

The logo for sonae, featuring the word "sonae" in a stylized, white, lowercase font with a grid-like texture. The background of the entire slide is a vibrant blue with a complex, abstract pattern of white lines that create a sense of depth and movement, resembling a tunnel or a series of overlapping planes.

2021 Third quarter Results

9th November 2021

9M21 Highlights

Financial Performance

- Sonae's consolidated **turnover** evolved once again positively, increasing 4.7% yoy, underpinned by the strong performance of Sonae MC and Worten, which continued to reinforce their leadership positions. All non-consolidated businesses also posted high growth levels, with ISRG in particular already significantly above 2019 figures.
- **Consolidated online sales** grew 29% vs 2020, an extraordinary year for this channel, a clear evidence of the successful execution of Sonae's digital path.
- In terms of **profitability**, underlying EBITDA increased 5.6% yoy in the 9M21, and EBITDA improved 23% yoy, benefiting from significant capital gains from the portfolio management activity in the period.
- Sonae's **net result** (group share) surpassed again 2020 and 2019 figures, reaching €158 M at the end of the 9M21.
- **Strong cash flow generation in the period** underpinned by the solid operational cash flow generation of our businesses and the group's portfolio management activity.
- **Net debt decreased €375 M yoy** and now stands significantly below €1 bn (€857 M) with the Holding LTV reaching 9%, a very solid financial situation that positions the group well to face future challenges and emerging opportunities.

Portfolio Management Activity

- **Sonae** concluded the sale of a 24.99% stake in Sonae MC to CVC Strategic Opportunities in the quarter, for upfront cash proceeds of €528 M, and acquired 95.4% of the share capital and voting rights in Claybell Limited (owner of 100% of Gosh Food Limited, a UK-based player in the natural and plant-based food industry).
- **Sonae MC** concluded the sale of its 50% stake in Maxmat to the BME Group for net proceeds of €68 M.
- **Sonae IM** maintained its active portfolio management activity, having concluded the sale of its stake in Bizdirect, the acquisition of a minority stake in the share capital of Citcon (a US-based leading mobile wallet payment provider), and the disposal of its stake in CB4.

CEO Letter

During the last few months, the global economy continued to recover from the pandemic context and adapt to a new reality. After a first half marked by lockdown measures, this third quarter was already a period of encouraging signs. Particularly in Iberia, the speed of the vaccination program turned the region into a case study and marked a clear recovery of the macro situation.

Under this context, Sonae's portfolio of businesses continued to deliver very positive results. Sonae MC strengthened its leadership position in yet another quarter and is well positioned to continue to lead the market by leveraging its unique customer knowledge, trusted brand and comprehensive touchpoints (both physical and digital). Worten continues to lead the e-commerce market in Portugal underpinned by its world-class omnichannel approach. At Sonae Sierra, the performance of our shopping centres improved significantly as lockdown restrictions were eased, in some cases already reaching levels of performance above 2019, and the services business showed important signs of returning to a more normalised activity. Sonae Fashion and ISRG stores are also resuming to pre-pandemic levels, but with a stronger online performance that continues to reach record levels. Sonae FS proceeded to successfully implement its new business model, and Sonae IM's M&A activity produced yet another set of positive returns for the group. Finally, NOS achieved the highest net growth in the telco segment of the past five years, while the media and entertainment segment showed encouraging signs of recovery. I would like to leave a special word to the end of the 5G auction process, with NOS ensuring the highest share of spectrum among the contenders, a major milestone for the company to lead the 5G revolution.

Overall, in proportional terms, Sonae was able to increase its turnover by 5% in the 9M21, surpassing €5.5 bn, improved its underlying EBITDA by 8% and grew EBITDA by 23%, fuelled by both better operational results and significant capital gains from our ongoing portfolio management activity. In this regard, and during Q3, Sonae MC sold its 50% stake in Maxmat, Sonae IM monetised its interests in BizDirect and CB4, and Sonae established a partnership with CVC through the sale of a minority stake in Sonae MC. This transaction was an important milestone, as it shows the quality and value creation potential of the company, and significantly improved our financial strength. Also in the quarter, Sonae acquired a controlling stake in Gosh!, a UK reference player in the natural and plant-based food industry, which allows Sonae to invest in a high potential sector, expand its international footprint and drive a more sustainable future. All in all, Sonae's cash flow generation in the period drove a strong decrease in net debt and an all-time low LTV of 9%.

On the back of this performance, we face the future with great confidence. There are new challenges ahead, but also very exciting opportunities. Today, our businesses are better prepared, the group is better prepared. The level of energy and motivation that I see in our teams is truly phenomenal. The commitment to our customers is non-negotiable. The acceleration of innovation and strategy execution is present at all levels of the organization. The pledges to our people, our communities and our planet are ever more present. As I sit down to write this letter, looking back at the last 18 months, I realize how proud I am of what we have achieved and the manner in which we have achieved it.

Cláudia Azevedo, CEO

Group Consolidated Performance

1. Brief Portfolio Update

During the 3Q21, Sonae continued its active portfolio management, with the most important move being the sale of 24.99% of Sonae MC's share capital to CVC funds for an initial upfront value of €528 M. This move did not change the consolidation method for Sonae MC in Sonae's accounts.

Moreover, also in the 3Q21, Sonae MC completed the sale of its stake in Maxmat, Sonae IM completed the sale of its interest in Bizdirect (announced in the 2Q21) and sold its stake in CB4. Additionally, Sonae acquired 95.4% of Claybell Limited, owner of 100% of Gosh Food, a reference UK player in the plant-based food sector.

Portfolio and accounting method		
Company	Stake	Consolidation method
Sonae MC	75%	Full consolidation
Worten	100%	Full consolidation
Sonae Sierra	80%	Full consolidation
Sonae Fashion	100%	Full consolidation
Sonae FS	100%	Full consolidation
Sonae IM	90%	Full consolidation
NOS	31%	Equity method
ISRG	30%	Equity method

Note: 23% stake in NOS is consolidated by equity method and 7.38% acquired by Sonae is a financial investment.

2. Consolidated Performance

P&L

In Portugal, the last nine months were characterized by a lockdown period (from mid-January until mid-April), and a gradual easing of restrictions since May. In fact, during the 3Q21, there were still restrictions in place, namely regarding stores' capacity, that continued to impact the activity of our businesses.

In this demanding context, Sonae was able to deliver a 9M21 consolidated turnover of €5.0 bn, +4.7% yoy, mainly fuelled by the positive contributions from Sonae MC and Worten, which continued to reinforce their leadership positions.

In what concerns underlying EBITDA, the positive contributions from Sonae MC, Worten and also Sonae Fashion in the 9M21 led to a 5.6% yoy increase to €415 M (€169 M in the 3Q21).

Regarding EBITDA, it reached €531 M, +23.1% yoy in the 9M21 and €239 M in the 3Q21, a significant improvement when compared to 3Q20, fuelled by capital gains in the period (from the sale of Maxmat and Sonae IM' investments) and the improved performance of the equity method companies.

Overall, Direct Result increased €56 M in the 3Q21 to €115 M and reached €169 M in the 9M21, mainly anchored on the abovementioned capitals gains and improved results from equity method companies. Indirect result stood at €9 M in the 3Q21, driven by the evolution in the value of Sonae IM's portfolio. All in all, Sonae's Net result (group share) reached €96 M in the 3Q21 and €158 M in the 9M21.

€M	9M20 R	9M21	yoy	3Q20 R	3Q21	yoy
Turnover	4,789	5,014	4.7%	1,734	1,792	3.3%
Underlying EBITDA	393	415	5.6%	172	169	-1.8%
margin	8.2%	8.3%	0.1 p.p.	9.9%	9.4%	-0.5 p.p.
Equity method results*	30	64	111.3%	13	28	124.8%
Non-recurrent items	8	52	-	-7	41	-
EBITDA	431	531	23.1%	178	239	33.9%
margin	9.0%	10.6%	1.6 p.p.	10.3%	13.3%	3.0 p.p.
D&A	-158	-157	0.6%	-52	-53	-1.9%
D&A - RoU	-94	-95	-1.2%	-31	-31	-1.5%
Prov and imp.	-55	-18	67.3%	-1	1	-
EBIT	125	261	109.0%	94	156	64.8%
Net Financial results	-82	-79	3.7%	-28	-26	5.0%
Taxes	-3	-13	-	-8	-14	-75.7%
Direct result	40	169	-	59	115	96.3%
Indirect result	-54	24	-	14	9	-32.6%
Net result	-14	193	-	72	124	72.1%
Non-controlling int.	10	-35	-	0	-28	-
Net result group share	-4	158	-	72	96	32.5%

Notes: R - Restated figures as Maxmat from Sonae MC and Bizdirect from Sonae IM were considered as assets held for sale and all periods in 2020 and 2021 were restated to consider these assets as discontinued operations.

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

Cash Flow, Net Debt evolution and Financial Structure

Sonae's total capex in the 9M21 stood at €355 M split between €182 M of operational capex, with our businesses continuing to invest in reinforcing their value propositions, and €174 M of M&A capex, mainly related with the acquisition of the additional stake in Sonae Sierra, Gosh! and the technology investments at Sonae IM.

In terms of **operational cash flow**, Sonae's portfolio released a total of €120 M during the last 12 months. Regarding **portfolio management**, Sonae invested €200 M, and received €649 M of cash proceeds from asset sales, mainly related with the minority stake sale in Sonae MC.

All in all, Sonae's FCF (before dividends paid), for the last 12 months stood at €555 M, which after the dividend payment (last May), led to a significant decrease in **consolidated net debt to €857 M at the end of 9M21**. This solid capital structure is complemented with a comfortable financing position: low cost of debt of 1.1% and an average maturity profile of 3.4 years.

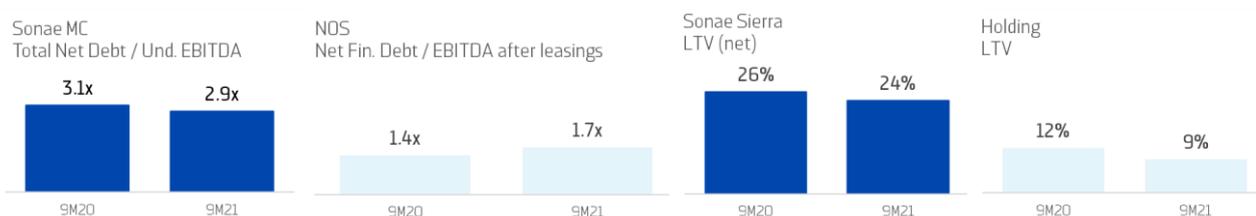
In what concerns the leverage profile of our main businesses, Sonae MC posted a record low of 2.9x total net debt to underlying EBITDA ratio (vs. 3.1x in 9M20), NOS a ratio of Net financial debt to EBITDA (after leasings) of 1.7x, and Sonae Sierra's loan-to-value (net) stood at 24%. Finally, loan-to value at the holding level reached 9%.

€M	9M20	9M21	yoy
Total capex	376	355	-5.4%
Operational capex	165	182	10.1%
Sonae MC	136	132	-2.8%
Worten	14	29	-
Sonae Fashion	9	8	-5.7%
Sonae IM	2	2	-11.1%
Sonae FS	1	2	28.0%
Sonae Sierra	1	1	-
Financial/M&A capex	211	174	-17.6%

€M	L12M Dec20	L12M Sep21	var.
EBITDA (inc. rents and taxes)	399	405	1.3%
Working cap. and others*	38	-4	-
Operational capex	-264	-281	-6.3%
Operational cash flow	173	120	-30.7%
Net financial activity	-32	-28	11.9%
M&A capex	-237	-200	15.6%
Sale of assets	335	649	93.8%
Dividends received	13	14	7.0%
FCF bef. dividends paid*	252	555	-

* Excludes cash settle equity swap impact in working capital in 3Q21.

€M	9M20	YE20	9M21
Net invested capital	4,797	4,751	5,045
Shareholders funds	2,371	2,440	3,008
Lease liabilities	1,193	1,208	1,180
Net debt	1,233	1,103	857



* Assuming holding debt at the end of the period for 9M21 LTV calculation.

Portfolio Performance

3. Fully consolidated companies

Sonae's fully consolidated portfolio continues to be affected by the pandemic context with lockdown and restrictions during the last 9 months, but with a gradual recovery during the last 3 months, as restrictions were eased. In this challenging period, the first 9M21 showed a solid performance of our portfolio.

€M	Turnover			Und. EBITDA margin		Turnover			Und. EBITDA margin	
	9M20 R	9M21	yoy	9M20 R	9M21	3Q20 R	3Q21	yoy	3Q20 R	3Q21
Sonae MC	3,686	3,883	5.3%	9.8%	9.9%	1,309	1,378	5.3%	11.0%	10.9%
Worten	775	803	3.6%	5.2%	6.4%	294	285	-2.9%	6.9%	7.0%
Sonae Sierra	72	72	-0.6%	14.3%	16.2%	23	26	13.8%	14.1%	19.8%
Sonae Fashion	232	230	-0.6%	0.7%	4.2%	101	95	-6.1%	12.2%	8.7%
Sonae FS	26	20	-24.4%	24.3%	-40.4%	9	9	0.4%	32.1%	-2.2%
Sonae IM	40	43	6.4%	-4.6%	-4.1%	14	14	-1.4%	-1.6%	-3.5%
Total	4,789	5,014	4.7%	8.2%	8.3%	1,734	1,792	3.3%	9.9%	9.4%

Note: R - Restated as Maxmat from Sonae MC and Bizdirect from Sonae IM were considered as assets held for sale and all periods in 2020 and 2021 were restated to consider these assets as discontinued operations.

Sonae MC†

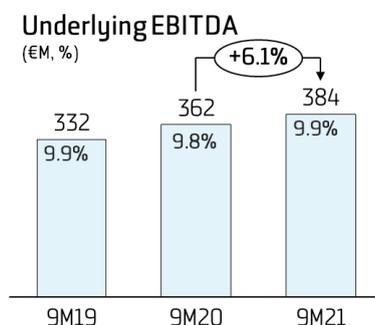
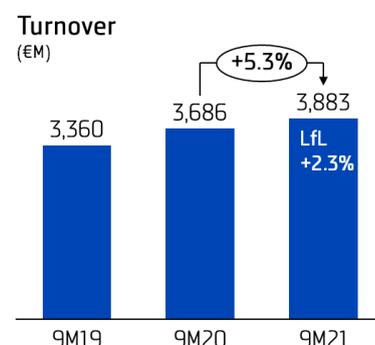
During the 3Q21, a period marked by a gradual economic recovery and consumption normalization, Sonae MC continued to deliver a strong top line performance. Total turnover grew 5.3% yoy with a 2.3% LfL figure underpinned by: a strong delivery in grocery formats, a successful online business that continued to expand after the peak period of the pandemic and a robust recovery of the non-food formats, following a long period of several operating restrictions. With this performance, Sonae MC was able once again to reinforce its leadership position with another market share increase.

Looking at the 9M21, in a context of slightly positive food inflation, turnover reached €3,883 M, up also by 5.3% yoy and by 2.3% on a LfL basis.

Regarding profitability, the company was able to maintain a broadly stable underlying EBITDA margin in the quarter, in spite of some pressure on the prices of some specific inputs (such as energy costs), backed by the company's productivity gains and the permanent fine-tuning of its core business processes. Overall, in the 9M21, underlying EBITDA improved 6.1% yoy to €384 M with a margin of 9.9%.

In terms of capex, Sonae MC continued its opening plan, with 7 additional Continente Bom Dia stores out of a total of 36 new company-operated stores (representing an additional 13k square meters of sales area), refurbished 14 food retail units, while investing in the reinforcement of its logistical capacity and technological backbone. At the end of 9M21, total capex stood at €132 M.

In terms of free cash flow, Sonae MC reached €169 M in the 9M21, +€42 M when compared to last year, mainly reflecting the conclusion of the sale of its 50% stake in Maxmat with a cash in of €68 M, coupled with the improved operational



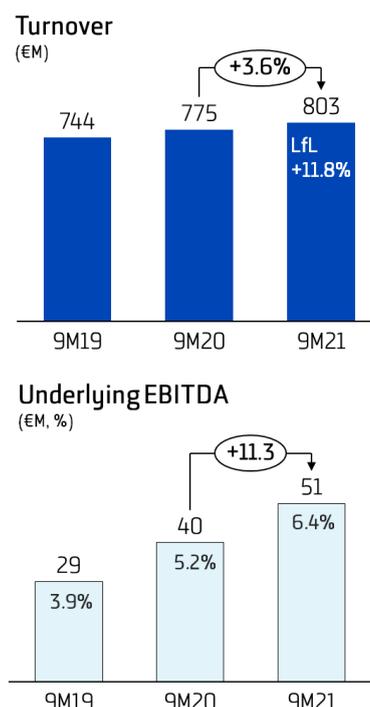
† Please note that Maxmat was sold in 3Q21 and, for comparison purposes, it was excluded from 2019, 2020 and 2021 figures. For more information please see Sonae MC 9M21 results in www.sonae.pt

performance. Sonae MC was able to reduce net debt by €104 M to €453 M, even after the dividend payment of €140 M in the 2Q21. Total net debt / underlying EBITDA reached an all-time low of 2.9x.

Worten

With the slight improvement of the economic conditions and the easing of the Covid-19 restrictions (still with limitations to footfall) during the 3Q21, Worten delivered a strong quarter in LfL terms (+7.2%), after a challenging 2Q. This recovery clearly shows the company's solid and recognized omnichannel proposition, including the marketplace and a robust services sales growth, leading to the reinforcement of market share and leadership in Portugal. In terms of total sales, the performance was still negatively impacted by the repositioning of the operation in Spain Mainland, completed in the 1Q21, reaching €285 M (-2.9% yoy) in the 3Q21. Important to note that, when compared to the 3Q19, a quarter with no pandemic impact and with 49 stores still opened in Spain Mainland, total turnover increased by 5.3%.

Therefore, although still under a pandemic context during the first 9M21, total turnover increased 3.6% yoy (+11.8% LfL), reaching €803 M. This top line positive performance and the repositioning process in Spain contributed to an improved underlying EBITDA, that reached €51 M at the end of the 9M21 with a margin of 6.4%, growing 1.2 pp vs 9M20.



Sonae Sierra

During the 3Q21, Sonae Sierra reinforced its recovery path and sustained operational progresses, after the improvement of the pandemic context and the ease of some restrictions in most of the European geographies where it operates. In this context, tenant sales were already very close to 2019 levels in the European portfolio, and footfall has been recovering at a slower pace, with different initiatives being already implemented to attract visitors to shopping centres. In addition, the occupancy rate in Europe remained high at 95.6% at the end of September.

On a proportional accounting basis, in the 9M21 Sonae Sierra reported a net result of €6.2 M, split between a positive €23.2 M Direct result (€12.4M in the 3Q21) and a -€17.0 M Indirect Result (-€1.6 M in the 3Q21), which mainly reflects the decrease in the value of investment properties already recorded in 1H21 (as is usual practice, Sonae Sierra does not conduct asset revaluations in Q1 and Q3).

Furthermore, at the end of September, Sonae Sierra's NAV, according to the INREV methodology, stood at €913 M, +1% when compared to the end of 2020, mainly due to the Net Result of the period and the favourable FX impact.

Proportional basis - management accounts						
M€	9M20	9M21	yoy	3Q20	3Q21	yoy
Total income	103	107	4.2%	28	41	44.9%
Direct result	5	23	-	-3	12	-
Indirect result	-25	-17	32.2%	-9	-2	82.2%
Net result	-20	6	-	-12	11	-

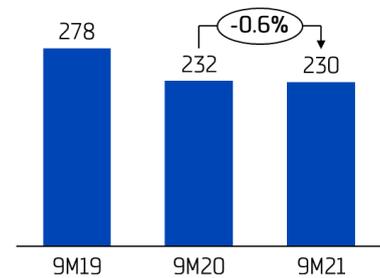
Sonae Fashion†

The 3Q21 was marked by a sales performance that was increasingly positive throughout the quarter, as Covid-19 related restrictions, that were still limiting capacity both in stores and shopping centres, were gradually lifted. Under these still challenging conditions, Sonae Fashion's total turnover reached €95 M in the 3Q21, implying a 6% yoy decrease, but showcasing a resilient performance within core product categories. Regarding the online channel, Sonae Fashion kept showing important, double digit, growth vs 2019 despite some deceleration when compared to last year, in part due to the strong recovery of physical stores. Additionally, B2B business (wholesale and franchising) have kept the recent yoy growth trend, reinforcing the positive outlook for both current and new markets.

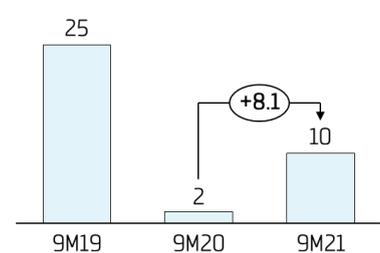
Despite these impacts in top line, Sonae Fashion was able to deliver a positive underlying EBITDA of €8 M in the 3Q21.

Overall, during the 9M21, and despite all the restrictions in store operations (longer period with all stores closed and stronger restrictions when compared to 9M20), Sonae Fashion's total turnover stood at €230 M, representing a decrease of 0.6% yoy. Moreover, in the 9M21, Sonae Fashion was able to deliver profitability growth, showing an underlying EBITDA of €10 M.

Turnover
(€M)



Underlying EBITDA
(€M)

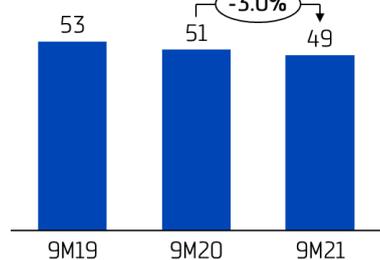


Sonae FS

For Sonae FS and once again taking into account that this year is characterized by the business model change with the launch of the partnership with Banco CTT, the company's performance continues to show a discontinuity that will be mitigated over time with the growth of the credit stock already above projected levels.

Nevertheless, and during the 3Q21, Sonae FS reached €9 M in turnover, a figure in line with last year, recovering from the negative yoy evolution in 1H, on the back of an improvement of the macroeconomic context in the period.

Turnover*
(€M)



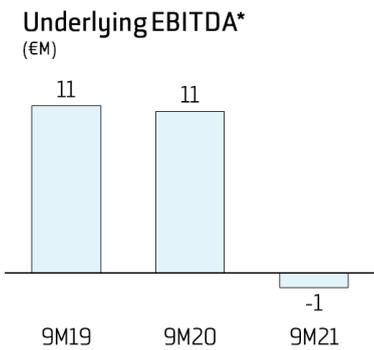
† Sonae Fashion' stores were closed in Portugal: in 2020 from March 17th till May 4th (7 weeks) and shopping centres stores until June 1st (11 weeks); in 2021 from Jan 15th till April 5th (11 weeks) and shopping centres stores until April 19th (13 weeks).

* Proportional figures: include Sonae FS and 50% of MDS.

With regards to the Universo operation, the gradual easing of the restrictions in the quarter contributed to a positive impact both in activity and production levels, both above 2020 and 2019. In addition, Universo's client base continued to grow and reached 936k (+23k vs 1H21), with an increased weight of digital clients who already represent around 60% of the total customer base, and its market share continues to follow an upward trend by reaching 14.0% year to date at the end of August, which compares to 13.5% for the same period of last year.

Regarding MDS, in the quarter the company keeps improving its operational performance and showing strong figures, with increases both in top line and operating profitability levels, when compared to 2020 and 2019.

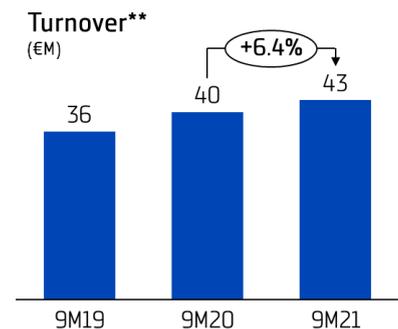
All in all, in proportional terms, turnover for the 9M21 stood at €49 M and underlying EBITDA at -€0.9 M.



Sonae IM

During the last 3 months and regarding the portfolio activity, Sonae IM: i) completed the sale, jointly with the remaining shareholders, of the entire share capital of Bizdirect to Claranet, recording a capital gain of €5.4 M, ii) acquired a minority stake in the share capital of Citcon, a US-based leading mobile wallet payment provider and iii) sold its stake in CB4, resulting in a capital gain of €5.1 M. CB4 is a company that provides patented Artificial Intelligence for software for retailers that was invested by Sonae IM in 1Q19 and now acquired by GAP Inc.

In terms of operational performance, Sonae IM continues to record improved top line and underlying EBITDA. In 9M21, total turnover increased by 6.4% yoy to €43 M and underlying EBITDA improved by 6.0%.



Moreover, and with cash invested of c. €150 M in the current portfolio as of September 2021, the company's NAV amounts to €324 M.

* Proportional figures: include Sonae FS and 50% of MDS.

** Figures for 2019 and 2020 are pro-forma to exclude Bizdirect.

4. Equity consolidated companies

The equity method results line in Sonae's P&L is mainly related with: (i) the equity method contribution of Sonae Sierra' statutory accounts, which corresponds to the shopping centres in which the company holds minority stakes, (ii) Sonaecom's indirect 26% stake in NOS, and (iii) ISRG's net result.

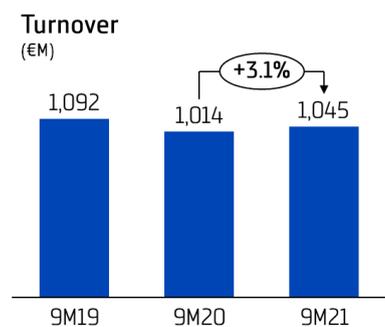
€M	9M20	9M21	yoy	3Q20	3Q21	yoy
Sonae Sierra	12	20	63.6%	2	9	-
NOS/Zopt	21	29	33.9%	11	11	1.8%
ISRG	-4	10	-	0	7	-

During the last quarter, NOS, Sonae Sierra and ISRG have showed positive signs of recovery with the ease/end of restrictions in the countries where they operate.

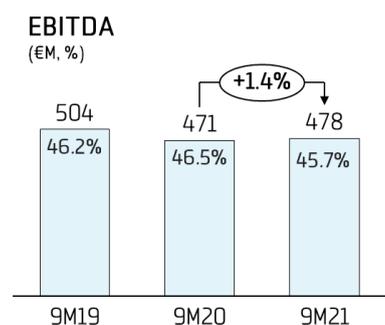
NOS

NOS published its 3Q21 results on November 3rd. The company continued to post a solid operating performance in the Telco segment and the Media & Entertainment segment was marked by a strong recovery due to a steady return to the movie theatres.

Turnover amounted to €366 M in 3Q21, +5.6% yoy, the second consecutive quarter of growth since 4Q19, supported by a positive evolution of 4.1% in Telco and a strong growth of more than 70% in the Media & Entertainment segment. This scenario resulted in a turnover increase of 3.1% yoy, in 9M21, to €1 bn.



The profitability followed the same trend, with an EBITDA increase in the 3Q21 of 6.6% yoy and, in accumulated terms, of 1.4% yoy. This is the first quarter with yoy EBITDA growth since 4Q19, a clear sign of recovery.



Net income increased by €2 M yoy, to €46 M in the 3Q21, and increased more than 50% compared to last year to €120 M in the 9M21. FCF (ex-dividend, financial investments and own shares) in the quarter stood at €9 M, representing a decrease yoy mostly due to the cash-in from the tower sale deal to Cellnex in the 3Q20. Excluding this effect, FCF would have increased by 19% yoy.

NOS continues to show a conservative capital structure, with a Net financial debt/EBITDA after lease payments of 1.7x vs. 1.8x at the end of the 1H21, well within its target leverage profile, an all-in average cost of debt of 1.3% in the 3Q21 and 1.5% in the 9M21 and an average maturity profile of 2.4 years at the end of the period.

Finally, it is important to highlight that already in October and after 200 days of bidding, the auction for the allocation of the 5G frequencies ended, with NOS acquiring the largest fraction of the spectrum released and in all possible bands.

ISRG^{††}

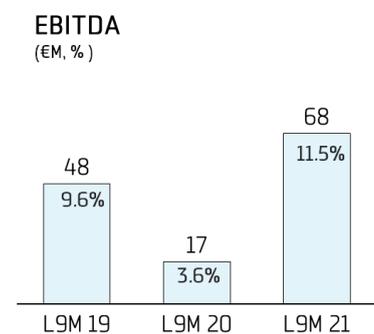
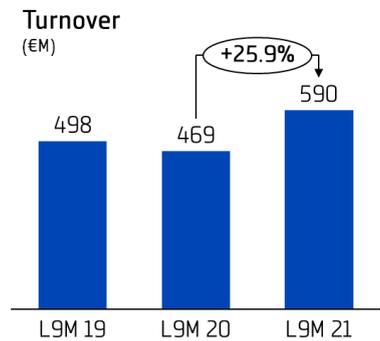
For ISRG, the 2Q21 (May-July) continued to be a quarter marked by a strong recovery in terms of operational performance. Top line increased by 41.1% yoy mainly fuelled by stores sales, as the gradual easing of the restrictions during the quarter contributed to a footfall recovery combined with positive results from the sales season. The online channel continued to perform at strong levels.

Overall, the L9M 21 registered top line levels above both last year and 2019 figures with total turnover reaching €590 M, a double-digit increase of 26% yoy and of 18% vs L9M 19.

Regarding EBITDA, once again, the top line improvement was able to fuel profitability and in the L9M 21, EBITDA improved by €51 M yoy and €20 M vs. the same period of 2019. This resulted in an EBITDA margin improvement in the L9M 21 of 7.9 p.p. vs. L9M 20 to 11.5%.

Consequently, this improved operational performance implied a better equity method contribution to Sonae's results, with a positive value in this quarter of €6.7 M (€9.9 M in the 9M21).

Moreover, the performance in both August and September continues to show very positive signs in both geographies and across all channels.



^{††} Due to calendar reporting dates of JD Sports (the main shareholder of the JV), ISRG figures for the L9M 21 ended last August 1st.

Corporate Information

Main announcements in the 9M21

January 13th

Sonae informed on the reorganisation of the Spanish operation of its subsidiary Worten – Equipamentos do Lar, S.A.

January 29th

Sonae informed on Sonae MC 2020 Trading Statement.

March 1st

Sonae - SGPS, SA informed about the completion of the transaction by its subsidiary Worten Equipamentos do Lar, S.A. with Media Markt Saturn S.A.U.

March 5th

Sonae informed about communication received from Grosvenor Investments (Portugal) S.Àr.L.

March 17th

Completion of the purchase of 10% of the share capital of Sonae Sierra held by Grosvenor Investments (Portugal) S.Àr.L., for the price of €82.16 million, following the exercise by Grosvenor of its put option right, as announced to the market on March 5th. The main impact of this transaction on the Group's consolidated financial statements will be the transfer of Reserves from "Non-Controlling Interests" to "Equity Holders of the Parent Company", since Sonae already holds a controlling shareholding of 70% in Sonae Sierra.

April 1st

Sonae informed on partnership between Sonae Financial Services and Banco CTT and informed on Annual Report 2020.

April 30th

Sonae informed on resolutions taken at Sonae's AGM and about dividend payment.
Sonae also informed about Sonae MC Annual Report 2020.

May 25th

Sonae informed that Sonae MC has reached an agreement to sell its 50% in Modelo – Distribuição de Materiais de Construção S.A. ("Maxmat").

June 1st

Sonaecom, a Sonae subsidiary, informed that Sonae IM, together with the remaining shareholders, reached an agreement with Claranet Portugal, S.A. to sell the entire share capital and voting rights of of Digitmarket – Sistemas de Informação S.A. ("Bizdirect").

July 15th

The Portuguese Competition Authority concluded the analysis of the sale of 50% Modelo – Distribuição de Materiais de Construção S.A. to an entity fully owned by BME Group, having adopted the decision of non-opposition regarding the respective merger control operation

July 16th

Sonaecom, a Sonae subsidiary, informed that the transaction between Sonae IM and Claranet, regarding the sale of the entire share capital and voting rights of Digitmarket – Sistemas de Informação S.A. ("Bizdirect"), has been completed,

following the approval from the competent competition authority and the verification of the conditions precedent agreed between the parties.

July 31st

Sonae SGPS, SA informed that it has reached an agreement to sell 24.99% of the share capital of Sonae MC, SGPS.

August 18th

Sonae SGPS, SA informed about the completion of the transaction regarding the sale of 24.99% of the share capital of Sonae MC.

Sonae MC, SGPS, S.A. informed about the recomposition of the Board of Directors.

September 1st

Sonae SGPS, SA informed about the completion of the sale, by its subsidiary Sonae MC, SGPS, S.A., of its 50% stake in the share capital of Modelo – Distribuição de Materiais de Construção S.A. ("Maxmat").

September 6th

Sonae SGPS, SA informed about the acquisition, by its subsidiary Sonae Food4Future, SA, of 95.4% of the share capital and voting rights in Claybell Limited (owner of 100% of Gosh Food Limited).

September 15th

Sonae SGPS, SA informed on plan for gender equality 2022.

September 24th

Sonae - SGPS, SA announced the appointment of the Substitute Secretary of the Company.

September 28th

Sonae SGPS, S.A. informed on cash settled equity swap termination.

September 30th

Sonae SGPS, S.A. informed on qualified shareholding.

Subsequent events

October 27th

Sonae MC, SGPS, S.A. informed about the recomposition of the Board of Directors.

NOS SGPS, SA informed about the end of 5G auction.

November 3rd

Sonae SGPS, S.A. informed on Portuguese Competition Authority decision.

Consolidated Balance Sheet

M€	9M20	2020	9M21	yoy
TOTAL ASSETS	7,968	8,149	8,164	2.5%
Non current assets	6,251	6,328	6,385	2.1%
Net fixed assets	2,075	2,108	2,096	1.0%
Net Rights of Use	1,040	1,054	1,014	-2.5%
Goodwill	671	671	729	8.6%
Investment properties	332	319	317	-4.4%
Other investments	1,747	1,776	1,830	4.7%
Deferred tax assets	332	358	359	8.3%
Others	54	41	39	-27.8%
Current assets	1,717	1,821	1,779	3.6%
Stocks	589	636	587	-0.3%
Trade debtors	131	148	139	6.5%
Liquidity	687	767	774	12.7%
Others	311	271	279	-10.3%
SHAREHOLDERS' FUNDS	2,371	2,440	3,008	26.8%
Equity holders	1,920	1,993	2,428	26.5%
Attributable to minority interests	452	447	580	28.4%
LIABILITIES	5,596	5,709	5,156	-7.9%
Non-current liabilities	3,412	3,404	2,765	-19.0%
Bank loans	1,106	1,007	709	-35.9%
Lease liabilities	1,087	1,100	1,082	-0.4%
Other loans	620	690	368	-40.6%
Deferred tax liabilities	467	479	477	2.3%
Provisions	33	47	18	-45.1%
Others	100	81	110	10.3%
Current liabilities	2,184	2,305	2,391	9.5%
Bank loans	205	177	251	22.5%
Lease liabilities	107	107	97	-8.8%
Other loans	17	16	323	-
Trade creditors	1,236	1,339	1,154	-6.7%
Others	619	666	565	-8.7%
SHAREHOLDERS' FUNDS + LIABILITIES	7,968	8,149	8,164	2.5%

Sonae Sierra' statutory accounts

€M	9M20	9M21	yoy	3Q20	3Q21	yoy
Turnover	72	72	-0.6%	23	26	13.8%
Underlying EBITDA	10	12	12.1%	3	5	59.5%
Equity method results	12	20	63.6%	2	9	-
Non-recurrent items	57	0	-	0	-	-
EBITDA	80	32	-60.4%	5	14	172.5%
EBIT	68	32	53.2%	-1	15	-
Net Financial results	-7	-6	16.1%	-2	-1	40.0%
Taxes	-1	-1	30.4%	0	0	-
Direct result	60	25	-57.8%	-3	13	-
Indirect result	-81	-16	80.2%	-9	-1	84.7%
Net result	-21	9	-	-12	12	-
Non-controlling interests	1	-3	-	1	-1	-
Net result group share	-20	6	-	-12	11	-

Methodological Notes

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.

Sonae adopted the IFRS16 accounting standard in 2019.

In the 3Q21, Maxmat from Sonae MC and Bizdirect from Sonae IM were sold and all periods in 2020 and 2021 were restated to consider these assets as discontinued operations in the P&L.

Glossary

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 S. 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 Sonae Sierra.
Lease Liabilities	Net present value of payments to use the asset.
Like for Like sales (LfL)	Sales made by 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) - Holding	Holding net debt (average) / NAV of the investment portfolio plus Holding net debt (average).
Loan to Value (LTV) - Sonae Sierra	Net debt / (Investment properties + properties under development), on a proportional basis.
INREV NAV S. Sierra	Open market value attributable to Sonae Sierra - net debt - minorities + deferred tax liabilities.
Net asset value (NAV) of the investment portfolio	Market multiple approach to each one of Sonae's businesses - average net debt - minorities (book value)
Net debt	Bonds + bank loans + other loans + financial leases + 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.
Online sales	Total e-commerce sales, including online marketplaces.
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, leasing and derivatives.
Right of use (RoU)	Lease liability at the beginning of the lease adjusted for, initial direct costs, advance rent payments and possible lease discounts.
RoIC	Return on invested capital.
Total Net Debt	Net Debt + lease liabilities
Underlying EBITDA	Recurrent EBITDA from the businesses consolidated using the full consolidation method.
Underlying EBITDA margin	Underlying EBITDA / turnover.

The SONAE logo is rendered in a white, pixelated, blocky font. It is positioned in the upper left quadrant of the page. The background of the entire page is a vibrant blue, overlaid with a complex, abstract pattern of thin, white, curved lines that create a sense of depth and movement, resembling a stylized eye or a tunnel.

2021
third quarter
Results

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2021 AND 2020 AND 31 DECEMBER 2020

(Amounts expressed in euro)

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

	Notes	30 Sep 2021	30 Sep 2020 Restated Note 5	31 Dec 2020
ASSETS				
NON-CURRENT ASSETS:				
Property, plant and equipment	7	1,667,407,314	1,679,045,111	1,695,077,660
Intangible assets	8	428,674,980	395,589,424	413,375,902
Right of use assets	9	1,014,489,374	1,040,332,256	1,053,829,561
Investment properties		317,477,645	331,952,680	319,417,528
Goodwill	10	728,905,210	670,901,347	670,816,144
Investments in joint ventures and associates	11	1,588,075,816	1,513,871,257	1,548,383,214
Assets at fair value through results	12.1	87,275,284	93,234,162	97,668,772
Assets to fair value through other comprehensive income	12.2	139,765,957	123,762,139	115,903,789
Other investments	14	14,719,488	16,433,446	14,266,208
Deferred tax assets	13	359,423,287	331,780,385	358,072,804
Other non-current assets		38,757,425	53,716,830	41,232,738
Total Non-Current Assets		6,384,971,780	6,250,619,036	6,328,044,320
CURRENT ASSETS:				
Inventories		587,180,774	588,781,831	636,072,241
Trade receivables and other current assets		339,647,310	359,442,263	330,432,920
Income tax assets		38,836,093	36,817,454	37,711,054
Other tax assets		38,117,140	39,167,186	42,016,611
Investments	14	26,381,361	800,335	3,345,882
Cash and bank balances	15	747,897,887	686,401,036	763,302,610
Total Current Assets		1,778,060,565	1,711,410,105	1,812,881,318
Assets classified as held for sale		976,129	5,682,379	8,001,633
TOTAL ASSETS		8,164,008,474	7,967,711,520	8,148,927,271
EQUITY AND LIABILITIES				
EQUITY:				
Share capital		2,000,000,000	2,000,000,000	2,000,000,000
Own shares		(88,539,491)	(93,340,758)	(93,340,758)
Legal reserve		281,215,564	277,452,299	277,452,299
Reserves and retained earnings	16	77,511,265	(260,118,303)	(262,266,902)
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		158,202,902	(4,212,366)	70,944,578
Equity attributable to the equity holders of the Parent Company		2,428,390,240	1,919,780,872	1,992,789,217
Equity attributable to non-controlling interests	17	579,678,136	451,621,425	447,063,129
TOTAL EQUITY		3,008,068,376	2,371,402,297	2,439,852,346
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Loans	18	1,077,242,023	1,725,451,186	1,696,403,314
Lease liabilities	9	1,082,055,135	1,086,616,214	1,100,459,060
Other non-current liabilities		110,327,959	100,019,132	80,942,994
Deferred tax liabilities	13	477,350,054	466,730,850	479,103,073
Provisions	19	18,344,270	33,402,694	47,032,991
Total Non-Current Liabilities		2,765,319,441	3,412,220,076	3,403,941,432
CURRENT LIABILITIES:				
Loans	18	574,012,525	221,706,568	193,356,993
Lease liabilities	9	97,466,140	106,875,111	107,387,576
Trade payables and other current liabilities		1,603,875,436	1,730,425,303	1,871,039,085
Income tax liabilities		34,780,284	18,819,740	16,148,599
Other tax liabilities		73,320,684	80,565,972	96,992,405
Provisions	19	7,165,588	24,416,453	16,344,127
Total Current Liabilities		2,390,620,657	2,182,809,147	2,301,268,785
Liabilities directly associated with assets classified as held for sale		-	1,280,000	3,864,708
TOTAL LIABILITIES		5,155,940,098	5,596,309,223	5,709,074,925
TOTAL EQUITY AND LIABILITIES		8,164,008,474	7,967,711,520	8,148,927,271

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

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2021 AND 2020

(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 2021	3 rd Quarter 2020 Restated	30 Sep 2021	30 Sep 2020 Restated Note 5
Sales	6	1,707,462,717	1,656,313,543	4,778,669,144	4,564,508,143
Services rendered	6	84,546,892	77,996,418	235,222,378	224,192,462
Changes in value of investment properties		-	(3,804,051)	(2,133,040)	(15,819,504)
Income or expense relating to investments	20	32,927	(30,912)	9,670,495	21,931,184
Gains and losses on investments recorded at fair value through results	12.3	10,350,766	31,130,595	23,862,578	29,306,657
Financial income	22	9,803,213	13,767,317	29,535,845	31,224,520
Other income	21	32,118,504	38,758,051	103,199,250	88,287,127
Cost of goods sold and materials consumed		(1,242,123,493)	(1,182,682,058)	(3,441,019,011)	(3,345,548,364)
(Increase)/Decrease in production		433,174	(1,075,853)	532,841	226,346
External supplies and services		(187,855,170)	(174,841,239)	(550,018,300)	(487,496,802)
Employee benefits expense		(215,958,171)	(206,635,318)	(663,693,009)	(636,034,647)
Depreciation and amortisation expenses	7,8 and 9	(84,098,726)	(82,613,066)	(251,634,669)	(251,400,684)
Impairment losses	19	(541,596)	(13,881,738)	(12,893,226)	(22,848,420)
Provisions	19	(279,748)	1,050,423	(5,164,279)	(25,947,351)
Financial expense	22	(36,169,859)	(43,393,362)	(108,838,825)	(107,353,850)
Other expenses		(19,034,090)	(21,583,240)	(59,630,313)	(50,996,953)
Share of results of joint ventures and associates	11.2	32,748,508	(2,428,778)	76,368,130	(26,125,009)
Profit/(Loss) before taxation from continuing operations		91,435,848	86,046,732	162,035,989	(9,895,145)
Income tax expense		(17,321,370)	(14,963,364)	(21,726,283)	(7,606,226)
Profit/(Loss) after taxation from continuing operations		74,114,478	71,083,368	140,309,706	(17,501,371)
Profit/(Loss) from discontinued operations after taxation	4,2,5	50,012,327	1,038,872	53,144,426	3,437,748
Consolidated profit/(Loss) for the period		124,126,805	72,122,240	193,454,132	(14,063,623)
Attributable to equity holders of the Parent Company:					
Continuing operations		58,951,994	72,616,693	120,922,786	(4,113,646)
Discontinued operations		36,821,849	(339,360)	37,280,116	(98,721)
		95,773,843	72,277,333	158,202,902	(4,212,366)
Attributable to non-controlling interests:					
Continuing operations		15,162,484	(1,533,325)	19,386,920	(13,387,726)
Discontinued operations		13,190,478	1,378,232	15,864,310	3,536,469
	17	28,352,962	(155,093)	35,251,230	(9,851,257)
Profit/(Loss) per share					
	24	0.030890	0.038015	0.063362	(0.002153)
	24	0.028861	0.037404	0.059201	(0.000052)
	24	0.019294	(0.002134)	0.019534	(0.002008)
	24	0.018027	(0.000166)	0.018252	(0.000048)

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 SEPTEMBER 2021 AND 2020

(Amounts expressed in euro)

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

	Notes	3rd Quarter 2021	3rd Quarter 2020 Restated	30 Sep 2021	30 Sep 2020 Restated Note 5
Net Profit / (Loss) for the period		124,126,805	72,122,240	193,454,132	(14,063,623)
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		3,053,666	3,461,861	(339,998)	13,692,695
Share of other comprehensive income of joint ventures and associates	11.2	(10,154,994)	(41,398,941)	4,328,248	(120,801,356)
Changes in cash flow hedging reserve		11,711,238	(272,870)	18,673,984	(367,624)
Income tax relating to items that may be reclassified subsequently to profit or loss		(12,844)	(31,021)	(315,601)	(72,253)
Others		(56,776)	246,023	46,511	169,786
		4,540,290	(37,994,948)	22,393,144	(107,378,752)
Items that won't be reclassified subsequently to profit or loss:					
Changes value of financial assets at fair value	12.3	19,930,161	1,415,205	23,862,362	1,283,043
Total other comprehensive income for the period		24,470,451	(36,579,743)	46,255,506	(106,095,709)
Total comprehensive income for the period		148,597,256	35,542,497	239,709,638	(120,159,332)
Attributable to:					
Equity holders of parent company		115,999,606	40,350,290	197,531,478	(84,956,287)
Non controlling interests		32,597,650	(4,807,793)	42,178,160	(35,203,045)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED 30 SEPTEMBER 2021 AND 2020

(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 Equity
	Share Capital	Own Shares	Legal Reserve	Currency Translation Reserve	Investments Fair Value Reserve	Cash-flow Hedging Reserve	Other Reserves and Retained Earnings	Total Reserves and Retained Earnings	Net Profit/(Loss)	Total	Non controlling Interests (Note 17)	
	Attributable to Equity Holders of Parent Company											
Balance as at 1 January 2020 - Published	2,000,000,000	(99,806,645)	268,028,145	(7,400,437)	4,137,942	(673,747)	(197,657,962)	(201,594,204)	165,221,904	2,131,849,200	974,714,342	3,106,563,542
Restatement of financial assets at fair value	-	-	-	-	(1,456,484)	-	898,755	(557,729)	557,729	-	-	-
Balance as at 1 January 2020	2,000,000,000	(99,806,645)	268,028,145	(7,400,437)	2,681,458	(673,747)	(196,759,207)	(202,151,933)	165,779,633	2,131,849,200	974,714,342	3,106,563,542
Total comprehensive income for the period	-	-	-	11,772,487	(21,056,161)	(599,409)	(70,860,838)	(80,743,921)	(4,212,366)	(84,956,287)	(35,203,045)	(120,159,332)
Appropriation of consolidated net profit of 2019	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserves and retained earnings	-	-	9,424,154	-	-	-	156,355,479	156,355,479	(165,779,633)	-	-	-
Dividends distributed	-	-	-	-	-	-	(88,485,183)	(88,485,183)	-	(88,485,183)	(82,475,010)	(170,960,193)
Income distribution from investment funds	-	-	-	-	-	-	-	-	-	-	(400,348)	(400,348)
Obligation fulfilled by share attribution to employees	-	-	-	-	-	-	176,967	176,967	-	176,967	9,348	186,315
Partial cancellation of Cash Settled Equity Swap	-	6,465,887	-	-	-	-	(2,800,319)	(2,800,319)	-	3,665,568	-	3,665,568
Variation in percentage of subsidiaries	-	-	-	-	-	-	(41,366,179)	(41,366,179)	-	(41,366,179)	(21,709,417)	(63,075,596)
Capital increase	-	-	-	-	-	-	-	-	-	-	140,000	140,000
Capital decrease	-	-	-	-	-	-	-	-	-	-	(27,221,946)	(27,221,946)
Loss of control of subsidiaries	-	-	-	-	-	-	-	-	-	-	(356,173,784)	(356,173,784)
Others	-	-	-	-	-	-	(1,103,214)	(1,103,214)	-	(1,103,214)	(58,715)	(1,161,929)
Balance as at 30 September 2020	2,000,000,000	(93,340,758)	277,452,299	4,372,050	(18,374,703)	(1,273,156)	(244,842,494)	(260,118,304)	(4,212,366)	1,919,780,871	451,621,425	2,371,402,297
Balance as at 1 January 2021	2,000,000,000	(93,340,758)	277,452,299	(7,400,437)	4,137,942	(673,747)	(258,330,660)	(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)
Income distribution from investment funds	-	-	-	-	-	-	-	-	-	-	-	-
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	(9,873,541)	27,952,563	13,625,980	45,806,263	77,511,265	158,202,902	2,428,390,240	579,678,136	3,008,068,376

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2021 AND 2020

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

(Amounts expressed in euro)

	Notes	3rd Quarter 2021	2nd Quarter 2020	30 Sep 2021	30 Sep 2020
OPERATING ACTIVITIES					
Net cash generated from operating activities (1)		296,975,133	275,968,183	255,832,041	266,683,086
INVESTMENT ACTIVITIES					
Receipts arising from:					
Investments	25	569,734,979	-	619,292,158	269,703,299
Property, plant and equipment and intangible assets		7,797,767	44,462,519	15,199,270	52,834,279
Interests and similar income		149,154	279,219	1,090,252	1,221,637
Loans granted		-	-	5,801,925	2,368,303
Dividends		1,324,623	944,851	14,113,098	6,036,222
Others		12,374,146	59,053,532	28,464,471	82,882,530
		591,380,669	104,740,121	683,961,174	415,046,270
Payments arising from:					
Investments	25	(99,919,648)	(209,003,640)	(193,401,013)	(216,848,012)
Property, plant and equipment and intangible assets		(64,755,261)	(40,144,049)	(177,419,778)	(168,580,037)
Loans granted		(1,020,000)	(196,879)	(2,874,454)	(2,579,923)
Others		(2,384,190)	(48,151,613)	(3,756,500)	(84,295,345)
		(168,079,099)	(297,496,181)	(377,451,746)	(472,303,317)
Net cash used in/ generated by investment activities (2)		423,301,570	(192,756,060)	306,509,428	(57,257,046)
FINANCING ACTIVITIES					
Receipts arising from:					
Loans, bonds and finance leases	18	785,133,673	1,186,123,630	3,487,478,516	4,616,808,993
Capital increases, additional paid in capital and share premiums		-	-	-	19,190,000
		785,133,673	1,186,263,630	3,487,478,516	4,635,998,993
Payments arising from:					
Lease contracts		(46,077,986)	(43,445,227)	(140,085,895)	(124,105,918)
Loans, bonds and finance leases	18	(1,190,532,165)	(1,124,697,906)	(3,715,175,898)	(4,459,807,147)
Purchase of own shares	26	(76,248,621)	-	(76,248,621)	-
Interests and similar charges		(8,309,296)	(7,944,185)	(22,734,517)	(22,613,950)
Reimbursement of capital and paid in capital		-	(920,264)	(427,203)	(3,269,062)
Dividends		-	(400,347)	(100,274,475)	(175,447,371)
		(1,321,168,068)	(1,177,407,929)	(4,054,946,609)	(4,785,243,448)
Net cash used in financing activities (3)		(536,034,395)	8,855,701	(567,468,093)	(149,244,455)
Net increase (decrease) in cash and cash equivalents (4) = (1) + (2) + (3)		184,242,308	92,067,824	(5,126,624)	60,181,584
Effect of exchange rate changes on the balance of cash held in foreign currencies		(69,534)	47,911	(231,876)	210,430
Effect of discontinued operations		-	(131,653)	-	(131,653)
Cash and cash equivalents at the beginning of the period		562,966,860	591,220,849	752,173,450	623,269,608
Cash and cash equivalents at the end of the period	15	747,278,702	683,109,109	747,278,702	683,109,109

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

The Board of Directors

SONAE, SGPS, SA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2021

(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, SA ("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 6.

2. Covid-19 update

In the year of 2021, the Covid-19 outbreak continued to have a significant impact in our activities. On the first quarter of 2021, as a result of the worsening of the pandemic situation with a high transmission rate and an increasing number of deaths, it was formally declared a new state of emergency and a new national lockdown that lasted almost the whole quarter.

The increase in the pace of the vaccination process during the second quarter allowed that, despite the gradual worsening of the pandemic situation and the significant increase in the number of infections, it did not translate into an unbearable effort to the national health system, and therefore the Portuguese Government did not decree additional measures of Covid-19 prevention. In this way the second quarter, while still largely affected by Covid, it was of economic recuperation.

After a first semester pronounced by confinement measurements, the third quarter was already a period with encouraging signs, Portugal reach levels of complete vaccination higher than 85%, which allowed the withdrawal of the remaining restrictions and the resume to an almost "normality". This evolution allowed the Group to continue carving his growing journey.

3. 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.

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 2021:

With mandatory application during the year 2021:	Effective date (for financial years beginning on or after)	
IFRS 9, IAS 39, IFRS 7, IFRS 4 e IFRS 16 – Interest Rate Benchmark Reform – Phase 2	Additional exemptions related to the impacts of the reform of the reference interest rates (“IBOR”), and especially the replacement of a reference interest rate by another alternative in the financial instruments traded	01 Jan 2021
IFRS 16 Leases Covid 19 - Related Rent Concessions	Proposal to extend the application of the practical expedient on rental rents that affect payments originally due on or before June 2022.	01 Apr 2021

These standards were first applied by the Group in 2021, however, the impacts were not relevant in the accompanying financial statements.

The following standards, interpretations, amendments and revisions were endorsed by the European Union and have mandatory application in future economic exercises:

With mandatory application after 2021	Effective date (for financial years beginning on or after)	
IAS 16 Property, Plant and Equipment	The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	01 Jan 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Clarification regarding the nature of costs a company should include when assessing whether a contract will be loss-making	01 Jan 2022
Annual Improvements 2018-2020	Amendments to IFRS 1, IFRS 9, IFRS 16 e IAS 41	01 Jan 2022
IFRS 3 Business Combinations	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
IFRS 4 Insurance Contracts – deferral of IFRS 9	End of the deferral of the beginning of the application of IFRS 9 for entities with insurance activity, postponed to 1 January 2023	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:

With mandatory application on or after 2021		Effective date (for financial years beginning on or after)
IAS 1 Presentation of Financial Statements	Classification of a liability as current or non-current, depending on the right that an entity has to defer its payment New definition of "settlement" of a liability	01 Jan 2023
IAS 1 Presentation of Financial Statements; IAS 8 Accounting policies, Changes in Accounting Estimates and Errors	Amendments introduced a definition of 'accounting estimates' and included other amendments to IAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates	01 Jan 2023
IFRS 17 Insurance Contracts	New accounting for insurance contracts, reinsurance contracts and investment contracts with discretionary participation characteristics	01 Jan 2023
IFRS 17 Insurance Contracts (amendments)	Inclusion of changes to IFRS 17 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 12 Income Taxes	Clarification of the accounting for deferred tax on leases and decommissioning obligations.	01 Jan 2023

The Group did not proceed with the early implementation of any of these standards in the financial statements for the period ended 30 September 2021 since their application is not mandatory, lying in the process of analyzing expected effects of those standards.

4. Changes in the consolidation scope

4.1 Acquisitions of subsidiaries in the period ended 30 September 2021

The subsidiaries acquisitions detail can be analysed as follows:

COMPANY	Head Office	Proportion of voting equity interests acquired	
		On the date of acquisition	
		Direct	Total
Sonae MC			
Portimão Ativo-Sociedade Imobiliária, SA	Portimão/Portugal	100.00%	75.01%
Worten			
Zaask - Plataforma Digital, SA.	Matosinhos/Portugal	100.00%	100.00%
Others			
Claybell Limited	Milton Keynes/England	95.40%	95.40%
GOSH! Food Ltd	Norfolk/England	95.40%	95.40%
GOSH! Food Ireland Ltd	Dublin/Ireland	95.40%	95.40%

The company's acquisition generated a provisional Goodwill of an approximated value of 65.5 million euros, that will be reviewed in a one-year period, along with the completion of the "purchase price allocation" exercise, as determined in IFRS3.

The effects of these acquisitions on the consolidated accounts can be analysed as follows:

Amounts in euro	Sonae MC			Worten		Others		
	On the date of acquisition	Fair Value	Total	30 Sep 21	On the date of acquisition	30 Sep 21	On the date of acquisition	30 Sep 21
Net assets acquired								
Property, plant and equipment and intangible assets (Notes 7 and 8)	18,757,752	1,945,120	20,702,872	20,483,341	558	15,158	9,767,787	10,098,314
Rights-of-use assets (Note 9)	-	-	-	-	-	-	2,860,930	2,956,246
Inventories	-	-	-	-	-	-	754,356	743,256
Deferred tax assets	14,330	-	14,330	14,330	-	-	643,709	666,552
Trade receivables and other assets	4,411	-	4,411	3,868	-	285,889	3,832,543	3,537,901
Other assets	15,567	-	15,567	15,567	80	12,411	277,843	310,667
Cash and cash equivalents	4,448	-	4,448	104,448	206,753	-	2,606,629	3,087,324
Loans	-	-	-	-	-	(274,298)	(3,224,982)	(3,337,766)
Deferred tax liabilities	-	-	-	-	-	-	(1,587,722)	(1,651,400)
Trade payables	(1,246)	-	(1,246)	-	-	(44,662)	(1,764,465)	(1,764,694)
Other liabilities	(520,926)	-	(520,926)	(116,232)	(85,166)	(103,668)	(658,422)	(748,554)
Total net assets acquired	18,274,335	1,945,120	20,219,455	20,505,321	122,225	(111,171)	13,508,204	13,897,846
Goodwill (Note 10)	-	-	-	-	3,829,967	-	61,694,452	(621,013)
Non-controlling interests (Note 17)	-	-	-	-	-	-	-	(621,013)
Acquisition cost	18,274,335	1,945,120	20,219,455		3,952,192		74,581,643	
Cash payment	18,269,887	1,945,120	20,215,007		2,960,439		71,975,014	
Consideration to be paid	-	-	-		991,753		2,606,629	
	18,269,887	1,945,120	20,215,007		3,952,192		74,581,643	
Net cash flow arising from acquisition (Note 25)								
Cash payment	18,274,335	1,945,120	20,215,007		2,960,439		71,975,014	
Cash and bank balances acquired	4,448	-	4,448		206,753		2,606,629	
	18,269,887	1,945,120	20,215,007		2,753,686		69,368,385	

4.2 Disposals during the period

During the third quarter 2021 the disposal processes of the capital held on the companies Modelo Distribuição-Mat.Con.S.A. (Maxmat) and Digitmarket Sistemas de Informação S.A. were completed, and so the detail of the result for the discontinued activities can be analysed as follows:

Amounts expressed in euro	30 Sep 2021			
	Maxmat	Digitmarket	Bright Brands	Total of Discontinued
Gain/(Loss) on disposal	41,707,956	5,538,106	(2,161,273)	45,084,789
Profit/(loss) from the exercise until the disposal date	8,168,222	(108,585)	-	8,059,637
Profit/(loss) for the period from discontinued operations	49,876,178	5,429,521	(2,161,273)	53,144,426

The effects of these transactions on the consolidated financial statements can be analysed as follows:

Amounts in euro	At the disposal date		
	Maxmat	Digitmarket	BrightBrands
Net assets			
Property, plant and equipment and intangible assets (Note 7 and 8)	32,964,945	112,024	-
Rights of use (Note 9)	2,100,582	791,197	-
Deferred tax assets	1,242,213	155,564	-
Other assets	24,751,357	11,273,379	-
Cash and cash equivalents	28,290,609	7,789,491	-
Loans	(4,513,472)	-	-
Trade payables	(24,021,818)	(8,328,123)	-
Other current liabilities	(8,161,368)	(7,008,200)	-
Assets and liabilities held for sale	-	-	2,161,274
Total net assets	52,653,048	4,785,331	2,161,274
Goodwill (Note 10)	-	-	-
Non Controlling Interests	(26,326,524)	(1,196,333)	-
Capital Gain on the disposal	41,707,956	5,538,106	(2,161,273)
Disposal cost	68,034,480	9,127,104	1
Amounts received (Note 25)	39,743,871	1,337,613	1
Cash and bank balances to be received	28,290,609	7,789,491	-
	68,034,480	9,127,104	1
Net cash flow arising from the disposal			
Amounts received	39,743,871	1,337,613	1
Cash and bank balances disposed	(28,290,609)	(7,789,491)	-
	11,453,262	(6,451,878)	1

The breakdown of the net income for the year until disposal can be analyzed as follows:

Amounts expressed in euro	30 Sep 2021		
	Maxmat	Digitmarket	Profit/(loss) until the disposal date
Turnover	81,767,708	22,479,039	104,246,747
Other income	834,616	10,861	845,477
Cost of goods sold and materials consumed	(51,101,435)	(18,945,887)	(70,047,322)
External supplies and services	(9,561,806)	(1,746,696)	(11,308,502)
Employee benefits expense	(8,753,719)	(1,780,393)	(10,534,112)
Depreciation and amortisation expenses	(2,510,801)	(150,359)	(2,661,160)
Impairment losses	(2,927)	-	(2,927)
Other expenses	(484,297)	(5,822)	(490,119)
Financial income	(58,440)	3,110	(55,330)
Profit/(Loss) before tax	10,128,899	(136,147)	9,992,752
Income tax expense	(1,960,677)	27,562	(1,933,115)
Profit/(Loss) after tax	8,168,222	(108,585)	8,059,637

5. Restatement of consolidated income statements

5.1 Review of the classification of minority stakes

In the year ended 31 December 2020, a review was performed of the classification of the minority interests of the subsidiaries SonaeIM, Bright Development and Bright Vector I, recorded in the group to date in accordance with IFRS 9 at fair value through other comprehensive income. As a result of this review, the group concluded to significant influence in the majority of these investments. In this sense, and taking into account that the investment activity developed by these subsidiaries fits, for the purposes of the exemption provided for in paragraph 18 of IAS 28, as venture capital activity, the group opted for the exemption of the application of the equity method, and started to measure the minority interests held by these subsidiaries at fair value through profit or loss in accordance with IFRS 9.

Income statements were restated for period ended 30 September 2020 to reflect the changes mentioned above.

5.2 Classification of Digitmarket and Maxmat as discontinued operations

Following the disposal of the remaining capital held on the companies Digitmarket Sistemas de Informação S.A. (previously held 75% by Sonae Investment Management – Software and Technology, SGPS, S.A, 15% by AITEC Capital, SGPS, S.A. and 10% by Banco BPI, S.A.), and Modelo Distribuição-Materiais de Construção, S.A. (Maxmat) (previously held 50% by Sonae MC, SGPS, S.A and 50% by Cimentos Estrada Pedra SGPS Lda) the contributions from these companies, on the consolidated financial statements, were presented as assets held for sale and as discontinued operations.

The restatement impacts on the consolidated financial statements according to the changes described previously on note 5.1 and 5.2, for the period ended 30 September 2020 can be summarize as follows:

30 Sep 2020

	Before the restatement	Review of the classification of minority stakes	After the restatement
ASSETS			
NON-CURRENT ASSETS:			
Investments in joint ventures and associates	1,514,113,367	(242,110)	1,513,871,257
Assets at fair value through results	-	93,234,162	93,234,162
Assets to fair value through other comprehensive income	-	123,762,139	123,762,139
Other investments	233,429,746	(216,996,300)	16,433,446
Other non-current assets	4,503,318,033	-	4,503,318,033
Total Non-Current Assets	6,250,861,146	(242,110)	6,250,619,036
CURRENT ASSETS:			
Other current assets	1,711,410,105	-	1,711,410,105
Total Current Assets	1,711,410,105	-	1,711,410,105
Assets classified as held for sale	5,682,379	-	5,682,379
TOTAL ASSETS	7,967,953,630	(242,110)	7,967,711,520
EQUITY AND LIABILITIES			
EQUITY:			
Reserves and retained earnings	1,943,976,045	(19,982,807)	1,923,993,238
Profit/(Loss) for the period attributable to the equity holders of the Parent Compar	(23,977,357)	19,764,991	(4,212,366)
Equity attributable to the equity holders of the Parent Company	1,919,998,688	(217,816)	1,919,780,872
Equity attributable to non-controlling interests	451,645,719	(24,294)	451,621,425
TOTAL EQUITY	2,371,644,407	(242,110)	2,371,402,297
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Other non-current liabilities	3,412,220,076	-	3,412,220,076
Total Non-Current Liabilities	3,412,220,076	-	3,412,220,076
CURRENT LIABILITIES:			
Other current liabilities	2,182,809,147	-	2,182,809,147
Total Current Liabilities	2,182,809,147	-	2,182,809,147
Liabilities directly associated with assets classified as held for sale	1,280,000	-	1,280,000
TOTAL LIABILITIES	5,596,309,223	-	5,596,309,223
TOTAL EQUITY AND LIABILITIES	7,967,953,630	(242,110)	7,967,711,520

30 Sep 2020

	Before the restatement	Review of the classification of minority stakes	Discontinued operations	After the restatement
Sales	4,685,436,149	-	(120,928,006)	4,564,508,143
Services rendered	222,967,907	-	1,224,555	224,192,462
Changes in value of investment properties	(15,819,504)	-	-	(15,819,504)
Income or expense relating to investments	22,110,883	-	(179,699)	21,931,184
Gains and losses on investments recorded at fair value through results	-	29,345,075	(38,418)	29,306,657
Financial income	31,232,331	-	(7,811)	31,224,520
Other income	89,105,656	-	(818,529)	88,287,127
Cost of goods sold and materials consumed	(3,439,774,563)	-	94,226,199	(3,345,548,364)
(Increase) /Decrease in production	226,346	-	-	226,346
External supplies and services	(488,631,527)	-	1,134,725	(487,496,802)
Employee benefits expense	(647,881,003)	-	11,846,356	(636,034,647)
Depreciation and amortisation expenses	(253,885,543)	-	2,484,859	(251,400,684)
Impairment losses	(22,852,242)	-	3,822	(22,848,420)
Provisions	(25,947,351)	-	-	(25,947,351)
Financial expense	(107,709,396)	-	355,546	(107,353,850)
Other expenses	(51,865,551)	-	868,598	(50,996,953)
Share of results of joint ventures and associates	(26,101,016)	(242,108)	218,115	(26,125,009)
Profit/(Loss) before taxation from continuing operations	(29,388,424)	29,102,967	(9,609,688)	(9,895,145)
Income tax expense	(2,893,922)	(7,133,515)	2,421,211	(7,606,226)
Profit/(Loss) after taxation from continuing operations	(32,282,346)	21,969,452	(7,188,477)	(17,501,371)
Profit/(Loss) from discontinued operations after taxation	(3,750,729)	-	7,188,477	3,437,748
Consolidated profit/(Loss) for the period	(36,033,075)	21,969,452	-	(14,063,623)

6. Segment information

Sonae has in its portfolio 8 business segments:

- Sonae MC is the food retail unit that owns the brands Continente, Continente Modelo, Continente Bom Dia, Go Natural, Well's, Arenal and the franchised shops Meu Super and also includes the operational assets of Sonae RP;
- Worten is one of the Iberian electronics retail players;
- Sonae Sierra is the subsidiary dedicated to the activity of development and management of shopping malls;
- Sonae Fashion incorporates a network of own clothing shops combined with a franchising network;
- Sonae FS aims to boost retail financial services;
- Sonae IM has the objective of building and managing a portfolio of technology-based companies related to retail and telecommunications;
- NOS is the partnership that the group holds through Zopt dedicated to telecommunications; and
- Iberian Sports Retail Group (ISRG), a partnership with a network of sports stores in Spain and Portugal.

These operating segments have been identified taking into consideration that each of these segments have separate identifiable revenues and costs, separate financial information is produced, and its operating results are reviewed by management on which it makes decisions.

Financial information per business segment

The main operating segment information as at 30 September 2021 and 2020 can be detailed as follows:

30 Sep 2021	Turnover	Depreciation and amortisation ⁽³⁾	Provisions and impairment losses ⁽³⁾	EBIT ⁽³⁾	Financial results ⁽³⁾	Income tax ⁽³⁾
Sonae 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)	(3,871,601)	13,961,396	(3,335,437)	(11,752,050)
Sonae Sierra	71,881,209	(2,257,497)	(749,816)	31,616,680	(5,609,528)	(482,293)
Sonae Fashion	230,369,507	(25,662,446)	(876,717)	(28,486,515)	(4,599,268)	6,289,277
Sonae FS	19,568,144	(1,162,007)	(981,679)	(11,023,803)	(97,665)	3,955,127
Sonae IM	42,939,214	(5,630,772)	114,822	13,656,056	236,681	(3,176,454)
NOS	-	-	-	28,629,776	-	-
ISRG	-	-	-	9,886,305	-	-
Other, eliminations and adjustments ⁽¹⁾	(36,643,210)	(3,883,723)	(2,334)	(26,128,375)	(7,735,305)	2,270,242
Total consolidated - Direct	5,013,891,522	(251,619,889)	(17,265,619)	261,092,645	(79,302,981)	(12,518,498)

30 Sep 2020	Turnover	Depreciation and amortisation ⁽³⁾	Provisions and impairment losses ⁽³⁾	EBIT ⁽³⁾	Financial results ⁽³⁾	Income tax ⁽³⁾
Sonae MC	3,686,098,487	(181,402,162)	(11,322,886)	171,119,152	(58,770,804)	(16,126,822)
Worten	775,380,606	(29,819,781)	(1,749,184)	(18,952,124)	(5,287,279)	1,843,948
Sonae Sierra	72,335,060	(2,243,613)	(10,280,475)	30,374,018	(6,694,739)	6,366,864
Sonae Fashion	231,689,408	(27,259,158)	(858,306)	(48,361,634)	(4,292,181)	7,577,977
Sonae FS	25,867,079	(744,777)	-	1,041,708	168,277	213,718
Sonae IM	40,351,710	(5,323,377)	(340,484)	(17,043,602)	(649,124)	(3,786,359)
NOS	-	-	-	21,387,528	-	-
ISRG	-	-	-	(3,523,994)	-	-
Other, eliminations and adjustments ⁽¹⁾	(43,021,745)	(4,607,816)	(1,841)	(11,117,392)	(6,834,849)	820,858
Total consolidated - Direct	4,788,700,605	(251,400,684)	(24,553,176)	124,923,660	(82,360,699)	(3,089,816)

	30 Sep 2021			30 Sep 2020		
	Investment (CAPEX)	Invested capital	Financial net debt ⁽²⁾⁽⁴⁾	Investment (CAPEX)	Invested capital	Financial net debt ⁽²⁾⁽⁴⁾
Sonae MC	132,028,346	2,440,329,378	1,532,578,390	135,800,765	2,390,113,268	1,545,553,484
Worten	32,573,203	14,175,174	-	14,013,045	29,985,344	-
Sonae Sierra	1,716,613	916,925,410	25,973,917	1,855,697	923,860,199	30,716,414
Sonae Fashion	8,023,580	309,640,812	-	71,585,357	322,973,659	-
Sonae FS	1,899,324	30,865,950	-	1,483,991	11,143,993	-
Sonae IM	12,754,267	240,295,864	3,982,985	9,868,545	194,699,155	5,718,453
NOS	-	825,253,061	-	-	773,800,287	-
ISRG	-	93,791,423	-	-	78,187,525	-
Other, eliminations and adjustments ⁽¹⁾	166,269,400	173,399,952	474,073,527	141,108,243	72,650,878	844,023,641
Total consolidated	355,264,733	5,044,677,024	2,036,608,819	375,715,643	4,797,414,308	2,426,011,992

- 1) Include Sonae individual accounts;
- 2) These captions are accompanied by management in more aggregated form, and not allocated to individual operating segments identified above;
- 3) Reconciled information in note 24;
- 4) Include lease liabilities.

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

	Investment		Invested capital	
	30 Sep 2021	30 Sep 2020	30 Sep 2021	30 Sep 2020
Inter-segment intra-groups and contributions of entities non-individualized entities as segments	12,135,111	141,108,243	173,399,952	126,194,920
Aquisition of an additional 10% of Sonae Sierra (Note 15)	82,159,275	-	-	-
Investments in joint ventures and associated companies	71,975,014	-	-	-
Cash settled equity swap	-	-	-	(53,544,042)
	166,269,400	141,108,243	173,399,952	72,650,878

All performance measures are reconciled to the financial statements in Note 27.

Glossary:

Net Invested capital = Net debt + Shareholder funds;

Net Financial Debt = Bonds + bank loans + other loans + financial leases - 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 30 September 2021;

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

7. Property, plant and equipment

During the nine months period ended 30 September 2021, 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	Other tangible assets	Tangible assets in progress	Total tangible assets
Gross costs:					
Opening balance as at 1 January 2021	1,369,507,637	1,732,910,970	266,948,525	42,256,439	3,411,623,571
Investment	11,951,051	3,429,145	844,874	95,712,054	111,937,124
Acquisitions of subsidiaries (Note 4.1)	28,650,857	7,109,916	164,665	-	35,925,438
Disposals	(1,998,892)	(63,169,374)	(6,293,065)	(5,907,999)	(77,369,330)
Disposals of subsidiaries (Note 4.2)	(34,250,319)	(23,846,460)	(4,480,299)	(25,963)	(62,603,041)
Exchange rate effect	321,699	319,336	13,317	-	654,352
Transfers	2,029,681	794,303,21	13,052,699	(97,158,039)	(2,645,338)
Closing balance as at 30 September 2021	1,376,211,714	1,736,183,854	270,250,716	34,876,492	3,417,522,776
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2021	456,389,047	1,063,890,763	196,057,071	209,030	1,716,545,911
Depreciation of the period	16,797,900	88,184,570	16,727,815	-	121,710,285
Impairment losses of the period (Note 17)	-	1,422,941	-	-	1,422,941
Reversals of impairment losses	(72,080)	(110,883)	(10,858)	-	(193,821)
Acquisitions of subsidiaries (Note 4.1)	2,190,069	3,149,850	114,302	-	5,454,221
Disposals	(804,005)	(55,672,059)	(6,283,040)	(1,282)	(62,760,386)
Disposals of subsidiaries (Note 4.2)	(9,966,874)	(16,268,738)	(3,412,814)	-	(29,648,426)
Exchange rate effect	64,305	141,847	9,923	-	216,075
Transfers	(256,716)	(1,285,785)	(1,080,573)	(8,264)	(2,631,338)
Closing balance as at 30 September 2021	464,341,646	1,083,452,506	202,121,826	199,484	1,750,115,462
Carrying amount					
as at 30 September 2021	911,870,068	652,731,348	68,128,890	34,677,008	1,667,407,314

The investment includes the acquisition of assets of approximately 95.7 million euros (80 million euros in 2020), associated with the opening and remodeling of stores of Sonae retail operating segments.

The divestment mainly comprises the disposal of 17 stores and the closing down of 14 stores own by Worten Spain as result from the plan to optimize the Worten's Spanish operation.

8. Intangible assets

During the nine months period ended 30 September 2021, the movement occurred in intangible assets and in the corresponding accumulated amortisation 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 2021	233,724,899	492,244,349	101,174,813	42,403,366	869,547,427
Investment	27,194	691,240	21,350	49,496,246	50,236,030
Acquisitions of subsidiaries	-	-	15,000	-	15,000
Disposals	(120)	(16,516,476)	-	(476,967)	(16,993,563)
Disposals of subsidiaries (Note 4.2)	(1,518,248)	(2,152,905)	-	(4,310)	(3,675,463)
Transfers	21,008,389	3,123,393	9	(23,572,723)	559,068
Closing balance as at 30 September 2021	253,242,114	477,389,601	101,211,172	67,845,612	899,688,499
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2021	48,229,268	354,978,760	52,963,497	-	456,171,525
Depreciation of the period	2,852,459	28,692,772	3,652,479	-	35,197,710
Reversals of impairment losses (Note 17)	-	(275,007)	-	-	(275,007)
Acquisitions of subsidiaries	-	-	15,000	-	15,000
Disposals	-	(16,513,817)	-	-	(16,513,817)
Disposals of subsidiaries (Note 4.2)	(1,517,277)	(2,035,832)	-	-	(3,553,109)
Transfers	16,907,024	(16,935,816)	9	-	(28,783)
Closing balance as at 30 September 2021	66,471,474	347,911,060	56,630,985	-	471,013,519
Carrying amount					
as at 30 September 2021	186,770,640	129,478,541	44,580,187	67,845,612	428,674,980

As at 30 September 2021 the Investment related to intangible assets in progress includes 37.3 million euros related to IT projects and development software. Within that amount it is included 13.2 million euros of capitalizations of personnel costs related to own work.

9. Rights of use

During the period of nine months ended on 30 September 2021, the detail and the movement in the value of the rights of use, as well as in the respective depreciations, was as follows:

	Land and Buildings	Vehicles	Others tangible assets	Total tangible assets
Cost				
Opening balance as at 1 January 2021	1,546,044,095	97,032,923	2,787,283	1,645,864,301
Additions	54,324,179	8,114,403	1,243,237	63,681,819
Acquisitions of subsidiaries (Note 4.1)	2,547,150	-	313,780	2,860,930
Effect of foreign currency exchange differences	132,242	15,179	1,204	148,625
Decreases and write-offs	(67,942,739)	(5,512,931)	(786,014)	(74,241,684)
Disposals of subsidiaries (Note 4.2)	(7,020,413)	(750,293)	-	(7,770,706)
Closing balance as at 30 September 2021	1,528,084,514	98,899,281	3,559,490	1,630,543,285
Accumulated depreciation and impairment				
Opening balance as at 1 January 2021	543,547,696	47,080,585	1,406,459	592,034,740
Depreciation of the period	76,267,701	17,997,696	461,277	94,726,674
Effect of foreign currency exchange differences	17,288	319	649	18,256
Decreases and write-offs	(35,110,400)	(2,089,734)	(86,248)	(37,286,382)
Use of Impairment losses	(28,560,450)	-	-	(28,560,450)
Disposals of subsidiaries (Note 4.2)	(4,491,536)	(387,391)	-	(4,878,927)
Closing balance as at 30 September 2021	551,670,299	62,601,475	1,782,137	616,053,911
Carrying amount				
as at 30 September 2021	976,414,215	36,297,806	1,777,353	1,014,489,374

Liabilities related to rights of use are recorded under non-current and current lease liabilities of 1,082 million euros and 97 million euros respectively (1,100 million euros and 107 million euros at 31 December 2020).

In the consolidated income statement, 94.7 million euros were recognized for depreciation of the period (94.7 million euros in 30 September 2020) and 55.8 million of euros of interest relating to the adjusted debt (55.2 million euros in 30 September 2020).

The balance of the "Use of impairment losses" item is related to the write-off of contracts with usage rights that are already impaired, arising from the optimization plan of Worten's Spanish operation.

10. Goodwill

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

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

As at 30 September 2021 and 31 December 2020, the caption "Goodwill" was made up as follows by segment and country:

Insignia	30 Sep 2021				
	Portugal	Spain	Brazil	Other countries	Total
Sonae MC	486,369,406	19,440,000	-	-	505,809,406
Worten	75,471,392	-	-	-	75,471,392
Sonae Fashion	53,097,133	-	-	-	53,097,133
Sonae IM	2,059,740	1,641,824	-	10,971,314	14,672,878
Sonae Sierra	18,159,949	-	-	-	18,159,949
Others	-	-	61,694,452	-	-
	635,157,620	21,081,824	61,694,452	10,971,314	728,905,210

Insignia	30 Sep 2021				
	Portugal	Spain	Brazil	Other countries	Total
Sonae MC	493,804,759	19,440,000	-	-	513,244,759
Worten	71,641,425	-	-	-	71,641,425
Sonae Fashion	53,097,133	-	-	-	53,097,133
Sonae IM	2,059,740	1,641,824	-	10,971,314	14,672,878
Sonae Sierra	18,159,949	-	-	-	18,159,949
	638,763,006	21,081,824	-	10,971,314	670,816,144

During the period ended 30 September 2021 and the year ended 31 December 2020, the movement occurred in Goodwill, as well as in the respective impairment losses, was as follows:

	31 Dec 2020	31 Dec 2019
Gross value:		
Opening balance	690,068,076	689,116,464
Recalculation of goodwill as a result of changes in the fair value of assets acquired	-	3,066
Disposal of subsidiaries	-	(385,070)
Acquisition of subsidiaries	65,524,419	-
Other variations	-	1,333,616
Closing balance	755,592,495	690,068,076
Accumulated impairment		
Opening balance	19,251,932	10,220,952
Increases	7,435,353	9,416,050
Disposals	-	(385,070)
Closing balance	26,687,285	19,251,932
Carrying amount	728,905,210	670,816,144

11. Joint ventures and associated companies

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

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

Investments in joint ventures and associates	30 Sep 2021	31 Dec 2020
Investments in joint ventures	833,294,518	803,076,597
Investments in associates	754,781,299	745,306,617
Total	1,588,075,816	1,548,383,214

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

COMPANY	30 Sep 2021	31 Dec 2020
Sonae MC		
Maremor Beauty & Fragances, S.L.	154,762	139,077
Sohi Meat Solutions - Distribuição de Carnes, SA	4,019,739	3,364,636
Sonae Sierra		
Arrábidasshopping- Centro Comercial, S.A.	25,997,355	24,706,808
Gaiashopping I- Centro Comercial, S.A.	27,364,081	26,089,855
L.C. Malheiro II, SGPS, SA	2,097,775	2,097,775
Madeirashopping- Centro Comercial, S.A.	17,749,540	15,730,334
North Tower B.V.	2,669,658	2,689,711
Pantheon Plaza B.V.	2,826,933	3,030,384
Park Avenue Development of Shopping Centres SA.	(426,612)	(440,471)
Parque Atlântico Shopping - Centro Comercial, S.A.	16,126,110	14,915,927
Projecto Cúcuta S.A.S.	3,421,239	3,910,624
Pud Srl	-	5,743,385
SC Aegean B.V.	3,934,089	3,929,667
Sierra Balmain Asset Management sp. zo.o.	(104,037)	(345,912)
Sierra Central S.A.S.	84,502	50,898
Sierra LM, SGPS, S.A.	1,044,420	886,785
Via Catarina- Centro Comercial, S.A.	9,185,552	9,116,612
Sonae FS		
MDS SGPS, S.A. (consolidated)	20,885,955	20,863,149
Sonae IM		
Unipress - Centro Gráfico, Lda	529,697	528,871
NOS		
ZOPT, SGPS, SA (consolidated)	693,089,061	662,983,284
Sonae SGPS		
Mktplace- Comércio Eletrónico, SA	2,644,697	3,085,198
Investments in joint ventures	833,294,518	803,076,597

1) Company disposed during the first trimester of 2021.

Financial Investment in NOS

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

At 30 September 2021, it was considered that the assumptions made in the impairment tests carried out in 2020 did not have significant variations.

With regard to ZOPT's financial participations in Finstar and ZAP Media (Finstar consolidated), the Board of Directors of NOS and ZOPT is certain that the patrimony seizure to Mrs. Isabel dos Santos, in the specific case of the shares held by her in Finstar and ZAP Media (where she holds 70% of the capital), does not change the control profile, in this case joint control as defined in IFRS 11, it is not expected to have relevant consequences for the operational management of companies, in addition to restrictions on the distribution of dividends in these companies.

At 4 April 2020, SONAE COM, was informed by its subsidiary ZOPT of the communication received from the Lisbon Central Criminal Instruction Court ('Court') to proceed to the preventive arrest of 26.075% of NOS' share capital, corresponding to half the shareholding in NOS held by ZOPT and, indirectly, by the companies Unitel International Holdings, BV and Kento Holding Limited, controlled by Mrs. Isabel dos Santos. Under the terms of the communication, the arrested shares (134,322,268.5 shares) are deprived of the right to vote and the right to receive dividends, which must be deposited with Caixa Geral de Depósitos, S.A. (CGD) at the order of the court. The other half of ZOPT's participation in NOS' share capital, corresponding to an identical percentage of 26.075% - and which, at least in line with the criterion used by the Court, embodies the 50% held in ZOPT by SONAE COM - was not subject to arrest, nor the rights attached to it were subject to any limitation.

It is the understanding of the board of directors of ZOPT and SONAE COM that the measure of arrest imposed is illegitimate and offends several fundamental rights of ZOPT - third in relation to the decreed arrest-, no being legally liable to determine the deprivation of voting rights, not even to inhibit the holder of the arrested shares from continuing to exercise those rights, which deprivation we understand for this reason, be null and without any effect. Thereafter, ZOPT has deducted third-party embargoes.

At 12 June 2020, ZOPT was notified of the order issued by the Lisbon Central Criminal Investigation Court, which authorizes it to exercise the voting right corresponding to the 26.075% of NOS share capital preventively seized under the

mentioned Court order. For this reason, the Boards of Directors of ZOPT and SONAECOM consider that the conditions of control of ZOPT over NOS are met, and the measure does not have material effects on the control of this company.

Also in June 2020, the Investigating Judge rejected the third-party embargoes deducted by ZOPT based on the Portuguese courts' inability to assess and decide upon them, a decision which, having been appealed by ZOPT, was revoked by the Court of Appeal already in 2021 awaiting further developments, namely the judicial pronouncement on the seizures.

At 19 August Sonaecom communicated the intention of the shareholders of ZOPT (Sonaecom, Unitel International Holdings, BV and Kento Holding Limited) to liquidate the company, maintaining Sonaecom as the reference shareholder of NOS. To date, the efforts to dissolve the ZOPT have not yet been carried out.

In the last quarter of 2020, the seizure of 233,790,325 shares corresponding to 32.65% of capital of ZOPT held by UNITEL was also decreed, with deprivation of the exercise of voting rights and the right to receive dividends, and 124,234,675 shares corresponding to 17.35% of capital of ZOPT held by KENTO, also with no exercise of the right to vote and the right to receive dividends. Additionally, in January 2021, ZOPT was also notified by Caixa Geral de Depósitos (CGD), as the beneficiary of the pledge of the shares held by Kento in ZOPT, referring to being vested with the power to exercise the voting rights inherent in the Shares, and all other inherent rights, and that Kento was deprived of exercising such rights without the prior, express and written authorization of CGD. It is the understanding of the Board of Directors of ZOPT, that whenever there is no question of protecting the economic value of the shares, in the exercise of voting rights, CGD as Kento's pledge creditor, must act in accordance with Kento's instructions, which means voting in the sense defined by Kento.

ZOPT Group provisions

The evolution in provisions occurred during the first 9 months of 2021 compared to 31 December 2020 was as follows:

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

The court ruled on 16 March 2021 and disregarded the remaining pre-scheduled dates for the final hearing. On the present date, we await the scheduling of new dates for the hearing. It is the understanding of the Board of Directors, corroborated by the attorneys accompanying the process, that it is, in formal and substantive terms, likely that NOS SA will be able to win the lawsuit, due to MEO already having been convicted for the same offences by ANACOM.

Interconnection tariffs

At 30 June 2021, there are accounts receivable and accounts payable include EUR 37,139,253 and EUR 43,475,093, respectively, resulting from a dispute between the subsidiary NOS SA and, essentially, the operator MEO – Serviços de Comunicação e Multimédia, S.A. (previously named TMN – Telecomunicações Móveis Nacionais, S.A.), in relation to the non-definition of interconnection tariffs of 2001. In what concerns to that dispute with MEO, the result was totally favourable to NOS S.A., having already become final. In March 2021, MEO filed a new lawsuit against NOS, in which it claimed the price of interconnection services between TMN and Optimus for 2001 at 55\$00 (EUR 0.2743) per minute. NOS filed a defense at the beginning of June challenging the petition by MEO and at this moment, the deadline for carrying out the other procedural steps is currently running.

Other matters ZOPT group (COVID-19)

With the emergence, spread and infection of the new coronavirus COVID-19, several measures were taken to contain the virus with very significant estimated impacts on the Portuguese economy, as well as in other economies, namely, limitations on travel rights and closure of several facilities and establishments.

In the uncertainty of this threat, it is essential that companies design and implement, in a timely manner, structured and efficient contingency plans that guarantee employee protection and business continuity or that, at least, mitigate the resulting effects.

This is a situation of uncertainty and very dynamic, which makes it extremely difficult to estimate impacts, which always have to consider several scenarios and countless variables. Evidence of this difficulty is the historical drops and sharp volatility of exchanges, all over the World; the great variations that occurred in the last quarters of the future projections of macroeconomic indicators, as well as the disparity of these projections between the several entities.

The detail per company of investments in associates is as follows:

COMPANY	30 Sep 2021	31 Dec 2020
Sonae MC		
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	843,943	564,095
Sonae Sierra		
3shoppings - Holding, SGPS, S.A.	12,136,123	11,766,625
Aliansce Sonae Shopping Centers, S.A.	79,326,961	79,756,902
Area Sur Shopping, S.L.	7,395,062	6,608,184
Fundo Investimento Imobiliário Parque Dom Pedro Shopping Center ("FIIPDPSH")	10,406,973	10,656,984
Fundo Investimento Imobiliário Shop. Parque Dom Pedro ("FIISHPDP")	101,800,498	103,727,336
Iberia Shop.C. Venture Coöperatief U.A. ("Iberia Coop")	13,651,123	15,165,196
Le Terrazze - Shopping Centre 1 Srl	6,503,950	6,352,246
Mercado Urbano - Gestão Imobiliária, S.A.	1,219,286	1,211,277
Olimpo Real Estate Portugal, SIGI, S.A.	2,633,005	2,517,550
Olimpo Real Estate SÓCIMI, S.A.	7,824,308	7,767,842
Serra Shopping- Centro Comercial, S.A.	1,030,501	981,615
Sierra European Retail Real Estate Assets Holdings, BV ("Sierra BV")	221,004,644	219,242,750
Sierra Portugal Feeder 1	2,093,010	2,052,163
Sierra Portugal Real Estate ("SPF")	20,296,897	19,742,422
Signal Alpha Republica I, S.A.	247,425	-
Signal Alpha Republica II, Lda.	44,732	-
Trivium Real Estate Socimi, S.A.	25,391,986	25,515,219
Zenata Commercial Project	2,111,168	2,015,742
Sonae IM		
Alfaros SARL	4,537	9,975
Armilar Venture Partners - Sociedade de Capital de Risco, SA (Armilar)	1	1
Fundo de Capital de Risco Armilar Venture Partners II (Armilar II)	76,826,312	96,578,403
Fundo de Capital de Risco Armilar Venture Partners III (Armilar III)	52,841,378	31,302,286
Fundo de Capital de Risco Espirito Santo Ventures Inovação e Internacionalização (AVP I+I)	15,224,032	16,025,833
Probe.ly - Soluções de Cibersegurança, Lda	107,824	133,897
1) Secucloud GMBH	-	1,671,708
Suricate Solutions	20,957	15,520
Others	3,240	19,728
Sonae SGPS		
Iberian Sports Retail Group (ISRG)	93,791,423	83,905,118
Investment in associated companies	754,781,299	745,306,617

1) Company disposed during the first semester of 2021.

In the period ended September 30, 2021, the variation in the proportion of the equity capital of the Armilar II Fund, in addition to the variation resulting from the appropriation of the fund's results, is essentially related to the fact resulting from changes to the Armilar Funds Regulation, in which the amount related to the contractual incentive (Incentive Scheme) payable to the Fund Management Company, recorded in "Provisions" in the amount of 28,781,305 euros was reclassified to "Investments in joint ventures and associates".

11.2 Movement occurred in the period

During the period ended at 30 September 2021, movements in investments in joint ventures and associates are as follows:

Investments in joint ventures	30 Sep 2021		
	Proportion on equity	Goodwill	Total investment
Balance as at 1 January	711,852,013	91,224,584	803,076,597
Increases during the period	1,860,429	-	1,860,429
Period disposals	(4,868,699)	(874,686)	(5,743,385)
Equity method:			
Effect in gains or losses in joint controlled	33,257,504	-	33,257,504
Effect in equity capital and non-controlling interests	843,373	-	843,373
	742,944,620	90,349,898	833,294,518

30 Sep 2021

Investments in associated companies	Proportion on equity	Goodwill	Total investment
Initial balance as at 1 January	660,608,261	84,698,356	745,306,617
Change of method by percentage dilution (Note 17)	(29,774,345)	-	(29,774,345)
Increases during the period	1,038,059	-	1,038,059
Acquisitions during the period	389,543	13,051	402,594
Capital reduction in associated companies	(5,805,240)	-	(5,805,240)
Period disposals	(1,310)	-	(1,310)
Equity method:			
Effect in gains or losses in associated companies	43,110,627	-	43,110,627
Distributed dividends	(3,348,611)	-	(3,348,611)
Effect in equity capital and non-controlling interests	3,484,875	-	3,484,875
Others	368,033	-	368,033
	670,069,892	84,711,407	754,781,299

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.

12. Financial assets at fair value

12.1 Through profit or loss

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

Company	Head Office	Statement of financial position	
		30 Sep 2021	31 Dec 2020
Sonae MC			
Inscó - Insular de Hipermerc., SA	Ponta Delgada	4,748,744	4,748,744
Sportessence - Sport Retail, SA	Ponta Delgada	595,964	595,964
		5,344,708	5,344,708
Sonae IM			
Arctic Wolf Networks, Inc	Delaware	24,442,888	46,129,113
Aryaka	Colorado (USA)	1,369,362	-
Case on IT	Madrid	2,244,539	4,402,087
CB4	Israel	-	3,278,059
CelliWise	Singapore	8,452,794	7,976,142
ciValue	Yokneam (Israel)	1,934,531	1,825,443
Daisy Intelligence	Canadá	1,124,363	1,050,496
Jscrambler	Oporto	3,828,724	1,550,000
Ometria, Ltd.	London	8,007,891	7,664,992
Portainer	New Zealand	431,815	-
Reblaze	St. Louis	2,374,983	2,241,058
Sales Layer	Valência	2,500,358	2,500,358
Sellforte	Finland	2,500,003	-
Sixgill Ltd	Israel	5,181,780	4,889,580
ViSenze	Singapore	2,520,766	2,378,620
Weaveworks	San Francisco (USA)	4,318,149	4,074,649
Habit Analytics	Évora	790,804	715,854
Citcon	San Jose (USA)	4,318,150	-
Replai	Oporto	2,293,897	-
Taikai	Oporto	1,836,895	-
Other financial assets		1,457,884	1,647,613
		81,930,576	92,324,064
Financial assets at fair value through profit or loss		87,275,284	97,668,772

On September 30, 2021, the reduction in the value of the investment in Arctic Wolf includes the sale of 50% of the participation held for the value of 36.4 million euros, having generated a capital gain of 11.2 million euros (net of operating costs of 1.1 million euros).

During September 2021, CB4 was fully acquired by GAP, as so Sonae IM sold the stakes owned for 8.55 million euros. The sale generated a gain of 5.1 million euros (3.9 million euros net of tax).

12.2 Through other comprehensive income

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

Company	Head Office	Statement of financial position	
		30 Sep 2021	31 Dec 2020
Sonae			
NOS SGPS, SA	Lisbon	132,164,000	108,604,000
Sonae IM			
Deepfence	Califórnia	2,159,075	2,037,325
Eat Tasty	Vila Nova Famalicão	259,696	259,696
Iriu sRisk	Saragoça	1,416,514	1,416,514
Nextail Labs, SL	Madrid	1,628,759	1,628,759
Sensei	Castelo Branco	405,900	405,900
StyleSage, Inc.	Delaware	1,520,135	1,378,547
Other financial assets		211,877	173,048
		7,601,957	7,299,789
Financial assets at fair value through other comprehensive income		139,765,957	115,903,789

12.3 Movement during the period

During the period ended at 30 September 2021 and 31 December 2020, the movement in the value of financial assets at fair value, was as follows:

Investimentos ao justo valor através de outro rendimento integral e através de resultados	30 set 2021	31 dez 2020
Justo valor (líquido de perdas por imparidade) em 1 de janeiro	213,572,561	63,712,062
Aumentos durante o exercício	10,687,272	156,870,708
Diminuições durante o exercício	(27,550,065)	-
Aumento/(diminuição) do justo valor através de resultados	6,469,111	21,709,652
Aumento/(diminuição) do justo valor através de rendimento integral	23,862,362	(28,192,640)
Outros	-	(527,221)
	227,041,241	213,572,561

The decreases in the period are mainly explained by the partial sale of the participation held in Arctic Wolf and the sale of the entire participation in CB4.

The difference between the balance of the item "Increase/(decrease) in fair value through profit or loss" and the balance disclosed in the statement of comprehensive income is explained by the capital gain generated on the sale of the holdings mentioned in the previous paragraph.

13. Deferred taxes

Deferred tax assets and liabilities as at 30 September 2021 and 31 December 2020 may be described as follows considering the different natures of temporary differences:

	Deferred tax assets		Deferred tax liabilities	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Difference between fair value and acquisition cost	4,176,754	4,080,627	86,760,432	86,948,484
Temporary differences on property, plant and equipment and intangible assets	570,945	878,819	85,700,180	83,639,246
Temporary difference of negative goodwill and equity method	-	-	32,983,438	27,782,492
Provisions and impairment losses not accepted for tax purposes	14,926,672	20,038,528	-	-
Impairment of assets	-	-	639,053	639,053
Valuation of hedging derivatives	790,786	844,932	980,186	137,828
Amortisation of Goodwill for tax purposes in Spain	-	-	38,099,153	33,736,643
Revaluation of tangible assets	-	-	538,200	594,018
Tax losses carried forward	31,698,692	22,098,962	-	-
Reinvested capital gains/losses	-	-	119,639	137,055
Tax Benefits	36,391,501	26,121,341	-	-
Rights of use	263,664,310	277,241,211	230,231,696	245,406,220
Others	7,203,627	6,768,384	1,298,077	82,034
	359,423,287	358,072,804	477,350,054	479,103,073

As at 30 September 2021 and 31 December 2020, 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.

14. Other investments

As at 30 September 2021 and 31 December 2020, the movements in "Other investments" made up as follows:

	31 March 2021	
	Non current	Current
Other investments:		
Fair value (net of impairment losses) as at 1 January	14,266,208	-
Acquisitions in the period	1,558,709	-
Disposals in the period	(443,947)	-
Increase/(decrease) in fair value through other comprehensive income	-	-
Transfers to available for sale	(123,090)	-
Transfers to available for sale	(538,392)	-
Fair value (net of impairment losses) as at 31 March	14,719,488	-
Fair value as at 1 January	-	3,303,370
Increase/(decrease) in fair value	-	23,077,509
Fair value as at 31 March	-	26,380,879
Financial instruments others		
Fair value as at 1 January	-	42,512
Increase/(decrease) in fair value	-	(42,029)
Fair value as at 31 March	-	483
	14,719,488	26,381,361

15. Cash and cash equivalents

On 30 September 2021 and 31 December 2020, the breakdown of Cash and cash equivalents is as follows:

	30 Sep 2021	31 Dec 2020
Cash and bank balances on the statement of financial position	747,897,887	763,302,610
Bank overdrafts (Note 16)	(619,185)	(11,129,160)
Cash and bank balances in the statement of cash flows	747,278,702	752,173,450

16. Retained earnings

The variation in the balance of retained earnings is mostly explained by the impact of approximately 205 million euros, a consequence of the sale of 24.99% of the shareholding held in Sonae MC, as mentioned in note 17.

17. Non-controlling interest

During the period ended 30 September 2021, the movement in non-controlling interests are detailed as follows:

Non-controlling interest	Sonae MC	Worten	Sonae Sierra	Sonae Fashion	Sonae IM - Sonaeacom, SGPS, SA	Others	Total
Opening balance as at 1 January 2021	50,116,945	518,402	286,810,588	(774,070)	111,100,688	(709,424)	447,063,129
Distributed dividends	-	-	-	-	(3,161,506)	-	(3,161,506)
Change in percentage of subsidiaries	177,720,597	-	(84,166,902)	-	(1,619,204)	822,280	92,756,771
Delivery and attribution of shares to employees due to extinction of obligation	133,113	-	-	-	-	-	133,113
Change in currency translation reserve	2,176,751	-	-	(74,437)	(32,553)	27,750	2,097,511
Change in fair value of assets available for sale	-	-	-	-	47,741	-	47,741
Capital decrease	-	-	(426,348)	-	-	-	(426,348)
Changes in hedging reserves	3,917,436	-	232,603	-	-	-	4,150,039
Others	1,125,309	-	375,882	69,391	302,905	(107,030)	1,766,457
Profit for the period attributable to non-controlling interests	24,386,419	342,056	4,179,497	(251,526)	6,719,816	(125,032)	35,251,230
Closing balance as at 30 September 2021	259,576,570	860,458	207,005,320	(1,030,642)	113,357,887	(91,456)	579,678,137

The item "Change in percentage of subsidiaries", in the Sonae MC segment, is justified in its majority by two operations with opposite contributions; the impact of the disposal of 24.99% of the capital held from Sonae MC to Camoens Investments S.á r.l, which originated an increase of approximately 205 million euros and in the opposite way the impact of the disposal of the remaining shares held of Maxmat, which originated a decrease of approximately 27 million euros.

Additionally, in the Sonae Sierra segment, the variation in the item "Change in percentage of subsidiaries" refers to the acquisition of an additional 10% of Sonae Sierra share capital, previously own by Grosvenor Investments for 82 million euros, thus the Group now owns 80% of that subsidiary.

18. Loans

As at 30 September 2021 and 31 December 2020, loans are made up as follows:

	30 Sep 2021		31 Dec 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans	251,013,553	709,300,083	177,139,325	1,006,897,412
Bonds	321,349,955	366,664,278	9,849,955	687,699,113
Other loans	1,649,016	1,277,662	6,367,713	1,806,789
Total loans	574,012,525	1,077,242,023	193,356,993	1,696,403,314

	30 Sep 2021		31 Dec 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans				
Sonae SGPS, SA - commercial paper	205,000,000	180,000,000	67,865,000	380,000,000
Sonae SGPS, SA 2016/2023	10,000,000	30,000,000	10,000,000	30,000,000
Sonae SGPS, SA 2020/2025	-	25,000,000	-	25,000,000
Sonae SGPS, SA 2020/2027	-	50,000,000	-	30,000,000
Sonae MC SGPS, SA - commercial paper	-	103,635,893	-	140,000,000
Sonae MC affiliated /2014/2023	-	50,000,000	-	50,000,000
Sonae MC affiliated /2015/2023	-	-	-	20,000,000
Sonae MC affiliated /2017/2025	-	-	3,333,333	13,333,333
Sonae MC /2018/2025	-	55,000,000	-	55,000,000
Sonae MC affiliated /2020/2025	-	55,000,000	-	55,000,000
Sonae SGPS affiliated /2014/2021	-	-	20,000,000	-
Sonae SGPS affiliated /2019/2023	-	-	-	50,000,000
Sonae, SGPS,SA - commercial paper	-	-	5,000,000	15,000,000
Sonae Sierra SGPS, SA - commercial paper	25,000,000	-	10,000,000	15,000,000
Sonae Sierra / 2018/2022	-	10,000,000	-	10,000,000
Sonae Sierra affiliated /2015/2023	5,200,000	109,200,000	5,200,000	113,100,000
Sonae Sierra affiliated /2016/2026	-	36,300,000	41,300,000	-
Others	5,361,593	6,231,444	3,614,637	7,052,922
	250,561,593	710,367,337	166,312,970	1,008,486,255
Bank overdrafts (Note 14)	619,185	-	11,129,160	-
Up-front fees beard with the issuance of borrowings	(167,225)	(1,067,254)	(302,805)	(1,588,843)
Bank loans	251,013,553	709,300,083	177,139,325	1,006,897,412

	30 Sep 2021		31 Dec 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bonds				
Bonds Sonae SGPS/ 2019/2026	50,000,000	-	-	50,000,000
Bonds Sonae SGPS/ 2020/2027	160,000,000	-	-	160,000,000
Bonds ESG Sonae SGPS/ 2020/2025	-	50,000,000	-	50,000,000
Bonds ESG Sonae SGPS/ 2020/2025	4,000,000	16,000,000	-	20,000,000
Bonds Sonae MC / December 2015/2024	-	50,000,000	-	50,000,000
Bonds Sonae MC / May 2015/2022	75,000,000	-	-	75,000,000
Bonds Sonae MC / December 2019/2024	-	30,000,000	-	30,000,000
Bonds Sonae MC / April 2020/2027	-	95,000,000	-	95,000,000
Bonds Sonae MC / July 2020/2025	-	50,000,000	-	50,000,000
Bonds Sonae MC / July 2020/2025	22,500,000	-	-	22,500,000
Bonds Sonae Sierra / 2018/2025	10,000,000	30,000,000	10,000,000	40,000,000
Bonds Sonae Sierra / 2018/2023	-	25,000,000	-	25,000,000
Bonds Sonae Sierra / 2018/2023	-	25,000,000	-	25,000,000
Up-front fees beard with the issuance of borrowings	(150,045)	(4,335,722)	(150,045)	(4,800,887)
Bonds	321,349,955	366,664,278	9,849,955	687,699,113
Other loans	734,499	1,277,662	701,251	1,806,789
Derivates	914,517	-	5,666,462	-
Other loans	1,649,016	1,277,662	6,367,713	1,806,789

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 2021 on bond loans and bank loans averaged approximately 1.1% (1.24% at 31 December 2020). Most of the bond loans and variable-rate bank loans are indexed to Euribor.

The derivatives are recorded at fair value.

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

	30 Sep 2021	31 Dec 2020
N+1 ^{a)}	573,415,277	188,143,381
N+2	319,930,609	331,971,676
N+3	309,015,814	530,727,265
N+4	247,514,492	234,987,237
N+5	118,313,505	341,020,193
After N+5	87,870,579	264,086,673
	1,656,060,276	1,890,936,425

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 2021, Sonae has, as detailed below, cash and bank balance equivalents in the amount of 748 million euros (763 million euros as at 31 December 2020) and available credit lines as follows:

	30 Sep 2021		31 Dec 2020	
	Commitments of less than one year	Commitments of more than one year	Commitments of less than one year	Commitments of more than one year
Unused credit facilities				
Sonae MC	96,000,000	165,000,000	94,000,000	265,000,000
Sonae Sierra	54,969,346	-	54,969,346	-
Holding & Others	109,650,000	241,617,935	109,266,276	207,161,129
	260,619,346	406,617,935	258,235,622	472,161,129
Agreed credit facilities				
Sonae MC	96,000,000	268,635,893	94,000,000	405,000,000
Sonae Sierra	54,969,346	-	54,969,346	-
Holding & Others	231,400,000	482,900,000	137,000,000	607,650,000
	382,369,346	751,535,893	285,969,346	1,012,650,000

19. Provision and impairment losses

Movements in “Provisions and impairment losses” during the period ended 30 September 2021 are as follows:

Caption	Balance as at 01 Jan 2021	Increase	Decrease	Discontinued operations Note 5.2	Balance as at 30 Sep 2021
Accumulated impairment losses on investments	3,577,791	-	(1,908,714)	-	1,669,077
Impairment losses on property, plant and equipment	122,655,719	1,422,941	(13,517,544)	(565,736)	109,995,380
Impairment losses on intangible assets	34,342,007	-	(275,007)	-	34,067,000
Accumulated impairment losses on non-current assets	9,411,112	-	(9,411,112)	-	-
Accumulated impairment losses on non-current assets held for sale	51,375	-	-	-	51,375
Accumulated impairment losses on other current debtors	34,555,949	4,502,299	(9,077,071)	(293,537)	29,687,640
Non-current provisions	47,032,991	342,566	(29,018,626)	(12,661)	18,344,270
Current provisions	16,344,127	1,838,123	(11,016,662)	-	7,165,588
	267,971,071	8,105,929	(74,224,736)	(871,934)	200,980,330

In the period ended as at 30 September 2021, due to changes to the Armilar Funds Regulation, the amount related to the contractual incentive (Incentive Scheme) to be paid to the Fund Management Company, recorded in “Non-current provisions” in the amount of 28,701,305 euros, was reclassified to “Investments in joint ventures and associates” (Note 10.1).

The change in the caption “Impairment losses on tangible fixed assets” results mostly from the sale and write-off of Worten Spain’s assets as a result of the disposal and closing of 17 and 14 stores respectively, consequence of the Worten’s Spanish operation optimization plan (Note 7).

The change in the caption “Accumulated impairment losses on non-current assets” is mostly explained by the reversal of the impairment, in the amount of 9.2 million euros, associated with the sale of the participation in the Pud, SLR (Note 11).

As of 30 September 2021, the difference between the total “Increase” and the balances of the Income Statement captions “Impairment losses” and “Provisions” is mostly explained by the impairment loss recorded in goodwill, in the amount of 7.4 million euros, in relation to a subsidiary of Sonae MC.

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

20. Income or expenses related to investments

Income or expenses related to investments for the periods ended 30 September 2021 and 2020 can be detailed as follows:

	30 Sep 2021	30 Sep 2020 Restated Note 5
Dividends	10,764,488	100,648
Sierra Prime% Dilution	-	20,462,064
Others	(1,066,916)	1,514,474
Gains / (losses) on the sale of investments in subsidiaries, joint ventures and associates	(1,066,916)	21,976,538
Others	(27,077)	(148,887)
Impairment of investments in subsidiaries	-	-
Impairment reversal on financial investments	-	2,885
Impairment reversal/(losses) on investments	-	2,885
Total income and (expenses) related to investments	9,670,495	21,931,184

Within the amount of dividends is included 10.6 million euros regarding the received dividends from the company NOS, SGPS, S.A. in which Sonae SGPS holds an approximately 7% stake.

21. Other Income

The breakdown of other income for the periods ending 30 September 2021 and 2020 is as follows:

	30 Sep 2021	30 Sep 2020 Restated Note 5
Supplementary income	31,883,731	27,284,874
Prompt payment discounts obtained	19,962,405	19,373,619
Foreign currency exchange gains	12,263,978	12,357,078
Own work capitalised	13,169,654	11,218,404
Rent discounts relating to pandemic impact	4,196,735	-
Gains on sales of assets	8,360,087	5,720,320
Impairment losses reversals	626,182	2,831,030
Subsidies	2,205,611	1,424,161
Others	489,523,681	8,077,641
	103,199,250	88,287,127

22. Net financial Expenses

Net financial expenses are as follows:

	30 Sep 2021	30 Sep 2020 Restated Note 5
Expenses		
Interest payable		
related with bank loans and overdrafts	(10,450,354)	(9,582,597)
related with non convertible bonds	(6,520,920)	(5,975,422)
related with operational leases	(55,794,318)	(55,078,988)
others	(1,291,978)	(1,824,986)
	(74,057,570)	(72,461,993)
Foreign exchange losses	(27,669,319)	(18,902,738)
Up front fees and commissions related to loans	(4,564,494)	(4,473,542)
Others	(2,547,442)	(1,774,589)
	(108,838,825)	(97,612,862)
Income		
Interest receivable		
others	1,476,676	1,933,432
	1,476,676	1,933,432
Foreign exchange gains	23,349,797	13,376,091
Foreign exchange hedging derivatives	4,627,969	-
Other financial income	81,403	33,157
	29,535,845	15,342,680
Fair value adjustment of investments registered at fair value on the income statement	-	6,140,852
	(79,302,980)	(76,129,330)

23. Related parties

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

	Parent Company		Jointly controlled companies	
	30 Sep 2021	30 Sep 2020 Restated Note 5	30 Sep 2021	30 Sep 2020 Restated Note 5
Sales & Services rendered	226,888	207,808	12,031,451	9,482,776
COGS and materials consumed	-	-	214,757,712	209,505,913
External supplies and services and other expense:	126	15,406	12,847,534	9,918,340
Financial income	-	-	465,374	357,864
Financial expense	-	-	86,151	93,096
Others	-	-	1,197,718	438,889
	227,014	223,214	241,385,940	229,796,878

	Associated companies		Other related parties	
	30 Sep 2021	30 Sep 2020 Restated Note 5	30 Sep 2021	30 Sep 2020 Restated Note 5
Sales & Services rendered	72,311,564	66,713,301	41,313,320	39,617,669
COGS and materials consumed	-	6,145	1,415,041	1,467,232
External supplies and services and other expense:	3,608,529	3,189,612	7,607,808	5,759,430
Financial income	365,349	494,857	-	-
Financial expense	4,857,307	4,169,865	83,077	87,839
Others	1,528,793	8,013,735	2,963,236	1,310,327
	82,671,542	82,587,515	53,382,482	48,242,497

	Parent Company		Jointly controlled companies	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Other non-current assets	-	-	1,839,158	2,967,983
Trade receivables	30,794	31,470	2,369,172	3,050,795
Other receivables	2,509	9,943	8,926,704	6,216,147
Trade payables	-	3,225	82,361,465	81,337,372
Other payables	-	-	3,339,352	3,317,485
	33,303	44,638	98,835,851	96,889,782

	Associated companies		Other related parties	
	30 Sep 2021	31 Dec 2020	30 Sep 2021	31 Dec 2020
Other non-current assets	11,118,558	9,841,246	114,287	114,287
Trade receivables	10,786,875	10,328,033	15,130,087	15,004,658
Other receivables	4,349,620	7,701,950	943,081	1,487,013
Trade payables	2,092,632	1,524,399	1,127,621	978,377
Other payables	4,683,539	3,919,650	2,935,404	1,233,132
	33,031,224	33,315,277	20,250,480	18,817,467

	Jointly controlled companies		Associated companies		Other related parties	
	30 Sep 2021	30 Sep 2020 Restated Note 5	30 Sep 2021	30 Sep 2020 Restated Note 5	30 Sep 2021	30 Sep 2020 Restated Note 5
Aquisition of tangible assets	648,578	192,307	12,893	30,117	6,561	4,503
Sales of of tangible assets	3,706	-	-	15,454,619	1,260	3,463
Aquisition of intangible assets	725,069	73,512	-	-	-	-
	1,377,353	265,819	12,893	15,484,736	7,821	7,966

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

24. Earnings per share

Earnings per share for the periods ended 30 September 2021 and 2020 were calculated taking into consideration the following amounts:

	30 Sep 2021		30 Sep 2020 Restated Note 5	
	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)	120,922,786	37,280,116	(4,113,646)	(98,721)
Net profit taken into consideration to calculate diluted earnings per share	120,922,786	37,280,116	(4,113,646)	(98,721)
Number of shares				
Weighted average number of shares used to calculate basic earnings per share	1,908,434,638	1,908,434,638	1,910,236,308	1,910,236,308
Effect of dilutive potential ordinary shares from convertible bonds	128,667,482	128,667,482	128,667,482	128,667,482
Outstanding shares related with share based payments	6,919,305	6,919,305	10,630,179	3,885,211
Shares related to performance bonus that can be bought at market price	(1,444,878)	(1,444,878)	(985,164)	(1,588,454)
Weighted average number of shares used to calculate diluted earnings per share	2,042,576,547	2,042,576,547	2,048,548,805	2,041,200,547
Earnings per share				
Basic	0.063362	0.019534	(0.002153)	(0.000052)
Diluted	0.059201	0.018252	(0.002008)	(0.000048)

25. Cash receipts and cash payments of investments

As at 30 September 2021 and 2020, cash receipts and cash payments related to investments can be detailed as follows:

Receipts	30 Sep 2021	30 Sep 2020
Receipt related to the disposal of 249,900,000 shares of Sonae MC	528,000,000	-
Receipt related to the disposal of Maxmat	39,743,871	-
Receipt related to the disposal of Artic Wolf	36,417,920	-
Receipt related to the disposal of Imosonaell LP's	3,789,512	-
Receipt related to the disposal of Parma (Put option)	3,308,654	-
Receipt related to the disposal of Sport Zone	3,000,000	-
NL04 Shares Premium Decrease	1,560,000	-
Receipt related to the disposal of Digitmarket	1,337,613	-
Trivium Shares Premium Decrease	1,302,175	-
ORES Socimi Shares Premium Decrease	405,261	-
Disposal of Sierra BV	-	246,042,240
Sierra BV Shares Premium Decrease	-	21,706,762
Others	427,153	1,954,297
	619,292,158	269,703,299

Payments	30 Sep 2021	30 Sep 2020
Acquisition of SONAE SIERRA SGPS	82,159,275	-
Acquisition of Claybell	71,975,014	-
Acquisition of Portimativo	20,215,007	-
Acquisition of Citicon	4,239,803	-
Acquisition of ZAASK	2,960,439	-
Acquisition of Sellforte	2,500,003	-
Acquisition of 25% and earnout of Elergone	1,500,000	2,045,054
Supplementary Payments of MKTPLACE	1,389,025	-
Acquisition of Jscrambler	1,000,000	300,000
Acquisition of FIIPDP	816,871	-
Acquisition of Replay	493,010	600,000
Acquisition of Portainer.io	415,144	-
Acquisition of Signal Alpha I and II	402,594	-
Acquisition of Sierra Central	376,804	-
Acquisition of Area Sur	375,000	-
Acquisition of Taikai	350,000	174,900
Acquisition of Secucloud	221,188	-
Acquisition of Automaize	120,000	-
Acquisition of NOS SGPS	-	136,420,000
Acquisition of the remaining 50% of Salsa	-	63,075,597
Acquisition of North Tower BV	-	2,671,406
Acquisition of Sales Layer	-	2,500,358
Acquisition of Deepfence	-	2,085,593
Acquisition of Mercado Urbano	-	1,256,971
Acquisition of CELLWISE	-	695,942
Acquisition of Case on IT	-	604,000
Acquisition of Daisy Intelligence	-	480,307
Acquisition of Didimo	-	150,000
Others	1,891,834	3,787,883
	193,401,013	216,848,012

26. Cash Settled Equity Swap

In the 3rd quarter of 2021, Sonae settled the Cash Settled Equity Swap operation and repurchased the remaining 85,146,422 shares for approximately 76 million euros.

Although in 2007 the rights and duties inherent to the treasury shares sold by Sonae were transferred to the purchasers, Sonae opted to keep the treasury shares in its consolidated statement of financial position, given that the execution of the Cash Settled Equity Swap attributed to the purchasers. even so, the risks and rewards associated with the sold shares. Therefore, according to Sonae's interpretation of IAS 39, applied by analogy to equity instruments, it does not allow the derecognition of financial instruments if the selling entity substantially maintains the risks and rewards associated with the sold financial instrument.

As a result, Sonae kept the acquisition cost of the shares covered by the aforementioned contract recorded in its equity, so its liquidation had no impact on Sonae's equity.

27. 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 Sonae 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.

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 2021 and 2020 can be summarized as follows:

	30 Sep 2021			30 Sep 2020 Restated Note 5		
	Consolidated	Indirect Income	Direct Income	Consolidated	Indirect income	Direct income
Turnover	5,013,891,522	-	5,013,891,522	4,788,700,605	-	4,788,700,605
Value created on investment properties	(2,133,040)	(2,133,040)	-	(15,819,504)	(15,819,504)	-
Investment income						
Dividends and others adjustments	10,764,537	10,564,000	200,537	100,648	-	100,648
Others	9,256,723	(2,157,541)	11,414,264	52,961,132	-	52,961,132
Others income						
Reversal of impairment losses	5,849,104	-	5,849,104	2,464,759	-	2,464,759
Reversal of provisions for warranty extensions	412,708	-	412,708	366,271	-	366,271
Others	96,922,658	(47,546,458)	144,469,116	85,456,097	-	85,456,097
Total income	5,134,964,213	(41,273,039)	5,176,237,252	4,914,230,008	(15,819,504)	4,930,049,512
Total expenses	(4,758,889,291)	-	(4,758,889,291)	(4,494,800,627)	7,811,516	(4,502,612,143)
Depreciation and amortisation	(251,619,889)	-	(251,619,889)	(251,400,684)	-	(251,400,684)
Impairments of inventories	(4,500,000)	-	(4,500,000)	(33,400,000)	-	(33,400,000)
Losses on property, plant and equipment and intangible assets	(1,989,928)	-	(1,989,928)	770,213	-	770,213
Impairment losses and provisions						
Provisions for warranty extensions	(791,885)	-	(791,885)	(379,551)	-	(379,551)
Others	(17,265,619)	-	(17,265,619)	(48,416,220)	(23,863,044)	(24,553,176)
Profit before financial results and results of joint ventures and associates and non-recurrent items	99,907,599	(41,273,039)	141,180,638	86,603,139	(31,871,032)	118,474,171
Non-recurrent items	51,551,428	-	51,551,428	7,579,992	-	7,579,992
Gains and losses on investments recorded at fair value through results	13,511,813	8,626,852	4,884,960	(1,823,938)	29,345,075	(31,169,013)
Financial profit/(loss)	(79,302,981)	-	(79,302,981)	(76,129,330)	6,231,369	(82,360,699)
Share of results of joint ventures and associated undertakings						
Associates and joint ventures of Sonae Sierra	6,872,958	(13,050,971)	19,923,929	(30,945,562)	(43,100,162)	12,154,601
Armilar Venture Funds	31,340,913	31,340,913	-	(8,826,255)	(8,826,255)	-
ZOPT	28,629,776	-	28,629,776	21,387,528	-	21,387,528
Others	9,524,483	-	9,524,483	(7,740,719)	-	(7,740,719)
Profit before income tax	162,035,989	(14,356,245)	176,392,233	(9,895,145)	(48,221,005)	38,325,861
Income Tax	(21,726,283)	(9,207,785)	(12,518,498)	(7,606,226)	(4,516,410)	(3,089,816)
Profit/(Loss) from continued operations	140,309,706	(23,564,030)	163,873,735	(17,501,371)	(52,737,415)	35,236,045
Profit/(Loss) from discontinued operations	53,144,426	47,546,458	5,597,968	3,437,748	(900,000)	4,337,748
Profit/(Loss) for the period	193,454,132	23,982,428	169,471,703	(14,063,623)	(53,637,415)	39,573,793
Attributable to equity holders of Sonae	158,202,902	20,437,347	137,765,555	(4,212,366)	(51,235,896)	47,023,530
Non-controlling interests	35,251,230	3,545,082	31,706,148	(9,851,257)	(2,401,519)	(7,449,735)
"Underlying" EBITDA (b)	-	-	415,391,394	-	-	393,323,398
EBITDA (a)	-	-	530,618,977	-	-	431,042,548
EBIT (c)	-	-	261,092,645	-	-	124,923,660

- (a) EBITDA = total direct income - total direct expenses - reversal of direct impairment losses + share of results in joint ventures and associated undertakings (Sonae Sierra direct results, Zopt and other participated) + provisions for extensions of guarantee + unusual results
- (b) "Underlying" EBITDA = EBITDA – effect of the equity method – non-recurrent results;
- (c) EBIT = EBT - financial results – dividends;
- (d) EBT = Direct results before taxes;
- (e) Direct income = Results excluding contributions to indirect results;
- (f) Indirect income = Includes Sonae 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.

28. Subsequent events

There were no relevant events identified that occur between the date of the consolidated financial statements and the date of their approval.

29. Approval of financial statements

The financial statements were approved by the Board of Directors in a meeting held on 9 November 2021.

The Board of Directors,

Duarte Paulo Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

José Manuel Neves Adelino

Margaret Lorraine Trainer

Marcelo Faria de Lima

Carlos António Rocha Moreira da Silva

Fuencisla Clemares

Philippe Cyriel Elodie Haspeslagh

Maria Cláudia Teixeira de Azevedo

João Pedro Magalhães da Silva Torres Dolores

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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