitute only an indication of their interest in the Initial Offer Shares and shall not be binding on any investors or the Issuer. The confirmation of such subscription proposals shall be irrevocable.

If a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus, which may affect the assessment of the Shares, arises or is noted before the start of trading of the Shares on Euronext Lisbon, the Issuer shall request without undue delay the CMVM's approval of a supplement to the Prospectus.

Expenses and taxes charged to investors

The Issuer will not charge investors any expenses in addition to the Offering Price. Subscribers of Offering New Shares (and, if applicable, the Option New Shares) may be required to pay taxes and other charges in compliance with the laws and practices of their country of subscription in addition to the Offering Price. In addition, subscribers will have to bear the commissions payable to the financial intermediaries through which they will hold their Shares.

Allocation and Subscription

The Allocation is expected to take place after the closing of the Book-building Period, on or about 9 July 2021, subject to a reduction or an extension of the timetable for the Offering. After the end of the Book-building Period, all subscription orders received from Qualified Investors and from institutional investors in other jurisdictions made during the Book-building Period will be evaluated according to the prices offered and certain qualitative criteria such as: the time of the subscription order, the investor type and investment horizons of the respective Qualified Investors and institutional investors, qualitative feedback during the marketing process, focus on the industry and/or the region in which the Issuer operates, as well as other criteria that allow for a high-quality investor base. Allocation to investors who applied to subscribe for Initial Offer Shares will be determined by the Issuer, in close consultation with the Joint Global Coordinators, and full discretion will be exercised as to whether or not and how to allocate the Initial Offer Shares subscribed for. There is no maximum or minimum number of Initial Offer Shares for which prospective investors may subscribe and multiple (applications for) subscriptions are permitted. In the event that the Offering is over-subscribed, investors may receive fewer Initial Offer Shares than they applied to subscribe for. The Issuer, the Joint Global Coordinators and the Joint Bookrunners may, at their own discretion and without stating the grounds for their decision, reject any subscriptions or applications wholly or partly. Additionally, the closing of the Offering may not take place on the Settlement Date if the Issuer (upon consultation with the Joint Global Coordinators) so decide, or at all if certain conditions referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date.

On or around the day on which Allocation occurs, the Joint Global Coordinators, on behalf of the Managers, will notify investors (or the relevant financial intermediary) of any allocation of Initial Offer Shares made to them. Any monies received in respect of subscriptions which are not accepted, in whole or in part, will be returned to the investors without interest and at the investors' risk.

Investors participating in the Offering will be deemed to have confirmed whether they meet the requirements resulting from the selling and transfer restrictions detailed in Chapter 20 ("*Selling and Transfer Restrictions*"). Each investor should

consult his, her or its own advisors as to the legal, tax, business, financial and related aspects of a subscription, holding or purchase of Shares.

Underwriting

The Issuer, Altri, Caima Energia and the Managers have entered into an underwriting agreement on or about 1 July 2021 (the "**Underwriting Agreement**") pursuant to which, on the terms and subject to the conditions contained therein, the Issuer has agreed to issue the Initial Offer Shares to subscribers procured by the Managers, as agents for the Issuer and the Managers have agreed to, acting severally, but not jointly nor jointly and severally, use their best efforts to procure subscribers for the Initial Offer Shares and, in case those subscribers fail to settle their Initial Offering Shares, the Managers have agreed to settle themselves such Shares that were subscribed by the subscribers but not settled, in accordance with the underwriting commitment under the Underwriting Agreement, at the Offering Price.

In addition, upon the occurrence of specific events, such as conditions precedent not being satisfied or waived, the Joint Global Coordinators (after consultation with the Managers) may, acting jointly and in good faith and upon consultation with the Issuer, elect to terminate the Underwriting Agreement at any time prior to 8:00 a.m. on the Settlement Date (or thereafter, prior to 8:00 a.m. on the Option Closing Date, in respect of the Option Shares only).

In the Underwriting Agreement, each of the Issuer and the Current Shareholders has made and provided customary representations and warranties in favour of the Managers. In addition, the Issuer has agreed to indemnify the Managers against certain liabilities in connection with the Offering.

Pursuant to the Underwriting Agreement, the Issuer has agreed to pay the Managers an aggregate commission of 2.25 percent of the gross proceeds of the Offering from the sale of the Initial Offer Shares (including, if applicable, any gross proceeds from the sale of the Initial Offer Shares pursuant to the exercise of any Greenshoe Option but excluding the gross proceeds of any Initial Offer Shares subscribed for or acquired or sold by a director or member of senior management of the Issuer). In addition, the Issuer has agreed that it may, at its discretion, pay the Managers a discretionary fee of up to 1 percent of the gross proceeds of the Offering from the sale of the Initial Offer Shares (including, if applicable, any gross proceeds from the sale of the Initial Offer Shares pursuant to the exercise of any Greenshoe Option but excluding the gross proceeds of any Initial Offer Shares subscribed for or acquired or sold by a director or member of senior management of the Issuer).

The Managers are not registered broker-dealers in the US, and therefore, to the extent that any of them intend to effect any offers or sales of Initial Offer Shares in the United States, they will do so through one or more U.S. registered broker-dealers, pursuant to applicable U.S. securities laws.

Potential conflicts of interests

The Managers are acting exclusively for the Issuer and for no one else and will not regard any other person (whether or not a recipient of this Prospectus) as their respective clients in relation to the Offering and will not be responsible to anyone other than to the Issuer for giving advice in relation to the Offering and/or any other transaction or arrangement referred to in this Prospectus.

Each of the Managers is a full service securities firm and commercial bank engaged in various activities and businesses, including but not limited to, securities, commodities and derivatives trading, foreign exchange and other brokerage

activities, research publication and principal investments, as well as provision of investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of corporations, governments and individuals from whom conflicting interests or duties, or a perception thereof, may arise. Accordingly, in no circumstance shall any Manager or any other member of its group have any liability by reason of members of the group conducting such other businesses or activities, acting in their own interests or in the interests of other clients in respect of matters affecting the Issuer, the Current Shareholders or their respective affiliates or any other company, including where, in so acting, members of the relevant group act in a manner which is adverse to the interests of the Issuer, the Current Shareholders or their respective affiliates.

In connection with the Offering, each of the Managers and any of their respective affiliates, acting as an investor for its own account, may take up Initial Offer Shares in the Offering and in that capacity may retain, purchase or sell for its own account such securities and any Initial Offer Shares or related investments and may offer or sell such Initial Offer Shares or other investments otherwise than in connection with the Offering. Accordingly, references in this Prospectus to Initial Offer Shares being offered or placed should be read as including any offering or placement of Initial Offer Shares to any of the Managers or any of their respective affiliates acting in such capacity. None of the Managers intends to disclose the extent of any such investment or transactions otherwise than pursuant to any legal or regulatory obligation to do so.

As a result of acting in the capacities described above, the Managers may have interests that may not be aligned, or could potentially conflict, with Shareholders' and the Issuer's interests.

Greenshoe Option

Under the terms of the Underwriting Agreement, the Issuer has granted to the Joint Global Coordinators (acting on behalf of the Managers) the Greenshoe Option, which permits the subscription of the Option Shares for the purpose of covering short positions resulting from overallotments or from sales of Shares.

Under the terms of the Underwriting Agreement, the Issuer has granted to the Joint Global Coordinators (acting on behalf of the Managers) the Greenshoe Option, which permits the Joint Global Coordinators (acting on behalf of the Managers) to call for the Issuer to issue up to an aggregate maximum of 15 percent of the total number of Initial Offer Shares (which, for the avoidance of doubt, do not include the Shares issued in connection with the Subscription in Kind) at the Offer Price, for the purpose of covering short positions resulting from overallotments or from sales of Shares, but for the avoidance of doubt, at the sole discretion of the Joint Global Coordinators. The Greenshoe Option shall be exercisable in whole or in part, by notice in writing to the Issuer, at any time up to (and including) the Stabilisation Period End Date and, to the extent not exercised, will automatically terminate on the Stabilisation Period End Date if no exercised up to (and including) such date. Upon being notified to issue the Option New Shares, the Issuer shall promptly give effect and take all required steps required for the issuance of such Option New Shares.

The exercise of the Greenshoe Option is not subject to any conditions and will be notified by means of an announcement disclosed on the CMVM's website (www.cmvm.pt) and on the Issuer's website (www.greenvolt.pt), including the date in which the Greenshoe Option will be exercised together with the exact number of Option New Shares.

Save as mentioned below, any Option New Shares made available pursuant to the Greenshoe Option will rank *pari passu* in all respects with the Offer New Shares, including for all dividends and other distributions declared, made or paid on the Offer New Shares, and will be subscribed on the same terms and conditions as the Offer New Shares subscribed in

the Offering and will form a single class (*categoria*) and therefore rank *pari passu* in all respects and be fungible for all purposes with the other Shares upon their admission to trading on Euronext Lisbon. However, under Portuguese law, shareholders of a company with the share capital open to public investment (*sociedade aberta*), as the Issuer will be upon the Admission, may file a judicial procedure requesting the share capital increase resolution to be declared null and void or annulled if the relevant resolutions breach any legal provisions or the Articles of Association. If that happens upon the exercise of the Greenshoe Option, the Option New Shares will not be fungible with the remaining Shares until the dispute is settled, in the terms provided for in article 25(b) of the PSC (in addition to the general 30-days period after the approval of the share capital increase resolution provided for in article 25(a) of the PSC, during which the Option New Shares will be part of a different class (*categoria*).

Payment

Payment and delivery of the Offering New Shares by delivery of temporary shares (*cautelas*) upon completion of the Offering will take place on the Settlement Date. Investors must pay (or cause to be paid) to the Issuer the Offering Price corresponding to the relevant Offering New Shares in immediately available funds in full and in euro on or before the Settlement Date. Payment and delivery of the Option New Shares upon exercise of the Greenshoe Option will take place on the Option Closing Date. The Joint Global Coordinators must pay to the Issuer the Offering Price corresponding to the relevant Offering New Shares in immediately available funds in full and in euro on or before the Option Closing Date. Taxes and expenses, if any, must be borne by the subscribers of the relevant Shares (for more information, see Chapter 19 "*Taxation*").

Stabilisation

On or before the Stabilisation Period End Date and to the extent permitted by applicable laws and regulations, the Stabilisation Manager or its agents or delegates shall be entitled (but shall not be obliged) to engage in stabilisation transactions that stabilise, support, maintain or otherwise affect the price of the Shares, including, without limitation, over-allot and effect price stabilisation measures in the aftermarket ("**Stabilisation Transactions**"), which shall be covered by, and performed in accordance with, the terms set out in the Shares Lending Agreement, provided that any overallotment shall not exceed 15 percent of the number of Initial Offer Shares. There is no assurance that Stabilisation Transactions will be carried out and, if commenced, such Stabilisation Transactions may be discontinued at any time. In carrying out Stabilisation Transactions, the Stabilisation Manager shall, save to the extent contemplated under the Underwriting Agreement, act as principal and neither the Joint Global Coordinators nor their employees or agents shall act as the agents of the Issuer and the Current Shareholders. In no event will measures be taken to stabilise the market price of the Shares above the Offering Price, but the Stabilisation Transactions may result in a market price of the Shares higher than the price that would otherwise prevail.

The Stabilisation Transactions shall be carried out in Euronext Lisbon for a maximum period of 30 calendar days after the Admission of the Shares on Euronext Lisbon, provided that trading is carried out in compliance with the applicable rules,

including any rules concerning public disclosure and trade reporting. The stabilisation period is expected to commence on the Admission Date and to end 30 days later (i.e. the Stabilisation Period End Date).

16.2. The Subscription in Kind

Subject to customary conditions precedent, under the V-Ridium Investment Agreement the Issuer agreed to issue 11,200,000 Shares to V-Ridium with all rights then attaching to them and free from any charges, liens or encumbrances, and V-Ridium agreed to subscribe such 11,200,000 Shares and pay the related subscription price to Greenvolt by means of the Subscription in Kind.

Greenvolt and V-Ridium agreed that the subscription price for each Share to be subscribed under the Subscription in Kind shall correspond to the maximum price per Share of the Offering Price Range, with the total amount of the subscription price for all such Shares corresponding to a valuation of the V-Ridium Power Shares in the terms described in the following paragraph.

The value of the V-Ridium Power Shares has been assessed by an independent auditor, Ana Cristina Louro Ribeiro Doutor Simões, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 946 and with the CMVM under no. 20160563, pursuant to Article 28 of the PCC, which forms part of Annex II ("*Article 28 of the PCC Report*"), and set in the amount of €56,000,000 on a "debt free, cash free basis", with a normalised level of working capital. In addition, the V-Ridium Investment Agreement establishes that, upon the successful and full execution of an agreed business plan for V-Ridium Power, the Issuer shall pay V-Ridium an earn-out of up to €14,000,000, on or before the day falling on the third anniversary of the Settlement Date, subject to (i) the compliance with the lock-up period of V-Ridium's current key managers (€7 million relating to this condition), and (ii) the successful and full execution of an agreed business plan for V-Ridium Power (€7million relating to this condition, divided by several projects).

16.3. Lock-up arrangements

Company lock-up

Pursuant to the Underwriting Agreement, the Issuer and each of the Shareholders shall not, without the prior written consent of the Joint Global Coordinators (on behalf of the Managers) during the period of 180 days from the date of Admission directly or indirectly: (i) issue, offer, lend, mortgage, assign, charge, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares or any interest in Shares or any securities convertible into or exercisable or exchangeable for, or substantially similar to, Shares or any interest in Shares or file any registration statement under the Securities Act or file or publish any prospectus with respect to any of the foregoing; or (ii) enter into any swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Shares, whether any such swap or transaction described in (i) or (ii) above is to be settled by delivery of the Shares or such other securities, in cash or otherwise. The foregoing undertaking shall not apply to (i) share pledges in connection with lending arrangements and (ii) employee stock option plans to the extent such plans are disclosed in the Prospectus.

This lock-up undertaking shall not prevent the Issuer, or each of the Shareholders, from selling its Shares in the context of takeover offers, rights issues and any other pre-emptive offerings, schemes of arrangement, transfers of shares to margin loan lenders, share buy-backs and the vesting of awards under employee share schemes.

V-Ridium lock-up

Pursuant to the V-Ridium Investment Agreement, the Issuer, Altri and V-Ridium have agreed on V-Ridium being subject to a lock-up period of 24 months following the Admission, during which V-Ridium shall not, directly or indirectly, sell, transfer, encumber or otherwise dispose of any of the Contribution in Kind New Shares or any of the rights attached to them, subject, in case of breach, to a penalty in the global amount of €14 million.

Certain core shareholders of Altri lock-up

Pursuant to lock-up commitments dated 23 June 2021, on the assumptions that (i) the competent corporate bodies of Altri and the Issuer approve the share capital increase of the latter to be carried out through the Offering and the Shares are subsequently admitted to trading in Euronext Lisbon, and (ii) in such a context, Shares are distributed to the shareholders of Altri to execute the resolutions passed by the general meeting of shareholders of Altri on 30 April 2021, notably in respect of item 4, pursuant to which 100 percent of the votes cast approved "the granting of authorisation to the Board of Directors to, within the scope of the transaction for admission to trading on a regulated market of all the shares representing the share capital of its wholly-owned subsidiary, Greenvolt - Energias Renováveis, S.A., proceed with the distribution of dividends in kind / the distribution of assets to the shareholders under the terms prescribed in articles 31 and 32 of the CSC, comprising a maximum number of 5,000,000 shares or the number of shares that, at the date of the IPO, represent a maximum of 5 percent of the share capital and voting rights of this company", Promendo Investimentos, S.A., Caderno Azul, S.A., Actium Capital, S.A., Livrefluxo, S.A. and 1 Thing, Investments, S.A., holders of qualifying holdings in the voting share capital of Altri, undertook towards the Issuer not to, during the period of 180 days from the date of Admission, directly or indirectly: (i) offer, lend, mortgage, assign, charge, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares held thereby or any interest in any Shares held thereby or any securities convertible into or exercisable or exchangeable for, or substantially similar to, Shares or any interest in Shares; or (ii) enter into any swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Shares held thereby, whether any such swap or transaction described in (i) or (ii) above is to be settled by delivery of any Shares held thereby or such other securities, in cash or otherwise.

The foregoing undertaking shall not apply to (i) share pledges in connection with lending arrangements and (ii) employee stock option plans to the extent such plans are disclosed in the Prospectus. The foregoing undertaking shall automatically cease and be of no effect whatsoever, with no action being required from any entity to that effect, upon expiration of the aforementioned 180 days period.

16.4. Listing and trading

Prior to the Admission, there has been no public market for the Shares.

Application has been made to list all Shares on Euronext Lisbon on the Admission date, under the symbol "GVOLT" and with the ISIN code PTGNV0AM0001 and the CFI code ESVUFR. Subject to any reduction or extension of the timetable for the Offering, listing and trading of the Offering New Shares is expected to commence upon the Admission. Listing and trading of the Contribution in Kind New Shares is also expected to commence upon the Admission.

16.5. Delivery, clearing and settlement

Introduction

The delivery of the Contribution in Kind New Shares and the Offering New Shares in book-entry form shall be made in temporary form (*cautelas*), respectively, against (i) delivery of V-Ridium Power Shares and (ii) payment of the Offering Price, by registering the subscribed Contribution in Kind New Shares and the Offering New Shares in the relevant securities account held with a financial intermediary qualified to provide services of registration and custody of book-entry securities and which has an account opened with the CVM. Shares in temporary form shall be converted into Shares in definitive form following the commercial registration of the relevant share capital increase of the Issuer.

The closing of the Offering is subject to confirmation, by the Joint Global Coordinators, of the satisfaction, or waiver, of certain customary conditions or events referred to in the Underwriting Agreement, on or prior to such date.

Prior to the Settlement Date

On the business day prior to the Settlement Date, the Issuer will instruct Interbolsa to create the Offering New Shares, still in temporary form (*cautelas*), given that the share capital increase of the Issuer arising from the issue of the Offering New Shares and the Contribution in Kind New Shares will not have been registered with the Commercial Registry Office (the "**Temporary Shares**").

On the Settlement Date

On the Settlement Date (or such other time prior to the Settlement Date as may be agreed between the Joint Global Coordinators and the Issuer) Interbolsa will credit the Temporary Shares, free of payment, into the securities account of the Settlement Agent which the latter holds with an affiliate member of Interbolsa and the Settlement Agent shall confirm the transfer of the relevant net proceeds of the issue of the Offering New Shares to the Issuer's bank account as indicated by the Issuer.

On the same date, after receipt of the Temporary Shares in the Settlement Agent's Interbolsa securities account, the Settlement Agent will deliver the Temporary Shares, to the securities account of the affiliate member of Interbolsa designated by the Joint Global Coordinators in accordance with the Issuer's instructions, against (i) payment of the net proceeds of the issue of the Offering New Shares in immediately available funds (representing the subscription price less any commissions or other expenses) and (ii) execution of the transfer of the share certificates and all necessary transfer documents duly executed, representing the V-Ridium Power Shares to be registered in the name of the Issuer.

Immediately after the application for the commercial registration of the share capital increase resulting from the issue of the Offering New Shares and the Contribution in Kind New Shares, the Issuer will request from Interbolsa the conversion of the Temporary Shares into definitive Shares on the Admission Date. Following this request, Interbolsa shall confirm conversion of the Temporary Shares into definitive form on the Admission Date.

Any dealings in Shares prior to Settlement are at the sole risk of the parties concerned. Neither the Issuer, the Managers, nor Euronext Lisbon accept any responsibility or liability for any loss incurred by any person(s) as a result of a withdrawal of the Offering

On the Option Closing Date

The procedure described above in respect of the Offering New Shares on the Settlement Date will apply *mutatis mutandis* in respect of the Option New Shares on the Option Closing Date (if applicable).

16.6. Dilution

Without prejudice to the following paragraph, assuming the issuance of the maximum number of Offering New Shares under the Offering, such issuance will result in the Issuer's share capital increasing by up to 46.9 percent. Accordingly, taking into account that the Current Shareholders waived their pre-emption rights in the subscription of the Initial Offer Shares, if such Current Shareholders do not subscribe any Initial Offer Shares as any other Qualified Investor in the context of the Offering (a possibility that none of the Current Shareholders has set aside), they will suffer an immediate dilution as a result of the Offering of (i) by up to 29.0 percent (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares which will solely be placed with Qualified Investors and certain institutional investors, as better described above, and the Greenshoe Option is not exercised); or (ii) by up to 31.9 percent (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares which will solely be placed with Qualified Investors and certain institutional investors, as better described above, and the Greenshoe Option is fully exercised).

In addition to the Offering, the share capital of the Issuer will also be increased as a result of the Subscription in Kind. Assuming the issuance of the maximum number of Offering New Shares under the Offering, the Subscription in Kind will result in the Issuer's share capital increasing by up to 14.9 percent. Accordingly, taking into account that the Current Shareholders waived their pre-emption rights in the subscription of the Initial Offer Shares, and based on the assumption that they do not subscribe any Initial New Shares, such shareholders will suffer an immediate dilution as a result of the Offering and the Subscription in Kind of (i) up to 35.8 percent (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares which will solely be placed with Qualified Investors and certain institutional investors, as better described above, and the Greenshoe Option is not exercised); or (ii) up to 38.2 percent (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares which will solely be placed with Qualified Investors and certain institutional investors, as better described above, and the Greenshoe Option is fully exercised).

Taking into account the net assets value of the Issuer as at 31 December 2020, as disclosed in the Consolidated financial statements at that date, adjusted by the capital increase in cash of €50,000,000 occurred on 31 March 2021, which results in a total net assets value of €1,56 per share considering the shares as at 31 march 2021 of 75,000,000

For the avoidance of doubt, all dilution calculations are made on the basis of the low end of the Offering Price, i.e. €4.25.

17. MARKET INFORMATION

Prior to Admission, there has been no public market for the Shares. The Issuer has applied to list the Shares on Euronext Lisbon under ISIN code PTGNV0AM0001, with the CFI code ESVUFR and the ticker symbol "GVOLT". Subject to a reduction or an extension of the timetable for the Offering, the trading of the Offering New Shares is expected to commence upon their Admission.

The Portuguese regulated market

Euronext Lisbon is managed by Euronext, the most relevant securities trading market in Portugal. Euronext is a limited liability company incorporated and organised under the laws of Portugal.

Euronext Lisbon is subject to the PCC, the Regulated Market Management Companies Regime (*Regime das sociedades gestoras de mercado regulamentado, das sociedades gestoras de sistemas de negociação multilateral, das sociedades gestoras de câmara de compensação ou que atuem como contraparte central das sociedades gestoras de sistema de liquidação e das sociedades gestoras de sistema centralizado de valores mobiliários*), approved by Decree-Law no. 357-C/2007, of 31 October, the PSC, Order 1619/2007, of 26 December, issued by the Portuguese Ministry of Finance and Public Administration, and the regulations approved by the CMVM. Other applicable regulations are the Euronext Rule Book – Book I, which contains the harmonised rules, including rules of conduct and of enforcement, designed to protect the markets, as well as rules on listing, trading and membership, and Euronext Rule Book – Book II regarding specific rules applicable to Euronext Lisbon, as well as several instructions and notices issued by Euronext.

Euronext Lisbon is subject to the supervision of the Portuguese Ministry of Finance and the CMVM.

Trading

Under the PSC, transactions on regulated markets managed by Euronext Lisbon may only be performed through the members admitted to such markets. Only financial intermediaries or other entities that (i) are suitable and professionally capable, (ii) have adequate capacity, experience and ability to negotiate, (iii) have an adequate organisational mechanism, if applicable, and (iv) have the necessary resources for the performance of trading services, can be admitted as market members. Such admission depends on a decision by Euronext Lisbon, based on the rules applicable to becoming a market member but, in any case, in accordance with the principles of legality, equality and competition.

Clearance and Settlement System

Transactions in securities traded on Euronext Lisbon are cleared by LCH Clearnet ("**LCH Clearnet**") and settled through Interbolsa's settlement system (the "**Portuguese Settlement System**"). Interbolsa manages both the Portuguese Settlement System and the CVM. The CVM is the centralised system for the registration and control of securities, including custody of certified securities and registration of book-entry securities, in which all securities admitted to trading on a Portuguese regulated market must be registered. Any trading of securities listed on a Portuguese regulated market that takes place over the counter must be cleared through financial institutions and physically settled through the CVM, where such securities are registered. To hold ordinary shares directly in book-entry form through the facilities of the CVM, a non-resident of Portugal must, prior to the execution of the transaction, open a special securities account with a duly licensed financial intermediary. Persons who hold ordinary shares through Euroclear ("**Euroclear**") and Clearstream ("**Clearstream**") are not subject to this requirement in order to hold ordinary shares. Shares are expected to be accepted

for clearing and settlement through Euroclear and Clearstream in accordance with the procedures established by Euroclear and Clearstream from time to time.

Listing of the Shares

The initial public offering of the Shares and the listing of the Shares on Euronext Lisbon will be accomplished through a Special Session (*Sessão Especial de Mercado Regulamentado*) organised for this purpose.

In accordance with Rule 6302 of Rule Book I, a first admission to trading of Shares is subject to the following conditions being met:

(i) At the time of admission to trading, a sufficient number of Shares must be distributed to the public. A sufficient number of Shares shall be deemed to have been distributed to the public if at least 25 percent of the subscribed share capital represented by the class of Shares in question is held by the public, or any lower percentage determined by Euronext – in its absolute discretion – in view of the large number of the Shares concerned and the extent of their distribution to the public. However, this percentage shall not be lower than 5 percent of the subscribed share capital represented by the class of Shares in question and must represent a value of at least five (5) million euro, calculated on the basis of the subscription price; and

(ii) At the time of admission to trading, the Issuer must have published or filed audited annual financial statements or pro forma accounts, consolidated where applicable, for the preceding three financial years.

18. INFORMATION CONCERNING THE SECURITIES TO BE ADMITTED TO TRADING

This Chapter contains summaries of the most relevant aspects of the applicable legal framework and does not exempt the investor from consulting the relevant legislation and/or obtaining legal advice on it. It should be noted that this Chapter describes Portuguese law as at the date hereof, but investors are encouraged to make their own assessment taking into account the laws and regulations applicable from time to time. Accordingly, the description below may become outdated after the date of the Prospectus, following changes in laws and regulations and a specific reference should be made to the fact that there is a proposal currently under analysis by the Portuguese Parliament for the PCC and the PSC to be amended.

18.1. Amount, class (*categoria*) and form of representation of the Shares

The Shares to be admitted to trading are up to 121,376,470 ordinary, nominative, book-entry shares, without nominal value, representing the entire share capital of the Issuer. By having its Shares admitted to trading on Euronext Lisbon, thus qualifying as a company with its share capital open to public investment (*sociedade aberta*), under the terms of Article 13 of the PSC, the Issuer will become subject to the applicable legal framework of voluntary and mandatory public tender offers, as well as the rules regarding squeeze-out and sell-out, and the potential loss of its share capital open to public investment (*sociedade aberta*) status, under the terms of the aforementioned PSC, as better detailed in this Chapter.

The Shares are represented in book-entry form and will be registered in book-entry securities accounts, meaning that no share certificates will be issued. All Shares, including, for the avoidance of doubt, the Existing Shares, the Offering New Shares, the Option New Shares (if applicable) and the Contribution in Kind New Shares will form a single class (*categoria*) and therefore rank *pari passu* in all respects and be fungible for all purposes with the other Shares upon their admission to trading on Euronext Lisbon.

When admitted to trading, the Shares will have the ISIN code (PTGNV0AM0001) and CFI code ESVUFR and will trade on Euronext Lisbon under the symbol "GVOLT". The Shares will be integrated in the CVM centralised system and will grant their holders the rights detailed in Section 18.4 ("*Rights attached to the Shares and procedure for the exercise of those rights*").

18.2. Legislation under which the Shares were created

The Shares were and will be, as applicable, created under Portuguese law, namely in compliance with the rules set forth in the PCC and the PSC, which govern the creation of securities representing the share capital of limited liability companies by shares (*sociedades anónimas*) incorporated under Portuguese law, and their form of representation and integration in a centralised system, including the requirements applicable for the purposes of trading on a regulated market, complying with the provisions contained in all other applicable laws and regulations.

18.3. Currency of the securities

The Shares have no nominal value. However, the Shares will trade on Euronext Lisbon and be quoted in Euros.

18.4. Rights attached to the Shares and procedure for the exercise of those rights

The Shares are ordinary shares with all inherent rights and obligations as established in the PCC, the PSC and the Articles of Association

18.4.1 Voting Rights

Persons who are shareholders of the Issuer by 00:00 a.m. (GMT) on the fifth Trading Day prior to the date of the relevant General Meeting of Shareholders ("**Record Date**"), who hold shares that entitle them to, at least, one vote, according to law and the Articles of Association, and who have given notice to the Chairman of the Board of the General Meeting of Shareholders and to the financial intermediary where their individual record securities account is open of their intention to participate and vote in such meeting until the Trading Day prior to 00:00 a.m. (GMT) on the fifth Trading Day prior to the date of the relevant General Meeting of Shareholders, are entitled to attend such General Meeting of Shareholders and to one vote for each ordinary share held. In order for the shareholders to be able to attend the General Meeting of Shareholders, in addition to the conditions set above, the financial intermediary must send to the Chairman of the Board of the General Meeting of Shareholders, by the end of the fifth Trading Day prior to the date of the relevant General Meeting of Shareholders, a notice confirming the number of shares registered in the name of the shareholder, by reference to the record date. The abovementioned notices may be given either by post or electronic mail.

The exercise of voting rights shall not be impaired by any transfers of shares executed after the record date and shall not be subject to share blockage between the record date and the date of the relevant General Meeting of Shareholders. Nevertheless, any shareholder who has given notice of his/her/its intention to participate in the General Meeting and who transfers his/her/its shares between the record date and the beginning of the General Meeting of Shareholders, shall immediately notify the Chairman of the Board of the General Meeting of Shareholders (this notice is to be given either by post or by email) and the CMVM of this fact.

Under the PCC, shareholders who have more than one vote cannot divide their votes in order to vote differently on the same proposal. However, shareholders who, in the course of their duties as professionals, hold shares in their own name but on behalf of their clients, may vote differently, provided that, in addition to the required information described above, they send to the Chairman of the Board of the General Meeting of Shareholders, by 00:00 a.m. (GMT) on the fifth Trading Day prior to the date of the relevant General Meeting of Shareholders, (i) identification of each client and the number of shares that will be used to vote on their behalf; and (ii) the precise voting instructions given by each client for each agenda item, in accordance with the provisions of the PSC.

Shareholders can vote through electronic means, if available, in compliance with the requirements determined by the Chairman of the Board of General Meeting of Shareholders in the notice convening the respective General Meeting and pursuant to the requirements set forth under the Articles of Association.

18.4.2 General Meeting of Shareholders

The Issuer holds an annual General Meeting of Shareholders during the first five months of the year following the year for which such meeting is convened (or three months in the event that consolidated accounts are not to be approved).

Pursuant to Article 376(1) of the PCC, the purpose of the annual General Meeting of Shareholders is to: (i) discuss and approve the annual report and accounts for the financial year; (ii) discuss and approve the proposed application of the Issuer's results, if any; (iii) assess the performance of the Issuer's management and supervisory bodies and, if applicable and although such matters might not appear on the order of business, to proceed with the dismissal of any managers, within the scope of the General Meeting of Shareholders' powers, or to propose a vote of no confidence in relation to

one or more directors; and (iv) proceed with any appointments which fall within the powers of the General Meeting of Shareholders

The convening notice determines the specific date, time and place of an annual General Meeting of Shareholders. Other General Meeting of Shareholders are held (i) whenever required by law or deemed appropriate by the Issuer's Board of Directors or Statutory Audit Board, or (ii) when requested by shareholders which hold at least 2 percent of the share capital of the Issuer (in the case of companies whose shares are admitted to trading on a regulated market located or operating in Portugal, as will be the case with the Shares after their listing on Euronext Lisbon).

The convening notices of all General Meetings of Shareholders are published on the Issuer and CMVM's websites, as well as on the Portuguese Official Issuer Publications website, at http://publicacoes.mj.pt/. Pursuant to Article 21-C(2) of the PSC and CMVM Regulation no. 5/2008, in the case of companies whose shares are admitted to trading on a regulated market located or operating in Portugal (as will be the case with the Shares after their listing on Euronext Lisbon), convening notices shall also be disclosed via the information disclosure system made available on the CMVM's website, as well as on the Issuer's website.

As per Article 21-B(1) of the PSC, in the case of a company whose shares are admitted to trading on a regulated market located or operating in Portugal, a convening notice must be published at least 21 days before the holding of the respective General Meeting of Shareholders.

The General Meeting of Shareholders can convene on first call provided that the Shareholders representing over fifty percent of the Issuer's share capital are present or represented at the meeting. If a quorum is not present on first call, the meeting may be reconvened with no quorum requirement.

Resolutions must be approved by a majority of the votes cast by the Shareholders present at the meeting or represented by proxy, except where Portuguese law states otherwise or the Articles of Association require the approval of a resolution by a qualified majority. Pursuant to Portuguese law, Shareholders holding at least one third of the share capital must be present or represented on first call to pass a resolution amending the Articles of Association, to approve a merger, demerger or spin-off, to approve a conversion, to approve the dissolution of the Issuer or to take any other action for which the law requires approval by a qualified majority. Such resolutions may only be passed by two thirds of the votes cast, regardless of whether the General Meeting of Shareholders convenes on first or second call.

All resolutions approved at a General Meeting of Shareholders are binding upon all Shareholders, except resolutions that are void – which may be declared void, at any time, by a court of competent jurisdiction and invoked at the General Meeting of Shareholders by the Statutory Audit Board or by any interested party – or voidable, in which case the Statutory Audit Board and any Shareholder who did not vote in favour of the resolution, or who was absent from the relevant meeting and did not approve it afterwards (expressly or tacitly), may request that the resolution in question be declared voidable by a court during the 30 days following: (i) the date on which the General Meeting of Shareholders closed; or (ii) the third day after the minutes of the resolution by written vote is sent; or (iii) the date on which the Shareholder has knowledge of the resolution, in the event that the resolution relates to a matter not included in the order of business for the relevant General Meeting of Shareholders.

Ordinary shares held by the Issuer or its subsidiaries do not grant voting rights, seeing as they are legally suspended while the Shares are held by the Issuer.

18.4.3 Proxy Requirement

Shareholders may be represented at a General Meeting of Shareholders in accordance with the law and the respective convening notice. The instrument of representation may be sent to the Chairman of the Board of the General Meeting of Shareholders by post or by email. Shareholders can appoint different representatives for shares held in different securities accounts, without prejudice to the principle of voting units, as set forth in Article 385 of the PCC.

Pursuant to Articles 381 of the PCC and 23 of the PSC, in the event that any person requests a proxy for himself/herself or others, from more than five shareholders, this request must contain or have attached the agenda of the meeting for which the proxy is requested and fulfil the additional requirements imposed by Article 23(3) of the PSC and Article 381 of the PCC.

When a vote is cast in a manner other than in accordance with the proxy request, in cases where circumstances arise which were unknown when the proxies were sent, the representative shall immediately inform the principal in writing, explaining the reasons for such vote.

A proxy may be revoked at any time. The personal attendance of the principal at the General Meeting of Shareholders shall constitute revocation.

18.4.4 Information Rights

In accordance with the PCC, any shareholder who holds shares representing at least 1 percent of the share capital may have access, alleging a justified reason and at the headquarters of the Issuer, to:

(a) the management reports and accounting documents for the last three years, including the opinions of the supervisory board, the audit board, the general and supervisory board or the committee for financial matters, as well as the reports of the statutory external auditor, in accordance with the law;

(b) the convening notices, minutes and attendance lists of the general meetings of shareholders and bondholders held in the last three years;

(c) the total remuneration paid to the members of the governing bodies during each of the last three years;

(d) the total amounts paid to the ten or five employees of the Issuer with the highest remuneration in each of the last three years; and

(e) the registration document in respect of the shares.

The accuracy of the information referred to in subparagraphs (c) and (d) above shall be certified by the Statutory External Auditor, if requested by the shareholder.

In accordance with the PSC and the PCC, the Issuer, as an issuer of shares admitted to trading on a regulated market, shall also provide its shareholders access to the following documents, among others, as of the date on which a General Meeting of Shareholders is convened, at its registered office and on its website (where they shall remain for at least a year):

(a) the convening notices of the General Meeting of Shareholders, which must also be published on the CMVM's website, along with the proposals for these meetings, and which must include information on the procedures for participating, exercising rights or being represented in the General Meeting of Shareholders;

(b) the total number of shares and voting rights as of the date of publication of the convening notice (including separate totals for each class of shares, if applicable);

(c) the forms to be used for voting by proxy and voting by correspondence, provided that these alternatives are not precluded by the Articles of Association;

(d) the names of the members of the management and supervisory bodies, as well as the composition of the Board of the General Meeting of Shareholders;

(e) other companies in which the members of the governing bodies hold corporate positions, except for professional companies;

(f) the proposed resolutions to be submitted to the General Meeting of Shareholders by the Board of Directors, as well as reports or grounds for such proposed resolutions;

(g) when members of the corporate bodies are to be elected, information on the names of the candidates, their professional competences, their professional activities during the last five years, including services related to the company or in other companies, and the number of shares held in the company's share capital;

(h) the management report, financial accounts, other accounting documents, including the legal certification of the accounts, the opinion of the Statutory Audit Board and the annual report, to be provided during the annual General Meeting of Shareholders; and

(i) other documents to be submitted to the General Meeting of Shareholders.

In accordance with Articles 290 to 291 of the PCC:

(a) shareholders are entitled to be provided with comprehensive, true, clear and lawful information in order to enable them to form a reasoned opinion on the matters being discussed in each General Meeting of Shareholders. The information required shall be provided by the authorised corporate body, unless it may cause serious damage to the Issuer or its affiliates, or could imply breach of the secrecy obligation imposed by law; and

(b) holders of shares representing at least 10 percent of the share capital may request, from the management body, in writing, to be provided with written information regarding corporate matters, a request which may only be denied in the cases provided for by law.

The Issuer should also comply with the information duties provided for in CMVM Regulation no. 5/2008, applicable to public companies.

18.4.5 Dividends

Holders of the Shares are entitled to receive dividends when, as and if declared by the General Meeting of Shareholders, subject to the limits set by applicable Portuguese law.

Under Portuguese law and pursuant to the Articles of Association, the Issuer's net results shown in its annual financial statements (prepared on an individual and non-consolidated basis), after deduction of the amounts legally required to create or to be added to the legal reserve, will be applied as determined by the General Meeting of Shareholders, which can resolve, by a simple majority, to distribute them totally or partially or to transfer them to reserves. Under the PCC, the annual General Meeting of Shareholders, at which shareholders discuss (at least, and as required by law) the annual report and accounts for the financial year, as well as the proposed application of the Issuer's net profits, must meet in

the first five months of the Issuer's financial year. Portuguese law prohibits the distribution of a company's assets if (before or following the distribution) the company's net worth (including the current financial year's net profit) is less than the sum of its share capital, the legal reserve and other similar reserves established by Portuguese law or by the company's articles of association.

Under the PCC, at least 5 percent of the Issuer's net profit must be allocated to a legal reserve until such legal reserve amounts to 20 percent of the share capital of the Issuer. The legal reserve may only be distributed upon the liquidation of the Issuer; however, it may be used (i) to increase the Issuer's share capital (by way of a bonus issue of shares), in which case the legal reserve shall be recalculated and replenished, (ii) to offset losses of a financial year that cannot be offset by other reserves, or (iii) to offset losses carried forward that cannot be offset either by the net profit of the relevant financial year or by the offset of other reserves. Dividends will be paid to shareholders in proportion to their holding of paid-up share capital.

In accordance with the PCC, dividends shall be distributed to shareholders within 30 days after the resolution for attribution of profits. In accordance with Portuguese law, the right to dividends expires and such dividends, interest and any other income shall be lost in favour of the Portuguese State if, during a period of 5 years, the persons entitled to these rights have not exercised or attempted to exercise them.

Under Article 23(2) of the Articles of Association and Article 297 of the PCC, an interim dividend may be paid during a financial year provided that:

(a) the Board of Directors, with the consent of the Statutory Audit Board, approves this payment;

(b) an interim statement of financial position, prepared not more than 30 days prior to the resolution of the Board of Directors and duly certified by the chartered accountant, demonstrates the availability of funds for the payment of the interim dividend, considering the results of the Issuer for the period to which the interim dividend applies;

(c) only one interim dividend is paid with respect to a single financial year and it is paid only in the second half of the financial year; and

(d) the amount of the interim dividend does not exceed half of the amount of the profits that may be distributed, as indicated in the interim statement of financial position.

Pursuant to Portuguese law, any dividend or interim dividend paid out in contravention of any of law is repayable to the Issuer by the shareholders (with appropriate interest), if the shareholders (i) were aware of the irregularity of the dividend payment or (ii) could not have been unaware of such irregularity.

Upon liquidation of the Issuer, the Shareholders are entitled to receive, in proportion to their shareholding, any assets of the Issuer remaining after the payment of all debts, taxes and liquidation expenses.

The General Meeting of Shareholders may decide that the share capital will be totally or partially refunded, with the shareholders receiving the nominal value of each share or part thereof. In case of a partial refund, a selection "draw" is carried out amongst shareholders.

When new Shares are issued as a result of a share capital increase, such Shares will be eligible for dividends as determined by the resolution which approved the share capital increase. In the absence of such a resolution, the dividend entitlement

will be based on the time elapsed between the last day of subscription to the share capital increase and the end of the financial year.

With regard to the tax regime applicable to dividends, holding and transferring, see Chapter 19 ("*Taxation*").

18.4.6 Pre-emptive rights in the context of share capital increases in cash

A General Meeting of Shareholders may increase or decrease the share capital of the Issuer in accordance with the provisions of the PCC. An increase of the Issuer's share capital must be approved by a resolution passed by two-thirds of the votes cast, regardless of whether the General Meeting of Shareholders convenes on first or second call.

The PCC determines that the Articles of Association may authorise the Board of Directors to approve (one or more) increases to the Issuer's share capital, through cash contributions, provided that the Articles of Association set (i) the maximum amount of the capital increases; (ii) the term, no longer than 5 years, during which such power can be exercised by the Board of Directors; and (iii) the rights to be attributed to the shares to be issued (in the absence of any determination, only the issuance of ordinary shares will be authorised).

If the share capital is increased through cash contributions, the existing shareholders (which shall be understood as the persons or companies that are shareholders when the resolution for the share capital increase is approved) can subscribe the new shares with pre-emption rights over persons or companies that were not shareholders at that time. Pursuant to the PCC, the new shares shall be allocated to shareholders that exercise their pre-emption right in the following manner:

(a) each shareholder shall receive a number of shares proportional to the number of shares held by them when the share capital increase was approved, or the lowest number of ordinary shares in relation to which the shareholder exercised the pre-emption right; and

(b) if any shareholder applies to subscribe for a greater number of shares than those proportional to the ordinary shares held by the shareholder when the share capital increase was approved, such application shall be fulfilled insofar as it results from one or more surplus allocations.

If, when the share capital increase is approved the Issuer has different categories of shares (although all shareholders have pre-emption rights, as described above), the pre-emption right shall be exercised by shareholders of the same category first.

According to Article 460 of the PCC, shareholders' pre-emption right, in the terms set forth above, can be limited or suppressed in accordance with applicable law.

18.4.7 Right to challenge resolutions of the corporate bodies

A resolution passed in a General Meeting of Shareholders is binding on all shareholders, except resolutions that are void – which may be declared void, at any time, by a court and invoked at the General Meeting of Shareholders, by the Board of Directors or by any interested party – or voidable, in which case the Statutory Audit Board and any shareholder who did not vote in favour of the resolution or did not approve it afterwards (expressly or tacitly), may request that the resolution in question be declared voidable by a court during the 30 days following: (i) the date on which the General Meeting of Shareholders closed; or (ii) the third day after the minutes of the resolution by written vote is sent; or (iii) the date on which the shareholder has knowledge of the resolution, in the event that the resolution relates to a matter not included in the order of business for the relevant General Meeting of Shareholders.

18.4.8 Shareholder suits

Besides being liable to the Issuer, the Issuer's creditors and other third parties, under the PCC the directors are also liable to the shareholders for any damages directly caused to them while in the exercise of their office. Liability arises from illegal actions (or omissions) carried out by the directors in the exercise of their office and because of such office, notably the violation of (i) shareholders' rights, (ii) legal provisions that protect the shareholders, and (iii) certain specific legal duties, such as the duty of care and the duty of loyalty.

Shareholders are not personally liable for the obligations or liabilities of, or claims against, the Issuer.

18.4.9 Dissolution of the Issuer

According to Portuguese law, the Issuer will be immediately dissolved, in the terms set forth in Article 141 of the PCC, upon the occurrence of certain events, such as: (i) after the timeframe established in the Articles of Association; (ii) by a Shareholders' resolution to dissolve the Issuer (approved by a qualified majority of two thirds of the votes cast); (iii) by the fulfilment of the Issuer's corporate purpose; (iv) if it becomes illegal for the Issuer to fulfil its corporate purpose; or (v) if the Issuer's insolvency is declared.

Additionally, the Issuer's administrative dissolution may be requested in the circumstances provided for in the law, such as: (i) the number of Shareholders is less than the minimum legal requirement for a period of not less than one year, except if one of the Shareholders is a public legal entity or an entity legally comparable thereto; (ii) the Issuer's corporate purpose becomes impossible to fulfil; (iii) the Issuer has not exercised any activity for two consecutive years; and (iv) the Issuer pursues an activity not included in the corporate purpose stated in its Articles of Association.

Lastly, if interested parties do not initiate administrative dissolution proceedings, the appropriate commercial registry should enforce such proceedings whenever: (i) the Issuer has not filed its financial statements for a period of two consecutive years and the tax authorities inform the appropriate commercial registry that the Issuer has not filed its income tax return for an equivalent period; (ii) the tax authorities inform the appropriate commercial registry of an absence of Issuer's activity, as defined by the applicable tax legislation; and (iii) the tax authorities issue an official statement to the appropriate commercial registry notifying that the Issuer's activities have ceased, as defined by the applicable tax legislation.

The winding up of the Issuer following its dissolution is carried out by a winding up committee made up of members of the executive committee, provided that such a committee is in place at the time of the liquidation, or, if not, by the members of the Board of Directors, except as otherwise provided for in a shareholders' resolution. In the case of a liquidation, the Issuer's remaining assets after payment of the Issuer's debts, liquidation expenses and all remaining obligations will be distributed to Shareholders pro rata according to their respective holdings.

18.4.10 Registration and transfers

The Shares are in book-entry form. Therefore, all transfers are carried out by accounting transfers. The registration of a transfer in favour of a person or entity acquiring the Shares shall produce similar effects to that of a transfer of title. The transfer will be effective against third parties from the moment of its registration in the purchaser's account.

18.4.11 Reporting requirements

Under Portuguese law, the Issuer is required to publish, among other information applicable to listed companies (notably, that included in Article 245 *et seq.* of the PSC), (i) an annual report which includes, but is not limited to, a management report and audited individual and consolidated financial statements, an opinion issued by the supervisory board, a report issued by the auditor, as well as an annual report on corporate governance; (ii) a semi-annual report which includes, but is not limited to, unaudited individual and consolidated financial statements, material information on the Issuer's activities and performance and any factors that may potentially influence its future performance; (iii) first and third quarter reports containing certain unaudited individual and consolidated information, if the Issuer resolves to produce these reports pursuant to Article 246-A of the PSC; (iv) non-public information that investors would consider relevant to a valuation of the Issuer or the price of the Shares; and (v) certain information concerning, *inter alia*, outstanding bonds and changes in the composition of the Board of Directors, the General Meeting of Shareholders, the Issuer's Secretary or the Statutory Audit Board.

Furthermore, the Issuer is required to comply with the legal framework provided for under the Market Abuse Regulation, which establishes a common regulatory framework on insider dealing, the unlawful disclosure of inside information and market manipulation (market abuse), as well as measures to prevent market abuse to ensure the integrity of financial markets in the EU and to enhance investor protection and confidence in those markets, setting forth the legal framework applicable to the disclosure, among others, of inside information and managers' transactions.

18.4.12 Conditions necessary to change the rights of the shareholders

Any change in Shareholders' rights other than those resulting directly from a change in applicable Portuguese law must be approved by a General Meeting of Shareholders through an amendment to the Articles of Association.

18.4.13 Provisions of the Articles of Association that may delay, defer or prevent a change of control of the Issuer

There are no provisions in the Articles of Association aimed at delaying, deferring or preventing any changes in control of the Issuer and the Articles of Association do not include, for example, any restrictions on the transfer of the Shares or limitations to voting rights attached to the Shares.

Given that the Issuer's share capital is currently comprised entirely of ordinary shares, all granting the same political and economic rights, there are no shares with special rights or privileges or that allow for plural voting.

The Issuer has no defensive measures that automatically cause serious erosion in its assets, in the event of a change of control or a change in the composition of the Board of Directors, which would hinder the free transferability of shares and free assessment by the Shareholders of the performance of the members of the Board of Directors.

18.4.14 Provisions governing disclosure obligations

In accordance with Article 16 of the PSC, any entity which reaches or exceeds a holding of 10 percent, 20 percent, a third, a half, two thirds and 90 percent of the voting rights in the share capital of a public company subject to Portuguese law (or which reduces its holding to a value lower than any of the above thresholds) shall, as soon as possible, and in any case within four Trading Days of the occurrence of said fact or knowledge thereof, inform the CMVM and the company of this fact as well as of any situations that determine the granting to the participant of voting rights inherent in securities belonging to third parties, according to Article 20(1) of the PSC.

Similarly, any entity reaching or exceeding a holding of 2 percent, 5 percent, 15 percent and 25 percent of the voting rights in the share capital (or reducing its holding to a value lower than any of the above thresholds) of a public company subject to Portuguese law that issues shares or other securities granting the right to its subscription or acquisition, listed on regulated markets situated or operating in an EU Member State, is also subject to the disclosure duties referred to in the preceding paragraph. The holders of qualifying holdings in such companies should provide the CMVM, at its request, with information on the origin of the funds used to acquire or increase said holdings.

For the purposes of the abovementioned disclosure duties, voting rights are calculated based on all shares with voting rights, with the suspension of their exercise being of no consequence to this calculation. For such purposes, it is deemed that the participant has knowledge of the fact which triggers the reporting requirements within two Trading Days of the occurrence of said fact.

In the event of the reporting duty being incumbent on more than one participant, a single notification may be made, thus exonerating the other participants from their reporting duties.

Notifications carried out in accordance with the preceding paragraphs should include the following:

(a) identification of the entire chain of entities to which the qualifying holding is assigned by Article 20(1) of the PCC, regardless of the law to which it is found to be subject;
(b) specification of the percentage of voting rights assigned to the holder of the qualifying holding, the percentage of equity capital and the number of corresponding shares, and, when applicable, details of the holding per class of shares; and
(c) a reference to the date on which the qualifying holding reached, exceeded or was reduced below the abovementioned thresholds.

When the relevant thresholds are exceeded by means of the holding of the financial instruments mentioned in Article 20(1)(e) and 20(1)(i) of the PCC, the participating entity should:

(a) include a reference in notification to all instruments with the same underlying asset;
(b) issue as many notifications as there are issuers for the underlying asset of the same financial instrument; and
(c) specify in the notification the date or period during which the acquisition rights conferred by the instrument may be exercised and the date on which the instrument lapses.

The participating entity should renew this notification each time there is a change in the voting rights assigned to it.

When the relevant thresholds are reduced or exceeded as a result of the assignment of discretionary powers to a Shareholder, pursuant to Article 20(1)(g) of the PSC:

(a) whoever confers discretionary powers may issue a single notification at that time, provided that the information as to the start and end of the assignment of discretionary powers for the exercise of voting rights is made clear;
(b) the person to whom voting rights are assigned may issue a single notification when the discretionary powers are conferred, provided that the information as to the start and end of the assignment of discretionary powers for the exercise of the voting rights is made clear.

After receiving this notification from the relevant Shareholder, the Issuer shall publicly disclose the information via the CMVM's website as soon as possible and no later than three Trading Days after having received the relevant notification.

In addition, pursuant to CMVM regulations, holders of shares of an issuer subject to Portuguese law and with shares admitted to trading on a regulated market located or operating in Portugal (as will be the case of the Shares following their admission to trading on Euronext Lisbon) should disclose their positions whenever a relevant threshold of 2 percent, 5 percent, 10 percent, 15 percent, 20 percent, 25 percent, one third, 40 percent, 45 percent, one half, 55 percent, 60 percent, two thirds, 70 percent, 75 percent, 80 percent, 85 percent or 90 percent of the share capital is reached or exceeded, or whenever it falls below one of these thresholds. The holder must inform the Issuer and the CMVM within four Trading Days from the date of occurrence of such fact and, after receiving this notification, the Issuer shall disclose the information to the public via the CMVM's website as soon as possible and no later than three Trading Days after having received the relevant notification. Holders in financial instruments granting certain rights to acquire shares or exercise voting rights in the Issuer may also be subject to the abovementioned disclosure requirements, whereas such long position reaches the abovementioned thresholds where computing the qualified holdings, in light of Article 20 of the PSC.

Pursuant to the PCC, companies holding ordinary shares corresponding to a participation equal to or greater than 10 percent of the share capital of another company shall notify such company of all acquisitions and disposals made while maintaining this 10 percent or greater shareholding in its share capital. Pursuant to the PCC, whenever two companies have reciprocal equity interests reaching 10 percent of the share capital, the last company to have issued the required notification disclosing its equity interest shall not acquire any further shares in the other company.

Regarding the disclosure regime pertaining to short selling, and in accordance with Regulation no. 236/2012 of the European Parliament and of the Council, of 14 March 2012, on short selling and certain aspects of credit default swaps, holders of net short positions relating to 0.2 percent of the issued share capital of the Issuer and each 0.1 percent above that threshold must disclose such holdings to the CMVM. Public disclosure is required by holders of net short positions relating to 0.5 percent of the share capital of the Issuer and each 0.1 percent above that threshold. For the purposes of Regulation no. 236/2012, net short position means the portion remaining after the deduction of any long position held by a natural or legal person in relation to the issued share capital from any short position held by such legal person in relation to that same share capital.

18.4.15 Restrictions on the free transferability of shares and foreign ownership of the Shares

The Shares are freely transferable under the Articles of Association.

The Articles of Association do not discriminate against foreign shareholders and there are no existing limitations on ownership of the Shares by foreign investors.

18.5. Issuer's Articles of Association

In addition to the applicable laws and regulations, the rights inherent to the Shares are regulated by the Issuer's Articles of Association. The most relevant provision in this regard is transcribed below (freely translated from the Portuguese original).

18.5.1 Right to participate and vote at the General Meeting

In accordance with the Issuer's Articles of Association:

"Article Eleven

Meetings of the General Meeting

One – The General Meeting resolves on all matters over which it has authority pursuant to the law and these articles of association, including without limitation on the:

(a) Management report and the accounts of the financial year and on the application of results of the financial year;

(b) General assessment of the administration and auditing of the Company;

(c) The appointment and dismissal of the members of the Corporate bodies;

(d) Any amendments to the articles of association, without prejudice to the terms of article two, number one and article four number two;

(e) Setting of the remuneration of the members of the corporate bodies, being able to designate a remuneration committee with the aim of establishing such remuneration, composed by a majority of independent members;

(f) Any other matter for which it has been legally convened and/or all further matters for which it has authority under the law.

Two – The General Meeting shall meet whenever called by the Chairman of the Board and upon the request of the Board of Directors, the Statutory Audit Board or upon the request of shareholders owning shares that correspond at least to two percent of the share capital.

Three – The convening notice sent to the shareholders for the general meeting must be published under the legal terms, but the publication may be replaced by registered letter or by electronic mail with delivery receipt in what relates to the shareholders who previously provided their consent; the convening notice shall be sent with a prior notice of at least twenty one days."

"Article Twelve

Functioning of the General Meeting

One – The General Meeting is composed by all voting shareholders, corresponding one vote per each share; the meeting may be held by telematic means, in which case the Company must ensure the authenticity of the statements and safety in communications, recording its contents and respective intervening parties.

Two – The participation in the General Meeting follows the terms prescribed in the law and in the convening notice.

Three – Bond holders and non-voting shareholders are not allowed to attend the General Meeting, exception made if it is expressly resolved to admit them.

Four – Shareholders may be represented by whom they so designate, informing the Chairman of the Board of the General Meeting jointly with the respective instrument of representation, by letter received at the registered office by mail or email (in the case of the latter, the hard copy of the letter shall also be delivered on the day of the General

Meeting) up to the end of the third business day prior to the date of the General Meeting, unless a larger period of time is granted in the convening notice.

Five – While the Company has its shares admitted to negotiation at the stock exchange market, voting by correspondence is allowed, where the following shall apply:

(a) The vote by correspondence shall be cast by a written statement issued by the holder of the shares or by their legal representative. Individual shareholders must attach copy of their identification document to the voting statement and corporate shareholders must have their signature legalized with certification of the capacity and powers to act;

(b) Votes by correspondence are only admitted if delivered by registered mail with receipt of acknowledgement or protocolled delivery at the registered office up until the end of the third business day prior to the date of the General Meeting, unless a larger period of time is granted in the call, with the identification of the sender and addressed to the Chairman of the General Meeting;

(c) The vote statements must (i) indicate the matter or matters of the agenda to which they relate, (ii) the specific proposal it is addressing with the indication of the proposing parties, as well as (iii) the precise and unconditional indication of the vote per each proposal;

(d) The votes issued by correspondence are counted for purposes of assessing the constitutive quorum of the Meeting and the result of the vote by correspondence relating to each matter of the agenda shall be disclosed at the matter it relates to;

(e) The votes issued by correspondence shall be taken as negative votes in relation to proposals of resolution presented after the vote was cast;

(f) In case the vote statements omit the indication of the vote in relation to proposals presented prior to the date when those votes were issued, it shall be deemed that such shareholder abstains from voting those proposals;

(g) The Chairman of the Board of the General Meeting must verify the conformity of the vote by correspondence statements and the votes included in the statements that are not accepted shall be deemed as votes not cast;

(h) The Company shall be responsible for the confidentiality of the votes by correspondence up to the voting moment;

(i) The vote by correspondence that has been cast will be considered revoked in case the issuing shareholder or his/her representative attends the Meeting.

Six – The right to vote may equally be exercised by electronic means pursuant to requirements that assure its authenticity, if they are defined by the Chairman of the Board of the General Meeting in the relevant General Meeting's convening notice.

Seven – The General Meeting may be held through telematic means provided that the Chairman of the Board of the General Meeting confirms that all relevant means, the authenticity of the statements and the safety in communications are assured.

Eight – The General Meeting may meet on first call provided shareholders owning shares that represent more than fifty percent of the share capital are present or represented."

"Article Thirteen

Resolutions of the General Meeting

One – The resolutions of the General Meeting are approved by a majority of votes cast, irrespective of the percentage of capital represented at the meeting, except if a greater majority is required by legal or statutory provision.

Two – Resolutions about amendments to the articles of association, including share capital increases, as well as the suppression or limitation of the preferred acquisition of new shares, merger, de-merger, transformation or dissolution of the Company must be approved by two thirds of the votes cast and, when the meeting is held on first call, provided the meeting is attended by shareholders or their representatives that own shares corresponding at least to one third of the share capital.

Three – Article 386. No.4 of the Companies Code is not applicable, irrespective of whether the General Meeting is held on first or second call."

18.5.2 Share capital and other securities

With regards to the Issuer's share capital and the issue of other securities, the Articles of Association state that:

"Article Four

Share Capital

One – The Company's fully subscribed and paid up share capital amounts to seventy million Euros and is represented by seventy-five million shares without nominal value.

Two – The Board of Directors may, subject to the applicable legal terms, resolve to increase the share capital one or more times, up to a maximum of seventy-five million Euros; the relevant resolution must contain the subscription terms and conditions, the share classes to be issued, if any, and any other terms and conditions applicable to the share capital increase.

Three – In share capital increases by cash contributions, the shareholders will have a pre-emptive right to subscribe new shares in accordance with the applicable legal provisions.

Four – General Meeting resolutions concerning share capital increases, or the limitation or suppression of shareholders' pre-emptive rights, shall only be deemed passed if approved by a supermajority of two thirds of the total votes cast."

"Article Five

Shares

One – The shares are registered shares, either in book-entry or certificate form.

Two – Shares can be converted into any other form of representation, pursuant to and as provided for by law, at the request and at the expense of the interested parties.

Three - Share certificates, if any, shall be represented in accordance with the law; the Company's provisional and final share certificates shall be signed by two directors, by mechanical reproduction or facsimile, in either case authorised by the relevant directors.

Four – The Company can issue preferred shares without voting rights or special share classes, which may be redeemed at their issue price, with or without premium, if the General Meeting so resolves; if this should occur, the Company must determine how redemption prices are to be calculated.

Five – Should the Company fail to redeem the shares, it must pay damages to the holder in an amount to be determined in the issue resolution."

"Article Six

Bonds and Other Securities

One – Subject to a resolution of the General Meeting or the Board of Directors, the Company may issue registered bonds pursuant to the law, including bonds convertible into common or special shares and bonds entitling their holder to subscribe common or special share classes, as well as any other registered debt securities, including covered warrants on own securities.

Two – If the Board of Directors should resolve to issue any of the above bonds, the special share classes mentioned in paragraph 1 must already exist.

Three – Bonds, other debt securities and covered warrants on own securities can be issued in certificate or book-entry form and the provisions of Article 5.3 shall apply, mutatis mutandis.

Four – The issue of convertible bonds and covered warrants on own securities entitling their holders to subscribe the securities to be issued pursuant to this article shall be subject to a Board of Directors resolution, up to the limit set for share capital increases subject only to a Board of Directors' resolution at the time of the resolution."

"Article Seven

Own Shares and Own Bonds

The Company may acquire own shares and bonds or other own debt securities, and covered warrants on own securities, in accordance with applicable law."

18.5.3 Main statutory provisions concerning the management and supervisory bodies

The main statutory provisions concerning the Issuer's management and supervisory bodies are set out below:

"Article Nine

Governing Bodies

One – The Corporate Bodies are the General Meeting, the Board of Directors and the Statutory Audit Board and Statutory External Auditor.

Two – The Company also has one Company Secretary, and an alternate, appointed by the Board of Directors for a term corresponding to the Board of Directors' term of office.

Three – Officers' terms of office shall be of three years, renewable one or more times.

Four – The term of office of the Statutory External Auditor is of one year, renewable for one or more times, and the minimum initial period for the legal auditing of the accounts is as set forth in the applicable legislation."

"Article Ten

Board of the General Meeting

One – The board of the General Meeting is composed by one chairman and one secretary, which may be the Secretary to the Company, and their absence shall be dealt with in accordance with the law.

Two – The chairman of the board shall conduct the works of the General Meeting, as well as perform any other duties entrusted to him by law.

Three – The secretary assists the chairman and ensures all clerical work relating to the General Meeting."

"Article Fourteen

Composition

One – The Board of Directors is composed by an even or odd number of members, no less than three and no more than fifteen, elected by the General Meeting which shall also appoint the respective Chairman. In case the General Meeting does not expressly determine the number of directors, it shall be deemed that the number of directors for each term of office is the number of elected directors, which does not preclude changing the number of members during the term of office up to the legal or statutory limit.

Two - One of the directors may be elected from among persons proposed in lists subscribed by groups of shareholders provided that none of such groups owns shares representing more than twenty percent or less than ten percent of the share capital. In case there are proposals to such effect, the election shall be made separately prior to the election of the remaining directors.

Three- Each one of the lists set out in the previous paragraph shall include at least two persons eligible per each position to fill.

Four – No shareholder can subscribe more than one of the said lists.

Five – If in one separate election are presented lists by more than one group, the vote shall be made over the set of such lists.

Six – What is established in numbers two to five of this article is only applicable if the company, at any moment, is considered a listed company, concessionaire of the State or equivalent entity.

Seven – The directors shall pay a bond for the performance of their office as resolved by the General Meeting that elects them or, in the absence thereof, under the terms required by law."

"Article Fifteen

Powers

One – The Board of Directors shall perform all acts necessary to pursue the corporate purpose and enjoys the broadest management and representation powers permitted by law.

Two – The Board of Directors may resolve on the following matters, without limitation:

(a) Acquire, sell and encumber any movable assets, and/or immovable assets;

(b) Acquire, sell and encumber any shareholdings in other companies;

(c) Lease, as tenant or landlord, any movable and immovable assets;

(d) To designate proxyholders or attorneys for the execution of certain acts or categories of acts, delimiting the scope of the granted powers;

(e) To represent the company, in and out of court, to file and oppose any lawsuits, to make settlements and to withdraw those and to reach agreements in arbitrations and for such purposes the Board of Directors may delegate its powers to one single proxyholder or attorney;

(f) To appoint the Company Secretary and respective alternate;

(g) To draft and approve the Company's budget;

(h) To resolve that the company associates itself with other entities, be it private or public, individuals or companies, under the terms of article three number two, as well as to appoint any persons or companies for the discharge of corporate functions in other companies;

(i) To resolve on the issuing of bonds, commercial paper and/or taking out loans in the national or foreign financial market;

(j) To resolver on the provision of technical and financial support to the company's subsidiaries;

(k) To approve the respective internal regulation which shall include rules of relationship with other corporate bodies;

Three – The Board of Directors may specifically entrust the current management of the Company to one or more directors or to an Executive Committee, defining, as the case may be, the scope of the delegation or the composition and terms of functioning of the Executive Committee.

Four – The previous paragraph does not preclude changing, during the directorship period and up to the legal or statutory limit, of the number of members of the Board of Directors.

Five – In case it is resolved to delegate powers to an executive director or to set up an Executive Committee, the Board of Directors must define the respective rules of functioning and the scope of the powers, adopting for such purposes an internal regulation which shall also include the relationship terms with other corporate bodies.

Six – The Board of Directors may create specialized or follow-up committees, such as in matters of corporate governance and sustainability, as well as to perform independent supervision roles over the performance of the corporate bodies

and respective committees.

Seven – The rules on composition and functioning, as well as the delimitation of authority of the committees referred in the previous paragraphs shall be defined in specific regulations to be approved by the Board of Directors."

"Article Sixteen

Meeting of the Board of Directors

One – The Board of Directors shall meet at least once every quarter and also whenever called orally or in writing by its Chairman of upon request of any two directors.

Two – Any director may be represented in the meeting by another director, through a letter addressed to the Chairman, which shall indicate the day and time of the meeting. Each instrument of representation may only be used in the meeting it was issued for. Vote by correspondence is also admitted under the legal terms.

Three – The Board of Directors may only validly transact business in the meetings where the majority of its members are present or represented.

Four – The meetings of the Board of Directors shall be conducted by the Chairman.

Five – The resolutions are approved by a majority of the votes cast by the attending or represented directors and the chairman has casting vote in case of tie.

Six – When the Board is composed by an even number of directors, the vice-chairman has casting vote whenever the chairman is temporarily absent or unavailable, or, if there is no vice-chairman, the casting vote shall be granted to the executive director to whom such right was attributed when he/she was designated.

Seven – Board of Directors' meetings may be held by telematic means, under the terms and conditions legally established."

"Article Seventeen

Replacement of Directors

One – In case of death, resignation or temporary or definitive impediment of any director, the Board of Directors may resolve about his/her replacement pursuant to the applicable legal provisions.

Two – Absence of one director to two consecutive or intercalated meetings without justification that deserves approval of the Board shall be deemed a definitive absence."

"Article Eighteen

Representation

One – The company is bound before third parties in all documents, if signed by:

(a) One director to whom sufficient powers have been delegated, under the terms permitted by law and within the scope of such delegation;

(b) Two Directors;

(c) One or more proxyholders, pursuant to the respective proxies;

(d) One Director and one proxyholder within the powers granted for such purposes;

(e) One director, in order to designate a judicial attorney, or if he/she has been so designated by the Board of Directors to execute the act or acts.

(f) Two proxyholders within the scope of the respective proxy;

(g) One proxyholder if, in order to intervene in the act, he/she has been so designated by the Board of Directors or by any directors empowered for such designation.

Two – Clerical documents may be signed by one sole director.

Three – Directors and proxyholders are expressly forbidden to bind the company in acts and contracts alien to the corporate businesses."

"Article Nineteen

Auditing of the Company

One – The auditing of the company shall be performed by a Statutory Audit Board and a Statutory External Auditor, elected by the General Meeting.

Two – The powers of the Statutory Audit Board are those attributed by law.

Three – The Statutory Audit Board shall comprise three members, and one or two alternates.

Four – The members of the Statutory Audit Board shall secure the discharge of functions under the terms resolved by the General Meeting that elects them or, in case no resolution is approved about that, under the legal terms.

Five – The Statutory Audit Board may be assisted by technicians specifically designated for such purposes and also by companies specialized in auditing work."

"Article Twenty

Statutory External Auditor

The Statutory External Auditor has the powers and authority foreseen in the law and is specifically tasked with carrying out any inspections and checks required by law to audit and certify the accounts."

18.6. Possible mandatory public tender offers

By becoming a company with its share capital open to public investment (*sociedade aberta*), under the terms of Article 13 of the PSC, the Issuer will become subject to the applicable legal framework of voluntary and mandatory public tender offers, as well as the rules regarding squeeze-out and sell-out, and the potential loss of its share capital open to public investment (*sociedade aberta*) status, under the terms of the aforementioned PSC. There are currently no public tender offer bids in relation to the Shares.

18.6.1 Mandatory public tender offer

The rules applicable to mandatory public tender offers are established in the PSC, which transposes into national law the rules laid down in Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 (in its current version) on public tender offers.

Under the terms of Article 187 of the PSC, the duty to launch a mandatory public tender offer for all shares representing the share capital of a company with its share capital open to public investment (*sociedade aberta*) and other securities issued by that company that confer the right to subscribe for or acquire the respective shares falls on any natural or legal person who holds, directly or under the terms of Article 20(1) of the PSC, more than one third or half of the voting rights corresponding to the share capital of that company. If the one third threshold is exceeded, and provided that the half of the voting rights threshold is not surpassed, the person who would be obliged to launch a public tender offer may provide evidence to the CMVM that he/she/it does not have control of the relevant company and that he/she/it is not in a group relationship with it. If such evidence is accepted by the CMVM, the launch of a public tender offer is not required.

Under the terms of Article 20(1) of the PSC, the calculation of qualifying holdings shall consider not only the voting rights inherent to the shares held by the participant, but also the following voting rights:

(a) Held by a third party in its own name but on behalf of the participant;

(b) Held by companies with which the participant maintains a control or group relationship, under the terms of Article 21 of the PSC;

(c) Held by holders of voting rights with whom the participant has entered into a voting agreement, except when, by virtue of this same agreement, the parties thereto are required to follow the instructions of a third party;

(d) Held by members of the participant's management and supervisory bodies, whenever the participant is a corporate entity;

(e) That the participant may acquire pursuant to an agreement executed with the respective holders or pursuant to financial instruments:

  (i) Granting the unconditional right or option to acquire, by virtue of a binding agreement, shares with voting rights that have already been issued by an entity with its shares listed on a regulated market; and

  (ii) With physical settlement, not covered by the previous point, but indexed to the shares mentioned in that point and with economic effects similar to those of holding the aforementioned shares or instruments;

(f) Inherent to shares subject to security or managed by or deposited with the participant, whenever the relevant voting rights are attributed to the participant;

(g) Held by holders of voting rights who have granted the participant discretionary powers to exercise them;

(h) Held by persons who have entered into any agreement with the participant aimed at either acquiring control of the company or preventing any changes to its control, or otherwise constituting an instrument for concertedly exercising influence over the company in which the participating interest is held, whereby, under the terms of Article 20(4)(5) of the PSC, the agreements on the transfer of shares representing the share capital of the public company in which the company holds an interest are presumed to be an instrument of this concerted exercise of influence;

(i) Pertaining to any shares underlying the financial instruments held by the participant, with financial settlement, indexed to the shares mentioned in subparagraph (e) and with economic effects similar to those of holding shares or the instruments identified in that subparagraph;

(j) Attributable to any individual or entity described in any of the above subparagraphs by application, *mutatis mutandis*, of the criteria described in any of the other subparagraphs.

For the purposes of Article 20(1)(e) and 20(1)(i) of the PSC, financial instruments also include those featured in the list drawn up by ESMA, in accordance with Article 13(1-B)(2) of Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 and, in particular, any agreements with physical or financial settlement with economic effects similar to the holding of shares or the instruments referred to in paragraph 1(e).

The number of voting rights attributable under paragraph 1(e) and (i), by virtue of the holding of financial instruments, is calculated as follows:

(a) Based on the total number of underlying shares in the financial instrument, except for the instruments detailed in the following subparagraph;

(b) In the case of instruments with exclusively delta adjustment financial settlements, by multiplying the total number of underlying shares by the instrument delta, in accordance with Article 5 of Commission Delegated Regulation (EU) 2015/761 of 17 December 2014, considering only long positions, which shall not be offset against any short positions relating to the same issuer of the respective shares; and

(c) In the case of financial instruments indexed to a basket of shares or an index, in accordance with Article 4 of Commission Delegated Regulation (EU) 2015/761 of 17 December 2014.

Under the terms of Article 188(1) of the PSC, the consideration for a mandatory public tender offer may not be less than the highest of the following amounts:

(a) The highest price paid by the offeror or by any entities in a situation described in Article 20(1) for the acquisition of securities in the same class, in the six months immediately prior to the date of publication of the preliminary offer announcement;

(b) The weighted average price of these securities on a regulated market during the same period.

Whenever the consideration may not be calculated by reference to the criteria described in the preceding paragraph, or if the CMVM is of the opinion that the consideration, in cash or securities, proposed by the offeror is neither duly justified nor equitable, insufficient or excessive, the minimum consideration will be calculated, at the offeror's expense, by an independent auditor appointed by the CMVM.

In accordance with Article 188(3) of the PSC, any consideration, in cash or securities, proposed by the offeror, shall be presumed inequitable whenever:

(a) the highest price has been settled by means of an agreement entered into between the purchaser and the seller through private negotiation;

(b) the securities offered as consideration have a reduced liquidity by reference to the regulated market on which such securities are traded;

(c) the consideration is determined according to the market price of the securities in question and this market price or the regulated market on which the securities are traded have been significantly affected by extraordinary events.

By way of consideration, the offeror may offer securities provided that (i) these securities are of the same type as those targeted by the mandatory takeover; and (ii) are admitted to trading on a regulated market or are of the same class of demonstrably liquid securities admitted to trading on a regulated market, and provided that neither the offeror, nor any entity that is with the offeror in any situation described in Article 20(1), acquired any shares of the target company in cash during the six-month period preceding the publication of the preliminary announcement, in which case an equivalent offer in cash shall be made.

18.6.2 Squeeze-out and sell-out procedures

According to Article 194 of the PSC, any entity that, following the launch of a general public tender offer over the shares of a company with its share capital open to public investment (*sociedade aberta*) and incorporated under Portuguese law, reaches or exceeds, directly or under the terms of Article 20(1) of the PSC, 90 percent of the voting rights corresponding to the share capital up to when the public offer results are disclosed and 90 percent of the voting rights targeted by the offer may, in the following three months, acquire the remaining shares for a fair consideration, in cash, calculated according to the terms of Article 188 of the PSC (also known as a squeeze-out procedure).

The controlling shareholder which decides to initiate a squeeze-out procedure shall immediately disclose an announcement (consigning the consideration on deposit with a credit institution to the order of the holders of the remaining shares) and submit it to the CMVM for registration.

The squeeze-out becomes effective upon the interested party having disclosed the registration of the squeeze-out with the CMVM and shall entail, in immediate terms, the loss of the company's open to public investment status, the exclusion from trading of its shares on any regulated market and their readmission to trading being prohibited for one year.

Each holder of remaining shares may, in accordance with Article 196 of the PSC, within a three-month period following the disclosure of the public tender offer results as detailed in Article 194(1), exercise its right to sell its shares. For such purpose, each interested holder shall address a notice to the controlling shareholder for the latter to present a proposal for the acquisition of the respective shares within eight days. If no proposal is received or if the proposal is not deemed

satisfactory, any remaining shareholder may opt for a sell-out procedure by means of a statement submitted to the CMVM together with a document evidencing the deposit or blockage of the shares for sale and indication of the consideration calculated in accordance with Article 194(1) and (2).

Once the requirements for the sell-out have been verified by the CMVM, the sale becomes effective as from the date on which this authority notifies the controlling shareholder.

18.6.3 Loss of company open to public investment status

In accordance with Article 27(1) of the PSC, a company with its share capital open to public investment (*sociedade aberta*) may lose this status whenever: a) as a consequence of a public tender offer, a shareholder holds more than 90 percent of the voting rights calculated according to the terms of Article 20(1) of the PSC; b) the loss of such status is decided at a General Meeting of Shareholders by a majority representing not less than 90 percent of the company's share capital and in meetings of holders of special share classes and other securities granting the right to share subscription or acquisition by a majority of such holders representing not less than 90 percent of the respective securities; c) one year has elapsed since the exclusion of the company's shares from trading on regulated markets due to lack of public dispersion.

The company, or an offeror in the case of subparagraph a) of the previous paragraph, may request to the CMVM its loss of the status as a company with its share capital open to public investment (*sociedade aberta*).

Under the terms of Article 27(3) of the PSC, if the General Meeting of Shareholders approves the loss of such status (as provided in Article 27(1)(b) of the PSC, mentioned above), the company shall appoint a shareholder that undertakes to acquire, within three months following the CMVM's approval, the securities owned at that time by shareholders that did not vote in favour of the General Meeting of Shareholders' resolution and to ensure the obligations described in the subparagraph above, by means of a bank guarantee or a cash deposit with a credit institution. In these cases, the consideration for the acquisition is calculated according to the terms of Article 188 of the PSC.

The loss of status of company with its share capital open to public investment (*sociedade aberta*) is effective as from the publication of the CMVM's favourable decision. The loss of this status implies the immediate exclusion of the company's shares – or securities that grant subscription or acquisition rights – from trading on a regulated market, with their readmission being prohibited for a period of one year.

18.7. Countries where the Shares will be admitted to trading and potential restrictions

Admission to trading of the Shares on the Euronext Lisbon regulated market is being requested exclusively to Euronext. Other than this request for listing on Euronext Lisbon, the Shares are not listed on any other regulated market at the date of this Prospectus.

18.8. Stabilisation

The Issuer, Altri, Caima Energia and the Managers have, under the terms of the Underwriting Agreement, appointed the Stabilisation Manager to, as provided under the Underwriting Agreement and subject to any legal and regulatory compliance, engage in the Stabilisation Transactions if and when applicable from time to time, in the time period commencing on Admission and ending on the Stabilisation Period End Date, as better described under Section 16.1 ("*The Offering*"). Other than as referred before, no liquidity or market promotion contract has been executed and no price

stabilisation activity related to the Shares is expected upon listing on Euronext Lisbon after the Stabilisation Period End Date.

18.9. Expenses of the Offering

The expenses of the Offering include, notably, fees due to the Managers and costs with other advisors and with the admission of the Shares to trading, which are estimated to amount to €7,339,000.

Subject to listing of the Shares being authorised by Euronext, investors may trade their Shares on Euronext Lisbon. Any costs related to the placing of purchase or sale orders and/or the maintenance of securities accounts will depend on the prices applied by financial intermediaries for these services, which are available on the CMVM's website at www.cmvm.pt and should be communicated to investors by the relevant financial institution prior to executing such orders. The Issuer will not charge any commissions or other expenses to investors in relation to the admission to trading of the Shares on Euronext Lisbon.

18.10. Registration of the Shares and listing on Euronext Lisbon

The Shares will be registered in the book-entry securities accounts prior to their first day of trading on Euronext Lisbon.

However, no assurance can be given that the start of trading on Euronext Lisbon will not be delayed. It is expected that the admission of the Shares, if decided favourably by Euronext Lisbon, will occur on 13 July 2021. Notwithstanding the Issuer's submission of a request for admission of the Shares to trading on Euronext Lisbon, this admission may be rejected.

18.11. Dilution and shareholding after the listing

As better described above in Section 16.6 ("*Dilution*"), taking into account that the Current Shareholders waived their pre-emption rights in the subscription of the Initial Offer Shares, and based on the assumption that they do not subscribe any Initial New Shares, such shareholders will suffer an immediate dilution as a result of the Offering and the Subscription in Kind (assuming that the Issuer issues a number of Offering New Shares equal to the Initial Offer Shares which will solely be placed with Qualified Investors and certain institutional investors, whether or not the Greenshoe Option is fully exercised). However, the dilution will be higher upon full exercise of the Greenshoe Option.

Furthermore, Altri will distribute, no later than 10 trading days after the Admission Date and subject to prior completion and registration of the Issuer's share capital increase through the Offering and the Subscription in Kind, of (i) Shares in a maximum number corresponding to 5 percent of the total number of shares that represent the Issuer's share capital and voting rights on this date (for the avoidance of doubt, corresponding to €70,000,000, represented by 75,000,000 ordinary shares as at the date hereof) i.e. up to 3,750,000 Shares, and (ii) a cash amount corresponding to €0.10 for each share representing Altri's share capital, which, in any event, shall not exceed the maximum aggregate amount of €20,513,167.20, to persons who are shareholders of Altri at 23:59 (GMT) on 8 July 2021, and by reference to the number of Altri shares held by such persons on that record date.

18.12. Investor relations

Ricardo Mendes Ferreira (IR officer) and Miguel Valente (Securities markets liaison representative) are responsible for the Issuer's investor relations. They can be reached at rmf@greenvolt.pt and miguel.valente@greenvolt.pt to clarify any enquiries about the Offering.

19. TAXATION

19.1. Taxation of income and gains on shares issued by a Portuguese resident entity

The following Section is a summary of the Portuguese tax regime, as in effect on the date of this Prospectus, in relation to income derived from shares issued by a company resident in Portugal, capital gains on the transmission of those shares for consideration, and the transmission of these same shares through gift or inheritance.

The framework described herein is subject to changes in the relevant laws, including changes that could have a retroactive effect. This Section does not represent an exhaustive analysis of the potential impact of the decision to purchase, hold or dispose of the Shares. Any transitional rules that may apply have not been considered in this analysis. Prospective investors are advised to consult their own tax advisers as to the Portuguese or other jurisdictions' tax consequences of the subscription, ownership and disposal of any Shares, including the legal and tax consequences in foreign jurisdictions.

Tax consequences may differ according to the applicable Conventions, or according to specific characteristics of the investors. This analysis does not address all the potential tax consequences of the aforementioned transactions, or the regime applicable to all categories of investors, some of whom (such as financial institutions, collective investment undertakings, pension fund cooperatives and look-through entities, etc.) may be subject to special rules.

Investors are warned that the tax legislation of each investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from an investment in the Shares.

19.1.1 Individuals resident in Portugal or with a permanent establishment in Portugal to which the income derived from shares is attributable

Dividends derived from the ownership of shares

Dividends paid to a Portuguese resident individual are subject to PIT. Withholding tax applies, currently at a rate of 28 percent, which is the final tax on that income. However, in cases where the individual taxpayer opts to include all sums in their tax return, if the income is obtained outside the scope of business and professional activities, only 50 percent of the dividends are subject to Portuguese taxation, at progressive rates of up to 48 percent, increased by a surcharge of 2.5 percent on income higher than €80,000 and 5 percent on income higher than €250,000.

Notwithstanding the above, dividends paid or made available (*colocados à disposição*) to accounts opened in the name of one or more account holders acting on behalf of undisclosed third parties are subject to a final withholding tax at a rate of 35 percent, unless the beneficial owner of the dividends is disclosed, in which case the general rules shall apply.

Dividends obtained by non-resident individuals with a permanent establishment in Portugal to which such income is attributable are subject to withholding tax at a rate of 28 percent, on account of the final tax due (which is calculated at a rate of 25 percent).

Capital gains and capital losses on the sale of shares

Any change in the value of the assets owned by an individual taxpayer as a result of any alteration in such assets may give rise to capital gains or losses. In the event of a sale of shares, the net annual positive difference between taxable capital gains and capital losses arising from the sale of shares (and other securities and financial assets) is taxed at a special flat rate of 28 percent, which is the final tax on that income, unless the individual taxpayer opts for the aggregation of such

income (i.e., to include all sums in the tax return), in which case the capital gains obtained will be subject to tax at progressive rates of up to 48 percent, increased by a surcharge of 2.5 percent on income higher than €80,000 and 5 percent on income higher than €250,000.

The net annual positive difference between taxable capital gains and capital losses arising from the sale of shares (and other securities and financial assets) by non-resident individuals with a permanent establishment in Portugal to which those capital gains and losses are attributable is taxed at the special flat rate of 25 percent.

In case of a negative balance between taxable capital gains and capital losses arising from transactions performed in the same year, the negative balance may be carried forward to offset income of the same nature made in the five subsequent years, provided that the individual taxpayer opts for the aggregation of such gains (i.e., to include all sums in their tax return).

When computing the difference between capital gains and capital losses, any losses incurred from the sale of shares to an entity or individual subject to a more favourable tax regime, as defined in applicable laws, are not taken into account.

The purchase value, in the case of shares with prices quoted on the stock exchange market, is the cost proved by document or, in its absence, the value of the lowest price quoted during the two years preceding the date of sale, if a lower price is not declared. The purchase value of shares is accrued by the necessary and effectively incurred expenses inherent to their purchase and to their sale.

When computing capital gains and losses, the acquisition cost of shares held for at least 24 months prior to the date of sale is adjusted in accordance with the currency devaluation coefficient for the year of acquisition, as annually approved by a Ministerial Order.

The attribution and exercise of subscription rights inherent to the Shares shall not be deemed taxable events under Portuguese law. However, income derived from the disposal of such subscription rights inherent to the Shares in the course of a share capital increase shall be regarded as capital gains for tax purposes, taxed at the rate of 28 percent, without prejudice to the option for the aggregation of such income (i.e., including all sums in the tax return), when performed by individuals with residence in Portugal, or at the rate of 25 percent when performed by non-resident individuals with permanent establishment in Portugal to which those gains are attributable.

Acquisition of shares through gift or inheritance

A 10 percent stamp tax rate applies to the acquisition of shares through gift or inheritance. However, an exemption is applicable if the beneficiaries of this gift or inheritance are spouses, civil partners, parents or grandparents and children or grandchildren.

19.1.2 Individuals not resident in Portugal and without a permanent establishment in Portugal to which the income derived from shares is attributable

Dividends derived from the ownership of shares

Dividends are subject to PIT through a final withholding tax, currently at a rate of 28 percent, which is applied when the income is made available (*colocados à disposição*).

The above-mentioned rate may be reduced *a priori* under a Convention entered into by Portugal and the relevant individual's country of residence, provided that the material conditions for the application of the tax reduction and certain other relevant formalities are met. In broad terms, according to Portuguese tax law, the formalities consist in filling out and signing a specific official form (*Modelo 21-RFI*) supplemented by a document issued by the local tax authorities of the country of residence of the beneficiary of the income for the year the dividends were made available, attesting both the tax residency of the beneficiary entity and that this entity is subject to tax in accordance with the Convention. This evidence is valid for a maximum of one year as from the issuance date. The form currently applicable for these purposes (*Modelo 21-RFI*) is available for viewing and download at: www.portaldasfinancas.gov.pt.

Alternatively, if the beneficiary of the income is only able to comply with the conditions and/or formalities required for the application of the benefits entailed in the applicable Convention, the beneficiary may request a full or partial refund of the tax withheld at source, within two years of the end of the year in which the taxable event occurred.

A final withholding tax of 35 percent applies when dividends are paid or made available (*colocados à disposição*) to:

(a) accounts in the name of one or more account holders acting on behalf of undisclosed third parties, unless the beneficial owner of the income is disclosed, in which case the general rules will apply; or

(b) individuals domiciled in a country, territory or region subject to a clearly more favourable tax regime included in the list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February.

Capital gains and capital losses on the sale of shares

Capital gains arising from the sale of shares obtained by non-residents in Portugal are subject to PIT. The annual positive difference between capital gains and capital losses arising from the sale of shares (and other securities or financial assets) is subject to a special flat rate of 28 percent.

A domestic exemption may apply, however, to capital gains on the sale of shares obtained by non-residents in Portugal, unless: (i) the individual is domiciled in a country, territory or region subject to a clearly more favourable tax regime included in the list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February; or (ii) the assets of the company with traded shares are composed, in more than 50 percent, by immovable property located in Portugal.

The attribution and exercise of subscription rights inherent to the Shares shall not be deemed taxable events under Portuguese law. However, income derived from the disposal of such subscription rights inherent to the Shares in the course of the share capital increase shall be regarded for tax purposes as capital gains, which may benefit from the abovementioned tax exemption regime in the abovementioned situations, when realised by individuals without residence or a permanent establishment in Portugal to which the income is attributable.

The power to tax these capital gains may also be waived under an applicable Convention for the avoidance of double taxation entered into by Portugal, which should be confirmed on a case-by-case basis.

Acquisition of shares through gift or inheritance

The acquisition of shares through gift or inheritance by non-resident individuals is not subject to stamp tax.

19.1.3 Legal entities resident in Portugal or non-resident entities with permanent establishment in Portugal to which the income or gains derived from shares are attributable

Dividends derived from the ownership of shares

Dividends paid to legal entities resident for tax purposes in mainland Portugal and to non-resident legal entities with a permanent establishment in mainland Portugal to which the income is attributable are included in their taxable income and are subject to Portuguese CIT at the standard rate of 21 percent, or at a rate of 17 percent on the first €25,000 in the case of small or medium-sized enterprises – as determined in Decree-Law no. 372/2007, of 6 November 2007). They may also be subject to a municipal surcharge (*derrama municipal*) of up to 1.5 percent, to be levied on the taxable profit (before the deduction of any tax losses from previous years). A state surcharge (*derrama estadual*) applies at a rate of 3 percent on taxable profits (before the deduction of any tax losses from previous years) in excess of €1.5 million and up to €7.5 million, 5 percent on taxable profits in excess of €7.5 million and up to €35 million and 9 percent on taxable profits in excess of €35 million. Withholding tax also applies at a rate of 25 percent, which is deemed a payment on account of the final tax due.

Under the participation tax exemption regime, a CIT exemption may apply if a legal entity: (i) is not subject to the tax transparency regime; (ii) directly (or directly and indirectly) holds at least 10 percent of the distributing company's share capital or voting rights; and (iii) has continuously held the shares throughout the year prior to the date on which the dividends were made available (*colocados à disposição*) or holds the shares until that minimum holding period has elapsed. A minimum one-year holding period prior to distribution is required for the application of an exemption from withholding tax.

The application of the participation exemption regime may be denied or withdrawn if the beneficiary of the dividends is a participant in an artificial arrangement or a series of artificial arrangements put into place for the main purpose, or one of the main purposes, of obtaining a tax advantage.

Financial institutions, pension funds, venture capital funds, and collective investment schemes, among other entities, are not subject to such withholding tax, provided that the funds are set up and operate according to Portuguese legislation.

An autonomous tax applies at a rate of 23 percent to dividends distributed to entities that benefit from a total or partial exemption from CIT (including, in the latter case, investment income) by entities subject to CIT, if the shares are not held by those entities for a minimum holding period of one uninterrupted year, which may be completed after the dividends are made available. This tax rate is increased by 10 percentage points for entities that accrue a tax loss during the taxable period in which the dividends are made available.

A final withholding tax of 35 percent applies when dividends are paid or made available (*colocados à disposição*) to accounts in the name of one or more account holders acting on behalf of undisclosed third parties, unless the beneficial owner of the income is disclosed, in which case the general rules shall apply.

Capital gains and capital losses on the sale of shares

In cases where a gain or loss is derived from the sale of shares, the net annual positive difference between capital gains and capital losses is included in the taxable profit and is subject to CIT at the standard rate of 21 percent, or at a rate of 17 percent on the first €25,000 in the case of small or medium-sized enterprises – as determined in Decree-Law no.

372/2007, of 6 November 2007), and may also be subject to a municipal surcharge (*derrama* municipal) of up to 1.5 percent, to be levied on the taxable profit (before the deduction of any tax losses from previous years). A state surcharge (*derrama estadua*l) also applies, at 3 percent, on taxable profits (before the deduction of any tax losses from previous years) in excess of €1.5 million and up to €7.5 million, 5 percent on taxable profits in excess of €7.5 million and up to €35 million and 9 percent on taxable profits in excess of €35 million.

When computing capital gains and losses, the acquisition cost of shares held for at least 2 years prior to the date of the sale is adjusted in accordance with the currency devaluation coefficient for the year of acquisition, as annually approved by a Ministerial Order.

Under the participation exemption regime, capital gains or capital losses are not taken into account when determining the taxable profit (i.e., are exempt from CIT) if a legal entity: (i) is not subject to the tax transparency regime; (ii) directly (or directly and indirectly) holds at least 10 percent of the company's share capital or voting rights; (iii) has continuously held the shares throughout the year prior to the date on which the transfer of shares occurs; and (iv) does not own Portuguese-situs immovable property which consists in more than 50 percent of its total assets, except if such property is assigned to agricultural, industrial or commercial activities not related to property trading.

The application of the participation exemption regime may be denied or withdrawn if the beneficiary of the income is a participant in an artificial arrangement or a series of artificial arrangements put into place for the main purpose, or one of the main purposes, of obtaining a tax advantage.

Capital losses with respect to shares are not included in the taxable profit up to the amount of dividends and capital gains obtained from shares held in the same entity, whenever those dividends and capital gains were eligible for the participation exemption regime in the same tax year or in the previous four tax years.

The attribution and exercise of the subscription rights inherent to the Shares shall not be deemed taxable events under Portuguese law. However, income derived from the disposal of such subscription rights inherent to the Shares in the course of the share capital increase are subject to taxation under the general terms of CIT when performed by legal entities with residence or permanent establishment in Portugal to which the income is attributable.

Acquisition of shares through gift or inheritance

The net worth increase resulting from the acquisition of shares through gift or inheritance by legal entities is subject to CIT at the standard rate of 21 percent (or at a rate of 17 percent on the first €25,000 in the case of small or medium-sized enterprises – as determined by Decree-Law no. 372/2007, of 6 November 2007), and may also be subject to a municipal surcharge (*derrama municipal*) of up to 1.5 percent, to be levied on the taxable profit (before the deduction of any tax losses from previous years). A state surcharge (*derrama estadual*) also applies at 3 percent (before the deduction of any tax losses from previous years) on taxable profits in excess of €1.5 million and up to €7.5 million, 5 percent on taxable profits in excess of €7.5 million and up to €35 million and 9 percent on taxable profits in excess of €35 million.

The gratuitous transfers of shares in favour of legal entities resident in Portugal (or non-resident entities with a permanent establishment therein) are exempt from stamp tax.

19.1.4 Non-resident legal entities without a permanent establishment in Portugal to which the income derived from shares is attributable

Dividends and other income derived from the ownership of shares

Dividends are subject to CIT through withholding tax, currently at a rate of 25 percent, which is the final tax on that income.

The above-mentioned withholding tax rate may be *a priori* reduced under a Convention entered into by Portugal and the shareholder's country of residence, provided that the material conditions for the application of the tax reduction and certain other relevant formalities are met. In broad terms, according to Portuguese tax law, the formalities consist in filling out and signing a specific official form (*Modelo 21-RFI*) supplemented by a document issued by the local tax authorities of the country of residence of the beneficiary of the income regarding the year the dividends were made available, attesting both the tax residency of the beneficiary entity and that this entity is subject to tax in accordance with the Convention. This evidence is valid for a maximum of one year as from the issuance date.

The form currently applicable for these purposes (*Modelo 21-RFI*) is available for viewing and download at: www.portaldasfinancas.gov.pt.

Alternatively, if the beneficiary of the income is only able to comply with the conditions and/or formalities required for the application of the benefits entailed in the applicable Convention, the beneficiary may request a full or partial refund of the tax withheld at source, within two years of the end of the year in which the taxable event occurred.

Dividends paid to a company resident in another Member State of the EU or of the EEA (in this latter case, provided that there is administrative cooperation in tax matters equivalent to that established in the EU) or in a country with which Portugal has entered into a Convention that includes an exchange of information clause, may be exempt from taxation in Portugal. For the exemption to apply, the beneficiary company must (i) be subject to and not exempt from a tax listed in Article 2 of Directive 2011/96/EU of the Council of 30 November 2011 (with the necessary adjustments, where applicable) or subject to a tax identical or similar to the CIT, provided (in the case of companies resident in countries with which Portugal has entered into a Convention which provides for the exchange of information) that the applicable tax rate is not lower than 60 percent of the standard CIT rate; (ii) directly (or directly and indirectly) holds at least 10 percent of the company's share capital or voting rights; and (iii) have continuously held the Shares throughout the year prior to the date on which the dividends were made available (*colocados à disposição*). If the period of one year is completed after the date of payment, the tax withheld may be refunded. Certain formalities are required for exemption from or the refund of withholding tax.

A final withholding tax rate of 35 percent applies when dividends are paid or made available (*colocados à disposição*):

(a) to accounts in the name of one or more accountholders acting on behalf of undisclosed third parties, unless the beneficial owner of the income is disclosed, in which case the general rules shall apply; and

(b) to legal entities domiciled in a country, territory or region subject to a clearly more favourable tax regime included in the list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February.

Dividends obtained by pension funds on shares held uninterruptedly for at least one year are exempt from CIT. Said exemption will only apply if the funds are set up and operate in accordance with the law, are established in another

Member State of the EU or of the EEA and, in the latter case, provided that the country in question is bound by a duty to exchange information in the field of taxation equivalent to that established in the EU, which are not attributable to a permanent establishment located in Portuguese territory, exclusively guarantee the payment of old-age or invalidity retirement, widow(er), pre-retirement or early retirement pensions, and post-employment health benefits, and, when supplementary and ancillary to these benefits, the award of death payments, provided that they are managed by institutions for the provision of occupational retirement benefits which are subject to Directive 2003/41/EC of the European Parliament and of the Council, of 3 June 2003, and are the beneficial owner of the income.

Capital gains and capital losses on the sale of shares

The net annual positive difference between taxable capital gains and capital losses arising from the sale of shares (and other securities and financial assets) by non-resident legal entities and without a permanent establishment in Portugal is subject to CIT at a rate of 25 percent.

Notwithstanding the above, an exemption to the capital gains tax applies, unless:

(a) the seller is directly or indirectly held in more than 25 percent by Portuguese resident entities. This 25 percent threshold will not be applicable when the following cumulative requirements are met by the seller: (i) it is an entity resident in the EU or in the EEA (in this case, provided that there is administrative cooperation in tax matters equivalent to that established in the EU) or in any country with which Portugal has a Convention in force that provides for the exchange of tax information; (ii) such entity is subject and not exempt from CIT, or a tax of a similar nature with a rate not lower than 60 percent of the CIT; (iii) it has held for at least 1 uninterrupted year at least 10 percent of the share capital or voting rights of the entity whose shares are transferred; and (iv) is not a participant in an artificial arrangement or a series of artificial arrangements put into place for the main purpose, or one of the main purposes, of obtaining a tax advantage;

(b) the seller is resident in a country, territory or region subject to a clearly more favourable tax regime included in the list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February; or

(c) more than 50 percent of the assets of the company whose share capital is being sold consist of immovable property located in Portugal.

The attribution and exercise of the subscription rights inherent to the Shares shall not be deemed taxable events under Portuguese law. However, income derived from the disposal of such subscription rights inherent to the Shares in the course of the share capital increase qualifies for tax purposes as capital gains, which may benefit from the abovementioned tax exemption regime, under the abovementioned conditions, when performed by legal entities without residence or permanent establishment in Portugal to which the income is attributable.

The power to tax these capital gains may also be waived by the application of a Convention entered into by Portugal, which should be confirmed on a case-by-case basis.

Acquisition of shares through gift or inheritance

The acquisition of shares through gift or inheritance by non-resident legal entities without permanent establishment in Portugal to which the shares are attributable is taxed at a rate of 25 percent. Under the Conventions entered into by

Portugal, Portugal is generally not allowed to tax such income, but the applicable rules should be confirmed on a case-by-case basis.

19.2. Transaction costs in Portugal

Fees on transactions carried out on or outside regulated markets have been abolished. In turn, stamp tax, at the rate of 4 percent, is due on brokerage fees, bank fees and other payments for financial services.

19.3. Certain U.S. federal income taxation considerations

This Section describes certain U.S. federal considerations that may be relevant to the acquisition, ownership or disposition of the Shares. This Section applies to U.S. Holders (as defined below) who either receive or acquire Shares pursuant to the exercise of any subscription rights or acquire Shares for cash, and who hold their subscription rights and Shares as capital assets for U.S. federal income tax purposes (generally, property held for investment). This Section does not purport to discuss all aspects of U.S. federal income taxation which may be relevant to U.S. Holders based on their specific circumstances, or that may be relevant to their decision to acquire, own, or dispose of Shares. This Section does not apply to any U.S. Holder who is a member of a special class of holders subject to special rules, including, without limitation:

- a dealer in securities;
- a trader in securities that elects to use a mark-to-market method of accounting for securities holdings;
- a bank or financial institution;
- a tax-exempt organisation;
- an insurance company;
- a regulated investment company;
- a real estate investment trust;
- a person liable for alternative minimum tax;
- a person that actually or constructively owns 10 percent or more (by vote or value) of stock in the Issuer;
- a person that holds subscription rights or shares as part of a straddle or a hedging or conversion transaction;
- a person that purchases or sells subscription rights or shares as part of a wash sale for tax purposes;
- individual retirement accounts, qualified retirement plans and other tax-deferred accounts;
- a person that has ceased to be a U.S. citizen or lawful permanent resident of the United States;
- a person that is resident, is ordinarily resident in or has a permanent establishment in a jurisdiction outside of the United States;
- a partnership or other entity or arrangement classified as a partnership for U.S. federal income tax purposes; or
- a U.S. Holder (as defined below) whose functional currency is not the USD.

In addition, this Section does not discuss any non-U.S., state or local tax considerations, alternative minimum tax, Medicare net investment tax, U.S. federal estate or gift tax, or any aspect of U.S. federal tax law other than income taxation.

This Section is based on the U.S. Internal Revenue Code of 1986, its legislative history, existing and proposed U.S. Treasury Regulations, published rulings and court decisions, all as currently in effect, as well as on the Treaty. These laws are subject to change, possibly on a retroactive basis.

For the purposes of this discussion, a U.S. Holder is a beneficial owner of Shares that is for U.S. federal income tax purposes: (i) an individual who is a citizen or resident of the United States, (ii) a corporation or other entity taxable as a corporation that is created or organised in the United States, any state thereof or the District of Columbia, (iii) an estate whose income is subject to U.S. federal income tax regardless of its source or a trust, if a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorised to control all substantial decisions of the trust.

If an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes holds Shares, the tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Such entities and arrangements should consult their own tax advisers regarding the tax consequences of their specific situations.

The Issuer expects, and this summary assumes, that the Issuer was not and will not be a passive foreign investment company for U.S. federal income tax purposes with respect to its most recent taxable year, the current taxable year or in the foreseeable future (for more details see below).

19.3.1 Taxation of Shares

Distributions on Shares

Distributions will be includible in a U.S. Holder's income as dividends to the extent paid out of the Issuer's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. The Issuer does not expect to calculate its earnings and profits in accordance with U.S. federal income tax principles and, accordingly, U.S. Holders should expect that a distribution will generally be reported as a dividend even if that distribution (or a portion thereof) would otherwise be treated as a tax-free return of capital or as capital gain. Such dividends will not be eligible for the dividends received deduction allowed to U.S. corporations for dividends received from other U.S. corporations.

With respect to certain non-corporate U.S. Holders, including individual U.S. Holders, dividends may be taxed at the lower capital gain rates applicable to "qualified dividend income", provided that the Issuer is eligible for the benefits of the Treaty. The Issuer expects to be eligible for benefits under the Treaty, provided that there is regular trading of the Shares on Euronext Lisbon. U.S. Holders should consult their tax advisers regarding the availability of the lower capital gain rates applicable to qualified dividend income for dividends paid with respect to the Shares.

Subject to certain limitations, a U.S. Holder will generally be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Portuguese income taxes withheld. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. Dividend income will generally constitute foreign source "passive category" income for foreign tax credit purposes. The rules relating to foreign tax credits are complex and a U.S. Holder should consult its own tax adviser regarding the availability and the application of the foreign tax credit to their specific situation.

U.S. Holders should consult their own tax advisers regarding how to account for dividends that are paid in a currency other than USD.

Sale, Exchange or Other Taxable Disposition of Shares

A U.S. Holder will recognise U.S. source capital gain or loss upon the sale or other taxable disposition of the Shares in an amount equal to the difference between the USD value of the amount realised upon the disposition and the U.S. Holder's adjusted tax basis in such Shares. Any capital gain or loss will be long-term if the Shares have been held for more than one year at the time of the sale or other taxable disposition. Certain non-corporate U.S. Holders, including individuals, are eligible for reduced rates of taxation on long-term capital gains. The deductibility of capital losses is subject to limitations.

U.S. Holders should consult their own tax advisers regarding how to account for sale or other disposition proceeds that are paid in a currency other than USD.

Passive Foreign Investment Issuer

In general, a non-U.S. corporation will be classified as a PFIC for any taxable year if at least (i) 75 percent of its gross income is classified as "passive income"; or (ii) 50 percent of the average quarterly value of its assets produce or are held for the production of passive income. For this purpose, passive income generally includes, among other items, dividends, interest, gains from certain commodities transactions, certain rents, royalties and gains from the disposition of passive assets. For the purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25 percent by value of the stock of another corporation is treated as if it held its proportionate share of the assets of such other corporation and directly received its proportionate share of the income of such other corporation ("general look-through rule").

Based on the nature of its business, the Issuer does not believe it was a PFIC for its most recent taxable year and does not expect to be a PFIC for the current taxable year or in the foreseeable future, although there can be no assurance in this regard because the Issuer's status as a PFIC depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. A non-U.S. corporation is classified as a PFIC in any year in which it meets either the income test or asset test (together, the "PFIC tests") discussed above, which depends on the actual financial results for each year in question. Accordingly, it is possible that the Issuer may be considered a PFIC in the current or any future taxable year due to changes in its asset or income composition.

If the Issuer is a PFIC for any taxable year during which a U.S. Holder holds Shares, such U.S. Holder will be subject to special tax rules with respect to any "excess distribution" received and any gain realised from a sale or other disposition, including a pledge, of shares. Distributions received in a taxable year in an amount greater than 125 percent of the average annual distributions received during the shorter of the three preceding taxable years or a U.S. Holder's holding period for the Shares will be treated as excess distributions. Under these special tax rules:

- the excess distribution or gain will be allocated rateably over a U.S. Holder's holding period for the Shares;
- the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which the Issuer was a PFIC, will be treated as ordinary income; and
- the amount allocated to each other taxable year will be subject to tax at the highest tax rate in effect for that year and the interest charge applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

The tax liability for amounts allocated to taxable years prior to the year of disposition or excess distribution in which the Issuer was a PFIC cannot be offset by any net operating losses for such years, and gains (but not losses) realised on the sale or other disposition of the Shares cannot be treated as capital, even if a U.S. Holder holds Shares as capital assets. In addition, non-corporate U.S. Holders will not be eligible for reduced rates of taxation on any dividends received from the Issuer if the Issuer is a PFIC in the taxable year in which such dividends are paid or in the preceding taxable year. A U.S. Holder will be required to report additional information with its U.S. federal income tax return if such U.S. Holder holds Shares in any year in which the Issuer is a PFIC. If a U.S. Holder held existing shares during any taxable year in which the Issuer may have been a PFIC, such U.S. Holder is urged to consult its own tax adviser concerning the U.S. federal income tax consequences of holding shares in a PFIC.

If the Issuer is a PFIC and if any of its subsidiaries or other entities in which it, directly or indirectly, owns equity are PFICs (collectively, "**Lower-tier PFICs**"), a U.S. Holder will be deemed to own its proportionate share of any Lower-tier PFICs and will be subject to U.S. federal income tax, according to the PFIC rules described in the paragraph above, on (i) certain distributions made by a Lower-tier PFIC; and (ii) a disposition of shares of a Lower-tier PFIC, in each case as if the U.S. Holder owned such shares directly, even though it has not received the proceeds of those distributions or dispositions directly. Attending to the final PFIC regulations released in December 2020, where some relevant amendments on lower-tier corporation rules were introduced, U.S. Holders should consult their tax advisers regarding the application of the PFIC rules to any of the Issuer's subsidiaries according to U.S. internal law.

In certain circumstances, in lieu of being subject to the excess distribution rules discussed above, a U.S. Holder may elect to include gain on the stock of a PFIC as ordinary income under a mark-to-market method, provided that such stock is "regularly traded" on a "qualified exchange". In general, the shares will be treated as "regularly traded" for a given calendar year if more than a *de minimis* quantity of the shares is traded on a qualified exchange for at least 15 days during each calendar quarter of such calendar year. A non-U.S. securities exchange on which the shares are traded will be considered a "qualified exchange" if (i) it is regulated or supervised by a governmental authority of the country in which the market is located; (ii) it has trading volume, listing, financial disclosure, surveillance, and other requirements designed to prevent fraudulent and manipulative acts and practices, to remove impediments to and perfect the mechanism of a free and open, fair and orderly, market, and to protect investors; and the laws of the country in which the exchange is located and the rules of the exchange ensure that such requirements are actually enforced; and (iii) the rules of the exchange effectively promote the active trading of listed stocks. No assurance can be given that the Shares will be regularly traded on a qualified exchange for the purposes of the mark-to-market election.

If a U.S. Holder makes an effective mark-to-market election, such U.S. Holder will include as ordinary income in each year the excess of the fair market value of the Shares at the end of the year over the adjusted tax basis in the Shares. Such U.S. Holder will be entitled to deduct as an ordinary loss each year the excess of the adjusted tax basis in the Shares over their fair market value at the end of the year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A U.S. Holder's adjusted tax basis in the Shares will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. Any distributions made by the Issuer would generally be subject to the rules discussed above, except that the lower rate applicable to qualified dividend income would not apply. If a U.S. Holder makes a mark-to-market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years (provided that, for any

subsequent taxable year in which the Issuer is not a PFIC, a U.S. Holder will not include in income mark-to-market gain or loss), unless the Shares are no longer regularly traded on a qualified exchange or the U.S. Internal Revenue Service consents to the revocation of the election. Because a mark-to-market election generally cannot be made for equity interests in Lower-tier PFICs, U.S. Holders will generally continue to be subject to the PFIC rules with respect to their indirect interest in any Lower-tier PFICs. As a result, distributions from, and dispositions of, Lower-tier PFICs, as well as certain other transactions, will be generally treated as distributions or dispositions subject to the rules above regarding excess distributions, even if a mark-to-market election is made. U.S. Holders are urged to consult their tax advisers about the availability and advisability of the mark-to-market election in relation to their specific circumstances, as well as the impact of such election on interests in any Lower-tier PFICs.

Each U.S. Holder is urged to consult its own tax adviser concerning the U.S. federal income tax consequences of holding Shares if the Issuer is a PFIC in any taxable year during its holding period.

19.3.2 Information Reporting and Backup Withholding

A U.S. Holder may be subject to information reporting on amounts received by such U.S. Holder from a distribution on or disposition of the Shares, unless such U.S. Holder establishes that it is exempt from these rules. If a U.S. Holder does not establish its exemption from these rules, it may be subject to backup withholding on the amounts received, unless it provides a taxpayer identification number and otherwise complies with the requirements of the backup withholding rules. Backup withholding is not an additional tax and the amount of any backup withholding from a payment received will be allowed as a credit against a U.S. Holder‘s U.S. federal income tax liability and may entitle such U.S. Holder to a refund, provided that the required information is submitted to the U.S. Internal Revenue Service in a timely manner.

In addition, U.S. Holders should consult their tax advisers about any reporting obligations that may apply as a result of the acquisition, holding or disposition of the Shares. Failure to comply with applicable reporting obligations could result in the imposition of substantial penalties.

20. SELLING AND TRANSFER RESTRICTIONS

No action has been or will be taken in any jurisdiction by the Issuer or the Joint Global Coordinators or the Joint Bookrunners that would permit, other than pursuant to the Offering, an offer of the Initial Offer Shares or possession, circulation or distribution of this Prospectus or any other offering material in any jurisdiction where action for that purpose is required. The distribution of this Prospectus and the offer of the Initial Offer Shares in certain jurisdictions may be restricted by law.

Accordingly, no Initial Offer Shares may be offered or sold either directly or indirectly, and neither this Prospectus nor any other offering material or advertisements in connection with the Initial Offer Shares may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction. If an investor receives a copy of this Prospectus, it must not treat this Prospectus as constituting an invitation or offer of the Initial Offer Shares, unless, in the relevant jurisdiction, such an offer could lawfully be made to the investor or the Shares could lawfully be dealt in without violating any registration or other legal requirements. Accordingly, if the investor receives a copy of this Prospectus or any other offering materials or advertisements, the investor should not distribute these in or into, or send them to any person in, any jurisdiction where to do so would or might violate local securities laws or regulations.

If an investor forwards this Prospectus or any other offering materials or advertisements into any such territories (whether under a contractual or legal obligation or otherwise), the investor should draw the recipient's attention to the contents of this Section.

Subject to the specific restrictions described below, investors wishing to accept, sell or purchase Initial Offer Shares must ensure that they fully observe the applicable laws of any relevant territory, including obtaining any required governmental or other consents, observing any other necessary formalities and paying any issue, transfer or other taxes due in such territories.

Investors that are in any doubt as to whether they are eligible to purchase Initial Offer Shares should consult their professional advisers without delay.

Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those detailed in the following paragraphs. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

United States

The Initial Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States unless the Initial Offer Shares are registered under the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act is available.

All offers and sales of the Initial Offer Shares will be made outside the U.S. in "offshore transactions" as defined in, and in compliance with, Regulation S under the U.S. Securities Act. Recipients of this Prospectus in the United States are hereby notified that this Prospectus has been provided to them on a confidential basis and is not to be reproduced, retransmitted or otherwise redistributed, in whole or in part, under any circumstances. This Prospectus is personal to

each offeree and does not constitute an offer to any other person or the public in general to subscribe for or otherwise acquire the Initial Offer Shares.

Regulation S

Each purchaser of the Initial Offer Shares outside of the United States pursuant to Regulation S, by accepting the delivery of this Prospectus or the Initial Offer Shares, will be deemed to have represented, agreed and acknowledged that it has received a copy of this Prospectus and such other information necessary to make an informed investment decision and that:

(i) It is authorised to purchase the Initial Offer Shares in compliance with all applicable laws and regulations;

(ii) It is, or when the Initial Offer Shares are purchased will be, the beneficial owner of such Initial Offer Shares and (a) is, and the person, if any, for whose account it is acquiring the Initial Offer Shares is, outside the United States (within the meaning of Regulation S) and is purchasing such Initial Offer Shares in an "offshore transaction" in accordance with Rule 903 or 904 of Regulation S; (b) is not an affiliate of the company or a person acting on behalf of such affiliate; and (c) is not in the business of buying or selling securities or, if it is in such business, it did not acquire the Initial Offer Shares from the company or an affiliate thereof in the initial distribution of such Initial Offer Shares;

(iii) It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that such Initial Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction within the United States;

(iv) It (a) acknowledges that the Issuer, the Joint Global Coordinators / Managers and their respective affiliates will rely on the truth and accuracy of the acknowledgements, representations and agreements in the foregoing paragraphs; and (b) agrees that, if any of these acknowledgements, representations or agreements deemed to have been made by virtue of its purchase of Initial Offer Shares are no longer accurate, it will promptly notify the Issuer, and if it is acquiring any Initial Offer Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account (in which case it hereby makes such acknowledgements, representations and agreements on behalf of such accounts as well);

(v) It is aware of the restrictions on the offer and sale of the Initial Offer Shares pursuant to Regulation S described in this Prospectus; and

(vi) The Issuer shall not recognise any offer, sale, pledge or other transfer of the Initial Offer Shares made other than in compliance with the above-stated restrictions.

European Economic Area

In relation to each EEA Member State (each a "**Relevant Member State**"), no Initial Offer Shares have been offered or will be offered pursuant to the Offering to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Initial Offer Shares which has been approved by the competent authority in that Relevant

Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Regulation, except that the Shares may be offered to the public in that Relevant Member State at any time:

(i) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation) subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Initial Offer Shares shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an 'offer to the public' in relation to the Initial Offer Shares in any Relevant Member State means the communication, in any form and by any means, of sufficient information on the terms of the offer and any Initial Offer Shares to be offered to enable an investor to decide whether or not to purchase or subscribe for any Initial Offer Shares, and the expression "Prospectus Regulation" means Regulation (EU) no. 2017/1129.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Initial Offer Shares under, the Offering will be deemed to have represented, warranted and agreed with each of the Managers and their affiliates and the Issuer that:

(i) it is a qualified investor within the meaning of the Prospectus Regulation; and

(ii) in the case of any Initial Offer Shares acquired by it as a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, the Initial Offer Shares acquired by it in the Offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any circumstances which may give rise to an offer to the public, other than their offer or resale in a Relevant Member State to Qualified Investors, in circumstances where the prior consent of the Joint Global Coordinators has been obtained for each such proposed offer or resale.

The Issuer, the Managers and their affiliates, and others will rely on the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a Qualified Investor and who has notified the Managers of such fact in writing may, with the prior consent of the Managers, be permitted to acquire Initial Offer Shares in the Offering.

United Kingdom

This Prospectus and any other material in relation to the Initial Offer Shares described herein is only being distributed to and is only directed at, and any investment or investment activity to which this Prospectus relates is only available to and will be engaged in only with persons (i) who have professional experience in matters relating to investments and who fall within the definition of investment professionals in Article 19(5) of the FPO; or (ii) who are high net worth entities falling within Article 49(2)(a) to (d) of the FPO; (iii) outside the UK; or (iv) to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any Shares may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as

"**Relevant Persons**"). The Initial Offer Shares are only available in the UK to, and any invitation, offer or agreement to purchase or otherwise acquire the Initial Offer Shares will be engaged in only with, the Relevant Persons. This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the UK. Any person in the UK that is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

No Initial Offer Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Initial Offer Shares which has been approved by the Financial Conduct Authority, except that the Initial Offer Shares may be offered to the public in the United Kingdom at any time:

(i) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(iii) in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of the Initial Offer Shares shall require the Issuer and/or any Joint Global Coordinators or Joint Bookrunners, or any of their affiliates, to publish a prospectus pursuant to Section 85 of the FSMA or to supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Initial Offer Shares in the United Kingdom means the communication, in any form and by any means, of sufficient information on the terms of the offer and any Shares to be offered to enable an investor to decide whether or not to purchase or subscribe for any Initial Offer Shares and the expression "UK Prospectus Regulation" means Regulation (EU) no. 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Each person in the UK who acquires any Initial Offer Shares in the Offering or to whom any offer is made will be deemed to have represented, acknowledged and agreed with the Issuer, the Joint Global Coordinators or Joint Bookrunners and their affiliates that it meets the criteria outlined in this Section.

21. INFORMATION INCORPORATED BY REFERENCE AND ANNEXED AND DOCUMENTATION AVAILABLE TO THE PUBLIC

21.1. Information incorporated by reference and annexed

For the term of this Prospectus, i.e. until 1 July 2022, the following documents shall be deemed to be incorporated in, and to form part of, this Prospectus:

(a) The Articles of Association (available at https://www.greenvolt.pt/pt/investidores/governance);

(b) The proposal submitted by the Board of Directors in respect of point (4) of the annual shareholders general meeting of Altri held on 30 April 2021 (available at http://www.altri.pt/~/media/Files/A/Altri-V2/annual-general-meeting/agm-21/PT/ALTRI_Proposta%204_Dist%20DividendosEspcie.pdf);

(c) The material information announcement published by Altri on 3 May 2021 on the CMVM's official website (available at https://web3.cmvm.pt/sdi/emitentes/docs/FR79263.pdf);

(d) The Annual Audited Consolidated Financial Statements (available at https://www.greenvolt.pt/en/investors/reports-and-presentations); and

(e) The Annual Report and Financial Statements for the year ended 31 December 2020 of Tilbury Holdings (available at https://find-and-update.company-information.service.gov.uk/company/09419098/filing-history).

The following documents are annexed to this Prospectus and form part thereof:

(a) The Unaudited Consolidated Pro Forma Financial Information; and

(b) Assessment of the valuation of the V-Ridium Power Shares, carried out by Ana Cristina Louro Ribeiro Doutor Simões, registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 946 and with the CMVM under no. 20160563, as independent auditor, under and for the purposes set forth in Article 28 of the PCC.

Copies of the documents incorporated by reference in this Prospectus and the Prospectus itself can be obtained from the registered offices of the Issuer. Information contained in the Issuer's official website (www.greenvolt.pt) or in any other website referred to in this Prospectus does not form part of this Prospectus and has not been scrutinised or approved by the CMVM, unless that information is incorporated by reference in this Prospectus, and therefore the Issuer is not liable, and cannot be held liable, for the information contained in such websites, which, except for the Issuer's official website (www.greenvolt.pt), have not been reviewed by the Issuer with the purpose of assessing if the information contained therein is complete, true, updated, clear, objective and licit.

21.2. Prospectus available to the public

A copy of the Prospectus, and a Portuguese summary thereof, on a durable medium shall be delivered by the Issuer to any potential investor, upon request and free of charge, but with such delivery being limited to Portugal.

The Prospectus and the Portuguese summary will also be published in electronic form, thus being available to the public, and shall remain publicly available in electronic form for at least 10 years after its publication on the following websites:

(a) on the Issuer's website at www.greenvolt.pt; and

(b) on the CMVM's website at www.cmvm.pt.

All information and documents incorporated by reference will be available for public consultation for at least 10 years after the publication of this Prospectus, in the same means as referred above.

21.3. Other information

The Pricing Statement will be disclosed after the pricing of the Offering and will be available on the Issuer's website (www.greenvolt.pt) and on the CMVM's website (www.cmvm.pt).

ISSUER

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Annex I

Unaudited Consolidated Pro Forma Financial Information

GREENVOLT - ENERGIAS RENOVÁVEIS, S.A.

Pro Forma Consolidated Financial Information as at and for the year ended 31 December 2020

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Pro Forma Consolidated Statement of Financial Position as at 31 December 2020

(Amounts expressed in euros)

				Proforma Adjustments										
	Greenvolt	TGPH UK GAAP	Harmonization UK GAAP to IFRS - EU (IFRS 16)	Acquisition cost of 100% TGPH	Elimination of intragroup balances	Business Combination	Transactions costs	Credit lines through Greenvolt	Financing agreement through the company Lakeside BidCo Limited	Repayments of external debt and derivatives	Share capital increase - Equitix	Equitix Shareholder loan	New Purchase Power Agreement (ESB IGT)	Pro Forma
			5 and 6.2	6.1	6.1	6.1	6.3	6.4.1	6.4.2	6.4.2	6.4.3 and 6.5	6.4.3	6.6	
ASSETS														
NON-CURRENT ASSETS:														
Property, plant and equipment	160 466 245	135 026 772	-	-	-	-	-	-	-	-	-	-	-	295 493 017
Goodwill	-	-	-	-	-	140 516 960	-	-	-	-	-	-	-	140 516 960
Right-of-use assets	5 433 575	-	52 791 927	-	-	-	-	-	-	-	-	-	-	58 225 502
Intangible assets	6 795 875	-	-	-	-	-	-	-	-	-	-	-	19 089 658	25 885 533
Investments	-	-	-	5 573 041	-	(5 573 041)	-	-	-	-	-	-	-	-
Other non-current assets	-	-	-	-	-	-	-	-	4 697 895	-	-	-	-	4 697 895
Other investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax assets	1 493 924	-	-	-	-	-	-	-	-	-	-	-	-	1 493 924
Total non-current assets	174 189 619	135 026 772	52 791 927	5 573 041	-	134 943 919	-	-	4 697 895	-	-	-	19 089 658	526 312 831
CURRENT ASSETS:														
Inventories	1 108	-	-	-	-	-	-	-	-	-	-	-	-	1 108
Trade receivables	19 580	1 659 633	-	-	-	-	-	-	-	-	-	-	-	1 679 213
Assets associated with contracts with customers	7 476 825	-	-	-	-	-	-	-	-	-	-	-	-	7 476 825
Other receivables	11 578	-	-	-	-	-	-	-	-	-	-	-	-	11 578
Income tax receivable	387	-	-	-	-	-	-	-	-	-	-	-	-	387
Other tax assets	115 287	-	-	-	-	-	-	-	-	-	-	-	-	115 287
Other current assets	506 427	9 242 363	-	-	-	-	-	-	-	-	-	-	-	9 748 790
Shareholders loans	-	-	-	155 360 412	(155 360 412)	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	14 100 666	7 122 208	-	(160 933 453)	-	-	(3 809 723)	105 000 000	125 108 676	(114 746 773)	38 558 250	38 152 231	(19 089 658)	29 462 424
Total current assets	22 231 858	18 024 204	-	(5 573 041)	(155 360 412)	-	(3 809 723)	105 000 000	125 108 676	(114 746 773)	38 558 250	38 152 231	(19 089 658)	48 495 612
Total assets	196 421 477	153 050 976	52 791 927	-	(155 360 412)	134 943 919	(3 809 723)	105 000 000	129 806 571	(114 746 773)	38 558 250	38 152 231	-	574 808 443
EQUITY AND LIABILITIES														
EQUITY:														
Share capital	50 000	5 055 414	-	-	-	(5 055 414)	-	-	-	-	-	-	-	50 000
Legal reserve	10 000	-	-	-	-	-	-	-	-	-	-	-	-	10 000
Supplementary capital	9 583 819	-	-	-	-	-	-	-	-	-	-	-	-	9 583 819
Other reserves and retained earnings	39 718 335	(106 171 826)	-	-	-	106 171 826	-	-	-	-	-	-	-	39 718 335
Currency Translation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consolidated net profit for the year attributable to Equity holders of the parent	17 934 337	(32 228 561)	(1 598 946)	-	-	33 827 507	(3 063 061)	-	-	-	-	-	-	14 871 276
Total equity attributable to Equity holders of the parent	67 296 491	(133 344 973)	(1 598 946)	-	-	134 943 919	(3 063 061)	-	-	-	-	-	-	64 233 430
Non-controlling interests	14 584	-		-	-	-	(746 662)	-	-	-	38 558 250	-	-	37 826 172
Total equity	67 311 075	(133 344 973)	(1 598 946)	-	-	134 943 919	(3 809 723)	-	-	-	38 558 250	-	-	102 059 602
LIABILITIES:														
NON-CURRENT LIABILITIES:														
Bonds	48 463 769	-	-	-	-	-	-	-	-	-	-	-	-	48 463 769
Other loans	-	98 228 090	-	-	-	-	-	-	127 235 355	(98 228 090)	-	-	-	127 235 355
Derivative financial instruments	-	8 267 053	-	-	-	-	-	-	-	(8 267 053)	-	-	-	-
Shareholders loans	-	155 360 412	-	-	(155 360 412)	-	-	-	-	-	-	38 152 231	-	38 152 231
Lease liabilities	5 836 636	-	54 353 880	-	-	-	-	-	-	-	-	-	-	60 190 516
Other payables	820 348	3 336 930	-	-	-	-	-	-	-	-	-	-	-	4 157 278
Other non-current liabilities	611 632	-	-	-	-	-	-	-	-	-	-	-	-	611 632
Deferred tax liabilities	3 258 306	-	-	-	-	-	-	-	-	-	-	-	-	3 258 306
Provisions	11 538 164	3 895 810	-	-	-	-	-	-	-	-	-	-	-	15 433 974
Total non-current liabilities	70 528 855	269 088 295	54 353 880	-	(155 360 412)	-	-	-	127 235 355	(106 495 143)	-	38 152 231	-	297 503 061
CURRENT LIABILITIES:														
Bonds	1 545 172	-	-	-	-	-	-	-	-	-	-	-	-	1 545 172
Other loans	40 007 311	6 381 322	-	-	-	-	-	105 000 000	2 571 216	(6 381 322)	-	-	-	147 578 527
Derivative financial instruments	-	1 870 308	-	-	-	-	-	-	-	(1 870 308)	-	-	-	-
Shareholders loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	284 370	-	36 993	-	-	-	-	-	-	-	-	-	-	321 363
Trade payables	8 537 852	2 362 546	-	-	-	-	-	-	-	-	-	-	-	10 900 398
Other payables	3 939 205	4 480 384	-	-	-	-	-	-	-	-	-	-	-	8 419 589
Income tax payable	3 411 514	-	-	-	-	-	-	-	-	-	-	-	-	3 411 514
Other tax liabilities	565 732	812 839	-	-	-	-	-	-	-	-	-	-	-	1 378 571
Other current liabilities	290 391	1 400 255	-	-	-	-	-	-	-	-	-	-	-	1 690 646
Total current liabilities	58 581 547	17 307 654	36 993	-	-	-	-	105 000 000	2 571 216	(8 251 630)	-	-	-	175 245 780
Total liabilities	129 110 402	286 395 949	54 390 873	-	(155 360 412)	-	-	105 000 000	129 806 571	(114 746 773)	-	38 152 231	-	472 748 841
Total equity and liabilities	196 421 477	153 050 976	52 791 927	-	(155 360 412)	134 943 919	(3 809 723)	105 000 000	129 806 571	(114 746 773)	38 558 250	38 152 231	-	574 808 443

The accompanying notes are integral part of this Pro Forma Consolidated Statement of Financial Position

Pro forma Consolidated Income Statement for the year ended 31 December 2020

(Amounts expressed in euros)

				Proforma Adjustments										
	Greenvolt	TGPH UK GAAP	Harmonization UK GAAP to IFRS - EU (IFRS 16)	Business Combination	Transactions costs	Credit lines through Greenvolt	Financing expenses - Financing agreement through the company Lakeside BidCo Limited	ECL - Financing agreement - Lakeside BidCo Limited	Financing expenses - Equitix Shareholder loan	Elimination of financial expenses (Shareholder loan and debt)	Financing expenses - Greenvolt Shareholder loan	Elimination of intragroup and tax effect	TGPH non-controlling interests	Pro Forma
			5 and 6.2	6.1	6.3	6.4.1	6.4.2	6.4.2	6.4.3 and 6.5	6.4.5	6.4.6	6.4.6	6.5	
Revenue	89.877.619	32.179.736	-	-	-	-	-	-	-	-	-	-	-	122.057.355
Other income	222.437	1.041.088	-	-	-	-	-	-	-	-	-	-	-	1.263.525
Costs of sales	(39.028.957)	(9.729.139)	-	-	-	-	-	-	-	-	-	-	-	(48.758.096)
External supplies and services	(17.920.494)	(12.830.612)	2.371.134	-	(3.809.723)	-	-	-	-	-	-	-	-	(32.189.695)
Provisions and impairment reversals /(losses) in current assets	41	-	-	-	-	-	-	-	-	-	-	-	-	41
Other expenses	(129.539)	-	-	-	-	-	-	-	-	-	-	-	-	(129.539)
Operating profit less amortization and depreciation and Impairment reversals /(losses) in non-current assets	33.021.107	10.661.073	2.371.134	-	(3.809.723)	-	-	-	-	-	-	-	-	42.243.591
Amortization and depreciation	(12.148.457)	(7.570.152)	(1.604.369)	-	-	-	-	-	-	-	-	-	-	(21.322.978)
Impairment reversals /(losses) in non-current assets	6.335.742	(199.935)	-	(4.114.007)	-	-	-	-	-	-	-	-	-	2.021.800
Operating profit	27.208.392	2.890.986	766.765	(4.114.007)	(3.809.723)	-	-	-	-	-	-	-	-	22.942.413
Financial expenses	(1.791.223)	(35.461.744)	(2.382.471)	-	-	(945.000)	(4.976.008)	(198.739)	(2.698.650)	35.461.744	(3.921.529)	3.921.529	-	(12.992.091)
Financial income	67	4.247	-	-	-	-	-	-	-	-	-	-	-	4.314
Profit before income tax and CESE	25.417.236	(32.566.511)	(1.615.706)	(4.114.007)	(3.809.723)	(945.000)	(4.976.008)	(198.739)	(2.698.650)	35.461.744	(3.921.529)	3.921.529	-	9.954.636
Income tax	(6.412.734)	-	-	-	-	245.700	-	-	-	-	-	(1.019.598)	-	(7.186.632)
Energy sector extraordinary contribution (CESE)	(1.078.934)	-	-	-	-	-	-	-	-	-	-	-	-	(1.078.934)
Consolidated net profit for the year	17.925.568	(32.566.511)	(1.615.706)	(4.114.007)	(3.809.723)	(699.300)	(4.976.008)	(198.739)	(2.698.650)	35.461.744	(3.921.529)	2.901.931	-	1.689.070
Attributable to:														
Equity holders of the parent	17.934.337	(32.566.511)	(824.010)	(2.098.144)	(3.063.061)	(699.300)	(2.537.764)	(101.357)	(1.376.312)	35.461.744	(1.999.980)	2.901.931	(1.418.664)	9.612.909
Non-controlling interests	(8.769)	-	(791.696)	(2.015.863)	(746.662)	-	(2.438.244)	(97.382)	(1.322.338)	-	(1.921.549)	-	1.418.664	(7.923.839)
	17.925.568	(32.566.511)	(1.615.706)	(4.114.007)	(3.809.723)	(699.300)	(4.976.008)	(198.739)	(2.698.650)	35.461.744	(3.921.529)	2.901.931	-	1.689.070

The accompanying notes are integral part of this Pro Forma Consolidated Income Statement

Notes to the Pro Forma Consolidated Financial Information

(Amounts expressed in euros)

1. Purpose of the Pro Forma Consolidated Financial Information

The accompanying pro forma consolidated financial information shows the pro forma consolidated statement of financial position of Greenvolt – Energias Renováveis, S.A. (hereinafter "Greenvolt" or the "Company" and together with its subsidiaries, the "Group"), as at 31 December 2020 and the pro forma consolidated income statement for the year then ended, which have been prepared from, and must be read together with the consolidated financial statements of the Group as at and for the year ended 31 December 2020, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS-EU").

This pro forma consolidated financial statements have been prepared with the aim of showing, on a pro forma basis, the potential impact on the consolidated statement of financial position of the Group as at 31 December 2020, as well as on the consolidated income statement for the year then ended, of the acquisition of shares representing 100% of the share capital, together with Equitix (see Note 2), and shareholders loans ("ShL") of Tilbury Green Power Holdings Limited ("TGPH") (the "Acquisition"), stated in the following paragraph, as if said acquisition had occurred on 1 January 2020 for the purposes of preparing the pro forma consolidated income statement and as at 31 December 2020 for the purposes of the pro forma consolidated statement of financial position.

In order to prepare these pro forma consolidated financial statements, it has been assumed that the Acquisition, described in Note 2, is completely finished as at 31 December 2020 for pro forma consolidated statement of financial position purposes, and as at 1 January 2020 for pro forma consolidated income statement purposes.

These pro forma consolidated financial statements have been elaborated solely for the purpose of including them in the prospectus prepared by Greenvolt to be submitted in the context of its proposed admission to trading on Euronext Lisbon of its shares representing 100% of its' share capital (hereinafter the "Prospectus").

This pro forma consolidated financial information has been prepared for illustrative purposes only and assumes that the Group's Board of Directors (the "Directors") has deemed reasonable under the current circumstances, the terms and conditions contained in the contracts leading to the drafting of these pro forma consolidated financial statements, as well as the financial statements available on the date of preparation of the pro forma information. The assumptions adopted are described in Note 4.

Given that this pro forma consolidated financial information has been prepared in order to reflect a hypothetical situation, it is not intended to reflect, and, consequently, does not reflect, neither the consolidated financial position, nor the consolidated results of the operations of the

Group should the operations described in Note 2 have occurred. Likewise, the pro forma consolidated information does not reflect the financial position or the Group's future results.

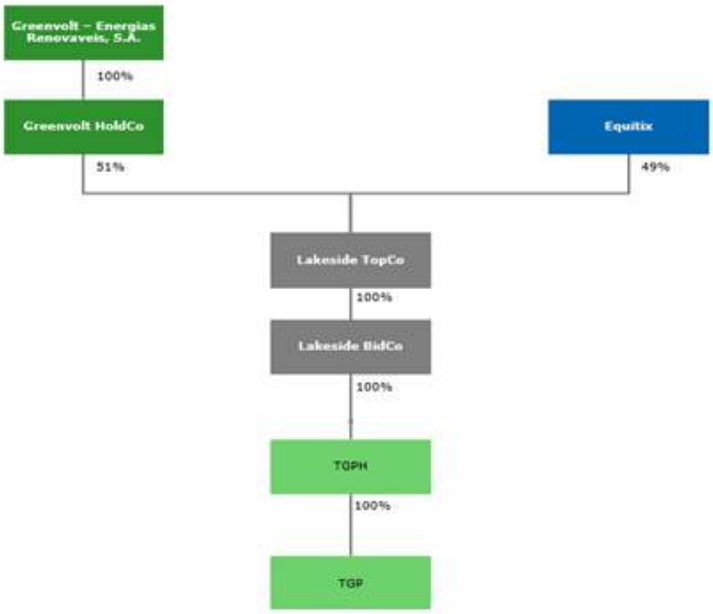
The Directors of Greenvolt are responsible for the preparation and content of the pro forma consolidated financial statements, which have been approved, by the Board of Directors, on 24 June 2021.

2. Description of the Acquisition

On 19 May 2021, ALTRI, SGPS, S.A. informed the market that its wholly-owned subsidiary Greenvolt, on that date, reached an agreement, together with funds managed by the Equitix Group ("Equitix"), for the acquisition of TGPH — the owner of a fully operational renewable energy biomass power plant, with installed capacity of 41.6 MW, located in the port of Tilbury, Essex, England, operated by its fully owned subsidiary Tilbury Green Power Limited ("TGP").

The Sale and Purchase Agreement ("SPA") between ESB II UK Limited, UK Green Infrastructure Platform Limited, Aalborg Energie Technik A/S and Burmeister & Wain Scandinavian Contractor A/S (the "Sellers") and Lakeside BidCo Limited (the "Buyer") regarding the shares of TGPH was signed on 7 June 2021.

The acquisition of TGPH will be performed as illustrated below, with Greenvolt owning 51% of the share capital of Lakeside TopCo, through a British entity Greenvolt HoldCo and funds managed by Equitix owning the remaining 49% (currently Equitix Fund 6 Healthcare Sector Holdco Limited):



Tilbury power plant is located, approximately, 25 miles from central London, and it is therefore strategically located to process waste wood for the area, with few alternatives in the vicinity. Its design is based on conventional grate and boiler technology from reputable suppliers and plays a key role in meeting the UK's climate objectives by providing renewable baseload capacity (energy recovery from waste wood is a key element of the waste hierarchy and the circular economy framework).

Tilbury power plant is built to a robust specification based on proven modern technology and is considered one of the highest specification plants in the United Kingdom in relation to fire and deflagration protection systems. The plant benefits from (i) long-term contracts covering all key operational areas and a (ii) stable and highly visible cash flow generation, with a remuneration framework underpinned by RPI-indexed Renewable Obligation Certificates through to 2037 and useful life until 2054. Supply is fully covered by a 16-year fuel supply agreement covering 100% of the plant's requirements.

In accordance with the SPA, Lakeside BidCo Limited shall pay the Share Price Consideration to be determined on the date of completion as explained in the next paragraph, as well as to (i) the repayment of all shareholder loans amounts outstanding with former shareholders, (ii) the existing financing, and (iii) an additional amount regarding an adjustment of the Purchase Power Agreement.

In accordance with the SPA, the Share Price Consideration of TGPH shares is based on an Enterprise Value of 246,500,000 GBP less the financial debt at the date of completion, less the fair value of related derivatives outstanding, less shareholders loans at the date of completion that will be paid separately to the former shareholders plus cash and other adjustments, some of which are variable up to the date of completion. Therefore, the Share Price Consideration may fluctuate based on both the timing of completion as well as on the amount of shareholders loans outstanding at completion date.

The completion of the transaction is subject to customary precedent conditions in transactions of this nature being met, namely the written consent of the Minister of Environment, Climate and Communications and the Minister for Public Expenditure and Reform of United Kingdom being received by ESB II UK Limited, UK Green Infrastructure Platform Limited to sell its shares

3. Basis and presentation sources of the Pro Forma Consolidated Financial Information

The pro forma consolidated financial information has been prepared in accordance with the requirements of the EU Prospectus Regulation and the Regulation 2019/980 of the European Commission of 14 March 2019, and subsequent amendments, and with the update by the European Securities Market Authority ("ESMA") of the recommendations from the Committee of European Securities Regulators ("CESR") for the consistent implementation of said regulation (ESMA/ 2013/319) and with the clarifications contained in document ESMA/31-62-780 and ESMA/31-62-1258.

The accounting policies used in the preparation of the pro forma consolidated financial information are consistent with the accounting policies used by Greenvolt in the preparation of its consolidated financial statements as at and for the year ended 31 December 2020, in accordance with IFRS-EU. In this sense, although the Group subject to the Acquisition does not prepare its financial statements in accordance with IFRS-EU, but in accordance with generally

accepted accounting principles in the United Kingdom, its consolidated financial statements have been subject to accounting homogenization analysis in order to be compiled in line with the Group accounting policies.

The historical financial information used as the basis for the compilation of this pro forma financial information was as follows:

- Consolidated financial statements of Greenvolt and its subsidiaries as at and for the year ended 31 December 2020 prepared in accordance with the IFRS-EU. These consolidated financial statements were audited by Deloitte & Associados, SROC S.A., which issued the corresponding audit report dated 24 June 2021, which does not contain any qualification;

- Consolidated financial statements of TGPH and its subsidiary as at and for the year ended 31 December 2020 prepared in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). These consolidated financial statements were audited by PricewaterhouseCoopers Chartered Accountants and Statutory Auditors (Dublin) which issued the corresponding audit report dated 8 June 2021, which contains a material uncertainty related to going concern.

For the purpose of the pro forma consolidated financial statements prepared, Greenvolt carried out a preliminary assessment over the main and material differences between the Group accounting policies and the accounting policies of TGPH and considered that the main difference arises from the treatment of leases. Accordingly, Greenvolt performed a calculation of the impact of adopting IFRS 16 – Leases by TGPH as at 1 January 2020, based on available information at this date (Note 6.2).

Taking into consideration the abovementioned, this pro forma consolidated financial information was prepared to reflect a hypothetical situation, it is not intended to represent, and does not represent, the consolidated financial position or the consolidated results of Greenvolt and TGPH, prepared in accordance with IFRS-EU. Additionally, the homogenization adjustment made to TGPH consolidated financial statements should not be regarded as the first-time adoption of IFRS-EU in accordance with IFRS 1 - First-time Adoption of International Financial Reporting Standards. Consequently, the abovementioned accounts contemplate only the conversion adjustments from UK GAAP to IFRS-EU for the items identified at this stage and deemed material by Greenvolt Board of Directors, therefore should not be considered prepared under IFRS-EU.

It should also be noted that at this time no purchase price allocation process, required by IFRS 3 – Business Combinations, was performed due to the fact that the SPA was signed on 7 June 2021. In case of a successful closing process, the fair valuation of assets, liabilities and contingent liabilities acquired will be performed and subject to potential adjustments, if not finalized at the time of presentation of the first consolidated financial statements of Greenvolt after acquisition, during the following 12 months to the closing process (effective date of acquisition), according with IFRS-EU. Therefore, for the purposes of the preparation of the pro forma consolidated financial statements of the Group as at 31 December 2020, the classification, designation and value of the identifiable assets acquired and liabilities assumed continue to be the same as they were in the financial statements of the TGPH and that no new asset, liability or contingent liability would be identified, which were prepared under UK GAAP (see Note 6.1 for further details on the analysis performed).

The pro forma consolidated statement of financial position as at 31 December 2020 was prepared by aggregating the consolidated of financial position as at 31 December 2020 of Greenvolt with the consolidated statement of financial position of TGPH as at 31 December 2020 prepared under UK GAAP, plus the harmonization and pro forma adjustments estimated as if the transaction had been carried out at that date. Additionally, eliminations of balances between the aforementioned companies have been carried out, insofar as the companies maintained balances recorded between them and the Group, or those balances arise on acquisition.

The pro forma consolidated income statement for the year ended 31 December 2020 was prepared by aggregating the consolidated income statement of Greenvolt for the year ended 31 December 2020, with the consolidated income statement for the year ended 31 December 2020 of TGPH, plus the harmonization and pro forma adjustments estimated as if the transaction had been carried out on 1 January 2020. Additionally, eliminations of transactions between the companies within the scope of the pro forma financial information have been carried out, insofar as TGPH have made transactions with the Group, or those transactions are deemed to exist after acquisition.

The accounting policies used by the Board of Directors of Greenvolt in the compilation of the pro forma consolidated financial information are consistent, in all material respects, with the accounting policies used in the preparation of the consolidated financial statements of Greenvolt as at 31 December 2020.

4. Main hypotheses and assumptions used

The following assumptions were used in the preparation of the pro forma financial information:

- The Board of Directors of Greenvolt considers highly probable that the necessary steps mentioned in Note 2 for the completion of the Acquisition will occur.

- In accordance with the Shareholders Agreement between Greenvolt and Equitix, the Board of Directors of Greenvolt considers that it controls TGPH in accordance with the principles of IFRS 10 - Consolidated Financial Statements, as the relevant matters, as defined by the Board of Directors of Greenvolt, are approved and/or controlled by Greenvolt and the decisions where the approval of Equitix is required are deemed to be protective rights of Equitix. Therefore, in this pro forma consolidated financial information TGPH was consolidated using the full consolidation method.

- Considering that the SPA was signed on 7 June 2021, the Board of Directors did not have the possibility to conclude the purchase price allocation of TGPH. Hence, the difference arising on acquisition (consideration paid vs. net asset value acquired) was fully allocated to goodwill as indicated on Note 6.1.

- The Group's consolidated financial statements as at and for the year ended 31 December 2020 were prepared in accordance with IFRS-EU and, therefore, the pro forma consolidated financial statements should also be presented under IFRS-EU. GAAP adjustments have been included when identified and considered material by the Board of Directors within the historical financial information of TGPH (originally prepared under UK GAAP). On this analysis, Greenvolt's management considers that the only

material adjustment identified refers to the adoption of IFRS 16 (please refer to Notes 5 and 6.2 for additional details).

- For the purposes of the preparation of the pro forma consolidated statement of financial position, it has been assumed that the transaction took place on 31 December 2020. Additionally, when preparing the pro forma consolidated income statement, it was considered that the transaction was performed as at 1 January 2020.

- In what relates to financing the Acquisition and to refinancing TGPH as established on the SPA, it was considered that (see Note 6.4 for further details):

    - To finance the Acquisition, the Board of Directors of Greenvolt assumed to use credit lines available to the Company in form of several commercial paper programs for 3 to 5 years with yearly termination clauses amounting to 105 million euros (Note 6.4.1). The referred credit lines were considered to bear interests at 0.9% for the year ended 31 December 2020. Considering the nature of the credit lines, the amount is presented as current liabilities. Greenvolt will negotiate further loans in order to extend the debt maturity profile.

    - Financing agreement through Lakeside BidCo Limited in the amount of 120 million pounds (approximately 133.5 million euros), incurring in 3.3 million pounds (approximately 3.7 million euros) of expenses with the signing of such agreement, namely underwriting fee and upfront fee, totalling a net amount of 116.7 million pounds (approximately 129.8 million euros – Note 6.4.2). This Facilities Agreement entered with Banco Santander, S.A., London Branch bear interests at a rate of SONIA ("Sterling Overnight Interbank Average Rate") plus a variable margin of 2.15% for the first to the third year, 2.4% for the fourth year and 2.75% for the fifth year. At the same date, the Lakeside Bid Co Limited will enter in an interest rate swap with the Banco Santander, S.A., London Branch that swaps the variable interest rate by 0.853% fixed. For the purposes of the pro forma consolidated income statement it was assumed that the total interest rate of this agreement, was fixed and result in an effective interest rate of 3.7% per year.

    - An agreement, together with Equitix, to finance 49% of the Acquisition, split between equity totalling 34.7 million pounds (approximately 38.6 million euros) and shareholder loan (debt) in a total amount of 34.3 million pounds (approximately 38.2 million euros – Note 6.4.3). The shareholders loans will bear interests at a rate of 7% per year as agreed among parties.

    - Given that obtaining the additional funds, both by means of shareholders loans and by the financing agreement through Lakeside BidCo Limited implies the full refinancing of TGPH, as established in the SPA signed, the entire balances and transactions recognized in the TGPH consolidated financial statements as at 31 December 2020 in relation with the financing and interest rate swaps existing during 2020 have been eliminated in the pro forma consolidated statement of financial position as at 31 December 2020, as well as for the pro forma income statement for the year then ended.

- To perform this Acquisition (described in Note 2), the Board of Directors of Greenvolt estimated to incur in expenses amounting to 3.8 million euros (see Note 6.3) related to financial advisory, consulting and legal services, some of which were incurred by TGPH, hence attributable to non-controlling interests. These expenses were considered costs in the pro forma consolidated income statement for the year ended 31 December 2020 and fully paid for the purposes of the pro forma statement of financial position as at 31 December 2020.

- Regarding the tax effects of the adjustments related to the described transaction, an average tax rate of 26.0% was considered for Greenvolt (Portuguese estimated applicable tax rate) and 19.0% for TGPH (estimated British tax rate applicable). Tax effects were only considered when it would represent a net impact in the income tax for the year ended 31 December 2020, considering that TGPH had not recognized deferred tax assets for temporary differences and for tax losses or tax credits carried forward, that existed as at 31 December 2020.

- Considering that Greenvolt functional currency is Euro and that TGPH functional currency is British Pound ("pounds"), for the purpose of the translation of the foreign operation, the following exchange rates were used:

	Exchange Rate
Average EUR/GBP for the year ended 31 December 2020	0.890
Spot EUR/GBP as at 31 December 2020	0.899

  TGPH consolidated statement of financial position was translated to euros considering the EUR/GBP spot rate as at 31 December 2020 and the TGPH consolidated income statement was translated based on the average EUR/GBP rate for the year ended 31 December 2020.

- Certain numerical figures set out in this pro forma consolidated financial information presented in euros or in pounds or in million/thousands of euros/pounds, as indicated, have been subject to rounding adjustments and, as a result, the totals of the data in this pro forma consolidated financial information may vary slightly from the actual arithmetic totals of such information.

5. Uniformity adjustments

As indicated in Note 3, the historical financial information used in the preparation of the pro forma financial information was i) the consolidated financial statements of Greenvolt as at and for the year ended 31 December 2020 prepared in accordance with IFRS-EU, and ii) the consolidated financial information of TGPH as at and for the year ended 31 December 2020, prepared in accordance with UK GAAP.

To prepare these pro forma consolidated financial statements, Greenvolt has performed a high-level analysis regarding the two general accepted accounting standards in order to identify the main differences. This analysis consisted in the comparison over the main accounting policies used in the preparation of the consolidated financial statements of Greenvolt as at and for the year ended 31 December 2020 and in the preparation of the consolidated financial statements of TGPH as at and for the year ended 31 December 2020. In addition, Greenvolt's management

considered the differences between UK GAAP and IFRS-EU, and determined which would be relevant for the context of the preparation of the pro forma consolidated financial statements.

As a conclusion of the above mentioned analysis, Greenvolt's Board of Directors concluded that the main and material difference consisted in the adoption of accounting standard IFRS 16 – Leases, that in UK GAAP is not applicable (see Note 6.2 for information on how the adjustment was computed).

Since at this date, no additional material differences have been identified, or are considered to exist by Greenvolt's Board of Directors between the accounting policies used in the preparation of the consolidated financial statements of Greenvolt as at 31 December 2020 and the ones used in preparation of the consolidated financial information of TGPH as at 31 December 2020, no further adjustments were identified.

Some classification adjustments were also produced as TGPH prepared its consolidated income statement by function rather than by nature as it is prepared by Greenvolt. In addition, some reclassifications on the consolidated statement of financial position were also performed relating to presentation of assets and liabilities to comply with the presentation detail prepared by Greenvolt.

6. Pro Forma adjustments

6.1 Acquisition of 100% shares of Tilbury Green Power Holdings Limited through a company held at 51% by Greenvolt

As indicated in Note 2, Greenvolt settled an agreement for indirect acquisition of 51% share capital of TGPH.

For 100% of the shares, the Share Price Consideration amounts to 5.0 million pounds (approximately 5.6 million euros). Also, Greenvolt and Equitix will acquire the shareholders loans from the previous Shareholders, which as at 31 December 2020, amounted to 139.7 million pounds (approximately 155.4 million euros). Note that Greenvolt considered the amount estimated to be paid at completion date rather than the carrying amount of the ShL as at 31 December 2020.

The adjustment in column "Elimination of intragroup balances" relates to elimination of the shareholders loan acquired at book value to the former shareholders of the TGPH, by Lakeside BidCo (Greenvolt subsidiary).

As previously referred, and due to time constraints, Greenvolt has not performed the purchase price allocation of the acquisition as required by IFRS 3. Hence, and solely for the purposes of the pro forma financial information, the carrying amount of assets and liabilities acquired by means of the business combination were maintained. In accordance with IFRS 3, the acquirer shall measure at fair value on the date of acquisition the identifiable assets, liabilities and contingent liabilities acquired in order to compute the amount of goodwill arising on acquisition. Therefore, the amount of goodwill determined for the purpose of the pro forma financial information will change on acquisition due to (i) potential changes in the consideration paid on acquisition as explained in Note 2 and (ii) changes in the valuation and identification of assets (including intangible assets related with contractual agreements and licences not recognized on TGPH consolidated financial statements), liabilities acquired and contingent liabilities. In accordance with IFRS 3, the measurement period for determining the definitive fair value, if

determined on provisional basis, must not exceed twelve months from the effective acquisition date.

Considering the above, the goodwill amount arising on consolidation of TGPH was computed as follows, based on the net assets carrying amount as at 31 December 2020:

	Amounts in thousands of pounds	Amounts in thousands of euros
Enterprise value of TGPH (Note 2)	246,500	274,184
Cash at hand	6,403	7,122
Additional consideration and other effects	3,384	3,765
Financial debt including derivatives (a)	(103,188)	(114,777)
Former shareholders loans to be reimbursed (a)	(148,089)	(164,721)
Purchase price of 100% shares **[1]**	5,010	5,573
Net assets of TGPH carrying amount as at 31 December 2020 (UK GAAP) **[2]**	(119,881)	(133,345)
Harmonization adjustments – Leases (Note 6.2) **[3]**	(1,438)	(1,599)
Goodwill **[1]-[2]-[3]**	126,329	140,517

(a) The amounts related with financial debt including derivatives and with former shareholders loans correspond to the estimated amounts at the date of completion which are different to the ones presented as at 31 December 2020 – See Note 2.

Greenvolt Directors have considered that the goodwill arising on TGPH acquisition is associated with (i) the profits related with biomass plants, (ii) the difference of the fair value of assets, liabilities and contingent liabilities acquired and its carrying amount and (iii) the profits arising from the valuation of existing agreements at the date of acquisition. Therefore, as all the mentioned factors have finite useful lives, the goodwill will be impaired at the same time as the aforementioned income is recognized, or the differences of fair value with the carrying amount of assets and liabilities acquired will be depreciated over the years of operation.

For the purposes of the pro forma consolidated income statement, it was considered that goodwill would be impaired or the differences between the carrying amount of net assets would be depreciated, considering the following assumptions for the year 2020:

- Considering that, as at this date, the full acquisition difference was recognized as goodwill, all the impact of the above-mentioned impairment or amortization of the fair value adjustments was recognized as goodwill impairment.
- Goodwill's maximum useful life is directly related to the useful life of the plant object of the transaction which is, approximately, 34 years (from 1 January 2020 onwards), considering that the end of the project is deemed, at this date, to be 23 March 2054.
- Goodwill's recovery is affected by the positive cash flows obtained annually from the plant related with the original business plan. Any positive or negative deviation in the cash flows would vary the impairment recorded. For the purposes of expenses to be charged on the pro forma consolidated income statement, it has been assumed that all the Companies object of transaction will meet their business plan on every year of the estimated useful live, which average period is of 34 years. As result, the impact on the pro forma consolidated income statement was 4.1 million euros.

The Directors have considered as a hypothesis that the impairment of goodwill registered on the pro forma consolidated income statement for year 2020 has no tax impact.

6.2 Harmonization of the accounting policies

TGPH accounting policies and UK GAAP requirements regarding the accounting treatment of operating leases are broadly similar to the former IAS 17 – Leases. Nevertheless, under IFRS-EU and after the application of IFRS 16 – Leases, the accounting treatment changed significantly. Accordingly, Greenvolt estimated the impact of the application of IFRS 16 as if it was applied since 1 January 2020.

The only relevant lease identified in which TGPH is part relates to the lease of the land where the power plant is built and, in accordance with the lease agreement, the rents will increase by the higher of 2% per year or the variation of a retail price index.

For the purpose of calculating the Right of Use and related Lease liability, Greenvolt considered the lease term to end in 23 March 2054 and an interest rate of 4.5%, which is similar to the LIBOR interest rate swap for the maturity of 16 years (considering the average life of the lease liability) plus a spread of 3.5%.

The impacts on pro-forma consolidated financial statement, when compared with the UK GAAP financial statements were as follows:

	IFRS 16 impact (Decrease)/Increase (thousands of pounds)	**IFRS 16 impact** (Decrease)/Increase (thousands of euros)
Right of Use Asset	47,462	52,792
Lease liabilities (non-current)	48,866	54,354
Lease liabilities (current)	33	37
External supplies and services	(2,110)	(2,371)
Amortization	1,427	1,604
Interest expenses	2,120	2,382

In accordance with that estimate, the undiscounted lease commitments as at 31 December 2020 are as follows, considering the minimum yearly incremental rate of 2%:

	Amounts in thousands of pounds	Amounts in thousands of euros
Within 1 year	2,152	2,393
Between 1-5 years	11,422	12,705
After 5 years	86,668	96,402
Total undiscounted commitments	100,242	111,500

The Group has provided collateral in the form of an issued letter of credit of 5.2 million pounds (approximately 5.8 million euros) and cash at bank at 31 December 2020 includes 1.2 million pounds (approximately 1.3 million euros) in respect of the operating lease agreement in respect of land. In accordance with the agreements performed both collaterals have been replaced by a letter of credit amounting to 6.4 million pounds (approximately 7.1 million euros).

6.3 Transaction costs

Based on the estimate of the Board of Directors of Greenvolt, the expenses incurred on acquisition amount to 3.8 million euros. The referred amount was recognized as acquisition cost on the pro forma consolidated income statement for the year ended 31 December 2020. Some of these transaction costs were incurred by TGPH which have been allocated to Non-controlling interests as well.

These expenses are non-recurring in future years and were considered not to produce tax effects.

6.4 Financing

To settle the transaction, the Board of Directors of Greenvolt assumed to use:

6.4.1 Credit lines through Greenvolt

Credit lines through Greenvolt in the amount of 105 million euros. It is expected to be fully subject to a final agreement to be entered into with several Portuguese banks, in order to finance the acquisition, under committed credit lines with 3 to 5 years maturity with a yearly termination clause by both Greenvolt and the Portuguese banks. Greenvolt will negotiate further loans in order to extend the debt maturity profile.

These Credit lines were considered for the pro forma consolidated statement of financial position as at 31 December 2020, which was prepared as if the transaction occurred in that date, as current liabilities.

For purposes of the pro forma consolidated income statement for the year ended 31 December 2020, it was considered that the amount of liability was payable during the next year and amounted to 105 million euros, bearing interests at an interest rate of 0.9% per year (which corresponds to all-in cost). This interest rate was determined based on the maximum interest rate of the credit lines negotiated by Greenvolt.

6.4.2 Financing agreement through the Lakeside BidCo Limited

Financing agreement through Lakeside BidCo Limited amounting to 120 million pounds (with 3.3 million pounds related to transaction costs associated with the underwriting fee and upfront fee) totalling a net amount of 116.7 million pounds (approximately 129.8 million euros). It is fully subject to a Facilities Agreement entered with Banco Santander, S.A., London Branch in order to finance the acquisition and refinance TGPH.

Related to this agreement, there is a Debt Service Reserve Account amounting to 4.2 million pounds (approximately 4.7 million euros) which was presented as “Other non-current assets”.

On the same date, and as established in the SPA, it was considered the payment of Other loans and the settlement of the derivative financial instruments held by TGPH, which at 31 December 2020 amounts to 94 million pounds (approximately 104.6 million euros) and 9.1 million pounds (approximately, 10.1 million euros), respectively, totaling 103.1 million pounds (approximately, 114.7 million euros).

In the Facilities Agreement, it also included a Facility C Commitment (letter of credit facility available under this agreement) in a total amount of 6.4 million pounds (approximately 7.2 million euros) which bear interest at an interest rate of 2.75%.

For purposes of the pro forma consolidated income statement for the year ended 31 December 2020, the value of the Financing agreement considered in use for the purpose of calculating interest expenses was 120 million pounds during the entire year. As an assumption for the preparation of the pro forma consolidated income statement it was considered an effective interest rate of 3.7% (which corresponds to the average debt rate of the above-mentioned financing plus the effect of the Interest Rate Swap entered at the same date for the purpose of cash flow hedging, resulting in interest expenses of 4.4 million pounds (approximately, 5 million euros).

6.4.3 An agreement, together with Equitix, to finance 49% of the acquisition

Split between equity in a total amount of 34.7 million pounds (approximately 38.6 million euros) and shareholder loan (debt) in a total amount of 34.3 million pounds (approximately 38.2 million euros).

In relation to the shareholder loan, as an assumption for the preparation of the pro forma consolidated income statement, it was considered an agreed interest rate of 7% for the year ended 31 December 2020 which corresponds to 2.4 million pounds (approximately 2.7 million euros).

6.4.4 Total interest expenses considered on the pro forma income statement

The total interests charged can be detailed as follows:

	Note	Amounts in thousands of pounds	Amounts in thousands of euros
Financing agreement through Lakeside BidCo Limited	6.4.2	4,427	4,976
Letter of Credit interests - Lakeside BidCo Limited	6.4.2	177	199
Shareholder loans of Equitix	6.4.3	2,401	2,699
Credit lines through Greenvolt	6.4.1	n.a.	945
Total in thousands			8,819

Considering that TGHP did not account for the net tax loss carried forward as deferred tax assets, the Board of Directors decided not to compute any tax savings from the estimated interest expenses.

6.4.5 Total interest expenses eliminated on the pro forma income statement

Considering that on the SPA it was agreed the full repayment of the outstanding financial liabilities, including the interest rate swap, it was also considered the elimination of the interest expenses included in TGPH consolidated income statement, including the impact of accelerating the upfront costs supported by TGPH for obtaining the existing financing, the effect of mark to market of the derivative and the effect of recycling the hedging reserve, these last effects

recognized on TGPH consolidated income statement as it was considered highly probable that the outstanding financial liability and derivative would be settled on the sale of TGPH shares.

The financial interests eliminated can be described as follows:

	Amounts in thousands of pounds	Amounts in thousands of euros
Interests on shareholders loans	15,325	17,224
Interests on bank loans	4,821	5,419
Amortised debt issue costs	2,291	2,575
Interest rate swaps recycling of loss from other comprehensive income	9,114	10,244
Total	31,551	35,462

6.4.6 Income tax expense related to Greenvolt ShL financing to TGPH

For the purpose of the pro forma consolidated income statement for the year ended 31 December 2020, this pro forma adjustment intents to quantify the tax expenses regarding taxable financial income (considering an average tax rate of 26%) obtained by Greenvolt on the ShL granted.

In accordance with the agreements made between Greenvolt and Equitix, Greenvolt will fund TGPH by means of an additional shareholders loan amounting to 16.5 million pounds (approximately 18.4 million euros), which will bear interests at 6% per annum, and by a 35.7 million pounds (approximately 39.7 million euros) which will bear interests at 7% per annum which corresponds to 3,5 million pounds, approximately 3.9 million euros. This adjustment intends to correctly allocate the interest expenses between net profit attributable to equity holders of the parent and non-controlling interests, since financial expenses due from the referred shareholders loan will be impacting TGPH net income, and consequently, the amount allocated to non-controlling interests, although fully eliminated on consolidation.

6.5 Non-controlling interests

For the purpose of the pro forma consolidated income statement for the year ended 31 December 2020, this pro forma adjustments intent to, appropriately, classify TGPH consolidated net profit for the year, between the amount attributable to equity holders of the parent and non-controlling interests.

As at 31 December 2020, Greenvolt recognised the non-controlling interests based on the share capital increase performed by Equitix on Lakeside TopCo amounting to 34.7 million pounds (approximately 38.6 million euros).

As referred on Note 2, the amount of share capital increase, which is dependent on the purchase price may vary from the estimated amount to the amount that will be finally determined on completion date.

The pro forma consolidated net profit for the year ended 31 December 2020 was attributable to non-controlling interests on the pro forma income statement as follows:

	Note	Amounts in thousands of pounds	Amounts in thousands of euros
TGPH UK GAAP consolidated net loss for the year		(28,975)	(32,567)
Elimination of financial expenses	6.4.5	31,551	35,462
Total		2,575	2,895
% of Non-controlling interests	2 and 6.4.3	49%	49%
Amount attributable to non-controlling interests		1,262	1,419

6.6 New Purchase Power Agreement (ESB IGT)

On acquisition completion date, TGP is expected to sign a supplementary agreement to the Power Purchase Agreement, signed on 23 March 2015, with ESB Independent Generation Trading Limited (ESB IGT) adjusting some of the agreement terms which will benefit TGP. Accordingly, TGP will have to pay an estimated additional amount of, approximately, 17.2 million pounds (approximately 19.1 million euros) considering the expectable amount to be paid as at 30 June 2021.

The amount referred above will reflect an increase in revenue, in result of the increase of the net price of sale of power and will take effect after the completion date.

The referred amount was assumed to have been paid as at 31 December 2020 for the purpose of the Pro Forma Consolidated Statement of Financial Position, nevertheless it was not considered to be depreciated during the year then ended as it will take effect only after acquisition.

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ASSURANCE REPORT ON THE COMPILATION OF THE PRO FORMA CONSOLIDATED FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS

To the Board of Directors of
Greenvolt – Energias Renováveis, S.A.

We conducted our engagement on the accompanying pro forma consolidated financial information of Greenvolt – Energias Renováveis, S.A. (hereinafter "Greenvolt" or the "Company"), prepared by the Board of Directors of Greenvolt, which comprises the proforma consolidated statement of financial position as at 31 December 2020 and the proforma consolidated income statement for the year then ended and the related accompanying explanatory notes hereto. The applicable criteria on the basis of which the Board of Directors of Greenvolt compiled the pro forma consolidated financial information, which are described in notes 1 to 6 to the aforementioned pro forma consolidated financial information, are those covered in the Regulation (EU) 2017/1129 of the European Commission of 14 June 2017, Regulation (EU) 2019/980 of the European Commission of 14 March 2019, in the European Securities and Markets Authority (ESMA) update of the Committee of European Securities Regulators (CESR) recommendations for the consistent implementation of the aforementioned Regulation (ESMA/2013/319) and the clarifications contained in document ESMA/31-62-780 and ESMA/31-62-1258.

The pro forma consolidated financial information, included in Annex I of the Prospectus, was compiled by Board of Directors of Greenvolt to illustrate the impact of the transaction described in note 2 as if the transaction had occurred on (i) 31 December 2020 to prepare pro forma consolidated statement of financial position and (ii) on 1 January 2020 to prepare the pro forma consolidated income statement for the year ended 31 December 2020.

As indicated in note 3 to the accompanying pro forma consolidated financial information, the information used as the basis for compiling the pro forma consolidated financial information was extracted by the Board of Directors of Greenvolt from:

a) Consolidated financial statements of Greenvolt and its subsidiaries as at and for the year ended 31 December 2020 prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS-EU"). These consolidated financial statements were audited by Deloitte & Associados, SROC, S.A., which issued the corresponding audit report dated 24 June 2021, which does not contain any qualification.

b) Consolidated financial statements of Tilbury Green Power Holdings Limited ("TGPH") and its subsidiary as at and for the year ended 31 December 2020 prepared in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). The Statutory Audit Report of these consolidated financial statements was issued by other auditor, dated 7 June 2021, does not contain any qualification and contains a material uncertainty paragraph related to going concern.

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Responsibility of the Board of Directors for the pro forma consolidated financial information

The Board of Directors of Greenvolt is responsible for the preparation and the content of the pro forma consolidated financial information, on the basis of the requirements established by the Regulation (EU) 2017/1129 of the European Commission of 14 June 2017, Regulation (EU) 2019/980 of the European Commission of 14 March 2019, in the European Securities and Markets Authority (ESMA) update of the Committee of European Securities Regulators (CESR) recommendations for the consistent implementation of the aforementioned Regulation (ESMA/2013/319) and the clarifications contained in document ESMA/31-62- 780 and ESMA/31-62-1258. The Board of Directors of Greenvolt are also responsible for the assumptions and hypotheses included in note 4 to the pro forma consolidated financial information, on which the pro forma adjustments described in notes 5 and 6 are based.

Our responsibility

Our responsibility is to issue the report required in the Regulation (EU) 2017/1129 of the European Commission of 14 June 2017, Regulation (EU) 2019/980 of the European Commission of 14 March 2019, in the European Securities and Markets Authority (ESMA) update of the Committee of European Securities Regulators (CESR) recommendations for the consistent implementation of the aforementioned Regulation (ESMA/2013/319) and the clarifications contained in document ESMA/31-62-780 and ESMA/ 31-62-1258 and the assumptions and hypotheses defined by the Directors of Greenvolt.

Our work was performed in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the International Auditing and Assurance Standards Board, which requires compliance with ethical requirements and the planning and performance of procedures to obtain reasonable assurance as to whether Directors have compiled, in all material respects, the pro forma financial information on the basis of the requirements in the Regulation (EU) 2017/1129 of the European Commission of 14 June 2017, Regulation (EU) 2019/980 of the European Commission of 14 March 2019, in the European Securities and Markets Authority (ESMA) update of the Committee of European Securities Regulators (CESR) recommendations for the consistent implementation of the aforementioned Regulation (ESMA/2013/319) and the clarifications contained in document ESMA/31-62-780 and ESMA/31-62-1258 and the assumptions and hypotheses defined by the Directors of Greenvolt.

For purposes of this report, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated financial information, or for expressing any other opinion on the pro forma consolidated financial information, on the assumptions and hypotheses used in the preparation thereof, or on any specific items or accounts, nor have we performed an audit or limited review of the financial information used as the basis for the compilation of the pro forma consolidated financial information.

The purpose of the pro forma consolidated financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on the financial information of Greenvolt as if the event had occurred or the transaction had been undertaken at an earlier date selected for these purposes. Since this pro forma consolidated financial information was prepared to reflect a hypothetical situation, it is not intended to represent, and does not represent the financial and net equity position or the profit and loss from operations of Greenvolt. Consequently, we do not express an opinion as to whether the financial information that would have been obtained if the transaction described had occurred (i) at 1 January 2020 for the income statement for the year ended 31 December 2020, and (ii) at 31 December 2020 for the consolidated statement of financial position as at that date, would correspond with the accompanying pro forma consolidated financial information.

The aim of a report of this nature is to provide reasonable assurance as to whether the pro forma consolidated financial information was compiled, in all material respects, on the basis of the criteria used in the preparation thereof and requires the performance of procedures necessary to assess whether the criteria used by the Board of Directors in the aforementioned compilation provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence as to whether:

- The pro forma adjustments give appropriate effect to those criteria;
- The pro forma consolidated financial information reflects the proper application of those adjustments to the historical information; and
- The accounting policies used by the Directors of Greenvolt in compiling the pro forma consolidated financial information, including homogenization adjustments pursuant to IFRS-EU, are consistent with the accounting policies used in the preparation of the consolidated financial statements of Greenvolt as at and for the year ended 31 December 2020.

The procedures performed depend on our professional judgement, having regard to our understanding of the nature of the Company, the event or transaction in respect of which the pro forma consolidated financial information was compiled, and other relevant engagement events and circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA) and of the Code of Ethics of Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors), which is based on the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behavior.

Our firm applies the International Standard on Quality Control 1 ("ISQC 1"), and consequently, maintains an exhaustive system or quality control that includes documented policies and procedures in relation to compliance with ethical requirements, professional standards and applicable laws and regulations.

Opinion

In our opinion:

- The pro forma consolidated financial information has been properly compiled on the basis of the criteria used and the assumptions and hypotheses defined by the Board of Directors of Greenvolt.
- The accounting policies used by the Board of Directors of Greenvolt in compiling the accompanying pro forma consolidated financial information are consistent with the accounting policies used in the preparation of the consolidated financial statements of Greenvolt as at and for the year ended 31 December 2020.

Distribution and use

This report was prepared at the request of Greenvolt in relation to the process of issuance and of the verification and registration of the prospectus of Greenvolt in the context of the admission to trading of its shares on Euronext Lisbon, and therefore, it must not be used for any other purpose or in any other market, or published in any other prospectus or document of a similar nature other than the prospectus of Greenvolt without our express consent. We will not accept any liability to persons other than the addressees of this report.

Porto, 24 June 2021

Deloitte & Associados, SROC S.A.
Represented by Nuno Miguel dos Santos Figueiredo, ROC

Annex II

Assessment of the valuation of the V-Ridium Power Shares

(Article 28 of the PCC Report)

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Relatório do Revisor Oficial de Contas
relativo à verificação de entradas em espécie

Aos Acionistas da Sociedade

Greenvolt – Energias Renováveis, S. A.

Introdução

O presente relatório destina-se a dar cumprimento ao artigo 28.º do Código das Sociedades Comerciais relativamente à entrega por V-Ridium Europe Sp. Zo.o. (V-Ridium Europe), com sede em Varsóvia, Polónia, em Aleja Wyścigowa 6, 02-681, de bens diferentes de dinheiro, avaliados em 56 milhões de euros, para realização de ações sem valor nominal que serão por si subscritas no capital da Sociedade Greenvolt – Energias Renováveis, S. A. (Greenvolt) e eventual prémio de emissão, nos termos a seguir explicitados, a que acresce um acordo que inclui o pagamento de um valor que pode ascender ao máximo de 14 milhões de euros dependente, nomeadamente, do atingimento de certos níveis de resultados futuros, também em termos a seguir explicitados.

A entrada em espécie consiste na entrega da totalidade das ações representativas do capital da sociedade V-Ridium Power Group Sp. Zo.o. (V-Ridium Power Group), com sede em Varsóvia, Polónia, em Aleja Wyścigowa 6, 02-681, correspondente a 26 200 ações, com o valor nominal de total de 1 310 000 zlotys, integralmente subscritas e realizadas.

A entrada em espécie foi projetada no âmbito do plano de desenvolvimento da Greenvolt que contempla uma operação de admissão à negociação em mercado regulamentado do seu capital social, que é atualmente de 70 milhões de euros, representado por 75 milhões de ações sem valor nominal, operação essa que envolve um aumento do capital mediante (i) entradas em dinheiro, a realizar por investidores qualificados a quem será dirigida oferta particular e (ii) a entrada em espécie a que se refere este relatório.

A oferta particular referida no parágrafo anterior contemplará um período de *bookbuilding* com a definição dos limites inferior e superior do intervalo em que se fixará o preço final da operação. Conforme acordado entre as partes, o número de ações a atribuir à V-Ridium Europe será o que resultar da divisão da quantia de 56 milhões de euros pelo limite superior daquele intervalo. O montante de capital social será o que corresponder à multiplicação do número de ações atribuído, como indicado acima, pelo preço efetivo da realização da oferta particular, apurando-se o prémio de emissão pela diferença que existir para a quantia acordada de 56 milhões de euros. Assim, o valor de 56 milhões de euros destinar-se-á à realização de capital social e à realização de prémio de emissão, nos montantes apurados como indicado.

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Para o entendimento global desta operação, há a referir que compreende, ainda, o compromisso de pagamento pela Greenvolt de um valor a apurar, com o máximo de 14 milhões de euros, num prazo de três anos, à V-Ridium Europe, em função da verificação futura de determinadas condições, nomeadamente o atingimento de níveis de resultados pela V-Ridium Power Group, acordadas entre as partes.

Os bens foram por mim avaliados, considerando o justo valor observado no preço formado na negociação livre entre partes independentes, informadas e interessadas. A acionista, à data detentora, direta ou indiretamente, da totalidade do capital social da Greenvolt e a V-Ridium Europe, que faz a entrega da totalidade das ações que representam o capital social da V-Ridium Power Group, acordaram o preço correspondente, o qual ficou expresso formalmente no Memorandum of Understanding publicitado em 3 de maio, bem como no prospeto da oferta particular referida acima. O justo valor, assim apurado, foi corroborado pela avaliação baseada no plano de negócios, pela aplicação do método do rendimento pelos Fluxos de Caixa futuros descontados, cuja verificação realizei recorrendo ao trabalho de um perito por mim contratado.

Responsabilidades

Os sócios são responsáveis pela disponibilização da lista dos bens com que efetuam as entradas em espécie, e pela sua avaliação, bem como dos pressupostos em que a mesma se baseou.

A minha responsabilidade consiste em apreciar a razoabilidade da avaliação dos bens e expressar uma conclusão profissional e independente sobre se o valor encontrado é suficiente para a realização de capital pretendida, na modalidade da entrada em espécie.

Âmbito

O meu trabalho foi efetuado de acordo com a Norma Internacional de Trabalhos de Garantia de Fiabilidade que Não Sejam Auditorias ou Revisões de Informação Financeira Histórica – ISAE 3000 (Revista), e demais normas e orientações técnicas e éticas da Ordem dos Revisores Oficiais de Contas, as quais exigem que o mesmo seja planeado e executado com o objetivo de obter garantia razoável de fiabilidade sobre se os valores das entradas atingem ou não o valor nominal das ações atribuídas ao sócio que efetua tais entradas, acrescido do prémio de emissão. Para tanto, o referido trabalho incluiu, entre outros procedimentos:

(a) a verificação da existência dos bens ou direitos;

(b) a verificação da titularidade dos referidos bens ou direitos e da existência de eventuais ónus, encargos ou quaisquer condicionamentos que recaiam sobre esses seus direitos;

(c) a adoção de critérios adequados na avaliação dos mesmos; e

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(d) a avaliação dos bens.

Aplico a Norma Internacional de Controlo de Qualidade ISQC 1 e, consequentemente, mantenho um sistema de controlo de qualidade abrangente que inclui políticas e procedimentos documentados sobre o cumprimento de requisitos éticos, normas profissionais e requisitos legais e regulamentares aplicáveis.

Entendo que o trabalho efetuado proporciona uma base aceitável para a emissão do meu relatório.

Conclusão

Com base no trabalho efetuado, declaro que o valor encontrado, no montante de 56 milhões de euros, atinge o valor de subscrição das ações atribuídas ao acionista que efetua tal entrada, acrescido do eventual prémio de emissão, sem prejuízo do acordo mediante o qual a sociedade poderá ter de efetuar o pagamento até ao montante máximo de 14 milhões de euros, nos termos acima referidos.

30 de junho de 2021

Ana Cristina Louro Ribeiro Doutor Simões

Inscrita na lista dos Revisores Oficiais de Contas mantida pela respetiva Ordem, sob o n.º 946
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