



**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: €267,099,997.50

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 GREENVOLT NOTES 2021/2028**

**("NOTES")**

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

AN INVESTMENT IN NOTES INVOLVES A HIGH DEGREE OF RISK. SEE THE CHAPTER ENTITLED "RISK FACTORS",  
BEGINNING ON PAGE 19.

25 November 2021

**Joint Global Coordinators**



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## INTRODUCTION AND WARNINGS

All capitalised terms have the meanings ascribed to them in Chapter 17 (*“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.

The €100.000.000 GreenVolt Notes 2021/2028 (the **“Notes”**) were issued by Greenvolt – Energias Renováveis, S.A. (**“Greenvolt”** or the **“Issuer”**) on 10 November 2021 (the **“Issue Date”**). The Notes will bear interest, payable in arrear on 10 November in each year from and including the Issue Date to and excluding 10 November 2028 (the **“Maturity Date”**). The Notes will mature on the Maturity Date, unless redeemed earlier at the option of the holders thereof in accordance with the Terms and Conditions of the Notes (the **“Terms and Conditions of the Notes”**).

The Notes constitute direct, senior, unconditional, unsecured (subject to the provisions of the Terms and Conditions of the Notes) and unsubordinated obligations of the Issuer and will at all times rank *pari passu* and without any preference among themselves (and save for certain obligations required to be preferred by any applicable law), equally with all other present or future unsecured and unsubordinated indebtedness of the Issuer, from time to time outstanding.

This prospectus (**“Prospectus”**) was drawn up and approved on 25 November 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.

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 to listing and trading of all Notes on Euronext Lisbon (the **“Admission”**).

**The Prospectus expires on 25 November 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.**

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 Notes.

The persons or entities that, under the provisions of Articles 149 and 243 of the Portuguese Securities Code 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 Portuguese Securities Code (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 Notes.

Under the provisions of Article 234(2) of the Portuguese Securities Code, 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, every significant new factor, material mistake or material inaccuracy relating to the information included in a prospectus which may affect the assessment of the Notes, 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 16 (*“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 and the Notes are detailed in Chapter 2 (*“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 subscription, holding or disposal of the Notes, as the tax legislation of Portugal and of each investor’s Member State may have an impact on the income received from the Notes.

Notwithstanding the duties of information and suitability imposed on financial intermediaries, each prospective investor must make its own determination of the suitability of acquiring, holding or disposing of the Notes, 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 Notes are investments permitted by law; (ii) the Notes 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 Notes. Financial institutions should consult their legal advisers and the relevant regulatory authorities to determine the appropriate treatment of the Notes 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 Notes, the advantages and risks of investing in the Notes 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 Notes and its impact on their investment portfolio; (iii) sufficient financial resources and liquidity to support all the risks inherent to an investment in the Notes; (iv) an in-depth understanding of the terms and conditions applicable to the Notes; (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 Joint Global Coordinators, or any person affiliated with any of the Joint Global Coordinators, 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 Notes (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 NOTES AND DOES NOT CONSTITUTE AN ANALYSIS AS TO THE QUALITY OF THE NOTES. 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.

None of the Joint Global Coordinators, 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 Joint Global Coordinators 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 Joint Global Coordinators are party to various agreements pertaining to the issue of the Notes and each of the Joint Global Coordinators has entered or might enter into financing arrangements with the Issuer or any of its affiliates, this should not be considered as a recommendation by any of them to invest in the Notes.

#### **DISTRIBUTION RESTRICTIONS**

The distribution of this Prospectus 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 has been prepared for the admission to trading of the Notes on the Euronext Lisbon regulated market and does not constitute an offer of, or an invitation to subscribe for or purchase any Notes in any jurisdiction in which such offer or invitation would be unlawful. The Issuer and the Joint Global Coordinators require persons into whose possession this Prospectus comes to inform themselves about and observe all such restrictions. None of the Issuer, the Joint Global Coordinators, nor any of

their respective affiliates and/or representatives, accepts any legal responsibility for any violation by any person, whether or not a prospective seller or purchaser of the Notes, of any such restrictions.

### **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 Notes have been subject to a product approval process, which has determined that the Notes are: (i) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties, or fewer than 150 natural or legal persons per Member State, in the case of retail clients, 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 Notes may decline and investors could lose all or part of their investment; the Notes offer no guaranteed income and no capital protection; and an investment in the Notes 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 (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 Notes.

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

### **Notice to prospective investors in the United States**

The Notes 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 Notes 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 Notes 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 Notes 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 15 (“*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 purchase Notes 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 Notes to the public. Accordingly, any person making or intending to make an offer of the Notes in any such Member State may only do so in circumstances where no obligation arises for the Issuer or any of the Joint Global Coordinators 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 Joint Global Coordinators have authorised, nor do they authorise, the making of any offer in respect of the Notes in circumstances where an obligation arises for the Issuer or the Joint Global Coordinators to publish or supplement a prospectus for such offer.

For persons in Member States of the EEA, this Prospectus is only addressed to, and directed at, (i) persons who are “qualified investors” within the meaning of the Prospectus Regulation (“**Qualified Investors**”); or (ii) fewer than 150 natural or legal persons per Member State, other than Qualified Investors.

In any Member State, this Prospectus is directed only at Qualified Investors or fewer than 150 natural or legal persons per Member State, other than Qualified Investors, and must not be acted on or relied upon by persons who are not Qualified Investors or, if other than Qualified Investors, fewer than 150 natural or legal persons per Member State. Any investment or investment activity to which this Prospectus relates is available in any Member State only to Qualified Investors or to fewer than 150 natural or legal persons who are not 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 is only addressed to, and directed at, persons who are Qualified Investors, 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 Portuguese Securities Code, 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.



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 by reference the Annual Audited Consolidated Financial Statements and the Unaudited Interim Financial Statements.

### **Basis of preparation of the Annual Audited Consolidated Financial Statements and the Unaudited Interim Financial Statements**

The Issuer prepared historical audited consolidated financial statements in accordance with IFRS-EU until 31 December 2017. In November 2018, Altri, SGPS, S.A. acquired from EDP – Energias de Portugal, S.A. 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 in July 2021, 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).

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

The Annual Audited Consolidated Financial Statements and the Unaudited Interim 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 Unaudited Interim Financial Statements and related notes have not been audited nor reviewed by an independent auditor.

The main accounting policies adopted in the preparation of the attached Annual Audited Consolidated Financial Statements and of the Unaudited Interim Financial Statements are described in Note 5 of the Annual Audited Consolidated Financial Statements, including the adoption of IFRS 16 - Leases from 1 January 2019 onwards. 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 Annual Audited Consolidated Financial Statements and Unaudited Interim 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. Unrealised 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.

#### **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", "normalised 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 and 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 the Unaudited Interim 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<sup>1</sup>:

- **“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, (iii) other income from investment grants, and (iv) Transaction Costs. 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) payroll expenses, (iv) other expenses, excluding inventory damage, and (v) 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, bank loans, 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 10.2 (*“Other Unaudited Financial and Operating Data”*).

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<sup>1</sup> Minor adjustments to each definition have been made to reflect the current material situation of the Issuer, namely the exclusion of Transaction Costs (as defined in the Definitions chapter) from the “Adjusted EBITDA” definition and the inclusion of payroll expenses in the “Net operation costs” definition.

## 1. SUMMARY

<b>Section A – Introduction and Warnings</b>
<b>A.1. Introduction</b>
<p>a) <b>Identity and contact details of the Issuer, including LEI, and ISIN of the securities:</b> Greenvolt – Energias Renováveis, S.A. (the “Issuer”) is a limited liability company by shares (“<i>sociedade anónima</i>”) with its share capital open to public investment (“<i>sociedade aberta</i>”), incorporated under Portuguese law, with registered office at Rua Manuel Pinto de Azevedo, 818, 4100-320 Porto, Portugal, with a share capital of €267,099,997.50 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 <a href="mailto:sede@greenvolt.pt">sede@greenvolt.pt</a>. The GreenVolt Notes 2021/2028 (the “Notes”) were assigned the ISIN code PTGNVAOM0000.</p>
<p>b) <b>Identity and contact details of the competent authority which approved the Prospectus:</b> <i>Comissão do Mercado de Valores Mobiliários</i> (“CMVM”), with registered office at Rua Laura Alves, no. 4, 1050-138 Lisbon, with telephone number (+351) 213 177 000 and e-mail address <a href="mailto:cmvm@cmvm.pt">cmvm@cmvm.pt</a>.</p>
<p>c) <b>Prospectus:</b> The Prospectus was approved on 25 November 2021 by CMVM and 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 (“<b>Prospectus Regulation</b>”) and any other applicable legal and regulatory provisions, in connection with the admission to listing and trading of all Notes on Euronext Lisbon (the “<b>Admission</b>”).</p>
<p>d) <b>Warnings and information regarding subsequent use of the Prospectus:</b> This summary should be read as an introduction to the Prospectus. Any decision to invest in the Notes 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 Notes involves risks and investors may lose all or a part of their investment as a result of acquiring the Notes. 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 Notes. This Prospectus cannot be used in any subsequent resale or placement of the Notes by financial intermediaries.</p>
<b>Section B – Key information on the Issuer</b>
<b>B.1. Who is the issuer of the securities?</b>
<p>a) <b>Registered offices, legal form, LEI, legislation governing its activities and country of incorporation:</b> The Issuer is a limited liability company by shares (“<i>sociedade anónima</i>”) with its share capital open to public investment (“<i>sociedade aberta</i>”), incorporated under Portuguese law, with registered office at Rua Manuel Pinto de Azevedo 818, 4100-320 Porto, Portugal, with a share capital of €267,099,997.50, 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 is governed by the Portuguese law applicable to commercial companies and holding companies, including the Portuguese Commercial Companies Code, the Portuguese Securities Code, 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.</p>
<p>b) <b>Main activities:</b> 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”.</p>
<p>c) <b>Main shareholders, including if the Issuer is directly or indirectly controlled and by whom:</b> As of the date of this Prospectus, the Issuer’s main shareholder is Altri, SGPS, S.A. (“<b>Altri</b>”), which directly and indirectly holds 58.72 percent of the Issuer’s voting rights.</p>
<p>d) <b>Identity of main directors:</b> 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).</p>
<p>e) <b>Identity of statutory external auditor:</b> Deloitte &amp; 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 (<i>Ordem dos Revisores Oficiais de Contas</i>) 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 (<i>Ordem dos Revisores Oficiais de Contas</i>) under number 1272 and with the CMVM under number 20160883.</p>

**B.2. What is the key financial information of the Issuer?****a) Selection of key historical financial information**

Greenvolt's annual consolidated financial statements for the years 2020 and 2019 are audited. The financial information for the first semester of 2021 and of 2020 is not audited nor revised.

**Consolidated income statement data**

	2020 (audited)	2019 (audited)	30.06.2021 (unaudited)	30.06.2020 (unaudited)
Operating profit	27,208,392	12,077,609	3,965,299	9,621,320

**Consolidated statement of financial position**

	31.12.2020 (audited)	31.12.2019 (audited)	30.06.2021 (unaudited)
Net Debt ( <i>Net Debt + Shareholders loans</i> )	82,036,592	114,820,201	358,678,370
Current ratio (current assets/current liabilities)	0.4	0.3	0.5
Debt to equity ratio (total liabilities / total shareholder equity)	1.9	4.1	4.2
Interest cover ratio (operating income/interest expense) ( <i>operating profit / financial expenses</i> )	15.2	6.5	5.1

**Consolidated statement of cash flows data**

	2020 (audited)	2019 (audited)	30.06.2021 (unaudited)	30.06.2020 (unaudited)
Net cash flows from operating activities	28,643,596	30,337,547	2,123,454	13,382,617
Net cash flows from financing activities	(26,872,981)	10,909,494	221,219,444	(6,171,533)
Net cash flows from investing activities	(3,777,216)	(31,847,231)	(191,437,885)	(768,418)

**b) 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." The Issuer has been authorised in writing by the External Auditor to incorporate by reference the Annual Audited Consolidated Financial statements in this Prospectus.

**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 Portuguese 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 Portuguese 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 Portuguese 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. During the first semester of 2021, cost of biomass represented 43.6 percent of electricity revenue.
- c) Risks deriving from the link between the Portuguese Biomass Power Plants' operation and the operation of the Pulp Facilities:** The continuous operation of the Portuguese 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) 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 was 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. With reference to 30 June 2021, the amount of consolidated loans maturing in the next 12 months is approximately €122 million, the Group's unused available credit lines amount to approximately €115 million and its cash and cash equivalents to €46 million. As of 30 June 2021, the Issuer has negative working capital in the amount of €72.9 million.

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

- a) Risks associated with a change of control of the Issuer since its shares are listed in a stock exchange:** as the Issuer's shares are traded in a regulated market, the Issuer may be subject of a tender offer or of any transaction resulting in one or more entities acquiring control of the majority of its voting rights. The change of control put option may not offer Noteholders any or sufficient protection, since Noteholders will only have the right to require the Issuer to redeem the Notes if certain conditions are met. A change of control may impact, directly or indirectly, the capital structure and the day-to-day operations of the Issuer, as well as the ability to elect and change the management of the Issuer, as well as the ability to approve other changes to the operations and strategies of the Issuer, in each case without the consent of the Noteholders.
- b) Risks resulting from potential conflict between Altri's interests and those of minority shareholders:** Altri holds, directly and indirectly, 58.72 percent of the Issuer's voting rights. Altri holds 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.
- c) 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 (and to €22,674,087 with reference to 30 June 2021), representing circa 81 percent of the Issuer's total costs of sales and external supply and services with reference to 31 December 2020 (and circa 74 percent with reference to 30 June 2021). 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 internalising 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 Portuguese 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. Since the tax legislation of Portugal and of each investor's Member State may have an impact on the income received from the Notes, it is recommended that prospective investors in the Notes consult their professional advisers on the tax implications for them of an investment in the Notes.
- 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 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 energy sectors and 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 recently acquired V-Ridium Power, a company with subsidiaries in Poland, France, Italy and Greece. Additionally, the Issuer, together with funds managed by Equitix, also 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 of V-Ridium) are expected to significantly contribute to the expansion of the Issuer's businesses and its growth. The focus on segments and geographies in which the Issuer has less experience and know-how and which 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 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, form of representation and ISIN:** The Notes are direct, senior, unconditional, unsecured and unsubordinated debt securities, issued in dematerialised book-entry form (*forma escritural*) and nominative form (*nominativas*) on 10 November 2021 (the "**Issue Date**"). All Notes are fungible and will rank *pari passu* among themselves and at least *pari passu* with all present and future unsecured and unsubordinated indebtedness of the Issuer, save for such obligations as may be preferred by the provisions of law. The Notes have the ISIN code PTGNVAOM0000 and the CFI code: DBFUFR.
- b) Currency, denomination, nominal value and number of securities:** 10,000 Notes have been issued in Euros, with the denomination of €10,000 each and with the aggregate nominal amount of €100,000,000.
- c) Rights granted by the securities:** The Notes have a nominal annual fixed interest rate corresponding to 2,625 percent. The Issuer will pay annual interest on the Notes in arrears, from and including the Issue Date to and excluding 10 November 2028 (the "**Maturity Date**"). Each Note will be redeemed at its nominal value on the Maturity Date, except if an early redemption event (e.g. the exercise of a put option following the occurrence of a change of control event) or event of default occurs and their early redemption or acceleration is declared, or if the Issuer proceeds to purchase the Notes in accordance with the law.
- d) Events of Default:** If any of the following occurs and is continuing then (i) the holder of any Note may declare such Note immediately due and payable, or (ii) the Noteholders may, by means of an extraordinary resolution, declare all the Notes immediately due and payable, whereupon, in the case of paragraph (i) above, such Note and, in the case of paragraph (ii) above, all the Notes, shall become immediately due and payable at their principal amount together with accrued interest without further action or formality: (a) Non-payment; (b) Breach of other obligations or undertakings; (c) Cross default; (d) Enforcement proceedings; (e) Insolvency; (f) Dividend stopper; (g) Validity; (h) Cessation of business; or (i) Analogous event.
- e) Restriction to the free transferability of securities:** Neither the law, nor the Articles of Association provide for any restrictions on the transfer of the Notes.
- f) Applicable law and jurisdiction of securities:** The Notes and their terms and conditions are governed by Portuguese law and any dispute arising from or relating to the same will be subject to the exclusive jurisdiction of the District Court of Lisbon, with express waiver of any other.

### C.2. Where will the securities be traded?

Application has been made for the Notes to be admitted to listing and trading on Euronext Lisbon. Noteholders may freely trade them on the Euronext Lisbon regulated market once they have been admitted to trading, or outside the market. Admission to trading will not in itself guarantee the effective liquidity of the Notes.

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

No.

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

#### Risks relating to the Notes

- a) The Notes are long-term securities and therefore an investment in Notes constitutes a financial risk for a long period:** The Notes will mature on the Maturity Date and, although the Issuer may redeem the Notes in certain circumstances prior to the Maturity Date, the Issuer is under no obligation to do so. Noteholders will only have the right to call for the early redemption of the Notes if (i) the sum of each of the qualifying holdings in Altri attributed to certain shareholders of Altri (the "**Relevant Entities**"), calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of Altri; or (ii) the qualifying holdings in the Issuer attributed to Altri, calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of the Issuer ("**Put Option – Change of Control**"). This change of control put option will not apply if the sum of each of the qualifying holdings in the Issuer attributed to the Relevant Entities, calculated pursuant to article 20 of the Portuguese Securities Code, is equal to or greater than 50% of the voting rights of the Issuer. Therefore, prospective investors should be aware that they may be required to bear the financial risks of an investment in the Notes for a long period and may not recover their investment before the end of such period.



**b) There can be no assurance that the use of proceeds will be suitable for the investment criteria of an investor seeking exposure to sustainable assets:** No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer, including the SPO issued by Sustainalytics) which may be made available in connection with the Notes and in particular with the Green Bond Framework to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification (including the SPO) is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus.

#### **Section D – Key information on the admission to listing and trading on a regulated market**

**a) Conditions and calendar to invest in the Notes:** Not applicable, since the Notes were offered through a private placement and the relevant offering period has already expired. The Notes will be admitted to trading in the regulated market Euronext Lisbon on 26 November 2021.

**b) Why is this prospectus being produced:** The Prospectus was approved on 25 November 2021 by CMVM and has been prepared for the purposes set forth in Articles 1(1) and 3(3) of the Prospectus Regulation and any other applicable legal and regulatory provisions, in connection with the Admission.

**c) Reasons for the issue of the Notes and the Admission and estimated net proceeds:** The Notes were issued in the context of the implementation of the Issuer's financial strategy aiming to strengthen the capital structure, to extend the debt maturity profile and to diversify the sources and types of financing, the Admission having been requested to enhance liquidity of the Notes. The Issuer intends to use the proceeds arising from this first issuance under and pursuant to the Green Bond Framework to refinance the funding structure put in place to finance the acquisition of Tilbury Green Power in the UK – a joint venture in which Greenvolt indirectly acquired a 51 percent stake in June 2021. This investment is aligned with the Green Bond Framework, as it states that any proceeds arising from the issue of green bonds may be applied to finance and/or refinance new and/or existing renewable energy projects and energy efficiency projects (including but not limited to biomass, wind, solar, decentralised generation and storage), integrated pollution prevention and control, M&A transactions within the renewable energy sector ) and other related and supporting expenditures such as R&D ("**Eligible Green Projects**"). The issue of the Notes is aligned with the International Capital Market Association Green Bond Principles, which the Issuer has adopted. The Green Bond Framework was assigned a positive Second Party Opinion ("**SPO**") by Sustainalytics. The global amount of net proceeds arising from the issue of the Notes is estimated to amount to €98,527,000.

**d) Estimated expenses in relation to the Admission:** The costs with the Admission, notably fees due to the Joint Global Coordinators and the fees due to Interbolsa and Euronext, are estimated to amount to the global amount of €643,000. Greenvolt will not charge any costs to investors.

**e) No material conflicts of interest pertaining to the admission to trading:** There are no material conflicts of interest pertaining to the admission to trading of the Notes. Under the terms legally permitted, the Issuer or Haitong Bank, S.A. and BiG – Banco de Investimento Global, S.A., as the entities engaged by the Issuer to carry out the private placement of the Notes, may, directly or indirectly, trade securities issued by the Issuer, including the Notes.

## **2. RISK FACTORS**

An investment in notes, including the acquisition and holding of any Notes, 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 Notes. 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 Notes 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.

### **2.1. Risks associated with the Biomass Power Plants' activity and their operation**

#### **2.1.1 Risks related to the operation of the Biomass Power Plants**

The Issuer's activity depends on the level of performance of the Portuguese Biomass Power Plants and TGP (and any other Biomass Power Plant 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 Portuguese 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 Portuguese Biomass Power Plants follow the highest 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 Portuguese 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 Portuguese Biomass Power Plants was 74 days. During the first semester of 2021, the total days of outage of the Portuguese Biomass Power Plants was 120 days.

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 Portuguese Biomass Power Plants.

Without prejudice to the standards followed in this respect, the lack of relevant incidents and the existence of the insurance(s) 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.

### **2.1.2 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 Portuguese 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<sup>2</sup> is the Issuer's main operating cost, having represented 41.5 percent<sup>3</sup> of electricity revenue in 2020. During the first semester of 2021, cost of biomass represented 43.6 percent<sup>4</sup> of electricity revenue.

On average, 30 to 40 percent of the biomass supplied to the Portuguese 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 is procured by Altri either from forest areas 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 Portuguese Biomass Power Plants in September of each year based on their efficiency and minimum consumption requirements, and the

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<sup>2</sup> In 2020, cost of biomass = cost of sales - cost of biomass sold = €39,028,957 - €3,023,190 = €36,005,767.

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

<sup>4</sup> During the first semester of 2021, cost of biomass / electricity revenue = € 18,229,810 / € 41,850,011 = 43.6 percent.

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 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 Portuguese 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 Portuguese 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 Portuguese 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 Portuguese 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 Portuguese Biomass Power Plants comes from areas of close proximity. Furthermore, the transportation of biomass in adequate vehicles with large capacities (90 m<sup>3</sup>) increases transport efficiency and, consequently, reduces emissions of CO<sup>2</sup>. 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, however, similarly to the Portuguese 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 Portuguese 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.

### **2.1.3 Risks deriving from the link between the Portuguese Biomass Power Plants' operation and the operation of the Pulp Facilities**

The continuous operation of the Portuguese 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 Portuguese 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 Portuguese 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 Portuguese 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, whereas the Constância Power Plant had no recent 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).

#### **2.1.4 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<sup>5</sup>. With reference to 30 June 2021, electricity sales totalled €4.9 million, corresponding to circa 12 percent of the Group's electricity sales (which amounted to approximately €41.9 million).

#### **2.1.5 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 and it is €122 million with reference to 30 June 2021). On 31 December 2020, the Group had unused credit lines (namely bank overdrafts, pledged current accounts and unused commercial paper programs) in the amount of approximately €30 million; being €115 million as of 30 June 2021. Additionally, the Group's cash and cash equivalents totalled €14.1 million (€16.1 million as of 31 December 2019), representing approximately 24 percent of its current liabilities as at 31 December 2020, whereas with reference to 30 June 2021, the Group's cash and cash equivalents amounted to approximately €46 million, representing approximately 29.8 percent of its current liabilities as at 30 June 2021.

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). With reference to 30 June 2021, the Issuer has a negative working

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<sup>5</sup> Excluding sales of biomass.

capital in the amount of €72.9 million, calculated based on the difference between current assets (€81.3 million) and current liabilities (€154.2 million).

The acquisition of V-Ridium did not have any impact in the Issuer's liquidity, since the acquisition was made by the Issuer pursuant to a contribution in kind (consisting of all shares representing the share capital of V-Ridium Power). An additional payment in cash for the V-Ridium shares is conditional on the terms and conditions detailed in the relevant investment agreement, on the day falling in the third anniversary.

The Issuer and funds managed by the Equitix Group also completed the acquisition of Tilbury Holdings for an enterprise value of £246.5 million on 30 June 2021.

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.

## **2.2. Risks arising from the shareholding structure and contractual relationship with certain counterparties**

### **2.2.1. Risks associated with a change of control of the Issuer since its shares are listed in a stock exchange**

Being the issuer of shares listed in a stock exchange, the Issuer may be the subject of a tender offer or the subject of any transaction resulting in one or more entities acquiring control of the majority of its voting rights.

Upon completion of a change of control, a majority shareholder may have, directly or indirectly, the power to affect, among other things, the capital structure and the day-to-day operations of the Issuer, as well as the ability to elect and change the management of the Issuer, as well as the ability to approve other changes to the operations and strategies of the Issuer, in each case without the consent of the Noteholders.

Furthermore, the Terms and Conditions of the Notes contemplate a put option, according to which Noteholders may require the Issuer to redeem the Notes in the event that (i) the sum of each of the qualifying holdings in Altri attributed to the Relevant Entities, calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of Altri; or (ii) the qualifying holdings in the Issuer attributed to Altri, calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of the Issuer.

If any of these events occur, each Noteholder may, within 90 (ninety) days as from the date on which the relevant event has been notified by the Issuer to the Noteholders, request the Issuer to redeem all of the Notes then outstanding held by such Noteholder at 100 percent of their nominal amount together with any accrued interest to (but excluding) the relevant redemption date, on the 60th (sixtieth) day as from the date of delivery of the relevant request of the Noteholder. Noteholders that fail to notify the Issuer within the 90 (ninety) days' period referred to above, are deemed to have waived their put option upon the occurrence of the relevant event.

The put option may be exercised by some Noteholders and not be others, hence reducing the number of Notes admitted trading and, consequently, the liquidity of the Notes outstanding after the put option exercise period has expired. Therefore, investors in the Notes that have not exercised their put option may not be able to sell their Notes on the market and may have to wait until the Maturity Date to obtain redemption of their investments in the Notes, which may have a negative impact on the Noteholders and reduce the income anticipated by the investors to be received at the time of the issue. In addition, investors may not be able to reinvest the moneys they receive upon such early redemption in securities with the same yield as the redeemed Notes.

The aforementioned put option will not apply if the sum of each of the qualifying holdings in the Issuer attributed to the Relevant Entities, calculated pursuant to article 20 of the Portuguese Securities Code, is equal to or greater than 50% (fifty percent) of the voting rights of the Issuer. Currently, the sum of each of the qualifying holdings of the Relevant Entities in Altri, as disclosed in Altri's official website ([www.altri.pt](http://www.altri.pt)) amounts to 69.79 percent.

The Issuer cannot foresee at this stage if a change of control or if the facts triggering the exercise of the aforementioned put option will occur and, if any of these events occur, how the consequences of any such change of control will adversely impact the interests of Noteholders.

#### **2.2.2. Risks resulting from potential conflict between Altri's interests and those of the future minority shareholders**

Altri holds, directly and indirectly, 58.72 percent of the Issuer's share capital, enabling it to 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 is also 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 has 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 is currently 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.

#### **2.2.3. 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 Portuguese 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 Portuguese Biomass Power Plants are installed. The operation and maintenance of the Portuguese Biomass Power Plants are carried



out under the O&M Agreements. Biomass supply for all the Portuguese Biomass Power Plants is ensured through the Biomass Supply Agreements. Utilities required for the Portuguese 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 (and €22,674,087 with reference to 30 June 2021), representing circa 81 percent of the Issuer's total costs of sales and external supply and services with reference to 31 December 2020 (and 74 percent with reference to 30 June 2021).

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.

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 internalising such services at the same efficiency and cost levels as currently provided by Altri.

### **2.3. Risks associated with the energy sector, sectorial regulation and changes in laws**

#### **2.3.1. 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 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 Portuguese Biomass Power Plants being remunerated through feed-in tariffs, and TGP being remunerated through ROCs and energy market prices. Such licences, permits, 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 Portuguese 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 Portuguese 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 Portuguese 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.

### **2.3.2. 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). In the first semester of 2021, the Issuer's CESE amounted to €1,016,000.

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. Since the tax legislation of Portugal and of each investor's Member State may have an impact on the income received from the Notes, it is recommended that prospective investors in the Notes consult their professional advisers on the tax implications for them of an investment in the Notes.

### **2.3.3. 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 Section 9.8 (*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.

## **2.4. Risks related to the investment strategy**

### **2.4.1. 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. 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.

#### **2.4.2. 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 Portuguese Biomass Power Plants. 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 know-how 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.

On 30 June 2021, the Issuer, jointly with funds managed by Equitix, completed the acquisition of Tilbury Holdings, the owner of TGP (through Tilbury Green Power), 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. Furthermore, on 14 July 2021, the Issuer concluded 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. Additionally, the Issuer acquired 70 percent of Profit Energy, a decentralised generation player, in August 2021 and 42 percent of Perfecta Energia, a Spanish company operating in the renewable energy sector, namely in the sale, installation and maintenance of solar PV panels for domestic segment's self-consumption, in October 2021.

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

These recently completed 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. The completion of these acquisitions and the joint venture involved regular interactions with V-Ridium in what regarded V-Ridium Power, Equitix in what regarded Tilbury Holdings, the Shareholders in what

regarded Profit Energy and Perfecta Energia, and the Romanian developer in what regarded the joint venture in Romania, resulting in the Issuer developing activities in new markets and geographies, with the inherent aforementioned challenges and risks. Accordingly, although these acquisitions 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 Portuguese 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 having been acquired by the Issuer 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.

#### **2.4.3. 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 recent acquisition of Tilbury Holdings, incorporated in the United Kingdom, the official currency of which is the Pound Sterling (£), and of V-Ridium Power, whose main business is developed in Poland with the Polish Zloty (PLN) as the official currency, 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 currency exchange rates 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.

#### **2.4.4. 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 9.1 (*"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.

#### **2.4.5. 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.

#### **2.4.6. 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 has made an investment amounting to €220 million in the first semester of 2021, that refer to the recent acquisition of Tilbury Holdings (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 9.5 (*"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.

#### **2.4.7. 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 scrutinised 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 9.6 (*"Environmental, Social and Governance"*).

## **2.5. Risks related to the Notes**

### **2.5.1. The Notes are long-term securities and therefore an investment in Notes constitutes a financial risk for a long period**

The Notes will mature on the Maturity Date and, although the Issuer may redeem the Notes in certain circumstances prior to such date, the Issuer is under no obligation to do so. Noteholders will only have the right to call for the early redemption of the Notes if (i) the sum of each of the qualifying holdings in Altri attributed to the Relevant Entities, calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of Altri; or (ii) the qualifying holdings in the Issuer attributed to Altri, calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of the Issuer.

The aforementioned change of control put option will not apply if the sum of each of the qualifying holdings in the Issuer attributed to the Relevant Entities, calculated pursuant to article 20 of the Portuguese Securities Code, is equal to or greater than 50% (fifty percent) of the voting rights of the Issuer.

For further details in respect of this put option, please refer to Section 2.2.1 (*"Risks associated with a change of control of the Issuer since its shares are listed in a stock exchange"*).

Therefore, prospective investors should be aware that they may be required to bear the financial risks of an investment in the Notes for a long period and may not recover their investment before the end of such period.

### **2.5.2. There is no limitation on issuing senior or *pari passu* securities**

There is no restriction on the amount of securities or other liabilities which the Issuer may issue or incur, respectively, and which rank senior to, or *pari passu* with, the Notes. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Noteholders in a winding-up scenario of the Issuer.

### **2.5.3. Risks relating to Noteholders' resolutions being passed without the consent of all the Noteholders**

The Terms and Conditions of the Notes, as well as the applicable laws and regulations, contain provisions for convening Noteholders' meetings (including by way of conference call or by use of a videoconference platform) to decide on any matters affecting their interests in general. These provisions allow for defined majorities to bind all Noteholders including Noteholders who did not attend or vote at the relevant meeting, as well as Noteholders who voted in a manner contrary to the majority. Accordingly, Noteholders are exposed to the risk of certain decisions being approved which are contrary to their interests, including, changes to the Terms and Conditions of the Notes or of any provision of the Paying Agency Agreement, that may impact, for instance, the amounts to be reimbursed or paid by the Issuer to the Noteholders, as well the dates on which payments to the Issuer should be made.

### **2.5.4. Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes**

The Notes bear interest at a fixed interest rate of 2,625 percent from the Issue date up to the Maturity Date. During this period, Noteholders will be exposed to the risk that the price of the Notes falls as a result of changes in the current

interest rate on the capital market (the “**Market Interest Rate**”). The Market Interest Rate typically changes on a daily basis. A change of the Market Interest Rate may cause the respective price of the Notes to change. If the Market Interest Rate increases, the respective price of the Notes typically falls. If the Market Interest Rate falls, the respective price of the Notes typically increases. Investors should be aware that movements of the Market Interest Rate can adversely affect the respective price of the Notes and can lead to losses for the investors if they sell the Notes.

Since the Notes bear interest at a fixed rate, the Notes are exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of the relevant Notes in advance.

**2.5.5. There can be no assurance that the use of proceeds will be suitable for the investment criteria of an investor seeking exposure to sustainable assets**

The Issuer intends to use the proceeds arising from this first issuance under and pursuant to the Green Bond Framework to refinance the funding structure put in place to finance the acquisition of Tilbury Green Power in the UK – a joint venture in which Greenvolt indirectly acquired a 51 percent stake in June 2021. This investment is aligned with the Green Bond Framework, as it states that any proceeds arising from the issue of green bonds may be applied to finance and/or refinance new and/or existing renewable energy projects and energy efficiency projects (including but not limited to biomass, wind, solar, decentralised generation and storage), integrated pollution prevention and control, M&A transactions within the renewable energy sector ) and other related and supporting expenditures such as R&D (“**Eligible Green Projects**”).

Prospective investors should determine for themselves the relevance of such information for the purpose of any investment in the Notes together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer or the Joint Lead Coordinators that the use of such proceeds pursuant to the Green Bond Framework, particularly in a situation where the proceeds are used in the context of a refinancing as aforementioned, will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, the Green Bond Framework. Furthermore, there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes a, “green” or “sustainable” or an equivalently labelled project or as to what precise attributes are required for a particular project to be defined as “green” or “sustainable” or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, the Green Bond Framework, particularly in a situation where the proceeds are used in the context of a refinancing as aforementioned, will meet any or all investor expectations regarding such “green”, “sustainable” or other equivalently-labelled performance objectives (including as set by Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, the so called “**EU Taxonomy**”)) or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, the Green Bond Framework, particularly in a situation where the proceeds are used in the context of a refinancing as aforementioned.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer, including the SPO issued by Sustainalytics) which may be made available in connection with the Notes and in particular with the Green Bond Framework to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification (including the SPO) is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus. Any such opinion or certification (including the SPO) is not, nor should be deemed to be, a recommendation by the Issuer, the Joint Lead Coordinators or any other person to buy, sell or hold any such Notes. Any such opinion or certification (including the SPO) is only current as of the date that opinion was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification (including the SPO) and/or the information contained therein and/or the provider of such opinion or certification (including the SPO) for the purpose of any investment in such Notes, notably in a situation where the proceeds are used in the context of a refinancing as aforementioned. Currently, without prejudice to the existence of a proposal on European green bonds, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that the Notes are listed or admitted to trading on any dedicated “green”, “environmental”, “sustainable” or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Joint Lead Coordinators or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, the Green Bond Framework. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the Joint Lead Coordinators or any other person that any such listing or admission to trading will be obtained in respect of the Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply an amount equal to the net proceeds of the Notes so specified pursuant to the Green Bond Framework in, or substantially in, the manner described in this Prospectus, there can be no assurance that the relevant project(s) (namely the refinancing of the acquisition of Tilbury Green Power) or use(s) the subject of, or related to, the Green Bond Framework will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such Green Bond Framework. Nor can there be any assurance that such Green Bond Framework will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Notes.

Any such event or failure to apply an amount equal to the net proceeds of the Notes for the Green Bond Framework as aforesaid and/or withdrawal of any such opinion or certification (including the SPO) or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification (including the SPO) is opining or certifying on and/or any Notes no longer being listed or admitted to trading on any stock

exchange or securities market as aforesaid may have a material adverse effect on the value of the Notes and also potentially the value of any other Notes which are intended to finance the Green Bond Framework and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

## **2.6. Risks relating to the market for the Notes**

### **2.6.1. An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which a Noteholder may be able to sell its Notes**

The Notes constitute a new issue of securities by the Issuer and the first bond issue listed expected to be listed in a regulated market. Prior to such issue, there was no public market for the Notes. Although applications have been made for the Notes to be listed in Euronext Lisbon, there can be no assurance that an active public market for the Notes will develop and, if such a market were to develop it may not have a high level of liquidity and none of the Issuer, the Joint Global Coordinators or any other person is under any obligation to maintain or increase the liquidity of such a market. The liquidity and the market prices for the Notes can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer and the Group and other factors that generally influence the market prices of securities.

### **2.6.2. Risks of fluctuating interest rates and of the imposition of foreign exchange controls**

Investors may hold Notes which are not denominated in the investor's home currency, and thus any changes in the exchange rates may adversely affect the value of its holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes.

The Issuer will pay the principal and interest on the Notes in Euro (the "**Selected Bond Currency**"), which poses certain risks relating to currency conversions if the financial investments of an investor are primarily denominated in a currency (the "**Investor's Currency**") different from the Selected Bond Currency. Such risks include the risk that exchange rates may fluctuate significantly (including due to the depreciation of the Selected Bond Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency or the Selected Bond Currency may impose or modify foreign exchange controls, which could result in an investor receiving less interest or principal than expected, or no interest or principal.

### **2.6.3. The Notes may be delisted in the future**

An application has been made to Euronext Lisbon for the Notes to be admitted to trading on its regulated market. The Notes may subsequently be delisted despite the Issuer's best efforts to maintain such listing and, although no assurance is made as to the liquidity of the Notes as a result of listing, any delisting of the Notes may have a material effect on a Noteholder's ability to resell the Notes on the secondary market.

### 3. OVERVIEW OF THE NOTES

The following overview refers to certain provisions of the “Terms and Conditions of the Notes” and is qualified by the more detailed information contained elsewhere in this Prospectus. Capitalised terms used herein have the meaning given to them in “Terms and Conditions of the Notes”.

<b>Issuer:</b>	Greenvolt Energias Renováveis, S.A. (“ <b>Greenvolt</b> ”).
<b>Issue Amount:</b>	€100,000,000.
<b>Denomination:</b>	Each Note is issued in the denomination of €10,000.
<b>Form:</b>	The Notes are issued in dematerialised book-entry form (“ <i>forma escritural</i> ”) and nominative (“ <i>nominativas</i> ”) form. Reg. S Notes.
<b>Issue Date:</b>	10 November 2021.
<b>Maturity Date:</b>	10 November 2028.
<b>Status:</b>	Direct, senior, unconditional unsecured, unsubordinated Notes, <i>pari passu</i> with existing unsecured and unsubordinated obligations of the Issuer.
<b>Use of Proceeds:</b>	The net proceeds from the issue of the Notes are intended to be used by the Issuer towards the Issuer’s Eligible Green Projects portfolio. See paragraph 4 “ <i>Use of Proceeds</i> ”.
<b>Negative Pledge:</b>	<p>So long as the Notes remain outstanding, the Issuer undertakes not to create, grant or have outstanding any type of Security over any part of its present or future assets except in the case of:</p> <ol style="list-style-type: none"><li>1) Security to be granted with the prior and express agreement of the Noteholders, obtained by simple majority, pursuant to the provisions of article 355(7) of the Portuguese Commercial Companies Code;</li><li>2) Security over the shares or similar equity instruments that represent the share capital of Tilbury Green Power Holdings Limited, Tilbury Green Power Ltd. or any other entity directly or indirectly holding an interest</li></ol>

on Tilbury Green Power, either in the context of a financing or a refinancing;

- 3) Security over the shares or similar equity instruments that represent the share capital of any Subsidiary acquired or incorporated by the Issuer after the Issue Date, either in the context of a financing or a refinancing;
- 4) Security to be granted over assets to be acquired or to be benefited by the Issuer, provided that (i) such acquisition does not entail a mere replacement of assets, being that an investment in the Issuer's fixed assets considered as obsolete or deteriorated assets will not constitute a mere replacement of assets, and (ii) the security is granted to secure the payment of the respective purchase price or is associated with the credit granted for this purpose; and
- 5) Security over the Issuer's assets whose value does not exceed €10,000,000 (or its equivalent in another currency), considered individually or in aggregate.

For the avoidance of doubt, any Security created by any Subsidiary is not subject to this negative pledge covenant.

For the purposes above, "**Security**" means any mortgage, charge, pledge, assignment, lien, encumbrance or any other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction.

**Interest payment dates:**

Interest payments in respect of the Notes will accrue daily on an Actual / 360 basis and will be payable in arrears on 10 November of each year. The first interest period will start on the Issue Date (including) and end on the first anniversary thereof. The first payment shall be made on 10 November 2022.

Each interest period, except the first, which will start on the Issue Date, will begin on an Interest Payment Date (including) and end on the next Interest Payment Date (excluding). Following business day convention applies.

**Interest:**

The Notes bear interest on their Principal Amount at 2,625 percent per annum.

**Redemption:**

Unless redeemed earlier in accordance with the Terms and Conditions of the Notes, the Notes will be redeemed on the Maturity Date at their Principal

Amount, together with interest accrued up to (but excluding) the Maturity Date.

**Purchases:**

The Issuer or any Subsidiary may, in compliance with applicable laws, at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

**Investors Put Options:**

If the prospectus pertaining to the admission to trading of the Notes on Euronext Lisbon was not approved by CMVM or, having been approved by the CMVM, Euronext Lisbon does not approve admission to trading of the Notes, or the admission to trading of the Notes in Euronext Lisbon does not occur until 14 January 2022, each Noteholder may request the Issuer to redeem all Notes then outstanding held by such Noteholder at 100 percent of their nominal amount – Condition 4.2 (*Investor Put Option -No Listing*). Taking into account that CMVM has approved this Prospectus on 25 November 2021 and that the Notes will be admitted to trading in Euronext Lisbon on 26 November 2021, this put option will no longer be applicable.

If (i) the sum of each of the qualifying holdings in Altri attributed to the Relevant Entities, calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of Altri; or (ii) the qualifying holdings in the Issuer attributed to Altri, calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of the Issuer, then each Noteholder may request the Issuer to redeem all of the Notes then outstanding held by such Noteholder at 100 percent of their nominal amount – Condition 4.3 (*Investor Put Option – Change of Control*).

The preceding paragraph will not apply if each of the qualifying holdings in the Issuer attributed to the Relevant Entities, calculated pursuant to article 20 of the Portuguese Securities Code, is equal to or greater than 50% (fifty percent) of the voting rights of the Issuer.

**Withholding taxation  
and gross-up:**

Payments of interest and other amounts in respect of the Notes will be made free of Portuguese withholding taxes, unless such taxes are required to be withheld by gross-up law. If any such withholding or deduction is made, additional amounts will be payable by the Issuer, subject to certain exceptions as provided in Condition 6 (*Taxation*).

**Events of Default:**

If any of the following events occurs and is continuing:

(a) *Non-payment*: the Issuer fails to pay any amount of principal or interest in respect of the Notes, unless the failure is remedied within 5 (five) Business Days after the corresponding due date in the case of principal and 7 (seven) Business Days in the case of interest; or

(b) *Breach of other obligations or undertakings*: the Issuer fails to perform any other obligation relating to the Notes, unless the relevant failure, being reparable, is remedied within 30 (thirty) days (or in a longer period allowed by the common representative of the Noteholders (if any) or by the Noteholders), as from the date on which notice to this effect is given to the Issuer; or

(c) *Cross default*: (i) any Indebtedness of the Issuer or any Relevant Subsidiary becomes due and payable prior to the stated maturity thereof following the occurrence of any event of default (howsoever described); or (ii) any Indebtedness of the Issuer or any Relevant Subsidiary is not paid on the due date of payment (as extended by any applicable grace period); or (iii) following the occurrence of any event of default (howsoever described), any guarantee or indemnity given by the Issuer or any Relevant Subsidiary in respect of Indebtedness is not honoured when due (as extended by any applicable grace period); or (iv) any security, present or future, over the assets of the Issuer or any Relevant Subsidiary for any Indebtedness becomes enforceable following the occurrence of any event of default (howsoever described) and steps are taken to enforce the same, except that an event described in this paragraph c) shall not constitute an Event of Default if the Indebtedness, considered individually or in aggregate (without duplication) with other amounts of Indebtedness in respect of which any of the events specified above has occurred and is continuing, does not exceed €10,000,000 (or its equivalent in any other currency or currencies); or

(d) *Tax and social security*: the filing of an enforcement proceeding in respect of any tax or social security obligations of the Issuer or a Relevant Subsidiary, except if (i) the Issuer or the Relevant Subsidiary, as the case may be, provides a suitable guarantee to suspend such enforcement proceeding or (ii) such payment or proceeding is otherwise being contested by appropriate means by the Issuer or such Relevant Subsidiary, as the case may be, and the Issuer or such Relevant Subsidiary, as the case may be, has been advised by



recognised independent legal advisers of good repute that it is reasonable to do so and to request the suspension of such enforcement proceeding; or

(e) *Enforcement proceedings*: the filing of an enforcement proceeding imposed on the assets of the Issuer or a Relevant Subsidiary for an amount exceeding €10,000,000 (or its equivalent in another currency), considered individually or in aggregate, except if (I) the Issuer or the Relevant Subsidiary, as the case may be, provides a suitable guarantee to suspend such enforcement proceeding or (II) such enforcement proceeding is otherwise being contested by appropriate means by the Issuer or such Relevant Subsidiary, as the case may be, and the Issuer or such Relevant Subsidiary, as the case may be, has been advised by recognised independent legal advisers of good repute that it is reasonable to do so and to request the suspension of such enforcement proceeding; or

(f) *Insolvency*: (i) the Issuer or a Relevant Subsidiary expressly acknowledges the impossibility of fully and duly paying its debts as they fall due, or if the Issuer or a Relevant Subsidiary ceases payments in general; (ii) the Issuer or a Relevant Subsidiary requests its insolvency declaration; (iii) the Issuer or a Relevant Subsidiary is declared insolvent by a competent judicial court or, in the scope of an insolvency proceeding, an agreement is concluded with, or assigned to the benefit of, general creditors of the Issuer or such Relevant Subsidiary; (iv) an insolvency administrator or other equivalent entity is appointed for the Issuer or a Relevant Subsidiary in relation to the whole or a substantial part of the Issuer or a Relevant Subsidiary's assets; (v) the Issuer or such Relevant Subsidiary proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts in general, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the generality of its creditors in respect of any of such debts; (vi) a resolution is passed for the winding-up or dissolution of the Issuer or a Relevant Subsidiary or any steps are taken with such view by the Issuer or the Relevant Subsidiary; (vii) a declaration of insolvency of the Issuer or a Relevant Subsidiary is requested by a third party; or (viii) the winding-up or dissolution of the Issuer or a Relevant Subsidiary is requested by a third party, except that an event described in sub-paragraphs (vii) or (viii) shall not constitute an Event of Default if the relevant event (I) is discharged within 60 days; or (II) in the case of paragraph (vii) only, the event is being contested in good faith by appropriate means by the Issuer or the Relevant Subsidiary, as the case may be, and the Issuer or such Relevant Subsidiary, as the case may be, has been advised by recognised independent

legal advisers of good repute that it is reasonable to do so, save if and when paragraph (iii) applies; or

(g) *Dividend stopper*: the Issuer fails to comply with the commitment of not distributing dividends or any other equity with respect to any fiscal year prior to (and including) 2025; or

(h) *Validity*: the validity of the Notes is contested by the Issuer or the Issuer denies any of its obligations under the Notes (whether by a general suspension of payments or a moratorium on the payment of debt or otherwise), or it is or becomes unlawful for the Issuer to perform or comply with all or any of its obligations set out in the Notes, or any such obligations are or become unenforceable or invalid, in each case as a result of any law or regulation in the Portuguese Republic or any ruling of any court in the Portuguese Republic whose decision is final and unappealable; or

(i) *Cessation of business*: (A) the total or substantial cessation by the Issuer and the Relevant Subsidiaries taken as a whole of the exercise of their activity (including the approval by the Issuer or the Relevant Subsidiaries of corporate resolutions for such purpose or any spin-off of the Issuer's business or assets), except, (i) in relation to the Issuer, if the relevant transaction entails a full absorption by a Subsidiary of any business or assets to be acquired or to be benefited by the Issuer after the Issue Date (excluding, for the avoidance of doubt, any of the existing business or existing assets of the Issuer) or, (ii) in relation to any Relevant Subsidiary, if the relevant corporate transaction entails a full absorption of such Relevant Subsidiary's or its' business or assets by the Issuer and/or by any Subsidiary; or (B) the loss or suspension of any material license or material authorization required in order for the Issuer to carry out its business activity that (i) under applicable law, determines the dissolution or liquidation of the Issuer or such Relevant Subsidiary, or (ii) causes a material adverse change in the normal business activities carried out by the Group; or

(j) *Analogous event*: any event occurs which the Issuer has, directly or indirectly, caused and which has an analogous effect to any of the events referred to in this Condition 8,

then (i) any Noteholder may declare its Notes immediately due and payable, or (ii) the Noteholders may, by means of an Extraordinary Resolution, declare all the Notes immediately due and payable, in both cases by written notice addressed to the Issuer and delivered to the Issuer and to the Paying Agent, whereupon, in the case of paragraph (i) above, such Note and, in the case of

paragraph (ii) above, all the Notes, shall become immediately due and payable at their principal amount together with accrued interest without further action or formality.

**Listing and admission to**

Euronext Lisbon regulated market.

**Trading:**

**Clearing:**

Notes are represented in dematerialised book-entry ("*escriturais*") and nominative ("*nominativas*") form with the CVM and registered and cleared through the system operated by Interbolsa. The CVM currently has links in place with Euroclear and Clearstream, Luxembourg through securities accounts held by Euroclear and Clearstream, Luxembourg with Affiliate Members of Interbolsa.

**Governing Law:**

The Notes, and any non-contractual obligations arising out or in connection with the Notes, are governed by Portuguese law.

**Selling Restrictions:**

The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Notes may be sold in other jurisdictions only in compliance with applicable laws and regulations. See "*Selling and Transfer Restrictions*".

**Joint Global Coordinators:**

BiG and Haitong.

**Paying Agent:**

Haitong.

#### 4. USE OF PROCEEDS

The Notes were issued in the context of the implementation of the Issuer's financial strategy aiming to strengthen the capital structure, to extend the debt maturity profile and to diversify the sources and types of financing.

The Notes nominal amount was €100,000,000 and the relevant issue price amounted to €99,170,000, since the Notes were issued below par. The expenses of the Admission are estimated to amount to the global amount of €643,000. The global amount of net proceeds arising from the issue of the Notes is estimated to amount to €98,527,000.

The Issuer intends to use the proceeds arising from this first issuance under and pursuant to the Green Bond Framework to refinance the funding structure put in place to finance the acquisition of Tilbury Green Power in the UK – a joint venture in which Greenvolt indirectly acquired a 51 percent stake in June 2021. All proceeds resulting from this first issue will be immediately and retroactively allocated to refinance such transaction.

TGP uses feedstock from wood waste (grade B and C, which is wood containing minor contaminants as well as wood with various non-hazardous contaminants) generated on construction and demolition sites. Sustainalytics (an approved verifier) considers the use of wood waste of grade B and C for power generation (as mentioned above) to be in line with market practice. For further information pertaining to the activity carried out by TGP please refer to Sections 5.4 (*Subsidiaries*) and 9.1 (*Main activities of the Issuer*). This investment is aligned with the Green Bond Framework, as it states that any proceeds arising from the issue of green bonds may be applied to finance and/or refinance new and/or existing renewable energy projects and energy efficiency projects (including but not limited to biomass, wind, solar, decentralised generation and storage), integrated pollution prevention and control, M&A transactions within the renewable energy sector ) and other related and supporting expenditures such as R&D ("**Eligible Green Projects**").

The issue of the Notes is aligned with the International Capital Market Association Green Bond Principles, which the Issuer has adopted.

The Green Bond Framework was assigned a positive Second Party Opinion ("**SPO**") by Sustainalytics. As per the SPO, Sustainalytics considers that:

- the eligible categories for the use of proceeds (Renewable and Clean Energy, Energy Efficiency and Pollution Prevention and Control), are aligned with those recognized by the Green Bond Principles 2021; and
- Greenvolt's investments in renewable energy facilities, primarily producing energy from biomass and wood-based waste through their acquisition of Tilbury power plant, is expected to deliver environmental benefits by supporting the growth of the renewable energy sector; and
- the investments in the eligible categories may increase the share of renewable energy and advance the UN Sustainable Development Goals (SDG), specifically the SDG 7 (*Affordable and clean energy*) and 12 (*Responsible Consumption and Production*).

Allocation and impact of the use of proceeds arising from the issue of the Notes will be reported annually by the Issuer until redemption of the Notes on its Sustainability Report, to be disclosed on the Issuer's website ([www.greenvolt.pt](http://www.greenvolt.pt)). The Sustainability Report is expected to include information regarding the allocation made towards types of renewable asset, a description of the relevant Eligible Green Projects, a breakdown of the proceeds outstanding, the total amount of proceeds allocated to each eligible category and the unallocated amount from time to time.

For further details on eligible categories, project evaluation and assessment, reporting, and the Issuer's environmental, social and governance profile, please refer to the Gren Bond Framework and to Section 9.6 (*“Environmental, Social and Governance”*).

The Green Bond Framework and the SPO are available on the Issuer's website at [https://www.greenvolt.pt/fileManager/comunicados/pdf\\_pt\\_79.pdf](https://www.greenvolt.pt/fileManager/comunicados/pdf_pt_79.pdf) and [https://www.greenvolt.pt/fileManager/comunicados/pdf\\_pt\\_81.pdf](https://www.greenvolt.pt/fileManager/comunicados/pdf_pt_81.pdf), respectively. For the avoidance of doubt, the Green Bond Framework and the SPO are not incorporated by reference in, nor form part of, the Prospectus.

The CMVM has no obligations in relation to the application of the proceeds of the Notes.

## **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*) with its share capital open to public investment ("*sociedade aberta*"), 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*) of Lisbon under the sole registration and taxpayer number 506 042 715.

As of the date of this Prospectus, the Issuer's share capital is €267,099,997.50, divided in 121,376,470 shares with no nominal value, and is fully subscribed and paid-up. 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](http://www.greenvolt.pt).

The Issuer's LEI code is 549300ZSZ6VJXXCVUM49.

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".

### **5.2. History**

The Issuer was incorporated in 2002, for an unlimited period of time, under the corporate name "EDP Produção - Bioelétrica 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 – Bioelétrica 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 – Bioelétrica 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 – Bioelétrica 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 – Bioelétrica 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 – Bioelétrica 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 – Bioelétrica 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 “Bioelétrica 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. Together with the other Portuguese 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.

The Issuer changed its corporate name to “Greenvolt – Energias Renováveis, S.A.” on 9 March 2021.

On 14 July 2021, the Issuer informed the market that it had carried out a share capital increase in the amount of €177,599,998.75, resulting in the issuance of 41,788,235 new ordinary, book-entry, nominative shares, without nominal value, at a subscription price of €4.25 per share. The Issuer’s shares were admitted to trading on Euronext Lisbon’s regulated market.

On 26 July 2021, the Issuer informed the market that it had carried out a share capital increase in the amount of €19,499,988.75, resulting in the issuance of 4,588,235 new ordinary, book-entry, nominative shares, without nominal value, at a subscription price of €4.25 per share, pursuant to the exercise of the Greenshoe Option, granted by the Issuer in relation to the admission to trading of the Issuer’s shares in Euronext Lisbon.

### **5.3. 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, which currently holds 58.72 percent of the Issuer’s voting rights. As of the date of this Prospectus, Altri’s main shareholders<sup>6</sup> are Promendo Investimentos, S.A. (holding 18.67 percent of Altri’s voting rights<sup>7</sup>), Caderno Azul, S.A.

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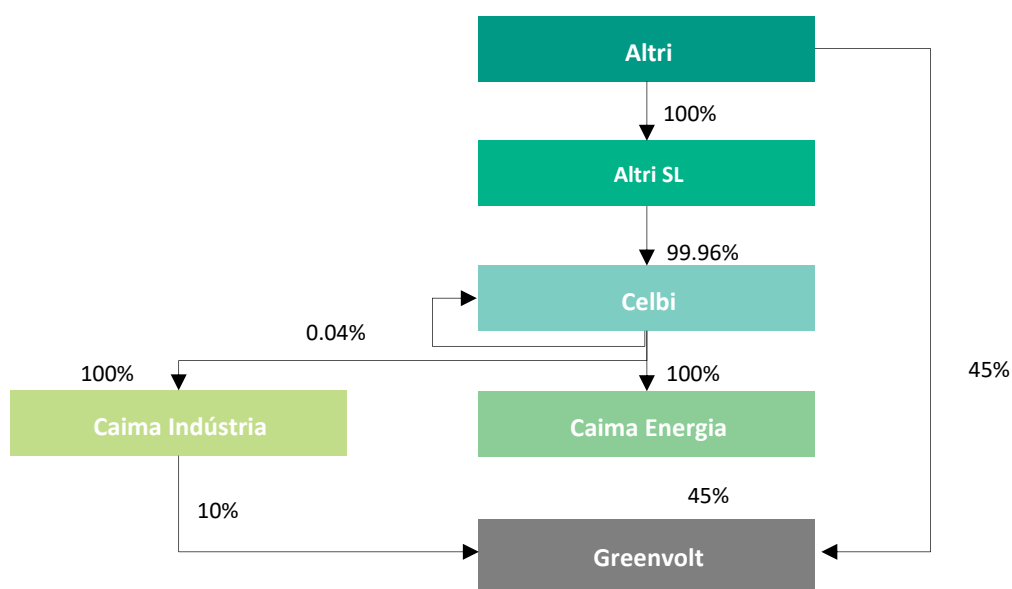
<sup>6</sup> Consulted on the date hereof (source: <http://www.altri.pt/pt/investors/shareholder-information/shareholder-structure>).

<sup>7</sup> Altri’s shares directly held by the company Promendo Investimentos, S.A., of which Ana Rebelo de Carvalho Menéres de Mendonça is director and majority shareholder.

(holding 15.11 percent of Altri's voting rights<sup>8</sup>), Actium Capital, S.A. and Livrefluxo, S.A. (each holding 13 percent of Altri's voting rights<sup>9 10</sup>) and 1 Thing, Investments, S.A. (holding 10.01 percent of Altri's voting rights<sup>11</sup>).

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, which resulted on the issuance of 46,376,470 ordinary, book-entry, nominative and without nominal value shares (41,788,235 of which

<sup>8</sup> 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.

<sup>9</sup> Altri's shares held by the company Actium Capital, S.A. are attributable to Paulo Jorge dos Santos Fernandes, its director and dominant shareholder.

<sup>10</sup> Altri's shares held by the company Livrefluxo, S.A. are attributable to Domingos José Vieira de Matos, its director and majority shareholder.

<sup>11</sup> 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.



under (i) the offering for subscription to qualified investors and (ii) the offer to V-Ridium, through the delivery of 11,200,000 shares of V-Ridium Power, representing 100 percent of the share of that company, and 4,588,235 of which under the exercise of the Greenshoe Option granted by the Issuer), and on the admission to trading of all such shares, representing the entire share capital of the Issuer, 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 €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 an equity structure where Altri owned 75 percent and Caima Energia owned 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 was 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.

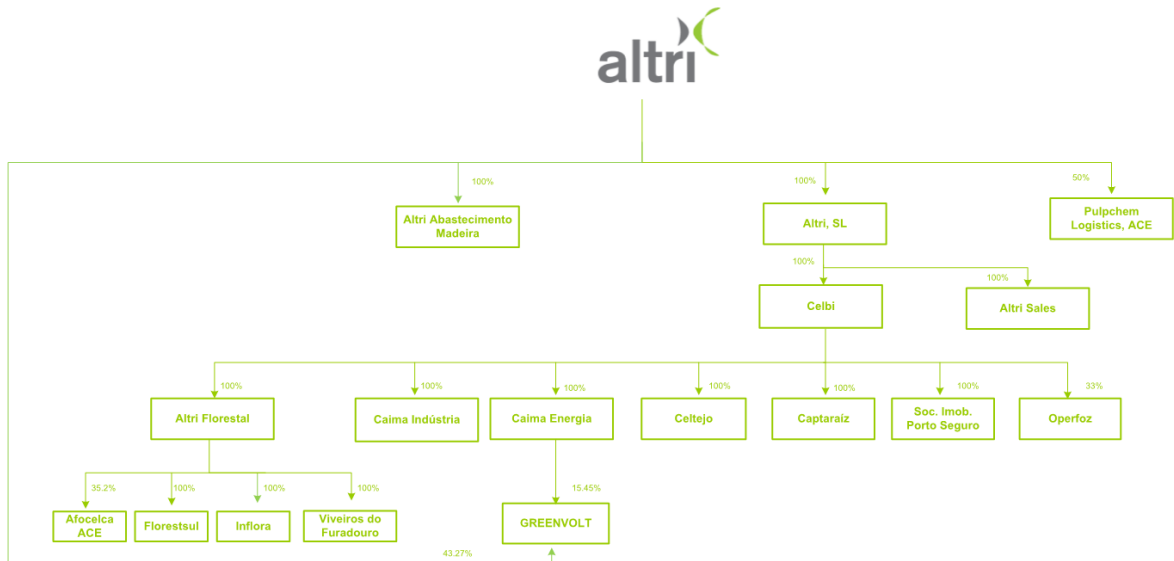
On 14 July 2021, the Issuer registered a share capital increase with the competent Commercial Registry Office, which resulted in the issuance of 41,788,235 new ordinary, book-entry, nominative shares, without nominal value, at a subscription price of €4.25 per share, which were (i) offered for subscription to qualified investors, having the Issuer's shareholders waived their pre-emption rights in the issuance of the shares, and (ii) offered to the company V-Ridium, with a share premium of €0.75, through the delivery of 11,200,000 shares of the company V-Ridium Power Group, representing 100 percent of the share capital of that company. As such, the share capital of the Issuer, which was €70,000,000, became €247,599,998.75, representing a share capital increase of €177,599,998.75 corresponding to (i) the subscription of 30,588,235 issued shares by qualified investors (amount of the increase €129,999,998.75) and 11,200,000 new shares by V-Ridium (amount of the increase €47,600,000), represented by 116,788,235 ordinary, book-entry, nominative shares without nominal value.

On 26 July 2021, pursuant to the exercise of the Greenshoe Option, granted by the Issuer in relation to the admission to trading of the Issuer's shares in Euronext Lisbon, the Issuer registered a share capital increase with the competent Commercial Registry Office, which resulted in the issuance of 4,588,235 additional new ordinary, book-entry, nominative

shares, without nominal value, at a subscription price of €4.25 per share, resulting in a share capital increase of €19,499,988.75. As such, the share capital of the Issuer, which was of €247,599,998.75 before the exercise of the Greenshoe Option, became €267,099,997.50, represented by 121,376,470 ordinary, book-entry, nominative shares without nominal value.

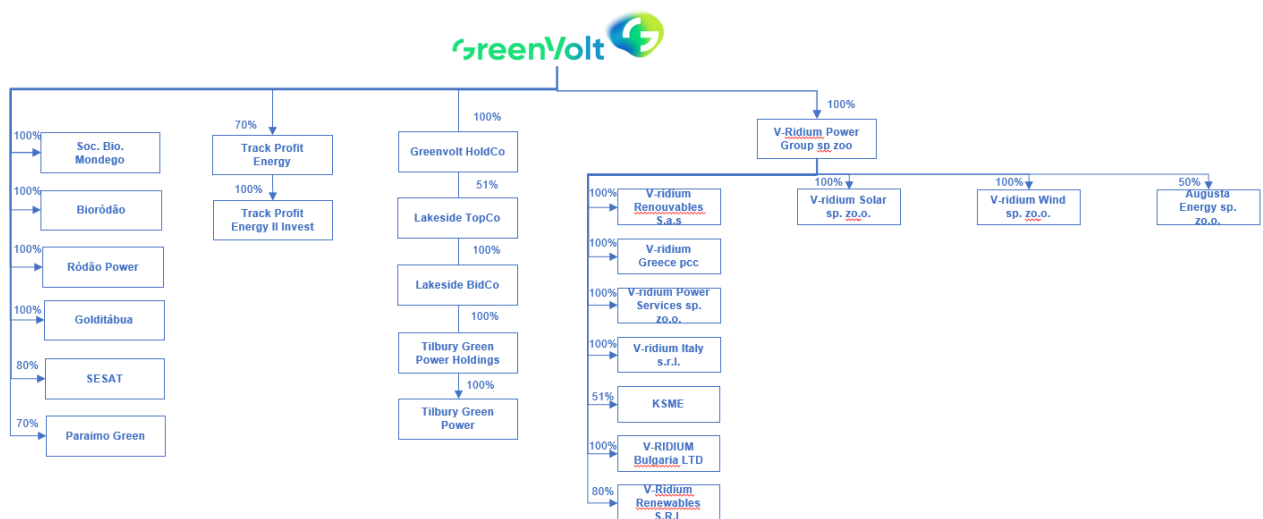
Following the share capital increase, Altri now holds 58.72 percent of the Issuer’s voting rights.

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:



#### 5.4. 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:



### **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 9.1 (*"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 9.1 (*"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 9.1 (*"Main activities of the Issuer"*).

#### **Tilbury Holdings**

Tilbury Holdings is a subsidiary directly owned by the Issuer, which holds 51 percent of the voting share capital thereof (while the remaining 49 percent are held by funds managed by Equitix holding).

Tilbury Holdings is incorporated and operates under English law, has registered offices at Leslie Ford House, Tilbury Freeport, Tilbury, Essex, RM18 7EH.

Tilbury Holdings is 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 Renewables Obligation Certificates (**"ROC"**) accreditation limit set by the United Kingdom's Office of Gas and Electricity Markets (**"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 Tilbury project was granted the Renewable Energy Guarantees Origin (“REGO”) accreditation with an effective date of 26 October 2017. For further information regarding Tilbury Holding, please refer to Section 9.1 (“*Main activities of the Issuer*”).

#### **V-Ridium Power**

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

V-Ridium Power is incorporated and operates under Polish law, and has registered offices at Aleja Wycsigowa 6, 02-681 Warszawa, Poland, being registered in the Polish commercial registry under no. 0000772074 and with a registered share capital of PLN 1,310,000. V-Ridium Power has subsidiaries in Poland, France, Italy and Greece.

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. Please refer to Section 9.1 (“*Main activities of the Issuer*”).

#### **Profit Energy**

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

Profit Energy is incorporated and operates under Portuguese law, with registered office at Rua Pedro Álvares Cabral, no. 24, 5.ª B, 2670-391 Loures, Portugal, has a share capital of €1,941,000 and is registered with the Commercial Registry Office under the sole registration and taxpayer number 514108649. Profit Energy is a well-established decentralised generation player in Portugal, with a total of circa 30 MW installed by 2020 and €0.7 million EBITDA. Profit Energy’s corporate purpose is the development of energy efficiency and power generation projects and investments in renewable energies.

#### **Perfecta Energia**

Currently, the Issuer holds a 42 percent stake in Perfecta Energia’s share capital, with an option to acquire the remaining share capital of Perfect Energia in 2024.

Perfecta Energia is incorporated and operates under Spanish law, with registered office at Calle Pedro de Valdivia 36, 4<sup>th</sup> floor right, 28006, Madrid, Spain, and registered with the Commercial Registry Office of Madrid under the sole registration and taxpayer number B-88309745. Perfecta Energia operates in the renewable energy sector, namely in the sale, installation and maintenance of solar PV panels for domestic segment’s self-consumption.

## 6. MAIN SHAREHOLDERS

### 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 €267,099,997.50 and is represented by 121,376,470 book-entry shares with no nominal value.

As of the date of this Prospectus the direct holders of the Issuer's shares are the following:

Shareholder	As at the date of this Prospectus	
	Number of shares	Percentage of share capital and voting rights held
Altri	71,270,366	58.72%
Directly	52,520,366	43.27%
Through Caima Energia	18,750,000	15.45%
V-Ridium	11,200,000	9.23%
Nationale-Nederlanden	3,423,529	2.82%
Santander Asset management, S.A. SGIC	3,168,627	2.61%
Actium Capital, S.A.	3,057,511	2.52%
Livrefluxo, S.A.	2,571,583	2.12%
Other shareholders	26,684,854	21.99%
	<u>121,376,470</u>	<u>100%</u>

#### Relationship with the Altri Group

As of the date of this Prospectus, and following the listing and admission to trading of the Issuer's shares on Euronext Lisbon, Altri directly and indirectly holds 58.72 percent of the Issuer's voting share capital.

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, 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, without prejudice to the contents of Section 6.2 (*Agreements or provisions affecting the governance of the Issuer*).

## 6.2. 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. 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.

Without prejudice to the above, Altri recently announced that "given the growth prospects of Greenvolt and Altri, it seems reasonable and necessary to consider the study around the optimization of Altri's shareholding in Greenvolt, which may involve a possible process of segregating this shareholding if this is an appropriate response to the optimized evolution of the companies in question, adjusted to the reality underlying their own businesses and their development prospects and once the analysis of the impacts and advantages of a total separation of the paste and renewable energy businesses has been carried out. The possible segregation of each of these businesses, if implemented, may also allow for the segregation of the balance sheets of the two companies, contributing to both of them pursuing their business plans independently. The implementation of this possible transaction will be based on a model in which Altri's shareholders will hold the majority shareholding that this company holds in Greenvolt, in a model that will be defined following the study referred to above, in circumstances that, therefore, are not likely to give rise to a transition of control over Greenvolt from Altri to another entity. The possible implementation of such transaction of segregation of the companies and their businesses will naturally depend on obtaining all statutory, legal, contractual and regulatory approvals, in this case, in particular, to the extent applicable, by the Portuguese Securities Market Commission. In particular, such possible transaction, if it takes place, will always respect the lock-up undertakings agreed and in force until January 15, 2022, both by Altri and Greenvolt, in the context of the IPO, being implemented, if it is concluded for its feasibility and adequacy and after all required authorizations have been obtained, probably, during the second quarter of 2022."<sup>12</sup>.

## 6.3. Main activities outside the Issuer performed by the management and supervisory bodies of the Issuer

The main activities carried out by the members of the Board of Directors and of the Statutory Audit Board in companies outside the Issuer, as of the date of this Prospectus, are detailed below:

### Board of Directors

#### ***Clara Raposo***

- Chairman of the ISEG Lisbon School of Economics & Management of University of Lisbon.

#### ***Paulo Jorge dos Santos Fernandes***

- Vice-Chairman of ALTRI, S.G.P.S., S.A.
- Director of A Nossa Aposta – Jogos e Apostas On-Line, S.A.
- Director of Actium Capital, S.A.

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<sup>12</sup> Altri's Earnings Announcement (unaudited information) 3Q21, available at [www.cmvm.pt](http://www.cmvm.pt) and [www.altri.pt](http://www.altri.pt).

- Director of Articulado – Actividades Imobiliárias, S.A.
- Director of Cofihold, S.A.
- Director of Cofihold II, S.A.
- Director of Cofina, S.G.P.S, S.A.
- Director of Cofina Media, S.A.
- Director of Elege Valor, Lda.
- Director of F. Ramada II Imobiliária, S.A.
- Director of Préstimo – Prestígio Imobiliário, S.A.
- Director of Ramada Aços, S.A.
- Director of Ramada Investimentos e Indústria, S.A.
- Director of Santos Fernandes & Vieira Matos, Lda.
- Director of Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.
- Chairman of the Supervisory Board of Fisio Share - Gestão de Clínicas, S.A.

***José Armindo Farinha Soares de Pina***

- CEO of ALTRI, S.G.P.S., S.A.
- Director of Altri Abastecimento de Madeira, S.A.
- Director of Altri Florestal, S.A.
- Director of Caima – Indústria de Celulose, S.A.
- Director of Caima Energia – Empresa de Gestão e Exploração de Energia, S.A.
- Director of Biotek, S.A.
- Director of Celulose Beira Industrial (CELBI), S.A.
- Director of Florestsul, S.A.

***João Manuel Matos Borges de Oliveira***

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



***Ana Rebelo de Carvalho Menéres de Mendonça***

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

***Pedro Miguel Matos Borges de Oliveira***

- Director of ALTRI, S.G.P.S., S.A.
- Director of Cofihold, S.A.
- Director of Cofihold II, S.A.
- Director of Cofina, S.G.P.S., S.A.
- Director of F. Ramada II Imobiliária, S.A.
- Director of Préstimo – Prestígio Imobiliário, S.A.
- Director of Ramada Aços, S.A.
- Director of Ramada Investimentos e Indústria, S.A.
- Director of Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.
- Director of Universal - Afir, S.A.
- Director of Valor Autêntico, S.A.
- Director of 1 Thing, Investments, S.A.

***Domingos José Vieira de Matos***

- Director of ALTRI, S.G.P.S., S.A.
- Director of Cofina, S.G.P.S., S.A.
- Director of Cofihold, S.A.
- Director of Cofihold II, S.A.
- Director of Elege Valor, Lda.
- Director of F. Ramada II Imobiliária, S.A.
- Director of Livrefluxo, S.A.
- Director of Préstimo – Prestígio Imobiliário, S.A.
- Director of Ramada Aços, S.A.
- Director of Ramada Investimentos e Indústria, S.A.
- Director of Santos Fernandes & Vieira Matos, Lda.
- Director of Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.
- Director of Universal - Afir, S.A.

### ***Clementina Barroso***

- Director of IPCG – Instituto Português de Corporate Finance
- Director of Banco CTT, S.A.
- Member of the Audit Committee of Banco CTT, S.A.
- Member of the Remunerations Committee of Banco CTT, S.A.

### ***Céline Abecassis-Moedas***

- Non-Executive Director of CUF, S.A.
- Non-Executive Director of Vista Alegre Atlantis, S.A.

### ***António Jorge Viegas de Vasconcelos***

- Managing Partner of NEWES, New Energy Solutions, Lda.
- Member of the Advisory Board of SOFID
- Manager of Homing Homes, Lda.
- Director of FF New Energy Venture, S.A.
- Member of Supervisory Board of Econnext GmbH & Co. KgaA.

### **Statutory Audit Board**

#### ***Francisco Nogueira Leite***

- Manager of SAROS – Sociedade de Mediação de Seguros, Lda.
- Sole Director of FERNAVE – Formação Técnica, Psicologia Aplicada e Consultoria em Transporte e Portos, S.A.
- Sole Director of ECOSAÚDE – Educação, Investigação e Consultoria em Trabalho, Saúde e Ambiente, S.A.

#### ***Cristina Linhares***

- Statutory Auditor and Sole Supervisor of IT Peers - Serviços de Tecnologia de Informação, S.A.
- Statutory Auditor and Sole Supervisor of Never Lose, S.A.
- Statutory Auditor and Sole Supervisor of Título Singular, S.A.
- Statutory Auditor and Sole Supervisor of Item - Actividades Imobiliárias, S.A.
- Statutory Auditor and Sole Supervisor of MDM Imobiliária S.A.
- Statutory Auditor and Sole Supervisor of Articulado - Actividades Imobiliárias, S.A.
- Statutory Auditor and Sole Supervisor of Arsénio Veiga e Filhos, Holding, S.A.
- Statutory Auditor of Sociedade Comercial de Plásticos Chemieuro Unipessoal Lda.

Except to the extent mentioned above, no other members of the Board of Directors or of the Statutory Audit Board carry out activities in other companies outside the Issuer.

## **7. MANAGEMENT AND SUPERVISORY BODIES OF THE ISSUER**

According to Article 278(1)(a), 278(3) and Article 413(1)(b) of the Portuguese Commercial Companies Code 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 Portuguese Commercial Companies Code, 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 Portuguese Commercial Companies Code, 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 Portuguese Commercial Companies Code, 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 Portuguese Securities Code.

### **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 by the members identified on Section 8.1.2 (“*Members of the Board of Directors in office at the date of this Prospectus and at the time of the Unaudited Interim Financial Statements*”).

### **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 Portuguese Commercial Companies Code, 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 Portuguese Commercial Companies Code, 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 Portuguese Commercial Companies Code, 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 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 Portuguese Commercial Companies Code and pursuant to Law no. 148/2015, of 9 September (*Regime Jurídico da Supervisão de Auditoria*) ("**Law 148/2015**"), which apply to Greenvolt as a public interest entity (*entidade de interesse público*) with its 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 Portuguese Commercial Companies Code.

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 Portuguese Securities Code, 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 Portuguese Securities Code;
- 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 by the members identified below and on Section 8.1.4 (*"Members of the Statutory Audit Board in office at the date of this Prospectus and at the time of the Unaudited Interim Financial Statements"*). For the purposes of the duties of the members of the Statutory Audit Body, their professional address is the Issuer's registered office at Rua Manuel Pinto de Azevedo 818, 4100-320 Porto, Portugal.

#### **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 Portuguese Commercial Companies Code.

The current Statutory External Auditor, elected at the General Meeting of Shareholders held on 24 June 2021 for the 2021/2023 term of office, is Deloitte, as identified on Section 8.1.5 (*"Statutory External Auditor in office at the date of this Prospectus"*).

#### **Secretary of Greenvolt**

Pursuant to the Portuguese Commercial Companies Code, 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](http://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](http://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 Portuguese Securities Code, 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 Portuguese Securities Code 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**

- 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 €267,099,997.50 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 and at the time of the Unaudited Interim Financial Statements**

- 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**

- José Armindo Farinha Soares de Pina (Chairman)
- 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 and at the time of the Unaudited Interim Financial Statements**

- 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, who is registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 1272 and with the CMVM under no. 20160883.

**8.1.6. Statutory Auditor in office at the time of the approval of the Annual Audited Consolidated Financial Statements**

- Deloitte, represented by Nuno Miguel dos Santos Figueiredo, who is registered with the Portuguese Institute of Chartered Accountants (*Ordem dos Revisores Oficiais de Contas*) under no. 1272 and with the CMVM under no. 20160883.

Deloitte was responsible for the auditors' report on the Annual Audited Consolidated Financial Statements. For the avoidance of doubt, Deloitte has not reviewed the Unaudited Interim Financial Statements.

**8.2. Relevant legal provisions regarding responsibility for the information contained in the Prospectus**

Under the terms of Article 149(3) of the Portuguese Securities Code, applicable *ex vi* Article 243 of the Portuguese Securities Code, 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 Portuguese Securities Code, applicable *ex vi* Article 243 of the Portuguese Securities Code, 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 Portuguese Securities Code, applicable *ex vi* Article 243 of the Portuguese Securities Code, 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 Portuguese Securities Code, applicable *ex vi* Article 243 of the Portuguese Securities Code, 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 Portuguese Securities Code, 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 Sections 8.1.1 to 8.1.6 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. 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.

### **9.1. Main activities of the Issuer**

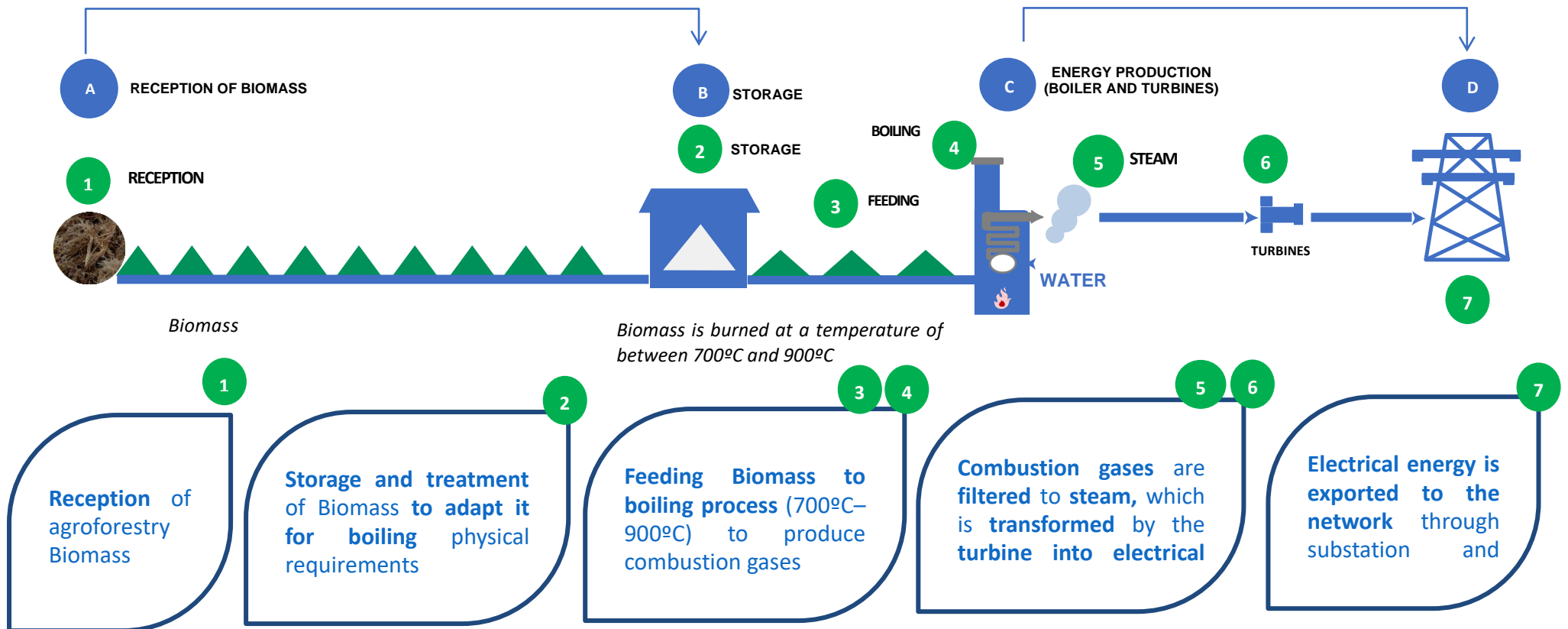
The Issuer is part of Altri's renewable energy division and its core business is the ownership and development of Biomass Power Plants in Portugal, which the Issuer and/or its subsidiaries have been doing for the last two decades, it being that, until 2018, the ownership and development of Portuguese 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<sup>2</sup> 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



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

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<sup>2</sup> into the atmosphere, the activity of Portuguese 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<sup>13</sup>; and (ii) made available by DGEG, Portuguese 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.<sup>14</sup>

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. As of 30 June 2021, the Issuer injected 352.0 GWh in the national electricity grid.

In addition to the biomass power plant activity carried out in Portugal, the Issuer has also started 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 9.1 (*“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 9.1 (*“Main activities of the Issuer”*), sub-section c) (i) for assets located in Portugal and sub-section c) (ii) for assets located in Europe.

## **Description of Assets**

### **(a) Biomass Power Plants**

#### **(i) Portugal – Portuguese Biomass Power Plants**

### **Introduction**

As already referred, the Portuguese 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 Portuguese Biomass Power Plants is provided by Altri Madeira under Biomass Supply Agreements for each of the Portuguese Biomass Power Plants, entered into between the

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<sup>13</sup> APREN report entitled “Anuário/Yearbook 2020” issued in April 2020, available at [aprenebook2020-2.pdf](#).

<sup>14</sup> DGEG report entitled “Estatísticas Rápidas – n.º 193” issued in December 2020, available at [dgeg-arr-2020-12.pdf](#).

Issuer and/or the Subsidiaries, which set forth the biomass price, quality, capacity and delivery mechanism of the biomass for the Portuguese 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 Portuguese Biomass Power Plants, owned and operated by the Issuer and/or its subsidiaries, is located close to a Pulp Facility, 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 Portuguese Biomass Power Plants are installed close to a Pulp Facility, the Portuguese 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 demineralised 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 Portuguese 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 Portuguese 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 Portuguese Biomass Power Plants, depending on the tariff set when the Portuguese 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 Portuguese 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.

#### **Portuguese Biomass Power Plants owned and directly operated by the Issuer**

The three Portuguese 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 and 187 GWh as of 30 June 2021), generating a total revenue for sales of energy and biomass of €48.8 million (€48.1 million in 2019 and €22.6 million as of 30 June 2021) and consuming a total of 662 thousand tons of residual forest biomass (617 thousand tons were consumed in 2019 and 328 thousand tons as of 30 June 2021), being that:

a) 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.

- b) in the first semester of 2021:
- Energy sales recorded €22.6 million; and
  - There were no biomass sales.

Operating expenses, costs with sales and supplies of external services amounted to €31.6 million in 2020 (and € 15.4 million as of 30 June 2021), registering a €3 million decrease compared to the previous year (and a €2.4 million difference to the first semester of 2021). 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 Portuguese 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 and €7.2 million as of 30 June 2021).

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:

$$\text{Valuation} = \{[5.44 * \text{minimum} (Pot_{dec}; PL/720) * PL/576 / Pot_{dec} + 0.036 * PL] * 1 + (0.00002 * 370 * PL) * Z\} / (1 - 0.015 / IPC_m - 1 / IPC_{ref} * (1 - \text{depreciation}))$$

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. In the first semester of 2021, the total revenue amounted to €4.6 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:

$$\text{Valuation} = \{[5.44 * \text{minimum} (Pot_{dec}; PL/720) * PL/576 / Pot_{dec} + 0.036 * PL] * 1 + (0.00002 * 370 * PL) * Z\} / (1 - 0.015 / IPC_{m-1} / IPC_{ref} * (1 - \text{depreciation}))$$

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. In the first semester of 2021, the total revenue amounted to €13.1 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:

$$\text{Valuation} = \{[5.44 * \text{minimum} (Pot_{dec}; PL/720) * PL/576 / Pot_{dec} + 0.036 * PL] * 1 + (0.00002 * 370 * PL) * Z\} / (1 - 0.015 / IPC_{m-1} / IPC_{ref} * (1 - \text{depreciation}))$$

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. In the first semester of 2021, the total revenue amounted to €4.9 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 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 Portuguese Biomass Power Plants currently in operation.

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:

$$\text{Valuation} = \{[5.44 * \text{minimum} (Pot_{dec}; PL/720) * PL/576 / Pot_{dec} + 0.036 * PL] * 1 + (0.00002 * 370 * PL) * Z\} / (1 - 0.015 / IPC_{m-1} / IPC_{ref} * (1 - \text{depreciation}))$$

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 and in the first semester of 2021 to €16.9 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 and €7.5 million as of 30 June 2021). 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 (€6.8 million in 2019).

In 2020, the power plant consumed approximately 415,268 tons of biomass (whereas in 2019 consumption only reached 176 thousand tons and 220 thousand tons in the first semester of 2021.) from the region, which amounted to €12.7 million (€4.9 million in 2019 and €7.0 million as of 30 June 2021).

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:

$$\text{Valuation} = \{[5.44 * \text{minimum} (Pot_{dec}; PL/720) * PL/576 / Pot_{dec} + 0.036 * PL] * 1 + (0.00002 * 370 * PL) * Z\} / (1 - 0.015 / IPC_m - 1 / IPC_{ref} * (1 - \text{depreciation}))$$



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 thousand tons of biomass (versus 117,720 thousand tons in 2019 and 35.7 thousand as of 30 June 2021) from the region, which amounted to €3.5 million (€3.2 million in 2019 and €1.0 million as of 30 June 2021). The Ródão Power Plant injected 66,006 MWh of electricity into the grid (65.2 GWh in 2019 and €19.2 GWh as of 30 June 2021).

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 Portuguese 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
<b>Biomass Supply Agreement</b>	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
<b>Framework Agreement</b>	Entered into with Caima Indústria on 4 June 2021, with	Entered into with Celbi on 4 June 2021, with effects	Not applicable	Entered into with Celbi on 4 June 2021, with effects	Entered into with Celtejo on 4 June 2021 with effects

	CONSTÂNCIA	FIGUEIRA DA FOZ I	MORTÁGUA	FIGUEIRA DA FOZ II	RÓDÃO
	effects as of 1 July 2009 and a 25-year term	as of 1 April 2009 and a 25-year term		as of 1 August 2019 and a 25-year term	as of 1 January 2007 and a 25-year term
<b>Lease Agreement</b>	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
<b>O&amp;M Agreement</b>	Entered into with Caima Indústria on 4 June 2021, in force until 31 July 2034 Annual global price in the amount of €1,003,944	Entered into with Celbi on 4 June 2021, in force until 30 April 2034 Annual global price in the amount of €1,505,916	Entered into with Celtejo on 4 June 2021, in force until 31 July 2034 Annual global price in the amount of €516,000	Entered into with Celbi on 4 June 2021, in force until 31 July 2044 Annual global price in the amount of €1,503,720	Entered into with Celtejo on 4 June 2021, in force until 31 July 2034 Annual global price in the amount of €1,048,236
<b>Utilities Agreement</b>	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.

### **Biomass Supply Agreements**

The Biomass Supply Agreements ensure the continuous supply of biomass to the Portuguese Biomass Power Plants for the term of the guaranteed tariff of each of the Portuguese 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 Portuguese 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 Portuguese 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 Portuguese 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 minimise 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 Portuguese 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 Portuguese 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 Portuguese Biomass Power Plants in the Pulp Facilities for the term of the guaranteed tariff of each of the Portuguese 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 Portuguese 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 Portuguese 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 minimise 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 minimise 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 recovery of 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.

### c) **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<sup>15</sup>.

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 being 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.

#### (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, 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.

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<sup>15</sup> Source: International Renewables Energy Agency – Renewable Energy Prospects for the European Union – February 2018.



### **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 REN's feedback on 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 of 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 of the issuance of the project's production licence.

€29 million 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 entered into an agreement with V-Ridium, pursuant to which it became the sole owner 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.

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		<ul style="list-style-type: none"> <li>• <b>Portfolio and development platform</b> sold to <b>EDPR</b> in the biggest RES deal</li> <li>• Managed by future GEO founders, <b>EDPR</b> became No. 1 RES player</li> </ul>
2011	Wind	GEO	104 MW		<ul style="list-style-type: none"> <li>• GEOR develops <b>two Wind farms</b> and offers <b>EDPR</b> a JV, both executed successfully</li> </ul>
2015	Wind	GEO	90 MW		<ul style="list-style-type: none"> <li>• <b>Two Wind farms</b> successfully sold to <b>IKEA</b></li> <li>• Transaction named “<b>2015 RES Deal of the Year in Poland</b>”</li> </ul>
2018	Wind	GEO	204 MW		<ul style="list-style-type: none"> <li>• GEOR creates JV with <b>Vestas</b> investing in <b>seven Wind farms</b> with total capacity of <b>204 MW</b></li> </ul>
2019	PV	GEO	21 MW		<ul style="list-style-type: none"> <li>• <b>21 MW of constructed Solar PV portfolio</b> sold with <b>CfD support</b> scheme from auction (June 2017)</li> </ul>
2019	PV	GEO	40 MW		<ul style="list-style-type: none"> <li>• GEOR won <b>Solar PV auction</b> in 2018 with over <b>40MW Solar PV projects</b></li> <li>• <b>20 MW</b> was sold to <b>European utility</b></li> </ul>
2019	PV	GEO	59 MW		<ul style="list-style-type: none"> <li>• GEOR creates JV with German fund <b>KGAL</b> called Augusta Energy under which it invests in <b>59 MW in a PV installation</b></li> </ul>
2019	Wind	GEO	210 MW		<ul style="list-style-type: none"> <li>• GEOR sales <b>210 MW of RTB Wind portfolio</b> with <b>CfD support</b> scheme from auction (December 2019)</li> </ul>
2020	Wind	GEO	51 MW		<ul style="list-style-type: none"> <li>• <b>51 MW of RTB Wind portfolio</b> sold with <b>CfD support</b> scheme from auction (December 2019)</li> </ul>
2020	PV	GEO	22 MW		<ul style="list-style-type: none"> <li>• GEOR exits with <b>22 MW Solar PV projects</b> to <b>Chinese funds</b> with PV auction won in 2019</li> </ul>
2020	PV & Wind	V-Ridium	-		<ul style="list-style-type: none"> <li>• GEOR rebrands and establishes <b>new operating and investment platform V-Ridium</b></li> <li>• <b>Management</b> team remained <b>unchanged</b></li> </ul>
<b>Total</b>			<b>2.0 GW</b>		

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.

### **Projects and capabilities**

As a result of the recently completed acquisition by the Issuer of shares of V-Ridium Power, the Issuer acquired 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.

Accordingly, with the recently completed acquisition of V-Ridium Power, the Issuer became 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.

#### **d) 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 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.

## 9.2. Issuer's main markets

The Issuer's core business operations are currently based in Portugal, with the majority of its subsidiaries being incorporated under Portuguese law and most of 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 it was the case with Tilbury), as well as other business opportunities focused on solar photovoltaic and wind farms (as it was the case with V-Ridium).

## 9.3. 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.*** 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.
- ***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 Portuguese Biomass Power Plants are operated based on regulated revenues under a feed-in tariff regime with a duration of 25 years. The portfolio of biomass plants in operation has a 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 Portuguese 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

Portuguese 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 has a tangible pan-European Solar PV and Wind pipeline and aims to establish gradually a leading renewables position in Europe.*** The Issuer and V-Ridium 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. 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 optimise 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 Portuguese Biomass Power Plants operated either directly by the Issuer or through its subsidiaries benefit from a stable 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<sup>16</sup>. To a certain extent, the same applies to TGP and V-Ridium's 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, 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.*** As of 30 June 2021, the Issuer held a total of €230 million in bank lines (€130 million committed and €100 million uncommitted), of which €115

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<sup>16</sup> Source: IRENA – Renewable Energy Prospects for the European Union – February 2018.

million were 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.

#### **9.4. 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:

***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<sup>2</sup> 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 most of its Biomass Power Plants are 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.

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. V-Ridium, a fully-owned subsidiary of the Issuer and Polish player 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<sup>17</sup>, 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.

In these technologies, the Issuer is targeting project accretive returns of circa 150 to 200 bps above Greenvolt's cost of capital.

Following the acquisition of V-Ridium, the Issuer gained 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<sup>18</sup> 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.

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<sup>17</sup> Net installed capacity, probability weighted by a mortality rate depending on technology, geography and stage of development.

<sup>18</sup> Net installed capacity, probability weighted by a mortality rate depending on technology, geography and stage of development in what concerns V-Ridium's pipeline.

***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.

On July 2021, 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. The acquisition of 70 percent of Profit Energy was concluded in August 2021.

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. 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. The acquisition of 42% of the share capital of Perfecta Energia was concluded in October 2021.

***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 (specially with V-Ridium's acquisition) deep expertise and significant experience, located in countries where market conditions are currently considered stable and known.

**9.5. 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 V-Ridium Power, of the co-development in Greece and the joint venture in Romania.

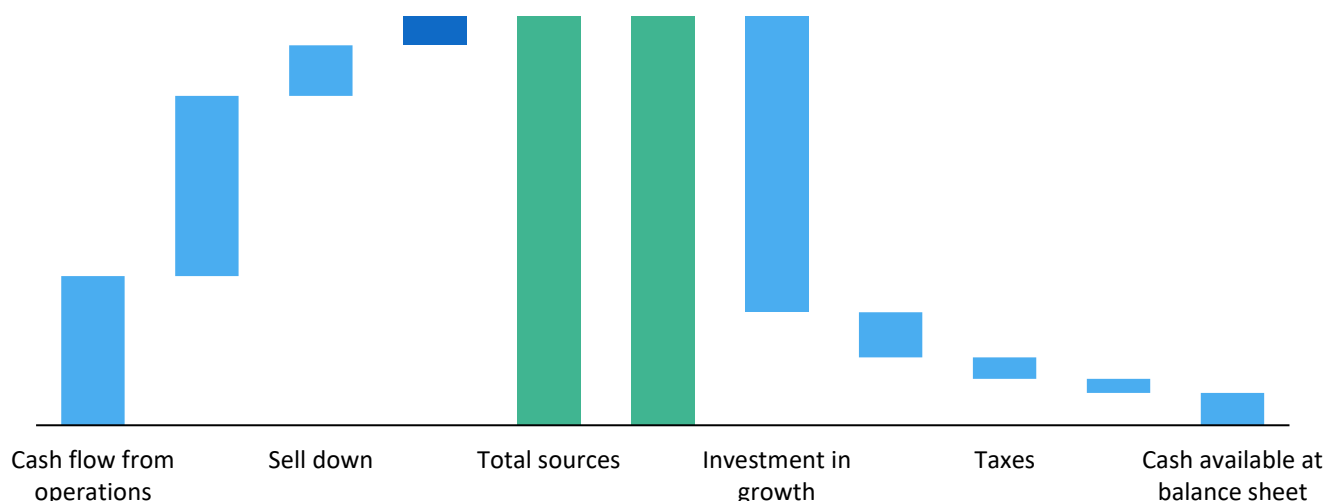
A total amount of €1.5 to €1.8 billion would be needed to fund the existing development plan which, together with other fund needs such as taxes and debt service, is planned to be financed via a mix of cash flow from operations, sale of minority stakes in certain projects and new debt. In this respect, 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.

The Issuer expects to make investments amounting to €300 million in 2021: the Issuer invested €220 million in the acquisition of Tilbury Holdings, invested €30 million in V-Ridium's capital needs for investment and invested €50 million in other endeavours in Portugal, focused on decentralised generation, solar photovoltaic and Profit Energy.

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)			
<b>Portugal</b>	-	<b>62</b>	<b>52</b>	<b>600</b>	<b>714</b>	<b>100%</b>	<b>20%</b>
Solar PV power plants	-	62	47	600	709	99%	28%
Portuguese Biomass Power Plants	-	-	5	-	5	1%	100%
% Total	0%	9%	7%	84%	100%		
<b>Poland</b>	<b>98</b>	<b>30</b>	<b>939</b>	<b>1,057</b>	<b>2,124</b>	<b>100%</b>	<b>59%</b>
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%		
<b>Greece</b>	-	-	<b>190</b>	<b>418</b>	<b>608</b>	<b>100%</b>	<b>17%</b>
Wind power plants	-	-	74	165	239	39%	22%
Solar PV power plants	-	-	116	253	369	61%	15%
% Total	0%	0%	31%	69%	100%		
<b>Romania</b>	-	-	<b>170</b>	-	<b>170</b>	<b>100%</b>	<b>5%</b>

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%		
<b>Total</b>	<b>98</b>	<b>92</b>	<b>1,346</b>	<b>2,075</b>	<b>3,611</b>	<b>100%</b>	
Wind power plants	50	0	441	585	1076	30%	100%
Solar PV power plants	48	92	905	1490	2535	70%	100%
Portuguese 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.

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).

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<sup>2</sup> emissions.

Through the generation of electricity using residual forest biomass, the Issuer is avoiding the CO<sup>2</sup> 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<sup>2</sup> has been sequestered in the lifetime of the biomass. Fossil fuels are only used in the Portuguese 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 Portuguese 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<sup>19</sup>.

Figueira da Foz I Power Plant has implemented the following best available technologies:

- (a) Regarding the minimisation of gas emissions:
  - (i) Reduction of NO<sub>x</sub> (nitrogen oxides) emissions; and
  - (ii) Combustion optimisation (computerised control system).

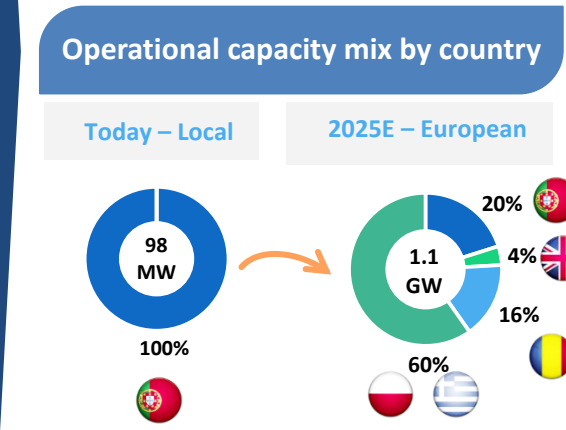
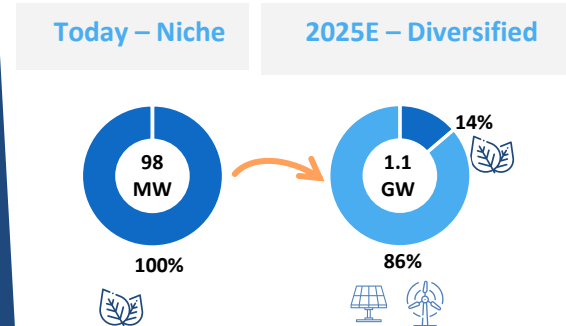
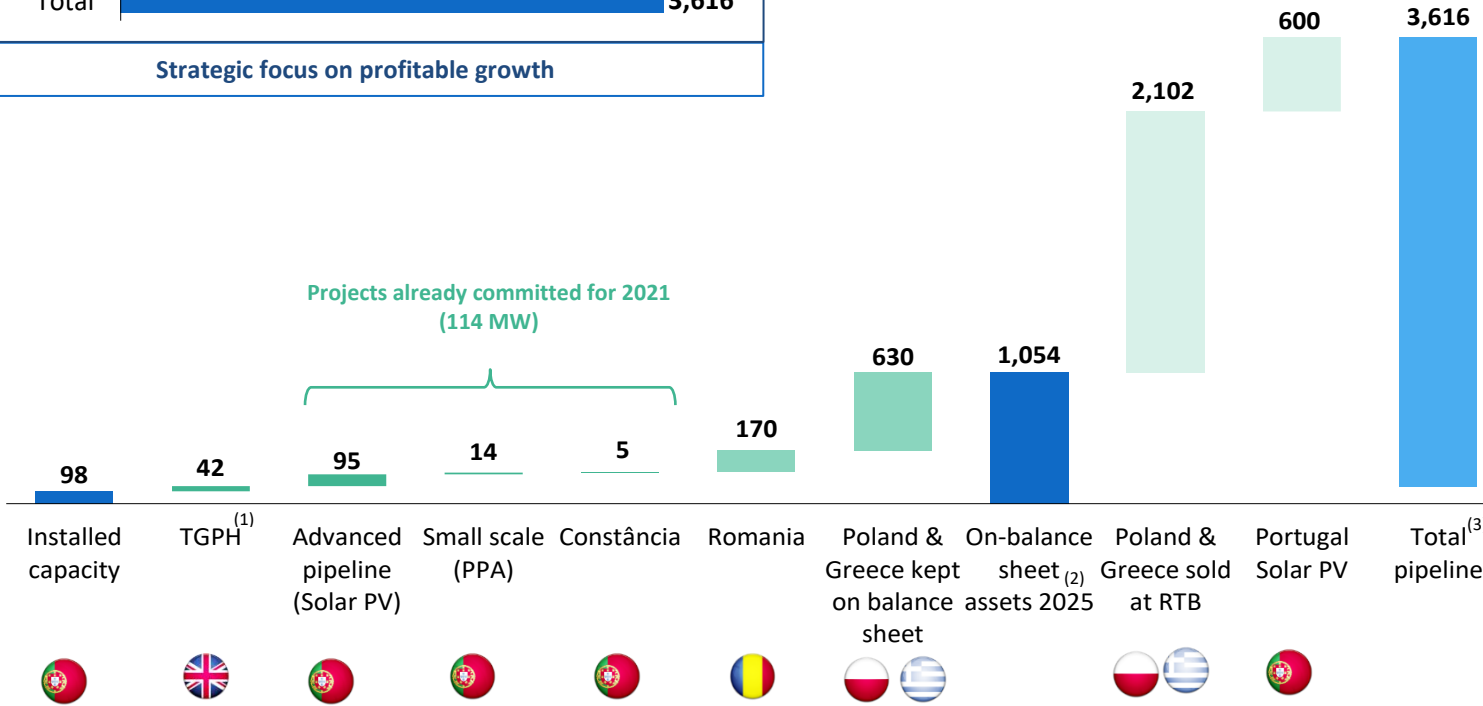
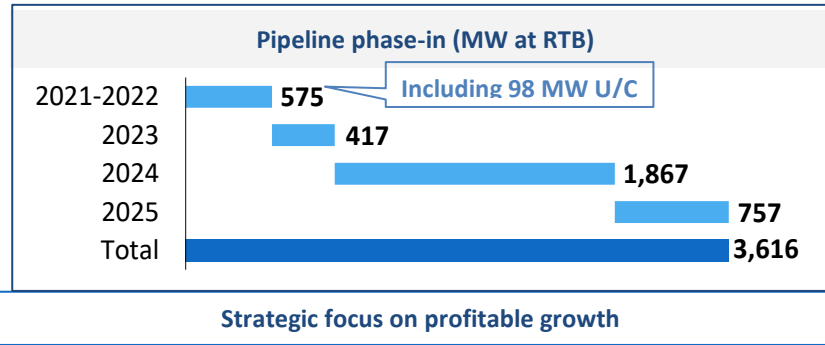
<sup>19</sup> *Melhores técnicas disponíveis* (MTD) | Agência Portuguesa do Ambiente (apambiente.pt)

- (b) Regarding the reduction of SO<sub>2</sub>, HCl 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 NO<sub>x</sub> (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 SO<sub>2</sub>, HCl 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 7<sup>th</sup> 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 Length	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 Dobryńska			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	Environmental Permits	Compensation Mechanism	Contract Length	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	Environmental Permits	Compensation Mechanism	Contract Length	Off-taker	Currency
Constância			5.0	100%	5.0	2021	2023	Ongoing <sup>(1)</sup>	P	n.a. <sup>(2)</sup>	FIT	TBD	n.a.	EUR

Águeda			47.0	70%	47.0	2022	4Q23	P	P	Ongoing <sup>(3)</sup>	PPA	10 years	Altri Group	EUR
<b>Adv. Phase capacity Portugal (2 projects)</b>			<b>52</b>		<b>52</b>									
RTB 2022			22.8	100%	22.8	2022	2024	P	P		CfD/PPA	15/10 years <sup>(4)</sup>	TBD	PLN
RTB 2023			84.6	100%	84.6	2023	2025	P			CfD/PPA	15/10 years <sup>(4)</sup>	TBD	PLN
RTB 2024			159.6	100%	159.6	2024	2026	P		P	CfD/PPA	15/10 years <sup>(4)</sup>	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
<b>Adv. Phase capacity Poland (24 projects)</b>			<b>939</b>		<b>939</b>									
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
<b>Adv. Phase capacity Greece (11 projects)</b>			<b>190</b>		<b>190</b>									
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
<b>Adv. Phase capacity Romania (4 projects)</b>			<b>170</b>		<b>170</b>									

(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.

## 9.6. Environmental, Social and Governance

### *Environmental and Social Framework*

The Issuer is strategically committed to promoting renewable energy, carbon neutrality and the circular economy (see Section 9.5 (“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<sup>20</sup>. 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. 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”.

#### **ESG Risk Rating**

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 an ESG Risk Exposure of 55.3 (considered high). The Portuguese Biomass Power Plants (as of 2020) 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.

TGP uses feedstock from wood waste (grade B and C, which is wood containing minor contaminants as well as wood with various non-hazardous contaminants) generated on construction and demolition sites. Sustainalytics (an approved verifier) considers the use of wood waste of grade B and C for power generation (as mentioned above) to be in line with market practice.

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

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<sup>20</sup> Source: DGEG.



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.

### ***Green Bond Framework and Green Bond Principles***

The eligibility criteria defined in Greenvolt's Green Bond Framework are: Renewable and Clean Energy, Energy Efficiency and Integrated Pollution and Prevention Control. The eligible categories – Renewable and Clean Energy, Energy Efficiency and Pollution Prevention and Control – are aligned with those recognized by the Green Bond Principles 2021.

The Issuer has established a Green Bond Committee (GBC) which is composed of members from the following departments: Engineering, Environmental & Sustainability, Legal and Finance. The GBC is in charge of selecting eligible assets after proposed projects and merger and acquisition (M&A) transactions have been reviewed by Greenvolt's Investment Working Group. The Issuer analyses and conducts pre-screening of projects considering environmental and social risks. Projects that do not comply with E&S risk assessment or have credibility risk will be rejected and not be taken into consideration.

As per the SPO, Sustainalytics is of the opinion that the Issuer has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the proceeds of the issue of green bonds.

The Green Bond Framework and the SPO are available on the Issuer's website at [https://www.greenvolt.pt/fileManager/comunicados/pdf\\_pt\\_79.pdf](https://www.greenvolt.pt/fileManager/comunicados/pdf_pt_79.pdf) and [https://www.greenvolt.pt/fileManager/comunicados/pdf\\_pt\\_81.pdf](https://www.greenvolt.pt/fileManager/comunicados/pdf_pt_81.pdf), respectively. The CMVM has no obligations in relation to the application of the proceeds of the Green Bonds and, for the avoidance of doubt, the Green Bond Framework is not incorporated by reference in, nor does it form part of, this Term Sheet.

### ***Green Governance***

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 organised 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. 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<sup>21</sup>;
- ISO 14001- Environmental Management System<sup>22</sup>;
- ISO 45001- Occupational Health and Safety Management System<sup>23</sup>;

In addition, the Issuer is conscious of the (positive and negative) impact of its Portuguese Biomass Power Plants and facilities on the communities where these have been set-up. In this respect, the majority of the Portuguese 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.

### **9.7. 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.

### **9.8. 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.

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<sup>21</sup> 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.

<sup>22</sup> 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.

<sup>23</sup> 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.

By reference to 30 June 2021, 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.

## 10. SELECTED CONSOLIDATED FINANCIAL INFORMATION

Each potential investor should read the information contained in this Chapter in conjunction with the Annual Audited Consolidated Financial Statements and the Unaudited Interim 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 and 31 December 2019 has been extracted or derived from the Annual Audited Consolidated Financial Statements. The Issuer's selected historical consolidated financial information as of and for the six months ended 30 June 2021 is extracted or derived from the Unaudited Interim 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."* The Issuer has been authorised in writing by the External Auditor to incorporate by reference the Annual Audited Consolidated Financial Statements in this Prospectus.

### 10.1. Selected consolidated financial data

#### 10.1.1. Consolidated income statement data

The following table has been derived from the consolidated income statements of the Issuer, which are contained in the Annual Audited Consolidated Financial Statements and the Unaudited Interim Financial Statements.

(amounts expressed in Euros)	Year ended 31 December		Six-month period ended 30 June
	2020 (audited)	2019 (audited)	2021 (unaudited)
Revenue .....	89,877,619	64,283,355	41,852,888
Other income .....	222,437	851,448	111,465
Costs of sales .....	(39,028,957)	(24,880,975)	(18,229,810)
External supplies and services .....	(17,920,494)	(17,470,548)	(12,239,167)
Payroll expenses .....	-	-	(894,039)
Provisions and impairment reversals/(losses) in current assets .....	41	-	-
Other expenses .....	(129,539)	(82,425)	(23,082)
Operating profit before amortisation and depreciation and impairment reversals/(losses) in non-current assets .....	33,021,107	22,700,855	10,578,255
Amortisation and depreciation .....	(12,148,457)	(10,623,246)	(6,612,956)
Impairment reversals/(losses) in non-current assets ..	6,335,742	-	-
Operating profit .....	27,208,392	12,077,609	3,965,299
Financial expenses .....	(1,791,223)	(1,872,466)	(779,617)

Financial income.....	67	480	17
Profit before income tax and CESE .....	<u>25,417,236</u>	<u>10,205,623</u>	<u>3,185,699</u>
Income tax.....	(6,412,734)	(2,616,493)	(1,138,113)
Energy sector extraordinary contribution (CESE) .....	<u>(1,078,934)</u>	<u>(797,390)</u>	<u>(1,016,000)</u>
Consolidated net profit for the year .....	<u>17,925,568</u>	<u>6,791,740</u>	<u>1,031,586</u>
Attributable to:			
Equity holders of the parent.....	17,934,337	6,795,387	1,051,699
Non-controlling interests .....	<u>(8,769)</u>	<u>(3,647)</u>	<u>(20,113)</u>
	<u>17,925,568</u>	<u>6,791,740</u>	<u>1,031,586</u>
Earnings per share			
Basic.....	<u>1,793</u>	<u>680</u>	<u>0.03</u>
Diluted .....	<u>1,793</u>	<u>680</u>	<u>0.03</u>

### 10.1.2. Consolidated statement of financial position

The following table has been derived from the consolidated statements of financial position of the Issuer, which are contained in the Annual Audited Consolidated Financial Statements and the Unaudited Interim Financial Statements.

(amounts expressed in Euros)	Year ended 31 December		Six-month period ended
	2020 (audited)	2019 (audited)	2021 (unaudited) 30 June
<b>ASSETS</b>			
NON-CURRENT ASSETS:			
Property, plant and equipment .....	160,466,245	166,809,912	293,184,060
Goodwill .....	-	-	150,868,770
Right-of-use assets .....	5,433,575	5,737,867	63,008,777
Intangible assets .....	6,795,875	1,418,432	26,619,874
Other investments .....	-	-	488
Deferred tax assets .....	1,493,924	2,503,285	1,576,909
<b>Total non-current assets .....</b>	<b>174,189,619</b>	<b>176,469,496</b>	<b>535,258,878</b>
CURRENT ASSETS:			
Inventories .....	1,108	3,041,661	424
Trade receivables .....	19,580	-	11,357,240
Assets associated with contracts with customers .....	7,476,825	7,365,847	17,730,599
Other receivables .....	11,578	988,262	434,582
Income tax receivables .....	387	-	28,152
Other tax assets .....	115,287	7,271	1,379,532
Other current assets .....	506,427	203,819	4,372,150
Derivative financial instruments .....	-	-	8,840
Cash and cash equivalents .....	14,100,666	16,107,267	46,005,679
<b>Total current assets .....</b>	<b>22,231,858</b>	<b>27,714,127</b>	<b>81,317,198</b>
<b>Total assets .....</b>	<b>196,421,477</b>	<b>204,183,623</b>	<b>616,576,076</b>
<b>EQUITY AND LIABILITIES</b>			
EQUITY:			
Share capital .....	50,000	50,000	70,000,000
Legal reserve .....	10,000	10,000	10,000
Supplementary capital .....	9,583,819	13,150,000	-
Other reserves and retained earnings .....	39,718,335	19,772,948	38,918,387
Consolidated net profit for the year attributable to Equity holders of the parent .....	17,934,337	6,795,387	1,051,699
<b>Total equity attributable to Equity holders of the parent .....</b>	<b>67,296,491</b>	<b>39,778,335</b>	<b>109,980,086</b>
Non-controlling interests .....	14,584	13,453	40,805,773
<b>Total equity .....</b>	<b>67,311,075</b>	<b>39,791,788</b>	<b>150,785,859</b>
LIABILITIES:			
NON-CURRENT LIABILITIES			
Bank loans .....	-	-	132,170,709
Bonds .....	48,463,769	49,673,801	47,227,238
Other loans .....	-	-	-
Derivative financial instruments .....	-	-	7,295,903
Shareholders loans .....	-	-	39,974,360
Lease liabilities .....	5,836,636	6,088,752	63,320,076
Other payables .....	820,348	-	820,348
Other non-current liabilities .....	611,632	834,043	1,957,217
Deferred tax liabilities .....	3,258,306	2,844,621	3,126,890
Provisions .....	11,538,164	11,388,007	15,679,003
<b>Total non-current liabilities .....</b>	<b>70,528,855</b>	<b>70,829,224</b>	<b>311,571,744</b>
CURRENT LIABILITIES			
Bank loans .....	-	-	3,835,351
Bonds .....	1,545,172	294,954	2,787,255
Other loans .....	40,007,311	50,000,000	115,004,161
Derivative financial instruments .....	-	-	1,086,641
Shareholders loans .....	-	24,596,424	-
Lease liabilities .....	284,370	273,537	364,899
Trade payables .....	8,537,852	11,931,566	20,149,908
Other payables .....	3,939,205	1,954,692	4,266,980
Income tax payables .....	3,411,514	150,718	1,380,272
Other tax liabilities .....	565,732	4,012,039	3,476,886
Other current liabilities .....	290,391	348,681	1,866,120
<b>Total current liabilities .....</b>	<b>58,581,547</b>	<b>93,562,611</b>	<b>154,218,473</b>
<b>Total liabilities .....</b>	<b>129,110,402</b>	<b>164,391,835</b>	<b>465,790,217</b>
<b>Total equity and liabilities .....</b>	<b>196,421,477</b>	<b>204,183,623</b>	<b>616,576,076</b>

### 10.1.3. Consolidated statement of cash flows data

The following table has been derived from the consolidated statements of cash flows of the Issuer, which are contained in the Annual Audited Consolidated Financial Statements and in the Unaudited Interim Financial Statements.

(amounts expressed in Euros)	Year ended 31 December		Six-month period ended
	2020 (audited)	2019 (audited)	30 June 2021 (unaudited)
<b>Operating activities:</b>			
Receipts from customers .....	110,433,281	80,445,458	43,796,050
Payments to suppliers .....	(67,434,325)	(47,361,213)	(33,696,130)
Payments to personnel.....	-	-	(757,379)
Other receipts/(payments) relating to operating activities	(12,626,081)	889,978	(3,807,574)
Income tax (paid)/received.....	(1,729,279)	(3,636,676)	(3,411,513)
<i>Net cash from operating activities (1)</i> .....	<u>28,643,596</u>	<u>30,337,547</u>	<u>2,123,454</u>
<b>Investing activities:</b>			
Receipts arising from:			
Interests and similar income.....	55	479	18
Payments relating to:			
Investments.....	(821,779)	(18,000)	(169,289,564)
Property, plant and equipment .....	(2,955,492)	(31,829,710)	(2,146,969)
Intangible assets .....	-	-	(20,001,370)
<i>Net cash used in investing activities (2)</i> .....	<u>(3,777,216)</u>	<u>(31,847,231)</u>	<u>(191,437,885)</u>
<b>Financing activities:</b>			
Receipts arising from:			
Loans obtained.....	400,000,000	180,000,000	291,006,060
Capital contributions by non-controlling interests.....	9,900	-	40,817,606
Share capital increase.....	-	-	50,000,000
Shareholder loans.....	-	5,000,000	39,974,360
<b>Payments relating to:</b>			
Interest and similar expenses .....	(1,441,761)	(1,438,513)	(2,542,740)
Loans obtained .....	(410,000,000)	(80,000,000)	(189,605,501)
Lease liabilities.....	(528,120)	(421,858)	(285,180)
Shareholder loans .....	(14,913,000)	(92,230,135)	-
Other financing transactions.....	-	-	(8,145,161)
<i>Net cash (used in)/from financing activities (3)</i> .....	<u>(26,872,981)</u>	<u>10,909,494</u>	<u>221,219,444</u>
Cash and cash equivalents at the beginning of the period.....	<u>16,107,267</u>	<u>6,707,457</u>	<u>14,100,666</u>
Net increase/(decrease) of cash equivalents: (1)+(2)+(3).....	<u>(2,006,601)</u>	<u>9,399,810</u>	<u>31,905,013</u>
Cash and cash equivalents at the end of the period .....	<u>14,100,666</u>	<u>16,107,267</u>	<u>46,055,679</u>

### 10.2. Other Unaudited Financial and Operating Data

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:

(amounts expressed in million Euros)	Year ended 31 December		Six-month period ended
			30 June
	2020 (unaudited)	2019 (unaudited)	2021 (unaudited)
EBITDA <sup>(1)(6)</sup>	33.0	22.7	10.6
EBITDA margin <sup>(2)(6)</sup>	38.0%	35.3%	25.3%
Adjusted EBITDA <sup>(3)(6)</sup>	32.8	22.0	13.8
Adjusted EBITDA margin <sup>(2)(6)</sup>	37.8%	34.2%	32.9%
Operating profit <sup>(4)(6)</sup>	27.2	12.1	4.0
Net operating cost <sup>(5)(6)</sup>	(54.1)	(42.3)	(31.4)
Net Debt + Shareholders loans <sup>(7)(8)</sup>	82.0	114.8	358.7
Capital Expenditure (Capex) <sup>(9)(10)</sup>	1.6	30.0	4.6

- (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, (iii) other income from investment grants and (iv) Transaction Costs. 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 as (i) as costs of sales excluding the cost of biomass sold, (ii) external supplies and services, (iii) payroll expenses, (iv) other expenses, excluding inventory damage, (v) 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		Six-month period ended
	2020 (unaudited)	2019 (unaudited)	30 June 2021 (unaudited)
Costs of sales .....	(39,028,957)	(24,880,975)	(18,229,810)
Cost of Biomass sold .....	3,023,190	-	-
External supplies and services .....	(17,920,494)	(17,470,548)	(12,239,167)
Payroll expenses .....	-	-	(894,039)
Other expenses .....	(129,539)	(82,425)	(23,082)
Inventory damage .....	-	-	-
Other income .....	222,437	851,448	111,465
Investment grants .....	(222,412)	(222,411)	(111,206)
Claim compensation - property damage .....	-	(505,331)	-
Claim compensation - inventory damage .....	-	-	-
<b>Net operating costs.....</b>	<b>(54,055,775)</b>	<b>(42,310,242)</b>	<b>(31,385,839)</b>
<b>Operating profit (1).....</b>	<b>27,208,392</b>	<b>12,077,609</b>	<b>3,965,299</b>
Amortisation and depreciation (2).....	(12,148,457)	(10,623,246)	(6,612,956)
Impairment reversals /(losses) in non-current assets (3) .....	6,335,742	-	-
Operating profit before amortisation and depreciation and impairment reversals/(losses) in non-current assets (1)-(2)-(3).....	33,021,107	22,700,855	10,578,255
<b>EBITDA (4) .....</b>	<b>33,021,107</b>	<b>22,700,855</b>	<b>10,578,255</b>
Claim compensations from property damage (5) .....	-	505,331	-
Claim compensations from inventory damage (6) .....	-	-	-
Inventory damage (7) .....	-	-	-
Investment grants (8).....	222,412	222,411	111,206
Transaction Costs (9) .....	-	-	(3,298,504)
<b>Adjusted EBITDA (4)-(5)-(6)-(7)-(8)-(9) .....</b>	<b>32,798,695</b>	<b>21,973,113</b>	<b>13,765,553</b>
Revenue .....	89,877,619	64,283,355	41,852,888
Biomass sales .....	(3,023,190)	-	-
<b>Revenue excluding biomass sales .....</b>	<b>86,854,429</b>	<b>64,283,355</b>	<b>41,852,888</b>
<b>EBITDA margin.....</b>	<b>38.0%</b>	<b>35.3%</b>	<b>25.3%</b>
<b>Adjusted EBITDA margin .....</b>	<b>37.8%</b>	<b>34.2%</b>	<b>32.9%</b>

(7) Defined as the sum of bonds, bank loans, 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)	Year ended 31 December		Six-month period ended
	2020 (unaudited)	2019 (unaudited)	30 June 2021 (unaudited)
<b>NON-CURRENT LIABILITIES (1) = (2) + (3) + (4) + (5) + (6) ....</b>	<b>54,300,405</b>	<b>55,762,553</b>	<b>282,692,383</b>
Bank loans (2) .....	-	-	132,170,709
Bonds (3) .....	48,463,769	49,673,801	47,227,238
Other loans (4) .....	-	-	-
Shareholders loans (5) .....	-	-	39,974,360
Lease liabilities (6) .....	5,836,636	6,088,752	63,320,076
<b>CURRENT LIABILITIES (7) = (8) + (9) + (10) + (11) + (12)</b>	<b>41,836,853</b>	<b>75,164,915</b>	<b>121,991,666</b>
Bank loans (8) .....	-	-	3,835,351
Bonds (9) .....	1,545,172	294,954	2,787,255
Other loans (10) .....	40,007,311	50,000,000	115,004,161
Shareholders loans (11).....	-	24,596,424	-
Lease liabilities (12) .....	284,370	273,537	364,899
<b>Gross Debt + Shareholders loans (13) = (1) + (7) .....</b>	<b>96,137,258</b>	<b>130,927,468</b>	<b>404,684,049</b>
Cash and cash equivalents (14) .....	14,100,666	16,107,267	46,005,679
<b>Net Debt + Shareholders loans (15) = (13) – (14) .....</b>	<b>82,036,592</b>	<b>114,820,201</b>	<b>358,678,370</b>

(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:

	Year ended 31 December		Six-month period ended
	2020 (unaudited)	2019 (unaudited)	30 June 2021 (unaudited)
(amounts expressed in Euros)			
Additions			
Property, plant and equipment.....	1,588,052	30,021,635	9,375,277
<b>Capital Expenditure .....</b>	<b>1,588,052</b>	<b>30,021,635</b>	<b>9,375,277</b>

### 10.3. Significant change in the financial position of the Issuer

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.

On 14 July 2021, the Issuer informed the market that it carried out a share capital increase in the amount of €177,599,998.75, resulting in the issuance of 41,788,235 new ordinary, book-entry, nominative shares, without nominal value, at a subscription price of €4.25 per share. Hence, as at 14 July 2021, the Issuer's share capital amounted to €247,599,998.75.

On 27 July 2021, pursuant to the prospectus relating to the admission to trading of the Issuer's shares in Euronext Lisbon's regulated market, approved by the CMVM on 1 July 2021 and disclosed on 2 July 2021 (and supplemented by the addendum approved on 6 July) and the underwriting agreement entered into by the Issuer, Altri, Caima Energia, BNP PARIBAS, CaixaBank, S.A., Banco Santander, S.A. and JB Capital Markets, Sociedad de Valores, S.A.U., on 1 July 2021, the Issuer has issued 4,588,235 additional new ordinary, book-entry, nominative shares, without nominal value, at a subscription price of €4.25 per share, resulting in a share capital increase of €19,499,998.75. Hence, as at 27 July 2021, the share capital of the Issuer amounted to €267,099,997.50.

Other than mentioned above, there has been no other significant change in the financial performance and/or financial position of the Group since 30 June 2021, the end date of the six-month periods for which Unaudited Interim Financial Statements have been published. Furthermore, there has been no material adverse change in the prospects of the Issuer since 31 December 2020, the end date of the period for which the Annual Audited Consolidated Financial Statements have been published.

### 10.4. Issuer's borrowing and funding structure

As of 31 December 2020, the funding structure of the Group relied essentially in the following pillars:

- (a) Two commercial paper programmes, with no underwriting commitment, in the amount of €100,000;
- (b) Green Bond issue by Sociedade Bioelétrica do Mondego, in the amount of €50,000,000 in February 2019, with a 10-year maturity.

As of 30 June 2021, in addition to the financing referred to above, the Group has entered into:

- (a) Six new commercial paper programmes, with underwriting commitment, in the total amount of €130,000,000; and
- (b) One loan to the subsidiary Lakeside BidCo Limited, in the amount of £120,000,000, with a 5-year maturity.

On 12 October 2021, the Group has entered into another commercial paper programme, with underwriting commitment, in the total amount of €50,000,000. On 10 November 2021, the Group issued the Notes, in the amount of €100,000,000, with a 7-year maturity.

Consequently, the Group current financing structure can be summarised as follows:

- (a) Commercial paper programmes without underwriting commitment: €100,000,000;
- (b) Commercial paper programmes with underwriting commitment: €180,000,000, of which (i) €110,000,000 with annual revolving; (ii) €20,000,000 with underwriting commitment until 2023; (iii) €10,000,000 with underwriting commitment until 2025; (iv) €10,000,000 with underwriting commitment until 2026; and (v) €30,000,000 with underwriting commitment until 2027;
- (c) Green bond issued by Sociedade Bioelétrica do Mondego: €48,7500,000, following the redemption of €1,250,000 in August 2021;
- (d) Loan to Lakeside BidCo Limited: £120,000,000 (amounting to around €139,400,000); and
- (e) Notes: €100,000,000.

#### **10.5. Expected financing of the Issuer's activities**

The following funding transactions of the Issuer are expected in the near future:

- Loan in the amount of €5,000,000, with an expected maturity of 5 years;
- Loan in the amount of €25,000,000, with an expected maturity of 6 years; and
- Bond issue in the amount of €25,000,000, with an expected maturity of 5 years.

Further to the abovementioned transactions (which are currently under negotiation), it is also relevant to highlight the financial strategy currently pursued by the Issuer, which aims to strengthen the capital structure, extend the debt maturity profile and diversify the sources and types of financing. Additionally, and due to the uncertainties related to the evolution of interest rates, the Issuer intends to consider – in any future financing transactions – fixed rate issues.

The Issuer has also received, from financial institutions and the capital markets investors, positive feedback with respect to new financing transactions – for instance, the book building of the Notes –, which was closed in the day following its opening.

#### **10.6. Trends, uncertainties, demands, commitments or event reasonably likely to have a material effect on the Issuer's prospects**

The Issuer does not identify any relevant trends, uncertainties, demands, commitments or events reasonably likely to have a material effect on its prospects, as detailed in this Prospectus.

## 11. 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 2 (“*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 decentralised generation market opportunities.

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 Notes 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 Portuguese 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 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;
- 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 Portuguese Biomass Power Plants' and TGP's equipment, or accidents that result in suspension of the activities in the Portuguese 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.

## **12. TERMS AND CONDITIONS OF THE NOTES**

The €100,000,000 Fixed Rate Notes due 2028 (the “**Notes**”), of Greenvolt - Energias Renováveis, S.A. (the “**Issuer**”) are issued on the Issue Date (as defined in Condition 14) and subject to and with the benefit of (i) a private placement and subscription agreement (Contrato de Colocação Particular e de Garantia de Colocação) entered into between the Issuer, Banco de Investimento Global, S.A. and Haitong Bank, S.A., on 19 October 2021 and (ii) a paying agency agreement (Contrato de Agente Pagador) entered into by the Issuer and Haitong Bank, S.A. on 19 October 2021 (such agreement, as amended and/or supplemented and/or restated from time to time, the “**Paying Agency Agreement**”) under which Haitong Bank, S.A. (the “**Paying Agent**”) has been appointed by the Issuer as the paying agent for the Notes.

### **1. FORM, PRINCIPAL AMOUNT, TITLE AND TRANSFER**

#### **1.1 Form and principal amount**

The Notes are issued in dematerialised book-entry form (“*forma escritural*”) and nominative (“*nominativas*”) form and are issued in the principal amount (the “**Principal Amount**”) of €10,000 each.

The Notes are “*nominativas*” which means that Interbolsa, at the Issuer’s request, can ask the Affiliate Members of Interbolsa for information regarding the identity of the holders of the Notes and transmit such information to the Issuer.

The Notes will be registered by, and held through, Interbolsa, as management entity of the CVM.

#### **1.2 ISIN Code**

Interbolsa, acting as the Portuguese codification agency, has assigned the following ISIN code to identify the Notes: PTGNVAOM0000.

#### **1.3 Title**

Title to the Notes will be evidenced by book-entries in individual securities accounts held with the relevant Affiliate Member of Interbolsa, in accordance with the Portuguese Securities Code and the regulations issued by, or otherwise applicable to, Interbolsa.

Title to the Notes held through Interbolsa is subject to compliance with all applicable rules, restrictions and requirements of Interbolsa, CMVM regulations and Portuguese law.

No physical document of title will be issued in respect of the Notes held through Interbolsa.

The Notes will be registered in the relevant issue account of the Issuer with Interbolsa and will be held in control accounts opened by each Affiliate Member of Interbolsa on behalf of the Noteholders. The control account of a given Affiliate Member of Interbolsa will reflect at all times the aggregate Principal Amount of Notes held in the individual securities accounts of Noteholders with that Affiliate Member of Interbolsa.

#### **1.4 Noteholder Absolute Owner**

Each person shown in the individual securities accounts of an Affiliate Member of Interbolsa as having an interest in the Notes shall (except as otherwise required by law) be deemed for all legal purposes as the holder of the Principal Amount of the Notes recorded.

One or more certificates in relation to the Notes (each, a “**Certificate**”) will be delivered by the relevant Affiliate Member of Interbolsa in respect of a registered holding of Notes upon request by the relevant Noteholder and

in accordance with that Affiliate Member of Interbolsa's procedures, pursuant to article 78 of the Portuguese Securities Code.

The Issuer and the Paying Agent may (to the fullest extent permitted by the applicable laws) deem and treat the person or entity registered in each individual securities account of an Affiliate Member of Interbolsa as the holder of any Note and the absolute owner for all purposes. Proof of such registration is made by means of a Certificate.

## **1.5 Transfer of Notes**

The Notes will be issued without any restrictions on their transferability. Consequently, the Notes, or any interest therein, may be transferred and title to the Notes may pass, in accordance with Portuguese laws and regulations, upon registration in the relevant individual securities accounts held with the relevant Affiliate Member of Interbolsa, in accordance with the applicable procedures established by the Portuguese Securities Code and regulations issued by the CMVM, Euronext, Euronext Lisbon or Interbolsa, as the case may be.

## **2. STATUS OF THE NOTES, ISSUER UNDERTAKINGS AND USE OF PROCEEDS**

### **2.1 Status of the Notes**

The Notes and all liabilities assumed towards the Noteholders in respect of the Notes constitute direct, senior, unconditional, unsecured (subject to the provisions of Condition 2.2 (a)) and unsubordinated obligations of the Issuer and will at all times rank *pari passu* and without any preference among themselves (and save for certain obligations required to be preferred by any applicable law), equally with all other present or future unsecured and unsubordinated indebtedness of the Issuer, from time to time outstanding.

### **2.2 Issuer Undertakings**

#### **(a) Negative Pledge**

So long as the Notes remain outstanding, the Issuer undertakes not to create, grant or have outstanding any type of Security over any part of its present or future assets except in the case of:

- 1) Security to be granted with the prior and express agreement of the Noteholders, obtained by simple majority, pursuant to the provisions of article 355(7) of the Portuguese Commercial Companies Code;
- 2) Security over the shares or similar equity instruments that represent the share capital of Tilbury Green Power Holdings Limited, Tilbury Green Power Ltd. or any other entity directly or indirectly holding an interest on Tilbury Green Power, either in the context of a financing or a refinancing;
- 3) Security over the shares or similar equity instruments that represent the share capital of any Subsidiary acquired or incorporated by the Issuer after the Issue Date, either in the context of a financing or a refinancing;
- 4) Security to be granted over assets to be acquired or to be benefited by the Issuer, provided that (i) such acquisition does not entail a mere replacement of assets, being that an investment in the Issuer's fixed assets considered as obsolete or deteriorated assets will not constitute a mere replacement of assets, and (ii) the security is granted to secure the payment of the respective purchase price or is associated with the credit granted for this purpose; and



- 5) Security over the Issuer's assets whose value does not exceed €10,000,000 (or its equivalent in another currency), considered individually or in aggregate.

For the avoidance of doubt, any Security created by any Subsidiary is not subject to this negative pledge covenant.

For the purposes above, "**Security**" means any mortgage, charge, pledge, assignment, lien, encumbrance or any other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction.

*(b) Trading of the Notes in the regulated market of the Euronext Lisbon*

So long as the Notes remain outstanding, the Issuer shall perform all and every action available to it to ensure continued trading of the Notes on the Euronext Lisbon regulated market, or on any other regulated market as the Issuer and the Noteholders may agree on from time to time.

## **2.3 Use of Proceeds**

The proceeds of the Notes are intended to be exclusively used to finance and/or refinance new and/or existing renewable energy projects and energy efficiency projects (including but not limited to biomass, wind, solar, decentralised generation and storage), integrated pollution prevention and control, M&A transactions within the renewable energy sector (including without limitation to refinance the funding structure put in place to finance the acquisition of Tilbury Green Power – UK – a joint venture in which Greenvolt (indirectly) acquired a 51% stake in June 2021) and other related and supporting expenditures such as R&D ("**Eligible Green Projects**"), in accordance with Greenvolt's Green Bond Framework (as amended from time to time) (the "**Green Bond Framework**"). In particular, as at the date of these Terms and Conditions the Issuer expects to apply the net proceeds of the offer to finance renewable energy projects. The issue of the Notes is aligned with the International Capital Market Association Green Bond Principles, which the Issuer has adopted. The Issuer intends to seek assurance from an approved verifier of compliance of green bonds under the Green Bond Framework with the Green Bonds Principles on an annual basis. The Green Bond Framework was assigned a positive Second Party Opinion ("SPO") by Sustainalytics. The Green Bond Framework and the SPO are available on the Issuer's website ([www.greenvolt.pt](http://www.greenvolt.pt)). The CMVM has no obligations in relation to the application of the proceeds of the Green Bonds and, for the avoidance of doubt, the Green Bond Framework is not incorporated by reference in, nor does it form part of, these Terms and Conditions.

## **2.4 Set-off**

To the extent and in the manner permitted by applicable law, no Noteholder may exercise, claim or plea any right of set-off, counterclaim, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising from, the Notes and each Noteholder shall, by virtue of its holding of any Note, be deemed to have waived all such rights of set-off, counterclaim, compensation or retention.

## **3. INTEREST**

### **3.1 Interest**

Each Note shall entitle the Noteholder thereof to receive interest in accordance with the provisions of this Condition 3.

### **3.2 Rate of Interest and Interest Payment Dates**

The Notes bear interest at the Interest Rate on their Principal Amount, counted daily on an Actual/360 basis. Such interest shall be payable in arrears on each Interest Payment Date.

The first interest period will start on the Issue Date (including), and end on the first Interest Payment Date (excluding), falling on 10 November 2022. Each interest period, with the exception of the first, will begin on an Interest Payment Date (including) and end on the immediately following Interest Payment Date (excluding).

### **3.3 Cessation of interest**

The Notes shall cease to bear interest from the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, the obligation to pay interest shall continue to accrue at the Interest Rate on the outstanding Principal Amount of the Notes beyond the due date until (and excluding) the calendar day of actual redemption of the Notes.

### **3.4 Default interest**

Interest on overdue principal and interest on the Notes, if any, will accrue from the due date up to the date of actual payment at a rate 1 percent higher than the Interest Rate then applicable to the Notes.

## **4. REDEMPTION AND PURCHASE**

### **4.1 Maturity**

Unless redeemed earlier in accordance with these Conditions, the Notes will be redeemed on the Maturity Date at their Principal Amount, together with interest accrued up to (but excluding) the Maturity Date.

### **4.2 Investor Put Option – No listing<sup>24</sup>**

If the prospectus pertaining to the admission to trading of the Notes on Euronext Lisbon regulated market is not approved by CMVM or, being approved by the CMVM, Euronext does not approve admission to trading of the Notes, or the admission to trading of the Notes in Euronext Lisbon does not occur until 14 January 2022 (the “**Relevant Event – No Listing**”), then the Issuer shall immediately notify the Noteholders and the common representative (if the same has been appointed) in accordance with Condition 9, with copy to the Paying Agent.

If the Relevant Event – No Listing occurs, each Noteholder may, within 60 (sixty) days as from the date on which the Relevant Event – No Listing has been notified by the Issuer to the Noteholders in accordance with Condition 9, request the Issuer to redeem all of the Notes then outstanding held by such Noteholder at 100 percent of their Principal Amount on the 15<sup>th</sup> (fifteenth) day as from the date of delivery of the relevant request of the Noteholder, plus interest accrued at the Interest Rate plus a rate of 1 percent per year to (but excluding) the relevant redemption date. Noteholders that fail to notify the Issuer within the 60 (sixty) days’ period referred to above, are deemed to have waived their put option upon the occurrence of the Relevant Event - No Listing.

To exercise the right to require redemption of the Notes under this Condition 4.2, the relevant Noteholder must deliver, at the specified office of the Paying Agent at any time during normal business hours, a duly completed and signed notice of exercise in the form obtainable from any specified office of the Paying Agent

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<sup>24</sup> This Condition is no longer applicable. In any event, for sake of clarity, the Prospectus includes the definitive version of the Terms and Conditions of the Notes, which included this Condition.

and attached as a schedule to the Paying Agency Agreement (a **“Put Notice – No Listing”**). The relevant Noteholder shall specify/complete/provide such information as required in the Put Notice – No Listing as attached to the Paying Agency Agreement, including a certificate of ownership issued by the relevant Affiliate Member of Interbolsa through which the Notes are held. Any Put Notice – No Listing given by a Noteholder pursuant to this Condition 4.2 shall be irrevocable and Noteholders that deliver a Put Notice – No Listing hereunder are required to hold the relevant Notes until redemption by the Issuer.

The right to require redemption of the Notes by the Issuer will be exercised directly against the Issuer as described in this Condition 4.2, and subject to the terms of the Paying Agency Agreement.

#### **4.3 Investor Put Option – Change of Control**

If (i) the sum of each of the qualifying holdings in Altri attributed to the Relevant Entities, calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of Altri; or (ii) the qualifying holdings in the Issuer attributed to Altri, calculated pursuant to article 20 of the Portuguese Securities Code, ceases to be equal to or greater than half of the voting rights of the Issuer (the **“Relevant Event – Change of Control”**), then the Issuer shall immediately notify the Noteholders and the common representative (if the same has been appointed) in accordance with Condition 9, with copy to the Paying Agent, without prejudice to the next paragraph. The Relevant Event - Change of Control will not apply if the sum of each of the qualifying holdings in the Issuer attributed to the Relevant Entities, calculated pursuant to article 20 of the Portuguese Securities Code, is equal to or greater than 50% (fifty percent) of the voting rights of the Issuer.

If the Relevant Event – Change of Control occurs, each Noteholder may, within 90 (ninety) days as from the date on which the Relevant Event – Change of Control has been notified by the Issuer to the Noteholders, request the Issuer to redeem all of the Notes then outstanding held by such Noteholder at 100 percent of their nominal amount together with any accrued interest to (but excluding) the relevant redemption date, on the 60th (sixtieth) day as from the date of delivery of the relevant request of the Noteholder. Noteholders that fail to notify the Issuer within the 90 (ninety) days’ period referred to above, are deemed to have waived their put option upon the occurrence of the Relevant Event - Change of Control.

To exercise the right to require redemption of the Notes under this Condition 4.3, the relevant Noteholder must deliver, at the specified office of the Paying Agent at any time during normal business hours, a duly completed and signed notice of exercise in the form obtainable from any specified office of the Paying Agent and attached as a schedule to the Paying Agency Agreement (a **“Put Notice – Change of Control”**). The relevant Noteholder shall specify/complete/provide such information as required in the Put Notice – Change of Control as attached to the Paying Agency Agreement, including a certificate of ownership issued by the relevant Affiliate Member of Interbolsa through which the Notes are held. Any Put Notice – Change of Control given by a Noteholder pursuant to this Condition 4.3 shall be irrevocable and Noteholders that deliver a Put Notice – Change of Control hereunder are required to hold the relevant Notes until redemption by the Issuer.

The right to require redemption of the Notes by the Issuer will be exercised directly against the Issuer as described in this Condition 4.3, and subject to the terms of the Paying Agency Agreement.

#### **4.4 Purchase**

The Issuer or any Subsidiary may, in compliance with applicable laws, at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold. While held by or on behalf of the Issuer or any such Subsidiary, the Notes shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders.

#### **4.5 No Noteholder right of redemption**

A Noteholder does not have the right to require the Issuer to redeem the Notes.

### **5. PAYMENTS**

#### **5.1 Payments in respect of the Notes**

The Issuer undertakes to pay, as and when due, principal and interest as well as all other amounts payable on the Notes in euro. Payment of principal and interest in respect of the Notes will be (i) credited, according to the procedures and regulations of Interbolsa, by the Paying Agent (acting on behalf of the Issuer) to the TARGET2 payment current accounts held (in the payment system of the Bank of Portugal or otherwise) by the Affiliate Members of Interbolsa whose control accounts with Interbolsa are credited with such Notes and (ii) thereafter, credited by such Affiliate Members of Interbolsa from the aforementioned payment current accounts to the accounts of the Noteholders or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, Luxembourg, as the case may be. Payments made by the Paying Agent on behalf of the Issuer as provided for in this Condition 5.1 shall, to the extent of amounts so paid, constitute the discharge of the Issuer from its corresponding obligations under the Notes.

#### **5.2 Notification of non-payment**

If the Issuer determines that it will not be able to pay the full amount of principal and/or interest in respect of the Notes on the relevant due date, the Issuer will, in accordance with Condition 8, promptly give notice to the Noteholders of its inability to make such payment.

#### **5.3 Notification of late payment**

If the Issuer expects to pay the full amount in respect of the Notes at a date later than the date on which such payments are due, the Issuer will, in accordance with Condition 8, give notice of such late payment to the Noteholders.

#### **5.4 Payments subject to applicable laws**

Payments in respect of principal and interest on the Notes are subject, in all cases, to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 6.

## 5.5 **Payments on Business Days**

If the date for payment of any amount in respect of any Note is not a Business Day, the Noteholder shall not be entitled to payment of the amount due until the next succeeding Business Day and shall not be entitled to any further interest or other payment in respect of any such delay (Following Business Day Convention).

## 5.6 **Paying Agent**

The paying agent appointed by the Issuer in connection with the Issue of the Notes is Haitong Bank, S.A., with head office at Rua Alexandre Herculano, 38, 1269-180 Lisbon Portugal (the “**Paying Agent**”).

The Issuer reserves the right to vary or terminate the appointment of the Paying Agent and to appoint additional or other paying agents in case the Paying Agent fails to comply with any obligation under the Paying Agency Agreement and provided that there will, at all times, be a Paying Agent in Portugal capable of making payments in respect of the Notes, as contemplated by these Conditions, the Paying Agency Agreement and applicable Portuguese laws and regulations.

Notice of any termination or appointment and of any changes in specified offices will be promptly given to the Noteholders by the Issuer, in accordance with Condition 9.

## 6. **TAXATION**

### 6.1 **Payments of Interest without Withholding or Deduction**

All payments in respect of the Notes by or on behalf of the Issuer will be made without any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or on behalf of a Relevant Jurisdiction, unless the withholding or deduction of such Taxes is required by law.

In such event, the Issuer will pay such additional amounts to ensure the receipt by the relevant Beneficiaries of the amounts that would have been received by them had no such withholding or deduction been required, except that no additional amounts shall be payable in relation to any payment in respect of any Note:

- (a) to, or to a third party on behalf of, a Noteholder or Beneficial Owner who is liable for such Taxes in respect of such Note by reason of having some connection with the Relevant Jurisdiction other than the mere holding of the Note; or
- (b) to, or to a third party on behalf of, a Noteholder or Beneficial Owner in respect of whom the information (which may include certificates) required in order to comply with Decree-Law 193/2005, of 7 November, as amended, and any implementing legislation, is not received on or earlier than the second Business Day prior to the Relevant Date, or which does not comply with the formalities in order to benefit from tax treaty benefits, when applicable; or
- (c) to, or to a third party on behalf of, a Noteholder or Beneficial Owner resident for tax purposes in the Relevant Jurisdiction, or a resident in a country, territory or region subject to a more favourable tax regime included in the list approved by Ministerial Order (“*Portaria*”) no. 150/2004, of 13 February (“*Lista dos países, territórios e regiões com regimes de tributação privilegiada, claramente mais favoráveis*”), as amended from time to time (tax havens), issued by the Portuguese Minister of Finance and Public Administration, with the exception of (i) central banks and governmental agencies as well as

international institutions recognised by the Relevant Jurisdiction of those tax havens and (ii) tax havens which have a double taxation treaty in force or a tax information exchange agreement in force with Portugal, provided that all procedures and all information required under Decree-Law no. 193/2005 regarding (i) and (ii) above are complied with; or

- (d) to, or to a third party on behalf of, (i) a Portuguese resident legal entity subject to Portuguese corporate income tax, with the exception of entities that benefit from a waiver of Portuguese withholding tax or from Portuguese income tax exemptions, or (ii) a legal entity not resident in Portuguese territory acting with respect to the holding of the Notes through a permanent establishment in Portuguese territory, with the exception of entities that benefit from a waiver of Portuguese withholding tax (for the avoidance of doubt, an Affiliate of Interbolsa holding Notes on behalf of a Noteholder should not be considered as having a permanent establishment in Portuguese territory); or
- (e) presented for payment by or on behalf of a Noteholder who would not be liable for or subject to the withholding or deduction by making a declaration of non-resident or other similar claim for exemption to the relevant tax authority; and/or
- (f) presented for payment into an account held on behalf of undisclosed beneficial owners when such beneficial owners are not disclosed for purposes of payment and such disclosure is required by law.

## 6.2 Interpretation

In these Conditions:

- (a) **“Relevant Date”** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Paying Agent on or before such due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 8;
- (b) **“Relevant Jurisdiction”** means the Portuguese Republic or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes; and
- (c) **“Beneficial Owner”** means the holder of the Notes who is the effective Beneficial Owner of the income arising thereto.

## 6.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 6 or under any undertakings given in addition to, or in substitution of, this Condition 6.

## 7. PRESCRIPTION

Claims against the Issuer in respect of the Notes will become void unless made within periods of 20 years in the case of principal, and 5 years in the case of interest from the Relevant Date (as defined in Condition 6.2. (a)) in respect of the Notes.

## 8. EVENTS OF DEFAULT

### 8.1 Events of Default

If any of the following events occurs and is continuing:

- (a) *Non-payment*: the Issuer fails to pay any amount of principal or interest in respect of the Notes, unless the failure is remedied within 5 (five) Business Days after the corresponding due date in the case of principal and 7 (seven) Business Days in the case of interest; or
- (b) *Breach of other obligations or undertakings*: the Issuer fails to perform any other obligation relating to the Notes, unless the relevant failure, being reparable, is remedied within 30 (thirty) days (or in a longer period allowed by the common representative of the Noteholders (if any) or by the Noteholders), as from the date on which notice to this effect is given to the Issuer; or
- (c) *Cross default*: (i) any Indebtedness of the Issuer or any Relevant Subsidiary becomes due and payable prior to the stated maturity thereof following the occurrence of any event of default (howsoever described); or (ii) any Indebtedness of the Issuer or any Relevant Subsidiary is not paid on the due date of payment (as extended by any applicable grace period); or (iii) following the occurrence of any event of default (howsoever described), any guarantee or indemnity given by the Issuer or any Relevant Subsidiary in respect of Indebtedness is not honoured when due (as extended by any applicable grace period); or (iv) any security, present or future, over the assets of the Issuer or any Relevant Subsidiary for any Indebtedness becomes enforceable following the occurrence of any event of default (howsoever described) and steps are taken to enforce the same, except that an event described in this paragraph c) shall not constitute an Event of Default if the Indebtedness, considered individually or in aggregate (without duplication) with other amounts of Indebtedness in respect of which any of the events specified above has occurred and is continuing, does not exceed €10,000,000 (or its equivalent in any other currency or currencies); or
- (d) *Tax and social security*: the filing of an enforcement proceeding in respect of any tax or social security obligations of the Issuer or a Relevant Subsidiary, except if (i) the Issuer or the Relevant Subsidiary, as the case may be, provides a suitable guarantee to suspend such enforcement proceeding or (ii) such payment or proceeding is otherwise being contested by appropriate means by the Issuer or such Relevant Subsidiary, as the case may be, and the Issuer or such Relevant Subsidiary, as the case may be, has been advised by recognised independent legal advisers of good repute that it is reasonable to do so and to request the suspension of such enforcement proceeding; or
- (e) *Enforcement proceedings*: the filing of an enforcement proceeding imposed on the assets of the Issuer or a Relevant Subsidiary for an amount exceeding €10,000,000 (or its equivalent in another currency), considered individually or in aggregate, except if (I) the Issuer or the Relevant Subsidiary, as the case may be, provides a suitable guarantee to suspend such enforcement proceeding or (II) such

enforcement proceeding is otherwise being contested by appropriate means by the Issuer or such Relevant Subsidiary, as the case may be, and the Issuer or such Relevant Subsidiary, as the case may be, has been advised by recognised independent legal advisers of good repute that it is reasonable to do so and to request the suspension of such enforcement proceeding; or

- (f) *Insolvency*: (i) the Issuer or a Relevant Subsidiary expressly acknowledges the impossibility of fully and duly paying its debts as they fall due, or if the Issuer or a Relevant Subsidiary ceases payments in general; (ii) the Issuer or a Relevant Subsidiary requests its insolvency declaration; (iii) the Issuer or a Relevant Subsidiary is declared insolvent by a competent judicial court or, in the scope of an insolvency proceeding, an agreement is concluded with, or assigned to the benefit of, general creditors of the Issuer or such Relevant Subsidiary; (iv) an insolvency administrator or other equivalent entity is appointed for the Issuer or a Relevant Subsidiary in relation to the whole or a substantial part of the Issuer or a Relevant Subsidiary's assets; (v) the Issuer or such Relevant Subsidiary proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts in general, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the generality of its creditors in respect of any of such debts; (vi) a resolution is passed for the winding-up or dissolution of the Issuer or a Relevant Subsidiary or any steps are taken with such view by the Issuer or the Relevant Subsidiary; (vii) a declaration of insolvency of the Issuer or a Relevant Subsidiary is requested by a third party; or (viii) the winding-up or dissolution of the Issuer or a Relevant Subsidiary is requested by a third party, except that an event described in sub-paragraphs (vii) or (viii) shall not constitute an Event of Default if the relevant event (I) is discharged within 60 days; or (II) in the case of paragraph (vii) only, the event is being contested in good faith by appropriate means by the Issuer or the Relevant Subsidiary, as the case may be, and the Issuer or such Relevant Subsidiary, as the case may be, has been advised by recognised independent legal advisers of good repute that it is reasonable to do so, save if and when paragraph (iii) applies; or
- (g) *Dividend stopper*: the Issuer fails to comply with the commitment of not distributing dividends or any other equity with respect to any fiscal year prior to (and including) 2025; or
- (h) *Validity*: the validity of the Notes is contested by the Issuer or the Issuer denies any of its obligations under the Notes (whether by a general suspension of payments or a moratorium on the payment of debt or otherwise), or it is or becomes unlawful for the Issuer to perform or comply with all or any of its obligations set out in the Notes, or any such obligations are or become unenforceable or invalid, in each case as a result of any law or regulation in the Portuguese Republic or any ruling of any court in the Portuguese Republic whose decision is final and unappealable; or
- (i) *Cessation of business*: (A) the total or substantial cessation by the Issuer and the Relevant Subsidiaries taken as a whole of the exercise of their activity (including the approval by the Issuer or the Relevant Subsidiaries of corporate resolutions for such purpose or any spin-off of the Issuer's business or assets), except, (i) in relation to the Issuer, if the relevant transaction entails a full absorption by a Subsidiary of any business or assets to be acquired or to be benefited by the Issuer after the Issue Date (excluding, for the avoidance of doubt, any of the existing business or existing assets of the Issuer) or, (ii) in relation to any Relevant Subsidiary, if the relevant corporate transaction entails a full absorption of such



Relevant Subsidiary's or its' business or assets by the Issuer and/or by any Subsidiary; or (B) the loss or suspension of any material license or material authorization required in order for the Issuer to carry out its business activity that (i) under applicable law, determines the dissolution or liquidation of the Issuer or such Relevant Subsidiary, or (ii) causes a material adverse change in the normal business activities carried out by the Group; or

- (j) *Analogous event*: any event occurs which the Issuer has, directly or indirectly, caused and which has an analogous effect to any of the events referred to in this Condition 8,

then (i) any Noteholder may declare its Notes immediately due and payable, or (ii) the Noteholders may, by means of an Extraordinary Resolution, declare all the Notes immediately due and payable, in both cases by written notice addressed to the Issuer and delivered to the Issuer and to the Paying Agent, whereupon, in the case of paragraph (i) above, such Note and, in the case of paragraph (ii) above, all the Notes, shall become immediately due and payable at their principal amount together with accrued interest without further action or formality.

## **8.2 Notification of the Noteholders**

Immediately upon becoming aware of the occurrence of an Event of Default, or of any event likely to cause an Event of Default, the Issuer shall forthwith notify the Noteholders.

## **9. NOTICES**

Notices to the Noteholders shall be valid if published on the Euronext and CMVM information dissemination systems, respectively, available on their websites (<https://live.euronext.com/pt/markets/lisbon> and [www.cmvm.pt](http://www.cmvm.pt), respectively) and on the Issuer's website (<https://www.greenvo.lt.pt/>) or in any other way that is in accordance with the provisions of the Portuguese Securities Code and with the rules of Euronext and Interbolsa regarding the disclosure of information to investors.

Any notice shall be deemed to have been given on the date of publication or, if published more than once or on different dates, on the date of first publication, or, if applicable, on the day after being mailed.

## **10. MEETINGS OF NOTEHOLDERS AND MODIFICATION**

### **10.1 Meetings of Noteholders**

Meetings of the Noteholders to consider any matter affecting their interests, including the modification or abrogation of any of these Conditions by Extraordinary Resolution and the appointment or dismissal of a common representative, are governed by the Portuguese Commercial Companies Code.

#### **Request for Meetings**

Meetings may be convened by a common representative (if any) or by the chairman of the general meeting of shareholders of the Issuer before the appointment of, or in case of refusal to convene the meeting by, a common representative, and when the common representative and the chairman of the general meeting of shareholders refuse to convene a meeting, Noteholders holding not less than 5 percent in principal amount of the Notes for the time being outstanding may petition the court to order the convening of a meeting.

## **Quorum**

The quorum required for a convened meeting to pass a resolution other than an Extraordinary Resolution will be any person or persons holding or representing the Notes then outstanding, regardless of the principal amount thereof; and an Extraordinary Resolution will require the attendance of a person or persons holding or representing at least 50 percent of the principal amount of the Notes then outstanding or, at any adjourned meeting, the attendance of a person or persons holding or representing the Notes then outstanding, independently of the principal amount thereof.

## **Majorities**

The majority required to pass a resolution other than an Extraordinary Resolution is the majority of the votes cast at the relevant meeting; the majority required to pass an Extraordinary Resolution, including, without limitation, a resolution relating to the modification or abrogation of certain provisions of these Conditions, is of at least 50 percent of the principal amount of the Notes then outstanding or, at any adjourned meeting, 2/3 of the votes cast at the relevant meeting.

Resolutions involving the increase of charges to Noteholders require unanimity to be approved.

Resolutions passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting or have voted against the approved resolutions.

### **10.2 Appointment, dismissal and substitution of common representative**

Pursuant to, and in accordance with, the relevant provisions of the Portuguese Commercial Companies Code, a common representative may be appointed after the Issue Date. The dismissal and substitution of a common representative, pursuant to the relevant provisions of the Portuguese Commercial Companies Code, shall be made by way of a resolution passed by the Noteholders for such purpose, pursuant to these Conditions and the relevant provisions of the Portuguese Commercial Companies Code.

All fees, commissions and expenses related to the functions of the common representative shall be defined by the Noteholders and borne by the Issuer. In the terms provided for in the law, in case the Issuer fails to agree with the fees, commissions and expenses defined by the Noteholders, a court shall then be called to define the relevant fees, commissions and expenses upon request of the Noteholders or the Issuer.

### **10.3 Notification to the Noteholders**

Any modification, abrogation, waiver or authorisation, in accordance with this Condition 10, shall be binding on all Noteholders and shall be notified by the Issuer to the Noteholders as soon as practicable thereafter, in accordance with Condition 9.

## **11. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **11.1 Governing Law**

The Notes, and any non-contractual obligations arising out of or in connection with them, are governed by, and will be construed in accordance with, Portuguese law.

## 11.2 Jurisdiction

The courts of Lisbon, Portugal shall have jurisdiction to settle any proceedings arising out of or in connection with the Notes.

## 12. ADMISSION OF THE NOTES TO TRADING ON THE REGULATED MARKET

The Notes shall be admitted to trading on the Euronext Lisbon regulated market on the Listing Date.

## 13. SUBSCRIPTION AND SALE

The minimum subscription amount in the primary market has been €100,000 per Noteholder and any offer, sale, distribution or transfer, in any way, of the Notes in the secondary market must at all times be made in accordance with the laws and regulations applicable in the relevant jurisdiction where such offer, sale, distribution or transfer is made or deemed to be made, including in what concerns public offers.

## 14. DEFINITIONS

In these Conditions the following expressions have the following meanings:

**“Affiliate Member of Interbolsa”** means any financial intermediary licensed to act as such and entitled to hold control accounts with Interbolsa;

**“Altri”** means Altri, SGPS, S.A.;

**“Business Day”** means any day on which the banks are open and operating in Lisbon and Porto, and the Trans-European Automated Real-Time Gross Settlement Express Transfer (**“TARGET2”**) System is operational;

**“Clearstream, Luxembourg”** means Clearstream Banking, S.A.;

**“CMVM”** means the *Comissão do Mercado de Valores Mobiliários*, the Portuguese Securities Market Commission;

**“CVM”** means the *Central de Valores Mobiliários*, the Portuguese Centralised System of Registration of Securities managed by Interbolsa;

**“EBITDA”** means the consolidated profit of the Issuer before interest, taxes, depreciations, provisions and other non-operating expenses and incomes for any 12 (twelve) month period ending on the last day of audited financial statements for each financial year;

**“Euronext”** means Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.;

**“Euronext Lisbon”** means the regulated market so named, managed by Euronext;

**“Euroclear”** means Euroclear Bank SA/NV;

**“Event of Default”** means any of the events listed in Condition 8;

**“Extraordinary Resolution”** means a resolution passed at a meeting of Noteholders in respect of any of the following matters: (i) to change any date fixed for payment of principal or interest in respect of the Notes, reduction of the amount of principal or interest due on any date in respect of the Notes, or variation in the method of calculating the amount of any payment in respect of the Notes on redemption or maturity; (ii) to change the currency in which amounts due in respect of the Notes are payable; (iii) to approve the modification

or abrogation of any of the provisions of these Conditions; (iv) to approve any amendment of this definition; and (v) to approve any other matter in respect of which these Conditions require an Extraordinary Resolution to be passed;

**“First Interest Payment Date”** means 10 November 2022;

**“Green Bond Framework”** has the meaning ascribed thereto in Condition 2.3;

**“Group”** means the Issuer and its Subsidiaries taken as a whole;

**“Indebtedness”** means (i) any indebtedness (whether being principal, premium, interest of any type or other amounts) for or in respect of any loan, facility, overdraft, security, guarantee or any other type of commitment with a financial impact executed, incurred or assumed by the Issuer or any Relevant Subsidiary with the Portuguese or foreign financial system, (ii) or relating to any type of obligations arising from the issuance of notes, bonds, debentures, debenture stock, loan stock or other securities (not including for the avoidance of doubt, preference shares or other equity securities without any indebtedness component) issued by the Issuer or any Relevant Subsidiary, excluding (I) any Intra-Group Indebtedness; (II) any liability arising under any performance bond or performance guarantee that were not undertaken with, or assumed before, the Portuguese or foreign financial system; and (III) any liability in respect of operational leases and rentings, which, as a result of the adoption of IFRS 16 (as issued by the IASB and subsequently endorsed by the European Union in October 2017), became now accounted as financial debt (excluding, for the avoidance of doubt, financial leases);

**“Interbolsa”** means *Interbolsa - Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.*;

**“Intra-Group Indebtedness”** means money borrowed by one entity within the Group from another entity within the Group;

**“Interest Payment Date”** means 10 November of each year;

**“Interest Period”** means each one year period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the First Interest Payment Date or the next Interest Payment Date, as the case may be;

**“Interest Rate”** means 2,625 percent per annum;

**“Issue Date”** means 10 November 2021;

**“Listing Date”** means the date on or before 14 January 2022;

**“Maturity Date”** means 10 November 2028;

**“Noteholder”** means each person shown in the individual securities accounts of an Affiliate Member of Interbolsa as having an interest in the Notes;

**“Person”** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

**“Portuguese Commercial Companies Code”** means *Código das Sociedades Comerciais*, approved by Decree-Law no. 262/86, of 2 September, as amended from time to time;

**“Portuguese Securities Code”** means *Código dos Valores Mobiliários*, approved by Decree-Law no. 486/99, of 13 November, as amended from time to time;

**“Principal Amount”** has the meaning ascribed thereto in Condition 1.1;

**“Put Notice – Change of Control”** has the meaning ascribed thereto in Condition 4.3;

**“Put Notice – No Listing”** has the meaning ascribed thereto in Condition 4.1;

**“Relevant Entities”** means Promendo Investimentos, S.A., Actium Capital, S.A., Caderno Azul, S.A., Livrefluxo, S.A. e 1 Thing, Investments, S.A. (or their successors);

**“Relevant Event – Change of Control”** has the meaning ascribed thereto in Condition 4.3;

**“Relevant Event – No Listing”** has the meaning ascribed thereto in Condition 4.1;

**“Relevant Subsidiary”** means any company in a control relationship (relação de domínio) with the Issuer (i.e. any entity that from time to time of which the Issuer (i) owns, directly or indirectly, more than 50 (fifty) percent of the share capital or similar rights of ownership, or (ii) owns or is able to exercise, directly or indirectly, more than 50 (fifty) percent of the voting rights, or (iii) has the right to appoint the majority of the members of the board of directors and in each case such entity is within the consolidation perimeter of the Issuer, irrespectively of where the relevant entity has been incorporated (**“Subsidiary”**) and that on each given moment complies with one of the following requirements:

- (i) whose EBITDA, according with the latest audited annual accounts approved by the General Meeting, is equal to or greater than 10 (ten) percent of the consolidated EBITDA of the Issuer (according to the latest audited consolidated annual accounts approved by the General Meeting); or
- (ii) whose total assets, according to the latest audited annual accounts approved by the General Meeting, are equal to or greater than 10 percent of the total consolidated assets of the Issuer (according to the latest audited annual consolidated accounts approved by the General Meeting annual consolidated accounts).

**“SPO”** has the meaning ascribed thereto in Condition 2.3.

### **13. INFORMATION CONCERNING THE SECURITIES TO BE ADMITTED TO TRADING**

#### **13.1. Authorisation**

The creation, issue and listing of the Notes has been authorised by a resolution of the Issuer's Board of Directors dated 6 October 2021.

#### **13.2. Clearing and Settlement**

Interbolsa manages the operation of CVM, the central securities clearing system in Portugal, known as *sistema centralizado*, which all securities in book-entry form admitted to trading on a regulated market to be centrally cleared and settled in Portugal must be registered (the "**Book-Entry Registry**"). The CVM is composed of interconnected securities accounts, through which securities (and inherent rights) are created, held and transferred. This allows Interbolsa to control the amount of securities created, held and transferred. Issuers of securities, financial intermediaries which are Affiliate Members of Interbolsa, and the Bank of Portugal all participate in the CVM.

The CVM provides for all the procedures which allow the owners of securities to exercise their rights. In relation to each issue of securities, CVM comprises *inter alia*, (i) the issue account, opened by the issuer in the CVM and which reflects the full amount of securities issued; and (ii) the control accounts opened by each of the financial intermediaries which participate in Interbolsa's centralised system, and which reflect, at all times, the aggregate nominal amount of securities held in the individual securities accounts opened by holders of securities with each of the Affiliate Members of Interbolsa. Title to the Notes passes upon registration in the records of an Affiliate Member of Interbolsa.

Any Noteholder will, except as otherwise required by law, be treated as the absolute owner of the relevant Notes for all purposes regardless of the theft or loss of the Certificate issued in respect of such Notes, and no person will be liable for so treating any relevant Noteholder.

Notes registered with Interbolsa have been attributed an ISIN code through Interbolsa's codification system and are accepted for clearing through CVM, the clearing system managed by Interbolsa, as well as through the clearing systems operated by Euroclear and Clearstream and settled by Interbolsa's settlement system.

The Issuer must give Interbolsa advance notice of all payments and provide all necessary information for that purpose, notably, the identity of the financial intermediary registered with Interbolsa appointed by the Issuer to act as the paying agent in respect of the Notes (the "**Paying Agent**") and to perform the relevant payments.

Prior to any payment, the Paying Agent shall provide Interbolsa with a statement of acceptance of its role of Paying Agent. Interbolsa must notify the Paying Agent of the amounts to be settled, which will be determined by Interbolsa on the basis of the balances of the accounts of the Affiliate Members of Interbolsa.

On the date on which any payment in respect of the Notes is to be made, the corresponding entries and counter-entries will be made by Interbolsa in the relevant current accounts held by the Paying Agent and by the Affiliate Members of Interbolsa.

References to Clearstream and/or Euroclear shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system.

### **13.3. Expenses of the Admission**

The costs with the Admission, notably fees due to the Joint Global Coordinators and the fees due to Interbolsa and Euronext, are estimated to amount to the global amount of €643,000,00. Greenvolt will not charge any costs to investors.

Subject to listing of the Notes being authorised by Euronext, investors may trade their Notes 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](http://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 Notes on Euronext Lisbon.

### **13.4. Listing and admission to trading on Euronext Lisbon**

The Notes have the ISIN code PTGNVAOM0000 and CFI code: DBFUFR. The Notes will be admitted to trading in the regulated market Euronext Lisbon on 26 November 2021. Admission has been required to enhance liquidity of the Notes.

### **13.5. 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](mailto:rmf@greenvolt.pt) and [miguel.valente@greenvolt.pt](mailto:miguel.valente@greenvolt.pt) to clarify any enquiries about the Admission.

## **14. TAXATION**

*Prospective purchasers of Notes are advised to consult their tax advisers as to the tax consequences, under the tax laws of the country in which they are resident, of a purchase of Notes, including, but not limited to, the consequences of receipts deriving from interest, as well as from the sale or redemption of Notes.*

*The following descriptions are general summaries of certain taxation matters based on applicable law and practice currently in effect in the relevant jurisdictions. Nothing in this Chapter constitutes tax, legal or financial advice, and the summaries contained herein are of a general nature and do not cover all aspects of taxation in the relevant jurisdictions that may be relevant to any particular holder of Notes. Since the tax legislation of Portugal and of each investor's Member State may have an impact on the income received from the Notes, it is recommended that prospective investors in the Notes consult their professional advisers on the tax implications for them of an investment in the Notes.*

### ***Portuguese Taxation***

The economic advantages deriving from interest, amortisation, reimbursement premiums and other types of remuneration arising from the Notes issued by private entities are qualified as investment income for Portuguese tax purposes and is considered to be Portuguese sourced income and generally subject to taxation in Portugal.

### ***General Tax Regime applicable to Debt securities***

#### ***Resident individuals***

Investment income (including dividends and interest) obtained from the Notes by a Portuguese resident individual are subject to individual income tax. If the payment of investment income is made available to Portuguese resident individuals, withholding tax applies at a rate of 28 percent, which is the final tax on that income unless the individual elects for to aggregate his taxable income, subject to tax at the current progressive income tax rates of up to 48 percent. In the latter case an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 percent on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5 percent on the remaining part (if any) of the taxable income exceeding €250,000. Investment is deemed a payment on account of the final tax due. Income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 percent, unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

Capital gains obtained by Portuguese resident individuals on the repayment or transfer of Notes are taxed at a special tax rate of 28 percent levied on the excess of such gains (and gains on other securities) over the losses on securities, unless the individual elects to aggregate that same balance to his taxable income, subject to tax at the current progressive rates of up to 48 percent. In the latter case, additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 percent on the part of the taxable income exceeding €80,000 up to €50,000 and (ii) 5 percent on the remaining part (if any) of the taxable income exceeding €250,000. The amount of accrued interest on the date of the transfer qualifies as interest, rather than capital gains, for tax purposes.

*Legal persons resident in Portugal and those non-resident but with a permanent establishment to which the income derived from the Notes is attributable*



Investment income deriving from the Notes and capital gains deriving from the transfer of the Notes by legal persons resident for tax purposes in Portugal and by non-resident legal persons with a permanent establishment in Portugal to which the income or gains are attributable are included in their taxable income and are subject to corporate income tax at a 21 percent rate or at a 17 percent rate on the first €25,000 in the case of small and medium-sized enterprises, to which a municipal surcharge (“*derrama municipal*”) may be added of up to 1.5 percent of its taxable income. A state surcharge (“*derrama estadual*”) also applies at 3 percent on taxable profits in excess of €1,500,000 and up to €7,500,000, 5 percent on taxable profits in excess of €7,500,000 and up to €35,000,000 and 9 percent on taxable profits in excess of €35,000,000.

As a general rule, withholding tax at a rate of 25 percent applies on interest and other investment income, which is deemed a payment on account of the final tax due.

Interest payments made to financial institutions, pension funds, retirement and/or education savings funds, share savings funds, venture capital funds and collective investment undertakings incorporated and operating under the laws of Portugal and some other exempt entities are not subject to withholding tax.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 percent, unless the relevant beneficial owner(s) of the income is/are identified and as a consequence, the tax rates applicable to such beneficial owner(s) will apply.

*Non-resident individuals and legal persons without a permanent establishment to which the income derived from the Notes is attributable*

Without prejudice to the Debt Securities Taxation Act further described below, the general tax regime on debt and equity securities applicable to non-resident entities is the following:

Investment income obtained by non-resident individuals without permanent establishment in Portugal to which the income is attributable to is subject to withholding tax at a rate of 28 percent, which is the final tax on that income. Investment income obtained by non-resident legal persons without permanent establishment in Portugal to which the income is attributable to is subject to withholding tax at a rate of 25 percent, which is the final tax on that income.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 percent, unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

A withholding tax rate of 35 percent applies in the case of investment income payments made to non-resident individuals or non-resident legal persons, without permanent establishment in Portugal to which the income is attributable, which are resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the “low tax jurisdiction” list approved by Ministerial Order (“*Portaria*”) no. 150/2004 of 13 February 2004, as amended from time to time.

Under the tax treaties entered into by Portugal, which are in full force and effect on the date of this Prospectus, the applicable withholding tax rate may be reduced to 15, 12, 10 or 5 percent, depending on the applicable treaty and provided that the relevant formalities (including certification of residence by the tax authorities of the beneficial owners of the interest and other investment income) are met. The reduction may apply at source or through the refund of the

excess tax. The forms currently applicable for these purposes may be available for viewing and downloading at [www.portaldasfinancas.gov.pt](http://www.portaldasfinancas.gov.pt). Information contained on the website does not form part of this Prospectus and has not been scrutinised or approved by the competent authority.

Capital gains derived from the transfer of the Notes by non-resident individuals without permanent establishment in Portugal, to which the gains are attributable to, are exempt from Portuguese capital gains taxation, unless the non-resident individual is resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial Order (“*Portaria*”) no. 150/2004, of 13 February, as amended from time to time. Capital gains derived by non-resident individuals that are not entitled to said exemption will be subject to taxation at a 28 percent flat rate. Under the tax treaties entered into by Portugal, such capital gains are usually not subject to Portuguese personal income tax, but the applicable rules should be confirmed on a case-by-case basis. The amount of accrued interest on the date of the transfer qualifies as interest, rather than capital gains, for tax purposes.

Capital gains deriving from the transfer of Notes by a legal person non-resident in Portugal for tax purposes and without a permanent establishment in Portugal to which gains are attributable to are exempt from Portuguese capital gains taxation, unless the share capital of the non-resident entity is more than 25 percent directly or indirectly held by Portuguese resident entities or the beneficial owner is resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial Order (“*Portaria*”) no. 150/2004 of 13 February 2004, as amended from time to time. The 25 percent threshold referred above will not be applicable when the following cumulative requirements are met by the seller: (i) the seller is an entity resident in the European Union or in the European Economic Area State which is bound to cooperate with Portugal under an administrative cooperation agreement in tax matters similar to the exchange of information schemes in relation to tax matters existing within the EU Member States or in any country with which Portugal has a double tax treaty in force that foresees the exchange of information; (ii) such entity is subject and not exempt from a tax referred to in article 2 of the Council Directive 2011/96/EU, of 30 November 2011, or a tax of similar nature with a rate not lower than 60 percent of the Portuguese corporate income tax rate; (iii) it holds at least 10 percent of the share capital or voting rights regarding the entity subject to disposal for at least one year uninterruptedly; and (iv) is not intervenient in an artificial arrangement or a series of artificial arrangements that have been put into place for the main purpose, or one of the main purposes, of obtaining a tax advantage. Although the abovementioned cumulative requirements are in full force and effect since 31 March 2016 and apply to securities in general, the law is not clear on the application thereof for holders of debt representative securities, as some of the alluded requirements appear not to apply to debt representative securities.

If the exemption does not apply, the gains will be subject to corporate income tax at a rate of 25 percent. Under the tax treaties entered into by Portugal, such capital gains are usually not subject to Portuguese corporate income tax, but the applicable rules should be confirmed on a case-by-case basis.

### ***Debt Securities Taxation Act***

#### ***Resident Individuals***

Investment income obtained on Notes by a Portuguese resident individual is subject to individual income tax. If the payment of investment income is made available to Portuguese resident individuals, withholding tax applies at a rate of 28 percent, which is the final tax on that income unless the individual elects to include such income in his taxable income, subject to tax at progressive rates of up to 48 percent. In the latter circumstance an additional income tax will be due on

the part of the taxable income exceeding €80,000 as follows: (i) 2.5 percent on the part of the taxable income exceeding €80,000 up to €250,000; and (ii) 5 percent on the remaining part (if any) of the taxable income exceeding €250,000. In this case, the tax withheld will be creditable against the recipient's final tax liability. The relevant tax shall be withheld by the relevant direct registering entity.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 percent, unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

Capital gains obtained by Portuguese resident individuals on the transfer of Notes are taxed at a special tax rate of 28 percent levied on the positive difference between such gains and gains on other securities and losses on securities unless the individual chooses to aggregate his taxable income, subject to tax at the current progressive rates of up to 48 percent. In the latter circumstance an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 percent on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5 percent on the remaining part (if any) of the taxable income exceeding €250,000. Interest accrued on the date of the transfer qualifies as interest, rather than as capital gains, for tax purposes.

*Legal persons resident in Portugal and those non-resident but with a permanent establishment to which the income derived from the Notes is attributable*

Investment income derived from Notes and capital gains obtained from the transfer of Notes by legal persons resident for tax purposes in Portugal and by non-resident legal persons with permanent establishment in Portugal to which the income or gains are attributable are included in their taxable income and are subject to Corporate Income Tax at a rate of 21 percent, or at a 17 percent tax rate on the first €25,000 in the case of small and medium-sized enterprises, to which a municipal surcharge (*derrama municipal*) may be added of up to 1.5 percent of its taxable income. A state surcharge (*derrama estadual*) also applies at 3 percent on taxable profits in excess of €1,500,000 and up to €7,500,000, 5 percent on taxable profits in excess of €7,500,000 and up to €35,000,000 and 9 percent on taxable profits in excess of €35,000,000.

As a general rule, withholding tax at a rate of 25 percent applies on investment income, which is deemed a payment on account of the final tax due. The relevant tax shall be withheld by the relevant direct registering entity. Payments to financial institutions subject to tax in Portugal, pension funds, retirement and/or education savings funds, share savings funds, venture capital funds and collective investment undertakings incorporated under the laws of Portugal and some other exempt entities are not subject to Portuguese withholding tax.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 percent, unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

*Non-resident individuals*

Pursuant to the Debt Securities Taxation Act, investment income paid on, as well as capital gains derived from a repayment, sale or other disposition of the Notes, to non-resident beneficial owners will be exempt from Portuguese income tax provided that the debt securities are integrated in (i) a centralised system for securities managed by an entity

resident for tax purposes in Portugal (such as CVM, managed by Interbolsa), or (ii) an international clearing system operated by a managing entity established in an EU Member State other than Portugal or in a European Economic Area Member State, provided, in this case, that such State is bound to cooperate with Portugal under an administrative cooperation arrangement in tax matters similar to the exchange of information schemes in relation to tax matters existing within the EU Member States, or (iii) integrated in other centralised systems not covered above, provided that, in this last case, the Portuguese Government authorises the application of the Debt Securities Taxation Act, and the beneficiaries are:

- (i) central banks or governmental agencies; or
- (ii) international bodies recognised by the Portuguese State; or
- (iii) entities resident in countries or jurisdictions with whom Portugal has a double tax treaty or a tax information exchange agreement in force; or
- (iv) other entities without headquarters, effective management or permanent establishment in Portuguese territory to which the relevant income is attributable and which are not resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial Order (“*Portaria*”) no. 150/2004, of 13 February 2004, as amended from time to time.

For the purposes of application at the source of this tax exemption regime, the Debt Securities Taxation Act requires the completion of certain procedures and provision of certain information. Under these procedures (which are aimed at verifying the non-resident status of the Noteholder), the Noteholder is required to hold the Notes through an account held with one of the following entities:

- (i) a direct registering entity, with which the debt securities accounts integrated in the centralised system are opened;
- (ii) an indirect registering entity, which, although not assuming the role of the “direct registering entity”, is its client; or
- (iii) an international clearing system, which proceeds, in the international market, to clear, settle or transfer securities integrated in centralised systems or in their own registration systems.

The special regime approved by the Debt Securities Taxation Act sets out the detailed rules and procedures to be followed for the proof of non-residence by the beneficial owners of the Notes to which it applies.

Under these rules, the direct registering entity is required to obtain and retain proof, in the form described below, that the beneficial owner is a non-resident entity entitled to the exemption. As a general rule, proof of non-residence should be provided to, and received by, the direct registering entities prior to the relevant date for payment of any interest and, in the case of domestically cleared Notes, prior to the transfer of Notes, as the case may be.

The following is a general description of the rules and procedures pertaining to the proof required the exemption to apply at the source, as they currently stand at the date of this Prospectus.

(a) *Domestically Cleared Notes*

The beneficial owner of the Notes must provide proof of non-residence in Portuguese territory substantially in the terms set forth below:

- (i) if the beneficial owner of the Notes is a central bank, a public law entity or agency or an international organisation recognised by the Portuguese State, a declaration of tax residence issued by the beneficial owner of the Notes, duly signed and authenticated or proof pursuant to the terms of paragraph (iv) below;
- (ii) if the beneficial owner of the Notes is a credit institution, a financial company, a pension fund or an insurance company domiciled in any of the Organisation for Economic Co-operation and Development (“OECD”) countries or in a country with which Portugal has entered into a double taxation treaty and is subject to a special supervision regime or administrative registration, certification shall be made by means of the following:
  - (a) its tax identification official document; or
  - (b) a certificate issued by the entity responsible for such supervision or registration, or by tax authorities, confirming the legal existence of the beneficial owner of the Notes and its domicile; or
  - (c) proof of non-residence pursuant to (iv) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should immediately inform the direct registering entity of any change in the requisite conditions that may prevent the tax exemption from applying residence, pursuant to the terms of paragraph (iv) below;
- (iii) if the beneficial owner of Notes is either an investment fund or other type of collective investment scheme undertaking domiciled in any OECD country, or in a any country or jurisdiction with which Portugal has entered into a double tax treaty in force or a tax information exchange agreement in force, it shall make proof of its non-resident status by providing certification by means of any of the following documents: (a) a declaration issued by the entity which is responsible for its supervision or registration or by the relevant tax authorities, confirming its legal existence, domicile and the law of incorporation; or (b) proof of non-residence pursuant to the terms of paragraph (iv) below. The respective proof of non-residence in Portugal is provided only once, its periodical renewal is not necessary, and the beneficial owner should inform the direct registering entity immediately of any change in the requisite conditions that may prevent from applying the tax exemption;
- (iv) Other investors will be required to make proof of their non-resident status by way of: (a) a certificate of residence or equivalent document issued by the relevant tax authorities; or (b) a document issued by the relevant Portuguese consulate certifying residence abroad; or (c) a document specifically issued by an official entity which forms part of the public administration (either central, regional or peripheral, indirect or autonomous) of the relevant country certifying the residence. For these purposes, an identification document, such as a passport or an identity card or document by means of which it is only indirectly possible to assume the relevant tax residence (such as a work or permanent residency permit), is not acceptable. The rules on the authenticity and validity of the documents state in particular that the Noteholder must provide an original or a certified copy of such documents and, as a rule, if such documents do not refer to a specific year and do not expire, they must have been issued within the 3 (three) years prior to the relevant payment or maturity dates or, if issued after the relevant payment or maturity dates, within the following 3 (three) months. The Noteholder must inform the registering entity immediately of any change in the requirement conditions that may eliminate the tax exemption, the residence certificate or equivalent document. This document must be issued up to until 3 (three) months after the date on which the withholding tax would have been applied and will be valid for a 3 (three) year period starting on the date such document is issued.

In cases referred to in paragraphs (i), (ii) and (iii) above, proof of non-residence is required only once; however, the beneficial owner of the Notes is required to immediately inform the registering entity of any changes that impact the entitlement to the tax exemption.

(b) *Internationally Cleared Notes*

If the Notes are registered in an account with an international clearing system, prior to the relevant date for payment of any interest, the entity managing such system is required to provide to the direct registering entity or its representative the identification and number of securities, as well as the income and, when applicable, the tax withheld, itemised by type of beneficial owner, as follows:

- (i) Portuguese resident entities or permanent establishments of non-resident entities to which the income is attributable which are not exempt from tax and are subject to withholding tax;
- (ii) entities resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial Order (“*Portaria*”) no. 150/2004 of 13 February 2004, as amended by Ministerial Order (“*Portaria*”) no. 292/2011 of 8 November 2011 and by Ministerial Order (“*Portaria*”) no. 345-A/2016, of 30 December 2016, which are not exempt from tax and are subject to withholding tax; and
- (iii) other non-Portuguese resident entities

In addition, the international clearing system managing entity is to provide to the direct registering entity, in relation to each income payment, at least the following information concerning each of the beneficiaries mentioned in (i), (ii) and (iii) above: name and address, tax identification number, if applicable, identification of the securities held and amount thereof and amount of income.

No Portuguese exemption shall apply at source under the special regime approved by the Debt Securities Taxation Act if the above rules and procedures are not followed. Accordingly, the general Portuguese tax provisions shall apply as described above.

If the conditions for an exemption to apply are met, but, due to inaccurate or insufficient information, tax is withheld, a special refund procedure is available under the regime approved by the Debt Securities Taxation Act. The refund claim is to be submitted to the direct registering entity of the Notes within 6 (six) months from the date the withholding took place.

The refund of withholding tax after the above 6 (six) months period is to be claimed to the Portuguese tax authorities through an official form available at <http://www.portaldasfinancas.gov.pt>, within 2 (two) years from the end of the year in which tax was withheld. The refund is to be made within 3 (three) months after which interest is due. Information contained on the abovementioned website does not form part of this Prospectus and has not been scrutinised or approved by the competent authority

## **Administrative cooperation in the field of taxation**

Council Directive 2014/107/EU of 9 December 2014, which amended Council Directive 2011/16/EU of 15 February 2011 implemented a new automatic exchange of information under the administrative cooperation in the field of taxation, which is based on the format established by the OECD called Common Reporting Standard (“**CRS**”).

The Council Directive 2014/107/EU of 9 December 2014 regarding the mandatory automatic exchange of information in the field of taxation was transposed into the Portuguese Law through the Decree-Law no. 64/2016, of 11 October. Under such law, as amended from time to time, the Issuer will be required to collect information regarding certain accountholders and report such information to Portuguese Tax Authorities – under forms which, in turn, will report such information to the relevant Tax Authorities of EU Member States or States which have signed the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information for the Common Reporting Standard.

In view of the regime enacted through Decree-Law no. 64/2016 of 11 October, which was amended by Law no. 98/2017, of 24 August and by Law no. 17/2019, of 14 February, all information regarding the registration of the financial institution, the procedures to comply with the reporting obligations arising thereof and the forms to use to that end were provided by the Ministry of Finance, through Order (“*Portaria*”) no. 302-B/2016, of 2 December 2016, Order (“*Portaria*”) no. 302-C/2016, of 2 December 2016, Order (“*Portaria*”) no. 302-D/2016, of 2 December 2016 and Order (“*Portaria*”) no. 302-E/2016, of 2 December 2016, all as amended from time to time.

## **Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” (as defined by FATCA) may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes.

A number of jurisdictions (including Portugal) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019 and Notes issued on or prior to the date that is 6 (six) months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date.

However, if additional Notes that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Portugal signed the IGA with the United States on 6 August 2015, and has implemented, through Law no. 82-B/2014, of 31 December 2014, the legal framework based on the reciprocal exchange of information with the United States on financial accounts subject to disclosure. The IGA has entered into force in 10 August 2016, and through the Decree-Law

no. 64/2016, of 11 October 2016, which was amended by Law no. 98/2017, of 24 August, and by Law no. 17/2019, of 14 February, and Ministerial Order (“*Portaria*”) no. 302-A/2016, of 2 December 2016, as amended by Ministerial Order (“*Portaria*”) no. 169/2017, of 25 May, the Portuguese government approved the complementary regulation required to comply with FATCA. Under the referred legislation the Issuer is required to obtain information regarding certain accountholders and report such information to the Portuguese Tax Authorities, which, in turn, will report such information to the IRS.

Noteholders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes.

#### **The proposed financial transaction tax (“FTT”)**

On 14 February 2013, the European Commission has published a proposal (the “**Commission’s Proposal**”) for a Directive for a common financial transaction tax (“**FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal FTT has a very broad scope and could, if introduced, apply to certain dealings in financial instruments (including secondary market transactions) under certain circumstances.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State, or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional European Union Member States may also decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.



## **15. SELLING AND TRANSFER RESTRICTIONS**

No action has been or will be taken in any jurisdiction by the Issuer or the Joint Global Coordinators that would permit, other than pursuant to the Admission, an offer of the Notes 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 in certain jurisdictions may be restricted by law.

Accordingly, no Notes may be offered or sold either directly or indirectly, and neither this Prospectus 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 Notes, unless, in the relevant jurisdiction, such an offer could lawfully be made to the investor or the Notes could lawfully be dealt in without violating any registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, such investor should not distribute this Prospectus in or into, or send it 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 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 Chapter.

Subject to the specific restrictions described below, investors wishing to, sell, purchase or otherwise trade Notes 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 sell, purchase or otherwise trade Notes 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 Notes 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 Notes 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 Notes 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 Notes.

## **Regulation S**

Each purchaser of the Notes outside of the United States pursuant to Regulation S, by accepting the delivery of this Prospectus or the Notes, 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 Notes in compliance with all applicable laws and regulations;
- (ii) It is, or when the Notes are purchased will be, the beneficial owner of such Notes and (a) is, and the person, if any, for whose account it is acquiring the Notes is, outside the United States (within the meaning of Regulation S) and is purchasing such Notes 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 Notes from the company or an affiliate thereof in the initial distribution of such Notes;
- (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 Notes 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 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 Notes are no longer accurate, it will promptly notify the Issuer, and if it is acquiring any Notes 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 Notes pursuant to Regulation S described in this Prospectus; and
- (vi) The Issuer shall not recognise any offer, sale, pledge or other transfer of the Notes 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 Notes have been offered or will be offered to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes 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 Notes may be offered to the public in that Relevant Member State at any time:

- (i) to any legal entity which is a Qualified Investor;
- (ii) to fewer than 150 natural or legal persons (other than Qualified Investors); or
- (iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Notes 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 Notes 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 Notes to be offered to enable an investor to decide whether or not to purchase or subscribe for any Notes, and the expression “Prospectus Regulation” means Regulation (EU) no. 2017/1129.

### **United Kingdom**

This Prospectus 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 Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**Relevant Persons**”). The Notes are only available in the UK to, and any invitation, offer or agreement to purchase or otherwise acquire the Notes 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 Notes have been offered or will be offered to the public in the United Kingdom prior to the publication of a prospectus in relation to the Notes which has been approved by the Financial Conduct Authority, except that the Notes 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), 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 Notes shall require the Issuer and/or any Joint Global Coordinators, 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 Notes 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 Notes to be offered to enable an investor to decide whether or not to purchase or subscribe for any Notes 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 Notes or to whom any offer is made will be deemed to have represented, acknowledged and agreed with the Issuer or the Joint Global Coordinators and their affiliates that it meets the criteria outlined in this Chapter.

## **16. INFORMATION INCORPORATED BY REFERENCE AND DOCUMENTATION AVAILABLE TO THE PUBLIC**

### **16.1. Information incorporated by reference**

For the term of this Prospectus, i.e. until 25 November 2022, the following documents shall be deemed to be incorporated in, and to form part of, this Prospectus. Electronic versions thereof are available on the website of the Issuer ([www.greenvolt.pt](http://www.greenvolt.pt)) and may be accessed via the following hyperlinks:

- (a) The Articles of Association (available at <https://www.greenvolt.pt/pt/investidores/governance>); and
- (b) The Annual Audited Consolidated Financial Statements, which shall be deemed incorporated only to the extent it respects to 2019 and 2020 (available at [https://www.greenvolt.pt/fileManager/comunicados/pdf\\_pt\\_29.pdf](https://www.greenvolt.pt/fileManager/comunicados/pdf_pt_29.pdf)).
- (c) The Unaudited Interim Financial Statements (available in Portuguese only at [https://www.greenvolt.pt/fileManager/comunicados/pdf\\_pt\\_67.pdf](https://www.greenvolt.pt/fileManager/comunicados/pdf_pt_67.pdf)).

Copies of the documents incorporated by reference in this Prospectus and the Prospectus itself can be obtained (without charge) from the registered offices of the Issuer.

Documents incorporated by reference in this Prospectus contain the information available with respect to the Issuer as at the date of their publication and their incorporation by reference does not imply, in any circumstance, that there have been no changes in the Issuer's businesses since the relevant date of publication or that the information contains the quality required under Article 7 of the Portuguese Securities Code at any moment after such date. In any event, pursuant to Article 23 of the Prospectus Regulation, if between the approval of the Prospectus and the start of trading of the Notes on Euronext Lisbon any significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus, which may affect the assessment of the Notes, arises or is noted, the Issuer shall prepare a supplement to the Prospectus without undue delay.

Information contained in the Issuer's official website ([www.greenvolt.pt](http://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](http://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.

Any information contained in any of the documents specified above which is not incorporated by reference in this Prospectus is either not relevant to investors or is covered elsewhere in this Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

### **16.2. 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. In the event that a potential investor makes a specific demand for a paper copy of the Prospectus, the Issuer shall deliver a printed version thereof.

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](http://www.greenvolt.pt); and
- (b) on the CMVM's website at [www.cmvm.pt](http://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.

## 17. DEFINITIONS

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

**“Adjusted EBITDA”** means EBITDA excluding (i) other income from claim compensations from property damage and inventory damage, (ii) other expenses from inventory damage, (iii) other income from investment grants, and (iv) Transaction Costs.

**“Admission”** means the admission to listing and trading of all Notes on Euronext Lisbon.

**“Affiliate Member of Interbolsa”** means a financial institution licensed to act as a financial intermediary for the purposes of the Portuguese Securities Code and which is entitled to hold control accounts with Interbolsa on behalf of Noteholders. For the avoidance of doubt, Affiliate Members of Interbolsa include any depository banks appointed by: (i) Euroclear and Clearstream, for the purposes of holding accounts on behalf of Euroclear and Clearstream with Interbolsa; or (ii) other financial intermediaries that do not hold control accounts directly with Interbolsa.

**“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 and 2019, the consolidated income statements, the consolidated statements of comprehensive income and consolidated cash flows for the years ended 31 December 2020 and 2019 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.

**“APMs”** means Alternative Performance Measures.

**“Articles of Association”** means the articles of association of the Issuer.

**“BiG”** means Banco de Investimento Global, S.A.

**“Biomass Power Plant”** means a power generating facility that produces electricity through direct combustion of biomass.

**“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 Portuguese Biomass Power Plants.

**“Bioródão”** means Bioródão, S.A.

**“Board of Directors”** means the board of directors of the Issuer.

“**Business Day**” means any day on which the banks are open and operating in Lisbon and Porto, and the Trans-European Automated Real-Time Gross Settlement Express Transfer (“**TARGET2**”) System is operational;

“**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.

“**Capital Expenditure (Capex)**” means acquisition costs incurred during the year classified as Property, plant and equipment.

“**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.

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

“**Clearstream, Luxembourg**” means Clearstream Banking S.A.

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

“**CO<sup>2</sup>**” means carbon dioxide.

“**COD**” means commercial operation date.

“**Constância Power Plant**” means the Biomass Power Plant located in Constância, owned and operated by the Issuer, as described in Section 9.1 (“*Main Activities of the Issuer*”).

“**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.

“**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. 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*).

“**DSO**” means Distribution System Operator.

“**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.

“**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.

“**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.

“**EIA**” means Environment Impact Assessment.

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

“**Eligible Green Projects**” means the financing and/or refinancing of new and/or existing renewable energy projects and energy efficiency projects (including but not limited to biomass, wind, solar, decentralised generation and storage) of Greenvolt, integrated pollution prevention and control, M&A transactions within the renewable energy sector (including without limitation as regards the refinancing of the acquisition of Tilbury Green Power) and other related and supporting expenditures such as research and development.

“**Equitix**” means Equitix Investment Management Limited.

“**ERSE**” means the Energy Services Regulatory Authority.



“**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.

“**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.

“**Euroclear**” means Euroclear Bank SA/NV.

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

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

“**Event of Default**” means any of the events listed in Condition 8.

“**Extraordinary Resolution**” means a resolution passed at a meeting of Noteholders in respect of any of the following matters: (i) to change any date fixed for payment of principal or interest in respect of the Notes, reduction of the amount of principal or interest due on any date in respect of the Notes, or variation in the method of calculating the amount of any payment in respect of the Notes on redemption or maturity; (ii) to change the currency in which amounts due in respect of the Notes are payable; (iii) to approve the modification or abrogation of any of the provisions of the Terms and Conditions of the Notes; (iv) to approve any amendment of this definition; and (v) to approve any other matter in respect of which the Terms and Conditions of the Notes require an Extraordinary Resolution to be passed.

“**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 9.1 (“*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 9.1 (“*Main Activities of the Issuer*”).

“**First Interest Payment Date**” means 10 November 2022.

“**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.

“**GDP**” means gross domestic product.

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

“**Golditábua**” means Golditábua, S.A.

“**GoOs**” means Guarantees of Origins.

“**Green Bond Framework**” has the meaning ascribed thereto in Condition 2.3.

“**Greenshoe Option**” means the option granted by the Issuer to BNP PARIBAS and CaixaBank, S.A in July 2021, in the context of the admission to trading on Euronext Lisbon of all of the shares representing the Issuer’s share capital, to subscribe new issued shares by the Issuer at the price of €4.25 for the purpose of covering short positions resulting from overallotments or from sales of the Issuer’s shares in that context.

“**Group**” means the Issuer and its subsidiaries taken as a whole.

“**GVA**” means Gross Value Added.

“**Haitong**” means Haitong Bank, S.A.

“**HCl**” means hydrochloric acid.

“**HF**” means hydrogen fluoride.

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

“**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.

“**Indebtedness**” means (i) any indebtedness (whether being principal, premium, interest of any type or other amounts) for or in respect of any loan, facility, overdraft, security, guarantee or any other type of commitment with a financial impact executed, incurred or assumed by the Issuer or any Relevant Subsidiary with the Portuguese or foreign financial system, (ii) or relating to any type of obligations arising from the issuance of notes, bonds, debentures, debenture stock, loan stock or other securities (not including for the avoidance of doubt, preference shares or other equity securities without any indebtedness component) issued by the Issuer or any Relevant Subsidiary, excluding (I) any Intra-Group Indebtedness; (II) any liability arising under any performance bond or performance guarantee that were not undertaken with, or assumed before, the Portuguese or foreign financial system; and (III) any liability in respect of operational leases and rentings, which, as a result of the adoption of IFRS 16 (as issued by the IASB and subsequently endorsed by the European Union in October 2017), became now accounted as financial debt (excluding, for the avoidance of doubt, financial leases).

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

“**Interest Payment Date**” means 10 November of each year.

“**Interest Period**” means each one year period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the First Interest Payment Date or the next Interest Payment Date, as the case may be.

“**Interest Rate**” means 2,625 percent per annum.

“**Intra-Group Indebtedness**” means money borrowed by one entity within the Group from another entity within the Group.

“**Issue Date**” means 10 November 2021.

“**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 – Bioelétrica, 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 €267,099,997.50 and registered with the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 506 042 715.

“**Joint Global Coordinators**” means BiG and Haitong.

“**KPI**” means Key Performance Indicators.

“**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.

“**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.

“**Listing Date**” means the date on or before 14 January 2022.

“**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.

“**Maturity Date**” means 10 November 2028.

“**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.

“**Mórtagua Power Plant**” means the Biomass Power Plant located in Mortágua, owned and operated by the Issuer, as described in Section 9.1 (“*Main Activities of the Issuer*”).

“**MVA**” means Megavolt Ampere.

“**MW**” means Megawatt.

“**MWh**” means Megawatt per hour.

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

“**Net operating costs**” means (i) costs of sales excluding the cost of biomass sold, (ii) external supplies and services, (iii) payroll expenses, (iv) other expenses, excluding inventory damage, and (v) other income excluding claim compensations from property damage and inventory damage, and excluding investment grants.

“**Noteholder**” means each person shown in the individual securities accounts of an Affiliate Member of Interbolsa as having an interest in the Notes.

“**Notes**” means the “*GreenVolt Notes 2021/2028*”.

“**OFGEM**” means the United Kingdom’s Office of Gas and Electricity Markets, the United Kingdom’s government regulator for the electricity and downstream natural gas markets.

“**Operating Profit**”<sup>25</sup> 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.

“**OPEX**” means operating expenses.

“**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 Portuguese Biomass Power Plant.

“**Paraimo Green**” means Paraimo Green, Lda.

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

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

“**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

“**PFIC**” means Passive Foreign Investment Issuer.

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

“**PLN**” means Polish zlotys.

“**PPA**” means power purchase agreement.

“**Portuguese 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.

“**Principal Amount**” has the meaning ascribed thereto in Condition 1.1.

“**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 25 November 2021 relating to the admission to trading of the Notes 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

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<sup>25</sup> Using consolidated accounts for the basis of its calculation.

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.

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

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

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

“**Put Notice – Change of Control**” has the meaning ascribed thereto in Condition 4.3.

“**Put Notice – No Listing**” has the meaning ascribed thereto in Condition 4.2.

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

“**REGO**” means Renewable Energy Guarantees Origin.

“**Regulation S**” means Regulation S under the U.S. Securities Act.

“**Relevant Entities**” means Promendo Investimentos, S.A., Actium Capital, S.A., Caderno Azul, S.A., Livrefluxo, S.A. e 1 Thing, Investments, S.A. (or their successors).

“**Relevant Event – Change of Control**” has the meaning ascribed thereto in Condition 4.3.

“**Relevant Event – No Listing**” has the meaning ascribed thereto in Condition 4.2.

“**Relevant Subsidiary**” means any company in a control relationship (*relação de domínio*) with the Issuer (i.e. any entity that from time to time of which the Issuer (i) owns, directly or indirectly, more than 50 (fifty) percent of the share capital or similar rights of ownership, or (ii) owns or is able to exercise, directly or indirectly, more than 50% (fifty percent) of the voting rights, or (iii) has the right to appoint the majority of the members of the board of directors and in each case such entity is within the consolidation perimeter of the Issuer, irrespectively of where the relevant entity has been incorporated (“**Subsidiary**”) and that on each given moment complies with one of the following requirements:

- (i) whose EBITDA, according with the latest audited annual accounts approved by the General Meeting, is equal to or greater than 10% (ten percent) of the consolidated EBITDA of the Issuer (according to the latest audited consolidated annual accounts approved by the General Meeting); or
- (ii) whose total assets, according to the latest audited annual accounts approved by the General Meeting, are equal to or greater than 10% (ten percent) of the total consolidated assets of the Issuer (according to the latest audited annual consolidated accounts approved by the General Meeting annual consolidated accounts).

“**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*).

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

**“ROC”** means Renewables Obligation Certificates.

**“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 9.1 (*“Main Activities of the Issuer”*).

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

**“Shareholders”** means the shareholders of the Issuer.

**“Sociedade Bioelétrica do Mondego”** means Sociedade Bioelétrica do Mondego, S.A.

**“SO<sub>2</sub>”** means sulphur dioxide.

**“SPO”** means the Second Party Opinion provided by Sustainalytics on 22 October 2021.

**“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.

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

**“Terms and Conditions of the Notes”** means the terms and conditions governing the Notes, as incorporated in chapter 12 herein.

**“TGP”** means Tilbury Power Plant.

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

**“Tilbury Holdings”** means Tilbury Green Power Holdings Limited.

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

**“Transaction Costs”** mean the costs incurred with the acquisition of TGP.

**“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.

**“Unaudited Interim Financial Statements”** means the interim unaudited consolidated financial statements of Greenvolt and its subsidiaries as of and for the six-month periods ended June 30, 2021.

**“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 securities 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 Portuguese 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 Warszawa, Poland, registered in the National Court Register under the KRS no. 0000898358 and with a registered share capital of PLN 50,000.

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

“**WACC**” means weighted average cost of capital.

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