

The logo for sonae, featuring the word "sonae" in a stylized, white, blocky font with a grid-like texture. The background of the entire slide is a vibrant blue with a complex, abstract pattern of white lines that create a sense of depth and movement, resembling a stylized eye or a series of overlapping planes.

sonae

9M21 Results

10th November 2021

9M21 Highlights

Financial Performance

- Sonae's consolidated **turnover** evolved once again positively, increasing 4.7% yoy, underpinned by the strong performance of Sonae MC and Worten, which continued to reinforce their leadership positions. All non-consolidated businesses also posted high growth levels, with ISRG in particular already significantly above 2019 figures.
- **Consolidated online sales** grew 29% vs 2020, an extraordinary year for this channel, a clear evidence of the successful execution of Sonae's digital path.
- In terms of **profitability**, underlying EBITDA increased 5.6% yoy in the 9M21, and EBITDA improved 23% yoy, benefiting from significant capital gains from the portfolio management activity in the period.
- Sonae's **net result** (group share) surpassed again 2020 and 2019 figures, reaching €158 M at the end of the 9M21.
- **Strong cash flow generation in the period** underpinned by the solid operational cash flow generation of our businesses and the group's portfolio management activity.
- **Net debt decreased €375 M yoy** and now stands significantly below €1 bn (€857 M) with the Holding LTV reaching 9%, a very solid financial situation that positions the group well to face future challenges and emerging opportunities.

Portfolio Management Activity

- **Sonae** concluded the sale of a 24.99% stake in Sonae MC to CVC Strategic Opportunities in the quarter, for upfront cash proceeds of €528 M, and acquired 95.4% of the share capital and voting rights in Claybell Limited (owner of 100% of Gosh Food Limited, a UK-based player in the natural and plant-based food industry).
- **Sonae MC** concluded the sale of its 50% stake in Maxmat to the BME Group for net proceeds of €68 M.
- **Sonae IM** maintained its active portfolio management activity, having concluded the sale of its stake in Bizdirect, the acquisition of a minority stake in the share capital of Citcon (a US-based leading mobile wallet payment provider), and the disposal of its stake in CB4.

CEO Letter

During the last few months, the global economy continued to recover from the pandemic context and adapt to a new reality. After a first half marked by lockdown measures, this third quarter was already a period of encouraging signs. Particularly in Iberia, the speed of the vaccination program turned the region into a case study and marked a clear recovery of the macro situation.

Under this context, Sonae's portfolio of businesses continued to deliver very positive results. Sonae MC strengthened its leadership position in yet another quarter and is well positioned to continue to lead the market by leveraging its unique customer knowledge, trusted brand and comprehensive touchpoints (both physical and digital). Worten continues to lead the e-commerce market in Portugal underpinned by its world-class omnichannel approach. At Sonae Sierra, the performance of our shopping centres improved significantly as lockdown restrictions were eased, in some cases already reaching levels of performance above 2019, and the services business showed important signs of returning to a more normalised activity. Sonae Fashion and ISRG stores are also resuming to pre-pandemic levels, but with a stronger online performance that continues to reach record levels. Sonae FS proceeded to successfully implement its new business model, and Sonae IM's M&A activity produced yet another set of positive returns for the group. Finally, NOS achieved the highest net growth in the telco segment of the past five years, while the media and entertainment segment showed encouraging signs of recovery. I would like to leave a special word to the end of the 5G auction process, with NOS ensuring the highest share of spectrum among the contenders, a major milestone for the company to lead the 5G revolution.

Overall, in proportional terms, Sonae was able to increase its turnover by 5% in the 9M21, surpassing €5.5 bn, improved its underlying EBITDA by 8% and grew EBITDA by 23%, fuelled by both better operational results and significant capital gains from our ongoing portfolio management activity. In this regard, and during Q3, Sonae MC sold its 50% stake in Maxmat, Sonae IM monetised its interests in BizDirect and CB4, and Sonae established a partnership with CVC through the sale of a minority stake in Sonae MC. This transaction was an important milestone, as it shows the quality and value creation potential of the company, and significantly improved our financial strength. Also in the quarter, Sonae acquired a controlling stake in Gosh!, a UK reference player in the natural and plant-based food industry, which allows Sonae to invest in a high potential sector, expand its international footprint and drive a more sustainable future. All in all, Sonae's cash flow generation in the period drove a strong decrease in net debt and an all-time low LTV of 9%.

On the back of this performance, we face the future with great confidence. There are new challenges ahead, but also very exciting opportunities. Today, our businesses are better prepared, the group is better prepared. The level of energy and motivation that I see in our teams is truly phenomenal. The commitment to our customers is non-negotiable. The acceleration of innovation and strategy execution is present at all levels of the organization. The pledges to our people, our communities and our planet are ever more present. As I sit down to write this letter, looking back at the last 18 months, I realize how proud I am of what we have achieved and the manner in which we have achieved it.

Cláudia Azevedo, CEO

Group Consolidated Performance

1. Brief Portfolio Update

During the 3Q21, Sonae continued its active portfolio management, with the most important move being the sale of 24.99% of Sonae MC's share capital to CVC funds for an initial upfront value of €528 M. This move did not change the consolidation method for Sonae MC in Sonae's accounts.

Moreover, also in the 3Q21, Sonae MC completed the sale of its stake in Maxmat, Sonae IM completed the sale of its interest in Bizdirect (announced in the 2Q21) and sold its stake in CB4. Additionally, Sonae acquired 95.4% of Claybell Limited, owner of 100% of Gosh Food, a reference UK player in the plant-based food sector.

Portfolio and accounting method		
Company	Stake	Consolidation method
Sonae MC	75%	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

In Portugal, the last nine months were characterized by a lockdown period (from mid-January until mid-April), and a gradual easing of restrictions since May. In fact, during the 3Q21, there were still restrictions in place, namely regarding stores' capacity, that continued to impact the activity of our businesses.

In this demanding context, Sonae was able to deliver a 9M21 **consolidated turnover** of €5.0 bn, +4.7% yoy, mainly fuelled by the positive contributions from Sonae MC and Worten, which continued to reinforce their leadership positions.

In what concerns **underlying EBITDA**, the positive contributions from Sonae MC, Worten and also Sonae Fashion in the 9M21 led to a **5.6% yoy increase** to €415 M (€169 M in the 3Q21).

Regarding EBITDA, it reached **€531 M, +23.1% yoy in the 9M21** and €239 M in the 3Q21, a significant improvement when compared to 3Q20, fuelled by capital gains in the period (from the sale of Maxmat and Sonae IM's investments) and the improved performance of the equity method companies.

Overall, **Direct Result increased €56 M in the 3Q21 to €115 M and reached €169 M in the 9M21**, mainly anchored on the abovementioned capitals gains and improved results from equity method companies. **Indirect result** stood at €9 M in the 3Q21, driven by the evolution in the value of Sonae IM's portfolio. All in all, **Sonae's Net result (group share) reached €96 M in the 3Q21 and €158 M in the 9M21**.

€M	9M20 R	9M21	yoy	3Q20 R	3Q21	yoy
Turnover	4,789	5,014	4.7%	1,734	1,792	3.3%
Underlying EBITDA	393	415	5.6%	172	169	-1.8%
margin	8.2%	8.3%	0.1 p.p.	9.9%	9.4%	-0.5 p.p.
Equity method results*	30	64	111.3%	13	28	124.8%
Non-recurrent items	8	52	-	-7	41	-
EBITDA	431	531	23.1%	178	239	33.9%
margin	9.0%	10.6%	1.6 p.p.	10.3%	13.3%	3.0 p.p.
D&A	-158	-157	0.6%	-52	-53	-1.9%
D&A - RoU	-94	-95	-1.2%	-31	-31	-1.5%
Prov and imp.	-55	-18	67.3%	-1	1	-
EBIT	125	261	109.0%	94	156	64.8%
Net Financial results	-82	-79	3.7%	-28	-26	5.0%
Taxes	-3	-13	-	-8	-14	-75.7%
Direct result	40	169	-	59	115	96.3%
Indirect result	-54	24	-	14	9	-32.6%
Net result	-14	193	-	72	124	72.1%
Non-controlling int.	10	-35	-	0	-28	-
Net result group share	-4	158	-	72	96	32.5%

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.

Cash Flow, Net Debt evolution and Financial Structure

Sonae's total **capex** in the 9M21 stood at €355 M split between €182 M of operational capex, with our businesses continuing to invest in reinforcing their value propositions, and €174 M of M&A capex, mainly related with the acquisition of the additional stake in Sonae Sierra, Gosh! and the technology investments at Sonae IM.

In terms of **operational cash flow**, Sonae's portfolio released a total of €120 M during the last 12 months. Regarding **portfolio management**, Sonae invested €200 M, and received €649 M of cash proceeds from asset sales, mainly related with the minority stake sale in Sonae MC.

All in all, Sonae's FCF (before dividends paid), for the last 12 months stood at €555 M, which after the dividend payment (last May), led to a significant decrease in **consolidated net debt to €857 M at the end of 9M21**. This solid capital structure is complemented with a comfortable financing position: low cost of debt of 1.1% and an average maturity profile of 3.4 years.

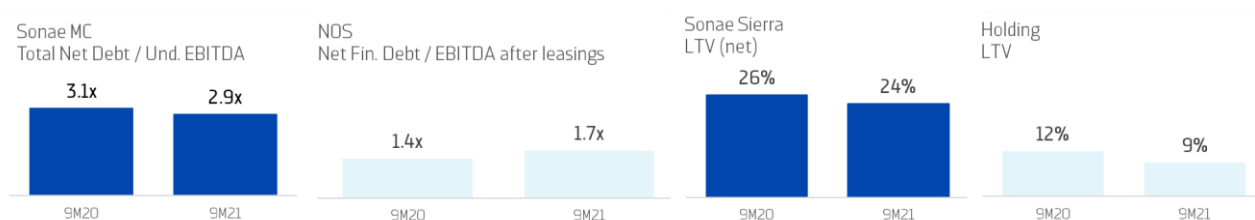
In what concerns the leverage profile of our main businesses, Sonae MC posted a record low of 2.9x total net debt to underlying EBITDA ratio (vs. 3.1x in 9M20), NOS a ratio of Net financial debt to EBITDA (after leasings) of 1.7x, and Sonae Sierra's loan-to-value (net) stood at 24%. Finally, loan-to value at the holding level reached 9%.

€M	9M20	9M21	yoy
Total capex	376	355	-5.4%
Operational capex	165	182	10.1%
Sonae MC	136	132	-2.8%
Worten	14	29	-
Sonae Fashion	9	8	-5.7%
Sonae IM	2	2	-11.1%
Sonae FS	1	2	28.0%
Sonae Sierra	1	1	-
Financial/M&A capex	211	174	-17.6%

€M	L12M Dec20	L12M Sep21	var.
EBITDA (inc. rents and taxes)	399	405	1.3%
Working cap. and others*	38	-4	-
Operational capex	-264	-281	-6.3%
Operational cash flow	173	120	-30.7%
Net financial activity	-32	-28	11.9%
M&A capex	-237	-200	15.6%
Sale of assets	335	649	93.8%
Dividends received	13	14	7.0%
FCF bef. dividends paid*	252	555	-

* Excludes cash settle equity swap impact in working capital in 3Q21.

€M	9M20	YE20	9M21
Net invested capital	4,797	4,751	5,045
Shareholders funds	2,371	2,440	3,008
Lease liabilities	1,193	1,208	1,180
Net debt	1,233	1,103	857



* Assuming holding debt at the end of the period for 9M21 LTV calculation.

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 9 months, but with a gradual recovery during the last 3 months, as restrictions were eased. In this challenging period, the first 9M21 showed a solid performance of our portfolio.

€M	Turnover		Und. EBITDA margin			Turnover		Und. EBITDA margin		
	9M20 R	9M21	yoy	9M20 R	9M21	3Q20 R	3Q21	yoy	3Q20 R	3Q21
Sonae MC	3,686	3,883	5.3%	9.8%	9.9%	1,309	1,378	5.3%	11.0%	10.9%
Worten	775	803	3.6%	5.2%	6.4%	294	285	-2.9%	6.9%	7.0%
Sonae Sierra	72	72	-0.6%	14.3%	16.2%	23	26	13.8%	14.1%	19.8%
Sonae Fashion	232	230	-0.6%	0.7%	4.2%	101	95	-6.1%	12.2%	8.7%
Sonae FS	26	20	-24.4%	24.3%	-40.4%	9	9	0.4%	32.1%	-2.2%
Sonae IM	40	43	6.4%	-4.6%	-4.1%	14	14	-1.4%	-1.6%	-3.5%
Total	4,789	5,014	4.7%	8.2%	8.3%	1,734	1,792	3.3%	9.9%	9.4%

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†

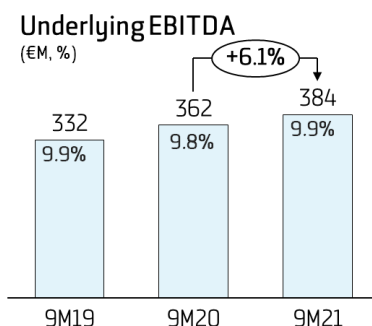
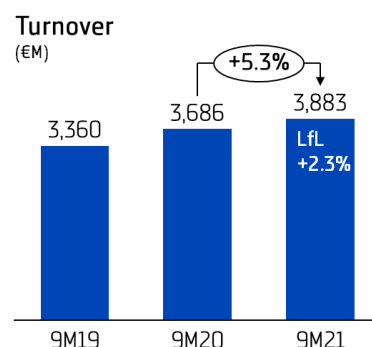
During the 3Q21, a period marked by a gradual economic recovery and consumption normalization, Sonae MC continued to deliver a strong top line performance. Total turnover grew 5.3% yoy with a 2.3% LfL figure underpinned by: a strong delivery in grocery formats, a successful online business that continued to expand after the peak period of the pandemic and a robust recovery of the non-food formats, following a long period of several operating restrictions. With this performance, Sonae MC was able once again to reinforce its leadership position with another market share increase.

Looking at the 9M21, in a context of slightly positive food inflation, turnover reached €3,883 M, up also by 5.3% yoy and by 2.3% on a LfL basis.

Regarding profitability, the company was able to maintain a broadly stable underlying EBITDA margin in the quarter, in spite of some pressure on the prices of some specific inputs (such as energy costs), backed by the company's productivity gains and the permanent fine-tuning of its core business processes. Overall, in the 9M21, underlying EBITDA improved 6.1% yoy to €384 M with a margin of 9.9%.

In terms of capex, Sonae MC continued its opening plan, with 7 additional Continente Bom Dia stores out of a total of 36 new company-operated stores (representing an additional 13k square meters of sales area), refurbished 14 food retail units, while investing in the reinforcement of its logistical capacity and technological backbone. At the end of 9M21, total capex stood at €132 M.

In terms of free cash flow, Sonae MC reached €169 M in the 9M21, +€42 M when compared to last year, mainly reflecting the conclusion of the sale of its 50% stake in Maxmat with a cash in of €68 M, coupled with the improved operational



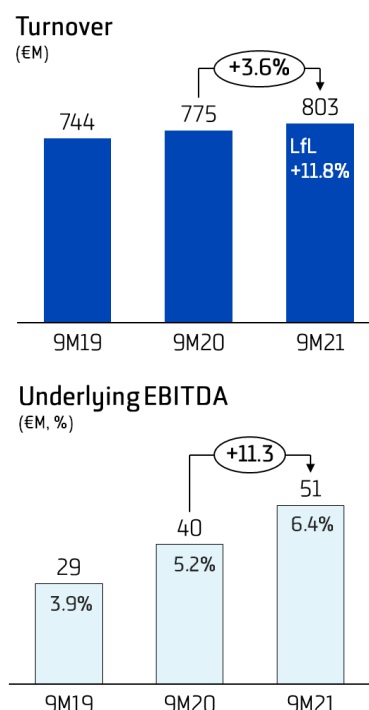
† Please note that Maxmat was sold in 3Q21 and, for comparison purposes, it was excluded from 2019, 2020 and 2021 figures. For more information please see Sonae MC 9M21 results in www.sonae.pt

performance. Sonae MC was able to reduce net debt by €104 M to €453 M, even after the dividend payment of €140 M in the 2Q21. Total net debt / underlying EBITDA reached an all-time low of 2.9x.

Worten

With the slight improvement of the economic conditions and the easing of the Covid-19 restrictions (still with limitations to footfall) during the 3Q21, Worten delivered a strong quarter in LfL terms (+7.2%), after a challenging 2Q. This recovery clearly shows the company's solid and recognized omnichannel proposition, including the marketplace and a robust services sales growth, leading to the reinforcement of market share and leadership in Portugal. In terms of total sales, the performance was still negatively impacted by the repositioning of the operation in Spain Mainland, completed in the 1Q21, reaching €285 M (-2.9% yoy) in the 3Q21. Important to note that, when compared to the 3Q19, a quarter with no pandemic impact and with 49 stores still opened in Spain Mainland, total turnover increased by 5.3%.

Therefore, although still under a pandemic context during the first 9M21, total turnover increased 3.6% yoy (+11.8% LfL), reaching €803 M. This top line positive performance and the repositioning process in Spain contributed to an improved underlying EBITDA, that reached €51 M at the end of the 9M21 with a margin of 6.4%, growing 1.2 pp vs 9M20.



Sonae Sierra

During the 3Q21, Sonae Sierra reinforced its recovery path and sustained operational progresses, after the improvement of the pandemic context and the ease of some restrictions in most of the European geographies where it operates. In this context, tenant sales were already very close to 2019 levels in the European portfolio, and footfall has been recovering at a slower pace, with different initiatives being already implemented to attract visitors to shopping centres. In addition, the occupancy rate in Europe remained high at 95.6% at the end of September.

On a proportional accounting basis, in the 9M21 Sonae Sierra reported a net result of €6.2 M, split between a positive €23.2 M Direct result (€12.4M in the 3Q21) and a -€17.0 M Indirect Result (-€1.6 M in the 3Q21), which mainly reflects the decrease in the value of investment properties already recorded in 1H21 (as is usual practice, Sonae Sierra does not conduct asset revaluations in Q1 and Q3).

Furthermore, at the end of September, Sonae Sierra's NAV, according to the INREV methodology, stood at €913 M, +1% when compared to the end of 2020, mainly due to the Net Result of the period and the favourable FX impact.

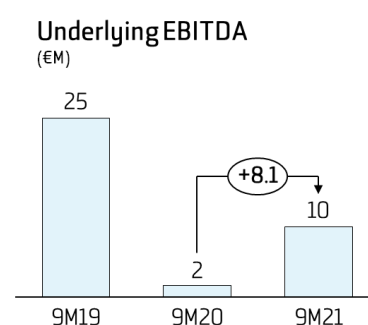
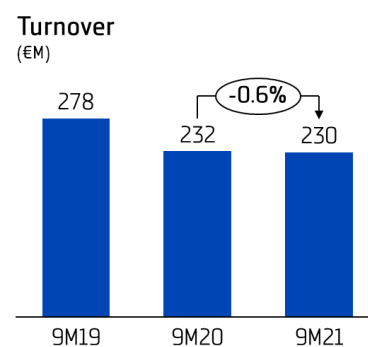
Proportional basis - management accounts						
M€	9M20	9M21	yoy	3Q20	3Q21	yoy
Total income	103	107	4.2%	28	41	44.9%
Direct result	5	23	-	-3	12	-
Indirect result	-25	-17	32.2%	-9	-2	82.2%
Net result	-20	6	-	-12	11	-

Sonae Fashion†

The 3Q21 was marked by a sales performance that was increasingly positive throughout the quarter, as Covid-19 related restrictions, that were still limiting capacity both in stores and shopping centres, were gradually lifted. Under these still challenging conditions, Sonae Fashion's total turnover reached €95 M in the 3Q21, implying a 6% yoy decrease, but showcasing a resilient performance within core product categories. Regarding the online channel, Sonae Fashion kept showing important, double digit, growth vs 2019 despite some deceleration when compared to last year, in part due to the strong recovery of physical stores. Additionally, B2B business (wholesale and franchising) have kept the recent yoy growth trend, reinforcing the positive outlook for both current and new markets.

Despite these impacts in top line, Sonae Fashion was able to deliver a positive underlying EBITDA of €8 M in the 3Q21.

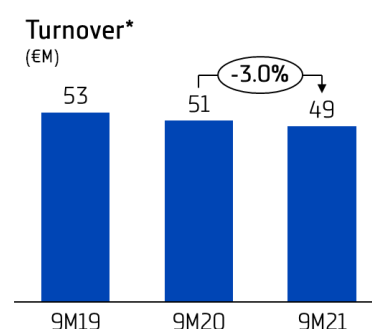
Overall, during the 9M21, and despite all the restrictions in store operations (longer period with all stores closed and stronger restrictions when compared to 9M20), Sonae Fashion's total turnover stood at €230 M, representing a decrease of 0.6% yoy. Moreover, in the 9M21, Sonae Fashion was able to deliver profitability growth, showing an underlying EBITDA of €10 M.



Sonae FS

For Sonae FS and once again taking into account that this year is characterized by the business model change with the launch of the partnership with Banco CTT, the company's performance continues to show a discontinuity that will be mitigated over time with the growth of the credit stock already above projected levels.

Nevertheless, and during the 3Q21, Sonae FS reached €9 M in turnover, a figure in line with last year, recovering from the negative yoy evolution in 1H, on the back of an improvement of the macroeconomic context in the period.



† 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).

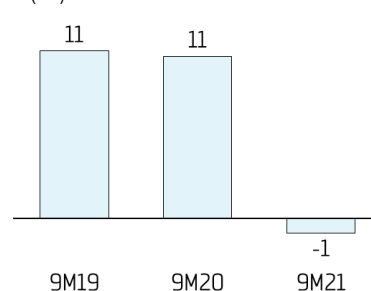
* Proportional figures: include Sonae FS and 50% of MDS.

With regards to the Universo operation, the gradual easing of the restrictions in the quarter contributed to a positive impact both in activity and production levels, both above 2020 and 2019. In addition, Universo's client base continued to grow and reached 936k (+23k vs 1H21), with an increased weight of digital clients who already represent around 60% of the total customer base, and its market share continues to follow an upward trend by reaching 14.0% year to date at the end of August, which compares to 13.5% for the same period of last year.

Regarding MDS, in the quarter the company keeps improving its operational performance and showing strong figures, with increases both in top line and operating profitability levels, when compared to 2020 and 2019.

All in all, in proportional terms, turnover for the 9M21 stood at €49 M and underlying EBITDA at -€0.9 M.

Underlying EBITDA*
(€M)

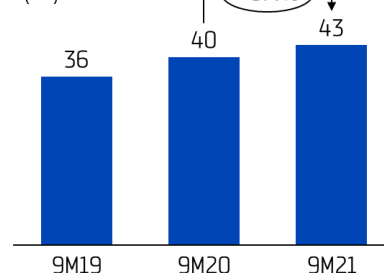


Sonae IM

During the last 3 months and regarding the portfolio activity, Sonae IM: i) completed the sale, jointly with the remaining shareholders, of the entire share capital of Bizdirect to Claranet, recording a capital gain of €5.4 M, ii) acquired a minority stake in the share capital of Citcon, a US-based leading mobile wallet payment provider and iii) sold its stake in CB4, resulting in a capital gain of €5.1 M. CB4 is a company that provides patented Artificial Intelligence for software for retailers that was invested by Sonae IM in 1Q19 and now acquired by GAP Inc.

In terms of operational performance, Sonae IM continues to record improved top line and underlying EBITDA. In 9M21, total turnover increased by 6.4% yoy to €43 M and underlying EBITDA improved by 6.0%.

Turnover**
(€M)



Moreover, and with cash invested of c. €150 M in the current portfolio as of September 2021, the company's NAV amounts to €324 M.

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

** Figures for 2019 and 2020 are pro-forma to exclude Bizdirect.

2. Equity consolidated companies

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

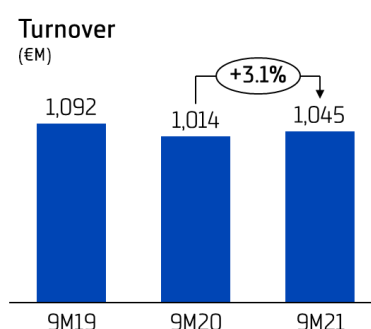
€M	9M20	9M21	yoy	3Q20	3Q21	yoy
Sonae Sierra	12	20	63.6%	2	9	-
NOS/Zopt	21	29	33.9%	11	11	1.8%
ISRG	-4	10	-	0	7	-

During the last quarter, NOS, Sonae Sierra and ISRG have showed positive signs of recovery with the ease/end of restrictions in the countries where they operate.

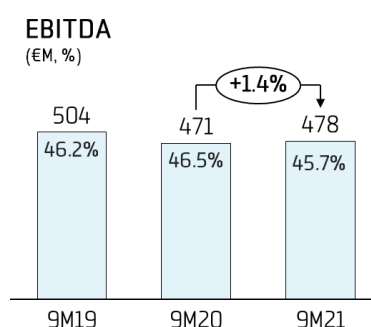
NOS

NOS published its 3Q21 results on November 3rd. The company continued to post a solid operating performance in the Telco segment and the Media & Entertainment segment was marked by a strong recovery due to a steady return to the movie theatres.

Turnover amounted to €366 M in 3Q21, +5.6% yoy, the second consecutive quarter of growth since 4Q19, supported by a positive evolution of 4.1% in Telco and a strong growth of more than 70% in the Media & Entertainment segment. This scenario resulted in a turnover increase of 3.1% yoy, in 9M21, to €1 bn.



The profitability followed the same trend, with an EBITDA increase in the 3Q21 of 6.6% yoy and, in accumulated terms, of 1.4% yoy. This is the first quarter with yoy EBITDA growth since 4Q19, a clear sign of recovery.



Net income increased by €2 M yoy, to €46 M in the 3Q21, and increased more than 50% compared to last year to €120 M in the 9M21. FCF (ex-dividend, financial investments and own shares) in the quarter stood at €9 M, representing a decrease yoy mostly due to the cash-in from the tower sale deal to Cellnex in the 3Q20. Excluding this effect, FCF would have increased by 19% yoy.

NOS continues to show a conservative capital structure, with a Net financial debt/EBITDA after lease payments of 1.7x vs. 1.8x at the end of the 1H21, well within its target leverage profile, an all-in average cost of debt of 1.3% in the 3Q21 and 1.5% in the 9M21 and an average maturity profile of 2.4 years at the end of the period.

Finally, it is important to highlight that already in October and after 200 days of bidding, the auction for the allocation of the 5G frequencies ended, with NOS acquiring the largest fraction of the spectrum released and in all possible bands.

ISRG^{††}

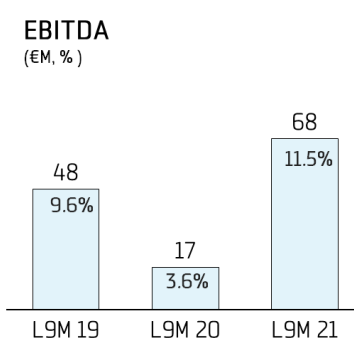
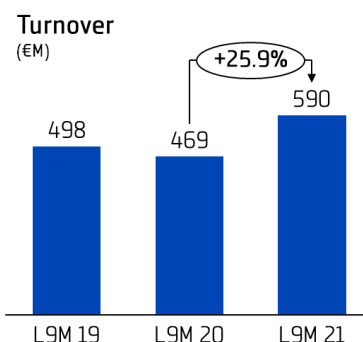
For ISRG, the 2Q21 (May-July) continued to be a quarter marked by a strong recovery in terms of operational performance. Top line increased by 41.1% yoy mainly fuelled by stores sales, as the gradual easing of the restrictions during the quarter contributed to a footfall recovery combined with positive results from the sales season. The online channel continued to perform at strong levels.

Overall, the L9M 21 registered top line levels above both last year and 2019 figures with total turnover reaching €590 M, a double-digit increase of 26% yoy and of 18% vs L9M 19.

Regarding EBITDA, once again, the top line improvement was able to fuel profitability and in the L9M 21, EBITDA improved by €51 M yoy and €20 M vs. the same period of 2019. This resulted in an EBITDA margin improvement in the L9M 21 of 7.9 p.p. vs. L9M 20 to 11.5%.

Consequently, this improved operational performance implied a better equity method contribution to Sonae's results, with a positive value in this quarter of €6.7 M (€9.9 M in the 9M21).

Moreover, the performance in both August and September continues to show very positive signs in both geographies and across all channels.



^{††} Due to calendar reporting dates of JD Sports (the main shareholder of the JV), ISRG figures for the L9M 21 ended last August 1st.

Corporate Information

Main announcements in the 9M21

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").

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.

July 31st

Sonae SGPS, SA informed that it has reached an agreement to sell 24.99% of the share capital of Sonae MC, SGPS.

August 18th

Sonae SGPS, SA informed about the completion of the transaction regarding the sale of 24.99% of the share capital of Sonae MC.

Sonae MC, SGPS, S.A. informed about the recomposition of the Board of Directors.

September 1st

Sonae SGPS, SA informed about the completion of the sale, by its subsidiary Sonae MC, SGPS, S.A., of its 50% stake in the share capital of Modelo – Distribuição de Materiais de Construção S.A. ("Maxmat").

September 6th

Sonae SGPS, SA informed about the acquisition, by its subsidiary Sonae Food4Future, SA, of 95.4% of the share capital and voting rights in Claybell Limited (owner of 100% of Gosh Food Limited).

September 15th

Sonae SGPS, SA informed on plan for gender equality 2022.

September 24th

Sonae - SGPS, SA announced the appointment of the Substitute Secretary of the Company.

September 28th

Sonae SGPS, S.A. informed on cash settled equity swap termination.

September 30th

Sonae SGPS, S.A. informed on qualified shareholding.

Subsequent events

October 27th

Sonae MC, SGPS, S.A. informed about the recomposition of the Board of Directors.

NOS SGPS, SA informed about the end of 5G auction.

November 3rd

Sonae SGPS, S.A. informed on Portuguese Competition Authority decision.

Consolidated Balance Sheet

M€	9M20	2020	9M21	yoy
TOTAL ASSETS	7,968	8,149	8,164	2.5%
Non current assets	6,251	6,328	6,385	2.1%
Net fixed assets	2,075	2,108	2,096	1.0%
Net Rights of Use	1,040	1,054	1,014	-2.5%
Goodwill	671	671	729	8.6%
Investment properties	332	319	317	-4.4%
Other investments	1,747	1,776	1,830	4.7%
Deferred tax assets	332	358	359	8.3%
Others	54	41	39	-27.8%
Current assets	1,717	1,821	1,779	3.6%
Stocks	589	636	587	-0.3%
Trade debtors	131	148	139	6.5%
Liquidity	687	767	774	12.7%
Others	311	271	279	-10.3%
SHAREHOLDERS' FUNDS	2,371	2,440	3,008	26.8%
Equity holders	1,920	1,993	2,428	26.5%
Attributable to minority interests	452	447	580	28.4%
LIABILITIES	5,596	5,709	5,156	-7.9%
Non-current liabilities	3,412	3,404	2,765	-19.0%
Bank loans	1,106	1,007	709	-35.9%
Lease liabilities	1,087	1,100	1,082	-0.4%
Other loans	620	690	368	-40.6%
Deferred tax liabilities	467	479	477	2.3%
Provisions	33	47	18	-45.1%
Others	100	81	110	10.3%
Current liabilities	2,184	2,305	2,391	9.5%
Bank loans	205	177	251	22.5%
Lease liabilities	107	107	97	-8.8%
Other loans	17	16	323	-
Trade creditors	1,236	1,339	1,154	-6.7%
Others	619	666	565	-8.7%
SHAREHOLDERS' FUNDS + LIABILITIES	7,968	8,149	8,164	2.5%

Sonae Sierra' statutory accounts

€M	9M20	9M21	yoy	3Q20	3Q21	yoy
Turnover	72	72	-0.6%	23	26	13.8%
Underlying EBITDA	10	12	12.1%	3	5	59.5%
Equity method results	12	20	63.6%	2	9	-
Non-recurrent items	57	0	-	0	-	-
EBITDA	80	32	-60.4%	5	14	172.5%
EBIT	68	32	53.2%	-1	15	-
Net Financial results	-7	-6	16.1%	-2	-1	40.0%
Taxes	-1	-1	30.4%	0	0	-
Direct result	60	25	-57.8%	-3	13	-
Indirect result	-81	-16	80.2%	-9	-1	84.7%
Net result	-21	9	-	-12	12	-
Non-controlling interests	1	-3	-	1	-1	-
Net result group share	-20	6	-	-12	11	-

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 3Q21, Maxmat from Sonae MC and Bizdirect from Sonae IM were sold 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.

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