
AMORIM

CORTICEIRA AMORIM CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2024

First semester 2024 (1H24) (Audited)
Second quarter 2024 (2Q24) (Non audited)

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

CONSOLIDATED MANAGEMENT REPORT

1. SUMMARY OF ACTIVITY

Global economic growth slowed during the second quarter of 2024. Despite promising signs at the beginning of the period, the expected momentum failed to materialise as evidence accumulated of an economic slowdown. The acceleration of US consumption proved insufficient to compensate for a deceleration in China's growth rate and the stabilisation of economic activity in Europe.

Growth in the Eurozone continued to recover in the second quarter after a long period of stagnation. Quarter-on-quarter economic growth was estimated at about 0.3% in the second three months of 2024, higher than expected and similar to the growth rate recorded in the first quarter. The year-on-year increase is estimated at 0.6%, compared with 0.4% in the first three months. France and Spain stood out among the economies contributing to Eurozone growth. Contrary to expectations, the German economy is estimated to have contracted by 0.1% in the second quarter of 2024.

Second quarter year-on-year economic growth in the US is estimated at 2.8%, compared with 1.4% in the first three months and higher than forecasts of about 2.0%. Elections and political instability had the biggest impact on business sentiment, generating uncertainty and volatility. The resilience of the US consumer and price rigidity led to the postponement of monetary policy changes.

China's GDP grew by 4.7% in the second quarter, below both the expectations of economists and the 5.3% recorded in the first quarter. Economic activity is believed to have been hindered by negative trends in consumption and the real estate sector, which continue to be the two major obstacles to Chinese economic growth.

Corticeira Amorim's consolidated sales totalled €500.7 million in the first six months of 2024, a decrease of 7.1% compared with the same period of the previous year. This was mainly due to lower sales volumes. Sales fell by 4.8% in the second quarter, a deceleration compared with the drop in the first quarter (9.7%). The exchange rate effect had an almost negligible impact in the first half. Excluding this effect, sales at the end of the first six months would have decreased by the same percentage of 7.1%.

All the Group's Business Units (BUs) experienced sales pressure, except for Amorim Cork Composites, whose sales rose to €60 million (+3.2% compared with the same period of 2023). Sales by Amorim Cork (-7.1% compared with the same period in 2023) were affected by reduced volumes across all segments, although they benefited from improvements in the product mix and price increases.

In regard to the other BUs, sales fell by 6.8% at Amorim Forestry, 13.4% at Amorim Cork Insulation and 10.7% at Amorim Cork Flooring.

Consolidated EBITDA fell to €94.4 million in the first six months of 2024, compared with €103.8 million in the same period of the previous year. Consumption of raw material cork purchased at higher prices and the negative

impact of operational deleveraging were key factors in this reduction. The consolidated EBITDA-sales ratio was 18.9% (1H23: 19.2%). Amorim Cork stood out as the only BU to maintain its level of profitability during the first half.

The results from associates and non-controlling interests fell by 11.2% and 16.9% respectively compared with the same period of 2023.

After accounting for results attributable to non-controlling interests, Corticeira Amorim closed the first half of 2024 with a net profit of €36.5 million, a reduction of 28.9% compared with the same period of 2023. This reduction reflects non-recurring costs associated with the short-term implementation of an Industrial Optimisation Plan, a reassessment of the market offering of Amorim Cork Flooring products and higher financial charges due to rising interest rates and a higher level of indebtedness.

By the end of June, net interest-bearing debt had decreased to €237.5 million (12M23: €240.8 million), despite the payment of dividends (€26.6 million), an increase in working capital needs (€30.0 million) and investment in fixed assets (€22.2 million).

2. OPERATING ACTIVITIES - FIRST HALF 2024

The **Amorim Florestal BU** recorded sales of €122.9 million, a decrease of 6.8% compared with the same period of 2023. This drop in activity was due to reduced demand from Corticeira Amorim's other BUs.

EBITDA totalled €8.0 million, a reduction compared with the same period of the previous year (€12.6 million). The reduction in the EBITDA margin (from 9.6% in 1H23 to 6.5% in 1H24) was mainly due to the increased cost of raw materials, reduced activity and higher operational costs, notably increased electricity and personnel costs.

The 2024 cork campaign has almost been completed, with a deceleration in inflationary pressure on prices and raw material cork requirements secured for the coming year.

The Forestry Intervention Project at Herdade de Rio Frio and Herdade da Baliza continues to follow the path previously set out, with plantations proceeding as planned.

The BU will continue to develop more efficient technologies to improve processes, ranging from forestry to the manufacture and selection of cork discs.

The **Amorim Cork BU** recorded sales of €393.3 million, a reduction of 7.1% compared with the same period in 2023.

A drop in volume sales was the main reason for the reduction, although improvements were made in the product mix. Price increases were also implemented.

The exchange rate effect had no material impact; at constant exchange rates, the decrease in sales would also have been 7.1%.

The consolidation of the VMD group added €10.7 million to sales.

Volume sales fell in every segment and in most wine markets, reflecting the impact of stock reductions in the value chain. The spirits segment underperformed, with the mitigating factor that it showed strong growth in the comparable period of 2023. Despite an overall decrease, the still wines segment showed some sales stability. Neutrocork continued to stand out in this segment, demonstrating solid growth in sales value.

The BU's EBITDA totalled €84.7 million, compared with €91.0 million in the same period of 2023. The EBITDA margin was 21.5% (21.5% in the same period of 2023). Increased cork prices and a decrease in operational activity exerted pressure on profitability, but the EBITDA margin remained stable, supported by an improvement in the product mix, lower transport costs, increased sales prices, greater industrial efficiency and a reduction in non-cork raw material prices.

A partial reversal of a provision (€2.2 million) related to the industrial reorganisation of an Amorim Cork subsidiary was recognised under non-recurring gains.

The **Amorim Cork Flooring BU** recorded sales of €44.2 million, a decrease of 10.7% compared with the same period of 2023. The challenging conditions affecting the flooring market in Europe continue to have a negative impact on the demand for manufactured products. This was the main cause of the BU's drop in sales, despite the positive evolution of trade product sales.

Sales fell for most product lines, especially those that are being discontinued. New products were launched at the beginning of the year, but their contribution to overall sales remained limited.

A positive sales performance was recorded for the Scandinavian and Canadian markets, but in every other region, including Germany, the BU's most important market, no signs of recovery were observed.

The Amorim Cork Flooring BU recorded a negative EBITDA of €2.9 million, compared with a negative EBITDA of €2.7 million in the same period of 2023. A reduction in operational activity was the main cause of the decline in the EBITDA margin, which was further impacted by price drops, a less favourable product mix and higher marketing, electricity, and transportation costs.

The business climate of the European flooring sector is significantly restrained: sales fell by about 20% in 2023. The economic climate in the construction sector is also unfavourable. Reflecting increasingly intense competition from Asian producers, major players in the sector have suffered significant losses and implemented cost-reduction measures. Amorim Cork Flooring's activity has also been affected by these adverse conditions and has recorded losses in recent years. These losses worsened in the early months of 2024. It is thus become necessary to adjust the BU's cost structure to reduce operational losses and increase efficiency through industrial optimisation. This will initially involve adjusting production and support structures to current sales volumes.

Non-recurring expenses totalling €4 million were recognised, related to restructuring measures included in the industrial optimisation plan that is being implemented at the BU. A further €3.5 million in non-recurring expenses were also recognised, related to the decision to reassess the BU's market offering of new products. These expenses were mainly related to marketing tools, inventory impairments and product development.

Sales by the **Amorim Cork Composites BU** totalled €60.0 million, an increase of 3.2% compared with the same period of 2023. In terms of sales, price increases and the product mix offset the decrease in volume sales.

The largest sales increases were in the following segments: Resilient & Engineered Flooring Manufacturers, Footwear and Sports Surfaces. The largest decreases were in the Heavy Construction, Cork Specialists and Rail segments.

Joint ventures made a notably positive contribution with sales totalling €4.9 million, an increase of 23.9% compared with the previous year.

EBITDA for the period totalled €10.9 million (€11.9 million in the same period of 2023). The EBITDA margin was 18.1% (1H23: 20.3%). Despite the decrease in the EBITDA margin, it remains at a high level, supported by structural changes in the product mix over recent years as well as benefiting from industrial efficiencies and the lower prices of non-cork materials. Profitability was negatively impacted by the reduction in operational activity, higher cork prices and higher operational costs (especially for electricity, personnel and maintenance and repair).

First-half sales by the **Amorim Cork Insulation BU** totalled €8.6 million, a reduction of 13.4% compared with the same period of the previous year. The decrease in sales reflects a reduction in volume sales despite a marginal increase in prices.

EBITDA stood at a negative €1.7 million, compared with a negative €0.6 million in the first half of 2023. The BU's EBITDA is highly sensitive to the price of cork, as this is the only raw material it uses to manufacture its products. As a result, the climate of rising cork prices has had a significant impact on profitability. After two years of significant increases in cork prices, an expected normalisation of prices is forecast to support margins by the end of the year. A more sustainable recovery of margins will depend on increasing volume sales.

3. CONSOLIDATED PROFIT AND LOSS ACCOUNT AND FINANCIAL POSITION

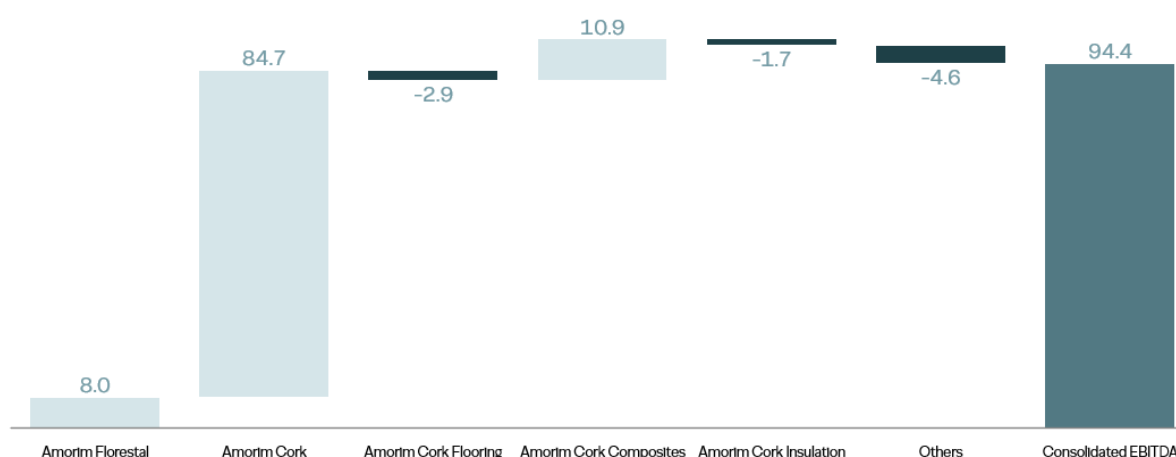
As previously mentioned, the drop in sales (-7.1%) results from a reduction in sales across all the Group's BUs, except for Amorim Cork Composites.

The change in the gross margin percentage was positive, increasing from 51.5% to 54.2%. This essentially reflects an increase in market sales prices and the lower cost of consuming non-cork raw materials.

In regard to operating expenses, the increase of approximately €2.1 million in personnel costs (+2.1%) compared with the same period of 2023 is explained by the perimeter effect (consolidation of the VMD Group) and salary increases. Third party supplies and services increased by 2.4%. Despite a decrease in transport costs (-16.6%), increases in other items, such as electricity (+33.5%) led to an overall increase in third party supplies and services for the period.

Other operating income/cost items impacting EBITDA remained virtually unchanged. The effect of exchange rate differences on receivable assets and payable liabilities and the respective exchange rate risk hedges included in other operating income/gains was negative, amounting to approximately €0.8 million (1S23: +€0.3 million).

EBITDA decreased by 9.0% to €94.4 million. The EBITDA-sales ratio was 18.9% (1S23: 19.2%).



As previously explained, €7.5 million of non-recurring expenses were recognised by the Amorim Cork Flooring BU in the second quarter, as well as €2.2 million in non-recurring income at the Amorim Cork BU.

Compared with the same period of 2023, financial results deteriorated, reflecting cost increases and the average level of financing.

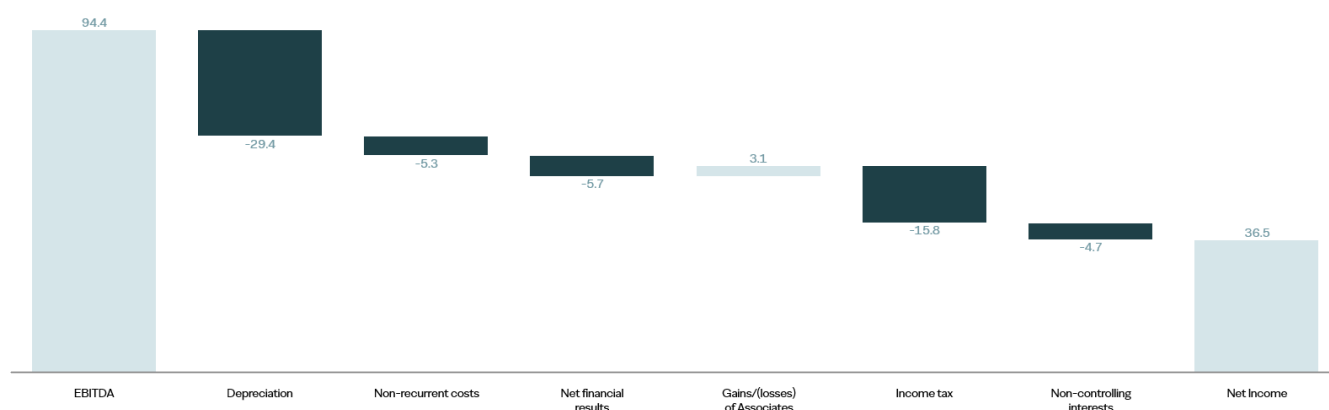
The earnings of associated companies totalled €3.1 million, a reduction compared with the same period of the previous year (1S23: €3.4 million).

As usual, it will only be possible to estimate the value of investment tax benefits for 2024 (RFAI and SIFIDE) at the end of the financial year. As a result, any tax gain will be recorded only at the close of the 2024 accounts.

Earnings from non-controlling interests decreased compared with the same period in 2023 (€4.7 million vs €5.6 million).

After income tax of €15.8 million and the allocation of results to non-controlling interests, the net result attributable to Corticeira Amorim shareholders totalled €36.5 million, a decrease of 28.9% compared with net results of €51.4 million in the first half of 2023.

Earnings per share were €0.275 (1S23: €0.386).



In terms of the Group's financial position, assets increased by €30 million compared with December 2023. The increases under the Trade receivables item (€44 million) and Other current assets (€29 million) was mainly due to advances made for raw material purchases. The Inventories item decreased by about €41 million, thus achieving Corticeira Amorim's objective of improving inventory management.

The change in Equity (excluding non-controlling interests) was mainly due to the results for the period (+€36.5 million) and the dividends distributed (€26.6 million). The variation in the Non-controlling interests item results from the earnings for the period attributable to non-controlling interests, offset by dividends distributed to non-controlling interests.

In regard to liabilities, the reduction in the Trade Payables item (-€17 million), offset by the increase in Other current financial liabilities (+€11 million) and Income tax (+€11 million) due to the increase in estimated tax merits noting.

At the end of June 2024, Equity stood at €811 million. The financial autonomy ratio was 56.1%.

4. KEY CONSOLIDATED INDICATORS

		1H23	1H24	yoy	2Q23	2Q24	qoq
Sales		539,269	500,736	-7.1%	279,382	266,041	-4.8%
Gross Margin – Value		277,875	271,402	-2.3%	141,403	139,968	-1.0%
Gross Margin / Sales		51.5%	54.2%	+ 2.7 p.p.	50.6%	52.6%	+ 2.0 p.p.
Operating Costs - current		200,652	206,396	2.9%	98,604	103,926	5.4%
EBITDA - current		103,774	94,444	-9.0%	55,869	50,765	-9.1%
EBITDA/Sales		19.2%	18.9%	-0.38 p.p.	20.0%	19.1%	-0.92 p.p.
EBIT - current		77,223	65,006	-15.8%	42,799	36,041	-15.8%
Net Income	1)	51,360	36,542	-28.9%	27,588	20,460	-25.8%
Earnings per share		0.386	0.275	-28.9%	0.207	0.154	-25.8%
Net Bank Debt		187,247	237,462	50,216	-	-	-
Net Bank Debt/EBITDA (x)	2)	1.10	1.42	0.31 x	-	-	-
EBITDA/Net Interest (x)	3)	73.0	45.5	-27.42 x	65.8	53.2	-12.59 x

1) Includes non-recurring results, mainly related to Amorim Cork Flooring's restructuring plan.

2) Current EBITDA of the past four quarters.

3) Net interest includes interest from loans deducted of interest from deposits (excludes stamp tax and commissions).

5. OUTLOOK FOR THE SECOND HALF

Economic evidence of a slowdown in the second half of 2024 is accumulating. This climate may affect the performance of Corticeira Amorim in the second half of the year. Nevertheless, the goal is to recover part of the reduction in activity, although some constraints may arise that affect an improvement in the market.

6. BUSINESS RISKS AND UNCERTAINTIES

Corticeira Amorim, like all other companies, operates in the climate of economic uncertainty that is affecting global markets.

The risks and uncertainties listed in the Company's annual report remain up to date. It should be noted that at the end of the first half of 2024, with the Group's cork purchasing needs for 2025 assured, Corticeira Amorim will continue to respond uninterruptedly to its customers needs throughout the world, adopting the best and most appropriate practices at all times. The Company's diversification policy and practices - not just one product, not just one market, not just one currency - will provide additional balance.

Corticeira Amorim's activity is exposed to a variety of financial risks: market risk (including exchange-rate risk and interest-rate risk), credit risk, liquidity risk and capital risk. The Company's objectives and policies regarding the management of these risks, including its hedging policies for each of the main categories of likely transactions for which hedging accounting is used, as well as exposure to price, credit, liquidity and cash flow risks are set out in the note: "Financial Risk Management", which is included in the Notes to the Consolidated Accounts.

7. OWN SECURITIES

Throughout the first half of 2024, Corticeira Amorim did not acquire or dispose of any of its own shares.

On June 30, 2024, Corticeira Amorim did not hold any of its own shares.

8. SHAREHOLDERS' EQUITY

Relationships of shareholders holding qualified equity stakes on the date of closing this report:

Shareholder	Shares Held (quantity)	Holding (%)	Voting Rights (%)
Qualified Holdings:			
Amorim Investimentos e Participações, S.G.P.S., S.A.	67 830 000	51.000%	51.000%
Amorim, Soc. Gestora de Participações Sociais, S.A.	13 414 387	10.086%	10.086%
A Porta da Lua, S.A..	8 290 767	6.234%	6.234%
API – Amorim Participações Internacionais, S.A.	2 717 195	2.043%	2.043%
Vintage Prime – S.G.P.S., S.A.	2 717 195	2.043%	2.043%
Freefloat (a)	38 030 456	28.594%	28.594%
Total	133 000 000	100.000%	100.000%

(a) Includes 3 045 823 shares (2.29%) held by funds under the management of Santander Asset Management, SA, SGIIIC (communication received by the company on 6 June 2019).

Shareholders Amorim Investimentos e Participações, SGPS, S.A. (b)	No. of shares	% Capital with voting rights
Directly	67 830 000	51.000%
Total attributable	67 830 000	51.000%

(b) Shares with voting rights in Amorim Investimentos e Participações, SGPS, S.A. are entirely held by three companies, Amorim Holding Financeira, SGPS, S.A. (11.392%), Amorim Holding II, SGPS, S.A. (38.608%) and Amorim - Sociedade Gestora de Participações Sociais, S.A. (50%) without any of these companies having any participation in the company's business affairs, thus thereby terminating the chain of responsibility under the terms of Art. 20 of the CVM Code. The share capital and voting rights of the aforementioned three companies is, in turn, held respectively, in the case of the first two, directly and indirectly by Mrs. Maria Fernanda Oliveira Ramos Amorim and daughters and, in the case of the third, by Mr. António Ferreira de Amorim, wife and children.

Shareholder A Porta da Lua, S.A.	No. of shares	% Capital with voting rights
Directly	8 290 767	6.234%
Total attributable	8 290 767	6.234%

Maria Fernanda Oliveira Ramos Amorim	No. of shares	% Capital with voting rights
Directly	-	-
Through the shareholder A Porta da Lua, S.A. (c)	8 290 767	6.234%

Total attributable	8 290 767	6.234%
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(c) The equity capital of the company A Porta da Lua, S.A. is held entirely by Maria Fernanda Oliveira Ramos Amorim.

API – Amorim Participações Internacionais, S.A.	No. of shares	% Capital with voting rights
Directly	2 717 195	2.043%
Total attributable	2 717 195	2.043%

Marta Cláudia Ramos Amorim Barroca de Oliveira	No. of shares	% Capital with voting rights
Directly	-	-
Through the shareholder API – Amorim Participações Internacionais, S.A.. (d)	2 717 195	2.043%
Total attributable	2 717 195	2.043%

(d) The equity capital of the company API – Amorim Participações Internacionais, S.A. is held entirely by Marta Cláudia Ramos Amorim Barroca de Oliveira.

Vintage Prime – S.G.P.S., S.A.	No. of shares	% Capital with voting rights
Directly	2 717 195	2.043%
Total attributable	2 717 195	2.043%

Luisa Alexandra Ramos Amorim	No. of shares	% Capital with voting rights
Directly	-	-
Through the shareholder Vintage Prime – S.G.P.S., S.A.. (e)	2 717 195	2.043%
Total attributable	2 717 195	2.043%

(e) The equity capital of the company Vintage prime – S.G.P.S., S.A. is entirely held by Luisa Alexandra Ramos Amorim.

Shareholder	No. of shares	% Capital with voting rights
Amorim, Sociedade Gestora de Participações Sociais, S.A. (f)		
Directly	13 414 387	10.086%
Total attributable	13 414 387	10.086%

(f) The capital of Amorim, Sociedade Gestora de Participações Sociais, S.A. is held by Mr. António Ferreira de Amorim, wife and children and with no family member participating in the running of the company.

9. TRANSACTIONS BY DIRECTORS AND OFFICERS

In the first half of 2024 there were no transactions in shares or financial instruments related with those issued by Corticeira Amorim either by their Executives or by the companies that own Corticeira Amorim, or by persons or entities closely related to them.

10. LIST OF SHAREHOLDERS OWNING MORE THAN ONE TENTH OF THE COMPANY'S SHARE CAPITAL

On the date of issuing this report, the following shareholders owned more than a tenth of the share capital of Corticeira Amorim:

- I. Amorim Investimentos e Participações, S.A. was the holder of 67 830 000 shares in Corticeira Amorim, corresponding to 51% of the share capital and voting rights;
- II. Amorim, - Sociedade Gestora de Participações Sociais, S.A. was the holder of 13 414 387 shares in Corticeira Amorim, corresponding to 10.086% of the share capital and voting rights.

11. SUBSEQUENT EVENTS

No significant events that could materially affect the financial position or the future results of Corticeira Amorim, or the subsidiary companies that make up the consolidated group, occurred prior to the date of issue of this report.

12. STATEMENT OF RESPONSIBILITY

In compliance with that established in line c) of paragraph 1 of article 246 of the CVM Code, the members of the Board of Directors hereby declare that, to the best of their knowledge, the quarterly reports and other accounting documents were drafted in compliance with the applicable accountancy norms, provide a true and appropriate image of the assets and liabilities, the financial situation and the results of Corticeira Amorim, SGPS, S.A. and the companies included in its perimeter of consolidation. They furthermore declare that the management report faithfully sets out the trends in business, the performance and position of Corticeira Amorim, SGPS, S.A. and the companies included in its perimeter of consolidation, with the aforementioned report containing a specific chapter detailing the main business risks and uncertainties arising in the following six months.

Mozelos, July 29, 2024

The Board of Directors of Corticeira Amorim, S.G.P.S., S.A.

António Rios de Amorim (Chairman)

Luisa Alexandra Ramos Amorim (Vice- Chairman)

Cristina Rios de Amorim Baptista (Member)

Nuno Filipe Vilela Barroca de Oliveira (Member)

Fernando José de Araújo dos Santos Almeida (Member)

Juan Ginesta Viñas (Member)

João Nuno de SottoMayor Pinto de Castelo Branco (Member)

José Pereira Alves (Member)

Maria Cristina Galhardo Vilão (Member)

António Manuel Mónica Lopes de Seabra (Member)

Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto (Member)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

thousand euros

	Notes	June 30, 2024	December 31, 2023	June 30, 2023
Assets				
Tangible assets	8	431,470	438,297	409,208
Intangible assets	9	16,097	18,018	19,677
Right of use	11	4,952	5,046	4,094
Goodwill	9	23,870	23,872	18,889
Biological assets	10	4,956	4,952	6,154
Investment property	12	2,215	2,241	4,224
Investments in associates and joint ventures	13	35,461	32,630	34,166
Other financial assets	14	2,091	2,097	2,337
Deferred tax assets	15	22,781	20,203	16,934
Other debtors	18	1,526	1,895	2,164
Non-current assets		545,418	549,251	517,848
Inventories	16	475,195	516,497	442,715
Biological assets	10	1,391	1,391	0
Trade receivables	17	246,952	203,080	266,466
Income tax assets	15	5,259	7,951	5,053
Other debtors	14	40,690	41,726	43,246
Other current assets	18	51,191	21,937	66,818
Cash and cash equivalents	19	78,854	73,394	65,568
Current assets		899,532	865,974	889,865
Total Assets		1,444,950	1,415,225	1,407,714
Equity				
Share capital	20	133,000	133,000	133,000
Other reserves	20	551,427	488,311	505,206
Net Income		36,542	88,897	51,360
Non-Controlling Interest	21	90,170	89,835	83,645
Total Equity		811,139	800,044	773,210
Liabilities				
Interest-bearing loans	22	123,981	101,793	129,705
Other financial liabilities	24	7,772	8,300	10,320
Provisions	25	8,347	7,942	4,828
Post-employment benefits		3,270	3,228	2,701
Deferred tax liabilities	15	44,784	42,715	40,671
Non-current liabilities		188,154	163,979	188,224
Interest-bearing loans	22	192,336	212,440	123,110
Trade payables	23	142,306	159,000	214,014
Other financial liabilities	24	62,312	51,497	56,153
Other liabilities	24	34,180	24,320	32,962
Income tax liabilities	15	14,524	3,946	20,040
Current liabilities		445,657	451,203	446,280
Total Liabilities and Equity		1,444,950	1,415,225	1,407,714

(this statement should be read with the attached notes to the consolidated financial statements)

Consolidated income statement by nature

thousand euros

2Q24	2Q23		Notes	1H24	1H23
(non audited)	(non audited)				
266,041	279,382	Sales	7	500,736	539,269
-118,031	-144,688	Costs of goods sold and materials consumed		-231,809	-283,132
-8,043	6,709	Change in manufactured inventories		2,475	21,738
-39,906	-36,413	Third party supplies and services		-78,741	-76,901
-51,361	-50,548	Staff costs		-102,383	-100,270
336	-421	Impairments of assets	26	220	-959
3,534	3,482	Other income and gains		8,483	8,417
-1,805	-1,634	Other costs and losses		-4,537	-4,386
50,765	55,869	Operating profit before depreciation		94,444	103,774
-14,724	-13,070	Depreciation	8, 9, 10, 11, 12	-29,438	-26,551
36,041	42,799	Operating profit		65,006	77,223
-1,296	0	Non-recurrent results	27	-5,296	0
-3,481	-1,941	Financial costs		-6,429	-2,991
380	215	Financial income		685	290
1,662	1,825	Share of (loss)/profit of associates and joint-ventures	13	3,056	3,441
33,307	42,897	Profit before tax		57,022	77,963
-10,523	-12,750	Income tax	15	-15,796	-20,969
22,784	30,147	Profit after tax		41,226	56,994
-2,324	-2,560	Non-controlling Interest	21	-4,684	-5,634
20,460	27,588	Net Income attributable to the equity holders of Corticeira Amorim		36,542	51,360
0.154	0.207	Earnings per share - Basic e Diluted (euros per share)		0.275	0.386

(this statement should be read with the attached notes to the consolidated financial statements)

Consolidated statement of comprehensive income

		thousand euros			
2Q24 (non audited)	2Q23 (non audited)		Notes	1H24	1H23
22,784	30,147	Net Income		41,226	56,994
Items that may be reclassified through income statement:					
- 40	- 271	Change in derivative financial instruments fair value	15	- 127	56
282	- 4,263	Change in translation differences and other	15	726	- 524
240	- 182	Share of other comprehensive income of investments accounted for using the equity method	15	- 227	262
- 522	- 92	Other comprehensive income	15	- 442	10
-40	-4,809	Other comprehensive income (net of tax)		-69	-196
22,744	25,339	Total Net comprehensive income		41,156	56,798
Attributable to:					
20,186	22,970	Corticeira Amorim Shareholders		37,361	51,072
2,558	2,369	Non-controlling Interest		3,795	5,726

(this statement should be read with the attached notes to the consolidated financial statements)

(items in this Statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note 15)

Consolidated statement of cash flow

thousand euros

2Q24 (non audited)	2Q23 (non audited)	Notes	1H24	1H23
OPERATING ACTIVITIES				
258,008	275,922	Collections from customers	487,769	508,964
-188,579	-222,791	Payments to suppliers	-378,887	-456,151
-43,820	-45,204	Payments to employees	-88,016	-87,568
25,609	7,927	Operational cash flow	20,865	-34,755
-2,444	-2,945	Payments/collections - income tax	-2,120	-7,605
17,447	24,875	Other collections/payments related with operational activities	39,903	55,774
40,612	29,858	CASH FLOW FROM OPERATING ACTIVITIES	58,649	13,414
INVESTMENT ACTIVITIES				
Collections due to:				
-118	842	Tangible assets	283	1,555
21	0	Intangible assets	33	0
96	-396	Financial investments	96	0
0	1,841	Other financial assets	0	1,841
0	-26	Other assets	0	0
463	83	Interests and similar gains	831	447
0	1,342	Dividends	0	1,342
Payments due to:				
-9,466	-25,841	Tangible assets	-20,588	-45,156
-217	-802	Intangible assets	-1,297	-1,246
-9,221	-22,513	CASH FLOW FROM INVESTMENTS	-20,642	-41,217
FINANCIAL ACTIVITIES				
Collections due to:				
41,809	86,105	Loans	52,450	86,105
165	508	Government grants	3,936	508
360	770	Others	566	1,589
0	0	Payments due to:		
-18,135	-50,405	Loans	-18,135	-52,250
-3,200	-1,664	Interests and similar expenses	-6,461	-2,789
-12	368	Leasing	-456	-874
-26,600	-26,550	Dividends paid to company's shareholders	20 -26,600	-26,600
-3,460	-634	Dividends paid to non-controlling interest	21 -3,460	-634
-427	-857	Government grants	-1,343	-1,626
-167	-234	Others	-338	-405
-9,666	7,409	CASH FLOW FROM FINANCING	160	3,024
21,725	14,311	Change in cash	38,166	-24,779
372	-50	Exchange rate effect	-188	-158
0	0	Cash at beginning	19 -12,869	35,341
22,097	14,261	Cash at end	19 25,109	10,403

(this statement should be read with the attached notes to the consolidated financial statements)

Consolidated Statement of Changes in Equity

thousand euros

Attributable to owners of Corticeira Amorim, SGPS, S.A.									
Notes	Share capital	Paid-in capital	Hedge accounting	Translation difference	Legal reserve	Other reserves	Net income	Non-controlling interests	Total Equity
Balance sheet as at January 1, 2023	133,000	38,893	623	-4,185	26,600	372,260	98,395	79,339	744,926
Profit for the year	20	-	-	-	0	98,395	-98,395	-	0
Dividends	20	-	-	-	-	26,600	-	-634	-27,234
Perimeter variation	21	-	-	-	-	27	-	0	27
Changes in the percentage of interest retaining control	21	-	-	-	-	-519	-	-786	-1,305
Consolidated Net Income for the period	20 e 21	-	-	-	-	-	51,360	5,634	56,994
Change in derivative financial instruments fair value	3	-	-	56	-	-	-	-	56
Change in exchange differences	20 e 21	-	-	-534	-	-	-	10	-524
Other comprehensive income of associates	13	-	-	262	-	-	-	-	262
Other comprehensive income		-	-	-	-	-72	-	82	10
Total comprehensive income for the period		0	0	56	- 272	0	- 72	51,360	5,726
Balance sheet as at June 30, 2023	133,000	38,893	679	-4,457	26,600	443,491	51,360	83,645	773,210
Balance sheet as at January 1, 2024	133,000	38,893	74	-6,677	26,600	429,421	88,898	89,835	800,044
Profit for the year	20	-	-	-	0	88,898	-88,898	-	0
Dividends	20	-	-	-	-	26,600	-	-3,460	-30,060
Perimeter variation	21	-	-	-	-	-	-	0	0
Changes in the percentage of interest retaining control	21	-	-	-	-	-	-	0	0
Consolidated Net Income for the period	20 e 21	-	-	-	-	-	36,542	4,684	41,226
Change in derivative financial instruments fair value	3	-	-	-127	-	-	-	-	-127
Change in exchange differences	20 e 21	-	-	1,316	-	-	-	-590	726
Other comprehensive income of associates	13	-	-	-227	-	-	-	-	-227
Other comprehensive income		-	-	-	-	-143	-	-299	-442
Total comprehensive income for the period		0	0	- 127	1,089	0	- 143	36,542	3,795
Balance sheet as at June 30, 2024	133,000	38,893	-53	-5,588	26,600	491,575	36,542	90,170	811,139

(this statement should be read with the attached notes to the consolidated financial statements)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. INTRODUCTION

At the beginning of 1991, Corticeira Amorim, S.A. was transformed into Corticeira Amorim, S.G.P.S., S.A., the holding company for the cork business sector of the Amorim Group. In this report, Corticeira Amorim will be the designation of Corticeira Amorim, S.G.P.S., S.A., and in some cases the designation of Corticeira Amorim, S.G.P.S. together with all of its subsidiaries.

Corticeira Amorim is mainly engaged in the acquisition and transformation of cork into a numerous set of cork and cork related products, which are distributed worldwide through its network of sales company.

Corticeira Amorim is a Portuguese company with a registered head office in Mozelos, Santa Maria da Feira. Its share capital amounts to 133 million euros, which are publicly traded in the Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.

Amorim - Investimentos e Participações, S.G.P.S, S.A. held, as of December 31, 2023 and June 30, 2024, 67,830,000 shares of Corticeira Amorim, corresponding to 51.00% of the capital stock. Corticeira Amorim consolidates in Amorim – Investimentos e Participações, S.G.P.S., S.A., which is its controlling and Mother Company. Amorim – Investimentos e Participações, S.G.P.S., S.A. is owned by Amorim family.

These financial statements were approved in the Board Meeting of July 29, 2024. Shareholders have the capacity to modify these financial statements even after their release.

Except when mentioned, all monetary values are stated in thousand euros (Thousand euros = K euros = K€).

2. SUMMARY OF ACCOUNTING POLICIES

The condensed consolidated financial statements as of June 30, 2024 were prepared using accounting policies consistent with International Financial Reporting Standards (IFRS) and in accordance with International Accounting Standard 34 - Interim Financial Reporting, and include the statement of financial position, the income statement, the income statement and other comprehensive income, the statement of changes in equity and the condensed statement of cash flows, as well as the selected explanatory notes. The remaining notes were excluded because they have not suffered any changes in their standards which may affect the understanding of the financial statements.

The accounting policies adopted in the preparation of the condensed consolidated financial statements of Corticeira Amorim are consistent with those used in the preparation of the financial statements presented for the year ended December 31, 2023, with the exception of the accounting policy for "share-based payment" which became applicable in the current period, due to the entry into force of the new remuneration policy, which was approved at the General Meeting of shareholders held on April 22, 2024.

Below we present a summary of the applicable accounting policy:

Share-based payment

Benefits granted to employees under share purchase or share option incentive plans are recorded in accordance with the provisions of IFRS 2 – Share-based payments.

In accordance with the terms of the current remuneration plan, Corticeira Amorim grants eligible employees a right to receive a future payment in cash, as the right gives plan beneficiaries a right to shares that are redeemable at the at its discretion, meaning that the benefit granted to employees is classified as a cash-settled share-based payment transaction.

IFRS 2 determines, for payment transactions based on shares and settled in cash (cash settled), the recognition of an expense as the services are provided, against a liability, which must be measured at fair value at each reporting date. Corticeira Amorim recognizes share-based payment expenses under the heading 'Staff expenses'.

Until the liability is settled, the entity remeasures the fair value of the liability at the end of each reporting period and on the settlement date, with any changes in fair value recognized in profit or loss for the period.

The liability will be measured, initially and at the end of each reporting period until settled, at the fair value of the share appreciation rights.

Changes in accounting policies and disclosures

In addition to the adoption of the accounting policy for share-based payment mentioned above, the standards and interpretations that became effective as of 1 January 2024 are as follows:

- **IAS 1** (amendment), 'Classification of liabilities as Non-current and Current' and 'Non-current liabilities with covenants'. These amendments clarify that liabilities are classified as either current or non-current balances depending on the rights that an entity has to defer its settlement for at least 12 months after the reporting date. They clarify also that the covenants that an entity is required to comply with, on or before the reporting date, affect the classification of a liability as current or non-current, even if the covenants are only assessed after the entity's reporting date. When an entity classifies liabilities arising from loan arrangements as non-current and those liabilities are subject to covenants, it is required to disclose information that enables investors to assess the risk that the liabilities could become repayable within 12 months, such as: a) the carrying amount of the liabilities; b) the nature of the covenants and the compliance dates; and c) the facts and circumstances that indicate that the entity may have difficulty complying with covenants when it is required to do so. These amendments are applied retrospectively.
- **IAS 7**(amendment) **and IFRS 7** (amendment), 'Supplier finance arrangements'. These amendments require an entity to provide additional disclosures about its supplier finance arrangements to enable: i) the assessment of how supplier finance arrangements affect an entity's liabilities and cash flows; and ii) the understanding of the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available. The additional requirements complement presentation and disclosure requirements already in IFRS as set out in the IFRS IC's Agenda decision of December 2020.
- **IFRS 16** (amendment), 'Lease liability in a sale and leaseback'. This amendment introduces guidance for the subsequent measurement of lease liabilities, in the scope of sale and leaseback transactions that qualify as "sales" under IFRS 15, with higher impact when some or all the lease payments are variable lease payments that do not depend on an index or rate. Whilst subsequently measuring lease liabilities, seller-lessees determine "lease payments" and "revised lease payments" in a way that does not result in the seller-lessees recognizing any gains/(losses) relating with the right of use that they retain. This amendment is applied retrospectively.

These standards and amendments had no material impact on Corticeira Amorim's consolidated financial statements.

The standards (new and amended) published, the application of which is mandatory for economic periods beginning after January 1, 2025, but which the European Union has not yet endorsed, are as follows:

- **IAS 21** (amendment), 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability' (effective for annual periods beginning on or after 1 January 2025). This amendment is still subject to endorsement by the European Union. This amendment adds requirements for determining whether a currency can be exchanged for another currency (exchangeability) and defining how to determine the spot exchange rate to be used when it is not possible to exchange a currency for a long period of time. This change also requires the disclosure of information that allows understanding how the currency that cannot be exchanged for another currency affects, or is expected to affect, the financial

performance, financial position and cash flows of the entity, in addition to the spot exchange rate used on the reporting date and how it was determined.

- **IFRS 7 and IFRS 9** (amendment), 'Classification and measurement of financial instruments' (effective for annual periods beginning on or after 1 January 2026). This amendment is still subject to endorsement by the European Union. These amendments intend to: i) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; ii) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; iii) add new disclosure requirements for instruments with contractual conditions that can change cash flows, like those linked to ESG targets; and iv) update the disclosure requirements for equity instruments designated at fair value through other comprehensive income, separating the fair value reserve into the fair value gains or losses of the investments derecognised and those held at the end of the period. These amendments apply at the date they become effective without restating the comparatives.
- **IFRS 18** (new standard), 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 1 January 2027). This new standard is still subject to endorsement by the European Union. This new standard will replace the current IAS 1. While retaining many of the existing principles of IAS 1, it is focused on the specification of a structure for the statement of profit or loss, composed of categories and required subtotals. Items in the statement of profit or loss will be classified into one of three categories: operating, investing, financing. Specified subtotals and totals will be required being the main change the mandatory inclusion of the subtotal "Operating profit or loss". This standard also includes improvements to the disclosure of management performance measures including the reconciliation with the most similar specified subtotal in IFRS Accounting standards. This standard also enhances guidance on the principles of aggregation and disaggregation of information in the financial statements and respective notes, based on their shared characteristics. This standard applies retrospectively.
- **IFRS 19** (new standard), 'Subsidiaries without Public Accountability: Disclosures' (effective for annual periods beginning on or after 1 January 2027). This new standard is still subject to endorsement by the European Union. IFRS 19 is a voluntary standard which allows "Eligible" subsidiaries to use IFRS Accounting Standards with reduced disclosure requirements. IFRS 19 is a disclosure-only standard and works alongside other IFRS Accounting Standards for recognition, measurement, and presentation requirements. A subsidiary is "Eligible" if (i) it does not have public accountability; and (ii) has a parent that prepares consolidated financial statements available for public use that comply with IFRS Accounting Standards. IFRS 19 can be applied by "Eligible" subsidiaries when preparing their own consolidated, separate or individual financial statements. Complete comparative information needs to be prepared under IFRS 19 unless any exemption applies.
- **Annual Improvements to IFRS Accounting Standards**, include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards, that become effective for annual periods beginning on or after 1 January 2026.

The amended Standards are:

- **IFRS 1** First-time Adoption of International Financial Reporting Standards;
- **IFRS 7** Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- **IFRS 9** Financial Instruments;
- **IFRS 10** Consolidated Financial Statements; and
- **IAS 7** Statement of Cash Flows.

Corticeira Amorim is evaluating the impact resulting from these changes and will apply these standards in the year in which they become effective, or in advance when permitted.

3. FINANCIAL RISK MANAGEMENT

The activities of Corticeira Amorim are exposed to a variety of financial risks: market risks (including exchange rate risk, interest rate risk and raw material price risk), credit risk, liquidity risk and capital risk.

Market risk

As regards market risks, the monitoring procedures reported on December 31, 2023 are maintained. International market volatility requires thorough compliance with the already defined procedures in order to avoid the eventual impacts of adverse events.

Credit risk

The credit risk results essentially from the balances receivable from clients resulting from commercial transactions. Corticeira Amorim is attentive to the question of collecting accounts receivable even though, in a universe of almost 30,000 clients around the world, the risks are significantly dispersed. The credit risk is naturally lower given the geographic scope of sales and a very high number of clients on every continent with no individual entity accounting for over 2% of total sales.

The client credit risk is evaluated by the Financial Departments of operating companies taking into account the track record of the commercial relationship, its financial position as well as other information that may be obtained through the business networks of Corticeira Amorim. The credit limits established are regularly subject to analysis and revised whenever necessary.

In general terms, no guarantees are requested from clients. Corticeira Amorim makes occasional recourse to credit insurance. The credit risk also results from the available cash balances and derivative financial instruments. Corticeira Amorim undertakes prior analysis of the respective financial institution ratings in order to minimise the risks of non-compliance by counterparties.

The maximum amount of credit risk is that which results from the non-receipt of the totality of financial assets (June 2024: 371 million euros and December 2023: 325 million euros).

The amounts registered in the Cash and equivalents item by Corticeira Amorim are dispersed across over 100 subsidiaries. In terms of the quality of credit risk, associated with Cash and Equivalents, on June 30, 2024, Corticeira Amorim selects financial institutions with ratings that do not call into doubt the return of these assets. This thereby highlights how, out of the total of Cash and Equivalents (€79 million), around €8 million are deposited in a financial institution (private capital) with the following ratings: Moody's Baa2 / P-2; Fitch: BBB+ / F2.

Liquidity risk

The Corticeira Amorim financial departments regularly analyse the provisional cash-flows in order to ensure there is sufficient liquidity for the group to meet its operational needs and, simultaneously, comply with the obligations assumed under the auspices of various lines of financing. Any amounts of surplus liquidity are invested in remunerated short term deposit accounts. Hence, this underpins the necessary flexibility for running the business.

The coverage of liquidity risks essentially stems from the existence of an immediately available series of credit lines and commercial bond issues, and, eventually, by the existence of bank account deposits. Corticeira Amorim closed the six months with unused credit lines and commercial bond issue programs totalling €268.1 million (on December 31, 2023, the comparative amount stood at €229.9 million). When combined with Cash and Equivalents, the Liquidity Reserve at the end of the aforementioned period amounted to €347 million (€303.3 million on December 31, 2023).

Capital risk

The fundamental objective of the Board is to ensure the continuity of operations, providing an appropriate level of remuneration to Shareholders and the corresponding benefits to the remaining Stakeholders in Corticeira Amorim. To achieve this objective, the careful management of the capital deployed in the business is fundamental alongside ensuring an optimal capital structure that thereby brings about a reduction in capital costs. Corticeira Amorim is a solid business endowed with an appropriate and balanced capital structure, responsible for its core activity of underpinning the sustainability of the entire cork sector. Without the stoppers produced by Corticeira Amorim, thousands of wine-makers and bottlers would not be able to operate across the most varied geographies.

Within the framework of maintaining or adjusting the capital structure deemed most appropriate, the Board may propose to the General Shareholder Assembly the measures considered necessary and that may involve adjustments to the pay-out regarding the dividends payable, transactions in the company's shares, raising equity capital through issuing shares and selling assets, among other measures. The indicator applied to monitor the capital structure is the Financial Autonomy ratio. The Board has established as its target a level of Financial Autonomy of no less than 40% taking into account the characteristics of the company and its respective sector of activity. Financial Autonomy reported the following trend:

	thousands of euros		
	June 30, 2024	December 31, 2023	June 30, 2023
Own Capital	811,139	800,044	773,210
Assets	1,444,950	1,415,225	1,407,714
Financial Autonomy	56.1%	56.5%	54.9%

Fair value of the financial assets and liabilities

The Group measures part of its financial assets and liabilities by their fair value on the reference date for the financial reporting. The derivative financial instruments acquired by Corticeira Amorim are not market traded and have no listing (derivatives negotiated over the counter).

Furthermore, the accountancy norms establish a hierarchy of fair value that classifies the data across the three levels incorporated into the measurement techniques for the fair value of financial assets and liabilities:

Level 1 Data – listed prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Data – distinct data on the listed prices that are observable for the asset or liability, directly or indirectly;

Level 3 Data – non-observable data relating to the asset or liability. During the financial year, there were no transfers among the aforementioned levels.

The value of the derivative financial instruments recognised in the report on the Corticeira Amorim financial position, dated June 30, 2024, amounts to 59 K€ in the assets (December 31, 2023: 189 K€), and 525 K€ in liabilities (December 31, 2023: 68 K€), as notes 14 and 24.

Corticeira Amorim makes recourse to outright forwards and options for exchange rate risk coverage as is detailed below. The evaluation of exchange rate risk hedging instruments involved valuation techniques that apply observable inputs (Level 2). The fair value is calculated through a model owned by Corticeira Amorim and developed by Reuters that adopts the updated cash-flow method for the outright forwards while applying the Black & Scholes calculation model to options contracts.

The main inputs deployed in valuation are: forward exchange rate curve and currency volatility estimates.

Currency operations contracted with credit institutions

On 30 June 2024, there were options and outright forwards contracts relating to the currencies used by Corticeira Amorim transactions.

It is foreseeable that such transactions in foreign currencies are very likely to happen, which were therefore subject to exchange rate risk coverage, and taking place during the second half of 2024. The amount recognised in the "under Adjustment of Accountancy Coverage" will be recognised in the financial results for the same period.

The amount recognised in integral earnings related to variations in the fair value of efficient cash flow coverage was -127 K€ (1H23: 56 K€).

4. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the Group's management to make judgments and estimates that affect the statement of financial position and the reported results. These estimates are based on the best information and knowledge about past and/or present events and on the operations that the Company considers it may implement in the future. However, at the date of completion of such operations, their results may differ from these estimates.

Changes to these estimates that occur after the date of approval of the consolidated financial statements will be corrected in the income statement in a prospective manner, in accordance with IAS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors".

The estimates and assumptions that imply a greater risk of giving rise to a material adjustment in assets and liabilities are described below:

- Entities included in the consolidation perimeter

To determine the entities to be included in the consolidation perimeter, the Group assesses the extent to which it is exposed, or has rights, to variability in return from its involvement with that entity and can take possession of them through the power it holds over this entity.

The decision that an entity must be consolidated by the Group requires the use of judgment, estimates, and assumptions to determine the extent to which the Group is exposed to return variability and the ability to take possession of them through its power.

Other assumptions and estimates could lead to the Group's consolidation perimeter being different, with direct impact on the consolidated financial statements.

- Impairment of non-current assets, excluding goodwill

The determination of a possible impairment loss can be triggered by the occurrence of various events, such as the availability of future financing, the cost of capital or other market, economic and legal changes or changes with an adverse effect on the technological environment, many of which are beyond the Group's control. The identification and assessment of impairment indicators, the estimation of future cash flows, and the calculation of the recoverable value of assets involve a high degree of judgment by the Board.

- Impairment of goodwill

Goodwill is annually subjected to impairment tests or whenever there are indications of a possible loss of value in accordance with the criteria described in Note 2 b). The recoverable values of the cash-generating units to which goodwill is allocated are determined based on the calculation of current use values. These calculations require the use of estimates by management.

- Intangible and tangible assets

The life of an asset is the period during which the Company expects that an asset will be available for use and this should be reviewed at least at the end of each financial year. The determination of the useful lives of assets, the amortisation/depreciation method to be applied, and the estimated losses resulting from the replacement of equipment before the end of its useful life due to technological obsolescence is crucial in determining the amount of amortisation/ depreciation to be recognised in the consolidated income statement each period.

These three parameters are defined using management's best estimates for the assets and businesses concerned, and taking account of the practices adopted by companies in the sectors in which Corticeira Amorim operates.

- Consumable biological assets

When determining the fair value of consumable biological assets, the present value method of discounted cash flows is used, which were determined using a model developed internally.

In the model developed, assumptions corresponding to the nature of the assets under evaluation are considered, namely, the development cycle, productivity, mortality rate, cork sales price, deducted from the extraction cost.

- Provisions

The Group periodically reviews any obligations arising from past events, which should be recognised or disclosed. The subjectivity involved in determining the probability and amount of internal resources required to meet obligations may give rise to significant adjustments, either due to changes in the assumptions made, or due to the future recognition of provisions previously disclosed as contingent liabilities.

- Fair value of financial assets and liabilities

When the fair value of a financial asset or liability is calculated, on an active market, the respective market price is used. When there is no active market, which is the case with some of Corticeira Amorim's financial assets and liabilities, valuation techniques generally accepted in the market, based on market assumptions, are used.

The Group applies evaluation techniques for unlisted financial instruments, such as derivatives, financial instruments at fair value and instruments measured at amortised cost. The most frequently used valorisation models are models of discounted cash flows and option models, which incorporate, for example, interest rate and market volatility curves.

For certain types of more complex derivatives, more advanced valuation models are used containing assumptions and data that are not directly observable in the market, for which the Group uses the proprietary model specified in Note 3.

5. EXCHANGE RATES USED IN CONSOLIDATION

Exchange rates		June 30, 2024	Average 2024	Average 2023	December 31, 2023
Argentine Peso	ARS	975.954	929.147	319.957	892.205
Australian Dollar	AUD	1.608	1.642	1.629	1.626
Lev	BGN	1.956	1.956	1.956	1.956
Brazilian Real	BRL	5.892	5.492	5.401	5.362
Canadian Dollar	CAD	1.467	1.469	1.460	1.464
Swiss Franc	CHF	0.963	0.962	0.972	0.926
Chilean Peso	CLP	1007.500	1015.958	907.849	971.810
Yuan Renminbi	CNY	7.775	7.801	7.660	7.851
Czech Koruny	CZK	25.025	25.015	24.004	24.724
Danish Krona	DKK	7.458	7.458	7.451	7.453
Algerian Dinar	DZD	143.565	145.102	146.547	148.007
Euro	EUR	1.000	1.000	1.000	1.000
Pound Sterling	GBP	0.846	0.855	0.870	0.869
Hong Kong Dollar	HKD	8.365	8.453	8.466	8.618
Forint	HUF	395.100	389.757	381.853	382.800
Yen	JPY	171.940	164.461	151.990	156.330
Moroccan Dirham	MAD	10.666	10.829	10.952	10.886
Zloty	PLN	4.309	4.317	4.542	4.340
Ruble	RUB	92.418	97.978	92.874	99.192
Swedish Krona	SEK	11.360	11.391	11.479	11.096
Tunisian Dinar	TND	3.369	3.371	3.351	3.394
Turkish Lira	TRL	35.187	34.236	25.760	32.653
US Dollar	USD	1.071	1.081	1.081	1.105
Rand	ZAR	19.497	20.248	19.955	20.348

6. COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Company	Head Office	Country	1H24	2023
Amorim Florestal				
Amorim Florestal, S.A.	Vale de Cortiças - Abrantes	PORTUGAL	100%	100%
Amorim Agroflorestal, S.A.	Ponte de Sor	PORTUGAL	100%	100%
Amorim Florestal III, S.A.	Ponte de Sor	PORTUGAL	100%	100%
Amorim Florestal España, S.L.	San Vicente Alcántara	SPAIN	100%	100%
Amorim Florestal Mediterrâneo, S.L.	Cádiz	SPAIN	100%	100%
Amorim Tunisie, S.A.R.L.	Tabarka	TUNISIA	100%	100%
Herdade de Rio Frio, S.A.	Ponte de Sor	PORTUGAL	100%	100%
Comatral - C. de Maroc. de Transf. du Liège, S.A.	Skhirat	MOROCCO	100%	100%
Cosabe - Companhia Silvo-Agrícola da Beira S.A.	Lisboa	PORTUGAL	100%	100%
SIBL - Société Industrielle Bois Liège	Jijel	ALGERIA	51%	51%
Société Nouvelle du Liège, S.A. (SNL)	Tabarka	TUNISIA	100%	100%
Société Tunisienne d'Industrie Bouchonnière	Tabarka	TUNISIA	55%	55%
Vatrya - Serviços de Consultadoria, Lda.	Funchal - Madeira	PORTUGAL	100%	100%
Amorim Cork				
Amorim Cork, SGPS, S.A.	Santa Maria Lamas	PORTUGAL	100%	100%
ACIC USA, LLC	Califórnia	U. S. AMERICA	100%	100%
Agglotap, S.A.	Girona	SPAIN	91%	91%
All Closures In, S.A.	Paços de Brandão	PORTUGAL	75%	75%
Amorim Cork, S.A.	Santa Maria de Lamas	PORTUGAL	100%	100%
Amorim Australasia Pty Ltd.	Adelaide	AUSTRALIA	100%	100%
Amorim Bartop, S.A.	Vergada	PORTUGAL	75%	75%
Amorim Champcork, S.A.	Santa Maria de Lamas	PORTUGAL	100%	100%
Amorim Cork América, Inc.	Califórnia	U. S. AMERICA	100%	100%
Amorim Cork Beijing Ltd.	Beijing	CHINA	100%	100%
Amorim Cork Bulgaria EOOD	Plovdiv	BULGARIA	100%	100%
Amorim Cork Deutschland GmbH & Co KG	Mainzer	GERMANY	100%	100%
Amorim Cork España, S.L.	San Vicente Alcántara	SPAIN	100%	100%
Amorim Cork Hungary Zrt.	Budapeste	HUNGARY	100%	100%
Amorim Cork Itália, SPA	Conegliano	ITALY	100%	100%
Amorim Cork South Africa (Pty) Ltd.	Cidade do Cabo	SOUTH AFRICA	100%	100%
Amorim France, S.A.S.	Champfleury	FRANCE	100%	100%
Amorim Top Series France, S.A.S.	Merpins	FRANCE	100%	100%
Amorim Top Series, S.A.	Vergada	PORTUGAL	75%	75%
Amorim Top Series Scotland, Ltd	Dundee	SCOTLAND	75%	75%
Biocape - Importação e Exportação de Cápsulas, Lda.	Mozelos	PORTUGAL	75%	75%
Bouchons Prioux	Epernay	FRANCE	91%	91%
Bozales ICAS HITE Argentina	(b) Mendoza	ARGENTINA	26%	26%
Chapuis, S.L.	(b) Girona	SPAIN	100%	100%
Corchera Gomez Barris	(b) Santiago	CHILE	50%	50%
Corchos de Argentina, S.A.	(a) Mendoza	ARGENTINA	50%	50%
Bourrassé Chile	Santiago	CHILE	100%	100%
Elfverson & Co. AB	Paryd	SWEDEN	38%	38%
Elfverson I.P., S.A.	Vergada	PORTUGAL	38%	38%
Elfverson Portugal, SA	Santa Maria de Lamas	PORTUGAL	38%	38%
S.A.S. Ets Christian Bourrassé	Tosse	FRANCE	100%	100%
FP Cork, Inc.	Califórnia	U. S. AMERICA	100%	100%
Francisco Oller, S.A.	Girona	SPAIN	98%	98%
HITE, S.A. - Hispano Italiana Trenzados Especiales, S.A.	(b) Barcelona	SPAIN	25%	25%
I.C.A.S. S.p.A.	(b) Ivrea	ITALY	50%	50%
ICAS Brasil Ltda.	(b) Garibaldi (RS)	BRAZIL	25%	25%
ICAS France S.a.r.l.	(b) Reims	FRANCE	50%	50%
ICAS HITE Australasia	(b) Adelaide	AUSTRALIA	37%	37%
Indústria Corchera, S.A.	(b) Santiago	CHILE	50%	50%
Kapselabrik. GmbH	(b) Bad Kreuznach	GERMANY	50%	50%
Korken Schiesser Ges.M.B.H.	Viena	AUSTRIA	69%	69%
Olimpiadas Barcelona 92, S.L.	Girona	SPAIN	100%	100%
Pfefferkorn & Co. GmbH	(b) Simmern	GERMANY	50%	50%
Pfefferkorn & Reiter GmbH	(b) Simmern	GERMANY	50%	50%
Portocork América, Inc.	Califórnia	U. S. AMERICA	100%	100%
Portocork France, S.A.S.	Bordéus	FRANCE	100%	100%
Portocork Itália, s.r.l.	Milão	ITALY	100%	100%
Prats & Bonany S.A.	(b) Reims	FRANCE	37%	37%
Relvas II - Rolhas de Cortiça S.A.	(b) Montemor-o-Novo	PORTUGAL	50%	50%
Sarl Relvas France	(b) Reims	FRANCE	37%	37%
SACI S.r.l.	(b) Ivrea	ITALY	50%	50%
Sagrera et Cie	Reims	FRANCE	91%	91%
S.A. Oller et Cie	Reims	FRANCE	98%	98%

San Bernardo Tappi Spumante S.r.l	(b)	Ivrea	ITALY	50%	50%
Schneider (Mainsee 1407. V V) GmbH	(b)	Bad Kreuznach	GERMANY	50%	50%
S.C.I. Friedland		Céret	FRANCE	100%	100%
S.C.I. Prioux		Epernay	FRANCE	91%	91%
Socori, S.A.		Rio Meão	PORTUGAL	100%	100%
Socori Forestal, S.L.		Cáceres	SPAIN	100%	100%
Société Nouvelle des Bouchons Trescases	(a)	Perpignan	FRANCE	50%	50%
Sumois S.A	(b)	Sant Sadurni D'Anoia	SPAIN	25%	25%
Tango S.S	(b)	Ivrea	ITALY	37%	37%
Trefinos Italia, s.r.l		Treviso	ITALY	91%	91%
Trefinos USA, LLC		Fairfield, CA	U. S. AMERICA	91%	91%
Trefinos, S.L.		Girona	SPAIN	91%	91%
Victory y Amorim, S.L.	(b)	Navarrete - La Rioja	SPAIN	50%	50%
Vinolok a.s	(a)	Jablonec nad Nisou	CZECH REP.	50%	50%
Wine Packaging & Logistic, S.A.	(a)	Santiago	CHILE	16%	16%
VMD Group SA		Pully	SWITZERLAND	55%	55%
Chaillot Bouchons SA		Saint-Prex	SWITZERLAND	55%	55%
SUBOENO SA		Saint-Prex	SWITZERLAND	55%	55%
PM Oenologie Consulting Sàrl		Saint-Léonard	SWITZERLAND	55%	55%

Company		Head Office	Country	1H24	2023
Amorim Cork Flooring					
Amorim Cork Flooring, S.A.		S. Paio de Oleiros	PORTUGAL	100%	100%
Amorim Benelux, BV		Tholen	NETHERLANDS	100%	100%
Amorim Deutschland, GmbH		Delmenhorts	GERMANY	100%	100%
Amorim Flooring (Switzerland) AG		Zug	SWITZERLAND	100%	100%
Amorim Flooring Austria GesmbH		Viena	AUSTRIA	100%	100%
Amorim Flooring Canada, Inc.		Vancouver	CANADA	100%	100%
Amorim Flooring North America Inc.		Hanover - Maryland	U. S. AMERICA	100%	100%
Amorim Flooring Rus, LLC		Moscow	RUSSIA	100%	100%
Amorim Flooring Sweden AB		Mölnådal	SWEDEN	100%	100%
Amorim Flooring UK, Ltd.	(c)	Manchester	UN. KINGDOM	0%	100%
Cortex Korkvertriebs, GmbH		Fürth	GERMANY	100%	100%
Dom Korkowy, Sp. Zo. O.	(b)	Kraków	POLAND	50%	50%
Korkkitrio Oy		Tampere	FINLAND	78%	78%
Timberman Denmark A/S		Hadsund	DENMARK	80%	80%
Amorim Cork Composites					
Amorim Cork Composites, S.A.		Mozelos	PORTUGAL	100%	100%
Amorim (UK), Ltd.		Horsham West Sussex	UN. KINGDOM	100%	100%
Amorim Cork Composites, LLC		São Petersburgo	RUSSIA	100%	100%
Amorim Cork Composites, GmbH		Delmenhorts	GERMANY	100%	100%
Amorim Cork Composites, Inc.		Trevor - Wisconsin	U. S. AMERICA	100%	100%
Navicork by Amorim, Lda.		Mozelos	PORTUGAL	100%	100%
Amorim Deutschland, GmbH		Delmenhorts	GERMANY	100%	100%
Amorim Industrial Solutions - Imobiliária, S.A.		Corroios	PORTUGAL	100%	100%
Amorim Sports, Lda.		Mozelos	PORTUGAL	100%	100%
Amorim Sports North America, Inc.		Trevor - Wisconsin	U. S. AMERICA	100%	100%
Chinamate (Shaanxi) Natural Products Co., Ltd.		Shaanxi	CHINA	100%	100%
Chinamate Development Co. Ltd.		Hong Kong	CHINA	100%	100%
Compruss – Investimentos e Participações, Lda.		Mozelos	PORTUGAL	100%	100%
Corkeen Europe		Mozelos	PORTUGAL	85%	85%
Corkeen Global		Mozelos	PORTUGAL	100%	100%
Corkeen North America, Ltd.		Trevor - Wisconsin	U. S. AMERICA	100%	100%
Korko - Made By Nature, Lda	(a)	Mozelos	PORTUGAL	50%	50%
Postya - Serviços de Consultadoria, Lda.		Funchal - Madeira	PORTUGAL	100%	100%
Amorim Cork Insulation					
Amorim Cork Insulation, S.A.		Vendas Novas	PORTUGAL	100%	100%
Corticeira Amorim and Others					
Corticeira Amorim, SGPS, S.A.		Mozelos	PORTUGAL	100%	100%
Ginpar, S.A. (Générale d' Invest. et Participation)		Skhirat	MOROCCO	100%	100%
Amorim Cork Research, Lda.		Mozelos	PORTUGAL	100%	100%
Amorim Cork Services, Lda.		Mozelos	PORTUGAL	100%	100%
Amorim Cork Ventures, Lda.		Mozelos	PORTUGAL	100%	100%
Corecochic - Corking Shoes Investments, Lda.	(a)	Mozelos	PORTUGAL	50%	50%
TDCork - Tapetes Decorativos com Cortiça, Lda.	(a)	Mozelos	PORTUGAL	25%	25%
Soc. Portuguesa de Aglomerados de Cortiça, Lda.		Montijo	PORTUGAL	100%	100%
Amorim Cork IT S.A.		Mozelos	PORTUGAL	100%	100%
Amorim - Viagens e Turismo, S.A.		Mozelos	PORTUGAL	100%	100%

(a) - Equity method consolidation.

(b) - Corticeira Amorim directly or indirectly controls the relevant activities – line-by-line consolidation method.

(c) - Company liquidated in the first half of 2024.

The percentages indicated are the percentages of interests and not of control.

For entities consolidated by the full consolidation method, the percentage of voting rights held by "Non-Controlling Interests" is equal to the percentage of share capital held.

7. SEGMENT REPORT

Corticeira Amorim is organized into the following Business Units: Amorim Florestal (formerly called Raw Materials), Amorim Cork (formerly Cork Stoppers), Amorim Cork Flooring (formerly Floor and Wall Coverings), Amorim Cork Composites (formerly Composite Cork) and Amorim Cork Insulation (formerly Insulation Cork).

There are no differences between the measurement of profit and loss and assets and liabilities of the reportable segments, associated to differences in accounting policies or centrally allocated cost allocation policies or jointly used assets and liabilities.

For purposes of this Report, the Business approach was selected as the primary segment. This is consistent with the formal organisation and evaluation of business. Business Units correspond to the operating segments of the company and the segment report is presented the same way they are analysed for management purposes by the board of Corticeira Amorim.

The following table shows the main indicators of the business units, and, whenever possible, the reconciliation with the consolidated indicators:

thousand euros								
1H24	Amorim Florestal	Amorim Cork	Amorim Cork Flooring	Amorim Cork Composites	Amorim Cork Insulation	Corticeira Amorim and Others	Adjustm.	Consolidated
Trade Sales	4,444	386,397	43,043	58,922	7,325	605	0	500,736
Other BU Sales	118,411	6,950	1,200	1,124	1,231	8,455	-	-
Total Sales	122,855	393,347	44,244	60,047	8,555	9,060	137,372	500,736
EBITDA (*)	8,043	84,665	-2,855	10,895	-1,671	-4,162	-471	94,444
Profit before tax	1,256	67,108	-13,749	7,174	-2,412	-1,891	-464	57,022
Assets (non-current)	98,485	302,775	35,805	55,882	8,175	2,226	40,116	543,466
Assets (current)	265,221	526,418	54,614	63,820	12,960	3,379	-26,879	899,532
Liabilities	72,657	213,276	49,228	40,544	6,942	253,338	-4,126	631,859
Capex	4,555	14,322	795	1,947	298	253	0	22,169
Year Depreciation	-3,342	-18,961	-2,816	-3,482	-534	-304	0	-29,438
Gains/Losses in associated companies	0	3,132	0	-69	0	-6	0	3,056

1H23	Amorim Florestal	Amorim Cork	Amorim Cork Flooring	Amorim Cork Composites	Amorim Cork Insulation	Corticeira Amorim and Others	Adjustm.	Consolidated
Trade Sales	7,386	417,644	48,262	57,328	8,364	284	0	539,269
Other BU Sales	124,377	5,627	1,294	837	1,509	8,355	-	-
Total Sales	131,763	423,271	49,556	58,165	9,874	8,639	141,999	539,269
EBITDA (*)	12,622	91,031	-2,724	11,782	-578	175	-8,534	103,774
Profit before tax	8,819	76,251	-6,255	8,625	-1,005	-3,911	-4,561	77,963
Assets (non-current)	100,514	279,752	39,149	55,620	7,304	2,337	33,172	517,848
Assets (current)	244,674	545,165	62,233	60,561	15,896	17,667	-56,330	889,865
Liabilities	95,158	237,073	38,864	39,251	3,570	29,049	191,538	634,503
Capex	5,208	27,969	6,293	4,714	969	480	0	45,633
Year Depreciation	-2,822	-16,718	-3,305	-2,790	-356	-560	0	-26,551
Gains/Losses in associated companies	0	3,494	0	-50	0	-3	0	3,441

Adjustments = eliminations inter-BU and amounts not allocated to BU.

(*) EBITDA = Profit before net financing costs, depreciation, non-controlling interests, income tax and non-recurrent results.

Provisions and asset impairments were considered the only relevant non-cash material cost.

The decision to report EBITDA figures (excluding non-recurring operational results – see note 27, which due to its materiality or nature could distort Corticeira Amorim's financial performance, as well as its comparability), allows a better comparison of the different BU performances, disregarding the different financial situations of each BU. This is also coherent with the existing Corporate Departments, as the Financial Department is responsible for the bank negotiations, being the tax function the responsibility of the Holding Company.

Amorim Cork main product is the different types of existing cork stoppers. The main markets are the bottling countries, from the traditional ones like France, Italy, Germany, Spain and Portugal, to the new markets like USA, Australia, Chile, South Africa and Argentina.

Amorim Florestal is, by far, the most integrated in the production cycle of Corticeira Amorim, with 90% of its sales to others BU, in particular the sale of cork boards and disks to the Amorim Cork.

The remaining Business Units produce and sell a wide range of products that use the raw material left over from the production of stoppers, as well as the cork raw material that is not susceptible to be used in the production of stoppers. Main products are cork floor tiles, cork rubber for the automotive industry and anti-vibration systems, expanded agglomerates for insulation and acoustic purposes, technical agglomerates for civil construction and shoe industry, as well as granulates for agglomerated, technical and champagne cork stoppers.

Major markets for Amorim Cork Flooring, Amorim Cork Insulation and for Amorim Cork Composites are in Europe. Major production sites are in Portugal, where most of the invested capital is located. Products are distributed in practically all major markets through a fully owned network of sales companies. About 70% of total consolidated sales are achieved through these companies.

Capex was concentrated in Portugal. Assets in foreign subsidiaries, particularly the items of tangible fixed assets, inventories and customers, totalise 488 M€, and are mostly composed by inventories (190 M€) and trade receivables (180 M€).

In non-current assets, it is important to note the 313 M€ (2023: 323 M€) of tangible fixed assets, 2.2 M€ (2023: 2.2 M€) of property investment, and 9.2 M€ (2023: 11 M€) of intangible assets, located in Portugal.

Sales by markets:

	thousand euros			
Markets	1H24		1H23	
European Union	341,910	68.3%	371,278	68.8%
<i>From which: Portugal</i>	29,914	6.0%	38,654	7.2%
Other European countries	15,955	3.2%	11,722	2.2%
United States	87,517	17.5%	95,019	17.6%
Other American countries	26,963	5.4%	31,459	5.8%
Australasia	21,825	4.4%	22,863	4.2%
Africa	6,566	1.3%	6,928	1.3%
TOTAL	500,736	100%	539,269	100%

The value of sales relates in its entirety, as in 2023, to contracts covered by IFRS 15 - Revenue from contracts with customers.

8. TANGIBLE ASSETS

	thousand euros				
	Land and Buildings	Machinery	Other	Tangible Fixed Assets in Progress	Total Tangible Assets
Gross Value	380,562	593,792	54,791	52,189	1,081,334
Depreciation and impairments	-197,015	-446,786	-44,945	0	-688,745
Opening balance (Jan 1, 2023)	183,547	147,006	9,846	52,189	392,588
Increase	2,300	5,610	1,559	34,948	44,417
Period deprec. and impairments	-4,100	-16,332	-1,590	0	-22,022
Sales and other decreases	-4	-543	-86	-274	-908
Transfers and reclassifications	-4,576	8,228	3,294	-11,427	-4,481
Translation differences	-24	-193	-160	-11	-388
Gross Value	377,674	604,625	58,712	75,424	1,116,435
Depreciation and impairments	-200,532	-460,848	-45,848	0	-707,228
Closing balance (Jun 30, 2023)	177,142	143,777	12,864	75,424	409,208
Gross Value	399,510	670,248	60,341	36,160	1,166,259
Depreciation and impairments	-205,334	-476,020	-46,608	0	-727,962
Opening balance (Jan 1, 2024)	194,176	194,227	13,734	36,160	438,297
Increase	1,746	6,736	1,489	10,076	20,047
Period deprec. and impairments	-4,526	-19,266	-1,575	0	-25,367
Sales and other decreases	-38	-452	-124	-1,381	-1,995
Transfers and reclassifications	1,637	10,034	776	-11,892	555
Translation differences	-15	-21	-34	3	-66
Gross Value	403,095	686,431	62,405	32,967	1,184,898
Depreciation and impairments	-210,116	-495,173	-48,139	0	-753,427
Closing balance (Jun 30, 2024)	192,979	191,258	14,266	32,967	431,470

The impairment adjustments of assets recognized in 2023 and 2024 were offset by the Depreciation/Amortization line in the consolidated income statement by nature.

Expenses to place the assets in the required location and condition related with tangible fixed assets had no impact.

In other tangible fixed assets, biological assets for production with a net value of 3,239 K€ are included, mainly consisting of vines and cork oak from Herdade do Rio Frio.

No interest was capitalised during the period.

9. INTANGIBLE ASSETS AND GOODWILL

	thousand euros	
	Intangible Assets	Goodwill
Gross Value	44,551	28,856
Depreciation and impairments	-22,564	-9,982
Opening balance (Jan 1, 2023)	21,987	18,874
Increase	1,096	0
Period deprec. and impairments	-3,357	0
Sales and other decreases	-80	0
Transfers and reclassifications	55	0
Translation differences	-23	15
Gross Value	45,499	28,864
Depreciation and impairments	-25,821	-9,975
Closing balance (Jun 30, 2023)	19,677	18,889
Gross Value	46,958	33,847
Depreciation and impairments	-28,940	-9,974
Opening balance (Jan 1, 2024)	18,018	23,872
Increase	1,380	0
Period deprec. and impairments	-3,066	0
Sales and other decreases	-56	0
Transfers and reclassifications	-210	0
Translation differences	30	-2
Gross Value	48,299	33,852
Depreciation and impairments	-32,202	-9,982
Closing balance (Jun 30, 2024)	16,097	23,870

Intangible Assets essentially include software, autonomous product development projects and innovative solutions, and customer portfolio acquired.

With the exception of goodwill, there are no intangible assets of indefinite life.

Detail of goodwill according to the following table:

thousand euros						
2023	Opening balance	Increase	Decrease	Reclassification	Transalation differences	End balance
Bourrassé	8,431					8,431
Grupo Saci	9,031				22	9,053
Grupo VMD	0	4,836			239	5,075
Elfverson	1,314					1,314
Korkkitrio	98		-98			0
Goodwill	18,874	4,836	-98	0	261	23,872

thousand euros						
1H24	Opening balance	Increase	Decrease	Reclassification	Transalation differences	End balance
Bourrassé	8,431					8,431
Grupo Saci	9,053				-2	9,051
Grupo VMD	5,075					5,075
Elfverson	1,314					1,314
Goodwill	23,872	0	0	0	-2	23,870

Impairment tests are carried out annually. In the tests, cash-flows were designed, based on the budget and plans approved by management. The growth assumptions considered the expected growth of each company's business, essentially in the wine, champagne and sparkling wine market, as well as the evolution of the subsidiaries' market share in this business.

In the case of Bourrassé, the tests used operational cash-flow growth rates of 7.3% for the period 2024-2026 and 1.4% for the following years. In the case of Saci, the tests used operational cash-flow growth rates of 1.3% for the period 2024-2026 and 2.0% for the following years. In the case of Elfverson, operational cash-flow growth rates of 37.3% were used in the tests for the period 2024-2026 and 2% for the following years.

For the impairment test of the VMD group, the 2024 budget was considered (with a 36% growth in operating income) without growth in cash-flows in 2025 and 2026, with a growth rate of 1.8% being considered for the periods following.

The discount rate used in the tests described above was 7.3%. Sensitivity analyzes (adjusting the discount rate by an additional 10% and the perpetuity growth rate by an additional 20%) would not imply recording an impairment in the accounts for the four cash-generating units under analysis.

Considering the performance of the first half of 2024, it is concluded that it is not necessary to change the previously approved plans and impairment tests.

10. BIOLOGICAL ASSETS

	thousand euros
	Biological Assets
Gross Value	913
Depreciation and impairments	0
Opening balance (Jan 1, 2023)	913
Increase	0
Period deprec. and impairments	0
Sales and other decreases	0
Transfers and reclassifications	5,241
Translation differences	0
Gross Value	6,154
Depreciation and impairments	0
Closing balance (Jun 30, 2023)	6,154
Gross Value	6,342
Depreciation and impairments	0
Opening balance (Jan 1, 2024)	6,342
Increase	0
Period deprec. and impairments	0
Sales and other decreases	0
Transfers and reclassifications	5
Translation differences	0
Gross Value	6,347
Depreciation and impairments	0
Closing balance (Jun 30, 2024)	6,347

The detail of the value of biological assets, as of June 30, 2024, is as follows:

	Cork	Cattle	Total
Opening balance (Jan 1, 2022)	62		62
Perimeter entry		867	867
Perimeter entry	-15		-15
Closing balance (Dec 31, 2022)	47	867	913
Opening balance (Jan 1, 2023)	47	867	913
Fair value increases/decreases	315	0	315
Sales and other decreases	0	-109	-109
Transfers and reclassifications	5,223	0	5,223
Closing balance (Dec 31, 2023)	5,584	758	6,342
Opening balance (Jan 1, 2024)	5,584	758	6,342
Transfers and reclassifications	5	0	5
Closing balance (June 30, 2024)	5,589	758	6,347

As of June 30, 2024, there are no biological assets whose ownership is restricted or which are pledged as collateral for liabilities as well as commitments relating to the development or acquisition of biological assets.

Fair value measurement

According to accounting standards, a fair value hierarchy is established that classifies the data to be used in fair value measurement techniques into three levels. At the level of biological assets, level 3 data is considered: unobservable data regarding the asset or liability.

When measuring the fair value of cork trees, around 351 thousand arrobas are considered at the beginning and end of the period.

Biological assets are measured at their fair value less estimated costs at the point of sale. The respective fair value is determined based on the present value of discounted cash flows method.

The following assumptions were considered:

- Productivity of the Herdade's history;
- Average sales price for the quality of cork deducted from extraction costs;
- Discount rate: 3%

11. RIGHT OF USE

thousand euros

Right of use

Gross Value	12,610
Depreciation and impairments	-8,045
Opening balance (Jan 1, 2023)	4,564
Increase	340
Period deprec. and impairments	-663
Sales and other decreases	-73
Transfers and reclassifications	-59
Translation differences	-14
Gross Value	12,057
Depreciation and impairments	-7,962
Closing balance (Jun 30, 2023)	4,094
Gross Value	13,584
Depreciation and impairments	-8,538
Opening balance (Jan 1, 2024)	5,046
INCREASE	273
PERIOD DEPREC. AND IMPAIRMENTS	-334
SALES AND OTHER DECREASES	-29
TRANSFERS AND RECLASSIFICATIONS	-9
TRANSLATION DIFFERENCES	4
Gross Value	13,507
Depreciation and impairments	-8,555
Closing balance (Jun 30, 2024)	4,952

12. INVESTMENT PROPERTY

	thousand euros
	Investment Property
Gross Value	13,936
Depreciation and impairments	-9,970
Opening balance (Jan 1, 2023)	3,966
Increase	0
Period deprec. and impairments	-39
Sales and other decreases	0
Transfers and reclassifications	298
Translation differences	0
Gross Value	14,234
Depreciation and impairments	-10,010
Closing balance (Jun 30, 2023)	4,224
Gross Value	6,403
Depreciation and impairments	-4,163
Opening balance (Jan 1, 2024)	2,241
Increase	13
Period deprec. and impairments	-39
Sales and other decreases	0
Transfers and reclassifications	0
Translation differences	0
Gross Value	6,417
Depreciation and impairments	-4,202
Closing balance (Jun 30, 2024)	2,215

The amount of 2,215 K€, referred as Investment Property (December 31, 2023: 2,241K€), is due, mainly, to land and buildings that are not used in production.

The fair value of the Investment Properties, in the case of the land, is close to the value recorded in the accounts.

At the end of the year, management analyzed these assessments and considered that they remained up to date. These properties are not generating income and conservation and repair costs are insignificant.

13. INVESTMENTS IN ASSOCIATES AND JOINT-VENTURES

	thousand euros		
	1H24	2023	1H23
Opening Balance	32,630	32,083	32,083
In / Out	0	-166	-332
Results	3,056	3,011	3,441
Dividends	0	-1,788	-1,312
Exchange Differences	-227	-510	262
Other	0	0	24
End Balance	35,460	32,630	34,166
Equity method	3,056	3,011	3,441
Gains on disposal of associates	0	0	0
Share of (loss)/profit of associates and joint-ventures	3,056	3,011	3,441

The associates and joint-ventures are entities through which the group operates in the markets in which they are based, acting as distribution channels of products.

The book values are described by subsidiary:

	thousand euros			
	1H24			
	Share in net assets	Goodwill	Total	Contribution to net income
Trescases	7,992	1,715	9,707	1,673
Wine Packaging & Logistic	1,091	0	1,091	0
Corchos Argentina	7,988	0	7,988	407
Vinolok	16,544	0	16,544	1,052
Outros	130	0	130	-75
End Balance	33,745	1,715	35,460	3,056

thousand euros

	1H23			
	Share in net assets	Goodwill	Total	Contribution to net income
Trescases	7,254	1,715	8,969	1,161
Wine Packaging & Logistic	1,260	0	1,260	0
Corchos Argentina	7,023	0	7,023	818
Vinolok	16,775	0	16,775	1,515
Outros	139	0	139	-53
End Balance	32,451	1,715	34,166	3,441

In addition to the above, the Group has significant influence on a set of other individually immaterial associates.

14. OTHER FINANCIAL ASSETS

	thousand euros		
	1H24	2023	1H23
Hedge accounting assets	59	189	1,357
VAT	22,077	24,948	26,013
Stamp tax/VAT - special payment (PERES)	1,854	1,854	2,051
Stamp tax/VAT - special payment (PERES) impairment	-1,436	-1,436	-2,051
Investments in funds, capitalization insurance and similar	6,192	6,192	6,194
Others	11,942	9,979	9,682
Other debtors	40,690	41,726	43,246

Investments in funds, capitalization insurance and similar essentially refer to SACI Group's capitalization insurance. These insurance policies (insurance policies associated with investment funds) are short-term investments, which can be sold when necessary without any particular constraint.

Assets included in other non-current financial assets (June 30, 2024: 2,091 K€, December 31, 2023: 2,097 K€) refer to financial assets at fair value through profit or loss, including essentially equity instruments. They are measured at fair value and when it is estimated that there are no significant differences in relation to the cost this is maintained. The assets were acquired with the main purpose of sale or resale, as appropriate, and in certain cases ensuring the maintenance and survival of entities that Corticeira Amorim considers partners for its business. The effective management of the underlying operations and assets continues to be exclusively provided by the partners, serving the financial participation as a mere "guarantee" of the investment made.

In June 2024 and at the end of 2023, there were no overdue in the amounts of VAT.

15. DEFERRED TAX / INCOME TAX

- **Deferred tax and income tax**

The difference between the tax due for the current period and prior periods and the tax already paid or to be paid of these periods is booked as "deferred tax" in the consolidated income statement and amounts to – 1,764 K€ (30/06/2023: + 3.137K€).

On the consolidated statement of financial position this effect, excluding tax contingencies, amounts to 15,796 K€ (31/12/2023: 20,203 K€) as asset, and to 44,784 K€ (31/12/2023: 42,715 K€) as liability.

Deferred tax related with items directly registered in equity was 22 K€ (credit balance) and relates to hedge accounting. No other deferred tax values related with other equity movements were booked.

It is conviction of the Board that, according to its business plan, the amounts registered in deferred tax assets will be recovered as for the tax carry forward losses.

	thousand euros		
	1H24	2023	1H23
Related with Inventories and third parties	11,380	12,261	11,012
Related with tax losses carry forward	2,191	2,541	1,314
Related with Fixed Tangible Assets / Intang. / Inv. Prop	312	312	386
Related with other deductible temporary differences	8,898	5,089	4,222
Deferred Tax Assets	22,781	20,203	16,934
Related with Fixed Tangible Assets	2,781	2,797	2,910
Related with other taxable temporary differences	8,070	6,203	3,969
Tax contingencies	33,934	33,714	33,791
Deferred Tax Liabilities	44,784	42,715	40,671
Current Income Tax	-14,032	-30,539	-24,106
Deferred Income Tax	-1,764	9,637	3,137
Income Tax	-15,796	-20,903	-20,969

Tax relating to components of other comprehensive income is as follows:

thousand euros

	1H24		
	before tax	tax	after tax
Items that could be reclassified through income statement:			
Change in derivative financial instruments fair value	-149	22	-127
Change in translation differences	726	0	726
Share of other comprehensive income of investments accounted for using the equity method	-227	0	-227
Other comprehensive income	-442	0	-442
Other comprehensive income	-91	22	-69

thousand euros

	1H23		
	before tax	tax	after tax
Items that could be reclassified through income statement:			
Change in derivative financial instruments fair value	66	-10	56
Change in translation differences	-524	0	-524
Share of other comprehensive income of investments accounted for using the equity method	262	0	262
Other comprehensive income	10	0	10
Other comprehensive income	-186	-10	-196

Provisions for tax contingencies

Provisions for tax contingencies in terms of income tax ended with a value of €33.9 M (31.12.2023: €33.7 M). During the year, contingencies for taxes payable in the statement of financial position decreased by €0.2 million.

The processes that remain open, both in the judicial and grace phases, and which may adversely affect Corticeira Amorim, refer to the 2015 financial year. The 2020 financial year was the last financial year reviewed by the Portuguese tax authorities.

At the end of each year, an analysis of the tax cases is made. The procedural development of each case is important to decide new provisions, or reverse or reinforce existing provisions. Provisions correspond to situations that, for its procedural development or for doctrine and jurisprudence newly issued, indicate a probability of an unfavourable outcome for CORTICEIRA AMORIM and, if that happens, a cash outflow can be reasonably estimated. Note that during the year there were no developments worthy of note in the processes mentioned above. There is only one tax litigation case open as of the June 2024 closing date, totaling €7K, which is fully provisioned.

In addition to the tax provisions referred to above, Corticeira Amorim has recorded a provision to cover the tax benefits to apply for 2023 and applied in previous years. The certification requirement by ANI of SIFIDE projects, the requirement for maintenance of jobs over five years in RFAI projects as well as other constraints to the realization of benefits, has led Corticeira Amorim to record provisions in order to take account of future breaches of such requirements. It should be noted that the determination of the tax benefits can not be concluded, since its constraints extend over several years, in particular as regards the maintenance of jobs.

There are no tax proceedings that have not been provisioned, thus, contingent liabilities are zero.

Corticeira Amorim has a large number of other favourable processes. They refer, in essence, to payments related with autonomous taxation, inspection fees and tax benefits. The value of these processes amounts to 0.8 M€, which is not recorded as part of its assets. Total contingent assets amounts to 4.4 M€ (including amounts paid under the RERD and PERES).

Pillar 2 – Calculation of supplementary tax

Considering the provisions of Council Directive (EU) 2022/2523 of 14 December 2022, concerning the establishment of a global minimum level of taxation for multinational enterprise groups and large domestic groups in the Union, it is verified that the Corticeira Amorim Group falls within the scope of the global minimum tax regime, as it is a multinational enterprise group with annual revenues equal to or exceeding EUR 750,000,000 in the consolidated financial statements of its ultimate parent entity in at least two of the four fiscal years immediately preceding the fiscal year of 2024.

Given that, as of the reporting date, Directive (EU) 2022/2523 of 14 December 2022 has not yet been transposed into Portuguese law, and there is some general uncertainty regarding specific technical aspects (since regulations on this matter are not yet in force in the national territory), and that it only takes effect in the fiscal year beginning on 1 January 2024, the Corticeira Amorim Group does not anticipate having any current tax exposure related to the adoption of Pillar Two, that is, to the payment of a top-up tax with material impact.

To this end, the Corticeira Amorim Group has conducted a preliminary analysis and assessment of its exposure to Pillar Two (which will be subject to adjustment following the approval and entry into force of national legislation on this matter), taking into consideration the potential obligation to pay a top-up tax under the Income Inclusion Rule ("IIR"), corresponding to the difference between the effective tax rate per jurisdiction and the minimum rate of 15%. As a result of this preliminary assessment, the Corticeira Amorim Group does not foresee any materially relevant impact from the adoption of Pillar Two, although, potentially and residually, there may be exposure to a top-up tax in some jurisdictions where it has subsidiaries.

It is worth noting that, although in some jurisdictions the average effective tax rate may be lower than 15%, considering that transition safe harbors (such as the safeguard based on country or jurisdiction-level financial and tax reporting) and specific adjustments provided for in Pillar Two legislation, which result in effective tax rates different from those calculated under paragraph 86 of IAS 12 (which determines that the average effective tax rate is the tax expense [income] divided by the accounting profit), may be applicable, the Corticeira Amorim Group, based on the analyses carried out, considers that it is not exposed to the payment of a material top-up tax.

It should also be mentioned that the Corticeira Amorim Group applies the exception to the recognition and disclosure of information on deferred tax assets and liabilities related to income taxes under Pillar Two, as provided for in the amendments to IAS 12.

Notwithstanding the above, the Corticeira Amorim Group is monitoring its exposure to Pillar Two legislation to make the necessary adjustments regarding the potential obligation to pay a top-up tax, so as to adjust its analysis in accordance with the national legislation that may be approved.

In summary, due to the inherent complexities of the application of the legislation and the calculation of the top-up tax, the quantitative impact of European and national legislation to be enacted is not yet reasonably estimable.

The Corticeira Amorim Group is currently working towards the correct implementation of this legislation.

- **Income tax (Stament of Financial Position)**

	thousandeuros		
	1H24	2023	1H23
Income tax-minimum advances	457	395	5
Income tax-advances/to be recovered	4,025	6,714	2,571
Income tax-with holding	162	227	260
Income tax-special payment (RERD)	637	637	602
Income tax-special payment (RERD) impairment	-637	-637	-602
Income tax-special payment (PERES)	3,709	3,709	5,330
Income tax-special payment (PERES) impairment	-3,094	-3,094	-3,113
Income tax (assets)	5,259	7,951	5,053
Income tax - Estimation and others	14,524	3,946	20,040
Income tax (liabilities)	14,524	3,946	20,040

In 2013, Corticeira Amorim made the payment instituted by DL 151-A / 2013 (RERD) in the amount of 4.3 M€, a payment that does not imply the abandonment by Corticeira Amorim of defending the respective processes. In 2023, the final decision on cases won by Corticeira Amorim took place, with an amount of 1.5M€ being received. In this way, the amount that remains open for ongoing proceedings paid under the RERD is 0.6 M€.

At the end of 2016, a special Plan for the Reduction of Indebtedness to the State (PERES) was approved by Decree-Law no. CORTICEIRA AMORIM decided to partially adhere to that measure. In December 2016, approximately 7.4 M€ were paid in respect of Stamp Tax / VAT (2 M€) and Income Tax (IRC) in the amount of 5.4 M€. In 2023, Corticeira Amorim received €1.6M of the amounts paid under PERES, whose impairment was reversed in 2022. In 2024, another €1.6M of the amounts paid under PERES was received. The remaining payments are still pending.

To be noted that Corticeira Amorim was not a debtor to the social security and to the tax authority. Those amounts were subject to court litigation. The disputes that were chosen to adhere are old cases whose values of interest on late payments and fines to be paid, in case of loosing, would be high.

RERD and PERES allowed for the payment of the capital without any payment regarding late payment interests and other costs. Due to the fact that adhesion to RERD and PERES does not imply a mandatory abandonment of the court cases and those processes are still in court, Corticeira Amorim will continue to fight for its rights.

The liability amount under this caption includes the estimate of the income tax payable under the Special Regime for Taxation of Groups of Companies and by some foreign subsidiaries.

16. INVENTORIES

	thousand euros		
	1H24	2023	1H23
Goods	19,187	26,820	22,853
Raw materials	289,807	332,482	257,221
Finished and semi-finished goods	156,843	145,501	156,590
Work in progress	26,098	26,391	21,427
Finished and semi-finished goods impairments	-9,838	-12,774	-8,398
Raw materials impairments	-6,903	-1,923	-6,979
Inventories	475,195	516,497	442,715

	thousand euros		
Impairment losses	1H24	2023	1H23
Initial Balance	14,698	10,380	10,380
Increases	3,865	6,225	6,068
Decreases	1,822	1,907	1,070
End Balance	16,741	14,698	15,377

Raw materials essentially reproduction cork ("amadia" cork) and virgin cork from pruning the tree ("falca" cork) (Amorim Florestal) and the finished products essentially include a diversity of types of cork stoppers (Amorim Cork), coatings (Amorim Cork Flooring) and composite products (Amorim Cork Composites).

17. TRADE RECEIVABLES

thousand euros

	1H24	2023	1H23
Gross amount	256,674	213,323	275,992
Impairments	-9,722	-10,243	-9,525
Trade receivables	246,952	203,080	266,466

thousand euros

Impairment losses	1H24	2023	1H23
Initial Balance (reported)	10,243	9,029	9,668
Increases	2,215	5,952	2,022
Decreases	-2,521	-4,826	-1,418
Others	-214	88	-747
End Balance	9,722	10,243	9,526

Increases and decreases were recognised under the account heading, impairment of assets, in the income statement.

At the end of each period, Trade receivables credit quality is analysed. As a result of the adoption of IFRS 9 to the balances up to 90 days, an expected credit loss is recognised. From 90 to 120 days a 30% impairment register is considered and from 120 to 180 days 60%. Over 180 days as well as all doubtful balances are fully impaired. These rules do not overlap the need for analysis of specific cases.

18. OTHER ASSETS

	thousand euros		
	1H24	2023	1H23
Accrued income	1,253	657	1,117
Advances to suppliers	45,491	18,151	61,289
Deferred costs	4,447	3,128	4,411
Other assets	51,191	21,937	66,818

Other non-current assets include advances to suppliers (1,526 K€), which will only take place over 12 months.

19. CASH AND EQUIVALENTS

	thousand euros		
	1H24	2023	1H23
Cash	311	524	1,276
Bank Balances	68,825	61,046	51,032
Term deposits	9,692	11,752	10,185
Others	26	72	3,075
Cash and cash equivalents as for stament of financial position	78,854	73,394	65,568
Overdrafts	-53,745	-86,263	-55,165
Cash and cash equivalents as for cash flow statement	25,109	-12,869	10,403

20. CAPITAL AND RESERVES

• Share Capital

As of June 30, 2024, the share capital is represented by 133,000,000 ordinary registered shares, conferring dividends, with a par value of 1 Euro.

The Board of Corticeira Amorim is authorised to raise the share capital, one or more times, respecting the conditions of the commercial law, up to 250,000,000€.

• Treasury stock

As of June 30, 2024, Corticeira Amorim held no treasury stock.

No purchases were registered during the first half of 2024.

• Legal reserve and share premium

Legal reserve and share premium are under the legal reserve rule and can only be used for (art. 296 CSC - Portuguese commercial law):

- Offset losses in the financial position that cannot be offset by the use of other reserves;
- Offset losses of prior year that cannot be offset by the profit of the year nor the use of other reserves;
- Incorporation in share capital.

Legal reserve and share premium values are booked in Corticeira Amorim, SGPS, S.A. separate accounts.

• Other reserves

Value is composed from other reserves account and prior year's results of Corticeira Amorim, SGPS, S.A. books, as well as non-distributed cumulative results of Corticeira Amorim, SGPS, S.A. subsidiaries.

- **Dividends**

In the Shareholders' General Meeting of April 22, 2024, a dividend distribution of 0.2 euros per share was approved. The respective payment was made on May 22, 2024.

	thousand euros		
	1H24	2023	1H23
Approved dividends	26,600	38,570	26,600
Dividends paid	26,600	38,570	26,600

21. NON-CONTROLLING INTEREST

	thousand euros		
	1H24	2023	1H23
Initial Balance	89,835	79,339	79,339
In	0	7,833	0
Out	0	-1,452	-786
Results	4,684	11,239	5,634
Dividends	-3,460	-5,493	-634
Exchange Differences	-590	-1,596	10
Others	-299	-35	82
End Balance	90,170	89,835	83,645

The amount of Dividends corresponds to the amounts paid by the entities to non-controlling interests.

22. INTEREST BEARING DEBT

At year-end, current interest bearing loans was as follows:

	thousand euros		
	1H24	2023	1H23
Overdrafts and bank loans	65,575	101,062	71,592
Leasing	2,361	1,828	1,318
Commercial paper	114,400	99,550	50,200
Bond loans	10,000	0	0
Interest-bearing loans - current	192,336	212,440	123,110

Non-current interest bearing loans was as follows:

	thousand euros		
	1H24	2023	1H23
Bank loans	5,993	9,558	10,594
Leasing	2,788	3,035	2,410
Commercial paper	85,200	59,200	76,700
Bond loans	30,000	30,000	40,000
Interest-bearing loans - non-current	123,981	101,793	129,705

From non-current and current interest-bearing debt, 238.7 M€ carries floating interest rates. Remaining 77.6 M€ carries fixed interest rate. Average cost, during 2024, for all the credit utilised was 3.8% (2023: 3.1%).

On March 5, 2015, Corticeira Amorim entered into a loan agreement with the EIB in the amount of 35 M €, ten years, with a four-year grace period. This loan allowed Corticeira Amorim to expand substantially its maturity curve at a competitive price.

On 3 December 2020, Corticeira Amorim launched its first Green Bond issue, in the amount of € 40 M, by private subscription, without guarantees and for a period of 5 years, earning interest at a fixed rate every six months and with staggered repayment (25% at the end of the 4th year and 75% at maturity). This issue was an important milestone in its sustainability strategy, reaffirming its ongoing commitment to the application of ESG (Environmental, Social and Governance).

On August 3, 2021, Corticeira Amorim reformulated a program for the issuance of commercial paper of 20 M€, transforming it into Sustainability Linked through the introduction of two KPIs: (i) consumption of energy from renewable sources and (ii) non-renewable waste. valued cork; that will influence the interest rate on issues if the respective target levels are not reached. This program will expire on August 3, 2024.

Corticeira Amorim's 3rd ESG operation - a program for the issuance of green commercial paper of 11.6 M€ was carried out on 17 December 2021 and will expire on 22 December 2026, intended to finance the investment in photovoltaic panels by some companies from the different Business Units of Corticeira Amorim.

During 2022, Corticeira Amorim completed 2 more ESG operations: (i) a 35 M€ green commercial paper issue program maturing on 26 November 2029 and (ii) a green commercial paper issue program of 20 M€ maturing on 20 June 2027; both under the Corticeira Amorim Green Finance Framework – November 2022. Issuances carried out within the scope of said programs are intended to refinance the acquisition of the company Herdade de Rio Frio, S.A., the acquisition of a land of 1,855 hectares and the financing of investment in new plantations of cork oaks, all within the scope of the Intervention Project Corticeira Amorim Forestry.

In the 1st half of 2024, Corticeira Amorim implemented a new Sustainability-Linked commercial paper issuance program, in the amount of €25 M, within the scope of its Sustainability-Linked Financing Framework, May 2024, which was the subject of an Independent Limited Assurance Report issued by KPMG & Associados – S.R.O.C., S.A. in May 2024.

As of June 2024, Corticeira Amorim had credit lines with contractual clauses that include covenants generally used in these types of contracts, namely: cross-default, pari-passu and in some cases negative pledge. On the same date, a foreign subsidiary of Corticeira Amorim was marginally using (€117) a credit facility covered by a fixed asset mortgage guarantee. This asset is recorded in the statement of financial position of that subsidiary.

Corticeira Amorim and two foreign subsidiaries used financing as at 30 June 2024 (a total of around 47.2 M€) to which financial covenants were associated. These consisted, essentially, in the fulfillment of ratios that allow monitoring the financial situation of companies, namely:

- Asset coverage ratio;
- Fixed charge coverage ratio;
- Net income; and
- Net debt/ EBITDA (Interest-bearing loans and equivalent)/ total cash-flow

The above ratios are not restrictive and the requirements contained in the contracts that formalised the referred financing were largely and fully complied with. In the event of non-compliance, there would be a possibility that this would lead to the early repayment of the debts.

In addition, it is important to inform that the capacity to ensure debt service was further enhanced by the existence, as of June 30, 2024, of 268.1 M€ of credit lines approved, but not used.

23. TRADE PAYABLES

	thousand euros		
	1H24	2023	1H23
Trade payables - current account	56,483	77,993	65,681
Trade payables - confirming	44,004	52,857	64,903
Trade payables -invoices pending	41,820	28,151	83,430
Trade payables	142,306	159,000	214,014

From the total values, 54% comes from Amorim Cork (Dec. 2023: 53%) and 27% from Amorim Florestal (Dec. 2023: 27%).

24. OTHER FINANCIAL LIABILITIES AND OTHER LIABILITIES

- Other financial liabilities

	thousand euros		
	1H24	2023	1H23
Repayable grants	7,739	7,844	9,837
Other	33	456	482
Other financial liabilities - non current	7,772	8,300	10,320
Repayable grants	5,781	4,333	2,848
Accrued costs - supplies and services	6,612	3,454	7,498
Accrued costs - others	11,187	9,641	9,796
VAT	10,542	6,597	10,738
State and social security - withholding and others	6,684	8,983	5,713
Other	21,506	18,489	19,561
Other financial liabilities - current	62,312	51,497	56,153

- Other liabilities

	thousand euros		
	1H24	2023	1H23
Non-repayable - grants	5,923	5,873	6,632
Income to be recognized	280	857	1,380
Accrued costs - staff costs	27,976	17,590	24,950
Other liabilities - current	34,180	24,320	32,962

25. PROVISIONS

	thousand euros		
	1H24	2023	1H23
Tax contingencies	80	64	649
Guarantees to customers	761	476	756
Others	7,506	7,402	3,422
Provisions	8,347	7,942	4,828

Claims by the tax authorities are related with income tax, stamp tax and marginally VAT.

Trade receivables guarantees are essentially from Amorim Cork Flooring and are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Other contingencies essentially include restructuring provisions (3.5 M€), provisions for termination of employment (2.5 M€) and ongoing processes (0.7 M€).

26. IMPAIRMENTS OF ASSETS

	thousand euros	
	1H24	1H23
Receivables	309	- 530
Tangible, intangible assets and others	- 89	- 429
Impairments of assets and non-current costs	220	- 959

Receivables include customers and other debtors.

27. NON-RECURRENT RESULTS

Non-recurring results, as of June 2024, essentially include the discontinuation of a product line (€3.5 M) and restructuring costs (€4M) at Amorim Cork Flooring, as well as the partial reversal of restructuring expenses, recorded in December 2023, arising of the industrial reorganization in a subsidiary of Amorim Cork of €2.2 M.

	thousand euros	
	1H24	1H23
Restructuring costs	-4,000	-
Product line discontinuation	-3,496	-
Partial reversal of restructuring costs	2,200	-
Non-current results	-5,296	0

28. RELATED-PARTY TRANSACTIONS

Corticeira Amorim consolidates directly in Amorim – Investimentos e Participações, S.G.P.S., S.A. with head-office at Mozelos (Santa Maria da Feira, Portugal), Amorim Group holding company.

As of June 30, 2024, financial stake of Amorim – Investimentos e Participações, S.G.P.S., S.A. in Corticeira Amorim was 51%, corresponding to 51% of the voting rights.

Corticeira Amorim related party transactions are, in general, due to the rendering of services through some of AIP subsidiaries. Total sales of these subsidiaries to the remaining Corticeira Amorim companies totalled 231 K€ (Jun. 2023: 989 K€), the variation is essentially justified by the companies Amorim Serviços e Gestão, SA and Amorim Viagens e Turismo, SA, which were still considered related parties within the Corticeira Amorim group until 2023.

Cork acquired during 1H2024, from companies held by the main indirect shareholders of Corticeira Amorim, amounted to 1,908 K€ (Jun. 2023: 2,039 K€).

Balances at year-end 2023 and of June 30, 2024 are those resulting from the usual payment terms (from 30 to 60 days) and so are considered to be immaterial.

Services are usually traded with related parties on a “cost plus” basis in the range of 2% to 5%.

29. ATIVITY DURING THE YEAR

Corticeira Amorim sales are composed by a wide range of products that are sold through all the five continents, over 100 countries. Due to this notorious variety of products and markets, it is not considered that this activity is concentrated in any special period of the year. Traditionally first half, specially the second quarter, has been the best in sales; third and fourth quarter switch as the weakest one.

30. OTHER INFORMATION

- a) Net profit per share calculation used the average number of issued shares deducted by the number of average owned shares. The non-existence of potential voting rights justifies the same net profit per share for basic and diluted.

	1H24	1H23
Total issued shares	133,000,000	133,000,000
Average nr. of treasury shares	0	0
Average nr. of outstanding shares	133,000,000	133,000,000
Net Profit (thousand euros)	36,542	51,360
Net Profit per share (euros)	0.275	0.386

b) Guarantees

In the course of its operational activity, Corticeira Amorim issued guarantees to third parties amounting to 263 K€ on 30/06/2024 (Dec. 2023: 267 K€).

thousand euros		
Beneficiary	Amount	Purpose
Government agencies	77	Investment support
Other	186	Other
TOTAL	263	

c) Financial Assets and Liabilities

Financial Assets are mainly registered in the Loans and Other Receivables caption. As for Financial Liabilities they are included in the Amortized Liabilities caption.

Detail is as follows:

	thousand euros			
	Financial assets at amortized cost	Financial assets at fair value	Derivatives as hedging	Total
Trade receivables (note 17)	203,080			203,080
Other financial assets (note 14)	35,345	8,289	189	43,823
Cash and cash equivalents (note 19)	73,394			73,394
Total as of December 31, 2023	311,818	8,289	189	320,296
Trade receivables (note 17)	246,952			246,952
Other financial assets (note 14)	34,438	8,283	59	42,780
Cash and cash equivalents (note 19)	78,854			78,854
Total as of June 30, 2024	360,244	8,283	59	368,587

	thousand euros					
	Loans and payables	Accounts payable	Agreement to acquire non- controlling interests	Derivatives as hedging	Derivatives not designated as hedging	Total
Interest-bearing loans (note 22)	314,233					314,233
Trade payables (note 23)		159,000				159,000
Other financial liabilities (note 24)	12,177	47,552	0	68		59,797
Total as of December 31, 2023	326,410	206,553	0	68	0	533,030
Interest-bearing loans (note 22)	316,316					316,316
Trade payables (note 23)		142,306				142,306
Other financial liabilities (note 24)	13,520	56,039	0	525		70,084
Total as of June 30, 2024	329,836	198,345	0	525	0	528,706

Corticeira Amorim understands that the fair value of the classes of financial instruments presented does not differ significantly from its book value, taking into account the contractual conditions of each of these financial instruments.

Current assets and liabilities, given their short-term nature, have an accounting value similar to fair value

Non-current net debt is mostly payable at a variable rate. The only fixed-rate was contracted during the year 2015. As there were no significant changes in the reference interest rates, the rate does not differ substantially from the current market conditions, and therefore the fair value does not differ significantly from the value Accounting. The remaining fixed -rate non -current debt corresponds to the Green Bonds.

In the case of Other financial liabilities (mainly grants with no interest bearing measured at fair value at initial recognition), given the initial adjustment differential for recognising in income, maturities and current interest rate levels, difference between book value and fair value is not significant.

d) Reconciliation of Alternative Performance Measures

According to the guidelines of the ESMA (European Sales and Marketing Association) of October 2015 on Alternative Performance Measures (APM), Corticeira Amorim presents below a table to reconcile APMs that are not directly readable in the primary financial statements.

Management report	Consolidated financial statements
Gross margin	Sales - Cost of goods sold and materials consumed + Change in manufactured inventories
Gross margin %	Gross margin / (Sales + Change in manufactured inventories)
Operational costs	Third party supplies and services + Staff costs + Impairments of assets - Other income and gains + Other costs and losses + Depreciation
Working capital	Inventories + trade receivables - trade payables + other operating assets - other operating liabilities
Invested capital	Goodwill + tangible fixed assets + intangible assets + right of use + working capital + investment properties + Investments in associates and joint ventures + other operating assets / (liabilities)
Net interest-bearing debt / consolidated debt	Current and non-current Interest-bearing loans - cash and cash equivalents
Operating profit	Gross margin + operational costs
Operating profit before depreciation	Gross margin + Third party supplies and services + Staff costs + Impairments of assets - Other income and gains + Other costs and losses
EBITDA	Operating profit before depreciation and non-recurrent
EBITDA margin	EBITDA / Sales
EBIT	Result before taxes and expenses/financial income
Financial autonomy	Equity / Total assets

31. SUBSEQUENTS EVENTS

No significant events that could materially affect the financial position or the future results of Corticeira Amorim, or the subsidiary companies that make up the consolidated group, occurred prior to the date of issue of this report.

Mozelos, July 29, 2024

The Board of Corticeira Amorim, S.G.P.S., S.A.

António Rios de Amorim (Chairman)

Luisa Alexandra Ramos Amorim (Vice- Chairman)

Cristina Rios de Amorim Baptista (Member)

Nuno Filipe Vilela Barroca de Oliveira (Member)

Fernando José de Araújo dos Santos Almeida (Member)

Juan Ginesta Viñas (Member)

João Nuno de SottoMayor Pinto de Castelo Branco (Member)

José Pereira Alves (Member)

Maria Cristina Galhardo Vilão (Member)

António Manuel Mónica Lopes de Seabra (Member)

Helena Sofia Silva Borges Salgado Fonseca Cerveira Pinto (Member)

(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails.)

Limited Review Report on the Condensed Consolidated Financial Statements

Introduction

We have performed a limited review on the accompanying condensed consolidated financial statements of Corticeira Amorim, S.G.P.S., S.A. (the Group), which comprise the Consolidated Statement of Financial Position as at 30 June 2024 (showing a total of 1.444.950 thousand euros and a total equity of 811.139 thousand euros, including a net profit attributable to equity holders of the Group of 36.542 thousand euros), the Consolidated Statement of Income by Nature, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the six months period then ended, and notes to the condensed consolidated financial statements.

Management responsibilities

Management is responsible for the preparation of condensed consolidated financial statements in accordance with International Financial Reporting Standards as endorsed by the European Union, for the purpose of interim financial reporting (IAS 34), and for the design and maintenance of an appropriate internal control system to enable the preparation of consolidated financial statements that are free from material misstatement due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion on the accompanying condensed consolidated financial statements. We conducted our review in accordance with ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. These standards require that our work is performed in order to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with International Financial Reporting Standards as endorsed by the European Union, for the purpose of interim financial reporting (IAS 34).

A limited review of financial statements is a limited assurance engagement. The procedures performed consisted primarily of making inquiries and performing analytical procedures, and evaluating the evidence obtained.

The procedures performed in a limited review are substantially less in scope than those performed in an audit conducted in accordance with International Standards of Audit (ISA). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of Corticeira Amorim, S.G.P.S., S.A. as of 30 June 2024, have not been prepared, in all material respects, in accordance with International Financial Reporting Standards as endorsed by the European Union, for the purpose of interim financial reporting (IAS 34).

Porto, 27 September 2024

Ernst & Young Audit & Associados – SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Sandra e Sousa Amorim - ROC nr. 1213
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