

INTERIM REPORT

_ Q1 2023



MAKING IT BETTER



SEMAPA

PART 1

MANAGEMENT REPORT

1 HIGHLIGHTS

EBITDA IMPROVEMENT IN A CHALLENGING ENVIRONMENT (+12 MILLION EUROS).

INVESTMENT OF 148 MILLION EUROS IN THE QUARTER (61 IN FIXED ASSETS; 87 IN M&A)

- The current political and economic context, marked by a slowdown in the economy, inflation, and the prolonged war in Ukraine, has resulted in a situation that is highly unpredictable and extremely volatile. The effectiveness of Europe's monetary and economic policies and the future developments in the geopolitical risk will play a determining role in clarifying the current uncertainties. The Semapa Group is managing these negative events with a strong commitment to increasing efficiency, boosting productivity, moderating the increase in variable costs by curbing specific consumption, with continued efforts to contain fixed costs.
- In the first quarter of 2023 the Semapa Group recorded consolidated **revenue** of 675.2 million euros (vs. 641.8 million euros in the 1st quarter of 2022 and 809.7 million euros in the 4th quarter). In the period, 501.2 million euros were generated in Navigator (Pulp and Paper), 159.4 million euros in Secil (Cement), and 14.7 million euros in ETSA (Environment). Exports and foreign sales for the same period amounted to 489 million euros, accounting for 72.4% of revenue.

Navigator's increase in revenue was driven by a 19% increase in pulp sales volumes and the favourable variation in tissue prices, year-on-year. At Secil, the revenue mostly reflects the positive change in the average sales prices in Portugal and Tunisia.

- **EBITDA** in the 1st quarter of 2023 totalled 166.8 million euros (vs. 154.7 million euros in the 1st quarter of 2022 and 220.9 million euros in the 4th quarter). In the same period, 130.7 million euros were generated in Navigator, 32.2 million euros in Secil and 4.6 million euros in ETSA. The consolidated EBITDA margin of 24.7% was 0.6 p.p. over that in the same period of 2022.

The increase in EBITDA was driven by the Pulp and Paper segment, benefiting from the slowdown in costs, particularly in logistics, some raw materials and energy, which, in conjunction with the efforts to maintain prices and to enrich the product mix, partially compensated for the reduced sales volume of UWF paper. The EBITDA of the Cement segment grew by about 10%, reflecting the good performance of Portugal, in contrast to the difficulties of the other countries that were mainly caused by the increase in energy costs.

- **Net profit attributable to Semapa shareholders** at the end of the 1st quarter of 2023 stood at 57.0 million euros (vs. 42.0 million euros in the 1st quarter of 2022 and 75.7 million euros in the 4th quarter). The increase in EBITDA (+12.1 million euros) was the main contributor to that rise in net profit.
- The value of **investments** made in fixed assets in the first quarter of 2023 amounted to approximately 60.6 million euros, vs. 36.5 million euros over the same period of the previous year, with particular emphasis on Navigator amounting to 41.7 million euros (15.1 million of which are classified as environmental or sustainability investment). In the second quarter of 2023, Secil will conclude the Clean Cement Line investment project (CCL) in Outão, which represented an investment of 4.8 million euros in the first quarter of 2023.
- In line with its strategy for diversification, on 31 March Navigator concluded its **acquisition** of Gomà-Camps Consumer in Spain, seeking to reinforce its presence in the At Home segment, for circa 85 million euros. The integration of this new plant will position Navigator as the second largest Iberian producer of Tissue.
- The Q1 2023 activity of Semapa Next stands out for the follow-on investment made in Kencko, and also for carrying out a Discovery Check at Soveren, a company working in the area of cybersecurity.
- At the end of Q1 2023, consolidated **interest-bearing net debt** stood at 764.6 million euros, 29.6 million euros below that at the end of 2022. As at 31 March 2023, total consolidated cash and equivalents amounted to 562.7 million euros, in addition to committed and undrawn credit lines for the Group, thus ensuring a strong liquidity position.
- Talent remained a pillar which was given strategic focus during Q1 of 2023, as the Leadership Development Programmes addressed for the Group Management continued in place.

LEADING BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	Q1 2023	Q1 2022	Var.	Q4 2022	Var.
Revenue	675.2	641.8	5.2%	809.7	-16.6%
EBITDA	166.8	154.7	7.8%	220.9	-24.5%
EBITDA margin (%)	24.7%	24.1%	0.6 p.p.	27.3%	-2.6 p.p.
Depreciation, amortisation and impairment losses	(49.2)	(49.6)	0.8%	(79.0)	37.7%
Provisions	(0.8)	0.2	-578.1%	(4.2)	81.7%
EBIT	116.8	105.3	11.0%	137.7	-15.2%
EBIT margin (%)	17.3%	16.4%	0.9 p.p.	17.0%	0.3 p.p.
Income from associates and joint ventures	1.2	0.4	176.0%	3.5	-65.2%
Net financial results	(12.9)	(10.6)	-22.0%	(3.8)	-242.8%
Net monetary position	-	-	-	1.0	-100.0%
Profit before taxes	105.1	95.1	10.5%	138.4	-24.0%
Income taxes	(27.6)	(37.7)	26.9%	(27.1)	-1.6%
Net profit for the period	77.6	57.4	35.1%	111.3	-30.3%
Attributable to Semapa shareholders	57.0	42.0	35.7%	75.7	-24.7%
Attributable to non-controlling interests (NCI)	20.6	15.4	33.5%	35.6	-42.2%
Cash flow	127.6	106.9	19.4%	194.5	-34.4%
Free Cash Flow	31.7	67.2	-52.9%	146.9	-230.3%
	31/03/2023	31/12/2022	Mar23 vs. Dec22		
Equity (before NCI)	1 379.9	1 323.4	4.3%		
Interest-bearing net debt	764.6	794.2	-3.7%		
Lease liabilities (IFRS 16)	104.1	101.2	2.9%		
Total	868.7	895.4	-3.0%		

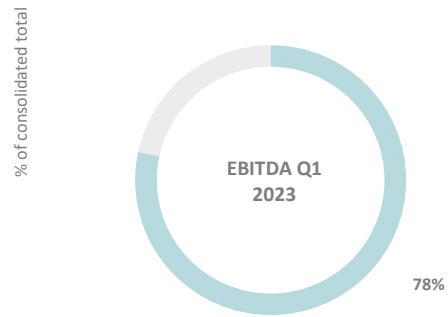
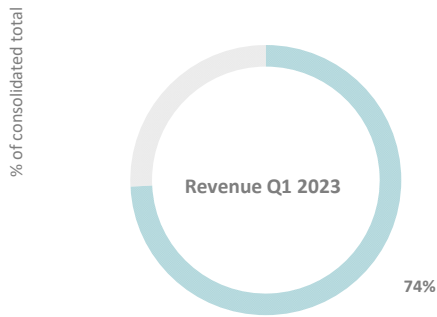
2 PERFORMANCE OF THE SEMAPA GROUP BUSINESS UNITS

2.1. BREAKDOWN BY BUSINESS SEGMENTS

IFRS - accrued amounts (million euros)	Pulp and Paper Navigator		Cement Secil		Environment ETSA		Holdings		Consoli- dated Q1 2023
	Q1 2023	23/22	Q1 2023	23/22	Q1 2023	23/22	Q1 2023	23/22	
Revenue	501.2	1.8%	159.4	16.3%	14.7	16.6%	(0.0)	59.7%	675.2
EBITDA	130.7	7.5%	32.2	10.5%	4.6	17.2%	(0.7)	<-1000%	166.8
EBITDA margin (%)	26.1%	1.4 p.p.	20.2%	-1.1 p.p.	31.7%	0.2 p.p.	-	-	24.7%
Depreciation, amortisation and impairment losses	(35.3)	2.0%	(13.0)	-2.0%	(0.9)	-10.3%	(0.1)	-20.7%	(49.2)
Provisions	-	-	(0.8)	-578.1%	-	-	-	-	(0.8)
EBIT	95.4	11.5%	18.4	11.3%	3.8	19.0%	(0.8)	<-1000%	116.8
EBIT margin (%)	19.0%	1.7 p.p.	11.5%	-0.5 p.p.	25.6%	0.5 p.p.	-	-	17.3%
Income from associates and joint ventures	-	-	(0.0)	96.8%	-	-	1.2	85.2%	1.2
Net financial results	(2.7)	43.1%	(9.7)	-136.5%	(0.0)	15.2%	(0.5)	70.3%	(12.9)
Profit before taxes	92.8	14.7%	8.7	-28.7%	3.7	19.4%	(0.1)	95.4%	105.1
Income taxes	(23.8)	27.8%	(2.8)	25.0%	(0.6)	19.8%	(0.3)	-61.7%	(27.6)
Net profit for the period	68.9	44.1%	5.9	-30.3%	3.1	31.8%	(0.4)	69.7%	77.6
Attributable to Semapa shareholders	48.2	44.1%	6.1	-18.4%	3.1	30.8%	(0.4)	69.7%	57.0
Attributable to non- controlling interests (NCI)	20.7	44.1%	(0.2)	-116.4%	0.0	176.4%	-	-	20.6
Cash flow	104.2	24.3%	19.7	-6.6%	4.0	26.4%	(0.3)	73.3%	127.6
Free Cash Flow	30.8	-59.9%	1.7	117.9%	(1.4)	-151.9%	0.5	118.0%	31.7
Interest-bearing net debt	351.4		306.6		(11.2)		117.9		764.6
Lease liabilities (IFRS 16)	63.9		38.5		1.3		0.4		104.1
Total	415.3		345.1		(9.9)		118.2		868.7

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

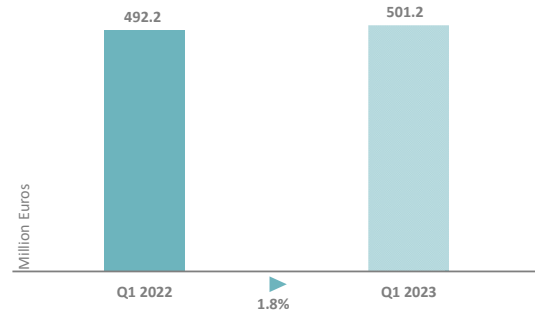
2.2. NAVIGATOR - PULP AND PAPER BUSINESS UNIT



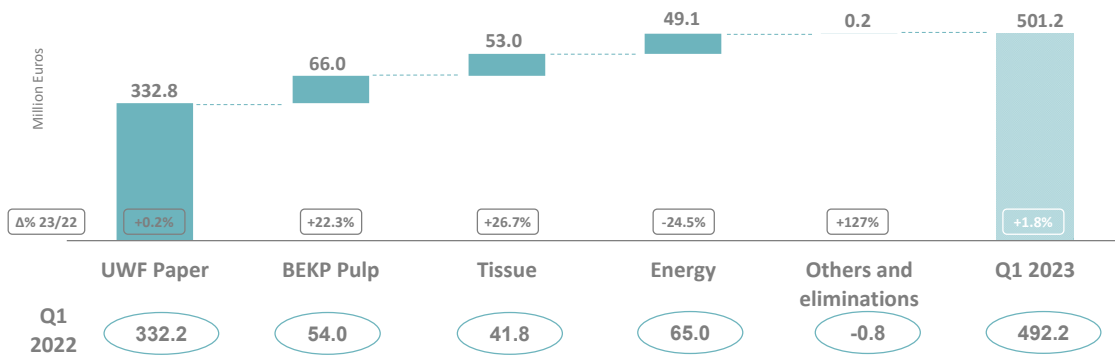
HIGHLIGHTS IN 2023 (VS. 2022)

- Navigator recorded a revenue of 501 million euros (+2% vs. first quarter of 2022).
- Revenue totalled 501.2 million euros, driven by a 19% increase in pulp sales volumes and the favourable variation in tissue prices, year-on-year.

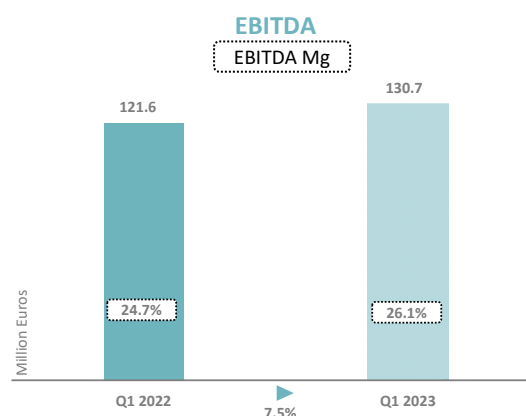
REVENUE



REVENUE BREAKDOWN BY SEGMENT



- EBITDA stood at 130.7 million euros, up by 7.5% in relation to the 1st quarter of 2022. EBITDA margin stood at 26.1% (+1.4 p.p. in relation to the same period of 2022).
- This favourable variation in EBITDA was the result of a slowdown in costs and the favourable variation in prices that compensated for the drop in demand.



LEADING BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	Q1 2023	Q1 2022	Var.
Revenue	501.2	492.2	1.8%
EBITDA	130.7	121.6	7.5%
EBITDA margin (%)	26.1%	24.7%	1.4 p.p.
Depreciation, amortisation and impairment losses	(35.3)	(36.0)	2.0%
Provisions	-	-	-
EBIT	95.4	85.6	11.5%
EBIT margin (%)	19.0%	17.4%	1.7 p.p.
Net financial results	(2.7)	(4.7)	43.1%
Profit before taxes	92.8	80.9	14.7%
Income taxes	(23.8)	(33.0)	27.8%
Net profit for the period	68.9	47.8	44.1%
Attributable to Navigator shareholders	68.9	47.8	44.1%
Attributable to non-controlling interests (NCI)	0.0	(0.0)	195.4%
Cash flow	104.2	83.8	24.3%
Free Cash Flow	30.8	76.9	-59.9%
	31/03/2023	31/12/2022	
Equity (before NCI)	1 091.3	1 018.0	
Interest-bearing net debt	351.4	382.2	
Lease liabilities (IFRS 16)	63.9	61.6	
Total	415.3	443.9	

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

LEADING OPERATING INDICATORS

in 1 000 t	Q1 2023	Q1 2022	Var.
BEKP Pulp			
FOEX – BHKP Usd/t	1 330	1 155	15.1%
FOEX – BHKP Eur/t	1 239	1 030	20.3%
BEKP Sales (pulp)	92	78	18.6%
UWF Paper			
FOEX – A4- BCopy Eur/t	1 325	1 038	27.6%
UWF Sales (paper)	273	327	-16.4%
Tissue			
Total sales of tissue	24	26	-7.7%

OVERVIEW OF NAVIGATOR ACTIVITY

In Q1 2023, Navigator's revenue totalled 501.2 million euros, with UWF paper sales and packaging accounting for around 67% of the revenue (vs. 67% year on year), pulp sales 13% (vs. 11%), tissue sales 10% (vs. 8%), and energy sales 10% (vs. 13%).

Paper and Packaging

After a second half 2022 that recorded an increase in imports from Asia, due to the normalisation in logistics and high European prices and an increase in inventory in the distribution chain with the subsequent drop in the entry of orders at the producers, this first part of 2023 is still dealing with the accumulation in stockpiles in the entire distribution chain, where the outflow is slow, mainly due to the economic slowdown, and consequently, the reception of orders at the producers continues to fall. Europe, particularly, saw historically low levels of incoming orders in the first quarter.

Consequently, the industry's production capacity utilization rate suffered a sharp drop, although Navigator's utilization rate (84%) was significantly higher than the industry average (69%).

The benchmark price for office paper in Europe was 1 302 €/t at the end of March, slightly lower than that at the start of the year (1 334 €/t), and 4% below the historic high recorded at the end of October 2022 (1 358 €/t), but still 28% above the average price year on year.

Navigator's UWF sales totalled 273 thousand tonnes, down by 16% from the same period last year and by 25% on the last quarter, in a setting where stockpiles all along the distribution chain remain very high. The price levels and the enriched mix of products (the weight of sales of premium products and manufacturer's brands at historic highs), compensated for the decline in volumes, compared to the same period in the previous year.

The downturn in demand was felt most quickly in Packaging, evidence of the strong adverse conditions denoted by the high inventories at the manufacturing plants and of the finished product at the customers. In addition there was a major slowdown in demand by the final consumers.

In spite of the adverse macroeconomic context, the new Packaging segment continues to reveal positive signs, evidenced in the recognition of the quality of Navigator's products based on Eucalyptus globulus fibre, and consequently the gKraft brand, serving high exposure brands in sectors as diverse as fashion, retail food, e-commerce, industry and agriculture, resulting in an ever-larger and more diversified customer base of those who are interested in contributing to the global movement for the deplastification of the world economy. The customer base has been growing consistently and is currently over 230 active customers (up 45% year on year).

Pulp

The benchmark price in Europe for short-fibre pulp (hardwood) – PIX BHKP in dollars – reached historic highs in 2022 (1 380 USD/t), and in Q1 it began a process of correction, standing at 1 280 USD/t at the end of March, a drop of 7% from the beginning of the year, a falling trend that has been even more pronounced since then (1 101 USD/t on 9 May). In turn, the average price for the quarter was 15% above the average price in 2022.

The benchmark price in China for hardwood pulp fell 12%, compared to the start of the year, registering 709 USD/t at the close of the quarter (500 USD/t on 9 May).

Thus Q1 of 2023 was marked by a reduction in the prices of pulp, coming off historic highs. This variation was due to: (i) the drop in global demand in the quarter year on year (-3.4% bleached chemical pulp (BCP); -3.1% short-fibre pulp (HW); -4.9% eucalyptus pulp (EUCA), in particular in Europe (-15.4% BCP, -17.9% HW, -14.8% EUCA); (ii) the increased level of stock throughout the supply chain during the close of 2022 and the start of 2023; (iii) the lifting of logistical constraints encountered in 2022; (iv) the increase in the supply, due to the entrance in operation of new capacity and fewer stoppages than in the same period of 2022.

Throughout the quarter Navigator had a greater amount of pulp available for sale, resulting from a lower integration in paper. Sales thus stood at 92 thousand tonnes, which represents an increase of 19% compared to the same period of the previous year, and of 75% in comparison with the last quarter.

Tissue

The demand for finished product in the 1st quarter of 2023 was resilient, and tissue revenue performed well recording a growth of around 27% compared to the same period of the previous year, and a drop of 2.4% from the last quarter, benefiting from a favourable price level.

Tissue sales volumes amounted to 24 thousand tonnes, a reduction of around 7.7% compared to the same quarter last year and 2.2% compared to the previous quarter. The lower numbers year on year were essentially due to a sharp decline in sales of reels, as there was a lower availability of product.

Sales through the At Home channel grew the most, driven by the attraction of new customers and the reinforcement of the position in the pre-existing base.

Over the course of the quarter, there was a slowdown in the costs of energy and external fibres, but even so the amounts were at historic highs. In this segment, as well, Navigator maintains a responsible price policy, continuing to practice a prudent management of its variable and fixed costs, with balanced margins and moving forward with a focus on innovation and differentiation, which was reflected in the valorisation of its activity and market reputation.

The operation for the acquisition of the “Consumer” business of the Gomà-Camps Group in Spain was concluded on 31 March. The integration of this new plant will position Navigator as the second largest Iberian producer of Tissue, adding 35 thousand tonnes of Tissue paper production capacity, for a total of 165 thousand tonnes, and increasing its converting capacity by 60 thousand tonnes to 180 thousand tonnes.

This unit, now called Navigator Tissue Ejea, closed the quarter with a revenue in excess of 32 million euros, an amount not yet consolidated in the results of this segment for this quarter, as it is registered as a financial holding.

Energy

In the first quarter of 2023, energy revenue totalled about 49 million euros, which represents a reduction of approximately 25% year on year.

This reduction in income was due essentially to: (i) the average arithmetic price for the Portuguese area of the Iberian electricity market (OMIE) in the first quarter of the year was 97.8 €/MWh, in contrast to 228.6 €/MWh last year; and (ii) the fact that the natural gas combined-cycle power station of Setúbal is operating with only one group, whilst last year it was operating with two. The variation in the price differential (electricity and natural gas) makes the operation of the 2nd group economically unfeasible.

These lower sales in the energy activity, on the other hand, correspond to lower costs in the acquisition of energy, whether because of the reduced purchase price per unit on the market, or because of the acquisition of lower volumes, especially of natural gas (given the 2nd group being shut down as explained above).

Navigator’s industrial units will continue to participate in the Regulated Reserve Band Market, a service provided by qualified electricity consumers to the electricity transmission grid operator, intended to help safeguard the security of the energy supply in the National Electricity System.

EBITDA

In the 1st quarter of 2023, there was a slower rise in costs, particularly in logistics, some raw materials and energy, which, in conjunction with the efforts to maintain prices and enrich the product mix, partially compensated for the reduction in sales volumes.

Total fixed costs stood at 9% above fixed costs year on year, a value explained essentially by the personnel costs caption, through the increase in salaries and performance and productivity bonuses, but also by the maintenance costs caption, impacted by the annual stoppage of the pulp plant in Setúbal, which was not carried out in 2022, and the increase in operating costs, specifically, the increase in costs for projects for support and diversification of Navigator’s activity.

In this framework, Navigator achieved an EBITDA of 131 million euros in the 1st Quarter and an EBITDA Margin of 26% (+1.4 p.p. year on year and -2.6 p.p. compared to the previous quarter).

The financial results amounted to -2.7 million euros (vs. -4.7 million euros in the same period of the previous year), down by 2.0 million euros year on year. This result was aided by the interest rate hedging policy, which, despite a rapid rise in the indexes, enabled us to keep the financing costs stable. On the other hand, the rise in interest rates made it possible to optimise the management of excess cash, which resulted in a positive result of 1.6 million euros.

Net income attributable to Navigator shareholders in the first quarter of 2023 totalled 68.9 million euros (vs. 47.8 million euros in the same period in 2022).

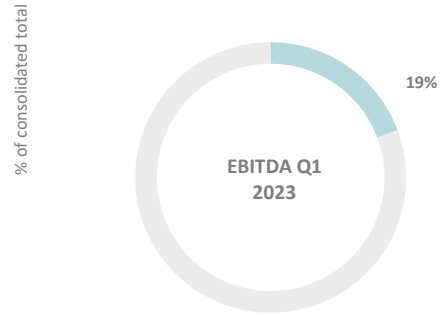
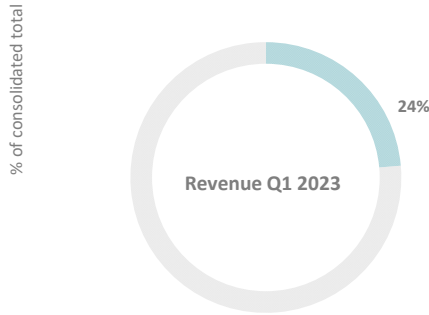
The free **cash flow** generated in the quarter amounted to 31 million euros (vs. 77 million euros over the same period in the previous year and vs. 140 million euros in the previous quarter), which reflects the impact of the disbursement for the acquisition of Gomà-Camps Consumer, without which the free cash flow would have increased by over 50% in relation to the same period of the previous year.

In the first quarter of 2023, the total **investment** amount was 42 million euros (vs. 15 million euros over the same period in the previous year and vs. 48 million euros in the previous quarter), 15.1 million euros of which is classified as environmental or sustainability investment, which accounts for 36% of the total investment.

This investment is mainly aimed at maintaining production capacity, revamping equipment and achieving efficiency gains, structural and safety projects. The investments include the new Recovery Boiler in Setúbal, the New Wood Yard in Figueira da Foz, an investment in waste water treatment (WWTP in Setúbal), washing and screening of HYKEP pulp, and treatment of ashes from the Recovery Boiler at Aveiro.

In line with its strategy for diversification, on 31 March Navigator concluded its **acquisition** of Gomà-Camps Consumer in Spain, seeking to reinforce its presence in the At Home segment, for circa 85 million euros. The integration of this new plant will position Navigator as the second largest Iberian producer of Tissue.

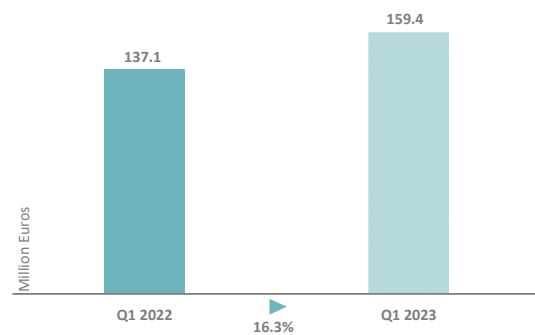
2.3. OVERVIEW OF SECIL ACTIVITY



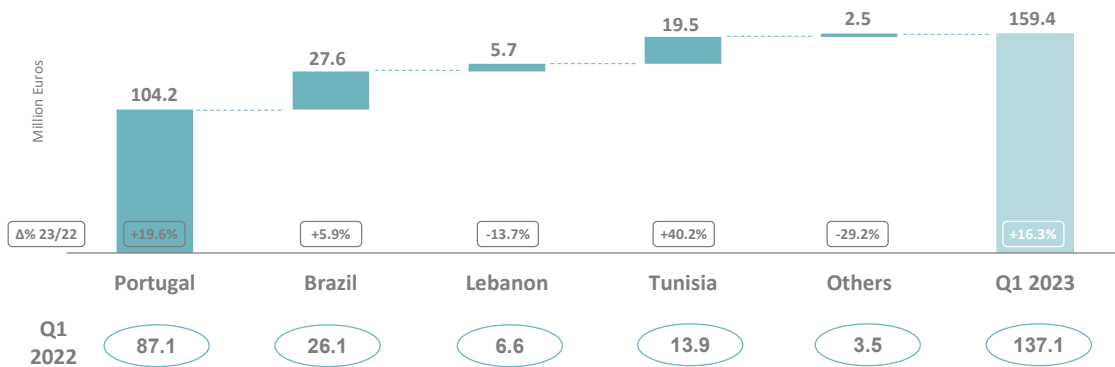
HIGHLIGHTS IN 2023 (VS. 2022)

- Secil's revenue in Q1 2023 amounted to 159.4 million euros, 16.3% above that in the same period of the previous year, representing an increase of 22.3 million euros.
- This increase is essentially the result of positive developments in the Portuguese and Tunisian markets. The exchange rate variation of the currencies of the different countries (excluding Lebanon) had a positive effect of about 1.1 million euros on Secil's revenue in the first quarter.

REVENUE

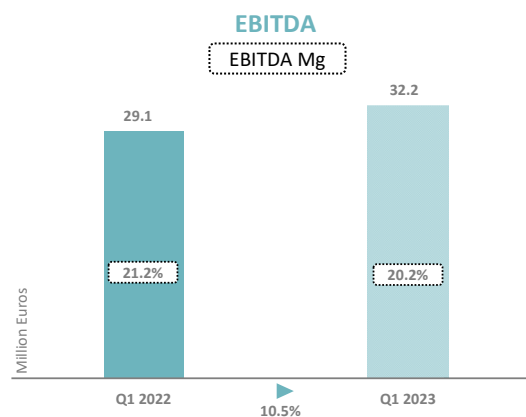


REVENUE BREAKDOWN BY COUNTRY

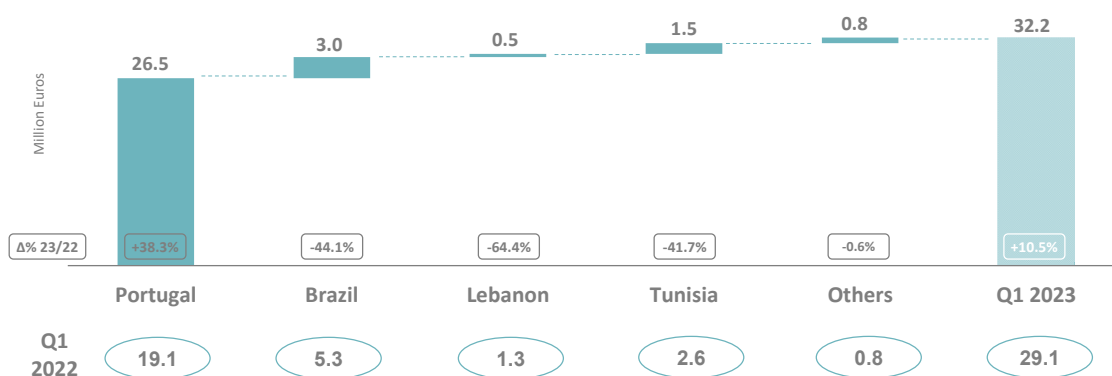


Note: Other includes Angola, Trading, Other and Eliminations.

- Consolidated EBITDA amounted to 32.2 million euros, up by 3.1 million euros (+10.5%) compared to the previous year. This variation results from the very positive contribution of the business in Portugal, which made it possible to counterbalance the less positive performance in the other countries.
- The negative effects resulting from the increases in production costs, especially energy, as a result of the sharp rise in fuel prices and the inflationary trend seen in all the economies were not offset by the average increase in sales prices and market growth in various countries.



EBITDA BREAKDOWN BY COUNTRY



Note: Other includes Angola, Trading, Other and Eliminations.

Secil's **net financial results**, including income from associates deteriorated from the same period of the previous year, falling from -4.3 million euros in the first quarter of 2022 to -9.7 million euros in the first quarter of 2023. This negative gap results from the increased net cost of financing in Portugal and Brazil, due to the rise in interest rates, and to the foreign exchange losses in Lebanon (in contrast to the exchange rate gains recorded in the same period of the previous year).

Net income attributable to Secil shareholders at the end of Q1 2023 totalled 6.1 million euros vis-à-vis 7.5 million euros over the same period of the previous year.

In the 1st quarter of 2023, Secil **invested** 15.5 million euros in fixed assets (vs. 20.3 million euros in the same period of 2022). The Clean Cement Line investment project (CCL) in Outão, which represented an investment of 4.8 million euros, will be concluded in the second quarter of 2023.

LEADING BUSINESS INDICATORS

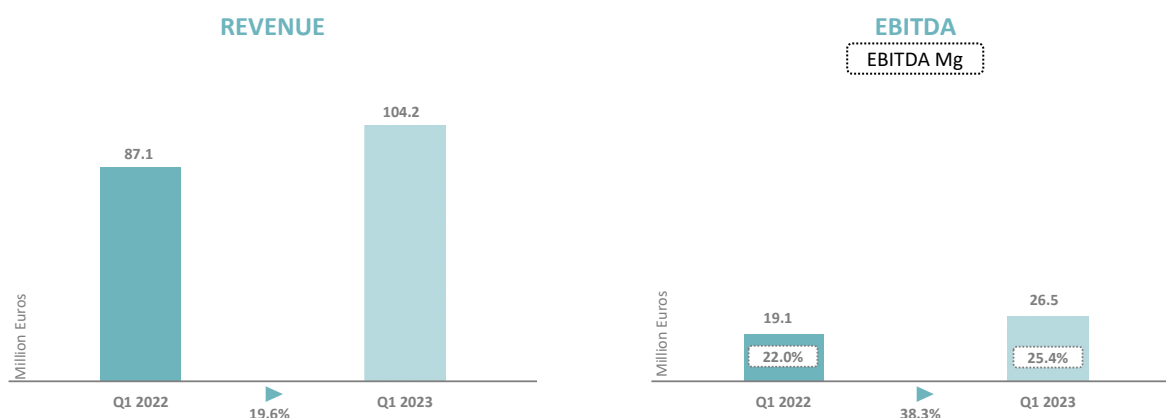
IFRS - accrued amounts (million euros)	Q1 2023	Q1 2022	Var.
Revenue	159.4	137.1	16.3%
EBITDA	32.2	29.1	10.5%
EBITDA margin (%)	20.2%	21.2%	-1.1 p.p.
Depreciation, amortisation and impairment losses	(13.0)	(12.7)	-2.0%
Provisions	(0.8)	0.2	-578.1%
EBIT	18.4	16.5	11.3%
EBIT margin (%)	11.5%	12.1%	-0.5 p.p.
Income from associates and joint ventures	(0.0)	(0.2)	96.8%
Net financial results	(9.7)	(4.1)	-136.5%
Profit before taxes	8.7	12.2	-28.7%
Income taxes	(2.8)	(3.7)	25.0%
Net profit for the period	5.9	8.5	-30.3%
Attributable to Secil shareholders	6.1	7.5	-18.4%
Attributable to non-controlling interests (NCI)	(0.2)	1.0	-116.4%
Cash flow	19.7	21.1	-6.6%
Free Cash Flow	1.7	(9.6)	117.9%
	31/03/2023	31/12/2022	
Equity (before NCI)	400.8	398.0	
Interest-bearing net debt	306.6	306.2	
Lease liabilities (IFRS 16)	38.5	38.0	
Total	345.1	344.2	

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

LEADING OPERATING INDICATORS

in 1 000 t	Q1 2023	Q1 2022	Var.
Annual cement production capacity	9 750	9 750	0.0%
Production			
Clinker	754	969	-22.2%
Cement	1 196	1 276	-6.3%
Sales			
Cement and Clinker			
Grey cement	1 185	1 277	-7.3%
White cement	18	22	-20.0%
Clinker	18	26	-32.6%
Other Building Materials			
Aggregates	1 148	1 213	-5.4%
Mortars	74	66	11.4%
in 1 000 m3			
Ready-mix	485	493	-1.5%

PORTUGAL



The Bank of Portugal (Projections for the Portuguese economy – March 2023) estimates that Portuguese economic growth in 2023 will be 1.8%. The Synthesis of Economic Conjuncture (March 2023, INE) states that the construction production index slowed to a variation of 2.6% year on year in February, after having risen 6.0% in January.

Cement consumption in **Portugal** in Q1 of 2023 is estimated to have fallen in accumulated terms by about 6.3% year on year, a decrease that was less accentuated in the last month.

In the first quarter of 2023 the **revenue** of combined operations in Portugal stood at 104.2 million euros, 19.6% up in relation to the same period in 2022.

Revenue in the Cement business unit in Portugal grew 14.0% (+7.0 million euros) over the same period in the previous year, resulting from the reduction of volumes sold and an increase in corresponding average selling prices.

Export revenue, including Secil's terminals, was lower compared to the same period last year, (falling -12.5%), mainly as a result of less volumes sold (-22.9%), and despite higher average selling prices (+13.4%).

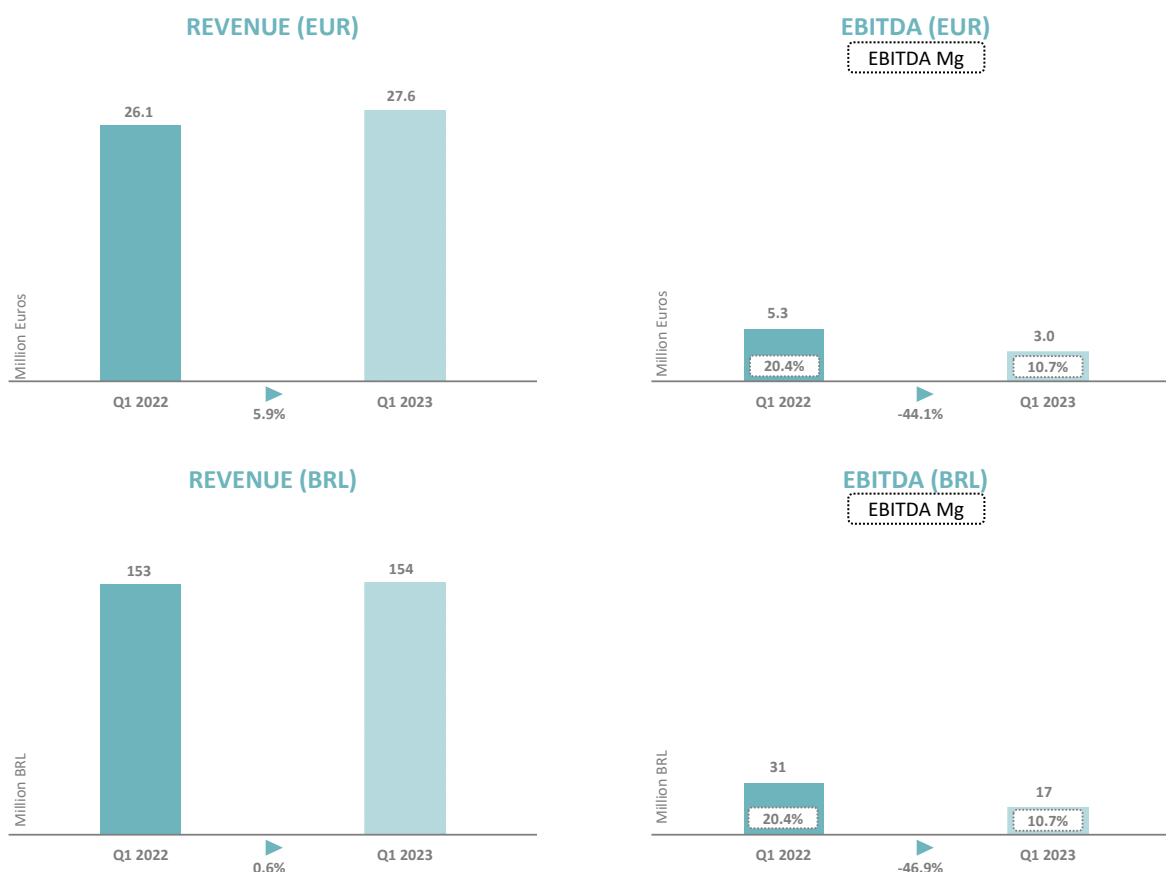
In the other business units with operations based in Portugal (Ready-mix concrete, Aggregates and Mortars), revenue in Q1 2023 amounted to 51 million euros, up by 27.9% year on year, explained primarily by the increase in average sales prices, boosted by the increase in volumes sold in the Concrete and Mortar sectors.

The **EBITDA** of the total operations in Portugal amounted to 26.5 million euros, representing a growth of 38.3% compared to Q1 2022.

EBITDA of the Cement business unit amounted to 24.3 million euros, i.e. higher than that of same period last year by 2.7 million euros (+12.7%), positively impacted by the increase in revenue that surpassed the rise in the costs of raw materials and increases in thermal energy due to the higher international price of fuels.

The EBITDA of construction material business units overall was up by 3.6 million euros (+117.5%). The positive evolution in the volumes sold in some businesses, together with the positive variation in sales prices helped to compensate with a positive margin the rise in the variable production costs.

BRAZIL



Note: Average exchange rate EUR-BRL 2022 = 5.8715 / Average exchange rate EUR-BRL 2023 = 5.5752

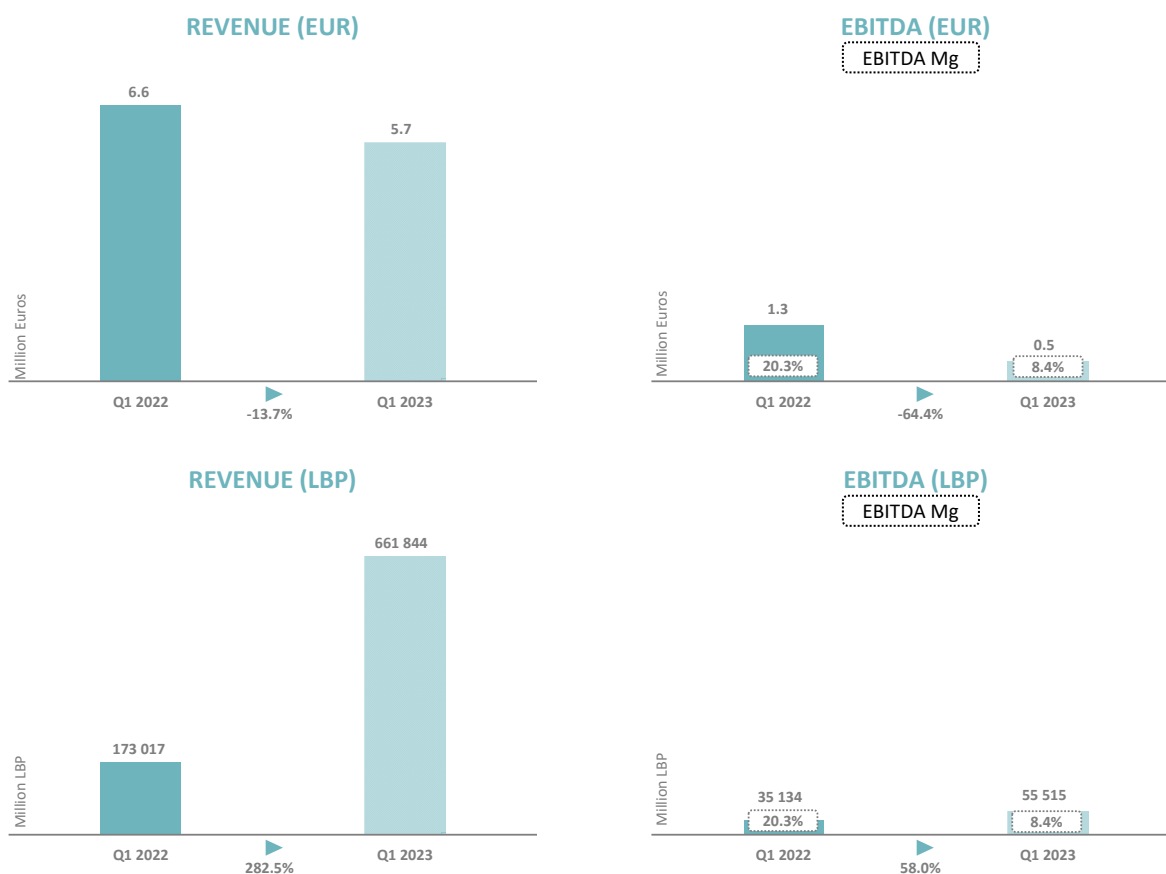
According to the estimates of SNIC (Sector Report - March 2023), cement sales by local producers in **Brazil** in the 1st quarter of 2023 was down by 0.8% against the same period in the previous year, after three years of consecutive growth. The situation was aggravated further by the continued higher interest rates and inflation, as well as the environment of global geopolitical instability that unfavourably impacted the real estate sector, which continues to be one of the main drivers of cement consumption. Additionally, the prolonged period of heavy rainfall in various parts of the country, together with the indebtedness of the families, aggravated by the slowdown in the labour market continues to have a negative impact on the Brazilian cement sector.

The **revenue** of combined operations in the country stood at 27.6 million euros in the first quarter 2023, 5.9% up on revenue recorded in the same period in 2022. We point out the effect of the appreciation of the Real against the Euro, which had a positive effect of about 1.4 million euros on revenue. Were it not for this effect, the revenue would have registered a weak growth of +0.6%.

Cement sales volumes decreased 9.6% in comparison with the same period of the previous year, with a rise in average sales prices.

The **EBITDA** of activities in Brazil totalled 3.0 million euros, which compares with 5.3 million euros recorded year on year, representing a contraction of 44.1%. Excluding the favourable exchange rate effect of 2023, EBITDA would have been down around 47%, reflecting the negative impact of higher variable production costs, energy in particular, as well as fixed costs, particularly maintenance and personnel.

LEBANON



Note: Exchange rate EUR-LBP 2022 = 26 364.9 / Exchange rate EUR-LBP 2023 = 116 906.3

Lebanon is plunged in a serious economic-financial and social crisis. Despite the efforts made by political forces to stabilise the situation, the Covid-19 pandemic and, more recently, the war in Ukraine aggravated further an already precarious situation. In addition, the constant power cuts from the last quarter of 2021 onwards negatively impacted Secil's operations in the country.

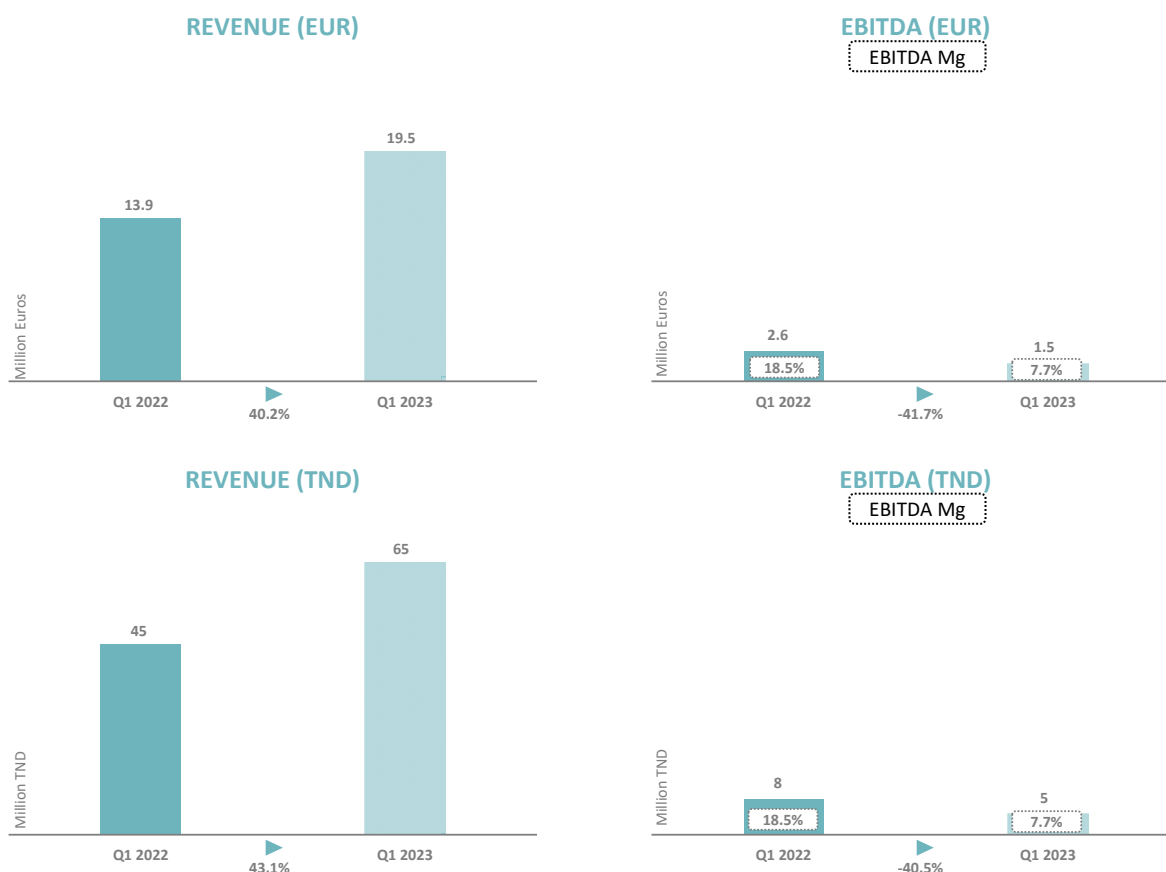
Within this context, **revenue** of combined operations in Lebanon decreased 13.7%, compared to the same period in 2022, the revenue figure dropping from 6.6 million euros to 5.7 million euros. Revenue would have been 18.5 million euros higher if the effect of the exchange rate depreciation had been removed. Note that the Lebanese pound ended the 1st quarter 2023 at 116 906.3 LBP per 1 EUR, which compares with 26 364.9 LBP per 1 EUR year on year.

Revenue in the Cement business unit was down 15.0% which is essentially the result of the adjustment of sales prices in local currency to the hyperinflation situation and the rapid depreciation of the currency, associated with a drop of 12.5% in the volumes of cement and clinker sold to the domestic market, compared to the same period the previous year, impacted by the irregularity in the electricity supply. On the other hand, estimates are hinting at 38% growth of the Lebanese cement market.

In the Concrete business unit, there was also a reduction in the revenue, year on year (-15.3%), a result of lower volumes sold. Note that the average sales price was maintained, taking into account the scenario of hyperinflation.

EBITDA generated from operations in Lebanon stood at 0.5 million euros, down by 64.4% in relation to the same period last year. This decrease is negatively affected by the depreciation of the Lebanese pound (1.6 million euros), but mainly to the lower volumes sold, the increase in production costs, specifically thermal energy, and the increase in fixed costs (increased inflation in the local economy, reflected mainly in the raw materials).

TUNISIA



Note: Average exchange rate EUR-TND 2022 = 3.2625 / Average exchange rate EUR-TND 2023 = 3.3288

Tunisia is still facing significant challenges, including high foreign and fiscal deficits, increasing debt and insufficient growth to reduce unemployment. Some social unrest still persists, which may become worse, along with pressure from trade union demands. Government 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. The side effects of the war in Ukraine and political instability have made the situation worse.

In this difficult context, the domestic cement market is expected to have decreased by around 7% in comparison with the same period of 2022 and is still subject to strong competition due to excess installed capacity. Despite this context, the **revenue** of the operations carried out in Tunisia showed a positive variation of 40% (19.5 million euros in total) compared with the same period of the previous year.

Revenue of the Cement business increased by about 44.9% to 18.8 million euros, reflecting an increase in prices in the domestic (+24.4%) and external markets (+27.9%) on the one hand, and the increase in volumes sold to the external market (+91.7%) on the other, given that there was a slight decline in sales to the domestic market of 11.2%.

In contrast with the Cement business, Concrete business revenue showed a decrease of 17.6% compared to the same period last year, as a result of a drop of 29.8% in the volumes sold.

The **EBITDA** of the activities in Tunisia amounted to 1.5 million euros, 41.7% below Q1 last year (2.6 million euros), namely as a result of the increased production costs (essentially thermal and electrical energy), a reduction in the volumes sold in the domestic market, partially compensated by an increase in average selling prices and a very favourable development in exports.

ANGOLA AND OTHERS

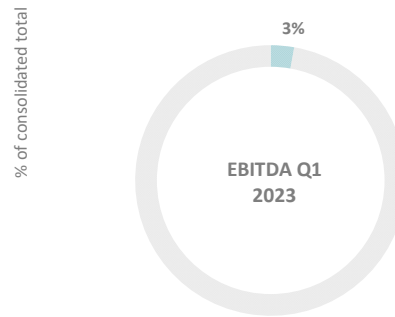
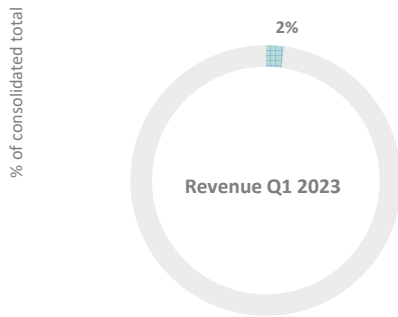
According to the latest figures available, it is estimated that the **Angolan** cement market had negative variation of 14% year on year.

Cement volumes sold by Secil fell by 18.7%. Secil Lobito has been implementing a strict price policy that can help it tackle significant increase in costs expressed in the local currency. Under these terms, the price of cement, in local currency, remained stable throughout the 1st Quarter of 2023.

Consequently, **revenue** totalled 2.4 million euros, i.e. 17.8% below that of the previous year, mainly influenced by the market breakdown.

EBITDA in the first quarter of 2023 amounted to 0.3 million euros, which, compared to the 0.6 million euros recorded over the same period in the previous year, representing a drop of 45.5%, mainly justified by a drop in sales volumes.

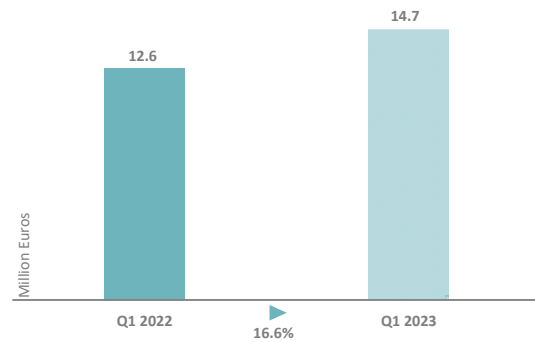
2.4. OVERVIEW OF ETSA ACTIVITY



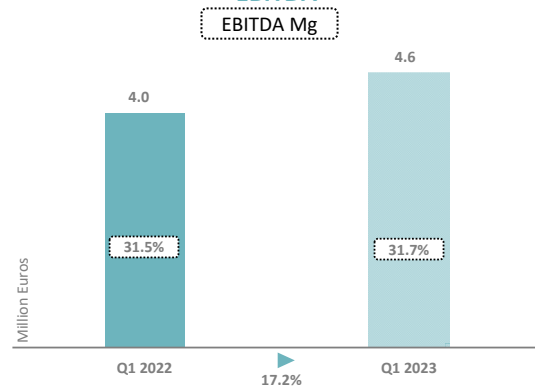
HIGHLIGHTS IN 2023 (VS. 2022)

- ETSA recorded revenue of approximately 14.7 million euros in the first three months of 2023, which represented an increase of about 16.6% compared to the same period of the previous year.
- In the 1st quarter of 2023, EBITDA for ETSA totalled approximately 4.6 million euros, representing a growth of about 17.2% in comparison with the same period of the previous year, essentially due to a higher revenue.

REVENUE



EBITDA



LEADING BUSINESS INDICATORS

IFRS - accrued amounts (million euros)	Q1 2023	Q1 2022	Var.
Revenue	14.7	12.6	16.6%
EBITDA	4.6	4.0	17.2%
EBITDA margin (%)	31.7%	31.5%	0.2 p.p.
Depreciation, amortisation and impairment losses	(0.9)	(0.8)	-10.3%
Provisions	-	-	-
EBIT	3.8	3.2	19.0%
EBIT margin (%)	25.6%	25.1%	0.5 p.p.
Net financial results	(0.0)	(0.0)	15.2%
Profit before taxes	3.7	3.1	19.4%
Income taxes	(0.6)	(0.7)	19.8%
Net profit for the period	3.1	2.4	31.8%
Attributable to ETSA shareholders	3.1	2.4	30.8%
Attributable to non-controlling interests (NCI)	0.0	0.0	178.9%
Cash flow	4.0	3.2	26.4%
Free Cash Flow	(1.4)	2.7	-151.9%
	31/03/2023	31/12/2022	
Equity (before NCI)	100.8	97.7	
Interest-bearing net debt	(11.2)	(12.7)	
Lease liabilities (IFRS 16)	1.3	1.3	
Total	(9.9)	(11.4)	

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

ETSA recorded **revenue** of approximately 14.7 million euros in the first three months of 2023, which represented an increase of about 16.6% compared to the same period of the previous year.

This variation results from a 24.9% increase in sales compared to the same period last year, stemming essentially from the increase in the sale of class 3 fat and meal, but also from the increase in sales of class 1 fat.

Services rendered, compared to the same period of the previous year, increased slightly by 0.5%, resulting from a mix of variations in the different types of services rendered by ETSA.

EBITDA for ETSA totalled approximately 4.6 million euros in the first three months of 2023, representing a growth of about 17.2% in comparison with the same period of the previous year, essentially due to a higher revenue. EBITDA margin stood at 31.7%, positive by around 0.2 p.p. over the margin registered in the first three months of 2022.

Financial results improved by about 15.2% in relation to the same period in the previous year, mostly due to the reduction in contracted debt.

The combined impact of these factors resulted in a **net profit attributable to ETSA shareholders** for the first three months of 2023 of approximately 3.1 million euros, up by around 30.8% year on year.

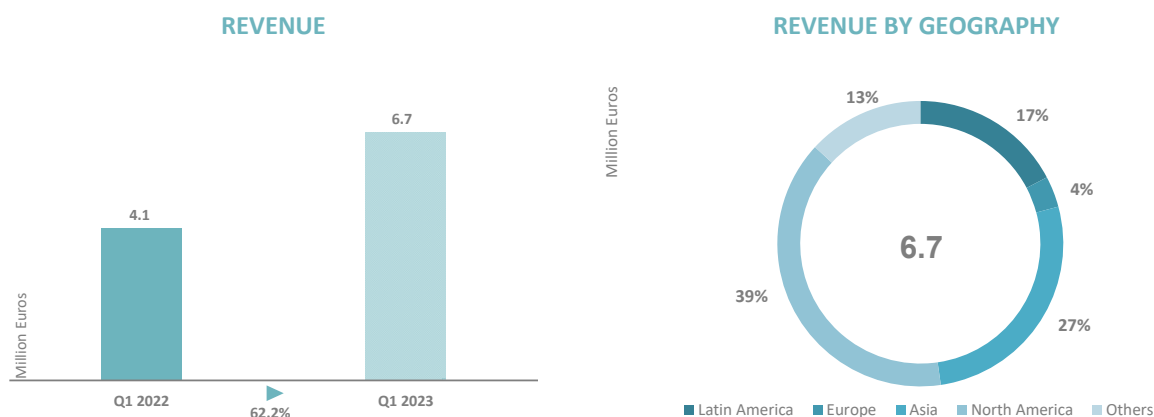
ETSA invested 3.4 million euros in fixed assets in the first quarter of 2023.

2.5. OVERVIEW OF SEMAPA NEXT ACTIVITY

The Q1 2023 activity of Venture Capital stands out for the follow-on **investment** made in Kencko, a company dedicated to the production and marketing of smoothies, gums, and nutritional bowls, with a high quality and lower food waste, in which Semapa Next reinforced its position; it also carried out a Discovery Check at Soveren, a company working in the area of cybersecurity and developing a solution to prevent and correct violations of privacy and security.

In addition to the investments made, Semapa Next continued to analyse various investment opportunities in technology companies that are in Series A and Series B, actively monitoring its portfolio.

2.6. OVERVIEW OF UTIS¹ ACTIVITY



UTIS recorded **revenue** of approximately 6.7 million euros in the first three months of 2023, which represented an increase of 2.6 million euros (+62.2%) compared to the same period of the previous year. UTIS's activity in the period was marked by strong growth in revenue and in the results.

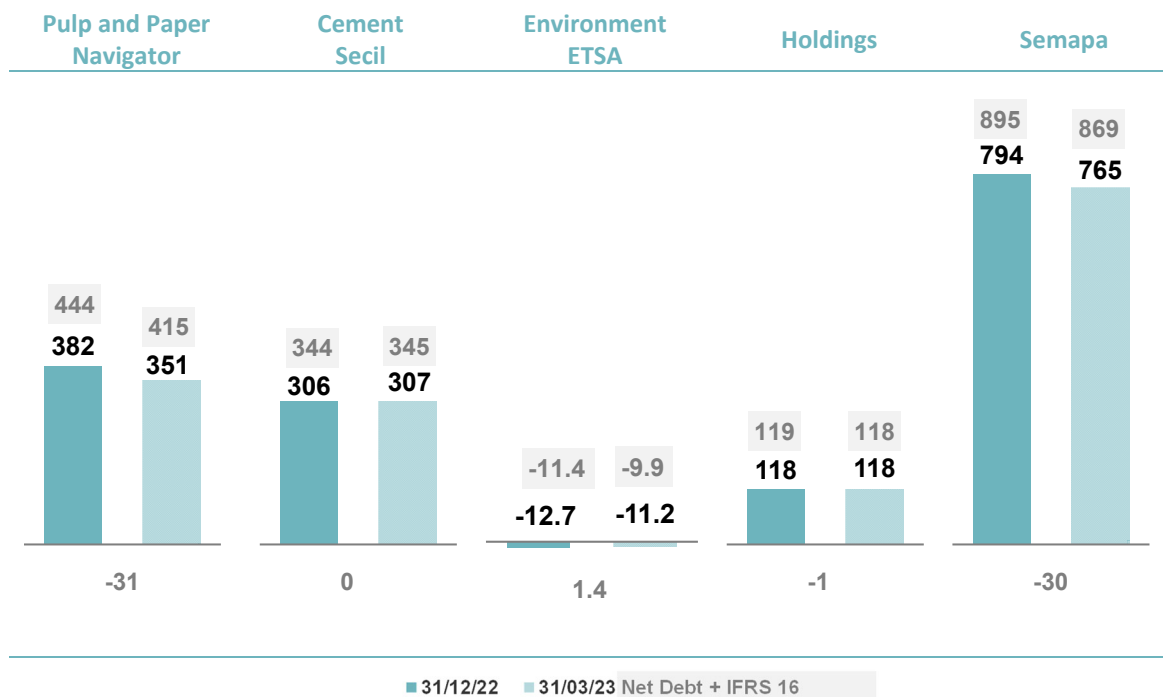
This evolution in revenue resulted from an increase in the number of pieces of equipment sold, mainly UC3 systems, and from the average selling price per unit (increase of the weight of products with a higher value). Note the significant increase in sales to North America, which holds first place as the region with the greatest weight in revenues, replacing Europe.

¹ UTIS is a 50/50 joint-venture between Semapa and Ultimate Cell. As it is a "Joint Venture" under the IFRS (interests split 50/50), it is accounted for in the financial statements of Semapa (consolidated and separate) using the equity method (not incorporated "line by line") in Semapa's consolidated accounts. Thus, 50% of the results of this JV is entered in Semapa's profit and loss as "Income from associates and joint ventures", and the value of the investment is shown on the balance sheet under "Investment in associates and joint ventures".

3 SEMAPA GROUP – FINANCIAL AREA

3.1. INDEBTEDNESS

NET DEBT



On 31 March 2023, **consolidated net debt** stood at 764.6 million euros, representing a reduction of around 29.6 million euros over the figure ascertained at the close of 2022. Including the effect of IFRS 16, net debt would have been 868.7 million euros, 26.7 million euros below the figure at the end of 2022. Besides the operating cash flow generated, these variations are explained by:

- Navigator: -30.8 million euros, including investments in fixed assets of about 41.7 million euros and the acquisition of Gomà-Camps Consumer in Spain by Navigator, for about 85 million euros;
- Secil: +0.4 million euros, including investments in fixed assets of about 15.5 million euros and foreign exchange losses in Lebanon (~2.1 million euros);
- ETSA: +1.4 million euros, including investments in fixed assets of around 3.4 million euros. Worthy of note the difficulty in collecting the amounts billed to the State; and,
- Holdings: -0.5 million euros.

As at 31 March 2023, total consolidated cash and equivalents amounted to 562.7 million euros, in addition to committed and undrawn credit lines for the Group, thus ensuring a strong liquidity position.

3.2. NET PROFIT

Net profit attributable to Semapa shareholders was 57.0 million euros, which represents an increase of 15.0 million euros against the same period of the previous year, due essentially to the combined effect of the following factors:

- 12.1 million euro increase in EBITDA, mainly due to the increase of 9.1 million euros in the Pulp and Paper segment;
- A small increase of 0.5 million euros in depreciation, amortisation and impairment losses;
- Income from associates was 1.2 million euros, the positive results of UTIS accounting for almost all of that amount;
- A deterioration in net financial results by about 2.3 million euros, reflecting especially the foreign exchange losses of Secil in Lebanon (as opposed to the foreign exchange gains recorded in the same period, year on year);
- Reduction in the income taxes amount of approximately 10 million euros, with a tax rate in the period of 26%.

4 OUTLOOK

Beginning last year, and particularly from the start of the war in Ukraine, investors are closely following two major topics that arise as factors of high uncertainty and risk: inflation and geopolitical tensions. There is a progressive reduction in inflation, in spite of the current high values, a consequence not only of, but also due to, a sustained hike in interest rates by central banks, which strongly conditions economic pace. On the geopolitical front, there is no glimpse of any positive signs that may hinder a reduction of the high volatility of the markets.

At the beginning of the year, the IMF presented a less pessimistic picture for the evolution of the world economy, but now in the April Outlook, it lowered some of its projections. The latest projections point to a 2.8% growth in the world economy in 2023 (lower than the 3.4% in 2022) and circa 3% in the next five years, forecasting the lowest mid-term growth since 1990 and well below the average of 3.8% of the last two pre-pandemic decades (2000-2019).

The IMF's World Economic Outlook (WEO), published in April 2023, foresees that GDP for the Euro Area will increase 0.8% in 2023 (upward revision by 0.1 p.p. compared to the January WEO update) and an increase of 1.4% in 2024 (downward revision by 0.2 p.p.). Portuguese GDP is expected to grow 1.0% in 2023 and 1.7% in 2024.

The Bank of Portugal (Projections for the Portuguese economy – March 2023) estimates that Portuguese economic growth will be 1.8% in 2023 and 2% in 2024 and 2025. Inflation in 2023 should be 5.5%, decreasing to 3.2% in 2024 and 2.1% in 2025. The Bank of Portugal identifies as main risks for the economic activity: the impact of the normalisation of the monetary policy, the increased frictions in the financial markets, and the scaling up of the conflict in Ukraine. In regard to inflation, "the main risk comes from internal pressures, through salaries and company margins, and the budget policies that stimulate demand."

NAVIGATOR

The current political and economic context has resulted in a continuing situation in the market that is highly unpredictable and extremely volatile.

The current market environment may lead to further temporary or definitive capacity reductions in the paper sector in Europe, in the wake of strategic decisions or due to profitability issues, taking into consideration that the high variable costs, namely energy costs, are not going away. This possibility was put forward by some European players, after the close of the quarter.

In fact, the production costs are at a much higher level than that seen in the pre-pandemic period, which continues to put negative pressure on the paper manufacturers' margins, especially those that are not integrated. In order to effectively respond to this adverse context, Navigator maintains and reinforces programmes for improved efficiency and cost control.

Despite the persistence of inflationary pressures, the drop in prices of pulp in China and Europe, together with the recovery of imports from Asian or American players might lead to increased negative pressure on prices in Europe.

On the other hand, a progressive normalisation of the volume of stocks throughout the distribution chain may contribute to a moderation of that negative pressure. In fact, although it is slower than what was expected, it is hoped that the effect of destocking throughout the distribution chain will lead to a moderate increase in the number of orders in the 2nd quarter. The speed with which the entry of orders recovers will always be very dependent on the buyers' feelings in regard to the changes in the final demand and the prices, the behaviours of which are being influenced by highly pronounced oscillations, one way and the other, which the market has seen over the last year.

In the pulp segment, the slowdown in demand and the significant increase in the market supply of pulp will keep the current negative pressure on pulp prices in 2023. For the rest of the year, the analysts estimate there will be a continued, progressive, but gradual drop in market prices, with a recovery expected during 2024. This forecast of lower prices is closely associated with the new capacity of Latin America of short-fibre pulp, in Chile (1.6 million tonnes), which started up in December 2022, and Uruguay (2.1 million tonnes) which began operations in April 2023.

Navigator maintains its ambitious plan to develop new products and diversify the product range, particularly in the Tissue and Packaging segments. The project for the production of moulded cellulose pieces is scheduled to go into

production in the first half of 2024. It will have an initial production capacity of 100 million pieces, with the possibility to increase its capacity in subsequent years.

The current challenging context offers little predictability on geopolitical and macroeconomic developments, which will require constant adaptation to reality. Navigator's swift action, with careful management and production planning for all products, successfully implemented marketing strategies and a focus on production efficiency programmes and cost controls, along with its robust financial position and greater importance given to new business areas, will continue to demonstrate the resilience of Navigator's business model.

SECIL

Secil is assessing potential investment opportunities, with emphasis on the decarbonisation of its industrial processes and R&D in products and solutions in the sectors in which it operates, against the backdrop of the Recovery and Resilience Plan (RRP). The implementation of the RRP is expected to help with the recovery of **Portugal's** economy.

In the 2nd quarter of 2023 the investment project for the Clean Cement Line (CCL) in Outão, will be completed, which aims at being a pioneer in combining mature technologies with innovative ones that will enable a 20% reduction in CO₂ emissions, a 20% improvement in energy efficiency and the production of 30% of electricity through heat recovery from the process itself. The low carbon clinker resulting from this process will enable the company to respond competitively to requests for green procurement on the market.

In July 2022, Secil launched Verdi Zero Concrete, the first carbon-neutral concrete in Portugal, a product based on Secil innovation in product development that guarantees a significant reduction in CO₂ emissions from the outset. Verdi Zero Concrete is therefore a less carbon-intensive concrete that promotes the circular economy as it incorporates recycled waste and uses a lower amount of virgin raw materials. The remaining emissions will be offset through a carbon offset programme that is certified by Climate Impact Partners with the CarbonNeutral® Product label. This is yet another important step on the path to decarbonisation at Secil, with the aim of achieving carbon neutrality by 2050, in line with the commitments made to reduce CO₂ emissions from its operations.

The IMF World Economic Outlook (WEO) released in April 2023 forecasts a growth of 0.9% in the **Brazilian** economy in 2023 (following a growth of 2.9% in 2022) and 1.5% in 2024. Projected levels of inflation are 5.0% in 2023 and 4.8% in 2024. High interest rates may affect the course of real estate financing and the respective investments, which may be offset by planned public investment in infrastructure.

In **Lebanon**, the political and economic environment has faced much uncertainty 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 port 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. In the World Economic Outlook (WEO) published in April 2023, the IMF continues to not provide any estimates due to the high level of uncertainty.

To cope with the cut in the supply of electricity, Secil is evaluating other alternatives in order to restore normal operations.

According to the World Economic Outlook (WEO) published in April 2023, the IMF expects the GDP of **Tunisia** to grow 1.3% in 2023 and 1.9% in 2024. Projected levels of inflation are 10.9% in 2023 (higher than that in 2022, which was 8.3%), dropping to 9.5% in 2024. There is nothing new in the political scenario of Tunisia, despite the formation of a new parliament. The economic context remains difficult and social tensions are rising. The negotiations with the IMF were interrupted again, among other reasons, due to the persistent question of compensations (subsidies).

The outlook for **Angola** (World Economic Outlook, IMF April 2023) hints at a growth of 3.5% in 2023, followed by a 3.7% growth in 2024. In regard to inflation, the forecast is that there will be a sharp drop to 11.7% (after recording 21.4% in 2022) and to 10.8% in 2024.

ETSA

Despite the current macroeconomic framework, ETSA looks to the future with confidence due to its continued commitment to high added-value products to be placed on the international market. In this sense, exports accounted for about 51.6% of the overall value of accumulated sales as at 31 March 2023, and construction began on a new production plant in Coruche, the result of the strong investment in innovation, called ETSA ProHy, which is expected to be commissioned in early 2024.

SEMAPA NEXT

Semapa Next will continue to monitor its portfolio and will actively participate in national and international events in order to find future investment opportunities in technology companies, build and cement institutional relationships with investors and monitor new market trends. The rest of the year is expected to be very active, with various opportunities in the pipeline.

UTIS

For 2023, UTIS is extending its UC3 technology to other sectors of activity/business, namely, biomass, power plants, chemical industries, and incineration, among others, including hydrogen production for HRS - Hydrogen Refuelling Stations. Concerning internal combustion, taking into account the technological developments of UCLE - Ultimate Cell Large Engines lately, their nearly exponential expansion in the short/medium term will be a very important goal in the context of revenue and results growth that it hopes to achieve.

Identifying priority geographies, commercial and marketing enhancement, new patent development with increased and diversified links with Universities, lifelong training for all employees, with a focus on reinforcing procurement and maintaining exports of its production at the 95% target are key for its long-term sustainability.

Lisbon, 19 May 2023

BOARD OF DIRECTORS

CHAIRMAN:

JOSÉ ANTÔNIO DO PRADO FAY

MEMBERS:

RICARDO MIGUEL DOS SANTOS PACHECO PIRES

VÍTOR PAULO PARANHOS PEREIRA

FILIPA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

MAFALDA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

LUA MÓNICA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

ANTÓNIO PEDRO DE CARVALHO VIANA-BAPTISTA

PAULO JOSÉ LAMEIRAS MARTINS

FINANCIAL CALENDAR

Date	Event
28 July 2023	First Half 2023 Results Announcement
3 November 2023	First 9 months 2023 Results Announcement

DEFINITIONS

EBITDA = EBIT + Depreciation, amortisation and impairment losses + Provisions

EBIT = Operating profit

Operating profit = Earnings before taxes, financial results and results of associates and joint ventures as presented in the Income Statement in IFRS format

Cash flow = Net profit for the period + Depreciation, amortisation and impairment losses + Provisions

Free Cash Flow = Variation in interest-bearing net debt + Variation in foreign exchange denominated debt + Dividends (paid-received) + Purchase of own shares

Interest-bearing net debt = Non-current interest-bearing debt (net of loan issue charges) + Current interest-bearing debt (including debts to shareholders) - Cash and cash equivalents

DISCLAIMER

This document contains statements that relate to the future and are subject to risks and uncertainties that can lead to actual results differing from those provided in these statements. Such risks and uncertainties are due to factors beyond Semapa's control and predictability, such as macroeconomic conditions, credit markets, currency fluctuations and legislative and regulatory changes. Statements about the future made in this document concern only the document and on the date of its publication, therefore Semapa does not assume any obligation to update them. This document is a translation of a text originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

PART 2

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

INTERIM CONSOLIDATED INCOME STATEMENT FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

Amounts in Euro	Note	Q1 2023 <i>Unaudited</i>	Q1 2022 <i>Unaudited</i>
Revenue	2.1	675 162 963	641 810 807
Other operating income	2.2	32 226 021	26 972 437
Fair value adjustments of biological assets	3.5	(602 191)	(5 484 455)
Cost of goods sold and materials consumed		(313 793 224)	(265 809 107)
Variation in production		23 749 149	37 554 281
Supplies and services	2.3	(147 531 500)	(184 032 241)
Payroll costs	7.1	(69 308 068)	(65 239 117)
Other operating expense	2.3	(33 093 970)	(31 082 081)
Net provisions	9.1	(777 187)	162 557
Depreciation, amortization and impairment losses on non-financial assets	3.4	(49 208 035)	(49 600 043)
Operating profit/ (loss)		116 823 958	105 253 038
Group share of (loss) / gains of associates and joint ventures	10.3	1 223 507	443 331
Financial income and gains	5.8	4 244 045	12 840 328
Financial expenses and losses	5.8	(17 143 570)	(23 413 850)
Profit before tax		105 147 940	95 122 847
Income tax	6.1	(27 559 441)	(37 698 848)
Net profit for the period		77 588 499	57 423 999
Attributable to Semapa's shareholders		57 015 974	42 015 117
Attributable to non-controlling interests	5.5	20 572 525	15 408 882
Earnings per share			
Basic earnings per share, Euro	5.2	0.714	0.526
Diluted earnings per share, Euro	5.2	0.714	0.526

Lisbon, 19 May 2023

The Accompanying notes form an integral part of these consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

Amounts in Euro	Q1 2023	Q1 2022
	<i>Unaudited</i>	<i>Unaudited</i>
Net profit for the period without non-controlling interests	77 588 499	57 423 999
Items that may be reclassified to the income statement		
Hedge derivative financial instruments		
Changes in fair value	3 858 835	(8 358 987)
Tax effect	(1 130 660)	2 298 721
Currency translation differences	(7 337 383)	27 065 542
Other comprehensive income	(338 565)	(2 014 124)
Items that may not be reclassified to the income statement		
Remeasurements of post-employment benefits		
Remeasurements	1 835 323	(9 538 112)
Tax effect	-	169
Total other comprehensive income (net of taxes)	(3 112 450)	9 453 209
Total comprehensive income	74 476 049	66 877 208
Attributable to:		
Semapa's shareholders	56 516 381	55 784 184
Non-controlling interests	17 959 668	11 093 024
	74 476 049	66 877 208

Lisbon, 19 May 2023

The Accompanying notes form an integral part of these consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

Amounts in Euro	Note	31-03-2023	31-12-2022
		<i>Unaudited</i>	
ASSETS			
Non-current assets			
Goodwill	3.1	339 035 032	338 806 427
Intangible assets	3.2	500 241 616	455 064 081
Property, plant and equipment	3.3	1 680 681 264	1 684 929 711
Right-of-use assets		104 303 870	101 188 676
Biological assets	3.5	121 897 049	122 499 874
Investments in associates and joint-ventures	10.3	125 072 729	38 379 742
Investment properties		365 833	366 436
Other financial investments	8.2	49 335 632	48 718 902
Receivables and other non-current assets	4.2	27 727 989	28 920 465
Deferred tax assets	6.2	85 753 202	85 880 368
		3 034 414 216	2 904 754 682
Current assets			
Inventories	4.1	415 811 323	393 487 480
Receivables and other current assets	4.2	620 057 196	642 034 932
Income tax	6.1	23 494 647	23 726 172
Cash and cash equivalents	5.7	562 734 875	593 396 576
		1 622 098 041	1 652 645 160
Non-current assets held for sale		1 008 000	1 008 000
		1 623 106 041	1 653 653 160
Total Assets		4 657 520 257	4 558 407 842
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	5.1	81 270 000	81 270 000
Treasury shares	5.1	(15 946 363)	(15 946 363)
Currency translation reserve	5.4	(205 581 260)	(202 244 411)
Fair value reserve	5.4	31 679 034	29 889 067
Legal reserve	5.4	16 695 625	16 695 625
Other reserves	5.4	1 105 635 572	1 105 635 572
Retained earnings	5.4	309 127 942	990 821
Net profit for the period		57 015 974	307 089 834
Equity attributable to Semapa's shareholders		1 379 896 524	1 323 380 145
Non-controlling interests	5.5	328 205 484	310 245 813
Total Equity		1 708 102 008	1 633 625 958
Non-current liabilities			
Interest-bearing liabilities	5.6	1 014 036 136	1 051 581 390
Lease liabilities		85 717 912	84 908 949
Pensions and other post-employment benefits	7.2	3 641 870	5 576 670
Deferred tax liabilities	6.2	235 312 505	237 260 488
Provisions	9.1	51 856 679	53 325 780
Payables and other non-current liabilities	4.3	34 320 860	37 652 398
		1 424 885 962	1 470 305 675
Current liabilities			
Interest-bearing liabilities	5.6	313 291 419	335 991 058
Lease liabilities		18 407 058	16 308 812
Payables and other current liabilities	4.3	1 023 525 563	960 909 689
Income tax	6.1	169 308 247	141 266 650
		1 524 532 287	1 454 476 209
Total Liabilities		2 949 418 249	2 924 781 884
Total Equity and Liabilities		4 657 520 257	4 558 407 842

Lisbon, 19 May 2023

The Accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD BETWEEN 1 JANUARY 2023 AND 31 MARCH 2023

Amounts in Euro	Note	Share capital	Treasury shares	Currency translation reserve	Fair value reserve	Legal reserve	Other reserves	Retained earnings	Net profit for the period	Total	Non-controlling interests	Total
Equity as at 1 January 2023		81 270 000	(15 946 363)	(202 244 411)	29 889 067	16 695 625	1 105 635 572	990 821	307 089 834	1 323 380 145	310 245 813	1 633 625 958
Net profit for the period		-	-	-	-	-	-	-	57 015 974	57 015 974	20 572 525	77 588 499
Other comprehensive income (net of tax)		-	-	(3 336 849)	1 789 967	-	-	1 047 289	-	(499 593)	(2 612 857)	(3 112 450)
Total comprehensive income for the period		-	-	(3 336 849)	1 789 967	-	-	1 047 289	57 015 974	56 516 381	17 959 668	74 476 049
Appropriation of 2022 profit:												
- Transfer to reserves		-	-	-	-	-	-	307 089 834	(307 089 834)	-	-	-
Total transactions with shareholders		-	-	-	-	-	-	307 089 834	(307 089 834)	-	-	-
Other movements		-	-	-	-	-	-	(2)	-	(2)	3	1
Equity as at 31 March 2023		81 270 000	(15 946 363)	(205 581 260)	31 679 034	16 695 625	1 105 635 572	309 127 942	57 015 974	1 379 896 524	328 205 484	1 708 102 008

Amounts in Euro	Note	Share capital	Treasury shares	Currency translation reserve	Fair value reserve	Legal reserve	Other reserves	Retained earnings	Net profit for the period	Total	Non-controlling interests	Total
Equity as at 1 January 2022		81 270 000	(15 946 363)	(234 772 441)	(2 291 184)	16 695 625	1 048 397 118	832 780	198 128 028	1 092 313 563	253 113 874	1 345 427 437
Net profit for the period		-	-	-	-	-	-	-	42 015 117	42 015 117	15 408 882	57 423 999
Other comprehensive income (net of tax)		-	-	25 570 967	(3 497 957)	-	-	(8 304 582)	-	13 768 428	(4 315 219)	9 453 209
Total comprehensive income for the period		-	-	25 570 967	(3 497 957)	-	-	(8 304 582)	42 015 117	55 783 545	11 093 663	66 877 208
Appropriation of 2021 profit:												
- Transfer to reserves	5.5	-	-	-	-	-	-	198 128 028	(198 128 028)	-	-	-
Total transactions with shareholders		-	-	-	-	-	-	198 128 028	(198 128 028)	-	-	-
Other movements		-	-	-	-	-	-	-	-	-	(1)	(1)
Equity as at 31 March 2022		81 270 000	(15 946 363)	(209 201 474)	(5 789 141)	16 695 625	1 048 397 118	190 656 226	42 015 117	1 148 097 108	264 207 536	1 412 304 644

Lisbon, 19 May 2023

The Accompanying notes form an integral part of these consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

Amounts in Euro	Notes	Q1 2023	Q1 2022
		<i>Unaudited</i>	<i>Unaudited</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		697 245 377	660 022 719
Payments to suppliers		(482 440 718)	(485 836 456)
Payments to personnel		(43 959 573)	(41 758 294)
Cash flows from operations		170 845 086	132 427 969
Income tax received/(paid)		(34 352)	(946 388)
Other receipts/(payments) relating to operating activities		9 375 768	(18 238 822)
Cash flows operating activities (1)		180 186 502	113 242 759
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Financial investments		-	2 099
Property, plant and equipment		301 943	638 759
Interest and similar income		498 413	691 932
Group share of (loss)/gains of associates and joint-ventures		166 146	848 231
Other assets		-	36 887
		966 502	2 217 908
Outflows:			
Financial investments		(1 848 185)	(6 571 487)
Balances of cash and cash equivalents due to changes in the perimeter		-	-
Property, plant and equipment		(39 489 282)	(26 938 092)
Intangible assets		(2 400 000)	(28 416)
Other assets		(85 135 621)	-
		(128 873 088)	(33 537 995)
Cash flows from investing activities (2)		(127 906 586)	(31 320 087)
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Interest-bearing liabilities		320 947 192	114 465 189
		320 947 192	114 465 189
Outflows:			
Interest-bearing liabilities		(383 248 682)	(241 360 673)
Amortisation of lease agreements		(6 198 045)	(6 145 269)
Interest and similar expense		(10 791 456)	(8 256 130)
Dividends and other reserves		(456)	(881)
Other financing operations		(3 325 605)	(187 268)
		(403 564 244)	(255 950 221)
Cash flows from financing activities (3)		(82 617 052)	(141 485 032)
CHANGE IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)		(30 337 136)	(59 562 360)
Effect of exchange differences		176 281	9 141 995
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5.7	593 396 576	382 287 392
Impairment		(500 846)	(110 864)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5.7	562 734 875	331 756 163

Lisbon, 19 May 2023

The Accompanying notes form an integral part of these consolidated financial statements.

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1 INTRODUCTION

1.1 THE SEMAPA GROUP

The SEMAPA Group (Group) comprises Semapa — Sociedade de Investimento e Gestão, SGPS, S.A. (“Semapa”) and its Subsidiaries. Semapa located at Av. Fontes Pereira de Melo, 14, 10º Piso, Lisboa was incorporated on 21 June 1991 and its corporate purpose is to manage holdings in other companies as an indirect form of performing economic activities. The Company has been listed on Euronext Lisbon since 1995 with ISIN PTSEMOAM0004.

Company: Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.

Head Office: Av. Fontes Pereira de Melo, 14, 10º Piso, Lisboa | Portugal

Legal Form: Public Limited Company

Share Capital: Euro 81 270 000

N.I.P.C.: 502 593 130

Semapa leads an Enterprise Group with activities in three distinct business segments: pulp and paper, cement and derivatives, and environment, developed under the aegis of The Navigator Company (“Navigator” or “Navigator Group”), Secil – Companhia Geral de Cal e Cimento, S.A. (“Secil” or “Secil Group”) and ETSA – Investimentos, SGPS, S.A. (“ETSA” or “ETSA Group”).

Semapa also holds a venture capital business unit, carried out through its subsidiary Semapa Next, S.A., whose objective is to promote investments in start-ups and venture capital funds with high growth potential.

1.2 RELEVANT EVENTS OF THE PERIOD

MILITARY CONFLICT IN UKRAINE

On 21 February 2022, the Russian Federation officially recognised two breakaway republics in eastern Ukraine and authorised the use of military forces in that territory. On 24 February, Russian troops invaded Ukraine and a widespread military conflict began in this country entailing high material and human losses, leading to massive population displacements.

In response, multiple jurisdictions, including the European Union, United Kingdom, Switzerland, United States of America, Canada, Japan and Australia, condemned this conflict and initiated the application of several economic sanctions against Russia, several of its economic agents and, in some cases, Belarus. In turn, Russia also started retaliation with economic measures, especially affecting the operations of foreign companies located in Russia and with Russian counterparts.

The change in the European macroeconomic and geopolitical framework resulting from this conflict increased uncertainty and insecurity in global terms, with: i) the suspension and/or disruption of business with entities based or originating from Russia and Ukraine; ii) an increase in commodity prices, with fossil fuels, metals and cereals being the most important; iii) an increase in global economic uncertainty, with more volatility in exchange rates, interest rates and an increase in the inflation rate. Possible risks of energy supply, as well as interruptions in the supply of raw materials and subsidiaries or in logistical means will continue to put pressure on the global economy and hamper the normal functioning of European industrial and transport operations.

As announced in March 2022, the subsidiary Navigator suspended the marketing of its products in the Russian and Belarusian markets, with the Semapa Group continuously monitoring the situation in the markets where it operates geographically and throughout the supply chain – from the supply of wood, energy, raw materials and subsidiaries (including logistics issues), technical and support services provided by foreign companies and outsourcing service providers, among others.

The Group is convinced that, given the weight of the Russian and Ukrainian markets in the Group's sales, which represented less than 1% in the period ended 31 December 2021, and the fact that these markets do not directly affect the supply chain, the Group's direct exposure to the Ukrainian and Russian markets is not significant.

Despite the general increase in costs, the ability of the Group's subsidiaries in performing their business policies has managed to decisively offset this increase, through responsible price adjustment policies and an effective diversification strategy, as well as by increasing productivity of its industrial assets and greater efficiency in the consumption of raw materials.

Semapa continues to analyse the potential impacts on its financial position, performance and cash flows of the Group resulting from the military conflict in Ukraine, particularly in terms of relevant accounting estimates and judgements, and to date the assumptions considered by the Board of Directors have not been significantly impacted.

ACQUISITION OF THE GOMÀ-CAMPS GROUP'S CONSUMER TISSUE BUSINESS

On 31 March 2023, the subsidiary The Navigator Company concluded the acquisition of the Gomà-Camps Group's consumer Tissue business in Spain, with a view to strengthening the Group's presence in this business segment. The integration of this new mill will enable Navigator to position itself as the second largest Tissue producer in the Iberian Peninsula, adding 35 thousand tonnes of Tissue paper production capacity, bringing the total to 165 thousand tonnes, and increasing its converting capacity by 60 thousand tonnes to 180 thousand tonnes.

1.3 SUBSEQUENT EVENTS

Up to the date of issuing this report there were no subsequent events susceptible of being disclosed in these financial statements.

1.4 BASIS FOR PREPARATION

AUTHORISATION TO ISSUE FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors and authorised for issue on 19 May 2023.

The Group's senior management, which are the members of the Board of Directors who sign this report, declare that, to the best of their knowledge, the information contained herein was prepared in conformity with the applicable accounting standards, providing a true and fair view of the assets and liabilities, the financial position and results of the companies included in the Group's consolidation scope.

ACCOUNTING FRAMEWORK

The Interim consolidated financial statements for the three-month period ended 31 March 2023 were prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting.

The following Notes were selected in order to contribute to the understanding of the most significant changes in the Group's consolidated financial position and its performance in relation to the last annual reporting date as at 31 December 2022.

BASIS FOR MEASUREMENT

The notes to the consolidated financial statements have been prepared on a going concern basis from the books and accounting records of the companies included in the consolidation perimeter ([Note 10.1](#)), and based on historical cost, except for biological assets ([Note 3.5](#)), and for financial instruments measured at fair value through profit or loss or at fair value through equity, in which derivative financial instruments are included ([Note 8.1](#)).

ACCOUNTING POLICIES

The accounting policies applied in the preparation of these interim consolidated financial statements are consistent with those used in the preparation of the financial statements for the period ended 31 December 2022 and are described in the respective Notes.

PRESENTATION CURRENCY AND TRANSACTIONS IN A CURRENCY OTHER THAN THE PRESENTATION CURRENCY

The items included in the financial statements of each of the Group entities included in the consolidation perimeter are measured using the currency of the economic environment in which the entity operates (functional currency).

These consolidated financial statements are presented in Euro.

All the Group's assets and liabilities denominated in currencies other than the presentation currency have been translated to Euro using the exchange rates ruling at the statement of financial position date.

The currency differences arising from differences between the exchange rates ruling at the transaction date and those ruling on collection, payment or at the statement of financial position dates, are recorded as income and expenses in the period ([Note 5.8](#)).

The income captions of foreign transactions are translated at the average rate for the period. The differences arising from the application of this rate, as compared with the balance prior to the conversion, are reflected under the Currency translation reserve caption in shareholders' equity ([Note 5.4](#)). Whenever a foreign entity is sold, the accumulated exchange difference is recognised in the consolidated income statement as part of the gain or loss on the sale.

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, Cement and its Derivatives, Environment and Holdings.

REVENUE

Revenue is presented by operating segment and by geographic area, based on the country of destination of the goods and services sold by the Group.

FINANCIAL INFORMATION BY OPERATING SEGMENT FOR THE FIRST THREE-MONTHS OF 2023 AND 2022

Q1 2023 Amounts in Euro	Note	Pulp and Paper	Cement and Derivatives	Environment	Holdings	Within-Group Eliminations	Total
Revenue		501 159 485	159 379 598	14 654 726	4 119 012	(4 149 858)	675 162 963
Other operating income (a)	2.2	11704 909	19 837 289	80 298	1334	-	31623 830
Cost of goods sold and materials consume	2.3	(254 355 100)	(55 634 47)	(3 803 977)	-	-	(313 793 224)
Supplies and services	2.3	(95 559 176)	(50 445 629)	(3 217 690)	(2 458 863)	4 149 858	(147 531500)
Other operating expenses (b)	2.3	(32 249 092)	(40 965 209)	(3 072 927)	(2 365 661)	-	(78 652 889)
Depreciation and amortisation	3.4	(35 271053)	(13 031291)	(882 816)	(60 058)	-	(49 245 218)
Impairment losses	3.4	(412)	37 595	-	-	-	37 183
Net provisions	9.1	-	(777 187)	-	-	-	(777 187)
Interest and similar expense	5.8	(6 232 074)	(6 173 280)	(32 312)	(2 666 659)	-	(15 104 325)
Group share of (loss)/ gains of associates and joint ventures	10.3	-	(7 031)	-	1230 538	-	1223 507
Other financial gains and losses	5.8	3 555 401	(3 500 532)	173	2 149 758	-	2 204 800
Profit before tax		92 752 888	8 720 176	3 725 475	(50 599)	-	105 147 940
Income tax	6.1	(23 836 936)	(2 778 676)	(600 386)	(343 443)	-	(27 559 441)
Net profit for the period		68 915 952	5 941 500	3 125 089	(394 042)	-	77 588 499
Attributable to shareholders		48 218 044	6 110 475	3 081 497	(394 042)	-	57 015 974
Non-controlling interests	5.5	20 697 908	(168 975)	43 592	-	-	20 572 525
OTHER INFORMATION (31-03-2023)							
Total segment assets		2 945 648 680	1324 195 326	113 360 966	292 620 877	(18 305 592)	4 657 520 257
Goodwill	3.1	122 907 528	177 190 553	38 936 951	-	-	339 035 032
Intangible assets	3.2	238 871851	261369 765	-	-	-	500 241616
Property, plant and equipment	3.3	1139 559 184	508 930 327	317 5 372	476 381	-	1680 681264
Biological assets	3.5	121897 049	-	-	-	-	121897 049
Deferred tax assets	6.2	27 836 204	34 889 228	642 164	23 916 492	(1530 886)	85 753 202
Investments in associates and joint-ventu	10.3	85 135 620	876 826	6 250	39 054 033	-	125 072 729
Cash and cash equivalents	5.7	324 303 020	59 033 677	11703 831	167 694 347	-	562 734 875
Total segment liabilities		1731678 942	841420 740	20 611021	374 013 140	(18 305 594)	2 949 418 249
Interest-bearing liabilities	5.6	675 671949	365 628 280	463 578	285 649 325	(85 577)	1327 327 555
Acquisition of property, plant and equipm	3.3	39 297 309	7 564 857	3 427 169	7 764	-	50 297 099

Q1 2022 Amounts in Euro	Note	Pulp and Paper	Cement and Derivatives	Environment	Holdings	Within-Group Eliminations	Total
Revenue		492 229 639	137 088 920	12 568 800	3 381046	(3 457 598)	641810 807
Other operating income (a)	2.2	7 680 019	13 7917 12	5 044	11207	-	21487 982
Cost of goods sold and materials consume	2.3	(215 360 445)	(47 695 226)	(2 753 436)	-	-	(265 809 107)
Supplies and services	2.3	(140 129 861)	(42 694 999)	(3 471997)	(1 192 982)	3 457 598	(184 032 241)
Other operating expenses (b)	2.3	(22 844 814)	(31371 134)	(2 390 456)	(2 160 513)	-	(58 766 917)
Depreciation and amortisation	3.4	(36 006 658)	(12 857 009)	(800 073)	(49 744)	-	(49 713 484)
Impairment losses	3.4	(412)	113 853	-	-	-	113 441
Net provisions	9.1	-	162 557	-	-	-	162 557
Interest and similar expense	5.8	(3 536 445)	(4 973 354)	(9 704)	(1431319)	(1)	(9 950 823)
Group share of (loss)/ gains of associates a	10.3	-	(221 122)	-	664 453	-	443 331
Other financial gains and losses	5.8	(1 165 467)	882 398	(28 200)	(311430)	1	(622 699)
Profit before tax		80 865 556	12 226 596	3 119 978	(1 089 282)	-	95 122 848
Income tax	6.1	(33 034 957)	(3 702 932)	(748 579)	(212 380)	-	(37 698 848)
Net profit for the period		47 830 599	8 523 664	2 371 399	(1 301 662)	-	57 423 999
Attributable to shareholders		33 470 057	7 491 098	2 355 625	(1 301 662)	-	42 015 117
Non-controlling interests	5.5	14 360 542	1032 566	15 774	-	-	15 408 882
OTHER INFORMATION (31-12-2022)							
Total segment assets		2 844 231449	1329 926 151	109 770 383	293 793 164	(19 313 305)	4 558 407 842
Goodwill	3.1	122 907 528	176 961948	38 936 951	-	-	338 806 427
Intangible assets	3.2	196 301091	258 762 990	-	-	-	455 064 081
Property, plant and equipment	3.3	1134 836 698	520 514 451	29 078 704	499 858	-	1684 929 711
Biological assets	3.5	122 499 874	-	-	-	-	122 499 874
Deferred tax assets	6.2	27 204 659	33 722 579	608 566	25 923 522	(1578 958)	85 880 368
Investments in associates and joint-ventu	10.3	-	549 997	6 250	37 823 495	-	38 379 742
Cash and cash equivalents	5.7	343 083 788	69 001851	13 241920	168 069 017	-	593 396 576
Total segment liabilities		1703 645 286	886 265 648	20 145 525	334 038 730	(19 313 305)	2 924 781884
Interest-bearing liabilities	5.6	725 301722	375 227 211	591859	286 537 234	(85 578)	1387 572 448
Acquisition of property, plant and equipm	3.3	112 023 810	48 108 244	7 814 950	27 523	-	167 974 527

(a) Includes "Other operating income" and "Fair value adjustments of biological assets"

(b) Includes "Variation in production", "Payroll costs" and "Other operating expenses"

NOTE: The figures presented by business segments may differ from those presented individually for each Group, following the harmonisation and fair value adjustments made on consolidation.

REVENUE BY BUSINESS SEGMENT BY GEOGRAPHIC AREA

Q1 2023	Pulp and Paper	Cement and Derivatives	Environment	Total Amount	Total %
Portugal	91 785 239	85 063 118	9 300 512	186 148 869	27.57%
Rest of Europe	277 787 068	16 732 635	4 842 215	299 361 918	44.34%
America	25 893 414	27 623 744	-	53 517 158	7.93%
Africa	36 828 448	24 190 449	-	61 018 897	9.04%
Asia	68 864 690	5 739 431	512 000	75 116 121	11.13%
Oceania	-	-	-	-	0.00%
	501 158 859	159 349 377	14 654 727	675 162 963	100.00%
Measurement standard					
At a point in time	501 158 859	159 349 377	10 367 210	670 875 446	99.36%
Over time	-	-	4 287 517	4 287 517	0.64%

Q1 2022	Pulp and Paper	Cement and Derivatives	Environment	Total Amount	Total %
Portugal	102 327 596	71 822 228	7 854 690	182 004 516	28.36%
Rest of Europe	253 596 643	13 309 702	4 145 084	271 051 430	42.23%
America	51 286 917	26 102 202	-	77 389 119	12.06%
Africa	49 985 682	19 204 480	-	69 190 162	10.78%
Asia	35 030 001	6 573 754	569 025	42 172 779	6.57%
Oceania	2 801	-	-	2 801	0.00%
	492 229 640	137 012 366	12 568 799	641 810 807	100.00%
Measurement standard					
At a point in time	492 229 640	137 012 366	8 302 697	637 544 704	99.34%
Over time	-	-	4 266 102	4 266 102	0.66%

In 2023 and 2022, the revenue presented in different business and geographical segments corresponds to revenue generated with external customers based on the final destiny of the products and services commercialised by the Group, not representing any of them, individually, 10% or more of the overall revenue of the Group.

2.2 OTHER OPERATING INCOME

In the first three months of 2023 and 2022, Other operating income is detailed as follows:

Amounts in Euro	Q1 2023	Q1 2022
Grants - CO ₂ emission allowances	26 250 969	20 702 991
Operating grants	418 953	270 266
Gains on disposal of non-current assets	51 142	179 094
Compensation received	105 364	163 078
Own work capitalised	783 653	800 458
Gains on disposal of current assets	67 208	-
Supplementary income	116 963	360 203
Regulation reserve band - REN	1 520 736	550 566
Income from waste treatment	329 374	251 112
Inventory gains	177 975	1 670 888
Other operating income	2 403 684	2 023 781
	32 226 021	26 972 437

The amount recorded under Grants – CO₂ emission allowances corresponds to the recognition of free allocation of emission allowances, which are mostly offset against the expense recognised for the issue/consumption of allowances granted free of charge, and therefore the reduction does not significantly impact the Group's net income for the period. The variation verified in the amount compared to the previous period results essentially from the increase verified in the price to which these licenses are valued, corresponding to the price on the date on which they are annually attributed.

2.3 OTHER OPERATING EXPENSES

In the first three months of 2023 and 2022, Other operating expenses is detailed as follows:

Amounts in Euro	Note	Q1 2023	Q1 2022
Cost of goods sold and materials consumed		313 793 224	265 809 107
Variation in production		(23 749 149)	(37 554 281)
Supplies and services			
Energy and fluids		30 963 551	67 715 925
Inventory transportation		46 360 317	56 744 796
Specialised work		29 216 286	25 303 759
Maintenance and repair		17 417 823	14 861 761
Fees		1 645 719	1 090 732
Insurance		3 889 660	3 194 167
Subcontracts		277 244	59 816
Other		17 760 900	15 061 285
		147 531 500	184 032 241
Payroll costs	7.1	69 308 068	65 239 117
Other operating expenses			
Membership fees		630 651	481 794
Donations		61 578	74 568
Costs with CO ₂ emission allowances		28 725 740	22 063 092
Impairment on receivables		(1 898 410)	415 668
Impairment on inventories	4.1	826 642	5 253 933
Other inventory losses		1 715 766	238 675
Indirect taxes		1 017 278	1 425 181
Losses on disposal of non-current assets		6 372	174 105
Other operating expenses		2 008 353	955 065
		33 093 970	31 082 081
Net provisions	9.1	777 187	(162 557)
Total operating expenses		540 754 800	508 445 708

In the first quarter of 2023, there was a slowdown in costs, namely in logistics and energy. In energy, there was a significant reduction in the purchase price of electricity compared with the same period of the previous year, as well as a reduction in natural gas consumption.

The increase in specialised work results essentially from the increase in costs with projects to support and diversify the Group's activity.

In 2022, Impairment losses on inventories included the strengthening of the impairment for UWF paper waste.

3 INVESTMENTS

3.1 GOODWILL

GOODWILL – NET AMOUNT

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

Amounts in Euro	31-03-2023	31-12-2022
Pulp and Paper	122 907 528	122 907 528
Cement and Derivatives	177 190 554	176 961 949
Environment	38 936 950	38 936 950
	339 035 032	338 806 427

MOVEMENTS IN THE PERIOD

Amounts in Euro	31-03-2023	31-12-2022
Net book value at the beginning of the period	338 806 427	333 842 893
Acquisitions	-	228 547
Adjustments	-	127 750
Exchange rate adjustment	228 605	4 607 238
Net book value at the end of the period	339 035 032	338 806 427

3.2 INTANGIBLE ASSETS

MOVEMENTS IN INTANGIBLE ASSETS

Amounts in Euro	Brands	Industrial property and other rights	CO2 emission allowances	Assets in progress	Total
Gross amount					
Balance as at 1 January 2022	267 105 857	45 988	93 213 066	9 312 379	369 677 290
Acquisitions/Attributions	-	-	154 451 038	16 213 285	170 664 323
Adjustments, transfer and write-offs	(2)	-	(58 033 051)	2	(58 033 051)
Exchange rate adjustment	1 371 559	(88 342)	-	-	1 283 217
Balance as at 31 December 2022	268 477 414	249 597	189 631 053	25 525 666	483 883 730
Acquisitions/Attributions	-	2 400 000	39 687 379	2 599 313	44 686 692
Adjustments, transfer and write-offs	-	522 194	-	2	522 196
Exchange rate adjustment	(508 044)	(125 402)	-	-	(633 446)
Balance as at 31 March 2023	267 969 370	3 046 389	229 318 432	28 124 981	528 459 172
Accumulated amortisation and impairment losses					
Balance as at 1 January 2022	(24 563 091)	(45 988)	-	-	(24 609 079)
Amortisation for the period	-	(20 579)	-	-	(20 579)
Impairment losses for the period	(4 807 158)	-	-	-	(4 807 158)
Adjustments, transfer and write-offs	8 487	(8 487)	-	-	-
Exchange rate adjustment	617 168	-	-	-	617 168
Balance as at 31 December 2022	(28 744 594)	(75 054)	-	-	(28 819 648)
Amortisation for the period	-	(38 813)	-	-	(38 813)
Impairment losses for the period	(1 643)	-	-	-	(1 643)
Adjustments, transfer and write-offs	-	(4)	-	-	(4)
Exchange rate adjustment	642 552	-	-	-	642 552
Balance as at 31 March 2023	(28 103 685)	(113 871)	-	-	(28 217 556)
Net book value as at 1 January 2022	242 542 766	-	93 213 066	9 312 379	345 068 211
Net book value as at 31 December 2022	239 732 820	174 544	189 631 053	25 525 666	455 064 081
Net book value as at 31 March 2023	239 865 685	2 932 517	229 318 432	28 124 981	500 241 616

As part of the acquisition of the consumer Tissue business in Spain (Note 1.2), two brands previously owned by the Gomà-Camps Group were also acquired for the amount of Euro 2 400 000.

3.3 PROPERTY, PLANT AND EQUIPMENT

MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

Amounts in Euro	Land	Buildings and other constructions	Equipment and other assets	Assets under construction	Total
Gross amount					
Balance as at 1 January 2022	410 517 158	1 060 308 466	5 585 743 580	79 847 286	7 136 416 491
Changes in perimeter	-	(6 509 309)	(6 703 628)	(25 000)	(13 237 937)
Acquisitions	-	46 938	14 266 529	153 661 060	167 974 527
Disposals	(915 733)	(746 469)	(59 070 707)	-	(60 732 909)
Adjustments, transfers and write-offs	2 627 452	5 172 791	57 418 961	(75 021 846)	(9 802 642)
Exchange rate adjustment	(2 819 309)	4 949 595	(7 647 111)	112 165	(5 404 660)
Effect of hyperinflationary economies	2 561 401	25 673 176	83 674 472	227 969	112 137 018
Balance as at 31 December 2022	411 970 969	1 088 895 188	5 667 682 096	158 801 634	7 327 349 888
Changes in perimeter	-	-	-	-	-
Acquisitions	-	-	9 843 030	40 454 069	50 297 099
Disposals	(2 280)	(20 893)	(817 003)	(69 214)	(909 390)
Adjustments, transfers and write-offs	219 187	573 718	38 641 839	(40 054 982)	(620 238)
Exchange rate adjustment	(11 503 118)	(19 294 283)	(82 323 548)	(508 957)	(113 629 906)
Effect of hyperinflationary economies	-	-	-	-	-
Balance as at 31 March 2023	400 684 758	1 070 153 730	5 633 026 414	158 622 550	7 262 487 453
Depreciações e perdas por imparidade acumuladas					
Balance as at 1 January 2022	(96 778 125)	(717 526 683)	(4 585 854 009)	(3 528 415)	(5 403 687 232)
Changes in perimeter	-	5 656 139	5 683 105	-	11 339 244
Depreciation for the period	(5 385 708)	(28 323 068)	(187 273 627)	-	(220 982 403)
Disposals	701	696 752	56 409 969	-	57 107 422
Impairment losses	-	43 185	(8 612 297)	-	(8 569 112)
Adjustments, transfers and write-offs	5 504	286 587	10 291 688	-	10 583 779
Exchange rate adjustment	2 429 700	792 534	18 084 177	-	21 306 411
Effect of hyperinflationary economies	3 860 775	(15 532 841)	(97 846 221)	-	(109 518 287)
Balance as at 31 December 2022	(95 867 153)	(753 907 395)	(4 789 117 215)	(3 528 415)	(5 642 420 178)
Depreciation for the period	(1 320 504)	(4 977 216)	(39 191 120)	-	(45 488 840)
Disposals	-	20 893	775 675	-	796 568
Impairment losses	-	7 017	30 578	-	37 595
Adjustments, transfers and write-offs	-	5 097 145	(4 745 539)	-	351 606
Exchange rate adjustment	1 035 474	12 186 369	91 695 217	-	104 917 060
Balance as at 31 March 2023	(96 152 183)	(741 573 187)	(4 740 552 404)	(3 528 415)	(5 581 806 189)
Net book value as at 1 January 2022	313 739 034	342 781 783	999 889 571	76 318 871	1 732 729 259
Net book value as at 31 December 2022	316 103 816	334 987 794	878 564 881	155 273 219	1 684 929 711
Net book value as at 31 March 2023	304 532 575	328 580 543	892 474 010	155 094 135	1 680 681 264

As at 31 March 2023, the caption Assets under construction includes investments associated with ongoing development projects, in particular those related to the new wood preparation line in Figueira da Foz (Euro 21 406 943), the new evaporation line in Aveiro (Euro 12 958 783), the new recovery boiler in Setúbal (Euro 9 500 000), the new natural gas boiler in Setúbal (Euro 4 566 332) and the upgrade of the control system of Winder 1 in Figueira da Foz (Euro 2 161 647). The remainder is related to several projects for improving and optimising the production process.

3.4 DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

In the first three months of 2023 and 2022, Depreciation, amortisation and impairment losses were detailed as follows:

Amounts in Euro	Q1 2023	Q1 2022
Depreciation of property, plant and equipment for the period	45 693 815	46 559 936
Use of Government grants	(986 985)	(1 017 487)
Depreciation of property, plant and equipment, net of grants used	44 706 830	45 542 449
Impairment on property, plant and equipment - reversals	(7 017)	(102 352)
Impairment on property, plant and equipment - losses	(30 578)	(14 651)
Impairment on property, plant and equipment for the period	(37 595)	(117 003)
Amortisation of intangible assets for the period	40 456	4 619
Impairment on intangible assets - losses	-	3 150
Impairment on intangible assets for the period	-	3 150
Depreciation of right-of-use assets for the period	4 809 246	4 460 578
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)	(311 505)	(294 353)
	49 208 035	49 600 043

3.5 BIOLOGICAL ASSETS

MOVEMENTS IN BIOLOGICAL ASSETS

Amounts in Euro	31-03-2023	31-12-2022
Opening balance	122 499 874	147 324 061
Changes:		
Logging	(6 638 503)	(19 268 187)
Growth	6 430 848	22 077 444
New plantations	1 307 213	4 241 964
Other changes in fair value:		-
change in the price of wood	-	23 872 905
change in the cost-of-capital rate	-	(28 053 077)
impact of forest fires	-	(31 633)
transport logistics costs	-	(2 076 774)
fixed costs structure	-	(9 396 335)
changes in other species	(389 526)	(4 938 867)
other changes in expectations	(1 312 856)	(11 251 626)
Total changes in the period	(602 824)	(24 824 186)
Closing balance	121 897 049	122 499 874

DETAIL OF BIOLOGICAL ASSETS

Amounts in Euro	31-03-2023	31-12-2022
Eucalyptus (Portugal)	93 028 095	93 301 990
Eucalyptus (Spain)	2 993 125	2 932 530
Pine (Portugal)	7 759 880	8 149 506
Cork oak (Portugal)	819 980	819 980
Other species (Portugal)	73 208	73 108
Eucalyptus (Mozambique)	17 222 762	17 222 761
	121 897 049	122 499 874

Concerning Eucalyptus, the most relevant biological asset in the financial statements, the Group extracted, in the three-month periods ended 31 March 2023 and 2022, 163 536 m³ssc and 170 431 m³ssc of wood from its owned and explored forests, respectively.

As at 31 March 2023 and 2022, (i) there are no amounts of biological assets whose property is restricted and/or pledged as guarantee for liabilities, nor there are non-reversible commitments related to the acquisition of biological assets, and (ii) there are no government grants related to biological assets recognised in the Group's consolidated financial statements.

4 WORKING CAPITAL

4.1 INVENTORIES

INVENTORIES – DETAIL BY NATURE

Amounts net of accumulated impairment losses

Amounts in Euro	31-03-2023	31-12-2022
Raw materials	193 820 383	190 967 739
Goods	15 325 927	16 861 148
Sub-products and waste	412 893	730 540
	209 559 203	208 559 427
Finished and intermediate products	203 386 082	181 431 055
Goods and work in progress	2 866 038	3 496 998
	206 252 120	184 928 053
Total	415 811 323	393 487 480

MOVEMENTS IN IMPAIRMENT LOSSES IN INVENTORIES

Amounts in Euro	Note	31-03-2023	31-12-2022
Opening balance		(23 289 293)	(11 211 141)
Increases		(877 809)	(14 065 760)
Reversals		51 167	1 772 627
Impact on profit or loss for the period	2.3	(826 642)	(12 293 133)
Exchange rate adjustment		99 208	150 570
Hyperinflationary economies		-	2 359
Charge-offs		-	62 052
Closing balance		(24 016 727)	(23 289 293)

4.2 RECEIVABLES AND OTHER CURRENT ASSETS

As at 31 March 2023 and 31 December 2022, Receivables and other current and non-current assets were as follows:

Amounts in Euro	31-03-2023			31-12-2022		
	Non-current	Current	Total	Non-current	Current	Total
Trade receivables						
Pulp and paper segment	-	304 009 316	304 009 316	-	341 601 458	341 601 458
Cement and derivatives segment	-	80 195 842	80 195 842	-	70 135 124	70 135 124
Environment segment	-	20 440 534	20 440 534	-	17 095 052	17 095 052
	-	404 645 692	404 645 692	-	428 831 634	428 831 634
Receivables - Related parties	-	990 389	990 389	-	649 639	649 639
State	-	70 462 064	70 462 064	-	77 264 743	77 264 743
Enviva Pellets Greenwood, LLC (EUA)	-	-	-	-	8 168 426	8 168 426
Grants receivable	12 742 262	13 424 725	26 166 987	13 219 416	13 239 885	26 459 301
Accrued income	-	14 097 420	14 097 420	-	9 687 577	9 687 577
Deferred expenses	-	18 459 965	18 459 965	-	16 209 297	16 209 297
Derivative financial instruments	-	58 556 767	58 556 767	-	54 773 410	54 773 410
Advances to suppliers	-	4 456 994	4 456 994	-	15 397 572	15 397 572
Other	14 985 727	34 963 180	49 948 907	15 701 049	17 812 749	33 513 798
	27 727 989	620 057 196	647 785 185	28 920 465	642 034 932	670 955 397

As at 31 March 2023 and 31 December 2022, this caption is detailed as follows:

Amounts in Euro	31-03-2023	31-12-2022
Value added tax - recoverable	22 530 529	22 526 996
Value added tax - repayment requests	38 547 436	45 395 267
Tax on the Movement of Goods and Services (ICMS)	1 845 284	1 474 947
Tax on Industrial Products (IPI)	231 682	418 413
Social Security Financing Contribution (COFINS)	65	12 943
PIS and COFINS credit on fixed assets	7 278 057	7 407 482
Other taxes	29 011	28 695
	70 462 064	77 264 743

As at 31 March 2023 and 31 December 2022, Accrued income and deferred costs were detailed as follows:

Amounts in Euro	31-03-2023	31-12-2022
Accrued income		
Energy sales	843 596	1 871 271
Compensations receivable	4 082 096	4 062 997
Other	9 171 728	3 753 309
	14 097 420	9 687 577
Deferred expenses		
Insurance	3 709 443	1 912 478
Rentals	10 285 308	10 002 722
Other	4 465 214	4 294 097
	18 459 965	16 209 297
	32 557 385	25 896 874

4.3 PAYABLES AND OTHER CURRENT LIABILITIES

As at 31 March 2023 and 31 December 2022, Payables and other current liabilities were detailed as follows:

Amounts in Euro	31-03-2023	31-12-2022
Trade payables - current account	443 859 766	455 914 395
Trade payables - Property, plant and equipment - current account	25 153 512	10 956 609
State	101 186 851	93 456 795
<i>Instituto do Ambiente</i>	147 057 164	118 333 488
Related parties (Note 10.4)	25 238 899	26 461 118
Other payables	14 145 477	11 927 142
Derivative financial instruments	12 095 172	11 759 237
Accrued costs - Payroll costs	82 040 806	71 581 424
Other accrued costs	65 487 021	67 073 865
Non-repayable grants	106 811 194	92 995 915
Other deferred income - ISP	449 701	449 701
Payables and other liabilities - current	1 023 525 563	960 909 689
Non-repayable grants	29 680 298	30 545 424
Department of Commerce (EUA)	1 840 562	4 306 974
Other - Note 10.3	2 800 000	2 800 000
Payables and other liabilities - non-current	34 320 860	37 652 398
	1 057 846 423	998 562 087

As at 31 March 2023 and 31 December 2022, State is detailed as follows:

Amounts in Euro	31-03-2023	31-12-2022
Personal income tax withheld (IRS)	3 430 602	5 435 737
Valued added tax (IVA)	52 955 266	43 335 782
Contributions to Social Security	4 760 114	4 558 876
Tax on the Movement of Goods and Services (ICMS)	1 496 070	1 246 835
<i>Programa de Desenvolvimento da Empresa Catarinense (PRODEC)</i>	812 735	781 096
<i>Programa Paraná Competitivo</i>	35 931 254	36 370 666
Social Security Financing Contribution (COFINS)	224 919	58 611
Other	1 575 891	1 669 192
	101 186 851	93 456 795

As at 31 March 2023 and 31 December 2022, there were no overdue debts to the State.

Non-repayable grants - details

Amounts in Euro	31-03-2023	31-12-2022
Government grants	12 681 386	12 674 484
Grants - CO ₂ emission allowances	84 778 125	71 343 238
Other grants	9 351 683	8 978 193
Non-repayable grants - current	106 811 194	92 995 915
Government grants	29 680 298	30 545 424
Non-repayable grants - non-current	29 680 298	30 545 424
	136 491 492	123 541 339

5 CAPITAL STRUCTURE

5.1 SHARE CAPITAL AND THEASURY SHARES

SEMAPA'S SHAREHOLDERS

As at 31 March 2023 and 31 December 2022, Semapa's shareholders are detailed as follows:

Name	31-03-2023		31-12-2022	
	No. of shares	%	No. of shares	%
Shares without par value				
Cimo - Gestão de Participações, SGPS, S.A.	38 959 431	47.94	38 959 431	47.94
Sodim, SGPS, S.A.	27 508 892	33.85	27 508 892	33.85
Bestinver Gestión, S.A., S.G.I.I.C.	2 458 623	3.03	2 458 623	3.03
Cobas Asset Management, SGIC, S.A.	1 637 038	2.01	1 637 038	2.01
Norges Bank (the Central Bank of Norway)	1 699 613	2.09	1 699 613	2.09
Treasury shares	1 400 627	1.72	1 400 627	1.72
Other shareholders with less than 2% shareholdings	7 605 776	9.36	7 605 776	9.36
	81 270 000	100.00	81 270 000	100.00

TREASURY SHARES - MOVEMENTS

The movement in treasury shares, in the first three months of 2023 and 2022, were as follows:

Amounts in Euro	31-03-2023		31-12-2022	
	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	1 400 627	15 946 363
Acquisition of shares by Semapa	-	-	-	-
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 2023	Q1 2022
Net profit attributable to the Shareholders of Semapa	57 015 974	42 015 117
Total number of shares issued	81 270 000	81 270 000
Average number of Treasury shares in the portfolio	(1 400 627)	(1 400 627)
Weighted average number of shares	79 869 373	79 869 373
Basic earnings per share	0.714	0.526
Diluted earnings per share	0.714	0.526

5.3 DIVIDENDS

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

DIVIDENDS DISTRIBUTED IN THE PERIOD

Amounts in Euro	Date	Amount distributed	Dividends per share
Dividends distributed in 2022			
Approval of distribution of free reserves by the Extraordinary Shareholders' Meeting of Semapa	30 November 2022	99 996 455	1.252
Approval of payment of dividends relating to 2021 net profit on an individual basis in accordance with IFRS at the Annual Shareholders' Meeting of Semapa	27 May 2022	40 893 119	0.512
Dividends distributed in 2021			
Approval of payment of dividends relating to 2020 net profit on an individual basis in accordance with IFRS at the Annual Shareholders' Meeting of Semapa	30 April 2021	40 893 119	0.512

5.4 RESERVES AND RETAINED EARNINGS

As at 31 March 2023 and 31 December 2022, Reserves and Retained Earnings are detailed as follows:

Amounts in Euro	31-03-2023	31-12-2022
Currency translation reserve	(205 581 260)	(202 244 411)
Fair value of derivative financial instruments	31 679 034	29 889 067
Fair value reserve	31 679 034	29 889 067
Legal reserve	16 695 625	16 695 625
Other reserves	1 105 635 572	1 105 635 572
Retained earnings	309 127 942	990 821
Reserves and retained earnings	1 257 556 913	950 966 674

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 associates operating outside the Euro Zone, mainly in Brazil, Tunisia, Lebanon, Angola, Mozambique, the United States of America, Switzerland and United Kingdom.

As at 31 March 2023 and 31 December 2022, the main exchange rates used for the translation of assets and liabilities expressed in currencies other than Euro are detailed as follows:

	31-03-2023	31-12-2022	Var. 23/22
TND (Tunisian dinar)			
Average exchange rate for the period*	3.3288	3.2625	(2.03%)
Exchange rate at the end of the period	3.3186	3.3342	0.47%
LBP (Lebanese pound)			
Average exchange rate for the period*	116 906.30	26 364.90	(343.42%)
Exchange rate at the end of the period	116 906.30	44 903.90	(160.35%)
USD (American dollar)			
Average exchange rate for the period*	1.0730	1.1217	4.34%
Exchange rate at the end of the period	1.0875	1.0666	(1.96%)
BRL (Brazilian real)			
Average exchange rate for the period*	5.5752	5.8715	5.05%
Exchange rate at the end of the period	5.5231	5.5680	0.81%

* Average exchange rate for Q1 2023 and Q1 2022

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 2022	244 864 339	7 907 836	341 699	253 113 874
Changes in the perimeter	-	-	-	-
Hyperinflationary economies (Lebanon)	-	(198 221)	-	(198 221)
Dividends	(75 070 504)	(341 416)	(112)	(75 412 032)
Currency translation reserve	8 915 714	(3 740 886)	-	5 174 828
Financial instruments	11 892 312	84	-	11 892 396
Actuarial gains and losses	902 078	2 938	-	905 016
Other movements in equity	(69 556)	(35 053)	(97 998)	(202 607)
Net profit for the period	114 554 517	265 053	152 990	114 972 559
Balance as at 31 December 2022	305 988 900	3 860 335	396 579	310 245 813
Changes in the perimeter	-	-	-	-
Hyperinflationary economies (Lebanon)	-	-	-	-
Dividends	-	-	-	-
Currency translation reserve	(46 069)	(3 954 465)	-	(4 000 534)
Financial instruments	938 209	-	-	938 209
Actuarial gains and losses	449 471	-	-	449 471
Other movements in equity	1	-	-	1
Net profit for the period	20 697 908	(168 974)	43 592	20 572 525
Balance as at 31 March 2023	328 028 420	(263 106)	440 171	328 205 484

5.6 INTEREST-BEARING LIABILITIES

INTEREST-BEARING LIABILITIES

Amounts in Euro	31-03-2023			31-12-2022		
	Non-current	Current	Total	Non-current	Current	Total
Bond loans	656 000 000	156 500 000	812 500 000	666 000 000	182 214 286	848 214 286
Commercial paper	165 500 000	46 750 000	212 250 000	181 500 000	46 750 000	228 250 000
Bank loans	167 187 732	100 723 266	267 910 998	179 005 652	99 525 565	278 531 217
Loans related charges	(5 218 661)	2 098 714	(3 119 947)	(5 357 671)	281 768	(5 075 903)
Debt securities and bank debt	983 469 071	306 071 980	1 289 541 051	1 021 147 981	328 771 619	1 349 919 600
Short-term shareholder loans	-	-	-	-	-	-
Other interest-bearing debt	30 567 065	7 219 439	37 786 504	30 433 409	7 219 439	37 652 848
Other interest-bearing liabilities	30 567 065	7 219 439	37 786 504	30 433 409	7 219 439	37 652 848
Total interest-bearing liabilities	1 014 036 136	313 291 419	1 327 327 555	1 051 581 390	335 991 058	1 387 572 448

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.

LOAN REPAYMENT PERIODS

Amounts in Euro	31-03-2023	31-12-2022
1 to 2 years	145 872 696	132 045 492
2 to 3 years	231 553 735	240 034 546
3 to 4 years	334 655 344	368 648 621
4 to 5 years	183 059 198	188 671 633
Above 5 years	124 113 824	127 538 769
Total	1 019 254 797	1 056 939 061

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.

Additionally, as at 31 March 2023 and 31 December 2022, the Group complies with the financial ratios limits imposed under its financing contracts.

5.7 CASH AND CASH EQUIVALENTS

As at 31 March 2023 and 31 December 2022, Cash and cash equivalents is detailed as follows:

Amounts in Euro	31-03-2023	31-12-2022
Cash	10 097 458	924 987
Short-term bank deposits	332 446 077	441 773 009
Other short-term investments	221 248 067	151 253 105
Cash and cash equivalents in the consolidated cash flow	563 791 602	593 951 101
Impairment	(1 056 727)	(554 525)
Cash and cash equivalents	562 734 875	593 396 576

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

As at 31 March 2023 and 31 December 2022, there are no significant balances of cash and cash equivalents that are subject to restrictions on use by the Group companies.

5.8 NET FINANCIAL RESULTS

In the first three months of 2023 and 2022, Net financial results are detailed as follows:

Amounts in Euro	Note	Q1 2023	Q1 2022
Interest paid on debt securities and bank debt	5.7	(12 194 907)	(7 699 187)
Commissions on loans and expenses with credit facilities		(1 950 566)	(1 492 687)
Interest expense by applying the effective interest method		(14 145 473)	(9 191 874)
Interest expense on lease liabilities	5.8	(958 852)	(758 949)
Financial discount of provisions Environmental recovery	9.1	(55 576)	(15 030)
Losses on hedging derivatives	8.2	1 678 243	(710 245)
Losses on trading derivatives	8.2	(3 840 308)	(12 278 528)
Other financial expenses and losses		178 396	(459 224)
Other financial expenses and losses		(2 998 097)	(14 221 976)
Favourable exchange differences		1 232 028	11 991 719
Interest income on financial assets at amortised cost	4.2	3 006 246	836 482
Fair value gains on Other financial investments		5 771	12 127
Financial income and gains		4 244 045	12 840 328
Total financial expenses and losses		(17 143 570)	(23 413 850)
Total financial income and gains		4 244 045	12 840 328
Financial results		(12 899 525)	(10 573 522)

6 INCOME TAX

6.1 INCOME TAX FOR THE PERIOD

Income tax recognised in the consolidated income statement

Amounts in Euro	Q1 2023	Q1 2022
Current tax	(27 767 212)	(27 609 132)
Variation of uncertain tax positions in the period	(1 672 001)	(6 332 713)
Deferred tax (Note 6.2)	1 879 772	(3 757 003)
	(27 559 441)	(37 698 848)

Reconciliation of the effective income tax rate for the period

Amounts in Euro	Q1 2023	Q1 2022
Profit before tax	105 147 940	95 122 847
Expected tax at nominal rate (22,5%)	23 658 287	21 402 641
State surcharge	3 519 085	6 369 427
Tax resulting from the applicable rate	27 177 372	27 772 068
Differences (a)	64 482	6 757 661
Tax for prior periods	(1 650 857)	(1 085 143)
Recoverable tax losses	1 881 159	(47 876)
Non-recoverable tax losses	1 052 651	2 848 166
Increase of additional tax liabilities	1 672 830	(603 346)
Effect of the reconciliation of nominal rates of the different countries	(510 623)	(670 819)
Tax benefits	(2 034 773)	1 522 061
Other tax adjustments	(92 800)	1 206 076
	27 559 441	37 698 848
Effective tax rate	26.21%	39.63%

(a) This value essentially amounts to:	Q1 2023	Q1 2022
Effect of applying the equity method (Note 10.3)	7 031	(443 331)
Capital gains/ (losses) for tax purposes	37 440	46 861
Capital gains/ (losses) for accounting purposes	(74 986)	(117 267)
Impairment and taxed provisions	272 489	30 810 485
Tax benefits	(470 643)	(269 799)
Reduction of impairment and taxed provisions	(56 324)	(25 645)
Post-employment benefits	(26 771)	-
Other	598 351	32 745
	286 587	30 034 049
Tax effect (22.5%)	64 482	6 757 661

Income tax recognised in the consolidated statement of financial position

Amounts in Euro	31-03-2023	31-12-2022
Assets		
Corporate income tax (IRC)	7 278 104	7 509 629
Amounts pending repayment (tax proceedings decided in favour of the Group)	16 216 543	16 216 543
	23 494 647	23 726 172
Liabilities		
Corporate income tax (IRC)	138 464 287	111 567 095
Additional tax liabilities	30 843 960	29 699 555
	169 308 247	141 266 650

Detail of Corporate Income Tax - IRC (net)

Amounts in Euro	31-03-2023	31-12-2022
Income tax for the period	27 934 916	157 006 582
Exchange rate adjustment	159	(43 355)
Payments on account, Special payments on account and Additional payments on account	(861 540)	(44 433 314)
Withholding tax recoverable	(1 706 235)	(1 874 631)
Income tax recoverable from prior periods	105 818 883	(6 597 816)
	131 186 183	104 057 466

6.2 DEFERRED TAXES

MOVEMENTS IN DEFERRED TAXES

Amounts in Euro	As at 1 January 2023	Exchange rate adjustment	Income Statement		Equity	Transfers	Assets held for sale	Changes in the perimeter	As at 31 March 2023
			Increases	Decreases					
Temporary differences originating deferred tax assets									
Tax losses carried forward	189 467 629	587 703	5 287 977	(9 157 098)	-	(82 253)	-	-	186 103 958
Taxed provisions	38 164 137	18 561	1 767 426	(525 243)	-	-	-	-	39 424 881
Adjustment of property, plant and equipment	46 236 126	-	-	(9 479 142)	-	-	-	-	36 756 984
Pensions and other post-employment benefits	2 594 441	(24)	-	(74 641)	-	-	-	-	2 519 776
Financial instruments	-	-	-	-	-	-	-	-	-
Deferred accounting gains (intra-Group)	29 872 466	-	9 686 793	(371 160)	-	-	-	-	39 188 099
Valuation of biological assets	14 456 082	-	452 498	-	-	-	-	-	14 908 580
Government grants	2 196 772	-	-	(99 872)	-	-	-	-	2 096 900
Fair value of business combinations	61 366	(37 795)	-	-	-	-	-	-	23 571
Conventional capital remuneration	560 000	-	-	-	-	-	-	-	560 000
Other temporary differences	5 998 850	(1 161 446)	(476 084)	(603 652)	-	-	-	-	3 757 668
	329 607 869	(593 001)	16 718 610	(20 310 808)	-	(82 253)	-	-	325 340 417
Temporary differences originating deferred tax liabilities									
Revaluation of property, plant and equipment	(35 234 521)	-	-	27 358	-	-	-	-	(35 207 163)
Pensions and other post-employment benefits	(387 989)	-	-	-	-	-	-	-	(387 989)
Financial instruments	(45 281 108)	69 942	-	388 794	(4 106 977)	-	-	-	(48 929 349)
Tax incentives	(3 862 494)	-	-	117 333	15 976	-	-	-	(3 729 185)
Adjustment of property, plant and equipment	(367 346 424)	(395 082)	(1 515 417)	6 476 110	-	-	-	-	(362 780 813)
Deferred accounting losses (intra-Group)	(16 893 162)	(823)	-	35 782	-	-	-	-	(16 858 203)
Valuation of biological assets	(5 403 744)	-	-	-	-	-	-	-	(5 403 744)
Fair value of intangible assets - Brands	(226 497 104)	(26 901)	-	-	-	-	-	-	(226 524 005)
Fair value of fixed assets	(35 147 291)	-	-	3 817 887	-	-	-	-	(31 329 404)
Fair value of business combinations	(57 445 842)	(109 978)	-	162 704	-	-	-	-	(57 393 116)
Hyperinflationary economies	(13 835 795)	8 521 443	(1 026 607)	-	-	-	-	-	(6 340 959)
Other temporary differences	(55 330 394)	(930 342)	(1 975 475)	1 171 826	-	-	-	-	(57 064 385)
	(862 665 868)	7 128 259	(4 517 499)	12 197 794	(4 091 001)	-	-	-	(851 948 315)
Deferred tax assets	85 880 368	1 829	3 284 084	(3 388 745)	-	(24 334)	-	-	85 753 202
Deferred tax liabilities	(237 260 488)	1 088 573	263 661	1 720 772	(1 125 027)	4	-	-	(235 312 505)

Amounts in Euro	As at 1 January 2022	Exchange rate adjustment	Income Statement		Equity	Transfers	Assets held for sale	Changes in the perimeter	As at 31 December 2022
			Increases	Decreases					
Temporary differences originating deferred tax assets									
Tax losses carried forward	181 779 250	8 058 639	18 230 354	(18 600 614)	-	-	-	-	189 467 629
Taxed provisions	30 551 160	53 842	9 756 597	(2 206 548)	-	-	-	9 085	38 164 137
Adjustment of property, plant and equipment	64 786 438	-	-	(28 886 525)	-	-	10 336 213	-	46 236 126
Pensions and other post-employment benefits	3 087 713	(2 793)	(14 217)	(354 231)	(122 031)	-	-	-	2 594 441
Financial instruments	7 448 831	-	-	-	(7 448 831)	-	-	-	-
Deferred accounting gains (intra-Group)	23 783 217	-	5 686 717	-	-	402 532	-	-	29 872 466
Government grants	2 824 415	-	-	(627 643)	-	-	-	-	2 196 772
Fair value of business combinations	87 991	(26 625)	-	-	-	-	-	-	61 366
Conventional capital remuneration	4 200 000	-	-	(3 640 000)	-	-	-	-	560 000
Other temporary differences	7 550 265	131 424	1 330 472	(3 651 828)	638 518	-	-	-	5 998 850
	326 099 280	8 214 487	34 989 923	(57 967 389)	(6 932 344)	402 532	10 336 213	9 085	315 151 787
Temporary differences originating deferred tax liabilities									
Revaluation of property, plant and equipment	(31 666 399)	(4 066 439)	-	498 317	-	-	-	-	(35 234 521)
Pensions and other post-employment benefits	(2 454 552)	-	(213 971)	770	2 279 764	-	-	-	(387 989)
Financial instruments	1 820 140	103 611	-	6 228 594	(53 433 453)	-	-	-	(45 281 108)
Tax incentives	(4 142 627)	-	-	213 450	66 683	-	-	-	(3 862 494)
Adjustment of property, plant and equipment	(382 997 653)	(4 740 469)	(6 923 645)	27 315 343	-	-	-	-	(367 346 424)
Deferred accounting losses (intra-Group)	(16 946 490)	3 705	-	23 303	-	26 320	-	-	(16 893 162)
Valuation of biological assets	(25 294 177)	-	(1 680 081)	21 570 514	-	-	-	-	(5 403 744)
Fair value of intangible assets - Brands	(230 877 993)	4 380 889	-	-	-	-	-	-	(226 497 104)
Fair value of fixed assets	(50 418 841)	-	-	15 271 550	-	-	-	-	(35 147 291)
Fair value of business combinations	(56 173 110)	(5 521 463)	-	5 362 659	-	-	-	(1 113 928)	(57 445 842)
Hyperinflationary economies	(17 339 384)	5 246 735	(777 752)	-	214 226	(1 179 620)	-	-	(13 835 795)
Other temporary differences	(35 477 473)	(21 955)	(21 190 994)	1 360 028	-	-	-	-	(55 330 394)
	(851 968 560)	(4 615 386)	(30 786 443)	77 844 528	(50 872 780)	(1 153 300)	-	(1 113 928)	(862 665 869)
Deferred tax assets	90 299 604	2 908 039	10 875 684	(19 453 988)	(1 904 974)	-	3 154 459	1 544	85 880 368
Deferred tax liabilities	(231 393 956)	(2 650 311)	(214 858)	11 402 364	(14 013 824)	(200 535)	-	(189 368)	(237 260 488)

7 PAYROLL

7.1 SHORT-TERM EMPLOYEE BENEFITS

PAYROLL COSTS RECOGNISED IN THE PERIOD

Amounts in Euro	Q1 2023	Q1 2022
Statutory bodies remuneration	4 115 053	4 169 039
Other remunerations	48 648 862	44 025 116
Post-employment benefits	665 552	615 071
Other payroll costs	15 878 601	16 429 891
Payroll costs	69 308 068	65 239 117

Other payroll costs

Amounts in Euro	Q1 2023	Q1 2022
Contributions to Social Security	10 382 701	9 416 216
Insurance	1 398 719	1 281 467
Social welfare costs	2 487 519	1 736 379
Compensations	246 831	3 006 994
Other payroll costs	1 362 831	988 835
	15 878 601	16 429 891

NUMBER OF EMPLOYEES AT THE END OF THE PERIOD

	31-03-2023	31-12-2022	Var. 23/22
Pulp and Paper	3 246	3 246	-
Cement and Derivatives	2 510	2 388	122
Environment	314	314	-
Holdings and Others	38	38	-
	6 108	5 986	122

7.2 POST-EMPLOYMENT BENEFITS

NET PENSION LIABILITIES

The net liabilities reflected in the consolidated statement of financial position by business segment are detailed as follows:

	31-03-2023	31-12-2022
Pulp and Paper	1 000 407	2 835 730
Cement and Derivatives	1 980 574	2 053 279
Holdings and Others	660 889	687 661
	3 641 870	5 576 670

8 FINANCIAL INSTRUMENTS

8.1 DERIVATIVE FINANCIAL INSTRUMENTS

Detail and maturity of derivative financial instruments by nature

31 March 2023 Amounts in Euro	Notional	Currency	Maturity	Positive (Note 4.2)	Negative (Note 4.3)	Net total
Hedging						
Exchange rate forwards (future sales)	265 000 000	USD	2023	6 115 768	(45 413)	6 070 355
Exchange rate forwards (future sales)	108 000 000	GBP	2023	268 173	-	268 173
Interest rate swaps (SWAP's)	425 000 000	Euro	2026/2027	33 893 604	-	33 893 604
Energy	35 044 407	EUR	2023	17 075 227	-	17 075 227
				57 352 772	(45 413)	57 307 359
Trading						
Exchange rate forwards	82 500 000	USD	2023	1 199 000	(3 835 331)	(2 636 331)
Exchange rate forwards	16 400 000	GBP	2023	-	(34 126)	(34 126)
Exchange rate forwards	625 000	CHF	2023	4 995	-	4 995
Cross currency interest rate swap	17 500 000	Euro	2023/2024	-	(2 948 798)	(2 948 798)
Cross currency interest rate swap	62 145 527	USD	2022/2025	-	(5 231 504)	(5 231 504)
				1 203 995	(12 049 759)	(10 845 764)
				58 556 767	(12 095 172)	46 461 595

31 December 2022 Amounts in Euro	Notional	Currency	Maturity	Positive (Note 4.2)	Negative (Note 4.3)	Net total
Hedging						
Exchange rate forwards (future sales)	345 000 000	USD	2023	6 011 256	-	6 011 256
Exchange rate forwards (future sales)	144 000 000	GBP	2023	1 294 665	-	1 294 665
Interest rate swaps (SWAP's)	425 000 000	Euro	2026/2027	38 208 097	-	38 208 097
BHKP Pulp	50 521 199	EUR	2023	7 683 092	-	7 683 092
				53 197 110	-	53 197 110
Trading						
Exchange rate forwards	76 977 456	USD	2023	1 325 016	(4 679 289)	(3 354 273)
Exchange rate forwards	18 800 000	GBP	2023	251 284	-	251 284
Exchange rate forwards	1 750 000	CHF	2023	-	(3 244)	(3 244)
Cross currency interest rate swap	17 500 000	Euro	2023/2024	-	(2 612 957)	(2 612 957)
Cross currency interest rate swap	62 145 527	USD	2022/2025	-	(4 463 747)	(4 463 747)
				1 576 300	(11 759 237)	(10 182 937)
				54 773 410	(11 759 237)	43 014 173

OTHER FINANCIAL INVESTMENTS

As at 31 March 2023 and 31 December 2022, Other financial investments are detailed as follows:

Amounts in Euro	31-03-2023	31-12-2022
Financial assets at fair value through other comprehensive income		
Defined Crowd	7 356 319	7 500 465
RealFevr	3 999 998	3 999 998
Oceano Fresco	3 006 930	3 006 930
Probe.ly	2 950 000	2 950 000
LOQR	2 499 962	2 499 962
Circuit	2 053 094	2 035 200
Techstar Corporate	1 711 797	1 745 339
Overstory	1 155 000	1 155 000
Airly	183 907	187 510
EMOTAI	100 000	100 000
	25 017 007	25 180 404
Financial assets at fair value through profit or loss		
Alter Venture Partners Fund I	10 762 581	10 973 474
Kencko	5 057 478	4 687 800
FCR Armilar Venture	3 755 332	3 712 679
Notional Capital	2 366 416	2 309 991
Firstminute	1 246 516	1 128 665
Kibo Capital	494 323	384 323
Lakestar	455 526	318 151
Ynvisible, SA	29 184	23 415
Lakestar Growth	151 269	-
	24 318 625	23 538 498
	49 335 632	48 718 902

9 PROVISIONS, COMMITMENTS AND CONTINGENCIES

9.1 PROVISIONS

MOVEMENTS IN PROVISIONS

Amounts in Euro	Legal Proceedings	Environmental Recovery	Other	Total
1 January 2022	6 951 277	13 154 122	32 377 546	52 482 945
Increases	3 488 765	386 489	11 824 709	15 699 963
Reversals	(5 392 411)	(2 775 622)	(3 598 068)	(11 766 101)
Impact on profit or loss for the period	(1 903 646)	(2 389 133)	8 226 641	3 933 862
Changes in the perimeter	-	-	2 544	2 544
Hyperinflationary economies (Lebanon)	-	450 633	1 262 114	1 712 747
Charge-offs	-	(806 874)	(4 911 507)	(5 718 381)
Exchange rate adjustment	2 223	(145 508)	(497 452)	(640 737)
Financial discounts	-	117 714	-	117 714
Transfers and adjustments	57 126	-	1 377 960	1 435 086
31 December 2022	5 106 980	10 380 954	37 837 846	53 325 780
Increases	-	257 365	524 328	781 693
Reversals	-	-	(4 506)	(4 506)
Impact on profit or loss for the period	-	257 365	519 822	777 187
Charge-offs	-	(207 321)	569 339	362 018
Exchange rate adjustment	(3 088)	(329 810)	(2 338 840)	(2 671 738)
Financial discounts	-	55 576	-	55 576
Transfers and adjustments	7 856	-	-	7 856
31 March 2023	5 111 748	10 156 764	36 588 167	51 856 679

10 GROUP STRUCTURE

10.1 HOLDING COMPANIES INCLUDED IN THE CONSOLIDATION PERIMETER

HOLDING COMPANIES INCLUDED IN THE CONSOLIDATION

Company Name	Head Office	Direct and indirect % held by Semapa			
		Direct	Indirect	31-03-2023	31-12-2022
Parent Company:					
Semapa	Portugal				
Subsidiaries:					
Semapa Inversiones 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 Name	Head Office	Direct and indirect % held by Navigator			% effectively held by Semapa	
		Direct	Indirect	Total	31-03-2023	31-12-2022
Parent Company:						
The Navigator Company, S.A.	Portugal	69.97	-	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 - Corretores de Seguros, S.A.	Portugal	100.00	-	100.00	69.97	69.97
Empremédia, DAC	Ireland	100.00	-	100.00	69.97	69.97
Empremédia RE, DAC	Ireland	-	100.00	100.00	69.97	69.97
Raiz - Instituto de Investigação da Floresta e Papel	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	-	73.80	73.80	51.64	51.64
Ema Setúbal - Engenharia e Manutenção Industrial, ACE	Portugal	-	79.70	79.70	55.77	55.77
Ema Figueira da Foz - Engenharia e Manutenção Industrial, ACE	Portugal	-	80.70	80.70	56.47	56.47
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 Fiber Solutions , S.A.	Portugal	0.10	99.90	100.00	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 Iberica , 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 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, S.A.	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 incêndios, ACE	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
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	The Netherlands	-	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 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
Navigator Paper Southern Africa	South Africa	1.00	99.00	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 Name	Head Office	Direct and indirect % held by Secil			% effectively held by Semapa	
		Direct	Indirect	Total	31-03-2023	31-12-2022
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.	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
Société des Ciments de Gabès	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
Cimpart - 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,	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
Trancim, S.A.L.	Lebanon	-	51.05	51.05	51.05	51.05
Cimentos Madeira, Lda.	Portugal	100.00	-	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
Cementos Secil, SLU	Spain	100.00	-	100.00	100.00	100.00

ENVIRONMENT COMPANIES INCLUDED IN THE CONSOLIDATION

Company Name	Head Office	Direct and indirect % held by ETSA			% effectively held by Semapa	
		Direct	Indirect	Total	31-03-2023	31-12-2022
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	99.99	99.99
SEBOL – Comércio e Indústria de Sebo, S.A.	Portugal	100.00	-	100.00	99.99	99.99
ITS – Indústria Transformadora de Subprodutos Animais, S.A.	Portugal	100.00	-	100.00	99.99	99.99
ABAPOR – Comércio e Indústria de Carnes, S.A.	Portugal	100.00	-	100.00	99.99	99.99
BIOLOGICAL - Gestão de Resíduos Industriais, Lda.	Portugal	100.00	-	100.00	99.99	99.99
AISIB – Aprovechamiento Integral de Subprodutos Ibéricos, S.A.	Spain	100.00	-	100.00	99.99	99.99
Tribérica, S.A.	Portugal	70.00	-	70.00	69.99	69.99

10.2 CHANGES IN THE CONSOLIDATION PERIMETER

During the first 3 months of 2023, the changes to the Group's consolidation perimeter are as follows:

- Incorporation of the Navigator Fiber Solutions, SA

10.3 INVESTMENT IN ASSOCIATED COMPANIES AND JOINT-VENTURES

Detail of investments in associated companies and joint ventures

Amounts in Euro	2023-03-31		2022-12-31	
	% held	Book value	% held	Book value
Associates				
MC - Materiaux de Construction	49.36%	1 507	49.36%	1 500
J.M.J. - Henriques, Lda.	50.00%	367 639	50.00%	369 912
Ave, S.A.	35.00%	7 680	35.00%	178 585
Ultimatemod - Construção Modular, S.A	50.00%	500 000	-	-
Navigator Tissue Ejea , SL	100.00%	85 135 620	-	-
Joint ventures				
Utis - Ultimate Technology To Industrial Savings, Ld:	50.00%	39 054 033	50.00%	37 823 495
Other shareholdings		6 250		6 250
		125 072 729		38 379 742

Following the diversification strategy of the Group, on 31 March 2023, the subsidiary The Navigator Company concluded the acquisition of the consumer Tissue business in Spain from the Gomà-Camps Group.

Navigator acquired all the shares representing the share capital of Gomà-Camps Consumer, S.L.U., based in Zaragoza, Spain, which in turn holds the entire share capital of Gomà-Camps France SAS, based in Castres, France.

The integration of this new mill will enable Navigator to position itself as the second largest Tissue producer in the Iberian Peninsula, adding 35 000 tonnes of annual Tissue paper production capacity, bringing the total to 165 000 tonnes per year, and increasing annual converting capacity by 60 000 tonnes to 180 000 tonnes per year.

The transaction was based on an Enterprise Value of Euro 85 million, adjusted for changes in working capital between the date of conclusion of the sale and purchase agreement and the date of completion of the transaction.

The Group will initiate the necessary procedures for the recognition and measurement of Goodwill and related assets and liabilities acquired in the Consolidated Financial Statements.

Movements in associates and joint ventures

Amounts in Euro	31-03-2023	31-12-2022
Opening balance	38 379 742	4 097 178
Acquisitions	85 635 620	26 893 324
Appropriation of net profit/(loss)	1 223 507	8 904 691
Dividends	(166 146)	(1 346 140)
Other movements	-	(169 281)
Exchange rate adjustment	6	(30)
Closing balance	125 072 729	38 379 742

10.4 TRANSACTIONS WITH RELATED PARTIES

BALANCES WITH RELATED PARTIES

Amounts in Euro	31-03-2023		31-12-2022		Lease liabilities
	Receivables and other current assets (Note 4.2)	Payables and other current liabilities (Note 4.3)	Receivables and other current assets (Note 4.2)	Payables and other current liabilities (Note 4.3)	
Shareholders					
Sodim, SGPS, S.A.	512	-	745	-	-
Cimo, SGPS, S.A.	-	1 160	-	1 160	-
Associates and Joint-Ventures					
Ave-Gestão Ambiental, S.A.	608 516	899 759	337 288	1 424 778	-
J.M.J. Henriques, Lda.	131 280	-	131 280	-	-
Other related parties					
Hotel Ritz, S.A.	-	65 405	-	10 160	-
Sonagi, SGPS, S.A.	-	-	-	-	63 021
CotifSicar	-	41 947	-	41 750	-
Soc. Agrícola da Herdade dos Fidalgos, Lda.	-	392	-	710	-
CLA - Soc. Advogados	-	7 380	-	7 380	-
Inertogrande	214 533	-	216 224	-	-
Pedro Soveral	-	6 150	-	6 150	-
Allmicroalgae - Natural products, S.A.	35 631	-	-	-	-
UTIS, Lda	(85)	168 595	(38 037)	900 229	-
Members of management bodies	-	-	2 139	7 255	-
Ultimate Cell (Utis) - Note 10.3	-	26 841 074	-	26 841 074	-
Other shareholders from subsidiaries	2	7 037	-	20 473	-
	990 389	28 038 899	649 639	29 261 118	63 021

TRANSACTIONS WITH RELATED PARTIES

Amounts in Euro	Q1 2023			Q1 2022		
	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.	-	-	-	-	-	293
	-	-	-	-	-	293
Associates and Joint-Ventures						
Ave-Gestão Ambiental, S.A.	(299 533)	2	46 422	(519 079)	370	60 797
	(299 533)	2	46 422	(519 079)	370	60 797
Other related parties						
Sonagi - Imobiliária, S.A.	(188 026)	-	-	(766 018)	-	503
Hotel Ritz, S.A.	(56 709)	-	-	(42 053)	-	-
Allmicroalgae - Natural products, S.A.	-	-	31 406	-	-	95 396
Bestweb, Lda.	-	-	-	(22 022)	-	-
CLA - Soc. Advogados	(18 000)	-	-	(57 000)	-	-
Nofigal, Lda.	(9 900)	-	-	(23 100)	-	-
UTIS, Lda.	-	-	-	-	-	35 000
Letras Criativas, Unipessoal, Lda.	(15 000)	-	-	(60 000)	-	-
José Fernando Morais Carreira de Araújo	-	-	-	-	-	-
Other	-	-	-	-	-	-
	(287 635)	-	31 406	(970 193)	-	130 899
	(587 168)	2	77 828	(1 489 272)	370	191 989

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:

RICARDO MIGUEL DOS SANTOS PACHECO PIRES

VÍTOR PAULO PARANHOS PEREIRA

FILIPA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

MAFALDA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

LUA MÓNICA MENDES DE ALMEIDA DE QUEIROZ PEREIRA

ANTÓNIO PEDRO DE CARVALHO VIANA-BAPTISTA

PAULO JOSÉ LAMEIRAS MARTINS



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

Av. Fontes Pereira de Melo, No. 14, 10.º, 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: PTSEMOAM0004 | LEI: 549300HNGOW85KIOH584 | Ticker: Bloomberg (SEM PL); Reuters (SEM.LS)