

### ADVANCE OF THE MAIN OPERATING FIGURES OF THE SECOND QUARTER OF 2021

#### Pulp business

Market figures	2Q21	2Q20	Δ%
BHKP (USD/t) average price	998.7	680.4	46.8%
Average exchange rate (USD/€)	1.20	1.10	9.7%
BHKP (€/t) average price	829.0	619.7	33.8%

Pulp prices have recovered swiftly in 2021, having traded at record lows for all of 2020. In Europe, short-fibre (BHKP) pulp prices recovered by 46.8% year-on-year in 2Q21 to an average price of 999 per tonne (gross) and it has continued rising in July to \$1,140 per tonne (gross), marking a rally of 68% from lows.

Operating Metrics	2Q21	2Q20	Δ%
<b>Pulp production (t)</b>	<b>269,496</b>	<b>258,860</b>	<b>4.1%</b>
Navia pulp production	152,937	143,353	6.7%
Pontevedra pulp production	116,559	115,507	0.9%
<b>Pulp sales (t)</b>	<b>251,610</b>	<b>246,584</b>	<b>2.0%</b>
Average sales pulp price (€/t)	525.5	416.8	26.1%
Cash cost (€/t)	367.7	375.1	(2.0%)
<i>Wood cost</i>	<i>211.0</i>	<i>206.1</i>	<i>2.4%</i>
<i>Conversion costs</i>	<i>96.0</i>	<i>105.9</i>	<i>(9.3%)</i>
<i>Sales and logistic costs</i>	<i>32.9</i>	<i>28.9</i>	<i>13.6%</i>
<i>Overheads</i>	<i>27.8</i>	<i>34.2</i>	<i>(18.7%)</i>

Pulp production increased by 4.1% year-on-year in 2Q21 and by 20.1% compared to 1Q21, when both biomills were idled for maintenance work. 2Q21 output marked a new quarterly record of 269,496 tonnes, thanks to the capacity added at the end of 2019.

Pulp sales volumes sustained growth of 2% year-on-year to 251,610 tonnes in 2Q21. Production growth was partially offset by the replenishment of pulp inventories, reaching approximately 42,600 tons at the end of the quarter.

The average sales price increased by 26.1% in 2Q21 to €525.5 per tonne, thanks to growth of 46.8% in average benchmark prices, partially offset by the dollar's 9.7% slide against the euro. Also note that Ence's monthly sales are largely referenced to the average benchmark price for the previous month.

The reduction in conversion costs derived from the growth in output, coupled with savings eked out in overheads, offset the impact of raw material inflation. As a result, the Company's cash cost declined by 2% year-on-year to €367.7 per tonne in 2Q21.

On the other hand, foreign exchange hedges implied a gain of €1.1m in 2Q21, while the pulp price hedges implied a loss of €10.5m. The other income and expenses not included in the cash cost had a net positive impact of €0.9m in the quarter.

Finally, the Pulp business presented net debt of €28m at 30 June 2021, without including lease liabilities (under IFRS 16), most of which derive from the annual concession fee at the Pontevedra biomill.

### Renewable Energy business

The price per MWh sold by Ence is determined by the market (pool) price plus the remuneration for operations (Ro) earned by each plant, within the ceiling and floor set by the regulator (regulatory collar).

Market figures	2Q21	2Q20	Δ%
Average pool price (€/MWh)	76.3	23.3	227.8%

Electricity pool prices averaged €76.3/MWh in 2Q21, which is 3.3 times the 2Q20 level.

Operating figures	2Q21	2Q20	Δ%
Huelva 41 MW - Biomass	48,531	-	n.s.
Jaén 16 MW - Biomass	21,779	21,927	(0.7%)
Ciudad Real 16 MW - Biomass	24,158	25,910	(6.8%)
Córdoba 27 MW - Biomass	50,571	47,187	7.2%
Ciudad Real 50 MW - CSP plant	-	19,127	(100.0%)
Huelva 50 MW - Biomass	-	81,122	(100.0%)
Mérida 20 MW - Biomass	35,902	33,776	6.3%
Huelva 46 MW - Biomass	79,805	64,482	23.8%
Ciudad Real 50 MW - Biomass	70,951	60,979	16.4%
<b>Energy sales (MWh)</b>	<b>331,697</b>	<b>354,508</b>	<b>(6.4%)</b>
<i>Energy sales excluding the CSP plant (MWh)</i>	<i>331,697</i>	<i>335,382</i>	<i>(1.1%)</i>
Average sales price - Pool + Ro + Collar + Hedges (€/MWh)	103.1	97.6	5.7%
Remuneration for investment (€m)	10.2	15.9	(35.5%)
<i>Remuneration for investment excluding the CSP plant (€m)</i>	<i>10.2</i>	<i>10.2</i>	-

Energy sales volumes declined by 6.4% year-on-year in 2Q21 to 331,697 MWh, due mainly to the sale of the CSP plant in Puertollano in December 2020.

For the same reason, remuneration on investment decreased by €5.7m to €10.2m in 1Q21.

On a like-for-like basis, i.e., excluding the plant sold, the volume of energy sold in the second quarter narrowed 1.1% year-on-year. Higher capacity utilisation at the Huelva 46-MW and Ciudad Real 50-MW plants, coupled with a higher contribution by the Huelva 41-MW plant, which was idled during 2Q20, partially offset the reduced contribution by the Huelva 50-MW plant, which was taken offline in 2Q21 due to an incident detected at the generator in the course of its annual review.

The average sales price increased by 5.7% year-on-year in 2Q21 thanks to the effect of the increase in the pool price on the volume of sales not hedged, within the cap set by the regulator (regulatory collar). This average sales price already includes a €1.5m provision for the regulatory collar and a loss of €4.4m on fixed price contracts (hedges) in the quarter.

Finally note operating costs were in line with 1Q21 levels, while net debt of the business declined to €133m as of the June close.