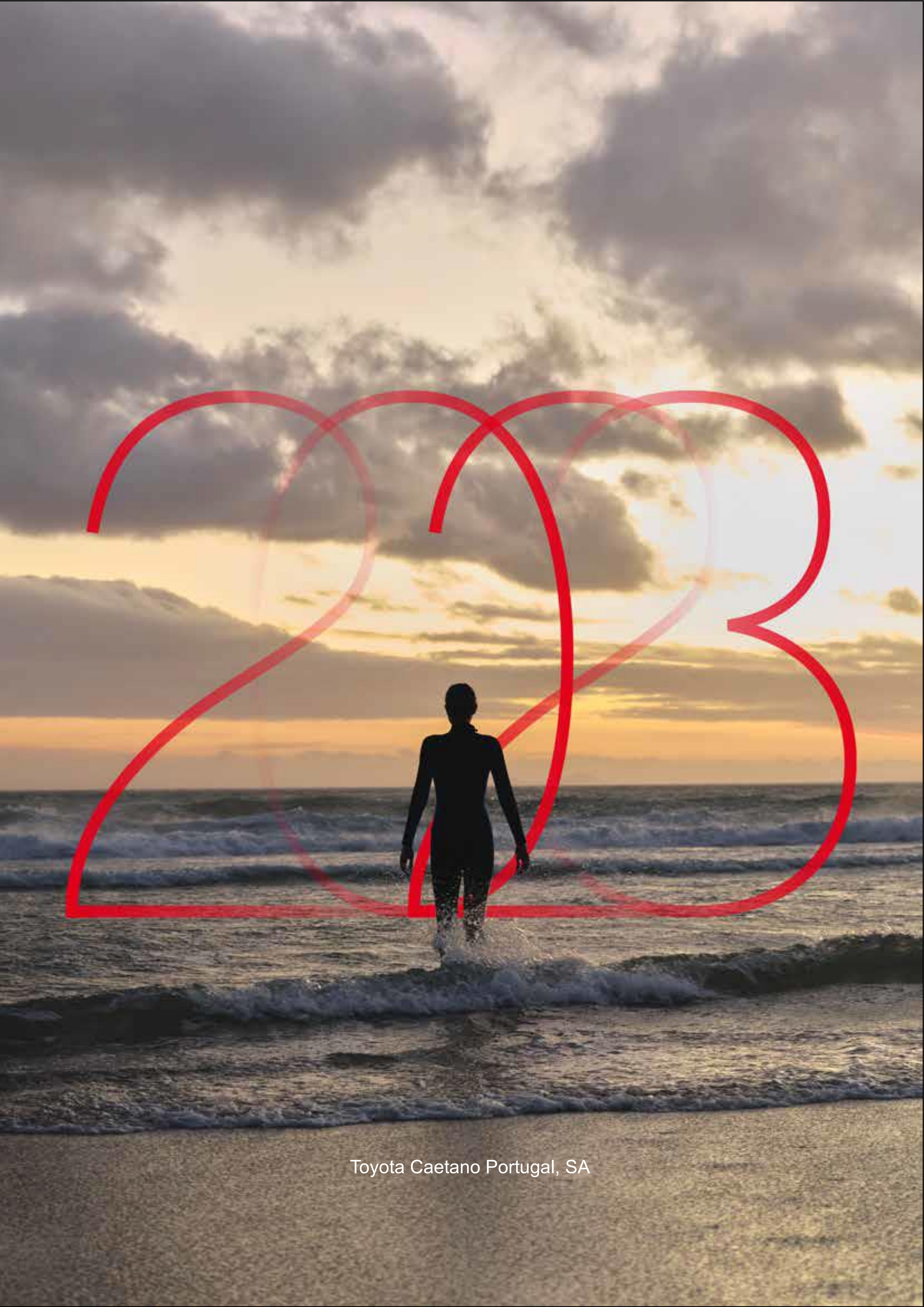


Toyota Caetano Portugal, SA

INDEX:

GENERAL

## GOVERNING BODIES

### GENERAL MEETING

Chairman: Jorge Manuel Coutinho Franco da Quinta

Secretary: António José da Cruz Espinheira Rio

### BOARD OF DIRECTORS

Chairman: José Reis da Silva Ramos

Member: Maria Angelina Martins Caetano Ramos

Member: Miguel Pedro Caetano Ramos

Member: Gisela Maria Falcão Sousa Pires Passos

Member: Tom Fux

Member: Kazunori Takagi

Substitute: Florian Patrice Gregory Aragon

### STATUTORY AUDIT BOARD

Chairman: Maria da Conceição Monteiro da Silva

Member: José Domingos da Silva Fernandes

Member: Daniel Broekhuizen

Substitute: Francelim Costa da Silva Graça

Substitute: Tomokazu Takeda

STATUTORY AUDITOR

Effective: Deloitte & Associados, SROC S.A.

Substitute: João Carlos Henriques Gomes Ferreira

NOMINATIONS, EVALUATIONS AND REMUNERATION COMMITTEE

Chairman: João António Ferreira de Araújo Sequeira

Member: Rui Manuel Machado de Noronha Mendes

Member: Jorge Manuel Cerqueira Magalhães

# MANAGEMENT REPORT

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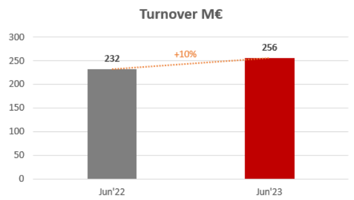
## INTRODUCTION

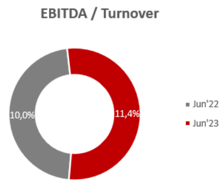
In accordance with article 29-J, number 1, subparagraph b) of the Portuguese Securities Code, the following interim report was prepared, which includes for each of the Companies that are part of the consolidation perimeter of Toyota Caetano Portugal, S.A. ("TCAP") an indication of the important events that occurred in the period and their impact on the consolidated financial statements.

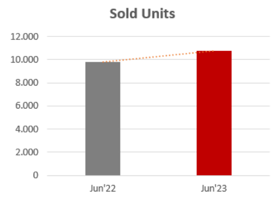
At the same time, although in a synthetic form, the main expectations for the second semester of the current financial year are also presented.

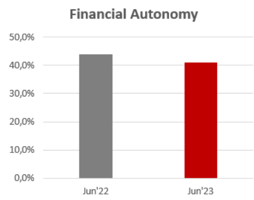
## MAIN GROUP KEY PERFORMANCE INDICATORS

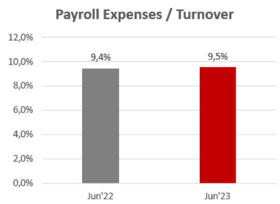
The first half of 2023 was, for Toyota Caetano Portugal, a challenging semester where we always sought to exceed the defined objectives, maintaining the focus on People and on a better, more sustainable and inclusive future.

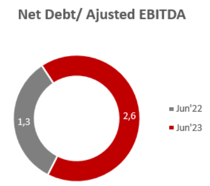


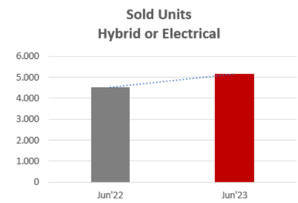



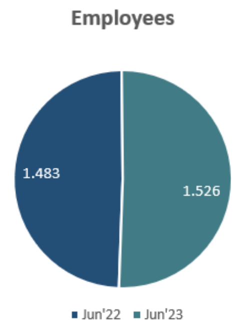



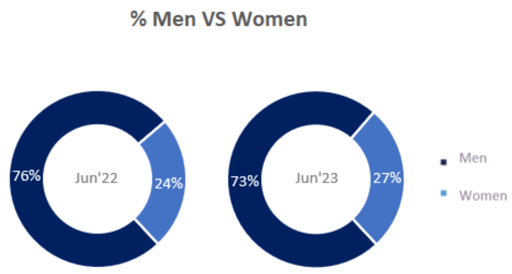




**8.8 M€**
**Distributed Dividends**
**June 2023**

**(0,25€/share)**

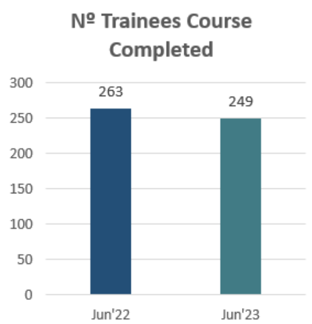


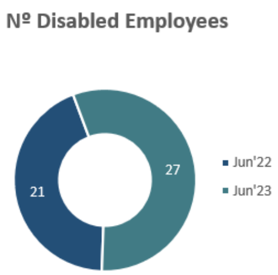




**26,76%**

Jun'23
**% women leadership positions**

26,05%
Jun'22




**44 anos years**
**Average Employee Age**
**Jun'23**
(43 years - Jun'22)

**147 active partnerships**
throughout the country as of
Jun' 2023

## THE BUSINESS MODEL

The Toyota Caetano Group is composed of the operating companies represented in the organizational chart below:

Toyota Caetano Portugal

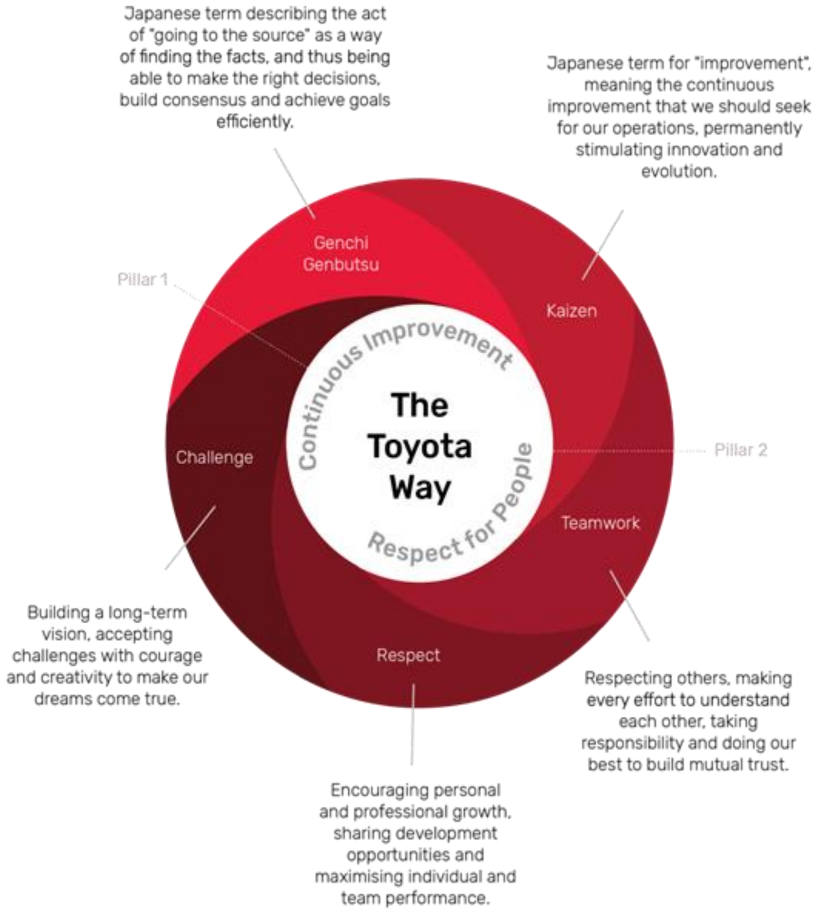
- 98,74% Caetano Auto
  - 57,00% Destaque Mourisco
  - 100,00% Salvador Caetano Seguros
- 100,00% Caetano Renting
- 81,25% Caetano Auto CV
- 61,94% Caetano Bus
  - 59,18% Cobus
  - 100,00% Caetano UK
- 49,00% Kinto
  - 100,00% Caetano Renting Senegal

The Toyota Caetano Group, through its companies, operates in several business areas and, despite individual strategies, all of them converge for a single purpose:

**To be the most progressive and sought-after mobility brand in the market, for which we actively work to achieve carbon neutrality by 2050 with affordable and flexible solutions for the benefit of People and the Community.**

We intend to operate a sustainable, progressive and profitable business and have here a great place to grow and work.

Our business model follows the *Toyota Way* Philosophy:



This chapter presents each of the companies that are part of the Toyota Caetano Group, the evolution of their business: performance in the first half and prospects for the year 2023.

## Toyota Caetano Portugal, S.A.

Toyota Caetano Portugal S.A. is the parent company of this Group; This is where the following activities are concentrated:

Toyota and Lexus Division

It is the business unit of Toyota Caetano Portugal appointed by Toyota Motor Europe that holds the exclusive activity of import and distribution of the Toyota and Lexus brands, both in the commercialization and sale of new vehicles, as well as in the sale of trusted semi-new vehicles, through its Exclusive Programs TUC ("*Toyota Usados de Confiança*") and *Lexus Select*, complemented by the sale of original Toyota and Lexus parts and accessories. The activity of the Toyota and Lexus Hub, where all vehicles are prepared for delivery to customers, is also part of this segment.

For the sale of the above-mentioned products, Toyota Caetano Portugal has a network of Toyota Authorized Dealers and Repairers, appointed by itself, managed and permanently monitored, always with a spirit of exceeding the Customers´ expectations.

Industrial Equipment's Division

Area responsible for the import, commercialization (sale or rental) and after-sales activity of industrial machinery (counterweight forklifts and warehouse equipment), as well as services and business solutions, such as short-term rental, used and refurbished, maintenance contracts, sale of parts and fleet management of said equipments.

Ovar Manufacturing Division (industrial segment)

Manufacture and assembly of Toyota vehicles and components for buses.

The first semester of 2023 was, for Toyota Caetano Portugal, the maintenance of a resilience period, due to the difficulties in the supply of some models.

The different activities of the Toyota and Lexus Division, through its people and processes, faced and overcame the difficulties they encountered.

## TOYOTA VEHICLES IMPORT AND DISTRIBUTION ACTIVITY

### THE FIRST SEMESTER OF 2023

#### Context of the Light Vehicle Market

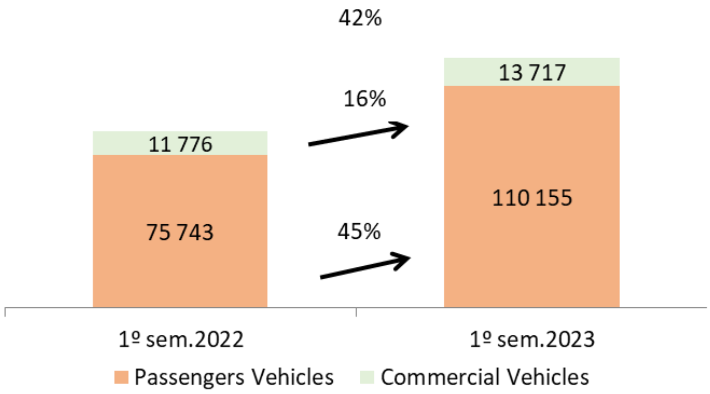
The last 3 years have been strongly marked by the negative impacts of the various waves of COVID-19 and consequent restrictions on the supply of components to the automotive industry, which have greatly conditioned the performance of the automotive market.

The expectations for this year pointed to a global regularization of production volumes, which would result in a rapid and significant recovery of the automotive market from the level of near stagnation over the aforementioned three-year period.

Confirming these expectations, the evolution of the automotive market in the first half of the year recorded a significant cumulative growth of 42% in relation to the homologous period, with such growth being much more expressive in the Passengers Car market, which recorded a 45% increase, while in the Commercial Vehicles market the result was less significant, with a growth of 16%.

The main factors that contributed to this remarkable result are the progressive recovery of the production capacity by most of the brands, which allowed the satisfaction over this period, on the one hand, of the high volume of accumulated and pending delivery orders, and, on the other hand, of the high demand of the Rent-a-Car market, due to the high dynamics that the tourism sector has been experiencing.

Evolution of the car market - by segment




Source: ACAP

Toyota Vehicles

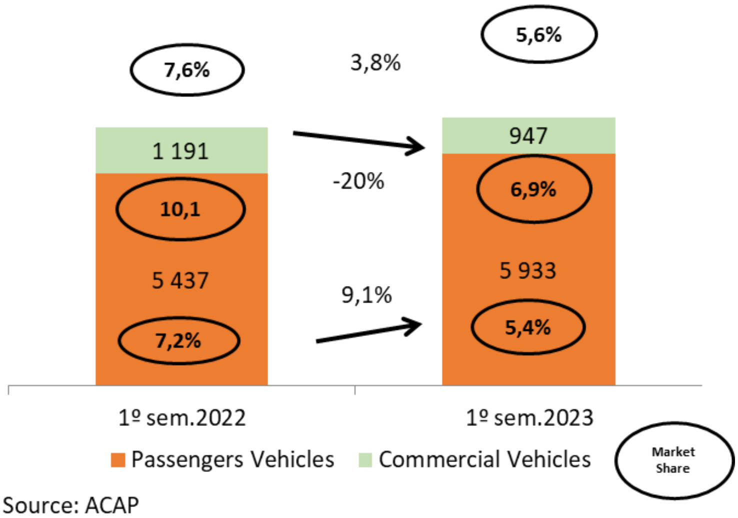
Contrary to what was seen globally in the market, and despite the good recovery in 2022 that allowed to end the year with a market share of 6.3%, Toyota's performance throughout the semester remained especially conditioned by the maintenance of restrictions on supply volumes, which limited the growth value to 3.8%, which corresponded to a total of 6.880 units and a share in the total light vehicle market of 5.6%.

Taking as a reference the number of orders in the portfolio at the end of June 2023 and comparing with the same period of the previous year, there is a growth of 33%, with an increase of 1.000 units, which shows a high potential for sales in the short term, due to the progressive improvement in supply expected in the coming months.

Analyzing the performance by the main segments, we highlight the following:

- In Light passenger vehicles, Toyota presented an increase in sales of 496 units compared to the same period of the previous year, which corresponded to a growth of 9% and a market share of 5.4%. These results reflect, as mentioned, the difficulties in converting the high volume of orders into sales, as a consequence of supply constraints;
- In Light Commercial vehicles where the supply limitations were much more expressive, the impact on sales result was significant, with a 20% drop in sales volume and the corresponding reduction in market share value to 6.9%.

Toyota evolution - by segment




Source: ACAP

OUTLOOK FOR 2023

Context of the Light Vehicle Market

For the second semester of the year, and given the perspectives of some cooling in the new orders volume, reflecting the slowdown in economic activity as a consequence of high inflation and interest rate increases, lower demand for durable goods and the seasonal fall in tourism activity, it is expected that there will be some reduction in the growth rate of the automotive market. Nevertheless, the growth we expect in relation to 2022 will still be quite substantial and will mark a take-off to the level above 220.000 units per year.

Toyota Vehicles

Benefiting from the high volume of unfulfilled orders and the progressive improvement of supply for the coming months, the expectation is that Toyota will present a growth rate for the coming months above the market, allowing a recovery and ending the year with a growth close to what we expect to be recorded in the global market.

The priorities and overall objectives defined include:

- Maintain the bet on the image and value of the brand, highlighting the leadership in terms of electrification through Hybrid (HEV), Plug-in Hybrid (PHEV) technology, the innovative Fuel Cell technology (FCEV), through the Mirai model, and the consolidation of the presence in the segment of battery electric vehicles (BEV), with the Toyota bZ4X model;
- Capitalize on the sale of Hybrid (HEV) and Plug-in Hybrid (PHEV) vehicles through the most representative models in terms of sales volume – Yaris, Corolla, C-HR and RAV4 ranges;

- Continue to focus on the range of commercial vehicles, exploring the main segments and areas of activity, through the Hilux, Proace and Proace City models. The latter with the offer extended to 100% electric versions – Proace EV and Proace City EV;
- To provide a wide range of affordable and flexible mobility solutions, via exchange cycle products, in order to maximize customer loyalty and vehicle retention in the brand's official network, in close collaboration with our business partners Toyota Financial Services and KINTO Portugal.

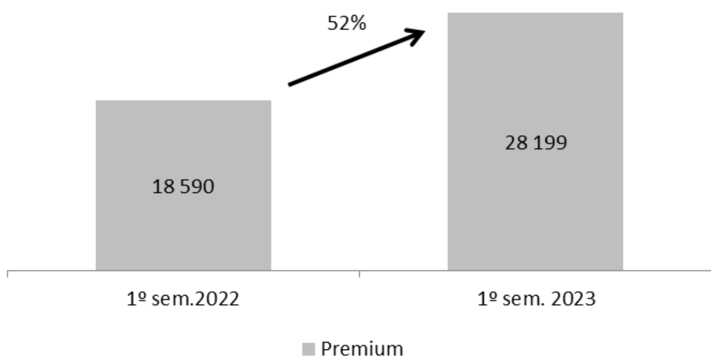
## LEXUS VEHICLES IMPORT AND DISTRIBUTION ACTIVITY

### THE FIRST SEMESTER OF 2023

### Context of the Premium Vehicle Market

Similarly to what was verified in the total Light Vehicles market, also, and for the same reasons, the Premium segment recorded a significant growth of 52% compared to the previous year, representing 26% of the total Light Passenger Vehicle market.

In the balance of the first six months of the year, the trend of rapid transition of the Premium market to PHEV and BEV engines was maintained, strongly driven by the significant tax benefits applicable to Companies.



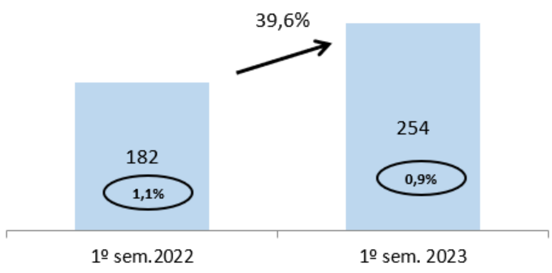

Source: ACAP

### Lexus Vehicles

During the first quarter, Lexus faced the most severe period from the standpoint of supply and stock availability. This had repercussions on sales performance, particularly on the UX250 model.

With regard to the model with the highest volume of sales and orders in the portfolio, the NX450h+ with plug-in technology, a careful management of the order book was achieved, and the performance of the model was conditioned by the supply capacity of Lexus Europe.

Lexus ended the first half of the year with 254 registered and licensed units, representing a growth of 39.6% compared to the same period last year, and a market share of 0.9%.




Source: ACAP

## OUTLOOK FOR 2023

Despite the difficulties experienced during the first semester of 2023 with the limitations in supplies, the perspectives for their gradual regularization during the second half are positive, with an expectation that by the end of the year the vast majority of existing orders in the portfolio will be satisfied.

The electrification trend of the market will bring opportunities for Lexus' PHEV and BEV models, reinforced with the recent launches of the RX450h+ (PHEV) and RZ450e (BEV) models.

That said, the global priorities and objectives include:

- Strengthen the positioning of innovation and leadership in the area of electrification, leveraged in the expanded offer of hybrid vehicles (HEV), plug-in hybrids (PHEV) and battery electric (BEV);
- Boost sales of models in the current range with fewer delivery limitations, in particular the UX and ES models, in order to ensure the maintenance of the market share;
- Continue to capitalize on the success of the NX450h+ model and seize supply opportunities, in particular in the RZ450e and RX450h models;
- To provide a wide range of affordable and flexible mobility solutions, via exchange cycle products, in order to maximize customer loyalty and vehicle retention in the brand's official network, in close collaboration with our business partners Lexus Financial Services and KINTO Portugal.

By the end of the year, the launch of the new Lexus LM is planned, a new type of vehicle, with a level of equipment substantially above the most direct competitors and with potential for activities related to luxury tourism.

## IMPORT AND DISTRIBUTION OF TOYOTA AND LEXUS PARTS

### THE FIRST SEMESTER OF 2023

In the first semester of 2023, 23.7 million euros were invoiced. This amount includes the Warranty Extension and Total Assistance services, with a turnover of 919 thousand euros.
The commercial activity of parts (genuine + national incorporation), which excludes accessories, warranties and services, totaled 19.4 million euros. This amount translates into a growth of 14.8% compared to the same period of 2022.

| Parts Sales<br>Jan – Jun '23 | Parts Sales<br>Jan – Jun '22 | Variation (%)<br>2023/2022 |
|---|---|---|
| 19.411.957€ | 16.916.704€ | +14,8% |

Accessories turnover (which includes merchandising) amounted to 1.6 million euros. This figure is 18.1% above the turnover obtained in the first half of 2022.

| Accessories Sales<br>Jan – Jun '23 | Accessories Sales<br>Jan – Jun '22 | Variation (%)<br>2023/2022 |
|---|---|---|
| 1.674.204€ | 1.418.197€ | +18,1% |

After three completely atypical years of events that strongly impacted the world economy, the first half of 2023 provided us with the desired truces. Along with a path to "normality", which tended to an economic recovery, Toyota Caetano Portugal engaged in initiatives that would provide the development of the business.

Here are some examples of the actions undertaken:

- Launch of the *Toyota Relax and Lexus Relax Programs* – 10 years of Warranty, for all Toyota and Lexus vehicles, new and in circulation. It is a pioneering project in the market, with a unique and differentiating proposal that reinforces the quality image of Toyota and Lexus vehicles;

- Extension and update of the 5+ Service, to include a wide range of commercial vehicles;
- Launch of the Spring Campaign, encouraging the sale of activated carbon filters, batteries and brushes and windshield wiper blades, in order to increase retention in the official assistance network;
- Realization of several *Trade Campaigns*, to boost the sale of parts over the counter;
- Reinforcement of the sustainability strategy of the Toyota brand, with the launch of Rebuilt Batteries for hybrids, which allows the reuse of resources;
- Streamlining of *Toyota Car Care* products with their inclusion in all new vehicles sold;
- Launch of a new Toyota uniform with an updated image to reflect the new trends in customer welcome;
- Renewal of the Incentive Program for the sale of tires as well as dynamization of this product through campaigns;
- Qualification of the Champions Club After Sale, in order to recognize the best teams in this area and enhance the excellence of customer service.

The strategy of Toyota Caetano Portugal was recognized by Toyota Motor Corporation with the *Silver award,* within the scope of the global *Customer Excellence Award* program, reinforcing the leadership, innovation and dedication in this area of the business.

OUTLOOK FOR 2023

The second semester of 2023 presents some constraints (high inflation and rising interest rates), which may change the customers´ consumption profiles. Thus, we will maintain our priority in the recommendation and retention of customers, as essential vectors for increasing sales of services, parts and accessories. Communication around the 10-year Warranty offer will also be strengthened – *Toyota Relax and Lexus Relax*.

THE FIRST SEMESTER OF 2023

In the case of Industrial Equipment's´, the first half of 2023 experienced a positive evolution in terms of supply chain performance, allowing some recovery in the delivery of equipment that was in the backlog order book, partially regularizing deliveries. This fact led to a decrease in pending orders and even allowed to exceed the targets.

Import and sale / rental of industrial equipment

Market analysis

| | MARKET | | | TOYOTA SALES | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2023 | 2022 | Variation % | 2023 | | 2022 | | Variation % |
| | | | | QT | Share | QT | Share | |
| Counterbalanced Forklifts | 595 | 865 | -31,2% | 135 | 22,7% | 254 | 29,4% | -46,9% |
| Warehouse Equipment | 1.526 | 1.966 | -22,4% | 572 | 37,5% | 472 | 24,0% | 21,2% |
| Total | 2.121 | 2.831 | -25,1% | 707 | 33,3% | 726 | 25,6% | -2,6% |

Source: FEM (European Material Handling Federation) * Actual market values through March and estimated Apr., May. and Jun

The market for Counterbalanced Forklifts compared to the same period of the previous year decreased by 31%, reflecting the decrease in demand mentioned above.
There was a similar trend in the Warehouse Equipment market, resulting in a market contraction of 22%.

In short, analyzing the data already available and estimated, it turns out that the market for Cargo Handling Machines decreased by about 25%.

Sales Performance / Toyota Factory Orders by Segment

In relation to Toyota, in the same period, orders for Industrial Equipment's to factories decreased by 2.6% compared to the same period in 2022, which, compared to market developments, represented a growth of our market share to levels above 30%.

By segment, the Counterbalanced Forklift segment recorded a 47% drop in orders to the factory compared to the previous year, putting Toyota's market share in this segment at 22.7%.

In the Warehouse Equipment segment, the opposite was experienced, recording a growth of orders to the factory in the order of 21.2% compared to the previous year, placing Toyota's market share at 37.5%.

It should be noted that this growth was mainly due to two factors:

- Good commercial performance, highlighting the closing of an important fleet deal with about 300 units;
- Efficient stock management policy, which has led to the reinforcement of stocks of more saleable equipment in order to mitigate the impact of extended delivery times.

OUTLOOK FOR 2023

Considering the current context, namely uncertainty and volatility surrounding the year 2023, the brand's perspectives point to some caution regarding the projections considered.

As regards economic activity, the uncertainty in the evolution of European geopolitical and financial market conditions (interest rates) could put a brake on the investment decision and affect the companies´ liquidity level.

These macroeconomic factors together with some constraints that remain in supplies are the main business risks for 2023.

The brand continues to maintain its focus on customer satisfaction, the provision of excellent service and, above all, committed to consolidating the posture of partnership and flexibility, in the search for effective solutions for our partners.

The sustainability topic continues to be a priority for the organization, which maintains its axis of orientation for the *People, Planet and Profit* trilogy in the exercise of the various activities, always seeking to optimize the results, keep the focus on greater efficiency of the processes, in order to make the activity increasingly sustainable, assuming a posture of social responsibility towards all our *stakeholders*.

OVAR FACTORY DIVISION

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PROJECTS, MOBILIZING/GREEN AGENDAS FOR BUSINESS INNOVATION

Toyota Caetano Portugal, through this Ovar Manufacturing Division, participates in the Mobilizing/Green Agendas for Business Innovation program integrated in Component 5 - Capitalization and Business Innovation of the Recovery and Resilience Plan (“*PRR – Plano de Recuperação e Resiliência*”), having integrated applications to Phase I "*Manifestação de Interesse*"

(Notice No. 01/C05-i01/2021) and Phase II "*Proposta Final*" (Notice No. 02/C05-i01/2022), which were approved by IAPMEI.

In this sense, it participates in 3 Agendas that, in addition to having a strong orientation towards strengthening the competitiveness and resilience of the Portuguese economy through, in particular, the increase in exports of goods and services, the increase in investment in R&D, the change in the specialization profile of the Portuguese economy, through investment in activities of greater added value and intensive in knowledge, oriented to international markets and the creation of qualified jobs, they also seek to promote the decarbonization of the economy and the energy transition, aiming at carbon neutrality in 2050, as provided for in the National Energy and Climate Plan 2030 (PNEC 2030).

<u>Alliance for the Energy Transition</u>

Under this Agenda, TCAP recommends ensuring the electrification of the Toyota LC 70, produced at the Ovar factory, with a view to replace the traditional internal combustion engine and related components with the *powertrain* by electric batteries. In this sense, it will be carried out, in a first phase, (i) the development and prototyping of double cab units of the Toyota LC 70 electric and (ii) the testing and homologation of the product in real environment, and it is foreseen, in a second phase, a set of strategic investments in order to enable TCAP of infrastructures and technological means for production, efficient and sustainable, of the new electrified vehicle model.

In this way, TCAP will position itself as the first factory worldwide to produce an electric version of the Toyota LC 70, which, in addition to ensuring the high robustness and durability characteristics of this model, will configure a more environmentally friendly vehicle. It should be noted that the application of this new vehicle in the mining sector is envisaged, contributing to the decarbonization of this sector.

This project involves an investment of about 3.9 million euros, to be carried out between 2022 and 2025, with an estimated non-reimbursable incentive of 1.3 million euros, with the remaining amount being financed with the company's own resources (self-financing).

<u>BeNeutral</u>

Within the scope of this Agenda, TCAP recommends, in a first phase, the development of a small utility electric vehicle for large events (model L7E), which will be demonstrated as early as 2024 and which will serve as a proof of concept for the development of a new commercial vehicle (model L6E) with high potential to support more sustainable urban mobility.

In this sense, a biannual project schedule was defined for each model in question, comprising the development activities of the new vehicles and their components to be integrated. It should be noted that the project includes CEIIA as co-promoter responsible for the selection of materials and definition of the manufacturing methodologies of the new vehicles. In a second phase, strategic investments will be made in order to enable TCAP to provide the infrastructure and technological means for the industrialization of the new small utility electric vehicle for large events (model L7E) and the new commercial vehicle (model L6E) with high potential to support a more sustainable urban mobility.

This project involves an investment of about 11.8 million euros, to be carried out between 2022 and 2025, with an estimated non-reimbursable incentive of 4.0 million euros, with the remaining amount being financed with the company's own resources (self-financing).

AM2R

Within the scope of this Agenda, TCAP aims to develop and produce an electric bicycle for the transport of light loads (to be called the *e-Cargo bike*). Specifically, to obtain this product, in a first phase, a research and development project of the new *e-Cargo bike* will be carried out, which provides for (i) the development and prototyping of the new electric cargo bike and (ii) the testing and homologation of the product in real environment and, in a second phase, the realization of a set of strategic investments in order to enable TCAP of technological means for the production of the new typology of electrified vehicle, with guarantee of the trinomial quality, cadence and efficiency.

In addition to being more environmentally friendly (zero CO2 emissions and zero noise), it is expected that this vehicle will guarantee a high performance in the market segment of deliveries of light goods since it will allow a greater number of deliveries in the shortest possible time as a result of the possibility of access to both bike paths and pedestrian routes. In terms of technical characteristics, mobility through cycle paths and pedestrian paths, maximum speed of 25 km / h, autonomy of 65 km, protection against the weather, lighting and interchangeable batteries, as well as a load capacity of 2.000 liters with a limit of 150 kg of load.

This project involves an investment of about 3.0 million euros, to be carried out between 2023 and 2025, with an estimated non-reimbursable incentive of 0.95 million euros and the remaining amount will be financed with the company's own resources (self-financing).

THE FIRST SEMESTER OF 2023

The first semester of 2023 was marked by the readjustment of daily production capacity to the forecast of LC70 vehicle orders for 2023 of 2.557 units.

This drop in vehicle orders was essentially due to TMC's component production limitations, which forced it to readjust the plant's production capacity to minimize impacts on productivity. Two takt-time changes were made, which resulted in a reduction of the line capacity to 12 units/day.

The combination of the disruption in the supply chain with the takt-time adjustments, forced 27 days of shutdown during the first semester, which were used to train employees, not only on-job training, but also the development of other skills.

Throughout the semester, actions were implemented to recover the levels of results obtained in previous years. It should be noted the consistent reduction *of turnover* (Human Resources), which has allowed to improve other indicators, of which Quality stands out.

The various mobility projects mentioned above that are running at the factory are progressing. Not always at the pace initially defined, some with changes compared to the initial concepts for the business, but all of them with perspectives of success.

It should also be noted that during the first half of the year the last electric chassis were produced, in a project that began in 2019. The transfer of production to Caetanobus took place in February 2023.

Production Indicators

The Ovar Factory produced 1.133 units of the Land Cruiser vehicle (LC70), representing a decrease of 23.6% compared to the same period last year.

In the activity of Toyota vehicles: Post Production Options (assembly of options locally) and Pre Delivery Inspection (preparation for delivery) – PPO / PDI – 4.256 units were transformed/prepared, a consistent increase of 39.5% compared to the same period of the previous year.

For the chassis of electric buses and hydrogen, the last 13 units were produced.

The following events in this period should be highlighted:

- Visit of several elements of TME, especially Mr. Matt Harrison- CEO of TME, to monitor and evaluate the mobility projects under study;
- Regular support of TME teams in Ovar to aid the 446D/L7E Project;
- Project Requalification of Green Areas, with the objective of making these areas more comfortable and promoting coexistence among employees;
- Realization of the 14th local QCC Convention. The winning teams will represent TCAP at the European Convention (UK, Sep) and World Convention (Japan, Oct).
- Tokyo Marine audit, in order to evaluate and support the DFO in the area of Industrial Safety;
- APCER audit of the Integrated Management Quality System, Environment, Safety and Health at Work.

OUTLOOK FOR 2023

In September 2023 a *minor change* of the LC70 model will be implemented that will require adjustments in the production process, especially in Welding and Logistics. New *katashikits* will be introduced, of which we should highlight an automatic transmission version of the model.

During the second half of the year, resources for the mobility projects identified above will continue to be allocated.

Caetano Auto

Caetano Auto, S.A. is the company that includes 11 dealerships of the Toyota brand and 7 of the Lexus brand. It also has the representation of the brands Caetano Colisão and GlassBack. It is present from Minho to the Algarve in 25 *Showrooms* and Workshops.

Caetano Auto has its origin in 1968, with the arrival of Toyota in Portugal, and over the years, more Toyota retail companies have been acquired and created. In 2002 a merger of these companies was carried out, thus incorporating a single company – Salvador Caetano Comércio Automóveis – currently Caetano Auto, S.A..

Caetano Auto holds stakes in 2 companies:

- Destaque Mourisco – Sociedade Imobiliária, Lda: company incorporated with the objective of setting up the development of a land that Caetano Auto partly holds in Portimão. It is a partnership with the owners of other parcels of the same land. This company had no operational activity in the current period;

- Salvador Caetano Seguros – Mediação Seguros Unipessoal, Lda: is an insurance broker; specialized in this area, it complements the services already provided by Caetano Auto to its customers. It offers several options of car and credit insurance, having protocols with various insurance and financial institutions. In addition to the insurance offer, it also manages its portfolio, both in what relates to renewals and to accident situations. It aims to always be close to the customer and complete the entire buying cycle of our customers. This company started its operational activity in the second half of 2022.

THE FIRST SEMESTER OF 2023

The activity in the first semester of 2023 was conditioned by inflation and rising interest rates, which most significantly affects the purchase of durable goods.

In the activity of new vehicles, the number of vehicles sold in the first half of 2023 was higher by 5.4% compared to the same period of the previous year. However, this performance is lower than that recorded in the national market of light vehicles, which grew about 42% compared to the first half of 2022, as a result of greater availability of vehicles and growth in purchases by rent-a-car activity, driven by tourism, which has been breaking records in 2023.

In used vehicles, there is a reduction of 15.3% in units sold compared to the first semester of 2022. The increased availability of new vehicles is reflected in a slight drop in demand for used vehicles; on the other hand, the longer waiting time for delivery of new vehicles leads to a drop in recovery rates. In this sense, compared to the same period of the previous year, the biggest drop is in the sales of used vehicles to professionals (B2B), where there was a variation of -20.2%.

| | Jan – Jun '23 | Jan – Jun '22 | 23 vs 22 |
|---|---|---|---|
| New Vehicle Sales (units) | 2.476 | 2.350 | 5,4% |
| Used Vehicle Sales (units) | 1.961 | 2.315 | -15,3% |

In the after-sales activity, although the car fleet continues with a decreasing trend, in the first half of 2023 there is a growth of 7.3% in mechanical entries compared to the first half of 2022. In Collision, the level of entries was similar to the previous year and in the glass activity, as a result of the investment in the expansion and dissemination of the GlassBack brand, there is a growth of 14.2%.

| | Jan – Jun '23 | Jan – Jun '22 | 23 vs 22 |
|---|---|---|---|
| Nº Mechanical Entries | 47.500 | 44.252 | 7,3% |
| Nº Collision Entries | 8.808 | 8.787 | 0,2% |
| Nº Glasses Entries | 4.079 | 3.573 | 14,2% |

Overall, Caetano Auto's turnover in the first half amounted to 132.5 million euros, which represents an increase of 10.3% compared to the same period of the previous year.

| | Jan – Jun '23 | Jan – Jun '22 | 23 vs 22 |
|---|---|---|---|
| Turnover (Mio€) | 132,5 | 120,0 | 10,3% |

OUTLOOK FOR 2023

For the second semester of 2023, despite the uncertainty about the evolution of the macroeconomic and geopolitical context, Caetano Auto expects to continue the strategy of sustained growth, focusing on the following points:

- Sustainability and energy transition: dissemination and sale of electrified vehicles (hybrid, plug-in hybrid, battery electric and hydrogen fuel cell) and investment in renewable energies for self-consumption, making the buildings allocated to the activity more sustainable;

- Integrated and flexible mobility solutions on the path of the MaaS concept – *Mobility as a Service*;
- Focus on the customer and employees: to be the best dealer in the local environment where we are represented (BRiT – *Best Retailer in Town*);
- Environmental sustainability and digital transformation of the business: digital marketing, video communication with customers, autonomous reception, online services scheduling and appointment, digitalization and simplification of administrative processes;
- Loyalty of our customers with the provision of complementary services / products: maintenance contracts, warranty extensions (Relax program), *Caetano Go* loyalty card, auto insurance and financing;
- Keep up with the *Toyota Way* philosophy, namely in the continuous improvement of processes (*Kaizen*) and in the development of people.

Caetano Auto CV, S.A. is the entity responsible for the import and distribution of the Toyota brand for the Cape Verde market.

Established in 1993, it is one of the pioneering companies in the expansion of the Salvador Caetano Group in the African continent.

THE FIRST SEMESTER OF 2023

Still recovering from the impacts that the pandemic has had on the automotive sector, particularly with regard to production delays, the first half of 2023 was a challenging semester with many changes. The growing concern for the environment and the search for more sustainable solutions, coupled with government incentives granted to electric vehicles, have driven the growing demand for them.

Despite the constraints in terms of supply chain, especially in the Starlet and Hilux models, the units sold in the first half of 2023 are in line with the homologous period. The Hiace, Fortuner and Land Cruiser models had positive sales growth that supported these results.

| Toyota | Jan – Jun '23 | Jan – Jun '22 | Variation (%) |
|---|---|---|---|
| Units | 254 | 252 | 0,79% |

The sales activity for rent-a-car continues to be penalized by the use of vehicles from the USA, thus enhancing informal and unfair competition with local car sales operators.

With regard to the after-sales activity, there was an increase in turnover both at the level of parts and accessories and at the after sales services. This growth was driven by the search for new opportunities, exploring new segments and presenting a new approach to the customer, in person and also through digital channels.

| Sales | Jan – Jun '23 | Jan – Jun '22 | Variation (%) |
|---|---|---|---|
| Parts/Accessories | 659.630 € | 622.051 € | 6,04% |
| Workshop (Manpower) | 252.357 € | 238.544 € | 5,79% |
| Total | 911.986 € | 860.595 € | 5,97% |

The tourism sector activity is still below 2019 level (pre-pandemic); influenced by the fall in the number of foreign visitors, and also by the reduction of visits by emigrants to the country.

This reality impacts Caetano Auto Cabo Verde activity, not only in relation to the sales of vehicles (rent-a-car) but also with regard to the after-sales activity.

The activity at the service stations continues to be very much based on oil and filter change services; awareness campaigns have been carried out for customers in order to publicize the existence of other services made available to them.

OUTLOOK FOR 2023

During the year 2023, the aim is to continue the Company's strategy, namely:

- Maintain its dominant position in the commercialization of new vehicles of the Toyota brand, maximizing the range offer, thus reaching a larger target audience;
- Boost the itinerant commercialization of parts;
- Improve internal processes at the level of the after-sales organization in order to improve not only sales to private customers, but also through the insurers' channel;
- Work with Toyota in the expectation of release/opening of the supply channel of electric vehicles.

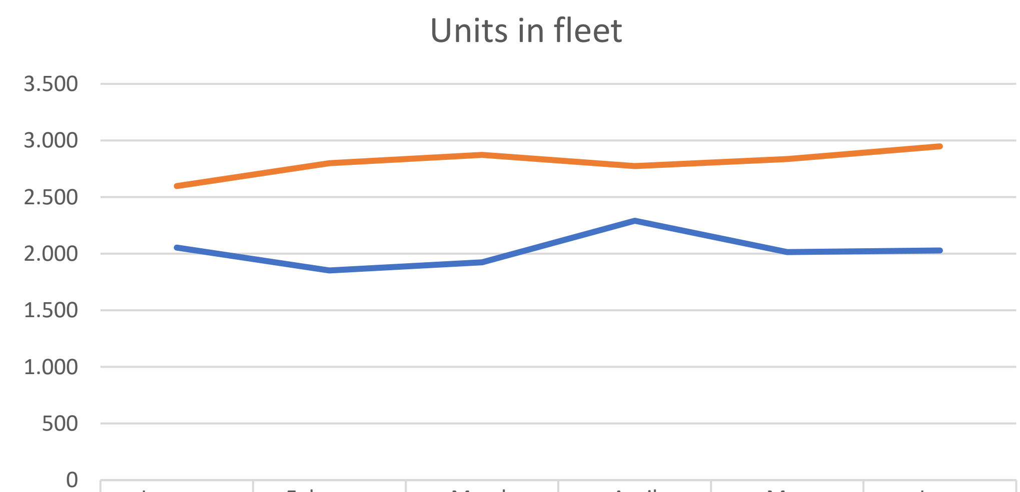
Caetano Renting, S.A., is the company dedicated to driverless car rentals, essentially of the Toyota and Lexus brands, to various customers, such as rent-a-car companies, other large customers and, occasionally, to private customers.

THE FIRST SEMESTER OF 2023

Both domestically and internationally, the tourism recovery is a reality and with a sharp growth trend, reflected in the high demand for rent-a-car services, so the perspectives are positive for this summer. Following this trend, rent-a-car companies are interested in increasing their fleets, after the shortage of vehicles that occurred in 2021 and 2022.

At Caetano Renting, in the first semester of 2022, there was a sharp increase in activity due to the great demand in the Easter period; already in 2023 this growth is more leveled, with a balance between the first and the second half, since in the first half 758 units were acquired and in the second half about 720 units are planned to be acquired.

Given the above, Caetano Renting ends the first half of 2023 with 2.027 units in the fleet, which represents a decrease of 31.24%, when compared to the same period of the previous year.




| | January | February | March | April | May | June |
|---|---|---|---|---|---|---|
| 2023 | 2.053 | 1.852 | 1.925 | 2.291 | 2.013 | 2.027 |
| 2022 | 2.597 | 2.798 | 2.873 | 2.774 | 2.835 | 2.948 |

## OUTLOOK FOR 2023

The car rental activity on a short-term basis is an important component of the National Economy, with special emphasis on Tourism, which is currently the largest market for rent-a-car companies.

The outlook for the evolution of Tourism activity in 2023 is positive, and Caetano Renting is committed to continuing the recovery of its activity. The continuous commitment to the improvement of customer service, the optimization of the management of its fleet and the resilience of its People will be the drivers for Caetano Renting to continue its path to the consolidation of the recovery of its activity.

KINTO Portugal, S.A. is a company dedicated to the management of car fleets and the operational rental of vehicles. It is 51% owned by KINTO Europe GMBH and 49% by Toyota Caetano Portugal.

KINTO Portugal has an associated company – Caetano Renting Senegal, S.A., whose mission is to replicate KINTO Portugal's activity in the Senegal market.

THE FIRST SEMESTER OF 2023

The vehicle operating *renting* market, according to the most recent data provided by ALF, increased by about 6.0% to 7.591 vehicles[1]. Nevertheless, and as a result of the instability, uncertainty and scarcity that continues to exist in the market, the number of extensions of operating *renting* contracts at KINTO Portugal during the first half of 2023 remained high. In cumulative terms, in this period, KINTO Portugal registered about 938 extensions, which represents more than 27.3% of the requests registered in the same period of the previous year.

KINTO Portugal continues to highlight the positive result obtained with its most mobility-oriented products: KINTO Flex and KINTO Share.

KINTO Flex in addition to the services offered in a traditional *renting*, allows the customer to receive the vehicle with a single click for terms between 1 and 12 months, with total flexibility and in a fully digital process. As of June 30, 2023, when compared to the same period of the previous year, its active fleet with this product grew by about 73%.

KINTO Share, presented to the market in 2022, is a solution that immediately offers the daily rental of vehicles, and the customer can book a car for 30 minutes or up to 30 days. It is a

[1] Data ALF – Associação Portuguesa de Leasing, Factoring e Renting - Cumulative production March 2023

product that is available to both individuals and companies and can be rented only for the time strictly necessary, either through a mobile application or website, as in KINTO Flex. According to the latest data, over the first half of 2023, the number of car bookings and uses under this product has more than doubled.

Evolution of KINTO's FSL[2] and FM[3] fleet

The lack of semiconductors for automobiles, the rising operating costs and also the increasing business costs continue to significantly influence vehicle delivery times in the car rental sector.


Nevertheless and in general terms, as we can see in the chart, the KINTO fleet in the first half of 2023 was higher than the same period of the previous year and at the end of the period under review, the active fleet approaches the values of June 2022, mainly due to a reduction in the FM fleet.

KINTO Portugal registered in the first half of 2023 a fleet of 18.609 vehicles, which represents a variation of less 64 contracts when compared to the first half of the previous year. This unfavorable evolution is mainly due to the discontinuation of one of the products associated with the FM portfolio, as the FSL portfolio grew by about 10% (June 2023 vs. June 2022).

Company activity

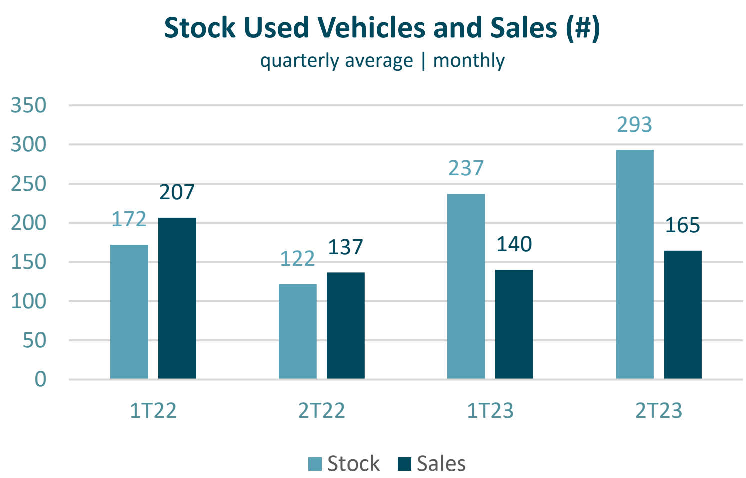
The turnover grew about 0.8% compared to the same period of the previous year, mainly due to the increase in the volume of the provision of services, since the volume of used vehicles sales decreased about 20% compared to the same period.

2 FSL: *Full Service Lease*

3 FM: *Fleet Maintenance*

|  | Jan – Jun '23 | Jan – Jun '22 | % Variation 2023/2022 |
|---|---|---|---|
| Turnover | 49.168.175€ | 48.758.407€ | 0,8% |

As a result of the pandemic crisis that has ravaged the world economy, there has been, still and especially in the first quarter of 2023, a significant increase in vehicles in stock, providing KINTO with an opportunity to launch new products for the reuse of first cycle *rental* vehicles, through the execution of operational *renting* contracts with used vehicles, KINTO Flex contracts, as well as selling to the end customer.




Also in this context, in 2022 and 2023, the *remarketing* and logistics activity of used vehicles continued to be reviewed and monitored thoroughly to respond to all the challenges of the market and the different customers.

Compared to the first half of 2022, sales of used vehicles to the final customer decreased by about 11.3% (less 116 vehicles), registering the lowest level of sales of the first semesters of the last 5 years, having contributed to this evolution, the shortage of vehicles from the end of the contract, resulting from the aforementioned extensions and the use of used vehicles for new Renting and Flexible Renting products.

OUTLOOK FOR 2023

In addition to the growing challenge to the use of electric and hybrid vehicles, the car rental market will continue to be a "pioneer" in the dissemination of new mobility trends, both operationally and technologically, continuing to face enormous challenges.

In addition, the industry needs to increasingly enhance user interaction to streamline processes and improve the customer experience. In this sense, digital leverage will be one of the determining factors for the competitiveness of renting and mobility services companies.

The digitalization of fleets will be crucial not only for the customer, but also for the company, allowing fleet managers to monitor their vehicle portfolio more carefully.

In this context of pressure in the automotive market, KINTO intends to continue to expand its sustainable mobility solutions, ensuring a KINTO solution for every person, regardless of the type of mobility that each one chooses.

CaetanoBus

CaetanoBus, S.A., a company jointly owned by Toyota Caetano Portugal and Mitsui & Co., Ltd., is the largest manufacturer of chassis and buses in Portugal.

It is in CaetanoBus that all the industrial activity of manufacturing chassis and buses is concentrated, with different specifications, focused in urban, tourism, airport and minibus transportation services.

Most of its products are intended for export and are at the service of transport operators all over the world. It is a company that uses technology, innovation and design to always be one step ahead, closer to the future.

CaetanoBus has 2 subsidiaries:

- Cobus Industries GmBH
- Caetano UK, Limited

THE FIRST SEMESTER OF 2023

In the first semester of 2023, the European economy showed signs of recovery after the various challenges imposed by the SARS-CoV-2 pandemic crisis. Several macroeconomic indicators showed stable growth in several European Union countries, including Portugal. CaetanoBus, in this first half of 2023, felt this recovery of the European economy, namely through several international tenders, as well as by overcoming some of the problems that until now affected the supply chain and that had a very negative impact on its productive capacity.

However, this recovery of the European economy and the company's activity is still far from being fully achieved. CaetanoBus continues to feel serious limitations due to the triggering of the invasion of Ukraine and the instability in the labor market (high inflationary tensions that create enormous pressure on the salary levels practiced by the company and high turnover of staff, namely in the areas of Engineering and Production, a consequence of the dynamics of the labor market in Portugal). These effects caused inevitable delays in internal development projects and also in the company's productive capacity. This consequently limited CaetanoBus in its objective of achieving production levels defined in its business plan.

Despite the great uncertainty context that hangs over the European economy and businesses, at the end of 2022 a slight increase in demand for buses has already begun to be felt by European funds to support the recovery of the economy and decarbonization of cities, and at the beginning of 2023 this increase in demand intensified, which led to the opening of international tenders for the purchase of buses, especially urban ones at Zero-Emissions. In the airport sector, the economic recovery was also noted, with a volume of activity of greater importance, but still below pre-pandemic levels.

Faced with this slight recovery of the economy, the increase in demand for Zero-Emission urban buses and all the commercial efforts that CaetanoBus has had in recent years, the company managed in this first half of 2023 to close contracts of great size and prestige in Europe. More specifically, CaetanoBus has signed the largest ever framework agreement in Europe for hydrogen-powered electric buses with the German operator Deutsche Bahn (up to 120 units), was selected by EMT Madrid for the supply of its first 10 hydrogen-powered electric buses as part of the first major hydrogen bus tender in Madrid and also signed France's largest framework agreement for hydrogen-powered electric buses with the operator CTS of the city of Strasbourg (up to 60 units). Also in the first half of 2023, CaetanoBus managed to get its Zero-Emissions city buses to another important European country, being awarded with the acquisition of 5 units of the H2. City Gold to the city of Bolzano, Italy.

In terms of units sold and with the ambition to recover the numbers of the pre-pandemic year (2019) with 657 units, CaetanoBus has made every possible effort to increase the number of units produced. In 2022 the company already managed to have 271 units sold, which represented a growth of 52.2% compared to 2021. Given the efforts made in the first half of 2023, CaetanoBus has already managed to have 146 units sold, representing a sales growth of 55.6%, compared to the same period last year and 71.8% compared to the same period of 2021.

During this first semester of 2023 Caetanobus continued to heavily invest in new markets and products, having continuously invested in R&D, as it intends to expand its portfolio of urban buses to Zero-Emissions in the near future. The company aims to remain at the forefront of the Zero-Emission bus market, especially in the segment of sustainable hydrogen mobility, where it is a leader in the Iberian market.

## OUTLOOK FOR 2023

Taking into account, on one hand, the European economic recovery and the strong increase in the company's activity in the first semester of 2023, but considering on the other hand the effects of the invasion of Ukraine and the instability in the labor market, CaetanoBus expects to have a sharp growth in 2023, but still far from the pre-pandemic results.

By the end of this year 2023, Caetanobus aims to achieve a sales volume of more than 400 units, thus foreseeing a very sharp growth for this year. In addition, CaetanoBus predicts that with an increase in demand for new buses, leveraged by European funds, it will secure a large volume of units for the coming years, as has already happened with the orders secured for Deutsch Bahn, EMT Madrid, CTS Strasbourg and SASA Bolzano.

Thus, Caetanobus expects to achieve positive operating results in 2023.

COBUS

COBUS Industries GmbH is a global supplier of ground support equipment and mobility solutions for airports, headquartered in Wiesbaden, Germany. It was founded in 1983. COBUS is owned by CaetanoBus, as the majority shareholder, and Daimler Truck AG. It is a leader in the development, manufacture and supply of platform buses, related services and integrated solutions. The company's customers are mainly airport operators, airlines and ground handlers. With more than 4.500 buses sold and in operation at around 350 airports in 109 countries, it achieves a significant global market share.

The product portfolio includes buses with different specifications, depending on the capacity desired by the customer, optionally powered by diesel or fully electric engines. The company's focus will continue to be the development of advanced and sustainable technologies, especially in digitalization and e-mobility.

THE FIRST SEMESTER OF 2023

Overall, the market shows consistent signs of recovery. Although the 1st semester of 2023 was impacted by problems in production, namely due to lack of chassis availability, the year looks positive with substantial growth in after-sales, with an important contribution in the area of services, and sales to markets generating more significant margins. COBUS ended the 1st half of 2023 close to the estimated values in terms of results.

OUTLOOK FOR 2023

In 2022, COBUS sold 110 units, in 2023 it is expected to reach 155 units. In terms of turnover, COBUS reached 32 Mio€ in 2022, and in 2023 it expects to reach 64 million euros, which gives a doubling of sales value compared to the previous year.

## Caetano UK

Caetano UK is the company of CaetanoBus, responsible for the sale, after sale and supply of parts for Caetano buses present in the UK market. Caetano UK is located in the Midlands and was established over 30 years ago.

The UK is one of the key markets for CaetanoBus, with the famous buses from National Express and its partners and, more recently, urban zero emissions for Abellio London operator.

Caetano UK intends to reaffirm itself as a reference company in the bus market in the United Kingdom.

THE FIRST SEMESTER OF 2023

In the first semester of 2023, the impacts that Brexit has brought to import customs processes remained evident, both in terms of the complexity and delay of the processes and in terms of extra costs. At the commercial level, and although Caetano UK continues to have strong partnerships with operators of excellence in the United Kingdom, it is becoming increasingly clear the notorious preference of operators for "made in UK", especially in the segment of battery electric buses and hydrogen, and this preference is strongly supported by the British government, which is creating unfavorable conditions for manufacturers from other countries.

During this first half of 2023, the delivery of 9 battery-electric buses to the operator Abellio London was completed, which currently operates a fleet of 43 Caetano e.CityGold Zero-Emissions buses, whose sale and maintenance are in charge of Caetano UK.

In addition, during this period, 13 units of the new LEVANTE version 3A, equipped with the new Scania chassis with Euro 6E engines, a new generation with lower fuel consumption and emissions, have also been delivered to National Express.

It should also be noted that during the first half of 2023, several commercial and marketing actions were carried out in the UK in association with Toyota UK, especially with the Hydrogen-powered electric city bus demonstrator. Alongside these initiatives, during this period, there were also several actions aiming to consolidate and strengthen relationships with our customers in the UK.

## OUTLOOK FOR 2023

It is expected that the year 2023 will continue to be one of recovery for Caetano UK, with the expectation of delivery of 63 more LEVANTE buses to National Express. In this second semester of the year, it is planned to close the contracts for the delivery of more LEVANTE buses in the coming years.

In addition, as a result of the bus demonstration actions carried out in recent times, as well as the growing appetite for green mobility (namely hydrogen technology) of strategic operators, it is expected that during this year of 2023 we will see the realization of the corresponding sales in particular of the H2. CityGold, strategic model for expansion in the UK.

WORLD ECONOMY

The world economy is expected to expand by 2.7% in 2023, a level of growth below the historical trend and the lowest level of economic expansion since the 2007-2008 financial crisis, excluding the pandemic in 2020, according to the OECD[4].

The reopening of the Chinese economy, carried out earlier than expected, strongly contributed to the economic expansion momentum. The fall in energy prices had a positive impact on the moderation of inflation, which nevertheless remained high. Monetary policy constraints have, in turn, continually noted their impact on the global economy according to the same organization.

Despite some acceleration expected in 2024 with global growth of 2.9%, it should remain below the expansion trend, highlighting as positive data the forecast of moderation of inflation and the recovery of purchasing power by economic agents, in particular households, and the wage component is expected to stop losing purchasing power in real terms already during 2023 in most of the observed countries by the OECD.

In most OECD countries, interest rate hikes by central banks have already peaked or are expected to do so in the coming months, which should strongly contribute to control inflation by setting interest rates on positive ground in real terms for a few quarters along with downward economic growth. The OECD predicts that the moderation of inflation in 2024 will dictate lower interest rates in some jurisdictions, notably the US, or that they will remain unchanged in 2024, such as in the Eurozone.

In Europe, the European Commission's forecasts[5] have been revised upwards, with an economic expansion of 1% in 2023 and 1.7% in 2024, with the inflation rate sharply retreating from 6.7% in 2023 to 3.1% in 2024. The expected economic performance is strongly influenced by lower energy prices, improvements in supply chains, confidence of economic agents and a strong labor market, as visible in the unemployment indicator, with 6.2% and 6.1% forecast for 2023 and 2024, respectively. The performance of the Iberian economies is above that expected for the European bloc, with the expansion expected for the Portuguese economy of 2.4% in 2023 and 1.9% in 2024, and of 1.9% and 2.0% for the Spanish economy in the same time horizon. In a different movement, a negative highlight for the behavior of the Swedish

[4] OECD Economic Outlook, June 2023
[5] European Comission, Spring 2023 Economic Forecast

economy, which is expected to contract by 0.5% in 2023, but expanding again already in 2024 by 1.1%.

In sub-Saharan Africa, according to the World Bank[6], economic expansion in 2023 is expected to settle at 3.1 percent, accelerating to 3.7 and 3.9 percent in 2024 and 2025. A lower level of expansion of the global economy, high inflation and the impact of rising interest rates, with a particular impact on the most indebted countries, contribute to a lower degree of economic growth when compared to 4.1% in 2021 and 3.6% in 2022. According to Standard Bank[7], the "El Niño" weather phenomenon, to be felt in the fourth quarter of 2023, could have a materially negative economic effect, in particular because of its potential impact on the agricultural sector, which is particularly critical in economic and social terms. Despite this risk to the base scenario, the bank forecasts resilient growth for this geography, strongly supported by private consumption.

## CONSOLIDATED ANALYSIS OF THE TOYOTA CAETANO GROUP

In this first half of 2023, the Group presents a 10.4% growth in turnover compared to the same period last year, exceeding the 255 Mio € invoiced, even exceeding pre-pandemic values (228 Mio € in 2019).

There was also an increase of approximately 0.1 p.p. in the relative weight of gross profit in turnover, when compared to the homologous period.

Following prior years´ strategy, the group companies have made efforts in the inventories management areas, sales and cost containment, thus having reduced the weight of external supplies and services compared to the homologous period. In turn, the relative weight in turnover of Personnel expenses increased, reflecting the increase in the number of employees and also the Group's efforts to ensure better financial conditions for its People. As a result of this strategy, EBITDA stands at €29 million, a value higher than the same period last year by around €6 million, representing a growth of 1.4 p.p in its relative weight on turnover.

The financial results, negative by around €2M, are above year-on-year values, reflecting the current increase in interest rates, as well as in the level of financing (as a result of the increase in activity).

[6] World Bank, April 2023
[7] Standard Bank, African Markets Revealed, June 2023

Still in the first half of this year, CaetanoBus shareholders granted, in proportion to the respective stake held in the share capital of that company, shareholders´ loans to support the respective activity in the total amount of 20 Mio€; Toyota Caetano Portugal contributed with 12.388.000€.

It should be highlighted that the Group's level of financial autonomy stands at 41%, thus reflecting an adequate management of its capital structure.

With the purpose of summarizing the evolution of the Toyota Caetano Portugal Group, a table of comparative indicators is presented below, in the monetary unit thousands of Euros and which reflect everything what was mentioned above:

| | Jun'23 | Jun'22 | Variation |
|---|---|---|---|
| Turnover | 255.966 | 231.911 | 10,4% |
| Gross Profit | 64.682 | 58.541 | 10,5% |
| *% (f) Sales* | *25,3%* | *25,2%* | |
| External Supplies and Services | 23.188 | 23.405 | -0,9% |
| *% (f) Sales* | *9,1%* | *10,1%* | |
| Personnel expenses | 24.415 | 21.902 | 11,5% |
| *% (f) Sales* | *9,5%* | *9,4%* | |
| EBITDA | 29.199 | 23.281 | 25,4% |
| *% (f) Sales* | *11,4%* | *10,0%* | |
| Operational Income | 19.776 | 14.912 | 32,6% |
| *% (f) Sales* | *7,7%* | *6,4%* | |
| Financial Results | -2.241 | -1.171 | 91,3% |
| *% (f) Sales* | *-0,9%* | *-0,5%* | |
| Consolidated Net Profit | 8.699 | 7.438 | 17,0% |
| *% (f) Sales* | *3,4%* | *3,2%* | |
| Net investment | 20.469 | 21.547 | -5,0% |
| *% (f) Sales* | *8,0%* | *9,3%* | |
| Degree of financial autonomy | 40,94% | 43,95% | |

## OTHER INFORMATION

The Company did not acquire or dispose of any own shares during the first semester of the year. As of June 30, 2023, the Company did not hold any own shares.

We must also inform the absence of overdue debts to the state public sector and to Social Security.

The Company does not have any branches either in the national territory or abroad.

No business was conducted between the Company and its directors.

## STATEMENT

We declare, under the terms and for the purposes set out in subparagraph c) of paragraph 1 of article 29.ºJ of the Portuguese Securities Code that, to the best of our knowledge, the consolidated financial statements of Toyota Caetano Portugal, for the first semester of 2023, have been prepared in accordance with the applicable accounting standards, giving a true and fair view of the assets and liabilities, the financial position and results of the issuer and the undertakings included within its scope of consolidation and that the interim management report faithfully sets out the information required under number 2 of the Article 29.ºJ of such code.

## SUBSEQUENT EVENTS AND MAJOR RISKS AND UNCERTAINTIES FOR THE 2ND SEMESTER 2023

In the current context, economic agents continue to face significant uncertainty that results from a wide and varied set of factors such as:

- disruptions in supply chains both with regard to the accessibility of goods at the various stages of the value chain (raw materials, merchandise, product) and in relation to logistical constraints associated with the transport and availability of the same, with the consequent impact on their price;
- inflationary pressure and the context of rising interest rates: with impacts on companies and consumers;
- energy crisis and influence on its supply and cost throughout the value chain;
- volatility in the evolution of exchange rates;
- labor shortages and difficulties to retain talent;
- impacts of climate change.

Many of these factors have been heavily impacted by the (post)pandemic scenario experienced and exacerbated by the ongoing conflict between Russia and Ukraine.

This situation represents, for the companies of the Toyota Caetano Group, the continuation of a challenging macroeconomic context, already felt in previous periods and which, surely, will continue for the year 2023.

The complex ramifications associated with the current context and the challenges that result from it, make predictions difficult, the companies' performance, as well as the management of cash flows.

Toyota Caetano Portugal, SA continues to closely monitor events related to the situation in Ukraine, expressing full solidarity with its people.

Given the current circumstances in the labor market and the necessary increase in production for the 2nd semester, we identify the risk of recruitment capacity as one of the determining factors for the execution of the current forecast prepared and to comply with the perspectives indicated above.

At the beginning of August, 2 bond loans were contracted, for a total of €15 million; one of the loans (€7.5 million) was at a fixed rate and the other, for the same amount, at a variable rate indexed to Euribor. Both have a maturity of 5 years and full payment at the end of the term. These loans are intended to support TCAP's activity, replacing the bond loan that existed and matured at the same time.

Approved at the meeting of the Board of Directors on September 27, 2023

The Board of directors:

José Reis da Silva Ramos – President

Maria Angelina Martins Caetano Ramos

Miguel Pedro Caetano Ramos

Gisela Maria Falcão Sousa Pires Passos

Tom Fux

Kazunori Takagi

## INFORMATION ON THE PARTICIPATION OF THE MANAGEMENT AND SUPERVISORY BODIES OF TOYOTA CAETANO PORTUGAL, SA

According to Article 447º of the Commercial Companies Code and in accordance with subparagraph c) of article 9 and number 4 of the article 14, both of CMVM Regulation 5/2008, it is hereby declared that, as of June 30, 2023, the members of the Company's management and supervisory bodies did not hold any shares or bonds of the Company.

It is further stated that the members of the Company's management and supervisory bodies did not carry out during the first half of 2023 any acquisitions, encumbrances or cessations of ownership that have as their object shares or bonds of the Company.

The company's securities held by companies in which the members of the management and supervisory bodies hold positions in the corporate bodies are stated below:

- the shareholder Salvador Caetano Auto, SGPS, S.A. (of which Mrs. Maria Angelina Martins Caetano Ramos is Chairman of the Board of Directors, and Mr. Miguel Pedro Caetano Ramos is a Member of the Board of Directors), had no movements, so as of June 30, 2023 it held 24.429.144 shares with a nominal value of 1 euro each.

- the shareholder COVIM – Sociedade Agrícola, Silvícola e Imobiliária, S.A. (of which Maria Angelina Martins Caetano Ramos is Chairman of the Board of Directors, José Reis da Silva Ramos is the spouse of the Chairman of the Board of Directors) had no movements, so as of June 30, 2023 it held 393.252 shares, with a nominal value of 1 euro each.

For the purpose set out in the final part of paragraph 1 of article 447 of the Commercial Companies Code (companies in a domain or group relationship with the company), it is declared that:

- José Reis da Silva Ramos, Chairman of the Board of Directors, is the holder of:

. 39.49%* of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company that is in domain relationship with the Society;

* This percentage includes shares held by the spouse

- Maria Angelina Martins Caetano Ramos, Member of the Board of Directors, is the holder of:

. 39.49%* of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company that is in domain relationship with the Society;

* This percentage includes shares held by the spouse

- Miguel Pedro Caetano Ramos, Member of the Board of Directors, is the holder of:

. 0.00223% of the share capital of Grupo Salvador Caetano, SGPS, S.A., a company that is in domain relationship with the Society.

## QUALIFYING HOLDINGS

According to Regulation 5/2008 of the CMVM, we inform that as of June 30, 2023, the shareholders with qualifying holdings in the Company's capital are as follows:

| SHAREHOLDER | Shares | % of voting rights |
|---|---|---|
| Salvador Caetano- Auto- SGPS, S.A. | 24.429.144 | 69.797 |
| Toyota Motor Europe NV/SA | 9.450.000 | 27.000 |

## DEFINITIONS

In this report, the following indicators are used with the following formulas:

- Financial Autonomy = Total Equity / Total Assets
- Employees = Average number of employees in the period in question
- Net Debt = Financing Obtained - Cash and Equivalents
- Dividend per share = Dividends distributed / Number of shares
- EBITDA = Operating Results + Amortization and Depreciation + Impairment of Inventories + Impairment of Receivables + Provisions and Impairment Losses
- Adjusted EBITDA = EBITDA + Results related to associated companies and joint ventures
- Gross Profit = Turnover + Cost of Sales + Variation of Production
- Nº Trainees completed route = Exits to the labor market
- Turnover (Human Resources) = [Number of Employees who left the company in the last 6 months / Total number of Employees in the Company at the reference date of the indicator) x 100
- Units sold = Sales of new and used vehicles + sale of new and used forklifts
- Turnover = Sales + Services
- Net Investment = Intangible assets Year “n” – Year “n-1” + Tangible fixed assets Year “n” – Year “n-1” + Investment Properties Year “n” – Year “n-1” + Financial investments in subsidiaries and associate companies Year “n” – Year “n-1” + Other financial assets Year “n” – Year “n-1” – Depreciatioin and amortization Year “n”

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2023 AND AS OF DECEMBER 31, 2022

(Amounts in Euros)

| ASSETS | NOTES | 30/06/2023 | 31/12/2022 |
|---|---|---|---|
| NON-CURRENT ASSETS: | | | |
| Goodwill | 8 | 611.997 | 611.997 |
| Intangible assets | 9 | 3.538.055 | 2.404.404 |
| Property, plant and equipment | 5 | 110.247.146 | 106.237.907 |
| Investment properties | 6 | 9.366.722 | 9.495.026 |
| Financial investments in associates and joint ventures | 10 | 35.358.854 | 39.851.443 |
| Other investments | 11 | 5.094.438 | 4.966.404 |
| Deferred tax assets | 16 | 2.835.151 | 2.386.092 |
| Trade receivables | 13 | 93.099 | 146.833 |
| **Total non-current assets** | | **167.145.462** | **166.100.106** |
| CURRENT ASSETS: | | | |
| Inventories | 12 | 101.840.186 | 70.247.870 |
| Trade receivables | 13 | 91.675.938 | 67.701.452 |
| Other receivables | 14 | 4.255.910 | 2.277.279 |
| Other current assets | 15 | 3.299.210 | 2.975.313 |
| Other financial assets | 10 | 12.388.000 | - |
| Cash and cash equivalents | 4 | 13.009.381 | 11.299.747 |
| **Total current assets excluding non-current assets held for sale** | | **226.468.625** | **154.501.661** |
| Non-current assets held for sale | 7 | 2.175.221 | 2.175.221 |
| **Total current assets** | | **228.643.846** | **156.676.882** |
| | | | |
| **Total assets** | | **395.789.308** | **322.776.988** |

The accompanying notes form an integral part of these consolidated financial statements as of June 30, 2023.

**The Chartered Accountant**: Alexandra Maria Pacheco Gama Junqueira

**The Board of Directors**: José Reis Da Silva Ramos - Chairman; Maria Angelina Martins Caetano Ramos; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Tom Fux; Takagi Kazunori

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2023 AND AS OF DECEMBER 31, 2022

(Amounts in Euros)

| EQUITY AND LIABILITIES | NOTES | 30/06/2023 | 31/12/2022 |
|---|---|---|---|
| EQUITY: | | | |
| Share Capital | | 35.000.000 | 35.000.000 |
| Legal reserves | | 7.498.903 | 7.498.903 |
| Fair value reserves | | 1.809.946 | 1.723.238 |
| Other reserves and retained earnings | | 107.578.111 | 101.091.670 |
| Net consolidated profit or loss for the period | | 8.528.824 | 14.701.869 |
| | 17 | **160.415.784** | **160.015.680** |
| Non-controlling Interests | 18 | 1.623.050 | 1.451.563 |
| **Total equity** | | **162.038.834** | **161.467.243** |
| LIABILITIES: | | | |
| NON-CURRENT LIABILITIES: | | | |
| Loans | 19 | 16.329.378 | 14.663.934 |
| Retirement benefit obligations | 24 | 542.455 | 542.455 |
| Provisions | 25 | 1.837.197 | 1.887.033 |
| Other payables | 21 | 3.879.394 | 805.640 |
| Deferred tax liabilities | 16 | 2.243.666 | 1.941.436 |
| **Total non-current liabilities** | | **24.832.090** | **19.840.498** |
| CURRENT LIABILITIES: | | | |
| Loans | 19 | 72.858.947 | 39.520.309 |
| Trade payables | 20 | 28.292.034 | 30.945.755 |
| Other payables | 21 | 56.625.468 | 44.209.031 |
| Income tax payable | 22 | 4.145.783 | 2.116.541 |
| Other current liabilities | 23 | 46.486.439 | 24.677.611 |
| Retirement benefit obligations | 24 | 509.713 | - |
| **Total current liabilities** | | **208.918.384** | **141.469.247** |
| | | | |
| **Total liabilities** | | **233.750.474** | **161.309.745** |
| | | | |
| **Total liabilities and equity** | | **395.789.308** | **322.776.988** |

The accompanying notes form an integral part of these consolidated financial statements as of June 30, 2023.

The Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira

The Board of Directors: José Reis Da Silva Ramos- Chairman; Maria Angelina Martins Caetano Ramos; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Tom Fux; Takagi Kazunori

CONSOLIDATED INCOME STATEMENTS FOR THE SIX-MONTHS' PERIODS ENDED JUNE 30, 2023 AND JUNE 30, 2022

(Amounts in Euros)

| | Notes | 30/06/2023 | 30/06/2022 |
|---|---|---|---|
| Operating income: | | | |
| Sales | 27 | 233.057.053 | 210.900.873 |
| Services rendered | 27 | 22.909.212 | 21.009.797 |
| Other operating income | 30 | 13.666.563 | 11.511.510 |
| Variation in production | 12 | (1.191.325) | 9.830.524 |
| **Total operating income** | | **268.441.503** | **253.252.704** |
| Operating expenses: | | | |
| Cost of sales | 12 | (190.093.317) | (183.200.096) |
| External supplies and services | 28 | (23.187.918) | (23.405.235) |
| Payroll expenses | 29 | (24.415.111) | (21.901.890) |
| Depreciation and amortization | 5, 6 and 9 | (7.430.566) | (7.221.604) |
| Inventory impairment | 25 | (2.077.561) | (1.006.384) |
| Trade receivables impairment | 25 | 132.951 | (74.196) |
| Provisions and impairment losses | 25 | (47.897) | (66.424) |
| Other operating expenses | 30 | (1.545.665) | (1.464.469) |
| **Total operating expenses** | | **(248.665.084)** | **(238.340.298)** |
| **Operating net income** | | **19.776.419** | **14.912.406** |
| Gains/(losses) of associated companies and joint ventures | 10 | (5.027.161) | (3.276.181) |
| Financial expenses and losses | 31 | (2.566.651) | (1.265.739) |
| Financial income and gains | 31 | 326.029 | 94.564 |
| **Profit before tax** | | **12.508.636** | **10.465.050** |
| Income tax | 26 | (3.809.431) | (3.027.013) |
| **Consolidated net profit for the period** | | **8.699.205** | **7.438.037** |
| Consolidated net profit attributable to: | | | |
| the Group | | 8.528.824 | 7.347.158 |
| non-controlling interests | 18 | 170.381 | 90.879 |
| | | **8.699.205** | **7.438.037** |
| Basic | 36 | 0,249 | 0,213 |
| Diluted | 36 | 0,249 | 0,213 |

The accompanying notes form an integral part of these consolidated financial statements as of June 30, 2023.

The Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira

The Board of Directors: José Reis Da Silva Ramos - Chairman; Maria Angelina Martins Caetano Ramos; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Tom Fux; Takagi Kazunori

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX-MONTHS' PERIODS ENDED JUNE 30, 2023 AND FOR THE YEAR ENDED DECEMBER 31, 2022

(Amounts in Euros)

| | Notes | Share capital | Legal reserve | Fair value reserves | Other reserves and retained earnings | Total reserves and retained earnings | Consolidated profit or loss for the period | Subtotal | Non-controlling interests | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Balances as of January 1, 2022** | | **35.000.000** | **7.498.903** | **1.460.711** | **92.948.220** | **94.408.931** | **11.695.005** | **148.602.839** | **1.329.406** | **149.932.245** |
| Application of the 2021 consolidated net profit | | - | - | - | 11.695.005 | 11.695.005 | (11.695.005) | - | - | - |
| Consolidated comprehensive income for the period | | - | - | 262.527 | 3.448.445 | 3.710.972 | 14.701.869 | 18.412.841 | 122.157 | 18.534.998 |
| Dividends paid | 17 | - | - | - | (7.000.000) | (7.000.000) | - | (7.000.000) | - | (7.000.000) |
| **Balances as of December 31, 2022** | | **35.000.000** | **7.498.903** | **1.723.238** | **101.091.670** | **102.814.908** | **14.701.869** | **160.015.680** | **1.451.563** | **161.467.243** |
| | | | | | | | | | | |
| **Balances as of January 1, 2023** | | **35.000.000** | **7.498.903** | **1.723.238** | **101.091.670** | **102.814.908** | **14.701.869** | **160.015.680** | **1.451.563** | **161.467.243** |
| Application of the 2022 consolidated result | | - | - | - | 14.701.869 | 14.701.869 | (14.701.869) | - | - | - |
| Consolidated comprehensive income for the period | | - | - | 86.708 | 534.572 | 621.280 | 8.528.824 | 9.150.104 | 171.487 | 9.321.591 |
| Distribution of dividends | 17 | - | - | - | (8.750.000) | (8.750.000) | - | (8.750.000) | - | (8.750.000) |
| **Balances as of June 30, 2023** | | **35.000.000** | **7.498.903** | **1.809.946** | **107.578.111** | **109.388.057** | **8.528.824** | **160.415.784** | **1.623.050** | **162.038.834** |

The accompanying notes form an integral part of these consolidated financial statements as of June 30, 2023.

The Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira

The Board of Directors: José Reis Da Silva Ramos – Chairman; Maria Angelina Martins Caetano Ramos; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Tom Fux; Takagi Kazunori

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SIX-MONTHS' PERIODS ENDED JUNE 30, 2023 AND 2022

(Amounts in Euros)

| | 30/06/2023 | 30/06/2022 |
|---|---|---|
| **Net profit for the period** | 8.699.205 | 7.438.038 |
| Items that may be reclassified to profit and loss: | | |
| Equity Method - Associates and Joint Ventures (Note 10) | 534.572 | (225.864) |
| Items that cannot be reclassified to profit and loss: | | |
| Change in the fair value of capital instruments measured at fair value through capital - gross value (Note 11) | 113.309 | 166.887 |
| Change in the fair value of capital instruments measured at fair value through capital - tax effect (Note 11) | (25.495) | (37.550) |
| Other – gross value | - | 210.652 |
| **Consolidated comprehensive income for the period** | **9.321.591** | **7.552.163** |
| Attributable to: | | |
| Shareholders of the parent company | 9.150.104 | 7.470.104 |
| Non-controlling interests | 171.487 | 82.059 |

The accompanying notes form an integral part of these consolidated financial statements as of June 30, 2023.

The Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira

The Board of Directors: José Reis Da Silva Ramos - Chairman; Maria Angelina Martins Caetano Ramos; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Tom Fux; Takagi Kazunori

CONSOLIDATED CASH FLOW STATEMENTS FOR THE SIX-MONTHS' PERIOD ENDED JUNE 30, 2023 AND FOR THE YEAR ENDED DECEMBER 31, 2022

(Amounts in Euros)

| | 30/06/2023 | 31/12/2022 |
|---|---|---|
| OPERATING ACTIVITIES: | | |
| Collections from customers | 451.537.061 | 808.275.460 |
| Payments to suppliers | (398.669.293) | (671.288.835) |
| Payments to employees | (20.742.773) | (40.689.981) |
| **Cash flow from operations** | **32.124.995** | **96.296.644** |
| Income tax received/(paid) | (725.841) | (2.667.421) |
| Other collections/ (payments) relating to operating activities | (37.863.103) | (93.820.127) |
| **Cash flows from operating activities** | **(6.463.949)** | **(190.904)** |
| INVESTMENT ACTIVITIES: | | |
| Collections arising from: | | |
| Investment property (Note 6) | 33.500 | 695.000 |
| Non-current assets held for sale (Note 7) | - | 885.000 |
| Property, plant and equipment | 33.831 | 159.364 |
| Investment grants | 620.466 | 521.809 |
| Interest and similar Income | 7.781 | 69.980 |
| Dividends | - | 2.305.405 |
| | **695.578** | **4.636.558** |
| Payments arising from: | | |
| Financial investments (Note 10) | - | (6.193.549) |
| Other financial assets (Note 10) | (12.388.000) | - |
| Property, plant and equipment | (3.116.170) | (5.063.614) |
| Intangible assets | (1.605.192) | (825.596) |
| | **(17.109.362)** | **(12.082.759)** |
| **Cash flows from investment activities** | **(16.413.784)** | **(7.446.201)** |
| FINANCING ACTIVITIES: | | |
| Collections arising from: | | |
| Loans (Note 19) | 132.500.000 | 124.500.000 |
| Lease liabilities (Note 19) | 4.748.505 | 6.601.048 |
| Interests and similar income | 5 | - |
| | **137.248.510** | **131.101.048** |
| Payments arising from: | | |
| Loans (Note 19) | (100.073.815) | (117.644.327) |
| Rent from lease liabilities (Note 19) | (2.903.759) | (7.487.497) |
| Interests and similar costs | (951.439) | (1.937.790) |
| Other creditors | - | (213.418) |
| Dividends (Note 17) | (8.732.130) | (7.003.924) |
| | **(112.661.143)** | **(134.286.956)** |
| **Cash flows from financing activities** | **24.587.367** | **(3.185.908)** |
| CASH AND CASH EQUIVALENTS | | |
| Cash and cash equivalents at the beginning of the period (Note 4) | 11.299.747 | 22.122.760 |
| Cash and cash equivalents at the end of the period (Note 4) | 13.009.381 | 11.299.747 |
| Changes in cash and cash equivalents | **1.709.634** | **(10.823.013)** |

The accompanying notes form an integral part of these consolidated financial statements as of June 30, 2023.

The Chartered Accountant: Alexandra Maria Pacheco Gama Junqueira

The Board of Directors: José Reis Da Silva Ramos - Chairman; Maria Angelina Martins Caetano Ramos; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Tom Fux; Takagi Kazunori

(Amounts in Euros)

## 1. INTRODUCTION

Toyota Caetano Portugal, S.A. ("Toyota Caetano" or "Company") is a public limited company incorporated in 1946, which has its headquarters in Vila Nova de Gaia and is the parent company of a Group ("Toyota Caetano Group" or "Group"), whose companies mainly carry out economic activities in the automotive sector, namely the import, assembly and marketing of light and heavy vehicles as well as the import and marketing of industrial cargo handling equipment and its after-sales assistance, the creation and operationalization of training projects and development of human resources, as well as the real estate management of own properties, including their rental, as well as short or long term lease of vehicles, with or without driver.

Toyota Caetano Portugal, S.A. belongs to the Salvador Caetano Auto Group (Group led by the company Grupo Salvador Caetano, S.G.P.S., S.A.), being directly owned by the company Salvador Caetano Auto- S.G.P.S., S.A., since the end of 2016.

Toyota Caetano is the importer and distributor of the brands Toyota (vehicles and forklifts), Lexus (vehicles) and BT (forklifts) for Portugal, leading a Group ("Toyota Caetano Group") that can be detailed as follows as of June 30, 2023:

| Companies | Headquarters | Classification |
|---|---|---|
| In Portugal: | | |
| Toyota Caetano Portugal, S.A. ("Parent Company") | Vila Nova de Gaia | Parent Company |
| Caetano - Auto, S.A. ("Caetano Auto") | Vila Nova de Gaia | Subsidiary |
| Caetano Renting, S.A. ("Caetano Renting") | Vila Nova de Gaia | Subsidiary |
| Destaque Mourisco - Sociedade Imobiliária, Lda. ("Destaque Mourisco") | Faro | Subsidiary |
| CaetanoBus – Fabricação de Carroçarias, S.A. ("CaetanoBus") | Vila Nova de Gaia | Joint venture |
| KINTO Portugal, S.A. ("KINTO") | Vila Nova de Gaia | Associate |
| Salvador Caetano Seguros - Mediação de Seguros, Unipessoal Lda. ("Salvador Caetano Seguros") | Vila Nova de Gaia | Subsidiary |
| | | |
| In other countries: | | |
| Caetano Auto CV, S.A. ("Caetano Auto CV") | Praia (Cape Verde) | Subsidiary |
| Caetano UK Limited ("Caetano UK") | United Kingdom | Joint venture |
| Cobus Industries GMBH ("Cobus") | Germany | Joint venture |
| Caetano Renting Senegal, S.A. ("Caetano Renting Senegal") | Dakar (Senegal) | Associate |

Toyota Caetano's shares have been listed in Euronext Lisbon since October 1987.

The attached consolidated financial statements are presented in Euros (rounded to the unit), as this is the currency preferentially used in the economic environment in which the Group operates. Foreign transactions shall be included in the consolidated financial statements in accordance with note 2.5.

The basis of presentation and main accounting policies adopted in the preparation of the attached consolidated financial statements are as follows:

### 2.1 BASIS OF PRESENTATION

Interim financial statements are presented every six months in accordance with IAS 34 – "Interim Financial Reporting".

These interim financial statements, prepared in accordance with the aforementioned framework, do not include all the information to be included in the annual consolidated financial statements and should therefore be read together with the consolidated financial statements for the year ended December 31, 2022.

The comparative information as of December 31, 2022, included in the attached consolidated financial statements, has been audited.

The attached consolidated financial statements have been prepared on a going concern basis and based in the principle of historical cost and, in the case of some financial instruments, at fair value, from the books and accounting records of the companies included in consolidation (Note 3).

## 2.2 ADOPTION OF NEW OR REVISED IAS/IFRS

New standards and changes to the standards that became effective for the annual periods that began on January 1, 2023:

Until the date of approval of these consolidated financial statements, the following accounting standards and amendments to the standards have been approved *("endorsed*") by the European Union, with mandatory application to financial years beginning on January 1, 2023:

| Description | Alteration | Effective date |
|---|---|---|
| IAS 1 – Disclosure of accounting policies | Requirement to disclose "material" accounting policies over "significant" accounting policies | January 1, 2023 |
| IAS 8 – Disclosure of accounting estimates | Definition of accounting estimate. Clarification on the distinction between changes in accounting policies and changes in accounting estimates. | January 1, 2023 |
| IFRS 17 – Insurance contracts | New accounting for insurance contracts, reinsurance contracts and investment contracts with characteristics of discretionary participation in results, in terms of aggregation, recognition, measurement, presentation and disclosure. | January 1, 2023 |
| IFRS 17 – Initial application of IFRS 17 and IFRS 9 – Comparative Information | This amendment allows to avoid temporary accounting mismatches between financial assets and liabilities of insurance contracts in the comparative information presented, in the application of IFRS 17 for the first time. This amendment allows the application of an *"overlay*" in the classification of a financial asset, for which the entity does not update the comparative information of IFRS 9. | January 1, 2023 |

| Description | Alteration | Effective date |
|---|---|---|
| IAS 12- Deferred tax related with assets and liabilities associated with a single transaction | Requirement for recognition of a deferred tax on the registration of assets under the right of use / lease liability and provisions for dismantling / related asset, when their initial recognition gives rise to equal amounts of taxable temporary differences and deductible temporary differences, as they are not relevant for tax purposes. | January 1, 2023 |

There were no significant effects on the Group's consolidated financial statements for the six-month period ended June 30, 2023, as a result of the adoption of the above standards and amendments.

<u>Published standards (new and amended), whose application is mandatory for annual periods starting on or after January 1, 2024, and which the European Union has not yet endorsed:</u>

| Description | Alteration | Effective date |
|---|---|---|
| IAS 1 – Classification of liabilities as non-current and current and non-current liabilities with covenants | Classification of a liability as current or non-current, depending on the right of an entity to defer its payment beyond 12 months after the reporting date, when subject to covenants. | January 1, 2024 |
| IAS 7 and IFRS 7 – Supplier financing agreements | Additional disclosure requirements on supplier financing arrangements (or "reverse factoring"), the impact on liabilities and cash flows, as well as the impact on liquidity risk analysis and how the entity would be affected if these agreements were no longer available. | January 1, 2024 |

| Description | Alteration | Effective date |
|---|---|---|
| IAS 12 – International tax reform – Pillar Two model rules | Introduction of a temporary exception to the recognition and disclosure requirements for deferred tax assets and liabilities related to income taxes of the Pillar Two model. Targeted disclosure requirements for affected entities (entities belonging to multinational groups that have consolidated revenues of €750 million in at least two of the last four years). | Immediately or January 1, 2023 |
| IFRS 16 – Lease liabilities in sale and leaseback transactions | Accounting requirements for sale and leaseback transactions after the transaction date, when some or all of the lease payments are variable. | January 1, 2024 |

These standards have not yet been endorsed by the European Union and, as such, have not been implemented by the Group in the six-months period ending June 30, 2023.

With respect to these standards and interpretations, issued by the IASB but not yet endorsed by the European Union, no significant impacts on the attached consolidated financial statements are estimated as a result of their future adoption.

## 2.3 CONSOLIDATION PRINCIPLES AND MAIN VALUATION CRITERIA

These consolidated financial statements have been prepared in accordance with the accounting policies disclosed in the Notes to the consolidated financial statements as af December 31, 2022.

## 2.4 RISK MANAGEMENT POLICY

At Toyota Caetano Portugal, S.A., the risk policy and its control is carried out directly by the Board of Directors and annually evaluated by the Supervisory Board ("*Conselho Fiscal*").

The Toyota Caetano Portugal Group is also supported by internal departments of Salvador Caetano, with which it maintains synergies, such as Legal Department and Compliance / *Compliance* Committee / Planning Department, Management Control and Internal Audit / Taxation / IT Services and by the Audit carried out by the External Auditors. Whenever appropriate, the reports are shared with the Supervisory Board ("*Conselho Fiscal*).

In this context, a four lines of defense model was adopted, involving the various levels of the organization, particularly top management:

- Operational areas: first line of defense, operationalization of procedures, and risk control mechanisms;
- Risk management and *compliance*: planning and control; risk monitoring, management support;
- Board of Directors: the risk strategy is defined by the Board of Directors, whose main function is the control;
- Internal and external audit: validation of the effectiveness of risk management mechanisms. The risk strategy and policy is evaluated by the Supervisory Board ("*Conselho Fiscal*"), who gives a reasoned opinion.

Risk management intendeds to detect, manage, control and mitigate threats, as well as identify and leverage opportunities, thus creating added value for the Company. Therefore, the Company's Board of Directors relies on the directors that are responsible for each of the divisions, with whom it meets periodically, to analyze and monitor the financial and non-financial information.

In this context, the identification and determination of the probability of occurrence of such risks by the Company's Board of Directors arises through (i) regular and very close monitoring of the activities carried out; (ii) participation in seminars, trainings and *workshops* promoted by external entities and corporate departments of Salvador Caetano; (iii) meetings and internal *committees* of Salvador Caetano to share information and experiences, among others.

At the same time, an analysis of the impacts of the risk in the Group is carried out, assessing the degree of repercussion that they will have in the activity, and determining short and medium/long term strategies to prevent, react and mitigate these risks.

It should also be noted that this risk management includes:

- occurrence of each risk;
- strategic alignment of the Group according to the risks actually incurred;
- mechanisms for monitoring the implementation of the risk management measures adopted and their effectiveness;
- internal information and communication mechanisms on the various components of the risk alert system.

The Supervisory Board ("*Conselho Fiscal*") monitors and becomes aware of the work and results carried out by the internal control, risk management, *compliance* and internal audit services.

In the development of its activities, the Toyota Caetano Portugal S.A. Group is subject, in each of its business areas or of its subsidiaries, to a multiplicity of risks, which have been identified with the objective of mitigating and controlling them.

FINANCIAL RISKS

The management of the Group's financial risks is essentially controlled by the financial department of Toyota Caetano Portugal, S.A. in accordance with the policies approved by the Group's Board of Directors. In this sense, the Board of Directors has defined the principles of global risk management, as well as specific policies for certain areas, such as (a) exchange rate risk, (b) price risk, (c) interest rate risk, (d) liquidity risk, (e) capital risk and (f) credit risk.

### a) Exchange rate risk

In the development of its activity, the Group operates internationally and has a subsidiary operating in Cape Verde and, since December 2020, a joint venture operating in the United Kingdom (a subsidiary of the Caetano Bus Group, Caetano UK) and an associate operating in Senegal (a KINTO Group associate, Caetano Renting Senegal). By Group policy, a functional currency is defined for each subsidiary (Cape Verde Escudo, in relation to the subsidiary

Caetano Auto Cabo Verde, Pound Sterling, in relation to the subsidiary of Caetano Bus based in the United Kingdom and the Senegalese Franc, in relation to the associate of the KINTO Group based in Senegal), corresponding to the currency of its main economic environment and the one that best represents the composition of its *cash flows*. Thus, exchange rate risk mainly results from commercial transactions, arising from the purchase and sale of products and services in a currency other than the functional currency of each business.

The Group's exchange rate risk management policy is based on a case-by-case assessment of the opportunity to hedge this risk, considering the specific circumstances of the currencies and countries in question.

The exchange rate risk associated with the conversion of financial statements of foreign entities, also called accounting risk, reflects the potential for changes in the net position of the Parent Company due to the need to convert the financial statements of the foreign subsidiaries.

As mentioned in Note 2.5, the assets and liabilities of foreign entities are converted to Euros using the exchange rates existing at the date of statement of the consolidated financial position and the expenses and income of these entities are converted to Euros using the average exchange rate for the year. The resulting exchange difference is recorded in equity under the caption "Other reserves and retained earnings".

The main amounts of assets and liabilities (in Euros) of the Group recorded in a currency other than the Euro, can be summarized as follows:

| | Assets | | | Liabilities | | |
|---|---|---|---|---|---|---|
| | 30/06/2023 | 31/12/2022 | 30/06/2022 | 30/06/2023 | 31/12/2022 | 30/06/2022 |
| Cape Verde Escudo (CVE) | 9.339.586 | 8.267.160 | 7.974.877 | 4.484.685 | 4.071.946 | 3.804.832 |
| Japanese Yen (JPY) | - | - | - | 998.349 | 1.699.333 | 1.105.665 |

The Group's sensitivity to exchange rate changes can be summarized as follows (disclosure for relevant situations only):

| | | 30/06/2023 | | 31/12/2022 | |
|---|---|---|---|---|---|
| | Variation | Income | Equity | Income | Equity |
| Japanese Yen (JPY) | 5% | (49.917) | - | (84.967) | - |

Regarding the sensitivity to changes in the exchange rate of the Cape Verde Escudo (CVE), given that the defined exchange rate does not change (fixed exchange rate against the Euro), the Group has no associated exchange risk.

## b) Price Risk of Other Investments

The Toyota Caetano Group, during 2023 and 2022 fiscal years, was exposed to the risk of price variation of "Other investments". That caption is composed as of June 30, 2023, December 31, 2022 and June 30, 2022 solely by Participation Units in the investment fund "Cimóvel – Fundo de Investimento Imobiliário Fechado".

The Group's sensitivity to changes in the quoted price of the referred "Capital Instruments at fair through capital" can be summarized as follows (increases/(decreases)):

| | | 30/06/2023 | | 31/12/2022 | | 30/06/2022 | |
|---|---|---|---|---|---|---|---|
| | Variation | Income | Equity | Income | Equity | Income | Equity |
| CIMÓVEL | 10% | - | 493.103 | - | 481.772 | - | 464.154 |
| CIMÓVEL | -10% | - | (493.103) | - | (481.772) | - | (464.154) |

## c) Interest rate risk

The Group's debt is mainly indexed to variable interest rates, exposing the cost of debt to a high risk of volatility. The impact of this volatility on the Group's results or equity is not significant, due to the effect of the following factors:

(i) possible correlation between the level of market interest rates and the economic growth, with the last having positive effects on other lines of the Group's results (namely operational), thereby partially offsetting the increased financial costs ("*natural hedge*"); and

(ii) the existence of consolidated liquidity also remunerated at variable rates.

The Board of Directors of the Toyota Caetano Portugal Group approves the terms and conditions of the financing, analyzing the debt structure, the inherent risks and the different options available in the market, namely regarding the type of interest rate (fixed/variable) and, through the permanent monitoring of the conditions and alternatives existing in the market, is responsible for deciding on the one-off procurement of derivative financial instruments intended to hedge interest rate risk.

Interest rate risk sensitivity analysis

The interest rate risk sensitivity analysis described below has been calculated based on the interest rate exposure for the financial instruments existing at the date of the consolidated statement of financial position. For variable-rate liabilities, the following assumptions were considered:

(i) The effective interest rate is 0.25 p.p. higher than the interest rate supported;

(ii) The basis used for the calculation was the Group's financial debt at the end of the period;

(iii) Maintenance of the agreed *spreads*.

Sensitivity analysis assume the manipulation of one variable, keeping all the others constant. In fact, this assumption is hardly verifiable, and changes in some of the assumptions may be related.

The sensitivity of the Group to changes in interest rates in these financial instruments can be summarized as follows (increases/(decreases)):

| | | 30/06/2023 | | 31/12/2022 | | 30/06/2022 | |
|---|---|---|---|---|---|---|---|
| | Variation | Income | Equity | Income | Equity | Income | Equity |
| Current accounts | 0,25 p.p. | 50.000 | - | 37.500 | - | 37.500 | - |
| Bank overdrafts | 0,25 p.p. | 357 | - | 17 | - | 21 | - |
| Commercial paper | 0,25 p.p. | 86.250 | - | 17.500 | - | - | - |
| MLT loan | 0,25 p.p. | 156 | - | 341 | - | 522 | - |
| Bond loan | 0,25 p.p. | 31.250 | - | 31.250 | - | 31.250 | - |
| **Total** | | **168.013** | **-** | **86.608** | **-** | **69.293** | **-** |
| Current accounts | (0,25 p.p.) | (50.000) | - | (37.500) | - | (37.500) | - |
| Bank overdrafts | (0,25 p.p.) | (357) | - | (17) | - | (21) | - |
| Commercial paper | (0,25 p.p.) | (86.250) | - | (17.500) | - | - | - |
| MLT Loan | (0,25 p.p.) | (156) | - | (341) | - | (522) | - |
| Bond loan | (0,25 p.p.) | (31.250) | - | (31.250) | - | (31.250) | - |
| **Total** | | **(168.013)** | **-** | **(86.608)** | **-** | **(69.293)** | **-** |

## d) Liquidity risk

Liquidity risk is defined as the risk of an inability to settle or meet obligations within the defined maturities and at a reasonable price.

The existence of liquidity in the Group’s companies implies that action parameters are defined in relation to the management function of this liquidity, thus allowing a maximization of the return obtained and minimizing the opportunity costs associated with the holding of this same liquidity, in a safe and efficient way.

Considering the turbulence of the current macroeconomic context, the Board of Directors understands that this is one of the main risks of the Company; the unfavorable evolution of indexers and *spreads*, the increase in the requirements from lenders in the credit concession, the increase in the cost of bank guarantees and the impact on the increase in the level of *stock* as a result of the difficulties experienced in the supply chains and product flow, are factors that contribute to the relevance of this risk.

The Group's Chief Financial Officer regularly monitors the level of financing obtained, available credit facilities, cash holdings, as well as the forecast for cash outflow in the short and medium term (including the needs resulting from investment plans, which, apart from the acquisitions of financial holdings made at the end of 2020 and from the share capital increases and loans granted in 2022 and 2023 to one of the affiliated companies (Note 10), have been relatively low), in order to manage liquidity risk.

The liquidity risk management at Toyota Caetano Group aims to ensure:

(i) Liquidity, i.e. ensuring permanent and efficient access to sufficient funds to meet current payments on their due dates, as well as to any requests for funds within the deadlines set for this, even if not foreseen;

(ii) Security, i.e. minimizing the likelihood of non-payment of any application of funds; and

(iii) Financial efficiency, i.e. ensuring that companies maximize the value/minimize the opportunity cost of holding excess liquidity in the short term.

All surplus liquidity existing in the Group is applied in the amortization of short-term debt, according to economic and financial reasonableness criteria.

For this purpose, liquidity management comprises the following aspects that translate into measures to control this risk:

(i) Consistent financial planning based on operational cash flow forecasts, according to different time horizons (weekly, monthly, annual and multi-year);

(ii) Close and attentive monitoring of the various components of working capital;

(iii) Diversification of financing sources (Bank, region, interest rates);

(iv) Diversification of the maturities of the debt issued, in order to avoid excessive concentration of debt repayments in short periods of time;

(v) Contractualization with relationship banks, of hort-term credit lines, commercial paper programs, and other types of financial operations, ensuring a balance between adequate levels of liquidity and “commitment fees" supported.

In the following tables, it is possible to verify the maturity of each of the financial instruments' liabilities, with non-discounted values and considering the worst-case scenario, that is, the shortest period in which the liability becomes due.

| 30/06/2023 | Less than 1 year | Between 1 and 2 years | Between 2 and 4 years | More than 4 years | Total |
|---|---|---|---|---|---|
| Loans obtained | 72.858.947 | 5.502.070 | 6.712.905 | 4.114.403 | 89.188.325 |
| Suppliers | 28.292.034 | - | - | - | 28.292.034 |
| Other debts to third parties | 27.759.782 | 3.879.394 | - | - | 31.639.176 |
| | **128.910.763** | **9.381.464** | **6.712.905** | **4.114.403** | **149.119.535** |

| 31/12/2022 | Less than 1 year | Between 1 and 2 years | Between 2 and 4 years | More than 4 years | Total |
|---|---|---|---|---|---|
| Loans obtained | 39.520.309 | 5.857.359 | 5.800.384 | 3.006.191 | 54.184.243 |
| Suppliers | 30.945.755 | - | - | - | 30.945.755 |
| Other debts to third parties | 26.988.302 | 805.640 | - | - | 27.793.942 |
| | **97.454.366** | **6.662.999** | **5.800.384** | **3.006.191** | **112.923.940** |

As of June 30, 2023 and December 31, 2022, the Group has a net debt of 76.178.944 Euros and 42.884.496 Euros, respectively, divided between current and non-current financing (Note 19) and cash and cash equivalents (Note 4) contracted in various institutions. The available and unused credit lines at such date amount to, approximately, 26 million Euros.

It should be noted that the Group, with the exception of the secured financing which includes a debt covenant ratio (Net debt / EBITDA[8] calculated based on the consolidated accounts of the previous year, has no agreed debt instruments with accelerated repayment clauses, other than those arising from the usual clauses related to the Group's compliance with its obligations, namely, payment obligations, business interruption, ownership clause, *pari passu*, negative pledge, and the situations in which the financing obtained includes real guarantees, which are disclosed in Note 35.

## e) Capital risk

Management primary objective is to ensure the continuity of operations, providing an adequate shareholders´ remuneration s and the corresponding benefits to the other Group *stakeholders*. For the pursuit of this objective, a careful management of the capital employed in the business is essential, seeking to ensure an optimal structure, thus achieving the necessary reduction of its cost. In order to maintain or adjust the capital structure deemed appropriate, Management may propose to the General Shareholders Meeting the measures deemed necessary.

The Group seeks to maintain a level of equity appropriate to the characteristics of the main business and to ensure continuity and expansion. The capital structure balance is monitored based on the financial leverage ratio (defined as: net interest-bearing debt / (net interest-bearing debt + equity)).

| | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| Loans obtained | 89.188.325 | 54.184.243 | 45.312.390 |
| Cash and cash equivalents | (13.009.381) | (11.299.747) | (15.063.989) |
| **Net debt** | **76.178.944** | **42.884.496** | **30.248.401** |
| Equity | 162.038.834 | 161.467.243 | 150.484.408 |
| Financial leverage ratio | 31,98% | 20,99% | 16,74% |

The *gearing* remains within acceptable levels as established by Management.

[8] EBITDA = Operating Results + Depreciation/Amortization + Impairments Inventories/Receivables + Provisions and other impairments

## f) Credit risk

Credit risk is assessed at the initial moment and over time, in order to monitor its evolution.

A significant part of the amounts receivable from customers is scattered among a large number of entities, a factor that contributes to the reduction of credit concentration risk. Generally, the Group's customers do not have an assigned credit rating.

The monitoring of credit risk is carried out by the Group's financial department, supervised by the Board of Directors, based on: i) the corporate nature of the debtors; (ii) the type of transactions originating the balances receivable; (iii) the experience of transactions carried out in the past; iv) the credit limits established for each customer and v) any guarantees provided by some customers, namely independent dealers and repairers with whom car dealerships agreements are established.

The Group considers the likelihood of default with the initial recognition of the asset and depending on the occurrence of significant increases in credit risk on an ongoing basis in each reporting period. To assess whether there has been a significant increase in credit risk, the Group compares the risk of a default occurring by reference to the reporting date, with the default risk assessed by reference to the initial recognition date.

To assess whether there has been a significant increase in credit risk, the Group takes into account, among others, the following indicators:

- Internal credit risk;
- External credit risk (if available);
- Adverse current or expected changes in the debtor's operating results;
- Significant increases in the credit risk of the debtor's other financial instruments;
- Significant changes in the value of collateral over liabilities, or in the quality of third-party guarantees;
- Significant changes in the performance and expected behavior of the debtor, including changes in the debtor's payment terms at the level of the Group to which it belongs, as well as changes in its results of operations;

- Macroeconomic informations (such as market interest rates or growth rates) are incorporated into the internal credit model.

Regardless of the above analysis, a significant increase in credit risk is presumed if a debtor is delayed more than 30 days from the date of contractual payment.

In terms of credit improvement instruments associated with customer accounts receivable, the Group has the following situations:

(i) Independent Dealers and Repairers: this type of third party concerns the automotive retail network of dealers of the "Toyota" and "Lexus" brands, which operate under dealership agreements for the purchase, resale of vehicles and provision of technical assistance services (the Group currently has 21 contracts with independent dealers and repairers). Each of these independent dealers and repairers maintains an "on first demand" bank guarantee in favor of the Group, with a previously established ceiling, assuring the Group that such limit is not exceeded;

(ii) General customers of vehicles: although this type of customers generally purchase vehicles in cash, there are, however, situations in which the Group accepts terms of deferred payment (namely in relation to some customers in the area of rent-a-car and driving schools). In most of these situations, the sale considers a retention of title clause associated with the vehicle sold or, alternatively, its ownership is not transferred until the vehicle is fully liquidated.

Default is considered when the counterparty does not comply with contractual payments within 90 days of the due date of the invoices. The Group analyzes on a case-by-case basis the balances receivable from customers that show problems of collection and realization, making every effort to recover them, by agreement with the customer or by judicial means, also maintaining such balances (even if subject to an impairment loss) in the statement of the consolidated financial position, until all actions to attempt to recover the outstanding balance are exhausted and in the absence of assets for recovery (including the component relating to Value Added Tax with the Tax Authority) of said balances if the event of bankruptcy is verified.

In this way, the financial assets corresponding to accounts receivable from customers are derecognized when there is no real expectation of recovery and after the process described above has been completed, and the necessary internal approvals for such derecognition are obtained. Thus, there are no situations of possibility of recovery of accounts receivable that have been subject to derecognition at the level of the consolidated financial statements.

Impairment of financial assets

(i) Customers and Other Accounts Receivables

The Group applies the simplified approach to calculate and record the estimated credit losses required by IFRS 9, which allows the use of impairments for estimated losses for all "Accounts Receivable" and "Other Debtors" balances. In order to measure estimated credit losses, the balances of "Customers" and "Other Third Party Debts" were aggregated based on shared credit risk characteristics and seniority. Estimated credit losses incorporate information from forward-looking estimates.

(ii) Financing granted to related entities

The balances of "Financing granted to related entities" are considered to have low credit risk, therefore, the impairments for credit losses recognized during the period were limited to the estimated credit losses of 12 months. These financial assets are considered to have "low credit risk" when they have a low irrecoverable risk and the debtor has a high capacity to meet its contractual cash flow liabilities in the short term.

Indeed, for customers representing car dealers and repairers, the Group demands bank guarantees "*on first demand*", which, as disclosed in the Notes to the consolidated financial statements of December 31, 2022, when exceeded, determines the interruption of supplies.

Accounts receivable impairments are calculated considering (a) the customer´s 's risk profile, (b) the average collection period, and (c) the customer's financial condition. The movements of these adjustments for the periods ended June 30, 2023 and 2022 are disclosed in Note 25.

The amounts relating to customers and other third-party debts presented in the consolidated financial statements, which are net of impairments, represent the Group's maximum exposure to credit risk.

(iii) Cash equivalents

The following tables summarize as of June 30, 2023 and December 31, 2022 the credit quality of bank deposits:

| 30/06/2023 | | |
|---|---|---|
| Rating Deposits | Rating Agency | Value |
| A1 | Moody's | 42.622 |
| A2 | Moody's | 72.438 |
| A3 | Moody's | 2.090.113 |
| Aa3 | Moody's | 16.347 |
| Ba1 | Moody's | 713.417 |
| Ba2 | Moody's | 63.415 |
| Baa1 | Moody's | 467.247 |
| Baa2 | Moody's | 5.399.227 |
| | Others without assigned rating | 4.054.685 |
| **Total** | | **12.919.511** |

| 31/12/2022 | | |
|---|---|---|
| Deposit Rating | Rating Agency | Value |
| A1 | Moody's | 30.872 |
| A2 | Moody's | (2.392) |
| A3 | Moody's | 1.241.409 |
| Aa3 | Moody's | 16.778 |
| Ba3 | Moody's | 794.565 |
| Baa2 | Moody's | 5.056.126 |
| Baa3 | Moody's | 5.709 |
| | Others without assigned rating | 4.030.696 |
| **Total** | | **11.173.763** |

The ratings presented correspond to the ratings assigned by the rating agency Moody's.

OTHER RISKS

The Group is also faced with other types of risks, which, not being of its direct spectrum, have an influence on it.

It is worth mentioning the following, which the Board of Directors considers the most significant considering, for each one, the combination of the two vectors: (i) the occurrence probability and (ii) the foreseeable impact:

### a) Business risks

- Impact of interest rate evolution in customers' purchasing decisions;
- Disruption in the supply chains of goods and materials;

## b) Human capital risks

- Attraction and retention of qualified talent;
- Increase in turnover rate[9];
- Well-being and motivation of employees.

## c) *Compliance* and Cybersecurity

- Complexity and legislative dimension;
- Computer attacks and data exfiltration.

## d) Environmental

- Failure to achieve the goals of the sustainability strategy.

## 2.5 CONVERSION OF FINANCIAL STATEMENTS OF FOREIGN ENTITIES

In June 30, 2023 and December 31, 2022, the exchange rates used in the conversion to Euros of the accounts of foreign subsidiaries were as follows:

| 30/06/2023 | | | | | |
|---|---|---|---|---|---|
| | | Final Exchange rate | Historical Exchange rate | Exchange rate | Final Exchange rate |
| | Currency | 30/06/2023 | Average 30/06/2023 | Incorporation Date | 31/12/2022 |
| Caetano Auto CV, S.A. | CVE | 0,009069 | 0,009069 | 0,009069 | 0,009069 |
| Caetano UK, Limited | GBP | 1,148900 | 1,141980 | 1,167980 | 1,163000 |
| Applicability | | Balance Sheet Accounts except Equity | Profit and loss accounts | Share capital | Retained Earnings |

| 31/12/2022 | | | | | |
|---|---|---|---|---|---|
| | | Final Exchange rate | Historical Exchange rate | Exchange rate | Final Exchange rate |
| | Currency | 31/12/2022 | medium 31/12/2022 | Incorporation Date | 31/12/2021 |
| Caetano Auto CV, S.A. | CVE | 0,009069 | 0,009069 | 0,009069 | 0,009069 |
| Caetano UK, Limited | GBP | 1,163000 | 1,177960 | 1,167980 | 1,190080 |
| Applicability | | Balance Sheet Accounts except Equity | Profit and loss accounts | Share capital | Retained Earnings |

[9] *Turnover* = (number of employees who have left the Group in the last 6 months / total number of employees currently in the Group) x 100

## 3. SUBSIDIARY COMPANIES INCLUDED IN THE CONSOLIDATION

The Group Companies included in the consolidation by the full consolidation method and the respective proportion of the capital held as of June 30, 2023 and December 31, 2022, are as follows:

| Companies | Effective percentage of capital held 30/06/2023 | 31/12/2022 |
|---|---|---|
| Toyota Caetano Portugal, S.A. | Parent Company | |
| Caetano Auto CV, S.A. | 81,24% | 81,24% |
| Caetano Renting, S.A. | 100,00% | 100,00% |
| Caetano - Auto, S.A. | 98,74% | 98,74% |
| Destaque Mourisco - Sociedade Imobiliária, Lda. a) | 56,28% | 56,28% |
| Salvador Caetano Seguros - Mediação de Seguros, Unipessoal Lda. | 98,74% | 98,74% |

These companies were included in the consolidation by the full consolidation method, as established by IFRS 10 – "Consolidated Financial Statements" (control of the subsidiary through majority of the voting rights and exposure to the returns of the relevant activities).

## 4. CASH AND CASH EQUIVALENTS

As of June 30, 2023, December 31, 2022 and June 30, 2022, the cash and cash equivalents detail was as follows:

| | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| Cash | 89.870 | 125.984 | 111.126 |
| Bank deposits | 12.919.511 | 11.173.763 | 14.952.863 |
| | **13.009.381** | **11.299.747** | **15.063.989** |

5. PROPERTY, PLANT AND EQUIPMENT

As of June 30, 2023 and December 31, 2022, the movements in property, plant and equipment, as well as their accumulated depreciation and impairment losses were as follows:

| 30/06/2023 | Land and Natural Resources | Buildings and Other Constructions | Basic Equipment | Transportation Equipment | Administrative Equipment | Other tangible fixed assets | Assets under construction | Rights of Use | Total |
|---|---|---|---|---|---|---|---|---|---|
| Gross amount: | | | | | | | | | |
| **Initial balance as of December 31, 2022** | **19.412.063** | **92.682.469** | **65.730.042** | **72.380.654** | **9.189.033** | **5.592.669** | **819.503** | **31.269.026** | **297.075.459** |
| Additions | - | 102.794 | 1.017.509 | 3.341.219 | 23.288 | 575.020 | 1.102.499 | 5.284.784 | **11.447.113** |
| Disposals and write-offs | - | - | (19.661) | (5.197.765) | (292) | - | - | - | **(5.217.718)** |
| Transfers to/from inventories | - | - | - | 171.739 | - | - | - | (227.943) | **(56.204)** |
| Transfers and reclassifications | - | - | (197.030) | - | - | (90.730) | - | - | **(287.760)** |
| Rents adjustments | - | - | - | - | - | - | - | 61.252 | **61.252** |
| Transfers due to lease contracts termination | - | 15.443 | - | 456.915 | - | - | (15.443) | (456.915) | **-** |
| **Final balance as of June 30, 2023** | **19.412.063** | **92.800.706** | **66.530.860** | **71.152.762** | **9.212.029** | **6.076.959** | **1.906.559** | **35.930.204** | **303.022.142** |
| Accumulated depreciation and impairment losses: | | | | | | | | | |
| **Initial balance as of December 31, 2022** | **-** | **68.851.699** | **60.829.835** | **34.631.389** | **8.483.951** | **4.674.234** | **-** | **13.366.444** | **190.837.552** |
| Depreciation of the year | - | 843.256 | 429.487 | 2.899.481 | 108.414 | 105.375 | - | 2.810.954 | **7.196.967** |
| Disposals and write-offs | - | - | (18.108) | (4.884.875) | (292) | - | - | - | **(4.903.275)** |
| Transfers to/from Inventories | - | - | - | (125.613) | - | - | - | (224.318) | **(349.931)** |
| Other regularizations | - | (6.317) | - | - | - | - | - | - | **(6.317)** |
| Transfers due to lease contracts termination | - | - | - | 377.000 | - | - | - | (377.000) | **-** |
| **Final balance as of June 30, 2023** | **-** | **69.688.638** | **61.241.214** | **32.897.382** | **8.592.073** | **4.779.609** | **-** | **15.576.080** | **192.774.996** |
| **Net value** | **19.412.063** | **23.112.068** | **5.289.646** | **38.255.380** | **619.956** | **1.297.350** | **1.906.559** | **20.354.124** | **110.247.146** |

| 31/12/2022 | Land and Natural Resources | Buildings and Other Constructions | Basic Equipment | Transportation Equipment | Administrative Equipment | Othertangible fixed assets | Assets under construction | Rights of Use | Total |
|---|---|---|---|---|---|---|---|---|---|
| Gross amount: | | | | | | | | | |
| **Initial balance as of December 31, 2021** | **18.046.963** | **90.360.212** | **64.176.139** | **67.222.269** | **9.155.895** | **5.029.037** | **479.286** | **36.558.061** | **291.027.862** |
| Additions | 1.072.140 | 661.303 | 1.388.224 | 3.206.132 | 70.913 | 473.185 | 1.626.253 | 7.185.835 | **15.683.985** |
| Disposals and write-offs | - | - | (32.321) | (5.443.057) | (43.748) | - | (184.667) | (89.117) | **(5.792.910)** |
| Transfers to/from Inventories | - | - | - | (3.161.634) | - | - | - | (656.971) | **(3.818.605)** |
| Transfers and reclassifications | - | 781.733 | 198.000 | - | 5.973 | 90.447 | (1.101.369) | - | **(25.216)** |
| Other regularizations | - | 343 | - | - | - | - | - | - | **343** |
| Transfers due to lease contracts termination | 292.960 | 878.878 | - | 10.556.944 | - | - | - | (11.728.782) | **-** |
| **Final balance as of December 31, 2022** | **19.412.063** | **92.682.469** | **65.730.042** | **72.380.654** | **9.189.033** | **5.592.669** | **819.503** | **31.269.026** | **297.075.459** |
| Accumulated depreciation and impairment losses: | | | | | | | | | |
| **Initial balance as of December 31, 2021** | **-** | **66.835.828** | **59.917.001** | **33.095.375** | **8.262.847** | **4.539.318** | **-** | **17.006.295** | **189.656.664** |
| Depreciation for the year | - | 1.896.121 | 942.905 | 5.500.821 | 220.697 | 134.916 | - | 5.975.444 | **14.670.904** |
| Disposals and write-offs | - | - | (30.071) | (4.783.766) | 407 | - | - | (89.117) | **(4.902.547)** |
| Transfers to/from Inventories | - | - | - | (8.067.354) | - | - | - | (526.774) | **(8.594.128)** |
| Other regularizations | - | 6.659 | - | - | - | - | - | - | **6.659** |
| Transfers due to lease contracts termination | - | 113.091 | - | 8.886.313 | - | - | - | (8.999.404) | **-** |
| **Final balance as of December 31, 2022** | **-** | **68.851.699** | **60.829.835** | **34.631.389** | **8.483.951** | **4.674.234** | **-** | **13.366.444** | **190.837.552** |
| **Net value** | **19.412.063** | **23.830.770** | **4.900.207** | **37.749.265** | **705.082** | **918.435** | **819.503** | **17.902.582** | **106.237.907** |

The movements recorded under the caption "Transport equipment" mainly refer to vehicles and cargo handling machines ("Forklifts") at the service of the Group, as well as for operational rental to customers.

The transfers between the caption "Assets under right of use" and "Transport equipment" in the amount of 79.915 Euros (1.670.631 Euros as of December 31, 2022) correspond to the reclassification by the Group of the cargo handling machines whose financing contract ended, and the Group has acquired them in accordance with the established contract.

As of June 30, 2023 and December 31, 2022, no accumulated impairment losses on property, plant and equipment are recognized.

As of June 30, 2023 and December 31, 2022, the assets under leasing (financial or operational) are presented as follows:

| Position of assets acquired through leasing | Values in PPE as of 30/06/2023 | | | Values in PPE as of 31/12/2022 | | |
|---|---|---|---|---|---|---|
| | Gross value | Accumulated depreciation | Net value | Gross value | Accumulated depreciation | Net value |
| Carnaxide | 3.246.231 | 841.991 | **2.404.240** | 3.246.231 | 811.558 | **2.434.673** |
| Industrial Equipment | 24.491.276 | 10.243.432 | **14.247.844** | 20.427.141 | 8.806.103 | **11.621.038** |
| Guimarães - Building | 949.578 | 532.392 | **417.186** | 940.138 | 472.794 | **467.344** |
| Aveiro - Building | 421.044 | 263.662 | **157.382** | 417.314 | 234.153 | **183.161** |
| Tomar - Stand | 39.630 | 31.483 | **8.147** | 39.630 | 27.992 | **11.638** |
| Tomar – Repair shop | 28.370 | 23.999 | **4.371** | 28.370 | 21.085 | **7.285** |
| Rio de Mouro - Building | 5.193.810 | 3.352.643 | **1.841.167** | 5.145.728 | 2.826.595 | **2.319.133** |
| Braga – Garage | 368.245 | 153.436 | **214.809** | 368.245 | 135.024 | **233.221** |
| Basic equipment | 112.479 | 25.776 | **86.703** | 112.479 | 18.746 | **93.733** |
| Maia | 515.751 | 28.653 | **487.098** | 515.751 | 11.461 | **504.290** |
| Tomar | 27.999 | 3.733 | **24.266** | 27.999 | 933 | **27.066** |
| Rio Tinto | 535.791 | 74.880 | **460.911** | - | - | - |
| **TOTAL** | **35.930.204** | **15.576.080** | **20.354.124** | **31.269.026** | **13.366.444** | **17.902.582** |

## 6. INVESTMENT PROPERTIES

On June 30, 2023, December 31, 2022 and June 30, 2022, the item "Investment Properties" corresponds to real estate assets held by the Group that are generating income through their lease or for appreciation. These assets are recorded at acquisition cost and are subsequently subject to depreciation in accordance with the defined useful lives, as well as subject to the recording of impairment losses where necessary.

The rents obtained related with Investment Properties amounted to 1.479.701 Euros in the six months period ended June 30, 2023 (1.443.557 Euros as of June 30, 2022), and are included in the disclosure made in Note 30.

According to external appraisals carried out by independent specialized entities, referring to December 31, 2022 or to previous years, the fair value of those investment properties amounted to, approximately, 52.6 million Euros (52.6 million Euros as of December 31, 2022).

Management understands that a possible change (within a normal scenario) in the main assumptions used in the calculation of fair value will not lead to impairment losses, in addition to the losses recorded in previous years.

The details of the net book value as of June 30, 2023 and December 31, 2022 of the real estate assets recorded under the caption "Investment Property", as well as their fair value, can be summarized as follows:

| Location | 30/06/2023 | | | 31/12/2022 | | |
|---|---|---|---|---|---|---|
| | Net Book Value | Valuation value | Date of external valuation | Net Book Value | Valuation value | Date of external valuation |
| Vila Nova de Gaia - Av. Da República | 108.016 | 1.164.000 | 29/12/2022 | 110.010 | 1.164.000 | 29/12/2022 |
| Braga - Av. Da Liberdade | - | 2.146.800 | 20/12/2021 | - | 2.146.800 | 20/12/2021 |
| Porto – Rua do Campo Alegre | 639.893 | 2.886.000 | 20/12/2021 | 652.719 | 2.886.000 | 20/12/2021 |
| Caldas da Rainha - Rua Dr. Miguel Bombarda | 17.531 | 86.000 | 28/12/2021 | 17.531 | 86.000 | 28/12/2021 |
| Amadora – Rua Elias Garcia | 136.996 | 139.000 | 29/12/2022 | 138.724 | 139.000 | 29/12/2022 |
| Portalegre – Zona Industrial | 140.842 | 144.000 | 29/12/2022 | 143.108 | 144.000 | 29/12/2022 |
| Portimão - Cabeço do Mocho | 707.282 | 707.700 | 20/12/2021 | 707.282 | 707.700 | 20/12/2021 |
| Rio Maior | 45.000 | 48.000 | 29/12/2022 | 45.000 | 48.000 | 29/12/2022 |
| Vila Nova de Gaia - Av. Vasco da Gama (buildings A and B) | 1.990.863 | 17.169.000 | 29/12/2022 | 2.079.836 | 17.169.000 | 29/12/2022 |
| Vila Nova de Gaia - Av. Vasco da Gama (buildings G) | 712.941 | 8.918.700 | 20/12/2020 | 723.114 | 8.918.700 | 20/12/2020 |
| Carregado - Quinta da Boa Água / Quinta do Peixoto | 4.867.358 | 19.172.000 | 29/12/2022 | 4.877.702 | 19.172.000 | 29/12/2022 |
| | **9.366.722** | **52.581.200** | | **9.495.026** | **52.581.200** | |

The fair value of the external valuations of investment properties that are disclosed on June 30, 2023 and December 31, 2022 was determined by real estate valuation carried out by independent specialized entities by one of the following methods, depending on the specific situation of each property: Market comparison method, Cost method or Income method. The Group promotes the realization of periodic and rotative real estate valuations by independent and specialized entities to its investment properties, thus ensuring that the disclosure of fair value is updated.

Regarding the real estate asset located in Braga – Avenida da Liberdade, it is an old property, acquired in 1981, for which it was not, on the respective date of acquisition, considered any amount allocated to the "land" component. Consequently, at the current date the entire cost of acquisition has been depreciated, thereby that asset presents a net book value of zero.

Regarding the classification of the valuation methodologies referred to above, for the purposes of framing, under the fair value hierarchy (IFRS 13), they are essentially classified at Level 3 (fair value determined on the basis of *inputs* not observable in the market, developed to reflect the assumptions to be used by market agents).

The independent external valuations carried out are essentially based on the application of the comparative market method that has as inputs, namely, the unit index of sale per square meter of comparable assets and the area of the property, and the method of income that has as inputs the income that can be generated by it and a capitalization rate (yield) considered appropriate in view of the characteristics and location of the real estate asset in question.

The movement of the caption "Investment Properties" on June 30, 2023 and December 31, 2022 was as follows:

| 30/06/2023 | | | |
|---|---|---|---|
| | Land | Buildings | Total |
| Gross Value: | | | |
| **Initial balance as of December 31, 2022** | **6.785.337** | **28.703.594** | **35.488.931** |
| **Final balance as of June 30, 2023** | **6.785.337** | **28.703.594** | **35.488.931** |
| Accumulated depreciation and impairment losses: | | | |
| **Initial balance as of December 31, 2022** | **-** | **25.993.905** | **25.993.905** |
| Depreciation for the year | - | 128.304 | 128.304 |
| **Final balance as of June 30, 2023** | **-** | **26.122.209** | **26.122.209** |
| **Net Value** | **6.785.337** | **2.581.385** | **9.366.722** |

| 31/12/2022 | | | |
|---|---|---|---|
| Gross Value: | Land | Buildings | Total |
| Gross Value: | | | |
| **Initial balance as of December 31, 2021** | **6.919.227** | **28.940.256** | **35.859.483** |
| Disposals and write-offs | (133.890) | (236.662) | (370.552) |
| **Final balance as of December 31, 2022** | **6.785.337** | **28.703.594** | **35.488.931** |
| Accumulated depreciation and impairment losses: | | | |
| **Initial balance as of December 31, 2021** | **-** | **25.783.140** | **25.783.140** |
| Depreciation for the year | - | 259.763 | 259.763 |
| Disposals and write-offs | - | (106.498) | (106.498) |
| Impairment loss | - | 57.500 | 57.500 |
| **Final balance as of December 31, 2022** | **-** | **25.993.905** | **25.993.905** |
| **Net Value** | **6.785.337** | **2.709.689** | **9.495.026** |

The accumulated impairment losses as of June 30, 2023 and December 31, 2022 amount to 257.500 Euros (Note 25).

In 2022 the property located in Rua das Pereiras in Vila Nova de Gaia was sold.

## 7. NON-CURRENT ASSETS HELD FOR SALE

S of t June 30, 2023 and December 31, 2022, the "Non-Current Assets Held for Sale" corresponded to non-operating assets of the Group that were under promissory purchase and sale agreements for which the Board of Directors expects that the sale will take place in the year of 2023.

The breakdown of the non-current assets held for sale on June 30, 2023 and December 31, 2022 is as follows:

| Non-current assets held for sale | 30/06/2023 | 31/12/2022 |
|---|---|---|
| - Property of Castelo Branco | 680.334 | 680.334 |
| - Property of Quinta do Cano, Viseu | 1.494.887 | 1.494.887 |
| **Net Value** | **2.175.221** | **2.175.221** |

In 2022, the sale of the Property of Teivas, Viseu was carried out, which did not result in any capital gain, and its realization value amounted to 1.000.000 Euros. The financial movement associated with this operation materialized in the collection of 885 thousand Euros in 2022.

## 8. *GOODWILL*

During the six-months period ended June 30, 2023 and the year ended December 31, 2022, no movements occurred under the caption "*Goodwill*".

The item "*Goodwill*" entirely refers to the amount calculated in the acquisition, in previous years, of the subsidiary Movicargo, whose activity was transferred (through a merger incorporation process) to the parent company Toyota Caetano Portugal, S.A. in previous years.

*Goodwill* is not amortized. Impairment tests are carried out on the value of *Goodwill* on an annual basis. As of June 30, 2023, there is no evidence of impairment, so no impairment test was required.

## 9. INTANGIBLE ASSETS

As of June 30, 2023 and December 31, 2022, the movements in intangible assets, as well as in their accumulated amortizations and impairment losses, were as follows:

| | 30/06/2023 | | | | | |
|---|---|---|---|---|---|---|
| | Development Expenses | Industrial Property and other rights | Computer programs | Other intangible assets | Intangible assets under construction | Total |
| Gross assets: | | | | | | |
| **Initial balance as of December 31, 2022** | **1.477.217** | **669.006** | **2.572.231** | **5.070** | **2.125.589** | **6.849.113** |
| Additions | 210.400 | - | - | - | 740.786 | **951.186** |
| Transfers | 36.590 | - | - | - | 251.170 | **287.760** |
| **Final balance as of June 30, 2023** | **1.724.207** | **669.006** | **2.572.231** | **5.070** | **3.117.545** | **8.088.059** |
| Accumulated depreciation and impairment losses: | | | | | | |
| **Initial balance as of December 31, 2022** | **1.477.217** | **667.631** | **2.298.557** | **1.304** | **-** | **4.444.709** |
| Amortization for the year | 35.067 | 99 | 69.284 | 845 | - | **105.295** |
| **Final balance as of June 30, 2023** | **1.512.284** | **667.730** | **2.367.841** | **2.149** | **-** | **4.550.004** |
| **Net value** | **211.923** | **1.276** | **204.390** | **2.921** | **3.117.545** | **3.538.055** |

| 31/12/2022 | Development Expenses | Industrial Property and other rights | Computer programs | Other intangible assets | Intangible assets under construction | Total |
|---|---|---|---|---|---|---|
| Gross assets: | | | | | | |
| **Initial balance as of December 31, 2021** | **1.477.217** | **667.481** | **2.196.011** | **-** | **935.871** | **5.276.580** |
| Additions | - | 1.525 | 52.684 | 5.070 | 1.532.769 | **1.592.048** |
| Disposals and write-offs | - | - | - | - | (44.731) | **(44.731)** |
| Transfers | - | - | 323.536 | - | (298.320) | **25.216** |
| **Final balance as of December 31, 2022** | **1.477.217** | **669.006** | **2.572.231** | **5.070** | **2.125.589** | **6.849.113** |
| Accumulated depreciation and impairment losses: | | | | | | |
| **Initial balance as of December 31, 2021** | **1.477.217** | **645.566** | **2.158.832** | **-** | **-** | **4.281.615** |
| Amortization for the year | - | 22.065 | 139.725 | 1.304 | - | **163.094** |
| **Final balance as of December 31, 2022** | **1.477.217** | **667.631** | **2.298.557** | **1.304** | **-** | **4.444.709** |
| **Net value** | **-** | **1.375** | **273.674** | **3.766** | **2.125.589** | **2.404.404** |

The amounts recorded on June 30, 2023 and December 31, 2022 under the caption "Intangible assets under construction" are related to projects for the implementation of a new management *software* and mobility projects, which are expected to become firm during the years 2023 and 2024.

## 10. FINANCIAL INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Decomposition of the book value of investments in joint venture and in associate

As of June 30, 2023 and December 31, 2022, the caption of financial investments in associates and joint ventures is detailed as follows:

| | Headquarters | % held | 30/06/2023 | 31/12/2022 |
|---|---|---|---|---|
| **Associate** | | | | |
| KINTO Portugal, S.A. (consolidated) | Vila Nova de Gaia | 49,00% | 22.394.232 | 21.459.516 |
| | | | | |
| **Joint venture** | | | | |
| CaetanoBus - Fabricação de Carroçarias, S.A. (consolidated) | Vila Nova de Gaia | 61,94% | 12.964.622 | 18.391.927 |
| | | | **35.358.854** | **39.851.443** |

With regard to CaetanoBus, although the percentage of capital held is 61.94%, given the existence of an investment agreement with the other shareholder of that company, which provides that decisions on the relevant activities (operational and financial) should be taken with unanimity of the two shareholders, it was considered by the Board of Directors that the investment made corresponds to a joint venture, which is why it is accounted for in accordance with the equity method.

As part of the business combination made, the investment agreement that was previously in force under the previous shareholder structure, was fully maintained and transposed to the post-transaction shareholder structure. Thus, this agreement, which was already considered by the previous shareholder and seller of the stake as a joint venture, was subject to an evaluation and analysis by the Board of Directors of Toyota Caetano Portugal, S.A., which maintained the same understanding. That investment agreement (and also the Articles of Association of the acquired company) provides that decisions on the relevant activities of the subsidiary require unanimity at the level of the General Shareholders´ Meeting of Shareholders. The main relevant activities/decisions are, at the level of the General Shareholders´ Meeting , as follows:

- Any amendment to the incorporation deed, the articles of association or any other incorpration document of the company;
- Any change to the corporate type of the Company, any merger or consolidation with another entity, any disposal or transfer of all or a substantial part of the assets or business, as well as their liquidation or dissolution;
- Any issuance or redemption of shares of the Company or any other increase, decrease or other modification to the capital stock of the Company;
- Any change to the Company's dividend policy or any change to the distribution of profits or assets;
- Incorporation of a subsidiary or acquisition of another entity by the Company;
- Any public offering or listing of any shares of the Company;
- Adoption or modification of the Company´s directors or managers compensation or the general compensation policy for the Company's employees;
- Granting of guarantees of an amount equal or greater than 500.000 Euros to ensure the obligations of the Company's subsidiaries;
- Amendment and approval of the Company's Annual Business Plan or New Business Plan;

- Appointment or removal of any Chief Executive Officer, Chief Financial Officer, Chief Operating Officer or any Director or General Manager, or any position similar to the Chief Executive Officer of the Company.

On the other hand, within the Board of Directors (composed of a maximum of nine members), the decisions on the relevant activities require a favorable vote of at least three directors appointed by Toyota Caetano Portugal, S.A. and the favorable vote of two directors appointed by the shareholder Mitsui & Co., Ltd.. At the level of the Board of Directors, the relevant activities/decisions that require unanimity are as follows:

- Any transactions between the Company and its subsidiaries, except transactions in the ordinary course of business;

- Any sale (other than in the ordinary course of business) of any property, or transfer or other disposal or grant of any security or other charge on any assets of the Company, provided that they are not included or provided for in any of the Business Plans or with a value in excess of 100.000 Euros in a transaction or series of transactions in the same year;

- Start of any dispute, arbitration or legal proceeding, when the respective value exceeds 10.000 Euros;

- Any loan or other financing by the Company (excluding commercial financing to customers in the ordinary course of business up to an individual amount not exceeding 1.000.000 Euros, provided that such amount is not covered by letter of credit, commercial insurance, or any guarantee from reliable institutions such as banks) to any person or any guarantee to be provided by the Company to secure obligations of any entity other than the Company or its subsidiaries, except if such loans or financing are provided up to an individual amount not exceeding 100.000 Euros;

- Any loan or other event that generates debt, or issuance of bonds or *debentures* (whether convertible or not), by the Company, in an amount exceeding 1.500.000 Euros in a transaction or in a series of transactions in the same year;

- Any purchase, lease (except in the ordinary course of business) or other acquisition of any assets or other investments by the Company not included in any of the Business

Plans or involving an amount in excess of 500.000 Euros in a transaction or series of transactions in the same year;

- Any lease in the ordinary course of business by the Company not included in any of the Business Plans or involving an amount exceeding 1.000.000 Euros in a transaction or series of transactions in the same year;

- Execution, amendment or termination of any contract between the Company and its subsidiaries that contains commitments to repurchase the products sold by the subsidiaries;

- Guarantees provided by the Company to guarantee the obligations of any of its subsidiaries or third parties, with a value of less than 500.000 Euros;

- Entering, amending or terminating a contract with a shareholder or its subsidiaries (of the shareholder);

- Any development of a new product or production line with a value exceeding 500.000 Euros by the Company, if not included or foreseen in the Business Plan;

- Entering, amending or terminating any contract with a term exceeding one year or involving an amount exceeding 10 million Euros in a transaction or series of transactions, or of any distribution, agency, sales representative or other framework contract, master contract or basic contract or any contract granting exclusivity to any person or entity.

Finally, in accordance with the abovementioned investment agreement, it should be noted that in the event *of a deadlock*, a possible decision will never take place by a simple majority of voting rights, and any of the shareholders is ultimately entitled to acquire the stake from the other shareholder.

The information above constitutes the assessment basis that the Board of Directors of Toyota Caetano Portugal, S.A. considered to conclude on the classification of this investment as a joint venture.

Summarized financial information of the subsidiaries

As of June 30, 2023 and December 31, 2022, the summarized financial information of the associate and joint venture detailed above can be analyzed as follows:

| Caption | Caetanobus Consolidated Accounts[10] | | KINTO Portugal Consolidated Accounts[11] | |
|---|---|---|---|---|
| | 30/06/2023 | 31/12/2022 | 30/06/2023 | 31/12/2022 |
| Non-current assets | 30.689.320 | 33.287.088 | 189.450.122 | 173.354.526 |
| Current assets | 101.408.962 | 77.302.409 | 29.439.791 | 18.485.521 |
| Total assets | 132.098.282 | 110.589.497 | 218.889.913 | 191.840.047 |
| Non-current liabilities | 26.617.820 | 4.798.185 | 116.528.525 | 98.130.080 |
| Current liabilities | 88.280.314 | 80.491.339 | 80.043.107 | 74.650.304 |
| Equity | 17.200.148 | 25.299.973 | 22.318.281 | 19.059.663 |
| | | | | |
| Equity without Non-controlling interests | 17.200.148 | 25.299.973 | 22.318.281 | 19.059.663 |
| | | | | |
| Sales and services rendered | 64.842.560 | 64.275.565 | 50.132.777 | 97.427.189 |
| Operating income | (5.380.007) | (12.486.798) | 4.602.765 | 8.923.089 |
| Financial results | (1.495.666) | (1.613.693) | (1.812.570) | (3.046.306) |
| Taxes | (41.097) | 911.494 | (732.833) | (2.786.893) |
| Liquid result | (8.012.569) | (13.065.648) | 2.057.362 | 3.089.890 |
| Net income without Non-controlling interests | (8.012.569) | (13.065.648) | 2.057.362 | 3.089.890 |

10 CaetanoBus – Fabricação de Carroçarias, S.A. owns a Joint Venture in Germany (Cobus Industries, GmbH), and a subsidiary in the United Kingdom (Caetano UK, Ltd).

11 KINTO Portugal, S.A. has an associate in Senegal (Caetano Renting Senegal, S.A.).

Movement during the period

During the six-months period ended June 30, 2023 and the year ended December 31, 2022, the movement in the caption financial investments in associates and joint ventures is detailed as follows:

| | 30/06/2023 | 31/12/2022 |
|---|---|---|
| **Financial participations – Associate companies** | | |
| Balance as of January 1 | **21.459.516** | **23.699.123** |
| Application of the equity method: | | |
| Effect on net profit or loss for the year | 346.101 | 190.035 |
| Effect on other comprehensive income | 588.615 | (134.317) |
| Dividends received | - | (2.295.325) |
| Balance on reference date | **22.394.232** | **21.459.516** |
| | | |
| **Financial participations - Joint ventures** | | |
| Balance as of January 1 | **18.391.927** | **20.295.498** |
| Capital increase | - | 6.193.548 |
| Application of the equity method: | | |
| Effect on net profit or loss for the year | (5.373.262) | (8.540.812) |
| Effect on other comprehensive income | (54.043) | 443.693 |
| Balance on reference date | **12.964.622** | **18.391.927** |
| **Total** | **35.358.854** | **39.851.443** |

To support its activity, in the first quarter of this year, CaetanoBus obtained a loan from its shareholders, in proportion to the respective participation stakes, for a total amount of 20 million Euros. Of this amount, 12.388.000 Euros was the contribution of Toyota Caetano Portugal. This loan will earn interest at a variable rate (5.97% in the quarter that ends in September 13, 2023); the loan was made for a period of two years, ending in the first quarter of 2025.

## 11. OTHER INVESTMENTS

As of June 30, 2023, December 31, 2022 and June 30, 2022, the caption "Other Investments" is detailed as follows:

| Participation | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| Cimóvel - Fundo de Investimento Imobiliário Fechado | 4.931.027 | 4.817.718 | 4.641.544 |
| Others | 163.411 | 148.686 | 138.078 |
| | **5.094.438** | **4.966.404** | **4.779.622** |

During the periods ended June 30, 2023, December 31, 2022 and June 30, 2022 the movements in the caption "Other investments" were as follows:

| | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| **Other investments** | | | |
| Fair value at January 1 | **4.966.404** | **4.606.025** | **4.606.025** |
| Acquisitions during the Year | 14.725 | 17.318 | 6.710 |
| Increase/(decrease) in fair value | 113.309 | 343.061 | 166.887 |
| Fair value at reference date | **5.094.438** | **4.966.404** | **4.779.622** |

As of June 30, 2023, the caption "Other investments" includes the amount of 4.931.027 Euros (4.817.718 Euros as of December 31, 2022) corresponding to 580.476 participation units in Cimóvel- Fundo de Investimento Imobiliário Fechado (9.098%), recorded in accordance with the Participation Unit disclosed on June 30, 2023 (the acquisition cost of such participation units amounted to 3.013.947 Euros), which results in the recognition of a capital reserve (Fair Value Reserve) of 1.809.946 Euros (1.723.238 Euros as of December 31, 2022). This financial asset, measured at fair value through comprehensive income, was designated as such on the date of its recognition.

The remaining amount represents minor investments in non-listed companies, and the Board of Directors understands that the net value for which they are accounted for is similar to their respective fair value.

In addition, the effect in equity in the six-months periods ended June 30, 2023 and 2022 of the recognition of this investment in the Cimóvel Fund at its fair value can be summarized as follows:

| | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Changes in fair value | 113.309 | 166.887 |
| Deferred tax | (25.495) | (37.550) |
| Effect in Equity | **87.814** | **129.337** |

## 12. INVENTORIES

OnJune 30, 2023, December 31, 2022 and June 30, 2022, this caption was composed as follows:

| | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| Raw materials and other consumables | 5.161.918 | 12.312.484 | 5.484.126 |
| Products and work in progress | 1.516.628 | 3.065.627 | 2.714.521 |
| Finished and intermediate products | 4.812.991 | 3.945.939 | 10.633.538 |
| Merchandise | 94.391.479 | 52.930.168 | 67.901.172 |
| | **105.883.016** | **72.254.218** | **86.733.357** |
| Accumulated impairment losses on inventories (Note 25) | (4.042.830) | (2.006.348) | (2.825.460) |
| | **101.840.186** | **70.247.870** | **83.907.897** |

The Group has defined impairment criteria for used vehicles that assume a devaluation in accordance with their ageing. The criteria followed by the Group are supported by market information obtained from external entities with reference to June 30. As such, the Board of Directors believes that in future years no losses will be generated in the sales and realization process of those used vehicles.

The cost of sales for the six-months periods ended June 30, 2023 and 2022 was calculated as follows:

| | 30/06/2023 | | | 30/06/2022 | | |
|---|---|---|---|---|---|---|
| | Merchandise | Raw materials and other consumables | Total | Merchandise | Raw materials and other consumables | Total |
| Beginning Inventories | 52.930.168 | 12.312.484 | **65.242.652** | 71.414.389 | 13.775.081 | **85.189.470** |
| Net purchases | 206.487.335 | 17.004.289 | **223.491.624** | 162.160.456 | 22.993.377 | **185.153.833** |
| Transfers to/from Inventories | (293.727) | - | **(293.727)** | (15.208.410) | - | **(15.208.410)** |
| Regularization of inventories | 1.206.165 | - | **1.206.165** | 1.450.501 | - | **1.450.501** |
| Ending Inventories | (94.391.479) | (5.161.918) | **(99.553.397)** | (67.901.172) | (5.484.126) | **(73.385.298)** |
| **Total** | **165.938.462** | **24.154.855** | **190.093.317** | **151.915.764** | **31.284.332** | **183.200.096** |

The changes in production in the six-months periods ended June 30, 2023 and 2022 was calculated as follows:

| | 30/06/2023 | | | 30/06/2022 | | |
|---|---|---|---|---|---|---|
| | Finished and intermediate products | Products and work in progress | Total | Finished and intermediate products | Products and work in progress | Total |
| Ending Inventories | 4.812.991 | 1.516.628 | **6.329.619** | 10.633.538 | 2.714.521 | **13.348.059** |
| Regularization of stocks | (524.952) | 15.574 | **(509.378)** | (111.366) | 45.895 | **(65.471)** |
| Beginning Inventories | (3.945.939) | (3.065.627) | **(7.011.566)** | (2.687.059) | (765.005) | **(3.452.064)** |
| **Total** | **342.100** | **(1.533.425)** | **(1.191.325)** | **7.835.113** | **1.995.411** | **9.830.524** |

## 13. TRADE RECEIVABLES

On June 30, 2023, December 31, 2022 and June 30, 2022, this caption was composed as follows:

| | CURRENT ASSETS | | | NON-CURRENT ASSETS | | |
|---|---|---|---|---|---|---|
| | 30/06/2023 | 31/12/2022 | 30/06/2022 | 30/06/2023 | 31/12/2022 | 30/06/2022 |
| Customers, current account | 91.639.971 | 67.638.633 | 56.753.204 | 93.099 | 146.833 | 646.625 |
| Customers doubtful account | 9.321.634 | 9.508.485 | 9.397.336 | - | - | - |
| | **100.961.605** | **77.147.118** | **66.150.540** | **93.099** | **146.833** | **646.625** |
| Accumulated impairment losses on customers (Note 25) | (9.285.667) | (9.445.666) | (9.475.882) | - | - | - |
| | **91.675.938** | **67.701.452** | **56.674.658** | **93.099** | **146.833** | **646.625** |

Regarding the application of the *Expected Credit Losses* model established in IFRS 9, the Group applied the simplified approach of recognizing the expected credit losses in the economic life of accounts receivable in the analysis carried out, taking into account that they do not have a significant financing component.

The amounts presented in the statement of the consolidated financial position are net of the accumulated impairment losses for doubtful accounts that have been estimated by the Group, in accordance with its experience and based on its assessment of the economic environment at the date of the statement of the consolidated financial position. Thus, the Board of Directors understands that the book value of customer accounts receivable approach the respective fair value.

## 14. OTHER RECEIVABLES

On June 30, 2023, December 31, 2022 and June 30, 2022, this caption was composed as follows:

| | CURRENT ASSETS | | |
|---|---|---|---|
| | 30/06/2023 | 31/12/2022 | 30/06/2022 |
| Advances to suppliers | 2.051.342 | 191.982 | 223.034 |
| State and other public entities (VAT) | 1.055.603 | 913.240 | - |
| Other receivables | 1.148.965 | 1.172.057 | 1.099.308 |
| | **4.255.910** | **2.277.279** | **1.322.342** |

It should be noted that this caption also includes a balance receivable in the amount of 34.288 Euros from the related party Fundação Salvador Caetano (11.227 Euros as of December 31, 2022).

## 15. OTHER CURRENT ASSETS

On June 2023, December 31, 2022 and June 30, 2022, this caption was composed as follows:

| | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| Accrued income | | | |
| Fleets, campaigns, bonuses, rebates and contributions receivable from brands | 406.107 | 1.312.063 | 628.043 |
| Training grants (IEFP) | 827.000 | 384.596 | - |
| Intermediation fees (financing and insurance) | 547.685 | 311.573 | 455.828 |
| Rents | - | 32.545 | - |
| Warranty Claims | 124.474 | 127.048 | 92.257 |
| Others | 110.477 | 188.523 | 824.585 |
| | **2.015.743** | **2.356.348** | **2.000.713** |
| Deferred expenses | | | |
| Insurance | 89.416 | 219.990 | 107.365 |
| Rents | 130.421 | 130.320 | 125.800 |
| Commercial paper charges | 93.838 | 102.906 | 246.386 |
| Others | 969.792 | 165.749 | 412.851 |
| | **1.283.467** | **618.965** | **892.402** |
| **Total** | **3.299.210** | **2.975.313** | **2.893.115** |

The caption "Fleets, campaigns, bonuses, rebates and contributions receivable from brands" corresponds to amounts receivable from performance awards and achievement of objectives granted by the Toyota and Lexus brands, as well as support for campaigns developed by them.

## 16. DEFERRED TAX ASSETS AND LIABILITIES

The detail and movement of the amounts and the nature of the deferred tax assets and liabilities recorded in the attached consolidated financial statements as of June 30, 2023 and December 31, 2022, can be summarized as follows:

| 30/06/2023 | | | | |
|---|---|---|---|---|
| | 31/12/2022 | Impact on Income | Impact on Equity | 30/06/2023 |
| Deferred tax assets: | | | | |
| Impairment losses and provisions recorded and not accepted as tax costs | 669.887 | 523.329 | - | 1.193.216 |
| Defined Benefit Plans responsibilities | 368.042 | - | - | 368.042 |
| Write-off of property, plant and equipment/inventories | 1.243.740 | (74.270) | - | 1.169.470 |
| Others - Revenue from operations | 104.423 | - | - | 104.423 |
| | **2.386.092** | **449.059** | **-** | **2.835.151** |
| Deferred tax liabilities: | | | | |
| Depreciation resulting from legal and free revaluations | (1.491.019) | (276.735) | - | (1.767.754) |
| Effect of the reinvestment of capital gains generated from disposals of fixed assets | (44.566) | - | - | (44.566) |
| Allocation of fair value of financial assets | (405.851) | - | (25.495) | (431.346) |
| | **(1.941.436)** | **(276.735)** | **(25.495)** | **(2.243.666)** |
| | | | | |
| **Net effect (Note 26)** | | **172.324** | **(25.495)** | |

| 31/12/2022 | | | | |
|---|---|---|---|---|
| | 31/12/2021 | Impact on Income | Impact on Equity | 31/12/2022 |
| Deferred tax assets: | | | | |
| Impairment losses and provisions recorded and not accepted as tax costs | 858.385 | (188.498) | - | 669.887 |
| Defined Benefit Plans responsibilities | 1.620.998 | (325.121) | (927.835) | 368.042 |
| Cancellation of property, plant and equipment/inventories | 894.536 | 349.204 | - | 1.243.740 |
| Others - Revenue from operations | 154.816 | (50.393) | - | 104.423 |
| | **3.528.735** | **(214.808)** | **(927.835)** | **2.386.092** |
| Deferred tax liabilities: | | | | |
| Depreciation resulting from legal and free revaluations | (1.491.019) | - | - | (1.491.019) |
| Effect of the reinvestment of capital gains generated from disposals of fixed assets | (53.966) | 9.400 | - | (44.566) |
| Allocation of fair value of financial assets | (328.662) | - | (77.189) | (405.851) |
| | **(1.873.647)** | **9.400** | **(77.189)** | **(1.941.436)** |
| | | | | |
| **Net effect (Note 26)** | | **(205.408)** | **(1.005.024)** | |

As of June 30, 2023 and December 31, 2022, the Group companies had no tax losses available to carry forward.

As of June 30, 2023 and December 31, 2022, the tax rates used to calculate deferred tax assets and liabilities were as follows:

| | Tax rate | |
|---|---|---|
| | 30/06/2023 | 31/12/2022 |
| Country of origin of the subsidiary: | | |
| Portugal | 22,5%- 21% | 22,5%-21% |
| Cape Verde | 25% | 25% |

17. EQUITY

Share Capital

As of June 30, 2023, the fully subscribed and paid-up capital of the Parent Company consists of 35.000.000 fully subscribed and paid-up registered shares with a nominal value of 1 Euro each.

The identification of legal entities with more than 20% of the subscribed capital is as follows:

- Salvador Caetano- Auto S.G.P.S., S.A. 69,80%
- Toyota Motor Europe NV/SA 27,00%

In 2022, Salvador Caetano- Auto S.G.P.S., S.A. acquired 989 shares with a nominal value of 1 Euro each, fully paid up and representing 0.00283% of the share capital.

Dividends

At the Annual General Meeting held on May 30, 2023, the shareholders approved the distribution of dividends to be attributed to the shareholders of 0.25 Euros per share, in the total amount of 8,750,000 Euros.

Legal reserve

According to the commercial legislation in force, at least 5% of the annual net income, if positive, must be allocated to the reinforcement of the legal reserve, until it represents 20% of the Company's capital. This reserve is not distributable, except in the event of liquidation of the Company, but may be used to absorb losses after the other reserves have been exhausted or incorporated into the capital.

Fair value reserves

Fair value reserves reflect changes in the fair value of capital instruments at fair value through capital and are not likely to be distributed or used to absorb losses (Note 11).

Other reserves and retained earnings

Under Portuguese law, the amount of distributable reserves is determined in accordance with the individual financial statements of Toyota Caetano Portugal, S.A., presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

## 18. NON-CONTROLLING INTERESTS

The movement of this caption during the periods ended June 30, 2023, December 31, 2022 and June 30, 2022 was as follows:

| | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| Initial balance on January 1 | 1.451.563 | 1.329.406 | 1.329.406 |
| Others | 1.106 | 4.462 | (8.820) |
| Profit or loss for the year attributable to non-controlling interests | 170.381 | 117.695 | 90.879 |
| | **1.623.050** | **1.451.563** | **1.411.465** |

The breakdown of the value of the non-controlling interests between each of the fully consolidated subsidiary companies in the Financial Statements presented as of June 30, 2023 and December 31, 2022 is as follows:

| 30/06/2023 | | | |
|---|---|---|---|
| Subsidiary | % IQNC | Non-controlling interests | Result of the exercise of Non-Control Interests |
| Caetano Auto CV | 18,76% | 904.578 | 124.656 |
| Caetano Auto | 1,26% | 714.246 | 43.933 |
| Destaque Mourisco | 43,72% | (776) | (9) |
| Salvador Caetano Seguros | 1,26% | 5.002 | 1.801 |
| | | **1.623.050** | **170.381** |

| 31/12/2022 | | | |
|---|---|---|---|
| Subsidiary | % IQNC | Non-controlling interests | Result of the exercise of Non-Control Interests |
| Caetano Auto CV | 18,76% | 779.922 | 58.533 |
| Caetano Auto | 1,26% | 669.207 | 57.097 |
| Destaque Mourisco | 43,72% | (767) | (1.136) |
| Salvador Caetano Seguros | 1,26% | 3.201 | 3.201 |
| | | **1.451.563** | **117.695** |

The summary of the financial information as of June 30, 2023 and December 31, 2022 of the subsidiary companies listed above is shown in the table below:

| | Caetano Auto | | Caetano Auto CV | | Destaque Mourisco | | Salvador Caetano Seguros | |
|---|---|---|---|---|---|---|---|---|
| Rubric | 30/06/2023 | 31/12/2022 | 30/06/2023 | 31/12/2022 | 30/06/2023 | 31/12/2022 | 30/06/2023 | 31/12/2022 |
| Non-Current Assets | 51.926.324 | 50.747.466 | 1.128.877 | 1.170.588 | - | - | - | - |
| Current Assets | 66.251.251 | 56.571.322 | 8.210.708 | 7.096.573 | 2.078 | 653 | 491.105 | 333.790 |
| **Total Assets** | **118.177.575** | **107.318.788** | **9.339.585** | **8.267.161** | **2.078** | **653** | **491.105** | **333.790** |
| Non-Current Liabilities | 5.344.729 | 5.392.037 | 1.439.437 | 1.439.438 | - | - | - | - |
| Current Liabilities | 57.354.250 | 49.975.178 | 3.045.247 | 2.632.509 | 3.836 | 2.391 | 88.600 | 74.423 |
| **Equity** | **55.478.596** | **51.951.573** | **4.854.901** | **4.195.214** | **(1.758)** | **(1.738)** | **402.505** | **259.367** |
| | | | | | | | | |
| Sales and Services rendered | 132.457.272 | 236.799.136 | 9.234.052 | 16.073.817 | - | - | 443.225 | 332.498 |
| Operating Income | 4.960.028 | 6.865.534 | 796.524 | 384.197 | (20) | (2.599) | 184.692 | 328.355 |
| Financial Income | (82.171) | (74.281) | 14.026 | 14.703 | - | - | - | (139) |
| Tax | (1.350.834) | (1.843.037) | (150.863) | (95.511) | - | - | (41.554) | (73.849) |
| **Net Income** | **3.527.023** | **4.948.216** | **659.687** | **303.389** | **(20)** | **(2.599)** | **143.138** | **254.367** |

## 19. LOANS OBTAINED

As of June 30, 2023, December 31, 2022 and June 30, 2022, the caption "Loans Obtained" has the following detail:

| | 30/06/2023 | | | 31/12/2022 | | | 30/06/2022 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Current | Non-Current | TOTAL | Current | Non-Current | TOTAL | Current | Non-Current | TOTAL |
| Bank loans | 54.562.388 | - | **54.562.388** | 22.136.203 | - | **22.136.203** | 15.208.899 | - | **15.208.899** |
| Bank overdrafts | carrega142.910 | - | **142.910** | 6.800 | - | **6.800** | 8.332 | - | **8.332** |
| Bond loan | 12.500.000 | - | **12.500.000** | 12.500.000 | - | **12.500.000** | - | 12.500.000 | **12.500.000** |
| Lease liabilities | 5.653.649 | 16.329.378 | **21.983.027** | 4.877.306 | 14.663.934 | **19.541.240** | 5.920.340 | 11.674.819 | **17.595.159** |
| | **72.858.947** | **16.329.378** | **89.188.325** | **39.520.309** | **14.663.934** | **54.184.243** | **21.137.571** | **24.174.819** | **45.312.390** |

The movement in bank loans, bank overdrafts, commercial paper programs and bond loans during the periods ended June 30, 2023 and December 31, 2022 was as follows:

| 30/06/2023 | Opening Balance | Increases | Decreases | Other variations (*) | Final balance |
|---|---|---|---|---|---|
| Bank Loans | 136.203 | - | 73.815 | - | **62.388** |
| Bank overdrafts | 6.800 | - | - | 136.110 | **142.910** |
| Current accounts | 15.000.000 | 15.000.000 | 10.000.000 | - | **20.000.000** |
| Commercial paper | 7.000.000 | 117.500.000 | 90.000.000 | - | **34.500.000** |
| Bond Loans | 12.500.000 | - | - | - | **12.500.000** |
| Lease liabilities | 19.541.240 | 4.748.505 | 2.903.759 | 597.041 | **21.983.027** |
| | **54.184.243** | **137.248.505** | **102.977.574** | **733.151** | **89.188.325** |

| 31/12/2022 | Opening Balance | Increases | Decreases | Other variations (*) | Final balance |
|---|---|---|---|---|---|
| Bank Loans | 280.530 | - | 144.327 | - | **136.203** |
| Bank Overdrafts | 8.203 | - | - | (1.403) | **6.800** |
| Current accounts | 15.000.000 | 60.000.000 | 60.000.000 | - | **15.000.000** |
| Commercial paper | - | 64.500.000 | 57.500.000 | - | **7.000.000** |
| Bond Loans | 12.500.000 | - | - | - | **12.500.000** |
| Lease liabilities | 19.867.273 | 6.601.048 | 7.487.497 | 560.416 | **19.541.240** |
| | **47.656.006** | **131.101.048** | **125.131.824** | **559.013** | **54.184.243** |

(*) no impact on the cash flow statement

As of June 30, 2023 and December 31, 2022, the details of bank loans, bank overdrafts, Commercial Paper and bond loan programs, as well as their respective conditions, are as follows:

| 30/06/2023 | | | | |
|---|---|---|---|---|
| Description/Beneficiary Company | Amount used | Cap | Start date | Term |
| Current | | | | |
| Bond loan | | | | |
| Toyota Caetano Portugal | 12.500.000 | 12.500.000 | 09/08/2018 | 5 years |
| Current accounts | | | | |
| Toyota Caetano Portugal | 20.000.000 | 20.000.000 | 03/12/2021 | 1 year (**) |
| Toyota Caetano Portugal | - | 2.000.000 | 27/11/2011 | 3 months (*) |
| Covid Line Loan | | | | |
| Caetano Auto CV | 62.388 | 62.388 | | |
| Bank overdrafts | 142.910 | 5.500.000 | | |
| Invoices discounted on a "*Confirming*" basis | - | 4.500.000 | | |
| Commercial paper: | | | | |
| Toyota Caetano Portugal | - | 7.000.000 | 27/02/2021 | 5 years |
| Toyota Caetano Portugal | 10.000.000 | 10.000.000 | 27/02/2021 | 5 years |
| Toyota Caetano Portugal | 10.000.000 | 10.000.000 | 18/08/2020 | 5 years |
| Toyota Caetano Portugal | - | 4.000.000 | 17/07/2022 | 5 years |
| Toyota Caetano Portugal | 4.000.000 | 4.000.000 | 24/02/2021 | 1 year |
| Toyota Caetano Portugal | 10.500.000 | 13.000.000 | 14/06/2021 | 5 years |
| | **67.205.298** | **92.562.388** | | |
| | **67.205.298** | **92.562.388** | | |

| 31/12/2022 | | | | |
|---|---|---|---|---|
| Description/Beneficiary Company | Amount used | Cap | Start date | Term |
| Non-current | | | | |
| Bond loan | | | | |
| Toyota Caetano Portugal | 12.500.000 | 12.500.000 | 09/08/2018 | 5 years |
| | **12.500.000** | **12.500.000** | | |
| Current | | | | |
| Current accounts | | | | |
| Toyota Caetano Portugal | 15.000.000 | 20.000.000 | 03/12/2021 | 1 year (**) |
| Toyota Caetano Portugal | - | 2.000.000 | 27/11/2011 | 3 months (*) |
| Covid Line Loan | | | | |
| Caetano Auto CV | 136.203 | 136.203 | | |
| Bank overdrafts | 6.800 | 5.500.000 | | |
| Invoices discounted on a "*Confirming*" basis | - | 4.500.000 | | |
| Commercial paper: | | | | |
| Toyota Caetano Portugal | 7.000.000 | 7.000.000 | 27/02/2021 | 5 years |
| Toyota Caetano Portugal | - | 10.000.000 | 27/02/2021 | 5 years |
| Toyota Caetano Portugal | - | 10.000.000 | 18/08/2020 | 5 years |
| Toyota Caetano Portugal | - | 4.000.000 | 17/07/2017 | 5 years |
| Toyota Caetano Portugal | - | 4.000.000 | 24/02/2021 | 1 year |
| Toyota Caetano Portugal | - | 13.000.000 | 14/06/2021 | 5 years |
| | **22.143.003** | **80.136.203** | | |
| | **34.643.003** | **92.636.203** | | |

(*) renewable quarterly
(**) renewable annually

We detail below the amount related with loans obtained or credit lines contracted for which a collateral was granted in relation to mortgages on real estate assets (Note 35):

- Commercial paper: 17.000.000 euros

- Covid Line Loan: 62.388 Euros

The interest on the bank loans referred above is indexed to Euribor (*floor zero*), added with a spread ranging from 0.45% to 2.5%.

The Group and its subsidiaries have contracted credit lines as of June 30, 2023 in the amount of, approximately, 93 Million Euros (of which, approximately, 67 million Euros were used at June 30, 2023) that may be used for future operational activities and to meet financial commitments, with no restriction on the use of these facilities. This amount is applied in several financial institutions, with no excessive concentration in any of them.

The caption Lease liabilities (current and non-current) corresponds to the Group's liabilities, as lessee, relating to the rights of use related with cargo handling equipment and leased assets to carry out a small part of its operations, since most of the Group's operational activity is carried out in its own properties.

Responsibilities by maturity intervals:

### Financing

| | 30/06/2023 | | | | | |
|---|---|---|---|---|---|---|
| | 12m | 12-24m | 24-36m | 36-48m | >48m | Total |
| Bank loans | 20.062.388 | - | - | - | - | **20.062.388** |
| Bond loan | 12.500.000 | - | - | - | - | **12.500.000** |
| Bank Overdrafts | 142.910 | - | - | - | - | **142.910** |
| Commercial paper | 34.500.000 | - | - | - | - | **34.500.000** |
| Lease Liabilities | 5.653.649 | 5.502.070 | 3.489.275 | 3.223.630 | 4.114.403 | **21.983.027** |
| Total financing | **72.858.947** | **5.502.070** | **3.489.275** | **3.223.630** | **4.114.403** | **89.188.325** |

| | 31/12/2022 | | | | | |
|---|---|---|---|---|---|---|
| | 12m | 12-24m | 24-36m | 36-48m | >48m | Total |
| Bank loans | 15.136.203 | - | - | - | - | **15.136.203** |
| Bond loan | 12.500.000 | - | - | - | - | **12.500.000** |
| Bank Overdrafts | 6.800 | - | - | - | - | **6.800** |
| Commercial paper | 7.000.000 | - | - | - | - | **7.000.000** |
| Lease Liabilities | 4.877.306 | 5.857.359 | 3.334.527 | 2.465.857 | 3.006.191 | **19.541.240** |
| Total financing | **39.520.309** | **5.857.359** | **3.334.527** | **2.465.857** | **3.006.191** | **54.184.243** |

## Interest

| | 30/06/2023 | | | | | |
|---|---|---|---|---|---|---|
| | 12m | 12-24m | 24-36m | 36-48m | >48m | Total |
| Bank loans | 547.804 | - | - | - | - | **547.804** |
| Lease Liabilities | 258.319 | 257.968 | 174.383 | 125.964 | 222.615 | **1.039.249** |
| Bond loan | 347.482 | - | - | - | - | **347.482** |
| Total interest | **1.153.605** | **257.968** | **174.383** | **125.964** | **222.615** | **1.934.535** |

| | 31/12/2022 | | | | | |
|---|---|---|---|---|---|---|
| | 12m | 12-24m | 24-36m | 36-48m | >48m | Total |
| Bank loans | 547.804 | - | - | - | - | **547.804** |
| Lease liabilities | 377.005 | 240.351 | 138.588 | 77.399 | 96.987 | **930.330** |
| Bond loan | 203.039 | 347.482 | - | - | - | **550.521** |
| Total interest | **1.127.848** | **587.833** | **138.588** | **77.399** | **96.987** | **2.028.655** |

## 20. TRADE PAYABLES

As of June 30, 2023, December 31, 2022 and June 30, 2022 this caption consisted of current balances payable to suppliers, which are due in full in the short term.

The Group, within the scope of financial risk management, has implemented policies to ensure that all liabilities will be settled within the defined payment deadlines.

## 21. OTHER PAYABLES

On June 30,2023, December 31, 2022 and June 30, 2022 this caption was composed as follows:

| | CURRENT LIABILITIES | | | NON-CURRENT LIABILITIES | | |
|---|---|---|---|---|---|---|
| | 30/06/2023 | 31/12/2022 | 30/06/2022 | 30/06/2023 | 31/12/2022 | 30/06/2022 |
| Withholding of Income taxes | 572.837 | 447.802 | 487.126 | - | - | - |
| Value Added Tax | 17.472.653 | 11.491.072 | 13.173.176 | - | - | - |
| Vehicles tax | 2.705.077 | 1.085.276 | 2.018.565 | - | - | - |
| Social Security Contributions | 1.003.009 | 771.947 | 885.857 | - | - | - |
| Taxes from local authorities | 198.233 | 165.839 | 195.598 | - | - | - |
| Others | 6.440 | 4.787 | 6.375 | - | - | - |
| **State and other public entities - Subtotal** | **21.958.249** | **13.966.723** | **16.766.697** | **-** | **-** | **-** |
| | | | | | | |
| Shareholders | 40.108 | 29.742 | 35.773 | - | - | - |
| Advances from Customers | 6.907.437 | 3.254.006 | 2.620.706 | - | - | - |
| Other debts to third parties | 27.719.674 | 26.958.560 | 46.872.892 | 3.879.394 | 805.640 | 4.760.680 |
| **Other payables - Subtotal** | **34.667.219** | **30.242.308** | **49.529.371** | **3.879.394** | **805.640** | **4.760.680** |
| | **56.625.468** | **44.209.031** | **66.296.068** | **3.879.394** | **805.640** | **4.760.680** |

In certain situations, the Group is using the financial entity of the represented brands , namely Toyota Kreditbank, GMBH- Sucursal em Portugal, for the purpose of the acquisition of vehicles, necessary for the levels of activity developed. The amounts due to this entity are included under the caption "Other accounts payable" and amount to 30.761.489 Euros as of June 30, 2023 (26.779.908 Euros as of December 31, 2022).

It is the Board of Directors understanding that the accounts payable to Toyota Kreditbank, GMBH – Sucursal em Portugal for the purpose of acquiring vehicles, have specific characteristics that justify a separate presentation under the captions financing obtained and suppliers. In fact, the Group finances the acquisition of new vehicles (for exhibition) and registered vehicles (intended for demonstration, courtesy and rental) through the financial entity of the Toyota Japan Group, Toyota Kreditbank, GMBH – Sucursal em Portugal, and the aforementioned agreements concluded with this entity determine that the settlement of the liability must be made on the most recent of the following dates: the date of maturity of the agreement or the date of sale of the vehicle. This is a relevant, specific and unique feature of this type of liabilities, a fact which was taken into account by the Board of Directors in the process of assessing the classification of such financial liability. In that assessment, the Board of Directors also considered it to be the practice of the sector not to present this type of liabilities as financing obtained, when it is specifically associated with the acquisition of vehicles.

The outstanding balances with Toyota Kreditbank, GMBH – Sucursal em Portugal on June 30, 2023 and December 31, 2022 relate to financing with maturities of less than 640 days, interest rates between 1.45% and 5%, and the companies of the Toyota Caetano Portugal Group guarantee the same through the delivery of a blank promissory note with the respective filling agreement.

There are no overdue liabilities to the State and Social Security.

## 22. INCOME TAX (STATEMENT OF FINANCIAL POSITION)

The breakdown of the "Income tax" item as of June 30, 2023, December 31, 2022 and June 30, 2022 is as follows:

| | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| Creditor balances | | | |
| Corporate Income Tax | | | |
| Income tax payable | 4.145.783 | 2.116.541 | 2.842.396 |
| | **4.145.783** | **2.116.541** | **2.842.396** |

## 23. OTHER CURRENT LIABILITIES

As of June 30, 2023, December 31, 2022 and June 30, 2022 the caption "Other current liabilities" can be detailed as follows:

| | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| Accrued expenses | | | |
| Vacation pay and vacation bonus | 8.727.238 | 8.307.798 | 8.518.427 |
| Advertising campaigns and sales promotion | 12.370 | 362.692 | 602.834 |
| Commissions to be settled | 554.220 | 833.575 | 396.367 |
| Vehicle Tax on sold and unregistered vehicles | 1.306.222 | 1.032.644 | 1.180.669 |
| External supplies and services to be settled | 2.405.129 | 1.281.760 | 1.491.670 |
| Rebate charges attributable to fleet managing entities | 495.862 | 613.556 | 315.640 |
| Accrued costs allocated to vehicles sold | 1.607.864 | 1.170.239 | 1.999.217 |
| Insurance to be settled | 92.234 | 37.054 | 16.401 |
| Interest to be paid | 717.928 | 203.479 | 183.117 |
| Municipal Property Tax | 181.578 | 152.959 | 116.610 |
| Royalties | 138.368 | 152.285 | 135.592 |
| Others | 3.398.549 | 2.245.595 | 2.955.794 |
| | **19.637.562** | **16.393.636** | **17.912.338** |
| | | | |
| Deferred income | | | |
| Vehicle Maintenance / Assistance Contracts | 6.444.536 | 6.251.670 | 6.373.881 |
| Deferred turnover | 19.365.931 | 1.488.904 | 3.129.348 |
| Others | 1.038.410 | 543.401 | 98.970 |
| | **26.848.877** | **8.283.975** | **9.602.199** |
| **Total** | **46.486.439** | **24.677.611** | **27.514.537** |

As of June 30, 2023, the caption "Others" of accrued expenses includes advances related to maintenance contracts with replacement vehicles in about 661.727 Euros (599.297 Euros in 2022).

As of June 30, 2023 and December 31, 2022, the caption "Deferred turnover" includes invoicing to customers in respect of ongoing sales processes for which the associated performance obligation has not yet been met.

As of June 30, 2023 and December 31, 2022, the caption "Vehicle Maintenance / Servicing Contracts" includes the deferred amount related to multi-year vehicle maintenance contracts, already invoiced and received, for which the associated performance obligation has not yet been fulfilled, which is why the respective revenue is deferred. That amount shall be recognized to the extent to which the performance obligation is fulfilled.

## 24. PENSION OBLIGATIONS

Toyota Caetano Portugal (together with other associates) constituted by public deed dated December 29, 1988 the Salvador Caetano Pension Fund, subsequently amended on February

2, 1994, on April 30, 1996, on August 9, 1996, on July 4, 2003, on February 2, 2007, on December 30,2008, December 23, 2011 and December 31, 2013.

As of June 30, 2023, the following subsidiaries of the Toyota Caetano Group were members of the Salvador Caetano Pension Fund:

- Toyota Caetano Portugal, S.A.

- Caetano Auto, S.A.

- Caetano Renting, S.A.

As of June 30, 2023, CaetanoBus- Fabricação de Carroçarias, S.A. also integrates the Salvador Caetano Pension Fund and consolidates by the equity method in the Toyota Caetano Group.

This Pension Fund established that, as long as its members maintained the decision to make contributions, the majority of its employees could receive, from the date of retirement, a non-updatable supplement, determined on the basis of a wage percentage, among other conditions, thus setting up a defined benefit plan. To cover these liabilities, an Autonomous Fund is set up (which is currently managed by BPI Vida e Pensões, S.A.).

On December 18, 2007, a file containing the proposals for amendments to the Incorporation Contract of the Salvador Caetano Pension Fund, as well as the minutes of their approval by the Fund's Monitoring Committee was sent to the Instituto de Seguros de Portugal ("ISP"), proposing, with effect from January 1, 2008, the approval by that body of such amendments .

The aforementioned proposal to amend the pension supplement regime, duly approved by the Pension Fund Monitoring Committee, includes the maintenance of a Defined Benefits scheme for the then retired and beneficiaries of deferred pensions, as well as for all employees of the members of the Salvador Caetano Pension Fund which, as of January 1, 2008, had completed 50 years of age and more than 15 years of service in the members of the Salvador Caetano Pension Fund, and a new group was also created (formed by the remaining workers at the service of the associates of the Salvador Caetano Pension Fund) that was, from that date, included in a Defined Contribution Plan.

On December 29, 2008, a letter was received containing the approval by ISP – Instituto de Seguros de Portugal, of the intended changes and to be in force from 01/01/2008 onwards.

The ISP determined in this approval that the employees of the members of the Salvador Caetano Pension Fund who, on January 1, 2008, had reached 15 years of service in the member and were under 50 years of age (and who will become part of a Defined Contribution Plan) were entitled to an individual "initial capital" according to the new plan, determined on the basis of the actuarial obligations established with reference to December 31, 2007 and based on the assumptions and criteria used in that year. The assets of the Salvador Caetano Pension Fund were on that date allocated to those two Plans through the rules then established by the ISP, thus maintaining that format until the current date.

Thus, the Salvador Caetano Pension Fund is a single fund and includes two distinct plans: a Defined Benefit plan and a Defined Contribution plan.

The main characteristics of the Salvador Caetano Pension Plan in the part concerning the defined benefits are as follows:

- The pension plan is complementary to the public Social Security schemes, and the plan is independent of the pensions awarded by the Social Security;
- The pension scheme provides for the payment of pensions in the event of old-age retirement and disability retirement;
- The pension scheme provides for the existence of acquired rights;
- The updating of the pensions is dependent on the decision of the members of the Salvador Caetano Pension Fund;
- The payment of benefits is made directly by the Pension Fund;
- In terms of eligibility, workers who were at least 50 years of age on December 31, 2017 and who, on the same date, had completed 15 years of service in one of the members of the Salvador Caetano Pension Fund, are eligible;
- The normal retirement age refers to the age established by the General Social Security Scheme;
- The pensionable wage corresponds to 14/13 of the last wage earned by the worker;
- The retirement pension for old age and disability corresponds to 20% of the monthly pensionable salary;

- These pensions are paid 13 times a year;
- In terms of the minimum level of solvency, the value of the assets of the Salvador Caetano Pension Fund may not be lower than the minimum amount of solvency calculated in accordance with the rules established by the regulatory standard of the Insurance and Pension Funds Supervisory Authority ("ASF"). The "Minimum Solvency Scenario" is thus calculated by the responsible actuary (BPI Pensões, S.A.) in accordance with ASF Standard No. 21/96-R, of December 5.

The Salvador Caetano Pension Fund has currently entered into a management contract with the managing entity BPI Vida e Pensões, S.A., acting as "Responsible Actuary". In accordance with the current legislation in force, the managing body shall ensure that the assets which constitute the Salvador Caetano Pension Fund’s assets are appropriate to the liabilities arising from the pension scheme, taking into account, in particular:

- The nature of the anticipated benefits;
- The maturity of the responsibilities;
- The investment policy established and the risks to which the assets are subject; and
- The level of funding of the liabilities.

Thus, under the management contract established with BPI Vida e Pensões, S.A., the managing body must use the methods or techniques it considers better aligned with the objective of ensuring, with a high level of reasonableness, that unfavorable fluctuations in the value of the assets do not jeopardize the payment of the liabilities assumed, especially those related to pensions in payment. In this sense, BPI Vida e Pensões, S.A. has developed a model for the analysis of compatibility between the assets and liabilities of the Pension Fund, called the "ALX Model", which aims to determine the appropriate composition of a portfolio of financial assets, matching the nature, risk, duration and profitability of the assets, with the average maturity of the liabilities borne by the Fund, either relating to pensions in payment or to pensions payable in the future in respect of workers still in active employment. This model does not, however, eliminate the use of more sophisticated and complete models of ALM (*Asset Liability Management*).

The following is a description of each of the risks in the activity of BPI Vida e Pensões, S.A., as well as the information models used for their monitoring:

## MARKET RISK

The main market risks arise from changes in the prices of portfolio securities, resulting from the investors' perception of factors intrinsic to the issuer or markets, or geopolitical factors.

The tools used to measure and quantify exposure to market risks are as follows:

VaR – *Value at Risk*

Value *at Risk* (VaR) is the estimate of the maximum expected loss for a portfolio over a given time frame with a certain level of confidence.

The VaR calculation system of BPI Vida e Pensões, S.A. uses the volatilities and correlations historically calculated for the different securities and prices in the last 365 days, determining the VaR of each portfolio for a time interval of 30 days and a confidence level of 95%.

The results of the hedging policies implemented by the managers are also evaluated and consolidated, namely through the VaR values determined with and without derivatives.

Stress scenarios

In order to complement the information provided for each portfolio by VaR, which is based on historical series, BPI Vida e Pensões, S.A. also evaluates the exposure to market risks, analyzing the impact on the value and respective future profitability of each portfolio, considering the repetition of past stress scenarios.

These stress scenarios are applied to the key variables, assessing their individual impact and the joint impact with other variables.

## CREDIT RISK (portfolio diversification)

The credit risk of each security is assessed taking into account the credit risk of each issuer and the nature of its debt, as well as the *rating* and probability of default.

## LIQUIDITY RISK

To assess the liquidity risk, each manager continuously monitors the expected inflows and outflows of portfolios and maintains liquidity levels appropriate to the expected maturities of liabilities.

## OPERATIONAL RISK

The operational risk is assessed considering the database of operating losses of BPI Vida e Pensões, S.A., which provides a record of all events and their financial impact.

In addition, for the six-month period ended June 30, 2023, there was no change, early cancellation or liquidation of the Defined Benefit Plan.

The net liability of the Toyota Caetano Portugal Group shown above is safeguarded, not only by the assets of the Salvador Caetano Pension Fund allocated to the defined benefit plan, but also through a provision recorded in the amount of 1.052.168 Euros (542.455 Euros at December 31, 2022), reflected in the statement of the consolidated financial position under the caption "Liabilities for defined benefit plans".

## 25. ACCUMULATED PROVISIONS AND IMPAIRMENT LOSSES

The movement in provisions during the six-month periods ended June 30, 2023 and 2022 was as follows:

| 30/06/2023 | | | | | |
|---|---|---|---|---|---|
| Captions | Initial Balance | Increases | Decreases | Utiliization | Final Balance |
| Accumulated impairment losses on investment property (Note 6) | 257.500 | - | | - | 257.500 |
| Accumulated impairment losses on non-current assets held for sale | 1.330.000 | | - | - | 1.330.000 |
| Accumulated impairment losses on trade receivables (Note 13) | 9.445.666 | 27.933 | (160.884) | (27.048) | 9.285.667 |
| Accumulated impairment losses on inventories (Note 12) | 2.006.348 | 2.077.561 | - | (41.079) | 4.042.830 |
| Provisions | 1.887.033 | 47.897 | - | (97.733) | 1.837.197 |

| 30/06/2022 | | | | | |
|---|---|---|---|---|---|
| Captions | Initial Balance | Increases | Utilization and Decreases | Other Regularizations | Total |
| Accumulated impairment losses on investment property (Note 6) | 200.000 | - | | - | 200.000 |
| Accumulated impairment losses on non-current assets held for sale | 2.108.969 | | - | (778.969) | 1.330.000 |
| Accumulated impairment losses on trade receivables (Note 13) | 9.977.302 | 626.866 | (552.670) | (575.616) | 9.475.882 |
| Accumulated impairment losses on inventories (Note 12) | 1.839.613 | 1.006.384 | - | (20.537) | 2.825.460 |
| Provisions | 1.918.478 | 66.424 | - | (84.183) | 1.900.719 |

As of June 30, 2023 and December 31, 2022, the detail of the caption "Provisions" can be summarized as follows:

| Provisions | 30/06/2023 | 31/12/2022 |
|---|---|---|
| Customer Guarantees | 199.038 | 235.482 |
| Ongoing legal proceedings | 1.439.438 | 1.439.438 |
| Claims in vehicles without own damage | 48.721 | 62.113 |
| Other risks and charges | 150.000 | 150.000 |
| | **1.837.197** | **1.887.033** |

The caption "Ongoing legal proceedings" essentially considers a provision created in the 2020 financial year in the amount of approximately 1.4 million Euros, corresponding to a litigation process involving the subsidiary Caetano Auto CV, S.A. and the customs authority of Cape Verde. It is the understanding of the Board of Directors, supported by its legal advisors, that the outcome of this process may result in impacts for the Group, which is why it has decided to recognize a provision for the amount at risk.

## 26. INCOME TAX

The income taxes recognized for the six-month periods ended June 30, 2023 and 2022 are detailed as follows:

| | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Current tax | 3.981.755 | 2.962.623 |
| Deferred tax (Note 16) | (172.324) | 64.390 |
| | **3.809.431** | **3.027.013** |

## 27. SALES AND SERVICES RENDERED BY GEOGRAPHY

The breakdown of sales and services rendered by geographic markets for the six-month periods ended June 30, 2023 and 2022 was as follows:

| Activity | 30/06/2023 | | 30/06/2022 | |
|---|---|---|---|---|
| | Value | % | Value | % |
| Vehicles | 199.982.004 | 78,13% | 182.492.758 | 78,69% |
| Parts | 31.800.576 | 12,42% | 27.483.699 | 11,85% |
| Repair services | 22.909.212 | 8,95% | 21.009.797 | 9,06% |
| Other | 1.274.473 | 0,50% | 924.416 | 0,40% |
| | **255.966.265** | **100,00%** | **231.910.670** | **100,00%** |

## 28. EXTERNAL SUPPLIES AND SERVICES

The breakdown of the "External Supplies and Services" caption for the six-month periods ended June 30, 2023 and 2022 is as follows:

| | 30/06/2023 | 30/06/2022 |
|---|---|---|
| **Subcontracts** | **1.591.100** | **1.390.318** |
| **Specialized services** | **10.974.825** | **11.175.026** |
| Specialized works | 3.724.678 | 3.767.409 |
| Advertising | 4.314.983 | 5.180.958 |
| Surveillance and security | 314.167 | 263.073 |
| Fees | 748.435 | 762.072 |
| Commissions | 242.272 | 275.261 |
| Conservation and repair | 1.630.290 | 926.253 |
| **Materials** | **415.781** | **356.857** |
| **Energy and fluids** | **1.407.242** | **1.363.439** |
| **Travel, stays and transport** | **1.814.694** | **1.822.018** |
| Travel and stays | 836.589 | 708.224 |
| Personnel transport | 45.731 | 58.086 |
| Transportation of goods | 932.374 | 1.055.708 |
| **Miscellaneous services** | **6.984.276** | **7.297.577** |
| Short-term, low-value leases | 584.211 | 695.061 |
| Communication | 324.361 | 247.242 |
| Insurance | 774.507 | 848.237 |
| Royalties | 173.154 | 201.252 |
| Litigation | 29.197 | 22.715 |
| Cleaning, hygiene and comfort | 587.736 | 629.976 |
| Other services | 4.511.110 | 4.653.094 |
| | **23.187.918** | **23.405.235** |

## 29. PAYROLL EXPENSES

Payroll expenditure for the six-months periods ended June 30, 2023 and 2022 is broken down as follows:

| | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Remuneration of the governing bodies in the parent company | 259.798 | 122.250 |
| Remuneration of the governing bodies in the subsidiaries | 171.614 | 169.892 |
| Employee remuneration | 16.287.000 | 14.893.080 |
| Pensions | 596.046 | 545.270 |
| Severance payments | 190.503 | 156.504 |
| Charges on remuneration | 4.246.996 | 3.912.634 |
| Insurance on accidents at work and occupational diseases | 251.544 | 221.592 |
| Other payroll expenses | 2.411.610 | 1.880.668 |
| | **24.415.111** | **21.901.890** |

## REMUNERATION OF MEMBERS OF THE GOVERNING BODIES

The remuneration of the members of the governing bodies of Toyota Caetano Portugal, S.A. in the six months period ended as of June 30, 2023 and 2022 were as follows:

| Governing Bodies | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Board of Directors | | |
| Remuneration in the parent company | 259.798 | 122.250 |
| Remuneration in the subsidiaries | 124.475 | 134.625 |
| Supervisory Board | 2.340 | 2.340 |

## EVOLUTION OF THE AVERAGE NUMBER OF EMPLOYEES

During the six-month periods ending June 30, 2023 and 2022 the average number of employees was as follows:

| Staff | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Employees | 1.114 | 1.096 |
| Wage earners | 456 | 431 |
| | **1.570** | **1.544** |

## 30. OTHER OPERATING INCOME AND EXPENSES

As of June 30, 2023 and 2022, the caption "Other operating income" has the following composition:

| Other operating income | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Recovery of warranty charges and other operating expenses | 4.568.348 | 2.976.345 |
| Rents | 2.014.862 | 1.946.553 |
| Own work capitalized | 1.402.105 | 1.476.806 |
| Operating subsidies | 3.175.634 | 2.011.105 |
| Recovery of advertising and sales promotion charges | 211.746 | 277.563 |
| Services rendered | 1.112.707 | 1.282.953 |
| Expenses recovery | 977.091 | 969.432 |
| Gains on disposal of assets | 128.153 | 492.951 |
| Corrections from prior years | - | 1.537 |
| Intermediation commissions in vehicle financing | 59.110 | 74.192 |
| Compensation for claims | 16.807 | 2.073 |
| | **13.666.563** | **11.511.510** |

Detailing the main values mentioned above, it should be mentioned that:

- the captions "Recovery of warranty charges and other operating expenses" and "Recovery of advertising and sales promotion charges" essentially include amounts relating to the recovery of charges (relating to the brands represented, from the supplier Toyota Japan Group) with repairs made under the warranty period in the amounts of 1.755 thousand Euros as of June 30, 2023 (1.434 thousand Euros as of June 30, 2022). This item also includes the recovery of various charges incurred by the Group for marketing and commercial promotion activities associated with its operations, from the supplier Toyota Japan Group, as well as the recovery of transport charges associated with sales processes. The expenses incurred related with such recovery of charges are recognized in several items of the consolidated income statement, namely: (i) cost of goods sold and materials consumed (in relation to materials incorporated and consumed in the vehicle repair processes), (ii) personnel expenses (in relation to the labor used in the vehicle repair processes), and (iii) external supplies and services (where expenses are recognized related with vehicle repairs carried out by independent dealers and repairers, transport charges, marketing and advertising charges, among others);

- the caption "Rents" includes a value related to rents of investment properties of around 1.5 million euros (1.4 million euros in 2022). These leases are partly derived from real estate asset leases contracted with various related entities, the respective details being for the six-month periods ended June 30, 2023 and 2022, as follows:

| Entity | 30/06/2023 | 30/06/2022 |
|---|---|---|
| CaetanoBus - Fabricação de Carroçarias, S.A. | 707.350 | 680.886 |
| Toyota Logistic. Serviços Portugal, Unip., Lda. | 285.646 | 284.555 |
| Caetano Aeronautic, S.A. | 85.008 | 84.603 |
| Other Related Parties | 87.006 | 93.124 |

- The caption "Services rendered" essentially refers to debts of administrative fees to companies outside the Toyota Caetano perimeter, including several related entities. The detail of the "Services rendered" with related parties for the six-month periods ended June 30, 2023 and 2022 is as follows:

-

| Entity | 30/06/2023 | 30/06/2022 |
|---|---|---|
| CaetanoBus - Fabricação de Carroçarias, S.A. | 340.806 | 374.630 |
| Caetano Retail S.G.P.S., S.A. | 81.335 | 147.662 |
| Caetano Baviera - Comércio de Automóveis, S.A. | 49.090 | 85.040 |
| Rigor - Consultoria e Gestão, S.A. | 53.921 | 75.702 |
| Caetano Aeronautic, S.A. | 66.584 | 60.084 |
| Guérin - Rent-a-Car (Dois), S.A. | 19.422 | 40.341 |
| Other related parties | 154.980 | 219.471 |
| Other | 346.569 | 280.022 |
| **Total** | **1.112.707** | **1.282.953** |

- the caption "Recovery of expenses" includes, inter alia, income related to social services (debit of expenses for canteen and training to related companies);

- the item "Capital gains on the sale of assets" includes as of June 30, 2022 the amount of approximately 318 thousand Euros corresponding to the capital gain obtained by the Group with the sale of the investment property located at Rua das Pereiras in Vila Nova de Gaia;

- the caption "Operating subsidies" considers the amount of about 3.2 million Euros concerning support from IEFP – Instituto do Emprego e da Formação Profissional regarding the training initiatives provided by the Group in its various training centers (2 million Euros as af June 30, 2022);

As of June 30, 2023 and 2022, the caption "Other operating expenses" has the following composition:

| Other operating expenses | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Taxes | 741.127 | 579.861 |
| Corrections from prior years | 6.066 | 27.453 |
| Fines and penalties | 16.198 | 16.865 |
| Inventory Losses | 18.511 | 11.270 |
| Levies | 15.744 | 21.272 |
| Donations | 4.298 | 4.417 |
| Others unspecified | 743.721 | 803.331 |
| | **1.545.665** | **1.464.469** |

The caption "Others unspecified" essentially includes expenses supported with commercial incentives and bonuses granted to car dealerships.

## 31. FINANCIAL EXPENSES AND INCOME

As of June 30, 2023 and 2022, the consolidated financial results are as follows:

| Expenses and Losses | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Interest Supported | 1.902.115 | 656.937 |
| Interest on Leases (IFRS 16) | 66.955 | 56.217 |
| Other financial expenses and losses | 597.581 | 552.585 |
| | **2.566.651** | **1.265.739** |

| Income and Gains | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Interest Earned | 326.029 | 94.564 |
| | **326.029** | **94.564** |

## 32. FINANCIAL ASSETS AND LIABILITIES

Below is a summary table of the Group's financial instruments as of June 30, 2023 and December 31, 2022:

| Description | Note | Assets at amortized cost | Assets recorded at fair value through other comprehensive income | Other non-financial assets | Total |
|---|---|---|---|---|---|
| **As of June 30, 2023** | | | | | |
| **Non-current assets** | | | | | |
| Other investments | 11 | 163.411 | 4.931.027 | - | 5.094.438 |
| Customers | 13 | 93.099 | - | - | 93.099 |
| | | **256.510** | **4.931.027** | **-** | **5.187.537** |
| **Current assets** | | | | | |
| Customers | 13 | 91.675.938 | - | - | 91.675.938 |
| Other Debts of Third Parties | 14 | 1.148.965 | - | 3.106.945 | 4.255.910 |
| Other current assets | 15 | 2.015.743 | - | 1.283.467 | 3.299.210 |
| Cash and Cash Equivalents | 4 | 13.009.381 | - | - | 13.009.381 |
| | | **107.850.027** | **-** | **4.390.412** | **112.240.439** |

| Description | Note | Assets at amortized cost | Assets recorded at fair value through other comprehensive income | Other non-financial assets | Total |
|---|---|---|---|---|---|
| **As of December 31, 2022** | | | | | |
| **Non-current assets** | | | | | |
| Other investments | 11 | 148.686 | 4.817.718 | - | 4.966.404 |
| Customers | 13 | 146.833 | - | - | 146.833 |
| | | **295.519** | **4.817.718** | **-** | **5.113.237** |
| **Current assets** | | | | | |
| Customers | 13 | 67.701.452 | - | - | 67.701.452 |
| Other Debts of Third Parties | 14 | 1.172.057 | - | 1.105.222 | 2.277.279 |
| Other current assets | 15 | 2.356.348 | - | 618.965 | 2.975.313 |
| Cash and Cash Equivalents | 4 | 11.299.747 | - | - | 11.299.747 |
| | | **82.529.604** | **-** | **1.724.187** | **84.253.791** |

| Description | Note | Liabilities at amortized cost | Other non-financial liabilities | Total |
|---|---|---|---|---|
| **As of June 30, 2023** | | | | |
| **Non-current liabilities** | | | | |
| Loans obtained | 19 | 16.329.378 | - | 16.329.378 |
| Other debts to third parties | 21 | 3.879.394 | - | 3.879.394 |
| | | **20.208.772** | **-** | **20.208.772** |
| **Current liabilities** | | | | |
| Loans obtained | 19 | 72.858.947 | - | 72.858.947 |
| Suppliers | 20 | 28.292.034 | - | 28.292.034 |
| Other debts to third parties | 21 | 27.759.782 | 28.865.686 | 56.625.468 |
| Other current liabilities | 23 | 19.637.562 | 26.848.877 | 46.486.439 |
| | | **148.548.325** | **55.714.563** | **204.262.888** |

| Description | Note | Liabilities at amortized cost | Other non-financial liabilities | Total |
|---|---|---|---|---|
| **As of December 31, 2022** | | | | |
| **Non-current liabilities** | | | | |
| Loans obtained | 19 | 14.663.934 | - | 14.663.934 |
| Other debts to third parties | 21 | 805.640 | - | 805.640 |
| | | **15.469.574** | **-** | **15.469.574** |
| **Current liabilities** | | | | |
| Loans obtained | 19 | 39.520.309 | - | 39.520.309 |
| Suppliers | 20 | 30.945.755 | - | 30.945.755 |
| Other debts to third parties | 21 | 26.988.302 | 17.220.729 | 44.209.031 |
| Other current liabilities | 23 | 16.393.636 | 8.283.975 | 24.677.611 |
| | | **113.848.002** | **25.504.704** | **139.352.706** |

In compliance with paragraph 93 of IFRS 13, the classification of fair value measurements of financial instruments, by hierarchical level, is as follows:

a) Level 1- quoted prices- participation in the Cimóvel Fund, recorded under the caption "Other investments" (Note 11): 4.931.027 Euros (4.817.718 Euros as of December 31, 2022);

b) Level 2- inputs other than the quoted prices included in level 1 that are observable for the asset or liability, either directly (prices) or indirectly (price derivatives);

c) Level 3- inputs to the asset or liability that are not based on observable market data (unobservable inputs).

## 33. INFORMATION BY SEGMENTS

For the six months periods ended June 30, 2023 and 2022, the breakdown of the segment information is as follows:

| | 30/06/2023 | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | DOMESTIC | | | | | | | | EXTERNAL | | | | | ELIMINATIONS | CONSOLIDATED |
| | Vehicles | | | | Industrial equipment | | | Other | Vehicles | | Industrial equipment | | | | |
| | Industry | Trade | Services | Rental | Machines | Services | Rental | | Industry | Trade | Machines | Services | Rental | | |
| **REVENUE** | | | | | | | | | | | | | | | |
| Turnover | 4.888.162 | 313.208.179 | 11.659.052 | 2.774.678 | 7.912.331 | 2.727.644 | 6.181.080 | - | 22.646.760 | 13.896.185 | - | 36.664 | 8.469 | (129.972.939) | 255.966.265 |
| **RESULTS** | | | | | | | | | | | | | | | |
| Operating results | (119.405) | 12.714.293 | 2.229.061 | 519.056 | 1.081.803 | 1.361.288 | 858.014 | 184.672 | (267.157) | 832.555 | - | (2.574) | 5.003 | 379.810 | 19.776.419 |
| Financial results | (37.889) | (1.559.674) | (42.263) | (303.500) | (49.272) | (17.514) | (35.164) | - | (176.815) | (18.147) | - | (309) | (75) | - | (2.240.622) |
| Income tax for the financial year | - | - | - | - | - | - | - | (3.809.431) | - | - | - | - | - | - | (3.809.431) |
| Net Income with Non-Controlling Interests | (157.294) | 9.150.248 | 1.579.727 | (57.427) | 800.212 | 1.041.424 | 672.882 | (4.884.043) | (443.972) | 663.545 | - | (2.883) | 4.928 | 331.858 | 8.699.205 |
| | | | | | | | | | | | | | | | |
| **OTHER INFORMATION** | | | | | | | | | | | | | | | |
| Depreciation and amortization | 332.578 | 1.355.864 | 1.144.029 | 1.846.456 | 55.252 | 30.570 | 2.836.864 | - | - | 86.461 | - | - | - | (257.508) | 7.430.566 |
| | | | | | | | | | | | | | | | |

| 30/06/2022 | DOMESTIC | | | | | | | | EXTERNAL | | | | | ELIMINATIONS | CONSOLIDATED |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Vehicles | | | | Industrial equipment | | | Other | Vehicles | | Industrial equipment | | | | |
| | Industry | Trade | Services | Rental | Machines | Services | Rental | | Industry | Trade | Machines | Services | Rental | | |
| **REVENUE** | | | | | | | | | | | | | | | |
| Turnover | 1.412.555 | 278.380.015 | 10.390.348 | 12.821.777 | 3.625.280 | 2.357.090 | 6.253.542 | - | 22.291.067 | 11.335.310 | 2.068 | 260.060 | 2.868 | (117.221.310) | 231.910.670 |
| **RESULTS** | | | | | | | | | | | | | | | |
| Operating results | (236.170) | 9.234.855 | 1.285.918 | 1.246.488 | 865.271 | 987.209 | 1.165.011 | (2.855) | (468.204) | 292.213 | 1.298 | 9.961 | 2.402 | 529.009 | 14.912.406 |
| Financial results | (3.208) | (853.617) | (14.634) | (213.497) | (11.735) | (6.124) | (13.035) | - | (51.647) | (3.613) | (4) | (54) | (7) | - | (1.171.175) |
| Income tax for the financial year | - | - | - | - | - | - | - | (3.027.013) | - | - | - | - | - | - | (3.027.013) |
| Net Income with Non-Controlling Interests | (239.378) | 6.586.688 | 941.262 | 883.415 | 661.490 | 659.114 | 909.441 | (3.276.181) | (519.851) | 224.163 | 1.294 | 9.907 | 2.395 | 594.278 | 7.438.037 |
| | | | | | | | | | | | | | | | |
| **OTHER INFORMATION** | | | | | | | | | | | | | | | |
| Depreciation and amortization | 266.748 | 1.401.826 | 1.185.940 | 2.056.343 | 30.716 | 5.093 | 2.453.075 | - | - | 83.025 | - | - | - | (261.162) | 7.221.604 |
| | | | | | | | | | | | | | | | |

The segment information presented above corresponds to the information also presented to the Board of Directors for the purpose of approving the Group's accounts and also used in the decision-making process. The sub-segment concerning the industrial activity of vehicle assembly is included in the segment "Motor Vehicles- Industry". In addition, the activity of training and development of human resources, as well as the activity of real estate management (investment properties), since they represent a secondary activity and without great expression, are divided among the various segments. The Board of Directors understands that the presentation of these activities in autonomous segments is not relevant to the Group's financial reporting.

The "Eliminations" column essentially includes the cancellation of transactions between the Group companies included in the consolidation, mainly belonging to the "Vehicles" segment.

There are no revenues associated with transactions between the vehicles segment and the industrial equipment segment.

## 34. RELATED PARTIES

Balances and transactions between the Parent Company and its subsidiaries, which are related entities of the Parent, have been eliminated in the consolidation process and will therefore not be disclosed in this Note. The details of the balances and transactions between the Toyota Caetano Group and related entities (including associated entities and joint ventures), can be summarized as follows as of June 30, 2023 and 2022:

| | 30/06/2023 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Commercial balances | | Other Current Assets and Liabilities | | Products | | Property, Plant, and Equipment | | Services | | Other | |
| Related companies | Receivable | Payable | Other Current Liabilities | Other Current Assets | Sales | Purchases | Additions | Disposals | Provided | Obtained | Expenses | Income |
| Subsidiaries | 15.029.179 | 1.063.699 | 37.695 | 71.062 | 12.649.753 | 1.242.946 | - | - | 254.286 | 784.258 | - | 1.565.806 |
| Shareholders | 5.133.006 | 34.110.048 | 417.115 | - | 22.563.665 | 167.148.334 | - | - | - | 589.937 | 58.241 | 1.786.857 |
| Other Related Entities - Salvador Caetano Group | 4.999.681 | 6.157.570 | 1.308.172 | 59.098 | 6.262.109 | 4.328.654 | 114.286 | 119.100 | 476.549 | 7.609.168 | 305.309 | 2.100.572 |
| Other Related Entities - Toyota Japan Group | 17.061.015 | 12.184.232 | 4.737.807 | 1.848.728 | 33.918.715 | 34.003.590 | 6.900 | - | - | 255.312 | 528.915 | 879.051 |
| | **42.222.881** | **53.515.549** | **6.500.789** | **1.978.888** | **75.394.242** | **206.723.524** | **121.186** | **119.100** | **730.835** | **9.238.675** | **892.465** | **6.332.286** |

| | 30/06/2022 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Commercial balances | | Other Current Assets and Liabilities | | Products | | Property, Plant, and Equipment | | Services | | Other | |
| Related companies | Receivable | Payable | Other Current Liabilities | Other Current Assets | Sales | Purchases | Additions | Disposals | Provided | Obtained | Expenses | Income |
| Subsidiaries | 3.150.626 | 894.705 | 40.705 | 168.629 | 6.764.427 | 1.931.630 | - | - | 124.017 | 892.067 | 39.969 | 1.180.379 |
| Shareholders | 2.838.714 | 21.366.463 | 84.869 | 209.760 | 22.039.683 | 121.781.838 | - | - | - | 461.839 | - | 1.762.259 |
| Other Related Entities - Salvador Caetano Group | 4.574.674 | 4.456.751 | 840.206 | - | 6.430.568 | 4.072.490 | 269.850 | 48.500 | 499.264 | 5.685.289 | 449.122 | 1.694.284 |
| Other Related Entities - Toyota Japan Group | 7.239.934 | 48.017.469 | 6.934.927 | 3.833.823 | 35.445.406 | 35.451.260 | 3.500 | - | - | 242.950 | 1.014.331 | 755.720 |
| | **17.803.948** | **74.735.388** | **7.900.707** | **4.212.212** | **70.680.084** | **163.237.218** | **273.350** | **48.500** | **623.281** | **7.282.145** | **1.503.422** | **5.392.642** |

The related entities of the Parent Company are the following:

| Related Entities | |
|---|---|
| **Shareholders** | |
| Salvador Caetano Auto, (S.G.P.S.), S.A. | Portugal |
| Toyota Motor Europe, NV/SA | Belgium |
| **Subsidiaries** | |
| KINTO Portugal, S.A. | Portugal |
| Caetano UK, Ltd | United Kingdom |
| CaetanoBus - Fabricação de Carroçarias, S.A. | Portugal |
| Cobus Industries, GMBH | Germany |
| **Other related entities - Salvador Caetano Group** | |
| Amorim Brito & Sardinha, Lda. | Portugal |
| Atlântica - Companhia Portuguesa de Pesca, S.A. | Portugal |
| Auto Partner Imobiliária, S.A. | Portugal |
| Cabo Verde Rent-a-Car, Lda. | Cape Verde |
| Caetano Aeronautic, S.A. | Portugal |
| Caetano Baviera - Comércio de Automóveis, S.A. | Portugal |
| Caetano City e Active (Norte), S.A. | Portugal |
| Caetano Drive, Sport e Urban, S.A. | Portugal |
| Caetano Energy, S.A. | Portugal |
| Caetano Fórmula, S.A. | Portugal |
| Caetano Fórmula West África, S.A. | Portugal |
| Caetano Gamobar Motors, Lda. | Portugal |
| Caetano Move África, S.A. | Portugal |
| Caetano One CV, Lda. | Cape Verde |
| Caetano Parts, Lda. | Portugal |
| Caetano Power, S.A. | Portugal |
| Caetano Retail (S.G.P.S.), S.A. | Portugal |
| Caetano Retail España, S.A.U. | Portugal |
| Caetano Shared Services, S.A. | Portugal |
| Caetano Squadra África, S.A. | Portugal |
| Caetano Star, S.A. | Portugal |
| Caetsu Publicidade, S.A. | Portugal |
| Carplus - Comércio de Automóveis, S.A. | Portugal |
| Choice Car, S.A. | Portugal |
| COCIGA - Construções Civis de Gaia, S.A. | Portugal |
| COVIM - Soc. Agrícola, Silvícola e Imobiliária, S.A. | Portugal |
| Fundação Salvador Caetano | Portugal |
| Grupo Salvador Caetano, (S.G.P.S.), S.A. | Portugal |
| Gocharge, S.A. | Portugal |
| Guérin - Rent-a-Car (Dois), Lda. | Portugal |
| Hyundai Portugal, S.A. | Portugal |
| Lidera Soluciones, S.L. | Spain |

| Related Entities | |
|---|---|
| **Other related entities - Salvador Caetano Group** | |
| Lusilectra - Veículos e Equipamentos, S.A. | Portugal |
| MDS Auto - Mediação de Seguros, S.A. | Portugal |
| P.O.A.L. - Pavimentações e Obras Acessórias, S.A. | Portugal |
| Portianga - Comércio Internacional e Participações, S.A. | Portugal |
| RARCON - Arquitectura e Consultadoria, S.A. | Portugal |
| Rigor - Consultoria e Gestão, S.A. | Portugal |
| Robert Hudson, LTD | Angola |
| Salvador Caetano Auto África, (S.G.P.S.), S.A. | Portugal |
| Salvador Caetano Capital, (S.G.P.S.), S.A. | Portugal |
| SIMOGA - Sociedade Imobiliária de Gaia, S.A. | Portugal |
| Sózó Portugal, S.A. | Portugal |
| Turispaiva - Sociedade Turística Paivense, S.A. | Portugal |
| USERAGENCY - Agência de publicidade, Unipessoal, Lda. | Portugal |
| VAS África (S.G.P.S.), S.A. | Portugal |
| Vas Cabo Verde, Sociedade Unipessoal, S.A. | Cape Verde |
| **Other - Toyota Japan Group** | |
| Toyota Motor Corporation | Japan |
| Toyota Kredibank, GMBH - Sucursal em Portugal | Portugal |
| Toyota Logisticos Serviços Portugal, Unipessoal, Lda. | Portugal |
| Toyota Material Handling Deutschland | Germany |
| Toyota Material Handling Espanha S.A. | Spain |
| Toyota Material Handling Europe | Belgium |
| Toyota Material Handling Europe Brussels | Belgium |
| Toyota Material Handling Europe Logistics | Sweden |
| Toyota Material Handling Finland OY | Finland |
| Toyota Material Handling France | France |
| Toyota Material Handling Hungary LT | Hungary |
| Toyota Material Handlig Italia SRL | Italy |
| Toyota Material Handling Manufact, France, SAS | France |
| Toyota Material Handling Manufact, Italy, SPA | Italy |
| Toyota Material Handling Manufact, Sweden | Sweden |
| Toyota Material Handling Netherland | The Netherlands |
| Toyota Tsusho Asia Pacific PTE Ltd | Singapore |
| Toyota Tsusho Corporation | Japan |
| Toyota Tsusho Europe Czech Republic | Czech Republic |
| Toyota Tsusho Systems Europe GMBH | Belgium |

## 35. CONTINGENT ASSETS AND LIABILITIES

Financial commitments not included in the Statement of Consolidated Financial Position:

On June 30, 2023, December 31, 2022 and June 30, 2022, the Toyota Caetano Group had assumed the following financial commitments:

| Responsibilities | 30/06/2023 | 31/12/2022 | 30/06/2022 |
|---|---|---|---|
| Guarantees provided: Security deposit | 4.900.000 | 6.000.000 | 6.000.000 |
| Other financial guarantees | 955.360 | 835.592 | 895.235 |
| | **5.855.360** | **6.835.592** | **6.895.235** |

The amount of 4.9 million Euros presented on June 30, 2023 relating to "Guarantees provided: Security deposits" (6 million Euros as of December 31, 2022 and June 30, 2022), refers to deposits provided to the Tax and Customs Authority (“Autoridade Tributária e Aduaneira) that are intended to guarantee the subsequent payment of the amounts resulting from the duties and taxes, as well as the tax on vehicles in the dispatches and applications for registration made.

Following the loans obtained in the amount of about 26.8 million Euros, Toyota Caetano granted to the respective financial institutions, guarantees related to mortgages on real estate assets in the amount of approximately 13 million Euros.

Other Information

End-of-life vehicles

In September 2000, the European Commission voted on a directive on end-of-life vehicles and the corresponding responsibility of Producers/Distributors for their dismantling and recycling.

The Producers/Distributors will have to bear, according to this regulation, at least a significant part of the cost of dismantling the vehicles, placed on the market from July 1, 2002 as well as, for those marketed before this date, when presented from January 1, 2007.

This legislation will have an impact on Toyota vehicles sold in Portugal. Toyota Caetano and its representative Toyota are closely monitoring the development of the Portuguese National Legislation in order to, in due time, be able to quantify the impact of these operations on their financial statements.

It is, however, our conviction, given the studies already carried out on the Portuguese market, and given the possible recovery of the waste resulting from the dismantling of the said vehicles, that the actual impact of this legislation on the Group's accounts will be small, if not nil.

However, and to comply with the legislation introduced in the national regulations (Dec./Law 196/2003), the Group has concluded the contract with "ValorCar – Sociedade de Gestão de Veículos em Fim de Vida, Lda." – Company licensed as the managing entity of the integrated ELV management system – the transfer of the responsibilities inherent to this whole process.

Information relating to the environmental area

The Group adopts the necessary measures regarding the environmental area, in order to comply with current legislation.

The Board of Directors of the Toyota Caetano Group does not estimate that there are risks related to environmental protection and improvement, and no administrative offenses related to this matter have been received during the 2023 fiscal year.

## 36. EARNINGS PER SHARE

The earnings per share for the six-month periods ended June 30, 2023 and 2022 have been calculated considering the following amounts:

| | 30/06/2023 | 30/06/2022 |
|---|---|---|
| Result | | |
| Basic | 8.699.205 | 7.438.037 |
| Dilute | 8.699.205 | 7.438.037 |
| Number of shares | 35.000.000 | 35.000.000 |
| Results per share (basic and diluted) | 0,249 | 0,213 |

During the six-month periods ended June 30, 2023 and 2022, there was no change in the number of shares.

37. SUBSEQUENT EVENTS

In the current context, economic agents continue to face uncertainty resulting from a vast and varied set of factors such as:

- Ruptures in the supply chains, both regarding the accessibility of goods at the various stages of the value chain (raw materials, goods, products) and in relation to logistical constraints associated with their transport and availability, with the consequent impact on the respective price;
- Inflationary pressure and a rising interest rates context: with impacts on both companies and consumers;
- Energy crisis and influence on its supply and cost throughout the value chain;
- Volatility in the evolution of exchange rates;
- Shortage of labor and difficulties in retaining talent;
- Impacts of climate change.

Many of these factors were heavily impacted by the (post) pandemic scenario experienced and exacerbated by the ongoing conflict between Russia and Ukraine.

This situation represents, for the companies of the Toyota Caetano Group, the continuation of a challenging macroeconomic context, already felt in previous periods and which tends to be extended for the year of 2023.

The complex ramifications associated with the current context and the challenges that result from it, hinder forecasts, the performance of the Companies as well as the cash-flows management.

Toyota Caetano Portugal, S.A. Group continues to closely monitor events related to the situation in Ukraine, expressing total solidarity with its people.

Given the current circumstances in the labor market and the necessary increase in production for the second semester, we identify the risk of recruitment capacity as one of the determining factors for the execution of the current forecast prepared and to comply with the perspectives indicated above.

## 38. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors on September 27, 2023.

The Board of Directors: José Reis Da Silva Ramos - Chairman; Maria Angelina Martins Caetano Ramos; Miguel Pedro Caetano Ramos; Gisela Maria Falcão Sousa Pires Passos; Tom Fux; Takagi Kazunori