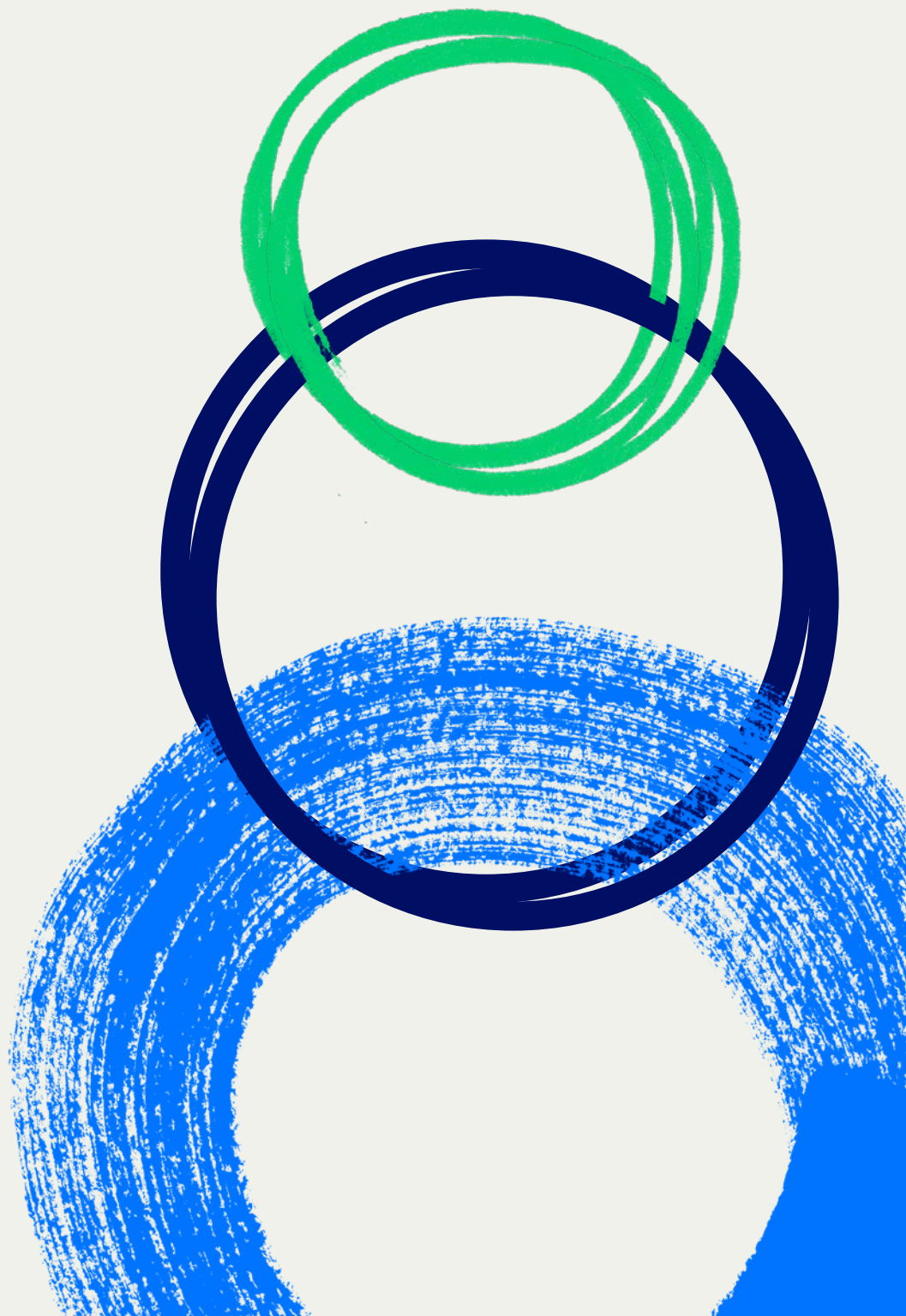


Shaping tomorrow, today

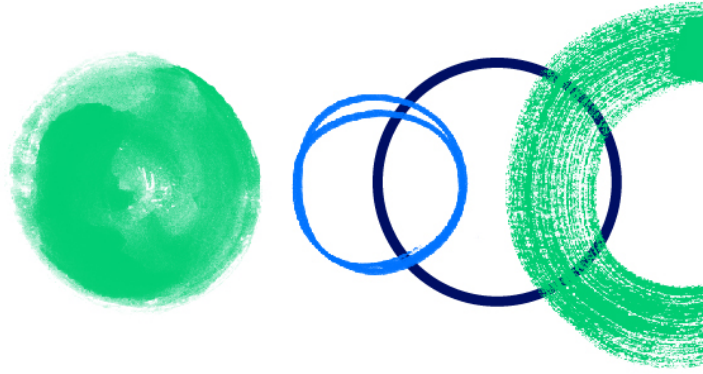




**3Q22
Highlights**

Results

Sonae



Maia, 8th November 2022

3Q22 Highlights

Key Performance Indicators

- **Sonae's NAV** during the quarter grew 3% to €4bn, strongly influenced by the group's operational performance.
- **Total Shareholder Return (TSR)** was penalized by the share price performance over the last months, following the strong volatility in overall financial markets due to the global macro-outlook evolution.
- **Consolidated turnover surpassed €2bn in 3Q22**, a double-digit yoy increase underpinned by solid market share gains across the portfolio. Sonae's equity consolidated businesses, NOS and ISRG, also continued to deliver sound top line growth.
- **Online sales** maintained a deceleration trend when compared to the lockdown periods, although remaining significantly above pre-pandemic levels in all our retail formats.
- **In terms of profitability**, underlying EBITDA in 3Q22 reached €181m, which represents a 64bps decrease in margin driven mainly by the efforts to absorb inflationary pressures and ensure the competitiveness of our offerings, and also by the high increase in energy costs.
- Sonae's **net result** (group share) stood at €92m in 3Q22, 4.2% below last year's figure, mostly due to a 2.4pp EBITDA margin reduction to 11%.
- **Cash flow** (before dividend payments) generated in the quarter stood at €81m, mainly fuelled by the group's operational performance.
- Despite the strong level of investment to ensure competitive offerings and improved value propositions, Sonae maintains a **robust financial position**, with low leverage, available liquidity and a good maturity profile.

Portfolio Management Activity

- **During 3Q22, Bright Pixel maintained its active portfolio management activity**, with 2 new investments, some follow-ons and the closing of the sale of Cellwize. Already in October, Bright Pixel also concluded the sale of Maxive to Thales Europe with a capital gain of €64.8m.



CEO letter

During the third quarter, we continued to live under a complex and volatile geopolitical and macroeconomic environment. Rising inflation and interest rates, coupled with sustained high energy costs, have been severely impacting our communities.

Against this backdrop, our businesses were once again able to increase their investment levels, reinforce their value propositions and support households in facing these challenges, namely by maintaining competitive prices and responding to evolving consumer needs.

During 3Q22, Sonae saw market share increases across all businesses and registered a solid top line growth, a clear recognition by our customers of the competitiveness and quality of our offerings. Profit margins were naturally depressed, driven by record energy and transport costs, higher supplier prices and trading down movements. Nevertheless, consolidated results showed a strong level of resilience, and we continue to have a very solid financial position.

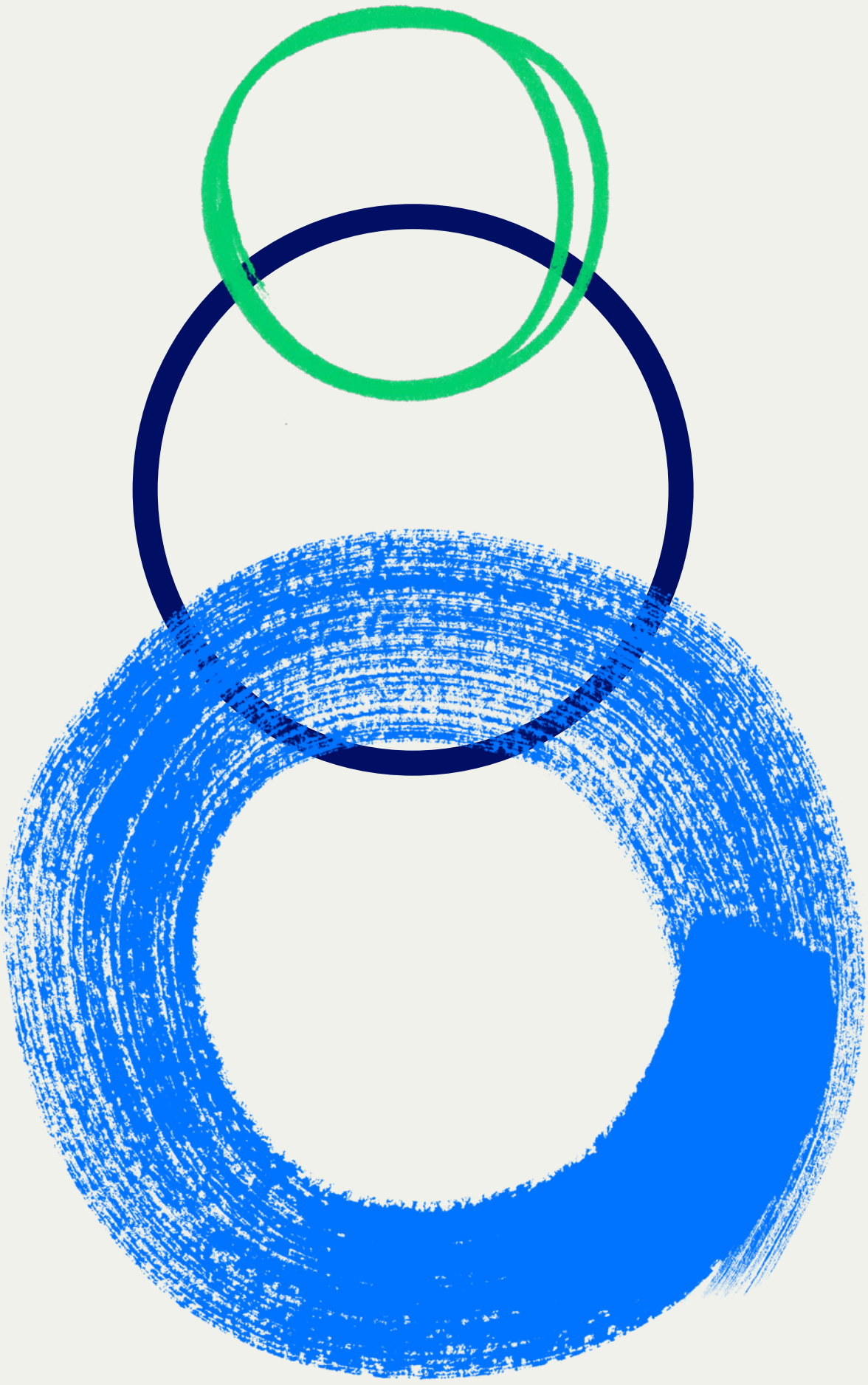
Sonae also maintained its active portfolio management activity in the quarter. Sonaecom announced the termination of the partnership in ZOPT, a move which is fully aligned with our intention to remain a reference shareholder of NOS and ensure the adequate conditions for the company to deploy its ambitious strategy. And Bright Pixel added two new retail tech companies to its portfolio and reinforced its position in some of the existing portfolio companies.

NAV reached €4bn at the end of 9M22, slightly above 1H22 level, mainly backed by the operational performance of our businesses and increased NAVs in both Sierra and Bright Pixel. Despite the strong fundamentals of our businesses, during 3Q22 Sonae's share price was impacted by the turbulence in capital markets, partially correcting in October.

Meanwhile, in this challenging context, we continued to be faithful to our mission and act responsibly in what concerns our social and environmental commitments. Regarding our communities, we continued to reinforce our support to local institutions, exceeding €21.5m in the first nine months of this year. In the environmental sustainability front, we reinforced our commitment by signing Business for Nature's "COP15 Business Statement", together with other 330 companies worldwide, urging governments for the need to set ambitious goals to halt and reverse the loss of biodiversity.

Overall, I am naturally proud of these results and encouraged to face the future. I am confident that, despite the macroeconomic headwinds, we remain well prepared to react rapidly to changing circumstances and capture opportunities that lie ahead. Sonae will continue to pursue its mission, always investing with a long-term view and in the best interest of our people, our communities, and our customers.

Cláudia Azevedo, CEO



Overview

Key Data

€m	30.09.21	31.12.21	31.03.22	30.06.22	30.09.22
NAV	3,967	4,015	4,080	3,848	3,966
Market capitalization	1,817	2,006	2,084	2,342	1,649
Net Debt	857	563	931	1,103	1,022

€m	3Q21 R	3Q22	yoy	9M21 R	9M22	yoy
Turnover	1,778	2,045	15.0%	4,973	5,493	10.4%
Underlying EBITDA	169	181	7.2%	415	440	6.0%
Direct Result	115	101	-12.6%	169	206	21.3%
Net result group share	96	92	-4.2%	158	210	32.6%
Sale of assets	606	31	-94.8%	649	72	-88.9%
M&A capex	-82	-91	-11.0%	-174	-231	-33.4%
Free cash flow before dividends paid	715	81	-88.6%	386	-296	-
Dividends paid	-	-	-	-96	-169	76.4%

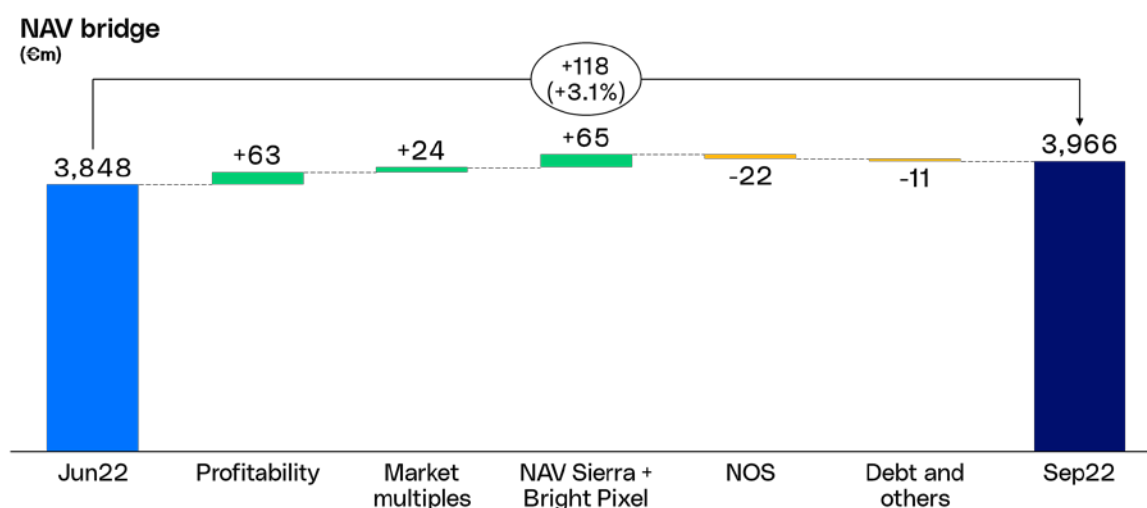
	1Y	3Y	5Y	10Y
Total Shareholder return*	-4%	5%	1%	10%

*Source: Bloomberg.

R - Restated as Maxive from Bright Pixel was considered as asset held for sale and all periods in 2021 and 1Q22 were restated to consider this asset as discontinued operation.

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

Sonae's NAV amounted to €4bn at the end of 9M22, slightly above the figure at the end of June, mainly backed by the improved profitability of our business operations and increased NAVs in both Sierra and Bright Pixel.



NAV detail

Company (€m)	Ownership	30.06.22	30.09.22	Var.	Major drivers
MC	75%	1,693	1,756	3.7%	Higher earnings and multiples
Worten	100%	159	172	8.5%	Higher earnings and multiples
Zeitreef	100%	64	58	-10.0%	Higher earnings offset by lower multiples
Sierra	90%	880	908	3.2%	Higher INREV NAV
ISRG	30%	181	179	-0.8%	Slight decrease in multiples
Universo	100%	42	42	0.4%	Slightly higher multiples
Bright Pixel	90%	375	412	9.8%	Higher NAV
NOS	34%	655	633	-3.4%	Lower share price
Other investments ⁽¹⁾		175	175	0.0%	
Holding Real Estate		183	183	0.0%	
Holding Structure		-138	-142	-2.3%	
Holding Net Debt ⁽²⁾		-398	-386	3.0%	
Minorities		-22	-23	-4.6%	
Total		3,848	3,966	3.1%	

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

Despite the challenging macro environment, the group's businesses were able to drive a healthy operational growth both in terms of top line and profitability. In 3Q22, total **consolidated turnover** surpassed €2bn (+15.0% yoy), with all our businesses contributing positively and strengthening once again their market leadership positions. Concerning **profitability**, **underlying EBITDA** improved by 7.2% yoy to €181m in 3Q22, leading 9M22 figure to reach €440m, with a margin of 8.0%, a 33bps decrease from last year, as record high energy costs continued to significantly pressure the cost base across our portfolio, together with higher production prices that were partially absorbed. Equity method consolidated businesses also continued to deliver improved operational performance which, coupled with some capital gains, led consolidated **EBITDA** to reach €544m at the end of 9M22 (+3.4% yoy), despite the 5.4% yoy reduction to €224m in the 3Q22.

Direct result stood at €101m in the quarter, implying a decrease of €14m yoy, mainly due to last year's capital gain from the sale of Maxmat (€40m), and **net result** (group share) reached €92m. In accumulated terms and benefiting from both the positive performance of our portfolio and the indirect result contribution from Sierra properties and Bright Pixel portfolio revaluation, net result (group share) reached €210m (+33% yoy) at the end of 9M22.

In terms of **operational cash flow**, Sonae's portfolio generated €67m over the last 12 months, implying a decrease when compared to last year, mainly due to higher capex following our businesses resume of the investment effort to pre-pandemic levels.

Sonae's **portfolio management activity in 3Q22** was mainly driven by Bright Pixel, while during the last 12 months investments totalled €253m, including the acquisition of 10% in Sierra, the additional stake in NOS and Bright Pixel's investments in both new companies and follow-ons. Consequently, over the last 12 months, both our businesses' operational capex and Sonae's M&A investments more than offset the improved consolidated operational performance, leading **FCF before dividends payment**

to be slightly negative (-€1m) at the end of September. Therefore, and after the dividends paid out, consolidated **net debt** increased €164m yoy to €1bn at the end of 9M22. Nevertheless, the **group's capital structure** remains solid, with very comfortable leverage ratios and liquidity levels (more than €1bn of available liquidity – cash and unused credit facilities), while being fully financed until early 2024 and with an average cost of debt of c.1%.

€m	L12M Sep21	L12M Sep22	var.
EBITDA (inc. rents and taxes)	404	431	6.9%
Working cap. and others	-3	-38	-
Operational capex	-281	-326	-16.1%
Operational cash flow	119	67	-43.4%
Net financial activity	-27	-19	28.5%
M&A capex	-200	-253	-26.4%
Sale of assets	649	86	-86.8%
Dividends received	14	118	-
FCF bef. dividends paid	555	-1	-

Already in 4Q22, Bright Pixel concluded the sale of Maxive, which will have a significant impact on the Group’s cash flow, while the sale of MDS’ 50% stake (€100m cash-in) is still pending the required regulatory approvals but is expected to be closed until YE.

Portfolio Performance

1. Fully consolidated companies

The geopolitical and macroeconomic instability continues to provide a challenging backdrop to all our businesses, as high inflation, increased interest rates and rising energy costs have significant impact in our clients’ disposable income.

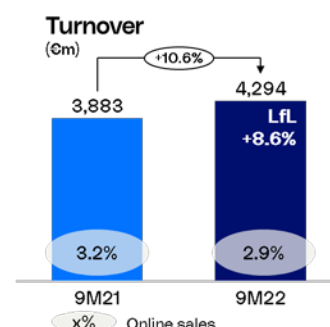
€m	Turnover			UnEBITDA margin		Turnover			UnEBITDA margin	
	3Q21 R	3Q22	yoy	3Q21 R	3Q22	9M21 R	9M22	yoy	9M21 R	9M22
MC	1,378	1,599	16.0%	10.9%	9.9%	3,883	4,294	10.6%	9.9%	9.3%
Worten	285	315	10.6%	7.0%	6.5%	803	836	4.2%	6.4%	5.5%
Sierra	26	29	12.8%	19.8%	21.4%	72	85	18.0%	16.2%	17.7%
Zeitreele	95	102	7.5%	8.7%	9.8%	230	276	19.6%	4.2%	6.3%
Universo	6	10	74.3%	-	3.9%	14	26	90.4%	-	-
Bright Pixel	0	1	34.2%	-	-	1	1	28.7%	-	-
Total	1,778	2,045	15.0%	9.5%	8.9%	4,973	5,493	10.4%	8.3%	8.0%

Note: R - Restated as Maxive from Bright Pixel was considered as asset held for sale and all periods since 1Q21 were restated to consider this asset as discontinued operation.

MC – food retail¹

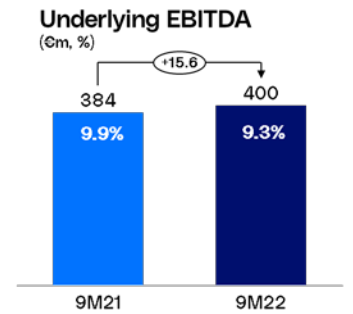
During 3Q22, the demanding economic environment, characterized by mounting inflation and rising interest rates, continued to negatively affect families’ disposable income and consumer sentiment. The Portuguese grocery market continued to grow yoy, backed by the record high food inflation (15% in the 3Q and 11% ytd), which offset the reduction in total volumes owing to the increase of the cost of living.

In this adverse context, MC formats value proposal continued to be recognized by consumers, with **total sales** reaching €1.6bn in the 3Q22, increasing 16.0% yoy and with a +13.3% LfL evolution. This good performance was similar across both food and non-food businesses. In accumulated terms, 9M22 turnover reached €4.3bn, implying a 10.6% yoy increase (+8.6% LfL), with MC reinforcing its leadership position in the Portuguese market for another quarter. MC continues to evolve its omnichannel proposition, with total online sales representing 2.9% of total turnover in 9M22, slightly below last year, which was significantly impacted by the lockdown in the 1Q21.



¹ For more information, please see MC 9M22 results in www.sonae.pt

In terms of **profitability**, MC continues to face harsh pressures on its cost base, due to higher energy prices, coupled with the effort to protect its customers and reinforce competitiveness by absorbing part of the inflationary charges. In fact, energy costs continued to increase significantly in 3Q22 and, in accumulated terms, were c.€40m above 2021 levels, being the main driver to the margin erosion in both periods. As such, 3Q22 underlying EBITDA stood at €158m (+5% yoy) with a 9.9% margin (-100bps yoy), leading 9M22 figure to €400m (+4% yoy) and a 9.3% margin (-59bps yoy).



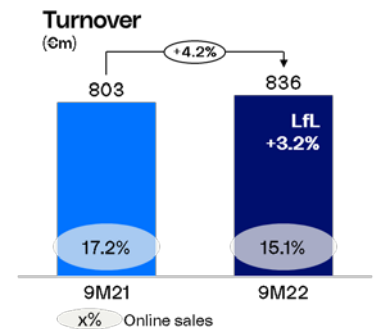
In terms of **capex**, MC spent €61m in the 3Q22 (€131m in the 9M22), directed at powering its digital and logistic infrastructure, as well as at expanding and refurbishing its store network. In the quarter, MC opened 16 new company-operated stores (representing +6k square meters of sales area), of which 3 additional Continente Bom Dia stores.

Finally, **free cash flow** generated in 9M22 reached €102m driven by the positive operational performance, the disciplined capex execution, and the seasonal working capital impacts, being the reduction from the €169m generated in 9M21 mainly attributable to the cash-in from the sale of Maxmat. Consequently, MC's net financial debt reached €521m at the end of 9M22 and the ratio of total net debt/underlying EBITDA remained stable yoy at 2.9x.

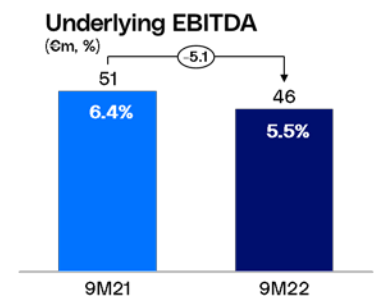
Worten – electronics retail

In 3Q22, Worten posted robust performance as a result of its successful omnichannel value proposition, combining highly convenient solutions with a wide product and services portfolio.

During this period, **top line** reached €315m, +10.6% yoy (+8.5% LfL), fostered by the positive contribution of seasonal categories sales, fuelled by high summer temperatures. In accumulated terms, the positive evolution of the last two quarters more than offset the challenging 1Q21 comparison, leading to a 9M22 turnover increase of 4.2% yoy (+3.2% LfL) to €836m. This strong sales performance led Worten to reinforce its market share in the Portuguese market, both online and offline.



Regarding **profitability**, efforts on the ongoing digital transformation and the increasing pressure on the cost structure, mainly on energy costs, partially offset the positive top line evolution. Consequently, underlying EBITDA in 3Q22 reached €21m, +3.1% yoy, resulting in a margin of 6.5%. In accumulated terms, underlying EBITDA is still below last year, mainly due to the record-high 1Q21 performance, that was fuelled by the mandatory lockdown imposed in Portugal during that period.



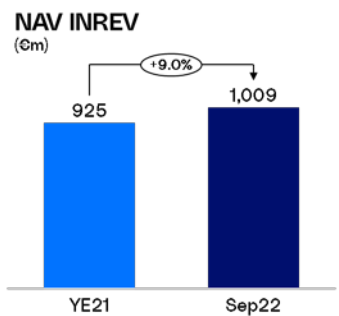
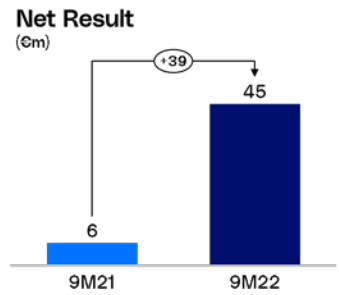
Sierra – real estate

During 3Q22, Sierra recorded a strong operating performance across all business lines, particularly in its **shopping centre portfolio**, which recorded sales of +25.2% yoy and 11.9% above pre-pandemic levels, consistently across all its assets' geographies. Furthermore, occupancy rates continued to increase reaching 97.5% and collection rates returned to pre-pandemic levels. These consistent trading figures are a clear sign of the strength and resilience of Sierra's shopping centre portfolio.

As for the **services** business, Sierra has achieved significant milestones during 9M22, increasing its non-shopping centre assets under management through investment vehicles, gaining new property management contracts, and continuing Reify's expansion to new sectors and geographies. Overall, top line of the services business in 3Q22 improved 9.5% yoy.

On a **proportional accounting basis**, Sierra's **net result** stood at €17m in the 3Q22, +€6m when compared to 3Q21, benefitting from a strong operational performance and a gain from an asset sale (€5m). In cumulative terms, net result reached €45m at the end of 9M22, with a direct result of €32m and an indirect result of €13m.

Furthermore, at the end of September, Sierra's **NAV**, according to INREV methodology, increased 9.0% vs YE21, surpassing €1bn, mainly driven by the positive net result in the period. Finally, and in what concerns the company's leverage profile, Sierra's gross loan-to-value reduced to 42.0% from 45.8% in YE21.



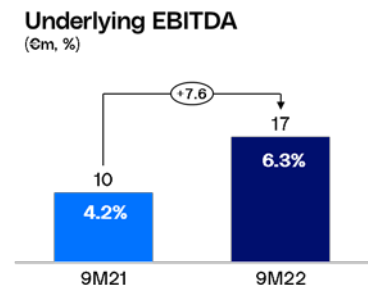
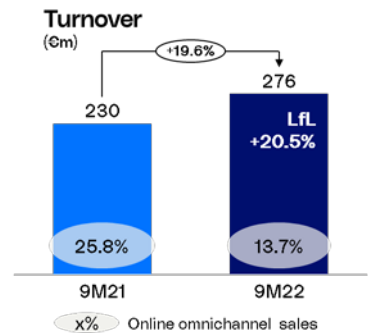
Zeitreel – fashion retail

In 3Q22, Zeitreel continued to show a growth trend with a positive contribution of all portfolio brands, despite a very challenging context for discretionary consumption products (lower disposable income impacted by accelerated inflation levels and the interest rates' evolution). This performance allowed Zeitreel to consolidate a solid 20% yoy top line growth in 9M22.

Total **turnover** grew by 8% yoy in 3Q22 (LfL of +2.6%) to €102m, with a positive contribution from retail operations, and reaching €276m in cumulative terms for 9M22. Both quarterly and accumulated figures in line with 2019 levels, showing a definite recovery.

Online sales also continued to deliver a positive evolution when compared to the pre-pandemic levels, although naturally below pandemic/lockdown figures. In the 9M22, online sales represented 14% of total omnichannel sales.

In terms of **profitability**, Zeitreel was able to offset the increase in some cost lines (such as energy and logistics), and underlying EBITDA improved by €2m in 3Q22 and by €8m in 9M22, reaching €17m at the end of 9M22.



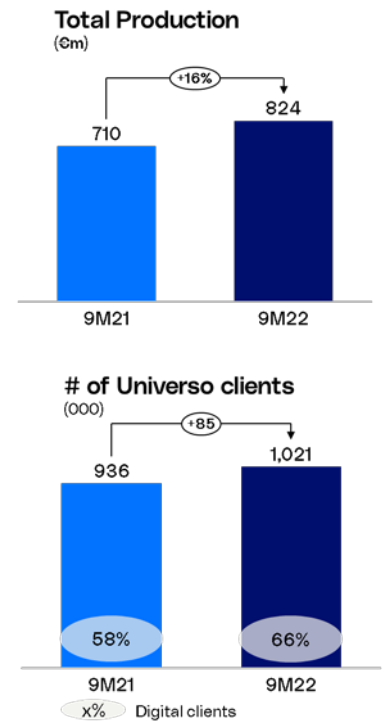
Universo – financial services

During 3Q22, and despite the macroeconomic context, Universo continued to deliver both on its strategy and expectations as its activity showed, once again, a positive recovery from last year. The company continued to build its credit book while improving its performance.

Regarding **production**, the strong evolution of most business lines led to an increase of +13% yoy in 3Q22, totalling €824m in 9M22, implying a 16% yoy growth.

The **client base** also continues to grow with new 85k credit card holders when compared to the end of 9M21 and more 16k vs 1H22. This represents more than 1 million clients, with 66% of the customer base being digital users.

Finally, regarding Universo’s **operational performance**, turnover increased by €4m in 3Q22 and €13m in 9M22 when compared to last year. Underlying EBITDA improved by €4m in 3Q22, and €10m in 9M22, benefiting from a more mature credit portfolio, coupled with cross-selling initiatives.



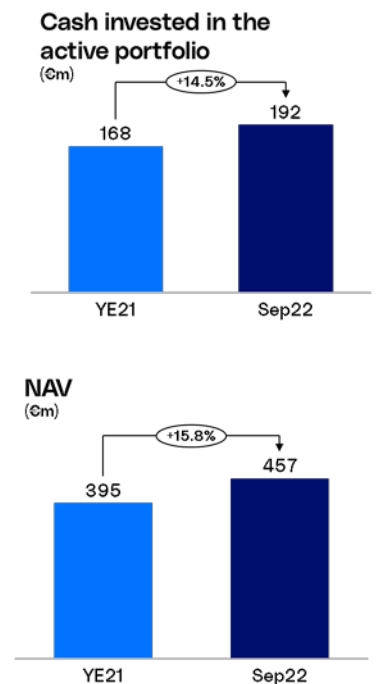
Bright Pixel – investment in technology

During the last quarter, our corporate venture arm continued very active, investing c.€20m in portfolio expansion and follow-ons.

Two new companies in the Retail Tech segment were added to the portfolio and relevant financing rounds occurred in some portfolio companies, including a \$28.7m series B financing round at Iriusrisk, a \$7.1m series A financing round at Didimo and a €7.7m series A financing round at Probe.ly. Bright Pixel participated in all these rounds, reinforcing its investment and improving the value of its previous stakes. At the end of 9M22, the **cash invested** in the active portfolio reached €192m, +12.0% QoQ and +14.5% vs YE21.

On the **exit side** and during 3Q22, Bright Pixel received cash proceeds of €23.5m from the sale of its minority stake in Cellwize. Already in October, with cash impacts in 4Q22, the company concluded the sale of Maxive, and its subsidiaries S21sec and Excellium, to Thales Europe (with a capital gain of €64.8m).

Overall, active **NAV** stood at €457m at the end of 9M22, implying +9.8% QoQ and +15.8% vs YE21, which clearly reflects the impact of the recent acquisitions, as well as the positive evolution in the value of its historical investments.



2. Equity consolidated companies

NOS – telecommunications²

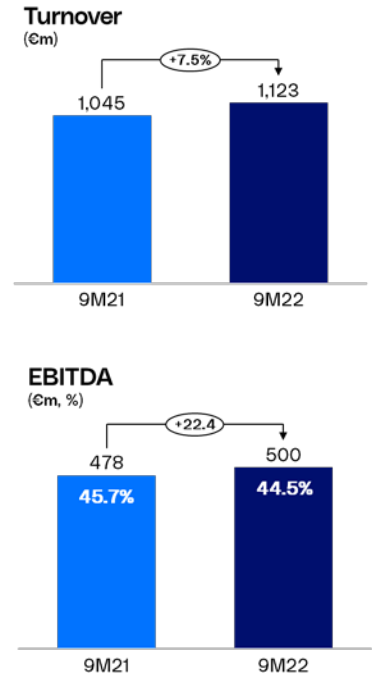
NOS published its 3Q22 results on October 24th. This was another quarter of positive operational performance, with the growth of the Telco business and the continued improvement from the cinema’s activity.

3Q22 **turnover** increased 4.1% yoy to €381.5m, with Telco +3.0% and Media & Entertainment +22.8%, totalling €1.1bn at the end of 9M22 (+7.5% yoy). Regarding **profitability**, 3Q22 EBITDA grew 3.9% yoy to €178m, with +5.1% yoy in the telco business and totalling €500m in the 9M22, +€22m yoy with a 44.5% margin. This positive **operational performance**, combined with a capital gain of €74.7m from the sale of an additional portfolio of towers to Cellnex, as agreed and announced in April 2022, led Net income to more than double in 3Q22 vs last year, to €106m. This implied an equity method contribution to Sonae’s results of €25m in the quarter (+€14m vs last year) and reaching €44m in 9M22.

Total **capex** stood at €120m in 3Q22 impacted by NOS’ 5G deployment programme and its FttH³ network expansion.

FCF (ex-dividend, financial investments and own shares) was strongly impacted by the cash proceeds from the sale of the towers, achieving €149m in 3Q22 and €184m in 9M22, showing a very positive yoy performance.

Finally, regarding the **capital structure**, after the above-mentioned cash-in from the towers’ sale, net financial debt/EBITDA after lease payments stood at 1.85x, slightly below NOS’s target. The all-in average cost of debt stood in line with last year (1.3%) and the average maturity profile stood at 2.5 years at the end of the period.



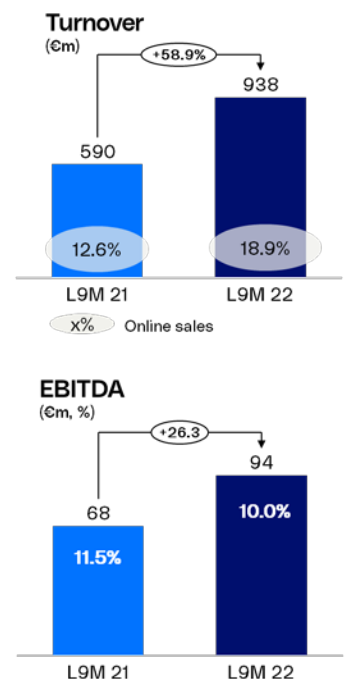
ISRG – sports retail⁴

In the L3M 22 (May-Jul), ISRG continued to show encouraging signs across all brands and channels, with a sound operational performance in the period, despite the challenging macroeconomic context still marked by several supply chain disruptions that have been affecting the sector.

In these three months, **total sales** registered a double-digit increase of 41.5% yoy to €321m, fuelled by both the organic operations (+11% yoy) and the recently acquired businesses. Overall, in the L9M 22 total sales reached €938m, +58.9% yoy. The online channel continues to be an important growth avenue, reaching almost 19% of total sales in the L9M 22 (vs 13% in the L9M 21), mainly driven by the Deporvillage’s acquisition in 2021.

In terms of **profitability**, yoy EBITDA increased by €8.5m in the quarter and by €26.3m in the L9M 22 to €94m, driven by the strong sales performance and operating leverage.

All in all, ISRG’s performance resulted in an **equity method contribution** to Sonae’s results of €3.1m in the 3Q22 and €11.4m in the 9M22 (+€1.5m yoy).



² For more information, please see NOS 9M22 results in www.nos.pt

³ FttH - Fiber to the Home

⁴ Due to calendar reporting dates of JD Sports (the main shareholder of the JV), ISRG figures for the L9M 22 ended last July 30th.

Finally, and as already announced in mid-October, ISRG acquired an additional stake of 18% in Deporvillage from its co-founders for €19.8m, holding now 98% of the company. We recall that Deporvillage is a pure online retailer and has been giving to ISRG additional depth and expertise in key categories such as cycling, running and outdoor, while increasing the group's digital capabilities and complementing the current developments on its existing banners.

Corporate information

Main announcements in the 3Q22

September 14th

Sonae SGPS, SA informed on plan for gender equality 2023.

September 28th

Sonaecom, a Sonae subsidiary, informed about the termination of its partnership in ZOPT.

Sonae SGPS, SA informed on its subsidiary Sonaecom's announcement about termination of ZOPT's partnership.

Subsequent events

October 6th

Sonae SGPS, SA informed on transaction by Person Discharging Managerial Responsibilities.

October 11th

Sonaecom, a Sonae subsidiary, informed on the completion of the transaction between Bright Pixel Capital and Thales Europe SAS.

Consolidated P&L

€m	3Q21 R	3Q22	yoy	9M21 R	9M22	yoy
Turnover	1,778	2,045	15.0%	4,973	5,493	10.4%
Underlying EBITDA	169	181	7.2%	415	440	6.0%
<i>margin</i>	<i>9.5%</i>	<i>8.9%</i>	<i>-0.6 p.p.</i>	<i>8.3%</i>	<i>8.0%</i>	<i>-0.3 p.p.</i>
Equity method results*	27	39	43.8%	59	83	39.7%
Sierra	9	11	20.4%	20	30	51.8%
NOS	11	25	129.8%	29	44	53.2%
ISRG	7	3	-52.9%	10	11	15.5%
Non-recurrent items	41	5	-88.7%	52	21	-59.9%
EBITDA	237	224	-5.4%	526	544	3.4%
<i>margin</i>	<i>13.3%</i>	<i>11.0%</i>	<i>-2.4 p.p.</i>	<i>10.6%</i>	<i>9.9%</i>	<i>-0.7 p.p.</i>
D&A	-52	-56	-7.4%	-154	-165	-6.9%
D&A - RoU	-31	-34	-9.8%	-93	-98	-5.2%
Prov and imp.	1	-3	-	-18	-3	85.1%
EBIT	155	131	-15.3%	261	278	6.7%
Net Financial results	-26	-23	12.5%	-78	-66	15.6%
Taxes	-14	-8	42.5%	-13	-7	49.2%
Direct result	115	101	-12.6%	169	206	21.3%
Indirect result	9	10	12.5%	24	50	106.4%
Net result	124	111	-10.7%	193	255	31.9%
Non-controlling int.	-28	-19	32.7%	-35	-45	-28.6%
Net result group share	96	92	-4.2%	158	210	32.6%

R - Restated as Maxive from Bright Pixel was considered as asset held for sale and all periods since 1Q21 were restated to consider this asset as discontinued operation.

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

Consolidated Balance Sheet

€m	30.09.21	30.06.22	30.09.22
TOTAL ASSETS	8,164	8,218	8,437
Non current assets	6,385	6,545	6,641
Net fixed assets	2,096	2,119	2,180
Net Rights of Use	1,014	995	994
Goodwill	729	718	689
Investment properties	317	341	343
Other investments	1,830	1,967	2,035
Deferred tax assets	359	367	362
Others	39	37	39
Current assets	1,779	1,673	1,796
Stocks	587	688	700
Trade debtors	139	110	140
Liquidity	774	426	451
Others ⁽¹⁾	279	449	505
SHAREHOLDERS' FUNDS	3,008	3,089	3,182
Equity holders	2,428	2,612	2,682
Attributable to minority interests	580	477	499
LIABILITIES	5,156	5,128	5,256
Non-current liabilities	2,765	2,929	2,906
Bank loans	709	926	862
Lease liabilities	1,082	1,065	1,067
Other loans	368	310	335
Deferred tax liabilities	477	499	510
Provisions	18	21	21
Others	110	107	111
Current liabilities	2,391	2,200	2,350
Bank loans	251	292	277
Lease liabilities	97	100	98
Other loans	323	29	29
Trade creditors	1,154	1,161	1,307
Others ⁽²⁾	565	617	639
SHAREHOLDERS' FUNDS + LIABILITIES	8,164	8,218	8,437

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

Note: The consolidated financial information contained in this report was prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The financial information regarding quarterly and semi-annual figures was not subject to audit procedures.

Glossary

Aggregated online sales	Online sales including marketplaces, considering 100% ownership of all Sonae's businesses (fully and equity consolidated).
Capex	Investments in tangible and intangible assets and investments in acquisitions. For NOS it includes right of use.
Direct results	Results before non-controlling interests excluding contributions to indirect results.
(Direct) EBIT	Direct EBT - financial results.
EBITDA	Underlying EBITDA + equity method results + non-recurrent items.
EBITDA margin	EBITDA / turnover.
(Direct) EBT	Direct results before taxes.
EoP	End of period.
Indirect results	Includes Sierra's results, net of taxes, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses of non-current assets (including goodwill) and (iv) provision for assets at risk. Additionally and concerning the remaining Sonae's portfolio, it incorporates: (i) impairments in retail real estate properties; (ii) reductions in goodwill; (iii) provisions (net of taxes) for possible future liabilities and impairments related with non-core financial investments, businesses, assets that were discontinued (or in the process of being discontinued/repositioned); (iv) results from mark to market methodology of other current investments that will be sold or exchanged in the near future and from other related income (including dividends); and (v) other non-relevant issues.
Investment properties	Shopping centres in operation owned and co-owned by Sierra.
Lease Liabilities	Net present value of payments to use the asset.
Like for Like sales (LfL)	Sales made by omnichannel stores that operated in both periods under the same conditions. Excludes stores opened, closed or which suffered major upgrade works in one of the periods.
Loan to Value (LTV) – Sierra	Total debt / (Investment properties + properties under development), on a proportional basis.
INREV NAV Sierra	Open market value attributable to Sierra - net debt -minorities + deferred tax liabilities.
Net asset value (NAV) of the investment portfolio	Market value of each Sonae's businesses – average net debt – minorities (book value)
Net debt	Bonds + bank loans + other loans + shareholder loans - cash - bank deposits - current investments - other long-term financial applications.
Net financial debt	Net debt excluding shareholders' loans.
Net invested capital	Total net debt + total shareholders' funds.
Open market Value (OMV)	Fair value of properties in operation (% of ownership), provided by independent international entities and book value of development properties (% of ownership).
Other loans	Bonds and derivatives.
Right of use (RoU)	Lease liability at the beginning of the lease adjusted for, initial direct costs, advance rent payments and possible lease discounts.
RoC	Return on invested capital.
Total Net Debt	Net Debt + lease liabilities
Total Shareholder Return (TSR)	Profit or loss from net share price change, plus any dividends received over a given period.
Underlying EBITDA	Recurrent EBITDA from the businesses consolidated using the full consolidation method.
Underlying EBITDA margin	Underlying EBITDA / turnover.



Consolidated
Financial
Statements
9M22

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2022 AND 2021 AND 31 DECEMBER 2021

(Amounts expressed in euro)

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

	Notes	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS				
NON-CURRENT ASSETS:				
Property, plant and equipment	5	1,686,649,255	1,667,407,314	1,681,657,450
Intangible assets	6	493,601,929	428,674,980	442,752,572
Right of use assets	7	993,604,099	1,014,489,374	1,019,952,622
Investment properties		343,394,452	317,477,645	319,872,797
Goodwill	8	688,544,129	728,905,210	732,295,344
Investments in joint ventures and associates	9	1,737,374,371	1,588,075,816	1,514,650,086
Assets at fair value through profit and loss	10	228,573,608	87,275,284	164,269,283
Assets to fair value through other comprehensive income	10	14,107,299	139,765,957	137,578,854
Other investments	12	54,712,303	14,719,488	14,984,400
Deferred tax assets	11	361,973,252	359,423,287	358,580,253
Other non-current assets		38,945,655	38,757,425	33,694,609
Total Non-Current Assets		6,641,480,352	6,384,971,780	6,420,288,270
CURRENT ASSETS:				
Inventories		699,979,436	587,180,774	633,566,900
Trade receivables and other current assets		488,883,423	339,647,310	333,903,265
Income tax assets		40,335,418	38,836,093	35,193,981
Other tax assets		40,619,387	38,117,140	39,176,930
Other investments	12	12,043,822	26,381,361	7,107,031
Cash and bank balances	13	438,879,142	747,897,887	825,063,052
Total Current Assets		1,720,740,628	1,778,080,565	1,874,011,159
Non-current assets held for sale	14	75,087,866	976,129	22,813,863
TOTAL ASSETS		8,437,308,846	8,164,008,474	8,317,113,292
EQUITY AND LIABILITIES				
EQUITY:				
Share capital		2,000,000,000	2,000,000,000	2,000,000,000
Own shares		(83,880,063)	(88,539,491)	(88,539,491)
Legal reserve		299,347,551	281,215,564	281,215,564
Reserves and retained earnings		257,232,505	77,511,265	80,890,373
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		209,795,006	158,202,902	267,652,127
Equity attributable to the equity holders of the Parent Company		2,682,494,999	2,428,390,240	2,541,218,573
Equity attributable to non-controlling interests	15	499,028,153	579,678,136	604,175,944
TOTAL EQUITY		3,181,523,152	3,008,068,376	3,145,394,517
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	16	1,196,813,534	1,077,242,023	1,097,360,407
Lease liabilities	7	1,066,917,363	1,082,055,135	1,074,782,608
Other non-current liabilities		111,251,463	110,327,959	96,920,514
Deferred tax liabilities	11	510,205,160	477,350,054	495,286,636
Provisions	17	20,881,776	18,344,270	21,476,976
Total Non-Current Liabilities		2,906,089,296	2,765,319,441	2,785,827,141
CURRENT LIABILITIES:				
Loans	16	305,696,275	574,012,525	317,169,593
Lease liabilities	7	97,815,231	97,466,140	106,409,731
Trade payables and other current liabilities		1,800,522,677	1,603,875,436	1,836,391,304
Income tax liabilities		14,902,398	34,780,284	20,903,844
Other tax liabilities		92,405,209	73,320,684	100,846,896
Provisions	17	5,957,361	7,165,588	4,170,266
Total Current Liabilities		2,317,299,151	2,390,620,657	2,385,891,634
Liabilities directly associated with assets classified as held for sale	14	32,417,247	-	-
TOTAL LIABILITIES		5,255,785,694	5,155,940,098	5,171,718,775
TOTAL EQUITY AND LIABILITIES		8,437,308,846	8,164,008,474	8,317,113,292

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

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022 AND 2021

(Amounts expressed in euro)

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

	Notes	3 rd Quarter 2022	3 rd Quarter 2021 Restated	30 Sep 2022	30 Sep 2021 Restated Note 3
Sales	4	1,960,994,563	1,703,899,371	5,246,474,545	4,767,789,309
Services rendered	4	84,150,744	74,481,274	246,065,224	205,136,950
Changes in value of investment properties		-	-	2,770,868	(2,133,040)
Gains and losses on investments		5,155,325	(9,344,887)	4,919,159	(1,092,233)
Gains and losses on investments recorded at fair value through profit and loss	10.3	9,569,438	19,726,745	50,867,199	23,847,176
Other income	18	49,681,910	29,908,938	136,835,745	95,978,708
Cost of goods sold and materials consumed		(1,419,486,785)	(1,239,051,578)	(3,768,950,408)	(3,431,803,587)
Changes in inventories of finished goods and work in progress		1,327,270	433,174	2,677,997	532,841
External supplies and services		(220,613,663)	(184,993,107)	(615,662,936)	(541,127,857)
Employee benefits expense		(237,878,912)	(208,297,901)	(712,612,660)	(640,969,224)
Other expenses		(37,729,201)	(18,914,334)	(99,252,041)	(59,116,525)
Depreciation and amortisation expenses	5,6 and 7	(89,741,300)	(82,905,789)	(262,994,868)	(247,536,055)
Impairment losses		(1,636,283)	1,212,365	600,925	(7,800,303)
Provisions		(2,101,731)	(134,370)	(2,885,386)	(3,872,264)
Profit from continuing operations before interests, dividends, share of profit or loss of joint ventures and associates and tax		101,691,375	86,019,901	228,853,363	157,833,896
Dividends received		-	-	12,288,549	10,764,000
Share of profit and loss of joint ventures and associates	9	44,403,392	32,748,508	96,719,224	76,368,130
Financial income	19	33,410,140	9,655,276	88,992,243	29,419,893
Financial expense	19	(56,142,336)	(35,636,781)	(155,065,894)	(107,745,792)
Profit/(Loss) before taxation from continuing operations		123,362,571	92,786,904	271,787,485	166,640,127
Income tax expense		(11,359,793)	(17,364,067)	(13,391,498)	(22,135,424)
Profit/(Loss) after taxation from continuing operations		112,002,778	75,422,837	258,395,987	144,504,703
Profit/(Loss) from discontinued operations after taxation		(1,192,281)	48,703,967	(3,270,352)	48,949,428
Consolidated profit/(Loss) for the period		110,810,497	124,126,805	255,125,635	193,454,132
Attributable to equity holders of the Parent Company:					
Continuing operations		92,450,624	59,962,244	211,852,655	123,820,609
Discontinued operations		(710,955)	35,811,599	(2,057,649)	34,382,293
		91,739,669	95,773,843	209,795,006	158,202,902
Attributable to non-controlling interests:					
Continuing operations		19,552,154	15,460,594	46,543,332	20,684,095
Discontinued operations		(481,326)	12,892,368	(1,212,703)	14,567,135
		19,070,828	28,352,962	45,330,629	35,251,230
Profit/(Loss) per share					
Continuing operations					
Basic	21	0.044197	0.031420	0.110477	0.064881
Diluted	21	0.047796	0.029355	0.109860	0.060620
Discontinued operations					
Basic	21	(0.000370)	0.018765	(0.001073)	0.018016
Diluted	21	(0.000367)	0.017533	(0.001067)	0.016833

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 SEPTEMBER 2022 AND 2021

(Amounts expressed in euro)

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

	Notes	3 rd Quarter 2022	3 rd Quarter 2021 Restated	30 Sep 2022	30 Sep 2021 Restated
Net Profit / (Loss) for the period		110,810,497	124,126,805	255,125,635	193,454,132
Items from other comprehensive income that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		(4,040,429)	3,053,666	(8,561,296)	(339,998)
Participation in other comprehensive income, net of tax, related to associates and joint ventures accounted for under the equity method	9	(4,401,281)	(10,154,994)	32,039,943	4,328,248
Changes in cash flow hedging reserve		4,859,562	11,711,238	14,248,697	18,673,984
Income tax relating to items of other comprehensive income		(1,781,388)	(12,844)	(2,551,263)	(315,601)
Others		(605,016)	(56,776)	437,444	46,511
Items from other comprehensive income that may be reclassified subsequently to profit or loss		(5,968,552)	4,540,290	35,613,524	22,393,144
Items from other comprehensive income that will not be reclassified subsequently to profit or loss:					
Changes value of financial assets at fair value		(14,441,471)	19,930,161	(1,895,771)	23,862,362
Total other comprehensive income for the period		(20,410,028)	24,470,461	33,717,753	46,255,506
Total comprehensive income for the period		90,400,474	148,597,256	288,843,388	239,709,638
Attributable to:					
Equity holders of parent company		69,501,441	115,999,606	237,274,878	197,531,478
Non controlling interests		20,899,033	32,597,650	51,568,510	42,178,160

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED 30 SEPTEMBER 2022 AND 2021

(Amounts expressed in euro)

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

	Reserves and Retained Earnings							Total Reserves and Retained Earnings	Net Profit/(Loss)	Total	Non controlling Interests (Note 15)	Total Equity
	Share Capital	Own Shares	Legal Reserve	Currency Translation Reserve	Investments Fair Value Reserve	Cash-flow Hedging Reserve	Other Reserves and Retained Earnings					
Attributable to Equity Holders of Parent Company												
Balance as at 1 January 2021	2,000,000,000	(93,340,758)	277,462,299	873,305	(25,569,631)	643,746	(238,214,322)	(262,266,902)	70,944,578	1,992,789,217	447,063,129	2,439,852,346
Total comprehensive income for the period	-	-	-	(2,473,104)	23,814,621	14,299,727	3,687,332	39,328,576	158,202,902	197,531,478	42,178,160	239,709,638
Appropriation of consolidated net profit of 2020												
Transfer to legal reserves and retained earnings	-	-	3,763,265	-	-	-	67,181,313	67,181,313	(70,944,578)	-	-	-
Dividends distributed	-	-	-	-	-	-	(93,023,122)	(93,023,122)	-	(93,023,122)	(3,161,506)	(96,184,628)
Obligation fulfilled by share attribution to employees	-	-	-	-	-	-	732,777	732,777	-	732,777	133,113	865,890
Partial cancellation of Cash Settled Equity Swap	-	4,801,267	-	-	-	-	(1,184,790)	(1,184,790)	-	3,616,477	-	3,616,477
Variation in percentage of subsidiaries	-	-	-	-	-	-	328,131,708	328,131,708	-	328,131,708	92,756,771	420,888,479
Capital decrease	-	-	-	-	-	-	-	-	-	-	(426,348)	(426,348)
Others	-	-	-	-	-	-	(1,388,296)	(1,388,296)	-	(1,388,296)	1,134,817	(253,479)
Balance as at 30 September 2021	2,000,000,000	(88,539,491)	281,215,564	(1,599,799)	(1,755,010)	14,943,473	65,922,601	77,511,265	158,202,902	2,428,390,240	579,678,136	3,008,068,376
Balance as at 1 January 2022	2,000,000,000	(88,539,491)	281,215,564	(183,979)	(2,373,046)	13,112,800	70,334,698	80,890,373	267,652,127	2,541,218,573	604,175,944	3,145,394,517
Total comprehensive income for the period	-	-	-	(7,330,096)	(2,287,373)	9,512,520	27,584,821	27,479,872	209,795,006	237,274,878	51,568,510	288,843,388
Appropriation of consolidated net profit of 2021												
Transfer to legal reserves and retained earnings	-	-	18,131,987	-	-	-	249,520,140	249,520,140	(267,652,127)	-	-	-
Dividends distributed	-	-	-	-	-	-	(98,125,997)	(98,125,997)	-	(98,125,997)	(71,317,963)	(169,443,960)
Obligation fulfilled by share attribution to employees	-	4,659,428	-	-	-	-	723,038	723,038	-	5,382,466	(111,750)	5,270,716
Variation in percentage of subsidiaries	-	-	-	-	-	-	(3,195,863)	(3,195,863)	-	(3,195,863)	(78,849,168)	(82,045,031)
Capital decrease	-	-	-	-	-	-	-	-	-	-	(6,586,800)	(6,586,800)
Others	-	-	-	-	-	-	(59,058)	(59,058)	-	(59,057)	149,380	90,323
Balance as at 30 September 2022	2,000,000,000	(83,880,063)	299,347,551	(7,514,075)	(4,660,419)	22,825,320	246,781,679	267,232,505	209,795,006	2,682,494,999	499,028,153	3,181,523,152

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2022 AND 2021

(Amounts expressed in euro)

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

	Notes	3rd Quarter 2022	3rd Quarter 2021	30 Sep 2022	30 Sep 2021
OPERATING ACTIVITIES					
Net cash generated from operating activities (1)		215,654,164	296,975,133	153,895,748	255,832,041
INVESTMENT ACTIVITIES					
Receipts arising from:					
Investments		34,631,843	569,734,979	42,509,981	619,292,158
Property, plant and equipment and intangible assets		1,086,403	7,797,767	3,060,849	15,199,270
Interests and similar income		2,429,364	149,154	3,518,439	1,090,252
Loans granted		2,970,999	-	6,794,827	5,801,925
Dividends		16,976,825	1,324,623	42,561,621	14,113,098
Others		44,219	12,374,146	33,943,698	28,464,471
		58,139,654	591,380,669	132,389,416	683,961,174
Payments arising from:					
Investments	22	(95,743,735)	(99,919,648)	(251,261,668)	(193,401,013)
Property, plant and equipment and intangible assets		(76,172,327)	(64,755,261)	(211,576,312)	(177,419,778)
Loans granted		(2,589,301)	(1,020,000)	(14,371,981)	(2,874,454)
Others		(321,195)	(2,384,190)	(321,195)	(3,756,500)
		(174,826,558)	(168,079,099)	(477,531,156)	(377,461,746)
Net cash used in/ generated by investment activities (2)		(116,686,905)	423,301,570	(345,141,741)	306,509,428
FINANCING ACTIVITIES					
Receipts arising from:					
Loans, bonds and finance leases	16	997,764,166	785,133,673	3,339,935,458	3,487,478,516
Capital increases, additional paid in capital and share premiums		-	-	200,000	-
		997,764,166	785,133,673	3,340,135,459	3,487,478,516
Payments arising from:					
Lease contracts		(52,559,753)	(46,077,986)	(128,519,655)	(140,085,895)
Loans, bonds and finance leases	16	(1,064,115,419)	(1,190,532,165)	(3,251,955,649)	(3,715,175,898)
Purchase of own shares		-	(76,248,621)	-	(76,248,621)
Interests and similar charges		(4,260,240)	(8,309,296)	(15,973,514)	(22,734,517)
Reimbursement of capital and paid in capital		-	-	(6,586,800)	(427,203)
Dividends		-	-	(169,421,492)	(100,274,475)
		(1,120,935,412)	(1,321,168,068)	(3,572,457,110)	(4,054,946,609)
Net cash used in financing activities (3)		(123,171,245)	(536,034,395)	(232,321,651)	(567,468,093)
Net increase (decrease) in cash and cash equivalents (4) = (1) + (2) + (3)		(24,203,986)	184,242,308	(423,567,644)	(5,126,624)
Effect of exchange rate changes on the balance of cash held in foreign currencies		(18,460)	(69,534)	(484,079)	(231,876)
Effect of discontinued operations		(4,852,819)	-	(5,896,988)	-
Cash and cash equivalents at the beginning of the period	13	(2,622,702)	562,966,860	820,067,349	752,173,450
Cash and cash equivalents at the end of the period	13	(31,661,048)	747,278,702	391,086,796	747,278,702

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

SONAE, SGPS, S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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

(Amounts stated in euros)

1. Introduction

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

Shares representing the share capital of Sonae, SGPS, S.A. are listed on the Euronext Lisbon stock exchange. At 30 September 2022, Sonae, SGPS, S.A. is majority owned by Pareuro BV and Efanor Investimentos SGPS, S.E., the latter being the ultimate controlling company.

2. Principal accounting policies

The principal accounting policies adopted in preparing the accompanying consolidated financial statements are described below. These policies have been consistently applied in comparative periods.

2.1 Basis of presentation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the IFRS Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC"), as adopted by the European Union as from the consolidated financial statements issuance date.

Interim condensed consolidated financial statements are presented quarterly, in accordance with IAS 34 – "Interim Financial Reporting". As such, they do not include all the information to be disclosed in the annual consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the previous year.

The accompanying condensed consolidated financial statements have been prepared from the books and accounting records of the company and subsidiaries, adjusted in the consolidation process, on a going concern basis and under the historical cost convention, except for some financial instruments and properties investments which are stated at fair value.

New accounting standards and their impact in these consolidated financial statements:

Up to the date of approval of these consolidated financial statements, the European Union endorsed the following standards, interpretations, amendments and revisions some of which become mandatory during the year 2022:

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

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

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

Standards (new and amendments) that will become effective, on or after 1 January 2023, already endorsed by the EU	Changes	Effective date (for financial years beginning on or after)
IFRS 17 – Insurance contracts	New accounting for insurance contracts, reinsurance contracts and investment contracts with discretionary participating features.	01 Jan 2023
IFRS 17 – Insurance contracts (amendments)	The amendments to IFRS 17 relate to changes in areas such as: i) scope; ii) level of aggregation of insurance contracts; iii) recognition; iv) measurement; v) modification and derecognition; vi) presentation of the Statement of Financial Position; vii) recognition and measurement of the Income statement; and viii) disclosures.	01 Jan 2023
IAS 1 – Disclosure of accounting policies	Disclosure requirement for material accounting policies, rather than significant accounting policies.	01 Jan 2023
IAS 8 – Disclosure of accounting estimates	Definition of accounting estimate. Clarification as to the distinction between changes to accounting policies and changes to accounting estimates.	01 Jan 2023
IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction	Requirement to recognize deferred tax on the recognition of assets under right of use / lease liability and provisions for decommissioning / related asset, when their initial recognition gives rise to equal amounts of taxable temporary differences and deductible temporary differences, because of not being relevant for tax purposes.	01 Jan 2023
IFRS 17 – Initial Application of IFRS 17 and IFRS 9 – Comparative Information	This amendment allows to avoid temporary accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented, when first applying IFRS 17. This amendment allows the application of a classification overlay to a financial asset for which the entity does not restate IFRS 9 comparative information.	01 Jan 2023

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

Standards (new and amendments) that will become effective, on or after 1 January 2023, not yet endorsed by the EU	Changes	Effective date (for financial years beginning on or after)
IAS 1 – Presentation of financial statements – classification of liabilities	Classification of a liability as current or non-current, depending on an entity's right to defer its payment. New definition of "settlement" of a liability.	01 Jan 2024
IFRS 16 – Lease Liability in a Sale and Leaseback	Clarification of subsequent measurement requirements for sale and leaseback transactions.	01 Jan 2024

The Group did not proceed with the early implementation of any of these standards in the financial statements for the period ended 30 September 2022 since their application is not mandatory, lying in the process of analyzing expected effects of those standards.

3. Restatement of consolidation income statements

Following the agreement signed with Thales Europe, S.A. for the sale of share capital and voting rights of Maxive Cybersecurity, SGPS, S.A., announced on 17th May, the contribute of Maxive and its subsidiaries, for the consolidated financial statements, were presented as discontinued operations units, in the consolidated income statements at 30 September 2022. This transaction was completed on October 11, 2022 (Note 24).

The restatement impact on the consolidated financial statements, for the period ended 30 September 2021 can be summarized as follows:

30 Sep 2021	Before the restatement	Discontinued operations	After the restatement
Sales	4,778,669,144	10,879,835	4,767,789,309
Services rendered	235,222,378	30,085,428	205,136,950
Changes in value of investment properties	(2,133,040)	-	(2,133,040)
Gains and losses on investments	(1,093,505)	(1,272)	(1,092,233)
Gains and losses on investments recorded at fair value through profit and loss	23,862,578	15,402	23,847,176
Other income	103,199,250	7,220,542	95,978,708
Cost of goods sold and materials consumed	(3,441,019,011)	(9,215,424)	(3,431,803,587)
Changes in inventories of finished goods and work in progress	532,841	-	532,841
External supplies and services	(550,018,300)	(8,890,443)	(541,127,857)
Employee benefits expense	(663,693,009)	(22,723,785)	(640,969,224)
Other expenses	(59,630,313)	(513,788)	(59,116,525)
Depreciation and amortisation expenses	(251,634,669)	(4,098,614)	(247,536,055)
Impairment losses	(12,893,226)	(5,092,923)	(7,800,303)
Provisions	(5,164,279)	(1,292,015)	(3,872,264)
Profit from continuing operations before interests, dividends, share of profit or loss of joint ventures and associates and tax	154,206,839	(3,627,057)	157,833,896
Dividends received during the year	10,764,000	-	10,764,000
Share of profit or loss of joint ventures and associates	76,368,130	-	76,368,130
Financial income	29,535,845	115,952	29,419,893
Financial expense	(108,838,825)	(1,093,033)	(107,745,792)
Profit/(Loss) before taxation from continuing operations	162,035,989	(4,604,138)	166,640,127
Income tax expense	(21,726,283)	409,141	(22,135,424)
Profit/(Loss) after taxation from continuing operations	140,309,706	(4,194,998)	144,504,703
Profit/(Loss) from discontinued operations after taxation	53,144,426	4,194,998	48,949,428
Consolidated profit/(Loss) for the period	193,454,132	-	193,454,132

4. Segment information

Sonae has in its portfolio 8 business segments:

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

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

Financial information per business segment

The main operating segment information as at 30 September 2022 and 2021 can be detailed as follows:

30 Sep 2022	Turnover	Depreciation and amortisation ⁽²⁾	Provisions and impairment losses ⁽²⁾	EBIT ⁽²⁾	Financial results ⁽²⁾	Income tax ⁽²⁾
MC	4,294,438,369	(196,380,774)	483,021	199,415,070	(53,987,235)	(19,332,808)
Worten	836,464,285	(28,286,891)	(2,845,807)	2,772,215	(3,027,452)	5,156,373
Sierra	84,799,672	(2,395,932)	872,494	50,377,661	(6,141,759)	(1,189,330)
Zeitreal	275,617,798	(26,182,718)	1,767,741	(14,217,457)	(3,344,795)	7,186,955
Universo	26,477,125	(1,545,395)	(1,524,398)	(7,229,569)	154,558	2,604,650
Bright Pixel	1,407,283	(1,686,265)	143,774	10,169,406	3,875,386	(3,804,110)
NOS	-	-	-	43,862,015	-	-
ISRG	-	-	-	11,423,116	-	-
Other, eliminations and adjustments ⁽¹⁾	(26,664,763)	(6,516,891)	(1,181,288)	(18,605,002)	(3,602,354)	2,805,825
Total consolidated - Direct	5,492,539,769	(262,994,868)	(2,284,462)	277,967,454	(66,073,651)	(6,572,447)

30 Sep 2021 Restated	Turnover	Depreciation and amortisation ⁽²⁾	Provisions and impairment losses ⁽²⁾	EBIT ⁽²⁾	Financial results ⁽²⁾	Income tax ⁽²⁾
MC	3,882,684,874	(188,294,687)	(10,898,294)	228,981,125	(58,162,459)	(9,622,347)
Worten	803,091,784	(24,728,757)	(4,663,486)	13,961,396	(3,335,437)	(11,752,050)
Sierra	71,881,209	(2,257,497)	(749,816)	31,616,680	(5,609,528)	(482,293)
Zeitreal	230,369,507	(25,662,446)	(876,717)	(28,486,515)	(4,599,268)	6,289,277
Universo	13,902,473	(1,162,007)	(981,679)	(16,691,981)	(97,665)	3,955,127
Bright Pixel	1,093,319	(733,841)	(66,150)	14,507,074	1,237,762	(4,116,695)
NOS	-	-	-	28,629,776	-	-
ISRG	-	-	-	9,886,305	-	-
Other, eliminations and adjustments ⁽¹⁾	(30,096,907)	(4,682,040)	290,539	(21,879,107)	(7,759,304)	2,801,343
Total consolidated - Direct	4,972,926,259	(247,621,275)	(17,945,603)	260,524,753	(78,325,899)	(12,927,639)

	30 Sep 2022			30 Sep 2021 Restated		
	Investment (CAPEX)	Invested capital	Financial net debt ⁽³⁾⁽⁴⁾	Investment (CAPEX)	Invested capital	Financial net debt ⁽³⁾⁽⁴⁾
MC	130,953,707	2,457,163,517	1,595,403,144	132,028,346	2,440,329,378	1,532,578,390
Worten	38,384,222	34,651,459	-	32,573,203	14,175,174	-
Sierra	71,641,535	1,046,037,980	75,215,000	1,716,613	916,925,410	25,973,917
Zeitreal	8,776,167	337,319,629	-	8,023,580	309,640,812	-
Universo	913,285	29,668,560	-	1,899,324	30,865,950	-
Bright Pixel	46,452,071	328,534,430	1,616,467	11,328,132	240,295,864	3,982,985
NOS	-	819,929,135	-	-	825,253,061	-
ISRG	-	95,574,968	-	-	93,791,423	-
Other, eliminations and adjustments ⁽¹⁾	162,682,054	218,945,348	514,057,259	167,695,535	173,399,952	474,073,527
Total consolidated	459,803,041	5,367,815,026	2,186,291,870	355,264,733	5,044,677,024	2,036,608,819

- 1) Includes Sonae individual accounts;
- 2) Reconciled information in Note 23;
- 3) These captions are accompanied by management in more aggregated form, and not allocated to individual operating segments identified above;
- 4) Include lease liabilities.

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

	Investment		Invested capital	
	30 Sep 2022	30 Sep 2021 Restated	30 Sep 2022	30 Sep 2021 Restated
Inter-segment intra-groups and contributions of entities non-individualized entities as segments	79,211,456	13,561,246	218,945,348	173,399,952
Acquisition of an additional 10% of Sonae Sierra (Note 22)	83,470,598	82,159,275	-	-
Acquisition of 95.40% of Claybell Ltd (Note 22)	-	71,975,014	-	-
	162,682,054	167,695,535	218,945,348	173,399,952

All performance measures are reconciled to the financial statements in Note 23.

Glossary:

Net Invested capital = Net debt + Shareholder funds;

Net Financial Debt = Bonds + bank loans + other loans + supplies – cash – bank deposits – current investments – excluding other long-term investments + lease liabilities;

Others, eliminations and adjustments = Intra-groups + consolidation adjustments + contributions from other companies not included in the disclosed segments by do not fit in any reportable segment, i.e., companies “other” than Sonae SGPS are included in the consolidated financial statements as of 31 December 2021, on note 53;

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

5. Property, plant and equipment

During the nine months period ended as at 30 September 2022, the movements in Property, plant and equipment as well accumulated depreciation and impairment losses are made up as follows:

	Land and Buildings	Plant and Machinery	Vehicles	Fixtures and Fittings	Other tangible assets	Tangible assets in progress	Total tangible assets
Gross assets							
Opening balance as at 1 January 2022	1,387,934,876	1,777,791,777	31,165,729	188,035,777	56,614,631	33,384,003	3,474,926,793
Investment	19,668,871	5,036,693	25,311	1,602,056	630,263	111,626,252	138,589,446
Acquisitions of subsidiaries	10,944	96,907	-	-	-	-	107,851
Disposals	(7,391,760)	(44,143,681)	(877,417)	(27,727,610)	(1,410,522)	(389,714)	(81,940,703)
Exchange rate effect	(376,875)	(389,966)	-	6,961	405	-	(759,475)
Assets available for sale	(1,374,853)	(2,512,601)	(178,370)	(4,092,122)	(260,141)	(40,625)	(8,458,712)
Transfers	3,793,414	85,188,301	1,279,371	7,441,095	1,165,612	(100,231,463)	(1,363,670)
Closing balance as at 30 September 2022	1,402,264,618	1,821,067,430	31,414,624	165,266,157	56,740,248	44,348,464	3,521,101,530
Accumulated depreciation and impairment losses							
Opening balance as at 1 January 2022	474,800,245	1,112,288,586	21,930,901	137,669,788	46,358,128	221,695	1,793,269,343
Depreciation of the period	18,010,945	92,090,446	1,336,377	12,147,921	2,751,711	-	126,337,400
Impairment losses of the period (Note 17)	5,029,752	1,102,669	-	-	-	-	6,132,421
Reversals of impairment losses (Note 17)	(9,644,195)	(1,843,231)	(3,827)	(46,216)	(403,595)	-	(11,941,062)
Acquisitions of subsidiaries	(1,459)	(76,762)	-	-	-	-	(78,222)
Disposals	(1,802,131)	(40,302,021)	(800,541)	(27,522,185)	(1,163,554)	-	(71,590,433)
Exchange rate effect	(113,168)	(197,575)	-	6,684	401	-	(303,658)
Depreciation of assets available for sale	(1,081,898)	(1,722,040)	(57,048)	(3,787,878)	(190,455)	-	(6,839,319)
Transfers	57,960	(59,855)	73,189	(668,451)	62,962	-	(534,196)
Closing balance as at 30 September 2022	485,256,052	1,161,280,216	22,479,051	117,799,662	47,415,599	221,695	1,834,452,275
Carrying amount as at 30 September 2022	917,008,566	659,787,214	8,935,573	47,466,495	9,324,649	44,126,769	1,686,649,255

The investment includes the acquisition of assets of approximately 120.4 million euro, associated with the opening and remodeling of stores of Sonae retail operating segments.

6. Intangible assets

During the nine months period ended 30 September 2022, the movement occurred in intangible assets and in the corresponding accumulated amortization and impairment losses, was as follows:

	Patents and other similar rights	Software	Other intangible assets	Intangible assets in progress	Total intangible assets
Gross Assets					
Opening balance as at 1 January 2022	255,766,929	509,717,810	101,835,876	43,777,049	910,897,664
Investment	1,243,222	1,481,192	29,808	54,024,285	56,778,507
Acquisitions of subsidiaries	-	55,696	2,854,856	-	2,910,551
Disposals	(359,568)	(5,105,478)	(821,174)	(256,368)	(6,542,589)
Exchange rate effect	-	-	(1,516,648)	-	(1,516,648)
Assets available for sale	(24,465,706)	(6,545,158)	-	(229,905)	(31,240,770)
Transfers	125,552	32,504,063	39,627,780	(31,336,607)	40,920,788
Closing balance as at 30 September 2022	232,310,429	532,108,125	141,810,497	65,978,453	972,207,503
Accumulated Amortization and Impairment Losses					
Opening balance as at 1 January 2022	67,214,679	341,799,904	59,130,509	-	468,145,092
Amortization of the period	1,516,167	33,474,513	4,742,924	-	39,733,605
Impairment losses of the period	-	(158,351)	(40,950)	-	(199,301)
Acquisitions of subsidiaries	-	27,845	613,042	-	640,887
Disposals	(193,506)	(5,076,274)	240,618	-	(5,029,162)
Exchange rate effect	-	(122)	(37,848)	-	(37,970)
Depreciation of assets available for sale	(20,872,196)	(5,335,361)	-	-	(26,207,557)
Transfers	(205,495)	314,612	1,450,864	-	1,559,981
Closing balance as at 30 September 2022	47,459,660	365,046,766	66,099,159	-	478,605,575
Carrying Amount					
as at 30 September 2022	184,850,779	167,061,359	75,711,338	65,978,453	493,601,929

As at 30 September 2022 the Investment related to intangible assets in progress includes 48 million euro related to IT projects and development software. Within that amount it is included 18.4 million euro of capitalizations of personnel costs related to own work.

7. Rights of use assets

During the period of nine months ended on 30 September 2022, the detail and the movement in the value of the rights of use, as well as in the respective amortizations, was as follows:

	Land and Buildings	Vehicles	Others assets	Total right of use assets
Gross Assets				
Opening balance as at 1 January 2022	1,550,214,375	101,204,310	3,490,847	1,654,909,532
Additions	75,914,310	6,823,887	1,533,476	84,271,673
Effect of foreign currency exchange differences	(16,063)	(16,243)	-	(32,306)
Assets available for sale	(2,842,597)	(3,179,775)	(1,160,257)	(7,182,629)
Decreases and write-offs	(58,520,329)	(6,014,330)	(562,630)	(65,097,289)
Closing balance as at 30 September 2022	1,564,749,697	98,817,849	3,301,435	1,666,868,981
Accumulated amortization and Impairment Losses				
Opening balance as at 1 January 2022	565,582,630	67,834,521	1,539,759	634,956,910
Amortization of the period	80,448,447	18,128,944	468,926	99,046,317
Effect of foreign currency exchange differences	(94,149)	5,077	-	(89,072)
Amortization of assets available for sale	(1,484,798)	(1,935,592)	(908,069)	(4,328,459)
Decreases and write-offs	(50,771,294)	(4,994,359)	(479,451)	(56,245,104)
Use of impairment losses	(75,709)	-	-	(75,709)
Closing balance as at 30 September 2022	593,605,126	79,038,590	621,166	673,264,882
Carrying Amount				
as at 30 September 2022	971,144,570	19,779,259	2,680,270	993,604,099

Liabilities related to rights of use are recorded under non-current and current lease liabilities of 1,067 million euro and 98 million euro respectively (1,075 million euro and 106 million euro at 31 December 2021).

In the consolidated income statement, 99 million euro were recognized for amortization of the period (94.7 million euro in 30 September 2021) and 55 million euro of interest relating to the adjusted debt (56 million euro in 30 September 2021).

8. Goodwill

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

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

As at 30 September 2022 and 31 December 2021, the caption “Goodwill” was made as follows by segment and country:

30 Sep 2022					
Banner	Portugal	Spain	United Kingdom	Other countries	Total
MC	486,369,406	19,440,000	-	-	505,809,406
Worten	78,185,304	-	-	-	78,185,304
Sierra	18,159,949	-	-	-	18,159,949
Zeitreel	53,097,133	-	-	-	53,097,133
Bright Pixel	1,317,676	-	-	-	1,317,676
Others	-	-	31,974,661	-	31,974,661
	637,129,468	19,440,000	31,974,661	-	688,544,129

31 Dec 2021					
Banner	Portugal	Spain	United Kingdom	Other countries	Total
MC	486,369,406	19,440,000	-	-	505,809,406
Worten	78,185,304	-	-	-	78,185,304
Sierra	18,159,949	-	-	-	18,159,949
Zeitreel	53,097,133	-	-	-	53,097,133
Bright Pixel	2,059,740	1,641,824	-	10,971,314	14,672,878
Others	-	-	62,370,674	-	62,370,674
	637,871,532	21,081,824	62,370,674	10,971,314	732,295,344

9. Joint ventures and associated companies

9.1 Detail of book value of investments in joint ventures and associates

The value of investments in joint ventures and associates can be analyzed as follows:

Investments in joint ventures and associates	30 Sep 2022	31 Dec 2021
Investments in joint ventures	130,256,451	744,565,681
Investments in associates	1,607,117,920	770,084,405
Total	1,737,374,371	1,514,650,086

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

COMPANY	30 Sep 2022	31 Dec 2021
MC		
Maremor Beauty & Fragances, S.L.	168,546	170,499
Sohi Meat Solutions - Distribuição de Carnes, S.A.	2,496,257	3,639,130
	2,664,804	3,809,630
Sierra		
Arrábidasshopping- Centro Comercial, S.A.	28,147,506	27,555,861
Gaiashopping I- Centro Comercial, S.A.	28,635,544	28,854,615
L.C. Malheiro II, SGPS, SA	3,576,151	2,097,775
Madeirashopping- Centro Comercial, S.A.	20,106,084	19,170,362
1) Quinta da Foz - Empreendimentos Imobiliários, S.A.	8,097,391	-
Pantheon Plaza B.V.	2,369,664	2,845,449
Parque Atlântico Shopping - Centro Comercial, S.A.	18,828,729	17,843,797
Proyecto Cúcuta S.A.S.	2,234,560	2,430,667
SC Aegean B.V.	3,437,193	3,433,293
Via Catarina- Centro Comercial, S.A.	10,953,877	9,704,074
Others	671,927	3,319,702
	127,068,626	117,255,495
Bright Pixel		
Unipress - Centro Gráfico, Lda.	533,021	492,267
	533,021	492,267
Others		
2) ZOPT, SGPS, S.A. (consolidated)	-	623,008,290
	-	623,008,290
Investments in joint ventures	130,256,451	744,565,681

- 1) Company acquired in February 2022 (on August 2, 2022, the company Nova Centralidade Soc. De Desenv. Imobiliário, S.A. was extinguished by merger into Quinta da Foz – Empreendimentos Imobiliários, S.A.);
- 2) Company transferred to investments in associates.

The detail of Investments in Associates is as follows:

COMPANY	30 Sep 2022	31 Dec 2021
MC		
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	909,375	910,322
	909,375	910,322
Sierra		
3shoppings - Holding, SGPS, S.A.	12,072,710	12,911,514
Aliansce Sonae Shopping Centers, S.A.	99,940,247	82,144,399
Area Sur Shopping, S.L.	8,503,754	7,609,420
1) Douro Riverside Hotel, S.A.	1,822,406	-
Fundo Investimento Imobiliário Parque Dom Pedro Shopping Center ("FIIPDPSH")	12,367,939	10,045,075
Fundo Investimento Imobiliário Shop. Parque Dom Pedro ("FIISHPDP")	118,387,347	96,256,931
Iberia Shop.C. Venture Coöperatief U.A. ("Iberia Coop")	15,158,998	14,409,364
Le Terrazze - Shopping Centre 1 Srl	6,723,281	6,444,258
Mercado Urbano - Gestão Imobiliária, S.A.	1,279,832	1,225,393
Olimpo Real Estate SOCIMI, S.A.	7,717,732	7,808,294
Olimpo Real Estate Portugal, SIGI, S.A.	2,792,959	2,747,985
Serra Shopping- Centro Comercial, S.A.	1,167,433	1,063,010
Sierra European Retail Real Estate Assets Holdings, BV ("Sierra BV")	234,707,027	229,957,073
Sierra Portugal Feeder 1	1,749,757	2,167,043
Sierra Portugal Real Estate ("SPF")	17,849,270	20,949,774
Signal Alpha Republica I, S.A.	274,851	325,425
Signal Alpha Republica II, Lda.	48,645	61,658
Trivium Real Estate Socimi, S.A.	26,074,846	25,935,782
Zenata Commercial Project	2,135,741	2,117,099
2) Atrium Bire, SIGI, S.A.	4,162,865	-
	574,937,640	524,179,497
Bright Pixel		
Fundo de Capital de Risco Armilar Venture Partners II (Armilar II)	77,679,158	76,854,019
Fundo de Capital de Risco Armilar Venture Partners III (Armilar III)	19,280,537	51,583,976
Fundo de Capital de Risco Espirito Santo Ventures Inovação e Internacionalização (AVP I+I)	15,425,525	15,362,845
Others	3,381,584	181,945
	115,766,803	143,982,786
Others		
Iberian Sports Retail Group (ISRG)	95,574,968	101,011,800
3) NOS SGPS, S.A.	819,929,135	-
	915,504,103	101,011,800
Investment in associates	1,607,117,920	770,084,405

- 1) Company was acquired in February 2022;
- 2) Company was acquired in July 2022;
- 3) Part of the investment transferred from investments in joint ventures (634 million euros) and the remainder transferred from financial assets at fair value through other comprehensive income (186 million euros).

In the period ended on 30 September 2022, the change in the value of the proportion of equity in Armilar III Fund is essentially related to the distribution of capital made following the sale of a stake held by that fund.

Financial Investment in NOS

In the third quarter of 2022, Sonaecom has proceeded with the resolution of the Shareholders' Agreement that governed the relations between the shareholders of ZOPT, SGPS, S.A. – Sonaecom (itself), Unitel International Holdings, BV and Kento Holding Limited. At the General Meeting of ZOPT, held on the 28th of September 2022, it was decided to proceed with the amortization of Sonaecom's position in that company, and refund of additional payments made by Sonaecom, for a consideration that includes the delivery of shares representing 26.07% of the share capital of NOS, that are not encumbered, and other net monetary means.

By virtue of that decision, Sonaecom is no longer shareholder of ZOPT, and now holds a direct participation of 26.07% of the share capital of NOS. This operation is subject to deadlines and legal constraints – namely those associated with the protection of the creditors of the company in question, ZOPT, and the notification of the operation to the Competition Authority – however, the Board of Directors

is convinced that there will be no opposition to the transaction. This way, in accordance with International Financial Reporting Standards, the operation is already reflected in the financial statements for the period ended September 30, 2022.

Since its inception, the sole purpose of ZOPT was the ownership and management of the position in NOS and the execution of the shareholder agreement between the partners that established joint control, thus the company did not have other operational activity. Given the merely instrumental character of ZOPT, in what concerns NOS ownership, in substance, after the resolution of the shareholder agreement above mentioned, Sonaecom ceased to hold joint control on NOS and began to exercise significant influence over this subsidiary. In this case and according to IAS 28, as there was no change in the remeasurement method neither on Sonaecom's consolidated perimeter, there was no need to a remeasurement of the investment to the fair value in the consolidated financial statements as at 30 September 2022. After this date, the value of the investment held in NOS will be measured by applying the equity method. The investment held by the Sonae Group, recorded as an asset at fair value for other comprehensive income related to the direct holding in NOS, accordingly with IAS 28, was also reclassified to investment in associates, with Sonae Group now holding 36.8% of shares representing the share capital of NOS.

In 2022, the Group reinforced the position at NOS through the acquisition of shares representing 3.4% of the share capital of NOS, for the amount of 64 million euro. According to IAS 28, the investment in this subsidiary was reclassified to investments in associates (Note 10).

The consolidated financial information of NOS, used to apply the equity method, includes adjustments arising from the allocation of prices to assets and liabilities identified in the 2013 merger operation.

In the period ended September 30, 2022, it was understood that the assumptions made in the impairment tests carried out in 2021 did not have relevant variations.

Regarding the financial holdings of NOS in Finstar and ZAP Media (Finstar consolidated), the Board of Directors of NOS believes that the arresting of assets to Mrs. Isabel dos Santos, in the specific case of the position held by her in Finstar and ZAP Media (where she holds 70% of the capital) does not change the control profile, in this case joint control as defined in IFRS 11.

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

ZOPT Group provisions

The evolution in provisions occurred during the first 9 months of 2022 compared to 31 December 2021 was as follows:

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

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

The settlement amounts are, respectively, as follows:

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

Tax authorities

During 2003 to 2022 financial years, some companies of the NOS Group were the subject of tax inspections for the 2001 to 2020 financial years. Following these inspections, NOS SGPS, S.A., as the controlling company of the Tax Group, and companies not covered by Tax Group, were notified of the corrections made to the Group's tax losses, to VAT and stamp tax and to make the payments related to the corrections made to the above exercises. The total amount of the notifications unpaid is about 36 million euro, added interest, and charges. These settlement notes, which totally were contested, are the respective lawsuits in progress.

Actions by MEO against NOS S.A., NOS Madeira and NOS Açores and by NOS S.A. against MEO

After the judgment was carried out, in May 2022, the court partially accepted NOS, condemning MEO to pay 7.9 million euro, a decision contested by MEO and NOS through the presentation of appeals in October 2022. It is understanding of the Board of Directors, corroborated by attorneys accompanying the process, that it is, in formal and substantive terms, likely that NOS S.A. will be able to win the lawsuit, due to MEO already having been convicted for the same offences by ANACOM.

Action brought by DECO

After the discussion and judgment sessions were held in May 2022, the parties are now awaiting the court's decision. It is the conviction of the Board of Directors that the arguments used by the authors are unfounded, which is why it is believed that the outcome of the process should not result in significant impacts on the Group's financial statements.

Interconnection tariffs

On 30 September 2022, accounts receivable and accounts payable include 37,139,253 euro and 43,475,093 euro, respectively, resulting from a dispute between the subsidiary NOS S.A. and, essentially, the operator MEO – Serviços de Comunicação e Multimédia, S.A. (previously named TMN – Telecomunicações Móveis Nacionais, S.A.), in relation to the non-definition of interconnection tariffs of 2001. In what concerns to that dispute with MEO, the result was totally favorable to NOS S.A., having already become final.

9.2 Movements occurred in the period

During the period ended at 30 September 2022, movements in investments in joint ventures and associates are as follows:

Investments in joint ventures	30 Sep 2022		
	Proportion on equity	Goodwill	Total investment
Balance as at 1 January	654,215,783	90,349,898	744,565,681
Transfer to subsidiaries	(2,573,908)	-	(2,573,908)
Increases during the period	935,122	-	935,122
Acquisitions during the period	8,874,228	-	8,874,228
Effect in gains or losses in joint controlled	52,856,608	-	52,856,608
Transfer to investments in associates companies	(586,889,493)	(87,527,500)	(674,416,993)
Distributed dividends	(7,540,830)	-	(7,540,830)
Effect in equity capital and non-controlling interests	7,556,543	-	7,556,543
	127,434,053	2,822,398	130,256,451

Investments in associates companies	30 Sep 2022		
	Proportion on equity	Goodwill	Total investment
Initial balance as at 1 January	689,792,740	80,291,665	770,084,405
Increases during the period	2,895,710	-	2,895,710
Acquisitions during the period	5,877,241	-	5,877,241
Capital reduction in associated companies	(39,029,962)	-	(39,029,962)
Transfer from assets to fair value through other comprehensive income (Note 10)	185,673,981	-	185,673,981
Share's exchange ZOPT/NOS	(37,625,440)	-	(37,625,440)
Transfer from investment in joint ventures	586,889,493	87,527,500	674,416,993
Effect in gains or losses in associated companies	43,862,616	-	43,862,616
Transfer to available for sale	(39,967)	-	(39,967)
Distributed dividends	(23,415,558)	-	(23,415,558)
Effect in equity capital and non-controlling interests	24,483,400	-	24,483,400
Others	(65,499)	-	(65,499)
	1,439,298,765	167,819,165	1,607,117,920

The effect on equity and non-controlled interests results fundamentally from the exchange rate conversion effect of companies with a different functional currency than the euro.

As mentioned in note 9.1 above, the Group began to exercise significant influence over NOS, and in accordance to IAS 28, the investments over this company were transferred to Investment in associates.

10. Financial assets at fair value

10.1 Through profit or loss

The value of financial assets at fair value through profit and loss can be analysed as follows:

Company	30 Sep 2022	31 Dec 2021
MC		
Inscó - Insular de Hipermerc., SA	4,748,744	4,748,744
Sportessence - Sport Retail, SA	595,964	595,964
	5,344,708	5,344,708
Bright Pixel		
Afresh	5,129,241	-
Arctic Wolf	86,174,795	74,168,202
1) CellWize	-	8,641,595
1) CiValue	-	1,977,741
Chord	6,155,100	-
Citcon	5,129,249	4,414,600
Codacy Group	8,000,005	-
Cybersixgill	20,279,985	5,297,520
Daisy Intelligence	1,237,529	1,153,213
Didimo	2,980,189	-
Experify	1,333,605	-
Hackuity	6,000,000	-
Jscrambler	3,828,724	3,828,724
Mayan	5,129,248	-
Ometria	20,951,265	22,016,495
Reblaze	2,821,088	2,428,030
Replai	1,800,887	1,800,887
SafeBreach	15,470,662	13,315,160
Sales Layer	9,714,017	2,500,358
Sellforte	2,500,003	2,500,003
Taikai	1,836,895	1,836,895
Visenze	4,738,199	4,078,034
Weaveworks	5,129,248	4,414,599
Other financial assets	6,888,967	4,552,520
	223,228,900	158,924,575
Financial assets at fair value through profit or loss	228,573,608	164,269,283

1) Cellwize and CiValue were disposal in the period.

Afresh

Afresh is a US-based company, a leader in the development of artificial intelligence-based technology for fresh food. Afresh's solutions streamline critical functions in fresh food management, including ordering, inventory, merchandising and operations. Afresh significantly reduces food waste, improves its partners' profitability and makes fresher, healthier food accessible to all. The company announced a 115 million dollars Series B funding round led by Spark Capital and with participation from Insight Partners, VMG Partners and Bright Pixel Capital.

CyberSixgill

Cybersixgill is a market leader in deep and dark web cyber threat intelligence. The company helps Fortune 500 companies, financial institutions, governments and law enforcement agencies protect their finances, networks and reputations from cyberthreats that exist in the deep, dark and surface webs. The advanced cyber threat intelligence platform automates all phases of the intelligence cycle – collection, analysis and dissemination of data – providing organizations with unparalleled information and actionable insights to protect their various assets in the ever-evolving cyber threatscape. Bright Pixel co-led its series B 15 million dollars round and in 2022 participated in 35 million dollars round raised led by More Provident and Pension Funds and REV Venture Partners.

Codacy Group

Codacy, a company based in Portugal, is an automated code review and productivity analysis platform for the engineering team. It provides intelligence to software development teams to reach their maximum potential. Codacy raised a 15 million dollars Series B funding round led by Bright Pixel Capital, with participation from existing investors Armilar Venture Partners, EQT Ventures, Join Capital, Caixa Capital, Faber Ventures and Iberis Capital.

Hackuity

Hackuity, is a risk-based vulnerability management solution that empowers cybersecurity teams and leaders to comprehensively collect, prioritize, and remediate security weaknesses before they can be exploited by their adversaries. Hackuity raised a 12 million euro funding round, led by Bright Pixel with the participation of previous investor Caisse des Dépôts.

10.2 Through other comprehensive income

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

Company	30 Sep 2022	31 Dec 2021
Sonae		
1) NOS SGPS, SA	-	129,580,000
	-	129,580,000
Bright Pixel		
Deepfence	2,564,625	2,207,300
IriusRisk	7,124,896	1,416,514
Nextail Labs, SL	1,628,760	1,628,759
StyleSage, Inc.	2,171,341	1,868,807
Other financial assets	617,677	877,473
	14,107,299	7,998,854
Financial assets at fair value through other comprehensive income	14,107,299	137,578,854

1) Financial asset transferred to Investment in associated companies (Note 9).

IriusRisk (formerly known as Continuum Security) is a company based in Spain, with an application security platform to detect vulnerabilities at the beginning of the application development process. In August 2022, IriusRisk raised a 28.7 million dollars Series B funding round led by Paladin Capital Group with participation from existing investors Bright Pixel, Swanlaab Venture Factory, 360 Capital and Inveready.

10.3 Movements occurred in the period

During the year ended at 30 September 2022 and 30 September 2021, movements in investments recorded at fair value were as follows:

	30 Sep 2022	30 Sep 2021
Investments recorded at fair value through other comprehensive income and through profit or loss		
Fair value (net of impairment losses) as at 1 January	301,848,137	213,572,561
Acquisitions in the period	107,756,010	10,687,272
Disposals in the period	(10,795,054)	(27,550,065)
Increase/(decrease) in fair value through profit and loss	33,124,990	6,469,111
Increase/(decrease) in fair value through other comprehensive income	(3,579,196)	23,862,362
Transfer to Investments in associates (Note 9)	(185,673,981)	-
	242,680,907	227,041,241

In the period ended 30 September 2022, the caption 'Decreases during the period' includes the sale of Bright Pixel's entire share position in CiValue for the amount of 5.3 million euro, which generated a capital gain of 3.3 million euro, the disposal of Cellwize for 22.7 million euro, which generated a capital gain of 13.9 million euro and the disposal of Beamy wich generated a capital gain of 667 thousand euro.

11. Deferred taxes

Deferred tax assets and liabilities as at 30 September 2022 and 31 December 2021 may be described as follows considering the different natures of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 Sep 2022	31 Dec 2021	30 Sep 2022	31 Dec 2021
Difference between fair value and acquisition cost	4,494,615	4,494,615	97,619,980	86,686,900
Temporary differences on property, plant and equipment and intangible assets	393,446	498,601	90,188,859	87,102,196
Temporary difference of negative goodwill and equity method	-	-	45,041,239	44,707,041
Provisions and impairment losses not accepted for tax purposes	19,013,398	16,928,014	-	-
Impairment of assets	-	-	639,053	639,053
Valuation of hedging derivatives	942,908	740,886	7,393,050	5,508,153
Amortisation of Goodwill for tax purposes in Spain	-	-	43,915,832	39,553,323
Tax losses carried forward	33,329,041	23,526,318	-	-
Tax Benefits	36,358,516	39,762,334	-	-
Rights of use	260,330,624	263,770,237	224,763,266	230,277,839
Others	7,110,704	8,859,249	643,881	812,131
	361,973,252	358,580,253	510,205,160	495,286,636

As at 30 September 2022 and 31 December 2021, the tax rate to be used in Portuguese companies, for the calculation of the deferred tax assets relating to tax losses is 21%. The tax rate to be used to calculate deferred taxes in temporary differences in Portuguese companies is 22.5% increased by the state surcharge in companies in which the expected reversal of those deferred taxes will occur when those rates will be applicable. For companies or branches located in other countries, rates applicable in each jurisdiction were used.

12. Other investments

The detail of the other investments as of 30 September 2022 and 31 December 2021 is as follows:

	30 Sep 2022		31 Dec 2021	
	Non current	Current	Non current	Current
Other Investments:				
Fair value (net of impairment losses) as at 1 January	14,984,400	-	14,266,208	-
Acquisitions in the period	41,068,842	-	2,346,863	-
Disposals in the period	(899,297)	-	(950,516)	-
Transfers to available for sale	(441,642)	-	(128,614)	-
Others	-	-	(549,541)	-
Fair value (net of impairment losses) as at 30 September	54,712,303	-	14,984,400	-
Derivative financial instruments				
Fair value as at 1 January	-	7,106,548	-	3,303,370
Increase/(decrease) in fair value	-	4,936,791	-	3,803,178
Fair value as at 30 September	-	12,043,339	-	7,106,548
Financial instruments others				
Fair value as at 1 January	-	483	-	483
Fair value as at 30 September	-	483	-	483
	54,712,303	12,043,822	14,984,400	7,107,081

13. Cash and cash equivalents

As at 30 September 2022 and 31 December 2021, Cash and cash equivalents are as follows:

	30 Sep 2022	31 Dec 2021
Cash and bank balances on the statement of financial position	438,879,142	825,063,052
Bank overdrafts (Note 16)	(47,792,347)	(2,373,001)
Cash and bank balances in the statement of cash flows	391,086,796	822,690,051

14. Non-current assets held for sale and Liabilities directly associated with assets classified as held for sale

As at 30 September 2022 the caption "Non-current assets held for sale" is detailed as follows:

- 53,235,958 euro resulting from the reclassification of the assets of Maxive and its subsidiaries in accordance with IFRS 5, pursuant to the agreement entered into with Thales Europe, S.A. for the sale of the entire share capital and voting rights of Maxive – Cybersecurity, SGPS, S.A., announced on May 17 (Note 3);
- 21,107,879 euro resulting from the reclassification of the financial investment in MDS SGPS, S.A., based on the agreement for the disposal of 50% to Ardonagh Services Limited, an entity wholly owned by The Ardonagh Group Limited; and
- 726,029 euro relating to a Zeitreel property located in Spain.

The value of the item "Liabilities directly associated with assets classified as held for sale" as at 30 September 2022 refers exclusively to the reclassification of the liabilities of Maxive and its subsidiaries mentioned above.

15. Non-controlling interest

During the period ended 30 September 2022, the movement in non-controlling interests are detailed as follows:

	30 Sep 2022						Total
	MC	Worten	Sierra	Zeitreef	Bright Pixel	Others	
Opening balance as at 1 January 2022	265,712,374	921,827	220,767,054	(1,816,156)	118,529,358	61,486	604,175,944
Delivery and attribution of shares to employees due to the extinction of the obligation	(111,750)	-	-	-	-	-	(111,750)
Change in percentage of subsidiaries	-	-	(77,483,247)	-	(2,486,888)	1,120,967	(78,849,168)
Change in currency translation reserve	(803,113)	-	(394,191)	-	(72)	(33,824)	(1,231,200)
Participation in other comprehensive income (net of tax) related to joint ventures and associated companies included in consolidation by the equity method	-	-	4,135,310	-	757,256	-	4,892,566
Capital decrease	-	-	(6,586,800)	-	-	-	(6,586,800)
Changes in hedging reserves	1,972,031	-	468,287	-	-	-	2,440,318
Dividends distributed	(60,795,866)	-	(4,569,810)	-	(5,952,288)	-	(71,317,963)
Others	(7,754)	-	(182,842)	200,000	281,563	(5,387)	285,577
Profit for the period attributable to non controlling interests	29,474,322	(97,355)	8,320,419	(14,679)	7,835,230	(187,308)	45,330,629
Closing balance as at 30 September 2022	235,440,244	824,472	144,474,180	(1,630,835)	118,964,159	955,934	499,028,153

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

16. Loans

As at 30 September 2022 and 31 December 2021, loans are made up as follows:

	30 Sep 2022		31 Dec 2021	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans	276,750,872	861,710,566	226,101,339	780,726,925
Bonds	28,845,968	335,103,403	90,254,637	315,415,828
Other loans	99,435	(435)	813,618	1,217,654
Total loans	305,696,275	1,196,813,534	317,169,593	1,097,360,407

Bank Loans

	30 Sep 2022		31 Dec 2021	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans				
Sonae SGPS, SA - commercial paper	198,000,000	270,000,000	147,600,000	270,000,000
Sonae SGPS, SA 2016/2029	-	30,000,000	30,000,000	-
Sonae SGPS, SA 2020/2025	-	25,000,000	-	25,000,000
MC Retail, SGPS, SA - commercial paper	-	162,743,660	-	105,950,402
Sonae SGPS affiliated /2019/2026	-	50,000,000	-	50,000,000
MC / 2018/2031	6,111,111	48,888,889	-	50,000,000
MC affiliated /2020/2025	-	55,000,000	-	55,000,000
MC affiliated /2021/2028	-	20,000,000	-	55,000,000
MC affiliated /2014/2023	-	50,000,000	-	20,000,000
Sierra SGPS, SA - commercial paper	-	-	25,000,000	-
Sierra / 2018/2022	10,000,000	-	10,000,000	-
Sierra affiliated - commercial paper	-	6,000,000	-	-
Sierra affiliated /2016/2026	-	36,300,000	-	36,300,000
Sierra affiliated /2015/2023	5,200,000	104,000,000	5,200,000	107,900,000
Others	10,042,929	4,284,153	6,336,240	6,396,905
	229,354,040	862,216,702	224,136,240	781,547,307
Bank overdrafts (Note 13)	47,792,347	-	2,373,001	-
Up-front fees beard with the issuance of borrowings	(395,516)	(506,135)	(407,902)	(820,382)
Bank loans	276,750,872	861,710,566	226,101,339	780,726,925

Bonds and other loans

	30 Sep 2022		31 Dec 2021	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bonds				
Bonds ESG Sonae SGPS/ 2020/2025	4,000,000	12,000,000	8,000,000	12,000,000
Bonds ESG Sonae SGPS/ 2022/2027	-	25,000,000	-	-
Bonds MC / December 2019/2024	-	30,000,000	-	30,000,000
Bonds MC / April 2020/2027	-	95,000,000	-	95,000,000
Bonds MC / July 2020/2025	-	-	50,000,000	-
Bonds MC / July 2020/2025	-	-	22,500,000	-
Bonds MC ESG / December 2021/2024	-	40,000,000	-	40,000,000
Bonds MC ESG / December 2021/2026	-	60,000,000	-	60,000,000
Bonds Sierra / 2018/2025	-	50,000,000	10,000,000	30,000,000
Bonds Sierra / 2018/2023	-	25,000,000	-	25,000,000
Bonds Sierra / 2018/2023	25,000,000	-	-	25,000,000
Up-front fees beard with the issuance of borrowings	(154,032)	(1,896,597)	(245,363)	(1,584,172)
Bonds	28,845,968	335,103,403	90,254,637	315,415,828
Other loans	298	-	813,618	1,218,089
Derivates	99,137	(435)	-	(435)
Other loans	99,435	(435)	813,618	1,217,654

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

The interest rate at 30 September 2022 on bond loans and bank loans averaged approximately 1.2% (1.01% at 31 December 2021). Most of the bond loans and variable-rate bank loans are indexed to Euribor.

The derivatives are recorded at fair value.

The loans face value, maturities and interests are as follows:

	30 Sep 2022	31 Dec 2021
N+1 ^{a)}	306,146,686	317,822,859
N+2	287,189,648	330,746,020
N+3	140,524,833	268,243,617
N+4	171,387,302	125,365,234
N+5	428,170,635	279,887,302
After N+5	171,944,284	95,523,224
	1,505,363,388	1,417,588,256

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

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

As at 30 September 2022, there are financing operations with financial covenants whose conditions were negotiated in accordance with applicable market practices, and which at the date of this report are in regular compliance.

As at 30 September 2022, Sonae has, as detailed below, cash and bank balance equivalents in the amount of 439 million euro (825 million euro as at 31 December 2021) and available credit lines as follows:

	30 Sep 2022		31 Dec 2021	
	Commitments of less than one year	Commitments of more than one year	Commitments of less than one year	Commitments of more than one year
Unused credit facilities				
MC	126,000,000	260,000,000	96,000,000	190,000,000
Sierra	54,969,346	18,200,000	54,969,346	-
Holding & Others	61,583,676	121,972,159	75,150,000	160,240,452
	242,553,021	400,172,159	226,119,346	350,240,452
Agreed credit facilities				
MC	126,000,000	410,000,000	96,000,000	290,000,000
Sierra	60,969,346	18,200,000	54,969,346	-
Holding & Others	166,550,000	369,500,000	171,400,000	315,900,000
	353,519,346	797,700,000	322,369,346	605,900,000

17. Provisions and impairment losses

Movements in “Provisions and impairment losses” during the period ended 30 September 2022 are as follows:

Caption	Balance as at 01 Jan 2022	Increase	Decrease	Discontinued operations	Changes in the scope of consolidation	Balance as at 30 Sep 2022
Accumulated impairment losses on investments	4,546,271	-	(4,271,522)	(11,419)	1,379,329	1,642,659
Impairment losses on property, plant and equipment (Note 5)	120,517,257	6,132,421	(11,941,062)	-	-	114,708,616
Impairment losses on intangible assets	34,966,077	396,189	(595,490)	-	-	34,766,776
Accumulated impairment losses on non-current assets	-	-	(18,000)	-	18,000	-
Accumulated impairment losses on non-current assets held for sale	51,375	-	-	-	-	51,375
Accumulated impairment losses on other current debtors	27,982,415	2,432,478	(5,026,017)	(279,903)	-	25,108,973
Non-current provisions	21,476,976	2,582,595	(3,056,036)	(121,759)	-	20,881,776
Current provisions	4,170,266	3,473,494	(1,812,582)	-	126,183	5,957,361
	213,710,637	15,017,177	(26,720,709)	(413,081)	1,523,512	203,117,636

The change in the caption “Impairment losses on property, plant and equipment” results mostly from the sale of properties for which impairment had been recognized. The “Changes in the scope of consolidation” reflects the impact of the liquidation of Losan Tekstil Urun.V E Dis Ticaret, L.S. that occurs in early 2022.

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

18. Other Income

The breakdown of other income for the periods ending 30 September 2022 and 2021 is as follows:

	30 Sep 2022	30 Sep 2021 Restated
Supplementary income	34,739,674	32,069,024
Prompt payment discounts obtained	20,327,409	19,962,405
Foreign currency exchange gains	42,904,131	12,263,978
Own work capitalised	18,411,365	13,169,654
Rent discounts relating to pandemic impact	-	4,196,735
Gains on sales of assets	2,653,396	3,504,657
Gains on derivate financial instruments	10,283,512	4,855,386
Subsidies	3,989,112	1,903,110
Others	3,527,146	4,053,759
	136,836,745	95,978,708

19. Net financial results

Net financial results are as follows:

	30 Sep 2022	30 Sep 2021 Restated
Expenses		
Interest payable		
related with bank loans and overdrafts	(9,008,811)	(10,420,052)
related with non convertible bonds	(3,594,056)	(6,520,920)
related with lease liabilities	(55,139,740)	(55,728,656)
others	(828,097)	(1,361,659)
	(68,570,704)	(74,031,286)
Foreign exchange losses	(80,749,766)	(26,686,299)
Up front fees and commissions related to loans	(4,117,486)	(4,564,494)
Others	(1,627,938)	(2,463,712)
	(155,065,894)	(107,745,792)
Income		
Interest receivable		
related with bank deposits	32,428	6,844
others	3,810,185	2,328,597
	3,842,613	2,335,441
Foreign exchange gains	71,895,168	22,375,907
Currency hedging derivatives	12,105,051	4,627,969
Other financial income	1,149,411	80,576
	88,992,243	29,419,893
Net Financial results	(66,073,651)	(78,325,899)

20. Related parties

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

	Parent Company		Joint-ventures		Associated companies		Other related parties	
	30 Sep 2022	30 Sep 2021 Restated	30 Sep 2022	30 Sep 2021 Restated	30 Sep 2022	30 Sep 2021 Restated	30 Sep 2022	30 Sep 2021 Restated
Sales & Services rendered	234,356	226,888	12,428,001	10,082,311	45,657,049	72,311,564	50,311,481	41,313,320
Other income	-	-	1,628,910	1,197,718	208,425	1,523,693	4,055,050	2,963,236
COGS and materials consumed	-	-	(257,793,708)	(214,757,712)	(46)	-	(1,593,999)	(1,415,041)
External supplies and services	(358,815)	-	(14,221,369)	(12,773,188)	(3,496,132)	(3,532,236)	(6,539,225)	(7,586,178)
Other expenses	(2,768)	(126)	(3,158)	(785)	(31,727)	(3,443)	(42,661)	(21,630)
Dividends received	-	-	11,988,060	10,564,000	-	-	-	-
Financial income	-	-	379,396	465,374	299,087	365,349	138,933	-
Financial expense	(21,105)	-	(86,234)	(86,151)	(4,716,335)	(4,857,307)	(742)	(83,077)

	Parent Company		Joint-ventures		Associated companies		Other related parties	
	30 Sep 2022	31 Dec 2021	30 Sep 2022	31 Dec 2021	30 Sep 2022	31 Dec 2021	30 Sep 2022	31 Dec 2021
Other non-current assets	-	-	9,899,791	1,627,900	7,585,207	9,888,743	1,880,775	1,178,067
Trade receivables	31,024	30,797	1,088,131	2,928,730	8,004,507	6,594,780	17,771,982	17,263,704
Other assets	23,100	8,270	14,794,690	6,186,738	7,896,623	4,551,254	2,459,547	1,279,971
Trade payables	-	-	81,747,904	69,605,733	4,265,805	1,793,596	1,453,994	988,412
Other liabilities	360,815	-	4,959,893	3,889,536	5,090,168	2,870,278	1,238,059	2,197,036

The related parties include subsidiaries and jointly controlled companies or associated companies of Sonae Sierra SGPS, S.A., NOS SGPS, S.A., Sonae Indústria, SGPS, S.A. and Sonae Capital, SGPS, S.A., as well as other shareholders of subsidiaries or jointly controlled companies by Sonae, and other subsidiaries of the parent company Efanor Investimentos, SGPS, S.E..

21. Earnings per share

Earnings per share for the periods ended 30 September 2022 and 2021 were calculated taking into consideration the following amounts:

	30 Sep 2022		30 Sep 2021 Restated Note 3	
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
Net profit				
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	211,852,655	(2,057,649)	123,820,609	34,382,293
Net profit taken into consideration to calculate diluted earnings per share	211,852,655	(2,057,649)	123,820,609	34,382,293
Number of shares				
Weighted average number of shares used to calculate basic earnings per share	1,917,625,220	1,917,625,220	1,908,434,638	1,908,434,638
Effect of dilutive potential ordinary shares from convertible bonds	-	-	128,667,482	128,667,482
Outstanding shares related with share based payments	15,994,340	15,994,340	6,919,305	6,919,305
Shares related to performance bonus that can be bought at market price	(5,230,654)	(5,230,654)	(1,444,878)	(1,444,878)
Weighted average number of shares used to calculate diluted earnings per share	1,928,388,906	1,928,388,906	2,042,576,547	2,042,576,547
Earnings per share				
Basic	0.110477	(0.001073)	0.064881	0.018016
Diluted	0.109860	(0.001067)	0.060620	0.016833

22. Cash payments of investments

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

Payments	30 Sep 2022	30 Sep 2021
Acquisition of SONAE SIERRA, SGPS, S.A. (Note 4)	83,470,598	82,159,275
Acquisition of NOS SGP, S.A.	63,575,872	-
Acquisition of Quinta da Foz - Empreendimentos Imobiliários, S.A.	8,130,600	-
Qamine Supplementary Benefits	8,000,005	-
Acquisition of Chord	6,044,731	-
Acquisition of Hackuity	6,000,000	-
Acquisition of Afresh	4,784,680	-
Acquisition of Mayan	4,752,398	-
Acquisition of Sixgill	4,222,262	-
Acquisition of Atrium Bire, SIGI, S.A.	4,162,865	-
Acquisition of Portimativo	-	20,215,007
Acquisition of Claybell	-	71,975,014
Others	58,117,658	19,051,705
	251,261,668	193,401,013

23. Presentation of consolidated income statements

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

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

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

The reconciliation between the two presentation formats for the consolidated income statement for the periods ended 30 September 2022 and 2021 can be summarized as follows:

	30 Sep 2022			30 Sep 2021 Restated Note 3		
	Consolidated	Indirect Income (d)	Direct Income (e)	Consolidated	Indirect Income (d)	Direct Income (e)
Turnover	5,492,539,769	-	5,492,539,769	4,972,926,259	-	4,972,926,259
Value created on investment properties	2,770,868	2,770,868	-	(2,133,040)	(2,133,040)	-
Investment income						
Dividends and others adjustments	12,288,549	11,988,060	300,489	10,764,000	10,564,000	200,000
Others	4,919,159	-	4,919,159	(1,092,233)	(2,157,541)	1,065,308
Others income						
Others	136,835,745	(1,310,557)	138,146,302	102,240,520	(47,546,458)	149,786,978
Total Income	5,649,354,090	13,448,371	5,635,905,719	5,082,705,506	(41,273,039)	5,123,978,545
Total expenses	(5,214,056,096)	-	(5,214,056,096)	(4,717,549,407)	-	(4,717,549,407)
Depreciation and amortisation	(262,994,868)	-	(262,994,868)	(247,521,275)	-	(247,521,275)
Impairments of inventories	-	-	-	(4,500,000)	-	(4,500,000)
Gains and Losses on property, plant and equipment and intangible assets	(421,337)	-	(421,337)	(1,989,928)	-	(1,989,928)
Provisions for warranty extensions	(705,625)	-	(705,625)	(791,885)	-	(791,885)
Others	(1,578,837)	-	(1,578,837)	(17,153,718)	-	(17,153,718)
Profit/(Loss) before financial results and results of joint ventures and associates and non-recurrent items	169,597,327	13,448,371	156,148,955	93,199,293	(41,273,039)	134,472,332
Non-recurrent items	20,677,385	-	20,677,385	51,551,428	-	51,551,428
Gains and losses on investments at fair value through profit and loss	50,867,199	32,494,170	18,373,029	23,847,176	8,626,852	15,220,324
Financial profit/(loss)	(66,073,651)	-	(66,073,651)	(78,325,899)	-	(78,325,899)
Share of results of joint ventures and associated undertakings						
Associates and joint ventures of Sierra	38,184,347	7,896,439	30,287,908	6,872,958	(13,050,971)	19,923,929
Armilar Venture Funds	2,483,859	2,483,859	-	31,340,913	31,340,913	-
ZOPT	43,862,015	-	43,862,015	28,629,776	-	28,629,776
Others	12,189,003	-	12,189,003	9,524,483	-	9,524,483
Profit/(Loss) before income tax	271,787,485	56,322,840	215,464,645	166,640,127	(14,356,245)	180,996,373
Income Tax	(13,391,498)	(6,819,051)	(6,572,447)	(22,135,424)	(9,207,785)	(12,927,639)
Profit/(Loss) from continued operations	258,395,987	49,503,789	208,892,197	144,504,703	(23,564,030)	168,068,733
Profit/(Loss) from discontinued operations	(3,270,352)	-	(3,270,352)	48,949,428	47,546,458	1,402,970
Profit/(Loss) for the period	255,125,635	49,503,789	205,621,845	193,454,132	23,982,428	169,471,703
Attributable to equity holders of Sonae	209,795,006	50,532,109	159,262,897	158,202,902	20,437,347	137,765,555
Non-controlling interests	45,330,629	(1,028,321)	46,358,950	35,251,230	3,545,082	31,706,148
Underlying EBITDA (b)			439,874,011			414,807,985
EBITDA (a)			543,619,970			525,840,570
EBIT (c)			277,967,454			260,524,753

- (a) EBITDA = total direct income - total direct expenses - reversal of direct impairment losses + share of results in joint ventures and associated undertakings (Sierra direct results, ZOPT and other participated) + provisions for extensions of guarantee + unusual results
- (b) "Underlying" EBITDA = EBITDA - effect of the equity method - non-recurrent results;
- (c) EBIT = EBT - financial results - dividends;
- (d) Indirect income = Includes Sierra's results, net of taxes that result from: (i) valuation of investment properties; (ii) gains (losses) with the sale of financial investments, joint ventures or associates; (iii) impairment losses relating to non-current assets (including Goodwill) and (iv) provisions for assets at risk. Additionally and with regard to the portfolio of Sonae, it includes: (i) impairment of real estate assets for retail, (ii) decreases in Goodwill, (iii) negative Goodwill (net of taxes) related to acquisitions in the financial year, (iv) provisions (net of tax) for possible future liabilities, and impairments related to

noncore investments, businesses and discontinued assets (or to be discontinued / repositioned), (v) valuation results based on the methodology "mark-to-market" of other current investments that will be sold or traded in the near future and (vi) other irrelevant issues;

(e) Direct income = Results excluding contributions to indirect results.

24. Subsequent events

On 11 October 2022, Sonaecom's subsidiary, Sonae Investment Management – Software and Technology, SGPS, S.A. (Bright Pixel Capital) and other shareholders, completed the sale of the entire share capital and voting rights of Maxive – Cybersecurity, SGPS, S.A., to Thales Europe, S.A.S following the agreement signed on 17 May 2022. That transaction has an underlying Enterprise Value of the target of 120 million euro.

25. Approval of financial statements

The financial statements were approved by the Board of Directors in a meeting held on 8 November 2022.

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

José Manuel Neves Adelino

Margaret Lorraine Trainer

Marcelo Faria de Lima

Carlos António Rocha Moreira da Silva

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Philippe Cyriel Elodie Haspeslagh

Maria Cláudia Teixeira de Azevedo

João Pedro Magalhães da Silva Torres Dolores

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

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

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

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Sonae is listed on the Euronext Stock Exchange. Information may also be accessed on Reuters under the symbol SONP.IN and on Bloomberg under the symbol SON PL