Results presentation

2Q2026

SUSTAINALYTICS

Global ESG score: 93/100

MSCI ESG RATINGS

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Today’s presenters

Ignacio de Colmenares

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Ence Energía y Celulosa

Results Summary

2026 Outlook

Pulp:

- Positive price momentum expected to continue until year-end. Potential seasonal adjustments in the summer slowdown should not revert the trend.
- Ence special pulp continues growing; targeting towards c.40% in 2H2026 vs. 30% in 2025 of total volumes sold.
- Ongoing initiatives to reduce cash cost by 30€/tn in 2026/27, of which 15€/tn in 2026 (468€/tn cash costs guidance). Annualized savings captured or in implementation in 1H2026 of €8m.

Biomass backboned renewable energy platform:

- Strong pipeline development in Renewable Industrial Heating with at least 4 projects with COD in 2026.
- In biomethane, first environmental license should come in 2H2026. Alongside to this, La Galera continues building the platform's track record and serving as a showcase for portfolio development.

Corporate:

- 2H2026 will show a deleveraging phase on the back of cash flow generation through positive price momentum and strengthened competitiveness.

2Q26 Operating Highlights

Pulp:

- Cash cost of 455€/tn, incl. 4€/tn impact from minor strikes in June. Reduction of 33€/tn vs. 2Q25 and -67€/tn vs 1Q26 (-24€/tn excluding strike impact in 1Q26).
- Special pulp accounted for 34% of sales volumes in 1H26 vs. 30% in 25FY.
- Navia cash cost reduction and decarbonization project has been completed in 2Q26, cash costs savings of 8€/tn expected on run-rate level in 2H26.

Biomass backboned renewable energy platform:

- Biomass to electricity: production of 254GWh impacted by planned annual maintenance shutdowns following the severe flooding incidents in 1Q26.
- Renewable industrial heating: (i) start of operations of 2 projects (3 boilers), (ii) landmark project of >350 GWht /year awarded, currently at final contractual phase.
- Biomethane: progressing on organic development with the first environmental license expected in 2H26

Corporate:

- Cash in of €21m related to historical NOLs.

2Q26 Financial Results

- Consolidated EBITDA of €27m (+16% YoY and +€26m vs. 1Q26), €23m in the pulp business (vs. €20m in 2Q25 that included €10m from CAEs, and -€1m in 1Q26) and €5m from the renewable platform (vs. €4m in 2Q25 and €3m in 1Q26).
- Net profit of +€0.5m, showing the Company's inflection point.
- Capex amounted to €33m in 2Q26, €27m related to expansion projects (notably Navia efficiency and decarbonization project).
- We reiterate our full year guidance in terms of:
  - Cash cost: 468€/tn; -15€/tn vs. 2025 as a result of the execution of the Efficiency & Competitiveness Plan:
  - Capex: €120m, mostly related to projects committed in 2025 and highly concentrated in H1 2026 (€82m).
- Net Debt of €493m (+€115m vs. Dec.'25) with €179m in cash.

Strategic goals

Pulp:

- 2028 Ence's Special Pulp Centered Business to increase the average across-the-cycle EBITDA by 1.5x vs. only standard BHKP products:
  - Top line: (i) Special pulp sales > 62% in 2028, delivering incremental EBITDA of €22m vs. only standard BHKP, (ii) As Pontes: environmental license granted (3Q25) and €25m PERTE granted (1Q26), (iii) Renewable packaging solutions in 2H27.
  - Ongoing Cash Cost initiatives (30€/tn): (i) Efficiency & Competitiveness Plan to capture average annual savings of 22 €/t cash cost along 2027, (ii) Navia cost reduction and decarbonization project completed (8€/tn).
  - Pontevedra Avanza: -20€/tn cash cost from 2028 onwards

Biomass backboned renewable energy platform:

- Largest platform in Iberia, on track to almost triple its EBITDA by 2030 through:
  - Regulated electricity: improved remuneration scheme(1)
  - Biomethane: >1TWh | >€60m EBITDA
  - Renewable Industrial Heating: 2TWh| €30m EBITDA

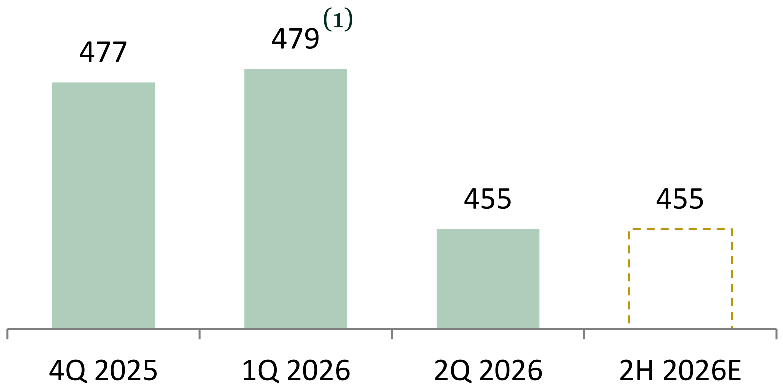
(1) Ministerial Order TED/53/2026. The updated parameters imply an increase of c. €6/MWh in Ro applicable to Magnon's biomass-fuelled electricity generation plants and of €19.5/MWh in the Ro applicable to its cogeneration plant in Lucena.

2Q26 Highlights and strategic goals progress

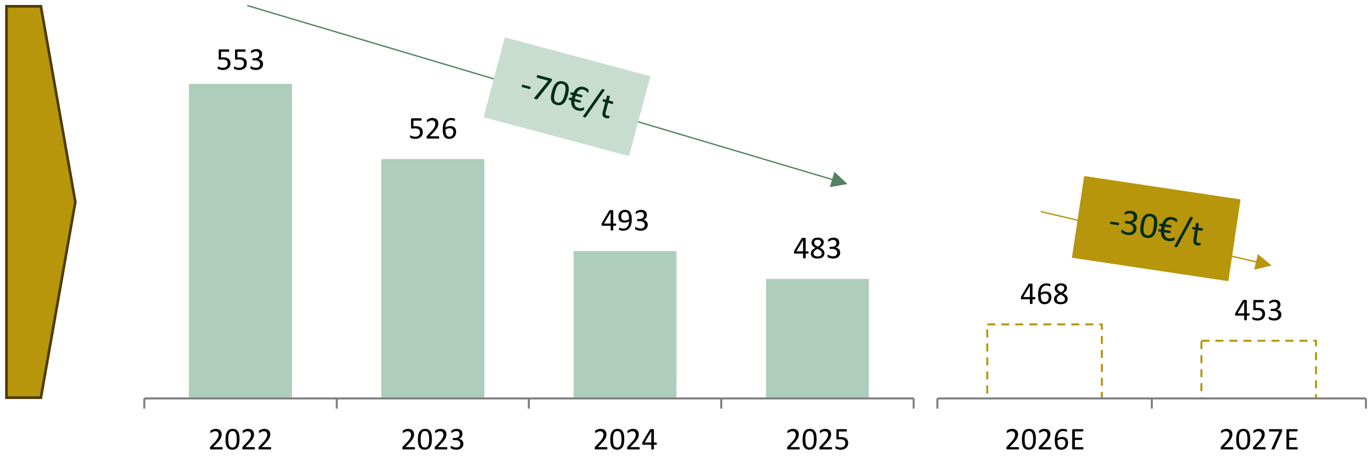
On track to meet full-year cash costs guidance of 468€/tn

Efficiency & Competitiveness Plan delivering: €8m in annualized savings captured or in process in 1H2026, driving a -24€/tn cash cost reduction vs. 1Q2026 normalized cash costs(1)

Quarterly focus – Cash cost evolution (€/tn)



Long term view – Cash cost evolution (€/tn)



- Long-term goal to reduce cash cost by 100€/tn in 2022/27 period with 30€/tn savings to be executed in 2026/27 through the Efficiency & Competitiveness Plan launched in 4Q25.
- Significant progress already achieved in 2Q26 (-24€/tn vs. normalized 1Q 2026 cash costs and -22€/tn vs. 4Q2025) in spite of rising inflation derived from Middle East conflict and minor strikes related to the ongoing collective dismissal procedures in both biomills.
- Total annualized savings captured or in process from AI initiatives and process reengineering amount to €8m.
- In the coming quarters, headcount measures as well as the investments related to Navia efficiency and decarbonization plan, completed in the 2Q26, should contribute to reach full-year cash cost guidance of 468€/Tn(2).

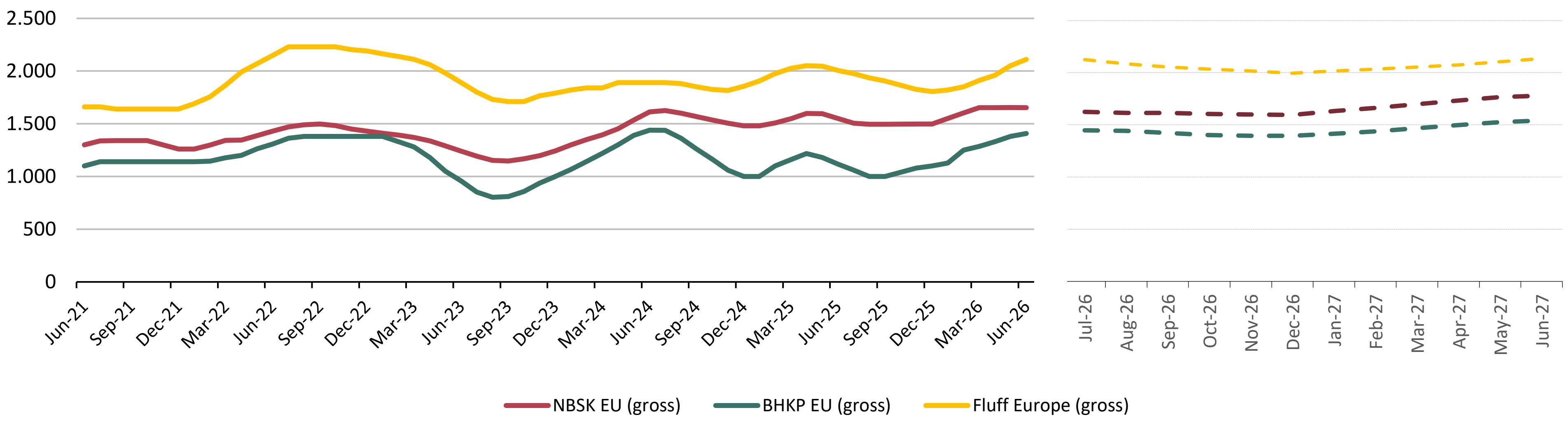
(1) Normalized Cash Costs excluding the impacts of Navia strike (+43€/tn)

(2) Full-year cash cost guidance of 468€/tn considers first quarter 2026 actual cash costs of 522€/tn.

Positive price momentum consolidated throughout the quarter

In Europe, gross BHKP prices have increased +10% in 2Q26 (+28% YTD) to reach 1,409 $/tn by the end of June

Gross Pulp prices in Europe (USD/tn)



- The disruption of logistics routes has led to a decoupling of prices between Europe and China.
- In Europe, delayed shipments to the region, stronger than expected paper and tissue operating rates, and persistently low local inventories compared with 2025 gave producers further room to sustain strong prices.
- As for China, imported woodchip prices have increased in 2026, tightening the market. This could support potential price increases in the second half of the year, following weeks of flattish to declining performance.
- In parallel, BHKP continues to gain share over BSKP. As a result, significant softwood closures are taking place and may help to rebalance the market.
- Regardless of a seasonal slowdown in Summer, market should not revert the trend in 2H2026.

Source: FOEX, Hawkins Wright, TTOBMA

Special pulp substituting BSKP continues to gain share in our mix

Special pulp accounted for 34% volumes in 1H26. We target to increase its weight towards c. 40% in 2H2026 and to more than 62% in 2028

Ence's special pulp

Ence Advanced

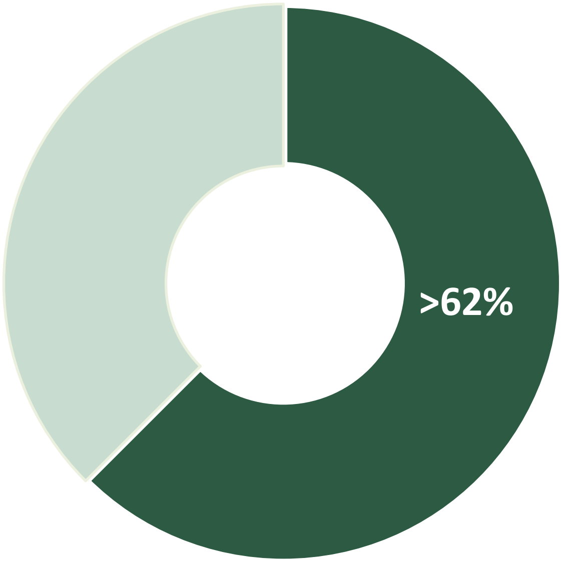
- ✓ Broad range of BSKP pulp substitute with different attributes (high strength, unbleached HWP, low porosity, softness) and suitable for diverse applications (hygiene, decor, packaging; etc.)
- ✓ **2028 Target: 500k tn with +30€/tn of incremental margin**

Fluff pulp

- ✓ Ence is the sole European producer of fluff pulp based on eucalyptus wood competing with softwood.
- ✓ 3 homologation processes finalized, with 15 clients in the industrial testing stage
- ✓ **2028 Target: 125k tn with +60€/tn of incremental margin.**

Leaff
Closer.Kinder.Better

Expected % of pulp sales volumes in 2028

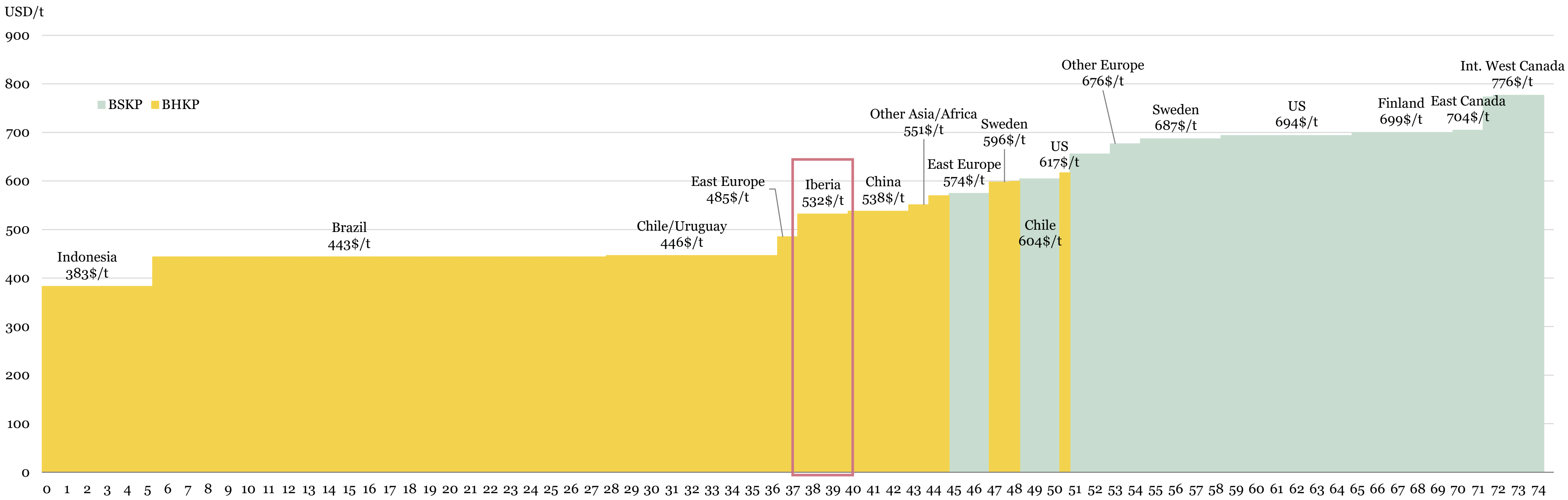


Target of +36€/tn of incremental EBITDA margin vs only standard BHKP sales

Repositioning in the global cash cost curve

In 2028, more than 62% of Ence's sales will come from BSKP substitute products, with Ence being the lowest cost player in the BSKP segment

Global cash cost curve (USD/tn)



Source: Hawkins Wright. CIF Europe (April 2026)

Mn t

Progressive steps in our renewable industrial heating platform

Target: 2TWh thermal energy supply by 2030 and c.€30m contribution to EBITDA

Renewable Thermal Energy business

Integrated renewable thermal energy solutions from project design, to construction, O&M and biomass supply

Plant size:	40 – 160 GWht
Prod. Target:	2,000 GWht/yr by 2030
Estimated Capex:	€0.1m – €0.2m / GWh
ROCE[1] Target:	> 11%

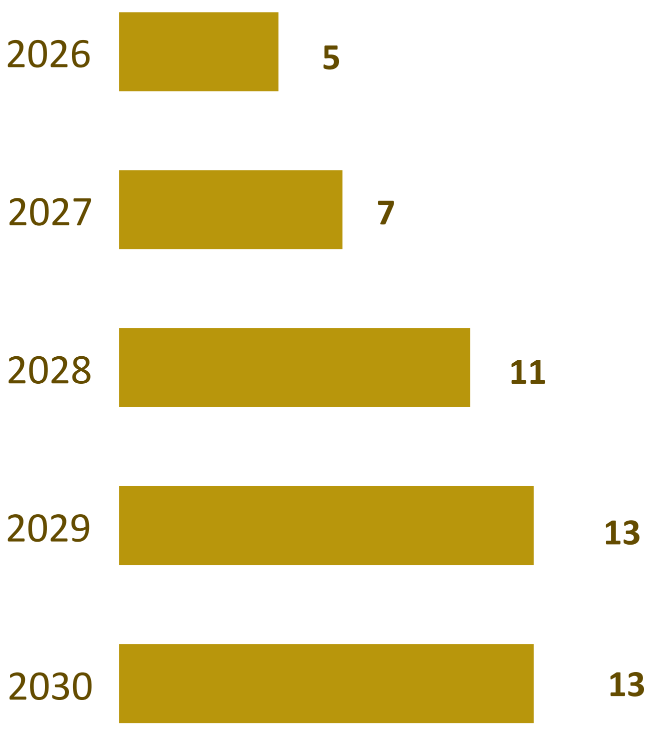
Project Pipeline

11 projects under negotiation

5 projects under advanced negotiations

4 COD & 1 RTB in 2026
1 in operation since 2024

Pipeline expected deployment
(Operating plants)



Landmark project awarded in May, currently at final contractual phase, Moeve has partnered with Magnon to replace its fossil fuel boilers by biomass boilers at its refinery in Huelva. It is a sizeable project with >350GWht of annual production and the first credential in the chemical/ O&G industry.

(1) ROCE = EBIT / Equity + Net Debt (including leases)

Sizeable biomethane platform with a distinctive business model

Target: >1 TWh of biomethane production by 2030 and over €60m contribution to EBITDA leveraged on a 4TWh pipeline

Biomethane business

Biomethane production from the valorisation of local agricultural and livestock biomass, including the associated sustainability certificates. Digestate valorization through its conversion into organic fertilizer.

Plant size:	50 – 100 GWh
Prod. Target:	1,000 GWh/yr by 2030
Estimated Capex:	€0.4m / GWh
ROCE[1] Target:	> 11%

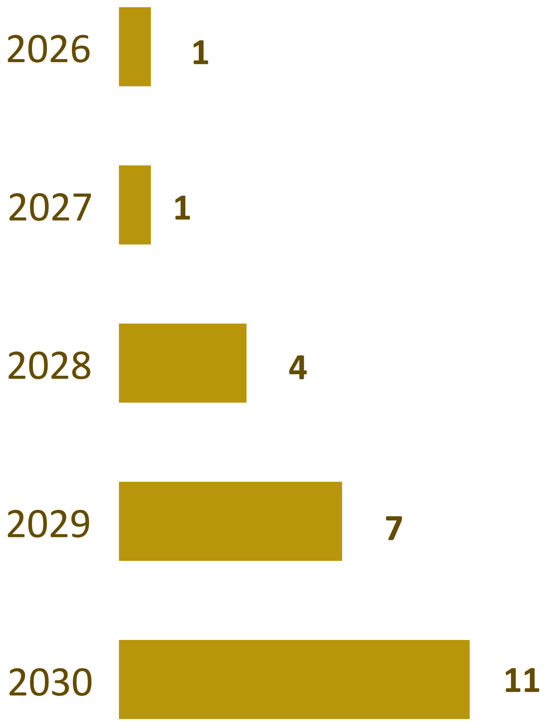
Project Pipeline

41 plants: Gas Grid connection, feedstock, locations and feasibility studies completed

28 plants already in their permitting phase

8 plants with environmental license granted in 2026-27

Pipeline expected deployment *(Operating plants)*



Selectively looking for inorganic opportunities to accelerate pipeline deployment

(1) ROCE = EBIT / Equity + Net Debt (including leases)

Highly mature biomethane pipeline with 28 projects in Advanced Stage

	Operational	Advanced Stage		Early Stage	Total
Definition	**In operations**	**Documentation submitted to the Public Administration almost 2 years ago on average**	**Documentation submitted to the Public Administration less than one year ago on average**	**Preliminary site analysis** **Preliminary discussions with PA** **Initial grid feasibility assessment**	**Ence's Biomethane Pipeline has a potential capacity of 4TWh.** **4x our 2030 current target of 1TWh.**
Permitting (AAI Submission)	✓	⌛ Average time in permitting phase 1 year and 11 months	⌛ Average time in permitting phase 7 months	⌛ Ready to be submitted	
AAI Estimated Concession Date	NA	4Q26 – 3Q28	4Q28 – 3Q29	NA	
Option Land Signed	✓	✓100%	✓58%	⌛	
Gas Grid Connection	✓	✓100%	✓100%	✓100%	
Odour analysis	✓	✓100%	✓100%	✓100%	
Feedstock (>3x our plant needs)	✓	✓100%	✓100%	✓100%	
Nº of Projects	**1**	**16**	**12**	**13**	**42**
Total Estimated Capacity	**0.045 TWh (1)**	**1.6 TWh**	**1.2 TWh**	**1.2 TWh**	**4 TWh**

(1) **The plant is currently in the process of expanding its capacity from 30 GWh to 45 GWh**

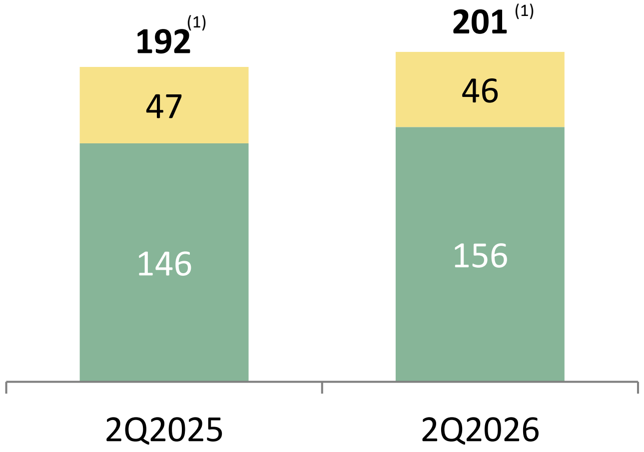
✓ Achieved ⌛ In Progress ✖ Pending

2Q26 Financial Results

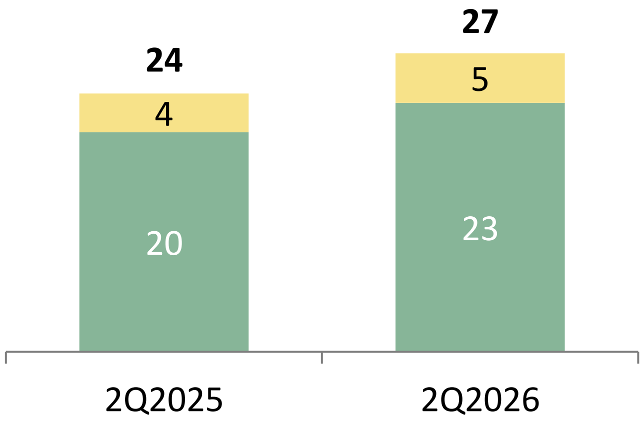
2Q26 P&L Review

Positive ramp-up to be accelerated in the coming quarters

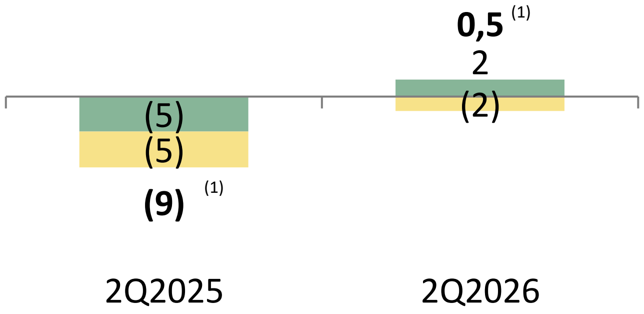
Group Revenues (€m)



Group EBITDA (€m)



Attributable Net Income (€m)



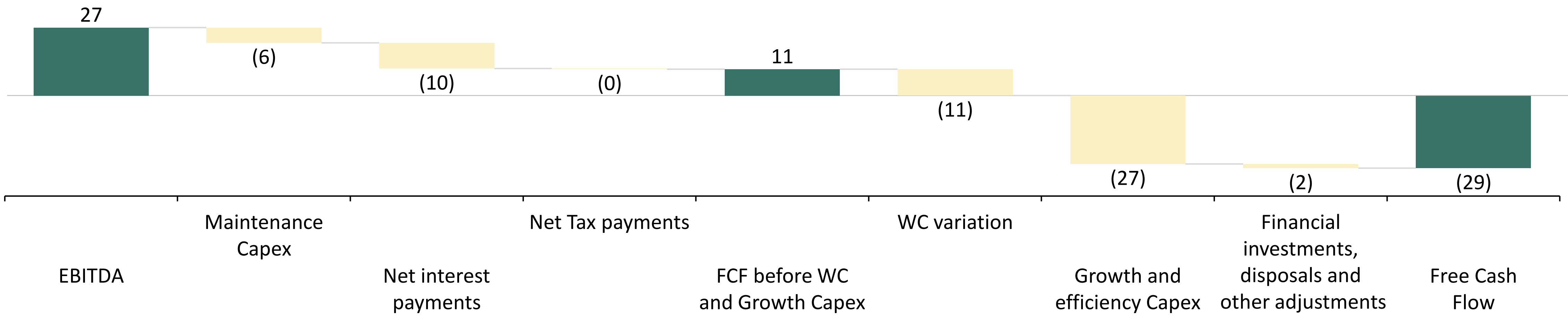
- Positive top-line performance (+5% YoY, +31% QoQ) on higher pulp prices (+16€/tn vs. 2Q25 and +63€/tn vs. 1Q26). Renewables has posted a flattish top-line driven by the concentration of annual maintenance shutdowns across all biomass to renewable electricity plants.
- At EBITDA level:
  - Pulp division EBITDA benefited from rising pulp prices and lower cash costs, the latter driven by the Efficiency and Competitiveness plan (total annualized savings from process reengineering and AI initiatives of €8m captured or in process) that show results even in a context of rising logistics costs and minor strikes linked to the ongoing collective dismissal process.
  - Renewables division driven by annual maintenance shutdowns in the biomass to renewable electricity business and pipeline execution (c. -€0.6m of negative contribution).
- All of the above leads Attributable Net Income to return to positive figures.

(1) Including consolidation adjustments

2Q26 Cash Flow evolution

Cash consumption due to a temporary peak in working capital and growth capex (including Navia's Efficiency and Decarbonization project)

Cash Flow Bridge (€m)

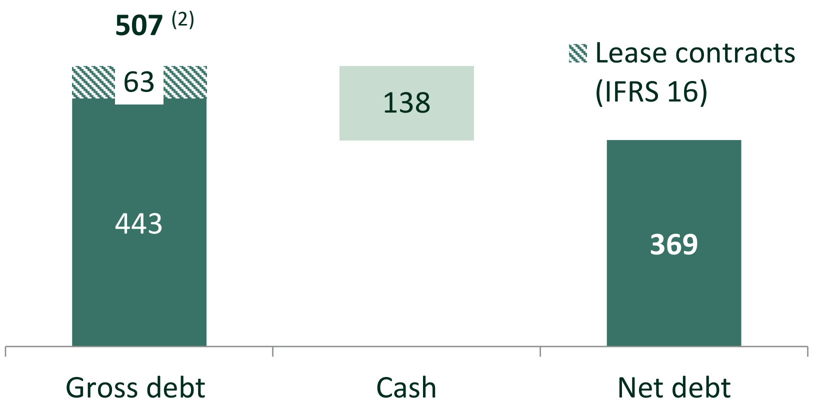


- Improved EBITDA is offset by a temporary increase in working capital and the tail of strategic investments initiated in 2025

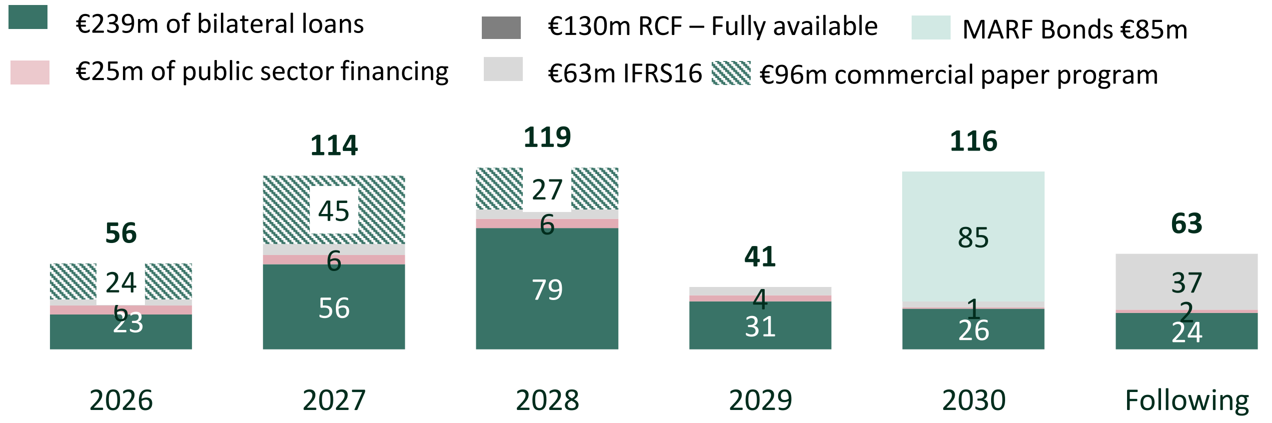
Net Debt position as of Jun.'26

Strong liquidity, long term maturities and no covenants in the Pulp Business

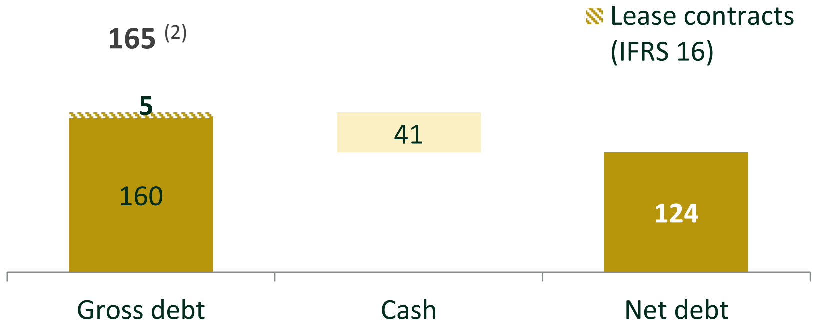
Pulp business net debt as of June 30, 2026 (€m)(1)



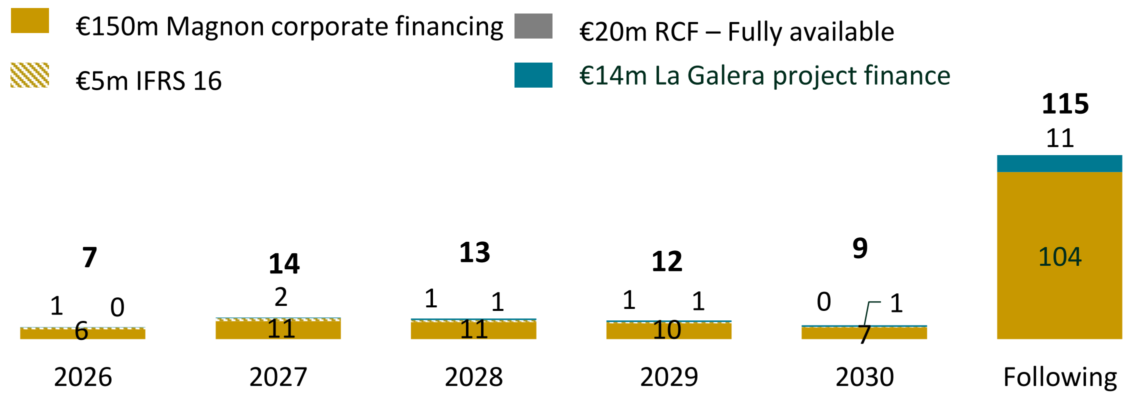
Pulp business maturity schedule (€m)



Renewables net debt as of June 30, 2026 (€m)



Renewables maturity schedule (€m)



[1] Pulp business financial debt is covenant free
[2] Includes debt related to upfront fees

ENCE: leadership in sustainability

Safe and Eco-efficient operations
To reduce operational costs

Protecting Health and Safety
- The Group's cumulative LTIFR in Q2 stood at 3.32, the best result across the entire historical series.

Odour Reduction
- Navia: 2 odour minutes, maintaining excellent performance levels.
- Pontevedra: -60% minutes of odor vs 1S25.

Water Consumption Reduction
- Navia: **record monthly low** registered in specific water consumption (<24 m³/Adt).

Contribution to the Circular Economy
- **Pioneering projects for the recovery** and beneficial use of ash and lime sludge in the mining and cement industries.
- **100% of pulp and energy plants** certified *Zero Waste*.

Decarbonisation Plan
- **-5% in Ence's carbon footprint** (Scopes 1, 2 and 3) in 2025 compared with 2024.
- **-10%** in Navia's direct (Scope 1) emissions in 2025 compared with 2024, driven by the use of biomass instead of fossil fuels in the lime kilns.

Bioproducts & ecosystem services
To strenghthen top-line

Special Pulp products with higher added value:
- **9 new approvals** for speciality pulps under the Ence Advanced portfolio.
- Application submitted for the approval of **fluff pulp** under the **Nordic Swan and EU Ecolabel schemes**
- **34%** of sales from special Pulp products with higher margins and growing demand

Recycled Fiber - As Pontes
- Award of **€24.5 million** under the Industrial Decarbonisation PERTE programme. This circular economy project will develop a pioneering facility to produce bleached recycled fibre from recovered paper and cardboard and will be self-supplied with renewable energy.

Forestry bioproducts and ecosystem services
- Improved plant material, better adapted to climate change: **1 new Eucalyptus clone planned for 2026**.
- **≈4,400 ha of forest sinks** registered for voluntary carbon markets.

Responsible supply chain
To become preferred supplier

Certified Supply chain
- ≈ 86% of managed land certified.
- ≈ 82% of Wood certified.
- 100% sites SURE System certified (Sustainable biomass).

Supply chain supervision
- **ESG and Compliance risk assessment of >1,400 value-chain entities**, carried out in line with the Third-Party Due Diligence Procedure.
- **Development and deployment of tools to comply with EUDR Regulation** against deforestation in preparation for its entry into force at the end of the year.

Positive social impact
To grant business sustainability

Talent as competitive advantage
- **25%** female employees.
- **31%** female in managerial positions.
- **78%** job openings filled with internal promotion.
- **Top Employer 2026 Certification.**

Creating positive social impact in local communities
- **Launch of the 7th edition of** Ence's Pontevedra Social Plan **(2026), with funding of up to €3 million for social and environmental projects in the local area.**

Promoting Professional Development in Local Communities
✓ **Four Talent Programmes** launched across Navia, Pontevedra, Magnon and Corporate functions.

System Governance
- ✓ **Criminal Compliance Management System (UNE 19601)** obtained, confirming that the implementation and operation of the control mechanisms are appropriate.
- ✓ **Anti-Bribery Management System (ISO 37001**) obtained, confirming the robust implementation of the system and its effective operation

2Q26 Outlook and Closing Remarks

Closing Remarks and 2026 Outlook

Focus on execution. First results of priority initiatives are showing and paving the way to the accomplishment of 2028 goals in pulp and 2030 targets in renewables

- Positive Pulp market momentum in Europe should continue in the coming quarters
- Solid progress on the Efficiency & Competitiveness Plan with annualised savings captured or in process of 8M€ and Navia's efficiency and decarbonization investment completed. On track to meet full year cash cost guidance of 468€/tn
- Renewable industrial heating is scaling, ending the year with 5 projects in operation versus just 1 at year-end 2025. Additionally, a landmark contract was awarded* in 2Q26, with estimated annual production exceeding 350 GWht (>17% of the 2030 target)
- Biomethane organic development progresses, first environmental license expected in 2H26. La Galera continues building the platform's track record and serving as a showcase for portfolio development
- Turning point in results, 2nd quarter is an inflection point showing positive net profit on the back of better Pulp prices and the Efficiency & Competitiveness Plan
- Clear view of our mid-term strategy : (i) pulp: specialized player on higher margin BSKP substituting products highly competitive in terms of cash costs (2028 pulp EBITDA to be increased by 52€/tn vs. 2025), (ii) biomass renewables: growth and diversification through a robust pipeline

* Currently at final contractual phase

Appendix

Group Financial Review

P&L

Figures in € m	6M26 Pulp	6M26 Renewables	6M26 Adjustments	6M26 Consolidated	6M25 Pulp	6M25 Renewables	6M25 Adjustments	6M25 Consolidated
Total revenue	**270,1**	**86,7**	**(2,0)**	**354,8**	**281,7**	**99,1**	**(1,6)**	**379,2**
Foreign exchange hedging operations results	0,2	0,5	(0,0)	0,7	1,0	0,5	-	1,5
Other income	17,8	3,2	(0,8)	20,2	54,6	3,0	(0,7)	56,9
Cost of sales and change in inventories of finished products	(166,7)	(28,3)	2,0	(193,0)	(172,6)	(33,9)	1,6	(205,0)
Personnel expenses	(41,4)	(14,7)	-	(56,2)	(46,1)	(12,2)	-	(58,4)
Other operating expenses	(58,7)	(40,3)	0,8	(98,2)	(70,0)	(46,8)	0,7	(116,2)
EBITDA	**21,3**	**7,1**	**(0,0)**	**28,4**	**48,5**	**9,5**	**0,0**	**58,0**
Depreciation and amortisation	(26,3)	(15,5)	0,3	(41,4)	(25,6)	(16,8)	0,8	(41,6)
Depletion of forestry reserves	(2,4)	(0,2)	-	(2,5)	(5,2)	(0,0)	-	(5,3)
Impairment of and gains/(losses) on fixed-asset disposals	0,0	0,0	-	0,0	(0,0)	(0,0)	-	(0,1)
Other non-ordinary operating gains/(losses)	2,2	(1,0)	-	1,2	(1,1)	-	-	(1,1)
EBIT	**(5,2)**	**(9,5)**	**0,3**	**(14,3)**	**16,6**	**(7,3)**	**0,8**	**10,1**
Net finance cost	(9,8)	(4,9)	0,0	(14,7)	(11,1)	(8,6)	-	(19,7)
Other finance income/(costs)	1,0	0,3	0,0	1,4	(3,8)	0,0	0,0	(3,7)
Profit before tax	**(14,0)**	**(14,0)**	**0,3**	**(27,7)**	**1,8**	**(15,9)**	**0,8**	**(13,3)**
Income tax	3,7	(0,6)	(0,1)	3,0	(0,4)	0,8	(0,1)	0,3
Net Income	**(10,2)**	**(14,7)**	**0,2**	**(24,7)**	**1,4**	**(15,1)**	**0,7**	**(13,0)**
Non-controlling interests	-	7,6	-	7,6	-	6,1	-	6,1
Atributable Net Income	**(10,2)**	**(7,1)**	**0,2**	**(17,1)**	**1,4**	**(9,0)**	**0,7**	**(6,9)**
Earnings per Share (EPS)	(0,04)	(0,03)	0,00	(0,07)	0,01	(0,04)	0,00	(0,03)

Group Financial Review

Cash Flow Statement

Figures in Mn€	6M26 Celulosa	6M26 Renovables	6M26 Ajustes	6M26 Consolidado	6M25 Celulosa	6M25 Renovables	6M25 Ajustes	6M25 Consolidado
Consolidated profit/(loss) for the period before tax	**(14,0)**	**(14,0)**	**0,3**	**(27,7)**	**1,8**	**(15,9)**	**0,8**	**(13,3)**
Depreciation and amortisation	28,6	15,6	(0,3)	43,9	30,8	16,8	(0,8)	46,8
Changes in provisions and other deferred expense	(5,8)	0,8	(0,1)	(5,2)	(0,1)	2,0	0,1	2,0
Impairment of gains/(losses) on disposals intangible assets	0,0	(0,3)	-	(0,3)	0,3	0,0	-	0,4
Net finance result	8,7	4,9	-	13,6	13,1	8,6	0,0	21,7
Energy regulation adjustments	(0,9)	(1,4)	-	(2,3)	(1,1)	(3,0)	0,0	(4,1)
Government grants taken to income	(0,3)	(0,0)	0,0	(0,4)	(0,3)	(0,1)	-	(0,3)
Adjustments to profit	**30,3**	**19,5**	**(0,4)**	**49,4**	**42,7**	**24,4**	**(0,7)**	**66,4**
Inventories	(6,3)	(17,4)	-	(23,8)	(13,7)	(7,5)	-	(21,2)
Trade and other receivables	(13,2)	4,2	(1,3)	(10,3)	(9,5)	14,2	(4,5)	0,3
Current financial and other assets	-	-	-	-	-	-	-	-
Trade and other payables	(2,7)	6,8	1,4	5,5	5,1	(6,4)	4,4	3,1
Changes in working capital	**(22,2)**	**(6,5)**	**0,1**	**(28,60)**	**(18,0)**	**0,3**	**(0,1)**	**(17,9)**
Interest paid	(10,0)	(7,3)	-	(17,3)	(10,3)	(8,0)	-	(18,3)
Dividends received	-	-	-	-	-	-	-	-
Income tax received/(paid)	(0,0)	0,1	-	0,0	(2,5)	0,3	(0,0)	(2,2)
Other collections/(payments)	(0,3)	-	-	(0,3)	0,0	-	-	0,0
Other cash flows from operating activities	**(10,3)**	**(7,3)**	**-**	**(17,5)**	**(12,8)**	**(7,7)**	**(0,0)**	**(20,5)**
Net cash flow from operating activities	**(16,2)**	**(8,3)**	**(0,0)**	**(24,4)**	**13,7**	**1,0**	**0,0**	**14,7**
Property, plant and equipment	(64,8)	(14,1)	-	(78,9)	(35,8)	(10,7)	-	(46,5)
Intangible assets	(2,5)	(0,6)	-	(3,1)	(2,7)	(1,0)	(0,0)	(3,7)
Other financial assets and Group companies	(12,3)	0,4	11,9	(0,0)	15,6	(2,2)	(14,0)	(0,6)
Disposals [1]	1,4	0,1	(0,1)	1,4	0,3	0,1	(0,0)	0,4
Net cash flow used in investing activities	**(78,3)**	**(14,2)**	**11,8**	**(80,7)**	**(22,6)**	**(13,7)**	**(14,0)**	**(50,4)**

1) Disposals in 2025 exclude the maturity in January 2025 of current financial investments amounting to €10m, as they are considered as cash and cash equivalents

Group Financial Review

Balance Sheet

	Jun-2026				Dec-2025			
Figures in € m	Pulp	Renewables	Adjustments	Consolidated	Pulp	Renewables	Adjustments	Consolidated
Intangible assets	21,9	55,6	(10,7)	66,8	20,9	56,3	(11,0)	66,2
Property, plant and equipment	662,2	373,6	(5,1)	1.030,7	648,2	371,0	(5,1)	1.014,0
Biological assets	64,3	0,0	(0,0)	64,3	65,2	0,2	0,0	65,4
Non-current investments in Group companies	114,0	0,0	(114,0)	0,1	114,0	0,0	(114,0)	0,1
Non-current borrowings to Group companies	70,8	-	(70,8)	-	59,4	(0,0)	(59,4)	(0,0)
Deferred tax assets	36,3	27,5	2,7	66,5	49,2	27,2	2,8	79,2
Non-current financial assets	9,8	2,4	-	12,2	10,3	2,9	0,0	13,2
Cash reserve for debt service	-	11,5	-	11,5	-	11,5	-	11,5
Total non-current assets	**979,4**	**470,6**	**(197,9)**	**1.252,1**	**967,1**	**469,1**	**(186,7)**	**1.249,5**
Inventories	90,9	34,8	-	125,7	75,9	16,3	(0,0)	92,1
Trade and other accounts receivable	46,9	19,5	(1,8)	64,5	23,0	24,7	(2,5)	45,3
Income tax	2,9	0,5	-	3,4	2,9	0,6	-	3,5
Other current assets	22,7	4,0	0,0	26,8	14,9	0,0	0,0	14,9
Hedging derivatives	0,0	1,0	-	1,0	0,6	1,0	-	1,6
Current financial investments in Group companies	0,9	0,4	(1,3)	0,0	-	0,9	(0,9)	0,0
Current financial investments	1,8	0,1	-	1,9	2,4	0,1	0,0	2,5
Cash and cash equivalents	136,0	29,2	-	165,2	180,6	46,9	-	227,5
Total current assets	**302,2**	**89,5**	**(3,1)**	**388,5**	**300,2**	**90,5**	**(3,4)**	**387,3**
TOTAL ASSETS	**1.281,6**	**560,1**	**(201,0)**	**1.640,7**	**1.267,3**	**559,7**	**(190,1)**	**1.636,9**
Equity attributable to the Parent	511,2	72,6	(125,4)	458,3	522,0	82,5	(127,3)	477,2
Minority interest	-	82,3	(1,6)	80,6	-	89,4	-	89,4
Total Equity	**511,2**	**154,9**	**(127,1)**	**539,0**	**522,0**	**172,0**	**(127,3)**	**566,7**
Non-current loans with Group companies and associates	-	103,1	(70,8)	32,3	-	88,4	(59,4)	29,0
Non-current borrowings	381,6	151,9	-	533,5	323,3	157,3	-	480,6
Non-current derivatives	(1,0)	1,4	-	0,3	1,0	0,2	-	1,2
Deferred tax liabilities	-	-	-	-	-	-	-	-
Non-current provisions	37,1	0,8	(0,0)	37,9	36,6	0,7	-	37,3
Other non-current liabilities	29,5	56,1	0,0	85,5	26,8	60,3	(0,0)	87,0
Total non-current liabilities	**447,1**	**313,2**	**(70,8)**	**689,5**	**387,6**	**306,9**	**(59,4)**	**635,2**
Current borrowings	124,9	12,9	0,0	137,9	126,0	12,9	0,0	138,9
Current derivatives	2,8	3,9	-	6,7	1,1	0,7	-	1,8
Trade and other account payable	146,7	69,4	(1,8)	214,3	181,8	60,4	(2,5)	239,7
Short-term debts with group companies	0,2	1,1	(1,3)	-	0,7	2,7	(0,9)	2,5
Income tax	0,0	0,0	-	0,0	0,0	0,0	(0,0)	0,1
Current provisions	48,6	4,8	-	53,3	48,0	4,0	-	52,1
Total current liabilities	**323,3**	**92,1**	**(3,1)**	**412,2**	**357,6**	**80,8**	**(3,4)**	**435,0**
TOTAL EQUITY AND LIABILITIES	**1.281,6**	**560,1**	**(201,0)**	**1.640,7**	**1.267,3**	**559,7**	**(190,1)**	**1.636,9**

Alternative performance measures

Ence presents its results in accordance with generally accepted accounting principles, specifically IFRS. In addition, its quarterly earnings report provides certain other complementary metrics that are not defined or specified in IFRS and are used by management to track the company's performance. The alternative performance measures (APMs) used in this presentation are defined, reconciled and explained in the corresponding quarterly earnings report publicly available through the investor section of our web page www.ence.es.

EBITDA

EBITDA is a measure of operating profit before depreciation, amortisation and forest depletion charges, non-current asset impairment charges, gains or losses on non-current assets and other non-operating items that undermine the comparability of the numbers.

EBITDA is an indicator used by management to track the Group's recurring profitability over time. This metric provides an initial approximation of the cash generated by the Company's ordinary operating activities, before interest and tax payments, and is a measure that is widely used in the capital markets to compare the earnings performances of different companies.

OTHER NON-OPERATING ITEMS

Other non-operating items refers to ad-hoc income and expenses unrelated to the Company’s ordinary business activities that render two reporting periods less comparable.

CASH COST

The production cost per tonne of pulp, or cash cost, is the key measure used by management to measure and benchmark its efficiency as a pulp maker. The cash cost includes all of the costs directly related with the production and sale of pulp that impact cash flows. Therefore, it does not include asset depreciation and amortisation charges, impairment losses on non-current assets or gains or losses on their disposal, other non-operating items, finance income or costs or income tax.

The cash cost can be measured as the difference between revenue from the sale of pulp and EBITDA in the Pulp business, adjusted for the settlement of hedges, forest depletion charges and the change in inventories. To calculate the cash cost, the related production costs are divided by the volume of tonnes produced, while overhead and sales and logistics costs are divided by the volume of tonnes sold.

OPERATING PROFIT PER TONNE OF PULP

The operating profit is a yardstick for the operating profit generated by the Pulp business without taking into account asset depreciation and amortization charges, impairment losses on non-current assets and gains or losses on their disposal and other non-operating items, adjusted for the settlement of hedges, and forest depletion charges.

It provides a comparable measure of the business’s profitability and is measured as the difference between the average sales price per tonne, calculated by dividing revenue from the sale of pulp by the number of tonnes sold, and the cash cost.

Alternative performance measures

NET FINANCE COST AND OTHER FINANCIAL ITEMS

Net finance cost encompasses the various items of finance income and finance costs, while other financial items encompasses exchange differences, the change in the fair value of financial instruments and impairment losses on financial instruments and gains or losses on their disposal.

MAINTENANCE, EFFICIENCY, GROWTH AND SUSTAINABILITY CAPEX

ENCE provides the breakdown of the capital expenditure included in its statement of cash flows for each of its business classifying its investments into the following categories: maintenance capex, efficiency and growth capex, sustainability capex and financial investments.

Ence’s technical experts classify its capital expenditure using the following criteria: Maintenance capex are recurring investments designed to maintain the capacity and productivity of the Company's assets. Efficiency and growth capex, meanwhile, are investments designed to increase those assets' capacity and productivity. Lastly, sustainability capex covers investments made to enhance quality standards, occupational health and safety and environmental performance and to prevent contamination. Financial investments correspond to payments for investments in financial assets.

The disclosure of capex cash flows broken down by area of investment facilitates oversight of execution of the current Business Plan.

OPERATING CASH FLOW

The operating cash flow coincides with the net cash from operating activities presented in the statement of cash flows. However, operating cash flow is arrived at by starting from EBITDA, whereas net cash from operating activities is arrived at by starting from profit before tax. As a result, the adjustments to profit do not coincide in the two calculations. This APM is provided to reconcile EBITDA and operating cash flow.

FREE CASH FLOW

Ence reports free cash flow as the sum of its net cash flows from operating activities and its net cash flows from investing activities. Free cash flow provides information about the cash generated by the Group's operating activities that is left over after its investing activities for the remuneration of shareholders and repayment of debt.

Alternative performance measures

NORMALISED FREE CASH FLOW

Normalised FCF is the sum of EBITDA, the change in working capital, maintenance capex, net interest payments and income tax payments. It provides a proxy for the cash generated by the Company's operating activities before collection of proceeds from asset sales, the adjustments related with electricity sector regulations and other adjustments to profit. It represents the amount available for investments other than maintenance capex, for shareholder remuneration and for debt repayment.

NET DEBT / (CASH)

The borrowings recognised on the balance sheet, include bonds and other marketable securities, bank borrowings and other financial liabilities, including leases (IFRS 16). They do not include, however, the measurement of derivatives or borrowings from Group companies and associates.

Net debt/(cash) is calculated as the difference between current and non-current borrowings on the liability side of the statement of financial position and unrestricted cash on the asset side, which includes cash and cash equivalents, the debt service cash reserve (included with non-current financial assets) and other financial investments (within current assets).

Net debt/(cash) provides a proxy for the Group's net indebtedness or liquidity and is a metric that is widely used in the capital markets to compare the financial position of different companies.

ROCE

ROCE stands for the return on capital employed and is used by management as a key profitability performance indicator. It is calculated by dividing EBIT for the last 12 months by average capital employed during the period, capital employed being the sum of equity and net debt. For the Pulp business, equity is calculated as the difference between consolidated equity and the equity recognised by the Renewable Energy business.

ROCE is widely used in the capital markets to measure and compare the earnings performance of different companies.

Thank you