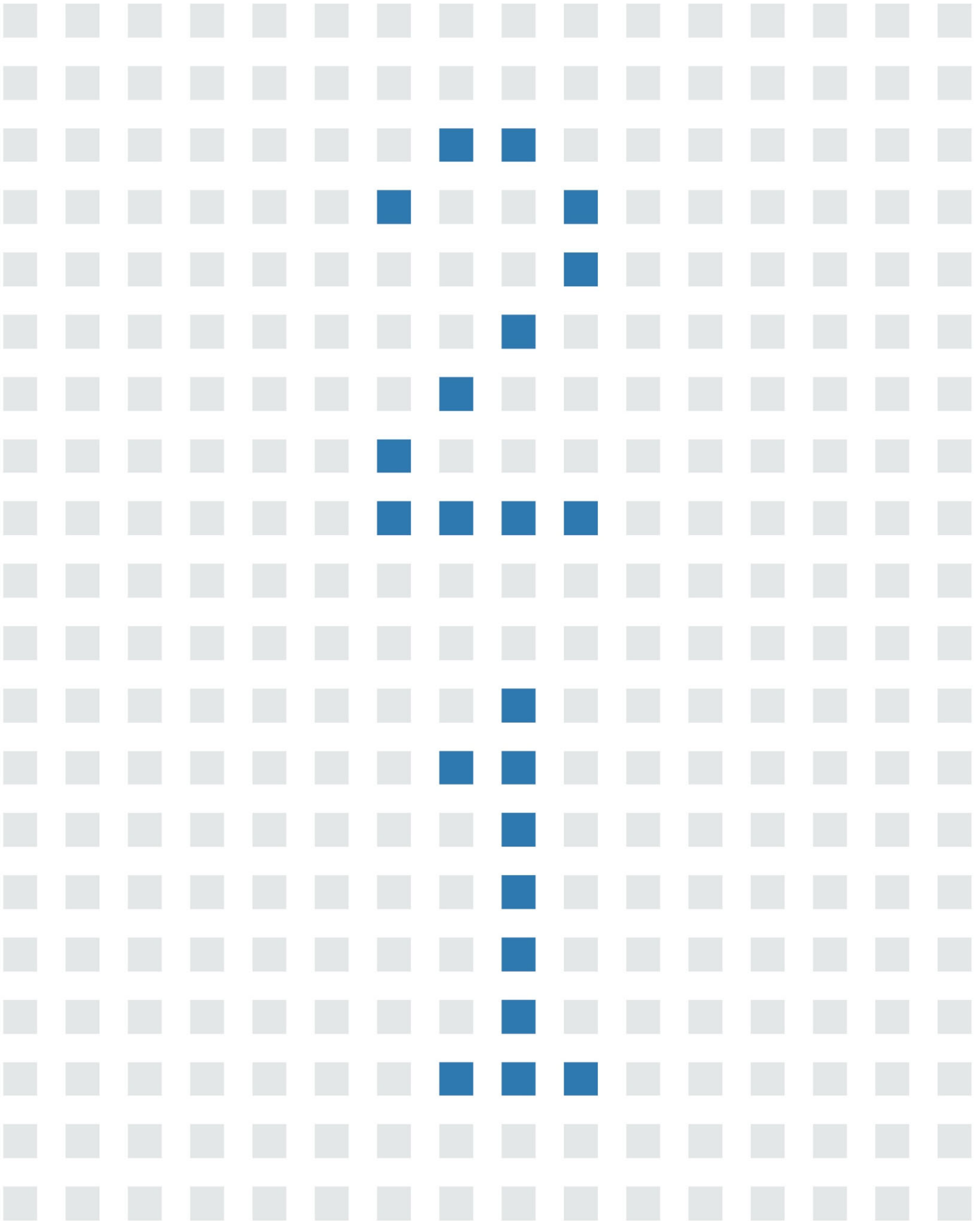


INTERIM REPORT
Q1 2021



TRANSLATION FROM THE ORIGINAL TEXT IN PORTUGUESE

PART 1

MANAGEMENT REPORT

1 HIGHLIGHTS

OVERALL PERFORMANCE

- The first quarter 2021 has been influenced by new waves of infection and the subsequent lockdown measures particularly with impact essentially in the Pulp and Paper segment.
- The Semapa Group recorded a consolidated revenue in the first quarter of 2021 of 463.7 million euros (-11.5% year-on-year), 340.8 million euros generated in Pulp and Paper / Navigator (-16%), 113.4 million euros in Cement / Secil (+3.1%), and 9.7 million euros in Environment / ETSA (+15.2%). Exports and foreign sales for the same period amounted to 336.4 million euros, accounting for 72.5% of revenue.
- The reduction in Navigator's revenue reflects the decreased pulp and paper volumes, resulting mostly from the scheduled annual maintenance shutdowns of both pulp mill and paper machines in Figueira da Foz, with an impact of 11 days, and the drop in paper prices. Although pulp price increased over the period (with the benchmark index up 15% in USD and 5.5% in Euros), paper index price was still 6.4% lower than in the first quarter of 2020.
- EBITDA in the first quarter of 2021 totalled 107.5 million euros (vs. 119.1 million euros in the first quarter of 2020 and 93.3 million euros in the fourth quarter), of which 70.6 million euros were derived from Pulp and Paper, 33.4 million euros from Cement and 3.4 million euros from Environment. The consolidated EBITDA margin stood at 23.2%, up 0.4 p.p. compared to the same period in 2020.
- The reduction in EBITDA in the Pulp and Paper segment (-17.8 million euros), in comparison to the same period last year, was not offset by the positive development in the Cement segment (+4.9 million euros), especially in Portugal and Brazil, and the Environment segment (+0.8 million euros). EBITDA in the first quarter of 2021 was 14.2 million euros higher than in the fourth quarter of 2020, which was negatively impacted by the depreciation of the Lebanese pound.
- Net profit attributable to Semapa shareholders at the end of the first quarter of 2021 stood at 25.4 million euros (vs. 17.2 million euros in 2020). The decrease in EBITDA (-11.7 million euros) was more than offset by the fall in negative exchange rate effects at Secil (Brazilian real) reflected in the financial results (8.1 million euros), the reduction in depreciation, amortisation and impairment losses (9.9 million euros), and the tax effect (-1.5 million euros). A comparison between the first quarter of 2021 and the fourth quarter of 2020 shows that it was 24.8% less (-8.4 million euros).
- The value of the investments made in the first quarter of 2021 amounted to approximately 25 million euros vs. 27 million euros year on year, with the Pulp and Paper segment standing out with 20 million euros.
- In the context of the COVID-19 crisis, the Group was still very focused on optimising cash flow, with particular emphasis on actively reducing costs and on optimising the working capital, which generated Free Cash Flow of 66.9 million euros (vs. 32.9 million euros over the same period in the previous year). Free cash flow generation in the first quarter of 2021 was 14.4 million euros less, compared to the fourth quarter of 2020, due to reduced cash flow.
- Consequently, during the first quarter of 2021, net debt decreased in all business segments, and consolidated interest-bearing net debt totalled 1,146.8 million euros, 68.8 million euros less compared to the end of 2020.

KEY BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	Q1 2021	Q1 2020	Var.	Q4 2020	Var.
Revenue	463.7	524.0	-11.5%	420.4	10.3%
EBITDA	107.5	119.1	-9.8%	93.3	15.2%
EBITDA margin (%)	23.2%	22.7%	0.4 p.p.	22.2%	1.0 p.p.
Depreciation, amortisation and impairment losses	(47.2)	(57.1)	17.3%	(48.6)	2.8%
Provisions	(0.2)	(2.3)	89.7%	(4.5)	94.6%
EBIT	60.0	59.7	0.5%	40.2	49.1%
EBIT margin (%)	12.9%	11.4%	1.5 p.p.	9.6%	3.4 p.p.
Net financial results	(17.9)	(26.0)	31.3%	(1.8)	-891.5%
Net monetary position	-	-	-	13.9	-
Profit before taxes	42.1	33.7	25.0%	52.4	-19.6%
Income taxes	(11.0)	(9.5)	-16.0%	(1.0)	<-1000%
Net profit for the period	31.1	24.2	28.6%	51.4	-39.5%
Attributable to Semapa shareholders	25.4	17.2	47.6%	33.8	-24.8%
Attributable to non-controlling interests (NCI)	5.6	6.9	-18.7%	17.6	-67.9%
Cash flow	78.5	83.6	-6.1%	104.4	-24.8%
Free Cash Flow	66.9	32.9	103.4%	81.4	-17.8%
	31/03/2021	31/12/2020			
Equity (before NCI)	961.4	948.8			
Interest-bearing net debt	1,146.8	1,215.5			
Lease liabilities (IFRS 16)	85.2	80.3			
Total	1,231.9	1,295.9			

SUMMARY TABLE OF OPERATING INDICATORS

	Unit	Q1 2021	Q1 2020	Var.
Pulp and Paper				
BEKP Sales (pulp)	1 000 t	79	83	-5.5%
UWF Sales (paper)	1 000 t	335	366	-8.4%
Total sales of tissue	1 000 t	27	26	3.6%
Cement				
Sales of Grey cement	1 000 t	1,222	1,139	7.3%
Sales of Ready-mix	1 000 m3	448	435	3.1%
Environment				
Collection of raw materials - Animal waste (categories 1, 2 and 3)	1 000 t	30.4	30.8	-1.4%

2 PERFORMANCE OF THE SEMAPA GROUP BUSINESS AREAS

2.1. BREAKDOWN BY BUSINESS SEGMENTS

IFRS - accrued amounts (million euros)	Pulp and Paper		Cement		Environment		Holdings		Consolidated Q1 2021
	Q1 2021	21/20	Q1 2021	21/20	Q1 2021	21/20	Q1 2021	21/20	
Revenue - External	340.7	-16.0%	113.3	3.1%	9.7	15.2%	-	-	463.7
Revenue	340.8	-16.0%	113.4	3.1%	9.7	15.2%	(0.2)	-109.0%	463.7
EBITDA	70.6	-20.2%	33.4	17.1%	3.4	29.3%	0.1	121.9%	107.5
EBITDA margin (%)	20.7%	-1.1 p.p.	29.4%	3.5 p.p.	35.6%	3.9 p.p.		0.0 p.p.	23.2%
Depreciation, amortisation and impairment losses	(34.1)	18.8%	(12.2)	14.1%	(0.8)	-5.2%	(0.1)	36.0%	(47.2)
Provisions	(0.2)	91.2%	(0.1)	83.3%	-	-	-	-	(0.2)
EBIT	36.2	-18.5%	21.1	52.2%	2.6	39.0%	0.0	106.0%	60.0
EBIT margin (%)	10.6%	-0.3 p.p.	18.6%	6.0 p.p.	27.2%	4.7 p.p.		0.0 p.p.	12.9%
Net financial results	(9.7)	-57.8%	(6.9)	60.6%	(0.0)	20.8%	(1.2)	47.7%	(17.9)
Profit before taxes	26.5	-30.8%	14.2	497.5%	2.6	41.0%	(1.2)	58.2%	42.1
Income taxes	(5.8)	44.8%	(5.5)	<-1000%	(0.6)	-41.6%	0.8	-53.5%	(11.0)
Net profit for the period	20.7	-25.5%	8.7	324.4%	2.0	40.9%	(0.4)	64.7%	31.1
Attributable to Semapa shareholders	14.5	-25.5%	9.3	476.0%	2.0	40.9%	(0.4)	64.7%	25.4
Attributable to non-controlling interests (NCI)	6.2	-25.6%	(0.6)	59.1%	0.0	40.3%	-	-	5.6
Cash flow	55.1	-23.3%	21.0	95.7%	2.8	28.4%	(0.4)	67.2%	78.5
Free Cash Flow	56.4	278.6%	7.2	-57.7%	1.2	-18.4%	2.1	504.0%	66.9
Interest-bearing net debt	623.6		263.6		(1.7)		261.3		1,146.8
Lease liabilities (IFRS 16)	53.3		29.8		1.8		0.2		85.2
Total	676.9		293.4		0.1		261.5		1,231.9

Notes:

For the purpose of calculating the change in net debt the values of 31.12.2020 are used.

Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

The Navigator Company ("Navigator") released its results on 28 May 2021, so only the highlights of that report will be presented herein. Secil and ETSA, which are not listed, did not release their results. Their operations, therefore, are described in more detail.

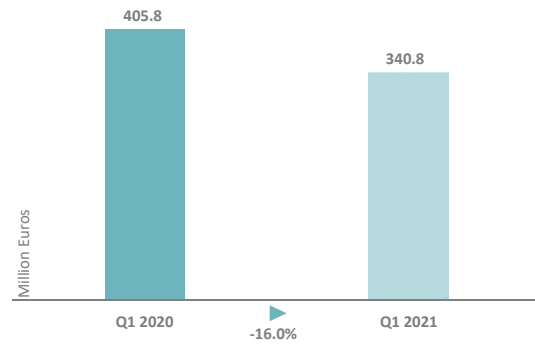
2.2. PULP AND PAPER BUSINESS AREA



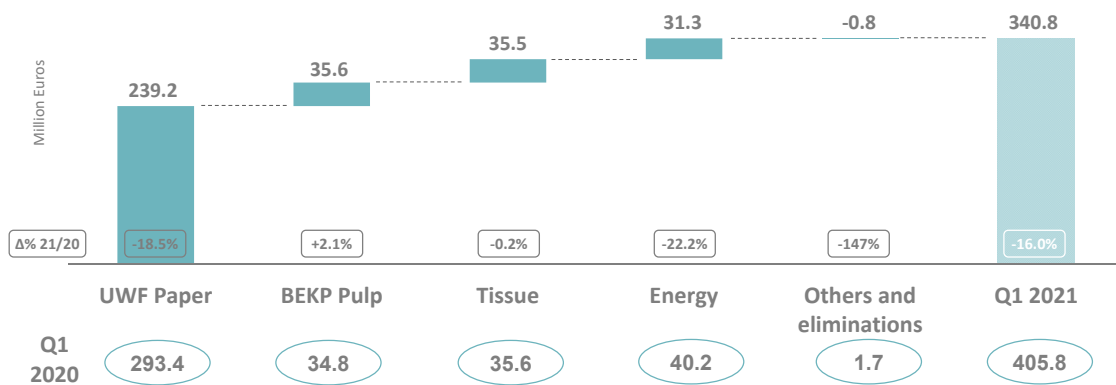
HIGHLIGHTS IN 2021 (VS. 2020)

- In the first quarter of 2021, revenue amounted to 340.8 million euros, 16.0% less than in the same period last year, as a result of the decreased pulp and paper volumes, due mainly to scheduled shutdowns and the drop in paper prices.

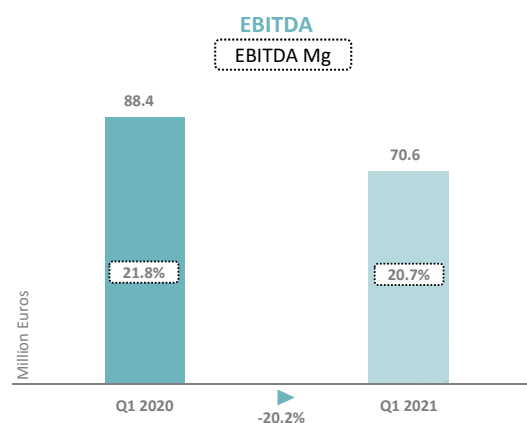
REVENUE



REVENUE BREAKDOWN BY SEGMENT



- EBITDA reached 70.6 million euros, -20.2% in relation to the EBITDA in the first quarter of 2020. The EBITDA margin went from 21.8% in 2020 to 20.7% in 2021.



KEY BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	Q1 2021	Q1 2020	Var.
Revenue	340.8	405.8	-16.0%
EBITDA	70.6	88.4	-20.2%
EBITDA margin (%)	20.7%	21.8%	-1.1 p.p.
Depreciation, amortisation and impairment losses	(34.1)	(42.0)	18.8%
Provisions	(0.2)	(1.9)	91.2%
EBIT	36.2	44.5	-18.5%
EBIT margin (%)	10.6%	11.0%	-0.3 p.p.
Net financial results	(9.7)	(6.2)	-57.8%
Profit before taxes	26.5	38.3	-30.8%
Income taxes	(5.8)	(10.5)	44.8%
Net profit for the period	20.7	27.9	-25.5%
Attributable to Navigator shareholders	20.7	27.8	-25.5%
Attributable to non-controlling interests (NCI)	(0.0)	0.0	-169.3%
Cash flow	55.1	71.8	-23.3%
Free Cash Flow	56.4	14.9	278.6%
	31/03/2021	31/12/2020	
Equity (before NCI)	825.9	806.6	
Interest-bearing net debt	623.6	680.0	
Lease liabilities (IFRS 16)	53.3	53.1	
Total	676.9	733.1	

Note:

Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

KEY OPERATING INDICATORS

in 1 000 t	Q1 2021	Q1 2020	Var.
Pulp and Paper			
FOEX – BHKP Usd/t	782	680	15.0%
FOEX – BHKP Eur/t	650	616	5.5%
BEKP Sales (pulp)	79	83	-5.5%
FOEX – A4- BCopy Eur/t	809	864	-6.4%
UWF Sales (paper)	335	366	-8.4%
Tissue			
Total sales of tissue	27	26	3.6%

OVERVIEW OF PULP AND PAPER

In the first quarter of 2021, Navigator's revenue totalled 340.8 million euros, with paper sales accounting for around 70% of the revenue (vs. 72%), pulp sales 10% (vs. 9%), tissue sales 10% (vs. 9%), and energy sales 9% (vs. 10%). The start of the year was marked by further surges in Covid-19 case rates and periods of lockdown in most of Navigator key markets, while the pace of paper demand remained at the same level as in the fourth quarter of 2020. List prices for pulp also recovered strongly over the period and successive price increases were implemented; a number of price increments for paper were also announced.

Global demand for graphic papers dropped around 8% YTD March, with UWF paper falling 5%, faring better than coated papers (-8%) and mechanical papers (uncoated -12% and coated -18%). In Europe, demand for UWF paper in the first quarter had a similar evolution (-9%), improving during April, to YTD -4%, with apparent demand increasing 16% in April.

In the United States, demand for UWF paper in the first three months of the year fell around 14%. The demand evolution and a capacity reduction of around 15% enabled the recovery of the capacity utilisation rate, which increased from 83% in January to 88% in March.

It is important to note the difficult comparison with the performance in 2020, as this quarter was impacted by new surges in Covid-19 infections and the subsequent lockdowns, as well as the concentration of maintenance shutdowns, versus the first quarter 2020 where the economic impact of the pandemic was only felt towards the end of the quarter.

Navigator therefore decided to bring forward to the first quarter the annual maintenance shutdowns for the pulp mill and for paper machines at Figueira da Foz. Paper sales for the period amounted to 335 thousand tonnes, 8.4% less than in the first quarter of 2020.

In the quarter, Navigator recorded a decrease in paper stocks, which fell below the stock levels of December 2020, reflecting prudent cash flow management.

The A4 paper benchmark index in Europe adjusted downwards by 6.4% YoY to an average price of €809/t, compared to €864/t in the first quarter of 2020. The sales value of UWF was affected by the fall in paper price globally. Navigator's average sales price was also heavy hit by exchange rate developments in international markets, with its product and market mix reflecting the pandemic situation in Europe and the strong recovery in demand and prices in overseas markets, where sales were up in comparison with the same period last year.

After proving its resilience in 2020 (with short fibre increasing around 6%), the global pulp market showed a recovery in benchmark prices in 2021, with successive increases. The price in USD of hardwood pulp in China increased 46% in the first three months of the year (+USD 230/t) and 29% in Europe, increasing from USD 680/t to USD 876/t (+34% in euros, €191/t).

The price increase was driven by a wide range of factors, including macroeconomic and other sector-specific factors. Most noteworthy regarding the former are the various stimulus packages for the global economy and China's strong economic recovery, which fuelled the rise in commodity prices, and exchange rate developments (depreciation of the CNY and EUR against the US dollar), which drove up USD prices. With regard to sector-specific factors, of note was the significant recovery in demand for pulp, which started at the end of 2020, particularly in China, driven by the global increase in tissue consumption, strong demand for printing and writing paper, notably UWF paper and the demand for cardboard made from virgin fibre (Ivoryboard). Also of note is the significant price gap between long and short fibre, which had a positive effect on hardwood pulp prices, and the reduced availability of recycled fibre worldwide.

On the supply side, lower stocks in the value chain, several planned and unplanned production stoppages – with longer-than-usual maintenance shutdowns as a result of heavier pandemic-related restrictions – and the conversion of some short-fibre pulp capacity to dissolving pulp limited the amount of hardwood pulp available on the market. Logistic limitations were another major factor influencing pulp availability.

The aforementioned production shutdowns, which limited the amount of pulp available for sale, and the low stocks at the end of 2020 impacted Navigator's sales performance in the first quarter of 2021. As a result, only 79 thousand tonnes were sold, 5.5% less than in the first quarter of 2020 and 18.6% less than in the fourth quarter of 2020. The recovery of pulp prices since the beginning of the year helped mitigate the decrease in volumes, with sales in the first quarter standing at 2.1% above the YoY value and 6.4% below that of the previous quarter.

Sales in Europe increased compared to 2020, with growth in the Decor and UWF segment and a decline in tissue and speciality papers.

The tissue market was impacted by the travel restrictions imposed once again in the beginning of the year, with the Away-from-Home segment particularly affected by the delay in the reopening of the economy, and subsequent impact on the HoReCa channel, and in the return to on-site work. With progress in vaccination programmes and improved prospects for a return to some normalcy, the at-home segment also felt the effect of “pantry destocking” by families, especially when compared to the same period last year. It is now expected a gradual rebound in the Away-from-Home segment.

Nevertheless, Navigator continued to record good sales performance, building on the performance of the previous year, with sales volumes totalling 27 thousand tonnes, growing approximately 4% YoY and in line with that of the fourth quarter of 2020. The average sales price stood at 4% below the YoY price, due mainly to the increasing proportion of reels in the sales mix, with the sales price of finished products trended upwards. Sales in the quarter were in line with those of the first quarter of the previous year and 2.7% below sales recorded in the fourth quarter.

Energy sales in the first quarter of 2021 fell 22% compared to the same period last year.

This decrease was mainly the result of the following factors:

- the natural gas combined cycle power station in Setúbal switched to powering one of the paper machines, rather than supplying electricity to national grid, as a result of a breakdown in a transformer ;
- Maintenance stoppages at the Figueira da Foz pulp mill.

The natural gas combined cycle power station in Setúbal operating in self-consumption also made it possible to cut power purchases, which were down by 17% in the quarter in relation to the previous year.

A positive factor that is worthy of note is the start of operation of the new photovoltaic solar power plant in the Figueira da Foz industrial complex, in self-consumption mode. The plant has an installed capacity of approximately 2.6 MW and 7,700 photovoltaic solar panels, which will help avoid about 1,296 t CO₂/year. The Group now has a solar photovoltaic installed capacity of 5MW.

Variable production costs (at constant volumes) relating to wood, energy and chemicals evolved positively during the quarter, compared to the first quarter of 2020, due mainly to improved efficiency in specific consumption. Following on from 2020, efforts to contain fixed costs continued, with Navigator recording a decrease of 6 million euros compared to the first quarter of 2020 (-9%); functioning costs saw the most significant reduction (-22% YoY). Also of note is the positive trend in fixed costs compared to the fourth quarter of 2020, with a reduction of around 17%.

As a result, EBITDA for the quarter amounted to 70.6 million euros, compared to the 88.4 million euros recorded in the same period last year and the 75.1 million euros recorded in the last quarter of 2020. The EBITDA margin stood at 20.7% and compares with a 21.8% YoY and QoQ margin.

The financial results amounted to 9.7 million euros, a loss of 3.6 million euros vs. 6.2 million euros in the first quarter of 2020 (compared to 5.6 million euros in the 4th quarter of 2020). The loss is essentially due to the negative exchange rate effect of the financing of the subsidiary in Mozambique (-3.7 million euros) and the cancelling of the interest rate swap associated with a bond issue repaid in December 2020 (-1.5 million euros). Without these non-recurrent effects, the financial results would have improved by 1.6 million euros, as a result of the variation of 2.8 million euros in interest earned on financial investments, which in the period was slightly positive compared to the very negative figures obtained in the same period last year.

Net income attributable to Navigator shareholders in the first quarter of 2021 totalled 20.7 million euros (vs. 27.8 million euros over the same period in the previous year and vs. 31.2 million euros in the 4th quarter of 2020).

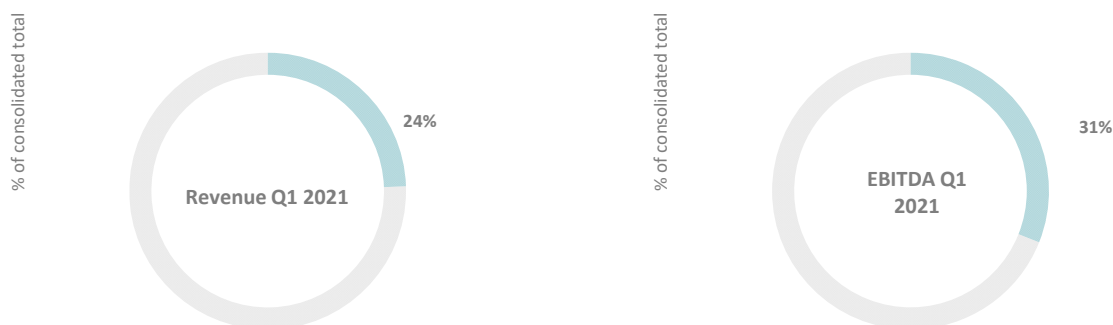
In the first quarter of 2021, Navigator had strong cash generation capacity: free cash flow generation amounted to 56 million euros, comparing favourably to the same period in 2020 (15 million euros). It is worth noting that Navigator's cash generation cycle is normally very contained in the first quarter. In the fourth quarter of 2020, free cash flow amounted to 63.1 million euros

Despite gradual resumption of activity – alongside slight increases in stock levels (mainly in the value of wood stocks) and clients – keeping working capital investment low was instrumental to this outcome. Effective management of working capital, combining careful supplier management with providing financial solutions to support the liquidity of our partners, continues to be a cornerstone of the company's free cash flow generation process.

An analysis of free cash flow generation in the past twelve months shows that Navigator generated an amount of around 275 million euros, the highest since 2013.

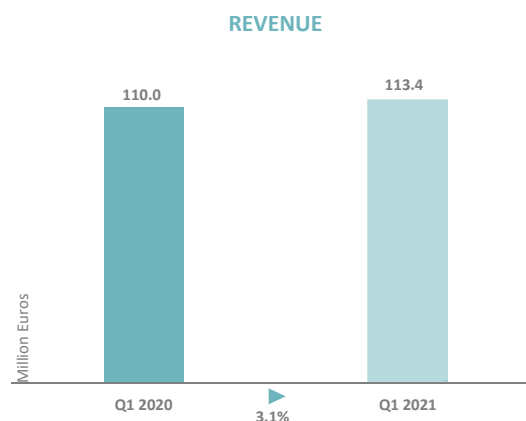
Investments made in the quarter amounted to 20.1 million euros (compared to the 22.7 million euros recorded in the first quarter of 2020 and the 10.9 million euros recorded in the last quarter of 2020). This amount is mainly made up of investments for the maintenance of production capacity and improved efficiency. It also includes an investment of 4.6 million euros in the environment business segment and around 3 million euros in other projects, including the new Aveiro chip pile and the solar photovoltaic power plants in Figueira da Foz (completed) and Setúbal (under construction).

2.3. CEMENT AND OTHER BUILDING MATERIALS BUSINESS AREA

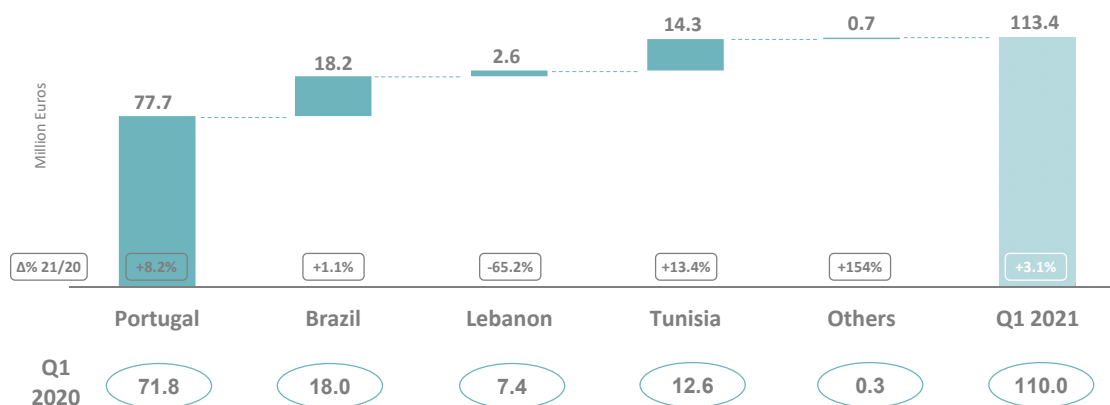


HIGHLIGHTS IN 2021 (VS. 2020)

- In 2021, Secil's accumulated revenue amounted to 113.4 million euros, 3.1% more than that in 2020, which translated into a 3.4 million euro increase.
- This growth is due mainly to the developments in the Portuguese, Brazilian and Tunisian markets, which offset the negative effects of sharp currency depreciation against the euro, particularly of the Brazilian real and the Lebanese pound. The effect of the exchange variation of the currencies in the different countries had a negative effect of about 26.8 million euros on Secil's revenue in the first quarter.

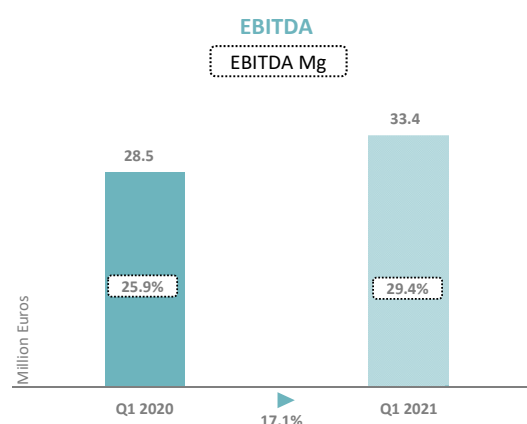


REVENUE BREAKDOWN BY COUNTRY

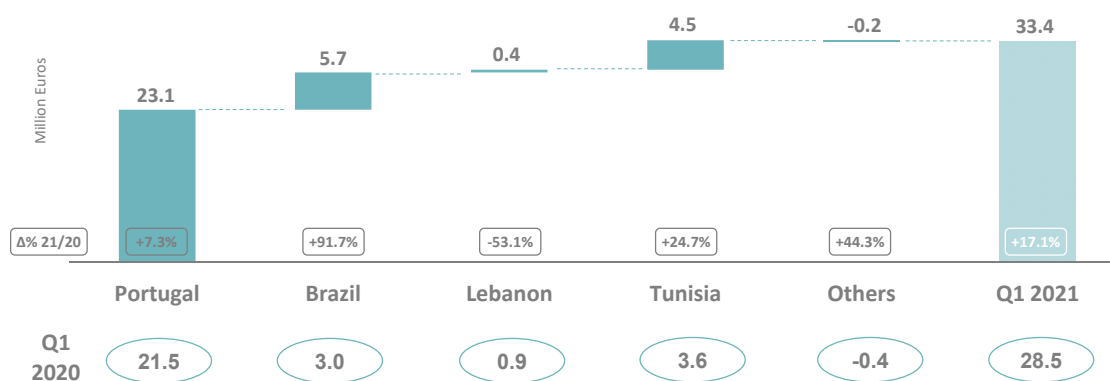


Note: Other includes Angola, Trading, Other and Eliminations. 2020 data was reclassified for the purpose of comparability.

- EBITDA reached 33.4 million euros, which corresponds to an increase of 4.9 million euros, compared to the previous year (+17.1%), as a result of the evolution in Portugal, Tunisia and Brazil.



EBITDA BREAKDOWN BY COUNTRY



Note: Other include Angola, Trading, Other and Eliminations. 2020 data was reclassified for the purpose of comparability.

Secil's net financial results improved significantly year on year, from -17.4 million euros to -6.9 million euros. The positive difference resulted essentially from a decrease in unfavourable exchange rate differences and gains with financial instruments that in 2020 were very impacted by the devaluation of the Brazilian real.

Net income attributable to Secil shareholders at the end of the first quarter of 2021 totalled 9.3 million euros vis-à-vis -2.5 million euros over the same period in the previous year.

Secil recorded an investment value of 3.5 million euros in the first quarter of 2021, reflecting a decrease in the value of the investment compared to the same period (8.9 million euros). Additionally, in the first quarter of 2020, Secil received 9.5 million euros arising from the disposals of financial holdings.

KEY BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	Q1 2021	Q1 2020	Var.
Revenue	113.4	110.0	3.1%
EBITDA	33.4	28.5	17.1%
EBITDA margin (%)	29.4%	25.9%	3.5 p.p.
Depreciation, amortisation and impairment losses	(12.2)	(14.2)	14.1%
Provisions	(0.1)	(0.4)	83.3%
EBIT	21.1	13.8	52.2%
EBIT margin (%)	18.6%	12.6%	6.0 p.p.
Net financial results	(6.9)	(17.4)	60.6%
Profit before taxes	14.2	(3.6)	497.5%
Income taxes	(5.5)	(0.3)	<-1000%
Net profit for the period	8.7	(3.9)	324.4%
Attributable to Secil shareholders	9.3	(2.5)	476.0%
Attributable to non-controlling interests (NCI)	(0.6)	(1.4)	59.1%
Cash flow	21.0	10.7	95.7%
Free Cash Flow	7.2	17.0	-57.7%
	31/03/2021	31/12/2020	
Equity (before NCI)	328.1	330.9	
Interest-bearing net debt	263.6	272.6	
Lease liabilities (IFRS 16)	29.8	25.2	
Total	293.4	297.8	

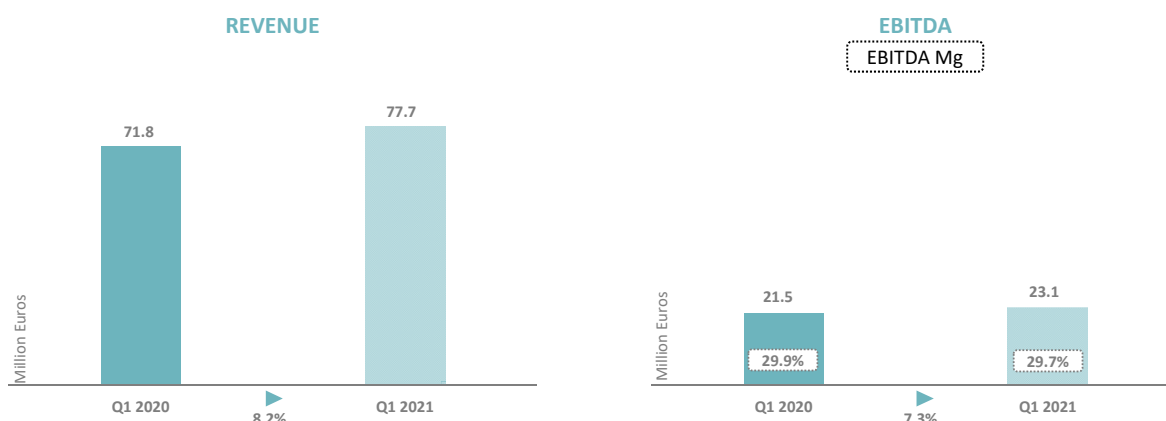
Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

KEY OPERATING INDICATORS

in 1 000 t	Q1 2021	Q1 2020	Var.
Annual cement production capacity	9,750	9,750	0.0%
Production			
Clinker	1,009	965	4.5%
Cement	1,222	1,098	11.3%
Sales			
Cement and Clinker			
Grey cement	1,222	1,139	7.3%
White cement	26	15	70.0%
Clinker	25	23	8.2%
Other Building Materials			
Aggregates	1,169	1,105	5.8%
Mortars	65	57	13.4%
in 1 000 m3			
Ready-mix	448	435	3.1%

Note: 2020 data was reclassified for the purpose of comparability.

PORTUGAL



Cement consumption in Portugal in the first quarter of 2021 was marked by miscellaneous year-on-year monthly variations, and it is estimated that in cumulative terms, the market grew about 12.4% compared the same period of the previous year.

Revenue of combined operations in Portugal stood at approximately 77.7 million euros in the first quarter of 2021, i.e. 8.2% more than in the same period in 2020.

The revenue of the Cement business unit in Portugal recorded 11.9% growth compared to the same period last year (+4.4 million euros), due to the combined effect of the increase in quantities sold, both in the domestic and international market, and the increase in respective average prices.

Revenue in the domestic market grew 6.7% compared to 2020, as a result of an increase in quantities sold driven by increased cement consumption.

Despite strong competition, due to surplus supply in Europe, the Mediterranean and West Africa, export revenue grew around 47% as a result of the increase in volumes and average sales price.

In the other business units with operations based in Portugal (Ready-mix concrete, Aggregates, Mortars and Precast), revenue in the first quarter of 2021 amounted to 36.7 million euros, up by 5.4% year on year.

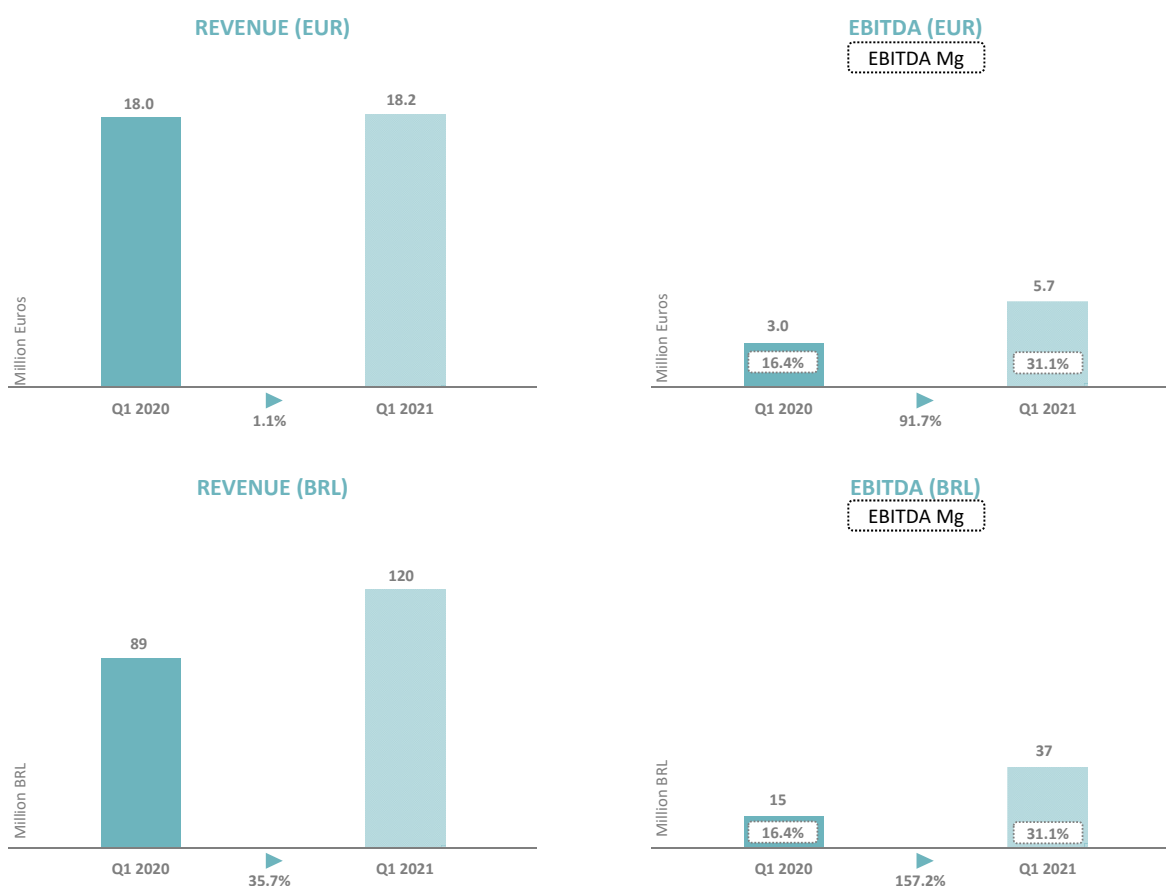
This growth took place in all areas of building materials, benefiting from greater building dynamics, although it was lower in the Concrete business unit, which recorded only 2% more in sales volume, as it was affected by the heavy rainfall in the first months of the year.

EBITDA of total operations in Portugal increased by 7.3%, standing at 23.1 million euros vs. 21.5 million euros recorded in the same period in the previous year.

The Cement business unit contributed the most to this positive evolution, accounting for a growth of 38% (+6.4 million euros) compared to the same period last year. It should be noted the rise in sales volumes on the domestic and international markets, together with the rise in average prices, and the reduction in maintenance fixed costs and the sale of surplus CO2 licenses amounted to 2.6 million euros more in sales year on year.

The building materials business units together accounted for a 6% reduction in EBITDA (-0.3 million euros). This evolution is mainly due to the poor performance of the Concrete business unit, particularly in the first two months of the year. Additionally, EBITDA of the first quarter of 2020 was positively affected by the capital gains on the sale of fixed assets (land) in the Pre-cast and Aggregates segment, which together represented 1.2 million euros.

BRAZIL



Note: Average exchange rate EUR-BRL 2020 = 4.9214 / Average exchange rate EUR-BRL 2021 = 6.6021

According to SNIC estimates (March 2021 preliminary results), cement consumption in Brazil increased 19% compared to the first quarter of 2020, which was significantly affected by the heavy rains and the onset of the pandemic.

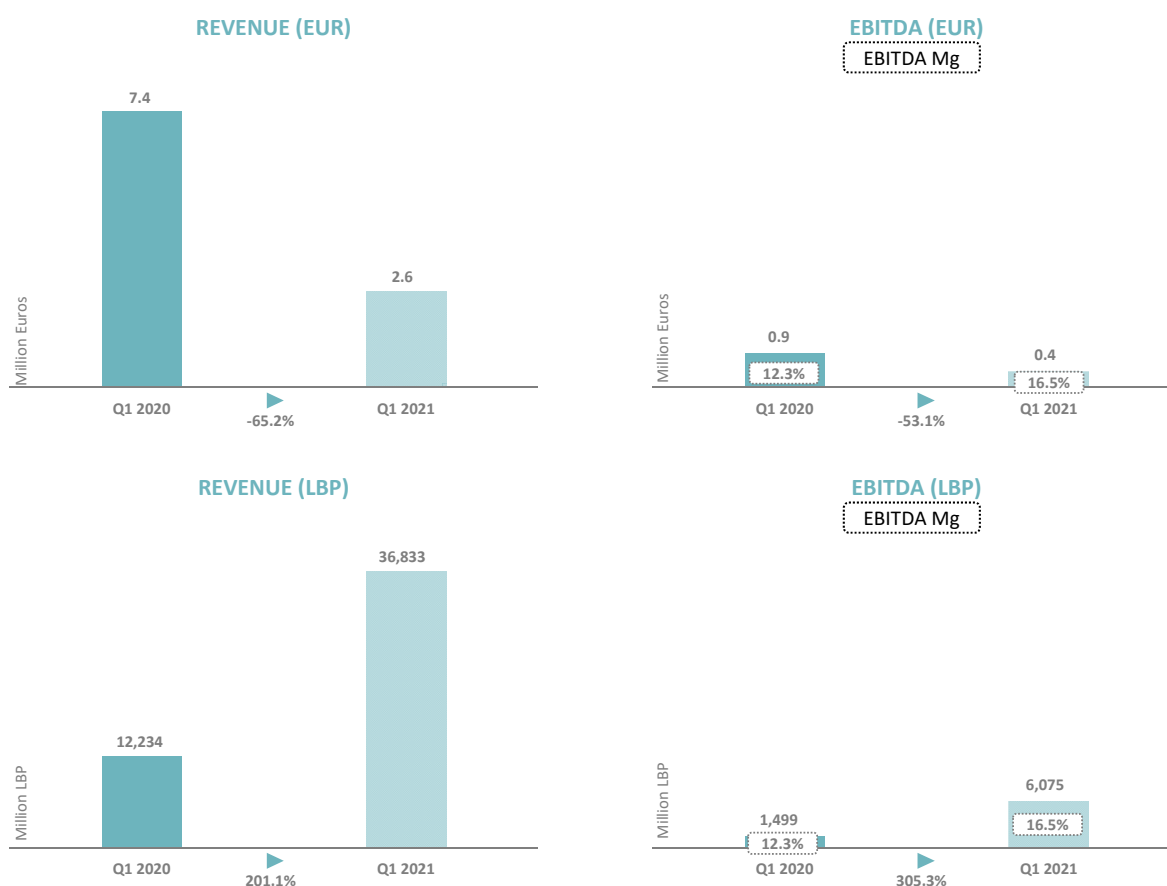
The main drivers of this performance continue to be favourable weather conditions and continued real estate and own construction works, which continue to play a key role in cement sales, despite the suspension of emergency aid since January.

In this context, the cement quantities sold were practically at the same level as those recorded in the same period, reflecting the fact that the Adrianópolis plant is operating close to its maximum capacity. On the other hand, average sales prices, in local currency, registered an expressive adjustment that practically accompanied the fall of the Brazilian real vs. the euro.

Thus, revenue of combined operations in the country stood at 18.2 million euros in the first quarter of 2021, up 1.1% on revenue recorded in the same period in 2020. However, discounting the effect of the depreciation of the Real against the Euro, with a negative impact of around 6.2 million euros, revenue would have been higher by 6.4 million euros (+35.7%).

The EBITDA of activities in Brazil totalled 5.7 million euros, which compares with 3.0 million euros recorded year on year, corresponding to a 91.7% increase. Excluding the very unfavourable exchange rate effect (-1.9 million euros), EBITDA would have increased by 157.2%, reflecting the good performance of commercial activity, which helped to offset the negative impact of higher variable production costs.

LEBANON



Note: Average exchange rate EUR-LBP 2020 = 1,662.3 / Average exchange rate EUR-LBP 2021 = 14,363.1

Lebanon is plunged in a serious social and economic-financial crisis. Despite the efforts made by political forces to stabilise the situation, the outbreak of the COVID-19 pandemic and the explosion in Beirut harbour in August 2020 further aggravated an already precarious situation. With the worsening and spread of the pandemic, Lebanese authorities once again imposed a 3-week lockdown in the country in January 2021, which had a negative impact on Secil's operations in the country.

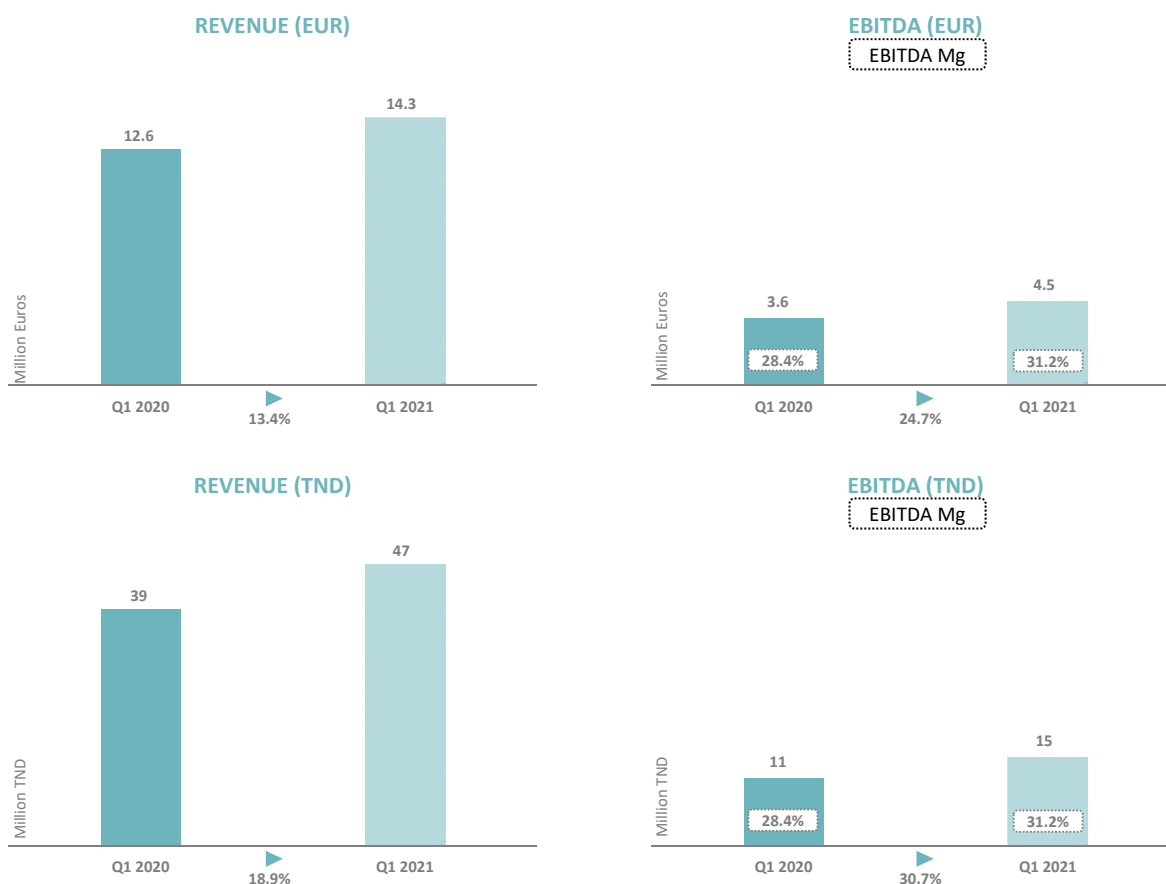
In this context, revenue of combined operations in Lebanon decreased 65.2%, compared to that recorded year on year, the revenue figure standing at only 2.6 million euros. This decline is due mainly to the sharp depreciation of the Lebanese pound, that negatively impacted revenue in 19.6 million euros. It should be noted that at the end of the quarter the Lebanese pound stood at a rate of 11,921.56 per 1 US dollar, compared to the 1,507.5 per 1 US dollar at the end of the first quarter last year.

Cement sales in the domestic market grew 63.2% compared to the same period in the previous year (already heavily impacted by the effects of the pandemic), with estimates projecting a 20% slump in the Lebanese cement market. Revenue showed a decrease of 63.1%, mainly due to the high exchange rate depreciation of the Lebanese pound, effect that was partially offset by the price increase in local currency.

Concrete revenue was also negatively affected by the depreciation of the Lebanese pound, decreasing 80.5% year on year. Concrete volumes sold decreased 35.7%, partially offset by the rise in average price in local currency.

EBITDA from operations in Lebanon stood at 0.4 million euros, down by 53.1% in relation to the first quarter of 2020. The decrease is mainly due to the impact of the exchange rate devaluation of the Lebanese pound recorded on purchases of goods and services in foreign currency, partially offset by the increase in average sales prices and measures to contain fixed costs.

TUNISIA



Note: Average exchange rate EUR-TND 2020 = 3.1280 / Average exchange rate EUR-TND 2021 = 3.2797

Tunisia is still facing significant challenges, including high foreign and fiscal deficits, rising debt and insufficient growth to reduce unemployment. Some social unrest and pressure from union claims continue. Fiscal deficit is reflected in public works and the real estate sector faces challenges due to difficulties in obtaining funding (in connection with the fragility of the banking sector), which impacts construction output.

With the worsening of the situation and spread of the pandemic, a 4-day lockdown was imposed in January, which had a negative impact on Secil's operations in the country.

However, the domestic cement market showed some signs of recovery, with an estimated growth of 27% compared to the same period in 2020 (heavily impacted by the onset of the pandemic), and continues to be highly competitive due to excess installed capacity.

Revenue for combined operations in Tunisia showed a positive year-on-year variation of 13.4%, totalling 14.3 million euros, negatively impacted by the depreciation of the Tunisian dinar against the euro

Revenue of the Cement business grew 12.8% to 13.4 million euros, reflecting of increase in cement sales in the domestic market (+17.9%), accompanied by the positive variation in average sales prices. In the external market, there was an increase in cement exports, offsetting the decline in clinker exports.

Concrete revenue presented a 20.2% increase in relation to the same period of the previous year, due to rise in volumes sold (+23.1%), and the positive variation in average selling price in local currency.

Subsequently, EBITDA from operations in Tunisia amounted to 4.5 million euros, which compared to the figure in the first quarter of 2020 represents an increase of 24.7%. The good commercial performance helped mitigate the negative effects of the increase in variable costs, particularly energy costs.

ANGOLA AND OTHERS

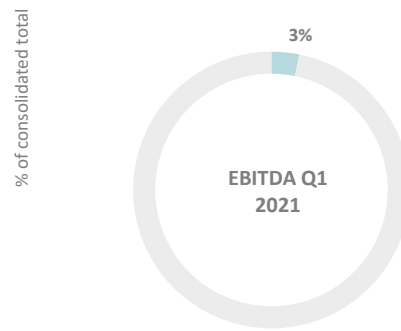
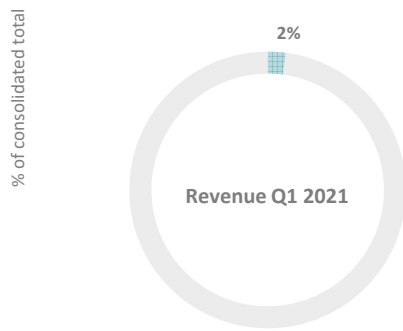
The efforts to contain the spread of the coronavirus may have contributed to the worsening of the economic situation, which had already been disrupted by the drop in oil prices since the beginning of 2020. It is estimated that, according to the latest figures available, the Angolan cement market was down by 6% compared to the first quarter of 2020.

The volume of cement sold by Secil fell 10.9% in comparison to the same period in the previous year. In a context of strong inflation and significant depreciation of the Kwanza vis-à-vis the Euro, Secil Lobito has been implementing a strict price policy that can help it tackle significant increase in costs, either expressed in the national currency and those arising from the necessary imports. Under these conditions, the price of cement in local currency increased by about 20% year on year, partially offsetting the fall in sales volumes.

Consequently, revenue totalled 0.8 million euros, i.e. 24.1% below that in the same period of the previous year, and was strongly affected by the currency depreciation, which produced a negative effect of 0.3million euros. Revenue would have been 5% higher, excluding the exchange rate effect.

EBITDA in the first quarter of 2021 amounted to a negative figure of 65 thousand euros, which despite all else, in contrast with the negative 430 thousand euros recorded over the same period in the previous year, is a significant improvement.

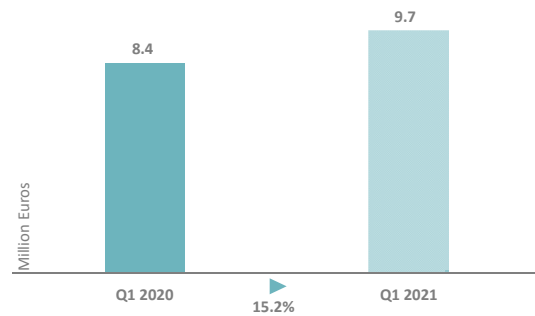
2.4. ENVIRONMENT BUSINESS AREA



HIGHLIGHTS IN 2021 (VS. 2020)

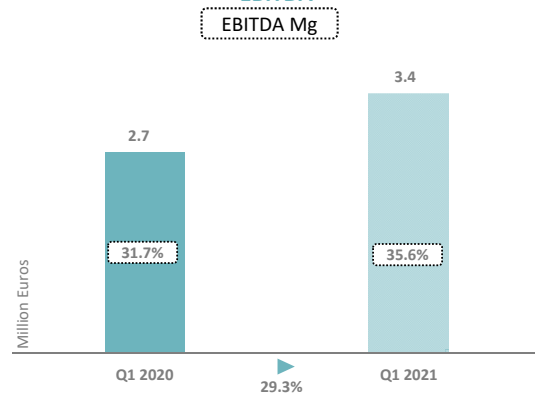
- ETSA recorded revenue of approximately 9.7 million euros in the first quarter of 2021, which represented an increase of approximately 15.2% year on year.

REVENUE



- EBITDA for ETSA totalled approximately 3.4 million euros in the first quarter of 2021, representing a growth of about 29.3% compared to the same period in 2020, essentially due to a higher revenue, which in turn reflects an improvement in fat and meal price conditions on the market and tightly managed costs under the main headings.

EBITDA



KEY BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	Q1 2021	Q1 2020	Var.
Revenue	9.7	8.4	15.2%
EBITDA	3.4	2.7	29.3%
EBITDA margin (%)	35.6%	31.7%	3.9 p.p.
Depreciation, amortisation and impairment losses	(0.8)	(0.8)	-5.2%
Provisions	-	-	-
EBIT	2.6	1.9	39.0%
EBIT margin (%)	27.2%	22.6%	4.7 p.p.
Net financial results	(0.0)	(0.1)	20.8%
Profit before taxes	2.6	1.8	41.0%
Income taxes	(0.6)	(0.4)	-41.6%
Net profit for the period	2.0	1.4	40.9%
Attributable to ETSA shareholders	2.0	1.4	40.9%
Attributable to non-controlling interests (NCI)	-	-	-
Cash flow	2.8	2.2	28.4%
Free Cash Flow	1.2	1.5	-18.4%
	31/03/2021	31/12/2020	
Equity (before NCI)	80.7	78.7	
Interest-bearing net debt	-1.7	-0.5	
Lease liabilities (IFRS 16)	1.8	1.9	
Total	0.1	1.4	

Note: Figures for business segment indicators may differ from those presented individually by each Group, as a result of consolidation adjustments.

KEY OPERATING INDICATORS

	Unit	Q1 2021	Q1 2020	Var.
Collection of raw materials - Animal waste (categories 1, 2 and 3)	1 000 t	30.4	30.8	-1.4%
Sales - Animal fats and used food oil	1 000 t	4.6	3.9	19.7%
Sales - Meal (categories 2 and 3)	1 000 t	6.1	5.8	5.1%

OVERVIEW OF THE ENVIRONMENT ACTIVITY

ETSA group recorded revenue of approximately 9.7 million euros in the first quarter of 2021, which represented an increase of approximately 15.2% year on year.

This variation was essentially due to a 25.2% increase in sales year on year, mostly as a result of (i) a 15.8% increase in sales volume of class 3 fats and increase in average price by around 10.5%, (ii) an increase of approximately 36.8% in the average sales price of class 3 meal, (iii) an increase of 13.6 % in the quantity of used cooking oil sold, along with a 17.3% increase in price, and (iv) a 49.7% increase in the quantity of class 1 fats sold, together with a 13.2% rise in price. In addition to (i) the increase in selling prices for Class 3 meal, essentially due to the increased price of substitute products such as soy meal, and ii) the increase in selling prices of Class 3 fat, essentially due to the increased price of substitute products such as soy oil and palm oil. As expected, these price increases, in turn, put pressure on sales costs, which increased by 9.5% over the same period last year.

Consolidated services rendered increased around 4.6%, mostly as a result of the 8.7% increase in amounts received from the services for collection of animals on farms.

EBITDA totalled approximately 3.4 million euros in the first quarter of 2021, representing a growth of about 29.3% in comparison with the same period of the previous year, essentially due to a higher revenue and tightly managed costs under the main headings. The EBITDA margin stood at 35.6%, up by around 3.9 p.p. over the margin for the same period of 2020.

Financial results improved by about 20.8% in relation to previous year, mostly due to the reduction in average debt.

The combined impact of these factors resulted in a Net Profit attributable to ETSA shareholders for the first quarter of 2021 of approximately 2.0 million euros, up by around 40.9% from the first quarter in the previous year.

ETSA recorded an investment value of 0.6 million euros in the first quarter of 2021.

2.5. VENTURE CAPITAL BUSINESS AREA

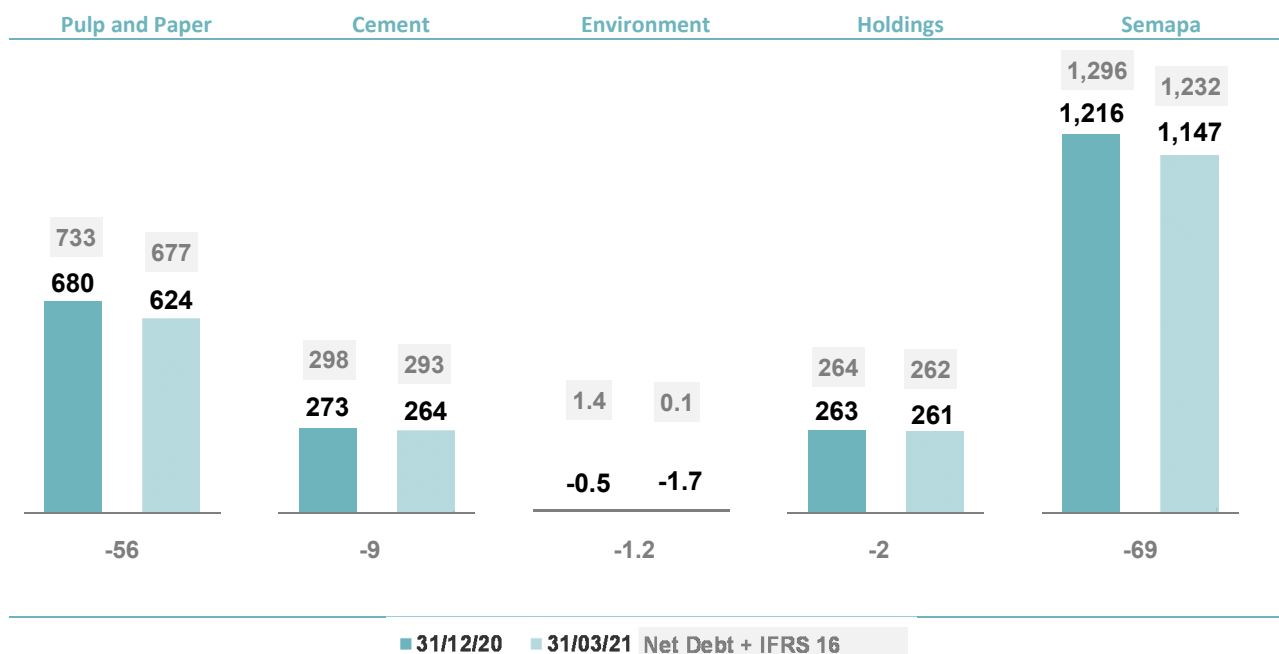
In the first quarter of 2021, Semapa Next committed to making two investments in venture capital funds, namely in Notion Capital and firstminute Capital, both based in the United Kingdom, one of the leading European tech hubs, and both with extensive venture capital activity in Europe. During April and May, the first capital calls were made in these funds and the company's position in the Alter Fund and Armilar funds was strengthened.

Semapa Next continued to monitor its investments (in funds and in companies) and analyse a number of opportunities for investment in European companies in the Series A and growth stages. Moreover, its partnership with Techstars has resulted in active participation in the Global Sustainability Challenge alongside Cargill, ABN AMBRO, Equinor, Temask and other multinationals.

3 SEMAPA GROUP – FINANCIAL AREA

3.1. INDEBTEDNESS

NET DEBT



On 31 March 2021, consolidated net debt stood at 1,146.8 million euros, representing a reduction of around 68.8 million euros over the figure ascertained at the close of 2020. Including the effect of IFRS 16, net debt would have been 1,231.9 million euros, 63.9 million euros below the figure at the end of 2020.

In the current context, the Group was still very focused on optimising cash flow, with particular emphasis on actively reducing costs and on optimising the working capital and Capex, which generated Free Cash Flow of 66.9 million euros (vs. 32.9 million euros over the same period in the previous year). The following are the changes in net debt compared to year-end 2020 by business area:

- Pulp and Paper: -56.4 million euros, arising from efficient working capital and capex management, including investments of about 20.1 million euros;
- Cement: -9.1 million euros, including investments of about 3.5 million euros and the depreciation of the Brazilian real with a positive effect of approximately 1.9 million euros;
- Environment: -1.2 million euros, in spite of the difficulty in collecting the amounts billed to the Government; and,
- Holdings: -2.1 million euros;

On 31 March 2020, total consolidated cash and equivalents amounted to 498.1 million euros, in addition to 734 million euros in contracted and unused credit lines for the Group, thus ensuring strong liquidity in the current context of uncertainty.

3.2. FINANCIAL RESULTS

In the first quarter of 2021 financial results amounted to a negative figure of 17.9 million euros, an improvement of 31.3% million euros in relation to the figure recorded in the same period in the previous year.

The following factors that affected the variation in the financial results stand out:

- Positive variation in unfavourable exchange rate differences, mainly due to the exchange rate losses in 2020 that were highly influenced by the depreciation of the Brazilian real in accounts receivable and payable in foreign currency for intra-group loans (-14.5 million euros compared to 0.8 million euros, in 2021). Gains from derivative instruments showed a positive variation of 2.5 million euros year on year (vs. 12.5 in 2020) due to the effect of derivatives associated with Secil loans in Brazil;
- The negative exchange rate effect of the financing of the Navigator subsidiary in Mozambique (-3.7 million euros) and the cancelling of the interest rate swap associated with a Navigator bond issue repaid in December 2020 (-1.5 million euros).

3.3. NET PROFIT

Net profit attributable to Semapa shareholders was 25.4 million euros, which represents an increase of 8.2 million euros compared to the same period in the previous year, due essentially to the combined effect of the following factors:

- Reduction in EBITDA of 11.7 million euros: an improvement in EBITDA from Cement and Other Building Materials (+4.9 million euros) and Environment (+0.8 million euros), which did not manage to offset the reduction of 17.8 million euros in the Pulp and Paper segment;
- Reduction in depreciation, amortisation and impairment losses of 9.9 million euros;
- Reduction in net provisions of 2.1 million euros;
- Improvement in net financial results by about 8.1 million euros, reflecting in particular the less negative exchange rate effects on Secil (Brazilian real);
- An increase in income taxes of approximately 1.5 million euros.

4 OUTLOOK

According to the IMF's World Economic Outlook (WEO), published in April 2021, global GDP is expected to grow 6% in 2021 and 4.4% in 2022, whereas GDP in the euro area is forecast to contract by 4.4% in 2021 and grow 3.8% in 2022. For Portugal, GDP is expected to grow 3.9% in 2021 and 4.8% in 2022. Projected levels of inflation are 0.9% and 1.2% in 2021 and 2022, respectively.

The Bank of Portugal (Projections for the Portuguese economy – March 2021) estimates that Portuguese economic growth in 2021 will be 3.9%, assuming that the restriction measures from the pandemic are gradually relaxed from the second quarter of 2021 onwards. In 2022, GDP is expected to increase 5.2%, above IMF forecast.

The start of vaccinations has boosted confidence in economic recovery, driven also by the continued favourable monetary and budgetary policy. The monetary, fiscal and prudential policies that were decisive in mitigating the effects of the pandemic will continue to be paramount for the recovery dynamics of the economies.

PULP AND PAPER

As the economy recovers and the vaccination programme is implemented, conditions in the pulp, paper and tissue sectors are expected to remain generally positive.

The pulp price remaining at current levels in all regions supports gradual increases in the price of paper. On the supply side, some of the constraints observed in the first quarter will continue, in particular the continued high levels of maritime freights, along with delays in the logistics chain, temporarily limiting the presence of competitors from other countries in Europe and in Navigator's key markets. A reduction in capacity of between 1.8 and 2.1 million tonnes in the US between 2019 and 2021 (26% of installed capacity in the US) and other announced closures in Europe, which will decrease Europe's capacity by around 8%, are having a positive impact on the balance between paper supply and demand.

In the pulp market, and following strong growth in recent months, a moderate rise in price is expected, with some stability in China and an increase in Europe, narrowing the price gap between regions.

In tissue, the rise in pulp price and other production factors are putting pressure on manufacturers' margins. In February, Navigator announced to the market that price increases between 6 and 8% would be implemented for its tissue products as from April, and a number of other producers have also announced price increases for the second quarter. These increases are currently under way.

Navigator will continue to take action on the variables it is able to control, particularly in the management of its fixed and variable costs and expects to achieve around 80% of the savings in operating costs recorded between 2019 and 2020, and to implement its investment plan and sustainability projects.

To tackle the challenges and leverage the opportunities of the next decade, Navigator has defined a responsible business management policy in its 2030 Agenda for creating sustainable value, aimed at making a positive contribution to sustainable growth in a constantly changing world.

CEMENT AND OTHER BUILDING MATERIALS

For Portugal, the previously mentioned Bank of Portugal publication points out the challenges facing the Portuguese economy in the coming years stemming from the increase in public and private sector debt levels and credit risk, highlighting the key role of national and supranational policies in the recovery and resilience of the national economy. Industrial activity has been more resilient and, so, a faster recovery is expected.

Construction industry and business associations AICCOPN and AECOPS expect "activity in the construction sector to remain positive, with real growth forecast at a rate of 2.2%". The Gross Value of Production in the segment of residential construction is expected to slow down, essentially due to a high level of uncertainty that may lead to a slowdown in investments already expected, as well as the impact of the reduction in the licencing of works in the municipalities. Public investment is likely to grow dynamically, as it will benefit from the European funds to be received.

According to the World Economic Outlook Update (WEO), published in April 2021, the IMF expects the Brazilian economy to recover 3.7% in 2021 and 2.6% in 2022. Projected levels of inflation are 4.6% and 4.0% in 2021 and 2022.

In Lebanon, the political and economic environment is highly uncertain since the last quarter of 2019, leaving the country plunged in a serious economic and social crisis. The measures implemented to contain the pandemic, which brought the country to almost a complete halt, and the explosion in the Beirut harbour only made matters worse.

Displaying one of the World's highest foreign debts, the country announced in March 2020 its first default after several months of declining foreign currency reserves and a strong depreciation of the Lebanese pound in the parallel market. Negotiations with the IMF have been going on since May 2020 following the request for external assistance, but no agreement has been reached so far.

According to the latest IMF estimates (World Economic Outlook, IMF April 2021) the Lebanese economy is expected to have contracted around 25.0% in 2020, with the inflation rate standing at 88.2%. No estimates were provided for 2021-26 given the high level of uncertainty.

With regard to Tunisia, the most recent forecasts published by the IMF (World Economic Outlook, IMF April 2021) expect the GDP growth of 3.8% in 2021 and of 2.4% in 2022. Projected levels of inflation are 5.8% and 6.3% in 2021 and 2022, respectively.

Tunisia was already in financial hardship and social instability, and the pandemic has increased uncertainty as to the country's progress.

The outlook for Angola (World Economic Outlook, IMF April 2021) hints at a recovery of 0.4%, in 2021 followed by a 2.4% growth in 2022. Projected levels of inflation are 22.3% and 13.1% in 2021 and 2022, respectively.

The efforts to contain the spread of the coronavirus may have contributed to the worsening of the economic situation, which had already been disrupted by the drop in oil prices since the beginning of the year.

ENVIRONMENT

The crisis caused by the COVID-19 pandemic has significantly altered the economic landscape in Portugal, as in Europe and the rest of the world, with consequences difficult to predict in several markets. However, one can say that the food market where the ETSA group operates, given its nature, is less affected by the health crisis when compared to other sectors of activity.

With the vaccination plan currently underway, all indications are that 2021 will be a year of economic recovery in Portugal, but this does not mean that the country will soon regain its pre-pandemic economy. In this regard, the awaited recovery of the purchasing power of the Portuguese over the course of 2021 would likely result in a slight increase in the volumes of raw material collected and therefore in the amount of finished products sold. On the other hand, it is expected that the maintenance of high prices for soy flour and soy and palm oils will continue to put pressure on the prices of the raw materials to be purchased.

The current crisis also presents several short term opportunities that include: (i) concentrating on the horizontal expansion of its production and destination markets (exports accounted for around 52.2% of total sales on 31 March 2020), (ii) identifying new opportunities for vertical growth, channelling its investments to improving operational efficiency, extracting maximum value from the channels operated and retaining the loyalty of the main conventional and alternative collection centres, and (iii) focus on sustained innovation and research and development addressed at ensuring new profit thresholds for the business.

VENTURE CAPITAL

Semapa Next will continue to monitor its investment portfolio to add value to the companies and funds it invests in, and to make more direct investments in startups and investment funds in 2021. Moreover, and in partnership with Techstars, Semapa Next will participate in new Global Business Challenges to identify targets for investment with high growth potential, particularly in Europe.

5 EVENTS AFTER THE REPORTING PERIOD

DIVIDENDS

- As approved by the Shareholders' General Meeting held on 30 April 2021, Semapa paid dividends on 11 May 2021 of €0.512 per share, corresponding to a total amount of 40.9 million euros.
- As approved by the Shareholders' General Meeting held on 11 May 2021, Navigator paid dividends on 25 May 2021 of €0.14 per share, corresponding to a total amount of 99.6 million euros.

GENERAL AND VOLUNTARY PUBLIC ACQUISITION OFFER OF SEMAPA SHARES BY SODIM

According to the Preliminary Announcement published on Semapa's website, Sodim, SGPS, S.A. launched on 18 February 2021 a voluntary and general public acquisition offer ("Offer") on Semapa shares.

Sodim, the controlling shareholder of Semapa, at the time, held, directly and indirectly, 71.906% of Semapa's share capital and 73.167% of Semapa's voting rights. Through this Offer, Sodim intends to acquire the remaining shares issued by Semapa (which are validly accepted and which are not held by Sodim or Cimo - Gestão de Participações, SGPS, S.A.).

The Offer was registered with the Portuguese Securities Market Commission ("CMVM") on 26 April 2021. Following notification of the analysis of Sodim's consideration under the Offer, on 6 April, the price per share under the Offer is €11.66 in cash, corresponding to the consideration of €12.17 per share in the Offer, minus the dividend already paid of €0.512 per share, under the terms of the Offer's prospectus.

It is a success condition of the Offer that Sodim must hold, as a result of the Offer, a minimum of 90% of Semapa's voting rights. Sodim may decide, at its own discretion, to waive the described success requirement on the day the results of the Offer are known.

Thus, should Sodim decide to maintain the condition for success until the end of the Offer and it is not met, all acceptance orders issued during the Offer will not be executed and the shareholders will not be able to sell their shares in the Offer.

We also note that, in legal terms, Sodim is not prohibited from purchasing Semapa shares on the market since the date of the preliminary announcement publication and until the conclusion of the Offer.

Semapa's Board of Directors issued a report on the opportunity and terms and conditions of the Offer on 5 March 2021 and on 6 April 2021, after Sodim revised the consideration under the Offer.

During May, Sodim made several announcements to the market regarding the increase of its stake in the capital of Semapa through the acquisition of a total of 889,982 shares representing 1.1% of its share capital and voting rights.

Following notice of the extension of the Offer period on 25 May 2021, the relevant deadlines to be considered by the Semapa shareholders are as follows:

- Final date for revoking acceptance orders: 1 June 2021;
- End of the Offer period: 4 June 2021;
- Assessment of Offer results: 7 June 2021;
- Physical and financial settlement of the Offer: 9 June 2021.

Lisbon, 31 May 2021

BOARD OF DIRECTORS

CHAIRMAN:

JOSÉ ANTÔNIO DO PRADO FAY

MEMBERS:

JOÃO NUNO DE SOTTOMAYOR PINTO DE CASTELLO BRANCO

RICARDO MIGUEL DOS SANTOS PACHECO PIRES

VÍTOR PAULO PARANHOS PEREIRA

ANTÓNIO PEDRO DE CARVALHO VIANA BAPTISTA

CARLOS EDUARDO COELHO ALVES

FILIPA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

FRANCISCO JOSÉ MELO E CASTRO GUEDES

LUA MÓNICA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

MAFALDA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

VÍTOR MANUEL GALVÃO ROCHA NOVAIS GONÇALVES

1.5 MAIN ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the use of estimates and judgements that affect the amounts of income, expenses, assets, liabilities, and disclosures at the date of the consolidated financial position. To that end, the Board's estimates and judgements are based on:

- the best information and knowledge of current events and in certain cases on the reports of independent experts, and
- the actions that the Group considers it may have to take in the future.

On the date on which the operations are realised, the outcome could differ from those estimates.

MAIN ESTIMATES AND JUDGEMENTS

Estimates and judgements	Notes
Recoverability of goodwill and brands	3.1 – Goodwill 3.2 – Intangible assets
Uncertainty over Income Tax Treatments	6.1 – Income tax for the period 6.2 – Deferred taxes
Actuarial assumptions	7.2 – Employee benefits
Fair value of biological assets	3.5 – Biological assets
Recognition of provisions	9.1 – Provisions
Recoverability, useful life and depreciation of property, plant and equipment	3.3 – Property, plant and equipment

2 OPERATIONAL PERFORMANCE

2.1 REVENUE AND SEGMENT REPORTING

When aggregating the Group's operating segments, the Board of Directors defined as reportable segments those that correspond to each of the business areas developed by the Group:

PULP AND PAPER

The Navigator Group's main business is the production and sale of writing and printing thin paper (UWF) and domestic consumption paper (Tissue), and it is present in the whole value added chain, from research and development of forestry and agricultural production, to the purchase and sale of wood and the production and sale of bleached eucalyptus kraft pulp – BEKP – and electric and thermal energy, as well as its commercialisation.

The Navigator Group has four industrial plants. BEKP, energy and UWF paper are produced in two plants located in Figueira da Foz and Setúbal. It also has another plant located in Aveiro where it produces BEKP pulp, energy and tissue paper, and another in Vila Velha de Ródão where it only produces tissue paper.

Wood and cork are produced from woodlands owned or leased by the Group in Portugal and Spain, and also from granted lands in Mozambique. The production of cork and pine wood are sold to third parties while the eucalyptus wood is mainly consumed in the production of BEKP.

A significant portion of the Group's own BEKP production is consumed in the production of UWF and tissue paper in Aveiro. Sales of BEKP, UWF and tissue paper are made to more than 130 countries and territories around the world.

Energy, heat, and electricity are mainly produced from biofuels in three cogeneration plants. Heat production is used for internal consumption while electricity is sold to the national energy grid. The Navigator Group also owns another two cogeneration units using natural gas, integrated in the production of paper in Figueira da Foz and in Setúbal, and two separate units using biofuel.

CEMENT AND DERIVATIVES

The Cement and derivatives segment is led by Secil – Companhia Geral de Cal e Cimento, S.A., which has a strong presence in the cement industry, being a business group with several operations in Portugal and in several countries around the world (Secil Group).

The main product marketed by the Secil Group is cement. The sale of ready-mixed concrete, aggregates, mortars and precast concrete constitutes a verticalisation of the cement segment allowing the Group to obtain synergies.

in the first quarter of 2020 refers to licenses allocated in 2019 at a price much higher than that verified in the allocation of 2020, these being the licenses consumed in the first quarter of 2021.

Additionally, in the first quarter of 2021, 80,000 tons of CO₂ licenses were sold for an amount of Euro 2,894,320.

In the first three months of 2020, the item Gains on the sale of non-current assets includes Euro 6.2 million corresponding to the capital gains recorded by the subsidiary Secil with the sale of: 1) 25% of the associate Setefrete (Euro 4.9 million) and 2) 50% of the subsidiary Allmicroalgae (Euro 1.2 million).

2.3 OTHER OPERATING EXPENSES

In the first three months of 2021 and 2020, Other operating expenses is detailed as follows:

Amounts in Euro	Note	Q1 2021	Q1 2020
Cost of goods sold and materials consumed		177,480,098	208,822,952
Variation in production		(1,718,992)	(5,219,641)
Supplies and services			
Energy and fluids		37,890,207	44,478,383
Inventory transportation		39,110,252	42,713,654
Specialised work		20,809,641	24,588,993
Maintenance and repair		9,576,904	13,758,103
Fees		1,262,392	1,400,491
Insurance		2,579,658	5,103,512
Subcontracts		378,700	413,453
Other		12,695,167	15,542,503
		124,302,921	147,999,092
Payroll costs	7.1	57,250,067	60,068,970
Other operating expenses			
Membership fees		371,263	487,549
Donations		210,986	255,459
Cost with CO ₂ emission allowances		11,748,861	22,676,482
Impairment on receivables		133,074	1,003,037
Impairment losses on inventories	4.1	659,393	(1,624,999)
Other losses on inventories		1,794,002	178,427
Indirect taxes		1,158,918	1,841,703
Losses on disposal of non-current assets		(124,963)	93,689
Other operating costs		1,093,209	1,253,333
		17,044,743	26,164,680
Net provisions	9.1	240,154	2,324,274
Total operating expenses		374,598,991	440,160,327

In order to mitigate the expected drop in income resulting from the reduction in turnover due to the pandemic, the Group implemented several cost reduction measures, which explains the reduction in Supplies and services.

The item Impairment on inventories (presented at net value) includes, in 2020, reversals resulting essentially from sales of UWF and Tissue paper waste by the Navigator subsidiary.

3 INVESTMENTS

3.1 GOODWILL

GOODWILL – NET AMOUNT

Goodwill is attributed to the Group's cash generating units (CGU's) that correspond to the operating segments identified in [Note 2.1](#), as follows:

Amounts in Euro	31/03/2021	31/12/2020
Pulp and paper	122,907,528	122,907,528
Cement and derivatives	170,206,064	171,816,466
Environment	36,422,934	36,422,934
	329,536,526	331,146,928

MOVEMENTS IN THE PERIOD

Amounts in Euro	31/03/2021	31/12/2020
Net amount at the beginning of the period	331,146,928	345,172,676
Exchange rate adjustment	(1,610,402)	(14,025,748)
Net amount at the end of the period	329,536,526	331,146,928

3.2 INTANGIBLE ASSETS

MOVEMENTS IN INTANGIBLE ASSETS

Amounts in Euro	Brands	Industrial property and other rights	CO ₂ emission allowances	Assets in progress	Total
Gross value					
Balance as at 1 January 2020	278,671,558	23,830	61,732,182	295,052	340,722,622
Acquisitions / attributions	-	4,335	64,911,624	1,790,877	66,706,836
Disposals	-	-	(29,741,191)	-	(29,741,191)
Adjustments, transfers and write-offs	-	-	(29,972,395)	339,470	(29,632,925)
Exchange rate adjustment	(8,550,291)	-	-	-	(8,550,291)
Balance as at 31 December 2020	270,121,267	28,165	66,930,220	2,425,399	339,505,051
Acquisitions / attributions	-	-	23,479,186	810,620	24,289,806
Disposals	-	-	(1,801,600)	-	(1,801,600)
Exchange rate adjustment	(2,006,451)	-	-	-	(2,006,451)
Balance as at 31 March 2021	268,114,816	28,165	88,607,806	3,236,019	359,986,806
Accumulated amortisation and impairment losses					
Balance as at 1 January 2020	(28,768,601)	(13,628)	(1,782,394)	-	(30,564,623)
Amortisation for the period	(15,381)	(4,473)	1,782,394	-	1,762,540
Exchange rate adjustment	2,442,528	-	-	-	2,442,528
Balance as at 31 December 2020	(26,341,454)	(18,101)	-	-	(26,359,555)
Amortisation for the period	(2,466)	(1,157)	-	-	(3,623)
Exchange rate adjustment	1,340,218	-	-	-	1,340,218
Balance as at 31 March 2021	(25,003,702)	(19,258)	-	-	(25,022,960)
Net book value as at 1 January 2020	249,902,957	10,202	59,949,788	295,052	310,157,999
Net book value as at 31 December 2020	243,779,813	10,064	66,930,220	2,425,399	313,145,496
Net book value as at 31 March 2021	243,111,114	8,907	88,607,806	3,236,019	334,963,846

3.4 DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

In the first three months of 2021 and 2020, Depreciation, amortisation and impairment losses were detailed as follows:

Amounts in Euro	Note	Q1 2021	Q1 2020
Depreciation of property, plant and equipment for the period	3.3	44,449,907	56,886,224
Investment grants charge-off		(1,134,326)	(3,124,626)
Depreciation of property, plant and equipment, net of subsidies charged-off		43,315,581	53,761,598
Impairment in property, plant and equipment - losses		-	(67,298)
Impairment in property, plant and equipment - reversals		(111,263)	(3,681)
Impairment in property, plant and equipment for the period	3.3	(111,263)	(70,979)
Amortisation in intangible assets for the period	3.2	3,623	4,452
Depreciation of right-of-use assets for the period		4,262,281	3,696,672
Depreciation of investment properties		191	191
Impairment losses on investment properties		412	412
ICMS - Value-added tax on goods and services included in depreciation (Brazil)		(255,351)	(300,730)
		47,215,474	57,091,616

3.5 BIOLOGICAL ASSETS

MOVEMENTS IN BIOLOGICAL ASSETS

Amounts in Euro	31/03/2021	31/12/2020
Opening balance	148,584,452	131,769,841
Variation		
Logging	(6,141,105)	(7,542,280)
Growth	912,687	598,701
New plantations	1,104,030	1,075,110
Other changes in fair value	3,037,379	3,592,434
Total variation	(1,087,009)	(2,276,035)
Closing balance	147,497,443	129,493,806
Remaining quarters	-	19,090,646
Closing balance	147,497,443	148,584,452

The amounts shown as “Other changes in fair value” correspond to actual costs of forest asset management foreseen and incurred in the period:

Amounts in Euro	31/03/2021	31/12/2020
Costs of assets management		
Forestry	860,197	719,246
Structure	307,074	857,567
Fixed and variable rents	2,863,971	2,015,621
	4,031,242	3,592,434
Changes in other species	110,166	-
Other expectation changes	(1,104,029)	-
	(993,863)	-
	3,037,379	3,592,434

INVENTORIES – GEOGRAPHIC LOCATION

Amounts in Euro	31/03/2021	%	31/12/2020	%
Pulp and paper				
Portugal	157,373,550	87.1%	151,157,200	85.5%
Rest of Europe	10,399,163	5.8%	10,675,568	6.0%
America	12,819,956	7.1%	14,902,369	8.4%
	180,592,669	100.0%	176,735,137	100.0%
Cement and derivatives				
Portugal	30,040,005	51.0%	29,328,910	50.0%
Rest of Europe	2,122,301	3.6%	2,374,773	4.0%
America	6,022,237	10.2%	6,964,793	11.9%
Africa	18,612,429	31.6%	17,251,056	29.4%
Asia	2,119,284	3.6%	2,766,287	4.7%
	58,916,256	100.0%	58,685,819	100.0%
Environment - Portugal	693,485	100.0%	1,123,010	100.0%
	240,202,410		236,543,966	

4.2 RECEIVABLES AND OTHER CURRENT ASSETS

As of 31 March 2021 and 31 December 2020, Receivables and other current and non-current assets were as follows:

Amounts in Euro	31/03/2021			31/12/2020		
	Non-current	Current	Total	Non-current	Current	Total
Trade receivables						
Pulp and paper segment	-	150,902,762	150,902,762	-	133,591,397	133,591,397
Cement and derivatives segment	-	59,208,922	59,208,922	-	49,602,293	49,602,293
Environment segment	-	15,685,851	15,685,851	-	12,917,744	12,917,744
	-	225,797,535	225,797,535	-	196,111,434	196,111,434
Receivables - Related parties						
State	-	1,643,661	1,643,661	-	946,445	946,445
Department of Commerce (USA)	-	47,433,446	47,433,446	-	59,271,883	59,271,883
Enviva Pellets Greenwood, LLC (USA)	771,365	4,426,566	5,197,931	3,245,517	6,608,333	9,853,850
Accrued income	29,918,559	2,132,196	32,050,755	30,747,820	2,747,317	33,495,137
Deferred expense	-	12,437,425	12,437,425	-	18,451,205	18,451,205
Derivative financial instruments	-	21,359,208	21,359,208	-	12,133,566	12,133,566
Other	-	2,870,275	2,870,275	-	7,331,771	7,331,771
	3,218,108	38,450,547	41,668,655	3,200,923	28,252,810	31,453,733
	33,908,032	356,550,859	390,458,891	37,194,260	331,854,764	369,049,024

Department of Commerce (USA)

As of 31 March 2021 and 31 December 2020, the balance corresponds to the amount receivable from the Department of Commerce (DoC) following the investigation initiated in 2015 of alleged dumping practices in exports of UWF paper to the United States by the subsidiary Navigator.

The final rate for the review period from August 2015 to February 2017 (first review period) was set at 1.63%. The amount to be repaid by the DoC after setting the final rate was Euro 20,620,864, of which Euro 14,012,531 was received in 2020, plus the corresponding interest. During the first quarter of 2021 the remainder was received.

With regard to the second review period, from March 2018 to February 2019, Navigator was reimbursed during the first half of 2020 the corresponding amount of Euro 4,055,993, corresponding to the rate set at 4.37%.

In January 2021, the Department of Commerce confirmed the final rate to be applied for the third period of review from March 2019 to February 2020 at 6.75%. The final rate remained unchanged from the preliminary rate at 6.75%, so that the Group will receive around Euro 4.4 million for the difference between the deposits made and the final rate payable.

Regarding the fourth and fifth periods of review, it is estimated that the Group will have to settle amounts to the DoC, which are reflected in the caption Payables and other current liabilities - Note 4.3.

The non-current receivable corresponds to the estimate of receivables from the sixth period of review that started on 1 March 2021

Enviva Pellets Greenwood, LLC (USA)

Reflects the present value of the amount still to be received from the sale of the pellet business by Navigator.

The nominal receivable shall bear interest at the rate of 2.5%.

As of 31 March 2021 and 31 December 2020, State is detailed as follows:

Amonts in Euro	31/03/2021	31/12/2020
Value added tax - recoverable	11,597,087	17,727,119
Value added tax - reimbursement requests	22,858,626	27,006,418
Tax on Goods and Services ((ICMS)	1,261,916	1,381,325
Tax on Industrialised Products (IPI)	578,584	515,339
Social Security Financing Contribution (COFINS)	1,184,017	1,635,279
PIS and COFINS credit on fixed assets	7,506,043	8,117,401
Other taxes	163,361	605,190
Amounts pending reimbursement (tax proceedings favourable to the Group)	2,283,812	2,283,812
	47,433,446	59,271,883

As of 31 March 2021 and 31 December 2020, Accrued income and deferred costs were detailed as follows:

Amonts in Euro	31/03/2021	31/12/2020
Accrued income		
Energy sales	9,761,809	12,314,111
Compensation receivable	1,282,965	2,982,965
Other	1,392,651	3,154,128
	12,437,425	18,451,204
Deferred expense		
Insurance	9,222,560	421,201
Rentals	7,587,318	7,209,419
Other	4,549,330	4,502,946
	21,359,208	12,133,566
	33,796,633	30,584,770

4.3 PAYABLES AND OTHER CURRENT LIABILITIES

As of 31 March 2021 and 31 December 2020, Payables and other current liabilities were detailed as follows:

Amounts in Euro	Note	31/03/2021	31/12/2020
Trade payables		271,134,062	237,879,202
Trade payables - Property, plant and equipment		5,053,802	5,629,661
State		62,578,438	59,806,065
<i>Instituto do Ambiente</i>		60,676,732	48,927,954
Related parties	10.4	626,853	859,487
Other creditors		6,164,241	3,104,168
Derivative financial instruments	8.1	13,547,561	6,404,465
Accrued expenses - payroll costs		44,174,730	38,682,709
Other accrued expenses		51,271,314	58,013,473
Non-repayable grants		45,937,789	44,105,976
Other deferred income - ISP		401,166	401,166
Payables and other liabilities - Current		561,566,688	503,814,326
Non-repayable grants		29,432,050	30,234,239
Department of Commerce (EUA)		1,445,556	-
Payables and other liabilities - Non-current		30,877,606	30,234,239
		592,444,294	534,048,565

As of 31 March 2021 and 31 December 2020, State is detailed as follows:

Amounts in Euro	31/03/2021	31/12/2020
Personal income tax withhold	3,532,092	4,407,347
Value added tax	34,158,606	31,649,269
Social security contributions	3,967,736	4,074,130
Tax on Goods and Services (ICMS)	565,479	375,222
<i>Programa de Desenvolvimento da Empresa Catarinense (PRODEC)</i>	627,400	627,605
<i>Programa Paraná Competitivo</i>	18,275,239	17,398,977
Social Security Financing Contribution (COFINS)	163,545	21,372
Other	1,288,340	1,252,143
	62,578,438	59,806,065

As of 31 March 2021 and 31 December 2020, there were no overdue debts to the State.

Non-repayable grants - details

Amounts in Euro	31/03/2021	31/12/2020
Investment grants	5,211,182	4,997,433
Grants - CO2 emission allowances	26,798,888	24,048,529
Other grants	13,927,719	15,060,014
Non-repayable grants - Current	45,937,789	44,105,976
Investment grants	29,432,050	30,234,239
Non-repayable grants - Non-current	29,432,050	30,234,239
	75,369,839	74,340,215

5 CAPITAL STRUCTURE

5.1 SHARE CAPITAL AND TREASURY SHARES

SEMAPA'S SHAREHOLDERS

As of 31 March 2021 and 31 December 2020, Semapa's shareholders are detailed as follows:

Designation	31-03-2021		31-12-2020	
	No. of shares	%	No. of shares	%
Shares without nominal value				
Cimo - Gestão de Participações, SGPS, S.A.	38,959,431	47.94	38,959,431	47.94
Sodim, SGPS, S.A.	19,478,903	23.97	19,478,903	23.97
Bestinver Gestión, SGIIC, S.A.	4,032,051	4.96	4,032,051	4.96
Cobas Asset Management, SGIIC, S.A.	1,637,038	2.01	-	-
Norges Bank (the Central Bank of Norway)	1,699,613	2.09	1,699,613	2.09
Sociedade Agrícola da Quinta da Vialonga, S.A.	625,199	0.77	625,199	0.77
Treasury shares	1,400,627	1.72	1,400,627	1.72
Other shareholders with less than 2% interest	13,437,138	16.53	15,074,176	18.55
	81,270,000	100.00	81,270,000	100.00

In the past 4th may 2021, Semapa was informed that the participation held by Bestinver on its share capital change from 4.96% to 3.03% (corresponding to 2.458.623 shares). This information was updated on the website of the Company in the Qualifying Holdings list.

TREASURY SHARES - MOVEMENTS

The movement in treasury shares, in the first three months of 2021 and 2020, were as follows:

Amounts in Euro	31-03-2021		31-12-2020	
	No. of shares	Book value (Euro)	No. of shares	Book value (Euro)
Treasury shares held at the beginning of the period	1,400,627	15,946,363	823,337	8,922,980
Acquisition of shares by Semapa	-	-	577,290	7,023,383
Treasury shares held at the end of the period	1,400,627	15,946,363	1,400,627	15,946,363

5.2 EARNINGS PER SHARE

BASIC AND DILUTED EARNINGS PER SHARE

Amounts in Euro	Q1 2021	Q1 2020
Profit attributable to Semapa's shareholders	25,421,380	17,218,924
Total number of issued shares	81,270,000	81,270,000
Average treasury shares in the portfolio	(1,400,627)	(1,083,435)
Weighted average number of shares	79,869,373	80,186,565
Basic earnings per share	0.318	0.215
Diluted earnings per share	0.318	0.215

5.3 DIVIDENDS

Dividends per share presented are calculated based on the number of shares outstanding on the grant date.

DIVIDENDS DISTRIBUTED

Amounts in Euro	Date	Amount distributed	Dividends per share
Distributions in 2021			
Approval at Semapa's Annual Meeting of Shareholders of the payment of dividends related to 2020 net results obtained on an individual basis in accordance with the IFRS.	30 April 2021	40,893,119	0.512
Distributions in 2020			
Approval at Semapa's Annual Meeting of Shareholders of the payment of dividends related to 2019 net results obtained on an individual basis in accordance with the IFRS.	29 May 2020	9,983,672	0.125

5.4 RESERVES AND RETAINED EARNINGS

As of 31 March 2021 and 31 December 2020, Reserves and Retained Earnings are detailed as follows:

Amounts in Euro	31/03/2021	31/12/2020
Translation reserve	(230,149,354)	(218,994,285)
Fair value of derivative financial instruments	(6,319,169)	(3,922,725)
Fair value reserves	(6,319,169)	(3,922,725)
Legal reserve	16,695,625	16,695,625
Other reserves	982,702,158	982,702,158
Retained earnings	107,707,904	429,769
Reserves and retained earnings	870,637,164	776,910,542

Currency translation reserve

The currency translation reserve corresponds to the cumulative amount related to the Group's appropriation of exchange rate differences resulting from the translation of the financial statements of the subsidiaries and associated companies operating outside the Euro zone, mainly in Brazil, Tunisia, Lebanon, Angola, Mozambique, the United States of America, Switzerland and United Kingdom.

In the first quarter of 2021 there was an increase in the exchange rates of the Brazilian Real and the Lebanese Pound against the Euro, which led to the devaluation of the assets held by the Group in these geographies.

As of 31 March 2021 and 31 December 2020, the exchange rates used for the translation of assets and liabilities expressed in currencies other than Euro are detailed as follows:

	31/03/2021	31/12/2020	Var. 21/20
TND (Tunisian Dinar)			
Average exchange rate for the period	3.2797	3.1998	(2.50%)
Exchange rate at the end of the period	3.2825	3.2879	0.16%
LBP (Lebanese Pound)			
Average exchange rate for the period	14,363.10	10,307.60	(39.34%)
Exchange rate at the end of the period	14,363.10	10,307.60	(39.34%)
USD (American Dollar)			
Average exchange rate for the period	1.2048	1.1422	(5.48%)
Exchange rate at the end of the period	1.1725	1.2271	4.45%
BRL (Brazilian Real)			
Average exchange rate for the period	6.6021	5.8978	(11.94%)
Exchange rate at the end of the period	6.6900	6.3768	(4.91%)
AOA (Angolan Kwanza)			
Average exchange rate for the period	790.4121	689.8670	(14.57%)
Exchange rate at the end of the period	753.2930	822.3820	8.40%

Fair value reserve

Fair value reserve refers to the accumulated change in fair value of derivative financial instruments classified as hedging instruments, and financial investments measured at fair value through other comprehensive income, net of deferred taxes.

Changes relating to derivatives are reclassified to profit or loss for the period as hedged instruments affect profit or loss for the period. The change in fair value of financial investments recorded under this item is not recycled to profit or loss.

5.5 NON-CONTROLLING INTERESTS

DETAIL OF NON-CONTROLLING INTERESTS, BY SUBSIDIARY

At the reporting date, there are no rights of protection of non-controlling interests that significantly restrict the entity's ability to access or use assets and settle liabilities of the Group.

MOVEMENTS OF NON-CONTROLLING INTERESTS BY OPERATING SEGMENT

Amounts in Euro	Pulp and paper	Cement and derivatives	Environment	Total
Balance as at 1 January 2020	246,191,135	54,649,514	8,261	300,848,910
Hyperinflationary Economies (Lebanon)	-	1,850,482	-	1,850,482
Dividends	(29,771,068)	(2,919,592)	(66)	(32,690,726)
Translation reserve	(350,455)	(43,122,371)	-	(43,472,826)
Financial instruments	(77,163)	(3)	-	(77,166)
Actuarial gains and losses	(2,964,968)	(138)	-	(2,965,106)
Other movements in equity	-	3	(3)	-
Net profit for the period	29,474,182	6,185,992	602	35,660,776
Balance as at 31 December 2020	242,501,663	16,643,887	8,794	259,154,344
Translation reserve	484,020	(5,201,557)	-	(4,717,537)
Financial instruments	(1,213,479)	-	-	(1,213,479)
Actuarial gains and losses	296,155	-	-	296,155
Net profit for the period	6,227,470	(580,427)	224	5,647,267
Balance as at 31 March 2021	248,295,829	10,861,903	9,018	259,166,750

5.6 INTEREST-BEARING LIABILITIES

INTEREST-BEARING LIABILITIES

Amounts in Euro	31/03/2021			31/12/2020		
	Non-current	Current	Total	Non-current	Current	Total
Bond loans	665,714,286	145,000,000	810,714,286	665,714,286	171,000,000	836,714,286
Commercial paper	225,000,000	280,000,000	505,000,000	325,000,000	200,000,000	525,000,000
Bank loans	211,803,872	88,369,525	300,173,397	179,083,327	90,946,320	270,029,647
Loans related charges	(8,741,777)	(964,872)	(9,706,649)	(8,651,088)	(1,054,771)	(9,705,859)
Debt securities and bank debt	1,093,776,381	512,404,653	1,606,181,034	1,161,146,525	460,891,549	1,622,038,074
Other interest-bearing debts	38,557,950	159,727	38,717,677	38,413,351	34,481	38,447,832
Other interest-bearing liabilities	38,557,950	159,727	38,717,677	38,413,351	34,481	38,447,832
Total interest-bearing liabilities	1,132,334,331	512,564,380	1,644,898,711	1,199,559,876	460,926,030	1,660,485,906

Other interest-bearing debt mainly includes incentives from AICEP - Agência para o Investimento e Comércio Externo de Portugal, as part of a number of research and development projects, which includes the incentive under the investment agreement entered into with the Navigator Group subsidiary for the construction of the new Tissue plant in Aveiro. This agreement comprises a financial incentive in the form of a repayable grant, up to a maximum amount of Euro 42,166,636, without interest payment, with a grace period of two years, with the last repayment happening in 2027.

LOAN REPAYMENT PERIODS

Amounts in Euro	31/03/2021	31/12/2020
1 to 2 years	283,288,325	388,414,940
2 to 3 years	384,675,801	173,787,895
3 to 4 years	97,581,883	58,646,438
4 to 5 years	101,674,661	370,829,187
Above 5 years	273,855,438	216,532,504
Total	1,141,076,108	1,208,210,964

FINANCIAL COVENANTS

For certain types of financing operations, there are commitments to maintain certain financial ratios within previously negotiated limits. The existing covenants are clauses of Cross default, Pari Passu, Negative pledge, Ownership-clause, clauses related to Group's activities maintenance, maintenance of financial ratios, mainly Net Debt/EBITDA, Interest coverage, Indebtedness and Financial autonomy and fulfilment of regular financial contracts' obligations (operational, legal and tax obligations), common in loan agreements and fully known in the market even considering the impact of the adoption of IFRS 16.

Additionally, as of 31 March 2021 and 31 December 2019, the Group comply with the financial ratios limits imposed under its financing contracts.

5.7 CASH AND CASH EQUIVALENTS

As of 31 March 2021 and 31 December 2020, Cash and cash equivalents is detailed as follows

Amounts in Euro	31/03/2021	31/12/2020
Cash	908,391	1,232,309
Short-term bank deposits	467,667,126	408,707,406
Other short-term investments	31,005,884	37,003,891
Cash and cash equivalents in the cash flow statement	499,581,401	446,943,606
Impairments	(1,438,225)	(2,188,347)
Cash and cash equivalents	498,143,176	444,755,259

Other short-terms investments correspond to amounts invested by the subsidiary Navigator in a portfolio of short term financial assets, highly liquid and issuers with appropriate rating.

As of 31 March 2021 and 31 December 2020, there are no significant balances of cash and cash equivalents that are subject to restrictions on use by the Group companies.

6 INCOME TAX

6.1 INCOME TAX FOR THE PERIOD

Income tax recognised in the consolidated income statement

Amounts in Euro	Q1 2021	Q1 2020
Current tax	(5,325,014)	(11,239,313)
Variation of uncertain tax positions in the period	(169,975)	3,659,271
Deferred tax (Note 6.2)	(5,553,219)	(1,943,949)
	(11,048,208)	(9,523,991)

In 2021 and 2020, the caption Variation in uncertain tax positions reflects a series of reversals of tax provisions, as a result of the closure of some tax inspection processes and court decisions favourable to the Group.

Reconciliation of the effective income tax rate for the period

Amounts in Euro	Q1 2021	Q1 2020
Profit before tax	42,116,855	33,691,123
Expected tax at nominal rate (22.5%)	9,476,292	7,580,503
State surcharge	1,995,557	1,183,598
Tax resulting from the applicable rate	11,471,849	8,764,101
Differences (a)	1,503,380	(1,273,305)
Income tax from prior periods	(3,308,305)	(1,756,694)
Recoverable tax losses	(49,819)	(1,365,931)
Non-recoverable tax losses	1,615,970	4,323,884
Increase of additional tax liabilities	35,956	151,189
Effect of the reconciliation of nominal rates of the different countries	(570,261)	426,374
Tax benefits	3,317,132	-
Other tax adjustments	(2,967,694)	254,373
	11,048,208	9,523,991
Effective tax rate	26.23%	28.27%

(a) This amount concerns mainly :	Q1 2021	Q1 2020
Effect of applying the equity method (Note 10.3)	(390,228)	(816,018)
Gains / (losses) for tax purposes	417,948	1,040,235
Gains / (losses) for accounting purposes	726,834	(6,950,656)
Taxed provisions and impairment losses	11,301,338	1,300,990
Tax benefits	(876,508)	(834,835)
Reduction of taxed provisions and impairment losses	(10,054,576)	(432,006)
Post-employment benefits	(26,771)	(26,771)
Other	5,583,653	1,059,926
	6,681,690	(5,659,135)
Tax effect (22,5%)	1,503,380	(1,273,305)

Tax recognised in the consolidated statement of financial position

Amounts in Euro	31/03/2021	31/12/2020
Assets		
Corporate Income tax	8,995,934	9,643,588
Amounts pending repayment (tax proceedings favourable to the group)	3,800,884	3,482,762
	12,796,818	13,126,350
Liabilities		
Corporate Income tax	20,499,164	15,022,835
Additional tax liabilities	36,530,362	36,584,557
	57,029,526	51,607,392

Detail of Corporate Income Tax - CIT (net)

Amounts in Euro	31/03/2021	31/12/2020
Income tax for the period	5,127,212	30,436,809
Exchange rate adjustment	(405)	(43,723)
Payments on accounts, Special payments on accounts and Additional payments on account	(1,711,058)	(15,782,591)
Withholding tax recoverable	(1,899,599)	(1,757,100)
Income tax recoverable from prior years	9,987,080	(7,474,148)
	11,503,230	5,379,247

6.2 DEFERRED TAXES

MOVEMENTS IN DEFERRED TAXES

Amounts in Euro	As at 1 January 2021	Exchange rate adjustment	Income Statement		Equity	Transfers	As at 31 March 2021
			Increases	Decreases			
Temporary differences originating deferred tax assets							
Tax losses carried forward	60,109,268	(2,819,040)	377,189	(21,532)	-	21,532	57,667,417
Taxed provisions	31,062,839	(331,268)	(103,590)	(4,720)	-	-	30,623,261
Adjustment of Property, plant and equipment	73,884,043	-	(295,607)	(3,231,018)	-	-	70,357,418
Pensions and other post-employments benefits	3,478,059	235	-	(94,219)	-	-	3,384,075
Financial instruments	8,879,578	-	-	-	5,573,707	-	14,453,285
Deferred accounting gains on intra-group transactions	16,784,840	-	-	(2,079,931)	-	-	14,704,909
Investment grants	3,237,155	-	-	(105,777)	-	-	3,131,378
Fair value of business combinations	267,331	(75,482)	-	-	-	-	191,849
Conventional capital remuneration	7,000,000	-	-	-	-	-	7,000,000
Other temporary differences	11,651,364	(929,271)	(101,534)	(763)	(269,978)	-	10,349,818
	216,354,476	(4,154,826)	(123,542)	(5,537,960)	5,303,729	21,532	211,863,409
Temporary differences originating deferred tax liabilities							
Revaluation of property, plant and equipment	(31,862,821)	1,408,434	-	100,941	-	-	(30,353,446)
Pensions and other post-employments benefits	(2,036,760)	-	-	-	-	-	(2,036,760)
Financial instruments	(966,562)	44,132	85,140	-	-	-	(837,290)
Tax incentives	(6,406,374)	-	-	129,380	1,452,757	-	(4,824,237)
Adjustment of Property, plant and equipment	(389,933,230)	1,621,113	(8,658,378)	3,502,335	-	-	(393,468,160)
Deferred accounting losses on intra-group transactions	(26,656,333)	-	-	2,919	-	-	(26,653,414)
Valuation of biological assets	(23,121,032)	-	-	1,181,627	-	-	(21,939,405)
Fair value of intangible assets - Brands	(232,227,585)	125,153	-	-	-	-	(232,102,432)
Fair value of property, plant and equipment	(65,690,391)	-	-	3,817,887	-	-	(61,872,504)
Fair value of business combinations	(57,305,287)	881,403	-	195,827	-	-	(56,228,057)
Hyperinflationary economies	(22,147,892)	7,870	51,094	-	-	-	(22,088,928)
Other temporary differences	(674,355)	6,253,579	2,283,005	733	-	-	7,862,962
	(859,028,622)	10,341,684	(6,239,139)	8,931,649	1,452,757	-	(844,541,671)
Deferred tax assets	73,621,270	(1,257,139)	(3,367,965)	(1,487,848)	1,458,527	-	68,966,845
Deferred tax liabilities	(231,285,380)	2,385,304	(2,108,017)	1,410,611	399,508	-	(229,197,974)

Amounts in Euro	As at 1 January 2020	Exchange rate adjustment	Income Statement		Equity	Transfers	As at 31 December 2020
			Increases	Decreases			
Temporary differences originating deferred tax assets							
Tax losses carried forward	81,798,374	(23,855,084)	2,165,978	-	-	-	60,109,268
Taxed provisions	36,081,917	(5,658,949)	642,618	(2,747)	-	-	31,062,839
Adjustment of Property, plant and equipment	72,086,199	-	6,827,844	-	-	(5,030,000)	73,884,043
Pensions and other post-employments benefits	4,028,595	(4,106)	21,715	(431,556)	(136,589)	-	3,478,059
Financial instruments	8,588,917	-	-	(63,762)	354,423	-	8,879,578
Deferred accounting gains on intra-group transactions	21,420,752	-	-	(4,635,912)	-	-	16,784,840
Investment grants	3,764,504	-	-	(527,349)	-	-	3,237,155
Fair value of business combinations	1,627,125	(1,359,794)	-	-	-	-	267,331
Conventional capital remuneration	9,660,000	-	-	(3,220,000)	560,000	-	7,000,000
Other temporary differences	12,527,057	(7,120,723)	7,375,725	(1,275,396)	144,701	-	11,651,364
	251,583,440	(37,998,656)	17,033,879	(10,156,722)	922,535	(5,030,000)	216,354,476
Temporary differences originating deferred tax liabilities							
Revaluation of property, plant and equipment	(44,680,764)	12,373,425	-	444,518	-	-	(31,862,821)
Pensions and other post-employments benefits	(2,014,981)	-	(660,031)	-	638,253	-	(2,036,760)
Financial instruments	1,568,413	(285,293)	(2,249,682)	-	-	-	(966,562)
Tax incentives	(6,077,043)	-	-	862,557	(1,191,888)	-	(6,406,374)
Adjustment of Property, plant and equipment	(388,461,099)	14,347,008	(30,272,547)	14,453,408	-	-	(389,933,230)
Deferred accounting losses on intra-group transactions	(26,741,562)	-	-	85,229	-	-	(26,656,333)
Valuation of biological assets	(25,999,474)	-	-	2,878,442	-	-	(23,121,032)
Fair value of intangible assets - Brands	(237,283,867)	6,536,916	(1,480,634)	-	-	-	(232,227,585)
Fair value of property, plant and equipment	(80,961,941)	-	-	15,271,550	-	-	(65,690,391)
Fair value of business combinations	(70,569,404)	10,887,653	-	2,376,464	-	-	(57,305,287)
Hyperinflationary economies	-	-	(714,073)	-	(21,433,819)	-	(22,147,892)
Other temporary differences	(762,831)	73,999	(905,231)	919,708	-	-	(674,355)
	(881,984,554)	43,933,708	(36,282,198)	37,291,876	(21,987,454)	-	(859,028,622)
Deferred tax assets	89,970,779	(10,877,976)	(2,140,550)	(2,199,783)	252,050	(1,383,250)	73,621,270
Deferred tax liabilities	(243,892,373)	12,511,645	(1,563,835)	5,453,235	(3,794,052)	-	(231,285,380)

7 PAYROLL

7.1 SHORT-TERM EMPLOYEE BENEFITS

PAYROLL COSTS RECOGNISED IN THE PERIOD

Amounts in Euro	Q1 2021	Q1 2020
Corporate bodies remuneration	3,485,528	3,894,002
Other remunerations	39,511,310	41,925,725
Post-employment benefits	600,459	615,490
Other payroll costs	13,652,770	13,633,753
Payroll costs	57,250,067	60,068,970

Other payroll costs

Amounts in Euro	Q1 2021	Q1 2020
Social Security contributions	9,199,926	9,648,531
Insurance	1,294,565	1,127,531
Social work	2,000,310	1,699,395
Other payroll costs	1,157,969	1,158,296
	13,652,770	13,633,753

NUMBER OF EMPLOYEES AT THE END OF THE PERIOD

	31/03/2021	31/12/2020	Var. 21/20
Pulp and paper	3,225	3,232	(7)
Cement and derivatives	2,374	2,386	(12)
Environment	281	280	1
Holdings and others	30	28	2
	5,910	5,926	(16)

7.2 POST-EMPLOYMENT BENEFITS

NET PENSION LIABILITIES

Net liabilities reflected in the consolidated statement of financial position and the number of beneficiaries of the defined benefit plans in force in the Group are detailed as follows:

31 March 2021	Pulp and paper		Cement and derivatives		Holdings		Total	
	No. of Beneficiaries	Amount	No. of Beneficiaries	Amount	No. of Beneficiaries	Amount	No. of Beneficiaries	Amount
Group liabilities for past services								
Active	458	77,829,641	55	36,796	-	-	513	77,866,437
Former employees	103	22,158,138	-	-	-	-	103	22,158,138
Retired employees	547	91,265,746	650	18,154,324	1	875,054	1,198	110,295,124
Market value of the pension funds	-	(180,886,807)	-	(17,222,192)	-	-	-	(198,108,999)
Capital insured	-	-	-	208,970	-	-	-	208,970
Insurance policies	-	-	-	(125,955)	-	-	-	(125,955)
Reserve account*	-	-	-	(619,718)	-	-	-	(619,718)
Unfunded pension liabilities	1,108	10,366,718	705	432,225	1	875,054	1,814	11,673,997
Other unfunded liabilities								
Healthcare assistance	-	-	5	44,218	-	-	5	44,218
Retirement and death	-	-	395	105,283	-	-	395	105,283
Total post-employment liabilities	1,108	10,366,718	1,105	581,726	1	875,054	2,214	11,823,498
Long-service award liabilities	-	-	395	371,207	-	-	395	371,207
Total net liabilities	1,108	10,366,718	1,500	952,933	1	875,054	2,609	12,194,705

* Overfunding due to the change to a defined contribution plan

8 FINANCIAL INSTRUMENTS

8.1 DERIVATIVE FINANCIAL INSTRUMENTS

Detail and maturity of derivative financial instruments by nature

31 March 2021 Amounts in Euro	Notional	Currency	Maturity	Positive (Note 4.2)	Negative (Note 4.3)	Net total
Hedging						
Exchange rate forwards (future sales)	243,500,000	USD	2021	-	(3,465,361)	(3,465,361)
Exchange rate forwards (future sales)	54,000,000	GBP	2021	-	(2,335,750)	(2,335,750)
Interest rate swaps (SWAP's)	325,000,000	EUR	2026/2027	168,009	(4,906,283)	(4,738,274)
BHKP Pulp	6,840,000	USD	2021	-	(1,174,704)	(1,174,704)
				168,009	(11,882,098)	(11,714,089)
Trading						
Foreign exchange forwards	100,481,678	USD	2023	187,180	(1,171,552)	(984,372)
Foreign exchange forwards	4,250,000	GBP	2021	-	(88,222)	(88,222)
Foreign exchange forwards	75,000	CHF	2021	80	-	80
Cross currency interest rate swap	40,450,000	USD	2021/2022	1,139,826	(405,690)	734,136
Non Deliverable Forward (NDF)	12,500,000	EUR	2021/2022	1,375,181	-	1,375,181
				2,702,267	(1,665,464)	1,036,803
				2,870,275	(13,547,561)	(10,677,286)
31 December 2020 Amounts in Euro						
	Notional	Currency	Maturity	Positive (Note 4.2)	Negative (Note 4.3)	Net total
Hedging						
Exchange rate forwards (future sales)	204,000,000	USD	2021	831,818	(668)	831,150
Exchange rate forwards (future sales)	72,000,000	GBP	2021	-	(515,688)	(515,688)
Interest rate swaps (SWAP's)	250,000,000	EUR	2025	-	(5,709,692)	(5,709,692)
BHKP Pulp	9,120,000	USD	2021	-	(150,926)	(150,926)
				831,818	(6,376,974)	(5,545,156)
Trading						
Foreign exchange forwards	100,228,946	USD	2023	2,564,049	-	2,564,049
Foreign exchange forwards	5,425,000	GBP	2021	-	(27,345)	(27,345)
Foreign exchange forwards	225,000	CHF	2021	-	(145)	(145)
Cross currency interest rate swap	23,950,000	USD	2021/2022	1,760,491	-	1,760,491
Future purchase of CO2 licenses	2,545,625	EUR	2021	623,573	-	623,573
Non Deliverable Forward (NDF)	22,450,000	EUR	2021	1,551,840	-	1,551,840
				6,499,953	(27,490)	6,472,463
				7,331,771	(6,404,464)	927,307

8.2 OTHER FINANCIAL INVESTMENTS

As of 31 March 2021 and 31 December 2020, Other Financial Investments is detailed as follows:

Amounts in Euro	31/03/2021	31/12/2020
Financial assets at fair value through other comprehensive income		
Defined Crowd	3,411,514	3,259,718
Techstar Corporate	1,876,333	1,792,845
	5,287,847	5,052,563
Financial assets at fair value through profit or loss		
Alter Venture Partners Fund I	3,639,288	3,477,357
FCR Armilar Venture	868,588	685,771
Mor-Online, SA	18,619	18,619
Ynvisible, SA	393,786	169,251
	4,920,281	4,350,998
	10,208,128	9,403,561

10 GROUP STRUCTURE

10.1 HOLDING COMPANIES INCLUDED IN THE CONSOLIDATION PERIMETER

HOLDING COMPANIES INCLUDED IN THE CONSOLIDATION

Company	Head Office	Direct and indirect % held by Semapa			
		Directly	Indirectly	31/03/2021	31/12/2020
Parent company:					
Semapa	Portugal				
Subsidiaries:					
Semapa Inversões S.L.	Spain	100.00	-	100.00	100.00
Celcimo, S.L.	Spain	-	100.00	100.00	100.00
Semapa Next, S.A.	Portugal	100.00	-	100.00	100.00
Aphelion, S.A.	Portugal	100.00	-	100.00	100.00

PULP AND PAPER COMPANIES INCLUDED IN THE CONSOLIDATION

Company	Head Office	Direct and indirect % held by Navigator			% of equity effectively held by Semapa	
		Directly	Indirectly	Total	31-03-2021	31-12-2020
Parent company:						
The Navigator Company, S.A.	Portugal	36.00	33.97	69.97	69.97	69.97
Subsidiaries:						
Navigator Brands , S.A.	Portugal	100.00	-	100.00	69.97	69.97
Navigator Parques Industriais, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Navigator Paper Figueira, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Empremédia RE , AC	Ireland	100.00	-	100.00	69.97	69.97
Raiz - Instituto de Investigação da Floresta e Papel	Portugal	75.00	22.00	97.00	67.87	67.87
Raiz Ventures , S.A.	Portugal	-	97.00	97.00	67.87	67.87
About the Future - Essential Oils, S.A.	Portugal	-	97.00	97.00	67.87	67.87
Enerpulp – Cogeração Energética de Pasta, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Navigator Pulp Figueira, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Ema Cacia - Engenharia e Manutenção Industrial, ACE	Portugal	-	92.20	92.20	64.51	64.51
Ema Setúbal - Engenharia e Manutenção Industrial, ACE	Portugal	-	90.20	90.20	63.11	63.11
Ema Figueira da Foz - Engenharia e Manutenção Industrial, ACE	Portugal	-	90.00	90.00	62.97	62.97
Navigator Pulp Setúbal, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Navigator Pulp Aveiro, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Navigator Tissue Aveiro, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Navigator Tissue Ródão , S.A.	Portugal	-	100.00	100.00	69.97	69.97
Navigator Tissue Ibérica, S.A.	Spain	-	100.00	100.00	69.97	69.97
Portucel Moçambique - Sociedade de Desenvolvimento Florestal e Industrial, Lda	Mozambique	90.02	-	90.02	62.99	62.99
Navigator Internacional Holding SGPS, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Navigator Financial Services Sp. Z o.o.	Poland	25.00	75.00	100.00	69.97	69.97
Navigator Forest Portugal, S.A.	Portugal	100.00	-	100.00	69.97	69.97
EucaliptusLand, S.A.	Portugal	-	100.00	100.00	69.97	69.97
Sociedade de Vinhos da Herdade de Espirra - Produção e Comercialização de Vinhos,	Portugal	-	100.00	100.00	69.97	69.97
Gavião - Sociedade de Caça e Turismo, S.A.	Portugal	-	100.00	100.00	69.97	69.97
Afoelca - Agrupamento complementar de empresas para protecção contra incêndio	Portugal	-	64.80	64.80	45.34	45.34
Viveiros Aliança - Empresa Produtora de Plantas, S.A.	Portugal	-	100.00	100.00	69.97	69.97
Atlantic Forests, S.A.	Portugal	-	100.00	100.00	69.97	69.97
Bosques do Atlantico, SL	Spain	-	100.00	100.00	69.97	69.97
Navigator Africa, SRL	Italy	-	100.00	100.00	69.97	69.97
Navigator Paper Setúbal, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Navigator North America Inc.	USA	-	100.00	100.00	69.97	69.97
Navigator Afrique du Nord	Morocco	-	100.00	100.00	69.97	69.97
Navigator España, S.A.	Spain	-	100.00	100.00	69.97	69.97
Navigator Netherlands, BV	Holland	-	100.00	100.00	69.97	69.97
Navigator France, EURL	France	-	100.00	100.00	69.97	69.97
Navigator Paper Company UK, Ltd	UK	-	100.00	100.00	69.97	69.97
Navigator Italia, SRL	Italy	-	100.00	100.00	69.97	69.97
Navigator Deutschland, GmbH	Germany	-	100.00	100.00	69.97	69.97
Navigator Paper Austria, GmbH	Austria	-	100.00	100.00	69.97	69.97
Navigator Paper Poland SP Z o o	Poland	-	100.00	100.00	69.97	69.97
Navigator Eurasia	Turkey	-	100.00	100.00	69.97	69.97
Navigator Rus Company, LLC	Russia	-	100.00	100.00	69.97	69.97
Navigator Paper Mexico	Mexico	25.00	75.00	100.00	69.97	69.97
Navigator Middle East Trading DMCC	Dubai	-	100.00	100.00	69.97	69.97
Navigator Egypt, ELLC	Egypt	1.00	99.00	100.00	69.97	69.97
Empremédia - Corretores de Seguros, S.A.	Portugal	-	100.00	100.00	69.97	69.97
Navigator Abastecimento de Madeira, ACE	Portugal	97.00	3.00	100.00	69.97	69.97

CEMENT AND DERIVATIVES COMPANIES INCLUDED IN THE CONSOLIDATION

Company	Head Office	Direct and indirect % held by Secil			% of equity effectively held by Semapa	
		Directly	Indirectly	Total	31/03/2021	31/12/2020
Parent Company:						
Secil - Companhia Geral de Cal e Cimento, S.A.	Portugal	100.00	-	100.00	100.00	100.00
Subsidiaries:						
Betotrans II - Unipessoal, Lda. (Ex - Hewbol, S.G.P.S., Lda.)	Portugal	100.00	-	100.00	100.00	100.00
Secil Cabo Verde Comércio e Serviços, Lda.	Cape Verde	99.80	0.20	100.00	100.00	100.00
ICV - Inertes de Cabo Verde, Lda.	Cape Verde	75.00	25.00	100.00	100.00	100.00
Florimar- Gestão e Participações, S.G.P.S., Lda.	Portugal	100.00	-	100.00	100.00	100.00
Secil Cement, B.V. (ex Seciment Investments, B.V.)	The Netherlands	100.00	-	100.00	100.00	100.00
Serife - Sociedade de Estudos e Realizações Industriais, Lda.	Portugal	100.00	-	100.00	100.00	100.00
Silonor, S.A.	France	100.00	-	100.00	100.00	100.00
Société des Ciments de Gabés	Tunisia	98.72	-	98.72	98.72	98.72
Sud- Béton- Société de Fabrication de Béton du Sud	Tunisia	-	98.72	98.72	98.72	98.72
Zarzis Béton	Tunisia	-	98.52	98.52	98.52	98.52
Secil Angola, SARL	Angola	100.00	-	100.00	100.00	100.00
Secil - Companhia de Cimento do Lobito, S.A.	Angola	-	51.00	51.00	51.00	51.00
Unibetão - Indústrias de Betão Preparado, S.A.	Portugal	100.00	-	100.00	100.00	100.00
Secil Britas, S.A.	Portugal	100.00	-	100.00	100.00	100.00
Secil Martingança - Aglomerantes e Novos Materiais para a Construção, S.A.	Portugal	100.00	-	100.00	100.00	100.00
IRP - Indústria de Rebocos de Portugal, S.A.	Portugal	-	75.00	75.00	75.00	75.00
Argibetão - Sociedade de Novos Produtos de Argila e Betão, S.A.	Portugal	99.53	-	99.53	99.53	99.53
Ciminpart - Investimentos e Participações, S.G.P.S., S.A.	Portugal	100.00	-	100.00	100.00	100.00
ALLMA - Microalgas, Lda.	Portugal	-	70.00	70.00	70.00	70.00
Secil Brasil Participações, S.A.	Brazil	-	100.00	100.00	100.00	100.00
Supremo Cimentos, SA	Brazil	-	100.00	100.00	100.00	100.00
Margem - Companhia de Mineração, SA	Brazil	-	100.00	100.00	100.00	100.00
Secil Brands - Marketing, Publicidade, Gestão e Desenvolvimento de Marcas, Lda.	Portugal	100.00	-	100.00	100.00	100.00
Ciments de Sibline, S.A.L.	Lebanon	28.64	22.41	51.05	51.05	51.05
Soime, S.A.L.	Lebanon	-	51.05	51.05	51.05	51.05
Cimentos Madeira, Lda.	Portugal	57.14	42.86	100.00	100.00	100.00
Beto Madeira - Betões e Britas da Madeira, S.A.	Portugal	-	100.00	100.00	100.00	100.00
Brimade - Sociedade de Britas da Madeira, S.A.	Portugal	-	100.00	100.00	100.00	100.00
Madebritas - Sociedade de Britas da Madeira, Lda.	Portugal	-	51.00	51.00	51.00	51.00
SPB, SGPS, Lda.	Portugal	100.00	-	100.00	100.00	100.00
Secil Prêbetão, S.A.	Portugal	-	100.00	100.00	100.00	100.00
Cementos Secil, SLU	Spain	100.00	-	100.00	100.00	100.00

ENVIRONMENT COMPANIES INCLUDED IN THE CONSOLIDATION

Company	Head Office	Direct and indirect % held by ETSA			% of equity effectively held by Semapa	
		Directly	Indirectly	Total	31-03-2021	31-12-2020
Parent Company:						
ETSA - Investimentos, SGPS, S.A.	Portugal	99.99	-	99.99	99.99	99.99
Subsidiaries:						
ETSA LOG,S.A.	Portugal	100.00	-	100.00	100.00	100.00
SEBOL – Comércio e Industria de Sebo, S.A.	Portugal	100.00	-	100.00	100.00	100.00
ITS – Indústria Transformadora de Subprodutos Animais, S.A	Portugal	100.00	-	100.00	100.00	100.00
ABAPOR – Comércio e Industria de Carnes, S.A.	Portugal	100.00	-	100.00	100.00	100.00
BIOLOGICAL - Gestão de Resíduos Industriais, Lda.	Portugal	100.00	-	100.00	100.00	100.00
AISIB – Aprovechamiento Integral de Subprodutos Ibéricos, S.A.	Spain	100.00	-	100.00	100.00	100.00

10.2 CHANGES IN THE CONSOLIDATION PERIMETER

During the first three months of 2021, there were no changes in the Group's consolidation perimeter.

10.3 INVESTMENT IN ASSOCIATES AND JOINT-VENTURES

Detail of Investment in associates and joint ventures

Amounts in Euro	31/03/2021		31/12/2020	
	% held	Book value	% held	Book value
Associates				
MC - Materiaux de Construction	49.36%	1,522	49.36%	1,520
J.M.J. - Henriques, Lda.	50.00%	362,792	50.00%	362,792
Ave, S.A.	35.00%	239,309	35.00%	213,263
Joint ventures				
Utis - Ultimate Technology To Industrial Savings, Lda	50.00%	2,599,831	50.00%	2,093,963
Allmicroalgae - Natural Products, S.A.	50.00%	303,875	50.00%	445,561
		3,507,329		3,117,099

Movements in associated companies and joint ventures

Amounts in Euro	31/03/2021	31/12/2020
Opening balance	3,117,099	5,454,286
Changes in perimeter	-	1,641,210
Disposals	-	(4,344,748)
Net profit	390,228	1,490,685
Dividends	-	(1,124,280)
Exchange rate adjustment	2	(54)
Closing balance	3,507,329	3,117,099

During the first three months of 2020, the subsidiary Secil sold its 25% interest in Setefrete, SGPS, SA.

10.4 TRANSACTIONS WITH RELATED PARTIES

BALANCES WITH RELATED PARTIES

Amounts in Euro	31/03/2021			31/12/2020		
	Receivables (Note 4.2)	Payables (Note 4.3)	Lease liabilities	Receivables (Note 4.2)	Payables (Note 4.3)	Lease liabilities
Shareholders (Note 5.2)						
Sodim, SGPS, S.A.	2,687	-	-	2,687	-	-
Cimigest, SGPS, S.A.	-	-	-	-	-	-
Cimo SGPS, S.A.	-	1,160	-	-	1,160	-
Associates and joint-ventures (Note 10.3)						
Grupo Setefrete - Soc. Tráfego Cargas, S.A.	427,727	-	-	-	-	-
Ave-Gestão Ambiental, S.A.	515,918	485,662	-	323,082	549,929	-
J.M.J. Henriques, Lda.	104,839	-	-	106,639	-	-
Other related parties						
Sonagi - Imobiliária, S.A. (ex. Cimilonga, S.A.)	-	-	-	-	-	-
Hotel Ritz, S.A.	1,071	-	-	-	4,726	-
Sonagi, SGPS, S.A.	-	-	63,021	-	-	188,841
Cotif Sicar	-	90,858	-	-	90,709	-
Sociedade Agrícola da Herdade dos Fidalgos, Lda.	-	-	-	-	638	-
Inertogrande	188,382	-	-	190,089	-	-
UTIS, Lda	399,902	8,931	-	20,446	25,400	-
Members of governing bodies	-	-	-	4,203	-	-
Other shareholders of subsidiaries	3,135	40,242	-	299,299	186,925	-
	1,643,661	626,853	63,021	946,445	859,487	188,841

TRANSACTIONS WITH RELATED PARTIES

Amounts in Euro	Q1 2021			Q1 2020			Net financial results
	Purchase of services	Sales and services rendered	Other operating income	Purchase of services	Sales and services rendered	Other operating income	
Shareholders							
Sodim, SGPS, S.A.	-	-	-	-	-	-	(481)
Cimigest SGPS, S.A.	-	-	-	(26,935)	-	-	-
Cimo SGPS, S.A.	-	-	-	-	-	-	(2,433)
	-	-	-	(26,935)	-	-	(2,913)
Associates and joint-ventures (Note 10.3)							
Ave-Gestão Ambiental, S.A.	(389,829)	4,741	45,599	(386,858)	10,446	52,469	-
	(389,829)	4,741	45,599	(386,858)	10,446	52,469	-
Other related parties							
Sonagi - Imobiliária, S.A. (ex. Cimilonga, S.A.)	(195,990)	-	-	-	-	-	-
Hotel Ritz, S.A.	(4,474)	-	-	(570)	-	-	-
Sonagi, SGPS, S.A.	-	-	-	-	-	-	(421)
Bestweb, Lda.	(5,506)	-	-	-	-	-	-
CLA - Caldas, Lopes, Almeida & Associados	(9,000)	-	-	-	-	-	-
UTIS, Lda.	(53,562)	-	33,250	(17,874)	-	33,250	-
Letras Criativas, Unipessoal, Lda.	(15,000)	-	-	-	-	-	-
José António do Prado Fay	-	-	-	(7,121)	-	-	-
Other	-	-	107,758	-	1,140	129,802	(83)
	(283,532)	-	141,008	(25,565)	1,140	163,052	(504)
	(673,361)	4,741	186,607	(439,358)	11,586	215,521	(3,417)

11 EXPLANATION ADDED FOR TRANSLATION

These financial statements are a free translation of the financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

BOARD OF DIRECTORS

CHAIRMAN:

JOSÉ ANTÔNIO DO PRADO FAY

MEMBERS:

JOÃO NUNO DE SOTTOMAYOR PINTO DE CASTELLO BRANCO

RICARDO MIGUEL DOS SANTOS PACHECO PIRES

VÍTOR PAULO PARANHOS PEREIRA

ANTÓNIO PEDRO DE CARVALHO VIANA BAPTISTA

CARLOS EDUARDO COELHO ALVES

FILIPA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

FRANCISCO JOSÉ MELO E CASTRO GUEDES

LUA MÓNICA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

MAFALDA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

VÍTOR MANUEL GALVÃO ROCHA NOVAIS GONÇALVES



SOCIEDADE DE INVESTIMENTO E GESTÃO, SGPS, S.A.
PUBLIC LIMITED COMPANY

Av. Fontes Pereira de Melo, No. 14, 10º, 1050-121 Lisboa
Tel (351) 213 184 700 | Fax (351) 213 521 748

WWW.SEMAPA.PT

Company Registration and Corporate Taxpayer Number: 502 593 130 | Share Capital: EUR 81,270,000
ISIN: PTSEM0AM0004 | LEI: 549300HNGOW85KIOH584 | Ticker: Bloomberg (SEM PL); Reuters (SEM.LS)