



2021 First half Results

28th July 2021

1H21 Highlights

Financial Performance

- Strong consolidated **turnover** growth of 5.5% driven by the solid performances of Sonae MC and Worten, which continued to conquer market share despite the challenging comparable period, and also encouraging signs from both Sonae Fashion and Sonae Sierra in 2Q21.
- **Online sales** increased 33% yoy in 1H21, with all our fully controlled businesses growing on top of last year's outstanding performances, clearly showing that our digital path is on the right track.
- Regarding **profitability**, both underlying EBITDA and EBITDA recorded double-digit increases, of 11.4% and 15.5% yoy respectively, supported by the strong turnover growth.
- Sonae's **net result** (group share) reached €62 M in 2Q21, clearly above both 2020 and 2019 figures.
- **Capital structure** remains strong and Sonae continues to have comfortable levels of financing costs and debt maturity profiles.

Portfolio Management Activity

- In January, **Worten** reached an agreement with Media Markt for the sale of 17 stores and closed another 14 stores in mainland Spain, having announced a new strategy for that geography.
- In March, Sonae acquired an additional 10% stake in **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.
- In April, **Sonae FS** and Banco CTT signed a partnership agreement for the next 5 years, and thereby Sonae reinforced its commitment to the financial services sector.
- **Sonae IM** saw a third company in the portfolio reach a unicorn status in the beginning of 2021 – Feedzai – and, in 2Q21, sold part of its stake in Arctic Wolf for €36.4 M (gross cash-in), resulting in a capital gain of €12.3 M. Also in 2Q, Sonae IM reached an agreement to sell its entire stake in Bizdirect (completion already took place in the 3Q).
- In May, **Sonae MC** reached an agreement to sell its 50% stake in Maxmat, a transaction which should be completed in 3Q21.

CEO Letter

The second quarter of 2021 was a positive and reassuring period for Sonae overall, despite the challenges that we are still facing in each of our businesses. It was a period in which we continued to take important steps towards our vision of being more digital, customer-centric, international and sustainable.

After a period of severe limitations to our operations, the easing of restrictions at the beginning of the second quarter allowed our businesses to see encouraging signs of recovery across several geographies and to demonstrate their very competitive and robust value propositions leveraged on unique customer insight and digital capabilities.

Up to the end of June, our balanced portfolio continued to show a very solid performance with consolidated turnover growing by 5.5%, online sales increasing by more than 30% and underlying EBITDA improving by 11.4%, compared to the same period of last year. We even reached operational and financial performances above those recorded in 2019. Our recent investment and portfolio strategy has better positioned us to face the future, and this is already visible in our latest performance.

As I write this CEO letter, we are still witnessing significant volatility in all our markets. Despite this context, I have no doubt that our teams will continue to show the same resilience, dedication and commitment as in previous months. I believe we are getting closer to a new normal and I remain confident that we are well prepared to take advantage of the opportunities that will arise.

I would like to leave a final word to MaxMat, Bizdirect and their teams. Both companies form an important part of our history, a history of which we are very proud. Both organisations have had an outstanding long-term track records and a clear identification with Sonae's mission and values. We believe that the transactions we announced recently will ensure that these businesses are well positioned to continue their successful paths. We wish everyone in both companies all the best for this new chapter in their lives.

Cláudia Azevedo, CEO

Group Consolidated Performance

1. Brief Portfolio Update

During the 1H21, and in terms of **portfolio management activity**: (i) Worten announced its plan to optimise the Spanish operation; (ii) Sonae increased its shareholding in Sonae Sierra to 80%, following the exercise by Grosvenor of its put option right for a 10% stake; (iii) Sonae FS and Banco CTT signed a partnership agreement for the next five years, for the Universo operation; (iv) Sonae IM agreed to sell Bizdirect for €12 M; and (v) Sonae MC agreed to sell its 50% shareholding in Maxmat for €65 M.

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

During the 1H21, Sonae's consolidated performance was hit by a challenging context in Portugal, namely: (i) a lockdown period from mid-January until mid-April as stores with non-essential products were forced to close again; and (ii) a post-lockdown period from mid-April onwards with a gradual easing of restrictions and full reopening of all stores, including shopping centres, only in May, still with limits both in store capacity and opening hours. Moreover, it is relevant to recall that the last 2 weeks of March, April and May of 2020 were severely hit by the effects of Covid-19.

Under this context, consolidated turnover **increased by 5.1% yoy to €1.6 bn in the 2Q21**, mainly anchored on the positive contributions from Sonae MC, Sonae Fashion and Sonae Sierra, leading to a 5.5% growth in the 1H21 to €3.2 bn. In terms of **underlying EBITDA and following the top line trend in the 2Q21, Sonae was able to show an increase of 9.9% yoy to €136 M**, mainly driven by the recovery of Sonae Fashion and the impact of the Spanish restructuring process at Worten. At the end of the 1H21, underlying EBITDA reached €246 M, +11.4% yoy. Regarding EBITDA, it reached €165 M in the 2Q21, a significant improvement when compared to 2Q20, mainly backed by the operational recovery of the businesses harmed by the Covid-19 restrictions last year, higher net result of ISRG when compared to 2020, and the capital gain from the dilution of Sonae IM' stake in Arctic Wolf. This performance fuelled 1H21 EBITDA to €292 M, +15.5% yoy.

€M	1H20 R	1H21	yoy	2Q20 R	2Q21	yoy
Turnover	3,054	3,222	5.5%	1,536	1,614	5.1%
Underlying EBITDA	221	246	11.4%	124	136	9.9%
margin	7.2%	7.6%	0.4 p.p.	8.1%	8.4%	0.4 p.p.
Equity method results*	18	36	-	9	19	-
Non-recurrent items	14	10	-28.0%	-7	10	-
EBITDA	253	292	15.5%	126	165	31.2%
margin	8.3%	9.1%	0.8 p.p.	8.2%	10.2%	2.0 p.p.
D&A	-106	-104	1.8%	-53	-52	3.1%
D&A - RoU	-63	-64	-1.0%	-32	-32	-0.9%
Prov and imp.	-53	-19	64.9%	-7	0	-
EBIT	31	106	-	34	82	-
Net Financial results	-55	-53	3.3%	-25	-25	0.8%
Taxes	5	2	-67.7%	-2	-1	44.1%
Direct result	-19	54	-	6	55	-
Indirect result	-67	15	-	-47	10	-
Net result	-86	69	-	-41	66	-
Non-controlling int.	10	-7	-	23	-4	-
Net result group share	-76	62	-	-18	62	-

Notes: R - Restated figures as Maxmat from Sonae MC and Bizdirect from Sonae IM were considered as assets held for sale and all periods in 2020 and 2021 were restated to consider these assets as discontinued operations.

* Equity method results: include 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.

Overall, **Direct Result increased almost €50 M in the 2Q21 to €55 M and more than €70 M in the 1H21, due to the high level of Covid-19 extra costs and provisions registered back in the 1Q20. Indirect result stood on positive ground in the 2Q21, mainly reflecting the evolution in the value of Sonae IM's portfolio, which coupled with the dividends received from the direct stake in NOS (€10.6 M), more than offset the decrease in the value of Sonae Sierra's investment properties. All in all, Sonae's Net result (group share) reached €62 M in the 2Q21 and in the 1H21.**

Cash Flow, Net Debt evolution and Financial Structure

Sonae's total **capex** in 1H21 reached €186 M, with our businesses continuing to invest in their value propositions as well as in their digital paths, and included the acquisition of the additional stake in Sierra for €82 M.

In terms of **operational cash flow**, Sonae's portfolio released a total of €123 M during the last 12 months.

In terms of **portfolio management activity**, Sonae reinforced its shareholder positions in several of its companies over the last 12 months (NOS (7.38%), Salsa (50%), Sonae Sierra (10%)), for a total of €323 M (also including Sonae IM investments), which was partially offset by €109 M of cash proceeds from asset sales, mainly related with Sonae IM and Sonae MC sale and leaseback transactions, and the €20 M of dividends received in the period.

All in all, Sonae's FCF (before dividends paid), for the last 12 months stood at -€101 M at the end of June 2021.

Sonae's **consolidated net debt reached €1,496 M**, +€239 M yoy, mainly driven by the several acquisitions over the last 12 months and the dividend payment of last May.

All in all, Sonae continues to hold a solid capital structure with a comfortable financing position (low cost of debt stable at 1.1% and an average maturity profile of 3.6 years).

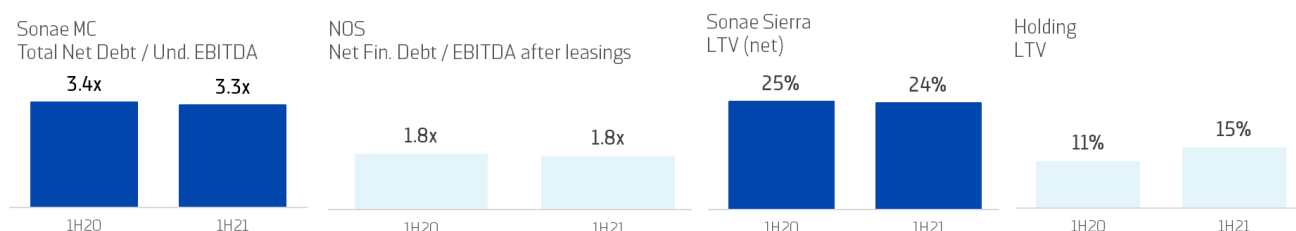
In what concerns the leverage profile of our main businesses, Sonae MC posted a 3.3x total net debt to underlying EBITDA ratio (vs. 3.4x in 1H20), NOS a ratio of Net financial debt to EBITDA (after leaseings) of 1.8x, and Sonae Sierra's loan-to-value stood at 24%. Finally, loan-to value at the holding level reached 15%*.

€M	1H20	1H21	yoy
Total capex	113	186	65.4%
Operational capex	107	94	-11.7%
Sonae MC	88	68	-23.0%
Worten	8	17	-
Sonae Fashion	6	6	-12.5%
Sonae IM	1	1	-28.3%
Sonae FS	0	1	103.4%
Sonae Sierra	0	0	6.0%
Financial/M&A capex	6	92	-

€M	L12M Dec20	L12M Jun21	var.
EBITDA (inc. rents and taxes)	399	428	7.2%
Working cap. and others	38	-53	-
Operational capex	-264	-252	4.6%
Operational cash flow	173	123	-28.9%
Net financial activity	-32	-29	7.2%
M&A capex	-237	-323	-36.1%
Sale of assets	335	109	-67.4%
Dividends received	13	20	49.7%
FCF bef. Dividends	252	-101	-

€M	1H20	YE20	1H21
Net invested capital	4,839	4,751	5,039
Shareholders funds	2,401	2,440	2,358
Lease liabilities	1,182	1,208	1,185
Net debt	1,257	1,103	1,496
Comparable*	1,257	1,071	1,496

* excluding Sonae FS backbook of €32 M at YE20.



* Average holding net debt excludes Sonae FS' credit book.

Portfolio Performance

1. Fully consolidated companies

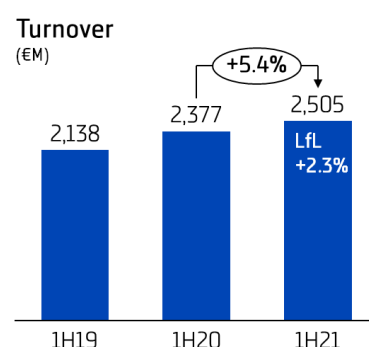
Sonae's fully consolidated portfolio continues to be affected by the pandemic context with lockdown and restrictions during the last 6 months. In Portugal, lockdown measures were in place from mid-January until mid-April and since then some restrictions have been lifted but there are still significant limitations to the normal activity of our businesses. Therefore, and under such challenging period, once again the first 6 months of 2021 showed a resilient and solid performance of our portfolio.

€M	Turnover			Und. EBITDA margin			Turnover			Und. EBITDA margin	
	1H20 R	1H21	yoy	1H20 R	1H21		2Q20 R	2Q21	yoy	2Q20 R	2Q21
Sonae MC	2,377	2,505	5.4%	9.2%	9.4%		1,205	1,258	4.4%	10.3%	10.2%
Worten	482	518	7.5%	4.1%	6.0%		250	246	-1.6%	4.7%	5.7%
Sonae Sierra	50	46	-7.2%	14.4%	14.1%		23	24	5.4%	11.3%	14.5%
Sonae Fashion	131	135	3.7%	-	1.1%		53	74	41.5%	-	7.3%
Sonae FS	17	11	-37.5%	20.2%	-		8	6	-19.0%	17.4%	-
Sonae IM	26	29	10.8%	-	-		13	15	12.2%	0.9%	-
Total	3,054	3,222	5.5%	7.2%	7.6%		1,536	1,614	5.1%	8.1%	8.4%

Note: R - Restated as Maxmat from Sonae MC and Bizdirect from Sonae IM were considered as assets held for sale and all periods in 2020 and 2021 were restated to consider these assets as discontinued operations.

Sonae MC†

After the first quarter with another lockdown in Portugal, the second quarter saw a gradual easing of the restrictions, consumers sought to return to more usual consumption patterns and there was no food inflation according to INE (-0.1%). In addition, the 2Q21 compares with a completely different 2Q20, as last year there was a full lockdown in Portugal with a peak in demand, while some of the new growth businesses were closed or had to deal with severe restrictions. Nevertheless, in the 2Q21, Sonae MC registered a very good performance with turnover growth of 4.4% yoy and a LfL of +1.3%, mainly fuelled by the new growth businesses recovery. With this performance, Sonae MC was able to continue reinforcing its leadership position with another market share increase, as turnover grew by 5.4% yoy to €2.5 bn in the 1H21 with an implied LfL increase of 2.3%.



Once again, an important highlight to the online business, which continued to grow in the quarter, even comparing with an atypical peak in 2Q20. When compared to 2Q19, sales doubled in this channel and in the 1H21, total online sales jumped 45% yoy.

In terms of store network expansion, Sonae MC continued to expand its proximity format, Continente Bom Dia, and launched the first cashierless store offered by an European retailer - Continente Labs. In the 1H21, the company opened 6

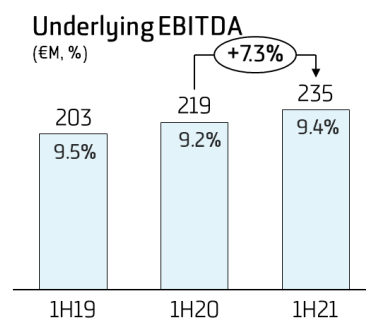
† Please note that Maxmat has been reclassified as asset held for sale and, for comparison purposes, it was excluded from 2019, 2020 and 2021 figures. For more information please see Sonae MC 1H21 results in www.sonae.pt

additional Continente Bom Dia stores out of a total of 20 new company-operated stores, representing an additional 9k square meters of sales area. At the end of 1H21, total capex stood at €68 M.

In terms of profitability, the underlying EBITDA in the 1H21 improved by 7.3% yoy, to €235 M, representing a margin of 9.4% (+17bps above last year), resulting from the robust turnover growth and a sustained operational profitability profile.

Sonae MC's free cash flow stood at -€42 M at the end of the 1H21, mainly reflecting working capital seasonal effects. In terms of net debt at the end of June, Sonae MC reached €664 M, mainly impacted by the dividend payment of €140 M in the 2Q21 and total net debt / underlying EBITDA stood at 3.3x.

Finally, Sonae MC reached an agreement to sell its 50% stake in Maxmat for €65 M and an estimated capital gain of c.€40 M. Completion is expected in the 3Q21.

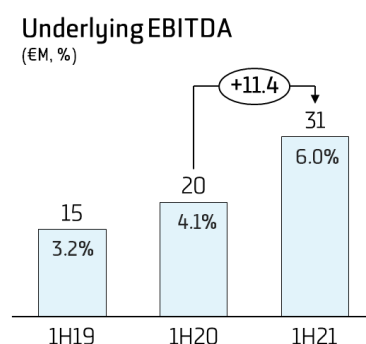
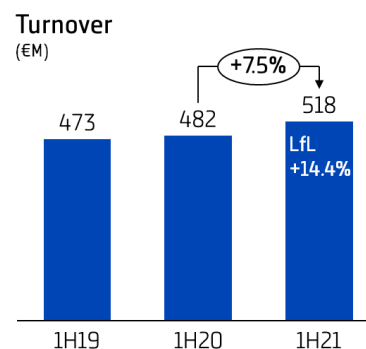


Worten

For the first 6 months of 2021, Worten's operation was still under a pandemic context, characterized by a mandatory confinement period during 1Q21 and significant changes in store opening hours, especially during weekends, throughout the semester. In addition, total sales in 2Q21 were negatively impacted by the restructuring of Worten's operation in Spain, completed during 1Q21.

Notwithstanding this challenging context, Worten delivered a very positive sales performance in 2Q21, totalling €246 M, achieving more than 4% growth when compared to 2Q19 and almost in line with 2Q20, with the latter benefitting from extraordinary sales resulting from the first and most stringent confinement period of last year. On a LfL basis, Worten posted sound growth of 15% in 2Q21, with positive performances arising both from the online and offline operations. The marketplace and services operations also contributed positively to growth.

In 1H21, Worten turnover increased 7.5% yoy, with a LfL of 14.4%, reaching €518 M. Sales performance benefitted from a growing electronics market, with Worten surpassing it and reinforcing its market share, consolidating its undisputed leadership position. Highly convenient solutions and continuously improving service levels allowed Worten to reinforce the weight of the online channel. Consequently, Worten delivered a 29% yoy increase of online sales at the end of 1H21.



This top line positive performance and the restructuring process in Spain contributed to an improved underlying EBITDA, that reached €31 M at the end of the 1H21 with a margin of 6.0%, growing 1.9 pp vs 1H20.

Sonae Sierra

2021 continues to be a challenging year for the shopping centre segment as the Covid-19 pandemic and the consequent lockdown restrictions across different countries continue to impact performance. Nevertheless, there have been positive signs of a return to normality every time restrictions are eased, as there continues to be consumer demand for quality shopping centre destinations.

In fact, from an operational point of view, during 1H21, the Sonae Sierra's European portfolio recorded: (i) a 11.6% yoy increase in tenant sales, with Portugal being the only country underperforming mainly due to lockdowns from mid-January until end of April and (ii) a decrease of 12.3% yoy in rents (LfL basis), and significantly higher discounts in Portugal, as a result of the new rental regime for 2021 and Sierra's proactive support to its tenant base. In terms of occupancy rate, Sonae Sierra continues to deliver a very high and stable rate of 96.6% at the end of the 1H21.

On a proportional accounting basis, in 1H21 Sonae Sierra reported a net loss of €4.6 M, split between a positive €10.8 M Direct result, and a -€15.4 M of Indirect Result mainly due to the property revaluations in the quarter, having a more significant impact than in the European portfolio which showed very strong signs of stabilising

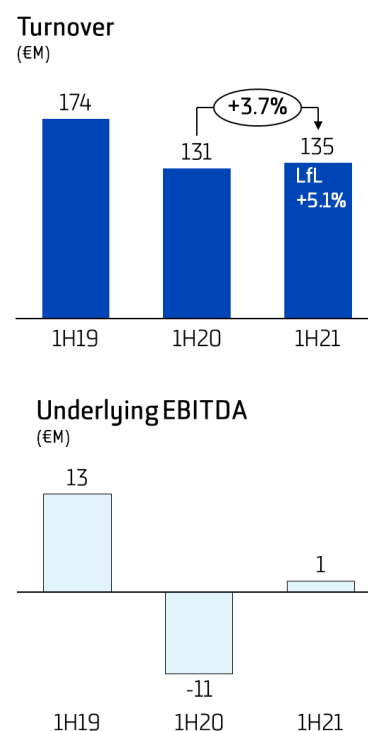
Proportional basis - management accounts						
M€	1H20	1H21	yoy	2Q20	2Q21	yoy
Total income	75	66	-11.4%	28	35	23.6%
Direct result	8	11	-	-3	6	-
Indirect result	-16	-15	3.9%	-53	-14	73.5%
Net result	-8	-5	43.7%	-56	-8	86.0%

Regarding INREV NAV, Sonae Sierra recorded €911 M at the end of June, +1% when compared to the end of 2020, with the net loss referred to above, being more than offset by the positive FX impact in Brazil.

Sonae Fashion†

After a lockdown period in Portugal, during most of the 1Q21, Sonae Fashion started to gradually reopen its stores on April 19th, although with limitations both in terms of capacity and trading hours (which have been increasingly worse in the final stretch of the quarter). Nevertheless, the sector's performance this quarter showed encouraging signs of recovery and Sonae Fashion proved once again to be a good performer in a challenging context, gaining market share in its key markets, according to our estimates for the period.

Within this demanding context, 2Q21 total turnover reached €74 M, +41.5% yoy (LfL of +61.5%), boosted by all brands and both online and offline operations. This was a very solid performance, particularly when compared to 2019, a year without restrictions, as Sonae Fashion was able to record a top line figure almost in line with 2Q19 figure (€78 M). In year-to-date terms, Sonae Fashion's performance is also encouraging as top line stood at €135 M, +3.7% yoy and a LfL of +5.1%, particularly taking into account that in the 1H21 stores were closed for 11 weeks - which compares to 7 weeks of full lockdown in 1H20. An important highlight to online sales which continued to deliver high growth rate, having reached 17% of total turnover.



† Sonae Fashion' stores were closed in Portugal: in 2020 from March 17th till May 4th (7 weeks) and shopping centres stores until June 1st (11 weeks); in 2021 from Jan 15th till April 5th (11 weeks) and shopping centres stores until April 19th (13 weeks).

Following the top line trend, Sonae Fashion was able to post an improved underlying EBITDA both in the 2Q21 and in the 1H21. After a negative 1Q21, mostly due to the new lockdown in Portugal, underlying EBITDA reached €5.4M in the 2Q21 and €1.5 M in the 1H21.

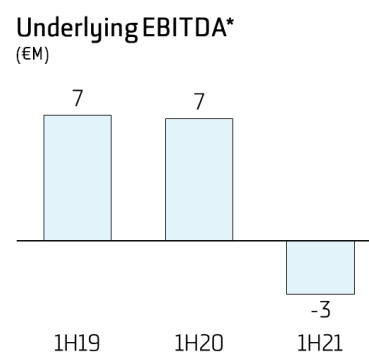
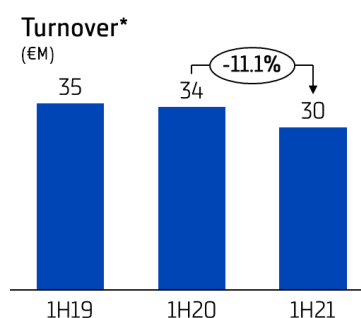
Sonae FS

For Sonae FS, the beginning of the second quarter was marked by the launch of the partnership with Banco CTT, as already announced.

In fully consolidated operations, the gradual lifting of the lockdown restrictions in 2Q resulted in a resumption of activity, with purchases, transfers and payments items growing and exceeding values registered not only last year but also in 2019. With regards to Universo's market share, it stood at 15.0% at the end of May, which compares to 14.8% last year. In addition, the company continued its strong efforts to expand its digital footprint, surpassing 500k clients at the end of June, +39k when compared to the end of March.

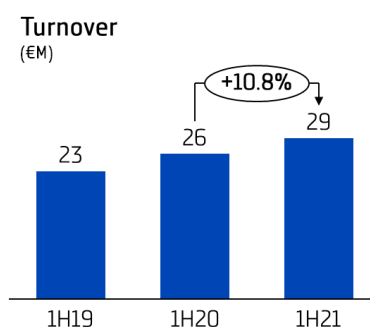
Regarding MDS, the company continues to show a strong commercial performance across all channels and geographies. This results in very strong growth, high single-digit in Portugal and double-digit in Brazil, and a significant improvement in operating profitability.

Similarly to the first quarter, proportional results (considering 50% of MDS) continued to register a year-on-year decrease, as a result of both the pandemic context and the business model change with Banco CTT, which will be mitigated over time as the credit portfolio is gradually built. Overall, 1H21 turnover stood at €30.1 M and underlying EBITDA followed the same trend reaching -€2.9 M in the 1H21.



Sonae IM

During the last 3 months and regarding portfolio activity, Sonae IM: (i) sold part of its stake in Arctic Wolf for a gross amount of €36.4 M, with a gross capital gain of around €12.3 M, (ii) entered in the share capital of Portainer.io, one of the most popular container management platforms globally and (iii) reached an agreement, jointly with the remaining shareholders, to sell the entire share capital of Bizdirect to Claranet (completion in the 3Q21), generating total proceeds of €12.2 M and a capital gain of €5.4M. Following the announcement of the agreement on June 1st, Bizdirect was already considered as a discontinued operation both in this year and last years' figures.



Moreover, and with cash invested of c.€140 M in the current portfolio, it continues to be important to highlight the company's impressive achievements on its minority investments portfolio, namely regarding Feedzai, Arctic Wolf and Outsystems, the 3 companies that reached unicorn valuations. Regarding Arctic Wolf, the company recently announced a

* Proportional figures include Sonae FS and 50% of MDS.

new financing round of \$150 M by some of the existing and new investors, at an underlying valuation of \$4.3 bn. Despite being a relatively small transaction, it is a good sign of the company's strong evolution and potential.

Overall, in 2021 Sonae IM's turnover increased by 11% yoy to €28.7 M, benefitting from the performance of the cybersecurity portfolio, and underlying EBITDA improved compared to last year.

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. During the last quarter, NOS, Sonae Sierra and ISRG have been showing positive signs of recovery, despite the still very challenging context in the different geographies.

€M	1H20	1H21	yoy	2Q20	2Q21	yoy
Sonae Sierra	10	11	6.9%	1	6	-
NOS/Zopt	11	18	66.7%	12	11	-7.7%
ISRG	-3	3	-	-6	-1	-

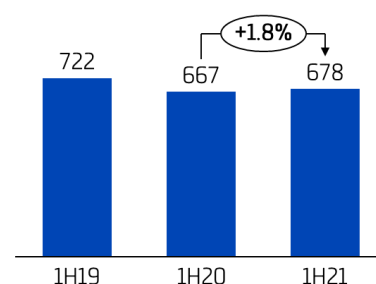
NOS

NOS published its 2Q21 results on July 21st. In this 2Q21, NOS continued to post solid operating performance in the Telco segment and the cinema & audiovisual segment was marked by the reopening of cinemas theatres on 19 April.

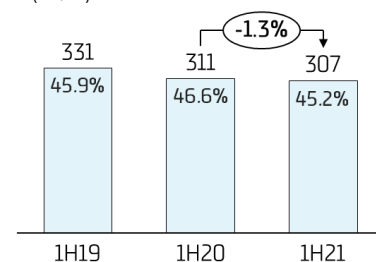
Turnover amounted to €341 M in 2Q21, +6.2% yoy, the first quarter with growth since 4Q19, supported by a positive evolution of more than 5% in telco and a nearly 50% growth in the Cinema & Audiovisuals segment. In the case of telco, the yoy comparison benefitted from the fact that last year the invoicing of the premium sports channel was suspended during the months of April and May and roaming revenues dropped significantly. However, even excluding these two effects, telco revenues would have grown by 2% yoy. The Cinema & Audiovisuals segment benefitted from the opening of movie theatres in mid-April, which were closed for most of 2Q20. In 1H21, turnover stood at €678 M, implying a 1.8% yoy increase.

As for profitability, 2Q21 EBITDA decreased 2.2% yoy, due to an increase in direct costs, as last year these were unusually low and in accumulated terms, 1H21 EBITDA stood at €307 M, -1.3% yoy. Net income decreased by €2 M yoy, to €43 M in the 2Q21, and more than doubled compared to last year to €74 M in the 1H21. FCF (ex-dividend and own shares) decreased yoy due to both higher capex and leasing liabilities, standing at €30 M in 2Q21.

Turnover (€M)



EBITDA
(€M, %)



NOS continues to show a conservative capital structure, with a Net financial debt / EBITDA after lease payments of 1.8x vs 1.5x at the end of the 1Q21, well within its target leverage profile.

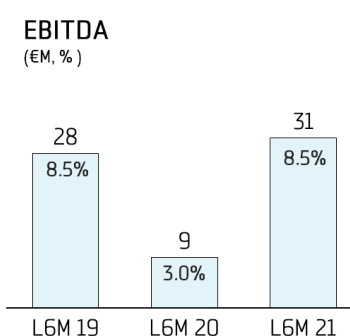
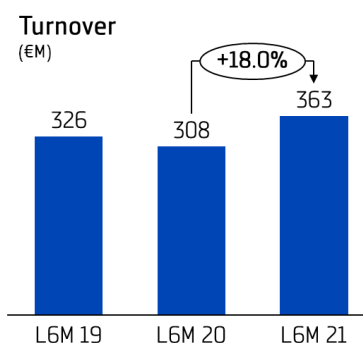
ISRG**

For ISRG, the 1Q21 (February-April) represented a significant recovery both regarding last year and the year before, with all the banners presenting an encouraging positive evolution. The online channel played a critical role in this quarter, with a double digit increase and more than offsetting the evolution of the offline channel that continued to be harmed by the pandemic restrictions, namely in Portugal. Overall, the L6M 21 showed a very good performance both above last year and 2019 figures.

Regarding profitability, the top line improvement in the quarter was able to fuel a significant improvement at EBITDA level (+€18 M) to -€1 M. This performance implied a better equity method contribution to Sonae's results but still negative in this quarter by €1.4 M (+€3.2 M in the 1H21).

Moreover, the performance in both May and June continue to show encouraging signs in both geographies and across all channels.

Finally, by the end of June, ISRG entered into a conditional agreement to acquire 80% of Deporvillage SL by €140.4 M, funded by the group's cash and bank facilities. Deporvillage, founded in 2010, is an online only retailer focussing on the sale of specialist sports equipment mainly for cycling, running and outdoor with sales of €118 M and profit before tax of €7.7 M in 2020. Post completion, the 2 founders will keep a 20% stake in the business, as well as their management roles (Chief Executive Officer and Chief Purchasing Officer). This acquisition will enhance ISRG's specialization in key sports categories, while significantly increasing its digital capabilities in the sports equipment market and complementing the ongoing positive developments in its existing banners, namely Sprinter and SportZone.



** Due to calendar reporting dates of JD Sports (the main shareholder of the JV), ISRG figures for the L6M 20 ended last May 1st.

Corporate Information

Main announcements in the 1H21

January 13th

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

January 29th

Sonae informed on Sonae MC 2020 Trading Statement.

March 1st

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 5th

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

March 17th

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 5th. 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.

April 1st

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

April 30th

Sonae informed on resolutions taken at Sonae's AGM and about dividend payment.
Sonae also informed about Sonae MC Annual Report 2020.

May 25th

Sonae informed that Sonae MC has reached an agreement to sell its 50% in Modelo – Distribuição de Materiais de Construção S.A. ("Maxmat").

June 1st

Sonaecom, a Sonae subsidiary, informed that Sonae IM, together with the remaining shareholders, reached an agreement with Claranet Portugal, S.A. to sell the entire share capital and voting rights of Digitmarket – Sistemas de Informação S.A. ("Bizdirect").

Subsequent events

July 15th

The Portuguese Competition Authority concluded the analysis of the sale of 50% Modelo – Distribuição de Materiais de Construção S.A. to an entity fully owned by BME Group, having adopted the decision of non-opposition regarding the respective merger control operation

July 16th

Sonaecom, a Sonae subsidiary, informed that the transaction between Sonae IM and Claranet, regarding the sale of the entire share capital and voting rights of Digitmarket – Sistemas de Informação S.A. ("Bizdirect"), has been completed, following the approval from the competent competition authority and the verification of the conditions precedent agreed between the parties.

Consolidated Balance Sheet

M€	1H20	2020	1H21
TOTAL ASSETS	7,806	8,149	7,873
Non current assets	6,176	6,328	6,246
Net fixed assets	2,084	2,108	2,058
Net Rights of Use	1,043	1,054	1,023
Goodwill	675	671	667
Investment properties	336	319	317
Other investments	1,642	1,776	1,780
Deferred tax assets	343	358	362
Others	53	41	39
Current assets	1,631	1,821	1,627
Stocks	567	636	578
Trade debtors	121	148	114
Liquidity	597	767	551
Others	346	271	383
SHAREHOLDERS' FUNDS	2,401	2,440	2,358
Equity holders	1,921	1,993	1,989
Attributable to minority interests	479	447	368
LIABILITIES	5,405	5,709	5,515
Non-current liabilities	3,307	3,404	3,502
Bank loans	1,079	1,007	1,162
Lease liabilities	1,077	1,100	1,080
Other loans	550	690	675
Deferred tax liabilities	464	479	474
Provisions	42	47	19
Others	94	81	92
Current liabilities	2,098	2,305	2,013
Bank loans	238	177	215
Lease liabilities	104	107	105
Other loans	15	16	15
Trade creditors	1,132	1,339	1,019
Others	610	666	659
SHAREHOLDERS' FUNDS + LIABILITIES	7,806	8,149	7,873

Sonae Sierra' statutory accounts

€M	1H20	1H21	yoy	2Q20	2Q21	yoy
Turnover	50	46	-7.2%	23	24	5.5%
Underlying EBITDA	7	7	-9.1%	3	3	35.0%
margin	14.4%	14.1%	-0.3 p.p.	11.3%	14.5%	3.2 p.p.
Equity method results	10	11	6.9%	1	6	-
Non-recurrent items	57	0	-	-2	0	-
EBIT	68	17	75.4%	-4	10	-
Net Financial results	-4	-4	2.7%	-1	-2	-86.6%
Taxes	-1	-1	2.5%	0	0	-
Direct result	63	12	-81.1%	-6	7	-
Indirect result	-72	-15	79.7%	-52	-14	74.0%
Net result	-9	-3	69.8%	-58	-6	-
Non-controlling interests	1	-2	-	2	-1	-
Net result group share	-8	-5	43.6%	-56	-8	86.0%

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.

In the 2Q21, Maxmat from Sonae MC and Bizdirect from Sonae IM were considered as assets held for sale and all periods in 2020 and 2021 were restated to consider these assets as discontinued operations in the P&L.

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 the remaining 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 from other related income (including dividends); 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.

SONAE

Appendix

Second quarter

Qualified holdings

Shares held and voting rights attributable to shareholders owning 2% or more of the share capital of the Sonae - SGPS, S.A., calculated according to article 20 of the Portuguese Securities Code, as required by article 8 paragraph 1, subparagraph c), of the Portuguese Securities Market Commission (CMVM) Regulation no. 05/2008:

Shareholder	Nr. of shares	% Share capital and voting rights*	% of exercisable voting rights**
Efanor Investimentos, SGPS, S.A. (I)			
Directly	200,100,000	10.0050%	10.0050%
By Pareuro, BV (controlled by Efanor Investimentos, SGPS, S.A.)	849,533,095	42.4767%	42.4767%
By Maria Margarida Carvalhais Teixeira de Azevedo (Director of Efanor Investimentos, SGPS, S.A.)	14,901	0.0007%	0.0007%
By Maria Cláudia Teixeira de Azevedo (Director of Efanor Investimentos, SGPS, S.A.)	724,707	0.0362%	0.0362%
By Duarte Paulo Teixeira de Azevedo (Director of Sonae, SGPS, S.A. and Efanor Investimentos, SGPS, S.A.)	1,053,075	0.0527%	0.0527%
By Ângelo Gabriel Ribeiro dos Santos Paupério (Director of Sonae, SGPS, S.A. and Efanor Investimentos, SGPS, S.A.)	444,625	0.0222%	0.0222%
By Migracom, S.A. (company controlled by Efanor Investimentos, SGPS, S.A. and Sonae, SGPS, S.A.'s Director Duarte Paulo Teixeira de Azevedo)	3,198,524	0.1599%	0.1599%
By Linhacom, SGPS, S.A. (company controlled by Efanor Investimentos, SGPS, S.A. and Sonae, SGPS, S.A.'s Director Maria Cláudia Teixeira de Azevedo)	189,314	0.0095%	0.0095%
By Enxomil - Consultoria e Gestão, SA (company controlled by Efanor Investimentos, SGPS, S.A. and Sonae, SGPS, S.A.'s Director Ângelo Gabriel Ribeiro dos Santos Paupério)	2,021,855	0.1011%	0.1011%
By Enxomil - Sociedade Imobiliária, SA (company controlled by Efanor Investimentos, SGPS, S.A. and Sonae, SGPS, S.A.'s Director Ângelo Gabriel Ribeiro dos Santos Paupério)	662,987	0.0331%	0.0331%
By Carlos António Rocha Moreira da Silva (Director of Efanor Investimentos, SGPS, S.A.)	22,000	0.0011%	0.0011%
Total attributable to Efanor Investimentos, SGPS, S.A.	1,057,965,083	52.8982%	52.8982%
Banco BPI, S.A.	96,034,789	4.8017%	4.8017%
Total attributable to Banco BPI, S.A. (II)	96,034,789	4.8017%	4.8017%
Criteria Caixa, S.A.	40,019,035	2.0010%	2.0010%
Total attributable to Criteria Caixa, S.A.	40,019,035	2.0010%	2.0010%

Source: communications received by the Company regarding qualified shareholdings up to 30th June 2021

(I) As from 29th November 2017, Efanor Investimentos SGPS, SA ceased to have any controlling shareholder pursuant to the set forth in articles 20 and 21 of the Portuguese Securities Code.

(II) Total number of voting rights attributed to Banco BPI, S.A. as per article 20 of the Portuguese Securities Code. Banco BPI is part of CaixaBank group, which holds 100% of Banco BPI's share capital, according to the disclosure made by Banco BPI to the market on the 5th April 2019 at www.cmvm.pt.

* Voting rights calculated based on the Company's share capital with voting rights, as per subparagraph b) of paragraph 3 of article 16 of the Portuguese Securities Code.

**Voting rights calculated based on the Company's share capital with voting rights that are not subject to suspension of exercise.

Statement under the terms of Article 246, paragraph 1, c) of the Portuguese Securities Code

The signatories individually declare that, to their knowledge, the Management Report, the Consolidated and Individual Financial Statements and other accounting documents required by law or regulation were prepared meeting the standards of the applicable International Financial Reporting Standards, giving a truthful (fairly) and appropriate image, in all material respects, of the assets and liabilities, financial position and the consolidated and individual results of the issuer and that the Management Report faithfully describes the progress of the business and position of the issuer and of the companies included in the consolidation perimeter and contains a description of the major risks and uncertainties that they face.

Maia, 28 of July 2021

The Board of Directors

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, abstract pattern of thin, white, curved lines that create a sense of depth and movement, resembling a stylized eye or a tunnel.

2021

Second quarter

Results

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 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	30 Jun 2021	30 Jun 2020 Restated Note 4	31 Dec 2020
ASSETS				
NON-CURRENT ASSETS:				
Property, plant and equipment	6	1,635,299,950	1,688,337,971	1,695,077,660
Intangible assets	7	422,217,488	395,322,518	413,375,902
Right of use assets	8	1,022,678,261	1,042,756,597	1,053,829,561
Investment properties		317,428,850	335,678,952	319,417,528
Goodwill		667,058,566	674,547,683	670,816,144
Investments in joint ventures and associates	9	1,570,754,285	1,560,464,212	1,548,383,214
Assets at fair value through results	10.1	79,154,922	61,067,279	97,668,772
Assets at fair value through other comprehensive income	10.2	116,111,989	5,528,973	115,903,789
Other investments		14,203,843	15,311,969	14,266,208
Deferred tax assets	11	361,950,446	343,490,149	358,072,804
Other non-current assets		38,980,408	53,044,417	41,232,738
Total Non-Current Assets		6,245,839,008	6,175,550,721	6,328,044,320
CURRENT ASSETS:				
Inventories		578,082,635	567,167,216	636,072,241
Trade receivables and other current assets	12	307,014,890	353,524,815	330,432,920
Income tax assets		42,780,599	44,125,906	37,711,054
Other tax assets		41,496,043	39,258,704	42,016,611
Investments		10,018,015	1,835,624	3,345,882
Cash and bank balances	13	541,155,252	594,771,902	763,302,610
Total Current Assets		1,520,547,434	1,600,684,167	1,812,881,318
Assets classified as held for sale	17	106,423,044	29,826,424	8,001,633
TOTAL ASSETS		7,872,809,486	7,806,061,312	8,148,927,271
EQUITY AND LIABILITIES				
EQUITY:				
Share capital		2,000,000,000	2,000,000,000	2,000,000,000
Own shares		(88,539,491)	(93,340,758)	(93,340,758)
Legal reserve		281,215,564	277,452,299	277,452,299
Reserves and retained earnings		(265,612,767)	(186,331,680)	(262,266,902)
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		62,429,059	(76,489,699)	70,944,578
Equity attributable to the equity holders of the Parent Company		1,989,492,365	1,921,290,162	1,992,789,217
Equity attributable to non-controlling interests	14	368,194,813	479,474,197	447,063,129
TOTAL EQUITY		2,357,687,178	2,400,764,359	2,439,852,346
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	15	1,837,185,861	1,629,212,413	1,696,403,314
Lease liabilities	8	1,079,600,363	1,077,086,722	1,100,459,060
Other non-current liabilities		91,878,398	94,269,448	80,942,994
Deferred tax liabilities	11	473,989,932	464,138,462	479,103,073
Provisions	16	19,074,531	42,112,466	47,032,991
Total Non-Current Liabilities		3,501,729,085	3,306,819,511	3,403,941,432
CURRENT LIABILITIES:				
Loans	15	229,686,161	252,238,129	193,356,993
Lease liabilities	8	105,332,177	104,468,931	107,387,576
Trade payables and other current liabilities		1,517,401,646	1,602,119,650	1,871,039,085
Income tax liabilities		29,351,239	26,780,646	16,148,599
Other tax liabilities		74,261,366	84,923,051	96,992,405
Provisions	16	7,095,596	26,331,674	16,344,127
Total Current Liabilities		1,963,128,185	2,096,862,081	2,301,268,785
Liabilities directly associated with assets classified as held for sale	17	50,265,038	1,615,361	3,864,708
TOTAL LIABILITIES		5,515,122,308	5,405,296,953	5,709,074,925
TOTAL EQUITY AND LIABILITIES		7,872,809,486	7,806,061,312	8,148,927,271

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

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30 JUNE 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	2 nd Quarter 2021	2 nd Quarter 2020 Restated	30 Jun 2021	30 Jun 2020 Restated Note 4
Sales	5	1,533,442,151	1,470,978,678	3,071,206,427	2,908,194,600
Services rendered	5	80,610,325	65,478,410	150,675,486	146,196,044
Changes in value of investment properties		(2,133,040)	(12,015,453)	(2,133,040)	(12,015,453)
Income or expense relating to investments	18	10,803,449	121,859	9,637,567	21,962,096
Gains and losses on investments recorded at fair value through results		9,382,916	(1,823,938)	13,511,813	(1,823,938)
Financial income	20	9,646,731	14,298,953	19,732,632	17,457,203
Other income	19	33,733,243	25,446,669	71,080,746	49,529,076
Cost of goods sold and materials consumed		(1,079,181,798)	(1,070,108,827)	(2,198,895,518)	(2,162,866,306)
(Increase) / Decrease in production		824,119	880,276	99,667	1,302,199
External supplies and services		(187,904,860)	(152,255,117)	(362,163,130)	(312,655,563)
Employee benefits expense		(228,011,184)	(208,984,555)	(447,734,838)	(429,399,329)
Depreciation and amortisation expenses	6, 7 and 8	(83,846,987)	(85,240,277)	(167,535,943)	(168,787,618)
Impairment losses	17	(764,858)	(8,117,231)	(12,351,630)	(8,966,682)
Provisions	17	(388,920)	(7,817,509)	(4,884,531)	(26,997,774)
Financial expense	20	(35,015,393)	(31,555,865)	(72,668,966)	(63,960,488)
Other expenses		(18,102,271)	(13,073,905)	(40,596,223)	(29,413,713)
Share of results of joint ventures and associates	9.2	24,800,662	(31,189,697)	43,619,622	(23,696,231)
Profit/(Loss) before taxation from continuing operations		67,894,285	(44,977,529)	70,600,141	(95,941,877)
Income tax expense		(5,187,220)	1,221,310	(4,404,913)	7,357,138
Profit/(Loss) after taxation from continuing operations		62,707,065	(43,756,219)	66,195,228	(88,584,739)
Profit/(Loss) from discontinued operations after taxation	4.2	3,203,764	3,031,009	3,132,099	2,398,876
Consolidated profit/(Loss) for the period		65,910,829	(40,725,210)	69,327,327	(86,185,863)
Attributable to equity holders of the Parent Company:					
Continuing operations		60,236,427	(19,176,409)	61,970,793	(76,730,339)
Discontinued operations		1,551,344	1,418,773	458,267	240,640
		61,787,770	(17,757,636)	62,429,059	(76,489,699)
Attributable to non-controlling interests:					
Continuing operations		2,470,639	(24,579,810)	4,224,436	(11,854,400)
Discontinued operations		1,652,421	1,612,236	2,673,833	2,158,236
	14	4,123,059	(22,967,574)	6,898,268	(9,696,164)
Profit/(Loss) per share					
From continuing operations					
Basic	22	0.031564	(0.009940)	0.032472	(0.040168)
Diluted	22	0.029492	(0.009175)	0.030341	(0.037456)
From discontinued operations					
Basic	22	0.000812	0.000745	0.000240	0.000126
Diluted	22	0.000759	0.000697	0.000224	0.000118

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 JUNE 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	2nd Quarter 2021	2nd Quarter 2020 Restated	30 Jun 2021	30 Jun 2020 Restated Note 4
Net Profit / (Loss) for the period		65,910,829	(40,725,210)	69,327,327	(86,185,863)
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		(5,267,657)	2,039,159	(3,393,664)	10,230,834
Share of other comprehensive income of joint ventures and associates	9.2	24,877,517	(15,305,021)	14,483,242	(79,402,415)
Changes in cash flow hedging reserve		3,200,416	(492,832)	6,962,746	(94,754)
Income tax relating to items that may be reclassified subsequently to profit or loss		53,043	187,182	(302,757)	(41,232)
Others		(22,473)	(202,890)	103,287	(76,237)
		22,840,846	(13,774,402)	17,852,854	(69,383,804)
Items that won't be reclassified subsequently to profit or loss:					
Changes value of financial assets at fair value		3,675,393	(132,162)	3,932,201	(132,162)
Total other comprehensive income for the period		26,516,239	(13,906,564)	21,785,055	(69,515,966)
Total comprehensive income for the period		92,427,068	(54,631,774)	91,112,382	(155,701,829)
Attributable to:					
Equity holders of parent company		83,947,484	(28,197,676)	81,531,872	(125,306,577)
Non controlling interests		8,479,584	(26,434,096)	9,580,510	(30,395,252)

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED 30 JUNE 2021 AND 2020

(Amounts expressed in euro)

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

	Reserves and Retained Earnings											
	Share Capital	Own Shares	Legal Reserve	Currency Translation Reserve	Investments Fair Value Reserve	Cash-flow Hedging Reserve	Other Reserves and Retained Earnings	Total Reserves and Retained Earnings	Net Profit/(Loss)	Total	Non controlling Interests (Note 14)	Total Equity
	Attributable to Equity Holders of Parent Company											
Balance as at 1 January 2020 - Published	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
Restatement of financial assets at fair value	-	-	-	-	(1,456,484)	-	898,755	(557,729)	557,729	-	-	-
Balance as at 1 January 2020	2,000,000,000	(99,806,645)	268,028,145	(7,400,437)	2,681,458	(673,747)	(196,759,207)	(202,151,933)	165,779,633	2,131,849,200	974,714,342	3,106,563,542
Total comprehensive income for the period	-	-	-	8,678,351	(337,866)	(6,273)	(57,151,090)	(48,816,878)	(76,489,699)	(125,306,577)	(30,395,252)	(155,701,829)
Appropriation of consolidated net profit of 2019	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	-	9,424,154	-	-	-	156,355,479	156,355,479	(165,779,633)	-	-	-
Dividends distributed	-	-	-	-	-	-	(88,485,183)	(88,485,183)	-	(88,485,183)	(82,475,010)	(170,960,193)
Obligation fulfilled by share attribution to employees	-	-	-	-	-	-	(540,773)	(540,773)	-	(540,773)	1,502	(539,271)
Partial cancellation of Cash Settled Equity Swap	-	6,465,887	-	-	-	-	(2,800,319)	(2,800,319)	-	3,665,568	-	3,665,568
Capital decrease	-	-	-	-	-	-	-	-	-	-	(25,952,884)	(25,952,884)
Loss of control of subsidiaries	-	-	-	-	-	-	-	-	-	-	(356,522,582)	(356,522,582)
Others	-	-	-	-	-	-	107,927	107,927	-	107,927	104,081	212,008
Balance as at 30 June 2020	2,000,000,000	(93,340,758)	277,452,299	1,277,914	2,343,592	(680,020)	(189,273,166)	(186,331,681)	(76,489,699)	1,921,290,161	479,474,197	2,400,764,359
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	-	-	-	(2,954,665)	3,893,695	6,382,012	11,781,771	19,102,813	62,429,059	81,531,872	9,580,510	91,112,382
Appropriation of consolidated net profit of 2020	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	-	3,763,265	-	-	-	67,181,313	67,181,313	(70,944,578)	-	-	-
Dividends distributed	-	-	-	-	-	-	(93,023,122)	(93,023,122)	-	(93,023,122)	(2,976,114)	(95,999,236)
Income distribution from investment funds	-	-	-	-	-	-	-	-	-	-	(120,104)	(120,104)
Obligation fulfilled by share attribution to employees	-	-	-	-	-	-	(143,656)	(143,656)	-	(143,656)	(7,654)	(151,310)
Partial cancellation of Cash Settled Equity Swap	-	4,801,267	-	-	-	-	(1,184,790)	(1,184,790)	-	3,616,477	-	3,616,477
Variation in percentage of subsidiaries	-	-	-	-	-	-	4,797,211	4,797,211	-	4,797,211	(84,969,678)	(80,172,467)
Capital decrease	-	-	-	-	-	-	-	-	-	-	(427,203)	(427,203)
Others	-	-	-	-	-	-	(75,634)	(75,634)	-	(75,634)	51,927	(23,707)
Balance as at 30 June 2021	2,000,000,000	(88,539,491)	281,215,564	(10,355,102)	8,031,637	5,708,265	(268,997,567)	(265,612,767)	62,429,059	1,989,492,365	368,194,813	2,357,687,178

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 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	2nd Quarter 2021	2nd Quarter 2020	30 Jun 2021	30 Jun 2020
OPERATING ACTIVITIES					
Net cash generated from operating activities (1)		191,336,248	169,441,611	(41,143,093)	(9,285,097)
INVESTMENT ACTIVITIES					
Receipts arising from:					
Investments	23	44,257,731	1,007,143	49,557,179	269,703,299
Property, plant and equipment and intangible assets		2,632,073	788,325	7,401,503	8,371,760
Interests and similar income		153,065	439,725	941,098	942,418
Loans granted		5,801,925	-	5,801,925	2,368,303
Dividends		11,585,012	1,144,354	12,788,475	5,091,371
Others		14,384,018	23,828,998	16,090,324	23,828,998
		78,813,824	27,208,545	92,580,504	310,306,149
Payments arising from:					
Investments	23	(7,446,521)	(1,433,623)	(93,481,365)	(7,844,372)
Property, plant and equipment and intangible assets		(48,139,798)	(57,762,744)	(112,664,517)	(128,435,988)
Loans granted		(1,176,939)	(218,835)	(1,854,454)	(2,383,044)
Others		(103,647)	(16,493,582)	(1,372,310)	(36,143,732)
		(56,866,905)	(75,908,783)	(209,372,646)	(174,807,136)
Net cash used in/ generated by investment activities (2)		21,946,919	(48,700,238)	(116,792,142)	135,499,013
FINANCING ACTIVITIES					
Receipts arising from:					
Loans, bonds and finance leases	15	1,406,720,742	1,801,098,465	2,702,344,843	3,430,685,363
Capital increases, additional paid in capital and share premiums				-	19,050,000
		1,406,720,742	1,801,098,465	2,702,344,843	3,449,735,363
Payments arising from:					
Lease contracts		(52,705,965)	(33,921,059)	(94,007,909)	(80,660,691)
Loans, bonds and finance leases	15	(1,587,195,614)	(1,802,005,467)	(2,524,643,733)	(3,335,109,241)
Interests and similar charges		(7,948,025)	(9,013,006)	(14,425,221)	(14,669,765)
Reimbursement of capital and paid in capital		(427,203)	(2,000,000)	(427,203)	(2,348,798)
Dividends		(100,154,371)	(100,524,936)	(100,274,475)	(175,047,024)
		(1,748,431,178)	(1,947,464,468)	(2,733,778,541)	(3,607,835,519)
Net cash used in financing activities (3)		(341,710,436)	(146,366,003)	(31,433,698)	(158,100,156)
Net increase (decrease) in cash and cash equivalents (4) = (1) + (2) + (3)		(128,427,269)	(25,624,631)	(189,368,932)	(31,886,240)
Effect of exchange rate changes on the balance of cash held in foreign currencies		(106,301)	(4,539)	(162,342)	162,519
Cash and cash equivalents at the beginning of the period		691,287,828	616,840,941	752,173,450	623,269,608
Cash and cash equivalents at the end of the period	13	562,966,860	591,220,849	562,966,860	591,220,849

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

SONAE, SGPS, SA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 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 5.

2. Covid-19 update

In the year of 2021, the Covid-19 outbreak continued to have a significant impact in our activities. On the first quarter of 2021, as a result of 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.

The increase in the pace of the vaccination process during the first semester, allowed that the gradual worsening of the pandemic situation (significant increase in the number of infections) did not translate into an unbearable effort to the national health system. Therefore, the Portuguese Government maintain the deconfinement plan which allow the economy reopening, with positive and direct consequence on the Sonae Group second quarter results.

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 9, IAS 39, IFRS 7, IFRS 4 e 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 Benchmark Reform – Phase 2 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 endorsed by the European Union and have mandatory application in future economic exercises:

With mandatory application
after 2021

Effective date (for
financial years
beginning on or after)

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

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 2023

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 on or 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 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 participation characteristics	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 Position; vii) recognition and measurement of the Income Statement; and viii) disclosures	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 30 June 2021 since their application is not mandatory, lying in the process of analysing expected effects of those standards.

4. Restatement of consolidated income statements

10.1 Review of the classification of minority stakes

In the year ended 31 December 2020, a review was performed of the classification of the minority interests of the subsidiaries SonaeIM, Bright Development and Bright Vector I, recorded in the group to date in accordance with IFRS 9 at fair value through other comprehensive income. As a result of this review, the group concluded to significant influence in the majority of these investments. In this sense, and taking into account that the investment activity developed by these subsidiaries fits, for the purposes of the exemption provided for in paragraph 18 of IAS 28, as venture capital activity, the group opted for the exemption of the application of the equity method, and started to measure the minority interests held by these subsidiaries at fair value through profit or loss in accordance with IFRS 9.

The restatement of income statements was made for period ended 30 June 2020 to reflect the changes mentioned above.

10.2 Classification of Digitmarket and Maxmat as discontinued operations

In the period ended 30 June 2021, the companies Digitmarket Sistemas de Informação S.A. (75% held by Sonae Investment Management – Software and Technology, SGPS, S.A, 15% by AITEC Capital, SGPS, S.A. and 10% by Banco BPI, S.A.), and Modelo Distribuição-Materiais de Construção, S.A.(Maxmat) (50% held by Sonae MC, SGPS, S.A and 50% by Cimentos Estrada Pedra SGPS Lda) were considered as assets held for sale and as discontinued operations.

As so, in compliance with IFRS 5, the 2021 assets and liabilities of these companies were classified as held for sale. On the consolidated statements of income by nature the result of the year was classified to 'net income for the period from

discontinued operations' and the comparative period restated to reflect in a single item on the face of the income, profit or loss after tax from discontinued operations.

The restatement impacts on the consolidated financial statements according to the changes described previously for the period ended 30 June 2020 can be summarize as follows:

30 Jun 2020	Before the restatement	Review of the classification of minority stakes	After the restatement
ASSETS			
NON-CURRENT ASSETS:			
Investments in joint ventures and associates	1,560,464,212	-	1,560,464,212
Assets at fair value through results	-	61,067,279	61,067,279
Assets to fair value through other comprehensive income	-	5,528,973	5,528,973
Other investments	81,908,222	(66,596,253)	15,311,969
Other non-current assets	4,533,178,287	-	4,533,178,287
Total Non-Current Assets	6,175,550,721	-	6,175,550,721
CURRENT ASSETS:			
Other current assets	1,600,684,167	-	1,600,684,167
Total Current Assets	1,600,684,167	-	1,600,684,167
Assets classified as held for sale	29,826,424	-	29,826,424
TOTAL ASSETS	7,806,061,312	-	7,806,061,312
EQUITY AND LIABILITIES			
EQUITY:			
Reserves and retained earnings	1,996,046,468	1,733,393	1,997,779,861
Profit/(Loss) for the period attributable to the equity holders of the Parent Company	(74,756,306)	(1,733,393)	(76,489,699)
Equity attributable to the equity holders of the Parent Company	1,921,290,162	-	1,921,290,162
Equity attributable to non-controlling interests	479,474,197	-	479,474,197
TOTAL EQUITY	2,400,764,359	-	2,400,764,359
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Other non-current liabilities	3,306,819,511	-	3,306,819,511
Total Non-Current Liabilities	3,306,819,511	-	3,306,819,511
CURRENT LIABILITIES:			
Other current liabilities	2,096,862,081	-	2,096,862,081
Total Current Liabilities	2,096,862,081	-	2,096,862,081
Liabilities directly associated with assets classified as held for sale	1,615,361	-	1,615,361
TOTAL LIABILITIES	5,405,296,953	-	5,405,296,953
TOTAL EQUITY AND LIABILITIES	7,806,061,312	-	7,806,061,312

30 Jun 2020

	Before the restatement	Review of the classification of minority stakes	Discontinued operations	After the restatement
Sales	2,990,207,331	-	(82,012,731)	2,908,194,600
Services rendered	145,615,280	-	580,764	146,196,044
Changes in value of investment properties	(12,015,453)	-	-	(12,015,453)
Income or expense relating to investments	21,939,256	-	22,840	21,962,096
Gains and losses on investments recorded at fair value through results	-	(1,801,098)	(22,840)	(1,823,938)
Financial income	17,460,752	-	(3,549)	17,457,203
Other income	49,868,357	-	(339,281)	49,529,076
Cost of goods sold and materials consumed	(2,230,745,574)	-	67,879,268	(2,162,866,306)
(Increase)/Decrease in production	1,302,199	-	-	1,302,199
External supplies and services	(310,334,715)	-	(2,320,848)	(312,655,563)
Employee benefits expense	(437,462,262)	-	8,062,933	(429,399,329)
Depreciation and amortisation expenses	(170,441,601)	-	1,653,983	(168,787,618)
Impairment losses	(8,968,101)	-	1,419	(8,966,682)
Provisions	(26,997,774)	-	-	(26,997,774)
Financial expense	(64,160,800)	-	200,312	(63,960,488)
Other expenses	(29,844,982)	-	431,269	(29,413,713)
Share of results of joint ventures and associates	(23,696,231)	-	-	(23,696,231)
Profit/(Loss) before taxation from continuing operations	(88,274,318)	(1,801,098)	(5,866,461)	(95,941,877)
Income tax expense	6,049,057	(125,625)	1,433,706	7,357,138
Profit/(Loss) after taxation from continuing operations	(82,225,261)	(1,926,723)	(4,432,755)	(88,584,739)
Profit/(Loss) from discontinued operations after taxation	(2,033,879)	-	4,432,755	2,398,876
Consolidated profit/(Loss) for the period	(84,259,140)	(1,926,723)	-	(86,185,863)

The details of the discontinued activities for the period ended 30 June 2021 can be analysed as follows:

30 Jun 2021				
Amounts expressed in euro	Maxmat	Digitmarket	Bright Brands	Total discounting operations
Turnover	59,096,348	22,479,039	-	81,575,387
Other income	754,553	10,861	-	765,414
Cost of goods sold and materials consumed	(37,208,559)	(18,945,887)	-	(56,154,446)
External supplies and services	(6,917,859)	(1,746,696)	-	(8,664,555)
Employee benefits expense	(6,729,986)	(1,780,393)	-	(8,510,379)
Depreciation and amortisation expenses	(1,877,419)	(150,359)	-	(2,027,778)
Other expenses	(602,011)	(5,822)	-	(607,833)
Financial income	(66,725)	3,110	-	(63,615)
Profit/(Loss) before tax	6,448,342	(136,147)	-	6,312,195
Income tax expense	(1,046,384)	27,562	-	(1,018,822)
Profit/(Loss) after tax	5,401,958	(108,585)	-	5,293,373
Income or expenses related to loss control	-	-	(2,161,274)	(2,161,274)
Profit/(Loss) for period from discounting operations	5,401,958	(108,585)	(2,161,274)	3,132,099

The impact of the discontinued operations on the cash flows statement are as follows:

30 Jun 2021	Maxmat	Digitmarket	Total
Net cash generated from operating activities	10,071,156	(903,596)	9,167,560
Net cash used in/ generated by investment activities	(1,550,720)	(14,112)	(1,564,832)
Net cash used in financing activities	(782,761)	(118,474)	(901,235)
Total	7,737,675	(1,036,182)	6,701,493

5. 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 the operational assets of Sonae RP, as well as Maxmat classified as discontinued activity in this period (Note 4);
- 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 30 June 2021 and 2020 can be detailed as follows:

30 Jun 2021	Turnover	Depreciation and amortisation ⁽³⁾	Provisions and impairment losses ⁽³⁾	EBIT ⁽³⁾	Financial results ⁽³⁾	Income tax
Sonae MC	2,504,796,958	(124,695,686)	(10,232,018)	101,622,042	(37,857,110)	(9,306,226)
Worten	518,088,462	(16,448,831)	(3,863,310)	4,959,520	(2,475,010)	2,269,882
Sonae Sierra	46,031,054	(1,485,077)	(1,196,018)	16,738,619	(4,175,189)	(440,713)
Sonae Fashion	135,441,636	(17,738,808)	(661,204)	(26,111,590)	(3,507,028)	7,485,344
Sonae FS	10,583,531	(757,448)	(705,994)	(8,643,651)	(110,658)	2,997,438
Sonae IM	28,668,497	(3,927,502)	(33,180)	5,485,500	273,671	(2,352,751)
NOS	-	-	-	17,599,433	-	-
ISRG	-	-	-	3,225,238	-	-
Other, eliminations and adjustments ⁽¹⁾	(21,728,225)	(2,482,551)	(157,832)	(9,282,589)	(5,085,010)	945,047
Total consolidated - Direct	3,221,881,913	(167,535,903)	(16,849,556)	105,592,522	(52,936,334)	1,598,021

30 Jun 2020	Turnover	Depreciation and amortisation ⁽³⁾	Provisions and impairment losses ⁽³⁾	EBIT ⁽³⁾	Financial results ⁽³⁾	Income tax
Sonae MC	2,377,100,198	(121,577,514)	(599,884)	93,544,653	(39,523,724)	(10,249,799)
Worten	481,850,693	(20,053,494)	(2,230,226)	(27,136,888)	(3,211,539)	4,455,616
Sonae Sierra	49,610,910	(1,540,994)	(5,182,994)	30,885,149	(4,284,801)	(329,095)
Sonae Fashion	130,553,349	(18,429,156)	(604,847)	(58,548,207)	(2,641,000)	9,958,792
Sonae FS	16,922,308	(423,774)	-	(466,090)	125,867	194,740
Sonae IM	25,882,079	(3,573,994)	(275,163)	(5,735,412)	(423,278)	1,037,559
NOS	-	-	-	10,555,528	-	-
ISRG	-	-	-	(3,321,634)	-	-
Other, eliminations and adjustments ⁽¹⁾	(27,528,892)	(3,188,692)	(1,250)	(9,231,259)	(4,659,717)	(123,187)
Total consolidated - Direct	3,054,390,645	(168,787,618)	(8,894,364)	30,545,840	(54,618,191)	4,944,626

	30 Jun 2021			30 Jun 2020		
	Investment (CAPEX)	Invested capital	Financial net debt ⁽²⁾⁽⁴⁾	Investment (CAPEX)	Invested capital	Financial net debt ⁽²⁾⁽⁴⁾
Sonae MC	67,981,020	2,564,435,306	1,749,602,874	89,221,961	2,444,940,022	1,652,606,044
Worten	21,187,508	86,089,897	-	8,097,690	117,409,447	-
Sonae Sierra	848,836	921,192,956	32,230,268	1,694,124	945,943,306	23,699,078
Sonae Fashion	5,680,006	308,387,949	-	6,490,229	342,096,244	-
Sonae FS	984,985	30,147,667	-	484,305	7,728,372	-
Sonae IM	5,697,280	216,114,356	2,126,493	5,739,060	190,891,338	17,354,915
NOS	-	792,936,598	-	-	649,434,463	-
ISRG	-	87,130,356	-	-	78,389,885	-
Other, eliminations and adjustments ⁽¹⁾	83,931,722	32,660,301	897,448,537	889,616	62,647,793	745,056,454
Total consolidated	186,311,357	5,039,095,386	2,681,408,172	112,616,985	4,839,480,870	2,438,716,491

- 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 24;
- 4) Include lease liabilities.

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

	Investment		Invested capital	
	30 Jun 2021	30 Jun 2020	30 Jun 2021	30 Jun 2020
Inter-segment intra-groups and contributions of entities non-individualized entities as segments	1,772,447	889,616	99,372,523	122,879,230
Acquisition of an additional 10% of Sonae Sierra (note 12)	82,159,275	-	-	-
Cash settled equity swap	-	-	(66,712,222)	(60,231,437)
	83,931,722	889,616	32,660,301	62,647,793

All performance measures are reconciled to the financial statements in Note 24.

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 December 2020;

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

6. Property, plant and equipment

During the six months period ended 30 June 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
Gross costs:					
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	3,563,527	1,858,025	608,065	56,028,541	62,058,158
Acquisitions of subsidiaries	-	-	13,203	-	13,203
Disposals	(1,727,881)	(54,190,094)	(4,857,846)	(925,994)	(61,701,815)
Exchange rate effect	(177)	1,813	7,588	-	9,224
Assets available for sale (Note 17)	(33,949,923)	(23,394,302)	(4,453,531)	(9,704)	(61,807,460)
Transfers	1,300,889	47,715,862	7,908,075	(58,283,458)	(1,358,632)
Closing balance as at 30 June 2021	1,338,694,072	1,704,902,274	266,174,079	39,065,824	3,348,836,249
Accumulated depreciation and impairment losses					
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	11,124,790	58,144,681	10,945,857	-	80,215,328
Impairment losses of the period (Note 16)	-	1,422,941	-	-	1,422,941
Reversals of impairment losses	(380,650)	(218,731)	(30,591)	-	(629,972)
Acquisitions of subsidiaries	-	-	12,724	-	12,724
Disposals	(996,595)	(47,015,074)	(5,344,504)	-	(53,356,173)
Exchange rate effect	(107)	1,167	6,606	-	7,666
Depreciation of assets available for sale (Note 17)	(9,893,223)	(16,080,414)	(3,376,644)	-	(29,350,281)
Transfers	230,292	(1,522,135)	(40,002)	-	(1,331,845)
Closing balance as at 30 June 2021	456,473,554	1,058,623,198	198,230,517	209,030	1,713,536,299
Carrying amount					
as at 30 June 2021	882,220,518	646,279,076	67,943,562	38,856,794	1,635,299,950

The investment includes the acquisition of assets of approximately 56 million euros (80 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.

7. Intangible assets

During the six months period ended 30 June 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
Gross assets:					
Opening balance as at 1 January 2021	233,724,899	492,244,349	101,174,813	42,403,366	869,547,427
Investment	23,271	448,765	21,350	31,906,390	32,399,776
Disposals	-	(16,502,788)	-	(481,775)	(16,984,563)
Assets available for sale (Note 17)	(1,517,880)	(2,150,249)	-	1,693	(3,666,436)
Transfers	24,366	15,967,405	-	(15,610,487)	381,284
Closing balance as at 30 June 2021	232,254,656	490,007,482	101,196,163	58,219,187	881,677,488
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2021	48,229,268	354,978,760	52,963,497	-	456,171,525
Amortisation of the period	1,422,610	19,715,331	2,434,942	-	23,572,883
Reversals of impairment losses (Note 16)	-	(204,762)	-	-	(204,762)
Disposals	-	(16,479,779)	-	-	(16,479,779)
Depreciation of assets available for sale (Note 17)	(1,517,262)	(2,064,031)	-	-	(3,581,293)
Transfers	(11,454)	(7,120)	-	-	(18,574)
Closing balance as at 30 June 2021	48,123,162	355,938,399	55,398,439	-	459,460,000
Carrying amount					
as at 30 June 2021	184,131,494	134,069,083	45,797,724	58,219,187	422,217,488

As at 30 June 2021 the Investment related to intangible assets in progress includes 24.1 million euros related to IT projects and development software. Within that amount it is included 8.6 million euros of capitalizations of personnel costs related to own work.

8. Rights of use

During the period of six months ended on 30 June 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
Cost				
Opening balance as at 1 January 2021	1,546,044,095	97,032,923	2,787,283	1,645,864,301
Additions	33,179,103	3,679,827	628,131	37,487,061
Effect of foreign currency exchange differences	20,770	1,427	1,504	23,702
Decreases and write-offs	(59,745,353)	(2,356,967)	(40,932)	(62,143,252)
Assets available for sale	(6,981,497)	(810,753)	-	(7,792,249)
Closing balance as at 30 June 2021	1,512,517,119	97,546,457	3,375,987	1,613,439,563
Accumulated depreciation and impairment				
Opening balance as at 1 January 2021	543,547,696	47,080,585	1,406,459	592,034,740
Depreciation of the period	51,287,159	12,163,802	296,771	63,747,732
Effect of foreign currency exchange differences	20,447	425	848	21,721
Decreases and write-offs	(29,926,876)	(1,771,245)	(535)	(31,698,656)
Impairment losses of the period	(28,560,450)	-	(40,932)	(28,601,383)
Depreciation of assets available for sale	(4,302,371)	(440,482)	-	(4,742,852)
Closing balance as at 30 June 2021	532,065,606	57,033,086	1,662,611	590,761,302
Carrying amount				
as at 30 June 2021	980,451,513	40,513,372	1,713,376	1,022,678,261

Liabilities related to rights of use are recorded under non-current and current lease liabilities of 1,080 million euros and 105 million euros respectively (1,100 million euros and 107 million euros at 31 December 2020).

In the consolidated income statement, 63.7 million euros were recognised for depreciation of the period (63.1 million euros in 30 June 2021) and 37.4 million of euros of interest relating to the adjusted debt (36.8 million euros in 30 June 2020).

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

9. Joint ventures and associated companies

9.1 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	30 Jun 2021	31 Dec 2020
Investments in joint ventures	819,147,460	803,076,597
Investments in associates	751,606,825	745,306,617
Total	1,570,754,285	1,548,383,214

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

COMPANY	30 Jun 2021	31 Dec 2020
Sonae MC		
Maremor Beauty & Fragances, S.L.	154,323	139,077
Sohi Meat Solutions - Distribuição de Carnes, SA	3,802,456	3,364,636
Sonae Sierra		
Arrábidasshopping- Centro Comercial, S.A.	25,400,609	24,706,808
Gaiashopping I- Centro Comercial, S.A.	26,748,627	26,089,855
L.C. Malheiro II, SGPS, SA	2,097,775	2,097,775
Madeirashopping- Centro Comercial, S.A.	17,237,608	15,730,334
North Tower B.V.	2,679,072	2,689,711
Pantheon Plaza B.V.	2,634,928	3,030,384
Park Avenue Development of Shopping Centres S.A.	(431,004)	(440,471)
Parque Atlântico Shopping - Centro Comercial, S.A.	15,745,763	14,915,927
Projecto Cúcuta S.A.S.	3,477,134	3,910,624
1) Pud Srl	-	5,743,385
SC Aegean B.V.	3,928,844	3,929,667
Sierra Balmain Asset Management sp. zo.o.	(264,213)	(345,912)
Sierra Central S.A.S.	64,868	50,898
Sierra LM, SGPS, S.A.	961,390	886,785
Via Catarina- Centro Comercial, S.A.	9,023,385	9,116,612
Sonae FS		
MDS SGPS, S.A. (consolidated)	21,829,413	20,863,149
Sonae IM		
Unipress - Centro Gráfico, Lda	503,906	528,871
NOS		
ZOPT, SGPS, SA (consolidated)	680,608,598	662,983,284
Sonae SGPS		
Mktplace- Comércio Eletrónico, SA	2,943,977	3,085,198
Investments in joint ventures	819,147,460	803,076,597

1) Company disposed during the first semester of 2021.

Financial Investment in NOS

The amount 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 30 June 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, SONAECONOM, 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 SONAECONOM - was not subject to arrest, nor the rights attached to it were subject to any limitation.

It is the understanding of the board of directors of ZOPT and SONAECONOM that the measure of arrest imposed is illegitimate and offends several fundamental rights of ZOPT - third in relation to the decreed arrest-, 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.

Also 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, a decision which, having been appealed by ZOPT, was revoked by the Court of Appeal already in 2021 awaiting further developments, 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.

In March 2021, in response to the application filed in November by ZOPT, the Public Prosecutor's Office stated that it requested that dividends falling to Unitel International Holdings, BV and Kento Holding Limited to be deposited in Caixa Geral de Depósitos, SA, not intending to block the distributions of dividends to those two commercial companies by ZOPT SGPS, but only to ensure that they remain within the scope of these records.

The Public Prosecutor's Office further understands that ZOPT cannot use third-party dividends to satisfy an alleged claim by Caixa Geral de Depósitos over Kento Holding Limited. If such credit exists, it will be the responsibility of Caixa Geral de Depósitos to assert its alleged rights by the appropriate procedural means.

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 6 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 30 June 2021, there are 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. NOS filed a defense at the beginning of June challenging the petition by MEO and at this moment, the deadline for carrying out the other procedural steps is currently running.

Contractual Penalties

At 30 June 2021, the amounts billed and to be received from these indemnities amount to EUR 108.1 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.

In the half ended 30 June 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	30 Jun 2021	31 Dec 2020
Sonae MC		
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	624,898	564,095
Sonae Sierra		
3shoppings - Holding, SGPS, S.A.	11,897,377	11,766,625
Aliansce Sonae Shopping Centers, S.A.	83,405,501	79,756,902
Area Sur Shopping, S.L.	7,226,788	6,608,184
Fundo Investimento Imobiliário Parque Dom Pedro Shopping Center ("FIIPDPSH")	10,999,390	10,656,984
Fundo Investimento Imobiliário Shop. Parque Dom Pedro ("FIISHPDP")	108,014,743	103,727,336
Iberia Shop.C. Venture Coöperatief U.A. ("Iberia Coop")	13,472,577	15,165,196
Le Terrazze - Shopping Centre 1 Srl	6,477,175	6,352,246
Mercado Urbano - Gestão Imobiliária, S.A.	1,199,577	1,211,277
Olimpo Real Estate Portugal, SIGI, S.A.	2,610,245	2,517,550
Olimpo Real Estate SOCIMI, S.A.	7,722,736	7,767,842
Serra Shopping- Centro Comercial, S.A.	1,010,525	981,615
Sierra European Retail Real Estate Assets Holdings, BV ("Sierra BV")	221,949,254	219,242,750
Sierra Portugal Feeder 1	2,069,024	2,052,163
Sierra Portugal Real Estate ("SPF")	20,032,565	19,742,422
Signal Alpha Republica I, S.A.	279,481	-
Signal Alpha Republica II, Lda.	51,099	-
Trivium Real Estate Socimi, S.A.	25,396,276	25,515,219
Zenata Commercial Project	2,105,020	2,015,742
Sonae IM		
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)	77,003,567	96,578,403
Fundo de Capital de Risco Armilar Venture Partners III (Armilar III)	45,070,366	31,302,286
Fundo de Capital de Risco Espírito Santo Ventures Inovação e Internacionalização (AVP I+I)	15,695,759	16,025,833
Probe.ly - Soluções de Cibersegurança, Lda	137,071	133,897
1) Secucloud GMBH	-	1,671,708
Suricate Solutions	20,957	15,520
Others	(40)	19,728
Sonae SGPS		
Iberian Sports Retail Group (ISRG)	87,130,356	83,905,118
Investment in associates companies	751,606,825	745,306,617

1) Company disposed during the first semester of 2021.

In the period ended June 30, 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".

9.2 Movement occurred in the period

During the period ended at 30 June 2021, movements in investments in joint ventures and associates are as follows:

	30 Jun 2021		
Investments in joint ventures	Proportion on equity	Goodwill	Total investment
Balance as at 1 January	711,852,013	91,224,584	803,076,597
Increases during the period	1,068,095	-	1,068,095
Period disposals	(4,868,699)	(874,686)	(5,743,385)
Equity method:			
Effect in gains or losses in joint controlled	21,168,245	-	21,168,245
Effect in equity capital and non-controlling interests	(422,092)	-	(422,092)
	728,797,562	90,349,898	819,147,460

	30 Jun 2021		
Investments in associates companies	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 16)	(28,781,305)	-	(28,781,305)
Increases during the period	4,762,059	-	4,762,059
Acquisitions during the period	389,543	13,051	402,594
Capital reduction in associated companies	(4,378,397)	-	(4,378,397)
Period disposals	(554)	-	(554)
Equity method:			
Effect in gains or losses in associated companies	22,451,377	-	22,451,377
Distributed dividends	(3,017,516)	-	(3,017,516)
Effect in equity capital and non-controlling interests	14,905,334	-	14,905,334
Others	(43,385)	-	(43,385)
	666,895,418	84,711,407	751,606,825

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.

10. Financial assets at fair value

10.1 Through profit or loss

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

		Statment of financial position	
Company	Head Office	30 Jun 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	23,815,705	46,129,113
Aryaka	Colorado (USA)	1,369,362	-
Case on IT	Madrid	2,244,539	4,402,087
CB4	Israel	3,411,425	3,278,059
CelllWise	Singapore	8,235,902	7,976,142
ciValue	Yokneam (Israel)	1,884,893	1,825,443
Daisy Intelligence	Canadá	1,126,503	1,050,496
Jscrambler	Porto	1,550,000	1,550,000
Ometria, Ltd.	London	8,031,045	7,664,992
Portainer	New Zealand	415,144	-
Reblaze	St. Louis	2,314,043	2,241,058
Sales Layer	Valência	2,500,358	2,500,358
Sellforte	Finland	2,500,003	-
Sixgill Ltd	Israel	5,048,820	4,889,580
ViSenze	Singapore	2,456,085	2,378,620
Weaveworks	San Francisco (USA)	4,207,349	4,074,649
Whitefantasy	Évora	715,854	715,854
Other financial assets		1,983,184	1,647,613
		73,810,214	92,324,064
Financial assets at fair value through profit or loss		79,154,922	97,668,772

At 30 June 2021, the decrease in the Arctic Wolf investment includes the sale of 50% of capital held for the amount of 36.4 million euros, which generated a capital gain of 11.2 million euros (net of acquisition costs of 1.1. million euros).

10.2 Through other comprehensive income

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

Company	Head Office	Statment of financial position	
		30 Jun 2021	31 Dec 2020
Sonae			
NDS SGPS, SA	Lisbon	108,604,000	108,604,000
Sonae IM			
Deepfence	Califórnia	2,103,675	2,037,325
Eat Tasty	Vila Nova Famalicão	259,696	259,696
Iriu sRisk	Saragoça	1,416,514	1,416,514
Nextail Labs, SL	Madrid	1,628,759	1,628,759
Sensei	Castelo Branco	405,900	405,900
StyleSage, Inc.	Delaware	1,481,137	1,378,547
Other financial assets		212,308	173,048
		7,507,989	7,299,789
Financial assets at fair value through other comprehensive income		116,111,989	115,903,789

11 Deferred taxes

Deferred tax assets and liabilities as at 30 June 2021 and 31 December 2020 may be described as follows considering the different natures of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Difference between fair value and acquisition cost	4,176,517	4,080,627	88,117,049	86,948,484
Temporary differences on property, plant and equipment and intangit	592,638	878,819	84,734,562	83,639,246
Temporary difference of negative goodwill and equity method	-	-	30,292,515	27,782,492
Provisions and impairment losses not accepted for tax purposes	16,349,085	20,038,528	-	-
Impairment of assets	-	-	639,053	639,053
Valuation of hedging derivatives	-	844,932	594,561	137,828
Amortisation of Goodwill for tax purposes in Spain	-	-	36,644,983	33,736,643
Revaluation of tangible assets	-	-	547,974	594,018
Tax losses carried forward	36,987,728	22,098,962	-	-
Reinvested capital gains/losses	-	-	125,444	137,055
Tax Benefits	32,217,505	26,121,341	-	-
Rights of use	264,191,059	277,241,211	232,056,029	245,406,220
Others	6,715,015	6,768,384	237,762	82,034
	361,950,446	358,072,804	473,989,932	479,103,073

As at 30 June 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.

12 Trade receivables and other current assets

The detail of trade receivables and other current assets as of 30 June 2021 and 31 December 2020 is as follows:

	31 Mar 2021	31 Dec 2020
Trade receivable	114,422,953	147,594,934
Other receivables	80,663,759	102,619,195
Other current assets	111,928,178	80,218,791
	307,014,890	330,432,920

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.

On April 1st, Sonae SFS - Financial Services, IME, SA ("SFS") - portfolio manager of the Universo brand financial products and services - and Banco CTT, SA ("Banco CTT") signed a Partnership Agreement, in the area of financial services, which will run for the next five years.

On the same day, SFS sold, for the amount of 103.9 million euros, a first tranche of loans maturing from customers, recorded in its balance sheet for the amount of 104.1 million euros, plus accrued interest of 0.3 million euros. operation resulted in a loss of approximately 0.5 million euros. During the second quarter there were two more sales of tranches from the original credit portfolio, for a global amount of 21 million euros. In these last two operations, the consideration received corresponded to the net book value of the transferred assets, so that there was no gain or loss for the company.

13 Cash and cash equivalents

On 30 June 2021 and 31 December 2020, the breakdown of Cash and cash equivalents is as follows:

	30 Jun 2021	31 Dec 2020
Cash and bank balances on the statement of financial position	541,155,252	763,302,610
Cash and equivalents transferred to assets held for sale (Note 17)	34,536,068	-
Bank overdrafts (Note 15)	(12,724,460)	(11,129,160)
Cash and bank balances in the statement of cash flows	562,966,860	752,173,450

14 Non-controlling interest

During the period ended 30 June 2021, the movement in non-controlling interests are detailed as follows:

Non-controlling interest	30 June 2021						Total
	Sonae MC	Worten	Sonae Sierra	Sonae Fashion	Sonae IM - Sonaecom, SGPS, SA	Others	
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 dividends	-	-	-	-	(2,976,114)	-	(2,976,114)
Distributed income of Investment Funds	(120,104)	-	-	-	-	-	(120,104)
Change in percentage of subsidiaries	(802,776)	-	(84,166,902)	-	-	-	(84,969,678)
Delivery and attribution of shares to employees due to extinction of o	(7,654)	-	-	-	-	-	(7,654)
Change in currency translation reserve	-	-	2,501,373	-	(25,057)	-	2,476,316
Change in fair value of assets available for sale	-	-	-	-	38,506	-	38,506
Capital decrease	-	-	(427,203)	-	-	-	(427,203)
Changes in hedging reserves	103,763	-	232,528	751	-	-	337,041
Others	130,062	-	(129,079)	(5,797)	(5,787)	(107,093)	(117,694)
Profit for the period attributable to non-controlling interests	2,846,838	(6,814)	911,574	(168,625)	3,396,584	(81,289)	6,898,268
Closing balance as at 30 June 2021	52,267,074	511,588	205,732,878	(947,741)	111,528,819	(897,805)	368,194,813

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.

15 Loans

As at 30 June 2021 and 31 December 2020, loans are made up as follows:

	30 Jun 2021		31 Dez 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans	214,524,865	1,161,934,358	177,139,325	1,006,897,412
Bonds	13,849,955	673,856,097	9,849,955	687,699,113
Other loans	1,311,341	1,395,406	6,367,713	1,806,789
Total empréstimos	229,686,161	1,837,185,861	193,356,993	1,696,403,314

	30 Jun 2021		31 Dec 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans				
Sonae, SGPS, SA - commercial paper	123,800,000	405,000,000	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 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	15,000,000	5,000,000	15,000,000
Sonae MC, SGPS, SA - commercial paper	-	240,976,400	-	140,000,000
Sonae MC /2018/2031	-	55,000,000	-	55,000,000
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 affiliated /2020/2025	-	55,000,000	-	55,000,000
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	-	36,300,000	41,300,000	-
Sonae Sierra affiliated /2015/2023	5,200,000	110,500,000	5,200,000	113,100,000
Others	4,639,724	5,499,963	3,614,637	7,052,922
	201,973,057	1,163,276,363	166,312,970	1,008,486,255
Bank overdrafts	12,724,460	-	11,129,160	-
Up-front fees beard with the issuance of borrowings	(172,652)	(1,342,005)	(302,805)	(1,588,843)
Bank loans	214,524,865	1,161,934,358	177,139,325	1,006,897,412

	30 Jun 2021		31 Dec 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bonds				
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	4,000,000	16,000,000	-	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)	(4,643,903)	(150,045)	(4,800,887)
Bonds	13,849,955	673,856,097	9,849,955	687,699,113
Other loans	580,253	1,395,406	701,251	1,806,789
Derivates	731,088	-	5,666,462	-
Other loans	1,311,341	1,395,406	6,367,713	1,806,789
	229,686,161	1,837,185,861	193,356,993	1,696,403,314

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 30 June 2021 on bond loans and bank loans averaged approximately 1.15% (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):

	30 Jun 2021	31 Dec 2020
N+1 ^{a)}	229,277,770	188,143,381
N+2	600,252,633	331,971,676
N+3	469,422,763	530,727,265
N+4	333,859,035	234,987,237
N+5	283,731,581	341,020,193
After N+5	155,905,757	264,086,672
	2,072,449,539	1,890,936,425

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 30 June 2021, Sonae has, as detailed below, cash and bank balance equivalents in the amount of 541 million euros (763 million euros as at 31 December 2020) and available credit lines as follows:

	30 Jun 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
Unused credit facilities				
Sonae MC	40,500,000	220,500,000	94,000,000	265,000,000
Sonae Sierra	54,969,346	-	54,969,346	-
Holding & Others	69,702,186	115,000,000	109,266,276	207,161,129
	165,171,532	335,500,000	258,235,622	472,161,129
Agreed credit facilities				
Sonae MC	40,500,000	461,476,400	94,000,000	405,000,000
Sonae Sierra	54,969,346	-	54,969,346	-
Holding & Others	167,650,000	535,000,000	137,000,000	607,650,000
	263,119,346	996,476,400	285,969,346	1,012,650,000

16 Provision and impairment losses

Movements in "Provisions and impairment losses" during the period ended 30 June 2021 are as follows:

Caption	Balance as at 01 Jan 2021	Increase	Decrease	Transfer to held for sale	Balance as at 30 Jun 2021
Accumulated impairment losses on investments	3,577,791	-	(1,920,133)	-	1,657,658
Impairment losses on property, plant and equipment	122,655,719	1,422,941	(13,336,209)	(565,735)	110,176,716
Impairment losses on intangible assets	34,342,007	-	(204,762)	-	34,137,245
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	4,433,445	(6,847,394)	(293,535)	31,848,465
Non-current provisions	47,032,991	1,064,996	(29,010,796)	(12,660)	19,074,531
Current provisions	16,344,127	1,417,742	(10,666,273)	-	7,095,596
	267,971,071	8,339,124	(71,396,679)	(871,930)	204,041,586

In the period ended as at 30 June 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 (Note 6).

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 9).

As of 30 June 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.

17 Non-current assets and liabilities held for sale

On 30 June 2021, the assets and liabilities of Digitmarket Sistemas de Informação S.A. and Modelo Distribuição-Materiais de Construção, S.A. (Maxmat) are included in non-current assets held for sale.

The detail of “Non-current assets and liabilities held for sale” at 30 June 2021 can be analysed as follows:

30 June 2021	Digitmarket	Maxmat	Total held for sale
ASSETS			
NON-CURRENT ASSETS:			
Property, plant and equipment	71,774	32,385,406	32,457,180
Right of use assets	791,198	2,258,199	3,049,397
Other non-current assets	288,651	538,133	826,784
Total Non-Current Assets	1,151,623	35,181,738	36,333,361
CURRENT ASSETS:			
Inventories	198,413	23,723,074	23,921,487
Trade receivables and other current assets	10,783,080	1,011,404	11,794,484
Cash and bank balances	7,789,491	26,584,221	34,373,712
Total Current Assets	18,770,984	51,318,699	70,089,683
Assets classified as held for sale	19,922,607	86,500,437	106,423,044
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Other non-current liabilities	181,885	1,537,450	1,719,335
Other non-current liabilities	-	1,466,329	1,466,329
Total Non-Current Liabilities	181,885	3,003,779	3,185,664
CURRENT LIABILITIES:			
Trade payables	8,280,901	24,845,779	33,126,680
Other tax liabilities	969,830	2,165,883	3,135,713
Other current liabilities	4,922,907	5,894,074	10,816,981
Total Current Liabilities	14,173,638	32,905,736	47,079,374
Liabilities directly associated with assets classified as held for sale	14,355,523	35,909,515	50,265,038

18 Income or expenses related to investments

Income or expenses related to investments for the periods ended 30 June 2021 and 2020 can be detailed as follows:

	30 June 2021	30 Jun 2020 Restated Note 4
Dividends	10,764,000	100,000
Sierra Prime% Dilution	-	20,462,064
Others	(1,099,394)	1,497,514
Gains / (losses) on the sale of investments in subsidiaries, joint ventures and associates	(1,099,394)	21,959,578
Others	(27,039)	(100,367)
Impairment of investments in subsidiaries	-	-
Impairment reversal on financial investments	-	2,885
Impairment reversal/(losses) on investments	-	2,885
Total income and (expenses) related to investments	9,637,567	21,962,096

19 Other Income

The breakdown of other income for the periods ending 30 June 2021 and 2020 is as follows:

	30 Jun 2021	30 Jun 2020 Restated Note 4
Supplementary income	21,809,288	18,846,115
Prompt payment discounts obtained	13,458,713	12,692,695
Foreign currency exchange gains	9,101,590	5,656,957
Own work capitalised	8,570,904	7,554,585
Rent discounts relating to pandemic impact	4,165,565	-
Gains on sales of assets	4,648,836	1,113,486
Impairment losses reversals	438,1309	1,080,983
Subsidies	1,150,256	1,048,219
Others	3794285.42	1,536,036
Total	71,080,746	49,529,076

20 Net financial Expenses

As at 30 June 2021 and 2020, Net financial expenses are as follows:

	30 Jun 2021	30 Jun 2020 Restated Note 4
Expenses		
Interest payable		
related with bank loans and overdrafts	(7,101,073)	(6,207,177)
related with non convertible bonds	(4,333,378)	(3,909,202)
related with operational leases	(37,407,281)	(36,795,782)
others	(980,251)	(834,761)
	(49,821,983)	(47,746,922)
Foreign exchange losses	(18,615,390)	(10,729,556)
Up front fees and commissions related to loans	(2,971,604)	(3,429,831)
Others	(1,259,989)	(1,084,143)
	(72,668,966)	(62,990,452)
Income		
Interest receivable		
others	1,075,917	1,383,555
	1,075,917	1,383,555
Foreign exchange gains	18,600,931	6,911,306
Other financial income	55,784	25,565
	19,732,632	8,320,426
Fair value adjustment of investments registered at fair value on the income statement	-	8,166,741
	(52,936,334)	(46,503,285)

21 Related parties

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

	Parent Company		Jointly controlled companies	
	30 Jun 2021	30 Jun 2020 Restated Note 4	30 Jun 2021	30 Jun 2020 Restated Note 4
Sales & Services rendered	151,384	139,273	7,723,275	5,819,621
COGS and materials consumed	-	-	141,733,123	139,878,290
External supplies and services and other expenses	126	15,406	8,439,146	6,313,694
Financial income	-	-	236,895	208,127
Financial expense	-	-	57,686	63,658
Others	-	-	1,131,192	261,003
	151,510	154,679	159,321,317	152,544,393

	Associated companies		Other related parties	
	30 Jun 2021	30 Jun 2020 Restated Note 4	30 Jun 2021	30 Jun 2020 Restated Note 4
Sales & Services rendered	46,019,141	44,751,241	26,018,292	24,279,212
COGS and materials consumed	-	6,145	979,749	950,380
External supplies and services and other expenses	2,339,045	1,397,407	5,130,481	3,258,920
Financial income	242,241	367,469	-	-
Financial expense	3,248,102	2,642,109	56,357	58,765
Others	1,513,871	532,061	2,677,872	785,895
	53,362,400	49,696,432	34,862,751	29,333,172

	Parent Company		Jointly controlled companies	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Other non-current assets	-	-	839,158	2,967,983
Trade receivables	34,728	31,470	4,004,510	3,050,795
Other receivables	7,344	9,943	9,733,349	6,216,147
Trade payables	-	3,225	77,544,249	81,337,372
Other payables	-	-	3,088,261	3,317,485
	42,072	44,638	95,209,527	96,889,782

	Associated companies		Other related parties	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Other non-current assets	11,026,599	9,841,246	114,287	114,287
Trade receivables	8,306,497	10,328,033	15,220,230	15,004,658
Other receivables	4,411,188	7,701,950	682,035	1,487,013
Trade payables	1,757,613	1,524,399	1,350,389	978,377
Other payables	4,524,375	3,919,650	2,891,260	1,233,132
	30,026,272	33,315,278	20,258,201	18,817,467

	Jointly controlled companies		Associated companies		Other related parties	
	30 Jun 2021	30 Jun 2020 Restated Note 4	30 Jun 2021	30 Jun 2020 Restated Note 4	30 Jun 2021	30 Jun 2020 Restated Note 4
Aquisition of tangible assets	449,127	38,005	-	7,517	-	4,503
Sales of tangible assets	3,706	-	-	5,119	1,260	8,200
Aquisition of intangible assets	565,668	20,840	-	-	-	-
	1,018,501	58,845	-	12,636	1,260	12,703

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.

22 Earnings per share

Earnings per share for the periods ended 30 June 2021 and 2020 were calculated taking into consideration the following amounts:

	30 Jun 2021		30 Jun 2020 Restated Note 4	
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
Net profit				
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	61,970,793	458,267	(76,730,339)	240,640
Net profit taken into consideration to calculate diluted earnings per share	61,970,793	458,267	(76,730,339)	240,640
Number of shares				
Weighted average number of shares used to calculate basic earnings per share	1,908,434,638	1,908,434,638	1,910,236,308	1,910,236,308
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	10,630,179	3,885,211
Shares related to performance bonus that can be bought at market price	(1,514,559)	(1,514,559)	(985,164)	(1,588,454)
Weighted average number of shares used to calculate diluted earnings per share	2,042,506,866	2,042,506,866	2,048,548,805	2,041,200,547
Earnings per share				
Basic	0.032472	0.000240	(0.040168)	0.000126
Diluted	0.030341	0.000224	(0.037456)	0.000118

23 Cash receipts and cash payments of investments

As at 30 June 2021 and 2020, cash receipts and cash payments related to investments can be detailed as follows:

Receipts	30 Jun 2021	30 Jun 2020
Sierra BV Shares Premium Decrease	-	21,706,762
Disposal of Sierra BV	-	246,042,240
NLO4 Shares Premium Decrease	1,560,000	-
Trivium Shares Premium Decrease	868,118	-
ORES Socimi Shares Premium Decrease	405,261	-
Receipt related to the disposal of Sport Zone	3,000,000	-
Receipt related to the disposal of Imosonaell UP's	3,561,803	-
Receipt related to the disposal of Artic Wolf	36,417,920	-
Receipt related to the disposal of Parma (Put option)	3,308,654	-
Others	435,423	1,954,297
	49,557,179	269,703,299

Payments	30 Jun 2021	30 Jun 2020
Acquisition of CELLWISE	-	695,942
Acquisition of Sales Layer	-	2,500,358
Acquisition of Replay	-	600,000
Acquisition of Case on IT (Note 13)	-	350,000
Acquisition of Mercado Urbano	-	1,273,178
Supplementary Payments of MKTPLACE	767,956	-
Acquisition of Sellforte	2,500,003	-
Acquisition of Portainer.io	415,144	-
Acquisition of Secucloud	221,188	-
Acquisition of Automaize	120,000	-
Acquisition of 25% and earnout of Elergone	1,500,000	-
Acquisition of ZAASK	2,808,247	-
Acquisition of SONAE SIERRA SGPS	82,159,275	-
Acquisition of Signal Alpha I and II	402,594	-
Acquisition of FIIPDP	816,871	-
Others	1,770,086	2,424,894
	93,481,365	7,844,372

24 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 Sonae 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 the remaining 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 from other related income (including dividends); and (v) other non-relevant 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 30 June 2021 and 2020 can be summarized as follows:

	30 Jun 2021			30 Jun 2020 Restated Note 4		
	Consolidated	Indirect Income	Direct Income	Consolidated	Indirect income	Direct income
Turnover	3,221,881,913	-	3,221,881,913	3,054,390,644	-	3,054,390,644
Value created on investment properties	(2,133,040)	(2,133,040)	-	(12,015,453)	(12,015,453)	-
Investment income						
Dividends and others adjustments	10,764,050	10,564,000	200,050	100,160	-	100,160
Others	(1,126,482)	(2,157,541)	1,031,059	21,861,936	-	21,861,936
Others income						
Reversal of impairment losses	4,066,459	-	4,066,459	800,624	-	800,624
Reversal of provisions for warranty extensions	314,850	-	314,850	280,359	-	280,359
Others	66,699,436	-	66,699,396	48,448,093	-	48,448,093
Total income	3,300,467,186	6,273,419	3,294,193,727	3,113,866,363	(12,015,453)	3,125,881,816
Total expenses	(3,053,444,980)	-	(3,053,444,980)	(2,901,766,402)	1,864,046	(2,903,630,448)
Depreciation and amortisation	(167,535,943)	-	(167,535,903)	(168,787,618)	-	(168,787,618)
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	(1,506,409)	-	(1,506,409)	(1,278,854)	-	(1,278,854)
Impairment losses and provisions						
Provisions for warranty extensions	(386,605)	-	(386,605)	(249,211)	-	(249,211)
Others	(16,849,556)	-	(16,849,556)	(35,715,245)	(26,820,880)	(8,894,364)
Profit before financial results and results of joint ventures and associates and non-recurrent items	56,243,693	6,273,419	49,970,274	(38,030,966)	(36,972,287)	(1,058,679)
Non-recurrent items	10,161,348	-	10,161,348	14,112,544	-	14,112,544
Gains and losses on investments recorded at fair value through results	13,511,813	3,377,828	10,133,984	(1,823,938)	(1,801,098)	(22,840)
Financial profit/(loss)	(52,936,334)	-	(52,936,334)	(46,503,285)	8,114,907	(54,618,192)
Share of results of joint ventures and associated undertakings						
Associates and joint ventures of Sonae Sierra	(1,561,683)	(12,412,759)	10,851,076	(27,668,741)	(37,812,312)	10,143,571
Armilar Venture Funds	23,637,514	23,637,514	-	(200,018)	(200,018)	-
ZOPT	17,599,433	-	17,599,433	10,555,528	-	10,555,528
Others	3,944,358	-	3,944,358	(6,383,001)	-	(6,383,000)
Profit before income tax	70,600,141	20,876,003	49,724,138	(95,941,877)	(68,670,808)	(27,271,068)
Income Tax	(4,404,913)	(6,002,934)	1,598,021	7,357,138	2,412,512	4,944,626
Profit/(Loss) from continued operations	66,195,228	14,873,069	51,322,159	(88,584,739)	(66,258,296)	(22,326,442)
Profit/(Loss) from discontinued operations	3,132,099	-	3,132,099	2,398,876	(900,000)	3,298,876
Profit/(Loss) for the period	69,327,327	14,873,069	54,454,258	(86,185,863)	(67,158,296)	(19,027,566)
Attributable to equity holders of Sonae	62,429,059	12,027,798	50,401,261	(76,489,699)	(64,369,954)	(12,119,745)
Non-controlling interests	6,898,268	2,845,270	4,052,998	(9,696,161)	(2,788,342)	(6,907,819)
"Underlying" EBITDA (b)	-	-	246,229,618	-	-	221,078,533
EBITDA (a)	-	-	291,917,931	-	-	252,806,052
EBIT (c)	-	-	105,592,522	-	-	30,545,840

- (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 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 the remaining 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 from other related income (including dividends); and (v) other non-relevant issues.

25 Subsequent events

SONAE MC

On 25th May 2021, Sonae informed CMVM that its subsidiary Sonae MC, SGPS, SA reached an agreement to sell its 50% share capital in Modelo Distribuição - Materials de Construção, SA (Maxmat) to Cimentos Estrada e Pedra SGPS, Lda, an entity wholly owned by Building Materials Europe, which already holds the remaining 50% of Maxmat's capital. Sonae MC expects to obtain a cash inflow of approximately 65 million euros with this transaction. The completion of the transaction is expected to take place in the third quarter of 2021, since the Portuguese Competition Authority already confirmed that will not oppose to the transaction.

SONAE COM

In 1st of June 2021 SONAE COM, SGPS, S.A. through its subsidiary Sonae IM and the remaining of the shareholders, reached an agreement with Claranet Portugal, SA to fully dispose of their shares in Digitmarket – Sistemas de Informação, SA.

In July 2021, the sale of the entire share capital and voting rights of Bizdirect to Claranet Portugal, S.A. was completed, following the clearance from the merger control authority and the validation of the transaction customary conditions.

Claranet purchased the entire share capital of Bizdirect for the global amount of 12.2 million euros (9.1 million euros received by Sonae), leading to a positive impact in Sonae's consolidated results in approximately to 4.8 million euros.

26 Approval of financial statements

The financial statements were approved by the Board of Directors in a meeting held on 28 July 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

SAFE HARBOUR

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.



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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