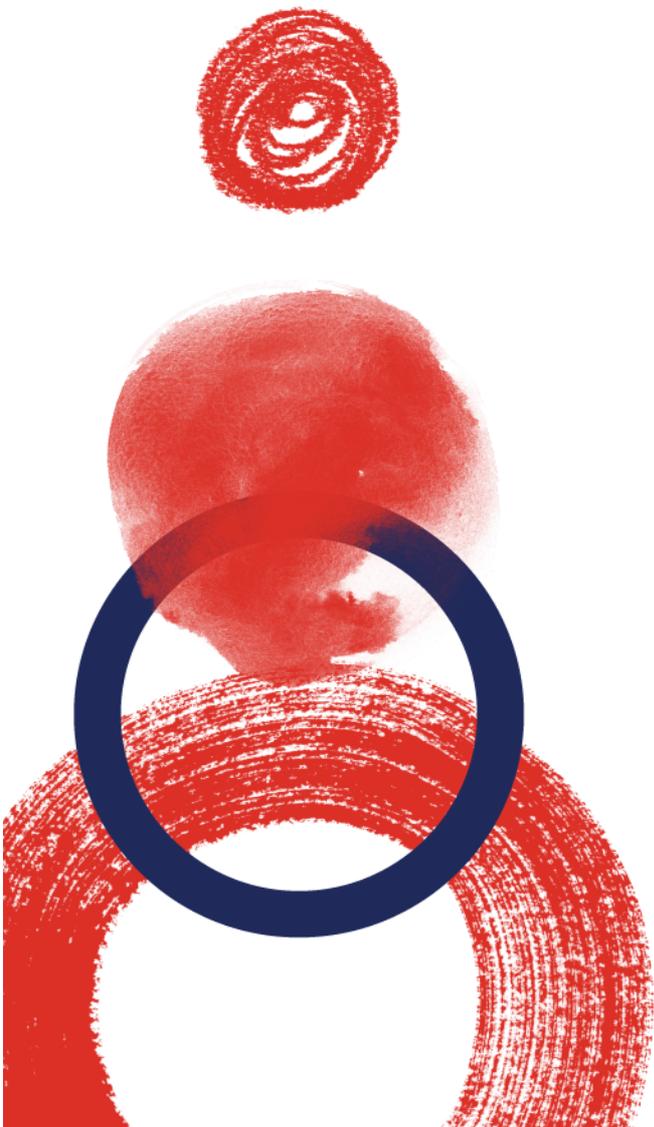




9 Months Results, 2022

Matosinhos, 9th November 2022

Proforma unaudited figures reported according to IFRS 16





01. HIGHLIGHTS¹

- Another quarter of solid growth and market share gains (turnover of €1,599m in 3Q'22, up 13.3% on a like-for-like basis), underpinned by a strong investment in prices, and an adjusted range of affordable and high-quality propositions to cater to customer needs in a high inflation and very demanding context
- Lower (but still resilient) operating profitability (unEBITDA dropping from 10.9% in 3Q'21 to 9.9% in 3Q'22), driven by price investments, reinforced private label offers and pressing energy costs
- Net profit from continuing operations of €61m in 3Q'22, down from €103m in 3Q'21, reflecting the pressure in operating profitability and the capital gain that resulted from the sale of the 50% stake in Maxmat in 2021
- Sound free cash flow generation of €102m in 9M'22, which ensured the maintenance of reduced leverage levels and the capacity to continue to invest to provide the best value-for-money and shopping experience to our customers

MESSAGE FROM THE CEO | Luís Moutinho

“As rising inflation kept denting households’ budgets, MC remained laser-focused on providing its customers with the highest quality offers at the lowest prices, both offline and online. Our commitment in protecting families amid difficult times earned the customers’ recognition and allowed us to end the summer and back-to-school seasons with a sense of accomplishment.

While we acted to mitigate current inflation pressures and maintain a healthy operating profile, we also continued to work hard to prepare for the future. With ambition, our teams remained fully mobilised in the agile transformation of our businesses and in the strengthening of our digital capabilities.

Despite the volatile operating environment, we are confident that we are on track to deliver a robust year-end, with a continued solid trajectory in the fourth quarter and Christmas.”



New Continente Bom Dia store in the restored historic Liz Garage's building, located in Lisbon centre

¹ Comparative figures in 2021 were restated to reflect Maxmat as a discontinued operation.



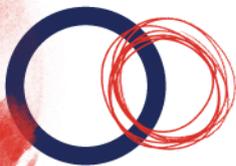
02.

OPERATIONAL AND FINANCIAL PERFORMANCE

TURNOVER (€m)	9 Months				3 rd Quarter			
	2021	2022	Δ y.o.y.	Δ LFL	2021	2022	Δ y.o.y.	Δ LFL
Total MC	3,883	4,294	10.6%	8.6%	1,378	1,599	16.0%	13.3%
Hypermarkets	1,281	1,378	7.6%	8.2%	449	507	13.0%	13.5%
Supermarkets	1,963	2,145	9.3%	6.8%	691	803	16.2%	13.2%
New Growth Businesses & Others	639	771	20.7%	19.9%	238	289	21.5%	13.3%

KEY RESULTS (€m)	9 Months			3 rd Quarter		
	2021	2022	Δ y.o.y.	2021	2022	Δ y.o.y.
Underlying EBITDA (unEBITDA)	384	400	4.1%	150	158	5.3%
<i>as % of turnover</i>	9.9%	9.3%	-0.6pp	10.9%	9.9%	-1.0pp
Net profit (from continuing operations)	151	123	-18.6%	103	61	-41.1%

- In 3Q'22, rising fuel and food bills continued aggravating households' cost of living. Despite a relatively normalized summer season (with social engagement and tourism booming again), concerns about the persistence of the war in Ukraine, the energy crisis and interest rates rises led consumer sentiment to remain subdued. In this context, grocery market volumes reduced. Still, as food inflation kept mounting, reaching 15.2%, grocery market sales continued growing in the quarter.
- MC turnover reached €1,599m in 3Q'22 (€4,294m in 9M'22), growing 16.0% in total and 13.3% on a like-for-like basis, with families continuing to elect the Company's banners to make the most out of their budgets amid a tough economic context. As consumers prioritized price and promotions over other dimensions, MC strived to develop attractive opportunities for customers to ensure a competitive positioning. Additionally, the Company continuously adapted its offers to changing shopping patterns, with renovated commercial dynamics during summer and back-to-school seasons.
- Grocery formats accelerated in 3Q'22, with Hypermarkets and Supermarkets growing by 13.0% and 16.2%, respectively. FMCG private label products continued gaining weight in Company sales, reflecting customers' search for value-for-money and MC's strong value proposal on this front. Continente introduced innovative assortments, successful promotional campaigns, and new digital initiatives (such as the expansion of rapid delivery options). Beyond working to provide affordable and high-quality propositions to families, MC reinforced its support to local communities, with food donations increasing by c. 50%.
- New Growth Businesses posted robust growth rates (21.5% in 3Q'22), with particularly positive performances of the parapharmacy & beauty and foodservice banners. Regarding the health, wellness and beauty business, MC ventured into new opportunities, with the launch of the KeepWells health plan and insurances, a solution with an ambitious development strategy. The Company continued to roll-out its revamped beauty concept - with a broader range of beauty brands (premium to mass-market) - to different regions, such as Algarve and Porto metropolitan area. Moreover, GoNatural restaurants piloted a new concept for the current post-pandemic setting.



- E-commerce maintained its path of post-pandemic normalization, with 3Q'22 sales up by 7.7% y.o.y., recovering in relation to the previous two quarters, and leading 9M'22 sales evolution to -1.7% y.o.y.. On a 3Y-comparison, 9M'22 online sales more than doubled. MC's digital proposal keeps evolving and expanding its reach, with developments such as reaching over 2 million users in the Contiente app and launching a new pilot project for an enhanced self-checkout experience.
- The Company preserved its sound profitability profile, with unEBITDA standing at €158m in the quarter (€400m in 9M'22), or 9.9% of turnover. Nonetheless, EBITDA margin was pressured by price investments to protect customers, trading down movements and consecutive record-high energy prices (particularly impacting the summer period, when refrigeration needs are higher). To mitigate higher energy costs, MC kept investing in optimizing energy consumptions and progressively reducing its exposure to volatility in energy market prices.
- Net income from continuing operations reached €61m in 3Q'22 (€123m in 9M'22), down from €103m in 3Q'21, reflecting the pressure in operating profitability and the capital gain resulting from the sale of the 50% stake in Maxmat in 2021.

FREE CASH-FLOW AND DEBT
(€m)

	9 Months		
	2021	2022	Δ y.o.y.
Gross cash-flow	271	283	12
Change in working capital & other cash impacts	-21	-28	-7
Operational capex	-132	-131	1
Other divestments	68	0	-68
Income tax and net financial activity	-17	-23	-6
Free cash-flow	169	102	-67
Distributed dividends	-140	-243	-103
Change in net financial debt (vs. year-end)	29	-141	-
Net financial debt	453	521	67
Lease liabilities	1,079	1,075	-4
Total net debt ² to unEBITDA	2.9x	2.9x	-

- MC continued strongly investing in the future, with operational capex reaching €131m in 9M'22, deployed at expanding and modernizing the store network, improving the digital footprint, and revamping the logistics infrastructure. In 9M'22, MC opened 28 company operated stores and refurbished 19 stores.
- Free cash-flow generation of €102m in 9M'22 led the cash conversion ratio to stand at 62.1%. At the end of September 2022, net financial debt reached €521m, after the dividend payment of €243m (+€103m over last year), resulting in a stable total net debt to unEBITDA ratio of 2.9x.
- MC conserved a comfortable financing structure, with no material scheduled debt repayments for the upcoming years or funding needs in the next 18 months. At the end of September 2022, the Company had a debt schedule with average maturity around 4 years. During the year, a significant number of refinancing operations were completed with longer tenors and at competitive prices. All the refinanced operations and new facilities agreed were ESG-linked, emphasizing MC's strong commitment with a sustainable future.

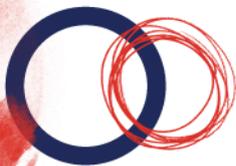
² Total net debt equals net financial debt plus lease liabilities.

A decorative graphic in the top left corner consisting of a red watercolor splash and two overlapping circles, one blue and one red.

03.

OUTLOOK

- Despite headwinds on the horizon, we expect the maintenance of a sustained consumption backdrop in 4Q'22, supported by the important upcoming Christmas season and the government's inflation relief package. As for next year, visibility remains limited, particularly considering the continuously high inflation setting and the rising threats of an economic downturn. The pressure on certain cost lines - such as staff, rents and goods sold - might aggravate, representing non-negligible sources of risk for the grocery industry.
- MC will continue dealing with uncertain times as it successfully did in the past, carefully monitoring and adapting to the latest consumer moves, making sure families continue to find attractive and competitive offers in its physical and online stores. At the same time, we will maintain our long-term focus on efficiency, digital transformation, and innovation, confident that the future will bring new opportunities for us to cement our leadership position in the Portuguese grocery market.



A.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED RESULTS (€m)	9 Months			3 rd Quarter		
	2021	2022	Δ y.o.y.	2021	2022	Δ y.o.y.
Turnover	3,883	4,294	10.6%	1,378	1,599	16.0%
Underlying EBITDA (unEBITDA)	384	400	4.1%	150	158	5.3%
<i>as % of turnover</i>	9.9%	9.3%	-0.6pp	10.9%	9.9%	-1.0pp
D&A	-204	-201	-1.5%	-66	-68	3.4%
Underlying EBIT (unEBIT)	180	199	10.4%	84	90	6.8%
<i>as % of turnover</i>	4.6%	4.6%	0.0pp	6.1%	5.6%	-0.5pp
Net financial activity	-60	-56	-	-21	-19	-
Other investment income	0	0	-	0	-0	-
Non-recurring items	40	-	-	40	-	-
Equity method	1	1	-	0	0	-
EBT	161	144	-10.6%	104	72	-30.8%
Income tax	-9	-19	-	-0	-10	-
Minorities	-0	-2	-	-0	-1	-
Net profit (from continuing operations)	151	123	-18.6%	103	61	-41.1%

CONSOLIDATED BALANCE SHEET (€m)	9 Months		
	2021	2022	Δ y.o.y.
Net fixed assets	1,609	1,629	1.3%
Leased assets right-of-use	935	914	-2.2%
Goodwill and financial investments	476	476	-0.1%
Working capital	-631	-613	-2.8%
Invested capital	2,389	2,406	0.7%
Shareholders' funds ³	856	810	-5.4%
Lease liabilities	1,079	1,075	-0.4%
Net financial debt	453	521	14.9%
Sources of financing	2,389	2,406	0.7%
Total net debt² to unEBITDA	2.9x	2.9x	-

Please visit <https://mc.sonae.pt/en/financial-information/> for additional information about the results, including a comprehensive glossary.

³ Shareholders' funds in 2021 exclude the net book value of Maxmat.



SAFE HARBOUR

This document may contain forward-looking information and statements based on management's current expectations or beliefs. Forward-looking statements are statements that should not be regarded as historical facts.

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in the regulation, industry and economic conditions; and the effects of competition. Forward-looking statements may be identified by words such as "believes," "expects," "anticipates," "projects," "intends," "should," "seeks," "estimates," "future" or similar expressions.

Although these statements reflect our current expectations, which we believe are reasonable, investors and analysts, and generally all recipients of this document, are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements.

ABOUT MC

MC is the leader in the grocery retail sector in Portugal, with more than three decades years of history, which began with the opening of the first hypermarket in Portugal, in 1985. MC develops an omnichannel and multi-format approach to capture all consumer shopping missions, carried out through Continente (urban hypermarkets), Continente Modelo (large supermarkets), Continente Bom Dia (proximity supermarkets), Continente Online (e-commerce platform) and Meu Super (neighbourhood franchise stores). The Company also operates in the health, wellness and beauty segment in Portugal, through Wells, Dr. Well's and Go Natural, and in northern Spain, through Arenal. It develops other growth businesses, namely Bagga (coffee shops), Note! (stationery, books and convenience services), ZU (pet store and service offering), and Home Story (home decor). MC serves 4.2 million Customers every week in more than 1,300 stores and e-commerce platforms and employs 37 thousand associates. MC's leading strategic priorities include: notable growth, digital transformation, a value proposition that its Customers recognise, and an unwavering commitment to its People and the Planet.



Portfolio of banners

