

The SONAE logo is located in the top left corner. It consists of the word "SONAE" in a white, stylized, blocky font. The letters are composed of a grid of small squares, giving it a digital or pixelated appearance. The background of the entire slide is a vibrant blue with a complex pattern of thin, white, curved lines that create a sense of motion and depth, resembling a stylized sunburst or a series of overlapping arcs.

**SONAE**

# **2021 First quarter Results**

19<sup>th</sup> May 2021

## 1Q21 Highlights

### Financial Performance

- Another solid quarter for Sonae's portfolio with the group posting 5.8% top line growth fuelled by the performances of Sonae MC, Worten and digital channels across businesses.
- Online sales jumped 2.3x when compared to 1Q20, proving once again the digital capabilities and value propositions of our businesses.
- In terms of profitability, Sonae's portfolio was able to deliver an improved underlying EBITDA by 14% yoy to €114 M.
- Sonae's net result (group share) stood at €1 M, significantly better than last year's figure, yet still impacted by Covid-19 restrictions.
- Maintenance of solid capital structure and comfortable financing conditions, with a low cost of debt and an average maturity of 3.7 years.

### Portfolio Management Activity

- Worten reached an agreement with Media Markt for the sale of 17 stores and closed another 14 stores in Spain mainland, and announced the new strategy for that geography, focused on the digital channel, while maintaining an omnichannel proposition in the Canary Islands.
- Sonae acquired additional 10% of Sonae Sierra for €82 M, following the exercise of a put option by Grosvenor. The transaction was completed at an 8% discount to NAV (at the end of 1Q21). Sonae now holds 80% of Sonae Sierra.
- Already in April, Sonae FS and Banco CTT signed a partnership agreement for the next 5 years. With this partnership, Sonae reinforces its commitment to the financial services sector, while accelerating the growth of Universo and allowing for a synergetic diversification together with the other group businesses, as well as ensuring the mitigation of funding and credit risks.
- Sonae IM continues to deliver on its strong track record of value creation, having seen a third company in the portfolio reach a unicorn status in the beginning of 2021 – Feedzai. Regarding the other two unicorns, Outsystems announced a capital raise at an underlying valuation of USD9.5 bn, and, already in 2Q21, Sonae IM sold part of its stake in Arctic Wolf for €36.4 M (gross cash-in), implying a capital gain of €12.3 M.

## CEO Letter

One year ago, I was writing for the first time about how Covid-19 impacted our lives. More than twelve months have now passed since the first signs of this pandemic. The way we work, how we shop, how we travel, how we learn and even how and where we live, will probably never be the same.

In Portugal, the start of 2021 was a dramatic period in terms of public health as we were confronted with a third wave of the pandemic that forced us once again into harsher lockdown measures. We faced a very adverse context, with many of our stores, cinema theatres and shopping centres closed (or practically closed) for 2.5 months. But, once again, the resilience, resourcefulness and digital readiness of our businesses were critical to overcome this context. We were able to continue to serve our customers across multiple channels, with a particular focus on our e-commerce platforms, and showed the resilience of our value chains and the solidity of our value propositions. And our customers recognized our commitment and dynamism.

During the 1Q21, under this challenging environment, our consolidated turnover grew 6% yoy, our online sales increased 2.3x and our underlying EBITDA improved 14% yoy. This evolution was underpinned by Sonae MC and Worten, which registered impressive performances, both offline and online, enough to offset the lower results of the businesses most affected by the lockdown. We maintained a comfortable capital structure with a low cost of debt, an average maturity of 4 years and no refinancing needs for the next 18 months.

The last few months were also marked by important changes in the portfolio and key milestones in the execution of our corporate strategy, such as the restructuring of our operation in Worten Spain, the increase of our stake in Sonae Sierra, the launch of a partnership between Sonae FS and Banco CTT, and strong valuation increases in Sonae IM's portfolio, namely in its three unicorn investments.

I would like to reiterate my gratitude to all our employees who have continued to show tremendous dedication to serve our customers but also a truly open mindset and enthusiasm to transform operating models and accelerate our path into the future. It is this relentless pursuit of innovation and growth that drives us at Sonae, and that has really set us apart since the outbreak of Covid-19.

I am also grateful to all other stakeholders that have placed their trust in us, including our shareholders, to whom we distributed in May 17<sup>th</sup> a dividend of 4.86 euro cents per share (a total of €97 M), corresponding to a 5.0% dividend increase and a dividend yield of 7.4%\*, as approved by the AGM.

We are now ready to move forward and embrace the opportunities of a new normality. The last twelve months have put us to the test as never before, but we continued to lay the foundations for the future. Today we are a leaner, more digital, more resilient and more sustainable company. Many opportunities will arise in the aftermath of the pandemic and I am certain that Sonae will be well positioned to capture them.

Cláudia Azevedo, CEO

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\* Share price at year-end of 2020.



## Group Consolidated Performance

### 1. Brief Portfolio Update

During the 1Q21, and in terms of **portfolio activity**:

- (i) **Worten** announced its plan to optimise the Spanish operation, with the agreement to sell 17 stores to Media Markt Saturn S.A.U and close an additional 14 stores, while maintaining its successful omnichannel strategy in the Canary Islands and focusing the mainland operation on the digital channel; and
- (ii) Sonae increased its shareholding in **Sonae Sierra** to 80%, after the purchase of a 10% stake held by Grosvenor, for €82 M, following the exercise by Grosvenor of its put option right.

Already in the beginning of April, Sonae FS and Banco CTT signed a partnership agreement for the next five years, whereby Sonae FS will continue to be the single point of contact in the management, support and monitoring of Universo card customers throughout the customer lifecycle and value chain, while CTT will take the associated funding and credit risk.

Portfolio and accounting method		
Company	Stake	Consolidation method
Sonae MC	100%	Full consolidation
Worten	100%	Full consolidation
Sonae Sierra	80%	Full consolidation
Sonae Fashion	100%	Full consolidation
Sonae FS	100%	Full consolidation
Sonae IM	90%	Full consolidation
NOS	31%	Equity method
ISRG	30%	Equity method

Note: 23% stake in NOS is consolidated by equity method and 7.38% acquired by Sonae is a financial investment.

### 2. Consolidated Performance

#### P&L

Sonae's consolidated performance continued to be significantly impacted by the pandemic. It is relevant to recall that, while the last 2 weeks of March 2020 were severely hit by the effects of Covid-19, in the 1Q21 Portugal saw another strong lockdown and stores with non-essential products were forced to close again. Under this context, consolidated turnover **increased by 5.8% yoy to €1.6 bn**, once again mainly anchored by the positive performances of Sonae MC and Worten, which more than offset the negative yoy performances of Sonae Sierra and Sonae Fashion.

Following the top line trend, **underlying EBITDA** increased 14.1% to €114 M in the 1Q21, again mainly driven by the growth of both Sonae MC and Worten that more than compensated the impact from restrictions in other businesses.

Regarding EBITDA, it reached €128 M, in line with last year, backed by improved net result of both NOS/Zopt and ISRG when compared to 2020, which offset the capital gain recorded in the 1Q20 related to the Sierra Prime transaction.

In such a challenging environment, the **Direct Result stood at -€1.0 M**, significantly above last year, when a high level of Covid-19 provisions were registered. Indirect result mainly reflected the revaluation of Sonae IM's portfolio, leading **Sonae's Net result (group share)** to positive ground at €0.6 M.

€M	1Q20	1Q21	yoy
<b>Turnover</b>	<b>1,552</b>	<b>1,641</b>	5.8%
<b>Underlying EBITDA</b>	<b>100</b>	<b>114</b>	14.1%
<i>margin</i>	6.4%	6.9%	0.5 p.p.
Equity method results <sup>(1)</sup>	7	14	105.6%
o.w. Sonae Sierra	9	5	-48.9%
o.w. NOS	-1	7	-
Non-recurrent items	22	0	-99.2%
<b>EBITDA</b>	<b>128</b>	<b>128</b>	0.0%
<i>margin</i>	8.3%	7.8%	-0.4 p.p.
D&A, Prov. and Impairments	-131	-104	20.6%
<b>EBIT</b>	<b>-3</b>	<b>24</b>	-
Net Financial results	-29	-28	5.7%
Taxes	7	2	-67.8%
<b>Direct result</b>	<b>-25</b>	<b>-1</b>	96.2%
<b>Indirect result</b>	<b>-20</b>	<b>4</b>	-
<b>Net result</b>	<b>-45</b>	<b>3</b>	-
Non-controlling interests	-13	-3	79.1%
<b>Net result group share</b>	<b>-59</b>	<b>1</b>	-

(1) Equity method results: includes direct income by equity method results from Sonae Sierra statutory accounts, income related to investments consolidated by the equity method (mainly NOS/Zopt and ISRG) and discontinued operations results.

## Cash Flow, Net Debt evolution and Financial Structure

Sonae's total **capex** in 1Q21 was €126 M, significantly higher when compared to the 1Q20, mainly due to the acquisition of the additional stake in Sierra for €82 M, as operational capex stood at €41 M and below 1Q20, with our businesses continuing to invest in their value propositions as well as their digital paths.

In terms of **operational cash flow** and during the last 12 months, Sonae's diversified portfolio released €205 M, mainly fuelled by the improvement of its consolidated profitability, optimized measures of working capital and lower operational capex.

Regarding portfolio management, during the last 12 months Sonae reinforced its shareholder positions in NOS (7.38%), Salsa (50%) and more recently Sonae Sierra (10%), for a total M&A investment of €317 M (also including Sonae IM investments). This strong investment in our portfolio was partially offset by (i) €71 M of cash in from asset sales, mainly related with Sonae IM and Sonae MC sale and leaseback transactions, and (ii) by dividends received of €8 M in the period. All in all, Sonae's FCF (before dividends paid), for the last 12 months and on a comparable basis, stood at -€64 M.

After the end of the partnership with BNPP PF, Sonae FS changed the business model of its Universo credit card operation and started building its backbook in December 2020. This backbook reached €122 M at the end of 1Q21, impacting Sonae's overall debt level. Given the partnership agreed with Banco CTT in April, by which the new partner will be responsible for the funding and credit risk activities, this amount is no longer on Sonae's balance sheet.

Therefore, and in comparable terms, Sonae's consolidated net debt reached €1,397 M, a yoy €164 M increase, driven by the several acquisitions executed in the last 12 months – in particular the reinforced stakes in NOS, Sonae Sierra and Salsa. Sonae continues to hold a solid capital structure with a comfortable financing position (low cost of debt of 1.1% and an average maturity profile of 3.7 years).

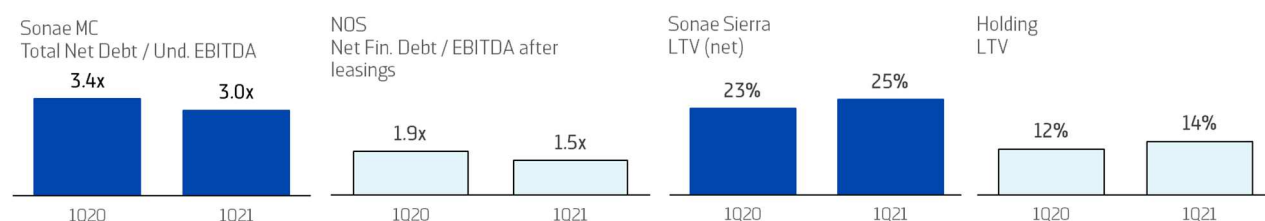
As for the leverage profile of our main businesses, Sonae MC reached a 3.0x total net debt to underlying EBITDA ratio (vs. 3.4x in 1Q20), NOS a ratio of Net financial debt to EBITDA (after leaseings) of 1.5x, and Sonae Sierra's loan-to-value stood at 25%. Finally, loan-to-value at the holding level reached 14%<sup>†</sup>.

€M	1Q20	1Q21	yoy
<b>Total capex</b>	60	126	-
<b>Operational capex</b>	55	41	-26.2%
Sonae MC	46	29	-37.1%
Worten	4	8	-
Sonae Fashion	4	2	-52.6%
Sonae IM	1	1	0.7%
Sonae FS	0	0	-
Sonae Sierra	0	0	-
<b>Financial/M&amp;A capex</b>	5	85	-

€M	L12M Dec20	L12M Mar21	var.
EBITDA (inc. rents and taxes)	413	423	2.5%
Working cap. and others*	25	31	24.2%
Operational capex	-264	-250	5.5%
<b>Operational cash flow</b>	174	205	17.8%
Net financial activity	-32	-30	6.7%
M&A capex	-237	-317	-33.6%
Sale of assets	335	71	-78.9%
Dividends received	13	8	-37.9%
<b>FCF bef. dividends (comp.)</b>	252	-64	-

\* Excludes Sonae FS backbook that impacted working capital in the difference between the end of 2020 (€32 M) and the end of the quarter (€122 M). This credit portfolio was transferred to Banco CTT in the beginning of April, under the securitization program.

€M	1Q20	YE20	1Q21
<b>Net invested capital</b>	4,975	4,751	5,059
Shareholders funds	2,550	2,440	2,357
Lease liabilities	1,193	1,208	1,183
<b>Net debt</b>	1,233	1,103	1,519
<b>Comparable</b>	1,233	1,071	1,397
Sonae FS backbook	0	32	122



<sup>†</sup> Holding Net debt excludes Sonae FS backbook

## Portfolio Performance

### 1. Fully consolidated companies

Sonae's fully consolidated portfolio faced once again a challenging quarter and delivered a very solid performance, mainly driven by Sonae MC and Worten, the two businesses which kept the majority of their stores open during the lockdown period.

€M	Turnover			Und. EBITDA margin	
	1Q20	1Q21	yoy	1Q20	1Q21
Sonae MC	1,194	1,273	6.6%	8.1%	8.6%
Worten	232	272	17.4%	3.5%	6.4%
Sonae Sierra	27	22	-17.8%	17.0%	13.7%
Sonae Fashion	78	61	-21.7%	1.2%	-
Sonae FS	9	4	-52.3%	22.4%	-
Sonae IM	26	24	-8.5%	-5.7%	0.4%
<b>Total</b>	<b>1,552</b>	<b>1,641</b>	<b>5.8%</b>	<b>6.4%</b>	<b>6.9%</b>

#### Sonae MC†

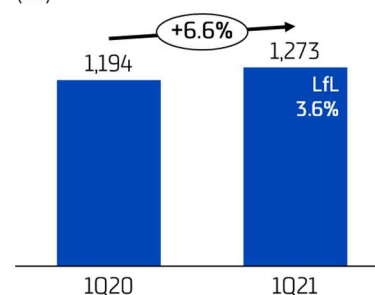
With the worsening of the pandemic situation in Portugal, the start of the year was marked by a new lockdown period that was in place during 2.5 months of the quarter.

This new lockdown benefited Sonae MC's food formats but restricted the performance of the non-food formats as most of them were closed during the period. Nevertheless, customers continued to recognise Sonae MC's strong value propositions, food formats outperformed non-food, online sales more than doubled yoy and the 1Q21 was overall positive in terms of sales growth leading to another quarter of market share gains.

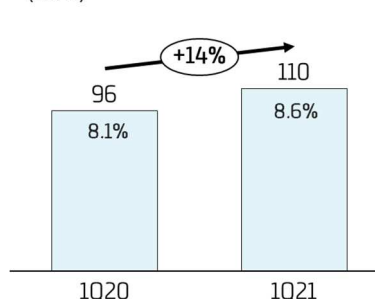
All in all, Sonae MC registered a turnover growth of 6.6% versus 1Q20 and a LfL sales growth of 3.6%, mainly underpinned by the performance of Continente formats which recorded a LfL sales growth of 4%, reaching a total turnover of €1.3 bn in the 1Q21. This figure is especially positive taking into account the negative calendar effect and the difficult comparison with the 1Q20, which registered a sales peak at the end of March as a result of the stock piling with emergency supplies after the first signs of the pandemic.

In terms of store network expansion, Sonae MC maintains its objective of expanding its proximity format, Continente Bom Dia, with investments progressing according to plan. In the 1Q21, the company opened 2 additional stores of this format out of a total of 9 new stores, representing an additional +4k square meters of sales area. At the end of 1Q21, total capex stood at €29 M, €17 M below when compared to 1Q20.

Turnover  
(€M)



Underlying EBITDA  
(€M, %)



† For more information please see Sonae MC 1Q21 results in [www.sonae.pt](http://www.sonae.pt)

Regarding profitability, underlying EBITDA increased, driven by a strong top line evolution despite being penalized by costs related to Covid-19. At the end of the 1Q21, underlying EBITDA stood at €110 M with an 8.6% margin, +55 basis points above 1Q20.

Finally, Sonae MC's net debt at the end of 1Q21 stood at €530 M (€164 M below last year) with a yoy FCF increase of €37 M in the 1Q21, and with a ratio of 3.0x total net debt/underlying EBITDA, representing a solid capital structure.

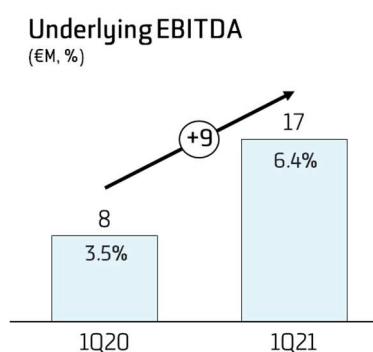
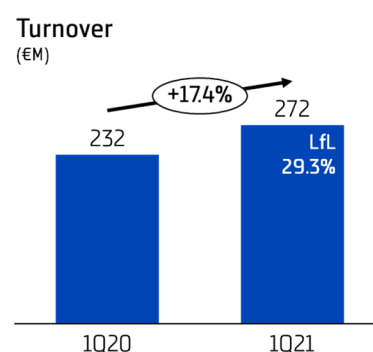
## Worten

Despite the pandemic context and the confinement constraints in place, the electronics market grew, both in Portugal and Spain, mainly driven by the online channel.

In this context, and leveraging an efficient and convenient response, Worten's total turnover jumped to €272 M at the end of 1Q21, growing by 17.4% versus 1Q20, on the back of a solid LfL sales growth of +29.3%. The online operation continues to represent a double-digit weight in total turnover, growing 2.5x yoy, with the marketplace being a key contributor. In Portugal, Worten posted a robust LfL sales performance of +28.2% as a result of a solid growth offline and, more importantly, online. This performance clearly shows Worten's strong value proposition as an omnichannel player in the Iberian market, having registered yet another quarter with market share growth in Portugal.

In Spain, a strategic repositioning was rolled out with the aim of focusing on e-commerce in Mainland, while retaining a leading omnichannel presence in the Canary Islands. As such, during the 1Q21, Worten closed 14 stores in the Mainland and sold 17 stores to Media Markt. These stores were open until the end of February and the repositioning was implemented as planned.

Regarding profitability, the underlying EBITDA grew from €8.2 M to €17.3 M at the end of 1Q21, with a margin improvement from 3.5% to 6.4%, mainly driven by the strong sales growth in Portugal.



## Sonae Sierra

Sonae Sierra's 1Q21 results continue to be affected by the Covid-19 pandemic and the consequent lockdowns across the geographies where it operates. As a result, total discounts across its European portfolio totalled 38%, with Portugal being the country most severely hit, as discounts were in the order of 47% of rents. Considering the last 12 months, total discounts in Portugal amount to 64% of rents, which compares to 28% in the remaining European countries.

Proportional basis - management accounts			
M€	1Q20	1Q21	yoy
Turnover	46	31	-32.7%
Direct results	11	5	-58.0%
Indirect results	37	-1	-
Net results	48	3	-93.2%

As is usual practice, Sonae Sierra does not conduct asset revaluations in Q1 and Q3, which typically provides more stability to Net Result. Therefore, and reflecting exceptional cost reductions, Sonae Sierra's net result stood at € 3M. Furthermore, at the end of 1Q21, Sonae Sierra's NAV, according to the INREV methodology, stood at €897 M which represents a 0.5% reduction compared to YE20, mainly affected by adverse BRL FX impact, which totally offsets the result of the period.

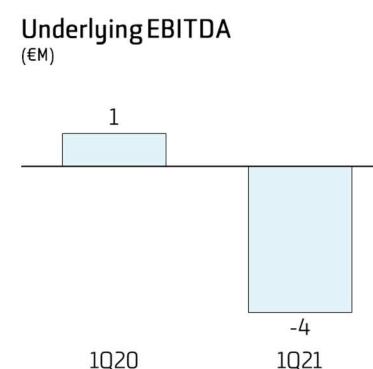
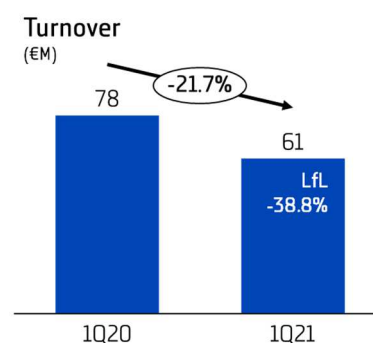
As the restrictions on traffic and opening hours are being gradually lifted, Sonae Sierra is placing a significant focus, in close collaboration with its tenants, to ensure that the entire shopping centre ecosystem is well equipped and best placed to rapidly return to normality whilst meeting the highest possible health & safety standards in an omnichannel environment.

### Sonae Fashion

Sonae Fashion was once again severely hit by the pandemic context and was one of the portfolio businesses with a more challenging start to the year. Constraints to store operations were felt across most countries (from circulation restrictions to lockdowns), but mostly in Portugal, where a full lockdown started in January 15<sup>th</sup>, leading Sonae Fashion stores to remain closed for almost 2.5 months. From March 15<sup>th</sup> onwards restrictions started to be lifted, first with sales at the wicket and later with smaller high street stores allowed to open (most stores were only allowed to operate after mid-April, with very positive post-reopening sales).

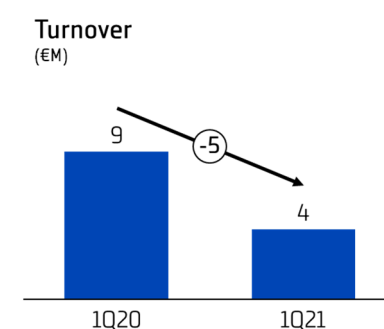
Nevertheless, online sales continued to register strong growth by doubling yoy in the quarter, leveraging a larger customer base, enhanced digital tools and processes, and a growing willingness to shop online, which helped to partially offset sales lost due to the closing of stores. Additionally, B2B businesses (wholesale and franchising) showed resilience, leading sales to a strong 1Q21 roughly aligned with 2020. Overall, this demanding context had a major impact on Sonae Fashion's activity in the first quarter of the year. Still, total turnover decreased only to €61 M in 1Q21, a negative 39% LFL against a demanding comparable last year and, according to our estimates, above the market performance.

Regarding profitability, underlying EBITDA decreased yoy to negative ground in 1Q21, at -€4 M, leveraging additional cost reduction measures that partially mitigated the sales evolution of the quarter.



### Sonae FS

Sonae FS went through a structural change of the Universo card business model. After several years working with BNPP PF as a partner for credit granting, Sonae FS decided to assume the role of credit grantor for the Universo card. In this new role, Sonae FS signed a 5-year partnership agreement with Banco CTT on the 1<sup>st</sup> of April. With this partnership, Sonae FS remains as the single point of contact in the management of all customers throughout their life cycles, while Banco CTT will be responsible for financing the credit associated with the Universo Card and for the respective inherent credit risk (through a securitization program in which Banco CTT will be the only subscribing entity).



Due to the business model change, the credit backbook only started being generated in December 2020. Since revenues are indexed to the backbook, Sonae FS' turnover naturally shows a discontinuity that will be mitigated over the coming

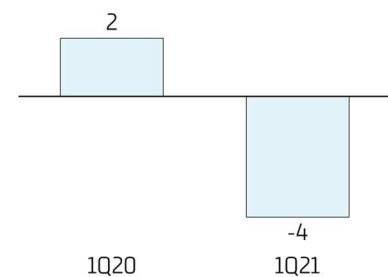


months with the growth of the credit stock. Nevertheless, it is worth highlighting that Universo's market share in the first quarter was 16.2% (+1.5 p.p. above 4Q20) and its digital strategy led to 470k digital clients at the end of the 1Q21 (+42k vs the end of 2020).

In any case, it should be noted that the company's activity continued to be affected by a reduction in private consumption in a lockdown context, resulting in decreases especially in business lines such as ATM withdrawals, personal loans and store purchases.

Overall, in the 1Q21, turnover stood at €4 M, decreasing by €5 M versus 1Q20, and profitability evolved from €2 M in 1Q20 to -€4 M in 1Q21.

**Underlying EBITDA**  
(€M)

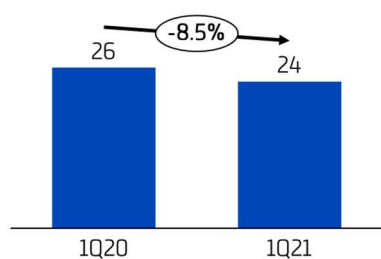


### Sonae IM

Sonae IM continues to be among the businesses least impacted by the pandemic, proving the resilience of the technology companies in the portfolio.

During the first quarter, and with regard to portfolio changes, Sonae IM added a new company to the portfolio, Sellforte (retail technology). Sellforte is based in Finland and has an AI-powered marketing optimization platform that helps CMOs and other C-level decision-makers to make advised decisions based on their own marketing, sales, and promotion data. Besides this new investment, Sonae IM made some follow-on investments in its portfolio companies.

**Turnover**  
(€M)



The last months were also marked by important achievements in some minority investments: i) Feedzai, indirectly held by Armilar Funds, announced a series D round with an implicit valuation that turned the company into a unicorn; ii) Outsystems – that reached a unicorn valuation back in 2018 – announced a 150 million USD capital raise, co-led by Abdiel Capital and Tiger Global, at an underlying valuation of 9.5 billion USD, which is a strong sign of the company's recent track record and future prospects; and iii) already in 2Q21, and following a secondary market transaction, Sonae IM sold part of its stake in Arctic Wolf, resulting in a gross capital gain of circa 12.3 million euros and a gross cash-in of 36.4 million euros.

Sonae IM's turnover in the 1Q21 stood at €24 M, a decrease of €2 M when compared to last year, mainly explained by lower transactional activity of third-party products in spite of being partially offset by a strong performance of the cybersecurity area, which continued to record double-digit growth. As for profitability, there were relevant improvements in cybersecurity companies, with underlying EBITDA increasing €1.6 M when compared to the 1Q20.

## 2. Equity consolidated companies

The equity method results line in Sonae's P&L is mainly related with: (i) the equity method contribution line of Sonae Sierra' statutory accounts, which corresponds to the shopping centres in which the company holds minority stakes, (ii) Sonaecom's indirect 26% stake in NOS, and (iii) ISRG's net result.

€M	1Q20	1Q21	yoy
Sonae Sierra	9	5	-48.9%
NOS/Zopt	-1	7	-
ISRG	3	5	76.1%

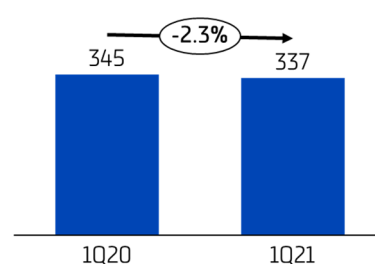
During 1Q21, all of these businesses were once again impacted by the pandemic context, although results were overall better than in the 1Q20.

### NOS

NOS already published its 1Q21 results on May 11<sup>th</sup>. During the 1Q21, the telco division proved once again its resilience and delivered a healthy performance, while the media and entertainment division was seriously hit as cinema theatres were closed throughout the period.

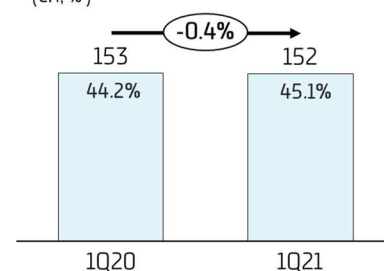
In terms of revenues, the core telecom business recorded a solid growth of 0.8% yoy to €336 M but was not able to offset the negative impact in cinemas, as Media and Entertainment (M&E) revenues declined 55.4% yoy. As a result, consolidated turnover decreased by 2.3% yoy to €337 M at the end of the 1Q21.

Turnover (€M)



Regarding profitability, Telco EBITDA increased 1.2% yoy to €143.5 M and consolidated EBITDA stood practically in line with 1Q20 at €152 M. Net income recorded a significant improvement yoy in the 1Q21 to €30.5 M, implying a higher equity method contribution to Sonae's accounts, mostly due to the high level of negative non-recurrent items registered in 1Q20, the majority of which related to the reinforcement of operating provisions related with the pandemic.

EBITDA  
(€M, %)



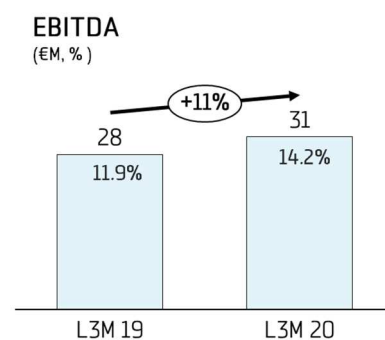
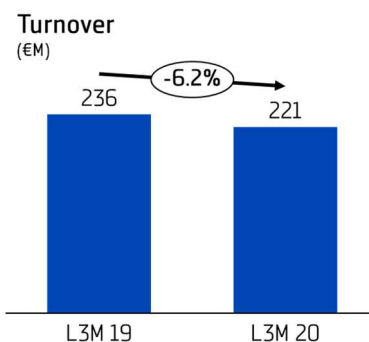
Free Cash Flow before dividends reached €21.2 M in 1Q21, 38.8% below 1Q20, mainly reflecting the higher capex and lease payments during the period. NOS once again posted a solid and conservative capital structure, with a Net Financial Debt / EBITDA (after lease payments) of 1.5x, an all-in average cost of debt of 1.6% and an average maturity profile of 2.3 years.

ISRG <sup>§</sup>

For ISRG, the last quarter of 2020 saw sales decreasing only by 6% yoy, a much better performance than in previous quarters, which had been more impacted by Covid-19 restrictions. Nevertheless, the L3M 20 was also affected by some restrictions associated with the pandemic, both in Portugal and Spain, ending with the shutdown of all stores in Portugal in the last weeks of the quarter (January 2021).

Regarding profitability, this was also a quarter of recovery with EBITDA reaching €31 M, €3 M above last year, mainly due to the company's cost saving measures during the period.

ISRG's performance allowed for an equity method contribution to Sonae's results of €4.6 M.



<sup>§</sup> Due to calendar reporting dates of JD Sports (the main shareholder of the JV), ISRG figures for the L3M 20 ended last January 30<sup>th</sup>.

## Corporate Information

### Main announcements in the 1Q21

January 13<sup>th</sup>

Sonae informed on the reorganisation of the Spanish operation of its subsidiary Worten – Equipamentos do Lar, S.A.

January 29<sup>th</sup>

Sonae informed on Sonae MC 2020 Trading Statement.

March 1<sup>st</sup>

Sonae - SGPS, SA informed about the completion of the transaction by its subsidiary Worten Equipamentos do Lar, S.A. with Media Markt Saturn S.A.U.

March 5<sup>th</sup>

Sonae informed about communication received from Grosvenor Investments (Portugal) S.Àr.L.

March 17<sup>th</sup>

Completion of the purchase of 10% of the share capital of Sonae Sierra held by Grosvenor Investments (Portugal) S.Àr.L., for the price of €82.16 million, following the exercise by Grosvenor of its put option right, as announced to the market on March 5<sup>th</sup>. The main impact of this transaction on the Group's consolidated financial statements will be the transfer of Reserves from "Non-Controlling Interests" to "Equity Holders of the Parent Company", since Sonae already holds a controlling shareholding of 70% in Sonae Sierra.

### Subsequent Events

April 1<sup>st</sup>

Sonae informed on partnership between Sonae Financial Services and Banco CTT and informed on Annual Report 2020.

April 30<sup>th</sup>

Sonae informed on resolutions taken at Sonae's AGM and about dividend payment.

Sonae also informed about Sonae MC Annual Report 2020.

Following a secondary market transaction, Sonae IM sold part of its stake in Arctic Wolf, resulting in a gross capital gain of circa 12.3 million euros and a gross cash-in of 36.4 million euros.



## Consolidated Balance Sheet

M€	1Q20	2020	1Q21
<b>TOTAL ASSETS</b>	<b>7,924</b>	<b>8,149</b>	<b>8,107</b>
<b>Non current assets</b>	<b>6,254</b>	<b>6,328</b>	<b>6,252</b>
Net fixed assets	2,088	2,108	2,088
Net Rights of Use	1,055	1,054	1,026
Goodwill	680	671	663
Investment properties	348	319	319
Other investments	1,692	1,776	1,755
Deferred tax assets	337	358	353
Others	53	41	47
<b>Current assets</b>	<b>1,670</b>	<b>1,821</b>	<b>1,855</b>
Stocks	623	636	617
Trade debtors*	119	148	253
Liquidity	625	767	711
Others	302	271	274
<b>SHAREHOLDERS' FUNDS</b>	<b>2,550</b>	<b>2,440</b>	<b>2,357</b>
Equity holders	2,035	1,993	1,992
Attributable to minority interests	515	447	365
<b>LIABILITIES</b>	<b>5,374</b>	<b>5,709</b>	<b>5,751</b>
<b>Non-current liabilities</b>	<b>3,420</b>	<b>3,404</b>	<b>3,587</b>
Bank loans	1,170	1,007	1,253
Lease liabilities	1,083	1,100	1,079
Other loans	562	690	679
Deferred tax liabilities	469	479	471
Provisions	41	47	19
Others	95	81	86
<b>Current liabilities</b>	<b>1,954</b>	<b>2,305</b>	<b>2,163</b>
Bank loans	149	177	303
Lease liabilities	109	107	105
Other loans	4	16	12
Trade creditors	1,084	1,339	1,139
Others	607	666	604
<b>SHAREHOLDERS' FUNDS + LIABILITIES</b>	<b>7,924</b>	<b>8,149</b>	<b>8,107</b>

\* includes Sonae FS backbook in 2020 and 1Q21.

## Sonae Sierra' statutory accounts

€M	1Q20	1Q21	yoy
Turnover	27	22	-17.8%
Underlying EBITDA	5	3	-33.7%
margin	17.0%	13.7%	-3.3 p.p.
Equity method results	9	5	-48.9%
Non-recurrent items	59	0	-
EBIT	72	7	-90.4%
Net Financial results	-3	-2	35.8%
Taxes	0	0	75.9%
Direct result	69	5	-
Indirect result	-20	-1	-
Net result	49	4	-
Non-controlling interests	-1	0	-
Net result group share	48	3	-

## Methodological Notes

The consolidated financial information contained in this report was prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The financial information regarding quarterly and semi-annual figures was not subject to audit procedures.

Sonae adopted the IFRS16 accounting standard in 2019.

## Glossary

Capex	Investments in tangible and intangible assets and investments in acquisitions. For NOS it includes right of use.
Direct results	Results before non-controlling interests excluding contributions to indirect results.
(Direct) EBIT	Direct EBT - financial results.
EBITDA	Underlying EBITDA + equity method results + non-recurrent items.
EBITDA margin	EBITDA / turnover.
(Direct) EBT	Direct results before taxes.
EoP	End of period.
Indirect results	Includes S. Sierra's results, net of taxes, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses of non-current assets (including goodwill) and (iv) provision for assets at risk. Additionally and concerning Sonae's portfolio, it incorporates: (i) impairments in retail real estate properties; (ii) reductions in goodwill; (iii) provisions (net of taxes) for possible future liabilities and impairments related with non-core financial investments, businesses, assets that were discontinued (or in the process of being discontinued/repositioned); (iv) results from mark to market methodology of other current investments that will be sold or exchanged in the near future; and (v) other non-relevant issues.
Investment properties	Shopping centres in operation owned and co-owned by Sonae Sierra.
Lease Liabilities	Net present value of payments to use the asset.
Like for Like sales (Lfl)	Sales made by stores that operated in both periods under the same conditions. Excludes stores opened, closed or which suffered major upgrade works in one of the periods.
Loan to Value (LTV) - Holding	Holding net debt (average) / NAV of the investment portfolio plus Holding net debt (average).
Loan to Value (LTV) - Sonae Sierra	Net debt / (Investment properties + properties under development), on a proportional basis.
INREV NAV S. Sierra	Open market value attributable to Sonae Sierra - net debt - minorities + deferred tax liabilities.
Net asset value (NAV) of the investment portfolio	Market multiple approach to each one of Sonae's businesses - average net debt - minorities (book value)
Net debt	Bonds + bank loans + other loans + financial leases + shareholder loans - cash - bank deposits - current investments - other long-term financial applications.
Net financial debt	Net debt excluding shareholders' loans.
Net invested capital	Total net debt + total shareholders' funds.
Online sales	Total e-commerce sales, including online marketplaces.
Open Market Value (OMV)	Fair value of properties in operation (% of ownership), provided by independent international entities and book value of development properties (% of ownership).
Other loans	Bonds, leasing and derivatives.
Right of use (RoU)	Lease liability at the beginning of the lease adjusted for, initial direct costs, advance rent payments and possible lease discounts.
RoIC	Return on invested capital.
Total Net Debt	Net Debt + lease liabilities
Underlying EBITDA	Recurrent EBITDA from the businesses consolidated using the full consolidation method.
Underlying EBITDA margin	Underlying EBITDA / turnover.

# **CONSOLIDATION FINANCIAL STATEMENTS**

**1<sup>st</sup> Quarter 2021**



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2021 AND 2020 AND 31 DECEMBER 2020

(Amounts expressed in euro)

(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)

	Notes	31 Mar 2021	31 Mar 2020	31 Dec 2020
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS:</b>				
Property, plant and equipment	5	1,673,414,622	1,690,241,869	1,695,077,660
Intangible assets	6	415,009,083	398,051,773	413,375,902
Right of use assets	7	1,026,076,878	1,055,444,242	1,053,829,561
Investment properties		319,431,332	347,948,654	319,417,528
Goodwill		663,380,791	680,232,194	670,816,144
Investments in joint ventures and associates	8	1,519,770,247	1,608,604,206	1,548,383,214
Assets at fair value through results	9	104,409,206	58,367,252	97,668,772
Assets to fair value through other comprehensive income	9	116,160,597	5,344,810	115,903,789
Other investments		14,437,948	19,453,561	14,266,208
Deferred tax assets	10	352,825,144	337,183,834	358,072,804
Other non-current assets		46,893,386	53,106,522	41,232,738
<b>Total Non-Current Assets</b>		<b>6,251,809,234</b>	<b>6,253,978,917</b>	<b>6,328,044,320</b>
<b>CURRENT ASSETS:</b>				
Inventories		617,317,414	623,489,335	636,072,241
Trade receivables and other current assets	11	430,064,158	307,450,423	330,432,920
Income tax assets		44,782,456	45,690,933	37,711,054
Other tax assets		51,130,245	39,186,847	42,016,611
Investments		5,750,506	2,634,324	3,345,882
Cash and bank balances		705,362,796	622,499,907	763,302,610
<b>Total Current Assets</b>		<b>1,854,407,575</b>	<b>1,640,951,769</b>	<b>1,812,881,318</b>
Assets classified as held for sale		976,129	28,744,576	8,001,633
<b>TOTAL ASSETS</b>		<b>8,107,192,938</b>	<b>7,923,675,262</b>	<b>8,148,927,271</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY:</b>				
Share capital		2,000,000,000	2,000,000,000	2,000,000,000
Own shares		(93,340,758)	(99,806,645)	(93,340,758)
Legal reserve		277,452,299	268,028,145	277,452,299
Reserves and retained earnings		(192,882,058)	(74,626,825)	(262,266,902)
Profit/(Loss) for the period attributable to the equity holders of the Parent Compar		641,289	(58,732,063)	70,944,578
<b>Equity attributable to the equity holders of the Parent Company</b>		<b>1,991,870,772</b>	<b>2,034,862,612</b>	<b>1,992,789,217</b>
<b>Equity attributable to non-controlling interests</b>	12	<b>364,753,373</b>	<b>514,891,850</b>	<b>447,063,129</b>
<b>TOTAL EQUITY</b>		<b>2,356,624,145</b>	<b>2,549,754,462</b>	<b>2,439,852,346</b>
<b>LIABILITIES:</b>				
<b>NON-CURRENT LIABILITIES:</b>				
Loans	13	1,932,270,724	1,732,337,509	1,696,403,314
Lease liabilities	7	1,078,641,538	1,083,105,560	1,100,459,060
Other non-current liabilities		86,412,777	94,920,788	80,942,994
Deferred tax liabilities	10	471,201,389	468,623,848	479,103,073
Provisions	14	18,810,302	41,165,881	47,032,991
<b>Total Non-Current Liabilities</b>		<b>3,587,336,730</b>	<b>3,420,153,586</b>	<b>3,403,941,432</b>
<b>CURRENT LIABILITIES:</b>				
Loans	13	315,711,559	153,025,137	193,356,993
Lease liabilities	7	104,717,172	109,456,912	107,387,576
Trade payables and other current liabilities		1,640,499,884	1,568,053,759	1,871,039,085
Income tax liabilities		19,201,689	16,257,732	16,148,599
Other tax liabilities		75,573,676	84,294,132	96,992,405
Provisions	14	7,528,083	20,955,937	16,344,127
<b>Total Current Liabilities</b>		<b>2,163,232,063</b>	<b>1,952,043,609</b>	<b>2,301,268,785</b>
Liabilities directly associated with assets classified as held for sale		-	1,723,605	3,864,708
<b>TOTAL LIABILITIES</b>		<b>5,750,568,793</b>	<b>5,373,920,800</b>	<b>5,709,074,925</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,107,192,938</b>	<b>7,923,675,262</b>	<b>8,148,927,271</b>

The accompanying notes are part of these condensed consolidated financial statements.

## CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021 AND 2020

(Amounts expressed in euro)

(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)

	Notes	31 Mar 2021	31 Mar 2020
Sales	4	1,571,659,532	1,471,272,921
Services rendered	4	69,433,284	80,461,066
Income or expense relating to investments	15	(1,165,882)	21,840,237
Gains and losses on investments recorded at fair value through results		4,128,897	-
Financial income	17	10,122,173	3,159,620
Other income	16	37,754,353	24,301,535
Cost of goods sold and materials consumed		(1,145,538,817)	(1,120,040,462)
(Increase) /Decrease in production		(724,452)	421,923
External supplies and services		(174,331,413)	(160,512,245)
Employee benefits expense		(223,679,728)	(224,376,679)
Depreciation and amortisation expenses	5,6 and 7	(84,541,074)	(84,369,480)
Impairment losses	14	(11,589,700)	(849,451)
Provisions	14	(4,495,611)	(19,180,265)
Financial expense	17	(37,701,842)	(32,515,533)
Other expenses		(22,728,276)	(16,566,654)
Share of results of joint ventures and associates	8	18,818,960	7,493,466
<b>Profit/(Loss) before taxation from continuing operations</b>		<b>5,420,404</b>	<b>(49,460,001)</b>
Income tax expense		157,367	5,777,662
<b>Profit/(Loss) after taxation from continuing operations</b>		<b>5,577,771</b>	<b>(43,682,339)</b>
Profit/(Loss) from discontinued operations after taxation		(2,161,273)	(1,778,316)
<b>Consolidated profit/(Loss) for the period</b>		<b>3,416,498</b>	<b>(45,460,655)</b>
<b>Attributable to equity holders of the Parent Company:</b>			
Continuing operations	19	2,802,562	(56,953,747)
Discontinued operations	19	(2,161,273)	(1,778,316)
		<b>641,289</b>	<b>(58,732,063)</b>
<b>Attributable to non-controlling interests:</b>			
Continuing operations		2,775,209	13,271,408
Discontinued operations		-	-
	12	<b>2,775,209</b>	<b>13,271,408</b>
<b>Profit/(Loss) per share</b>			
<b>From continuing operations</b>			
Basic	19	0.001467	(0.029912)
Diluted	19	0.001371	(0.027986)
<b>From discontinued operations</b>			
Basic	19	(0.001131)	(0.000934)
Diluted	19	(0.001057)	(0.000874)

The accompanying notes are part of these condensed consolidated financial statements.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED 31 MARCH 2021 AND 2020

(Amounts expressed in euro)

(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)

	Notes	31 Mar 2021	31 Mar 2020
Net Profit / (Loss) for the period		3,416,498	(45,460,655)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		1,873,993	8,191,675
Share of other comprehensive income of joint ventures and associates	8	(10,394,275)	(64,097,394)
Changes in cash flow hedging reserve		3,762,330	398,078
Income tax relating to items that may be reclassified subsequently to profit or loss		(355,800)	(228,414)
Others		125,760	126,653
		(4,987,992)	(55,609,402)
Items that won't be reclassified subsequently to profit or loss:			
Changes value of financial assets at fair value		256,808	-
<b>Total other comprehensive income for the period</b>		<b>(4,731,184)</b>	<b>(55,609,402)</b>
<b>Total comprehensive income for the period</b>		<b>(1,314,686)</b>	<b>(101,070,057)</b>
Attributable to:			
Equity holders of parent company		(2,415,613)	(97,108,901)
Non controlling interests		1,100,927	(3,961,156)

The accompanying notes are part of these condensed consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED 31 MARCH 2021 AND 2020

(Amounts expressed in euro)

(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)

(Amounts expressed in euro)	Notes	Share Capital	Own Shares	Legal Reserve	Reserves and Retained Earnings				Total Reserves and Retained Earnings	Net Profit/(Loss)	Total	Non controlling Interests (Note 12)	Total Equity
					Currency Translation Reserve	Investments Fair Value Reserve	Cash-flow Hedging Reserve	Other Reserves and Retained Earnings					
					Attributable to Equity Holders of Parent Company								
Balance as at 1 January 2020		2,000,000,000	(99,806,645)	268,028,145	(7,400,437)	4,137,942	(673,747)	(197,657,962)	(201,594,204)	165,221,904	2,131,849,200	974,714,342	3,106,563,542
Total comprehensive income for the period		-	-	-	6,858,058	-	466,740	(45,701,636)	(38,376,838)	(58,732,063)	(97,108,901)	(3,961,156)	(101,070,057)
Appropriation of consolidated net profit of 2019													
Transfer to legal reserves and retained earnings		-	-	-	-	-	-	165,221,904	165,221,904	(165,221,904)	-	-	-
Dividends distributed		-	-	-	-	-	-	-	-	-	-	(75,753,438)	(75,753,438)
Obligation fulfilled by share attribution to employees		-	-	-	-	-	-	1,248,615	1,248,615	-	1,248,615	20,651	1,269,266
Capital decrease		-	-	-	-	-	-	-	-	-	-	(23,952,884)	(23,952,884)
Loss of control of subsidiaries		-	-	-	-	-	-	-	-	-	-	(356,522,582)	(356,522,582)
Others		-	-	-	-	-	-	(1,126,302)	(1,126,302)	-	(1,126,302)	346,917	(779,385)
Balance as at 31 March 2020		2,000,000,000	(99,806,645)	268,028,145	(542,379)	4,137,942	(207,007)	(78,015,381)	(74,626,825)	(58,732,063)	2,034,862,612	514,891,850	2,549,754,462
Balance as at 1 January 2021		2,000,000,000	(93,340,758)	277,452,299	(7,400,437)	4,137,942	(673,747)	(258,330,660)	(262,266,902)	70,944,578	1,992,789,217	447,063,129	2,439,852,346
Total comprehensive income for the period		-	-	-	1,663,519	213,425	3,259,562	(8,193,408)	(3,056,902)	641,289	(2,415,613)	1,100,927	(1,314,686)
Appropriation of consolidated net profit of 2020													
Transfer to legal reserves and retained earnings		-	-	-	-	-	-	70,944,578	70,944,578	(70,944,578)	-	-	-
Income distribution from investment funds		-	-	-	-	-	-	-	-	-	-	(120,104)	(120,104)
Obligation fulfilled by share attribution to employees		-	-	-	-	-	-	714,843	714,843	-	714,843	11,449	726,292
Variation in percentage of subsidiaries		-	-	-	-	-	-	1,141,158	1,141,158	-	1,141,158	(83,300,433)	(82,159,275)
Others		-	-	-	-	-	-	(358,833)	(358,833)	-	(358,833)	(1,595)	(360,428)
Balance as at 31 March 2021		2,000,000,000	(93,340,758)	277,452,299	(5,736,918)	4,351,367	2,585,815	(194,082,322)	(192,882,058)	641,289	1,991,870,772	364,753,373	2,356,624,145

The accompanying notes are part of these condensed consolidated financial statements.



## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2021 AND 2020

(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails)

(Amounts expressed in euro)	Notes	31 mar 2021	31 mar 2020
<b>OPERATING ACTIVITIES</b>			
Net cash generated from operating activities (1)		(232,394,067)	(178,595,055)
<b>INVESTMENT ACTIVITIES</b>			
Receipts arising from:			
Investments		5,299,448	268,696,156
Property, plant and equipment and intangible assets		4,769,430	7,583,435
Interests and similar income		788,033	502,693
Loans granted		-	2,368,303
Dividends		1,203,463	3,947,017
Others		1,706,306	-
		13,766,680	283,097,604
Payments arising from:			
Investments		(86,034,844)	(6,410,749)
Property, plant and equipment and intangible assets		(64,524,719)	(70,673,244)
Loans granted		(677,515)	(2,164,209)
Others		(1,268,663)	(19,650,150)
		(152,505,741)	(98,898,352)
Net cash used in/ generated by investment activities (2)		(138,739,061)	184,199,252
<b>FINANCING ACTIVITIES</b>			
Receipts arising from:			
Loans, bonds and finance leases	13	1,295,624,102	1,629,586,898
Capital increases, additional paid in capital and share premiums		-	19,050,000
		1,295,624,102	1,648,636,898
Payments arising from:			
Lease contracts		(41,301,944)	(46,739,632)
Loans, bonds and finance leases		(937,448,119)	(1,533,103,774)
Interests and similar charges		(6,477,196)	(5,656,759)
Reimbursement of capital and paid in capital		-	(348,798)
Dividends		(120,104)	(74,522,088)
		(985,347,363)	(1,660,371,051)
Net cash used in financing activities (3)		310,276,739	(11,734,153)
Net increase (decrease) in cash and cash equivalents (4) = (1) + (2) + (3)		(60,856,389)	(6,129,956)
Effect of exchange rate changes on the balance of cash held in foreign currencies		(56,041)	167,058
Effect of discontinued operations		(85,275)	(131,653)
Cash and cash equivalents at the beginning of the period		752,173,451	623,269,608
Cash and cash equivalents at the end of the period		691,287,828	616,840,941

The accompanying notes are part of these condensed consolidated financial statements.

# SONAE, SGPS, SA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 MARCH 2021

(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails)

(Amounts stated in euros)

#### 1. Introduction

SONAE, SGPS, SA ("Sonae Holding") has its head-office at Lugar do Espido, Via Norte, Apartado 1011, 4470-909 Maia, Portugal, and is the parent company of a group of companies. Sonae's operations and operating segments are described in Note 4.

#### 2. Covid-19 update

In the year of 2021, the Covid-19 outbreak continued to have a significant impact in our activities. After a period of gradual lifting of the confinement measures in the last quarter of 2020, on January 7, 2021, after the worsening of the pandemic situation with a high transmission rate and an increasing number of deaths, it was formally declared a new state of emergency and a new national lockdown that lasted almost the whole quarter. Only on March 11<sup>th</sup> did the Government approve a plan for the gradual and flexible deconfinement according to the risk level, already in April the level of emergency was reduced. The pandemic caused series of important impacts, such as changes in the consumption patterns, decrease of tourism and restrictions to gatherings/ physical distancing, which continued to affect several of our businesses this quarter.

#### 3. Principal accounting policies

The principal accounting policies adopted in preparing the accompanying consolidated financial statements are described below. These policies have been consistently applied in comparative periods.

##### Basis of presentation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the IFRS Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC"), as adopted by the European Union as from the consolidated financial statements issuance date.

Interim condensed consolidated financial statements are presented quarterly, in accordance with IAS 34 – "Interim Financial Reporting". As such, they do not include all the information to be disclosed in the annual consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the previous year.

The accompanying condensed consolidated financial statements have been prepared from the books and accounting records of the company and subsidiaries, adjusted in the consolidation process, on a going concern basis and under the historical cost convention, except for some financial instruments and properties investments which are stated at fair value.

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

Up to the date of approval of these consolidated financial statements, the European Union endorsed the following standards, interpretations, amendments and revisions some of which become mandatory during the year 2021:

With mandatory application during the year 2021:		Effective date (for financial years beginning on or after)
IFRS 4 Insurance Contracts – deferral of IFRS 9	End of the deferral of the beginning of the application of IFRS 9 for entities with insurance activity, postponed to 1 January 2023	01 Jan 2021
IFRS 9, IAS 39, IFRS 7, IFRS 4 e IFRS 16 – Interest Rate Benchmark Reform – Phase 2	Additional exemptions related to the impacts of the reform of the reference interest rates ("IBOR"), and especially the replacement of a reference interest rate by another alternative in the financial instruments traded	01 Jan 2021

These standards were first applied by the Group in 2021, however, the impacts were not relevant in the accompanying financial statements.

The following standards, interpretations, amendments and revisions were not at to the date of approval of these consolidated financial statements endorsed by the European Union:

With mandatory application after 2021		Effective date (for financial years beginning on or after)
IFRS 16 Leases Covid 19 - Related Rent Concessions	Proposal to extend the application of the practical expedient on rental rents that affect payments originally due on or before June 2022.	01 Apr 2021
IAS 16 Property, Plant and Equipment	The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	01 Jan 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Clarification regarding the nature of costs a company should include when assessing whether a contract will be loss-making	01 Jan 2022
Annual Improvements 2018-2020	Amendments to IFRS 1, IFRS 9, IFRS 16 e IAS 41	01 Jan 2022
IFRS 3 Business Combinations	Update to references to the Conceptual Framework and clarification on the registration of provisions and contingent liabilities within the scope of a business combination	01 Jan 2022
IAS 1 Presentation of Financial Statements	Classification of a liability as current or non-current, depending on the right that an entity has to defer its payment New definition of "settlement" of a liability	01 Jan 2023
IAS 1 Presentation of Financial Statements; IAS 8 Accounting policies, Changes in Accounting Estimates and Errors	Amendments introduced a definition of 'accounting estimates' and included other amendments to IAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates	01 Jan 2023
IFRS 17 Insurance Contracts	New accounting for insurance contracts, reinsurance contracts and investment contracts with discretionary	01 Jan 2023
IFRS 17 Insurance Contracts (amendments)	Inclusion of changes to IFRS 17 in areas such as: i) scope; ii) level of aggregation of insurance contracts; iii) recognition; iv) measurement; v) modification and derecognition; vi) presentation of the Statement of Financial	01 Jan 2023
IAS 12 Income Taxes	Clarification of the accounting for deferred tax on leases and decommissioning obligations.	01 Jan 2023

The Group did not proceed with the early implementation of any of these standards in the financial statements for the year ended 31 March 2021 since their application is not mandatory, lying in the process of analysing expected effects of those standards.

## 4. Segment information

Sonae has in its portfolio 8 business segments:

- Sonae MC is the food retail unit that owns the brands Continente, Continente Modelo, Continente Bom Dia, Go Natural, Well's, Arenal and the franchised shops Meu Super, and also includes Maxmat and the operational assets of Sonae RP;
- Worten is one of the Iberian electronics retail players;
- Sonae Sierra is the subsidiary dedicated to the activity of development and management of shopping malls;
- Sonae Fashion incorporates a network of own clothing shops combined with a franchising network;
- Sonae FS aims to boost retail financial services;
- Sonae IM has the objective of building and managing a portfolio of technology-based companies related to retail and telecommunications;
- NOS is the partnership that the group holds through Zopt dedicated to telecommunications; and
- Iberian Sports Retail Group (ISRG), a partnership with a network of sports stores in Spain and Portugal.

These operating segments have been identified taking into consideration that each of these segments have separate identifiable revenues and costs, separate financial information is produced, and its operating results are reviewed by management on which it makes decisions.

### Financial information per business segment

The main operating segment information as at 31 March 2021 and 2020 can be detailed as follows:

31 Mar 2021	Turnover	Depreciation and amortisation <sup>(3)</sup>	Provisions and impairment losses <sup>(3)</sup>	EBIT	Financial results <sup>(3)</sup>	Income tax
Sonae MC	1,273,088,754	(62,860,382)	(9,435,232)	35,281,179	(20,084,319)	(2,818,727)
Worten	271,864,878	(8,221,574)	(3,656,713)	3,012,699	(1,293,412)	(2,395,368)
Sonae Sierra	22,216,135	(759,718)	(1,438,295)	6,908,264	(2,007,141)	(26,372)
Sonae Fashion	60,996,226	(8,802,526)	(59,323)	(20,883,023)	(1,587,804)	4,772,317
Sonae FS	4,460,555	(559,995)	(975,611)	(5,863,334)	(207,315)	1,592,233
Sonae IM	23,519,773	(1,808,056)	(61,763)	(1,607,094)	192,847	313,354
NOS	-	-	-	6,931,092	-	-
ISRG	-	-	-	4,601,780	-	-
Other, eliminations and adjustments <sup>(1)</sup>	(15,053,505)	(1,528,823)	(268,348)	(3,933,611)	(2,592,525)	731,757
<b>Total consolidated - Direct</b>	<b>1,641,092,816</b>	<b>(84,541,074)</b>	<b>(15,895,285)</b>	<b>24,447,952</b>	<b>(27,579,669)</b>	<b>2,169,194</b>

31 Mar 2020	Turnover	Depreciation and amortisation <sup>(3)</sup>	Provisions and impairment losses <sup>(3)</sup>	EBIT	Financial results <sup>(3)</sup>	Income tax
Sonae MC	1,194,272,151	(60,866,107)	(744,461)	33,601,309	(20,557,315)	(2,837,882)
Worten	231,655,289	(9,928,486)	(669,818)	(25,270,250)	(1,541,213)	2,334,880
Sonae Sierra	27,025,764	(778,180)	121,678	35,082,923	(3,142,244)	(287,925)
Sonae Fashion	77,930,885	(9,086,792)	(331,678)	(35,072,434)	(1,404,818)	5,195,744
Sonae FS	9,360,329	(214,850)	-	(1,147,031)	66,178	115,948
Sonae IM	25,700,308	(1,924,845)	(104,743)	(3,595,115)	(462,569)	391,869
NOS	-	-	-	(1,000,368)	-	-
ISRG	-	-	-	2,612,708	-	-
Other, eliminations and adjustments <sup>(1)</sup>	(14,210,739)	(1,570,220)	-	(7,746,015)	(2,313,932)	1,814,392
<b>Total consolidated - Direct</b>	<b>1,551,733,987</b>	<b>(84,369,480)</b>	<b>(1,729,022)</b>	<b>(2,534,273)</b>	<b>(29,355,913)</b>	<b>6,727,026</b>



	31 Mar 2021			31 Mar 2020		
	Investment (CAPEX)	Invested capital	Financial net debt <sup>(2)</sup>	Investment (CAPEX)	Invested capital	Financial net debt <sup>(2)</sup>
Sonae MC	29,204,977	2,527,947,070	1,619,814,621	46,421,212	2,526,910,449	1,689,234,296
Worten	8,364,282	32,263,473	-	3,895,170	120,774,130	-
Sonae Sierra	145,760	912,223,260	38,419,078	1,563,540	1,009,037,774	17,298,833
Sonae Fashion	1,765,381	325,610,222	-	3,728,168	335,327,156	-
Sonae FS	353,855	145,901,333	-	166,000	10,553,781	-
Sonae IM	3,391,732	230,095,067	6,085,467	4,286,461	187,461,617	25,471,841
NOS	-	779,174,582	-	-	640,416,097	-
ISRG	-	88,506,898	-	-	84,319,339	-
Other, eliminations and adjustments <sup>(1)</sup>	82,465,712	16,919,097	1,037,697,654	240,476	60,564,314	693,605,204
<b>Total consolidated</b>	<b>125,691,699</b>	<b>5,058,641,002</b>	<b>2,702,016,820</b>	<b>60,301,027</b>	<b>4,975,364,657</b>	<b>2,425,610,175</b>

- 1) Include Sonae individual accounts;
- 2) These captions are accompanied by management in more aggregated form, and not allocated to individual operating segments identified above;
- 3) Reconciled information in note 20.

The caption "Others, eliminations and adjustments" can be analyzed as follows:

	Investment		Invested capital	
	31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020
Inter-segment intra-groups and contributions of entities non-individualized entities as segments	306,437	240,476	77,958,408	128,519,421
Aquisition of an additional 10% of Sonae Sierra (note 12)	82,159,275	-	-	-
Cash settled equity swap	-	-	(61,039,311)	(67,955,107)
	<b>82,465,712</b>	<b>240,476</b>	<b>16,919,097</b>	<b>60,564,314</b>

All performance measures are reconciled to the financial statements in Note 20.

Glossary:

Net Invested capital = Net debt + Shareholder funds;

Net Financial Debt = Bonds + bank loans + other loans + financial leases - cash, bank deposits, current investments, excluding other long-term investments + lease liabilities;

Others, eliminations and adjustments = Intra-groups + consolidation adjustments + contributions from other companies not included in the disclosed segments by do not fit in any reportable segment, i.e., companies other than Sonae SGPS are included in the consolidated financial statements as of 31 march 2021;

Investments (CAPEX) = Gross investments in Property, Plant and equipment and intangible assets and investments in acquisitions.

## 5. Property, plant and equipment

During the three months period ended 31 March 2021, the movements in Property, plant and equipment as well accumulated depreciation and impairment losses are made up as follows:

	Land and Buildings	Plant and Machinery	Other tangible assets	Tangible assets in progress	Total tangible assets
<b>Gross costs:</b>					
Opening balance as at 1 January 2021	1,369,507,637	1,732,910,970	266,948,525	42,256,439	3,411,623,571
Investment	772,842	325,033	486,328	25,425,993	27,010,196
Disposals	(955,678)	(45,230,905)	(3,192,708)	(351,280)	(49,730,571)
Exchange rate effect	(89)	775	3,037	-	3,723
Transfers	1,228,725	23,838,401	4,591,911	(31,392,144)	(1,733,107)
Closing balance as at 31 March 2021	1,370,553,437	1,711,844,274	268,837,093	35,939,008	3,387,173,812
<b>Accumulated depreciation and impairment losses</b>					
Opening balance as at 1 January 2021	456,389,047	1,063,890,763	196,057,071	209,030	1,716,545,911
Depreciation of the period	5,677,367	29,452,559	5,617,350	-	40,747,276
Impairment losses of the period (Note 14)	-	1,422,941	-	-	1,422,941
Reversals of impairment losses	(112,638)	(75,702)	(8,465)	-	(196,805)
Disposals	(665,959)	(40,074,966)	(2,928,651)	-	(43,669,576)
Exchange rate effect	(46)	492	2,829	-	3,275
Transfers	10,912	(791,806)	(312,938)	-	(1,093,832)
Closing balance as at 31 March 2021	461,298,683	1,053,824,281	198,427,196	209,030	1,713,759,190
<b>Carrying amount</b>					
as at 31 March 2021	909,254,754	658,019,993	70,409,897	35,729,978	1,673,414,622

The investment includes the acquisition of assets of approximately 25 million euros (44 million euros in 2020), associated with the opening and remodeling of stores of Sonae retail operating segments.

The divestiture mainly comprises the disposal of 17 stores and the closing down of 14 stores own by Worten Spain as result from the plan to optimize the Worten's Spanish operation.

## 6. Intangible assets

During the three months period ended 31 March 2021, the movement occurred in intangible assets and in the corresponding accumulated amortisation and impairment losses, was as follows:

	Patents and other similar rights	Software	Other intangible assets	Intangible assets in progress	Total intangible assets
<b>Gross assets:</b>					
Opening balance as at 1 January 2021	233,724,899	492,244,349	101,174,813	42,403,366	869,547,427
Investment	19,376	267,247	1,350	13,380,630	13,668,603
Disposals	-	-	-	(276,366)	(276,366)
Exchange rate effect	-	(396)	-	-	(396)
Transfers	26,774	7,300,285	5	(7,155,084)	171,980
Closing balance as at 31 March 2021	233,771,049	499,811,485	101,176,168	48,352,546	883,111,248
<b>Accumulated depreciation and impairment losses</b>					
Opening balance as at 1 January 2021	48,229,268	354,978,760	52,963,497	-	456,171,525
Depreciation of the period	702,603	9,753,580	1,547,945	-	12,004,128
Impairment losses of the period	-	(108,773)	-	-	(108,773)
Exchange rate effect	-	152	-	-	152
Transfers	(3,700)	38,828	5	-	35,133
Closing balance as at 31 March 2021	48,928,171	364,662,547	54,511,447	-	468,102,165
<b>Carrying amount</b>					
as at 31 March 2021	184,842,878	135,148,938	46,664,721	48,352,546	415,009,083

As at 31 March 2021 the Investment related to intangible assets in progress includes 13.4 million euros related to IT projects and development software. Within that amount it is included 3.2 million euros of capitalizations of personnel costs related to own work.

## 7. Rights of use

During the period of three months ended on 31 March 2021, the detail and the movement in the value of the rights of use, as well as in the respective depreciations, was as follows:

	Land and Buildings	Vehicles	Others tangible assets	Total tangible assets
<b>Cost</b>				
Opening balance as at 1 January 2021	1,546,044,095	97,032,923	2,787,283	1,645,864,301
Additions	10,221,557	4,557,009	104,939	14,883,505
Effect of foreign currency exchange differences	9,450	610	643	10,704
Decreases and write-offs	(63,021,343)	(3,606,584)	(40,931)	(66,668,858)
Closing balance as at 31 March 2021	1,493,253,759	97,983,958	2,851,934	1,594,089,652
<b>Accumulated depreciation and impairment</b>				
Opening balance as at 1 January 2021	543,547,696	47,080,585	1,406,459	592,034,740
Depreciation of the period	25,625,970	6,020,279	143,421	31,789,670
Effect of foreign currency exchange differences	9,147	164	337	9,648
Decreases and write-offs	(55,350,671)	(452,359)	(40,932)	(55,843,962)
Impairment losses of the period	22,677	-	-	22,677
Closing balance as at 31 March 2021	513,854,819	52,648,669	1,509,285	568,012,773
<b>Carrying amount</b>				
as at 31 March 2021	979,398,940	45,335,289	1,342,649	1,026,076,878

Liabilities related to rights of use are recorded under non-current and current lease liabilities of 1.079 million euros and 105 million euros respectively (1.100 million euros and 107 million euros at 31 December 2020).

In the consolidated income statement, 31.8 million euros were recognised for depreciation of the period (31.4 million euros in 31 March 2021) and 18.8 million of euros of interest relating to the adjusted debt (18.4 million euros in 31 March 2020).

The "Decreases and write-offs" is mainly related to the operations that took place at Worten Spain.

## 8. Joint ventures and associated companies

### 8.1 Detail of book value of investments in joint ventures and associates

The value of investments in joint ventures and associates can be analysed as follows:

Investments in joint ventures and associates	31 Mar 2021	31 Dec 2020
Investments in joint ventures	805,764,236	803,076,597
Investments in associates	714,006,011	745,306,617
Total	1,519,770,247	1,548,383,214

The detail per company of investments in joint ventures is as follows:

COMPANY	31 Mar 2021	31 Dec 2020
<b>Sonae MC</b>		
Maremor Beauty & Fragances, S.L.	142,743	139,077
Sohi Meat Solutions - Distribuição de Carnes, SA	3,643,555	3,364,636
<b>Sonae Sierra</b>		
Arrábidashopping- Centro Comercial, S.A.	24,842,135	24,706,808
Gaiashopping I- Centro Comercial, S.A.	26,318,440	26,089,855
L.C. Malheiro II, SGPS, SA	2,097,775	2,097,775
Madeirashopping- Centro Comercial, S.A.	15,991,024	15,730,334
North Tower B.V.	2,683,730	2,689,711
Pantheon Plaza B.V.	2,886,080	3,030,384
Park Avenue Development of Shopping Centres S.A.	(431,592)	(440,471)
Parque Atlântico Shopping - Centro Comercial, S.A.	15,130,088	14,915,927
Proyecto Cúcuta S.A.S.	3,811,052	3,910,624
1) Pud Srl	-	5,743,385
SC Aegean B.V.	3,929,832	3,929,667
Sierra Balmain Asset Management sp. zo.o.	(311,216)	(345,912)
Sierra Central S.A.S.	54,074	50,898
Sierra LM, SGPS, S.A.	1,033,802	886,785
Via Catarina- Centro Comercial, S.A.	9,189,321	9,116,612
<b>Sonae FS</b>		
MDS SGPS, S.A. (consolidated)	21,084,903	20,863,149
<b>Sonae IM</b>		
Unipress - Centro Gráfico, Lda	505,290	528,871
<b>NOS</b>		
ZOPT, SGPS, SA (consolidated)	670,570,582	662,983,284
<b>Sonae SGPS</b>		
Mktplace- Comércio Eletrónico, SA	2,592,618	3,085,198
<b>Investments in joint ventures</b>	<b>805,764,236</b>	<b>803,076,597</b>

1) Company disposed during the first quarter of 2021.

## Financial Investment in NOS

The value on the income statement related to Zopt results from net income of NOS, the net income of Zopt and the impact on results of the process of allocating the fair value to the assets and liabilities acquired by Zopt.

At 31 March 2021, it was considered that the assumptions made in the impairment tests carried out in 2020 did not have significant variations.

With regard to ZOPT's financial participations in Finstar and ZAP Media (Finstar consolidated), the Board of Directors of NOS and ZOPT is certain that the patrimony seizure to Mrs. Isabel dos Santos, in the specific case of the shares held by her in Finstar and ZAP Media (where she holds 70% of the capital), does not change the control profile, in this case joint control as defined in IFRS 11, it is not expected to have relevant consequences for the operational management of companies, in addition to restrictions on the distribution of dividends in these companies.

At 4 April 2020, SONAE COM, was informed by its subsidiary ZOPT of the communication received from the Lisbon Central Criminal Instruction Court ('Court') to proceed to the preventive arrest of 26.075% of NOS' share capital, corresponding to half the shareholding in NOS held by ZOPT and, indirectly, by the companies Unitel International Holdings, BV and Kento Holding Limited, controlled by Mrs. Isabel dos Santos. Under the terms of the communication, the arrested shares (134,322,268.5 shares) are deprived of the right to vote and the right to receive dividends, which must be deposited with Caixa Geral de Depósitos, S.A. (CGD) at the order of the court. The other half of ZOPT's participation in NOS' share capital, corresponding to an identical percentage of 26.075% - and which, at least in line with the criterion used by the Court, embodies the 50% held in ZOPT by SONAE COM - was not subject to arrest, nor the rights attached to it were subject to any limitation.

Although ZOPT has not been notified of the grounds for preventive arrest, based on the preliminary information they have, it is the understanding of the board of directors of ZOPT and SONAE COM that the measure of arrest imposed is illegitimate and offends several fundamental rights of ZOPT, no being legally liable to determine the deprivation of voting rights, not even to inhibit the holder of the arrested shares from continuing to exercise those rights, which deprivation we understand for this reason, be null and without any effect. Thereafter, ZOPT has deducted third-party embargoes.

At 12 June 2020, ZOPT was notified of the order issued by the Lisbon Central Criminal Investigation Court, which authorizes it to exercise the voting right corresponding to the 26.075% of NOS share capital preventively seized under the aforementioned Court order. For this reason, the Boards of Directors of ZOPT and SONAECON consider that the conditions of control of ZOPT over NOS are met, and the measure does not have material effects on the control of this company.

Still in June 2020, the Investigating Judge rejected the third-party embargoes deducted by ZOPT based on the Portuguese courts' inability to assess and decide upon them. This decision, having been appealed by ZOPT, was revoked by the Court of Appeal already in 2021. Developments are awaited, namely the judicial pronouncement on the seizures.

At 19 August 2020, Sonaecom communicated the intention of the shareholders of ZOPT (Sonaecom, Unitel International Holdings, BV and Kento Holding Limited) to liquidate the company, maintaining Sonaecom as the reference shareholder of NOS. To date, the efforts to dissolve the ZOPT have not yet been carried out.

In the last quarter of 2020, the seizure of 233,790,325 shares corresponding to 32.65% of capital of ZOPT held by UNITEL was also decreed, with deprivation of the exercise of voting rights and the right to receive dividends, and 124,234,675 shares corresponding to 17.35% of capital of ZOPT held by KENTO, also with no exercise of the right to vote and the right to receive dividends. Additionally, in January 2021, ZOPT was also notified by Caixa Geral de Depósitos (CGD), as the beneficiary of the pledge of the shares held by Kento in ZOPT, referring to being vested with the power to exercise the voting rights inherent in the Shares, and all other inherent rights, and that Kento was deprived of exercising such rights without the prior, express and written authorization of CGD. It is the understanding of the Board of Directors of ZOPT, that whenever there is no question of protecting the economic value of the shares, in the exercise of voting rights, CGD as Kento's pledge creditor, must act in accordance with Kento's instructions, which means voting in the sense defined by Kento.

Despite the facts described above considering that, no steps have yet been taken to liquidation of ZOPT, that there has been no change in the board of directors of ZOPT and that decisions on the operating activity of the investee company continue to be taken in accordance with what was being done, we concluded that the profile of joint control over the ZOPT has not changed.

## ZOPT Group provisions

The evolution in provisions occurred during the first 3 months of 2021 compared to 31 December 2020 was as follows:

### Actions by MEO against NOS S.A., NOS Madeira and NOS Açores and by NOS S.A. against MEO

The court ruled on 16 March 2021 and disregarded the remaining pre-scheduled dates for the final hearing. On the present date, we await the scheduling of new dates for the hearing. It is the understanding of the Board of Directors, corroborated by the attorneys accompanying the process, that it is, in formal and substantive terms, likely that NOS SA will be able to win the lawsuit, due to MEO already having been convicted for the same offences by ANACOM.

### Interconnection tariffs

At 31 March 2021, accounts receivable and accounts payable include EUR 37,139,253 and EUR 43,475,093, respectively, resulting from a dispute between the subsidiary NOS SA and, essentially, the operator MEO – Serviços de Comunicação e Multimédia, S.A. (previously named TMN – Telecomunicações Móveis Nacionais, S.A.), in relation to the non-definition of interconnection tariffs of 2001. In what concerns to that dispute with MEO, the result was totally favourable to NOS S.A., having already become final. In March 2021, MEO filed a new lawsuit against NOS, in which it claimed the price of interconnection services between TMN and Optimus for 2001 at 55\$00 (EUR 0.2743) per minute. The deadline for submitting the challenge by NOS is pending.

### Contractual Penalties

At 31 March 2021, the amounts billed and to be received from these indemnities amount to EUR 111 million.

## Other matters ZOPT group (COVID-19)

With the emergence, spread and infection of the new coronavirus COVID-19, several measures were taken to contain the virus with very significant estimated impacts on the Portuguese economy, as well as in other economies, namely, limitations on travel rights and closure of several facilities and establishments.

In the uncertainty of this threat, it is essential that companies design and implement, in a timely manner, structured and efficient contingency plans that guarantee employee protection and business continuity or that, at least, mitigate the resulting effects.

This is a situation of uncertainty and very dynamic, which makes it extremely difficult to estimate impacts, which always have to consider several scenarios and countless variables. Evidence of this difficulty is the historical drops and sharp volatility of exchanges, all over the World; the great variations that occurred in the last quarters of the future projections of macroeconomic indicators, as well as the disparity of these projections between the several entities.

The impacts on ZOPT through participation in NOS were felt in the results of the financial year ended at 31 December 2020, with a drop in revenues, consolidated EBITDA and operational cash-flows of - 6.2% (EUR - 90.5 million); - 5.7% (EUR - 36.8 million) and - 33.8% (EUR -65.2 million), respectively, which shows a reduction in activity in:

- Cinemas and Audiovisuals: complete closure of NOS' theatres on 16 March to 2 July, and postponement of a number of movie premieres, slightly offset by cinema rentals negotiations;
- Roaming and international calls: traffic and revenues impacted by restrictions imposed on international travel;
- Equipment sales: with the closure of shopping center and travel restrictions, there was a reduction in the sale of mobile phones and equipment, which is partially offset by the increase in online sales (in the long run there may be a positive effect on the evolution customer take-up of digital channels);
- Mobile data revenues: quarantine and isolation situations imply an increase in the use of wireless networks, reducing the use of mobile data; and,
- Drop in revenue related to premium sports during the period when the national championship was suspended and advertising content.

In the quarter ended 31 March 2021, the impacts on NOS were felt particularly in the Cinemas and Audiovisuals activity with the closure of movie theatres since mid-January 2021 and in the Telco segment with impacts in terms of roaming revenues.

The detail per company of investments in associates is as follows:

COMPANY	31 Mar 2021	31 Dec 2020
<b>Sonae MC</b>		
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	520,878	564,095
<b>Sonae Sierra</b>		
3shoppings - Holding, SGPS, S.A.	11,852,220	11,766,625
Aliansce Sonae Shopping Centers, S.A.	75,884,974	79,756,902
Area Sur Shopping, S.L.	7,102,327	6,608,184
Fundo Investimento	10,078,434	10,656,984
Fundo Investimento Imobiliário Shop. Parque Dom Pedro ("FIISHPD")	97,942,101	103,727,336
Iberia Shop.C. Venture Coöperatief U.A. ("Iberia Coop")	13,724,717	15,165,196
Le Terrazze - Shopping Centre 1 Srl	6,403,361	6,352,246
Mercado Urbano - Gestão Imobiliária, S.A.	1,218,895	1,211,277
Olimpo Real Estate Portugal, SGI, S.A.	2,535,746	2,517,550
Olimpo Real Estate SOCIMI, S.A.	7,876,540	7,767,842
Serra Shopping- Centro Comercial, S.A.	993,851	981,615
Sierra European Retail Real Estate Assets Holdings, BV ("Sierra BV")	220,187,729	219,242,750
Sierra Portugal Feeder 1	2,051,058	2,052,163
Sierra Portugal Real Estate ("SPF")	19,815,976	19,742,422
Trivium Real Estate Socimi, S.A.	25,536,618	25,515,219
Zenata Commercial Project	2,081,304	2,015,742
<b>Sonae IM</b>		
Alfaros SARL	4,537	9,975
Armilar Venture Partners - Sociedade de Capital de Risco, SA (Armilar)	1	1
Fundo de Capital de Risco Armilar Venture Partners II (Armilar II)	77,574,647	96,578,403
Fundo de Capital de Risco Armilar Venture Partners III (Armilar III)	26,471,657	31,302,286
Fundo de Capital de Risco Espirito Santo Ventures Inovação e Internacionalização (AVP I+I)	13,646,077	16,025,833
Probe.ly - Soluções de Cibersegurança, Lda	137,071	133,897
Secucloud GMBH	1,832,499	1,671,708
Suricate Solutions	20,957	15,520
Others	4,938	19,728
<b>Sonae SGPS</b>		
Iberian Sports Retail Group (ISRG)	88,506,898	83,905,118
<b>Investment in associates companies</b>	<b>714,006,011</b>	<b>745,306,617</b>

In the period ended March 31, 2021, the variation in the proportion of the equity capital of the Armilar II Fund, in addition to the variation resulting from the appropriation of the fund's results, is essentially related to the fact resulting from changes

to the Armilar Funds Regulation, in which the amount related to the contractual incentive (Incentive Scheme) payable to the Fund Management Company, recorded in "Provisions" in the amount of 28,781,305 euros was reclassified to "Investments in joint ventures and associates".

## 8.2 Movement occurred in the period

During the period ended at 31 March 2021, movements in investments in joint ventures and associates are as follows:

Investments in joint ventures	31 Mar 2021		
	Proportion on equity	Goodwill	Total investment
Balance as at 1 January	711,852,013	91,224,584	803,076,597
Increases during the period	150,460	-	150,460
Period disposals	(4,868,699)	(874,686)	(5,743,385)
Equity method:			
Effect in gains or losses in joint controlled	8,191,743	-	8,191,743
Effect in equity capital and non-controlling interests	88,821	-	88,821
	715,414,338	90,349,898	805,764,236

Investments in associates companies	31 Mar 2021		
	Proportion on equity	Goodwill	Total investment
Initial balance as at 1 January	660,608,261	84,698,356	745,306,617
Change of method by percentage dilution (Note 14)	(28,781,305)	-	(28,781,305)
Increases during the period	160,791	-	160,791
Capital reduction in associated companies	(1,619,058)	-	(1,619,058)
Period disposals	(1,691)	-	(1,691)
Equity method:			
Effect in gains or losses in associated companies	10,627,217	-	10,627,217
Distributed dividends	(1,203,464)	-	(1,203,464)
Effect in equity capital and non-controlling interests	(10,483,096)	-	(10,483,096)
	629,307,655	84,698,356	714,006,011

The effect on equity and non-controlled interests results fundamentally from the exchange rate conversion effect of companies with a different functional currency than the euro.

## 9. Financial assets at fair value

### 9.1 Through profit or loss

The value of financial assets at fair value through profit and loss can be analysed as follows:

Company	Head Office	Statment of financial position	
		31 Mar 2021	31 Dec 2020
Sonae MC			
Inscó - Insular de Hipermerc., SA	Ponta Delgada	4,748,744	4,748,744
Sportessence - Sport Retail, SA	Ponta Delgada	595,964	595,964
		5,344,708	5,344,708
Sonae IM			
Arctic Wolf Networks, Inc	Delaware	48,277,273	46,129,113
Ometria, Ltd.	London	8,087,207	7,664,992
Sixgill Ltd	Israel	5,117,280	4,889,580
CelliWise	Singapore	8,347,578	7,976,142
ViSenze	Singapore	2,489,389	2,378,620
CB4	Israel	3,457,683	3,278,059
Case on IT	Madrid	4,402,087	4,402,087
Daisy Intelligence	Canadá	1,121,924	1,050,496
Reblaze	St. Louis	2,345,420	2,241,058
ciValue	Yokneam (Israel)	1,910,451	1,825,443
Sales Layer	Valência	2,500,358	2,500,358
Weaveworks	San Francisco (USA)	4,264,399	4,074,649
Jscrambler	Porto	1,550,000	1,550,000
Whitefantasy	Évora	715,854	715,854
Sellforte	Finland	2,500,003	-
Other financial assets		1,977,594	1,647,613
		99,064,498	92,324,064
Financial assets at fair value through profit or loss		104,409,206	97,668,772

### 9.2 Through other comprehensive income

The value of financial assets at fair value through other comprehensive income can be analysed as follows:

		Statement of financial position	
Company	Head Office	31 Mar 2021	31 Dec 2020
Sonae			
NOS SGPS, SA	Lisbon	108,604,000	108,604,000
Sonae IM			
Deepfence	Califórnia	2,132,200	2,037,325
Nextail Labs, SL	Madrid	1,628,759	1,628,759
Iriu sRisk	Saragoça	1,416,514	1,416,514
StyleSage, Inc.	Delaware	1,501,219	1,378,547
Sensei	Castelo Branco	405,900	405,900
Eat Tasty	Vila Nova Famalicão	259,696	259,696
Other financial assets		212,308	173,048
		7,556,596	7,299,789
Financial assets at fair value through other comprehensive income		116,160,596	115,903,789



## 10. Deferred taxes

Deferred tax assets and liabilities as at 31 March 2021 and 31 December 2020 may be described as follows considering the different natures of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	31 Mar 2021	31 Dec 2020	31 Mar 2021	31 Dec 2020
Difference between fair value and acquisition cost	4,080,627	4,080,627	86,109,522	86,948,484
Temporary differences on property, plant and equipment and intangit	844,593	878,819	84,588,840	83,639,246
Temporary difference of negative goodwill and equity method	-	-	29,056,392	27,782,492
Provisions and impairment losses not accepted for tax purposes	17,999,255	20,038,528	-	-
Impairment of assets	-	-	639,053	639,053
Valuation of hedging derivatives	-	844,932	822,641	137,828
Amortisation of Goodwill for tax purposes in Spain	-	-	35,190,813	33,736,643
Revaluation of tangible assets	-	-	570,098	594,018
Tax losses carried forward	31,714,959	22,098,962	-	-
Reinvested capital gains/losses	-	-	131,250	137,055
Tax Benefits	25,624,620	26,121,341	-	-
Rights of use	265,622,877	277,241,211	233,811,303	245,406,220
Others	6,198,890	6,768,384	281,477	82,034
	<b>352,825,144</b>	<b>358,072,804</b>	<b>471,201,389</b>	<b>479,103,073</b>

As at 31 March 2021 and 31 December 2020, the tax rate to be used in Portuguese companies, for the calculation of the deferred tax assets relating to tax losses is 21%. The tax rate to be used to calculate deferred taxes in temporary differences in Portuguese companies is 22.5% increased by the state surcharge in companies in which the expected reversal of those deferred taxes will occur when those rates will be applicable. For companies or branches located in other countries, rates applicable in each jurisdiction were used.

## 11. Trade receivables and other current assets

The detail of trade receivables and other current assets as of 31 March 2021 and 31 December 2020 is as follows:

	31 Mar 2021	31 Dec 2020
Trade receivable	252,732,378	147,594,934
Other receivables	88,407,445	102,619,195
Other current assets	88,924,335	80,218,791
	<b>430,064,158</b>	<b>330,432,920</b>

As of 31 March 2021, the "Trade receivable" caption includes 135.5 million euros (36.2 million euros as at 31 December 2020) related to loans granted to customers as a result of SFS IME having claimed ownership over granting and managing loans to customers, through own funds, thus concentrating in itself the integral relationship with the customer after having the contractual relationship with BNPP PF ceased.

## 12. Non-controlling interest

During the period ended 31 March 2021, the movement in non-controlling interests are detailed as follows:

	31 March 2021						
	Sonae MC	Worten	Sonae Sierra	Sonae Fashion	Sonae IM - Sonaeacom, SGPS, SA	Others	Total
Opening balance as at 1 January 2021	50,116,945	518,402	286,810,588	(774,070)	111,100,688	(709,424)	447,063,129
Distributed income of Investment Funds	(120,104)	-	-	-	-	-	(120,104)
Change in percentage of subsidiaries	-	-	(83,300,433)	-	-	-	(83,300,433)
Delivery and attribution of shares to employees due to extinction of obligation	11,449	-	-	-	-	-	11,449
Change in currency translation reserve	(2,419)	-	(1,900,073)	-	(22,225)	-	(1,924,717)
Change in fair value of assets available for sale	-	-	-	-	43,383	-	43,383
Changes in hedging reserves	(15,402)	-	229,989	1,414	-	-	216,001
Others	(35,245)	-	(66,891)	(1)	91,593	-	(10,544)
Profit for the period attributable to non-controlling interests	795,115	99,336	1,116,322	(116,892)	935,374	(54,046)	2,775,209
Closing balance as at 31 March	50,750,339	617,738	202,889,502	(889,549)	112,148,813	(763,470)	364,753,373

The item "Change in percentage of subsidiaries" refers to the acquisition of an additional 10% of Sonae Sierra share capital, previously own by Grosvenor Investments for 82 million euros, thus the Group now owns 80% of that subsidiary.

## 13. Loans

As at 31 March 2021 and 31 December 2020, loans are made up as follows:

	31 Mar 2021		31 Dec 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans	303,298,536	1,253,111,589	177,139,325	1,006,897,412
Bonds	9,849,955	677,608,211	9,849,955	687,699,113
Other loans	2,563,069	1,550,925	6,367,713	1,806,789
<b>Total loans</b>	<b>315,711,559</b>	<b>1,932,270,724</b>	<b>193,356,993</b>	<b>1,696,403,314</b>

	31 Mar 2021		31 Dec 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
<b>Bank loans</b>				
Sonae, SGPS, SA - commercial paper	168,700,000	510,000,000	67,865,000	380,000,000
Sonae SGPS, SA 2016/2023	10,000,000	30,000,000	10,000,000	30,000,000
Sonae SGPS, SA 2020/2025	-	25,000,000	-	25,000,000
Sonae SGPS, SA 2020/2027	-	30,000,000	-	30,000,000
Sonae MC, SGPS, SA - commercial paper	-	240,000,000	-	140,000,000
Sonae MC affiliated /2014/2023	-	50,000,000	-	50,000,000
Sonae MC affiliated /2015/2023	-	20,000,000	-	20,000,000
Sonae MC affiliated /2017/2025	3,333,333	10,000,000	3,333,333	13,333,333
Sonae MC /2018/2031	-	55,000,000	-	55,000,000
Sonae MC affiliated /2020/2025	-	55,000,000	-	55,000,000
Sonae Holding affiliated /2014/2021	20,000,000	-	20,000,000	-
Sonae Holding affiliated /2019/2023	-	50,000,000	-	50,000,000
Filial da Sonae SGPS / 2021	20,000,000	-	-	-
Sonae Holding affiliated - commercial paper	5,000,000	35,000,000	5,000,000	15,000,000
Sonae Sierra SGPS, SA - commercial paper	10,000,000	15,000,000	10,000,000	15,000,000
Sonae Sierra / 2018/2022	-	10,000,000	-	10,000,000
Sonae Sierra affiliated /2016/2021	41,300,000	-	41,300,000	-
Sonae Sierra affiliated /2015/2023	5,200,000	111,800,000	5,200,000	113,100,000
Others	6,080,463	7,429,611	3,614,637	7,052,922
	<b>289,613,796</b>	<b>1,254,229,611</b>	<b>166,312,970</b>	<b>1,008,486,255</b>
Bank overdrafts	14,074,969	-	11,129,160	-
Up-front fees beard with the issuance of borrowings	(390,229)	(1,118,022)	(302,805)	(1,588,843)
<b>Bank loans</b>	<b>303,298,536</b>	<b>1,253,111,589</b>	<b>177,139,325</b>	<b>1,006,897,412</b>

	31 Mar 2021		31 Dec 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
<b>Bonds</b>				
Bonds Sonae SGPS/ 2019/2026	-	50,000,000	-	50,000,000
Bonds Sonae SGPS/ 2020/2027	-	160,000,000	-	160,000,000
Bonds ESG Sonae SGPS/ 2020/2025	-	50,000,000	-	50,000,000
Bonds ESG Sonae SGPS/ 2020/2025	-	20,000,000	-	20,000,000
Bonds Sonae MC / December 2015/2024	-	50,000,000	-	50,000,000
Bonds Sonae MC / May 2015/2022	-	75,000,000	-	75,000,000
Bonds Sonae MC / December 2019/2024	-	30,000,000	-	30,000,000
Bonds Sonae MC / April 2020/2027	-	95,000,000	-	95,000,000
Bonds Sonae MC / July 2020/2025	-	50,000,000	-	50,000,000
Bonds Sonae MC / July 2020/2025	-	22,500,000	-	22,500,000
Bonds Sonae Sierra / 2018/2025	10,000,000	30,000,000	10,000,000	40,000,000
Bonds Sonae Sierra / 2018/2023	-	25,000,000	-	25,000,000
Bonds Sonae Sierra / 2018/2023	-	25,000,000	-	25,000,000
Up-front fees beard with the issuance of borrowings	(150,045)	(4,891,789)	(150,045)	(4,800,887)
<b>Bonds</b>	<b>9,849,955</b>	<b>677,608,211</b>	<b>9,849,955</b>	<b>687,699,113</b>
Other loans	657,831	1,550,925	701,251	1,806,789
Derivates	1,905,238	-	5,666,462	-
<b>Other loans</b>	<b>2,563,069</b>	<b>1,550,925</b>	<b>6,367,713</b>	<b>1,806,789</b>
	<b>315,711,559</b>	<b>1,932,270,724</b>	<b>193,356,993</b>	<b>1,696,403,314</b>

It is estimated that the book value of all loans does not differ significantly from its fair value, determined based on discounted cash flows methodology.

The interest rate at 31 March 2021 on bond loans and bank loans averaged approximately 1.10% (1.24% at 31 December 2020). Most of the bond loans and variable-rate bank loans are indexed to Euribor.

The derivatives are recorded at fair value.

The loans face value, maturities and interests are as follows (including obligations under financial leases):

	31 Mar 2021	31 Dec 2020
N+1 <sup>a)</sup>	314,346,596	188,143,381
N+2	442,038,602	331,971,676
N+3	619,725,502	530,727,265
N+4	391,337,391	234,987,237
N+5	239,627,276	341,020,193
After N+5	245,551,764	264,086,672
	<b>2,252,627,132</b>	<b>1,890,936,425</b>

a) Includes amounts used from commercial paper programs when classified as current.

The maturities presented above were estimated according to the contractual clauses of the loans and considering Sonae's best expectation as to its amortization date.

As at 31 March 2021, Sonae has, as detailed below, cash and bank balance equivalents in the amount of 705 million euros (763 million euros as at 31 December 2020) and available credit lines as follows:

	31 Mar 2021		31 Dec 2020	
	Commitments of less than one year	Commitments of more than one year	Commitments of less than one year	Commitments of more than one year
<b>Unused credit facilities</b>				
Sonae MC	43,500,000	217,500,000	94,000,000	265,000,000
Sonae Sierra	54,969,346	-	54,969,346	-
Holding & Others	2,187,082	2,339,121	109,266,276	207,161,129
	<b>100,656,427</b>	<b>219,839,121</b>	<b>258,235,622</b>	<b>472,161,129</b>
<b>Agreed credit facilities</b>				
Sonae MC	43,500,000	457,500,000	94,000,000	405,000,000
Sonae Sierra	54,969,346	-	54,969,346	-
Holding & Others	155,000,000	597,650,000	137,000,000	607,650,000
	<b>253,469,346</b>	<b>1,055,150,000</b>	<b>285,969,346</b>	<b>1,012,650,000</b>

## 14. Provision and impairment losses

Movements in "Provisions and impairment losses" during the period ended 31 March 2021 are as follows:

Caption	Balance as at 01 Jan 2021	Increase	Decrease	Balance as at 31 Mar 2021
Accumulated impairment losses on investments	3,577,791	-	(112,934)	3,464,857
Impairment losses on property, plant and equipment	122,655,719	1,422,941	(11,978,516)	112,100,144
Impairment losses on intangible assets	34,342,007	246,909	(355,682)	34,233,234
Accumulated impairment losses on non-current assets	9,411,112	-	(9,411,112)	-
Accumulated impairment losses on non-current assets held for sale	51,375	-	-	51,375
Accumulated impairment losses on other current debtors	34,555,949	3,791,921	(5,038,260)	33,309,610
Non - current provisions	47,032,991	1,527,437	(29,750,126)	18,810,302
Current provisions	16,344,127	1,041,501	(9,857,545)	7,528,083
	<b>267,971,071</b>	<b>8,030,709</b>	<b>(66,504,175)</b>	<b>209,497,605</b>

In the period ended as at 31 March 2021, due to changes to the Armilar Funds Regulation, the amount related to the contractual incentive (Incentive Scheme) to be paid to the Fund Management Company, recorded in "Non-current provisions" in the amount of 28,701,305 euros, was reclassified to "Investments in joint ventures and associates".

The change in the caption "Impairment losses on tangible fixed assets" results mostly from the sale and write-off of Worten Spain's assets as a result of the disposal and closing of 17 and 14 stores respectively, consequence of the Worten's Spanish operation optimization plan.

The change in the caption "Accumulated impairment losses on non-current assets" is mostly explained by the reversal of the impairment, in the amount of 9.2 million euros, associated with the sale of the participation in the Pud, SLR (Note 8).

As of 31 March 2021, the difference between the total "Increase" and the balances of the Income Statement captions "Impairment losses" and "Provisions" is mostly explained by the impairment loss recorded in goodwill, in the amount of 7.4 million euros, in relation to a subsidiary of Sonae MC.

Impairment losses are deducted from the value of the corresponding asset.

## 15. Income or expenses related to investments

Income or expenses related to investments for the periods ended 31 March 2021 and 2020 can be detailed as follows:

	31 Mar 2021	31 Mar 2020
Dividends	-	100,000
Sierra Prime% Dilution	-	20,727,619
Others	(1,125,000)	1,110,100
<b>Gains / (losses) on the sale of investments in subsidiaries, joint ventures and associates</b>	<b>(1,125,000)</b>	<b>21,837,719</b>
<b>Others</b>	<b>(40,882)</b>	<b>(100,367)</b>
Impairment of investments in subsidiaries	-	-
Impairment reversal on financial investments	-	2,885
<b>Impairment reversal/(losses) on investments</b>	<b>-</b>	<b>2,885</b>
<b>Total income and (expenses) related to investments</b>	<b>(1,165,882)</b>	<b>21,840,237</b>

## 16. Other Income

The breakdown of other income for the periods ending 31 March 2021 and 2020 is as follows:

	31 Mar 2021	31 Mar 2020
Supplementary income	10,469,133	7,698,677
Prompt payment discounts obtained	6,988,240	6,595,838
Foreign currency exchange gains	6,068,433	4,227,588
Own work capitalised	3,219,838	3,616,602
Rent discounts relating to pandemic impact	3,679,575	-
Gains on sales of assets	2,617,065	599,455
Impairment losses reversals	2,403,432	726,561
Subsidies	790,132	222,157
Others	1,518,504	614,657
	37,754,353	24,301,535

## 17. Net financial Expenses

As at 31 March 2021 and 2020, Net financial expenses are as follows:

	31 Mar 2021	31 Mar 2020
<b>Expenses</b>		
Interest payable		
related with bank loans and overdrafts	(3,334,158)	(2,973,180)
related with non convertible bonds	(2,162,823)	(2,032,256)
related with operational leases	(18,804,162)	(18,445,511)
others	(710,185)	(421,643)
	<b>(25,011,328)</b>	<b>(23,872,590)</b>
Foreign exchange losses	(10,537,476)	(6,392,115)
Up front fees and commissions related to loans	(1,525,115)	(1,559,338)
Others	(627,923)	(691,489)
	<b>(37,701,842)</b>	<b>(32,515,532)</b>
<b>Income</b>		
Interest receivable		
others	511,646	551,397
	<b>511,646</b>	<b>551,397</b>
Foreign exchange gains	9,603,365	2,586,945
Other financial income	7,162	21,277
	<b>10,122,173</b>	<b>3,159,619</b>
<b>NET FINANCIAL EXPENSES</b>	<b>(27,579,669)</b>	<b>(29,355,913)</b>

## 18. Related parties

Balances and transactions with related entities can be detailed as follows:

Amounts expressed in euro

	Parent Company		Jointly controlled companies		Associated companies		Other related parties	
	31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020
Sales & Services rendered	75,880	68,380	4,716,872	2,910,892	21,809,726	22,879,222	13,127,210	12,434,543
COGS and materials consumed	-	-	72,522,128	69,884,952	-	6,145	920,729	572,656
Other income	96,513	119,718	4,607,994	3,503,983	2,350,148	1,271,587	3,651,776	2,675,615
Others	-	15,406	156,592	230,732	1,744,388	1,598,464	36,688	29,315
	172,393	203,504	82,003,586	76,530,558	25,904,262	25,755,418	17,736,403	15,712,129

	Parent Company		Jointly controlled companies		Associated companies		Other related parties	
	31 Mar 2021	31 Dez 2020	31 Mar 2021	31 Dez 2020	31 Mar 2021	31 Dez 2020	31 Mar 2021	31 Dez 2020
Other non-current assets	-	-	1,839,157	2,967,983	10,410,274	9,841,246	80,434	114,287
Trade receivables	37,824	31,469	2,872,597	3,050,795	10,324,519	10,328,033	12,331,730	15,004,658
Other receivables	2,246	9,943	10,198,787	6,216,147	15,312,404	7,701,949	1,890,807	1,487,013
Trade payables	-	3,225	81,557,476	81,337,372	2,221,476	1,524,399	1,954,821	978,377
Other payables	102,737	4,799	2,553,794	3,317,485	4,706,616	3,919,650	2,453,335	1,233,132
	142,807	44,637	99,426,811	96,889,782	42,975,289	33,315,277	18,711,127	18,817,467

The related parties include subsidiaries and jointly controlled companies or associated companies of Sonae Sierra SGPS, SA, ZOPT SGPS, SA, Sonae Indústria, SGPS, SA and Sonae Capital, SGPS, SA, as well as other shareholders of subsidiaries or jointly controlled companies by Sonae, and other subsidiaries of the parent company Efanor Investimentos, SGPS, SA.

## 19. Earnings per share

Earnings per share for the periods ended 31 March 2021 and 2020 were calculated taking into consideration the following amounts:

	31 Mar 2021		31 Mar 2020	
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
<b>Net profit</b>				
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	2,802,562	(2,161,273)	(56,953,747)	(1,778,316)
<b>Net profit taken into consideration to calculate diluted earnings per share</b>	<b>2,802,562</b>	<b>(2,161,273)</b>	<b>(56,953,747)</b>	<b>(1,778,316)</b>
<b>Number of shares</b>				
Weighted average number of shares used to calculate basic earnings per share	1,910,236,308	1,910,236,308	1,904,018,211	1,904,018,211
Effect of dilutive potential ordinary shares from convertible bonds	128,667,482	128,667,482	128,667,482	128,667,482
Outstanding shares related with share based payments	6,919,305	6,919,305	3,885,211	3,885,211
Shares related to performance bonus that can be bought at market price	(1,624,905)	(1,624,905)	(1,486,370)	(1,486,370)
<b>Weighted average number of shares used to calculate diluted earnings per share</b>	<b>2,044,198,190</b>	<b>2,044,198,190</b>	<b>2,035,084,534</b>	<b>2,035,084,534</b>
<b>Earnings per share</b>				
Basic	0.001467	(0.001131)	(0.029912)	(0.000934)
Diluted	0.001371	(0.001057)	(0.027986)	(0.000874)

## 20. Presentation of consolidated income statements

In the Management Report, and for the purposes of calculating financial indicators as EBIT, EBITDA and Underlying EBITDA the consolidated income statement is divided between Direct Income and Indirect Income.

The Indirect Income includes the contribution of Sonae Sierra, net of taxes that result from: (i) valuation of investment properties; (ii) gains (losses) with the sale of financial investments, joint ventures or associates; (iii) impairment losses relating to non-current assets (including Goodwill) and (iv) provisions for assets at risk. Additionally and with regard to the portfolio of Sonae, it includes: (i) impairment of real estate assets for retail, (ii) decreases in Goodwill, (iii) negative Goodwill (net of taxes) related to acquisitions in the financial year, (iv) provisions (net of tax) for possible future liabilities, and

impairments related to noncore investments, businesses and discontinued assets (or to be discontinued / repositioned), (v) valuation results based on the methodology "mark-to-market" of other current investments that will be sold or traded in the near future and (vi) other irrelevant issues

The value of EBITDA, Underlying EBITDA and EBIT are calculated in the direct income component, i.e. excluding the indirect contributions.

The reconciliation between the two presentation formats for the consolidated income statement for the periods ended 31 March 2021 and 2020 can be summarized as follows:

	31 Mar 2021			31 Mar 2020		
	Consolidated	Indirect Income	Direct Income	Consolidated	Indirect income	Direct income
Turnover	1,641,092,816	-	1,641,092,816	1,551,733,987	-	1,551,733,987
Investment income						
Dividends and others adjustments	-	-	-	100,000	-	100,000
Others	(1,165,882)	-	(1,165,882)	(24,244)	-	(24,244)
Others income						
Reversal of impairment losses	2,215,994	-	2,215,994	165,807	-	165,807
Reversal of provisions for warranty extensions	187,438	-	187,438	560,754	-	560,754
Others	35,350,921	-	35,350,921	23,743,104	-	23,743,104
<b>Total income</b>	<b>1,677,681,287</b>	<b>-</b>	<b>1,677,681,287</b>	<b>1,576,279,409</b>	<b>-</b>	<b>1,576,279,408</b>
<b>Total expenses</b>	<b>(1,561,641,279)</b>	<b>-</b>	<b>(1,561,641,279)</b>	<b>(1,475,883,866)</b>	<b>-</b>	<b>(1,475,883,864)</b>
Depreciation and amortisation	(84,541,074)	-	(84,541,074)	(84,369,480)	-	(84,369,480)
Impairments of inventories - Covid-19	(4,500,000)	-	(4,500,000)	(44,100,000)	-	(44,100,000)
Losses on property, plant and equipment and intangible assets	(1,024,179)	-	(1,024,179)	(1,073,534)	-	(1,073,534)
Impairment losses and provisions						
Provisions for warranty extensions	(190,026)	-	(190,026)	(135,081)	-	(135,081)
Others	(15,895,285)	-	(15,895,285)	(19,894,635)	(18,165,613)	(1,729,022)
<b>Profit before financial results and results of joint ventures and associates and non-recurrent items</b>	<b>9,889,444</b>	<b>-</b>	<b>9,889,444</b>	<b>(49,177,187)</b>	<b>(18,165,613)</b>	<b>(31,011,573)</b>
Non-recurrent items	162,772	-	162,772	21,579,633	-	21,579,633
Gains and losses on investments recorded at fair value through results	4,128,897	4,120,431	8,466	-	-	-
Financial profit/(loss)	(27,579,669)	-	(27,579,669)	(29,355,913)	-	(29,355,913)
Share of results of joint ventures and associated undertakings						
Associates and joint ventures of Sonae Sierra	4,377,145	(296,747)	4,673,892	8,514,666	(645,266)	9,159,932
Armilar Venture Funds	2,567,164	2,567,164	-	262,749	262,749	-
ZOPT	6,931,092	-	6,931,092	(1,000,368)	-	(1,000,368)
Others	4,943,559	-	4,943,559	(283,581)	-	(283,581)
<b>Profit before income tax</b>	<b>5,420,404</b>	<b>6,390,848</b>	<b>(970,444)</b>	<b>(49,460,001)</b>	<b>(18,548,131)</b>	<b>(30,911,870)</b>
Income Tax	157,367	(2,011,827)	2,169,194	5,777,662	(949,364)	6,727,026
<b>Profit/(Loss) from continued operations</b>	<b>5,577,771</b>	<b>4,379,021</b>	<b>1,198,749</b>	<b>(43,682,339)</b>	<b>(19,497,495)</b>	<b>(24,184,844)</b>
<b>Profit/(Loss) from discontinued operations</b>	<b>(2,161,273)</b>	<b>-</b>	<b>(2,161,273)</b>	<b>(1,778,316)</b>	<b>(900,000)</b>	<b>(878,316)</b>
<b>Profit/(Loss) for the period</b>	<b>3,416,498</b>	<b>4,379,021</b>	<b>(962,524)</b>	<b>(45,460,655)</b>	<b>(20,397,495)</b>	<b>(25,063,160)</b>
<b>Attributable to equity holders of Sonae</b>	<b>641,289</b>	<b>4,149,307</b>	<b>(3,508,018)</b>	<b>(58,732,063)</b>	<b>(20,343,291)</b>	<b>(38,388,772)</b>
<b>Non-controlling interests</b>	<b>2,775,209</b>	<b>229,714</b>	<b>2,545,495</b>	<b>13,271,408</b>	<b>(54,203)</b>	<b>13,325,611</b>
<b>"Underlying" EBITDA (b)</b>	<b>-</b>	<b>-</b>	<b>113,642,454</b>	<b>-</b>	<b>-</b>	<b>99,599,709</b>
<b>EBITDA (a)</b>	<b>-</b>	<b>-</b>	<b>128,192,496</b>	<b>-</b>	<b>-</b>	<b>128,177,009</b>
<b>EBIT (c)</b>	<b>-</b>	<b>-</b>	<b>24,447,952</b>	<b>-</b>	<b>-</b>	<b>(2,534,273)</b>

- (a) EBITDA = total direct income - total direct expenses - reversal of direct impairment losses + share of results in joint ventures and associated undertakings (Sonae Sierra direct results, Zopt and other participated) + provisions for extensions of guarantee + unusual results
- (b) "Underlying" EBITDA = EBITDA – effect of the equity method – non-recurrent results;
- (c) EBIT = EBT - financial results – dividends;
- (d) EBT = Direct results before taxes;

- (e) Direct income = Results excluding contributions to indirect results;
- (f) Indirect income = Includes Sonae Sierra's results, net of taxes, arising from: (i) investment properties valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses for non-current assets (including Goodwill) and; (iv) provision for assets at risk. Additionally and with regard to the portfolio of Sonae, it includes: (i) impairment of real estate assets for retail, (ii) decrease in goodwill, (iii) provisions (net of tax) for possible future liabilities and impairments related with non-core financial investments, businesses, discontinued assets (or be discontinued/ repositioned); (iv) valuation results based on the methodology "mark-to-market" of other current investments that will be sold or traded in the near future and (v) other irrelevant issues.

## 21. Subsequent events

### SONAE FINANCIAL SERVICES E BANCO CTT

On the 1<sup>st</sup> of April, Sonae SGPS, SA announced that its subsidiary Sonae SFS – Financial Services, IME, S.A. ("Sonae Financial Services") – entity managing the portfolio of financial products and services with the Universo brand – and Banco CTT, S.A. ("Banco CTT") signed a Partnership Agreement, in the area of financial services, which will be in force for the next five years.

Banco CTT will be responsible for financing the loans associated with the Universo Card and the respective inherent credit risk (initially through a securitization program in which Banco CTT will be the only subscribing entity), so that Universo continues its mission of providing a set of innovative and competitive financial solutions, maintaining itself as the exclusive interlocutor in the management and monitoring of all its customers throughout their life cycle and the operation's value chain.

The securitization operation will involve the sale of the credit portfolio constituted by Sonae Financial Services in the initial amount of 104 million euros and the subsequent sale of the credit portfolio that will be constituted, with the expectation that this portfolio will evolve to amounts greater than 300 million euro over a 12 month period.

### SONAE COM E ARTIC WOLF

In April 2021 following an operation in the secondary market, Sonae SGPS, S.A. through its subsidiary SONAE COM, SGPS, S.A. disposed of part of its shares in Artic wolf, resulting in a gross gain of approximately 12.3 million euros and a gross cash-in of 36.4 million euros.

## 22. Approval of financial statements

The financial statements were approved by the Board of Directors in a meeting held on 19 May 2021.

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

José Manuel Neves Adelino

Margaret Lorraine Trainer

Marcelo Faria de Lima

Carlos António Rocha Moreira da Silva

Fuencisla Clemares

Philippe Cyriel Elodie Haspeslagh

Maria Cláudia Teixeira de Azevedo

João Pedro Magalhães da Silva Torres Dolores



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This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that should not be regarded as historical facts.

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in regulation, industry and economic conditions; and the effects of competition. Forward-looking statements may be identified by words such as "believes," "expects," "anticipates," "projects," "intends," "should," "seeks," "estimates," "future" or similar expressions.

Although these statements reflect our current expectations, which we believe are reasonable, investors and analysts, and generally all recipients of this document, are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements.



## **MEDIA AND INVESTOR CONTACTS**

Patrícia Vieira Pinto  
Head of Investor Relations  
[pavpinto@sonae.pt](mailto:pavpinto@sonae.pt)  
Tel.: + 351 220 104 794

Tiago Soares  
External Communication  
[tjsoares@sonae.pt](mailto:tjsoares@sonae.pt)  
Tel.: + 351 220 104 747

Sonae  
Lugar do Espido Via Norte  
4471-909 Maia, Portugal  
Tel.: +351 229 487 522

*Sonae is listed on the Euronext Stock Exchange. Information may also be accessed on Reuters under the symbol SONP.IN and on Bloomberg under the symbol SON PL*