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IBERSOL, SGPS, S.A.

PUBLIC COMPANY (*Sociedade Aberta*)

REGISTERED OFFICE: PRAÇA DO BOM SUCESSO, 105/109, 9TH FLOOR, OPORTO, PORTUGAL

SHARE CAPITAL: € 36,000,000

REGISTERED WITH THE COMMERCIAL REGISTRY OFFICE OF OPORTO, UNDER THE SINGLE REGISTRATION AND TAXPAYER NUMBER 501669477

EU RECOVERY PROSPECTUS

IN RESPECT OF THE PUBLIC SUBSCRIPTION OFFER OF 10,000,000 ORDINARY, NOMINATIVE AND BOOK-ENTRY SHARES WITH A NOMINAL VALUE OF € 1.00, REPRESENTING THE SHARE CAPITAL OF IBERSOL, SGPS, S.A. AFTER THE INCREASE, WITH SUBSCRIPTION RESERVED TO SHAREHOLDERS IN THE EXERCISE OF THEIR PRE-EMPTION RIGHTS AND OTHER INVESTORS WHO ACQUIRE SUBSCRIPTION RIGHTS

AND OF

ADMISSION TO TRADING ON THE EURONEXT LISBON REGULATED MARKET OF UP TO 10,000,000 ORDINARY, NOMINATIVE BOOK-ENTRY SHARES, WITH A NOMINAL VALUE OF € 1.00, REPRESENTING 21.74% OF THE SHARE CAPITAL OF IBERSOL, SGPS, S.A. FOLLOWING THE SHARE CAPITAL INCREASE

This Prospectus shall be read together with the documents incorporated by reference, which form part of it.

Joint Global Coordinators

Millennium investment banking

Santander Corporate & Investment Banking

21 October 2021

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DEFINITIONS

Unless expressly stated otherwise, the following terms have, in this Prospectus, the meanings herein referred to:

"**AENA**": AENA S. M. E., S.A., a company having its registered office at C/ Peonías, 12. 28042, Madrid, registered with the Commercial Registry of Madrid under C.I.F. number: A86212420.

"**General Meeting**": The General Meeting of the Company.

"ATPS": ATPS, SGPS, S.A., a company with registered office at Praça do Bom Sucesso, 105/159 - 9, Oporto, with share capital of € 56,760.00, registered with the Oporto Commercial Registry with the single registration and tax identification number 503997714.

"**Financial autonomy":** Corresponds to the ratio between total equity and total assets. Alternative performance indicator, unaudited.

"CAPEX": Corresponds to the sum of additions in tangible fixed assets and intangible fixed assets. Alternative performance indicator, unaudited.

"CMVM": Comissão do Mercado de Valores Mobiliários, the Portuguese Securities Market Commission, with registered office at Rua Laura Alves, no. 4, 1050-138, Lisbon.

"CVM": The Securities Code, approved by Decree-Law no. 486/99, of November 13, as subsequently amended.

"**Structural Negative Working Capital Component**": The subtraction of the sum of accounts payable to suppliers, accrued expenses, and other current liabilities from the sum of inventories and other current assets. Alternative performance indicator, unaudited.

"**Board of Directors**": The Board of Directors of the Company.

"**Supervisory Board**": The Supervisory Board of the Company.

"Financial Covenants": Contractual commitments of a financial nature (Financial Autonomy and Net Debt/EBITDA), contained in financing contracts, assumed by the debtor with the purpose of protecting the interests of the creditor(s) (e.g., commitment that certain financial limits will or will not be exceeded).

"**Cross Default**": Contractual clauses under which the default of certain contract(s) generates the default of other contract(s).

"CSC": The Commercial Companies Code, approved by Decree-Law No. 262/86, of September 2, as subsequently amended.

"**Net Bank Debt**": Corresponds to the sum of bonds, bank loans, other loans, cash, bank deposits, other non-current financial assets, and other current financial assets. Alternative performance indicator, unaudited.

"Net Debt": Corresponds to Net Bank Debt plus lease liabilities defined in accordance with IFRS-EU. Alternative performance indicator, unaudited.

"**EBITDA":** Operational results minus the amortisation, depreciation and impairment losses of tangible fixed assets, rights of use, goodwill, and intangible assets. Alternative performance indicator, unaudited.

"**Issuer", "Company" or "Ibersol"**: Ibersol, SGPS, S.A., a public company with registered office at Praça do Bom Sucesso, 105/159, Oporto, Portugal, with a share capital of € 36,000,000, registered with the Oporto Commercial Registry with the single registration and tax identification number 501.669.477.

"ERTE": *Expediente de regulación temporal de empleo*, a Spanish labour mechanism similar to *lay-off*, which allows companies to reduce working time or suspend employment contracts.

"Bylaws": The updated articles of association of the Issuer.

"Euro", "euro", "EUR" or "€": the currency of the Member States participating in the third stage of the European Monetary Economic Union.

"**Eurocontrol”:** the European Organisation for the Safety of Air Navigation.

"**Euronext**": Euronext Lisbon - Sociedade Gestora de Mercados Regulamentados, S.A., with registered office at Av. da Liberdade, no. 196, 1250-096, Lisbon.

"Euronext Lisbon": The regulated market managed by Euronext.

"Working Capital": The amount resulting from subtracting total current liabilities from total current assets. Alternative performance indicator, unaudited.

"**Ibersol Group" or "Group"**: The Issuer and all the companies in which it holds an interest that are included in the respective accounts consolidation perimeter (including, without limitation, the companies that are in a controlling or group relationship with it, pursuant to article 21 of the Portuguese Securities Code).

"**IFRS-EU"** means International Financial Reporting Standards, as adopted by the European Union.

"**Interbolsa"**: Interbolsa, Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. with head office at Avenida da Boavista, 3433, 4100-138, Oporto.

"Financial Intermediaries": The financial intermediaries responsible for the assistance and placement services to the Offer, Banco Comercial Português, S.A., with registered office at Praça D. João I, no. 28, 4000, Oporto, with the share capital fully subscribed and paid up of € 4,725,000,000.00, registered with the Oporto Commercial Registry with the single commercial and tax identification number 501525882, and Banco Santander Totta, S.A., with registered office at Rua Áurea 88, 1100-063, Lisbon, with the share capital fully subscribed and paid up of EUR 1,256,723,284, registered with the Commercial Registry Office of Lisbon under the single commercial and tax identification number 500844321.

"ISIN": The International Securities Identification Number ("ISIN"), which consists of a set of 12 alphanumeric characters that uniquely identifies a specific issue of securities.

"***Ley 13/2021***" *Ley 13/2021* of 1 October, in Spain, which determined new rules applicable to the lease contracts of commercial establishments for catering and retail activities located in airports managed by AENA (in the form of a Senate *Enmienda* to *Ley 16/1987*, of 30 July, concerning the *Ordenación de los Transportes Terrestres*).

"**Gross Margin"**: Corresponds to the difference between the sum of sales and services rendered and the cost of sales.

"EBIT Margin": Corresponds to operating results divided by turnover (which corresponds, in turn, to the sum of sales and services rendered). Alternative performance indicator, unaudited.

"EBITDA Margin": Corresponds to EBITDA divided by turnover (which corresponds, in turn, to the sum of sales and services rendered). Alternative, unaudited performance indicator.

"New Shares": The up to 10,000,000 ordinary, book-entry, and nominative shares, with a par value of one euro each, representing 21.74% of the Issuer's share capital (after capital increase), to be issued by the Issuer in the context of a capital increase, which admission to trading on Euronext Lisbon has been requested by the Issuer.

"Offer": The public Offer for the subscription of 10,000,000 New Shares, to be issued under the capital increase resolved by Ibersol.

"Pansfood S.A.U": Pansfood S.A.U, a company with registered office at Avenida Alcalde Barnils, no. 64-68, Edif. B, Planta 1ª, 08174, Sant Cugat del Vallès (Barcelona), registered with the Companies Register under C.I.F. number: A58634726.

"Offer Period": The period running from 8:30 a.m. on 28 October 2021 to 3:00 p.m. on 12 November 2021, *inclusive*.

"Offer Price": The subscription price for the New Shares, i.e., € 4.00 per New Share.

"Prospectus": This EU Prospectus Recovery, relating to the Offer and the admission of the New Shares to trading.

"Financial Leverage Ratio": Corresponds to the quotient between Net Debt and the sum of Net Debt with equity. Alternative performance indicator, unaudited.

"Regulation 2017/1129 ": Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as subsequently amended, in particular by Regulation (EU) No 2021/337 amending it regarding the EU Recovery Prospectus.

"**Operating Income"**: corresponds to the difference between total operating income and operating costs.

"**Turnover":** Corresponds to the sum of sales and services rendered.

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WARNINGS

This Prospectus is drawn up for the purposes of Articles 134 and 236 of the CVM and Article 3(1) and (3) of Regulation 2017/1129. The Prospectus takes the form of an **EU Prospectus Recovery**, pursuant to and for the purposes of Article 14A of Regulation 2017/1129, as added by Regulation (EU) 2021/337 setting out the terms of the EU Prospectus Recovery, and its form and content comply with the provisions of Regulation 2017/1129, Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, as amended, Commission Delegated Regulation (EU) 2019/979 of 14 March 2019, as amended, and remaining applicable legislation.

The Prospectus will expire on 21 October 2022, i.e., 12 months after its approval provided that it is supplemented by any addendum required under Article 23 of Regulation 2017/1129, it being that the obligation to include an addendum in the Prospectus relating to significant new facts, material errors or material inaccuracies will not apply from the time when the Prospectus ceases to be valid.

This Prospectus has been approved by the CMVM, as the competent authority under Regulation 2017/1129, and the approval does not mean an endorsement of the Issuer or the share to which the Prospectus relates. The CMVM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency required by Regulation 2017/1129 and this approval shall not be deemed an endorsement of the Issuer.

No entity other than the Issuer has been authorised to give information or make any representation that is not contained in this Prospectus or that conflicts with information contained in this Prospectus. If a third party issues such information or statement, it should not be relied upon as authorised by (or made on behalf of) the Issuer and, as such, should not be relied upon as reliable.

The existence of this Prospectus does not ensure that the information contained herein remains unchanged since its date of publication. Nevertheless, if, between the date of its approval and the end of the Offer Period or the moment when the trading of the New Shares begins on the regulated market, any significant new fact, material mistake or material inaccuracy regarding the information in the Prospectus that may influence the valuation of the securities or the decision of the Offer recipients occurs or is detected, the Issuer shall immediately request CMVM for approval of a supplement to the Prospectus, pursuant to article 23 of Regulation 2017/1129.

The main risks associated with the Issuer's business, its shareholder structure, the Offer, and the shares to be subscribed for are referred to in Chapter 2 of this Prospectus. Potential investors should carefully consider these risks and the other warnings in this Prospectus before making any investment decision. For any remaining doubts on these matters, potential investors should seek advice from their legal and financial advisors. Potential investors should also inform themselves about the legal and tax implications in their country of residence arising from the acquisition, holding or disposal of the shares applicable to them.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those set forth in these forward-looking statements due to certain factors, including the risks faced by Ibersol described in Chapter 2 and elsewhere in this Prospectus.

Certain figures, numerical information and percentages presented in this Prospectus have been rounded to the nearest number and, as a result, the totals of such figures, numerical information and percentages may vary slightly from the actual arithmetical totals of such information.

Some financial measures that are not defined in IFRS-EU (alternative performance indicators) have been included in this Prospectus, namely "Structural Negative Working Capital Component", "CAPEX", "Net Debt", "Net Bank Debt", "EBITDA", "Working Capital", "EBITDA Margin", "Gross Margin", "Operating Results" and "Financial Leverage Ratio". However, such measures shall not be considered a substitute for any other performance measures derived in accordance with International Financial Reporting Standards, as adopted in the European Union.

Alternative performance indicators, as defined in this Prospectus in the *Definitions* Chapter, may not be comparable to similarly titled measures used by other companies because other companies in the industry may calculate similarly titled measures differently, so the disclosure of similarly titled measures by other companies may not be comparable to that of the Issuer.

Alternative performance indicators are used throughout the Prospectus, as they are considered to introduce useful additional information for a better understanding of the Group's financial performance.

Investors are advised to review these alternative performance measures in conjunction with the Group's consolidated financial statements (audited or subject to limited review) and the accompanying notes which are incorporated by reference into this Prospectus.

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This Prospectus does not constitute a recommendation by the Issuer or an invitation by the Issuer to acquire securities. This Prospectus is also not an analysis of the quality of the shares to be sold or subscribed for or a recommendation to acquire them and does not assess the suitability of subscribing for New Shares for each potential investor. Any investment decision should be based on the information in the Prospectus as a whole and made after an independent assessment of the Issuer's economic condition, financial position, and other elements. No investment decision should be made without prior review by the potential investor and any of its advisors of the Prospectus as a whole, even if the relevant information is provided by reference to another part of this Prospectus or other documents incorporated herein and the consequences (legal, financial, tax or otherwise) for the potential investor of acquiring, owning, and disposing of New Shares. The potential investor should also assess: (i) possible scenarios regarding economic, tax, interest rate or other factors that may affect its investment and its ability to bear such risks, (ii) whether it has the knowledge and experience to understand the risks inherent to the subscription of New Shares and (iii) whether it has sufficient financial resources and liquidity to bear all the risks inherent to an investment in the New Shares.

The distribution of this Prospectus, as well as the acceptance of the Offer, may be restricted in certain jurisdictions. Those in possession of this Prospectus should inform themselves and observe those restrictions. The Offer is not addressed to any person to whom the purchase or subscription of any securities is legally barred in any foreign jurisdiction, namely where it is illegal to sell the New Shares.

The Offer is exclusively made in Portugal and will not be made in other markets, without prejudice to the possibility of participation in it by all recipients whose participation is not prohibited by any law applicable to them.

This section should be considered as an introduction to the Prospectus and does not exempt its full reading, as well as its reading in conjunction with the information elements included therein by reference to other documents, which should be understood as an integral part of this Prospectus.

The Prospectus is available for consultation by the public, during its period of validity, upon request and free of charge, at Ibersol's head office, as well as in electronic format at www.ibersol.pt and at www.cmvm.pt. The Prospectus will remain available for a period of at least 10 years from its publication on the website www.ibersol.pt.

The information contained in this Prospectus is not intended for disclosure, publication, or distribution, directly or indirectly, in or into the United States of America, Canada, South Africa, Australia, Japan or any other jurisdiction in which such distribution or disclosure would be unlawful. This Prospectus or any copies thereof do not constitute an offer to sell, or the solicitation of offers to buy or subscribe for, securities in the United States of America, including its territories or possessions and the District of Columbia. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended ("US Securities Act"), and may not be offered, sold, exercised, or placed in the United States of America. There is no intention to register any part of the offering in the United States of America or to undertake an offering of securities in the United States of America and any offers and sales made outside the United States of America will be made to non-resident persons, as provided in Regulation S under the US Securities Act. The New Shares may not be offered or sold in the United States absent registration under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. There will be no public offering of the New Shares in the United States. This Prospectus has been prepared by Ibersol solely for the use of authorised recipients and in connection with the potential offer by Ibersol. The Prospectus, parts, or copies thereof, may not be transported or transmitted into the United States of America or distributed, directly or indirectly, in the United States of America within the meaning of the US Securities Act. The New Shares have not been and will not be registered under the applicable securities laws of any state or jurisdiction of Canada, Australia, Japan, or South Africa and, subject to certain exceptions, may not be offered or sold in Canada, Australia, Japan, or South Africa to, or for the benefit of, any national, resident or citizen of Canada, Australia, Japan, or South Africa. Any failure to comply with this restriction may constitute a violation of the securities market laws of the United States of America, Canada, South Africa, Australia or Japan or any other jurisdiction in which distribution or disclosure would be unlawful. The issue, exercise, or subscription of the New Shares in the potential offering is subject to specific legal or regulatory restrictions in certain jurisdictions. Ibersol assumes no liability in the event of a breach by any person of any such restrictions. The information contained herein shall not constitute an offer to subscribe or the solicitation of an offer to purchase or subscribe for, nor shall there be any subscription for, any securities referred to herein in any jurisdiction in which such offer, solicitation or subscription would be unlawful. Ibersol has not authorized any offer of securities to the public in any member state of the European Economic Area ("EEA") other than Portugal. In EEA member states other than Portugal in which Regulation (EU) 2017/1129, as amended, (the "Prospectus Regulation") has been implemented, no public offering of the new shares requiring the approval of a prospectus has or will be made. Accordingly, the new shares may only be offered in Member States in any other *circumstance where no prospectus is required to be published by Ibersol in accordance with the Prospectus Regulation. For this purpose, "offer of securities to the public" means any communication to the public, in whatever form and by whatever means, presenting sufficient information on the terms of the offer and the securities to be offered, to enable an investor to decide to purchase or subscribe to these securities. Thus, in EEA Member States other than Portugal, this information may not be considered by persons who are not Qualified Investors. Any investment or investment activity to which this information relates is only available to, and may only be undertaken with, Qualified Investors. In the United Kingdom, this Prospectus is directed only at persons who (i) have professional experience in investment matters and who meet the definition in Article 19(5) of the Financial Services and Markets Act (the "Act").19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) are high net worth individuals and other persons to whom this Prospectus may lawfully be addressed as provided in Article 49(2)(A) to (D) of the Order (all such persons together referred to as "Relevant Persons"). This Prospectus must not be relied on or considered by persons who are not Relevant Persons. Any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and such investment or investment activity will only be made with Relevant Persons. Persons distributing this Prospectus must satisfy themselves that it is lawful to do so.*

The Financial Intermediaries (which, for this purpose, shall be deemed to include their respective controlled, controlling or jointly controlled entities, or any of their directors, employees, collaborators or advisors) provide services with respect to the Offer exclusively to the Issuer, and are not responsible to any third party (other than Ibersol) for the provision of any services nor assume any obligation, responsibility or liability in relation to the Offer or any other transaction, agreement or matter referred to in this Prospectus.

Under applicable law, the Financial Intermediaries are responsible for ensuring that the information contained in this Prospectus is complete, true, current, clear, objective, and lawful, and may exclude their liability, upon proof that they acted without fault, which shall be assessed according to high standards of professional diligence. Other than as provided by law, none of the Financial Intermediaries accepts any liability for, or makes any representation or warranty, express or implied, as to the contents of this Prospectus, including as to its accuracy, completeness or verification, nor as to any statement issued or purported to be issued by (or on behalf of) the Issuer, the members of the Issuer's Board of Directors or any other person, whether in relation to the Issuer or the Offer, and nothing in this Prospectus shall be deemed to be a promise or guarantee in this respect, whether related to the past or related or future. Each of the Financial Intermediaries disclaims, to the fullest extent permitted by law, all liability, whether arising in tort, contract or otherwise (except as referred to above), that could be attached to it in respect of this Prospectus, or any statement contained herein.

References in this Prospectus to New Shares or subscription rights which are the subject of the Offer or placing must be read as including any offer or placing of New Shares or subscription rights in or with any of the Financial Intermediaries acting in that capacity. In addition, any of the Dealers may enter into financing agreements with investors in respect of which such Dealer or any of its subsidiaries, parent companies or entities under common control may, in certain circumstances, acquire, hold, or dispose of New Shares and subscription rights. Except as required by applicable law or regulation, the Financial Intermediaries do not propose to make any public disclosure in relation to such transactions, except in accordance with legal or regulatory obligations to that effect.

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1. - SUMMARY

Section A – Introduction

Name and ISIN of the securities

The securities offered for subscription offer are up to 10,000,000 shares ("**New Shares**") representing the share capital of Ibersol SGPS, S.A. (**"Ibersol"/"Issuer"**). The New Shares, when admitted to trading, will have the same ISIN code PTIBS0AM0008 as the shares representing the share capital of Ibersol already admitted to trading on the date of the present Prospectus. The ISIN code of the subscription rights of the New Shares is PTIBS0AMS007 and such rights will be traded under the symbol IBSS1.

Identity and contact details of the Issuer, including its LEI code

Ibersol is a limited liability company by shares ("*sociedade anónima*") that manages shareholdings, with its share capital open to public investment ("*sociedade aberta*"), incorporated under Portuguese law, with registered office at Praça do Bom Sucesso, 105/159, parish of Massarelos, municipality of Oporto, Portugal, with a share capital of € 36,000,000, registered at the Oporto Commercial Registry with the single registration and tax identification number 5011669477. The Issuer's telephone number is (+351) 226089700, email address is grupo@ibersol.pt and LEI number is 549300ZG20XRKSRKZ238.

Identity and contact details of the competent authority which approved the Prospectus

Comissão do Mercado de Valores Mobiliários ("**CMVM**"), with registered office at Rua Laura Alves, 4, in Lisbon, with telephone number (+351) 213 177 000 and e-mail address cmvm@cmvm.pt.

Date of approval of the Prospectus – 21 October 2021

Warnings

This Summary should be read as an introduction to this Prospectus. Any decision to invest in the New Shares should be based on consideration of the Prospectus as a whole by the investor. Investors should note that they may lose all or part of their investment. If a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor may, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before legal proceedings are initiated. Civil liability can only be attached to those persons who have drawn up the summary, including any translation thereof, if the summary, when read together with the other parts of the Prospectus, is misleading, inaccurate, or inconsistent or does not provide information which is material to aid investors when considering whether to invest in such securities.

Section B - Key Information about the Issuer

The Issuer is governed, namely, by (*i*) the Portuguese Companies Code, (*ii)* the legal framework for holding companies, (*iii*) the Portuguese Securities Code ("CVM") and applicable CMVM and Euronext Lisbon regulations, and (*iv)* applicable European Union legislation. The activities of Ibersol's subsidiaries are subject to the laws and regulations applicable in the countries where they operate, including legislation of the European Union, of the Member States and of other States. As at the date of publication of the Prospectus and to the Issuer's knowledge, ATPS directly holds 16,597,058 shares, representing 46.10% of Ibersol's share capital and, pursuant to article 20(1)(b) and (d) of the Portuguese Securities Code, 61.02% of the voting rights that can currently be exercised (i.e. excluding the 3,599,981 own shares whose voting rights are suspended), considering for this purpose the 2,520 shares held by António Pinto Sousa, the 2,520 shares held by Alberto Teixeira (both directors of ATPS) and the 3,170,000 shares held by ANUTA - Serviços e Gestão, S.A. (subsidiary 100% owned by ATPS). The voting rights attributable to ATPS are also attributable to António Pinto Sousa and Alberto Teixeira under the terms of paragraph b) of no. 1 of Article 20 and Article 21 of the CVM, by virtue of the fact that the latter hold control of the referred company, in which they participate indirectly, in equal parts, through respectively, Calum - Serviços e Gestão, S.A. and Dunbar - Serviços e Gestão, S.A., which together hold the majority of the share capital of ATPS. Investors' attention is drawn to the several risk factors identified in the Prospectus related to (*i*) the Issuer and its subsidiaries and the activity and sector in which it operates, (*ii*) legal and regulatory aspects, (*iii*) the Issuer's shareholder structure, the Offer, Ibersol's shares and the market, which should be considered by investors prior to any investment decision.

Activities: As a holding company, its corporate purpose is the management of shareholdings in other companies as an indirect way of carrying out economic activities. The Ibersol Group's main activity is the management of restaurant brands and the operation of restaurants, mainly in the Iberian market but also in other countries, such as Angola.

COVID-19: Ibersol's results in the financial year of 2020 and in the first half of 2021 were negatively affected by the COVID-19 pandemic and the extraordinary response measures imposed by the authorities in the main markets where it operates (particularly in Portugal and Spain). Ibersol's Turnover fell by -40.5% in 2020 compared to 2019 and by -39.1% in the first half of 2021, when compared to the respective same period of 2019 (and +0.9%, when compared to the same period of 2020). The reduction in sales was reflected in EBITDA (which reduced in 2020 in the amount of 75.9 million euros to 43.6 million euros), as well as in net income (which reduced 73.0 million euros to -55.3 million euros compared to 2019). Already in the first half of 2021, EBITDA was 24.9 million euros (having reduced 23.9 million euros compared to the first half of 2019) and net income was negative by 23 million euros (having reduced 23.5 million euros compared to the first half of 2019). There remains relevant uncertainty regarding the evolution of the pandemic crisis and its impacts, in general, on economic conditions and potential structural changes in consumer behavior, therefore the future effects of this crisis on the Group's results still have a degree of uncertainty associated. The risk of diminished or slow recovery of the economies (namely in terms of employment, disposable income and levels of consumer and investor confidence), all of which impact the demand for consumer goods - an important factor in the market demand for Ibersol's products - may also have a significant impact on its business.

Section C - Key Information on New Shares

All Ibersol's shares are ordinary, nominative and book-entry, with a nominal value of € 1.00 and issued in Euros and the New Shares will be ordinary and will belong to the same category, and will therefore be fungible with the others, being granted the same rights (including with respect to profit sharing for the current year, if distributed). All shares will be traded under the symbol IBS. Main rights inherent to the shares, according to the law, regulations and Articles of Association, in force: (A) right to information; (B) right to a share in the profits (after deduction of the amounts necessary, notably, to cover losses carried forward or for the formation or reconstitution of the legal reserve, and as decided by the General Meeting), (C) right to attend the General Meeting and exercise therein the right to vote, (D) preemptive rights in the subscription of new shares in cases of capital increases by cash contributions in which the respective right is not limited or suppressed and the right to receive new shares of the Company in operations of capital increase by incorporation of reserves and (E) the right to the distribution of assets in case of dissolution.

New Shares: The securities offered for subscription in the Offer are a maximum of 10,000,000 ordinary, registered and book-entry shares, with a nominal value of € 1.00, representing 21.74% of Ibersol's share capital, after completion of the capital increase.

Restrictions: There are no statutory and/or legal restrictions on the transferability of Ibersol shares, which are freely transferable under the terms of the law.

Dividends: The Board of Directors approved, on 19 October 2021, as a goal for the next five fiscal years, the distribution of 20% of the Company's annual consolidated profits. The distribution or not of dividends and the effective ratio are proposed by the Board of Directors and subject to approval by the General Meeting each year, subject to the legal and statutory limits applicable at each time and to the approval of accounts and taking into account the cash flow generated by its subsidiaries given its nature as a holding company, the sustainability of the Issuer's capital structure and the available financing sources, as well as the existing investment plans and the cash flow generated by its subsidiaries given its nature as a holding company. Ibersol's last dividend payment occurred in 2019, with the distribution of 3.24 million euros to its shareholders (dividends for the financial year of 2018), and Ibersol did not distribute any dividends for the financial years of 2019 and 2020.

Liquidation: In the event of Ibersol's liquidation, and once the rights of its non-subordinated creditors have been satisfied or safeguarded, the remaining assets (if any) will be allocated to the payment of subordinated credits, which include the holders of subordinated bonds and the reimbursement of the amount of the contributions actually made by each shareholder (corresponding to the fraction of capital held by them). No preference shares have been issued to date, and therefore there will be no shareholders with priority in the reimbursement. If there is any balance after this operation, it will be distributed among the shareholders in the proportion applicable to the distribution of profits.

Section D - Fundamental Information on the Offer of Shares and Admission to Trading

The Offer comprises a public subscription offer, with subscription reserved to Ibersol shareholders exercising their legal pre-emption rights and other investors acquiring subscription rights. Without prejudice to what is referred to in *Dilution* below regarding the commitment made by ATPS, two of its directors and a subsidiary, there is no guarantee of placement or underwriting of the New Shares. The total proceeds of the Offer are estimated to be € 40,000,000, taking into consideration the Offer Price (i.e., € 4.00 per New Share).

Timetable: The following is the expected timetable for the Offer and the process of admission to trading of the New Shares:

- *Publication of the Notice for the exercise of subscription rights of the New Shares*: 21 October 2021;
- *Last trading day of the Ibersol shares on Euronext Lisbon with the inherent preemptive rights in the subscription of the New Shares incorporated*: 25 October 2021;
- *Period for trading subscription rights on the stock exchange (inclusive):* 28 October to 9 November 2021;
- *Period for trading subscription rights outside of the stock exchange (inclusive):* 28 October to 12 November 2021 until 3:00 p.m.;
- *Period for receiving of orders in the Offer (inclusive):* 28 October 2021 from 8.30 a.m. to 12 November 2021 until 3:00 p.m.;
- *Submission by the Financial Intermediaries to Interbolsa of the orders received for the Offer:* Daily, until 4:00 p.m. from 28October to 12November 2021;
- *Date from which subscription orders in the Offering become irrevocable (inclusive):* 8 November 2021 after 3:00 p.m.;
- *Expected date for the calculation and announcement of the Offer results:* 15 November 2021;
- *Date of financial settlement of the New Shares, subscribed by exercise of rights under the Offer*: 15November 2021;
- *Date of financial settlement of the New Shares allocated in the Offering:* 17 November 2021;
- *Expected date of commercial registration of the capital increase (subject to the commercial registration of the capital increase by the Commercial Registry Office):* 17 November 2021;
- *Expected issue date and physical settlement of the New Shares:* 18 November 2021;
- *Expected date of admission to trading of the New Shares (subject to favorable resolution by Euronext):* 19 November 2021.

Admission: When admitted to trading on the Euronext Lisbon market, the New Shares will be traded under the symbol IBS and will be fungible with the shares representing Ibersol's share capital that are already admitted to trading on the date of the present Prospectus, having the same ISIN code.

Allocation: The Offer is exclusively aimed at (i) the Issuer's shareholders that, by virtue of the Issuer's shares they hold, hold subscription rights, and (ii) the other investors that acquire subscription rights. The New Shares will be allocated to the subscribers in accordance with the following criteria: (a) each holder of subscription rights shall be entitled to subscribe for a number of New Shares corresponding to the result of applying the factor 0.3086418 to the number of subscription rights held at the time of subscription and which such holder has declared the intention to exercise, rounded down; (b) New Shares not initially subscribed for shall be allotted to the holders of subscription rights who have declared their intention to subscribe for New Shares in a number greater than that to which they would be proportionately entitled by exercise of their subscription rights, *pro rata* to their respective subscription by exercise of rights, rounded down. The request for additional subscription must be made together with the respective request for subscription through exercise of rights and is not separable from the latter; and (c) the New Shares that have not been allotted pursuant to the terms referred to in the preceding paragraphs shall be allotted, only once, among the holders of subscription rights whose requests for additional subscription have not been fully satisfied. If the subscription is incomplete, the Offer and, consequently, the capital increase will be limited to the subscriptions collected.

Dilution: If current shareholders participate in the Offer by subscribing for New Shares in proportion to the shares held, they will not suffer any dilution. The shareholding in the Issuer's capital of shareholders that do not subscribe for New Shares or acquire the Shares that would be necessary to maintain their respective shareholding will be diluted with the issuance of New Shares, with the dilution being equivalent to about 21.74% resulting from the quotient between the number of New Shares issued and the total number of shares representing the Issuer's share capital after this Offer, assuming full subscription of the capital increase. Example: For current shareholders that do not subscribe for New Shares nor acquire the shares that would be necessary to maintain their respective stake, a stake in the capital corresponding to 1% will be reduced to about 0.783% after the capital increase, assuming the capital increase is fully subscribed. Considering that Ibersol holds on this date 3,599,981 own shares, a participation corresponding to 1% of the voting rights will be reduced to about 0.764%, after the Offer, for the current shareholders that do not subscribe the New Shares and under the assumption of the full subscription of the capital increase (and the maintenance of the referred number of own shares). Considering the irrevocable commitment assumed by ATPS and other related entities to subscribe, as a minimum, a total of 6,102,493 New Shares, and assuming a scenario in which these would be the only subscriptions in the capital increase, the dilution of the participation of the other shareholders would be about 15.85% of the voting rights that can currently be exercised (and of around 14.49% in the share capital) and, pursuant to paragraphs b) and d) of article 20(1) of the Portuguese Securities Code, about 67.20% of Ibersol's voting rights that can currently be exercised (i.e. excluding the 3,599,981 own shares whose voting rights are suspended) and about 61.46% in the share capital would be attributable to ATPS.

Reasons: The proceeds to be obtained from the Offer are aimed at maintaining the level of Bank Debt contracted by it and improving the capital structure, through the reinforcement of its equity, seeking a strengthening of the Issuer's balance sheet towards the levels prior to the COVID-19 pandemic, providing the Issuer with greater strategic and financial flexibility, providing the Issuer with liquidity, financing capacity through the improvement of its credit profile and the necessary means to materialize its strategic guidelines and, in particular, to resume the normal pace of expansion and modernization investments in its restaurants (through the planned opening of 14 new restaurants in 2021 and 34 new restaurants in 2022, 7 of which with the beginning of their construction still in 2021), in order to maintain and expand the market shares of the businesses in which the Issuer operates and that proved to be more resilient in the context of the crisis originated by the COVID-19 pandemic, also strengthening its capacity to withstand prolonged pandemic-related shocks. The net proceeds of the Offer will only be determinable after the subscription closes, and it is expected (assuming a subscription price of € 4.00 and full subscription) that a total amount of proceeds of approximately 40 million euros will correspond to net proceeds of approximately 39.4 million euros, net of associated expenses.

Interests: The Financial Intermediaries Banco Comercial Português, S.A. and Banco Santander Totta, S.A., engaged by the Issuer for the provision of assistance services to the Offeror pursuant to the law, have a direct financial interest in the Offeror regarding their remuneration for the provision of such services. These Financial Intermediaries and/or the companies of the respective groups of which they are part have in the past (and may in the future) provided commercial banking, investment banking and financial advisory or other services to the Issuer or any parties related thereto. However, the Issuer is not aware of any significant interest of any person involved in the Offer that conflicts with the Offer.

2. - RISK FACTORS

Investment in shares, including in New Shares, involves risks of different kinds. Potential investors should consider all the information contained in this Prospectus or included by reference herein and, in particular, the risks described below before making any investment decision. The occurrence of any of the events described below may have an adverse effect on the Ibersol Group's business, financial situation, or Results of Operations. In such an event, the market value of Ibersol's shares could decline and it is possible that investors could lose all or part of their investment in Ibersol's shares.

The risk factors described below are a limited selection that Ibersol considers relevant but may not be the only risk factors and uncertainties inherent at Ibersol and in investing in Ibersol. It is possible that other risk factors, presently unknown or not yet considered of relevant significance, could have an adverse effect on Ibersol's business and financial condition and/or in the Results of Operations or in the result in other events that could lead to a decrease in the value of Ibersol's shares. Ibersol cannot ensure that, in the event of adverse scenarios, the policies and procedures it uses to identify, monitor, and manage risks are effective.

2.1 Risks related to the Issuer and its subsidiaries and to the activity and sector in which it operates

The level of financial leverage, Ibersol's capital structure and the existing limitations on its access to the cash flows of its subsidiaries affect Ibersol's ability to obtain financing, as well as its liquidity position, which could ultimately lead the Issuer to promote future capital increases and/or lead to the Issuer not having, at all times, sufficient financial resources to ensure (full or partial) compliance with its liabilities to creditors.

Ibersol had, on 30 June 2021, loans of € 177,642,654, divided between € 22,212,152 short term loans and € 155,430,502, medium, and long-term loans. On the same date, Ibersol had a Net Bank Debt of € 116,274,911 representing 26% of total Net Debt and the Financial Leverage Ratio was 77% (compared to a Financial Leverage Ratio of 74% for the year ended on 31 December 2020). The Issuer's target is for this ratio to be between 50% and 75%.

In the context of the COVID-19 pandemic, the Group has been updating its financial plans and cash flow projections according to the evolution of the pandemic and the prospects for recovery, monitoring compliance with the Financial Covenants of the financing obtained, but cannot guarantee that in the future it will comply with such covenants in this uncertain context regarding the evolution and duration of this crisis or that it will be able to obtain waivers from the financial institutions in question (as detailed in the risk factor below *"Several financing contracts include covenants (...).* ").

The contractual conditions of the financing of the subsidiary The Eat Out Group S.L.U. do not allow Ibersol to freely dispose of the liquidity (Cash, Cash Equivalents, and unused credit limits) of that subsidiary, since there are limitations associated with Financial Covenants that restrict the amount of distributions to shareholders by that subsidiary.

As of 30 June 2021, loan repayments and credit limit reductions (excluding leases) contractually scheduled for the second half of 2021 and for the year 2022 represented 10.6 million euros (6% of total loans) and 40.8 million euros (23% of total loans), respectively.

The financial institutions involved in the financing operations that mature in the next few years have no contractual obligation to renew the credit operations in question when they mature. The macroeconomic and financial environment (particularly in Portugal, where the main debt maturities are concentrated in 2021 and 2022) may limit the financing or refinancing alternatives for the amounts maturing even after the capital increase.

On the other hand, Ibersol's main activity is the management of shareholdings and that the fulfilment of the obligations undertaken by it depends on the cash flow*s* generated by its subsidiaries. The ability of these companies to, on the one hand, distribute dividends and on the other hand pay interest and repay any loans, is naturally conditioned by their ability to generate positive cash flows, by the results they achieve, by the reserves they have available, by their financial structure and by any contractual and tax restrictions. It should be noted, for example, that Ibersol's main subsidiaries did not pay dividends for the financial years of 2019 and 2020.

The difficulty and/or uncertainty regarding access to alternative forms of financing and/or any difficulties in generating sufficient cash flow *to* service debt (namely due to any restrictions on the Group's business) could force the Issuer to resort to future capital increases and/or lead to the Issuer not having, at all times, sufficient financial resources to enable it to comply (fully or partially) with its liabilities to creditors.

(This document is a translation of the original document, in Portuguese language. In case of discrepancy, the Portuguese version prevails. This English language version was not reviewed or approved by the CMVM)

As of 31 December 2020, and 30 June 2021, Ibersol's consolidated shareholders' equity showed a significant reduction comparing to the shareholders' equity recorded on 31 December 2019, which may limit its financing capacity.

The equity values recorded by Ibersol on 31 December 2020 and 30 June 2021 were 156 million euros and 134 million euros, respectively.

Therefore, even in the event of full subscription of this capital increase, the resulting direct impact on the reinforcement of the Issuer's shareholders' equity will not be sufficient to reach the value of Ibersol's consolidated shareholders' equity on 31 December 2019 (214 million euros), i.e., in the period prior to the COVID-19 pandemic. Accordingly, the Issuer may need to resort to new capital increases in the future if its operating activity does not generate positive cash flows of sufficient value to ensure adequate Financial Autonomy (this indicator stood at 21% as of 31 December 2020 and 19% as of 30 June 2021). Note that any possible future increases in Ibersol's capital may have a negative impact on the share value and the existing shareholders may suffer a dilution of the capital held, to the extent that they are unable to participate in such capital increases, as referred in the risk factor below "*Any future increases in Ibersol's capital may have (...)*".

The Group may not be able to successfully implement its strategy, including its expansion plan, due to the lack of the necessary financing, given the current level of indebtedness and cash flows generated by its activity.

The Group's growth strategy includes the expansion and permanent evaluation of its portfolio, through *(i)* a plan to open new restaurants and refurbish existing ones, *(ii)* identifying opportunities to launch new brands and (*iii)* investing in innovation and new concepts.

Even after the effects of the COVID-19 pandemic crisis have been overcome, the Group's ability to successfully execute its strategy is dependent on a number of factors - some of which are beyond its control - including delays in opening new units, in awarding or renewing concessions, lower than expected sales at new or existing units, and the lack of availability of sufficient funds. The ability to achieve the referred objectives is conditioned by several risks, including specific risks related to macroeconomic factors, the functioning and response capacity of government entities and access to financing. If the Group is unable to meet these strategic objectives, its operating results may decline, adversely affecting its financial position.

Financing may be guaranteed by recourse to own and/or third-party capital. Ibersol cannot guarantee that these funds, if necessary, will be obtained, or that they will be obtained under the intended conditions. In the event that borrowing is required, the current macroeconomic and financial environment, as well as the businesses' cash flow generation and current level of indebtedness may present a set of constraints that could condition or prevent access to bank credit, which could have an adverse impact on the Issuer's business and Results of Operations.

The financial situation, results of operations and prospects of Ibersol and its subsidiaries have been, are and may continue to be adversely affected by the COVID-19 pandemic.

Ibersol's results in 2020 and in the first half of 2021 were negatively affected by the COVID-19 pandemic and the extraordinary response measures imposed by the authorities in the main markets where it operates (Portugal and Spain). Ibersol's Turnover showed an evolution of -40.5% in 2020 compared to 2019 and of -39.1% and +0.9% in the first half of 2021, respectively, when compared to the respective corresponding periods of 2019 and 2020.

The lockdown periods imposed, the lower mobility of the population and the air traffic limitations resulting from the pandemic outbreak, determined an abrupt reduction of the economic activity in those countries led to a significant decrease in customer demand, which had a severe impact on sales volumes in those periods, in particular between March and May of 2020 and January and April of 2021:

Sales Volume

(% change)

Variation in sales volume (% vs same period in 2019)	Mar 20 / Mar 19	Apr 20 / Apr 19	May 20 / May 19	Jan 21 / Jan 19	Feb 21 / Feb 19	Mar 21 / Mar 19	Apr 21 / Apr 19	May 21 / May 19	Jun 21 / Jun 19
Portugal	-43%	-66%	-50%	-26%	-41%	-39%	-28%	-6%	-16%
Spain	-59%	-99%	-86%	-57%	-61%	-57%	-60%	-50%	-50%

Notwithstanding the cost control measures adopted (*inter alia*, the use of *lay-offs* and ERTE, the renegotiation of the lease contracts, the expansion obligations with franchisors, the obligations contained in the financing contracts and the signing of financing contracts in Portugal and Spain partially guaranteed by the States) and the progressive reopening of the Group's restaurants as the legal framework allowed, the profitability recorded was largely affected by the impacts of the pandemic on the Group's activity and sales volumes. Ibersol's EBITDA was 15.2 million euros and

28.4 million euros, respectively, in the first and second semester of 2020 (amounting to 43.6 million euros in the total of 2020) and 24.9 million euros in the first semester of 2021, figures that compare very unfavorably with those recorded in the financial year of 2019 (48.9 million euros and 70.6 million euros, respectively in the first and second semester of 2019, amounting to a total of 119.5 million euros in 2019).

On the other hand, the net loss for the first half of 2021 amounted to 23 million euros, which compares with the net loss of 33.4 million euros in the same period of 2020.

Currently, most of the restrictions adopted to combat the pandemic have been lifted in Portugal and Spain, following the vaccination of a very significant part of the population. However, the future evolution is very dependent on the evolution of the pandemic, the speed of large-scale vaccination and the control of the dissemination of new variants, not being certain that it will not be necessary to adopt new restrictive measures that may contribute to a further reduction of sales and possible operating losses of the Group.

It should be noted that other potential problems related with the pandemic, such as disruptions in the supply chains, the unavailability of services or workforce due to health and safety issues and problems relating to credit management and collection could have adverse impacts in the future. Additionally, the measures implemented by the Group to face the pandemic crisis may prove to be insufficient to avoid or minimize the negative impacts of this crisis, whose effect on the Group's business, financial situation, results of operations and prospects will depend on the duration and severity of the pandemic and the governmental response measures, changes in consumption habits and possible effects on the world economy and economic prospects.

Potential unexpected or negative results regarding the interpretation and application of *Ley 13/2021*, the outcome of the litigation filed against AENA with a view to balancing the benefits of the lease contracts in force and the consequent reduction of the minimum guaranteed rents, could negatively and significantly affect the Group's business, results of operations and financial position, as well as its prospects.

On 9 March 2021, the subsidiary Pansfood, S.A.U. filed a lawsuit, which is currently in progress, against AENA relating to the amounts of minimum guaranteed rents under airport space lease agreements in Spain, seeking judicially agreed to balance the contracted services (based on a change of circumstances - "*rebus sic stantibus*"), since they were seriously affected by the COVID-19 pandemic. The action seeks to have those contracts amended so as to reduce the minimum rentals for 2020 (by EUR 24 million) and to rebalance the other guaranteed minimum rentals due until air traffic reaches the level of 2019 depending on the variation in traffic that may occur (restoration of economic and financial equilibrium). Simultaneously with the referred action, it was requested the decree of an injunction to prevent AENA from executing the sureties and bank guarantees constituted in its favor under the lease contracts, in the total amount of about 25 million Euros, which the court partially granted on 25 March 2021 (being this decision subject to appeal by AENA). It should be noted that the bank guarantees amount to 19,7 million Euros and the guarantees and deposits made amount to 5,7 million Euros.

Under IFRS16, as of 1 January 2019, Ibersol recognized in its liabilities the value of the minimum guaranteed rents payable under the contracts with AENA, against the corresponding right of use in assets. On 30 June 2021, the value of the right of use recognized in the consolidated balance sheet associated with these contracts is 136 million euros and the lease liability is 196 million euros. The entire minimum lease payments claimed under the aforementioned action are, on 30 June 2021, recognized in the Group's consolidated balance sheet as current lease liabilities for an approximate amount of 55 million euros (24 million euros for 2020, 15 million euros for the first half of 2021, 9 million euros estimated for the second half of 2021 and 7 million euros estimated for the first half of 2022) and as non-current lease liabilities for an estimated amount of 40 million euros. Thus, under IFRS16, the Group's consolidated liabilities fully reflect the value of the liabilities associated with the lease contracts of the restaurants located at airports in Spain, therefore, without reflecting any change to the original value provided in them, due to lack of agreement with AENA for their readjustment.

If the outcome of this litigation is favorable to Pansfood, S.A.U. in the exact terms of the lawsuit, this would result in a guaranteed minimum rent payable amount of 95 million euros lower than initially stipulated in the contracts (of which 24 million euros for 2020 and another 24 million euros for 2021, and the remaining 47 million euros for periods after 1 January 2022 and until the end of 2026), if the traffic projections presented in November 2020 were to materialize.

In preparing the financial statements for the period ended 30 June 2021 (unaudited), the Board of Directors took this situation into consideration and its best estimates as to its outcome, assessing the possible impact and uncertainties that may be associated. As a result of the adjustment of the projections of cash flows to the expected air traffic until 2026 and the additional risk incorporated in the discount rate, an impairment to the goodwill of travel in the amount of 4.3 million euros was recognized in the financial statements of 2020.

Simulating a hypothetical scenario of the rents payable being those of the original contracts, i.e. without any modification in view of the profound changes in air traffic, the value of the impairment to be recognized on the goodwill associated with the travel operation in Spain would have been a total loss (amounting to 35 million euros), as well as a total impairment could have to be recognized on non-transferable tangible and intangible fixed assets, which amount, on 30 June 2021, to 8 million euros, a scenario that would have a significant adverse impact on the activity, reputation, operating results and financial situation of the Group.

On 2 October 2021, *Ley 13/2021* was published, which provides for new rules applicable to the lease contracts of commercial establishments for catering and retail activities located in airports managed by AENA. Under the approved rules, (*i*) the minimum guaranteed annual rent provided for in these contracts for the period between 15 March 2020 and 20 June 2020, both included, will be eliminated and its payment will not be enforceable by AENA; (*ii*) as from 21 June 2020, the minimum guaranteed annual rent established in these contracts will be automatically reduced in direct proportion to the reduction in the volume of passengers at the airport where the commercial establishment concerned is located compared to the volume of passengers reached at the same airport in 2019, and this reduction will apply in 2020 and in all subsequent years until the annual volume of passengers at the airport reaches that verified in 2019; (*iii*) these rules do not affect AENA's right to demand payment of the variable rent established in the contracts by reference to the sales of the different establishments.

Following the adoption of this law, AENA has announced that it is analyzing the accounting treatment of the impacts of this law and the legal implications of this law and that it will take such steps as it deems appropriate to pursue AENA's interests in this context. These steps may include, among others, an appeal to the Constitutional Court to assess the conformity of *Ley 13/2021* with the Spanish Constitution or, in the event that the Court rules against AENA in the context of the action described above, an appeal against such ruling.

Based on the Issuer's interpretation of the terms of this law and on revised traffic estimates according to Eurocontrol's latest publications[1], Ibersol estimates a guaranteed minimum rents payable amount that is approximately 80 million euros lower than initially stipulated in the contracts (of which 40 million euros refers to the period until August 2021 of 2021 and the remaining 40 million euros refers to the period after 1 September 2021 and until the end of the contracts), should the referred traffic estimates actually materialize, translating on 31 August into the derecognition of a portion of current liabilities of 40 million euros corresponding to the rent differential for the period from 15 March 2020 to 31 August 2021.

The accounting effects of the application of this law will only be reflected in the Issuer's annual financial statements for 2021. However, considering that, as previously mentioned, on 30 June 2021, the lease liabilities reflected the lease commitments under the original terms of the agreements, the application of the law will necessarily result in a significant decrease in lease liabilities and also in rights of use, since the lease contributions associated with these agreements will be recognized as rents and leases. Ibersol is also analyzing potential impacts on the recovery of non-current assets, given that the referred law results in estimated amounts of rents payable higher than those claimed in the litigation against AENA. The Issuer admits that the application of the new Law 3/2021 could have a positive impact on the Group's shareholders' equity in 2021, although it is difficult to quantify its total impact on the Group's financial statements as at the date of this Prospectus.

Ibersol continues to analyze with its legal advisors the potential impacts of *Ley 13/2021* on the lawsuits described above, both from a procedural and substantive point of view. However, Ibersol cannot predict or control the interpretation, application or positioning that will be adopted by the relevant entities in relation to this new law, namely by the courts in the context of the litigation underway and by the AENA in relation to that litigation and the aforementioned law.

Potential unexpected or negative results with respect to the interpretation and application of *Ley 13/2021*, the outcome of the ongoing litigation against AENA, could have a material adverse effect on the Group's business, results of operations and financial position and its prospects.

The Ibersol Group's business has a cyclical component and is conditioned by the macroeconomic environment, changes in consumer behavior and the profiles of the markets where it operates and depends on its ability to develop attractive and innovative products.

The Ibersol Group's main activity is the management of restaurant brands and the operation of restaurants, mainly in the Iberian market and with a presence in Angola. The products marketed by Ibersol's subsidiaries are mainly meals

[1] Available at https://www.eurocontrol.int/press-release/updated-eurocontrol-traffic-scenarios-2021-clear-hope-some-recovery-summer-and-beyond.

sold to the public in shopping centers, in airports and in restaurants located on the streets of different cities. Ibersol's Operating Results derive from three segments: (*i*) restaurants, (*ii*) counters and (*iii*) concessions & catering, whose Turnover represented 24.2%, 48.1% and 27.6% of the Group's consolidated business at the end of 2019, 24.6%, 61.8% and 13.5% at the end of 2020, and 21.8%, 68.5% and 9.6% in June 2021, respectively.

The Group's operating activity is cyclical, being positively correlated with the cycles of the economy in general and, in particular, with the evolution of consumer purchasing power, even though a large part of the business is characterized by an average revenue per customer lower than the restaurant sector, benefiting from the phenomenon of trade down (which translates into the fact that, in times of crisis, some consumers who usually go to restaurants with a higher average income, start going to others with a lower average income, in order to maintain the consumption pattern with a reduction of costs), which limits possible losses in Turnover. To this extent, the Group's business can be negatively affected by periods of economic recession, in particular by the deterioration of the level of household consumption which, in turn, is influenced, among others, by wage policies, unemployment levels, availability of credit and interest rates, as well as prevailing levels of confidence and social protection. The Group's inability to understand consumer preferences or customer needs, adapt to changes in consumer behavior or create or implement innovative and attractive Offers and concepts in a timely and cost-effective manner could adversely affect its results of operations, financial condition, and prospects. From a competitiveness standpoint, the Group's ability to develop and offer higher value products under competitive conditions is a critical capability in the current context of the restaurant industry. These developments are dependent on behavioral developments, which may be difficult for the Group to predict and monitor. The Issuer's inability to monitor or anticipate them, or to predict the receptiveness of new products, could place it at a competitive disadvantage and affect its business and results of operations.

Similarly, the Group's operations, particularly in the concessions & catering segment, rely on international and regional travel, which can be adversely affected in periods of economic downturn, as well as by local or global events and trends, including pandemics, increasing digitalization, telecommuting and weather conditions.

Ibersol operates in several markets, and in 2020, the Turnover of the different markets in which the Group operates was as follows: Portugal: 190.5 million euros; Angola: 7.4 million euros; Spain 91.1 million euros. Already in the first half of 2021, it was as follows: Portugal: 89.4 million euros; Angola: 3.8 million euros; Spain 41.6 million euros.

These markets have distinct macroeconomic, political, and social profiles that the Group does not control. The risk of a country, measured according to different dimensions in each of the markets where Ibersol operates, is associated with specific changes or disturbances of a political, social, religious, economic, or financial nature that may prevent the achievement of the strategic objectives assumed by the Group, and thus have material impacts on the Group's operations and financial situation, which it is not possible to estimate.

The activity carried out by Ibersol's subsidiaries is subject to operational risks, particularly in terms of food safety, the supply of raw materials and the availability of human resources, with a potential impact in terms of maintaining their activity and profitability.

The Group is subject to certain operational risks related to the activity of the restaurants. The sale of food products entails the need to ensure their quality, in particular through respect for their intrinsic characteristics and production by certified entities that ensure respect for the cold chain. Possible failures in the production process and logistics chain can result in health risks for consumers and disruptions in the supply chain of restaurants, which can impact logistics and *stock* management (especially in terms of quality and quantity of raw materials used).

In particular, the adequate supply of raw materials in time, quality and quantity is essential to maintain the Ibersol Group's operations. Multiple factors, not directly controllable by the Issuer or its subsidiaries, could lead to interruptions in production and distribution with potentially negative effects on its operations and, consequently, on its Results of Operations and profitability (such as the spread of animal or plant diseases that make it impossible to use certain raw materials, the introduction of additional customs and sanitary barriers, among others).

In addition, interruption or disruption, increased costs associated with the supply chain and any disruption or loss of relevant suppliers, whether manufacturers or producers, could have a material adverse effect on the Group's business, Results of Operations, and profitability.

Similarly, any serious incident that affects, anywhere in the world, the products marketed by the brands operated by the Ibersol Group and that has a widespread media impact among consumers, can determine a drastic decrease in sales not only of the affected restaurant but of the chain in which it is integrated, affecting its reputation and attractiveness in a highly competitive market.

The adequacy and scope of the control procedures adopted by the Group may prove to be insufficient to prevent or minimize the aforementioned risks. Similarly, the ability to attract and retain human resources is a necessary condition for the normal operation of the restaurants with an adequate level of quality, just as the retention of senior management is essential for the proper implementation of the Group's strategy. In turn, disruptions in labour relations, such as strikes, can have an adverse impact on the Group's activity and its results and financial situation.

Ibersol's consolidated cost structure has a relevant fixed component that may not be offset by sufficient Turnover or Gross Margin and generate losses for Ibersol and its subsidiaries.

The Ibersol Group's consolidated cost structure has a significant fixed component (i.e., not dependent on the higher or lower sales volume) and on which the Group can only act through restructuring initiatives or increasing efficiency. An insufficient Turnover and Gross Margin to offset the existing fixed costs could determine the recording of losses by Ibersol and its subsidiaries. Based on the consolidated financial statements of 31 December 2019, the last year in normal operation before the pandemic and the classification criteria used by Ibersol, the fixed component related essentially to the heading staff costs and fixed overheads represented 31% and 11% of the Turnover, respectively, percentages that increase by 17 p.p. when considering the costs related to the depreciation of assets (including rights of use), totaling 59%. Additionally, changes to legislation or labour regulation may continue to occur, such as the increases in the national minimum wage that have occurred in recent years at levels well above inflation (since, according to the Programme of the XXII Constitutional Government 2019-2023[2], it is the Government's goal that the national minimum wage in Portugal reaches €750 in 2023). Such changes could lead to a generalized increase in salaries and personnel costs, increasing the Issuer's fixed cost structure and, as a result, generating a reduction in its operating profitability.

The variable costs of Ibersol's subsidiaries are subject to variations, which can be significant and are not controlled by the Issuer.

The variable cost structure of Ibersol's subsidiaries, namely regarding the evolution of raw material prices, is exposed to external factors (not controlled by the Issuer) that positively or negatively impact the availability of those raw materials, as well as their acquisition prices. Access to raw materials essential to the production process, in terms of quantity, type, quality and price, may condition not only the Issuer's ability to supply its customers with products at the appropriate time and conditions, but also affect the expected profitability when setting the selling price of products to its customers. In an extreme scenario, the impossibility of access to materials in sufficient quantities could lead to a temporary interruption of business, with significant consequences for its operating profitability.

Various financing contracts include Financial Covenants, clauses allowing for early maturity in the event of a change in shareholder control and Cross Default clauses.

Some of the Ibersol Group's bank loan contracts and commercial paper programmes with financial institutions, corresponding to a total amount outstanding on 30 June 2021 of 59.7 million euros, include Financial Covenants (i.e., 34% of the total amount of loans outstanding at that date), of which 49 million euros mature in over one year.

The Ibersol Group obtained a waiver from compliance with the ratios associated with these loans with reference to 31 December 2020, and is monitoring, together with the financial institutions, the evolution of compliance with the covenants of the loans with reference to the end of the year 2021. Considering the prospect of a probable non-compliance with some of these covenants, the Ibersol Group is endeavoring with the respective financial institutions to waive compliance with these covenants regarding 31 December 2021, as occurred in 2020.

The non-compliance of the Group with these covenants and the non-obtaining of the referred waivers can determine a situation of non-compliance with the obligations assumed in the mentioned contracts, which can result in its anticipated maturity, i.e., the immediate reimbursement of the associated debt.

Additionally, the total amount outstanding on 30 June 2021 on loans of the Ibersol Group for which the respective creditors have the possibility to consider the debt due in the event of a change of shareholder control was 44.6 million euros (i.e., 25.1% of the total amount of loans outstanding at that date).

Most of the Group's financing contracts include the possibility of early maturity in situations of Cross Default.

Non-compliance with the referred to Financial Covenants and changes in shareholder control, as well as the effect resulting from the referred to Cross Default clauses, could have an adverse impact on the Issuer's financial situation and results and lead to the Issuer not having, at all times, sufficient financial resources to ensure compliance (in whole or in part) with its liabilities to creditors.

The activity developed by the Group is subject to Information Technology and cybersecurity risks that may affect its current operational activity and lead to losses in revenue or unanticipated expenses.

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[2] Available at https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBAAAAB%2bLCAAAAAAABACzsDA1AQB5jSa9BAAAAA%3d%3d.

Companies today rely significantly on information technology to carry out their procedures and operations, so a failure in the Ibersol Group's IT systems may result in, among others, errors in accounting and financial data, loss of data and data security breaches, and may result in Ibersol Group companies being vulnerable to cyber-attacks that could compromise personal data, financial data and strategic information held by the companies. Such situations may expose the Ibersol Group companies to fines and sanctions applied by the competent regulators, information recovery costs and disruption of their support areas and operational activities.

Information and communication systems are an essential component in the development of the Group's activity, particularly the technologies used in sales channels and supply chain, as well as technologies that contribute to new delivery methods and, consequently, any failure of these systems can affect the operation of the restaurants and the costs and loss of revenue associated with these failures can negatively impact the Group's profitability and financial situation.

The Group's activities are exposed to the risk of variation in the Euro interest rate, so that the Issuer's financing may become more expensive.

This risk arises from the relevant proportion of variable rate debt included in the consolidated statement of financial position on 30 June 2021 (81% of loans), and its potential impact on the value of the respective interest. The variable component of the Ibersol Group's interest rate at that date was null due to the application of the *floor* when the indexing factor is negative. The Issuer cannot predict the evolution of interest rates and their impact. Therefore, interest rates may increase and, as such, financing may become more expensive for the Ibersol Group. According to simulations performed on 30 June 2021, an increase of 100 basis points more in the interest rate indexer, keeping everything else constant, would have a negative impact on the net profit for that period of -254 thousand euros (-610 thousand euros, in December 2020).

2.2 Legal and regulatory risks

The Group's operations may be materially and adversely affected by the termination or increase in costs associated with concession contracts and respective licenses, lease contracts, franchising and brand exploitation rights and home deliveries. The Group may not be able to obtain or renew such contracts and rights (in absolute or with estimated returns), as well as by the contractual consequences in the event of non-compliance with the obligations set forth in these contracts.

As part of its operating activity, the Ibersol Group enters into *(i)* concession and lease contracts (with the respective associated licenses) with respect to restaurants located in, among other spaces, airports, train stations and other tourist facilities, motorway service areas and football stadiums, which are usually awarded by tender for a certain period (which may vary depending on the sector and the country), *(ii)* contracts for the use of space in shopping centers and the lease and establishment of surface rights in street locations, and *(iii)* long-term franchise agreements for the restaurants in which it operates with international brands (20 years in the case of Burger King and 10 years in the case of Pizza Hut, KFC and Taco Bell, the latter renewable for another 10 years at the option of the franchisee, provided certain obligations are met). The Issuer has no guarantee that these contracts will be renewed upon their expiry or that they will be renewed with the returns estimated to ensure their profitability (given the respective commercial conditions and necessary investments), or that new contracts will be entered into with such returns. The Pizza Hut brand has 24 franchise contracts with termination date in 2023, 14 with termination date in 2026, and 15 with termination date in 2029 (there being a smaller number of contracts with termination date between 2022 and 2031), the KFC brand has 6 contracts with termination date in 2021 5 with a termination date in 2027, 7 with a termination date in 2028 and 5 with a termination date in 2030 (there being a smaller number of contracts with a termination date between 2021 and 2031) and the Taco Bell brand has 6 contracts with a termination date between 2029 and 2031. The Burger King brand has 36 contracts with a termination date in 2039, 33 with a termination date in 2035 and 24 with a termination date in 2038 (there being a smaller number of contracts with a termination date between 2022 and 2041.

Furthermore, the concession contract for the Lisbon Airport service area - which was due to end in 2021 - was extended for a further year (i.e., until 2022), and the contract for the A8 motorway at Torres Vedras is due to end in 2021.

In Spain, the operating contract for Fuerteventura airport has been extended until the end of the year and the tender specifications for the new operating period have been published.

In concession or lease contracts it is common to have variable rents with minimum guaranteed annual rents, and in contracts for the use of premises in shopping centers fixed monthly rents with an additional variable rent based on sales, if the latter is higher. The remaining agreements usually have only fixed rents. In turn, in franchise agreements it is customary to pay an "Initial Fee" at the beginning of each agreement, a "Continuing Fee" and a "Renewal Fee" at the end of the initial period - if any - in addition to an operating and marketing royalty on sales made and, in the case of sub-franchises, a "Supply Chain Fee".

Additionally, such franchise agreements typically include clauses regarding development (construction of new restaurants and periodic modernization works) and obligations to comply with standards defined by the brands, namely regarding operations and respect for quality standards. Failure to comply with the development obligations may lead to the loss of the right to build the remaining restaurants included in the respective plan or the payment of a penalty for delay. Breach of the most relevant rules of the franchise agreements may lead to termination of the agreements. These agreements also include demanding reporting obligations, non-compete clauses and extensive indemnity obligations that may amount to significant amounts (some of which remain in force after the expiry of the agreements in question), the non-compliance of which may generate alternative or cumulative sanctions with the termination of the respective agreements, which may have an impact on their profitability.

The share of Turnover in 2019 of Pizza Hut, KFC, Burger King amounted to: 15.5%, 8.4%, 27.7% of the Group's Turnover. Taco Bell started operations at the end of 2019. In the year 2020 and first half of 2021, the sales weight of these brands is impacted in different ways by the pandemic, with Pizza Hut recording a weight of 18.0% and 16.0%, KFC recording 10.6% and 7.5%, Burger King reaching 40.7% and 48.5% and Taco Bell at 0.7% and 1.2% of the Group's Turnover.

Some companies of the Ibersol Group are also party to home delivery contracts (i.e., with Glovo and Uber Eats), and in relation to these it is also not possible to ensure their long-term maintenance, either because they are freely terminable at any time or because they have relatively discretionary termination clauses.

The termination or increase of the costs associated with the referred concession contracts and respective licenses, lease, franchising and brand exploitation rights and home deliveries and/or the non-compliance and application of the contractually foreseen penalties may have an adverse impact on the activity, the Operating Results, and the financial situation of the Group.

Additionally, if the Group is unable to identify, develop and maintain relationships with a diversified set of brands, its business, competitiveness, and ability to attract customers may be adversely affected and have a material adverse impact on Ibersol's results of operations, financial situation, and prospects.

The activity carried out by Ibersol and its subsidiaries may be affected by legal or regulatory changes or their interpretation by the competent authorities in the markets in which it operates.

The activities of Ibersol's subsidiaries are subject to the legislation and regulations applicable in the countries where they operate (Portugal, Spain and Angola), including European Union legislation (such as labour, administrative, tax, environmental, occupational health and safety, consumer protection, operation of catering activities, data protection, labelling and advertising, construction, quality, hygiene and food safety, namely in the packaging or transport of raw materials or prepared products in normal, refrigerated and frozen environments) and whose compliance may require obtaining licenses and additional fees or influence management decisions and the strategy of Ibersol and its subsidiaries. Non-compliance with such regulations or their amendment (which makes them more demanding) could result in additional costs, operating restrictions, investment needs, revocation or non-renewal of licenses, authorizations, certifications, or concessions and/or in sanctions, or even disinvestment in a certain geography.

In particular, due to growing environmental concerns, the environmental regulations applicable in the countries where the Ibersol Group operates, namely in matters such as waste management and separation and eliminating the use of certain goods produced in plastic, have become stricter, leading to the Ibersol Group being more exposed to clean-up expenses, third-party damage, personal injury claims, costs to remedy the environmental impacts caused, or even sanctions from government authorities.

Also noteworthy is the recent legislative change in Spain which approved new rules applicable to the lease agreements of commercial establishments for catering and retail activities located in airports managed by AENA and the respective impacts, as described in the risk factor "*Potential unexpected or negative results regarding the interpretation and application of Ley 13/2021(...)*".

Furthermore, in the context of the outbreak of the pandemic caused by COVID-19, the Group has benefited and still benefits in Spain from the approval of legislation, namely labour legislation, which, once amended or repealed, could adversely affect the Issuer. In the same context, legislation was adopted that has a direct or indirect impact on the Group's business in the countries where it operates, such as restrictions on movement and travel, access to and operation of public and tourist facilities, telecommuting, events, shopping centers and lease agreements.

Possible legislative and regulatory changes, their interpretation by any competent authority, the position of the authorities or difficulties in complying with new laws and regulations may impose increased costs, particularly operational costs, or limit sales or profitability, which could have an adverse impact on the activity, results of operations and financial situation of the Group, as well as its prospects.

Any current or future litigation to which the Issuer or its subsidiaries are parties could have an adverse outcome, which could adversely affect Ibersol.

The Issuer and its investees are currently, and may in the future be, party to litigation (including civil, criminal, administrative, regulatory, tax and customs proceedings) related to their business. Such litigation may relate, in particular, to judicial, arbitration or administrative proceedings initiated by public entities, operators, franchisors, other counterparties, employees, or consumers or be associated with non-compliance with existing rules, licensing and/or commitments.

At the date of approval of the Prospectus, the main lawsuits filed by the Ibersol Group are those referred to in the risk factor "*Potential unexpected or negative results in relation to the interpretation and application of Ley 13/2021 (...)*" and the main lawsuit filed against subsidiaries of the Ibersol Group was the claim for damages brought against a subsidiary of the Group in Spain for alleged breach of the non-competition clauses included in a sub-franchising contract, in the amount of 11.7 million euros. It should be noted that, notwithstanding, under the clauses of responsibility of the respective purchase and sale contract, the Group benefits from a right of recourse against the seller. No provision has been made in this respect.

Any current or future litigation could adversely affect the Issuer's reputation and have an adverse impact on its business, with the resulting negative impact on its results of operations and financial position (particularly to the extent such impact is not sufficiently accrued or reflected in the financial statements) and its liquidity position by potentially leading to the need to make significant payments.

Additionally, particularly in the normal course of its business, the preparation of food in the restaurants and the maintenance of the supply chain operated by the Group requires compliance with rules of quality, hygiene and food safety and the implementation of controls and procedures for that purpose. If the controls and procedures adopted by the Group at any given time prove to be inadequate or insufficient, the Group may be subject to civil liability claims and litigation relating to non-compliance with such rules, which may give rise to material damage and losses, for which the insurance coverage maintained by the Group may also be insufficient and have an adverse impact on the activity, reputation, results of operations and financial situation of the Group.

2.3 Risks related to the shareholder structure, the Offer, Ibersol's shares and the market

ATPS exercises control over Ibersol and its interests may differ from those of the other shareholders.

As at the date of publication of the Prospectus and to the Issuer's knowledge, ATPS directly holds 16,597,058 shares, representing 46.10% of Ibersol's share capital, and, pursuant to article 20(1)(b) and (d) of the Portuguese Securities Code, is entitled to 61.02% of the voting rights that may currently be exercised (i. e. excluding 3,599,981 own shares whose voting rights are suspended), considering the 2,520 shares held, respectively, by each of the directors of ATPS, António Pinto Sousa and Alberto Teixeira, the 3,170,000 shares held by ANUTA - Serviços e Gestão, S.A. (subsidiary 100% held by ATPS). The voting rights attributable to ATPS are also attributable to António Pinto Sousa and Alberto Teixeira under the terms of paragraph b) of no. 1 of Article 20 and Article 21 of the CVM, by virtue of the fact that the latter hold the control of the referred company, in which they participate indirectly, in equal parts, though, respectively, Calum - Serviços e Gestão, S.A. and Dunbar - Serviços e Gestão, S.A., which together hold the majority of the share capital of ATPS. Ibersol holds on this date 3.599.981 own shares, whose voting rights are suspended under the legal terms. Consequently, ATPS has the ability to substantially influence relevant matters requiring approval by Ibersol's shareholders, such as the approval of dividends or the election of members of the corporate bodies (including the Board of Directors), possible future issues of shares or the adoption of amendments to Ibersol's Articles of Association. ATPS also has the ability to introduce or prevent a change in the control structure of Ibersol. The interests of ATPS may diverge from those of Ibersol or its other shareholders, and any divergence may affect the Group, namely by discouraging potential transactions that could benefit other shareholders and affecting the Group's strategy.

The market price of Ibersol's shares may be lower than the subscription price.

The Issuer cannot guarantee to potential investors that the market price of Ibersol shares (which at the end of the stock market session of 19 October 2021 was €5.80) will be equal or higher than the subscription price of the New Shares to be issued under this Offer. Until such time, investors who have participated in the Offer will suffer an immediate loss, even if unrealized. For the same reason, the Issuer also cannot guarantee to investors that, after subscription of the New Shares, it will be possible to sell Ibersol shares at a price equal to or higher than the subscription price, nor can it guarantee that the trading value of the New Shares will be equal to or higher than the share price of Ibersol prior to the capital increase.

Shareholders who do not exercise all their rights will suffer a dilution of their percentage ownership of Ibersol shares.

Shareholders who do not exercise their pre-emption rights in the subscription of the New Shares will see their proportion of ownership and voting rights in Ibersol reduced, as well as the percentage of ownership of Ibersol ordinary shares held by them after the conclusion of the Offer. Assuming full subscription of the capital increase, the dilution will be equivalent to 21.74% as described in chapter 4.2 below.

Ibersol may not be able to pay dividends.

Ibersol's Board of Directors approved as a target the distribution of 20% of the Issuer's annual consolidated profits over the next five years, with the actual distribution depending, among other things, on compliance with the applicable legal and statutory limits and the Issuer's financial position (see Chapter 8.3 of this Prospectus).

Ibersol's current level of indebtedness combined with the uncertainty arising from the cash flows generated (in particular, due to the crisis resulting from the COVID-19 pandemic, cf. risk factor "*Ibersol's level of financial leverage, capital structure (...)*") may determine the non-distribution of dividends, as long as the capital structure and economic and business circumstances so justify. It should be noted that the last dividend payment by Ibersol occurred in 2019, in the amount of approximately 3.24 million euros (dividends for the financial year 2018), and no dividends were distributed for the financial years 2019 and 2020.

The free float of Ibersol's shares may decrease.

As a result of the Offer, or through subsequent acquisitions of Ibersol shares in the market by shareholders with qualifying holdings, a greater concentration of Ibersol's share capital in shareholders with qualifying holdings may result, with the consequent reduction of the respective free float, which may have an adverse effect on the market liquidity of the shares representing Ibersol's share capital.

The market price of Ibersol's shares is and can be volatile, which could trigger a decline in the price of Ibersol's shares and, consequently, in the value of the investment.

The shares representing Ibersol's share capital are admitted to trading on the regulated market *Euronext Lisbon*, and the price of these shares may vary.

The market price of Ibersol's shares has been subject to great volatility in the past and may be subject to greater fluctuations in response to various factors (many of which are not under Ibersol's control). These factors include, but are not limited to: (*i*) the very risk factors described in the Prospectus; (*ii)* the entry of new competitors in the markets in which the Issuer operates at any given time; (*iii)* factors such as legislative, regulatory and tax changes in the jurisdictions in which the Group operates; (*iv*) fluctuations in the Operating Results of Ibersol and its subsidiaries and investors' expectations in that regard; (*v)* general economic conditions, namely the Portuguese and Spanish economy, the budget deficit and the sustainability of public debt; (*vi)* political conditions and the perception of stability in Portugal, Spain and the European Union; (*vii*) real or estimated changes in the activity, results and financial situation of Ibersol and its subsidiaries; (*viii*) changes in financial estimates and analysts' recommendations, if applicable, regarding Ibersol or the sectors in which it operates as well as changes in the conditions of the financial and capital markets in general (namely the securities market in Portugal); (*ix*) announcements made by Ibersol or its competitors about significant contracts, agreements on mergers and acquisitions, new services and products, any major operating event or future issuance or sales of Ibersol shares; and (*x*) changes in investors' perception of Ibersol and the investment environment.

This volatility could have a negative effect on the market price of Ibersol's shares. General market and sector factors can adversely affect the market price of Ibersol's shares, regardless of the operating performance of its subsidiaries.

In addition to the liquidity agreement between Ibersol and Caixa - Banco de Investimento, S.A., which came into effect on 1 October 2006, no new agreements were established for third parties to act as intermediaries in the secondary trading of the New Shares to ensure their liquidity.

Additionally, the occurrence of sales of a substantial number of shares in the market before or after the present Offer, or the mere perception that such sale may occur, could adversely affect the market price of Ibersol's shares or Ibersol's ability to raise capital through a future public Offer, in particular considering the level of free float of Ibersol's shares, their level of liquidity and the shallow depth of the volume of orders for the purchase and sale of Ibersol's shares.

The rights of shareholders under Portuguese law may differ from the rights recognized to shareholders under non-Portuguese law.

The rights of holders of Ibersol shares are those arising from its Bylaws and Portuguese corporate and securities laws, which may differ from those of other jurisdictions whose laws are applicable to Ibersol's shareholders. Additionally, the ability of shareholders to bring actions against Ibersol and its directors under foreign legal regimes and the enforceability of judicial or arbitration decisions rendered against Ibersol or any of its officers outside Portugal is subject to the verification of certain legal requirements and may be subject to certain limitations.

Under Portuguese law, shareholders have the possibility to request the declaration of nullity or annulment of resolutions that violate legal or statutory provisions, which may, in the case of a share capital increase in a public company, result in the New Shares not being fungible with the existing ones until the dispute is resolved, pursuant to article 25(a) of the Portuguese Securities Code. This is in addition to the general period of 30 days after approval of the relevant resolution set forth in article 25(a) of the CVM (during which time the New Shares issued constitute an autonomous class).

Any future increases in Ibersol's capital may have a negative impact on the share price and existing shareholders may suffer dilution of the capital they hold to the extent that they are unable to participate in such capital increases.

Ibersol may, in the future, further increase its share capital, by contributions in cash or in kind, and such situations may have a negative impact on the price of its shares. Additionally, the shareholders' preemptive rights may be limited or suppressed by resolution taken at a General Meeting, and in such cases, the shareholders' interest in Ibersol's share capital may be diluted. The exercise of pre-emptive subscription rights by certain shareholders not resident in Portugal may also be restricted by applicable law, as well as by practices or other rules, and such shareholders may be prevented from exercising such rights. Shareholders in jurisdictions outside Portugal who are unable or unwilling to exercise their preemptive subscription rights in a capital increase may suffer dilution of their share capital.

Ibersol cannot assure investors that the registration of the capital increase with the Commercial Registry Office and the subsequent admission to trading of the New Shares will take place on the expected date.

The admission to trading on Euronext Lisbon of the New Shares to be issued under the Offer assumes the registration of the corresponding increase of Ibersol's share capital with the Commercial Registry Office following the settlement of the Offer. Ibersol cannot assure investors that such registration will take place when expected and, if there is a delay, there may be a relevant time gap between the payment of the Offer Price and the receipt of the New Shares. In addition, the completion of such registration is also subject to the interpretation of the applicable legislation, the Articles of Association, and its relevant corporate resolutions by the Portuguese commercial registries (including with regard to aspects of the regime such as the share issue value and share capital figure). Similarly, a delay in the admission to trading of the New Shares could affect their liquidity. In addition, admission of the New Shares to trading could, for whatever reason, be frustrated. In the event the admission is refused based on a fact attributable to the Issuer or to persons who are in any of the situations provided for in article 20(1) of the Portuguese Securities Code, the addressees of the Offer could terminate their business of acquisition of the New Shares, such termination to be communicated to the Issuer within 60 days after the act of refusal of admission to the regulated market.

No compensation will be due if the subscription rights cease because they were not exercised by the deadline or if a market for their transaction has not developed.

If the subscription rights are not exercised or sold by the end of the subscription period, they will cease without consideration, and there will be no compensation for that fact. Ibersol has requested the admission of the subscription rights to trading on *Euronext Lisbon*, but it is not possible to guarantee the development of an active market for its transaction.

3. PERSONS RESPONSIBLE FOR NFORMATION

Identification of those responsible for the information contained in the Prospectus and declaration of responsibility

Pursuant to articles 149 and 243 of the CVM, the following are responsible for the information contained in this Prospectus on the date of its publication: **(i) The Issuer:** Ibersol; **(ii) The members of the Board of Directors:** The Company's Board of Directors elected for the 2021-2024 term of office, comprising Dr. António Alberto Guerra Leal Teixeira (Chairman), Dr. António Carlos Vaz Pinto de Sousa (Vice-Chairman), Dr. Maria do Carmo Guedes Antunes de Oliveira (Member), Professor Juan Carlos Vazquez Dodero de Bonifaz (Member) and Eng. Maria Deolinda Fidalgo do Couto (Member); **(iii) The members of the Supervisory Board:** The Company's Supervisory Board in office on the date of approval of the annual accounts for 2020, composed of Dr. Carlos Alberto Alves Lourenço (Chairman), Dr. Maria José Martins Lourenço da Fonseca (Vice-Chairman) and Dr. Eduardo Moutinho Ferreira Santos (Member); The Company's Supervisory Board elected for the term of office 2021-2024, composed of Dr. Hermínio António Paulos Afonso (Chairman), Carlos Alberto Alves Lourenço (Member) and Maria José Martins Lourenço da Fonseca (Member); **(iv) The Statutory Auditor and External Auditor:** KPMG & Associados -

Sociedade de Revisores Oficiais de Contas, S.A., with head office at Edifício FPM41, Av. Fontes Pereira de Melo n.º 41 - 15.º andar, 1069-006 Lisboa, registered with the Portuguese Institute of Statutory Auditors under no. 189 and registered with the CMVM under no. 20161489, represented by Pedro Manuel Bouça de Morais Alves da Costa (ROC registered with the Portuguese Institute of Statutory Auditors under no. 1466, registered with the CMVM under no. 20161076), was responsible for the audit report and the legal certification of the Issuer's consolidated accounts for the year ended 31 December 2020 and for the limited review report for the period ended 30 June 2021; **(v) The Financial Intermediaries:** The Financial Intermediaries responsible for the assistance and placement services to the Offer, Banco Comercial Português, S.A, with registered office at Praça D. João I, no. 28, 4000, Oporto, with the share capital fully subscribed and paid up of EUR 4,725,000,000.00, registered at the Commercial Registry of Oporto with the single commercial and tax identification number 501525882, and Banco Santander Totta, S.A., with registered office at Rua Áurea 88, 1100-063, Lisbon, with the share capital fully subscribed and paid up of EUR 1,256,723,284, registered at the Commercial Registry Office of Lisbon under the single commercial and tax identification number 500844321.

The above-mentioned persons and entities, in their capacity as responsible for the information contained herein, declare that, to the best of their knowledge, the information contained in the parts of this Prospectus for which they are responsible is in accordance with the facts and contains no omissions likely to affect their contribution.

4. - REASONS FOR THE OFFER, ALLOCATION OF PROCEEDS AND DILUTION

4.1. Reasons for the Offer and allocation of proceeds

As of 30 June 2021, Ibersol had a Net Debt of 446 million euros, with loans amounting to 177.6 million euros, divided between 22.2 million euros short term and 155.4 million euros medium and long term. On that date, Net Bank Debt totaled 116.3 million euros and the Leverage Ratio was 77%. Furthermore, on the date of approval of the Prospectus, the contractually programmed reductions in credit limits (excluding leases) in 2021 and 2022 represent 10.6 million euros and 40.8 million euros, respectively.

On the other hand, Ibersol recorded net results of -22.9 million euros in the first half of 2021, which substantially deteriorated net assets.

Therefore, taking into consideration the current level of indebtedness and the substantial reduction in the Group's shareholders' equity, the proceeds to be obtained from the Offer are aimed at maintaining its level of Bank Debt and improving its capital structure by strengthening its shareholders' equity, seeking to strengthen the Issuer's balance sheet towards the levels prior to the COVID-19 pandemic, providing the Issuer with greater strategic and financial flexibility and providing it with liquidity, financing capacity through the improvement of its credit profile and the means necessary to achieve its strategic guidelines and, in particular, to resume the normal pace of expansion and modernization investments of its restaurants, in order to maintain and expand the market shares of the businesses in which the Issuer operates and that proved to be more resilient in the context of the crisis originated by the COVID-19 pandemic, also strengthening its ability to withstand prolonged shocks related to the pandemic.

In particular, the Issuer intends, in addition to the opening of 10 establishments that already took place in 2021 and until the date of approval of the Prospectus, to continue with the respective restaurant modernization and expansion plans of the Burger King, KFC, Pizza Hut and Taco Bell brands, predominantly in the drive thru format or with a strong home delivery component, through the planned opening of 14 new restaurants still in 2021, with a total estimated investment of 16 million euros [3], and 34 new restaurants in 2022, for a total estimated amount of 34 million euros (7 of which the start of their construction to occur still in 2021). Taking into consideration the expected proceeds from the Offer, these investments will be partially financed with those amounts, with the remaining amount being financed with the cash flows that will be generated from its operating activity. The proceeds generated by the Offer will thus be a way to reinforce the medium and long-term capital for the expansion of the Group's business.

The net proceeds of the Offer will only be determinable after the subscription closes, being expected, considering the subscription price of € 4.00 and a scenario of full subscription, that to a total amount of proceeds of approximately 40 million euros, corresponds a net amount of approximately 39,4 million euros, deducting all associated expenses.

4.2. Dilution

Under the Offer a maximum of 10,000,000 New Shares will be issued in a capital increase, bringing the total number of shares representing the Issuer's share capital after the Offer to € 46,000,000, assuming full subscription of the same, so that if current shareholders participate in the Offer, subscribing the New Shares in proportion to the shares held,

[3] Two new restaurants were opened in Q3 2021 and another four during October 2021.

they will not suffer any dilution.

The shareholding in the Issuer's capital of shareholders that neither subscribe for the New Shares nor acquire the shares that would be necessary to maintain their respective shareholding will be diluted with the issuance of the New Shares, with the dilution being equivalent to about 21.74% resulting from the quotient between the number of New Shares issued and the total number of shares representing the Issuer's share capital after this Offer, assuming full subscription of the capital increase. In this scenario, and as an example, for current shareholders that neither subscribe for the New Shares nor acquire shares that would be necessary to maintain their respective shareholding, a 1% shareholding in the share capital will be reduced to about 0.783% after the capital increase, assuming full subscription of the capital increase.

Taking into consideration that Ibersol holds 3,599,981 own shares, a participation corresponding to 1% of the voting rights will be reduced to about 0.764%, after the Offer, for current shareholders that do not subscribe the New Shares and under the assumption that they fully subscribe the capital increase (and maintain the referred number of own shares).

Considering the irrevocable commitment assumed by ATPS and other related entities to subscribe, as a minimum, a total of 6.102.493 New Shares, and assuming a scenario in which these would be the only subscriptions verified in the capital increase, the dilution of the participation of the other shareholders would be about 15.85% of the voting rights that can currently be exercised, (and about 14,49% of the share capital) with ATPS being attributable, under the terms of paragraphs b) and d) of no. 1 of article 20 of the Portuguese Securities Code, 67.20% of Ibersol's voting rights that may currently be exercised (i.e. excluding the 3,599,981 own shares whose voting rights are suspended) and about 61,46% of the share capital.

5. - SELECTED FINANCIAL INFORMATION OF THE ISSUER

The selected financial data presented in this Chapter for (i) the first half of 2021 have been prepared from the unaudited consolidated financial statements of Ibersol for that period (subject to limited review) and (ii) the year ending 31 December 2020, have been prepared from the audited consolidated financial statements of Ibersol for that period, and should be read in conjunction with the respective consolidated financial statements of Ibersol, including their notes, incorporated by reference in this Prospectus, as indicated in Chapter 9 of this Prospectus.

The consolidated financial statements of Ibersol in the consolidated financial statements for 2020 and the first half of 2021 were prepared on a going concern basis from the books and accounting records of the Company, its subsidiaries, and associated companies, adjusted in the consolidation process and based on historic cost, except for some financial assets and liabilities, which were measured at fair value.

The financial statements referred to in the paragraphs above were prepared in accordance with IFRS - EU.

5.1. Consolidated statement of income by nature

The following table presents Ibersol's consolidated income statement by nature for the first half of 2021 and 2020 (unaudited information) and for the years ended 31 December 2020 and 2019 (audited information):

(EUR million)	6M 2021	2020	6M 2020	2019
Turnover	134,9	288,9	133,6	485,4
Ebitda	24,9	43,6	15,2	119,5
Ebitda Margin	**18,5%**	**15,1%**	**11,3%**	**24,6%**
Amortisation, depreciation, and impairment losses of AFT, right of use, goodwill, and IA	(42,6)	(94,5)	(47,0)	(86,6)
Operating profit	(17,7)	(50,9)	(31,8)	32,9
Ebit Margin	**-13,1%**	**-17,6%**	**-23,8%**	**6,8%**
Financial result	(9,5)	(19,6)	(10,3)	(20,7)
Gains (losses) in associated companies and joint ventures	(0,1)	0,1	(0,1)	0,1
Gains (losses) in subsidiaries	-	-	-	-
Profit before tax	**(27,4)**	**(70,4)**	**(42,1)**	**12,3**
Income tax	4,4	15,1	8,8	5,3
Consolidated net income	**(23,0)**	**(55,3)**	**(33,4)**	**17,6**

5.2. Consolidated statement of financial position

The following table presents Ibersol's consolidated statement of financial position for the first half of 2021 and 2020 (unaudited information) and for the years ended 31 December 2020 and 2019 (audited information):

(This document is a translation of the original document, in Portuguese language. In case of discrepancy, the Portuguese version prevails. This English language version was not reviewed or approved by the CMVM)

(EUR million)	30/06/2021	31/12/2020	30/06/2020	31/12/2019
Active				
Non-current				
Goodwill	80,5	80,5	84,9	88,0
Tangible fixed assets, intangible fixed assets	240,3	250,2	246,0	253,0
Rights of Use	264,9	281,6	297,4	321,8
Financial investments in joint ventures and associates	3,3	2,7	2,5	2,6
Non-current financial assets, other financial assets, and other non-financial assets	10,6	9,1	9,2	11,4
Deferred Taxes	19,3	14,9	11,7	4,0
Total non-current assets	**618,9**	**639,0**	**651,6**	**680,7**
Current				
Inventories	11,5	11,6	12,2	12,0
Income tax recoverable	0,2	0,2	1,5	1,5
Other financial assets	0,0	1,6	13,2	12,9
Other current assets	24,2	25,7	27,0	31,7
Cash and bank deposits	59,7	50,6	60,8	38,4
Total non-current assets	**95,6**	**89,7**	**114,7**	**96,5**
Total assets	**714,5**	**728,7**	**766,3**	**777,3**
Liabilities				
Non-current				
Loans	155,4	145,5	138,1	74,8
Lease liabilities	244,7	254,6	270,8	286,2
Deferred Taxes	3,6	3,9	7,2	8,7
Provisions, derivative financial instruments, and other non-current liabilities	0,8	0,1	0,1	0,2
Total non-current liabilities	**404,6**	**404,1**	**416,3**	**369,8**
Current				
Loans	22,2	19,6	44,0	46,4
Lease liabilities	85,0	74,4	57,4	53,8
Accounts payable to suppliers and accrued costs	54,4	62,0	55,5	77,8
Income tax payable and other current liabilities	14,6	12,3	13,4	15,3
Total current liabilities	**176,3**	**168,2**	**170,4**	**193,2**
Total liabilities	**580,8**	**572,3**	**586,7**	**563,1**
Equity				
Capital and reserves attributable to shareholders				
Share capital	36,0	36,0	36,0	36,0
Own shares	(11,2)	(11,2)	(11,2)	(11,2)
Share premium, legal reserves, currency translation reserves and other reserves	131,6	186,6	187,9	171,6
Net income for the year	(22,9)	(55,2)	(33,3)	17,5
Total equity attributable to shareholders	**133,5**	**156,3**	**179,4**	**213,9**
Interests that do not control	0,1	0,1	0,2	0,3
Total equity	**133,6**	**156,4**	**179,6**	**214,2**
Total equity and liabilities	**714,5**	**728,7**	**766,3**	**777,3**

5.3. Consolidated statement of cash flows

The following table presents the condensed consolidated statement of cash flows for the first half of 2021 and 2020 (unaudited information) and for the years ended 31 December 2020 and 2019 (audited information):

(EUR million)	6M 2021	2020	6M 2020	2019
Cash flows from operating activities	26,6	23,7	3,1	118,7
Cash flows from investing activities	(12,3)	(17,0)	(16,9)	(41,2)
Cash flows from financing activities	(5,3)	9,9	35,1	(73,9)
Variation in cash and cash equivalents	**9,0**	**16,6**	**21,3**	**3,6**
Perimeter variation and exchange rate differences effects	(0,0)	(0,7)	(0,2)	(1,0)
Cash and cash equivalents at the beginning of the period	50,5	34,6	34,7	32,0
Cash and cash equivalents at the end of the period	**59,6**	**50,5**	**55,8**	**34,7**

5.4. Other financial information

The following table presents the unaudited alternative performance indicators for the first half of 2021 and 2020 (unaudited information) and for the years ended 31 December 2020 and 2019 (unaudited information):

(EUR million)	6M 2021	2020	6M 2020	2019
Cash flows from operating activities	26,6	23,7	3,1	118,7
Expansion Capex (1)	2,4	19,9	5,6	38,0
Maintenance and other miscellaneous Capex (2)	2,0	8,4	1,1	20,0
Total Capex (additions of tangible and intangible assets)	**4,4**	**28,3**	**6,7**	**58,0**
Number of new restaurants (3)	**4**	**17**	**6**	**38**

(1) Expansion Capex corresponds to the investment incurred in the opening of new restaurants.
(2) Maintenance Capex corresponds to the investment incurred in the refurbishment of the existing restaurants.
(3) During the second half of 2021 the additional openings of six new restaurants have already taken place.

5.5. Significant Changes in the Issuer's Financial Condition

As detailed in the risk factor "*Potential unexpected or negative results regarding the interpretation and application of Ley 13/2021*" and in section 8.2of the Prospectus, since the last published interim financial information for the period ended 30 June 2021, unaudited (subject of a limited review report), the entry into force of *Ley 13/2021* on October 1 is to be noted, whose potential impacts are being analyzed, it being difficult to fully quantify such impacts in the Group's financial statements at the date of this Prospectus, aside from the amount of lease liabilities not due, which amounted to 39 million euros at 30 June 2021.

5.6. Issuer Statement Regarding Working Capital Sufficiency

As it is normal in the restaurant sector, the Ibersol Group operates with negative Working Capital and seasonally with higher Working Capital needs in the first half of the year and higher cash flows from operations in the second half of the year.

On 31 August 2021, Working Capital was negative 78.1 million euros, including: (*i*) a Negative Structural Component of Working Capital amounting to -31.7 million euros (due to the characteristics of the Group's business, with payment terms to suppliers much longer than the collection terms from customers and the reduced values of inventories) and (*ii*) a current lease liability of 69,1 million euros (40 million euros with respect to the period from 15 March 2020 to 31 August 2021 and 29.1 million euros for the period from 1 September 2021 to 31 August 2022) corresponding to the lease debt to AENA, as explained in the risk factor "*Potential unexpected or negative results with respect to the interpretation and application of Ley 13/2021 (...)*" of Chapter 2 of this Prospectus.

With the publication of the referred law - and according to its interpretation - the Issuer estimates that the current lease liability to AENA referred to in (*ii*) in the preceding paragraph will be unenforceable in the amount of 55 million euros (if it covered the period up to the end of October 2022, this amount would be around 57 million euros), which would adjust the Working Capital with reference to 31 August 2021 to the negative amount of 23.1 million euros Furthermore, the Group has currently available unused credit lines in the amount of 31.4 million euros.

In view of the above, Ibersol considers that it has sufficient Working Capital to guarantee its current needs, i.e., for the twelve months following the date of this Prospectus.

6. - CAPITALISATION AND INDEBTEDNESS

The information in this Chapter 6 was prepared in accordance with IFRS-EU and should be read in conjunction with the financial statements included in this Prospectus in Chapter 5, as well as with the other financial information included by reference in this Prospectus.

As a result of the entry into force of *Ley 13/2021* of 1 October, as described in the risk factor "*Potential unexpected or negative results regarding the interpretation and application of Ley 13/2021, (....),*" of Chapter 2 of this Prospectus, a pro forma column has been included in the tables presented below in order to illustrate, with reference to 31 August, the impact of the write-off of the current lease debt not due by AENA in the amount of 40 million euros, corresponding to the excess of minimum rents for the period from 15 March 2020 to 31 August 2021, resulting from the entry into force of the law.

6.1. Capitalization Statement

The following table presents Ibersol's consolidated capitalization statement as on 31 August 2021 (unaudited information):

(EUR million)	31/08/2021	31-08-2021	Notes to the Financial Statements at 31/12/2020

(This document is a translation of the original document, in Portuguese language. In case of discrepancy, the Portuguese version prevails. This English language version was not reviewed or approved by the CMVM)

			Pro-forma	
Total current debt (including current portion of non-current debt)				
A	Guaranteed 1)	2,4	2,4	17 e 31
B	Pledged 2)	26,5	1,1	11.2, 12 e 17
C	Unsecured/unsecured 3)	86,6	72,1	17.1 e 17.2
D	**Total Current Debt (A+B+C)**	**115,5**	**75,6**	
Total non-current debt (excluding current portion of non-current debt)				
E	Guaranteed 4)	51,4	51,4	17 e 31
F	Pledged 5)	14,3	39,8	11.2, 12 e 17
G	Unsecured/unsecured 6)	326,8	301,3	17.1 e 17.2
H	**Total non-current debt (E+F+G)**	**392,5**	**392,5**	
Shareholders' Equity				
I	Share capital	36,0	36,0	16.1
J	Own shares	(11,2)	(11,2)	16.2
K	Share premium	0,5	0,5	
L	Legal Reserve	1,8	1,8	
M	Other Reserves	129,6	129,5	16.3
N	**Total equity (I+J+K+L+M)**	**156,6**	**156,5**	
TOTAL CAPITALIZATION (D+H+N)		**664,6**	**624,6**	

1) Including tranches of loans guaranteed by the Portuguese State amounting to 2.4 million euros;
2) Including loans in Angola secured by Treasury Bonds deposited (0.2 million euros), Lease debt secured by deposits (5.7 million euros) and Lease debt secured by equipment (0.8 million euros) and 19.8 million euros of lease debt with bank guarantees;
In the pro-forma column, 5,7 million relating to AENA debt secured by deposits and 19,8 million euro of AENA lease debt secured by guarantees have been eliminated;
3) Including loans of 23.9 million euros and lease debt (premises) of 62.6 million euros and lease debt not covered by guarantees or deposits.
In the pro-forma column, 14.5 million corresponding to the current unsecured and unsecured debt to AENA has been eliminated;
4) Including tranches of loans guaranteed by the Portuguese State for EUR 18,7 million and guaranteed by the Spanish State for EUR 32,7 million;
5) Including loans in Angola secured by treasury bonds deposited (0.2 million euros), secured space rental debt (2.8 million euros) and equipment secured lease debt (6.8 million euros) and 4.5 million euros of lease debt with bank guarantees;
In the pro-forma column, 25.5 million has been added corresponding to the lease debt to AENA through allocation of the coverage of the guarantees (5.7 million euros) and bank guarantees (19.8 million euros);
6) Including loans of 100.5 million euros and lease debt of 226.3 million euros;
In the pro-forma column, 25.5 million euros that are covered by collateral or bank guarantees have been eliminated).

6.2. Statement of Indebtedness

The following table presents Ibersol's consolidated statement of indebtedness as of 31 August 2021 (unaudited information):

(EUR million)		31/08/2021	31-08-2021 Pro-forma	Notes to the Financial Statements at 31/12/2020
A	Cash	1,0	1,0	14
B	Cash equivalents 1)	67,1	67,1	14
C	Other current financial assets	0,1	0,1	11.1
D	**Liquidity (A+B+C)**	**68,2**	**68,2**	
E	Current financial debt (excluding the current portion of non-current financial debt) 2)	9,8	7,6	17.1 e 17.2
F	Current portion of non-current financial debt 3)	105,7	67,9	17.1 e 17.2
G	**Current financial debt (E+F)**	**115,5**	**75,5**	
H	**Net current financial debt (G-D)**	**47,2**	**7,2**	
I	Non-current financial debt (excluding current portion and debt instruments)	390,0	390,0	
J	Debt instruments	-	-	
K	Trade and other non-current payables 4)	2,5	2,5	
L	**Non-current financial debt (I+J+K)**	**392,5**	**392,5**	
M	**Total financial debt (H+L)**	**439,8**	**399,8**	

1) Demand deposits and time deposits with a maturity of up to 3 months;
2) Loans (5.0 million euros) and lease debt (4.8 million euros) expiring within 1 year;
In the pro-forma column, 2.2 million euros corresponding to AENA Airports lease debt were eliminated;
3) In the pro-forma column, liabilities amounting to 37.8 million euros corresponding to lease liabilities with AENA have been eliminated;
4) Non-current interest-free financing.

Indirect Debt: The Ibersol Group has no indirect debt as of 31 August 2021.

Contingent Debt: Ibersol has recorded in its consolidated financial statements, prepared with reference to 30 June 2021, provisions amounting to €778,023 in non-current liabilities, with the detail referred to in note 13 attached to the aforementioned half-yearly consolidated financial statements and for which it has made a deposit.

The Ibersol Group is subject to the contingencies described in the notes to the aforementioned half-yearly consolidated financial statements, including the lawsuit against a Group subsidiary in Spain for alleged breach of non-competition clauses in a sub-franchise agreement in the amount of 11.7 million euros mentioned in note 22 to the consolidated financial statements prepared as on 30 June 2021.

The Group also has several claims and appeals in which bank guarantees were provided amounting to 314 thousand euros, as per note 23 of the consolidated financial statements as of 30 June 2020.

The main financing contracts of Ibersol with banks include Financial Covenants, as detailed in note 14.1 to the consolidated financial statements prepared as on 30 June 2021.

7. - OFFER DESCRIPTION

7.1. Conditions of the Offer, underwriting and subscription intentions

7.1.1. Number of New Shares offered, amount of the issue, Offer Price, admission to trading and conditions to which the Offer is subject

Number

The purpose of this Offer is a maximum of 10,000,000 New Shares representing 21.74% of the Company's share capital (after the increase). The New Shares will be offered directly for subscription to Ibersol's shareholders, in exercise of their legal pre-emption rights and to other investors that acquire subscription rights. The competent authority for the approval of the Prospectus related to this Offer is the CMVM.

Amount

The total proceeds of the Offer will be € 40,000,000, considering that each New Share will be subscribed for at € 4.00 (which includes a premium of € 3.00 per New Share), and assuming full subscription.

Offer Price

The Offer Price is € 4.00 per New Share (which includes a premium of € 3.00 per New Share). In accordance with the provisions of article 4, no. 2 of the Articles of Association[4], which was resolved at the General Meeting on 29 June 2020 and which contains the authorization of the Board of Directors to resolve on capital increases under the conditions set forth therein, the Board of Directors resolved on 19 October 2021 (which resolution was subject to a favorable opinion of the Supervisory Board on the same date), the approval of the share capital increase that will result in the issuance and subscription of the New Shares.

Payment of the subscription price for the New Shares, including any additional subscription requests in allotment, will be made in cash in full upon subscription.

The subscription price may be subject to commissions or other charges, which may be levied in accordance with applicable law, to be borne by the applicants, which are set out in the price lists of the financial intermediaries available on the CMVM's website at **www.cmvm.pt** and should be indicated by the financial institution receiving the subscription orders.

Admission to trading

Once issued, the New Shares will be admitted to trading on *Euronext Lisbon* managed by *Euronext* under the symbol IBS and will be fungible with the shares representing Ibersol's share capital that are already admitted to trading on the date of this Prospectus, and the expected date for the trading of the New Shares on *Euronext Lisbon* to commence, subject to the prior obtaining of the commercial registration of the capital increase and the prior physical and financial settlement of the Offer, is 19 November 2021.

The request for admission to trading of the New Shares, which has already been submitted, may, for some reason, be frustrated. Should this occur, and pursuant to article 163 of the Portuguese Securities Code, the addressees of the Offer could terminate the acquisition of the New Shares in case the admission is refused based on a fact attributable to

[4] "*The share capital may be increased up to one hundred million euros, on one or more occasions, by resolution of the Board of Directors, which shall fix the form, the conditions of subscription and the categories of shares to be issued from among those provided for in this pact or others permitted by law.*"

the Issuer or to persons who are in any of the situations provided for in article 20(1) of the Portuguese Securities Code, such termination to be communicated to the Issuer within 60 days after the act of refusal of admission to the regulated market.

After admission to trading on Euronext Lisbon, the New Shares will be fungible with the Issuer's other shares, except in the event an action to annul or declare the nullity of the capital increase resolution is filed within 30 days of said resolution, in which case the New Shares will constitute an autonomous category until the final and unappealable decision of the court decision in said action for annulment or declaration of nullity, pursuant to article 25(b) of the Portuguese Securities Code.

Conditions

The Offer is not subject to any conditions, being limited to the subscription of the orders that are submitted.

7.1.2. Intentions to subscribe, placing and underwriting

Without prejudice to the possibility granted to most Offer recipients to acquire and exercise additional subscription rights or to submit requests for subscription of a number of shares higher than the one to which they would proportionally be entitled, ATPS (direct holder of 16,597,058 Ibersol shares), two of its directors (António Pinto Sousa and António Teixeira, each holder of 2,520 Ibersol shares) and ANUTA - Serviços e Gestão, S.A., its 100% owned subsidiary (holder of 3,170,000 Ibersol shares), have irrevocably undertaken to subscribe, as a minimum, a total of 6.102,493 New Shares at a subscription price of 4.00 Euros each, corresponding to the exercise of all subscription rights that will be attributed to them under the Offer, through the shareholdings held by them on the date of this Prospectus (i.e., a total of 19,772,098 shares).

There is no guarantee of placement or underwriting of the New Shares.

Banco Comercial Português, S.A. and Banco Santander Totta, S.A. are the Financial Intermediaries responsible for providing assistance to the Issuer in relation to the Offer, pursuant to and for the purposes of articles 113 and 337 of the Portuguese Securities Code, covering the services required for the preparation, launch and execution of the Offer and advisory services for the process of admission to trading of the New Shares on *Euronext Lisbon*. Any financial intermediary duly authorized and registered for such purpose may perform the role of receiving entity of purchase orders and registration entity.

7.2. Essential information on the New Shares and their subscription

7.2.1. ISIN

The New Shares, when admitted to trading, will have the same ISIN code PTIBS0AM0008 as the shares representing the share capital of Ibersol already admitted to trading on the date of the present Prospectus. The ISIN code of the subscription rights of the New Shares is PTIBS0AMS007 and they will trade under the symbol IBSS1.

7.2.2. Rights attached to shares, procedure for exercising those rights and any limitations

All Ibersol shares are ordinary and therefore of the same class. The New Shares will also be ordinary and will also belong to the same category and will be granted the same rights (including participation in the profits of the current year, if distributed). Under the terms of the CSC and the Articles of Association, the holder of an Ibersol share assumes, with the respective acquisition, the condition of shareholder of the Company, with all the inherent rights and obligations established in the CSC and the Articles of Association.

The holding or ownership of one or more shares of the Company implies that the shareholder is subject to the content of the Articles of Association, without prejudice to its right to challenge the provisions it considers inconsistent with mandatory legal rules that are applicable to the Company, under the terms and deadlines provided for by law.

The holders of Ibersol shares have, in particular, as main rights, (A) the right to information[5] (considering the terms of articles 288 to 293 of the CSC and articles 244 to 251 of the CVM and in CMVM Regulation no. 5/2008, as amended), (B) the right to a share in the profits (after deduction of the amounts necessary, namely, to cover losses or for the formation or reconstitution of the legal reserve, under the terms of Article 33(1) of the CSC and as decided by the General Meeting), under the terms of subparagraph a) of paragraph 1 of Article 21 and of Article 294 of the CSC, as

[5] Under the terms of articles 288 to 291 of the CSC, the right to information involves, in the case of holding at least 1% of the share capital, the right to consult certain corporate documents relating to the management and supervision of the company, and information in preparation for the General Meeting must be made available to shareholders at the company's registered office. During the course of the General Meeting, information must be provided on the matters subject to resolution. Shareholders holding at least 10% of the share capital can request information on corporate matters, which, in principle, cannot be refused; if any shareholder is unduly refused the right to information under the terms of these precepts, he/she may request the Court to carry out an inquiry into the Company.

well as of the Ibersol Articles of Association[6] (C) the right to participate in the General Meeting and to exercise its voting rights, pursuant to article 379(1) of the CSC and chapter four of the articles of association[7]; (D) the preemption right in the subscription of New Shares in cases of capital increases by cash contributions, in which the respective right is not limited or suppressed and the right to receive New Shares of the Company in capital increase operations by incorporation of reserves and (E) the right to the distribution of assets in case of dissolution.

7.2.3. Place where the shares can be subscribed, Offer period and subscription procedure

Place of subscription

Subscription orders for New Shares may be submitted to any financial intermediary legally qualified to provide the service of reception, transmission, and execution of orders on behalf of others.

A model order transmission bulletin will be made available to Financial Intermediaries; however, its use is optional provided that an equivalent order transmission mechanism is ensured.

Said form may be requested from Banco Comercial Português (through e-mail: dtit.certificacoes@millenniumbcp.pt) or Banco Santander Totta (through e-mail: corretora@santander.pt).

Orders for the subscription of New Shares may also be transmitted to the Financial Intermediaries referred to above through the internet, where accepted by the financial intermediary with whom such orders are submitted.

Offer Period

The subscription period for the New Shares will run from 8:30 a.m. on 28 October 2021 to 3:00 p.m. on 12 November 2021, *inclusive* (the "**Offer Period**").

Subscription Procedure

The number of New Shares to be subscribed for in the exercise of the respective legal preemptive rights results from the application of the factor 0.3086418 to the number of subscription rights held at the time of subscription, rounded down. Each share will be assigned a subscription right, except for the 3,599,981 shares held by the Issuer itself, which will not have any subscription right.

The New Shares initially not subscribed will be subject to pro rata apportionment among the holders of subscription rights who have indicated their intention to subscribe for a number of shares greater than that to which they would proportionally be entitled, in proportion to the value of their respective subscriptions, rounded down. The application for additional subscription shall be made jointly with the application for subscription and shall not be separable from the latter.

The last trading day of the Issuer's shares on Euronext Lisbon with embedded subscription rights is 25 October 2021, which means that the Issuer's shares that trade on Euronext Lisbon as of and including 26 October 2021 no longer confer the right to participate in the Offer. The Issuer's shares traded over the counter and registered in the individualized accounts of the acquirer up to and including 4:00 p.m. on 27 October 2021 will grant subscription rights to the shareholder, unless otherwise provided for.

Ibersol shareholders that do not wish to exercise their subscription rights, in whole or in part, may dispose of them on *Euronext Lisbon* during the period from the first day on which those rights may be exercised until the third trading day prior to the end of the term for subscription of the New Shares, i.e., from 28 October 2021 to 9 November 2021, inclusive. The rights may also be traded outside the regulated market, in the general terms of the law, and must be registered in the purchaser's book-entry securities account on or before 12 November 2021 (inclusive), at 3:00 p.m., in order to allow the exercise thereof in the subscription of New Shares. If the subscription rights are not exercised or disposed of by the end of the subscription period, they will be cancelled without consideration, and no compensation will be due for such fact.

Orders may be revoked up to 4 days before the end of the Offer Period, by communication to the financial intermediary that received it, that is, they are revocable up to and including 3:00 p.m. on 8 November 2021.

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[6] Pursuant to Article 29 of the Articles of Association, "The net results shown in the annual financial statements shall be reduced by the amounts necessary for the creation or replenishment of the legal reserve, with the remainder being applied as decided by the General Meeting by simple majority, which may distribute them totally or partially or allocate them to reserves. "In accordance with Decree-Law no. 187/70, of 30 April, in the version currently in force, the right to receive dividends lapses and dividends, interest and other income are lost to the Portuguese State if, for a period of 5 years, their holders or owners have not collected or tried to collect them or have not manifested in another legitimate and unequivocal manner their right thereto.

[7] (*i*) Article 21(1) of the Articles of Association: - "to each share corresponds one vote"; (*ii*) Article 21, no. 2 of the Articles of Association: - "Unless otherwise required by law, resolutions at the General Meeting shall be taken by simple majority" and (*iii*) Article 22, paragraph 3 of the Articles of Association: - "For as long as the Company is regarded as a "publicly traded company", shareholders may vote by post".

During the irrevocability period, i.e., from 3:00 p.m. on 8 November 2021 and until the end of the Offer Period, orders may only be amended to increase the number of New Shares to be subscribed for.

Investors that have accepted the Offer prior to the publication of any addendum prior to the end of the Offer Period have the right to revoke their acceptance within 3 business days after such publication, which shall indicate the final date until which investors may exercise their right to revoke their subscription order. It should be noted that the right to revoke is only granted to investors who had already accepted to acquire or subscribe for the securities before the addendum was published and provided that the securities had not yet been delivered to investors at the moment the new significant fact, material mistake or material inaccuracy occurred or was detected.

The change of an order for a lower quantity of subscription rights to be exercised or New Shares to be subscribed will always have the effect of revoking the order previously transmitted and transmitting a new order and may therefore only occur necessarily within the revocability period (i.e., until 3:00 p.m. on 8 November 2021).

Subscription orders for New Shares and respective requests for additional subscriptions in allotment, as well as revocations and/or amendments to such orders, must be transmitted by the Financial Intermediaries to Interbolsa, in accordance with the usual system for processing subscription orders in capital increase operations with pre-emption reserve for shareholders.

Liquidation

The financial settlement of the New Shares to be issued under the Offer is expected to take place on the first trading day following the closing of the Offer, i.e., 15 November 2021, in the case of the New Shares subscribed for through the exercise of the legal preemption right, and on the third trading day following such closing, i.e., 17 November 2021, in the case of the remaining New Shares allotted to subscribers who have applied for such purpose.

The delivery of the New Shares to the investors participating in this Offer will be made through the registration of the shares in the individual securities accounts of the respective purchasers, domiciled with the Financial Intermediaries legally authorized to provide the activity of registration and deposit of book-entry securities and that have an account opened with the Central de Valores Mobiliários managed by Interbolsa.

The payment of the subscription price of the New Shares to be issued by exercise of subscription rights, as well as of any additional subscription requests in pro rata will be made against the credit in the account of the certificates representing the New Shares to be issued, which will be converted into shares of the Issuer after the commercial registration of the capital increase is obtained. The issue and physical settlement of the New Shares is expected to take place on 18 November 2021.

If not all the New Shares requested by the investor are allotted, the amount corresponding to the unallocated shares will be available with the financial intermediary to whom the respective order has been submitted.

Results

The Offer's results, regarding the exercise of rights as well as the allotment, will be determined by Banco Comercial Português, S.A., under the scope of the Offer assistance services, expected to occur on 15 November 2021. Once determined, the results will be disclosed on the CMVM's website at www.cmvm.pt and on Ibersol's website at www.ibersol.pt.

Key dates of the Offer

The expected timetable for the Offer and for the admission to trading of the New Shares is as follows:

Description of the main phases of the Offer	Expected date and time
Approval and availability of the Prospectus	21 October 2021
Publication of the Notice for the exercise of subscription rights of the New Shares	21 October 2021
Last day of trading of Ibersol shares on Euronext Lisbon with the inherent subscription rights of the New Shares incorporated (1)	21 October 2021
Period of trading of subscription rights on the stock exchange (*inclusive*) (2)	28 October2021 to 9 November 2021
Subscription period for New Shares (*inclusive*) (3)	28 October 2021 from 8:30 am to 12 November 2021 until 3:00 p.m.
Submission by the Financial Intermediaries to Interbolsa of the orders received for the Offer	Daily, until 4:00 p.m. on 28 October 2021 through 12 November 2021.
Date from which subscription orders in the Offer become irrevocable (*inclusive*)	8 November 2021 after 3:00 p.m.

Description of the main phases of the Offer	Expected date and time
Expected date for the determination and announcement of the results of the Offer	15 November 2021
Date of financial settlement of the New Shares subscribed by the exercise of rights under the Offer	15 November 2021
Date of financial settlement of the New Shares allocated pro rata within the scope of the Offer	17 November 2021
Expected date of commercial registration of the capital increase	17 November 2021
Expected issue date and physical settlement of the New Shares (4)	18 November 2021
Expected date of admission to trading of the New Shares (5)	19 November 2021

Notes:

(1) Ibersol shares transferred or acquired over the counter and registered in the acquirer's book-entry securities account on or before 27 November 2021 (inclusive) will still entitle the holder thereof, unless otherwise agreed, to subscribe for New Shares.

(2) The rights may also be traded outside the regulated market, under the general terms of the law, and must be registered in the book-entry securities account of the purchaser until 12 November 2021 (inclusive), at 3:00 p.m. in order to allow the respective exercise thereof in the subscription of New Shares.

(3) If the subscription rights are not exercised or disposed of by the end of the subscription period, they shall cease without consideration and no financial compensation shall be due for this.

(4) The occurrence of this event on the date indicated is dependent on the capital increase being registered with the Commercial Registry Office. Notwithstanding the Issuer's undertaking to use its best efforts to obtain commercial registration on the date indicated, the Issuer cannot guarantee that definitive registration will be made on that same day.

(5) The occurrence of this event on the date indicated is dependent, in addition to that referred to in note (4), on a favorable decision by *Euronext Lisbon*.

Distribution and Allocation Plan

The Offer is exclusively addressed to (i) Issuer's shareholders that, by virtue of the Issuer's shares they hold, hold subscription rights, and (ii) other investors that acquire subscription rights.

The New Shares shall be allotted to the subscribers in accordance with the following criteria:

(a) each holder of subscription rights will be entitled to subscribe for a number of New Shares corresponding to the result of applying a factor of 0.3086418 to the number of subscription rights held at the time of subscription and which such holder has declared its intention to exercise, rounded down;

(b) New Shares which are not initially subscribed shall be allotted to the holders of subscription rights who have indicated their intention to subscribe for New Shares in a number greater than that to which they would be proportionately entitled by virtue of the exercise of their subscription rights, *pro rata to their* respective subscription by exercise of rights, rounded down. The application for additional subscription must be made together with the respective application for subscription through exercise of rights and cannot be separated from the latter;

(c) the New Shares which have not been allotted on the terms referred to in the preceding paragraphs must be raffled off, only once, among the holders of subscription rights whose requests for additional subscription have not been fully satisfied.

If the subscription is incomplete, the Offer and, consequently, the capital increase will be limited to the subscriptions collected.

7.3. Conflicts of interest

The Financial Intermediaries engaged by the Issuer for the provision of assistance services to the Offeror pursuant to the law have a direct financial interest in the Offeror with regard to their remuneration for the provision of such services. These Financial Intermediaries and/or the companies of their respective groups of which they are part have in the past (and may in the future) provided commercial banking, investment banking and financial advisory or other services to the Issuer or any parties related thereto. However, the Issuer is not aware of any significant interest of any person involved in the Offer that conflicts with the Offer.

8. - IDENTIFICATION AND DESCRIPTION OF THE ISSUER AND ITS BUSINESS

8.1. Identification of the Issuer and its main activities

The Issuer's legal name is "Ibersol, SGPS, S.A.", which is therefore a company whose purpose is the management of shareholdings as an indirect form of exercising economic activities, as well as the provision of technical administration and management services. The Ibersol Group's main activity is the management of restaurant brands and the operation of restaurants, mainly in the Iberian market and with a presence in other countries, such as Angola. The Issuer is a public limited company with its capital open to public investment, incorporated under Portuguese law, with the LEI number 549300ZG20XRKSRKZ238, telephone number +(351) 226089708 and email address grupo@ibersol.pt. The Issuer's website, accessible via www.ibersol.pt, contains information about, *inter alia*, the Issuer's activities and the main markets in which it operates, as well as its main shareholders and the composition of the Board of Directors and Supervisory Board. The Issuer is governed, namely, by (i) the Portuguese Companies Code and other applicable legislation, (ii) the legal framework for holding companies, (iii) the Portuguese Securities Code and applicable CMVM and Euronext Lisbon regulations, and (iv) applicable European Union legislation.

Unless the information is incorporated by reference in this Prospectus, the information available on the Issuer's website www.ibersol.pt does not form part of the Prospectus.

8.2. Trend Information

From 31 December 2020 until the date of approval of this Prospectus, the environment of high uncertainty associated with the COVID-19 pandemic and its impact on global economic activity and economic prospects, which could materially affect the prospects and implementation of the Issuer's strategic guidelines in the coming years, remained in place.

The COVID-19 pandemic has had a significant business and financial impact on the Ibersol Group, which resulted in the first losses recorded by the Group since Ibersol's shares were admitted to trading on the stock exchange in 1997, having adversely affected the implementation of strategic lines and objectives and, in general, reduced the value of the Company and its financial capacity.

The intensity of the negative effects of the pandemic in this period was different by business and region, although with a common denominator - the significant reduction in Turnover levels driven by a reduction in demand.

In the first half of 2021, the activity of the Ibersol subsidiaries was affected by the third wave that took place in Portugal (recording identical Turnover compared to the same period in 2020 (+0.9%) and recording losses of 39.1% compared to the same period in 2019) and by the new general lockdown that lasted from 19 January to 19 April, which resulted in a new period of closing down restaurants and restrictions on the operation of those that remained opened. In Spain, the limitations on the operation in the first semester of 2021 were different from region to region, with Madrid applying milder restrictions, contrary to what occurred in Barcelona.

The effects of this new wave of limitations and restrictions imposed on the activity of the Issuer's subsidiaries were not as negative as those of the previous year, despite the fact that sales in the first half of 2021 (134.2 million euros) were very similar to those in the same period of 2020 (133.0 million euros), even though in 2020 there were two and a half months of unrestricted operation. Ibersol's Turnover showed a drop of -45.8% and -33.2% in the first and second quarters of 2021, when compared to the same periods of 2019, and -41.4% and a growth of 105.1% when compared to the same periods of 2020. It should also be noted that the counters segment showed particular resilience to the restrictive measures, having exceeded for the first time, in May 2021, the pre-pandemic sales volume of the same month of 2019, recording a double-digit growth compared to the first half of 2020 (i.e., a growth of 18.2% when comparing the first half of 2021 with the same period of 2020).

Despite the start of the summer of 2021 having been associated with restrictions related to the fight against the new Delta variant, the third quarter showed an acceleration in the pace of recovery of restaurant sales, with a loss of 20% compared to sales recorded in 2019. Compared to the same months of 2019, in July, August and September, respectively, the counter segment recorded growth of 3%, 2% and 7%, the restaurant segment recorded losses of 28%, 25% and 20% and the concessions segment recorded losses of 58%, 47% and 45%.

Similarly, home delivery sales, which increased their penetration rate to reach 33% of restaurant sales at the end of the first half of the year, reduced the impact of limitations on the operation in the restaurant and counter segments, although they significantly affect the profitability of operations, as they are associated with higher costs.

The reduction in Turnover in 2020 and in the first half of 2021 had a significant negative impact on the profitability of Ibersol's business, given that its cost structure has a very significant fixed cost component, and the variable costs are not likely to be fully reduced with the decrease in activity, particularly in short periods, such as some personnel costs and general expenses. Despite some cost control measures adopted (in particular through the simplified *lay-off* and *Apoio à Retoma Progressiva* in Portugal and ERTE in Spain - an institute similar to *lay-offs*, for force majeure - and the renegotiation of lease contracts), the progressive reopening of the restaurants as the legal framework and demand allowed, has not yet allowed the profitability losses recorded in the referred periods to be recovered. Ibersol's EBITDA was 15.2 million euros in the first half of 2020 and 24.9 million euros in the first half of 2021 (which compares with 48.9 million euros, in the first half of 2019). Despite the referred constraints, there has thus been an improvement in the Group's financial performance taking into account the referred evolution of EBITDA.

Having achieved the goal of vaccinating more than 85% of the Portuguese population and having eliminated most of the restrictions, Ibersol's business is therefore, for the time being, dependent on the evolution of demand which, in turn, will result from the evolution of consumer confidence levels, as well as the macroeconomic context.

With regard to the macroeconomic context in the Iberian Peninsula, recent IMF forecasts for 2021 point to GDP growth of 3.9% in Portugal and 6.2% in Spain[8], indicating a slow and insufficient recovery, particularly in business areas that depend on traffic and movement of people, such as airports and shopping centers.

In this framework, and even though some uncertainty remains associated with the COVID-19 pandemic, conditions are more favorable for the Group to pursue its objective of growing Turnover.

Given the importance in the travel business, particularly in Spain, it is important to take into account the forecasts of air traffic for the coming years, with estimates, for a moderate scenario, pointing to a recovery from 2019 levels in Europe only after 2024.[9]

Following the adoption of *Ley 13/2021*, AENA announced that it was analyzing the accounting treatment to be given to the impacts arising from it and the legal implications thereof and that it will take such steps as it deems appropriate to pursue AENA's interests in that context.

Based on the Issuer's interpretation of the terms of this law and on revised traffic estimates according to Eurocontrol's latest publications[10], Ibersol estimates a guaranteed minimum rents payable amount that is approximately 80 million euros lower than initially stipulated in the contracts (of which 40 million euros refers to the period until August 2021 of 2021 and the remaining 40 million euros refers to the period after 1 September 2021 and until the end of the contracts), should the referred traffic estimates actually materialize, this being translated on 31 August into the derecognition of a portion of current liabilities of 40 million euros corresponding to the rent differential for the period from 15 March 2020 to 31 August 2021.

The accounting effects of the application of this law will only be reflected in the Issuer's annual financial statements for 2021, a significant decrease in lease liabilities being anticipated, since the lease payments associated with these agreements will be recognized as rents and leases. Ibersol is analyzing the potential impacts on the recovery of non-current assets, assuming that the application of the new *Ley 13/2021* could have a positive impact on the Group's shareholders' equity in 2021, being difficult to quantify its total impact on the Group's financial statements at the date of this Prospectus.

Ibersol continues to analyze with its legal advisors the potential impacts of *Ley 13/2021* on the lawsuits described in the risk factor "*Potential unexpected or negative results regarding the interpretation and application of Ley 13/2021 (...)*", both from a procedural and substantive point of view. However, Ibersol cannot predict or control the interpretation, application or positioning that will be adopted by the relevant entities in relation to this new law, namely by the courts in the context of the ongoing litigation and by the AENA in relation to that litigation and the referred law.

Other potential problems related to COVID-19, such as difficulty in accessing raw materials and services, disruptions in the supply chains, unavailability of the workforce due to health and safety issues, could have significant negative impacts on Ibersol's operational performance and results in 2021 and subsequent years. In terms of supplies of raw materials, there have been occasional difficulties in the supply of some products, and, from the point of view of prices, there has been a trend towards increased electricity costs, which could trigger a generalized increase in costs.

The pandemic's long-term effects are yet to be determined, and it is not possible to estimate its real impact for the Ibersol Group until a definitive solution to the public health crisis is available.

Within this framework, Ibersol's main strategic guidelines and objectives, in the short and long term, are as follows:

1. *Portugal:* (*i*) Design and implement commercial actions that will enable to resume the Turnover of 2019; (*ii*) Execute the planned expansion investments of 16 million euros in 2021 and 34 million euros in 2022, to which will be added an estimated investment of 5 million euros for refurbishments; and (*iii*) Reanalyze the portfolio of restaurants and decide on any closures that may prove necessary.

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[8] **Source**: IMF (https://www.imf.org/en/Countries/PRT).

[9] In fact, according to Eurocontrol, air traffic levels in Europe are expected, in a moderate scenario, to be 50% in 2021 compared with 2019 and 72% in 2022 compared with 2019, with full recovery from the situation in 2019 being possible only after 2024. In Portugal in particular (Lisbon airport), traffic is forecast to be 43% in 2021 compared to 2019 in a moderate scenario, and 70% in 2022, with full recovery expected after 2024 (when it is forecast to reach 95%). In Spain (excluding the Canary Islands), traffic is forecast to be 44% in 2021 compared to 2019 in a moderate scenario, and 72% in 2022, with full recovery expected after 2024 (when it is expected to reach 98%). Source: Eurocontrol Forecast Update 2021-2024 published on 21 May 2021, available at https://www.eurocontrol.int/publication/eurocontrol-forecast-update-2021-2024.

[10] Available at https://www.eurocontrol.int/press-release/updated-eurocontrol-traffic-scenarios-2021-clear-hope-some-recovery-summer-and-beyond.

2. *Spain:* (*i*) Boost sales by implementing marketing actions aimed at recovering the transactions that occurred in 2019; (*ii)* Adjust costs to existing demand and its likely evolution; (*iii*) Support franchisees to improve their profitability; (*iv)* Carry out the planned modernization investments of 5 million euros.
3. *Angola*: (*i*) Design and implement marketing campaigns to increase restaurant transactions; and (*ii*) Prepare restaurant modernization investments.
4. *Ibersol Group's capital structure:* Seek a more balanced and flexible capital structure to finance the Issuer and its Group's current and future growth.

8.3. Dividend policy

On 19 October 2021, the Board of Directors approved, as a target for the next five years, the distribution of 20% of the Issuer's annual consolidated profits. In any case, the distribution or not of dividends and the effective ratio will be proposed by the Board of Directors and subject to approval by the General Meeting each year, subject to the legal and statutory limits applicable at each time and to the approval of accounts and taking into account the cash flow generated, the sustainability of the Issuer's capital structure and the available financing sources, as well as the existing investment plans and the cash flows generated by its subsidiaries, given its nature as a holding company (cf. the risk factor "*Ibersol may not be able to pay dividends*"). Ibersol last paid dividends in 2019, having distributed 3.24 million euros to its shareholders (dividends for the financial year 2018), and Ibersol has not distributed any dividends for the financial years 2019 and 2020.

8.4. Receipt of state aid

The Ibersol Group directly benefited from State aid in the context of the pandemic recovery measures COVID-19. As described in the notes to the consolidated financial statements for 2020 and the first semester of 2021, subsidies received by Group companies relating to pandemic recovery measures in Portugal and Spain were recorded, which include (*i*) funding and subsequent extensions of the grace periods and deadlines in part of this funding and (*ii*) employment protection measures.

With regard to paragraph ***(i)***, in Portugal: ***(i)*** Financing to support the COVID-19 economy (restaurant sector) in the total amount of 14.8 million euros, in 2020, with 9-month extension of the grace period and maturity in 2021. These lines have State guarantee in 80%; ***(ii)*** Financing contracts, concluded in 2021, in the total amount of 11.5 million euros, under the *Linha de Apoio à Economia COVID -19 – Médias e Grandes Empresas do Turismo* (until 2027), with State guarantee in 80% and with the possibility of conversion into non-refundable grant up to 20% of the amount of the loans; ***(iii)*** Subsidy under the *Programa APOIAR Restauração,* which consists of cash assistance, in the form of a non-refundable subsidy, to support companies in sectors particularly affected by the exceptional measures approved in the context of the COVID-19 pandemic, which amounted to 1.2 million euros (as at 30 June 2021).

In Spain: ***(i)*** ICO (*Instituto de Crédito Oficial*) line of 20 million euros, in 2020, with a subsequent increase of one more year of grace period and extension of the maturity by another 3 years (from 2025 to 2028), having this line State guarantee in 70% (until June 2028); ***(ii)*** ICO line, in 2020, in current account regime in the amount of 15 million with State guarantee in 60% (until 2025); ***(iii)*** ICO lines, on current account, in the amount of 15.3 million euros, which increased, in 2021, the maturity period in one more year, having these lines State guarantee in 60% (until 2024); **(iv)** Other ICO financing in the global amount of 2.8 million euros with increase, in 2021, of the grace period and the maturity period in one year, guaranteed by the State in 70% (until 2025).

Regarding point (*ii*), in Portugal: The Group joined the simplified *lay-off* measure provided for in Decree-Law no. 10-G/2020, of 26 March, through the temporary suspension of employment contracts or reduction of working hours, during 2020 and 2021 - resulting in an amount of support of 3.5 million euros and 2.1 million euros, respectively. Some subsidiaries joined the *Apoio à Retoma Progressiva de Atividade em Empresas em Situação de Crise Empresarial* (which, as of April 2021, fully replaced the simplified *lay-off in* the Ibersol Group) - resulting in an amount of support of 0.7 million euros (as of 30 June 2021).

As of 30 June 2021, the *Apoio à Retoma Progressiva* measure covered 150 employees, representing 2.43% of the Group's employees in Portugal. The Group also joined the *Novo Incentivo à Normalização da Atividade Empresarial* - after leaving the two simplified *lay-off* periods - which represented an amount of 8.1 million euros (1.8 million euros received in 2020 and 6.3 million euros received and to be received in 2021).

Regarding point ii) in Spain, Ibersol's subsidiaries in Spain joined the ERTE by force majeure, a mechanism similar to *lay-offs*, during 2020 and 2021, and on 30 June 2021, ERTE covered 869 employees (27.75% of the employees of the subsidiaries in Spain), which resulted in a total support of 10.7 million euros (6.8 million euros in 2020 and 3.9 million euros until 30 June 2021).

The incentives granted by the State implied, among others, (*i*) a prohibition to cease activity, (*ii)* a prohibition to distribute dividends, and (*iii*) a prohibition to carry out dismissals without just cause, by termination of employment or inadaptation or collective dismissals, prohibitions that vary according to the legislation in force in the relevant country. The prohibition referred to in (*iii*) is currently maintained, for a period of 9 months with regard to the receipt of 2.1 million euros of the *Incentivo à Normalização da Atividade Empresarial* approved in June 2021 and for a period of 12 months for the possibility of accessing the subsidy up to 20% of the amount of funding granted in May 2021 under the *Linha de Apoio à Economia COVID -19 – Médias e Grandes Empresas do Turismo*, with the restrictions referred to in (i) and (ii) no longer in force. In Angola, Ibersol did not benefit from any support.

The above statement is provided under the sole responsibility of the persons responsible for the Prospectus referred to in Chapter 3. The role of the CMVM is only to verify its completeness, comprehensibility, and consistency, and therefore, as regards the above statement, the CMVM is not required to independently verify it.

9.- PLACES FOR CONSULTATION AND INFORMATION INCORPORATED BY REFERENCE

The following documents, which are deemed incorporated by reference in this Prospectus, are available to the public for consultation during the period of validity of this Prospectus, upon request and free of charge, at Ibersol's registered office and on the *website* www.ibersol.pt:

a) The Issuer's updated Bylaws, available at http://www.ibersol.pt/investidores/estatutos/estatutos.pdf;
b) Ibersol's Annual Report, including the audited consolidated financial statements for the year ended 31 December 2020, accompanied by the legal certification of accounts and audit report and the Statutory Board's report, and the corporate governance report, available at http://www.ibersol.pt/investidores/relatorio-contas/2020/ibersol-rc2020-pt/index.html;
c) Ibersol's Annual Report and Accounts, including the unaudited consolidated financial statements for the interim period ended 30 June 2021, accompanied by the limited review auditor's report, available at http://www.ibersol.pt/investidores/relatorio-contas/2021/Ibersol1SEM21.pdf;
d) The market announcement released by the Issuer on 23 September 2021, regarding the new rules applicable to the lease agreements of commercial establishments for catering and retail activities located in airports managed by AENA, available at https://web3.cmvm.pt/sdi/emitentes/docs/FR80641.pdf and
e) The market notice disclosed by the Issuer on 19 October 2021, relating to the Board of Directors' resolution to carry out this capital increase, available at https://web3.cmvm.pt/sdi/emitentes/docs/FR80813.pdf;
f) The presentation to profissional investors disclosed on this date by the Issuer.

The documents referred to in b) to f) above are also available on CMVM's website at www.cmvm.pt.

The Prospectus, as well as the documents referred to above, will remain available on the *website* www.ibersol.pt for a period of at least 10 years from its publication.