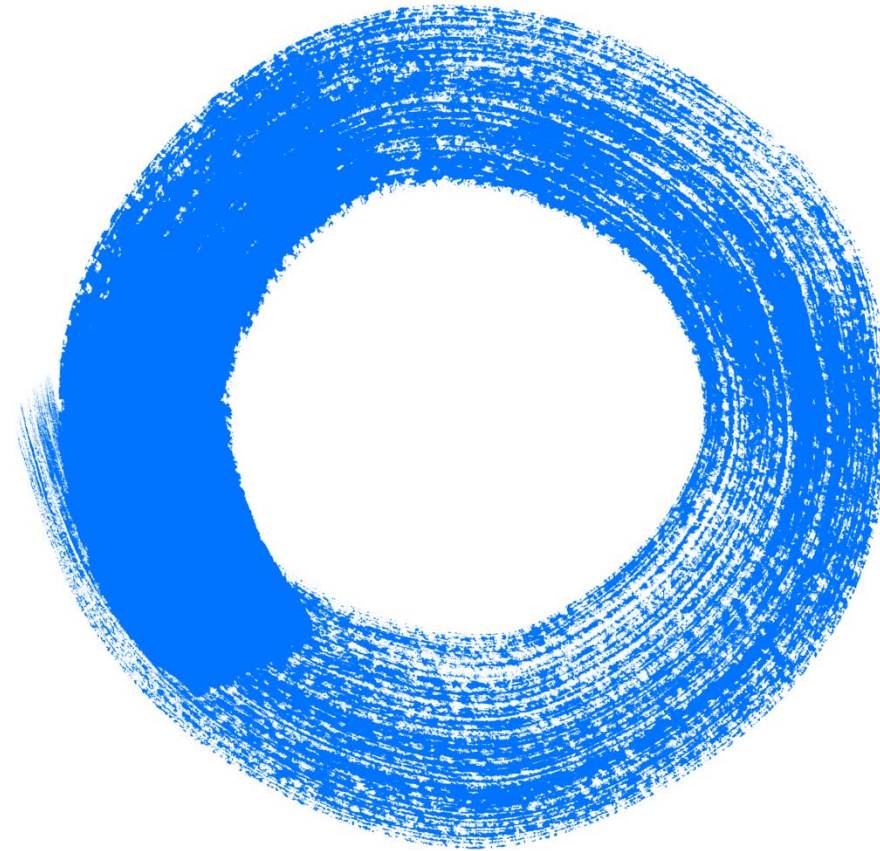
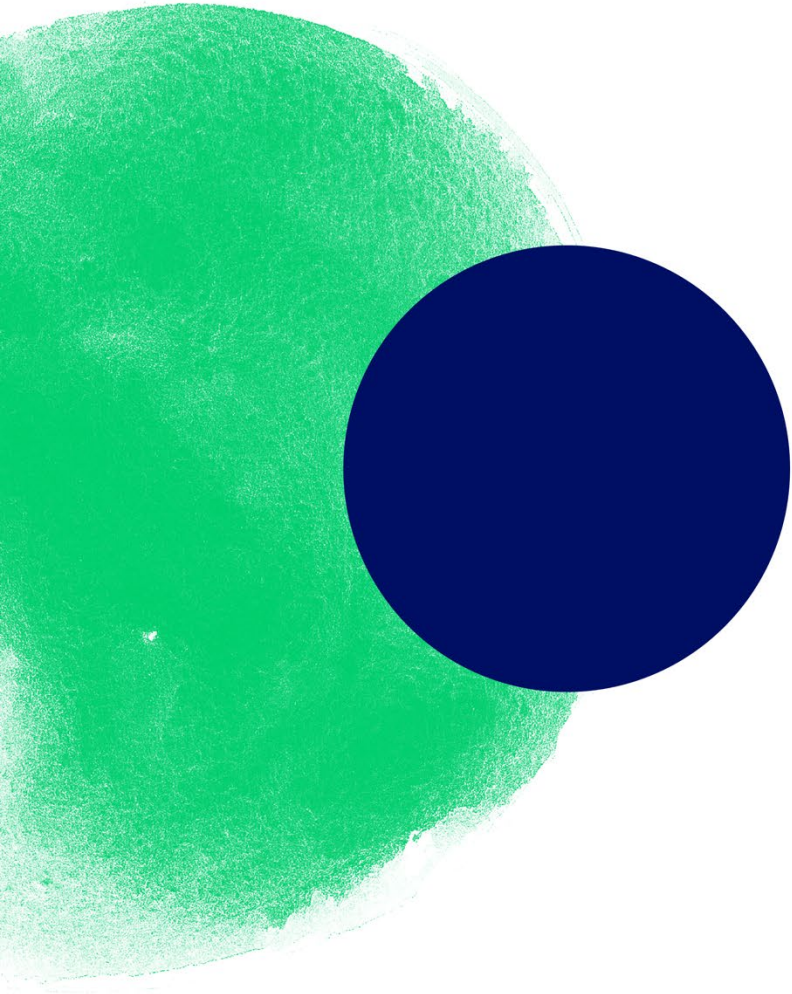


# Results Report 2023



Sonda





# 2023 Highlights

## Key Financial Indicators

- **Consolidated turnover** reached €8.4bn, a 9.2% yoy increase, mainly driven by the growth of MC, which, under a demanding inflationary and competitive context, was able to reinforce its leadership position in the Portuguese grocery retail market.
- **EBITDA** reached €1.0bn, +7.2% yoy, fuelled by a strong display in operating profitability, with underlying EBITDA increasing 12% yoy, and by significant value creation in Sonae's investment activity, underpinned by the disposal of the 30% stake in ISRG.
- **Net result** (group share) stood at €357m, 6.4% above last year, despite the impact of higher funding costs and tax expenses, as well as an increase in depreciations due to the investment in the expansion and digitalization of our businesses.
- **Free Cash flow** before dividends was €187m, in line with last year, leading consolidated net debt to €526m, a record-low level, and to a net cash position of €69m at the holding company.
- **Sound financial position** across all businesses and at the group level, with significant liquidity available and a comfortable debt maturity profile.
- **NAV**, based on market references, increased +14% yoy to €4.5bn, driven by higher valuations at MC, Worten and Sierra, coupled with the value created by the sale of Sonae's position in ISRG.

## Dividend Proposal

The Board of Directors will, in compliance with Sonae's Dividend Policy, propose at the Shareholders' Annual General Meeting, a dividend of 5.639 euro cents per share, +5% yoy, corresponding to a dividend yield of 6.2% (based on the share price at YE23) and a payout of 25%<sup>1</sup> of the consolidated direct result.

## Key ESG Indicators

- **GHG emissions** (scope 1+2): Sonae's portfolio continued to be on track toward its 2032 reduction target, with a decrease of 6% at the end of 2023 vs. the base line of 2022 (considering the SBTi targets submission process).
- **CDP Climate 2023**: the group's efforts in the fight against climate change were recognized with the **leadership A category**.
- 87% of our **plastic packaging** in 2023 was recyclable, another step towards our commitment to reach 100% reusable, recyclable or compostable plastic packaging in our own brand products by 2025.
- First progress assessment on the commitment for "**Zero Deforestation**" by 2030: our retail businesses ensured that 58% of their relevant commodities (timber, cattle, palm oil and soy) are deforestation free (sourced from a non-risk country or certified).
- 83% of total long-term credit facilities already linked to **Sustainable, Green or ESG performance**.
- Significant progress was achieved in several **diversity dimensions**, in particular in gender parity, with 40% of **leadership positions** held by **women** at end of the year.
- **Support to our communities** continued to increase and reached €33m in 2023.

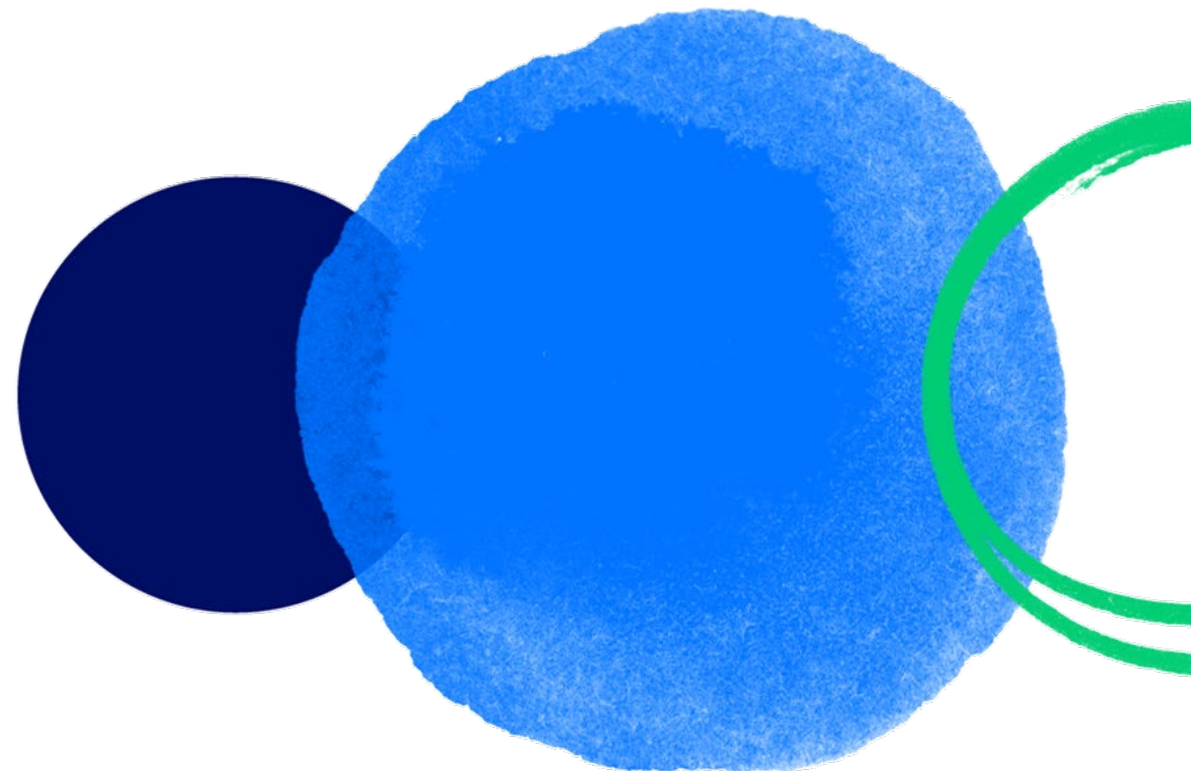
<sup>1</sup> Assuming own shares as of 31.12.2023 totalling 70,272,539.

## Portfolio Management Activity

### During 4Q23:

- Sonae exited the sports retail sector with the completion of the sale of its 30% stake in **ISRG** for €300m, generating a €168m capital gain.
- Tender offer on **Musti**, a leading pet care retailer and services provider in the Nordics, with total revenues of €426m and an adjusted EBITDA of €74m in its 2023 fiscal year. Already in 2024, the consortium led by Sonae secured the control of Musti by reaching 80.65% of its share capital (on a fully diluted basis).
- **Universo** and **Bankinter Consumer Finance** closed the 50/50 partnership to create a new reference player in consumer credit in Portugal. Sonae received a total of €42m for the sale of a 50% stake in Universo and registered a capital gain of €12m.

**During 9M23:** (i) MC entered into an agreement with the founding shareholders of Druni and Arenal for the combination of these two companies (completion expected in 1H24); (ii) Sonae acquired the remaining 10% stake in Sierra, and (iii) Sonaecom acquired Sonae's direct stake in NOS (11.30%) for €213m (€3.6527 per share), reaching 37.37% of the share capital in the company (this transaction did not impact the voting rights in NOS attributable to Sonae).



## CEO letter

2023 was an eventful year for Sonae, a year in which we continued to grow and generate value for all our stakeholders in a context of great uncertainty and volatility. Our determination, resourcefulness and speed of execution enabled us to excel in our core markets, gaining the trust and preference of an increasing number of customers. At the group level, we remained focused on finding growth options, streamlining and future-proofing our portfolio to be better prepared to face the future.

In 2023, we took significant steps towards achieving our ambition, reorganising and expanding our portfolio. At MC, we reached an agreement to merge Druni and Arenal, which, together with Wells, create the largest Iberian player in Health, Wellness and Beauty (HWB). We launched Sparkfood, after investing €110m in international companies dedicated to sustainable and healthy solutions in the food sector and, already in February 2024, we announced the acquisition of BCF Life Sciences in France. At Universo, we partnered with Bankinter Consumer Finance to create the leading consumer credit player in Portugal. And, before the end of 2023, we announced a takeover bid for Musti, the leading pet care retailer in the Nordic countries, and we have since ensured a controlling stake of c.80.6% of the company's share capital.

We also made significant divestments in 2023, in particular by exiting the sports retail sector following the sale of our stake in ISRG (total cash proceeds of €300m and a capital gain of €168m), which fuelled our cash flow generation from asset sales to €331m giving us more flexibility and firepower to invest in new growth avenues.

Sonae delivered another set of sound consolidated results in the year. Top line increased by 9% yoy to €8.4bn, and EBITDA reached a record-high of almost €1.0bn, growing 7% from 2022, underpinned by the solid operational performance of our businesses and by the capital gains from portfolio changes. MC continued to reinforce its leadership position in the Portuguese grocery retail market and consolidated the HWB business in Iberia. Worten also strengthened its market leadership, while expanding its digital marketplace proposition and actively growing in the services area. Sierra remained focused on executing its strategy, while both its shopping centres and services activities achieved robust results. NOS experienced strong growth, fuelled by an increase in Telco customers and revenues driven by market share gains, particularly in mobile where the company became the number two operator in the market.

In 2023, the improved operational performance of our core businesses, the substantial level of organic and M&A investment totalling €665m and the positive impact from our portfolio changes, led NAV to increase 14% and surpass €4.5bn. The historically low level of leverage resulted in an implied holding company LTV of just 0.6%, a great financial position to support our aspirations.

2023 also marked an important milestone in our sustainability journey, with our renewed strategy reinforcing our commitment to continue progressing in the areas where we want to have the greatest impact on our people, our communities, and the planet.

We remain well on track to reach our ambitious goals of Zero Deforestation by 2030 and to achieve carbon-neutral operations by 2040. On the social front, and after achieving 40% of leadership positions held by women in 2023, we are extremely proud of establishing a new ambitious commitment to reach gender parity in 2026. The support to our communities increased again and reached €33m, as we continued to invest in innovative and inclusive educational projects, reaching more than 360 thousand beneficiaries. Additionally, with the fast and disruptive technological advances and the need to quickly navigate the unknown, we remain dedicated not only to defining reskilling and upskilling plans for our teams, but also to building opportunities for our communities, assuming a leading role in the innovative PRO\_MOV project.

All in all, 2023 was a dynamic and challenging year. We experienced the effects of rising inflation and increasing costs on our businesses and operated again in an uncertain context at both national and international levels. I am incredibly proud of the ability and energy shown by our teams in delivering results and humbled by their commitment, which remains critical to our growth, evolution and future aspirations.

Going forward, in today's complex landscape, we must remain focused on future-proofing our companies through strategic initiatives and strong partnerships. We must continue determined, bold, and nimble to quickly adapt to the evolving risks, seize the surging trends and capture the opportunities that lie ahead. As we strive to create superior economic, social, and natural value, the leading positions of our businesses within their respective industries, coupled with our financial strength and unique culture, serve as strong foundations. We will continue to turn ambition into action, while striving to make a meaningful impact today and tomorrow for everyone.

Cláudia Azevedo, CEO



# Overview

## Key Data

€m	31.12.22	31.03.23	30.06.23	30.09.23	31.12.23
NAV <sup>1</sup>	3,974	4,079	4,240	4,411	4,513
Market capitalization	1,870	2,010	1,802	1,840	1,809
Net Debt	540	922	1,067	982	526

€m	4Q22 R	4Q23	yoy	2022	2023	yoy
Turnover	2,225	2,363	6.2%	7,693	8,399	9.2%
Underlying EBITDA	198	216	9.1%	644	722	12.1%
Underlying EBITDA margin	8.9%	9.1%	0.2 p.p.	8.4%	8.6%	0.2 p.p.
EBITDA	381	410	7.6%	923	990	7.2%
Direct Result	241	260	7.9%	446	427	-4.4%
Net result group share	126	222	76.6%	336	357	6.4%
Sale of assets	229	317	38.1%	301	331	10.0%
M&A capex	-46	-47	-3.9%	-277	-223	19.7%
Free cash flow before dividends paid	483	464	-3.8%	187	187	0.3%
Dividends paid	0	0	-	-169	-161	-

	1Y	3Y	5Y	10Y
Total Shareholder return <sup>2</sup>	2%	61%	48%	36%

<sup>1</sup> Based on market references <sup>2</sup> Source: Bloomberg.

R - Restated as Universo was considered as asset held for sale and all periods in 2022 were restated to consider this asset as discontinued operation.

Sonae's **NAV**, based on market references, amounted to €4.5bn at YE23, implying +2% qoq and +14% yoy. The quarter improvement was mainly fuelled by the contribution of MC, driven by both its improved operational performance and favourable market multiples.

During 2023 the retail and real estate businesses performed strongly despite the demanding macroeconomic conditions and tough competition environment. In fact, a still though decelerating high inflation scenario continued to pressure our cost structures, but our businesses were able to deliver a solid and resilient operational performance driven by reinforced market shares.

Consolidated **turnover** increased 9% yoy to €8.4bn, and uEBITDA grew 12% yoy (+€78m) to €722m, with an 8.6% margin, +0.2p.p. yoy, mainly fuelled by MC. Consolidated **EBITDA** delivered a €1.0bn record-high in the year, +7% yoy, despite lower equity method results, on the back of our portfolio management activity, that was more than offset by uEBITDA improvement. Higher level of D&A driven by our businesses' store network expansion and digitalization efforts, coupled with increased financial costs and tax expenses, led Direct Result to €427m, and the Net result (group share) to €357m at the end of year, 6% above last year.

**Operational cash flow** evolution reflected the increased capex from MC on its retail network expansion and refurbishment, which more than offset our main businesses improved operational performance. Moreover, our portfolio management activity and dividends received during the year led to a **free cash flow before dividends** of €187m, in line with last year. After the dividend payment to our shareholders and partners of €161m, **consolidated net debt** slightly decreased in 2023 to €526m.

Sonae ended the year with significant liquidity available, a comfortable debt maturity profile and 83% of total long-term credit facilities already linked to Sustainable, Green or ESG performance.

NAV (€m)	2022	2023	Var %
Retail (food & electronics)	2,027	2,418	19.3%
Real estate	875	1,057	20.9%
Telco and technology	962	885	-8.0%
Other investments*	342	202	-41.0%
Holding	-232	-49	79.0%
o.w. net debt	-248	-26	89.4%
<b>NAV</b>	<b>3,974</b>	<b>4,513</b>	<b>13.6%</b>

\* Includes: Universo, Zeitreel (Salsa, MO and Zippy/Losan), Sparkfood (www.sparkfood.com) and ISRG (only in 2022).

Note: NAV based on market references and for more detail please see Investor Kit in www.sonae.pt

€m	2022	2023
EBITDA (inc. rents and taxes)	423	466
Working capital and others	35	1
Operational capex	-357	-443
<b>Operational cash flow</b>	<b>101</b>	<b>25</b>
Net financial activity	-21	-39
M&A capex	-277	-223
Sale of assets	301	331
Dividends received	83	93
<b>FCF before dividends paid</b>	<b>187</b>	<b>187</b>

## Portfolio

### Retail

#### MC

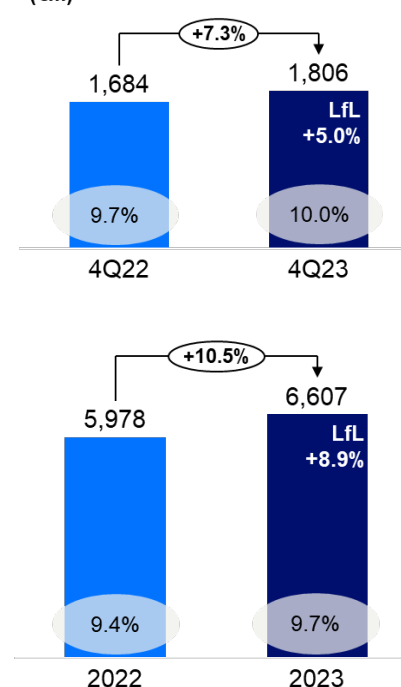
##### 75% stake, fully consolidated

In 2023, the Portuguese grocery market was impacted by a challenging macroeconomic environment with high food inflation levels and a very competitive landscape, with strong investments in store expansion and refurbishments by the main players, together with a highly dynamic price and promotions context.

As market leader, MC continued to actively fulfil its role by ensuring that customers receive a high quality and affordable offering, both in stores and online. Also, the company continued the roll-out of its store expansion plan across formats and banners, with a particular emphasis to the opening of 21 new grocery stores, of which 19 Continente Bom Dia (proximity format). Amid this challenging operating setting, MC was able to consolidate its leadership position in the Portuguese grocery market.

In 2023, top line increased by 10.5% yoy to €6.6bn (LfL of +8.9%), with the last quarter delivering +7.3% yoy (LfL of +5.0%) with a decelerating food inflation. This performance was fuelled by both the grocery format and the HWB segment which delivered impressive results with double digit LfL growth.

#### Turnover and uEBITDA margin (€m)



In terms of profitability, this strong top line growth, combined with a significant reduction in energy costs and the ongoing focus on operational efficiency gains, enabled MC to offset the pressure of its strong price investment and the impact of the consumers' trading down, leading uEBITDA to reach €639m in 2023 (+13% yoy, with a margin of 9.7%). In the quarter uEBITDA reached €181m (+11% yoy), with a margin of 10.0% (+31bps).

MC opened 65 new company-operated stores during the year (representing +32k square meters of sales area), which combined with the refurbishment of several stores, and the continuing investment in the optimisation of technological and logistics capabilities, led to a total capex of €310m in 2023.

FCF stood at €136m in 2023, which compares with €214m in 2022, as the disciplined execution of its ambitious investment program and higher financial and tax costs more than offset its strong operational performance. After the dividend payment of €214m, net financial debt reached €486m at YE23, and the ratio of total net debt to EBITDA stood at a comfortable 2.8x (2.7x at YE22).

Finally, MC took strategic steps to prepare the future and strengthen its position in the HWB segment. Despite still pending antitrust clearance for completion (expected for the 1H24), the agreement between MC and the founding shareholders of Druni and Arenal to combine these two companies, will allow MC to become the market leader in the Iberian HWB sector.

## Worten

### 100% stake, fully consolidated

Amidst a challenging macroeconomic landscape, the Iberian electronics market demonstrated resilience, growing at approximately 3%, during 2023.

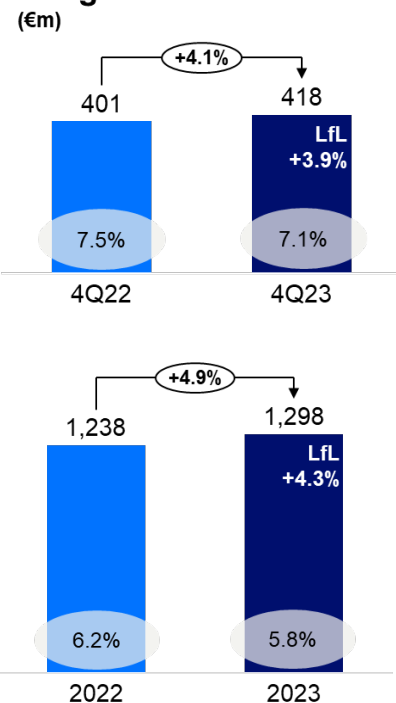
For Worten, both its core segments (electronics and home appliances), and its new categories, leveraging on the marketplace and adjacent services, continued to perform positively. The company's turnover reached €1.3bn in the year, +4.9% yoy and a LfL of +4.3%, with the last quarter achieving sales of €418m, representing a 4.1% yoy increase and a LfL of +3.9%.

The online channel continued as a key positive contributor, with sales increasing 6% yoy in the quarter and in the year, and representing 16% of total sales by year-end. As a result, Worten was able to reinforce its market position both in Portugal and Canary Islands, as well as online and offline.

In terms of profitability, the favourable sales evolution was more than offset by the ongoing digital transformation and inflationary pressure in some operational line costs, leading uEBITDA to €30m in 4Q23 (with a 7.1% margin, -0.4p.p. vs 4Q22) and €75m in 2023 (with a 5.8% margin, -0.4p.p. vs 2022).

In terms of capex, Worten strategically allocated €59m to support its digital transformation program and to open 18 new company-operated stores, including 14 iServices stores.

### Turnover and uEBITDA margin



## Real Estate

### Sierra

#### 100% stake, fully consolidated

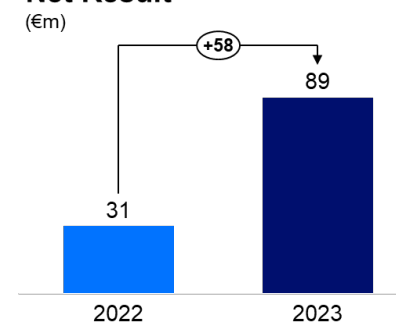
In 2023, Sierra recorded a strong financial performance and continued to successfully execute its strategy across the different business areas.

During the year, Sierra achieved key strategic milestones, such as: (i) the commercialisation of a prime mixed-use asset, República 5, in Lisbon, Portugal, in partnership with Signal Capital; (ii) the construction of Colombo Office Tower, and (iii) the expansion of its property management contracts with 27 new contracts and renewals, throughout Europe and Morocco. All in all, at the end of 2023, Sierra exposure to non-shopping centre assets is more than 20% of the AuM. Already in 2024, (i) the set up of a new investment vehicle for retail real estate in the German market, in partnership with Bankinter, and (ii) the competition authority approved the deal to manage CTT real estate portfolio in Portugal (363 assets).

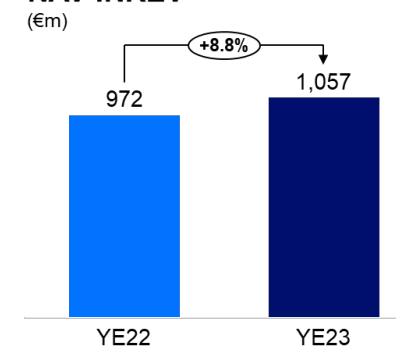
The European shopping centre portfolio performance surpassed expectations, with tenants' sales achieving record levels of double-digit LfL growth compared to both last year and pre-pandemic period. Increased footfall and high occupancy rates (98%) buoyed results across the board, while collection rates also remained high. Services continued its strong momentum with double-digit growth at both top line and EBITDA level.

All in all, Sierra's solid performance across all its business areas resulted in a Direct Result and an Indirect Result of €63m and €26m, respectively, culminating in a Net Result of €89m (+€58m yoy). This contributed to a 9% yoy rise in the company's Net Asset Value (NAV) as of the end of 2023 to €1.1bn.

### Net Result



### NAV INREV





During 2023, Sonae decided to concentrate its investments in these areas at Sonaecom. Therefore, further details can be found at Sonaecom's FY23 announcement available [here](#).

### NOS

#### 37.4% stake, equity consolidated<sup>2</sup>

NOS reported its 2023 results to the market on March 5<sup>th</sup>, closing the year with a strong operational and financial performance, which further details can be found at the company website available [here](#).

NOS equity method results contribution for Sonae's consolidated accounts reached €63m in the year (vs €61m in 2022), positively impacted by the increased stake in NOS that was more than offset by the capital gain from towers sale registered last year.

In terms of shareholder remuneration, the company's Board of Directors approved a proposal to the next AGM of an ordinary dividend payment of 35 euro cents per share, 26% above last year's ordinary dividend and corresponding to a payout of 99.6% of net results and 10.6% dividend yield. Total dividend distribution proposal amounts to €180m, of which €67m for Sonaecom.

### Bright Pixel

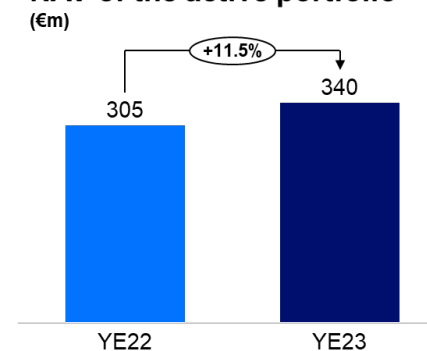
#### 90% stake, fully consolidated

During 2023, Bright Pixel continued to explore opportunities to expand its active portfolio, which already includes 43 companies around the globe, through investments in new ventures and follow-ons within its existing portfolio.

During the 4Q23, the company participated in two financing rounds, which combined with six new companies in the portfolio (including Seldon, Picnic, Harmony and Sekoia.io) completed in previous quarters and follow investments, led to a total investment of €53m in the year. In terms of exits, during the 4Q23, the sale of Reblaze – a leading international provider of cloud-native web application and API protection (WAAP), to Link11 Group generated cash returns of €5.2m.

Bright Pixel investment activity led to an increase in both NAV and Cash Invested in the active portfolio to €340m and €177m, respectively, reflecting a potential cash-on-cash of 1.9x on the existing portfolio.

#### NAV of the active portfolio



<sup>2</sup> Total stake through Sonaecom.

## Outlook

The global economy faces challenges stemming from geopolitical tensions, climate concerns and technological advances. On the one hand, economic activity may prove to be sluggish, as central banks try to balance growth with sustainability and inflation concerns. On the other hand, technology drives innovation and demands adaptability. Politics will also play an important role in 2024, as after the general elections in Portugal, we will have elections for the EU Parliament and for the USA Presidency, all with potential to significantly impact the outlook for our main businesses. In this challenging context, flexibility, collaboration, and a forward-looking approach are essential to navigate the uncertainties and seize the opportunities that lie ahead.

During 2024, Sonae will be focused on growth, both by providing its portfolio companies the conditions to succeed in their respective markets and by successfully integrating acquired companies, namely Musti, BCF Life Sciences in Sparkfood and Druni in MC. These investments are important steps towards Sonae's ambition to build a more international and long-lasting portfolio.

As for our main businesses, MC will remain focused on consolidating its leadership in the Portuguese grocery retail market, further expanding and remodelling its store network and offering the best value and products to its customers. For HWB, the priority will be on the successful integration of Arenal and Druni, while positioning the company to maintain its attractive growth profile and capture the synergies from this combination.

Worten will continue to push its omnichannel strategy on both products and services, focusing on accelerating its digital transformation and defending its market leadership position.

At Sierra, prime assets should continue to perform well while the company executes its strategy, looking for further asset management initiatives to foster value creation across its shopping centre portfolio, to accelerate growth in the services area across diverse asset classes, while executing and growing its development pipeline.

NOS will leverage the strong investments done in recent years to continue to attract new customers in both B2C and B2B and improve its market position in Portugal. And Bright Pixel will continue to actively manage its portfolio of investments in leading-edge technology companies.

## Corporate Information

Main announcements during 2023 are published in [www.sonae.pt](http://www.sonae.pt) and [www.cmvm.pt](http://www.cmvm.pt) (market regulator).

### Subsequent events

**February 1<sup>st</sup>:** Sonae SGPS, SA informed on extension of the period of the public tender offer for the acquisition of shares representing the share capital of Musti Group plc.

**February 5<sup>th</sup>:** Sonae SGPS, SA informed about the irrevocable offer and exclusive negotiations for the planned acquisition, by its subsidiary Sparkfood, of a c.89% stake in Diorren (BCF Life Sciences).

**February 16<sup>th</sup>:** Sonae SGPS, SA informed on expiration of the period of the public tender offer for the acquisition of shares representing the share capital of Musti Group plc and preliminary result.

**February 20<sup>th</sup>:** Sonae SGPS, SA informed on expiration of the period of the public tender offer for the acquisition of shares representing the share capital of Musti Group plc and final result.

**February 22<sup>nd</sup>:** Sonae SGPS, SA informed on control of Musti secured by the consortium led by Sonae.

**March 1<sup>st</sup>:** Sonae SGPS, SA informed on bonds issuance.

**March 7<sup>th</sup>:** Sonae SGPS, SA informed on expiration of the subsequent period of the public tender offer for the acquisition of shares representing the share capital of Musti Group plc and preliminary result.

**March 11<sup>th</sup>:** Sonae SGPS, SA informed on expiration of the subsequent period of the public tender offer for the acquisition of shares representing the share capital of Musti Group plc and final result.

## Consolidated P&L

€m	4Q22	4Q23	yoy	2022	2023	yoy
<b>Turnover</b>	<b>2,225</b>	<b>2,363</b>	6.2%	<b>7,693</b>	<b>8,399</b>	9.2%
<b>Underlying EBITDA</b>	<b>198</b>	<b>216</b>	9.1%	<b>644</b>	<b>722</b>	12.1%
<i>margin</i>	<i>8.9%</i>	<i>9.1%</i>	<i>0.2 p.p.</i>	<i>8.4%</i>	<i>8.6%</i>	<i>0.2 p.p.</i>
Equity method results*	40	19	-52.7%	116	100	-14.3%
Sierra	15	10	-34.0%	46	48	6.0%
NOS	17	22	31.1%	61	63	4.7%
Others	8	-13	-	10	-12	-
Non-recurrent items	142	174	22.7%	163	169	3.5%
<b>EBITDA</b>	<b>381</b>	<b>410</b>	7.6%	<b>923</b>	<b>990</b>	7.2%
<i>margin</i>	<i>17.1%</i>	<i>17.3%</i>	<i>0.2 p.p.</i>	<i>12.0%</i>	<i>11.8%</i>	<i>-0.2 p.p.</i>
D&A and Provisions and Imp.	-101	-121	-19.7%	-364	-417	-14.5%
<b>EBIT</b>	<b>279</b>	<b>288</b>	3.2%	<b>559</b>	<b>573</b>	2.5%
Net Financial results	-29	-31	-7.3%	-95	-124	-30.2%
Taxes	-9	3	-	-18	-22	-27.1%
<b>Direct result</b>	<b>241</b>	<b>260</b>	7.9%	<b>446</b>	<b>427</b>	-4.4%
<b>Indirect result</b>	<b>-95</b>	<b>-11</b>	88.0%	<b>-46</b>	<b>-4</b>	91.4%
<b>Net result</b>	<b>146</b>	<b>249</b>	70.8%	<b>401</b>	<b>423</b>	5.6%
Non-controlling interests	-20	-26	-33.9%	-65	-66	-1.1%
<b>Net result group share</b>	<b>126</b>	<b>222</b>	76.6%	<b>336</b>	<b>357</b>	6.4%

\* Equity method results: include direct income by equity method results (Sierra and NOS), income related to investments consolidated by the equity method and discontinued operations results.

## Consolidated Balance Sheet

€m	31.12.22	30.09.23	31.12.23
Investment properties	343	363	327
Net fixed assets	2,198	2,254	2,285
Right of Use assets	1,028	1,146	1,191
Financial investments	2,027	2,118	2,148
Goodwill	664	687	657
Working capital	-1,198	-1,016	-1,220
<b>Invested capital</b>	<b>5,061</b>	<b>5,552</b>	<b>5,390</b>
Equity & minorities	3,314	3,235	3,462
Net debt	540	982	526
Net financial debt	565	1,075	555
Net shareholder loans	-25	-93	-29
Lease liabilities	1,207	1,335	1,402
<b>Sources of financing</b>	<b>5,061</b>	<b>5,552</b>	<b>5,390</b>

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



# Glossary

Capex	Investments in tangible and intangible assets and investments in acquisitions. For NOS it includes right of use.
Cash-on-cash ratio	Exit value of the investment divided by the initial investment.
Direct result	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.
HWB	Health, Wellness and Beauty
Indirect result	Includes Sierra's results, net of taxes, arising from: (i) investment property valuations; (ii) capital gains (losses) on the sale of financial investments, joint ventures or associates; (iii) impairment losses of non-current assets (including goodwill) and (iv) provision for assets at risk. Additionally and concerning the remaining Sonae's portfolio, it incorporates: (i) impairments in retail real estate properties; (ii) reductions in goodwill; (iii) provisions (net of taxes) for possible future liabilities and impairments related with non-core financial investments, businesses, assets that were discontinued (or in the process of being discontinued/repositioned); (iv) results from mark-to-market methodology of other current investments that will be sold or exchanged in the near future and from other related income (including dividends); and (v) other non-relevant issues.
Investment properties	Shopping centres in operation owned and co-owned by Sierra.
Lease Liabilities	Net present value of payments to use the asset.
Like for Like sales (LfL)	Sales made by omnichannel stores that operated in both periods under the same conditions. Excludes stores opened, closed or which suffered major upgrade works in one of the periods.
Loan to Value (LTV) - Holding	Holding net debt (average) / NAV of the investment portfolio plus Holding net debt (average).
Loan to Value (LTV) – Sierra	Total debt / (Investment properties + properties under development), on a proportional basis.

INREV NAV Sierra	Open market value attributable to Sierra - net debt - minorities + deferred tax liabilities.
Net asset value (NAV) of the investment portfolio	Market value of each Sonae's businesses – average net debt – minorities (book value). Sonae's NAV is based on market references, such as trading multiples of comparable peers, external valuations, funding rounds and market capitalisations. Valuation methods and details per business unit are available in Sonae's Investor Kit at <a href="http://www.sonae.pt">www.sonae.pt</a> .
Net debt	Bonds + bank loans + other loans + shareholder loans - cash - bank deposits - current investments - other long-term financial applications.
Net financial debt	Net debt excluding shareholders' loans.
Net invested capital	Total net debt + total shareholders' funds.
Open market Value (OMV)	Fair value of properties in operation (% of ownership), provided by independent international entities and book value of development properties (% of ownership).
Other loans	Bonds and derivatives.
Right of use (RoU)	Lease liability at the beginning of the lease adjusted for, initial direct costs, advance rent payments and possible lease discounts.
RoIC	Return on invested capital.
SBTi	Science Based Targets initiative
Total Net Debt	Net Debt + lease liabilities.
Total Shareholder Return (TSR)	Profit or loss from net share price change, plus any dividends received over a given period.
Underlying EBITDA	Recurrent EBITDA from the businesses consolidated using the full consolidation method.
Underlying EBITDA margin	Underlying EBITDA / turnover.

## SAFE HARBOUR

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

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in 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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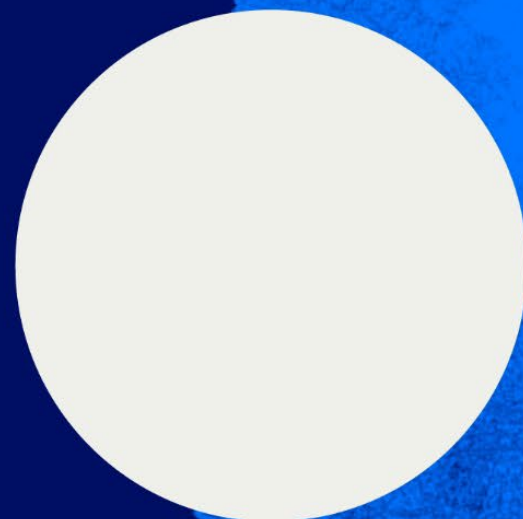
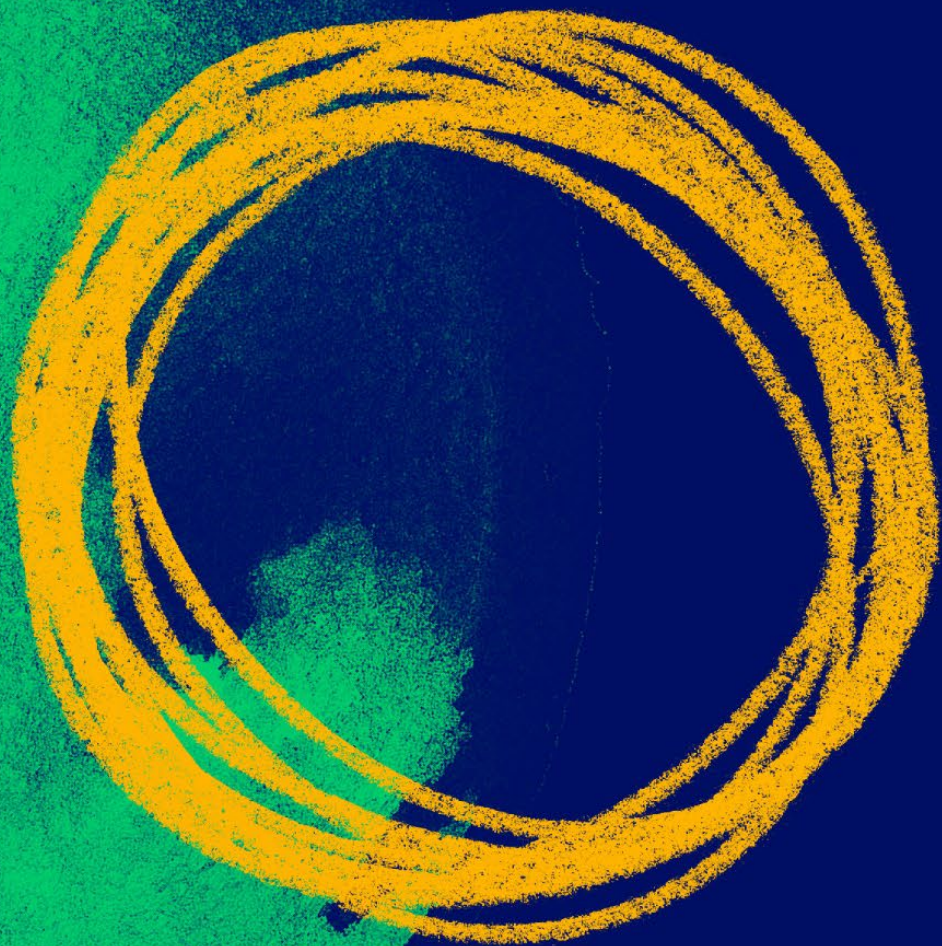
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Sonae is listed on the Euronext Stock Exchange. Information may also be accessed on Reuters under the symbol SONP.IN and on Bloomberg under the symbol SON PL





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