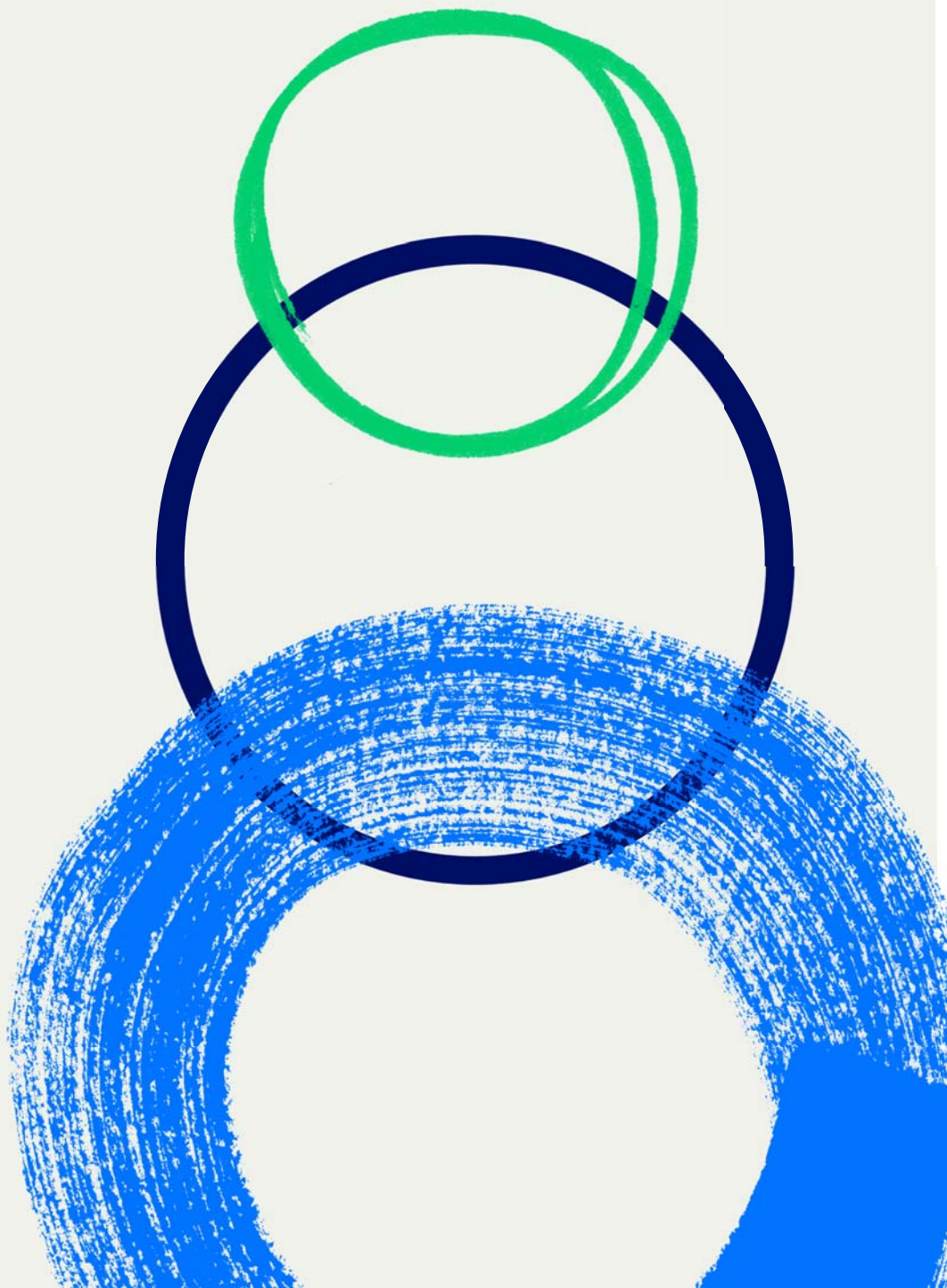


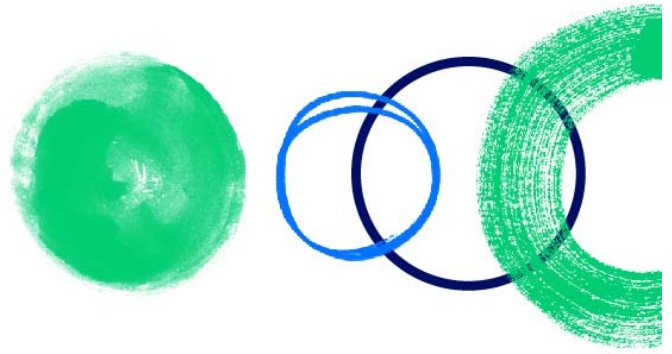
Shaping tomorrow, today

Sonae



Results

Sonae



Maia, 17th May 2022

1Q22 Highlights

Key Performance Indicators

- **NAV** at the end of the 1Q22 stood at **€4.1bn**, €65m above YE21.
- **Consolidated turnover** increased by **5% yoy to €1.7bn**, mainly fuelled by MC and Zeitreel. NOS and ISRG registered once again solid and improved performances.
- **EBITDA** reached €149m, a **+17% yoy growth**, driven by both underlying EBITDA and the strong recovery of all equity accounted businesses, despite the significant yoy increase in energy costs which amounted to circa €20m.
- Sonae's **net result** (group share) significantly surpassed last year's level, reaching **€42m**.
- **€627m** of **cash flow** generated in the last 12 months, once again supported by the solid operational results of all businesses combined with the value-accretive portfolio management operations in the period.
- **Net debt** decreased yoy almost €600m to **€931m**, as the cost of debt remained low (less than 1%) and the average maturity profile improved to almost 5 years.

Portfolio Management Activity

- **Sonae acquired an additional 10% stake in Sierra** for €83.5m following the put option exercise by Grosvenor. This transaction had an implicit discount of c.10% over Sierra's NAV at the end of 2021. Sonae now holds 90% of Sierra.
- **Bright Pixel** also continued to actively manage its portfolio with **two exits** representing **c.€40m of cash realized** and **two new minority investments** completed.



CEO letter

Sonae had a great start to 2022. As our businesses continued to succeed in their respective markets, the group maintained a steady growth path, with improved levels of profitability, which ultimately led to a more valuable portfolio.

In the first quarter of the year, Sonae was able to deliver a very positive set of results with a top line growth of 5% yoy to €1.7 billion, and an EBITDA increase of 17% yoy to €149m. Our consolidated performance, together with our active portfolio management activity, generated €627m of free cash flow over the last 12 months, implying a significant net debt decrease of approximately €600m. Our portfolio of investments continued to increase in value, with NAV reaching €4.1bn, €65m above the 2021 year-end figure. These results were accomplished in a very challenging context, marked by the Russian invasion of Ukraine. Although Sonae has no direct material exposure to these countries, our businesses have already felt the indirect ripples of this conflict, namely from higher energy prices, overall inflation and supply chain constraints, but have been able to fend off these headwinds.

I would like to thank our employees for their continuous efforts and ability to overcome new challenges. As we are witnessing an increasingly volatile relationship between companies and employees around the World, I am delighted to see that our people are proud of Sonae's values and ethical standards and feel motivated to develop their careers with us. I would also like to express my gratitude to all other stakeholders, including our shareholders to whom we distributed a dividend of 5.11 euro cents per share on May 17th, corresponding to a 5% yoy increase and a dividend yield of 5.1%¹, as approved in our Shareholders' Meeting.

Going forward, we will remain focused on serving our customers across all markets and on future-proofing our portfolio of investments. Regardless of how the global economy and financial markets evolve, our group of companies, solid financial situation and skilful teams position us well to manage through this cycle of uncertainty, continue to reinforce our competitive positions and capture the opportunities that lie ahead.

Cláudia Azevedo, CEO

¹ Considering the share price at year-end 2021.



Overview

Key Data

| €m | 31.03.21 | 30.06.21 | 30.09.21 | 31.12.21 | 31.03.22 |
|-----------------------|----------|----------|----------|----------|----------|
| NAV | 3,868 | 3,695 | 3,967 | 4,015 | 4,080 |
| Market capitalization | 1,557 | 1,600 | 1,817 | 2,006 | 2,084 |
| Net Debt | 1,519 | 1,496 | 857 | 563 | 931 |

| €m | 1Q21 | 2Q21 | 3Q21 | 4Q21 | 1Q22 |
|--------------------------------------|-------|-------|-------|-------|-------|
| Turnover | 1,608 | 1,614 | 1,792 | 2,009 | 1,690 |
| Underlying EBITDA | 110 | 136 | 169 | 187 | 121 |
| Direct Result | -1 | 55 | 115 | 88 | 42 |
| Net result group share | 1 | 62 | 96 | 109 | 42 |
| Sale of assets | 5 | 39 | 606 | 14 | 35 |
| M&A capex | -85 | -6 | -82 | -22 | -110 |
| Free cash flow before dividends paid | -324 | -5 | 715 | 295 | -378 |
| Dividends paid | 0 | -96 | 0 | 0 | 0 |

| | 1Y | 3Y | 5Y | 10Y |
|---------------------------|-----|-----|----|-----|
| Total Shareholder return* | 42% | 11% | 7% | 14% |

*Source: Bloomberg.

Sonae's NAV is based on market references, such as trading multiples of comparable peers, external valuations, funding rounds and market capitalisations. Valuations methods and details per business unit are available in Sonae's Investor Kit at www.sonae.pt.

Sonae's **NAV** amounted to €4.1bn at the end of the 1Q22, slightly above (+1.6%) the figure at the end of 2021.

During the last 3 months, Sonae acquired an additional 10% of Sierra for €83.5m, now holding 90% of the company and Bright Pixel sold its stakes in SafetyPay and ciValue with a total cash realized of c.€40m. Considering the last 12 months, Sonae had a very active portfolio management activity, namely the sale of 24.99% of MC to CVC funds for €528m, the acquisition of 95.4% of Gosh Food, a reference UK player in the plant-based food sector, the sale of MC's 50% stake in Maxmat and the agreement reached by Universo to sell its 50% stake in MDS for €100m (which conclusion is pending required regulatory approvals).

In terms of **operational performance** and given the demanding comparable of the 1Q21 with a pandemic context and a lockdown in Portugal, consolidated turnover delivered a solid and positive performance with a 5% yoy increase to €1.7bn. 1Q22 underlying EBITDA improved 10% yoy to €121m, mainly anchored by the recovery of our fashion business. This positive operational performance, coupled with the continued recovery of our equity accounted businesses, as well as some capital gains from portfolio transactions, led to a Direct result of €42m at the end of the 1Q22, well above last year figure. Indirect result stood at €9m and Sonae's Net result (group share) reached €42m, showing a significant improvement versus 1Q21.

NAV detail

| Company (€m) | Ownership | 31.12.21 | 31.03.22 | Var. | Major drivers |
|----------------------------------|-----------|--------------|--------------|-------------|--|
| MC | 75% | 1,870 | 1,892 | 1.2% | Higher earnings and lower average net debt |
| Worten | 100% | 244 | 216 | -11.7% | Lower multiples and earnings |
| Zeitreef | 100% | 124 | 120 | -3.2% | Higher earnings but lower multiples |
| Sierra | 90% | 740 | 875 | 18.2% | Increased stake and higher INREV NAV |
| ISRG | 30% | 213 | 192 | -10.0% | Higher earnings but lower multiples |
| Universo | 100% | 51 | 52 | 2.2% | Slightly higher multiples |
| Bright Pixel | 90% | 356 | 340 | -4.2% | Higher NAV and sale of assets |
| NOS | 32% | 538 | 584 | 8.6% | Higher share price |
| Other investments ⁽¹⁾ | | 175 | 175 | 0.0% | |
| Holding Real Estate | | 176 | 180 | 2.2% | |
| Holding Structure | | -131 | -141 | -7.2% | |
| Holding Net Debt ⁽²⁾ | | -318 | -383 | -20.6% | |
| Minorities | | -23 | -22 | 3.9% | |
| Total | | 4,015 | 4,080 | 1.6% | |

(1) Other investments include Gosh and MDS (transaction to be completed). (2) Normalized average net debt.

In terms of **operational cash flow**, Sonae's portfolio generated €90m over the last 12 months, a significant yoy reduction related to a change in the retail working capital given the later Easter period in 2022 that resulted in a higher inventory level at the end of the 1Q22, and the increase of the operational investment activity at our businesses.

In what regards the **portfolio management** activity, Sonae invested €220m and received €693m of cash proceeds from asset sales mainly related with the minority stake sale in MC and the sale of the 50% stake in Maxmat. During the last three months, the most relevant portfolio movement was the acquisition of the 10% stake in Sierra for €83.5m.

All in all, Sonae's FCF (before dividends paid) in the last 12 months stood at €627m, which after the dividend payment, led to an almost €600m decrease in the consolidated **net debt, to €931m at the end of the 1Q22**. The group's capital structure remains robust with very comfortable leverage ratios and liquidity levels. At the end of 1Q22, Sonae held c.€1,150m of available liquidity (cash and available credit facilities), maintained a low cost of debt (less than 1.0%), improved the debt maturity profile to almost 5 years and reached 65% of the total long-term facilities linked to sustainable, green or ESG performance.

| €m | L12M March 21 | L12M March 22 | var. |
|--------------------------------|---------------------|---------------------|---------------|
| EBITDA (inc. rents and taxes) | 409 | 410 | 0.4% |
| Working cap. and others | 45 | -24 | - |
| Operational capex | -250 | -296 | -18.7% |
| Operational cash flow | 204 | 90 | -56.1% |
| Net financial activity | -30 | -28 | 5.4% |
| M&A capex | -317 | -220 | 30.7% |
| Sale of assets | 71 | 693 | - |
| Dividends received | 8 | 91 | - |
| FCF bef. dividends paid | -64 | 627 | - |

Portfolio Performance

1. Fully consolidated companies

The first quarter of 2022 started with good prospects as the pandemic had entered in an endemic phase. However, since mid-February the conflict in Ukraine has been hampering consumer confidence and bringing some additional challenges to each business of our portfolio. It should be noted that, for comparison purposes, the 1Q21 was characterized by a pandemic wave with severe limitations, including lockdowns in some geographies.

| €m | Turnover | | | UnEBITDA margin | |
|--------------|--------------|--------------|-------------|-----------------|-------------|
| | 1Q21 | 1Q22 | yoy | 1Q21 | 1Q22 |
| MC | 1,247 | 1,294 | 3.8% | 8.5% | 8.4% |
| Worten | 272 | 261 | -4.1% | 6.4% | 5.1% |
| Sierra | 22 | 28 | 24.3% | 13.7% | 17.7% |
| Zeitreel | 61 | 96 | 57.2% | -6.5% | 6.3% |
| Universo | 5 | 8 | 75.5% | -97.0% | -33.0% |
| Bright Pixel | 14 | 15 | 7.0% | -0.7% | -3.8% |
| Total | 1,608 | 1,690 | 5.1% | 6.8% | 7.1% |

MC – food retail²

Despite the challenging economic context, the unfavourable Easter calendar and the demanding comparable basis, MC delivered a solid set of results in 1Q22, continuing to gain market share on the back of strengthened customer perception levels.

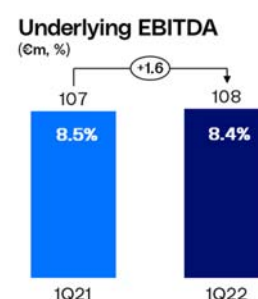
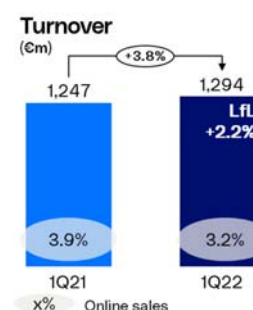
Total turnover grew by 3.8% yoy with a 2.2% LfL figure, mainly fuelled by the non-food formats which overcame prior year lockdown restrictions and captured the rebound of out-of-home consumption, as well as food inflation that reached 5% in the 1Q22. This solid performance was particularly positive given the macroeconomic and trade environment, especially since mid-February with the beginning of the war in Ukraine.

Online sales doubled versus pre-pandemic levels, reaching 3.2% of total turnover in the 1Q22, in a path of natural consolidation from the exceptional high rates over the last two years.

Capex in the period stood at €26m, slightly below the 1Q21 figure, mainly related with store network refurbishments and also new store openings that will materialize progressively along the year.

In terms of **profitability**, MC's positive sales performance contributed to an improved underlying EBITDA level (+1.5% yoy), with a broadly stable margin, despite being penalized by additional cost pressures of specific inputs, such as energy.

The company's financial net debt reduced by €87m when compared to 1Q21, to €466m at the end of the 1Q22, and total net debt to underlying EBITDA ratio stood at 2.9x, which continues to represent a solid capital structure.



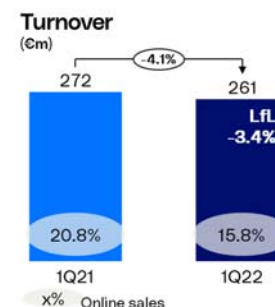
² For more information please see MC 1Q22 results in www.sonae.pt

Worten – electronics retail

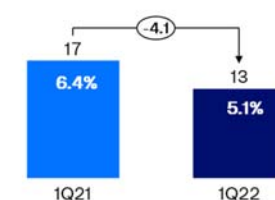
After two consecutive years growing significantly, the electronics market in Portugal contracted in 1Q22, mainly due to the 1Q21 pandemic context, that strongly benefited the online channel and pushed for IT-related product sales, and to a milder winter, that limited demand for seasonal categories. This unfavourable electronics market context, combined with the effect of closing stores in Spain Mainland by the end of 1Q21, contributed to a top line decrease of -4.1% to €261m in the 1Q22 (contrasting with the +29.3% LfL growth reported in 1Q21).

Worten's **top line performance** reflects these effects, that were yet partially offset by a very positive performance of all new non-electronics product categories and service sales, such as repairs, extended warranties and insurances. Overall, despite the challenging context, Worten demonstrated the strength of its value proposition as an omnichannel player in the Iberian market, maintaining a leading market position across channels.

Regarding **profitability**, notwithstanding the improved margin mix, total sales erosion and operational cost increases, that were impacted by higher energy costs and the continued investment in the company digital transformation, led underlying EBITDA to contract yoy to €13m with a margin of 5.1% at the end of the 1Q22.



Underlying EBITDA
(€m, %)



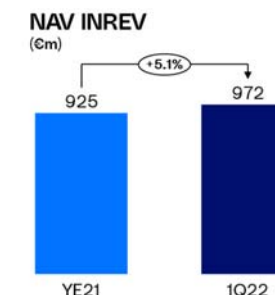
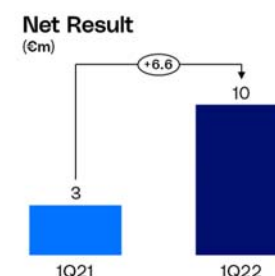
Sierra – real estate

For Sierra, the beginning of 2022 has showed good signs of recovery. After two challenging years following the pandemic that imposed several weeks of shopping centre closures, Sierra has been able to witness improvements across its operational key performance indicators, which continued to converge to pre-pandemic levels.

In fact, Sierra's European portfolio registered a higher occupancy rate of 96.9% (+0.6pp yoy) and total tenant sales increased more than 90% yoy (LfL) until the end of the 1Q22, showing a significant recovery in all countries, namely in Portugal, as in the 1Q21 shopping centres were closed during 2.5 months.

During the 1Q22 Sierra made significant progress in executing its strategy, namely by (i) signing new contracts in property and condominium management in new locations, (ii) making the first investments in the development of mixed-use assets, (iii) building a pipeline of new investment vehicles, and, (iv) reinforcing key team competences.

On a proportional accounting basis, and since the company does not appraise its assets in Q1, total **Net Result** reached €9.8m at the end of the 1Q22, +€6.6m when compared to 1Q21. This bottom line improvement was mainly due to the Direct result increase from €4.6m to €10.8m, fuelled by all the business areas, especially the European shopping centre portfolio.



At the end of 1Q22, Sierra's **NAV**, according to INREV methodology, increased 5.1% vs YE21 to €972m, mainly due to the favourable impact of the FX change variation related to the appreciation of both the Brazilian Real and the Colombian Peso, coupled with the Net Result booked in the period.

Finally, and in what concerns the company's leverage profile, Sierra's gross loan-to-value stood at 45.3% at the end of 1Q22, -0.5pp when compared to YE21, once again in line with its targets.

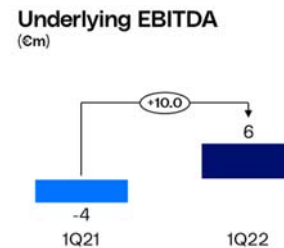
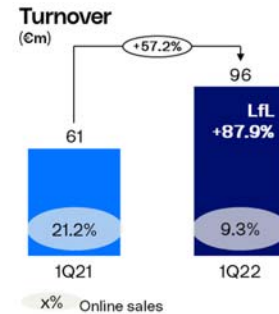
Zeitreel – fashion retail

For our fashion business, the 1Q22 was characterized by a clear recovery, as Zeitreel was able to return to 1Q19 sales levels, after two very difficult years for the fashion industry marked by the pandemic restrictions.

This **top line performance** was particularly positive considering several challenges witnessed during these initial months of 2022, notably (i) the postponement of the sales period in Portugal, coupled with still some pandemic control measures, (ii) supply chain pressure due to the strike of the Spanish professional truck drivers following the increase in the fuel price, and (iii) the significant drop in consumer confidence since the last week of February with the beginning of the war in Ukraine.

Under this challenging context, Zeitreel was able to close this 1Q with €96m of total turnover, +57% yoy when compared to 1Q21 (LfL of +88%), showing a solid recovery across all brands and key channels.

In terms of **profitability**, Zeitreel delivered an underlying EBITDA of €6.1m in the 1Q22, a significant improvement of €10m from 1Q21, mainly due to the top line performance.



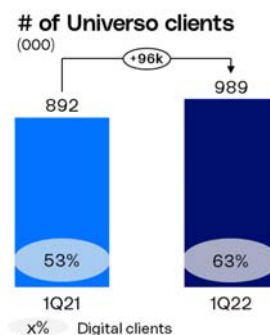
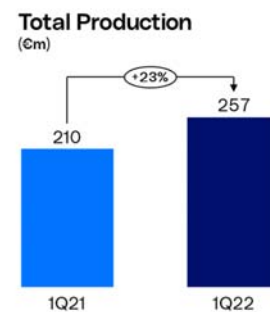
Universe – financial services

This is the first full year after the change of Universe's business model from a commission-based to an interest-driven one. These last 12 months have showed a positive evolution in the operational activity and financial results, which will continue in the next quarters. The phase-out of the previous business model is being naturally mitigated by a positive evolution of the credit backlog.

During the 1Q22, the macroeconomic recovery, on the back of the favourable evolution of the pandemic and despite the beginning of the conflict in Ukraine, enabled Universe's production volume to increase by 23% yoy to €257m, with a positive contribution throughout several business lines, namely purchases, wire transfers, and personal loans.

The **client base** also continued to grow, with an increase of 96 thousand new customers vs. 1Q21, reaching c.989k at the end of 1Q22. The digital footprint also continued to be reinforced with digital clients weighing already 63% of the total customer base.

Regarding Universe's **financial performance**, turnover surpassed last year's results reaching €8m at the end of 1Q22 and underlying EBITDA continued to show an upward performance, with a yoy improvement of €1.8m.



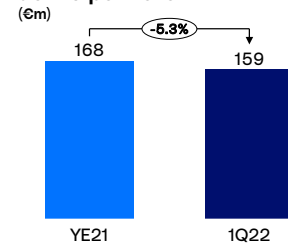
Bright Pixel – investment in technology

Bright Pixel continues to be active in its **portfolio management activity**, namely through the (i) exit of ciValue and the cash distribution from Armilar Venture Partners, following the sale of Safetypay, representing circa €40m of cash return; and (ii) portfolio expansion with two new investments: Experify, the first platform to enable a truly authentic product review experience by connecting prospective buyers with purchasers, and Hackuity, an attack prevention cybersecurity startup.

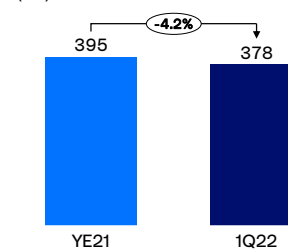
Coupled with this portfolio activity, the company continued to invest in some companies, namely Cybersixgill, in a financing round of USD35m.

At the end of the 1Q22, cash invested in the active portfolio reached €159m and NAV stood at €378m, -4% below YE21, reflecting the asset sales in the period that more than offset the positive impact from new investments and the positive revaluation of some of its portfolio companies.

Cash invested in the active portfolio



NAV



2. Equity consolidated companies

NOS – telecommunications³

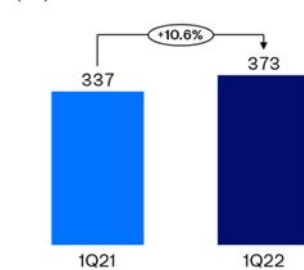
NOS published its 1Q22 results on May 3rd. In the 1Q22, NOS continued its strong recovery path after the lifting of pandemic restrictions and maintained its focus on leading the 5G digital revolution in Portugal.

In the 1Q22, **turnover** evolved positively with a 10.6% yoy increase, fuelled by all segments: the Media & Entertainment segment grew by 71.1% yoy (in the 1Q21 movie theatres were closed), and the telecom business grew 9.0% yoy, with positive contributions from mobile subscriptions, B2B service solutions and roaming revenues due to less travel restrictions.

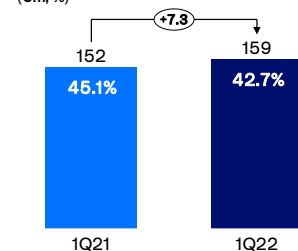
Regarding **profitability**, EBITDA increased 4.8% yoy, benefiting from the top line performance, and margin stood at 42.7%. **Net income** increased 35% yoy to €41m at the end of 1Q22, leading to a higher equity method contribution to Sonae's results, from €6.9m to €8.9m.

FCF (ex-dividend, financial investments and own shares) totalled €4m, mainly driven by higher capex related to the 5G deployment programme and the FttH⁴ network expansion. In terms of **capital structure**, Net financial debt/EBITDA after lease payments stood at a conservative level of 1.96x.

Turnover



EBITDA



³ For more information please see NOS 1Q22 results in www.nos.pt

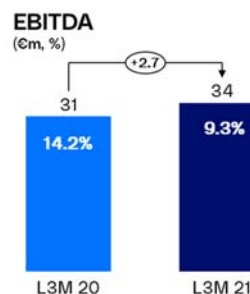
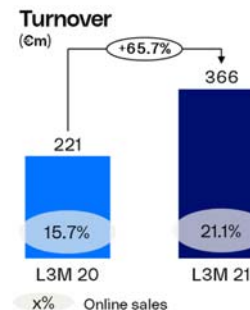
⁴ FttH – Fiber to the Home

ISRG – sports retail⁵

For ISRG, the L3M 21 (Nov-Jan) was another quarter of recovery from the pandemic context, after several months with strong restrictions. Over the last three months of the company's fiscal year, a better environment led to an improved performance of store sales with more than 50% of yoy growth, which, together with the contribution from the new businesses (acquired during 2021), led **total sales** to grow c.66% yoy to €366m. The online channel increased its contribution from 15.7% to 21.1% of total revenues, largely driven by the acquisition of Deporvillage.

In terms of **profitability**, EBITDA increased 8.6% yoy to €34m, mainly fuelled by the sales performance which more than offset the negative impacts in the cost base from constraints in the supply chain.

All in all, ISRG's improved performance allowed for a higher equity method contribution to Sonae's results, with a positive value in the quarter of €7m.



⁵ Due to calendar reporting dates of JD Sports (the main shareholder of the JV), ISRG figures for the L3M 21 ended last January 29th.

Corporate information

Main announcements in the 1Q22

January 25th

Sonae SGPS, S.A. informs on Sonae MC 2021 Trading Statement

February

Sonaecom received a gross amount of €35.2m from Armilar Ventures Funds III, following the conclusion of the sale of Safetypay to Paysafe, which was pending some regulatory approvals.

March 16th

Completion of the purchase of 10% of the share capital of Sierra held by Grosvenor Investments (Portugal) S.Àr.L., for the price of €83.5 million, which represents an implicit discount of c.10% over Sierra's NAV at the end of 2021, following the exercise by Grosvenor of its put option right. Following the completion of this transaction, Sonae now holds 90% of the share capital and voting rights in Sierra. 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 in Sierra.

March 30th

Sonae and MC IT systems were hacked as it was publicly announced by Sonae and the media. The immediate and efficient response from Sonae IT teams avoided significant disruptions to our operations. Apart from the Continente online store and other customer support apps, all stores continued to operate normally. After 10 days from the incident all systems were recovered and fully operational, and further security measures were implemented to mitigate the risk of new cyberattacks in the future.

Subsequent events

April 4th

Sonae SGPS, S.A. informs on transactions by Persons Discharging Managerial responsibilities.
Sonae SGPS, S.A. informs on own shares delivered to Group directors and employees.

April 28th

Sonae SGPS, S.A. informs on Resolutions taken at Sonae Shareholders Annual General Meeting.
Sonae SGPS, S.A. informs about dividend payment.

May 6th

Sonae SGPS, SA informs on 2021 MC Annual Report.

May 17th

Sonaecom, a Sonae subsidiary, informed that its subsidiary Sonae Investment Management – Software and Technology, SGPS, S.A. ("Bright Pixel") reached an agreement with Thales Europe, S.A. to sell the total share capital and voting rights of Maxive – Cybersecurity, SGPS, S.A. ("Maxive"), a holding company that aggregates S21sec and Excellium. The transaction has an underlying Enterprise Value of Maxive of €120 million and is estimated to have a positive impact on the Consolidated Results of Sonaecom amounting to approximately €63 million. These amounts may vary considering the effective closing date of the transaction and the respective financial performance of Maxive until then. The completion of the transaction is still subject to the fulfilment of customary conditions and regulatory approval, being expected to occur until the end of November 2022.

Consolidated P&L

| €m | 1Q21 | 1Q22 | yoy |
|-------------------------------|--------------|--------------|-----------------|
| Turnover | 1,608 | 1,690 | 5.1% |
| Underlying EBITDA | 110 | 121 | 9.7% |
| <i>margin</i> | <i>6.8%</i> | <i>7.1%</i> | <i>0.3 p.p.</i> |
| Equity method results* | 16 | 25 | 53.5% |
| Sierra | 5 | 10 | 103.6% |
| NOS | 7 | 9 | 28.0% |
| ISRG | 5 | 7 | 44.1% |
| Non-recurrent items | 0 | 3 | - |
| EBITDA | 127 | 149 | 17.2% |
| <i>margin</i> | <i>7.9%</i> | <i>8.8%</i> | <i>0.9 p.p.</i> |
| D&A | -52 | -55 | -4.4% |
| D&A - RoU | -31 | -32 | -3.4% |
| Prov and imp. | -19 | 1 | - |
| EBIT | 24 | 62 | 160.4% |
| Net Financial results | -28 | -23 | 17.0% |
| Taxes | 3 | 3 | 6.0% |
| Direct result | -1 | 42 | - |
| Indirect result | 4 | 9 | 106.5% |
| Net result | 3 | 51 | - |
| Non-controlling int. | -3 | -9 | - |
| Net result group share | 1 | 42 | - |

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

Consolidated Balance Sheet

| €m | 31.03.21 | 31.12.21 | 31.03.22 |
|--|--------------|--------------|--------------|
| TOTAL ASSETS | 8,107 | 8,317 | 8,293 |
| Non current assets | 6,252 | 6,420 | 6,511 |
| Net fixed assets | 2,088 | 2,124 | 2,116 |
| Net Rights of Use | 1,026 | 1,020 | 1,012 |
| Goodwill | 663 | 732 | 733 |
| Investment properties | 319 | 320 | 321 |
| Other investments | 1,755 | 1,831 | 1,919 |
| Deferred tax assets | 353 | 359 | 368 |
| Others | 47 | 34 | 42 |
| Current assets | 1,855 | 1,897 | 1,782 |
| Stocks | 617 | 634 | 649 |
| Trade debtors | 253 | 131 | 138 |
| Liquidity | 711 | 832 | 632 |
| Others ⁽¹⁾ | 274 | 300 | 363 |
| SHAREHOLDERS' FUNDS | 2,357 | 3,145 | 3,169 |
| Equity holders | 1,992 | 2,541 | 2,631 |
| Attributable to minority interests | 365 | 604 | 537 |
| LIABILITIES | 5,751 | 5,172 | 5,124 |
| Non-current liabilities | 3,587 | 2,786 | 2,861 |
| Bank loans | 1,253 | 781 | 855 |
| Lease liabilities | 1,079 | 1,075 | 1,073 |
| Other loans | 679 | 317 | 311 |
| Deferred tax liabilities | 471 | 495 | 500 |
| Provisions | 19 | 21 | 22 |
| Others | 86 | 97 | 101 |
| Current liabilities | 2,163 | 2,386 | 2,263 |
| Bank loans | 303 | 226 | 393 |
| Lease liabilities | 105 | 106 | 103 |
| Other loans | 12 | 91 | 34 |
| Trade creditors | 1,139 | 1,347 | 1,154 |
| Others ⁽²⁾ | 604 | 616 | 579 |
| SHAREHOLDERS' FUNDS + LIABILITIES | 8,107 | 8,317 | 8,293 |

(1) includes assets classified as held for sale. (2) includes liabilities directly associated with assets classified as held for sale.

Note: 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.

Glossary

| | |
|---|--|
| Aggregated online sales | Online sales including marketplaces, considering 100% ownership of all Sonae's businesses (fully and equity consolidated). |
| 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 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 Sierra. |
| Lease Liabilities | Net present value of payments to use the asset. |
| Like for Like sales (LfL) | Sales made by omnichannel 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) – Sierra | Total debt / (Investment properties + properties under development), on a proportional basis. |
| INREV NAV Sierra | Open market value attributable to Sierra - net debt - minorities + deferred tax liabilities. |
| Net asset value (NAV) of the investment portfolio | Market value of each Sonae's businesses – average net debt – minorities (book value) |
| Net debt | Bonds + bank loans + other loans + 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. |
| 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 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 |
| Total Shareholder Return (TSR) | Profit or loss from net share price change, plus any dividends received over a given period. |
| Underlying EBITDA | Recurrent EBITDA from the businesses consolidated using the full consolidation method. |
| Underlying EBITDA margin | Underlying EBITDA / turnover. |

SD
NC
Jan



Consolidated
Financial
Statements
1Q22

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2022 AND 2021 AND 31 DECEMBER 2021

(Amounts expressed in euro)

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

| | Notes | 31 Mar 2022 | 31 Mar 2021 | 31 Dec 2021 |
|---|-----------|----------------------|----------------------|----------------------|
| ASSETS | | | | |
| NON-CURRENT ASSETS: | | | | |
| Property, plant and equipment | 5 | 1,667,017,746 | 1,673,414,622 | 1,681,657,450 |
| Intangible assets | 6 | 449,250,113 | 415,009,083 | 442,752,572 |
| Right of use assets | 7 | 1,011,818,008 | 1,026,076,878 | 1,019,952,622 |
| Investment properties | | 320,795,839 | 319,431,332 | 319,872,797 |
| Goodwill | 8 | 732,553,344 | 663,380,791 | 732,295,344 |
| Investments in joint ventures and associates | 9 | 1,549,826,122 | 1,519,770,247 | 1,514,650,086 |
| Assets at fair value through profit and loss | 10 | 181,134,619 | 104,409,206 | 164,269,283 |
| Assets to fair value through other comprehensive income | 10 | 172,512,891 | 116,160,597 | 137,578,854 |
| Other investments | 12 | 15,302,481 | 14,437,948 | 14,984,400 |
| Deferred tax assets | 11 | 368,433,469 | 352,825,144 | 358,580,253 |
| Other non-current assets | | 42,427,844 | 46,893,386 | 33,694,609 |
| Total Non-Current Assets | | 6,511,072,476 | 6,251,809,234 | 6,420,288,270 |
| CURRENT ASSETS: | | | | |
| Inventories | | 649,189,762 | 617,317,414 | 633,566,900 |
| Trade receivables and other current assets | | 389,205,395 | 430,064,158 | 333,903,265 |
| Income tax assets | | 37,847,766 | 44,782,456 | 35,193,981 |
| Other tax assets | | 51,836,866 | 51,130,245 | 39,176,930 |
| Other investments | 12 | 9,420,529 | 5,750,506 | 7,107,031 |
| Cash and bank balances | 13 | 622,357,290 | 705,362,796 | 825,063,052 |
| Total Current Assets | | 1,759,857,608 | 1,854,407,575 | 1,874,011,159 |
| Assets classified as held for sale | | 21,833,908 | 976,129 | 22,813,863 |
| TOTAL ASSETS | | 8,292,763,992 | 8,107,192,938 | 8,317,113,292 |
| 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) | (88,539,491) |
| Legal reserve | | 281,215,564 | 277,452,299 | 281,215,564 |
| Reserves and retained earnings | - | 396,360,728 | (192,882,058) | 80,890,373 |
| Profit/(Loss) for the period attributable to the equity holders of the Parent Company | | 42,375,782 | 641,289 | 267,652,127 |
| Equity attributable to the equity holders of the Parent Company | | 2,631,412,584 | 1,991,870,772 | 2,541,218,573 |
| Equity attributable to non-controlling interests | 14 | 537,156,236 | 364,753,373 | 604,175,944 |
| TOTAL EQUITY | | 3,168,568,820 | 2,356,624,145 | 3,145,394,517 |
| LIABILITIES: | | | | |
| NON-CURRENT LIABILITIES: | | | | |
| Loans | 15 | 1,166,190,947 | 1,932,270,724 | 1,097,360,407 |
| Lease liabilities | 7 | 1,072,922,215 | 1,078,641,538 | 1,074,782,608 |
| Other non-current liabilities | | 100,693,063 | 86,412,777 | 96,920,514 |
| Deferred tax liabilities | 11 | 499,719,105 | 471,201,389 | 495,286,636 |
| Provisions | 16 | 21,649,281 | 18,810,302 | 21,476,976 |
| Total Non-Current Liabilities | | 2,861,174,611 | 3,587,336,730 | 2,785,827,141 |
| CURRENT LIABILITIES: | | | | |
| Loans | 15 | 427,003,704 | 315,711,559 | 317,169,593 |
| Lease liabilities | 7 | 103,497,641 | 104,717,172 | 106,409,731 |
| Trade payables and other current liabilities | | 1,609,648,324 | 1,640,499,884 | 1,836,391,304 |
| Income tax liabilities | | 27,273,744 | 19,201,689 | 20,903,844 |
| Other tax liabilities | | 91,939,874 | 75,573,676 | 100,846,896 |
| Provisions | 16 | 3,657,274 | 7,528,083 | 4,170,266 |
| Total Current Liabilities | | 2,263,020,561 | 2,163,232,063 | 2,385,891,634 |
| TOTAL LIABILITIES | | 5,124,195,172 | 5,750,568,793 | 5,171,718,775 |
| TOTAL EQUITY AND LIABILITIES | | 8,292,763,992 | 8,107,192,938 | 8,317,113,292 |

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022 AND 2021

(Amounts expressed in euro)

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

| | Notes | 31 Mar 2022 | 31 Mar 2021 Restated Note 3 |
|--|-----------|-------------------|-----------------------------------|
| Sales | 4 | 1,598,955,420 | 1,537,764,276 |
| Services rendered | 4 | 91,162,743 | 70,065,161 |
| Gains and losses on investments | | (651,435) | (1,165,882) |
| Gains and losses on investments recorded at fair value through profit and loss | 10.3 | 13,707,143 | 4,128,897 |
| Other income | 17 | 36,459,915 | 34,944,071 |
| Cost of goods sold and materials consumed | | (1,148,470,727) | (1,119,713,720) |
| Changes in inventories of finished goods and work in progress | | 1,212,071 | (724,452) |
| External supplies and services | | (198,030,005) | (174,258,270) |
| Employee benefits expense | | (238,137,681) | (219,723,654) |
| Other expenses | | (23,585,599) | (22,493,952) |
| Depreciation and amortisation expenses | 5,6 and 7 | (87,050,277) | (83,688,956) |
| Impairment losses | | 1,087,051 | (9,926,434) |
| Provisions | | (153,642) | (3,752,517) |
| Share of profit or loss of joint ventures and associates | 9 | 26,091,348 | 18,818,960 |
| Financial income | 18 | 11,210,173 | 10,085,901 |
| Financial expense | 18 | (34,092,984) | (37,653,573) |
| Profit from continuing operations before tax | | 49,713,514 | 2,705,856 |
| Income tax expense | | 1,415,780 | 782,307 |
| Profit/(Loss) after taxation from continuing operations | | 51,129,294 | 3,488,163 |
| Profit/(Loss) from discontinued operations after taxation | | - | (71,665) |
| Consolidated profit/(Loss) for the period | | 51,129,294 | 3,416,498 |
| Attributable to equity holders of the Parent Company: | | | |
| Continuing operations | 20 | 42,375,782 | 1,734,366 |
| Discontinued operations | 20 | - | (1,093,077) |
| | | 42,375,782 | 641,289 |
| Attributable to non-controlling interests: | | | |
| Continuing operations | | 8,753,512 | 1,753,797 |
| Discontinued operations | | - | 1,021,412 |
| | | 8,753,512 | 2,775,209 |
| Profit/(Loss) per share | | | |
| Continuing operations | | | |
| Basic | 20 | 0.022204 | 0.000908 |
| Diluted | 20 | 0.022069 | 0.000848 |
| Discontinued operations | | | |
| Basic | 20 | - | (0.000572) |
| Diluted | 20 | - | (0.000535) |

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED 31 MARCH 2022 AND 2021

(Amounts expressed in euro)

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

| | Notes | 31 Mar 2022 | 31 Mar 2021 Restated Note 3 |
|--|-------|--------------------|-----------------------------------|
| Net Profit / (Loss) for the period | | 51,129,294 | 3,416,498 |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences on translation of foreign operations | | (4,306,804) | 1,873,993 |
| Share of other comprehensive income of joint ventures and associates | 9 | 40,011,177 | (10,394,275) |
| Changes in cash flow hedging reserve | | 5,716,617 | 3,762,330 |
| Income tax relating to items that may be reclassified subsequently to profit or loss | | (407,619) | (355,800) |
| Others | | 325,664 | 125,760 |
| | | 41,339,035 | (4,987,992) |
| Items that won't be reclassified subsequently to profit or loss: | | | |
| Changes value of financial assets at fair value | 10.3 | 13,475,814 | 256,808 |
| Total other comprehensive income for the period | | 54,814,849 | (4,731,184) |
| Total comprehensive income for the period | | 105,944,143 | (1,314,686) |
| Attributable to: | | | |
| Equity holders of parent company | | 93,144,203 | (2,415,613) |
| Non controlling interests | | 12,799,940 | 1,100,927 |

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED 31 MARCH 2022 AND 2021

(Amounts expressed in euro)

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

| Notes | Reserves and Retained Earnings | | | | | | | | | | Net Profit/(Loss) | Total | Non controlling Interests (Note 14) | Total Equity |
|--|--------------------------------|--------------|---------------|------------------------------|--------------------------------|---------------------------|--------------------------------------|--------------------------------------|---------------|---------------|-------------------|---------------|-------------------------------------|--------------|
| | 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 | | | | | | |
| | | | | | | | | | | | | | | |
| Attributable to Equity Holders of Parent Company | | | | | | | | | | | | | | |
| Balance as at 1 January 2021 | 2,000,000,000 | (93,340,768) | 277,452,299 | 873,305 | (25,569,631) | 643,746 | (238,214,322) | (262,266,902) | 70,944,578 | 1,992,789,217 | 447,063,129 | 2,439,852,346 | | |
| Total comprehensive income for the period | - | - | - | 1,663,519 | 213,425 | 3,259,562 | (8,193,408) | (3,056,902) | 641,289 | (2,415,613) | 1,100,927 | (1,314,686) | | |
| Appropriation of consolidated net profit of 2020 | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Transfer to legal reserves and retained earnings | - | - | - | - | - | - | 70,944,578 | 70,944,578 | (70,944,578) | - | - | - | | |
| Income distribution from investment funds | - | - | - | - | - | - | - | - | - | - | (120,104) | (120,104) | | |
| Obligation fulfilled by share attribution to employees | - | - | - | - | - | - | 714,843 | 714,843 | - | 714,843 | 11,449 | 726,292 | | |
| Variation in percentage of subsidiaries | - | - | - | - | - | - | 1,141,158 | 1,141,158 | - | 1,141,158 | (83,300,433) | (82,159,275) | | |
| Others | - | - | - | - | - | - | (358,833) | (358,833) | - | (358,833) | (1,595) | (360,428) | | |
| Balance as at 31 March 2021 | 2,000,000,000 | (93,340,768) | 277,452,299 | 2,536,824 | (26,356,206) | 3,903,308 | (173,965,964) | (162,882,058) | 641,289 | 1,991,870,772 | 364,763,373 | 2,356,624,145 | | |
| Balance as at 1 January 2022 | 2,000,000,000 | (88,539,491) | 281,216,564 | (183,979) | (2,373,046) | 13,112,800 | 70,334,598 | 80,890,373 | 267,652,127 | 2,541,216,573 | 604,175,944 | 3,145,394,517 | | |
| Total comprehensive income for the period | - | - | - | (2,980,454) | 13,475,814 | 3,930,964 | 36,342,096 | 50,768,421 | 42,375,782 | 93,144,203 | 12,799,940 | 105,944,143 | | |
| Appropriation of consolidated net profit of 2021 | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Transfer to legal reserves and retained earnings | - | - | - | - | - | - | 267,652,127 | 267,652,127 | (267,652,127) | - | - | - | | |
| Obligation fulfilled by share attribution to employees | - | - | - | - | - | - | 548,129 | 548,129 | - | 548,129 | 102,622 | 650,750 | | |
| Variation in percentage of subsidiaries | - | - | - | - | - | - | (3,539,469) | (3,539,469) | - | (3,539,469) | (79,929,552) | (83,469,020) | | |
| Others | - | - | - | - | - | - | 41,147 | 41,147 | - | 41,148 | 7,282 | 48,430 | | |
| Balance as at 31 March 2022 | 2,000,000,000 | (88,539,491) | 281,216,564 | (3,164,433) | 11,102,768 | 17,043,764 | 371,378,828 | 396,360,728 | 42,375,782 | 2,631,412,684 | 537,166,236 | 3,168,568,820 | | |

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2022 AND 2021

(Amounts expressed in euro)

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

| | Notes | 31 Mar 2022 | 31 Mar 2021 |
|---|-------|----------------------|----------------------|
| OPERATING ACTIVITIES | | | |
| Net cash generated from operating activities (1) | | (164,274,370) | (232,394,067) |
| INVESTMENT ACTIVITIES | | | |
| Receipts arising from: | | | |
| Investments | | 993,908 | 5,299,448 |
| Property, plant and equipment and intangible assets | | 5,053,836 | 4,769,430 |
| Interests and similar income | | 789,316 | 788,033 |
| Loans granted | | 698,258 | - |
| Dividends | | 1,968,944 | 1,203,463 |
| Others | | 33,900,149 | 1,706,306 |
| | | 43,404,411 | 13,766,680 |
| Payments arising from: | | | |
| Investments | 21 | (119,695,850) | (86,034,844) |
| Property, plant and equipment and intangible assets | | (78,859,736) | (64,524,719) |
| Loans granted | | (10,178,107) | (677,515) |
| Others | | - | (1,268,663) |
| | | (208,733,693) | (162,505,741) |
| Net cash used in/ generated by investment activities (2) | | (165,329,282) | (138,739,061) |
| FINANCING ACTIVITIES | | | |
| Receipts arising from: | | | |
| Loans, bonds and finance leases | 16 | 782,866,288 | 1,295,624,102 |
| | | 782,866,288 | 1,295,624,102 |
| Payments arising from: | | | |
| Lease contracts | | (44,254,392) | (41,301,944) |
| Loans, bonds and finance leases | 16 | (690,161,755) | (937,448,119) |
| Interests and similar charges | | (5,584,313) | (6,477,196) |
| Dividends | | - | (120,104) |
| | | (740,000,460) | (985,347,363) |
| Net cash used in financing activities (3) | | 42,865,828 | 310,276,739 |
| Net increase (decrease) in cash and cash equivalents (4) = (1) + (2) + (3) | | (286,737,824) | (60,856,389) |
| Effect of exchange rate changes on the balance of cash held in foreign currencies | | (289,534) | (56,041) |
| Effect of discontinued operations | | - | (85,275) |
| Cash and cash equivalents at the beginning of the period | 13 | 822,690,051 | 752,173,451 |
| Cash and cash equivalents at the end of the period | 13 | 536,241,761 | 691,287,828 |

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

SONAE, SGPS, SA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2022

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

Shares representing the share capital of Sonae, SGPS, SA are listed on the Euronext Lisbon stock exchange. At 31 March 2022, Sonae, SGPS, S.A. is majority owned by Pareuro BV and Efanor Investimentos SGPS, S.E., the latter being the ultimate controlling company.

2. 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.

2.1 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 2022:

| Standards (new and amendments) effective as at 1 January 2022 | Changes | Effective date (for financial years beginning on or after) |
|---|---|--|
| IAS 16 – Proceeds before intended use | Prohibition of deducting the proceeds obtained from the sale of items produced during the testing phase, to the acquisition cost of property, plant and equipment. | 01 Jan 2022 |
| IAS 37 – Onerous contract – cost of fulfilling a contract | Clarification about the nature of the expenses to be considered in determining whether a particular contract has become onerous. | 01 Jan 2022 |
| Annual Improvements 2018-2020 | Specific amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41. | 01 Jan 2022 |
| IFRS 3 – Reference to the Conceptual framework | 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 |

These standards were first applied by the Group in 2022, however, the impacts were not relevant in the accompanying financial statements.

The following standards, interpretations, amendments and revisions have been endorsed by the European Union, until the date of approval of these financial statements and are mandatory for future economic years:

| Standards (new and amendments) that will become effective, on or after 1 January 2023, already endorsed by the EU | Changes | Effective date (for financial years beginning on or after) |
|---|--|--|
| IFRS 17 – Insurance contracts | New accounting for insurance contracts, reinsurance contracts and investment contracts with discretionary participating features. | 01 Jan 2023 |
| IFRS 17 – Insurance contracts (amendments) | The amendments to IFRS 17 relate to changes 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 1 – Disclosure of accounting policies | Disclosure requirement for material accounting policies, rather than significant accounting policies. | 01 Jan 2023 |
| IAS 8 – Disclosure of accounting estimates | Definition of accounting estimate. Clarification as to the distinction between changes to accounting policies and changes to accounting estimates. | 01 Jan 2023 |

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

| Standards (new and amendments) that will become effective, on or after 1 January 2023, not yet endorsed by the EU | Changes | Effective date (for financial years beginning on or after) |
|---|--|--|
| IAS 1 – Presentation of financial statements – classification of liabilities | Classification of a liability as current or non-current, depending on an entity's right to defer its payment. New definition of "settlement" of a liability. | 01 Jan 2023 |
| IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction | Requirement to recognize deferred tax on the recognition of assets under right of use / lease liability and provisions for decommissioning / related asset, when their initial recognition gives rise to equal amounts of taxable temporary differences and deductible temporary differences, because of not being relevant for tax purposes. | 01 Jan 2023 |
| IFRS 17 – Initial Application of IFRS 17 and IFRS 9 – Comparative Information | This amendment allows to avoid temporary accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented, when first applying IFRS 17. This amendment allows the application of a classification overlay to a financial asset for which the entity does not restate IFRS 9 comparative information. | 01 Jan 2023 |

The Group did not proceed with the early implementation of any of these standards in the financial statements for the year ended 31 March 2022 since their application is not mandatory, lying in the process of analyzing expected effects of those standards.

3. Restatement of consolidation income statements

Following the disposal of the remaining capital held on the companies Digitmarket Sistemas de Informação S.A. (previously held 75% 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) (previously held 50% by Sonae MC, SGPS, S.A. and 50% by Cimentos Estrada Pedra SGPS, Lda.) the contributions from these companies, on the consolidated financial statements, were presented as assets held for sale and as discontinued operations.

The restatement impact on the consolidated financial statements according to the changes described previously, for the period ended 31 March 2021 can be summarized as follows:

| 31 Mar 2021 | Before the restatement | Discontinued operations | After the restatement |
|--|---------------------------|-------------------------|--------------------------|
| Sales | 1,571,659,532 | (33,895,266) | 1,537,764,276 |
| Services rendered | 69,433,284 | 631,877 | 70,065,161 |
| Gains and losses on investments | (1,165,882) | - | (1,165,882) |
| Gains and losses on investments recorded at fair value through results | 4,128,897 | - | 4,128,897 |
| Financial income | 10,122,173 | (36,272) | 10,085,901 |
| Other income | 37,754,353 | (2,810,282) | 34,944,071 |
| Cost of goods sold and materials consumed | (1,145,538,817) | 25,825,097 | (1,119,713,720) |
| Changes in inventories of finished goods and work in progress | (724,452) | - | (724,452) |
| External supplies and services | (174,331,413) | 73,143 | (174,258,270) |
| Employee benefits expense | (223,679,728) | 3,956,074 | (219,723,654) |
| Depreciation and amortisation expenses | (84,541,074) | 852,118 | (83,688,956) |
| Impairment losses | (11,589,700) | 1,663,266 | (9,926,434) |
| Provisions | (4,495,611) | 743,094 | (3,752,517) |
| Financial expense | (37,701,842) | 48,269 | (37,653,573) |
| Other expenses | (22,728,276) | 234,324 | (22,493,952) |
| Share of profit or loss of joint ventures and associates | 18,818,960 | - | 18,818,960 |
| Profit/(Loss) before taxation from continuing operations | 5,420,404 | (2,714,548) | 2,705,856 |
| Income tax expense | 157,367 | 624,940 | 782,307 |
| Profit/(Loss) after taxation from continuing operations | 5,577,771 | (2,089,608) | 3,488,163 |
| Profit/(Loss) from discontinued operations after taxation | (2,161,273) | 2,089,608 | (71,665) |
| Consolidated profit/(Loss) for the period | 3,416,498 | - | 3,416,498 |

4. Segment information

Sonae has in its portfolio 8 business segments:

- MC is the undisputed leader in the Portuguese food retail market (offline and online);
- Worten is a leading omnichannel retailer of products and services, with a focus on household appliances and consumer electronics;
- Sierra is the fully integrated operator in the real estate sector;
- Zeitreel is the largest Portuguese fashion group (Salsa, Mo, Zippy and Losan);
- Universo is a fast-growing digital financial services operator in Portugal;
- Bright Pixel is an active and specialized investor with a focus on retail technology, digital infrastructure and cybersecurity;
- NOS is the leading convergent operator in the Portuguese telecommunications market; and
- Iberian Sports Retail Group (ISRG) is one of the largest and fastest growing Iberian sports retailers (Sprinter, SportZone, JD and Size?).

These segments were identified taking into account the following criteria/conditions: the fact that they are units of the group that develop activities where income and expenses can be separately identified, in relation to which financial information is developed separately, their operating results are regularly reviewed by management and on which it makes decisions about, for example, allocation of resources, the fact that they have similar products/services and also taking into account the quantitative threshold (as provided for in IFRS 8).

Financial information per business segment

The main operating segment information as at 31 March 2022 and 2021 can be detailed as follows:

| 31 Mar 2022 | Turnover | Depreciation and amortisation ⁽³⁾ | Provisions and impairment losses ⁽³⁾ | EBIT ⁽³⁾ | Financial results ⁽³⁾ | Income tax ⁽³⁾ |
|--|----------------------|--|---|---------------------|----------------------------------|---------------------------|
| MC | 1,294,352,560 | (64,749,333) | 550,794 | 42,499,849 | (18,908,127) | (2,437,567) |
| Worten | 260,675,738 | (8,953,521) | (30,947) | 53,053 | (611,253) | 501,588 |
| Sierra | 27,606,029 | (793,716) | 409,769 | 13,780,942 | (1,051,184) | (284,302) |
| Zeitreel | 95,876,165 | (8,628,661) | 205,311 | (4,171,308) | (1,276,535) | 3,073,575 |
| Universo | 7,934,210 | (480,080) | (347,315) | (3,770,047) | 73,966 | 1,008,288 |
| Bright Pixel | 14,542,734 | (1,275,136) | (57,702) | 1,575,026 | 225,965 | (374,200) |
| NOS | - | - | - | 8,870,529 | - | - |
| ISRG | - | - | - | 6,630,425 | - | - |
| Other, eliminations and adjustments ⁽¹⁾ | (10,869,273) | (2,169,830) | 61,207 | (3,461,384) | (1,335,643) | 1,474,374 |
| Total consolidated - Direct | 1,690,118,163 | (87,050,277) | 791,117 | 62,007,085 | (22,882,811) | 2,961,766 |

| 31 Mar 2021 | Turnover | Depreciation and amortisation ⁽³⁾ | Provisions and impairment losses ⁽³⁾ | EBIT ⁽³⁾ | Financial results ⁽³⁾ | Income tax ⁽³⁾ |
|--|----------------------|--|---|---------------------|----------------------------------|---------------------------|
| MC | 1,246,608,670 | (62,084,517) | (9,231,450) | 34,698,208 | (20,071,682) | (2,219,550) |
| Worten | 271,864,878 | (8,221,574) | (3,145,176) | 3,012,699 | (1,293,412) | (2,395,368) |
| Sierra | 22,216,135 | (759,718) | (92,069) | 6,908,264 | (2,007,141) | (26,372) |
| Zeitreel | 60,996,226 | (8,802,526) | 284,652 | (20,883,023) | (1,587,804) | 4,772,317 |
| Universo | 4,522,148 | (559,995) | (975,611) | (5,801,740) | (207,315) | 1,592,233 |
| Bright Pixel | 13,586,907 | (1,731,802) | (61,763) | (1,631,391) | 192,206 | 339,117 |
| NOS | - | - | - | 6,931,092 | - | - |
| ISRG | - | - | - | 4,601,780 | - | - |
| Other, eliminations and adjustments ⁽¹⁾ | (11,965,527) | (1,528,824) | (267,508) | (4,024,875) | (2,592,524) | 731,757 |
| Total consolidated - Direct | 1,607,829,437 | (83,688,956) | (13,488,925) | 23,811,014 | (27,567,672) | 2,794,134 |

| | 31 Mar 2022 | | | 31 Mar 2021 | | |
|--|--------------------|----------------------|---------------------------------------|--------------------|----------------------|---------------------------------------|
| | Investment (CAPEX) | Invested capital | Financial net debt ^{(2) (4)} | Investment (CAPEX) | Invested capital | Financial net debt ^{(2) (4)} |
| MC | 26,174,283 | 2,540,921,864 | 1,542,695,806 | 28,372,100 | 2,527,947,070 | 1,619,814,621 |
| Worten | 9,880,905 | 32,882,616 | - | 8,364,282 | 32,263,473 | - |
| Sierra | 11,400,046 | 982,554,336 | 38,020,301 | 145,760 | 912,223,260 | 38,419,078 |
| Zeitreel | 2,764,899 | 320,245,781 | - | 1,765,381 | 325,610,222 | - |
| Universo | 254,904 | 26,719,214 | - | 353,855 | 145,901,333 | - |
| Bright Pixel | 9,457,662 | 289,715,511 | (1,904,462) | 3,384,463 | 230,095,067 | 6,085,467 |
| NOS | - | 799,079,106 | - | - | 779,174,582 | - |
| ISRG | - | 107,745,166 | - | - | 88,506,898 | - |
| Other, eliminations and adjustments ⁽¹⁾ | 107,323,727 | 176,379,721 | 528,862,820 | 83,305,858 | 16,919,097 | 1,037,697,664 |
| Total consolidated | 167,256,426 | 5,276,243,315 | 2,107,674,475 | 125,691,699 | 5,058,641,002 | 2,702,016,820 |

- 1) Includes 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 22;
- 4) Include lease liabilities.

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

| | Investment | | Invested capital | |
|--|--------------------|-------------------|--------------------|-------------------|
| | 31 Mar 2022 | 31 Mar 2021 | 31 Mar 2022 | 31 Mar 2021 |
| Inter-segment intra-groups and contributions of entities non-individualized entities as segments | 23,853,129 | 236,614 | 176,379,721 | 77,958,408 |
| Aquisition of an additional 10% of Sonae Sierra (Note 21) | 83,470,598 | 82,159,275 | - | - |
| Cash settled equity swap | - | - | - | (61,039,311) |
| Other | - | 909,969 | - | - |
| | 107,323,727 | 83,306,858 | 176,379,721 | 16,919,097 |

All performance measures are reconciled to the financial statements in Note 22.

Glossary:

Net Invested capital = Net debt + Shareholder funds;

Net Financial Debt = Bonds + bank loans + other loans – 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 2021, on note 53;

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

5. Property, plant and equipment

During the three months period ended as at 31 March 2022, 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 | Vehicles | Fixtures and Fittings | Other tangible assets | Tangible assets in progress | Total tangible assets |
|---|----------------------|----------------------|-------------------|-----------------------|-----------------------|-----------------------------|-----------------------|
| Gross assets | | | | | | | |
| Opening balance as at 1 January 2022 | 1,387,934,876 | 1,777,791,777 | 31,165,729 | 188,035,777 | 56,614,631 | 33,384,003 | 3,474,926,793 |
| Investment | 3,376,342 | 1,379,031 | 13,059 | 531,342 | 150,549 | 23,751,834 | 29,202,157 |
| Acquisitions of subsidiaries | 10,944 | 96,907 | - | - | - | - | 107,851 |
| Disposals | (6,792,191) | (13,689,329) | (213,667) | (1,513,236) | (437,034) | (250,800) | (22,896,258) |
| Exchange rate effect | (51,982) | (53,207) | - | 5,924 | (43) | - | (99,309) |
| Transfers | 388,698 | 26,913,897 | (221,891) | 2,613,724 | 427,389 | (30,325,275) | (203,462) |
| Closing balance as at 31 March 2022 | 1,384,866,686 | 1,792,439,074 | 30,743,230 | 189,673,531 | 56,755,492 | 26,559,762 | 3,481,037,773 |
| Accumulated depreciation and impairment losses | | | | | | | |
| Opening balance as at 1 January 2022 | 474,800,245 | 1,112,288,586 | 21,930,901 | 137,669,788 | 46,358,128 | 221,695 | 1,793,269,343 |
| Depreciation of the period | 5,703,751 | 30,168,505 | 458,359 | 4,413,374 | 930,821 | - | 41,674,809 |
| Impairment losses of the period | (4,509,929) | (17,379) | - | (1,537) | (374,693) | - | (4,903,538) |
| Acquisitions of subsidiaries | 1,459 | 76,762 | - | - | - | - | 78,222 |
| Disposals | (1,310,087) | (13,026,251) | (209,275) | (1,438,321) | (432,793) | - | (16,416,727) |
| Exchange rate effect | (14,231) | (26,266) | - | 4,591 | (61) | - | (35,967) |
| Transfers | (2,971) | 562,229 | 26,453 | (228,896) | (2,925) | - | 353,885 |
| Closing balance as at 31 March 2022 | 474,668,237 | 1,180,028,186 | 22,206,438 | 140,419,000 | 46,478,477 | 221,695 | 1,814,020,027 |
| Carrying amount | | | | | | | |
| as at 31 March 2022 | 910,198,450 | 682,412,888 | 8,536,792 | 49,254,531 | 10,277,015 | 26,338,067 | 1,667,017,746 |

The investment includes the acquisition of assets of approximately 23.8 million euro (27 million euro in 2021), associated with the opening and remodeling of stores of Sonae retail operating segments.

6. Intangible assets

During the three months period ended 31 March 2022, the movement occurred in intangible assets and in the corresponding accumulated amortization 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 2022 | 255,766,929 | 509,717,810 | 101,635,876 | 43,777,049 | 910,897,664 |
| Investment | 563,669 | 423,566 | 30,762 | 15,874,915 | 16,892,912 |
| Acquisitions of subsidiaries | - | 55,696 | 2,854,856 | - | 2,910,552 |
| Disposals | - | - | - | (38,309) | (38,309) |
| Exchange rate effect | - | 1,620 | - | - | 1,620 |
| Transfers | 11,278 | 6,609,269 | (7) | (6,406,507) | 214,033 |
| Closing balance as at 31 March 2022 | 256,341,876 | 516,807,961 | 104,521,487 | 53,207,148 | 930,878,472 |
| Accumulated Depreciation and Impairment Losses | | | | | |
| Opening balance as at 1 January 2022 | 67,214,679 | 341,799,904 | 59,130,509 | - | 468,145,092 |
| Depreciation of the period | 542,302 | 11,075,025 | 1,277,657 | - | 12,894,984 |
| Impairment losses of the period (Note 16) | 356,700 | (53,194) | (356,700) | - | (53,194) |
| Acquisitions of subsidiaries | - | 27,845 | 613,042 | - | 640,887 |
| Exchange rate effect | - | 598 | - | - | 598 |
| Transfers | - | (1) | (7) | - | (8) |
| Closing balance as at 31 March 2022 | 68,113,681 | 352,850,177 | 60,664,501 | - | 481,628,359 |
| Carrying Amount | | | | | |
| as at 31 March 2022 | 188,228,195 | 163,957,784 | 43,856,986 | 53,207,148 | 449,250,113 |

As at 31 March 2022 the Investment related to intangible assets in progress includes 13.7 million euro related to IT projects and development software. Within that amount it is included 4.7 million euro of capitalizations of personnel costs related to own work.

7. Rights of use assets

During the period of three months ended on 31 March 2022, 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 |
|---|----------------------|--------------------|------------------------|-----------------------|
| Gross Assets | | | | |
| Opening balance as at 1 January 2022 | 1,550,214,375 | 101,204,310 | 3,490,847 | 1,654,909,532 |
| Additions | 22,883,503 | 2,180,578 | 90,309 | 25,154,390 |
| Effect of foreign currency exchange differences | 4,710 | (2,251) | - | 2,459 |
| Decreases and write-offs | (15,851,916) | (4,795,856) | (64,106) | (20,711,879) |
| Closing balance as at 31 March 2022 | 1,557,250,673 | 98,586,780 | 3,517,049 | 1,659,354,502 |
| Accumulated Depreciation and Impairment Losses | | | | |
| Opening balance as at 1 January 2022 | 565,582,630 | 67,834,521 | 1,539,769 | 634,956,910 |
| Depreciation of the period | 26,324,888 | 5,998,054 | 157,542 | 32,480,484 |
| Effect of foreign currency exchange differences | 21,359 | - | - | 21,359 |
| Decreases and write-offs | (15,610,099) | (4,209,167) | (64,106) | (19,883,373) |
| Use of impairment losses | (38,886) | - | - | (38,886) |
| Closing balance as at 31 March 2022 | 576,279,892 | 69,623,408 | 1,633,194 | 647,536,494 |
| Carrying Amount | | | | |
| as at 31 March 2022 | 980,970,781 | 28,963,372 | 1,883,855 | 1,011,818,008 |

Liabilities related to rights of use are recorded under non-current and current lease liabilities of 1.073 million euros and 103 million euro respectively (1.075 million euro and 106 million euro at 31 December 2021).

In the consolidated income statement, 32.5 million euro were recognized for depreciation of the period (31.8 million euro in 31 March 2021) and 18.4 million of euro of interest relating to the adjusted debt (18.8 million euro in 31 March 2021).

8. Goodwill

Goodwill is allocated to each operating segment and within each segment to each of the homogeneous groups of cash generating units as follows:

- MC, Worten and Zeitreel - Goodwill is allocated to each operating segment, being afterwards distributed by each homogenous group of cash generating units, namely to each insignia within each segment distributed by country and each of the properties in case of operating segment MC;
- Sierra - The value of the Goodwill of this segment is allocated to the assets held and the operation of management property; and
- Bright Pixel - In this segment the Goodwill is mainly related to the technology business.

As at 31 March 2022 and 31 December 2021, the caption “Goodwill” was made as follows by segment and country:

| 31 Mar 2022 | | | | | |
|--------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| Insignia | Portugal | Spain | United Kingdom | Other countries | Total |
| MC | 486,369,406 | 19,440,000 | - | - | 505,809,406 |
| Worten | 78,185,304 | - | - | - | 78,185,304 |
| Zeitreel | 53,097,133 | - | - | - | 53,097,133 |
| Bright Pixel | 2,059,740 | 1,641,824 | - | 10,971,314 | 14,672,878 |
| Sierra | 18,159,949 | - | - | - | 18,159,949 |
| Others | - | - | 62,628,674 | - | - |
| | 637,671,532 | 21,081,824 | 62,628,674 | 10,971,314 | 732,553,344 |

| 31 Dec 2021 | | | | | |
|--------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| Insignia | Portugal | Spain | United Kingdom | Other countries | Total |
| MC | 486,369,406 | 19,440,000 | - | - | 505,809,406 |
| Worten | 78,185,304 | - | - | - | 78,185,304 |
| Zeitreel | 53,097,133 | - | - | - | 53,097,133 |
| Bright Pixel | 2,059,740 | 1,641,824 | - | 10,971,314 | 14,672,878 |
| Sierra | 18,159,949 | - | - | - | 18,159,949 |
| Others | - | - | 62,370,674 | - | 62,370,674 |
| | 637,671,532 | 21,081,824 | 62,370,674 | 10,971,314 | 732,295,344 |

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 analyzed as follows:

| Investments in joint ventures and associates | 31 Mar 2022 | 31 Dec 2021 |
|--|----------------------|----------------------|
| Investments in joint ventures | 761,638,931 | 744,565,681 |
| Investments in associates | 788,187,191 | 770,084,405 |
| Total | 1,549,826,122 | 1,514,650,086 |

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

| COMPANY | 31 Mar 2022 | 31 Dec 2021 |
|--|--------------------|--------------------|
| MC | | |
| Maremor Beauty & Fragances, S.L. | 171,422 | 170,499 |
| Sohi Meat Solutions - Distribuição de Carnes, SA | 3,791,355 | 3,639,130 |
| | 3,962,777 | 3,809,630 |
| Sonae Sierra | | |
| Arrábidashopping- Centro Comercial, S.A. | 26,801,738 | 27,555,861 |
| Gaishopping I- Centro Comercial, S.A. | 27,259,470 | 28,854,515 |
| L.C. Malheiro II, SGPS, SA | 3,309,726 | 2,097,775 |
| Madeirashopping- Centro Comercial, S.A. | 18,077,093 | 19,170,362 |
| Nova Centralidade Soc. de Desenv. Imobiliário, SA | 8,005,600 | - |
| Pantheon Plaza B.V. | 2,819,998 | 2,845,449 |
| Parque Atlântico Shopping - Centro Comercial, S.A. | 17,302,008 | 17,843,797 |
| Proyecto Cúcuta S.A.S. | 2,596,669 | 2,430,667 |
| SC Aegean B.V. | 3,428,195 | 3,433,293 |
| Sierra LM, SGPS, S.A. | - | 1,154,083 |
| Via Catarina- Centro Comercial, S.A. | 9,909,523 | 9,704,074 |
| Visionarea - Promoção Imobiliária, S.A. | 864,614 | - |
| Others | 2,183,384 | 2,165,619 |
| | 122,558,018 | 117,265,495 |
| Bright Pixel | | |
| Unipress - Centro Gráfico, Lda | 508,317 | 492,267 |
| | 508,317 | 492,267 |
| NOS | | |
| ZOPT, SGPS, SA (consolidated) | 634,609,819 | 623,008,290 |
| | 634,609,819 | 623,008,290 |
| Investments in joint ventures | 761,638,931 | 744,565,681 |

Financial Investment in NOS

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

On 31 March 2022, it was considered that the assumptions made in the impairment tests carried out in 2021 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.

In January 2022, the Public Prosecutor's Office (MP) with the National Asset Recovery Service of the OPG, representing the Angolan State, requested, at the Luanda District Court, i) the replacement of the current trustees of the companies Finstar and ZAP Media (current Boards of Directors of the companies) by the Ministry of Telecommunications, Information Technologies and Social Communication (MTTICS), as well as, ii) the inhibition of voting rights by Isabel dos Santos, requests that the Court granted. The Board of Directors of NOS is currently convinced - based on the statements that have been made by the new trustee, MTTICS - that the activity of the companies will continue to develop normally.

On 4 April 2020, Sonaecom was informed by its subsidiary Zopt of the communication it received from the Central Criminal Investigation Court of Lisbon ('Cort') to proceed with the preventive seizure of 26.075% of NOS share capital, corresponding to half of 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 that communication, the foreclosed shares (134,322,268.5 shares) would be deprived of the exercise of voting rights and the right to receive dividends, the latter of which should be deposited with Caixa Geral de Depósitos, S.A. 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 Sonaecom - was not subject to seizure, nor the rights inherent to it have been subject to any limitation.

On 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 preemptively held to the order of that Court. This notification reinforces the understanding of the Boards of Directors of ZOPT and Sonaecom, according to which the conditions of control of ZOPT over NOS are fulfilled, and that that measure will have no material effect on the control of this company.

Still in June 2020, the Investigating Judge rejected the third-party embargoes deducted by ZOPT on the grounds of incompetence of the Portuguese courts to assess and decide, a decision that, having been appealed by Zopt, was revoked by the Court of Justice. Relationship, already in 2021. In a decision dated 25.11.2021, the investigating judge dismissed the objections and maintained the preventive seizure. ZOPT appealed against this decision to the Lisbon Court of Appeal.

On 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.

During 2020 and 2021, ZOPT was notified of a number of court decisions concerning the ZOPT shares held by KENTO and Unitel International Holdings and the respective right to receive dividends, specifically the following: (i) preventive preservation in case no. 210/20.4TELSB, of the Central Criminal Court, Single Section, concerning 32.65% of ZOPT's share capital held by Unitel International Holdings and 124,234,675 ZOPT shares held by KENTO, with the deprivation of the exercise of voting rights and the right to receive dividends; (ii) seizure decreed in process no. 14012/20.4T8PRT, by Judge 6 of the Central Civil Court of Póvoa de Varzim, over the shares of ZOPT held by Unitel International Holdings, with all the respective rights of patrimonial nature, including the right to receive dividends; (iii) pledge decreed in process no. 7418/21.3T8LSB, by Judge 2 of the Lisbon Execution Court, of 124,234,675 ZOPT shares held by Kento in ZOPT's capital and of the dividends of those shares; (iv) preservation decreed in process no. 17561/21.3T8LSB-A, by Judge 12 of the Lisbon Central Civil Court, over the ZOPT shares held by KENTO and Unitel International Holdings and over the dividends that have not yet been distributed or that may be deliberated. In relation to the pledge, identified in (iii), ZOPT was also notified by Caixa Geral de Depósitos (CGD), as the beneficiary of the pledge of the shares held by Kento in ZOPT, stating that it was vested with the power to exercise the voting rights attached to the Shares, and all other inherent rights, and that Kento was deprived of exercising such rights without the prior express written consent of CGD. It is the understanding of the ZOPT Board of Directors that, whenever the economic value of the shares is not at stake, CGD, as a pledging creditor of Kento, should act in accordance with Kento's instructions when exercising its voting rights, which means voting in the direction defined by Kento.

Despite the facts described above considering that, no steps have yet been taken to liquidation of ZOPT, that there has been no change in the board of directors of ZOPT and that decisions on the operating

activity of the investee company continue to be taken in accordance with what was being done, we concluded that the profile of joint control over the ZOPT has not changed.

ZOPT Group provisions

The evolution in provisions occurred during the first 3 months of 2022 compared to 31 December 2021 was as follows:

Legal actions with regulators and Competition Authority (“Autoridade da Concorrência” – AdC)

NOS SA, NOS Açores and NOS Madeira brought actions for judicial review of ANACOM's decisions in respect of the payment of the Annual Fee of Activity (for 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020 and 2021) as Electronic Communications Services Networks Supplier, and furthermore the refund of the amounts that meanwhile were paid within the scope of the mentioned acts of settlement was requested. Also NOS Wholesale brought action for judicial review of ANACOM's decision in respect of payment of the Annual Fee of Activity for 2020 and 2021.

The settlement amounts are, respectively, as follows:

- NOS SA: 2009: 1,861 thousand euro, 2010: 3,808 thousand euro, 2011: 6,049 thousand euro, 2012: 6,283 thousand euro, 2013: 7,270 thousand euro, 2014: 7,426 thousand euro, 2015: 7,253 thousand euro, 2016: 8,242 thousand euro, 2017: 9,099 thousand euro, 2018: 10,303 thousand euro, 2019: 10,169 thousand euro; 2020: 10,184 thousand euro and 2021: 9,653 thousand euro.
- NOS Açores: 2009: 29 thousand euro, 2010: 60 thousand euro, 2011: 95 thousand euro, 2012: 95 thousand euro, 2013: 104 thousand euro, 2014: 107 thousand euro, 2015: 98 thousand euro, 2016: 105 thousand euro, 2017: 104 thousand euro, 2018: 111 thousand euro, 2019: 107 thousand euro, 2020: 120 thousand euro and 2021: 123 thousand euro.
- NOS Madeira: 2009: 40 thousand euro, 2010: 83 thousand euro, 2011: 130 thousand euro, 2012: 132 thousand euro, 2013: 149 thousand euro, 2014: 165 thousand euro, 2015: 161 thousand euro, 2016: 177 thousand euro, 2017: 187 thousand euro, 2018: 205 thousand euro, 2019: 195 thousand euro, 2020: 202 thousand euro and 2021: 223 thousand euro.
- NOS Wholesale: 2020: 36 thousand euro and 2021: 110 thousand euro.

Tax authorities

During the course of the 2003 to 2022 financial years, some companies of the NOS Group were the subject of tax inspections for the 2001 to 2020 financial years. Following these inspections, NOS SGPS, as the controlling company of the Tax Group, and companies not covered by Tax Group, were notified of the corrections made to the Group's tax losses, to VAT and stamp tax and to make the payments related to the corrections made to the above exercises. The total amount of the notifications unpaid is about 37 million euro, added interest, and charges. These settlement notes, which totally were contested, are the respective lawsuits in progress.

Interconnection tariffs

At 31 March 2022, accounts receivable and accounts payable include 37,139,253 euros and 43,475,093 euros, 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.

The detail of Investments in Associates is as follows:

| COMPANY | 31 Mar 2022 | 31 Dec 2021 |
|--|--------------------|--------------------|
| MC | | |
| Sempre a Postos - Produtos Alimentares e Utilidades, Lda | 1,042,451 | 910,322 |
| Sierra | | |
| Sierra European Retail Real Estate Assets Holdings, BV ("Sierra BV") | 233,840,392 | 229,957,073 |
| 3shoppings - Holding, SGPS, S.A. | 13,127,305 | 12,911,514 |
| Alliance Sonae Shopping Centers, S.A. | 98,752,124 | 82,144,399 |
| Area Sur Shopping, S.L. | 7,760,913 | 7,609,420 |
| Douro Riverside Hotel, S.A. | 1,700,818 | - |
| Fundo Investimento Imobiliário Parque Dom Pedro Shopping Center ("FIIPDPSH") | 11,964,142 | 10,045,075 |
| Fundo Investimento Imobiliário Shop. Parque Dom Pedro ("FIISHDP") | 114,708,124 | 96,256,931 |
| Iberia Shop.C. Venture Coöperatief U.A. ("Iberia Coop") | 14,544,629 | 14,409,364 |
| Le Terrazze - Shopping Centre 1 Srl | 6,548,230 | 6,444,258 |
| Mercado Urbano - Gestão Imobiliária, S.A. | 1,235,998 | 1,225,393 |
| Olimpo Real Estate SOCIMI, S.A. | 7,885,573 | 7,808,294 |
| Olimpo Real Estate Portugal, SIGI, S.A. | 2,792,364 | 2,747,985 |
| Serra Shopping- Centro Comercial, S.A. | 1,082,356 | 1,063,010 |
| Sierra Portugal Feeder 1 | 2,188,395 | 2,167,043 |
| Sierra Portugal Real Estate ("SPF") | 21,191,003 | 20,949,774 |
| Signal Alpha Republica I, S.A. | 303,091 | 325,425 |
| Signal Alpha Republica II, Lda. | 56,545 | 61,658 |
| Trivium Real Estate Socimi, S.A. | 26,188,759 | 25,935,782 |
| Zenata Commercial Project | 2,096,153 | 2,117,099 |
| Bright Pixel | | |
| Alfaros SARL | - | 13,970 |
| Armilar Venture Partners - Sociedade de Capital de Risco, SA (Armilar) | - | 1 |
| Fundo de Capital de Risco Armilar Venture Partners II (Armilar II) | 76,883,953 | 76,854,017 |
| Fundo de Capital de Risco Armilar Venture Partners III (Armilar III) | 18,985,204 | 51,583,976 |
| Fundo de Capital de Risco Espirito Santo Ventures Inovação e Internacionalização (AVP I+I) | 15,438,111 | 15,362,846 |
| Probe.ly - Soluções de Cibersegurança, Lda | 114,045 | 108,771 |
| Suricate Solutions | - | 25,997 |
| Others | 11,347 | 33,207 |
| Sonae SGPS | | |
| Iberian Sports Retail Group (ISRG) | 107,745,166 | 101,011,800 |
| Investment in associate companies | 788,187,191 | 770,084,405 |

In the period ended on 31 March 2022, the change in the value of the proportion of equity in Armilar III Fund is essentially related to the distribution of capital made following the sale of a stake held by that fund.

9.2 Movements occurred in the period

During the period ended at 31 March 2022, movements in investments in joint ventures and associates are as follows:

| Investments in joint ventures | 31 Mar 2022 | | |
|--|----------------------|-------------------|--------------------|
| | Proportion on equity | Goodwill | Total investment |
| Balance as at 1 January | 654,215,783 | 90,349,898 | 744,565,681 |
| Increases during the period | 315,683 | - | 315,683 |
| Acquisitions during the period | 8,874,229 | - | 8,874,229 |
| Effect in gains or losses in joint controlled | 10,891,741 | - | 10,891,741 |
| Distributed dividends | (5,962,731) | - | (5,962,731) |
| Effect in equity capital and non-controlling interests | 2,954,327 | - | 2,954,327 |
| | 671,289,033 | 90,349,898 | 761,638,931 |

| Investments in associate companies | 31 Mar 2022 | | |
|--|----------------------|-------------------|--------------------|
| | Proportion on equity | Goodwill | Total investment |
| Initial balance as at 1 January | 689,792,740 | 80,291,665 | 770,084,405 |
| Acquisitions during the period | 1,714,741 | - | 1,714,741 |
| Capital reduction in associated companies | (33,899,479) | - | (33,899,479) |
| Effect in gains or losses in associated companies | 15,199,607 | - | 15,199,607 |
| Distributed dividends | (1,968,933) | - | (1,968,933) |
| Effect in equity capital and non-controlling interests | 37,056,850 | - | 37,056,850 |
| | 707,895,526 | 80,291,665 | 788,339,416 |

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 poeition | |
|---|---------------------|--------------------------------|-------------|
| Company | Head Office | 31 Mar 2022 | 31 Dec 2021 |
| MC | | | |
| Inscó - Insular de Hipermerc., SA | Ponta Delgada | 4,748,744 | 4,748,744 |
| Sportessence - Sport Retail, SA | Ponta Delgada | 595,964 | 595,964 |
| | | 5,344,707 | 5,344,708 |
| Bright Pixel | | | |
| Arctic Wolf Networks, Inc | Delaware | 75,671,861 | 74,168,202 |
| Aryaka | Colorado (USA) | 1,369,362 | 1,369,362 |
| CellWise | Singapore | 8,816,791 | 8,641,595 |
| ciValue | Yokneam (Israel) | - | 1,977,741 |
| Citcon | San Jose (USA) | 4,504,100 | 4,414,600 |
| Daisy Intelligence | Canada | 1,193,449 | 1,153,213 |
| Experify | Delaware (USA) | 1,171,065 | - |
| Habit Analytics | Évora | 790,804 | 790,804 |
| Hackuity | France | 3,000,000 | - |
| Jscrambler | Porto | 3,828,724 | 3,828,724 |
| Portainer | Nova Zelândia | - | 441,460 |
| Ometria, Ltd. | London | 21,868,865 | 22,016,495 |
| Reblaze | St. Louis | 2,477,255 | 2,428,030 |
| Replai | Porto | 1,800,887 | 1,800,887 |
| Safebreach | Israel | 13,585,106 | 13,315,160 |
| Sales Layer | Valência | 2,500,358 | 2,500,358 |
| Sellforte | Finland | 2,500,003 | 2,500,003 |
| Sixgill Ltd | Israel | 17,808,271 | 5,297,520 |
| Taikai | Porto | 1,836,895 | 1,836,895 |
| ViSenze | Singapore | 4,160,710 | 4,078,034 |
| Weaveworks | San Francisco (USA) | 4,504,099 | 4,414,599 |
| Other financial assets | | 2,401,305 | 1,950,894 |
| | | 175,789,912 | 158,924,575 |
| Financial assets at fair value through profit or loss | | 181,134,619 | 164,269,283 |

10.2 Through other comprehensive income

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

| | | Statment of financial poition | |
|---|---------------------|-------------------------------|-------------|
| Company | Head Office | 31 Mar 2022 | 31 Dec 2021 |
| Sonae | | | |
| NOS SGPS, SA | Lisbon | 164,469,287 | 129,580,000 |
| | | | |
| Bright Pixel | | | |
| Deepfence | California | 2,252,050 | 2,207,300 |
| Nextail Labs, SL | Madrid | 1,628,759 | 1,628,759 |
| Iriu sRisk | Saragoça | 1,416,514 | 1,416,514 |
| StyleSage, Inc. | Delaware | 1,868,807 | 1,868,807 |
| Sensei | Castelo Branco | 405,900 | 405,900 |
| Eat Tasty | Vila Nova Famalicão | 259,696 | 259,696 |
| Other financial assets | | 211,878 | 211,877 |
| | | 8,043,604 | 7,998,854 |
| Financial assets at fair value through other comprehensive income | | 172,512,891 | 137,578,854 |

10.3 Movements occurred in the period

During the year ended at 31 March 2022 and 31 December 2021, movements in investments in joint ventures are as follows:

| | 31 mar 2022 | 31 Dec 2021 |
|---|--------------------|--------------------|
| Investments recorded at fair value through other comprehensive income and through profit or loss | | |
| Fair value (net of impairment losses) as at 1 January | 301,848,138 | 213,572,561 |
| Acquisitions in the period | 25,858,889 | 2,620,002 |
| Disposals in the period | (1,977,741) | - |
| Increase/(decrease) in fair value through profit and loss | 10,485,327 | 4,120,431 |
| Increase/(decrease) in fair value through other comprehensive income | 17,432,897 | 256,808 |
| | 353,647,510 | 220,569,803 |

In the period ended 31 March 2022, the caption 'Decreases during the period' includes the sale of Bright Pixel's entire stake in CiValue for the amount of 5.3 million euro, which generated a capital gain of 3.3 million of euro. The increases during the period essentially refer to the acquisition of NOS shares, in the amount of 17.5 million euro and participation in the new Sixgill investment round, 4.2 million euro.

11. Deferred taxes

Deferred tax assets and liabilities as at 31 March 2022 and 31 December 2021 may be described as follows considering the different natures of temporary differences:

| | Deferred tax assets | | Deferred tax liabilities | |
|--|----------------------------|--------------------|---------------------------------|--------------------|
| | 31 Mar 2022 | 31 Dec 2021 | 31 Mar 2022 | 31 Dec 2021 |
| Difference between fair value and acquisition cost | 4,494,615 | 4,494,615 | 93,435,012 | 86,686,900 |
| Temporary differences on property, plant and equipment and intangible assets | 462,469 | 498,601 | 88,001,148 | 87,102,196 |
| Temporary difference of negative goodwill and equity method | - | - | 41,321,077 | 44,707,041 |
| Provisions and impairment losses not accepted for tax purposes | 15,474,696 | 16,928,014 | - | - |
| Impairment of assets | - | - | 639,053 | 639,053 |
| Valuation of hedging derivatives | - | 740,886 | 5,291,514 | 5,508,153 |
| Amortisation of Goodwill for tax purposes in Spain | - | - | 41,007,493 | 39,553,323 |
| Tax losses carried forward | 36,416,666 | 23,526,318 | - | - |
| Reinvested capital gains/losses | - | - | 108,414 | 113,833 |
| Tax Benefits | 42,808,862 | 39,762,334 | - | - |
| Rights of use | 263,526,995 | 263,770,237 | 229,243,290 | 230,277,839 |
| Others | 4,496,513 | 8,847,286 | 672,104 | 698,298 |
| | 368,433,469 | 358,580,263 | 499,719,105 | 495,286,636 |

As at 31 March 2022 and 31 December 2021, 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. Other investments

The detail of the other investments as of 31 March 2022 and 31 December 2021 is as follows:

| | 31 Mar 2022 | |
|---|-------------------|------------------|
| | Non current | Current |
| Other investments: | | |
| Fair value (net of impairment losses) as at 1 January | 14,984,400 | - |
| Acquisitions in the period | 608,139 | - |
| Disposals in the period | (443,365) | - |
| Transfers to available for sale | 153,307 | - |
| Fair value (net of impairment losses) as at 31 March | 15,302,481 | - |
| Derivative financial instruments | | |
| Fair value as at 1 January | - | 7,106,548 |
| Increase/(decrease) in fair value | - | 2,313,498 |
| Fair value as at 31 March | - | 9,420,046 |
| Financial instruments others | | |
| Fair value as at 1 January | - | 483 |
| Fair value as at 31 March | - | 483 |
| | 15,302,481 | 9,420,529 |

13. Cash and cash equivalents

As at 31 March 2022 and 31 December 2021, Cash and cash equivalents are as follows:

| | 30 Mar 2022 | 31 Dec 2021 |
|--|--------------------|--------------------|
| Cash and bank balances on the statement of financial position | 622,357,290 | 825,063,052 |
| Bank overdrafts (Note 15) | (86,115,529) | (2,373,001) |
| Cash and bank balances in the statement of cash flows | 536,241,761 | 822,690,051 |

14. Non-controlling interest

During the period ended 31 March 2022, the movement in non-controlling interests are detailed as follows:

| | 31 Mar 2022 | | | | | | |
|--|--------------------|----------------|--------------------|--------------------|--------------------|------------------|--------------------|
| | MC | Worten | Sierra | Zeitreef | Bright Pixel | Others | Total |
| Opening balance as at 1 January | 265,712,374 | 921,827 | 220,767,055 | (1,816,156) | 118,529,358 | 61,486 | 604,175,944 |
| Delivery and attribution of shares to employees due to the extinction of the obligation | 102,622 | - | - | - | - | - | 102,622 |
| Change in percentage of subsidiaries | - | - | (77,483,247) | - | (2,486,996) | 40,691 | (79,929,552) |
| Change in currency translation reserve | (897,471) | - | (424,789) | - | 480 | (4,569) | (1,326,349) |
| Participation in other comprehensive income (net of tax) related to joint ventures and associated companies included in consolidation by the equity method | - | - | 3,719,130 | - | 274,034 | - | 3,993,164 |
| Changes in hedging reserves | 1,328,220 | - | 51,393 | - | - | - | 1,379,613 |
| Others | 516 | - | (10,360) | - | 211,059 | (193,932) | 7,282 |
| Profit for the period attributable to non controlling interests | 4,695,248 | 50,526 | 2,048,209 | 91,329 | 1,922,565 | (54,364) | 8,753,512 |
| Closing balance as at 31 December | 270,941,508 | 972,353 | 148,667,391 | (1,724,827) | 118,450,500 | (150,688) | 537,156,236 |

The item "Change in percentage of subsidiaries" refers to the acquisition of an additional 10% of Sierra share capital for 83.47 million euro, thus the Group now owns 90% of that subsidiary.

15. Loans

As at 31 March 2022 and 31 December 2021, loans are made up as follows:

| | 31 Mar 2022 | | 31 Dec 2021 | |
|--------------------|--------------------|----------------------|--------------------|----------------------|
| | Outstanding amount | | Outstanding amount | |
| | Current | Non Current | Current | Non Current |
| Bank loans | 393,415,293 | 854,990,165 | 226,101,339 | 780,726,925 |
| Bonds | 32,817,580 | 310,205,282 | 90,254,637 | 315,415,828 |
| Other loans | 770,831 | 995,500 | 813,618 | 1,217,654 |
| Total loans | 427,003,704 | 1,166,190,947 | 317,169,594 | 1,097,360,408 |

| | 31 Mar 2022 | | 31 Dec 2021 | |
|---|--------------------|--------------------|--------------------|--------------------|
| | Outstanding amount | | Outstanding amount | |
| | Current | Non Current | Current | Non Current |
| Bank loans | | | | |
| Sonae SGPS, SA - commercial paper | 226,500,000 | 345,000,000 | 147,600,000 | 270,000,000 |
| Sonae SGPS, SA 2016/2023 | 30,000,000 | - | 30,000,000 | - |
| Sonae SGPS, SA 2020/2025 | - | - | - | - |
| Sonae MC, SGPS, SA - commercial paper | - | 108,098,370 | - | 105,950,402 |
| Sonae MC affiliated / 2014/2023 | - | 50,000,000 | - | 50,000,000 |
| Sonae MC / 2018/2031 | - | 55,000,000 | - | 55,000,000 |
| Sonae MC affiliated / 2020/2025 | - | 55,000,000 | - | 55,000,000 |
| Sonae MC affiliated / 2021/2028 | - | 20,000,000 | - | 20,000,000 |
| Sonae SGPS affiliated / 2019/2026 | - | 50,000,000 | - | 50,000,000 |
| Sonae Sierra SGPS, SA - commercial paper | 25,000,000 | - | 25,000,000 | - |
| Sonae Sierra / 2018/2022 | 10,000,000 | - | 10,000,000 | - |
| Sonae Sierra affiliated / 2016/2026 | - | 36,300,000 | - | 36,300,000 |
| Sonae Sierra affiliated / 2015/2023 | 5,200,000 | 106,600,000 | 5,200,000 | 107,900,000 |
| Others | 11,001,821 | 4,703,554 | 6,336,240 | 6,396,905 |
| | 307,701,821 | 855,701,924 | 224,186,240 | 781,547,907 |
| Bank overdrafts (Note 14) | 86,115,529 | - | 2,373,001 | - |
| Up-front fees beard with the issuance of borrowings | (402,058) | (711,759) | (407,902) | (820,382) |
| Bank loans | 393,415,293 | 854,990,165 | 226,101,339 | 780,726,925 |

| | 31 Mar 2022 | | 31 Dec 2021 | |
|---|--------------------|----------------------|--------------------|----------------------|
| | Outstanding amount | | Outstanding amount | |
| | Current | Non Current | Current | Non Current |
| Bonds | | | | |
| Bonds ESG Sonae SGPS/ 2020/2025 | 8,000,000 | 12,000,000 | 8,000,000 | 12,000,000 |
| 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 | - |
| Bonds Sonae MC / July 2020/2025 | - | - | 22,500,000 | - |
| Bonds Sonae MC ESG / December 2021/2024 | - | 40,000,000 | - | - |
| Bonds Sonae MC ESG / December 2021/2026 | - | 60,000,000 | - | - |
| Bonds Sonae Sierra / 2018/2025 | - | 50,000,000 | 10,000,000 | 30,000,000 |
| 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 | (182,420) | (1,794,718) | (245,363) | (1,584,172) |
| Bonds | 32,817,580 | 310,205,282 | 90,254,637 | 315,415,828 |
| Other loans | 568,899 | 995,935 | 813,618 | 1,218,089 |
| Derivates | 201,932 | (435) | - | (435) |
| Other loans | 770,831 | 995,500 | 813,618 | 1,217,654 |
| | 427,003,704 | 1,166,190,947 | 317,169,593 | 1,097,360,407 |

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

The interest rate at 31 March 2022 on bond loans and bank loans averaged approximately 0.9% (1.1% at 31 December 2021). Most of the bond loans and variable-rate bank loans are indexed to Euribor.

The derivatives are recorded at fair value.

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

| | 31 Mar 2022 | 31 Dec 2021 |
|-----------------|----------------------|----------------------|
| N ^{a)} | 427,386,250 | 317,822,859 |
| N+1 | 307,653,489 | 330,746,020 |
| N+2 | 121,741,709 | 268,243,617 |
| N+3 | 65,205,042 | 125,365,234 |
| N+4 | 446,542,063 | 279,887,302 |
| N+5 | 227,555,555 | 95,523,224 |
| After N+5 | 1,598,084,109 | 1,417,588,258 |

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

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

As at 31 March 2022, there are financing operations with financial covenants whose conditions were negotiated in accordance with applicable market practices, and which at the date of this report are in regular compliance.

As at 31 March 2022, Sonae has, as detailed below, cash and bank balance equivalents in the amount of 619 million euros (825 million euros as at 31 December 2021) and available credit lines as follows:

| | 31 Mar 2022 | | 31 Dec 2021 | |
|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 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 | 126,000,000 | 285,000,000 | 94,000,000 | 265,000,000 |
| Sonae Sierra | 54,969,346 | - | 54,969,346 | - |
| Holding & Others | 6,043,447 | 52,115,227 | 109,266,276 | 207,161,129 |
| | 187,012,793 | 337,115,227 | 258,235,622 | 472,161,129 |
| Agreed credit facilities | | | | |
| Sonae MC | 126,000,000 | 393,098,370 | 94,000,000 | 405,000,000 |
| Sonae Sierra | 54,969,346 | - | 54,969,346 | - |
| Holding & Others | 166,650,000 | 325,150,000 | 137,000,000 | 607,650,000 |
| | 347,619,346 | 718,248,370 | 285,969,346 | 1,012,650,000 |

16. Provision and impairment losses

Movements in "Provisions and impairment losses" during the period ended 31 March 2022 are as follows:

| Caption | Balance as at 01 Jan 2022 | Increase | Decrease | Changes in the scope of consolidation | Balance as at 31 Mar 2022 |
|---|---------------------------|------------------|---------------------|---------------------------------------|---------------------------|
| Accumulated impairment losses on investments | 4,546,271 | - | (4,256,522) | 1,379,330 | 1,669,079 |
| Impairment losses on property, plant and equipment (Note 5) | 120,517,257 | - | (4,903,538) | - | 115,613,719 |
| Impairment losses on intangible assets (Note 6) | 34,966,077 | - | (53,194) | - | 34,912,883 |
| Accumulated impairment losses on non-current assets | - | - | (18,000) | 18,000 | - |
| Accumulated impairment losses on non-current assets held for sale | 51,375 | - | - | - | 51,375 |
| Accumulated impairment losses on other current debtors | 27,982,415 | 974,035 | (2,476,397) | - | 26,480,053 |
| Non-current provisions | 21,476,976 | 1,440,963 | (1,268,657) | - | 21,649,281 |
| Current provisions | 4,170,266 | 659,242 | (1,298,417) | 126,183 | 3,657,274 |
| | 213,710,637 | 3,074,240 | (14,274,725) | 1,523,513 | 204,033,664 |

The change in the caption "Impairment losses on tangible fixed assets" results mostly from the sale of properties for which impairment had been recognized. The "Changes in the scope of consolidation" reflects the impact of the liquidation of Losantur that occurs in early 2022.

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

17. Other Income

The breakdown of other income for the periods ending 31 March 2022 and 2021 is as follows:

| | 31 Mar 2022 | 31 Mar 2021 Restated |
|--|-------------------|-------------------------|
| Supplementary income | 9,896,891 | 10,432,719 |
| Prompt payment discounts obtained | 6,840,026 | 6,963,092 |
| Foreign currency exchange gains | 6,133,028 | 5,907,983 |
| Own work capitalised | 4,716,507 | 3,217,516 |
| Rent discounts relating to pandemic impact | - | 3,540,361 |
| Gains on sales of assets | 5,260,086 | 2,613,019 |
| Subsidies | 236,153 | 789,507 |
| Others | 3,377,224 | 1,479,874 |
| | 36,459,915 | 34,944,071 |

18. Net financial Expenses

As at 31 March 2022 and 2021, Net financial expenses are as follows:

| | 31 Mar 2022 | 31 Mar 2021 Restated |
|--|---------------------|-------------------------|
| Expenses | | |
| Interest payable | | |
| related with bank loans and overdrafts | (2,582,684) | (3,334,274) |
| related with non convertible bonds | (937,323) | (2,162,823) |
| related with operational leases | (18,411,301) | (18,768,514) |
| others | (241,809) | (719,303) |
| | (22,173,117) | (24,984,914) |
| Foreign exchange losses | (9,595,506) | (10,518,318) |
| Up front fees and commissions related to loans | (1,826,120) | (1,525,115) |
| Others | (498,241) | (625,226) |
| | (34,092,984) | (37,653,573) |
| Income | | |
| Interest receivable | | |
| others | 395,041 | 512,883 |
| | 395,041 | 512,883 |
| Foreign exchange gains | 8,464,623 | 9,567,173 |
| Other financial income | 2,350,509 | 5,845 |
| | 11,210,173 | 10,085,901 |
| NET FINANCIAL EXPENSES | (22,882,811) | (27,567,672) |

19. Related parties

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

| | Parent Company | | Jointly controlled companies | | Associated companies | | Other related parties | |
|---|----------------|----------------|------------------------------|-------------------|----------------------|-------------------|-----------------------|-------------------|
| | 31 Mar 2022 | 31 Mar 2021 | 31 Mar 2022 | 31 Mar 2021 | 31 Mar 2022 | 31 Mar 2021 | 31 Mar 2022 | 31 Mar 2021 |
| Sales & Services rendered | 78,119 | 75,880 | 4,375,779 | 3,806,379 | 14,194,388 | 21,793,576 | 15,565,182 | 12,850,808 |
| COGS and materials consumed | - | - | 73,819,446 | 72,522,128 | - | - | 538,033 | 920,729 |
| External supplies and services and other expenses | 120,986 | 96,513 | 4,175,749 | 4,093,278 | 999,426 | 1,158,648 | 2,253,362 | 2,610,643 |
| Financial income | - | - | 142,881 | 122,872 | 100,694 | 140,679 | 15,462 | - |
| Financial expense | - | - | 30,186 | 24,131 | 1,583,478 | 1,598,755 | 394 | 28,660 |
| Other income | - | - | 152,728 | 254,257 | 57,584 | 1,165,423 | 876,133 | 1,048,783 |
| | 199,105 | 172,393 | 82,696,769 | 80,823,045 | 16,935,570 | 25,857,081 | 19,248,566 | 17,459,823 |

| | Parent Company | | Jointly controlled companies | | Associated companies | | Other related parties | |
|--------------------------|------------------|---------------|------------------------------|-------------------|----------------------|-------------------|-----------------------|-------------------|
| | 31 Mar 2022 | 31 Dec 2021 | 31 Mar 2022 | 31 Dec 2021 | 31 Mar 2022 | 31 Dec 2021 | 31 Mar 2022 | 31 Dec 2021 |
| Other non-current assets | - | - | 10,892,546 | 1,627,900 | 9,144,368 | 9,888,743 | 1,178,067 | 1,178,067 |
| Trade receivables | 31,023 | 30,797 | 2,002,101 | 2,928,730 | 7,781,447 | 6,594,780 | 13,169,423 | 17,263,704 |
| Other assets | 482,311 | 8,270 | 12,361,869 | 6,186,738 | 8,619,219 | 4,551,254 | 1,951,517 | 1,279,971 |
| Trade payables | 1,646 | - | 58,876,542 | 69,605,733 | 1,411,513 | 1,793,596 | 797,136 | 988,412 |
| Other liabilities | 579,624 | - | 1,881,462 | 3,889,536 | 3,238,810 | 2,870,278 | 990,582 | 2,197,036 |
| | 1,094,604 | 39,067 | 86,014,520 | 84,238,637 | 30,195,367 | 25,698,651 | 18,086,725 | 22,907,190 |

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.

20. Earnings per share

Earnings per share for the periods ended 31 March 2022 and 2021 were calculated taking into consideration the following amounts:

| | 31 Mar 2022 | | 31 Mar 2021 Restated Note 3 | |
|---|-----------------------|--------------------------|-----------------------------------|--------------------------|
| | Continuing Operations | Discontinuing Operations | Continuing Operations | Discontinuing Operations |
| Net profit | | | | |
| Net profit taken into consideration to calculate basic earnings per share (consolidated profit fo | 42,375,782 | - | 1,734,366 | (1,093,077) |
| Net profit taken into consideration to calculate diluted earnings per share | 42,375,782 | - | 1,734,366 | (1,093,077) |
| 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 |
| Outstanding shares related with share based payments | 15,994,430 | 15,994,430 | 6,919,305 | 6,919,305 |
| Shares related to performance bonus that can be bought at market price | (4,304,066) | (4,304,066) | (1,624,905) | (1,624,905) |
| Weighted average number of shares used to calculate diluted earnings per share | 1,920,125,002 | 1,920,125,002 | 2,044,198,190 | 2,044,198,190 |
| Earnings per share | | | | |
| Basic | 0.022204 | - | 0.000908 | (0.000572) |
| Diluted | 0.022069 | - | 0.000848 | (0.000535) |

21. Cash payments of investments

Cash payments related to investments of the period can be detailed as follows:

| Payments | 31 Mar 2022 | 31 Mar 2021 |
|--|--------------------|-------------------|
| Acquisition of SONAE SIERRA SGPS | 83,470,598 | 82,159,275 |
| Acquisition of Nova Centralidade Soc. de Desenv. Imobiliário, SA | 8,005,600 | - |
| Acquisition of Sixgill | 4,222,262 | - |
| Acquisition of Hackluty | 3,000,000 | - |
| Acquisition of Douro Riverside Hotel, S.A. | 1,700,818 | - |
| Acquisition of acções Experif | 1,135,272 | - |
| Acquisition of Sellforte | - | 2,500,003 |
| Acquisition of Sierra Central | - | 120,460 |
| Acquisition of Area Sur | - | 375,000 |
| Acquisition of Secucloud | - | 160,791 |
| Acquisition of Automaize | - | 120,000 |
| Others | 18,161,301 | 599,315 |
| | 119,695,850 | 86,034,844 |

22. Presentation of consolidated income statements

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

The Indirect Income includes the contribution of Sierra, net of taxes that result from: (i) valuation of investment properties; (ii) gains (losses) with the sale of financial investments, joint ventures or associates; (iii) impairment losses relating to non-current assets (including Goodwill) and (iv) provisions for assets at risk. Additionally and with regard to the portfolio of Sonae, it includes: (i) impairment of real estate assets for retail, (ii) decreases in Goodwill, (iii) negative Goodwill (net of taxes) related to acquisitions in the financial year, (iv) provisions (net of tax) for possible future liabilities, and impairments related to noncore investments, businesses and discontinued assets (or to be discontinued / repositioned), (v) valuation results based on the methodology "mark-to-market" of other current investments that will be sold or traded in the near future and (vi) other irrelevant issues

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

The reconciliation between the two presentation formats for the consolidated income statement for the periods ended 31 March 2022 and 2021 can be summarized as follows:

| | 31 Mar 2022 | | | 31 Mar 2021 Restated Note 3 | | |
|---|------------------------|-------------------|------------------------|--------------------------------|------------------|------------------------|
| | Consolidated | Indirect Income | Direct Income | Consolidated | Indirect Income | Direct Income |
| Turnover | 1,690,118,163 | - | 1,690,118,163 | 1,607,829,437 | - | 1,607,829,437 |
| Investment income | | | | | | |
| Others | (651,435) | - | (651,435) | (1,165,882) | - | (1,165,882) |
| Others income | | | | | | |
| Others | 36,459,915 | (688,660) | 37,148,575 | 34,944,071 | - | 34,944,071 |
| Total income | 1,726,926,643 | (688,660) | 1,726,615,304 | 1,641,607,626 | - | 1,641,607,626 |
| Total expenses | (1,809,279,479) | (142,292) | (1,809,137,186) | (1,531,554,503) | - | (1,531,554,503) |
| Depreciation and amortisation | (87,050,277) | - | (87,050,277) | (83,688,956) | - | (83,688,956) |
| Impairments of inventories | - | - | - | (4,500,000) | - | (4,500,000) |
| Gains and Losses on property, plant and equipment and intangible assets | (234,579) | - | (234,579) | (1,022,317) | - | (1,022,317) |
| Provisions for warranty extensions | (274,382) | (274,382) | - | (190,026) | - | (190,026) |
| Reversals of impairment losses | 2,386,732 | - | 2,386,732 | 2,215,994 | - | 2,215,994 |
| Reversals of provisions for warranty extensions | 416,674 | 416,674 | - | 187,438 | - | 187,438 |
| Others | (1,595,615) | - | (1,595,615) | (15,892,357) | - | (15,892,357) |
| Profit before financial results and results of joint ventures and associates and non-recurrent items | 30,295,718 | (688,660) | 30,984,379 | 7,162,898 | - | 7,162,898 |
| Non-recurrent items | 2,502,117 | - | 2,502,117 | 162,772 | - | 162,772 |
| Gains and losses on investments recorded at fair value through results | 13,707,143 | 10,485,329 | 3,221,814 | 4,128,897 | 4,120,431 | 8,466 |
| Financial profit/(loss) | (22,882,811) | - | (22,882,811) | (27,567,672) | - | (27,567,672) |
| Share of results of joint ventures and associated undertakings | | | | | | |
| Associates and joint ventures of Sonae Sierra | 8,925,655 | (613,345) | 9,539,000 | (48,517,655) | (296,747) | (48,220,908) |
| Armilar Venture Funds | 1,405,907 | 1,405,907 | 1,405,907 | 2,567,164 | 2,567,164 | - |
| ZOPT | 8,870,529 | - | 8,870,529 | 6,931,092 | - | 6,931,092 |
| Others | 6,889,258 | - | 5,483,351 | 57,838,360 | - | 57,838,360 |
| Profit before income tax | 49,719,514 | 10,589,231 | 39,124,285 | 2,705,856 | 6,390,848 | (3,684,991) |
| Income Tax | 1,415,780 | (1,545,976) | 2,961,756 | 782,307 | (2,011,827) | 2,794,134 |
| Profit/(Loss) from continued operations | 51,129,294 | 9,043,255 | 42,086,041 | 3,488,163 | 4,379,021 | (890,857) |
| Profit/(Loss) from discontinued operations | - | - | - | (71,665) | - | (71,665) |
| Profit/(Loss) for the period | 51,129,294 | 9,043,255 | 42,086,041 | 3,416,498 | 4,379,021 | (962,522) |
| Attributable to equity holders of Sonae | 42,375,782 | 8,843,251 | 33,532,531 | 641,289 | 4,149,307 | (3,508,018) |
| Non-controlling interests | 8,753,512 | 200,003 | 8,553,511 | 2,775,209 | 229,714 | 2,545,496 |
| "Underlying" EBITDA (b) | - | - | 120,699,920 | - | - | 110,059,000 |
| EBITDA (a) | - | - | 148,500,823 | - | - | 126,698,661 |
| EBIT (c) | - | - | 62,007,085 | - | - | 23,811,014 |

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

23. Subsequent events

On 17 May 2022, Bright Pixel and remaining shareholders reached an agreement with Thales Europe, S.A. to sell the share capital and voting rights of Maxive – Cybersecurity, SGPS, S.A. The transaction has an underlying Maxive Enterprise Value of 120 million euro and is estimated to have a positive impact on the consolidated results amounting approximately to 63 million euro, amounts that may vary considering the effective closing date of transaction and the respective financial performance of Maxive and its subsidiaries until such time. The completion of the transaction is subject to the fulfilment of customary conditions for an agreement of this nature, including regulatory approval, being expected to occur until 30 November 2022.

24. Approval of financial statements

The financial statements were approved by the Board of Directors in a meeting held on 17 May 2022.

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.

Media and Investor Contacts

Ricardo Figueiredo da Rocha
Head of Investor Relations
rjfrocha@sonae.pt
+351 22 010 4794

Maria João Oliveira
External Communication
majfoleira@sonae.pt
+351 22 010 4747

Sonae
Lugar do Espido Via Norte
4471-909 Maia, Portugal
+351 22 948 7522

www.sonae.pt



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