



RAMADA

INVESTIMENTOS E INDÚSTRIA

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

Public Company

Earnings announcement 1st Quarter 2021
(unaudited)

This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards and in accordance with the International Accounting Standard 34 – Interim Financial Reporting, some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

Head Office: Rua Manuel Pinto de Azevedo, 818
4100-320 Oporto
Share capital: 25,641,459 Euro

INTRODUCTION

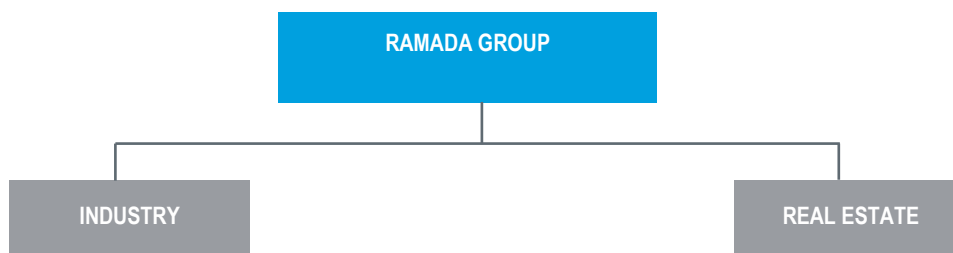
Ramada Investimentos is the parent company of a group of companies that together operate within two distinct business segments: i) Industry segment, which includes the activity of special steels and wire drawing, as well as the activity related to the management of financial investments in which the Group is a minority shareholder; and ii) Real Estate segment, aimed at the management of real estate assets.

The special steels activity, which develops, especially at the level of the sub-segment of moulds, with a leading position in the domestic market, is developed by three companies: Ramada Aços, Universal Afir and Planfuro Global.

The wire drawing activity is developed by Socitrel, whose main business is the manufacture and commercialization of steel wires, capable of being used in a wide variety of activities, including industry, agriculture and construction.

In the financial investments management activity, among other portfolio investments held by the Group, it should be highlighted the participations held in CEV, S.A. and Fisio Share – Gestão de Clínicas, S.A..

The Real Estate Segment includes the real estate asset management activity (composed by the forest assets and the Real Estate of the Group) and is developed by F. Ramada II - Imobiliária, S.A..



CONSOLIDATED INCOME STATEMENT BY NATURE

The consolidated financial information of Ramada Investimentos was prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards, as adopted by the European Union (IFRS – EU).

The key information and indicators of Ramada Group's consolidated activity can be presented as follows:

| | 1Q 2021 | 1Q 2020 | Var. % |
|---|--------------|--------------|----------------|
| Total revenues (a) | 32 251 | 26 488 | 21.8% |
| Total costs (b) | (27 540) | (23 683) | 16.3% |
| EBITDA (c) | 4 712 | 2 805 | 68.0% |
| EBITDA margin (d) | 14.6% | 10.6% | +4.0 pp |
| Amortization and depreciation | (792) | (839) | -5.7% |
| EBIT (e) | 3 920 | 1 966 | 99.4% |
| EBIT margin (f) | 12.2% | 7.4% | +4.8 pp |
| Results related to investments | (13) | 46 | - |
| Financial expenses | (274) | (297) | -7.8% |
| Financial income | 5 | 10 | -44.8% |
| Profit before income tax | 3 639 | 1 724 | 111.0% |
| Income tax | (782) | (390) | - |
| Consolidated net profit | 2 857 | 1 334 | 114.1% |
| Net profit attributable to shareholders of the parent company | 2 857 | 1 334 | 114.1% |

Amounts in thousands of Euro

(a) Total revenues = Sales and services rendered + Other income

(b) Total costs = Cost of sales and production variation + External supplies and services + Payroll expenses + Other expenses + Provisions and impairment losses

(c) EBITDA = Profit before income tax, Financial results and Amortization and depreciation

(d) EBITDA margin = EBITDA / Total revenues

(e) EBIT = EBITDA + Amortization and depreciation

(f) EBIT margin = EBIT / Total revenues

During the first quarter of 2021, total revenues of Ramada Group amounted to 32,251 thousand Euro, representing a 21.8% increase over the total revenues recorded in 2020.

Total costs amounted to 27,540 thousand Euro, recording a 16.3% increase over the previous year.

EBITDA amounted to 4,712 thousand Euro, representing an increase of 68.0% compared to the first quarter of 2020. EBITDA margin achieved 14.6%, representing an increase of 4.0 percentage points when compared to the previous year.

EBIT, in the amount of 3,920 thousand Euro, recorded an increase of 99.4% when compared to 1,966 thousand Euro in 2020.

The financial results (financial income – financial expenses), in the amount of 269 thousand Euro, recorded a 6.5% decrease over the previous year.

The consolidated net profit of the first quarter of 2021 amounted to 2,857 thousand Euro, increasing 114.1% compared to the net profit of the same period of the previous year.

INDUSTRY

| | 1Q 2021 | 1Q 2020 | Var. % |
|---------------------------------|--------------|--------------|----------------|
| Total revenues (a) | 30 428 | 24 675 | 23.3% |
| Total costs (b) | (27 196) | (23 296) | 16.7% |
| EBITDA (c) | 3 232 | 1 379 | 134.3% |
| EBITDA margin (d) | 10.6% | 5.6% | +5.0 pp |
| EBIT (e) | 2 480 | 592 | 319.1% |
| EBIT margin (f) | 8.2% | 2.4% | +5.8 pp |
| Results related to investments | (138) | (146) | -5.5% |
| Financial results (g) | (13) | 46 | - |
| Profit before income tax | 2 330 | 492 | 373.7% |
| Income tax | (494) | (119) | 314.8% |
| Net profit | 1 836 | 373 | 392.5% |

Amounts in thousands of Euro

(a) Total revenues = Sales and services rendered + Other income

(b) Total costs = Cost of sales and production variation + External supplies and services + Payroll expenses + Other expenses + Provisions and impairment losses

(c) EBITDA = Profit before income tax, Financial results and Amortization and depreciation

(d) EBITDA margin = EBITDA / Total revenues

(e) EBIT = EBITDA + Amortization and depreciation

(f) EBIT margin = EBIT / Total revenues

(g) Financial results = Financial income – Financial expenses

In the first quarter of 2021, total revenues from the Industry segment amounted to 30,428 thousand Euro, recording an increase of 23.3% compared to the same period of 2020.

EBITDA in the Industry segment amounted to 3,232 thousand Euro, representing a positive variation of 134.3% compared to the 1,379 thousand Euro recorded in the first quarter of 2020. EBITDA margin reached 10.6%, recording an increase of 5.0 percentage points over the same period of the previous year.

EBIT, in the amount of 2,480 thousand Euro, recorded an increase of 319.1% compared to 592 thousand Euro in 2020.

The net profit of the Industry segment recorded in the first quarter of 2021, in the amount of 1,836 thousand Euro, represented an increase of 392.5% compared to the net profit of the same period of previous year.

Despite the excellent start of 2021, in the middle of January there was a slowdown in demand. Just as a year ago, the reinforcement of demand in Portugal was noticeable with the Chinese and Italian “Lock Down”. However, with the development of the pandemic in Portugal, which led the country to be referred to as the worst in number of infections per 100,000 inhabitants, it may have weighed in the decision not to order moulds in Portugal, opting for competing markets.

It should be noted that this effect disappeared in March and orders returned to Portugal, with a significant increase in demand from countries that import products from customers in the Moulds and Metalworking industry.

In addition to the growth in demand, the first quarter of 2021 was also marked by a significant increase in the price of scrap and iron ore, in addition to the rapid closing of import quotas from third countries in the European Union (which, when exhausted, adds 25% on import tax). On the same way, the lack of containers and maritime transport has also created some uncertainty and delays in deliveries from suppliers from more distant countries, giving European suppliers the opportunity to increase their production, even prorating capacity and cancelling some orders.

At the moment, the concern is the possibility of shortages for the next quarter in the steel market, worldwide, in the same way that is already felt in other products, such as copper and aluminium alloys. China withdrew all export support as a way of reducing steel production, as the targets for carbon dioxide emissions must be met by 2030.

In the first quarter of 2021, sales of the Steel activity to the foreign market represented 9.7% of turnover, registering a growth of 52.1% compared to the same period in 2020. The Spanish market stands out, where Ramada Group is consolidating its position as a supplier to the metal industry, through the teams that are present in Galicia, Basque Country, Extremadura and Catalonia.

In the first quarter of 2021, the wire drawing activity recorded a significant rise in sales when compared to the previous year, as a result of significant increases in prices and production volume. The evolution of the Chinese economy led to sharp price increases in the first quarter of 2021 in terms of scrap and iron ore, with a consequent increase in the prices of the most representative raw materials for this activity. The wire drawing activity essentially operates in the foreign market which, in the first quarter of 2021, represented 64.2% of the turnover. In 2020, exports represented 59.7% of turnover. The main destinations for exports were Spain, France and the United States.

REAL ESTATE

| | 1Q 2021 | 1Q 2020 | Var. % |
|---------------------------------|--------------|--------------|-------------|
| Total revenues (a) | 1 823 | 1 813 | 0.6% |
| Total costs (b) | (344) | (388) | -11.3% |
| EBITDA (c) | 1 480 | 1 425 | 3.8% |
| EBIT (d) | 1 439 | 1 374 | 4.8% |
| Financial results (e) | (131) | (141) | -7.6% |
| Profit before income tax | 1 309 | 1 232 | 6.2% |
| Income tax | (288) | (271) | 6.2% |
| Net profit | 1 021 | 961 | 6.2% |

Amounts in thousands of Euro

(a) Total revenues = Sales and services rendered + Other income

(b) Total costs = Cost of sales and production variation + External supplies and services + Payroll expenses + Other expenses + Provisions and impairment losses

(c) EBITDA = Profit before income tax, Financial results and Amortization and depreciation

(d) EBIT = EBITDA + Amortization and depreciation

(e) Financial results = Financial income – Financial expenses

During the first quarter of 2021, total revenues from the Real Estate segment amounted to 1,823 thousand Euro, an increase of 0.6% compared to the same period of 2020.

The rents obtained from the long-term leases of forest land represent about 90% of the total real estate revenues.

EBITDA in the Real Estate segment in the first three months of 2021 amounted to 1,480 thousand Euro, 3.8% higher than the amount recorded in the same period of the previous year.

EBIT amounted to 1,439 thousand Euro, representing a growth of 4.8% compared to 2020.

In the first quarter of 2020, the financial results of the Real Estate segment were negative by 131 thousand Euro, having improved 7.6% compared to the negative 141 thousand Euro in 2020.

The net profit of the Real Estate segment amounted to 1,021 thousand Euro, an increase of 6.2% compared to the first quarter of 2020.

INVESTMENTS AND INDEBTEDNESS

The investments¹ made by Ramada Group during the first quarter of 2021 amounted to approximately 900 thousand Euro.

Ramada Group's net nominal indebtedness² on March 31, 2021, amounted to approximately 4 million Euro. As of December 31, 2020, the net nominal indebtedness was approximately 11 million Euro.

OUTLOOK

The growth in demand that occurred in the first quarter in the sectors of moulds and metalworking, combined with the maintenance of the increasing trend in raw material prices, leads the Group to face 2021 with more confidence, expecting a significant increase in sales and profitability, when compared with 2020.

It should be noted that these perspectives are based on the assumption that the pandemic is controlled and that mass vaccination takes place, allowing the economy to relaunch.

Ramada's Board of Directors expresses its appreciation and thanks to all Employees of the Ramada Group, for their dedication and commitment to overcome this phase that we are going through.

Oporto, May 20, 2021

The Board of Directors

¹ Investments: Acquisitions of property, plant and equipment and intangible assets related to the operational activity of the Industry and Real Estate segments.

² Net nominal indebtedness: Bank loans (nominal values) + Other loans (nominal values) – Cash and cash equivalents.



Shaping industry

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RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2021 AND 31 DECEMBER 2020
 (Translation of financial statements originally issued in Portuguese - Note 16)
 (Amounts expressed in Euros)

| ASSETS | Notes | 31.03.2021 | 31.12.2020 |
|---|-------|--------------------|--------------------|
| NON-CURRENT ASSETS: | | | |
| Investment properties | 5 | 88,687,130 | 88,687,130 |
| Property, plant and equipment | | 19,178,569 | 18,593,711 |
| Intangible assets | | 8,350 | 11,133 |
| Right-of-use assets | | 479,487 | 538,757 |
| Goodwill | | - | - |
| Investments in associated companies | 4.2 | 4,541,900 | 4,554,735 |
| Other investments | 4.3 | - | - |
| Other non-current assets | | 1,532,314 | 1,531,329 |
| Deferred tax assets | 6 | 3,702,248 | 3,702,248 |
| Total non-current assets | | 118,129,998 | 117,619,043 |
| CURRENT ASSETS: | | | |
| Inventories | | 16,837,774 | 18,794,784 |
| Trade receivables | | 34,424,447 | 34,959,861 |
| Other debts from third parties | | 1,570,828 | 1,708,636 |
| Other current assets | | 152,648 | 36,854 |
| Cash and cash equivalents | 7 | 56,037,270 | 54,472,220 |
| Total current assets | | 109,022,967 | 109,972,355 |
| Total assets | | 227,152,965 | 227,591,398 |
| EQUITY AND LIABILITIES | | | |
| EQUITY: | | | |
| Share capital | 8 | 25,641,459 | 25,641,459 |
| Legal reserve | | 7,193,058 | 7,193,058 |
| Advance payment on profit | | - | - |
| Other reserves | | 96,915,156 | 89,926,559 |
| Consolidated net profit/(loss) for the period | | 2,857,009 | 6,988,597 |
| Total equity attributable to shareholders of the Parent Company | | 132,606,682 | 129,749,673 |
| Non-controlling interests | | - | - |
| Total equity | | 132,606,682 | 129,749,673 |
| LIABILITIES: | | | |
| NON-CURRENT LIABILITIES: | | | |
| Bank loans | 9 | 33,487,401 | 37,487,401 |
| Other loans | 9 | 2,330,007 | 2,330,007 |
| Lease Liabilities | | 200,091 | 213,399 |
| Provisions | 11 | 660,000 | 660,000 |
| Deferred tax liabilities | 6 | 917,310 | 917,310 |
| Total non-current liabilities | | 37,594,809 | 41,608,117 |
| CURRENT LIABILITIES: | | | |
| Bank loans | 9 | 6,000,000 | 6,000,000 |
| Other loans | 9 | 18,107,474 | 19,574,183 |
| Lease liabilities | | 279,396 | 325,358 |
| Trade payables | | 23,248,503 | 24,086,736 |
| Other debts to third parties | | 3,070,702 | 2,146,818 |
| Income tax | | 1,078,166 | 296,507 |
| Other current liabilities | 10 | 5,167,233 | 3,804,006 |
| Total current liabilities | | 56,951,474 | 56,233,608 |
| Total liabilities | | 94,546,283 | 97,841,725 |
| Total liabilities and equity | | 227,152,965 | 227,591,398 |

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE
THREE MONTHS PERIODS ENDED 31 MARCH 2021 AND 2020**

(Translation of financial statements originally issued in Portuguese - Note 16)

(Amounts expressed in Euros)

| | Notes | 31.03.2021 | 31.03.2020 |
|--|-------|------------------|------------------|
| Sales and services rendered | | 32,143,219 | 26,361,742 |
| Other income | | 107,912 | 126,239 |
| Cost of sales and variation in production | | (20,145,948) | (16,600,921) |
| External supplies and services | | (3,845,820) | (3,509,235) |
| Payroll expenses | | (3,358,895) | (3,275,058) |
| Amortisation and depreciation | | (791,595) | (839,118) |
| Provisions and impairment losses | 11 | (52,173) | (108,338) |
| Other expenses | | (136,759) | (189,744) |
| Results related to investments | 4.2 | (12,835) | 46,159 |
| Financial expenses | | (273,926) | (297,084) |
| Financial income | | 5,398 | 9,782 |
| Profit/(Loss) before income tax | | 3,638,578 | 1,724,424 |
| Income tax | | (781,569) | (390,149) |
| Consolidated net profit/(loss) for the period | | 2,857,009 | 1,334,275 |
| Attributable to: | | | |
| Holders of equity in the parent company | | 2,857,009 | 1,334,275 |
| Non-controlling interests | | - | - |
| Earnings per share: | | | |
| Basic | 12 | 0.11 | 0.05 |
| Diluted | 12 | 0.11 | 0.05 |

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

RAMADA INVESTIMENTOS E INDÚSTRIA S.A.

**CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE
THREE MONTHS PERIODS ENDED 31 MARCH 2021 AND 2020**

(Translation of financial statements originally issued in Portuguese - Note 16)

(Amounts expressed in Euros)

| | Notes | 31.03.2021 | 31.03.2020 |
|--|-------|------------------|------------------|
| Consolidated net income for the period | | 2,857,009 | 1,334,275 |
| Other comprehensive income: | | | |
| Items that will not be reclassified to profit or loss: | | | |
| Changes in pension liabilities - gross amount | | - | - |
| Changes in pension liabilities - deferred tax | | - | - |
| Items that may be reclassified to profit or loss in the future | | | |
| Other comprehensive income for the period | | - | - |
| Total consolidated comprehensive income for the period | | 2,857,009 | 1,334,275 |
| Attributable to: | | | |
| Shareholders in the Parent Company | | 2,857,009 | 1,334,275 |
| Continued operations | | 2,857,009 | 1,334,275 |
| Discontinued operations | | - | - |

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE
THREE MONTHS PERIODS ENDED 31 MARCH 2021 AND 2020**
(Translation of financial statements originally issued in Portuguese - Note 16)
(Amounts expressed in Euros)

| | | Attributable to shareholders in the Parent Company | | | | | | | |
|---|---------------|--|----------------------------|--------------------------------------|----------------------------------|---|---------------------------|--------------|-------------|
| Notes | Share capital | Legal reserve | Advance payments on profit | Other reserves and retained earnings | Net profit/(loss) for the period | Total equity attributable to shareholders of parent company | Non-controlling interests | Total equity | |
| Balance as at 1 January 2020 | 8 | 25,641,459 | 7,193,058 | - | 81,800,669 | 8,130,246 | 122,765,432 | - | 122,765,432 |
| Total consolidated comprehensive income for the period | | - | - | - | - | 1,334,275 | 1,334,275 | - | 1,334,275 |
| Appropriation of consolidated result from 2019: Transfer to other reserves | | - | - | - | 8,130,246 | (8,130,246) | - | - | - |
| Others | | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2020 | | 25,641,459 | 7,193,058 | - | 89,930,915 | 1,334,275 | 124,099,707 | - | 124,099,707 |
| Balance as at 1 January 2021 | 8 | 25,641,459 | 7,193,058 | - | 89,926,559 | 6,988,597 | 129,749,673 | - | 129,749,673 |
| Total consolidated comprehensive income for the period | | - | - | - | - | 2,857,009 | 2,857,009 | - | 2,857,009 |
| Appropriation of consolidated result from 2020: Transfer to other reserves | | - | - | - | 6,988,597 | (6,988,597) | - | - | - |
| Others | | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2021 | | 25,641,459 | 7,193,058 | - | 96,915,156 | 2,857,009 | 132,606,682 | - | 132,606,682 |

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE
THREE MONTHS PERIODS ENDED 31 MARCH 2021 AND 2020
(Translation of financial statements originally issued in Portuguese - Note 16)
(Amounts expressed in Euros)

| Notes | 31.03.2021 | 31.03.2020 |
|---|--------------------|---------------------|
| Operational activities: | | |
| Receipts from customers | 39,407,718 | 36,457,759 |
| Payments to suppliers | (26,995,186) | (16,651,282) |
| Payments to personnel | (1,458,510) | (1,472,152) |
| Paid/Received corporate income tax | - | (6,793) |
| Other receipts/payments relating to operating activities | (3,213,258) | (4,984,514) |
| <i>Cash flows generated by operating activities (1)</i> | <u>7,740,764</u> | <u>13,343,018</u> |
| Investment activities: | | |
| Receipts arising from: | | |
| Property, plant and equipment | - | 13,310 |
| Interest and similar income | 2,423 | 3,863 |
| Payments relating to: | | |
| Investments | - | - |
| Intangible assets | (758) | (887) |
| Property, plant and equipment | (274,092) | (344,349) |
| Loans granted | - | - |
| <i>Cash flows generated from investments activities (2)</i> | <u>(272,427)</u> | <u>(328,063)</u> |
| Financing activities: | | |
| Receipts arising from: | | |
| Loans obtained | 30,921,024 | 52,678,606 |
| Payments relating to: | | |
| Interest and similar expenses | (431,785) | (465,300) |
| Dividends | - | - |
| Loans obtained | (34,895,935) | (78,071,147) |
| <i>Cash flows generated from financing activities (3)</i> | <u>(4,406,696)</u> | <u>(25,857,841)</u> |
| Cash and cash equivalents at the beginning of the period | 52,975,628 | 51,293,584 |
| Cash and cash equivalents variation: (1)+(2)+(3) | 3,061,642 | (12,842,886) |
| Cash and cash equivalents at the end of the period | 56,037,270 | 38,450,698 |

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2021**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

1. INTRODUCTORY NOTE

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A. ("Ramada Investimentos", "Ramada Group" or "Group") is a company incorporated as of 1 June 2008, with its head-office located at Rua Manuel Pinto de Azevedo, 818, Oporto, Portugal, and whose main activity is the management of financial investments, being its shares listed in the Euronext Lisbon Stock Exchange, since 2008.

In May 2018, formerly named as F. Ramada - Investimentos SGPS, S.A., changed its corporate objective, from management of financial investments to consulting services, including financial and administrative, as well as realization and management of real estate, securities and financial investments, acquisition and disposal of securities, leasing, construction, rehabilitation, management, administration and conservation of properties, as its name changed to RAMADA INVESTIMENTOS E INDÚSTRIA, S.A., as it was deliberated in General Assembly on 4 May 2018.

Ramada was created as a result of the reorganization process of Altri, SGPS, S.A. through the demerger of the business areas of steel and storage systems, namely the participation held in Ramada Aços, S.A., which represented the voting rights of the mentioned company. The restructuring involved a simple demerger operation, as predicted in item 1.a), article 118, of the Portuguese Companies Act ("Código das Sociedades Comerciais").

Following this process, the assets corresponding to the shareholdings of the business units of steel and storage systems, including all the resources (such as human resources, assets and liabilities) related to that business unit were transferred from Altri, SGPS, S.A. to Ramada Investimentos.

Currently, Ramada is the parent company of the group of companies listed in Note 4 (Ramada Group), and, through these financial holdings structure, it focuses its operations in (i) Industrial activity, which includes steel trade and management of financial investments related to participations in which the group has a minority position, and (ii) real estate, which consists in the management of this type of assets.

The consolidated financial statements of Ramada Group are presented in Euro (rounded to units), which is the currency used by the Group in its operations and, therefore, is considered to be its functional currency.

2. MAIN ACCOUNTING POLICES AND BASIS OF PRESENTATION

The condensed consolidated financial statements, for the three months period ended on 31 March 2021, were prepared in accordance with IAS 34 – Interim Financial Reporting and include the condensed consolidated statement of financial position, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows, as well as the selected explanatory notes. These condensed consolidated financial statements do not include all the information required to be published on the annual financial statements, and should, therefore, be read together with the consolidated financial statements of the Ramada Group for the financial year ended 31 December 2020.

The accounting policies adopted for preparation of the attached condensed consolidated financial statements were consistently applied during the periods being compared.

The Board of Directors assessed the capacity of the Company, its subsidiaries and associates to operate on a going concern basis, based on the entire relevant information, facts and circumstances, of financial, commercial or other nature, including events subsequent to the condensed consolidated financial statements' reference date, as available regarding the future. As a result of the assessment conducted, the Board of Directors concluded that it has adequate resources to keep up its operations, which it does not intend to cease in the short term. Therefore, it was considered appropriate to use the going concern basis in preparing the condensed consolidated financial statements.

The attached condensed consolidated financial statements were prepared based on the accounting books and records of the company, its subsidiaries, and associates, adjusted in the consolidation process, in the assumption of going concern basis. When preparing the condensed consolidated financial statements, the Group used historical cost as its basis.

The preparation of condensed consolidated financial statements requires the use of estimates, assumptions and critical judgements in the process of determining accounting policies to be adopted by the Group, with significant impact on the book value of assets and liabilities, as well as on income and expenses for the period. Although these estimates are based on the best experience of the Board of Directors and on its best expectations regarding current and future

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2021**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

events and actions, current and future results may differ from these estimates. Areas involving a higher degree of judgement or complexity, or areas with significant assumptions and estimates are disclosed in Note 3 of the accompanying notes to the consolidated financial statements of the Group for the financial year ended 31 December 2020.

3. CHANGES IN ACCOUNTING POLICES AND CORRECTION OF ERRORS

During the reporting period there were no changes in the accounting policies and no material mistakes related with previous periods were identified.

New accounting standards and their impact in these condensed consolidated financial statements:

Up to the date of approval of these financial statements, the European Union endorsed the following accounting standards, interpretations, amendments and revisions, mandatorily applied to the financial year beginning on 1 January 2021:

| | Effective date (financial years begun on or after) |
|---|--|
| Amendment to IFRS 4 Insurance Contracts – deferral of IFRS 9 | 01 Jan 2021 |
| Amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 | 01 Jan 2021 |

The adoption of these standards and interpretations had no relevant impact on the Group's financial statements.

On the approval date of these financial statements, the following accounting standards, amendments and interpretations were not yet endorsed by the European Union:

| | Effective date (financial years begun on or after) |
|--|--|
| Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 01 Jan 2023 |
| IFRS 17 – Insurance Contracts | 01 Jan 2023 |
| Amendment to IAS 8: Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates | 01 Jan 2023 |
| Amendment to IAS 1 Presentation of Financial Statements and Statement of Practice IFRS 2: Disclosure of Accounting Policies | 01 Jan 2023 |
| Amendment to IAS 1 Presentation of Financial Statements – Classification of liabilities as current and non-current | 01 Jan 2023 |
| Amendments to IFRS 3, IAS 16, IAS 37 and Annual Improvements 2018-2020 | 01 Jan 2022 |
| Proposed changes to leases IFRS 16: Covid-19 Leases Concessions after 30 June 2021 | 01 Apr 2021 |

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The Group has not adopted any standard, amendment or interpretation that has been issued but not yet effective, for the preparation of the consolidated financial statements for the period ending 31 March 2021, given that application is not mandatory. The impact of the referred standards is currently being assessed.

4. SUBSIDIARY COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND OTHER INVESTMENTS

4.1 Companies included in the consolidated financial statements

The companies included in the consolidated financial statements by the full consolidation method, its headquarters, percentage of participation held and main activity as of March 31, 2021 and December 31, 2020, are as follows:

| Company | Registered office | Effective held percentage | | Activity |
|---|-------------------|---------------------------|------------|--|
| | | 31.03.2021 | 31.12.2020 | |
| <u>Parent company</u> | | | | |
| Ramada Investimentos e Indústria S.A. | Porto | - | - | Management consulting services and shareholding management |
| <u>Ramada Group</u> | | | | |
| Ramada Aços, S.A. | Ovar | 100% | 100% | Steel trade |
| Planfuro Global, S.A. | Leiria | 100% | 100% | Metal mould manufacturing |
| Universal Afir, S.A. | Ovar | 100% | 100% | Steel trade |
| F. Ramada II, Imobiliária, S.A. | Ovar | 100% | 100% | Real estate |
| Socitrel - Sociedade Industrial de Trefilaria, S.A. | Trofa | 100% | 100% | Steel wire manufacturing and trade |
| Socitrel España, S.A. | Spain | 100% | 100% | Steel wire manufacturing and trade |
| Expeliarmus - Consultoria, S.A. | Portugal | 100% | 100% | Shareholding management |
| Socitrel Solar, Unipessoal, Lda. | Portugal | 100% | 0% | Management of energy production and sale facilities |

These subsidiaries were included in the consolidated financial statements of Ramada Group in accordance with the full consolidation method.

4.2 Investments in associated companies

As at 31 March 2021 and 31 December 2020, the item "Investments in associated companies" can be detailed as follows:

| 31 March 2021 | | | | | | |
|---------------------------------------|--------|-----------------|-----------|-----------|------------|-----------------|
| Company | % Held | Opening balance | Transfers | Additions | Reductions | Closing balance |
| Fisio Share – Gestão de Clínicas, S.A | 39.71% | 4,554,735 | - | - | (12,835) | 4,541,900 |
| | | 4,554,735 | - | - | (12,835) | 4,541,900 |
| 31 December 2020 | | | | | | |
| Company | % Held | Opening balance | Transfers | Additions | Reductions | Closing balance |
| Fisio Share – Gestão de Clínicas, S.A | 39.71% | 4,500,000 | - | 54,735 | - | 4,554,735 |
| | | 4,500,000 | - | 54,735 | - | 4,554,735 |

As at March 31, 2021 and December 31, 2020, the movement in this caption relates to the application of the equity method to the Group's investment in Fisio Share Gestão de Clínicas, S.A.. This subsidiary is engaged in providing

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technical and consulting services in the areas of health management and administration and was incorporated in the last quarter of 2019.

The application of the equity method relatively to the three months period ended as at 31 March 2021 was made based on the provisional and unaudited consolidated financial statements of the entity above mentioned, with the impact on net income for the current period being recorded under the caption “Results related to investments”. As at 31 March 2021, the financial participation value amounted to 4,541,900 Euro (4,554,735 Euro as at 31 December 2020). The Board of Directors believes that there will be no materially significant differences between the financial statements used for the purposes of applying this method and the final consolidated financial statements of that entity.

4.3 Other investments

As of March 31, 2021, and December 31, 2020, the caption ‘Other investments’ and respective impairment losses can be detailed as follows:

| | 31.03.2021 | 31.12.2020 |
|---|-------------|-------------|
| Gross value | | |
| Opening value | 4,967,633 | 4,445,498 |
| Additions | - | 522,135 |
| Closing balance | 4,967,633 | 4,967,633 |
| Accumulated impairment losses (Note 11) | | |
| Opening value | (4,967,633) | (4,445,498) |
| Additions | - | (522,135) |
| Closing balance | (4,967,633) | (4,967,633) |
| Net value | - | - |

As at 31 March 2021 and 31 December 2020, the Group held 22.52% of the company CEV, S.A. This participated company is engaged in the developments and intellectual protection, production and trade of organic fungicides for agriculture. This investee is not listed and the Group does not have significant influence over this holding, namely due to:

- Has no representation on the Executive Committee of the Subsidiary;
- Has no power to participate in defining operational and financial policies;
- Does not present any material transactions with the Subsidiary;
- Does not contribute to the Subsidiary with technical information.

In view of the above, the Group believes that, having no influence on the company’s governance bodies, it should consider this holding as other investment and not as an associate.

The measurement of evidence of investment impairments in other investments takes into consideration, among others, the Companies’ financial indicators, its Operating Profit, and the shareholders’ return, namely considering its ability to distribute dividends.

5. INVESTMENT PROPERTIES

Investment properties held by Ramada Group relate to lands rented to third parties (Altri Group) under operational leases, through contracts with an average duration of 20 years, and with the possibility of an additional period of four to six years if certain events occur. Investment properties are measured at acquisition cost. The movement occurred in this caption during the three months period ended as of 31 March 2021 and the year ended 31 December 2020 is as follows:

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| | 31.03.2021 | 31.12.2020 |
|-----------------------------|-------------|-------------|
| Gross opening balance | 89,787,130 | 89,786,840 |
| Acquisitions | - | 290 |
| Disposals | - | - |
| Gross closing balance | 89,787,130 | 89,787,130 |
| Impairment Losses (Note 11) | (1,100,000) | (1,100,000) |
| Closing balance | 88,687,130 | 88,687,130 |

The lease land generated, during the three months period ended as of March 31, 2021, income amounting, to approximately, 1,650,000 Euro (approximately 6,785,000 Euro in December 31, 2020).

The minimum future receipts for leases of forest land amounting, to approximately, 6.8 million Euro in each of the following 5 years. After this period and until the end of the contracts, the minimum future receipts total, approximately 49 million Euro. The rents provided for in each lease agreement are updated at the end of each two-year period, counting from the beginning of the calendar year immediately following the signing of the contract, based on the consumer price index.

Given the land characteristics (land leased to third parties for forestry activity), frequent market transactions comparable for this type of assets do not occur. Accordingly, the Board of Directors considers that it is not possible to reliably estimate the fair value of the land, and, as such, it is recorded at acquisition cost. However, it is the Board of Directors belief that, given the amount of rents collected annually, the market value of these assets will not be significantly different from its book value.

Part of the land amounting to, approximately, 74 million Euros is given as collateral for certain borrowings.

6. DEFERRED INCOME TAXES

In accordance with current legislation, the tax returns are subject to review and correction by the tax authorities over a period of four years (five years for Social Security), except when tax losses have occurred, tax benefits have been granted, or inspections, complaints or disputes are on-going. In these cases, depending on the circumstances, the above referred period deadlines can be extended or suspended. Therefore, the tax returns of Ramada and its subsidiaries for the years 2017 to 2020 may still be subject to review.

The Board of Directors of Ramada believes that any potential corrections arising from reviews/inspections of these tax returns by the tax authorities will not have a significant effect on the consolidated financial statements as of March 31, 2021.

The movement occurred in deferred tax assets and liabilities in the three months period ended as of March 31, 2021 and 2020, was as follows:

| | 2021 | | 2020 | |
|--------------------------------|------------------------|-----------------------------|------------------------|-----------------------------|
| | Deferred tax assets | Deferred tax liabilities | Deferred tax assets | Deferred tax liabilities |
| Balance as at 1 January | 3,702,248 | 917,310 | 3,724,730 | 922,826 |
| Consolidation in perimeter | - | - | - | - |
| Effect on the income statement | - | - | - | - |
| Balance as at 31 March | 3,702,248 | 917,310 | 3,724,730 | 922,826 |

7. CASH AND CASH EQUIVALENTS

As of March 31, 2021, and December 31, 2020, the caption 'Cash and cash equivalents' included in the consolidated statement of financial position can be detailed as follows:

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| | 31.03.2021 | 31.12.2020 |
|--|------------|-------------|
| Cash | 22,479 | 14,055 |
| Bank deposits | 56,014,791 | 54,458,165 |
| Cash and cash equivalents on the statement of financial position | 56,037,270 | 54,472,220 |
| Bank overdrafts (Note 9) | - | (1,496,592) |
| Cash and cash equivalents on the statement of cash flows | 56,037,270 | 52,975,628 |

8. SHARE CAPITAL

As of March 31, 2021, Ramada's fully subscribed and paid up capital consisted of 25,641,459 shares with a nominal value of 1 Euro each.

With regard to 2020, the Board of Directors proposed, in its Annual Report, which was approved in the General Meeting held on April 30, 2021, that the individual net result of Ramada Investimentos e Indústria, S.A. in the amount of 9,661,225 Euro was fully distributed as dividends. Additionally, was also approved in the General Meeting the distribution of Free Reserves in the amount of 5,723,650 Euro, in the form of dividends, to add to the aforementioned distribution of profits.

9. BANK LOANS AND OTHER LOANS

As of March 31, 2021, and December 31, 2020, the captions "Bank loans" and "Other loans" can be detailed as follows:

| | 31.03.2021 | | 31.12.2020 | |
|--------------------------|------------|-------------|------------|-------------|
| | Current | Non-current | Current | Non-current |
| Bank loans | 6,000,000 | 33,487,401 | 6,000,000 | 37,487,401 |
| Bank loans | 6,000,000 | 33,487,401 | 6,000,000 | 37,487,401 |
| Commercial paper | 16,500,000 | - | 16,500,000 | - |
| Escrow accounts | - | - | - | - |
| Bank overdrafts (Note 7) | - | - | 1,496,592 | - |
| Factoring | 1,265,564 | - | 1,235,681 | - |
| Investment grants | 341,910 | 2,330,007 | 341,910 | 2,330,007 |
| Other loans | 18,107,474 | 2,330,007 | 19,574,183 | 2,330,007 |
| | 24,107,474 | 35,817,408 | 25,574,183 | 39,817,408 |

It is the Board of Directors understanding that the loans' book value does not differ significantly from its fair value.

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9.1 Bank Loans:

The nominal amount of bank loans as of March 31, 2021, and December 31, 2020, will be reimbursed as follows:

| 31.03.2021 | | | 31.12.2020 | | |
|--------------------|------------|---------------------------------|--------------------|------------|---------------------------------|
| Repayment year | Amount | Estimated interest ¹ | Repayment year | Amount | Estimated interest ¹ |
| Current | | | Current | | |
| 2021 | 24,107,474 | 421,881 | 2021 | 25,574,183 | 447,548 |
| Non-current | | | Non-current | | |
| 2022 | 2,582,502 | 180,775 | 2022 | 6,582,502 | 460,824 |
| 2023 | 6,582,502 | 375,574 | 2023 | 6,582,502 | 375,574 |
| 2024 | 6,569,905 | 290,500 | 2024 | 6,569,905 | 290,500 |
| 2025 | 6,082,500 | 212,250 | 2025 | 6,082,500 | 212,250 |
| 2026 | 5,500,000 | 134,000 | 2026 | 5,500,000 | 134,000 |
| 2027 | 3,500,000 | 67,000 | 2027 | 3,500,000 | 67,000 |
| 2028 | 5,000,000 | 10,000 | 2028 | 5,000,000 | 10,000 |
| 2029 | - | - | 2029 | - | - |
| | 35,817,408 | 1,270,099 | | 39,817,408 | 1,550,147 |
| | 59,924,882 | 1,691,979 | | 65,391,591 | 1,997,695 |

¹ Interest estimated according to the defined contractual conditions, assuming the market conditions verified in 2021 and 2020, respectively.

During the period of three months ended as of March 31, 2021, these loans bear interest at normal market rates depending on the nature and term of the credit obtained.

During the period of nine months ended as of March 31, 2021, and the year ended as of December 31, 2020, the Group did not enter into any loan default.

Additionally, as of March 31, 2021 there are no covenants associated with the loans obtained.

10. OTHER CURRENT LIABILITIES

As of March 31, 2021, and December 31, 2020, the caption "Other current liabilities" can be detailed as follows:

| | 31.03.2021 | 31.12.2020 |
|--|------------|------------|
| Accrued expenses: | | |
| Wages and salaries payable, bonuses and other payroll expenses | 2,856,794 | 2,124,541 |
| Other accrued expenses | 1,903,852 | 1,278,959 |
| Deferred income | 406,587 | 400,506 |
| | 5,167,233 | 3,804,006 |

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11. PROVISIONS AND IMPAIRMENT LOSSES

The movements that occurred in provisions and impairment losses for the three months periods ended as of March 31, 2021 and 2020, can be detailed as follows:

| 31.03.2021 | | | | | | |
|-----------------|---|----------------------------------|----------------------------------|--|-----------|------------|
| Provisions | Impairment losses in debts from third parties | Impairment losses in inventories | Impairment losses in investments | Impairment losses in investment properties | Total | |
| | | | (Note 4) | (Note 5) | | |
| Opening balance | 660,000 | 7,194,002 | 2,003,407 | 4,967,633 | 1,100,000 | 15,925,042 |
| Increases | - | 52,173 | - | - | - | 52,173 |
| Reversals | - | - | - | - | - | - |
| Utilizations | - | - | - | - | - | - |
| Closing balance | 660,000 | 7,246,175 | 2,003,407 | 4,967,633 | 1,100,000 | 15,977,215 |

| 31.03.2020 | | | | | | |
|-----------------|---|----------------------------------|----------------------------------|--|-----------|------------|
| Provisions | Impairment losses in debts from third parties | Impairment losses in inventories | Impairment losses in investments | Impairment losses in investment properties | Total | |
| | | | (Note 4) | (Note 5) | | |
| Opening balance | 660,000 | 7,194,002 | 2,003,407 | 4,445,498 | 1,100,000 | 15,402,907 |
| Increases | - | 108,338 | - | - | - | 108,338 |
| Reversals | - | - | - | - | - | - |
| Utilizations | - | - | - | - | - | - |
| Closing balance | 660,000 | 7,302,340 | 2,003,407 | 4,445,498 | 1,100,000 | 15,511,245 |

The increases and reversals of provisions and impairment losses recorded in the three months periods ended March 31, 2021 and 2020 were recorded against the income statement caption "Provisions and impairment losses".

The amount recorded under "Provisions" at 31 March 2021 corresponds to the best estimate by the Board of Directors of the Group Companies to cover losses to be incurred with lawsuits currently in progress and other liabilities.

It is the opinion of the Board of Directors, based on its legal and tax advisors, that as of March 31, 2021, there are no material assets or liabilities associated with probable or possible tax contingencies that should be recognized or disclosed in the financial statements on March 31, 2021.

12. EARNINGS PER SHARE

Earnings per share for the three months periods ended as of 31 March 2021 and 2020 were determined taking into consideration the following amounts:

| | 31.03.2021 | 31.03.2020 |
|--|------------|------------|
| Result for calculating basic and diluted earnings per share | | |
| Continued operations | 2,857,009 | 1,334,275 |
| Weighted average number of shares for calculating net income per share | 25,641,459 | 25,641,459 |
| Earnings per share | | |
| For continued operations | | |
| Basic | 0.11 | 0.05 |
| Diluted | 0.11 | 0.05 |

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There are no situations in the Group that might represent a reduction on earnings per share, arising from stock options, warrants, convertible bonds or other rights embedded in ordinary shares.

13. **RELATED PARTIES**

The main balances with related parties as of March 31, 2021 and 2020 are related with Altri Group and may be detailed as follows:

| | 31 March 2021 | | 31 March 2020 | |
|------------------------|--|---|--|---|
| Related entities | Trade receivables and other debts from third parties | Trade payables and other debts to third parties | Trade receivables and other debts from third parties | Trade payables and other debts to third parties |
| Other related entities | 1,703,346 | - | 1,681,606 | - |

Apart from the companies included in the consolidation (Note 4), the companies considered to be related parties as of March 31, 2021, are the following:

- ☐ Actium Capital, S.A.
- ☐ Caderno Azul, S.A.
- ☐ Livrefluxo, S.A.
- ☐ Promendo Investimentos, S.A.
- ☐ 1 Thing, Investments, S.A.
- ☐ Altri Florestal, S.A.
- ☐ Altri Sales, S.A.
- ☐ Altri, Participaciones Y Trading, S.L.
- ☐ Altri, SGPS, S.A.
- ☐ Caima Energia – Empresa de Gestão e Exploração de Energia, S.A.
- ☐ Caima – Indústria de Celulose, S.A.
- ☐ Captaraiz Unipessoal, Lda.
- ☐ Celtejo – Empresa de Celulose do Tejo, S.A.
- ☐ Celulose da Beira Industrial (Celbi), S.A.
- ☐ Cofihold, S.A.
- ☐ Cofihold II, S.A.
- ☐ Cofina Media, S.A.
- ☐ Cofina, SGPS, S.A.
- ☐ Elege Valor, Lda.
- ☐ Grafedisport – Impressão e Artes Gráficas, S.A.
- ☐ Inflora – Sociedade de Investimentos Florestais, S.A.
- ☐ Mercados Globais – Publicação de Conteúdos, Lda.
- ☐ Préstimo – Prestígio Imobiliário, S.A.
- ☐ Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.
- ☐ Valor Autêntico, S.A.

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- ☐ VASP – Sociedade de Transportes e Distribuições, Lda.
- ☐ Viveiros do Furadouro Unipessoal, Lda.
- ☐ Florestul, S.A.
- ☐ Sociedade de Energia Solar do Alto Tejo (SESAT), Lda.
- ☐ Golditábua, S.A.
- ☐ Paraimo Green, Lda.
- ☐ Greenvolt - Energias Renováveis, S.A.

14. **SEGMENT INFORMATION**

In accordance with the origin and nature of the income generated by the Group, the main segments identified are as follows:

- ☐ Industry – includes the commercialization of steel and storage systems, as well as support services (being the latest a residual activity);
- ☐ Real estate – includes the assets and activities related to the Group's real estate development.

These segments were identified considering the business units which develop activities whose income and cost may be distinguished, and for which it is produced separate financial information and its operating results are reviewed and taken decisions by the management.

The segregation of activities by segments as of March 31, 2021 and 2020 is made up as follows:

| | 31 March 2021 | | | |
|--|---------------|-------------|-------------------------|-------------|
| | Industry | Real estate | Intragroup eliminations | Total |
| Total assets | 144,231,317 | 95,061,762 | (12,140,114) | 227,152,965 |
| Total liabilities | 53,592,065 | 53,094,332 | (12,140,114) | 94,546,283 |
| Investments (a) | 983,132 | - | - | 983,132 |
| Sales and services rendered and other income from operations with external customers | 30,428,634 | 1,822,497 | - | 32,251,131 |
| Sales and services rendered and other income with other segments | 93,912 | 204,097 | (298,009) | - |
| EBITDA (b) | 3,232,045 | 1,479,491 | - | 4,711,536 |
| Amortisation and depreciation | (751,372) | (40,223) | - | (791,595) |
| EBIT (c) | 2,480,673 | 1,439,268 | - | 3,919,941 |
| Financial income | 35,378 | 20 | (30,000) | 5,398 |
| Financial expenses | (173,337) | (130,589) | 30,000 | (273,926) |
| Results related to investments | (12,835) | - | - | (12,835) |
| Income before tax | 2,329,879 | 1,308,699 | - | 3,638,578 |
| Income tax | (493,655) | (287,914) | - | (781,569) |
| Consolidated net profit/(loss) for the period | 1,836,224 | 1,020,785 | - | 2,857,009 |

(a) Acquisitions of property, plant and equipment and intangible assets related to the operational activity of the Industry and Real Estate segments

(b) EBITDA = Income before taxes for continued operations + Financial expenses - Financial income + Amortisation and

(c) EBIT = EBITDA + Amortisation and depreciation

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| | 31 March 2020 | | | |
|--|---------------|-------------|-------------------------|-------------|
| | Industry | Real estate | Intragroup eliminations | Total |
| Total assets | 128,951,004 | 95,957,290 | (11,402,573) | 213,505,721 |
| Total liabilities | 19,842,981 | 58,160,460 | 11,402,573 | 89,406,014 |
| Investments (a) | 149,948 | 27,346 | - | 177,294 |
| Sales and services rendered and other income from operations with external customers | 24,675,056 | 1,812,925 | - | 26,487,981 |
| Sales and services rendered and other income with other segments | 93,912 | 207,593 | (301,505) | - |
| EBITDA (b) | 1,379,356 | 1,425,329 | - | 2,804,685 |
| Amortisation and depreciation | (787,532) | (51,586) | - | (839,118) |
| EBIT (c) | 591,824 | 1,373,743 | - | 1,965,567 |
| Financial income | 35,131 | 12 | (25,361) | 9,782 |
| Financial expenses | (181,159) | (141,286) | 25,361 | (297,084) |
| Results related to investments | 46,159 | - | - | 46,159 |
| Income before tax | 491,955 | 1,232,469 | - | 1,724,424 |
| Income tax | (119,006) | (271,143) | - | (390,149) |
| Consolidated net profit/(loss) for the period | 372,949 | 961,326 | - | 1,334,275 |

(a) Acquisitions of property, plant and equipment and intangible assets related to the operational activity of the Industry and Real Estate segments

(b) EBITDA = Income before taxes for continued operations + Financial expenses - Financial income + Amortisation and depreciation

(c) EBIT = EBITDA + Amortisation and depreciation

15. FINANCIAL STATEMENTS APPROVAL

The financial statements were approved by the Board of Directors and authorized for issuance in May 20, 2021.

16. TRANSLATION NOTE

These consolidated financial statements are a translation of the financial statements originally issued in Portuguese in accordance with IAS 34 – Interim Financial Reporting and with the International Financial Reporting Standards as adopted by the European Union, some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

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The Chartered Account

The Board of Directors

João Manuel Matos Borges de Oliveira – Chairman

Paulo Jorge dos Santos Fernandes

Domingos José Vieira de Matos

Pedro Miguel Matos Borges de Oliveira

Ana Rebelo de Carvalho Menéres de Mendonça

Laurentina da Silva Martins