



**BOARD OF DIRECTORS REPORT
OF
SEMAPA – SOCIEDADE DE INVESTIMENTO E
GESTÃO, SGPS, S.A.**

**ON THE OPPORTUNITY AND CONDITIONS OF THE GENERAL AND
VOLUNTARY TENDER OFFER LAUNCHED BY SODIM, SGPS, S.A.**

(translation from the original text in Portuguese)

Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.
Public Limited Company
Av. Fontes Pereira de Melo, nº 14, 10º, 1050-121 Lisboa
Companies Registry and Corporate Person no.: 502 593 130
Share Capital: 81.270.000 euros
ISIN: PTSEM0AM0004
LEI: 549300HNGOW85KIOH584
Ticker: Bloomberg (SEM PL); Reuters (SEM.LS)

BOARD OF DIRECTORS REPORT

**ON THE OPPORTUNITY AND CONDITIONS OF THE GENERAL AND VOLUNTARY TENDER OFFER FOR
THE ACQUISITION OF SHARES REPRESENTING THE SHARE CAPITAL OF**

SEMAPA – SOCIEDADE DE INVESTIMENTO E GESTÃO, SGPS, S.A.

5 March 2021

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DISCLAIMER

This Report was prepared by the Board of Directors of SEMAPA – SOCIEDADE DE INVESTIMENTO E GESTÃO, SGPS, S.A. (“**Semapa**” or the “**Company**”) under the terms of number 1 of article 181 of the Portuguese Securities Code (“**PSC**”), following the analysis, by the Board of Directors, of the draft prospectus and the draft offer announcement, received on 25 February 2021, regarding the general and voluntary tender offer for the acquisition of shares representing Semapa's share capital, launched by SODIM, SGPS, S.A. (the “**Offeror**” or “**Sodim**”) and whose preliminary announcement (“**Preliminary Announcement**”) was published on 18 February 2021 (the “**Offer**”).

This Report was prepared based on the information available to the Company's Board of Directors (the “**Board of Directors**”) at the present date. In the context of their individual process of considering the acceptance or rejection of the Offer, Semapa's shareholders are advised to take this Report into consideration, without prejudice to the necessary individual and weighted assessment and judgment by each of the Semapa's shareholders.

This Report contains some forecasts and estimates. The forecasts and estimates imply risks and uncertainties insofar as they are related to future events and depend on circumstances that may or may not occur. In that sense, the inclusion of such forecasts and estimates and the references to any future events do not present any guarantee as to its verification, having the same been made in accordance with the best knowledge and conviction of the Board of Directors, based on the information available at the date of making such forecasts and estimates. This report also includes statements that reflect the expectations of the Board of Directors and these forecasts and estimates should not, in any way, be considered a guarantee of verification of the facts and circumstances to which they refer.

The Company does not undertake any obligation to update or make publicly available any revisions to the forecasts or estimates contained in this Report to reflect events or circumstances that occur after the present date, without prejudice to the publication of a supplement or addendum to this Report, which may occur in the event of a possible revision of the Offer, of an update of its terms and conditions or of any additional information that in the meantime becomes available.

This document should not be understood as an exhaustive analysis containing all the information provided to the market in relation to Semapa. Shareholders should also consult the prospectus of the Offer and the announcement of the Offer (to be published after the registration and launch of the Offer), as well as all previous communications, publications and financial statements published by Semapa that are or will be made available at www.cmvm.pt and/or on the company's website at www.semapa.pt.

This Report is a translation of a text originally issued in Portuguese. In the event of discrepancies the Portuguese language version prevails.

1. SUMMARY OF THE TRANSACTION

CONTEXT

Pursuant to number 1 of article 181 of the PSC, the Board of Directors hereby presents its Report that contains a summary of the position of the Board of Directors regarding the opportunity and conditions of the general and voluntary tender offer by Sodim as contained in the draft prospectus of the Offer (“**Draft Prospectus**”) and in the draft offer announcement of the Offer (“**Draft Offer Announcement**”) received on 25 February 2021.

No indication is provided on the Draft Offer Announcement and the Draft Prospectus on the beginning and end dates of the Offer period, during which Semapa’s shareholders will be able to accept the Offer. This information shall be made available to investors in the versions of the offer announcement of the Offer and of the prospectus that comes to be approved by the Portuguese Securities Market Commission, (a Comissão do Mercado de Valores Mobiliários, the “**CMVM**”) and disclosed by the Offeror to the market.

CONSIDERATION

According to the Preliminary Announcement, the Draft Prospectus and the Draft Offer Announcement, the offered consideration, to be paid in cash, announced in the Offer, shall be an amount of € 11.40 (eleven euros and forty cents) for each share, deducting any (gross) amount that is attributed to each share, whether as dividend, advance for account of profit, distribution of reserves or other; such deduction to be made from the moment when the right to the relevant amount has been detached from the shares if the detachment occurs prior to the financial settlement of the Offer.

As mentioned by the Offeror, the consideration represents:

- a premium of 20.0% in relation to the last closing price of the shares on the regulated market of Euronext Lisbon prior to the Preliminary Announcement, on 18 February 2021 which was 9.50 Euros (nine euros and fifty cents) per share;
- a premium of 37.2% in relation to the adjusted volume-weighted average price of the shares on the regulated market of Euronext Lisbon during the six months prior to the Preliminary Announcement, which is 8.31 Euros (eight euros and thirty one cents) per share.

CONDITIONS TO LAUNCH THE OFFER

The Offer is general and voluntary, and the Offeror undertakes to acquire, in cash, all the shares whose holders accept the Offer, provided that:

- the Offer is previously registered with the CMVM with the consideration of € 11.40 (eleven euros and forty cents) per share;
- the success of the Offer has the condition that the Offeror comes to hold, as a consequence of the Offer, a minimum of 90% of the voting rights of Semapa, calculated under the terms of number 1 of article 20 of the PSC. The Offeror states in the Preliminary Announcement and in the Draft Prospectus that it reserves the right to, at its absolute discretion, in the 24 hours following the determination of the results of the Offer, waive the condition described.

CONCLUSIONS OF THE BOARD OF DIRECTORS

Based on the analysis contained in this report the Board of Directors understands that, in the face of the criteria contained in article 181 of the PSC, the Offer is opportune and its conditions are adequate and, in view of the existing information about the Company and the historical behaviour of the Semapa share in the market, the consideration of the Offer deserves to be considered and is susceptible of being accepted by the shareholders.

The Board of Directors also recommends that each shareholder makes its individual decision as to whether to accept, or not accept, the Offer based on the analysis of their own return, liquidity and investment time horizon objectives.

2. TERMS AND CONDITIONS OF THE OFFER

INITIAL REMARKS

The share capital of Semapa is composed by 81,270,000 (eighty one million two hundred and seventy thousand) ordinary, nominative and dematerialised shares, with no nominal value, that are admitted to trading on the regulated market Euronext Lisbon, managed by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A., with ISIN code PTSEM0AM0004.

For a complete description of the Offer, Shareholders can consult the documents related to it, available on the Company's website: <https://www.semapa.pt/>.

OFFEROR

According to the information contained in the Preliminary Announcement, the Draft Prospectus and the Draft Offer Announcement, the Offeror is SODIM, SGPS, S.A., a company with its head office at Avenida Fontes Pereira de Melo, 14, 9th floor, 1050-121 Lisbon, registered with the Commercial Registry Office of Lisbon under number 500,259,674, with share capital of € 32,832,000.00.

Additionally, and in accordance with the Draft Prospectus, the Offeror holds at this date, directly and through Cimo - Gestão de Participações, SGPS, S.A., its wholly owned subsidiary, 58,438,334 shares representing 71.906% (seventy-one point nine hundred and six percent) of the Company's share capital and 73.167% (seventy-three point one hundred and sixty-seven percent) of the Company's voting rights.

Sodim is a holding company, whose legal regime is regulated by Decree-Law 495/88 of 30 December, as amended.

TYPE OF OFFER

The Offer is general and voluntary having as object all the ordinary, dematerialised, nominative shares, with no nominal value, issued by Semapa that are not held by the Offeror nor by Cimo - Gestão de Participações, SGPS, S.A., its wholly owned subsidiary. The Offeror undertakes, in accordance with the terms and conditions of the Draft Prospectus and the Draft Offer Announcement, to acquire, with a consideration in cash, all the shares subject to the Offer and that are validly accepted.

FINANCIAL INTERMEDIARIES

The financial intermediaries acting on behalf of the Offeror and providing assistance in relation to the Offer, in accordance with and for the purposes of article 113, number 1, paragraph b) of the PSC, namely the provision of services necessary to prepare, launch and execute the Offer, are Banco Comercial Português, S.A., with its head-office at Praça D. João I, 28, 4000-295 Porto, Portugal, registered with the Commercial Registry Office of Porto under number 501525882, with share capital of € 4,725,000,000 (four thousand, seven hundred and twenty five million euros), acting through its investment banking division, Millennium Investment Banking, and Caixa - Banco de Investimento, S.A., with its head-office at Avenida João XXI, 63, Lisbon, registered with the Commercial Registry Office of Lisbon under number 501898417, with share capital of € 81,250,000.00 (eighty-one million, two hundred and fifty thousand euros).

SHARES SUBJECT TO THE OFFER

The object of the Offer encompasses a maximum number of 22,831,666 shares of Semapa.

It is included in the object of the Offer the 1,400,627 shares representing 1.723% (one point seven hundred and twenty three percent) of the share capital of Semapa that are owned by itself and that have, therefore, the nature of treasury shares, as well as the shares held by Sociedade Agrícola da Quinta da Vialonga, S.A. and by the Directors of the Offeror which have a relationship with Offeror in accordance with article 20.^o of the PSC, deducted from the shares that, until the Offer is closed, may eventually be acquired by the Offeror, and shares which may eventually be subject to a voluntary blocking in account by its respective holders.

The shares are admitted to trading on the regulated market managed by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A..

The acceptance of the Offer is limited to the shares that, at the date of settlement of the Offer, are fully paid up and free of any liens, encumbrances or other limitations over themselves or the underlying rights, notably economic and/or political rights or their ability to be transferred, including when such limitation to the transfer arises from the blocking of the shares in a securities account by initiative of their owner, in accordance with the terms of paragraph a), number 2 of article 72 of the PSC.

The acceptance of the Offer by its addressees is subject to compliance with the relevant legal and regulatory requirements, including those set out in foreign law to which the addressees of the Offer may be subject.

CONDITIONS TO LAUNCH THE OFFER

The launch of the Offer is subject to the Offeror obtaining the prior registration of the Offer from the CMVM, with the consideration of € 11.40 (eleven euros and forty cents) for each share.

The success of the Offer has the condition that the Offeror comes to hold, as a consequence of the Offer, a minimum of 90% of the voting rights of Semapa, calculated under the terms of number 1 of article 20 of the PSC. The Offeror states in the Preliminary Announcement and in the Draft Prospectus that it reserves the right to, at its absolute discretion, in the 24 hours following the determination of the results of the Offer, waive the condition described.

ASSUMPTIONS

In the Preliminary Announcement and the Draft Prospectus, the Offeror stated that it assumed that, until the end of the term of the Offer, none of the circumstances listed in those documents would occur, with a significant impact on Semapa's patrimonial, economic and financial situation, in consolidated terms, or in companies that are in a controlling or group relationship with it.

The Offeror also referred in the Preliminary Announcement and in the Draft Prospectus that it assumed that until the end of the Offer no material change occurs in the Portuguese or foreign financial markets and their financial institutions that have not been anticipated by the scenarios officially disclosed by the Eurozone authorities and that has a material negative impact on the Offer, thus exceeding the risks inherent to it or to the securities object of it.

CONSIDERATION

The consideration of the Offer shall be an amount of € 11.40 (eleven euros and forty cents) for each share to be paid in cash, deducting any (gross) amount that is attributed to each share, whether as dividend, advance for account of profit, distribution of reserves, or other; such deduction to be made from the moment when the right to the relevant amount has been detached from the shares if the detachment occurs prior to the financial settlement of the Offer.

The offered consideration, in addition to complying with the criteria set out in article 188 of the PSC, although it is not a mandatory tender offer, represents:

- a) a premium of 20.0% in relation to the last closing price of the shares on the regulated market of Euronext Lisbon prior to the Preliminary Announcement, on 18 February 2021, which was 9.50 Euros (nine euros and fifty cents) per share;
- b) a premium of 37.2% in relation to the adjusted volume-weighted average price of the shares on the regulated market of Euronext Lisbon during the six months prior to the Preliminary Announcement, which is 8.31 Euros (eight euros and thirty one cents) per share.

The consideration will be paid in cash, by crediting the account of the addressees of the Offer, and is expected to become available to the addressees of the Offer who have accepted it on the second business day after the Special Session of the Regulated Market where the results of the Offer are assessed.

TERM OF THE OFFER AND MINIMUM NUMBER OF SHARES TO ACQUIRE

The Draft Prospectus does not include a term for the Offer, as it is subject to the date that the CMVM approves the final version of the prospectus and launch announcement of the Offer.

The Offeror stated that the success of the Offer has the condition that the Offeror comes to hold, as a consequence of the Offer, a minimum of 90% of the voting rights of Semapa, calculated under the terms of number 1 of article 20 of the PSC. The Offeror states in the Preliminary Announcement and in the Draft Prospectus that it reserves the right to, at its absolute discretion, in the 24 hours following the determination of the results of the Offer, waive the condition described.

The results of the Offer will be assessed on a special session of the regulated market of Euronext Lisbon, on a date to be defined. The respective physical and financial settlement will take place on the second business day after this special session.

SQUEEZE-OUT AND LISTED COMPANY STATUS

If the Offeror, as a result of this Offer, directly or under the terms of number 1 of article 20 of the PSC, comes to (i) hold 90% or a higher percentage of the voting rights corresponding to the share capital of Semapa, and to (ii) acquire 90% or a higher percentage of the voting rights of the shares that are object of the Offer, the Offeror will use the squeeze-out mechanism provided for under the terms of article 194 of the PSC.

If the Offeror, as a result of this Offer, directly or under the terms of number 1 of article 20 of the PSC, comes to hold 90% or a higher percentage of the voting rights corresponding to the share capital of Semapa but does not acquire 90% or a higher percentage of the voting rights of the shares that are object of the Offer, the Offeror will request the loss of public company status (*perda de qualidade de sociedade aberta*) of Semapa, under the terms of number 1 of article 27 of the PSC and, subsequently, it will then ponder if it shall proceed to a squeeze-out of the shares of Semapa that remain in the ownership of other shareholders, under the provisions of article 490 of the Portuguese Commercial Companies Code.

DECLARATION OF INTEREST BY SEMAPA'S SHAREHOLDERS

Semapa's shareholders that intend to accept the Offer must express their acceptance during the Offer period that comes to be defined, through sales orders transmitted to the financial intermediaries with whom the shares which they hold are registered.

3. INTENTIONS OF THE OFFEROR AND IMPACTS OF THE OFFER

STRATEGIC PLANS OF THE OFFEROR

In the opinion of the Board of Directors, the Offeror and currently majority shareholder, Sodim, has the knowledge and resources necessary to ensure compliance with Semapa's strategy, as it stems from the information that is transcribed below and contained in the Draft Prospectus.

The Offeror expressly declares in the Draft Prospectus that it intends *"to continue the business activity of [Semapa] and the companies controlled by it, within the scope of their respective corporate purpose and in manners similar to those that have been developed, respecting the strategic line that at any time is defined by the board of directors of [Semapa] and maintaining confidence in it and in the respective management team"*, also mentioning that it *"has no intention of promoting the change of the premises from which the [Semapa]'s business is conducted, nor the change of the current human resources policy of the group and the working conditions of the employees of [Semapa]"*.

The Offeror mentions, however, that the intention expressed in the Draft Offer Announcement and Draft Prospectus does not correspond to a definitive decision in the long term, *"the Offeror reserves the right, in view of the concrete circumstances of each moment, to take other options in relation to the activity and business of [Semapa] in the scenario of acquisition of total control of it"*.

Also in accordance with the information provided in the Draft Prospectus, the Offeror mentions that *"With a view to streamline the Group corporate structure by reducing the number of group holding companies currently listed, Sodim is looking to delist [Semapa], with The Navigator Company, S.A. ("Navigator") remaining as the only publicly listed subsidiary of the group. Navigator, the listed subsidiary is 69.35% owned by [Semapa] and currently represents the majority of [Semapa]'s overall consolidated EBITDA (c.68% at the end of 2020). The current situation where two listed companies coexist within the group stems from the fact that [Semapa], already a listed company in 2004, acquired Portucel/Soporcel, now Navigator, which was also a listed company at the time of its acquisition by [Semapa]."*

The Offeror also mentions that the proposed transaction follows a previous tender offer launched by Semapa on 2015 over its own shares in exchange for Navigator shares, by indication of the Offeror, mentioning that:

“At the same time, the tender offer would grant [Semapa]’s shareholders with the opportunity to crystallize a significant premium to current value of the company in cash (20% over the last closing price of the Shares and 37.2% in relation to the adjusted volume-weighted average price of the shares on the regulated market of Euronext Lisbon during the six months prior to the Preliminary Announcement) in a single transaction, which constitutes a major liquidity event for the Shares of [Semapa].

Moreover, investors willing to continue to invest in the main asset of [Semapa] may continue to do it directly through Navigator, which daily average traded volume in euros was 3.5 times superior to the volume traded of [Semapa] during the year of 2020).

The Offeror also considers that it has the knowledge and resources to ensure that [Semapa]’s strategy is followed and is willing to provide the minority shareholders with an exceptional liquidity event, giving them the possibility to sell their shares with a premium of 37.2% compared to the weighted average price of [Semapa]’s shares on the regulated market Euronext Lisbon in the six months immediately prior to the date of the Preliminary Announcement and a premium of 20.0% compared to [Semapa]’s closing share price on the regulated market Euronext Lisbon on the day prior to the date of the Preliminary Announcement on 18 February 2021.

Thus, if the legal conditions for this purpose are met (and as detailed in Chapter 2.9.2 - Trading on the regulated Euronext Lisbon market and delisting) [of the Draft Prospectus], the Offeror intends to request the loss of public company status (perda de qualidade de sociedade aberta) of [Semapa], with the consequent exclusion from trading in the regulated market of [Semapa]’s Shares.”

IMPACT OF THE OFFER ON SEMAPA

The Offeror mentioned in the Draft Prospectus that, in order to pay the offered consideration, it *“has contracted a financing, with a maturity of eight years, under which the funds necessary to pay the total consideration offered are ensured.”*

The Offeror further declared that the success of the Offer *“will therefore not have a significant impact on the Offeror’s and the group’s financial condition”* and *“however, as the Offeror resorted to debt to launch the Offer, there will be an increase in the Offeror’s consolidated financial leverage level. The Offeror has the means and assets to reduce said leverage and fulfil the conditions of the contracted financing.”*

In view of what has been stated by the Offeror and in the light of the existing information on the Company and the current financial situation and market outlook for Semapa, the Board of Directors believes that the Offer will not have a material impact on the respective financial situation.

4. IMPACTS OF THE OFFER ON THE INTERESTS OF SEMAPA

EMPLOYEES

The Offer does not foresee the need to make changes to the employees' current conditions. The Offeror, that is already the controlling shareholder of Semapa, demonstrated its intention to maintain the current human resources policy of the group.

The Offeror mentions that it has no intention of promoting the change of the premises from which Semapa's business is conducted.

CUSTOMERS AND SUPPLIERS

From the statements made by the Offeror in the Draft Offer Announcement and in the Draft Prospectus, detailed in section 3 above, it does not result any intention of the Offeror to make material changes in the relationship between Semapa and its customers or suppliers.

The Offeror is already the majority shareholder of Semapa and has demonstrated its intention to continue Semapa's business activity.

FINANCIAL CREDITORS

In view of the conditions mentioned by the Offeror in the Draft Prospectus, the Offeror foresees that Semapa's credit risk profile will not be changed as a result of the economic and financial implications of the conclusion of the Offer, nor is it expected to have an impact on Semapa's relationship with its financial creditors.

SHAREHOLDERS

As previously mentioned on the topic "Squeeze-out and listed company status" on section 2 and taking into consideration the Draft Offer Announcement and Draft Prospectus:

- a) if the Offeror, as a result of this Offer, directly or under the terms of number 1 of article 20 of the PSC, comes to (i) hold 90% or a higher percentage of the voting rights corresponding to the share capital of the Semapa, and to (ii) acquire 90% or a higher percentage of the voting rights of the shares that are the object of the Offer, the Offeror will use the squeeze-out mechanism provided for under the terms of article 194 of the PSC;
- b) if the Offeror, as a result of this Offer, directly or under the terms of number 1 of article 20 of the PSC, comes to hold 90% or a higher percentage of the voting rights corresponding to the share capital of Semapa but does not acquire 90% or a higher percentage of the voting rights of the shares that are the object of the Offer, the Offeror will request the loss of public company status (*perda de qualidade de sociedade aberta*) of Semapa, under the terms of number 1 of article 27 of the PSC and, subsequently, it will then ponder if it shall proceed to a squeeze-out of the shares of Semapa that remain in the ownership of other shareholders, under the provisions of article 490 of the Portuguese Commercial Companies Code.

The mechanisms referred to on a) and b) above will have relevant implications for the shareholders that decide not to sell their shares in the Offer.

5. TYPE AND AMOUNT OF OFFERED CONSIDERATION

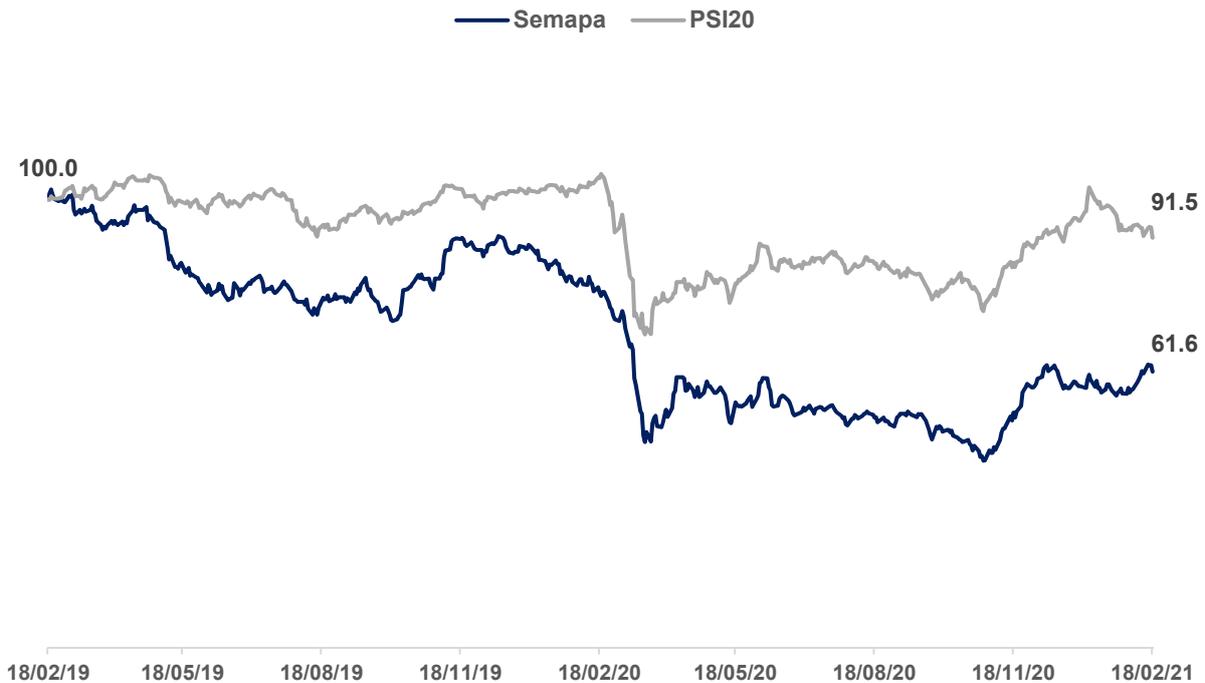
As mentioned above, the offered consideration, shall be an amount of € 11.40 (eleven euros and forty cents) for each share, to be paid in cash, deducting any (gross) amount that is attributed to each share, whether as dividend, advance for account of profit, distribution of reserves or other; such deduction to be made from the moment when the right to the relevant amount has been detached from the shares if the detachment occurs prior to the financial settlement of the Offer.

When evaluating the Offer's consideration, the following elements were considered by the Board of Directors:

- Evolution of the share price of Semapa and Offer premia;
- Analysts Price Target; and
- Premia paid on comparable transactions.

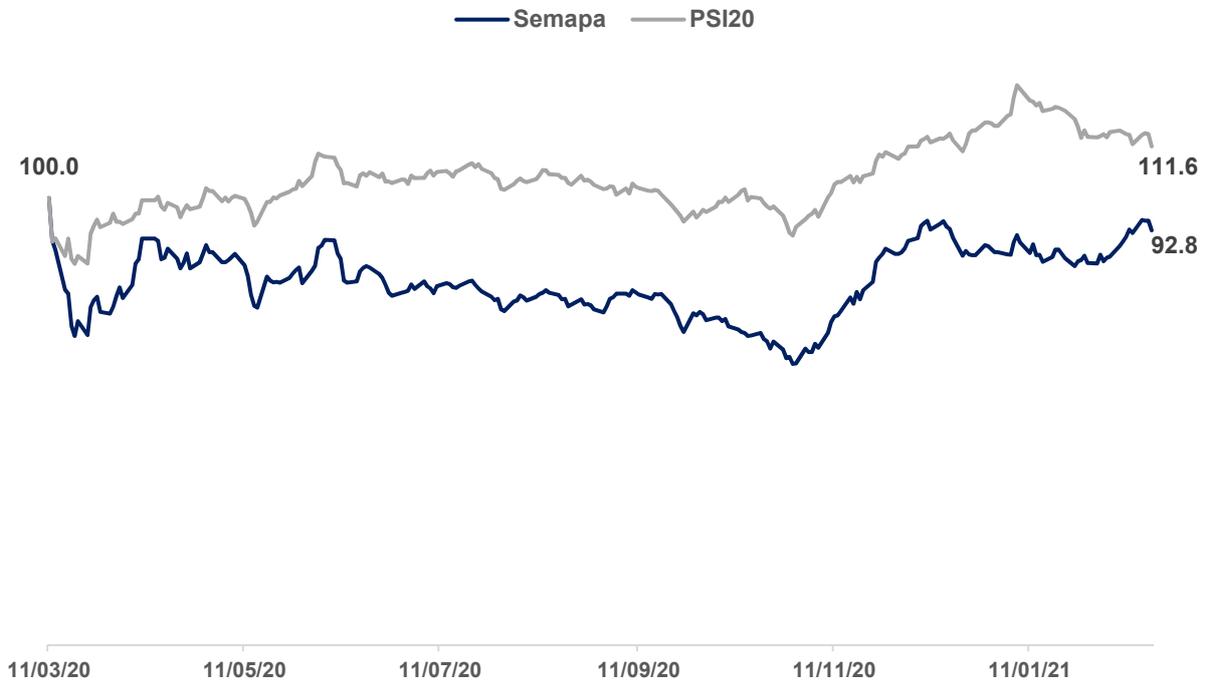
EVOLUTION OF THE SHARE PRICE OF SEMAPA AND OFFER PREMIA

The performance of Semapa's share price presented the following behaviour (basis=100) over the past twenty-four months, when compared to the evolution of the benchmark index for Portugal (PSI-20):



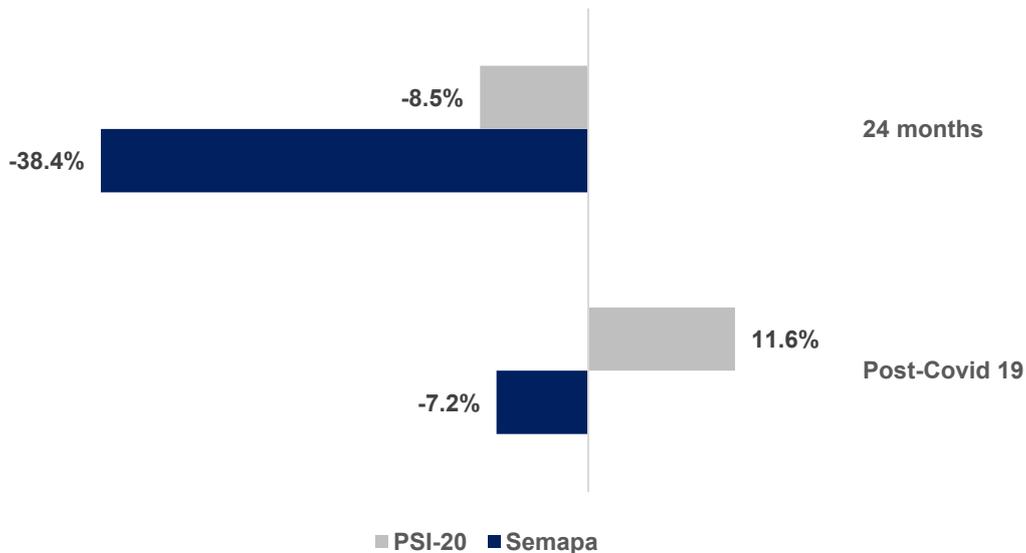
Source: Reuters.

In the period after the declaration of the COVID-19 pandemic by the World Health Organisation (on 11 March 2020), the performance of the share price of Semapa presented the following behaviour (basis=100), when compared with the evolution of the benchmark index for Portugal (PSI-20):



Source: Reuters.

The performance of Semapa’s share price in different time periods prior to the disclosure of the Preliminary Announcement (including the comparison with the PSI-20 benchmark index), can also be verified through the following graphic, which shows the evolution of the share price of Semapa and PSI-20:



Source: Reuters.

When analysing the evolution of the share price of Semapa (basis=100) in the period of twenty-four months that preceded the disclosure of the Preliminary Announcement, it can be seen that it devaluated 38.4% versus an 8.5% devaluation of the PSI-20 reference index. The same analysis made since the beginning of the pandemic, that is, since 11 March 2020, results in a 7.2% devaluation of the Semapa share versus an 11.6% appreciation of the index.

In view of this evolution, this Offer represents a premium of 36.9% in relation to the weighted average price of Semapa's shares in the regulated market Euronext Lisbon in the period between the declaration of the pandemic (11 March 2020) and the Preliminary Announcement (18 February 2021), which is € 8.33 (eight euros and thirty-three cents).

In relation to the most recent share price of Semapa, the Offer represents:

- a) a premium of 20.0% in relation to the last closing price of the shares on the regulated market of Euronext Lisbon prior to the Preliminary Announcement, on 18 February 2021, which was 9.50 Euros (nine euros and fifty cents) per share;
- b) a premium of 37.2% in relation to the adjusted volume-weighted average price of the shares on the regulated market of Euronext Lisbon during the six months prior to the Preliminary Announcement, which is 8.31 Euros (eight euros and thirty one cents) per share.

The following table summarises the implied premium of the Offer in different time periods:

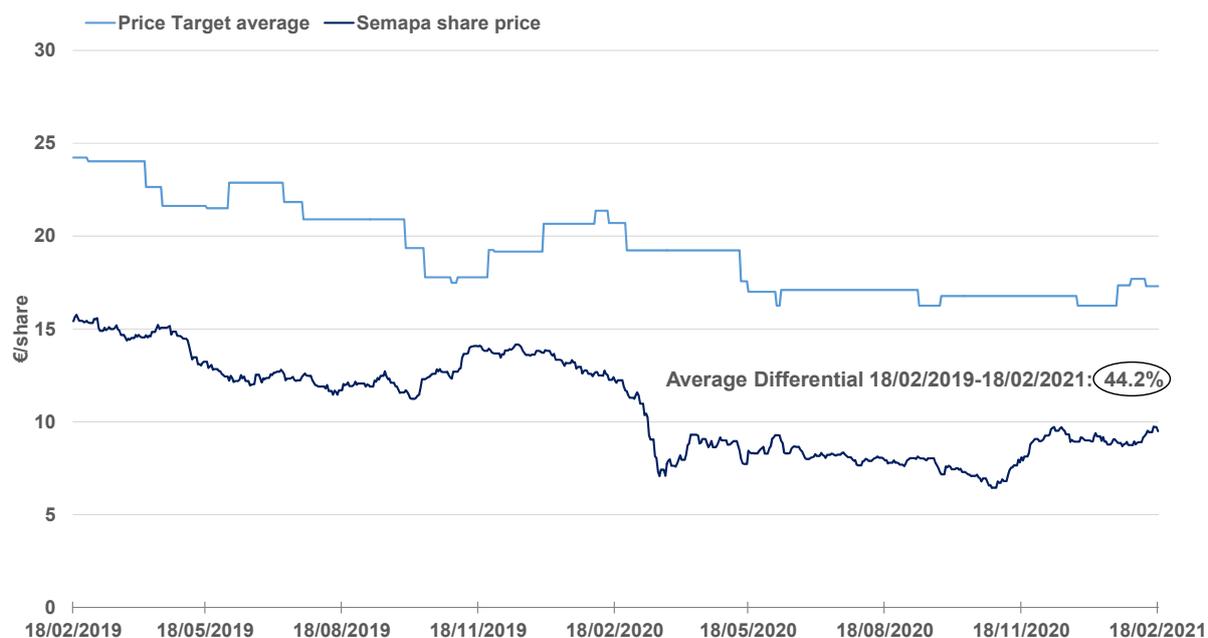
Price references	€/share	Premium
Consideration of the Offer	11.40	n.a.
Closing price as of 18/02/2021¹	9.50	20.0%
Volume Weighted Average Price ² 1 Month	9.15	24.6%
Volume Weighted Average Price 3 Months	9.10	25.2%
Volume Weighted Average Price 6 Months	8.31	37.2%
Volume Weighted Average Price 9 Months	8.32	37.0%
Volume Weighted Average Price post 11/03/2020³	8.33	36.9%
Volume Weighted Average Price 12 Months	8.70	31.1%

Source: Euronext.

Notes: 1. Date of the Preliminary Announcement | 2. Volume Weighted Average Price (VWAP) = Σ Daily Turnover of the period / Σ Daily Volume of the period | 3. Date when the World Health Organization declared COVID-19 a global pandemic.

ANALYSTS PRICE TARGET

Semapa's research coverage is limited to three Analysts: CaixaBI/ESN, CaixaBank BPI and JB Capital Markets (Annex 1). As it can be seen in the following graphic, Semapa has historically traded with a differential compared to the average Analysts Price Targets, which averaged 44.2%, in the period between 18 February 2019 and the date of publication of the Preliminary Announcement, that is, on 18 February 2021, although the Price Targets presented by these Analysts already include a holding discount of about 20%.



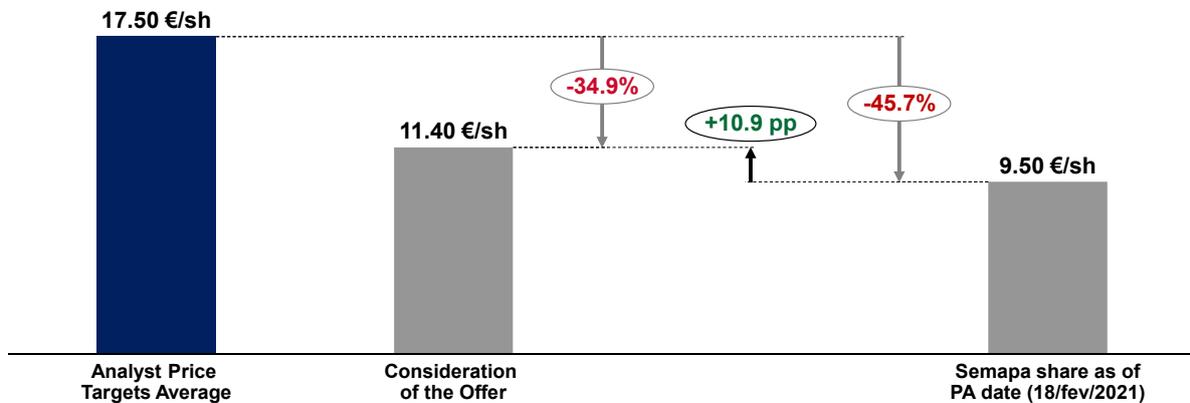
Source: Bloomberg.

The following table summarises the differential implied in the Offer compared to the average Analyst Price Targets on the date of disclosure of the Preliminary Announcement, that is, on 18 February 2021:

Analyst	Date	Price Target (€/share)
CaixaBI / ESN	18/05/2020	17.00
CaixaBank BPI	25/09/2020	17.80
JB Capital Markets	22/01/2021	17.70
Analyst Price Targets Average		17.50
Consideration of the Offer		11.40
Differential versus Analyst Price Targets average		-34.9%

Source: Semapa.

The following graphic compares the differential implicit in the Offer's consideration, of € 11.40 (eleven euros and forty cents), compared to the average of the Analysts Price Targets, with the same differential corresponding to the market price on the date of the Preliminary Announcement.



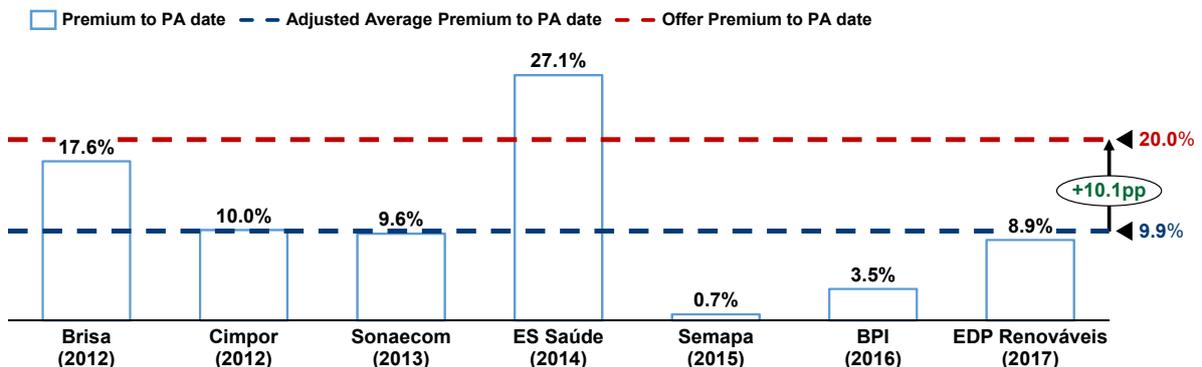
Source: Semapa and Draft Prospectus.

Thus, it can be seen that the Analysts Price Targets have consistently maintained a relevant differential in relation to the value attributed by investors in transactions carried out on the market.

Nevertheless, and even taking the Analysts Price Targets as a reference, this Offer presents a positive difference of 10.9 p.p. in the differential corresponding to the average of the Price Targets that occurred at the date of publication of the Preliminary Announcement on 18 February 2021.

PREMIA PAID IN COMPARABLE TRANSACTIONS

Considering the comparable tender offers¹ launched in Portugal in the last 10 years, it can be seen that the premium of 20.0% implicit in the Offer compared to the closing price of the share prior to the Preliminary Announcement is about 10.1 p.p. higher than the adjusted average of premia paid in comparable transactions carried out in Portugal since 2011, whose value is around 9.9%, as shown in the following graphic.

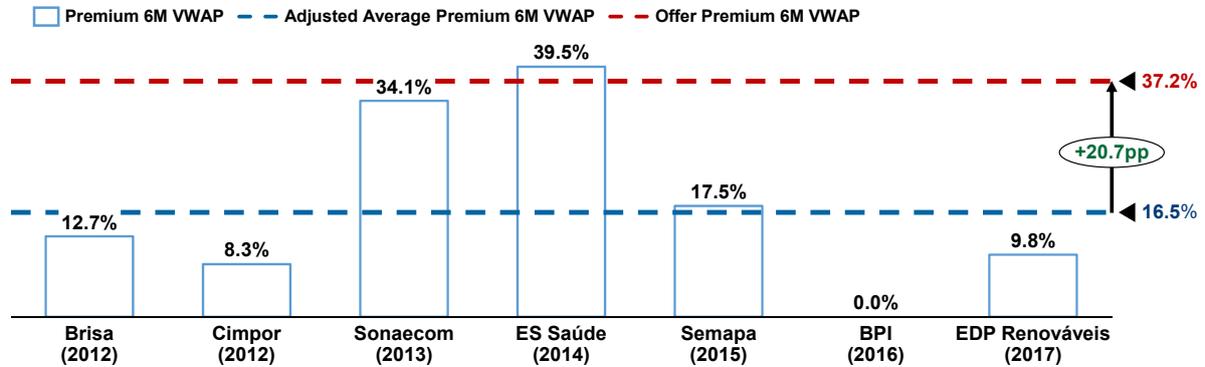


Source: CMVM website.

Note: Adjusted average excludes both maximum and minimum values of the sample.

¹ For the purpose of analysing the premia paid in transactions of a size comparable to the Offer, all general tender offers for the acquisition of shares with a value greater than € 100 million (one hundred million euros), launched in Portugal and Spain in the last 10 years were considered (i.e., since 2011) and successfully completed (Annexes 2 and 3).

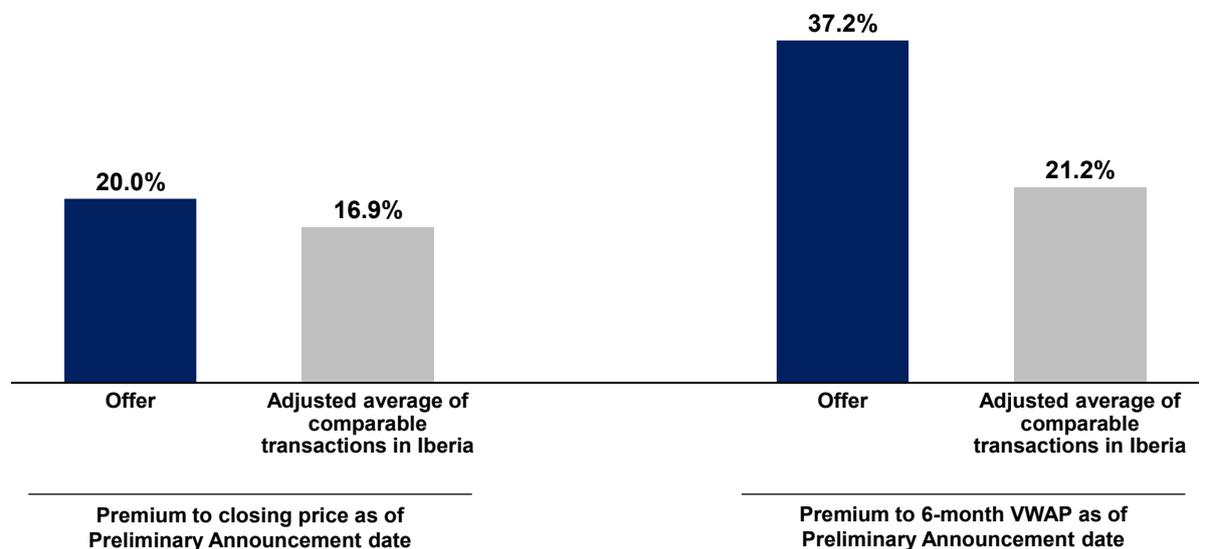
When analysing the premium implicit on the Offer in relation to the weighted average price (VWAP) of the share in the 6 months prior to the Preliminary Announcement of 37.2%, it is 20.7 p.p. above the premia historically paid in comparable transactions concluded in Portugal since 2011, whose value is around 16.5%, as shown in the following graphic.



Source: CMVM website.

Note: Adjusted average excludes both maximum and minimum values of the sample.

Including Spain in the analysis of premia paid on transactions comparable to the Offer, the premium of 20.0% implicit in the Offer compared to the closing price of the share prior to the Preliminary Announcement is higher than the adjusted average of premia paid on comparable transactions carried out in the Iberian Peninsula since 2011, the value of which is 16.9%. In view of the weighted average price (VWAP) of the share in the 6 months prior to the Preliminary Announcement, this premium is 37.2%, above the premiums on comparable transactions concluded in the Iberian Peninsula since 2011, the value of which is 21.2%, as can be seen in the following graphic.



Source: CMVM website and Draft Prospectus.

Note: Adjusted average excludes both maximum and minimum values of the sample.

6. CONCLUSION OF THE BOARD OF DIRECTORS ON THE OFFER AND CONSIDERATION

After analysing the Draft Prospectus and the Draft Offer Announcement, the Board of Directors considers that the Offeror's objectives for Semapa appear to be in line with Semapa's strategic objectives and, in the best understanding of the Board of Directors, no material changes to the current situation of employees, to the financial situation and to other stakeholders are anticipated, thus in view of the criteria set out in article 181 of PSC, the present Offer is opportune and its conditions are adequate.

The Board of Directors further notes that:

- When analysing the evolution of the share price of Semapa (basis=100) in the period of twenty-four months that preceded the disclosure of the Preliminary Announcement, it can be seen that it devaluated 38.4% versus an 8.5% devaluation of the PSI-20 reference index. The same analysis made since the beginning of the pandemic, that is, since 11 March 2020, results in a 7.2% devaluation of the Semapa share versus an 11.6% appreciation of the index;
- The consideration of the Offer represents a premium of 20.0% when compared to the closing price prior to the Preliminary Announcement and a premium of 37.2% when compared to the weighted average price of the six months prior to the Preliminary Announcement;
- The Analysts Price Targets have consistently maintained a relevant differential in relation to the value attributed by investors in transactions carried out on the market. Nevertheless, and even taking the Analysts Price Targets as a reference, this Offer presents a positive difference of 10.9 p.p. in the differential corresponding to the average of the Price Targets that occurred at the date of publication of the Preliminary Announcement on 18 February 2021;
- The 20.0% premium implicit in the Offer compared to the closing price of the share prior to the Preliminary Announcement is higher than the adjusted average of premia paid in comparable transactions carried out since 2011, the value of which is 9.9% in Portugal and 16.9 % in the Iberian Peninsula. In view of the weighted average price (VWAP) of the share in the 6 months prior to the Preliminary Announcement, this premium is of 37.2%, which is also higher than the adjusted average of premiums verified in Portugal (16.5%) and in the Iberian Peninsula (21.2%);
- Shareholders should also take into account the possible implications for the liquidity of their shares that may arise from the Offer.

In view of the above, the Board of Directors understands that the Offer, in view of the criteria contained in article 181 of the PSC, is opportune and its conditions are adequate and, in view of the existing information about the Company and the historical behaviour of the Semapa share in the market, the consideration of the Offer deserves to be considered and is susceptible of being accepted by the shareholders.

The Board of Directors also recommends that each shareholder makes their individual decision as to whether to accept, or not accept, the Offer based on the analysis of their own return, liquidity and investment time horizon objectives.

7. INTENTION OF THE MEMBERS OF THE BOARD OF DIRECTORS THAT ARE SIMULTANEOUSLY SHAREHOLDERS OF SEMAPA AS TO THE ACCEPTANCE OF THE OFFER

The following members are simultaneously Semapa's shareholders and directors: Filipa Mendes de Almeida de Queiroz Pereira, Mafalda Mendes de Almeida de Queiroz Pereira and Lua Mónica Mendes de Almeida de Queiroz Pereira, being the intention of each one of these shareholders, as transmitted by each one of them to the Board of Directors, to accept the Offer preliminarily announced by Sodim, intending, therefore, each one of the mentioned directors, to sell in such Offer the entirety of the shares representing the share capital of Semapa that each holds, namely (i) 5,488 shares held by Filipa Queiroz Pereira, (ii) 5,888 shares held by Mafalda Queiroz Pereira and (iii) 5,888 shares by Lua Queiroz Pereira.

8. APPROVAL OF THIS REPORT BY THE BOARD OF DIRECTORS

This report was approved at a meeting of the Board of Directors held on 5 March 2021.

The Chairman, José Antônio do Prado Fay and the members of the Board, João Nuno de Sottomayor Pinto de Castello Branco, Vítor Paulo Paranhos Pereira, Ricardo Miguel dos Santos Pacheco Pires, António Pedro de Carvalho Viana-Baptista, Carlos Eduardo Coelho Alves, Francisco José Melo e Castro Guedes and Vítor Manuel Galvão Rocha Novais Gonçalves were present at the meeting of the Board of Directors that discussed and approved this Report. Filipa Queiroz Pereira, Mafalda Queiroz Pereira and Lua Queiroz Pereira were not present, having indicated that they understood that they should not be present considering that, in addition to being directors of the Offeror, they are also owners of shares representing the share capital of the Offeror and of Semapa.

This report was approved with the favourable votes of the following directors: António Pedro de Carvalho Viana-Baptista, Carlos Eduardo Coelho Alves, Francisco José Melo e Castro Guedes and Vítor Manuel Galvão Rocha Novais Gonçalves.

The directors José Antônio do Prado Fay, João Nuno de Sottomayor Pinto de Castello Branco, Vítor Paulo Paranhos Pereira and Ricardo Miguel dos Santos Pacheco Pires abstained, having stated that, despite agreeing with the content of the report under discussion, they understood that they should abstain on the vote in view of their capacity as members of the Offeror's Board of Directors.

9. OTHER INFORMATION

Up to the present date, the Board of Directors has not received from the employees, directly or through their representatives, any opinion regarding the repercussions of the Offer in terms of employment.

ANNEX 1 – PRICE TARGETS ISSUED BY ANALYSTS

Million Euros	JB Capital Markets	CaixaBank BPI	CaixaBI / ESN
Gross Asset Value	2,066	2,018	2,003
- Holding net debt	(274)	(142)	(272)
-/+ Others	6	(64)	(2)
Equity Value	1,798	1,813	1,728
Discount	20%	20%	20%
Equity Value after discount	1,438	1,450	1,382
Price Target (€/share)	17.70	17.80	17.00
Date	22/01/2021	25/09/2020	18/05/2020

Source: Semapa.

ANNEX 2 – TENDER OFFERS CONCLUDED IN PORTUGAL

For the purposes of analysing previous tender offers, all tender offers for the acquisition of shares with a transaction value above € 100 million launched in Portugal since 2011 that have been concluded were considered. These offers were used for comparative purposes and the sector of activity or the financial situation of the target companies was not taken into account.

Announcement Date	Offeror	Target Company	Deal Value	Preliminary Announcement Premium	6M VWAP Premium
29/03/2012	Tagus	Brisa	584 M€	17.6%	12.7%
30/03/2012	Intercement	Cimpor	1,477 M€	10.0%	8.3%
29/10/2013	Sonaecom	Sonaecom	135 M€	9.6%	34.1%
23/09/2014	Fidelidade	ES Saúde	460 M€	27.1%	39.5%
25/05/2015	Semapa	Semapa	344 M€	0.7%	17.5%
21/09/2016	Caixabank	BPI	645 M€	3.5%	0.0%
27/03/2017	EDP	EDP Renováveis	296 M€	8.9%	9.8%
			Adjusted Average	9.9%	16.5%
			Median	9.6%	12.7%

Source: CMVM website.

Note: Adjusted average excludes both maximum and minimum values of the sample.

ANNEX 3 – TENDER OFFERS CONCLUDED IN IBERIAN PENINSULA

For the purposes of analysing previous tender offers, the set of tender offers for the acquisition of shares with a transaction value above € 100 million launched in the Iberian Peninsula since 2011 that have been completed were considered. These offers were used for comparative purposes and the sector of activity or the financial situation of the target companies was not taken into account.

Announcement Date	Offeror	Target Company	Deal Value	Preliminary Announcement Premium	6M VWAP Premium
16/02/2011	IPIC	CEPSA	3,856 M€	22.8%	52.7%
01/06/2011	Schneider Electric	Telvent GIT	1,144 M€	16.1%	20.1%
29/03/2012	Tagus	Brisa	584 M€	17.6%	12.7%
30/03/2012	Intercement	Cimpor	1,477 M€	10.0%	8.3%
08/11/2012	IAG	Vueling Airlines	124 M€	69.1%	97.0%
29/10/2013	Sonaecom	Sonaecom	135 M€	9.6%	34.1%
15/09/2014	Orange	Jazztel	3,179 M€	21.5%	25.3%
23/09/2014	Fidelidade	ES Saúde	460 M€	27.1%	39.5%
25/05/2015	Semapa	Semapa	344 M€	0.7%	17.5%
04/03/2016	Grupo Carso	FCC	739 M€	12.5%	15.2%
21/09/2016	Caixabank	BPI	645 M€	3.5%	0.0%
29/11/2016	Indra Sistemas	Tecocom	300 M€	11.5%	39.6%
27/03/2017	EDP	EDP Renováveis	296 M€	8.9%	9.8%
08/04/2017	Aier Eye Hospital Group	Clinica Baviera	147 M€	7.1%	11.6%
13/04/2017	Atlantia	Abertis Infraestructuras	14,327 M€	20.5%	34.5%
13/11/2017	Inmobiliaria Colonial	Axiare Patrimonio SOCIMI	843 M€	12.9%	15.5%
07/02/2018	TerraForm Power	Saeta Yield	948 M€	19.6%	24.7%
05/04/2018	Blackstone Group	Hispania Activos Inmobiliarios	1,475 M€	5.6%	15.8%
04/06/2018	DS Smith	EUROPAC	1,648 M€	7.8%	26.3%
06/06/2018	Minor International	NH Hotel Group	1,180 M€	0.8%	-0.3%
21/12/2018	KKR, Torreal and others	Telepizza Group	168 M€	33.5%	18.5%
03/01/2019	InvestIndustrial	Natra	143 M€	9.9%	6.4%
05/02/2019	LetterOne Holdings	DIA	170 M€	56.1%	-34.2%
26/04/2019	EQT Partners, Corporacion Financiera Alba, GBL	Parques Reunidos	296 M€	26.9%	29.3%
18/11/2019	SIX Group	BME	2,717 M€	33.9%	47.6%
01/06/2020	Cinven , KKR & Co, Providence Equity Partners	Masmovil Ibercom	2,561 M€	20.2%	29.0%
23/07/2020	Banco Santander	Uro Property Holdings SOCIMI	199 M€	6.5%	-3.3%
			Adjusted Average	16.9%	21.2%
			Median	12.9%	18.5%

Source: CMVM website and Draft Prospectus.

Note: Adjusted average excludes both maximum and minimum values of the sample.