IBERSOL – SGPS, SA

Publicly Listed Company

Registered office: Praça do Bom Sucesso, 105/159, 9th floor, Porto
Share Capital Euros 46.000.000
Commercial Registry: Oporto under number 501669477
Fiscal number: 501669477

Consolidated Report & Accounts
1st Half 2022

- **Consolidated Turnover of 242.1 million Euros**
  Increase of 79.5% over 1st half of 2021
- **Consolidated EBITDA reached 37.6 million Euros**
  Ebitda increased 50.8% over 1st half of 2021
- **Consolidated net profit of 3.7 million Euros**
  Increase of 116.2% when compared to the 1st half of 2021

Consolidated Management Report

Activity

To allow comparison with other companies in the sector and previous financial periods, the Group uses operational performance indicators, as mentioned throughout this section, the definition and explanation of which can be consulted in the glossary.

After the beginning of the semester, still marked by the Ómicron variant, which slowed down the pace of recovery from the effects of the Covid-19 pandemic, the outbreak of the military conflict in Ukraine and the worsening of global geopolitical tensions have challenged again the group portfolio brands.

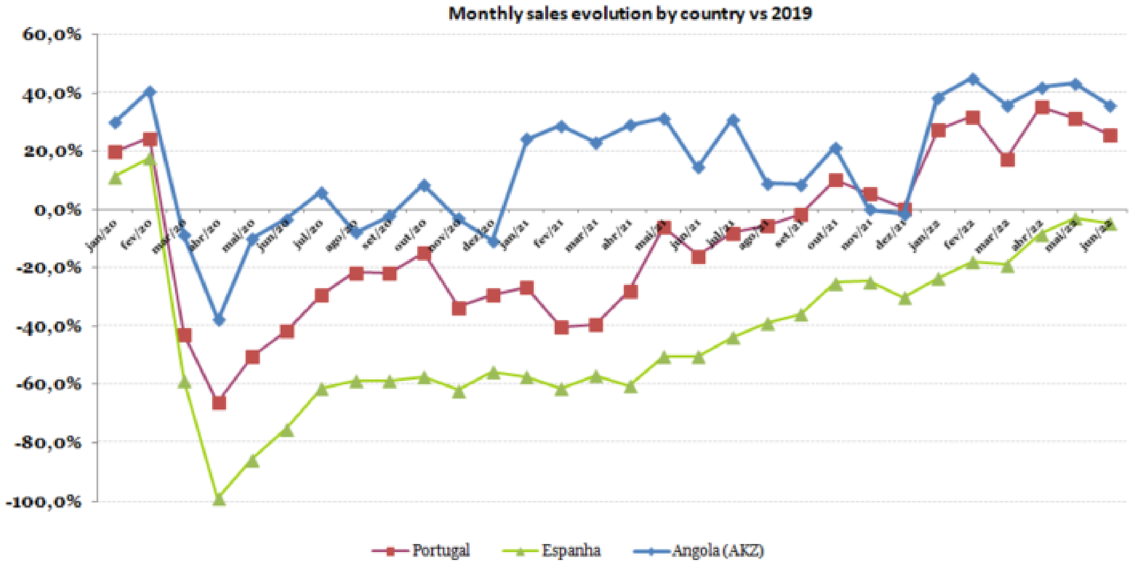
This context of uncertainty and instability led to a disruption in supply chains, to the acceleration of the escalation of inflation in food products, energy and transport, with a consequent impact on the drop in consumer confidence and on Ibersol cost structure.

Despite the demanding context experienced in the semester, the comparable performance with the same period in 2021, affected by the period of lockdown and restrictions on mobility, resulted in a growth of 79.5%.

Consolidated turnover in the first six months of 2022 amounted to EUR 242.1 million, compared to EUR 134.9 million in the same period of the previous year.

Turnover (euro million)	**1H 2022**	**1H 2021**	Var. 22/21	**1H 2019**	**Var 22/19**
Sales of Restaurants	236,7	132,0	79,4%	213,06	11,1%
Sales of Merchandise	4,5	2,3	96,2%	6,54	-31,5%
Services Rendered	0,9	0,6	54,0%	1,74	-45,8%
Turnover	242,1	134,9	79,5%	221,34	9,4%

The sales evolution compared to 2019 shows the effect of the retraction in consumption checked in March, interrupted in April with a recovery to the highest levels since the beginning of the pandemic – in March 2020 – which coincided with the Easter period, in which there was a growth in mobility and consumption in the operated markets.

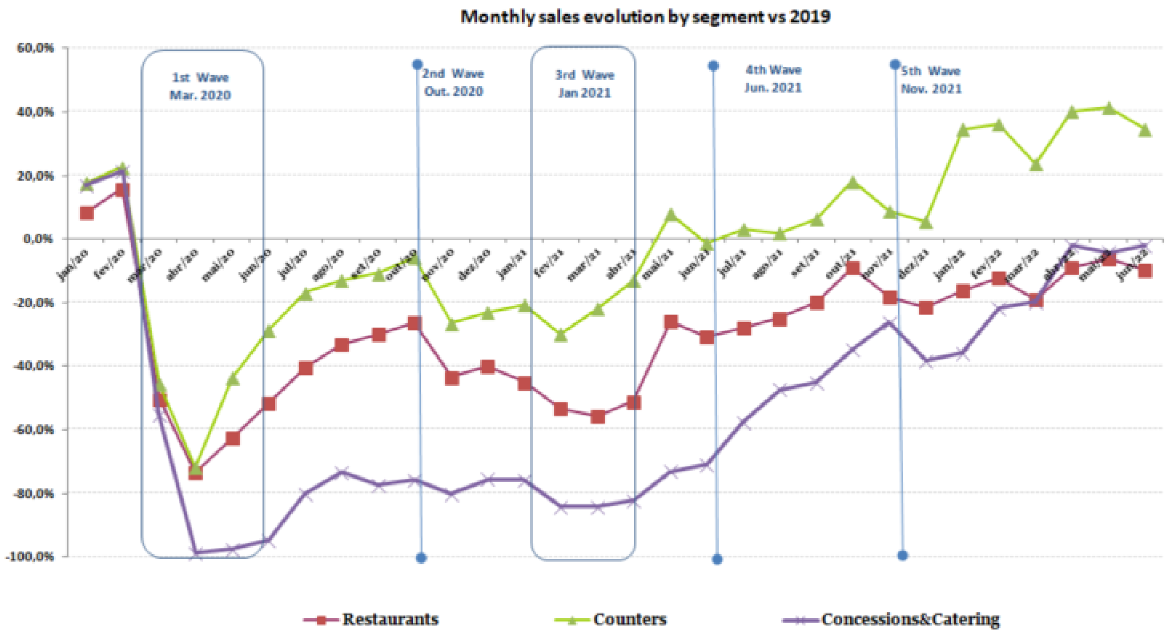


In Portugal, after an initial period of the year with a considerable part of the population at home, by the effect of the increase in the number of infected with the new Omnicrom variant, turnover – with the exception of March - exceeded that seen in the pre-pandemic period.

In Spain, there was a reduction in losses to levels below 5% compared to the same period in 2019, directly related to the positive evolution of traffic at airports, especially in locations that are more dependent on tourism.

Sales of restaurants located in Angola reflect the evolution in local currency, - which does not include the impacts arising from currency conversion – continuing to be the least penalized by the effect of the pandemic.

In this context, the monthly sales evolution by segment, illustrates the different impacts of the restrictions that have been in the last two years, the respective comparative with the same period of 2019 and the pace of recovery achieved by business area.



The concessions and catering segment – after a slowdown in the recovery in March, registered a strong growth in April, directly related to the increase in traffic passengers at airports in parallel with the growth in consumption per client, which remained in the following months.

In Spain, where the group operates restaurants at seven airports, passenger traffic has registered a gradual recovery since February, with losses in the 2nd quarter of 14%, when compared to 2019, with urban airports showing a slower pace of recovery. In Portugal, losses were 5%, which reflects a higher level than in Spain, which is not unrelated to the lower dependence on passengers from markets still affected by restrictions caused by Covid-19, namely the Asian ones. It should also be noted that since the beginning of the second quarter, some of the airports located on the islands have had higher monthly traffic than in the same period in 2019, benefiting from recognition as safe and unrestricted destinations by tourists from the domestic market, as well as by northern European countries.

SALES IN RESTAURANTS (euro million)	1H 2022	1H 2021	Var. 22/21	1H 2019	Var 22/19
Restaurants	43,7	28,0	55,9%	49,38	-11,5%
Counters	141,8	91,1	55,7%	105,59	34,3%
Concessions&Catering	51,2	12,9	297,6%	58,09	-11,9%
Total Sales	236,7	132,0	79,4%	213,06	11,1%

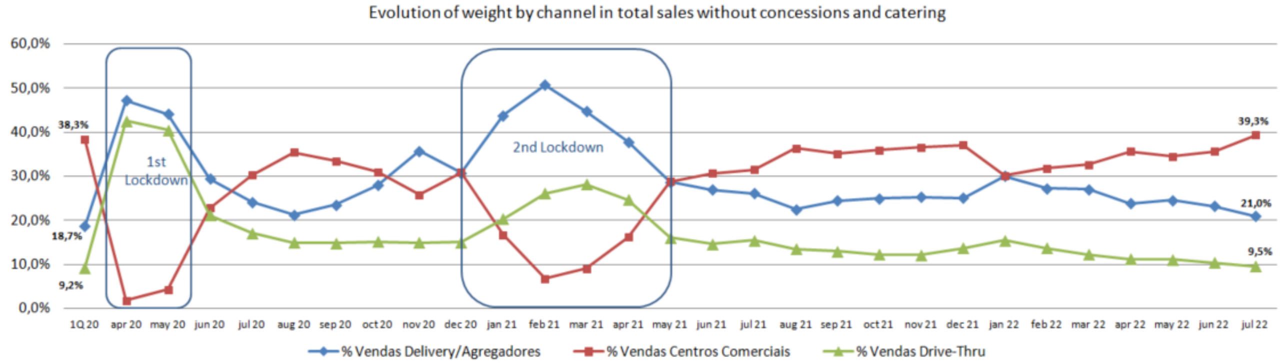
The pace of activity recovery in restaurants, with dine-in service resumed at the beginning of the second quarter, after the interruption in March, although it has not yet reached pre-pandemic sales levels.

The counter segment once again showed a good performance, with strong growth compared to the same period of 2021, (a growth of 56%), as well as a high pace of recovery compared to 2019 of 34%, to which contributed three factors:

a) the impact of the expansion which occurred in 2020 and 2021, namely with the Burger King, KFC and Taco Bell brands;
b) the generalized extension to a significant number of restaurants with delivery and take-away services;
c) the positive performance of restaurants with drive-thru services (operated by Burger King and KFC brands) which helped overcome the losses registered in the eat-in services.

Delivery sales, which partially offset the impact of the operation's limitations in the restaurant and counter segments in the lockdown period, with the gradual return to normality tends to reduce its weight, representing, however, in the semester 26% of sales - excluding sales in the concessions and catering segment - around 8 p.p. higher than in the first quarter of 2020, the previously period to the impact of the pandemic.

With the gradual resumption of normality in consumer habits, there is a reduction in the relative weight of sales in the drive and delivery channels, as opposed to an increase in the weight of sales in restaurants, namely those located in shopping centers, which returned in end of the first half at a sales weight similar to pre-pandemic levels.



During the semester, 9 restaurants were definitively closed, 7 of which were franchised. In addition to the four openings in the first quarter, five new restaurants were opened in the second quarter: two Burger King restaurants, one KFC and one Taco Bell in Portugal and the conversion of a Pans franchised restaurant in Spain into a equity one.

The closure of the two equity restaurants resulted from the option of not renewing the lease contracts of two Pizza Móvil restaurants.

At the end of the semester, the total number of restaurants was 621 (551 equity and 70 franchises), as shown below:

Nº of Restaurants	31.12.2021	Q1	Q2	Closures 2022	30.06.2022
PORTUGAL	**383**	**3**	**4**	**0**	**390**
Equity Restaurants	**382**	**3**	**4**	**0**	**389**
Pizza Hut	100				100
Okilo+MIIT+Ribs	4				4
Pans	40				40
Burger King	119		2		121
KFC	41	3	1		45
Pasta Caffé	2				2
Quiosques	8				8
Taco Bell	11		1		12
Coffee Shops	25				25
Catering	9				9
Concessions & Other	23				23
Franchise Restaurants	**1**				**1**
SPAIN	**225**	**1**	**1**	**8**	**219**
Equity Restaurants	**152**	**1**	**1**	**2**	**152**
Pizza Móvil	14			2	12
Pizza Hut	3				3
Burger King	38				38
Pans	28	1	1		30
Ribs	13				13
FrescCo	2				2
KFC	2				2
Concessions	52				52
Franchise Restaurants	**73**	**0**	**0**	**6**	**67**
Pizza Móvil	5			1	4
Pans	42			3	39
Ribs	17			1	16
FrescCo	4				4
SantaMaria	5			1	4
ANGOLA	**10**		**0**	**0**	**10**
KFC	9				9
Pizza Hut	1				1
Other Locations - Franchise	**3**	**0**	**0**	**1**	**2**
Pans	3			1	2
Total Equity Restaurants	**544**	**4**	**5**	**2**	**551**
Total Franchise Restaurants	**77**	**0**	**0**	**7**	**70**
TOTAL	**621**	**4**	**5**	**9**	**621**

Compared to the first half of 2019, it should be noted that the number of own restaurants increased by 27 units.

Consolidated Financial Performance

As a result of the application of Ley 13/2021, since October 1st 2021, rents at airports in Spain are no longer relevant for the purposes of applying IFRS16 until passenger traffic per airport returns to 2019 levels.

For this purpose, and in order to allow a correct comparability of results in the first semester of 2022, the comparison with the results of the first half of 2019 is highlighted, simulating a scenario in which the contracts with AENA were not equally relevant for the purposes of IFRS16. In this way, external supplies and services now reflect the entirety of the rents for the semester, and the depreciation for the period is also corrected due to the derecognition of the depreciation of the rights of use associated with the contracts with AENA.

The consolidated operating income at the end of the semester amounted to 10.5 million Euros, which compares with the same period of 2019 corrected, in the amount of 11.8 million Euros.

(million euros)	1H 2022		1H 2021 corrected		1H 2019 corrected		var. 22 vs 19
Turnover	**242,1**		**134,9**		**221,3**		**9,4%**
Cost of sales	62,5	25,8%	34,3	25,4%	54,2	24,5%	15,3%
gross margin %	74,2%		74,6%		75,5%		-1,3 p.p.
External supplies and services	70,1	29,0%	36,6	27,2%	61,7	27,9%	13,6%
Personnel costs	74,6	30,8%	49,5	36,7%	71,5	32,3%	4,4%
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	27,1	11,2%	27,0	20,0%	24,1	10,9%	12,4%
Other income/operating costs	-2,7	-1,1%	-7,8	-5,8%	-1,9	-0,9%	41,9%
Operating Income	**10,5**	**4,4%**	**-4,8**	**-3,6%**	**11,8**	**5,3%**	**-10,4%**
margin	4,4%		-3,6%		5,3%		-1,0p.p.
Ebitda	**37,6**	**15,5%**	**22,2**	**16,5%**	**35,9**	**16,2%**	**4,9%**
margin	15,5%		16,5%		16,2%		-0,7p.p.

Turnover amounted to 242.1 million Euros, 9.4% higher than the 221.3 million Euros in the same period of 2019, with more 5.2% directly operated restaurants.

Gross margin was 74.2% of turnover, 1.3 p.p. lower than in the first semester of 2019 (1H19: 75.5%), evidencing the inflationary pressure that led to the increase in raw material prices.
Compared to 2021, the more moderate reduction in the margin in the first half highlights the effects of the lifting of limitations in the operation to less aggressive promotional concepts, and thereby with higher gross margins.

Staff costs increased 4.4%, with the weight of this cost representing 30.8% of the turnover (1H 19: 32.3%).

With the gradual recovery of operations at airports in Spain, at the end of the first half of the year, none of the group's employees were covered by the employment support and protection programmes.

External Supplies and services costs increased 13.6%, representing 29.0% of turnover, which represents an increase of 1.1 p.p. compared to the same period of 2019 corrected (1H 2019 corrected: 27.9%).
The commissions paid to aggregators contributed to this increase with the expansion of this channel to all brands and the consequent increase in the weight of delivery sales, as well as the increase in energy costs in Spain.

Other operating income and costs in the total amount of 2.7 million Euros, represent a decrease of 0.8 million Euros compared to the same period of 2019, a difference that mainly results by the reduction of revenue related to contracts with suppliers.

Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA in the first half, amounted to 27.1 million Euros, which compares with 24.1 million euros of the same period of 2019 corrected by the application of Ley 13/2021, of which 12.8 million correspond to amortization of rights of use.

Therefore **EBITDA** in the first half amounted to 37.6 million Euros, an increase of 4.9% compared to the same period of 2019 corrected with Ley 13/2021.

Consolidated **EBITDA** margin stood at 15.5% of turnover, which compares with 16.2% in the same period in 2019, if Ley 13/2021 had been in force.

Consolidated **Financial Results** in the first half of the year were negative by 5.6 million Euros, compared to 5.3 million Euros in the first half of 2019 corrected.

(million euros)	1H 2022		1H 2021 corrected		1H 2019 corrected		var. 22 vs 19
Financial Results	**5,6**	**2,3%**	**5,3**	**3,9%**	**5,3**	**2,4%**	**4,6%**
Financial expenses and losses	6,0	2,5%	5,6	4,2%	5,5	2,5%	10,6%
Financial income and gains	0,5	0,2%	0,3	0,2%	0,1	0,1%	252,0%

Financial expenses and losses totalled 6.0 million Euros, which represents an increase of 0.5 million Euros compared to the corrected first half of 2019. A part of these expenses and losses corresponds to interest with leases in the amount of 3.9 million Euros (3.4 million Euros in the first half of 2019 corrected).

Net interest supported and commissions related to financing reached a total of 1.8 million Euros, which equals an average debt cost of 2.1%.

Financial Situation

Total Assets amounted to 616.7 million Euros and Equity stood at 230.2 million Euros, representing 37.3% of total assets.

CAPEX in tangible fixed and intangible assets amounted to 15.7 million Euros. 11 million Euros incurred in the implementation of the expansion program. The remaining 4.7 million Euros were incurred in the remodelling and modernization of restaurants.

(million euros)	1H 2022	2021	var.
Fixed assets additions	14,2	29,7	-15,5
Intangible assets additions	1,5	3,6	-2,1
Capex	15,7	33,3	-17,6

Current liabilities amount to 150.8 million Euros, of which 22.7 million correspond to liabilities for leases and 34.6 million Euros to current loans. Regarding to current loans, the Group has 51 million Euros related to commercial paper and unused contracted credit lines.

Consolidated liabilities reached 386.5 million Euros at June 30, 2022, which represents a reduction of 17.1million Euros compared to the final result in 2021.

At 30th June 2022, Equity stood at 230.2 million Euros, approximately 1.5 million Euros higher to the amount at the end of 2021.

Consolidated Financial Position (million euros)	30/06/2022	31/12/2021	Var.
Total Assets	**616,7**	**632,4**	-15,6
Total Equity	**230,2**	**228,7**	**1,5**
Loans	140,1	167,0	-26,9
Liability for leases	147,6	143,1	4,5
Other liabilities	98,9	93,6	5,3
Total Equity and Liabilities	**616,7**	**632,4**	-15,6

At the end of the first half of 2022, net debt amounted to 213.8 million Euros, 2.8 million Euros higher than the amount outstanding at the end of 2021 (211.0 million Euros), with a “Gearing” of 48%, similar to the end of 2021.

(million euros)	30/06/2022	31/12/2021	var.
Total loans	140,1	167,0	-26,9
Cash and bank deposits	-70,9	-97,0	-26,1
Other current and non-current liabilities	-3,0	-2,2	0,8
Net Bank Debt	**66,2**	**67,9**	**-1,7**
Liability for leases	147,6	143,1	4,5
Net Debt	**213,8**	**211,0**	**2,8**
Equity	230,2	228,7	1,5
Gearing (Net Debt/Net Debt + Equity)	**48%**	**48%**	

At 30 June 2022, the total Net Bank Debt amounted to 66.2 million Euros.

Glossary

Results and Other Interim Income	
Turnover	Sales + Services Rendered
Sales	Sales of Restaurants + Sales of Merchandise
Sales of Restaurants	Sales of directly operated restaurants
Retail Sales	Sales of restaurants - Concessions and Catering Sales
Sales of Merchandise	Sales of goods to third parties and franchisees
Gross Margin	Sales + Services Rendered - Cost of Sales
EBIT Margin	EBIT / Turnover
EBITDA Margin	EBITDA / Turnover
EBIT (Earnings before Interest and Taxes)	Operacional Results
EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)	Operating results plus amortisation, depreciation and impairment losses of fixed assets, Rights of Use, Goodwill and Intangible Assets
Financial Position	
Capex	Tangible and intangible assets additions
Interest Coverage	EBITDA / Net Financing Costs
Net Bank Debt	Bonds + bank loans + other loans + financial leases - cash, bank deposits, current investments, and other long-term financial applications
Net Debt	Net Bank Debt + Liability for Leases
Gearing	Net Debt / (Net debt + Equity Capital)
Financial Autonomy ratio	Equity/Total Assets

Outlook

Recent IMF forecasts for 2022 point to a 4.0% growth of GDP in Portugal and Spain, which indicates a slower recovery than previously expected.

After the uncertainty associated with the recovery from the pandemic, global geopolitical tensions and the military conflict in Ukraine, have led to a worsening in the escalation of inflation, with deterioration in consumer confidence levels that could compromise the pace of the recovery.

At today's data, despite the positive signs from some sectors, namely those exposed to tourism, the economies reinforce the signs of cooling down, which indicate a less positive macroeconomic framework in the third quarter that will translate into an inability to fully reflect the increase in the price of raw materials and energy, with a consequent impact on the margin. With the portfolio of brands and the teams that in the last two years have demonstrated a capacity for resilience in an adverse context of the pandemic, we are confident that the Group has the necessary strength to overcome the future challenges that are imposed.

In addition to the openings carried out to date, we will continue with plans to expand Pizza Hut, KFC and Taco Bell brands.

Subsequent Events

On August 2, after a long negotiation process with Restaurant Brands Iberia, S.A., a share purchase and sale agreement was signed for the sale of shares representing the entire share capital of Iber King Restauração, S.A. and Lurca S.A.U., companies that operate Burger King restaurants in Portugal and Spain.

The completion of the sale is subject to certain precedent conditions.

The price will correspond to an Enterprise Value of 259.7 million Euros, on a cash and debt free basis, being part of the price (in the amount of 15.5 million Euros) contingent upon the satisfaction of conditions related to the future evolution of EBITDA and/or cash flows generation.

With the values as at 30 June 2022, assuming that the maximum amount of the price is entirely received the transaction results in a capital gain of approximately 140 million Euros in the Ibersol's consolidated accounts.

Ibersol's Board considers that as of June 30, 2022, the conditions for the Burger King operation to be considered a non-current asset held for sale were not met, given that, on that date, the conditions set out in IFRS 5 were not met, given that Ibersol, at that date, did not consider the sale to be highly probable.

In fact, at that date, there were relevant divergences regarding the value proposition and associated conditions that had been presented by Restaurant Brands Iberia, S.A., which, moreover, culminated in a conclusion of the negotiations with rejection of the offer, according to the communication to the market of 14 July 2022.

Following the claim of amounts associated with the purchase of Eat Out Group, a compensation agreement in the amount of 2 million euros was finally signed in July.

Porto, 8th September 2022

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António Alberto Guerra Leal Teixeira

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António Carlos Vaz Pinto de Sousa

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Maria do Carmo Guedes Antunes de Oliveira

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Juan Carlos Vázquez-Dodero de Bonifaz

____

Maria Deolinda Fidalgo do Couto

Declaration of Conformity

In compliance with paragraph c) of section 1 of Article 246 of the Securities Market Code each member of the board identified below declares that to the best of their knowledge:

(i) the consolidated financial statements of Ibersol SGPS SA, referring to the first semester of 2022 were drawn up in compliance with applicable accounting rules and provide a true and suitable picture of the assets and liabilities, financial situation and results of Ibersol SGPS, SA and the companies included in consolidation perimeter;

(ii) the interim management report includes a fair review of the important events that have occurred in the period, the evolution of business performance and the position of all the companies included in consolidation.

António Alberto Guerra Leal Teixeira	Chairman of the Boards of Director
António Carlos Vaz Pinto Sousa	Member of the Board of Directors
Maria do Carmo Guedes Antunes de Oliveira	Member of the Board of Directors
Juan Carlos Vázquez-Dodero	Member of the Board of Directors
Maria Deolinda Fidalgo do Couto	Member of the Board of Directors

Own Shares

Under the terms defined in caption d) of no. 5 of article 66º of the Commercial Companies Code, we hereby declare that, during the first half of 2022, the company did not proceed with any transaction over own shares. Therefore, as at June 30, 2022, Ibersol SGPS, SA hold 3,599,981 own shares representing 7.8260% of its share capital, detailed as follows:

2022	Quantity	Amount (€)	Average price (€)
1 January	3,599,981	11,180,516	3.11
30 June	3,599,981	11,180,516	3.11

Qualified Shareholdings

In compliance with article 9 nº1 paragraph c) of the CMVM Regulation nº 05/2008, we indicate the holders of qualifying holdings known on 30 June 2022:

Shareholders	nº shares	% share capital
ATPS - SGPS, S.A. (*)		
Directly	26 004 023	56,53%
António Alberto Guerra Leal Teixeira	3 314	0,01%
António Carlos Vaz Pinto Sousa	3 495	0,01%
Total attributable	**26 010 832**	**56,55%**
Magallanes Value Investors SGIIC		
Total attributable	**2 336 800**	**5,08%**
Bestinver Gestion SGIIC		
Total attributable	**3 316 600**	**7,21%**
FMR LLC		
Fidelity Managemment & Research Company LLC	**1 529 492**	**3,32%**
Cobas Asset Management SGIIC		
Total attributable	**1 900 342**	**4,13%**

(*)*The voting rights attributable to the ATPS are also attributable to António Pinto Sousa and Alberto Teixeira under subparagraph b) of paragraph 1 of Article 20 and Article 21 paragraph 1, both of the Securities Code, by virtue of the latter are holding the domain of that company, in which participate indirectly in equal parts by, respectively, of CALUM – SERVIÇOS E GESTÃO, SA. with the NIPC 513799486 and DUNBAR – SERVIÇOS E GESTÃO, SA with the NIPC 513799257, which together hold the majority of the capital of ATPS*.

Corporate Governing Bodies Information

Complying with article 9 nº1 of the CMVM Regulation nº 05/2008, we inform the transactions and the number of stocks issued by the company or companies in a controlling relationship held by the members of the Board for the 1st semester:

Board of Directors	Date	Acquisictions/Increases (a)		Sales		Balance at
		shares	avg price	shares	avg price	30.06.2022
António Alberto Guerra Leal Teixeira						
DUNBAR- SERVIÇOS E GESTÃO SA (1)						5 100
Ibersol SGPS, SA						3 314
António Carlos Vaz Pinto Sousa						
CALUM- SERVIÇOS E GESTÃO SA (2)						9 996
Ibersol SGPS, SA						3 495
Maria Deolinda Fidalgo Couto						
Ibersol SGPS, SA						6 831
(1) DUNBAR- SERVIÇOS E GESTÃO SA						
ATPS- S.G.P.S., SA (3)						2 840
(2) CALUM- SERVIÇOS E GESTÃO SA						
ATPS- S.G.P.S., SA (3)						2 840
(3) ATPS- S.G.P.S ., SA						
ANUTA - Serviços e Gestão , SA (4)	dissolved			50 000		0
Ibersol SGPS, SA		4 170 207				26 004 023
(4) ANUTA - Serviços e Gestão , SA						
Ibersol SGPS, SA				4 170 207		0

Upon dissolution of the company ANUTA - Serviços e Gestão S.A., the shares of Ibersol SGPS held by this company are now held by ATPS - SGPS. SA

Transactions made by persons discharging managerial responsibilities

Complying with article 14 nº7 of the CMVM Regulation nº 05/2008

No transactions were reported by persons discharging managerial responsibilities and people closely connected with them during the first half of 2022.

Ibersol S.G.P.S., S.A.

Condensed Interim Consolidated Financial Statements

30 June 2022

IBERSOL S.G.P.S., S.A.
CONDENSED STATEMENT OF INTERIM CONSOLIDATED FINANCIAL POSITION
ON 30 JUNE 2022
(values in euros)

ASSETS	Notes	30/06/2022	31/12/2021
Non-current			
Property, plant and equipment	7	216 485 584	214 373 712
Rights of use	6	142 239 840	138 871 151
Goodwill	8	79 032 821	79 032 821
Intangible assets	8	35 513 199	35 870 696
Financial investments - joint controlled subsidiaries and associated		3 036 781	2 940 318
Non-current financial assets		1 043 942	978 965
Other financial assets	9	842 063	841 165
Other non-current assets	10	7 513 186	7 524 331
Deferred tax	16	11 778 489	11 088 442
Total non-current assets	6	**497 485 904**	**491 521 600**
Current			
Inventories		16 833 638	15 717 458
Income tax receivable	16	26 123	110 222
Other financial assets	9	2 161 724	1 338 791
Other current assets	12	29 324 609	26 698 358
Cash and cash equivalents	11	70 903 129	96 968 003
Total current assets		**119 249 223**	**140 832 831**
Total Assets		**616 735 128**	**632 354 431**

EQUITY AND LIABILITIES	Notes	30/06/2022	31/12/2021
EQUITY			
Capital and reserves attributable to shareholders			
Share capital		46 000 000	46 000 000
Own shares		-11 180 516	-11 180 516
Share premium		29 900 789	29 900 789
Legal reserves		1 976 081	1 751 081
Translation reserve		-7 793 643	-11 331 432
Other Reserves & Retained Earnings		167 654 422	142 053 271
Net profit for the period		3 710 457	31 379 907
		230 267 590	**228 573 100**
Non-controlling interests		-79 804	90 482
Total Equity		**230 187 786**	**228 663 582**
LIABILITIES			
Non-current			
Loans	13	105 483 235	140 439 066
Lease liabilities	13	124 906 264	121 422 685
Deferred tax	16	2 985 773	3 376 658
Provisions		2 338 634	2 428 023
Derivative financial instrument		5 896	18 976
Other non-current liabilities		4 176	4 176
Total non-current liabilities		**235 723 978**	**267 689 584**
Current			
Loans	13	34 614 366	26 593 284
Lease liabilities	13	22 655 841	21 645 649
Accounts payable to suppliers and accrued costs	14	75 326 089	72 507 391
Income tax payable	16	1 883 107	456 400
Other current liabilities	15	16 343 962	14 798 541
Total current liabilities		**150 823 365**	**136 001 265**
Total Liabilities		**386 547 343**	**403 690 849**
Total Equity and Liabilities		**616 735 128**	**632 354 431**

Porto, 08 September 2022

The Board of Directors,

IBERSOL S.G.P.S., S.A.
CONDENSED STATEMENT OF RESULTS AND OTHER INTERIM CONSOLIDATED COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE, 2022 AND 2021
(values in euros)

	Notes	6 months ended 30/06/2022	6 months ended 30/06/2021
Sales	5	241 169 315	134 247 085
Rendered services	5	942 622	612 080
Cost of sales		-62 476 431	-34 281 007
External supplies and services		-70 112 960	-33 916 991
Personnel costs		-74 644 782	-49 501 777
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	6, 7 e 8	-27 065 723	-42 641 876
Other operating gains (losses)	17	2 721 019	7 777 888
Operating Income		10 533 060	-17 704 598
Financial expenses and losses	18	-6 045 991	-9 854 318
Financial income and gains	18	465 814	309 320
Gains (losses) in subsidiary, associated and joint controlled subsidiaries		-76 689	-105 719
Profit before tax		**4 876 194**	**-27 355 315**
Income tax	19	-1 165 777	4 405 931
Net profit		**3 710 417**	**-22 949 384**
Other comprehensive income:			
Change in currency conversion reserve (net of tax and that can be recycled for results)		3 537 789	166 056
TOTAL COMPREHENSIVE INCOME		**7 248 206**	**-22 783 328**
Net profit attributable to:			
Owners of the parent		3 710 457	-22 902 318
Non-controlling interest		-41	-47 067
		3 710 416	-22 949 385
Total comprehensive income attributable to:			
Owners of the parent		7 248 246	-22 736 262
Non-controlling interest		-41	-47 067
		7 248 205	-22 783 329
Earnings per share:	20		
Basic		**0,09**	**-0,71**
Diluted		**0,09**	**-0,71**

Porto, 08 September 2022

The Board of Directors,

IBERSOL S.G.P.S., S.A.

CONDENSED STATEMENT OF RESULTS AND OTHER INTERIM CONSOLIDATED COMPREHENSIVE INCOME

FOR THE SECOND TRIMESTER OF THE YEARS 2022 AND 2021

(values in euros)

	2nd TRIMESTER (unaudited)	
	3 months ended 30/06/2022	3 months ended 30/06/2021
Sales	135 132 942	78 797 850
Rendered services	494 459	402 743
Cost of sales	-36 024 105	-19 852 513
External supplies and services	-38 734 088	-18 482 492
Personnel costs	-39 653 140	-28 426 559
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	-13 823 228	-21 329 008
Other operating gains (losses)	1 752 204	5 275 544
Operating Income	9 145 044	-3 614 435
Financial expenses and losses	-3 308 720	-4 929 551
Financial income and gains	57 081	63 571
Gains (losses) in associated and joint controlled sub. - Equity method	255 184	92 905
Profit before tax	**6 148 589**	**-8 387 510**
Income tax	-740 297	1 177 075
Net profit	**5 408 292**	**-7 210 434**
Other comprehensive income:		
Change in currency conversion reserve (net of tax and that can be recycled for results)	1 229 628	-335 621
TOTAL COMPREHENSIVE INCOME	**6 637 920**	**-7 546 055**
Net profit attributable to:		
Owners of the parent	5 408 312	-7 175 714
Non-controlling interest	-21	-34 722
	5 408 291	-7 210 436
Total comprehensive income attributable to:		
Owners of the parent	6 637 940	-7 511 335
Non-controlling interest	-21	-34 722
	6 637 919	-7 546 057
Earnings per share:		
Basic	**0,13**	**-0,22**
Diluted	**0,13**	**-0,22**

Porto, 08 September 2022

The Board of Directors,

IBERSOL S.G.P.S., S.A.
CONDENSED STATEMENT OF CHANGES IN INTERIM CONSOLIDATED EQUITY
for the six months period ended 30 June, 2022 and 2021
(value in euros)

	Note	Assigned to shareholders								Non-controlling interests	Total Equity
		Share Capital	**Own Shares**	**Share Premium**	**Legal Reserves**	**Translation Reserve**	**Other Reserves & Retained Earnings**	**Net Profit**	**Total parent equity**		
Balance on 1 January 2021		36 000 000	-11 180 516	469 937	1 629 598	-12 821 109	197 372 003	-55 197 249	156 272 664	133 241	156 405 905
Changes in the period:											
Application of the consolidated profit from 2020:											
Transfer to reserves and retained results					121 483		-55 318 732	55 197 249	-		-
Conversion reserves - Angola						166 056			166 056		166 056
Net consolidated income for the six months ended on 30 June, 2021								-22 902 318	-22 902 318	-47 067	-22 949 385
Total changes in the period		-	-	-	121 483	166 056	-55 318 732	32 294 931	-22 736 262	-47 067	-22 783 329
Net profit								**-22 902 318**	**-22 902 318**	**-47 067**	**-22 949 385**
Total comprehensive income									-22 736 262	-47 067	-22 783 329
Transactions with capital owners in the period											
Application of the consolidated profit from 2020:											
Paid dividends									-		-
		-	-	-	-	-	-	-	-	-	-
Balance on 30 June 2021		**36 000 000**	**-11 180 515**	**469 937**	**1 751 081**	**-12 655 053**	**142 053 271**	**-22 902 318**	**133 536 402**	**86 174**	**133 622 576**
Balance on 1 January 2022		46 000 000	-11 180 516	29 900 789	1 751 081	-11 331 432	142 053 271	31 379 907	228 573 100	90 482	228 663 582
Changes in the period:											
Application of the consolidated profit from 2021:											
Transfer to reserves and retained results					225 000		31 154 907	-31 379 907	-		-
Liquidation of subsiduary Cortsfood							170 245		170 245	-170 245	-
Conversion reserves - Angola						3 537 789			3 537 789		3 537 789
Net consolidated income for the six months ended on 30 June, 2022								3 710 457	3 710 457	-41	3 710 416
Total changes in the period		-	-	-	225 000	3 537 789	31 325 152	-27 669 450	7 418 491	-170 286	7 248 205
Net profit								**3 710 457**	**3 710 457**	**-41**	**3 710 416**
Total comprehensive income									7 248 246	-41	7 248 205
Transactions with capital owners in the period											
Application of the consolidated profit from 2021:											
Paid dividends							-5 724 002		-5 724 002		-5 724 002
		-	-	-	-	-	-5 724 002	-	-5 724 002	-	-5 724 002
Balance on 30 June 2022		**46 000 000**	**-11 180 516**	**29 900 789**	**1 976 081**	**-7 793 643**	**167 654 421**	**3 710 457**	**230 267 590**	**-79 804**	**230 187 786**

Porto, 08 September 2022

The Board of Directors,

IBERSOL S.G.P.S., S.A.
Condensed Statement of Interim Consolidated Cash Flows
for the six months period ended 30 June, 2022 and 2021
(value in euros)

	Note	6 months ended 30/06/2022	6 months ended 30/06/2021
Cash Flows from Operating Activities			
Receipts from clients		241 057 989	135 072 051
Payments to supliers		117 125 745	59 704 255
Staff payments		70 382 475	38 134 650
Flows generated by operations		53 549 769	37 233 145
Payments/receipt of income tax		721 614	49 297
Other paym./receipts related with operating activities		-7 299 701	-10 560 456
Flows from operating activities (1)		**45 528 454**	**26 623 391**
Cash Flows from Investment Activities			
Receipts from:			
Financial investments		134 366	75 859
Tangible fixed assets			
Investment benefits			
Interest received		285 187	236 184
Other financial assets		53 296	1 651 646
Payments for:			
Financial Investments		346 963	678 450
Other financial assets			950 071
Tangible fixed assets		19 816 379	10 993 491
Intangible assests		2 964 436	1 664 916
Flows from investment activities (2)		-22 654 929	-12 323 239
Cash flows from financing activities			
Receipts from:			
Loans obtained		5 167 928	23 333 144
Payments for:			
Loans obtained		32 310 475	10 511 852
Leases agreements		10 812 798	12 300 435
Interest and similar costs		2 146 929	2 111 468
Interest on lease agreements		3 924 562	3 659 565
Dividends paid		5 724 002	-
Flows from financing activities (3)		-49 750 839	-5 250 176
Change in cash & cash equivalents (4)=(1)+(2)+(3)		**-26 877 314**	**9 049 976**
Change in the perimeter		-324 186	
Effects of exchange rate differences		1 136 626	-16 747
Cash & cash equivalents at the start of the period		96 968 003	50 549 377
Cash & cash equivalents at end of the period	11	**70 903 129**	**59 582 606**

Porto, 08 September 2022

The Board of Directors,

IBERSOL SGPS, S.A.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

(Values in euros)

1. INTRODUCTION

IBERSOL, SGPS, SA (Group or Ibersol) with head office at Praça do Bom Sucesso, Edifício Península n.º 105 a 159 – 9º, 4150-146 Porto, Portugal. Ibersol's subsidiaries (jointly called "the Group"), operate a network of 621 units in the restaurant segment through the brands Pizza Hut, Pasta Caffé, Pans & Company, Ribs, FresCo, SantaMaria, Kentucky Fried Chicken, Burger King, O' Kilo, Quiosques, Pizza Móvil, Miit, Taco Bell, Sol, Silva Carvalho Catering e Palace Catering, coffe counters and other concessions. The group has 551 units which it operates and 70 units under a franchise contract. Of this universe, 390 are based in Portugal, of which 389 are owned and 1 franchised, and 219 are based in Spain, spread over 152 own establishments and 67 franchisees, and 10 in Angola and 2 in other locations.

Ibersol is a public limited company listed on the Euronext of Lisbon.

Ibersol SGPS parent company and ultimate parent entity is ATPS - SGPS, S.A..

Rentals at Airports managed by AENA

In Spain, on October 2, 2021 Law 13/2021 of October 1 was published, which determined that the guaranteed minimum annual income provided for in these contracts for the period between March 15, 2020 and June 20, both included, be eliminated and as of June 21, 2020 and until the annual traffic of each Airport reaches the values recorded in 2019, the minimum guaranteed annual rents of existing contracts are reduced in direct proportion to the variation in passenger traffic compared to those verified in 2019. So, in accordance with the disposed of paragraph 39 of IFRS 16, the entire lease liability referring to the contracts with AENA was derecognised against the Right of Use, with reference to the date of entry into force of the refer law.

As a result and given that the traffic accumulated in 2022 has not yet reached those registered in 2019, the contributions, the leasing contributions associated with the contracts with AENA in the first 6 months of 2022 are recognized as rent and rental expenses, which must be taken into account in the comparison of the financial information with the same period of 2021 in terms of operating costs, amortization and financial expenses.

2. MAIN ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of these consolidated financial statements are described below. These policies have been applied consistently in comparative periods.

2.1 Presentation bases

These consolidated interim financial statements were prepared according to the international standard nº. 34 – Interim Financial Report, and therefore do not include all the information required by the annual financial statements, and should be read together with the company's financial statements for the period ended 31 December 2021.

The consolidated interim financial statements have been prepared in accordance with the historical cost principle.

The Consolidated Financial Statements of the Group were prepared in accordance with the same accounting principles and policies adopted by the Group in the preparation of the annual financial statements, except for the adoption of new standards, amendments and interpretations with mandatory application from 1 January 2022, and essentially including an explanation of the events and changes relevant to understanding the changes in the Group's financial position and performance since the date of the annual report. In this way, the accounting policies, as well as a part of the notes contained in the 2021 financial statements, are omitted, either because they have not changed, or because they are not materially relevant to the understanding of these interim financial statements.

These financial statements were approved by the Board of Directors and authorised for emission on 08 September 2022.

2.2. Change in accounting policies and presentation bases

In June 2021, Regulation No. 1080/2021 was issued by the EU, which was adopted by the Group with effect from 1 January 2022:

- Amendments to IFRS 3 Business Combinations: References to the Conceptual Framework
- IAS 16 Tangible fixed assets: Income prior to expected use (changes)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Costs of fulfilling onerous contracts (amendments)
- 2018-2020 cycle of improvement to IFRS standards: IFRS 1 First-time adoption of international financial reporting standards, IFRS 9 Financial Instruments, IFRS 16 Leases and IAS 41 Agriculture. These improvements are prospectively applicable.)

The Group implemented the above changes, with no materially relevant impact on its Consolidated Financial Statements.

The EU adopted and approved in 2022 a set of amendments issued by the IASB, Regulation no.

- IAS 1 Presentation of Financial Statements: Disclosure of Accounting Policies (amendments)
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (changes)
- IAS 12 Income tax (amendments).

The group has not yet implemented these changes.

Finally, the following standards, interpretations, amendments and revisions, with mandatory application in future financial years, were not, until the date of approval of these financial statements adopted ("endorsed") by the European Union:

- IAS 1 Presentation of Financial Statements (clarifications)
- IFRS 17 Insurance contracts (amendments): initial application of IFRS 17 and IFRS 9 - Comparative Information.

2.3 Main Accounting Estimates and Judgments

Estimates and judgements are continuously evaluated and are based on past experience and on other factors, including expectations regarding future events that are believed to be reasonably probable within the respective circumstances.

The group makes estimates and outlines premises about the future. Generally, accounting based on estimates rarely corresponds to the real reported results. Estimates and premises that present a significant risk of leading to a material adjustment in the accounting value of the assets and liabilities in the following year are described below:

a) Goodwill impairment analysis, financial investments in associated and jointly controlled companies, rights of use, property, plant and equipment and intangible assets.

Impairment analyses require the determination of the fair value and / or the use value of these assets (or of some CGU). This process requires a high number of judgments, namely the estimation of future cash flows associated with the assets or the respective CGU and the determination of an appropriate discount rate for calculating the present value of said cash flows. In this regard, the Group has, once again, established the requirement to use the maximum possible amount of observable market data. It also established mechanisms for monitoring calculations based on the critical challenge of the reasonableness of the assumptions used, their coherence and consistency (in similar situations).

Information on the most relevant assumptions used in the impairment analysis, as well as the sensitivity of the results obtained in the face of certain changes in assumptions, is disclosed in Notes 7 and 8.

b) Measurement and recognition of deferred taxes

Deferred tax assets are recognized only when it is probable that there will be sufficient taxable profits or taxable temporary differences related to the same tax authority to use those same deferred tax assets. At the end of each year, a review of the deferred taxes recorded is made, as well as of the unrecognized taxes, which are reduced whenever their future use is no longer probable or recorded, provided that, and to the extent that, it becomes probable the generation of taxable profits in the future/ reversal of taxable temporary differences that allow their recovery.

c) Lease term and financing rate increases

The Group makes estimates on lease terms and the incremental financing rate.

The Group determines the lease term as the non-cancellable period of the lease, taking into account the periods covered by an option to extend the contract if it is reasonable for the Group to exercise it, or any periods covered by an option to terminate the contract, if it is reasonably certain that the Group will not exercise it. In determining the lease term, the Group therefore makes a judgment on the relevant factors that create an economic incentive to exercise the renewal or termination (in cases where such options belong to the lessee and the lessor, the Group exercises judgment about the economic incentives for lessor and lessee).

In most leases, the Group is not able to readily determine the interest rate implicit in the contracts, so it considers its incremental financing rate to measure lease liabilities. The incremental financing rate is the interest rate that the Group would have to pay to obtain loans of similar terms and guarantees, to acquire an asset identical to the leased asset in a similar economic environment. In this way, the incremental financing rate reflects what the Group would have to pay, which requires an estimate when there are no observable rates available (such as in subsidiaries that do not carry out financing operations) or when they need to be adjusted to reflect the terms and conditions of the lease (for example when the contracts are not in the Group's functional currency). The Group estimates the incremental funding rate using observable information (such as market interest rates) when available, and it is necessary to make some specific estimates based on consultations with funding institutions such as Banks and Investment Funds.

d) Burger King business sale operation

Concerning Burger King business sale process, on 30 June 2022 Ibersol's Board of Directors considers that the conditions for the Burger King operation to be considered a non-current asset held for sale were not met and that the terms set out in IFRS 5 were not fulfilled, given that Ibersol, at that date, did not consider the sale to be highly probable.

In fact, at that date, there were relevant divergences regarding the value proposition and associated conditions that had been presented by Restaurant Brands Iberia, S.A., which, moreover, culminated in a conclusion of the negotiations with rejection of the offer, according to the communication to the market of 14 July 2022.

3. <u>FINANCIAL RISK MANAGEMENT</u>

3.1 Financial risk factors

The group’s activities are exposed to a number of financial risk factors: market risk (including currency exchange risk, fair value risk associated to the interest rate and price risk), credit risk, liquidity risk and cash flow risks associated to the interest rate. The group maintains a risk management program that focuses its analysis on financial markets to minimise the potential adverse effects of those risks on the group’s financial performance.

Financial risk management is headed by the Financial Department based on the policies approved by the Board of Directors. The treasury identifies, evaluates and employs financial risk hedging measures in close cooperation with the group’s operating units. The Board provides principles for managing the risk as a whole and policies that cover specific areas, such as the currency exchange risk, the interest rate risk, the credit risk and the investment of surplus liquidity.

a) Market risk

i) Currency exchange risk

With regard to exchange rate risk, the Group follows a natural hedge policy using financing in local currency. Since the Group is mainly present in the Iberian market, bank loans are mainly denominated in euros and the volume of purchases outside the Euro zone are of irrelevant proportions.

The Group's main source of exposure comes from investment outside the Euro zone, namely from the operation it is being developed in Angola, which is still small. The imbalances of the Angolan economy give rise to significant exchange rate variations of the kwanza, so it is to be considered that there is an exchange rate risk. Financing contracted by Angolan subsidiaries is denominated in the local currency, the same currency in which income is generated.

The exchange rate used in the financial statements for the conversion of transactions and balances expressed in Kwanzas was, respectively:

Jun/22

Euro exchange rates (x foreign currency per 1 Euro)	Rate on June, 30 2022	Average rate 1st Semester 2022
Kwanza de Angola (AOA)	433,088	488,281

Dec/21

Euro exchange rates (x foreign currency per 1 Euro)	Rate on December, 31 2021	Average rate year 2021
Kwanza de Angola (AOA)	635,728	705,219

ii) Price risk
The Group is not greatly exposed to goods price risk, despite the fact that the raw materials market is experiencing a period of disruption.

iii) Interest rate risk (cash flow and fair value)

The Group’s interest rate risk follows its liabilities, in particular long-term loans.

Unpaid debt bears variable interest rate, part of which has been the object of an interest rate swap. Interest rate swap contracts to hedge the interest rate risk of part of the loans (commercial paper) of 3.2 million Euros are subject to interest maturities and repayment plans identical to the terms of the loans. A loan of 31 million Euros with fixed rate debt is contracted.

Based on simulations performed on 30 June 2022, an increase of 100 basis points in the interest rate, maintaining other factors constant, would have a negative impact in the net profit of 329,000 Euros (522,000 Euros in December 2021).

b) Credit risk

As a result of the main activity (sales of retail goods) being cash or payment cards, with the exception of sales through aggregators in which payments are made by periodic summary as contractually established, the risk is limited to the catering business and sales of goods and services to franchisees, which represent only 4.3% of consolidated turnover.

For the catering business, the Group has policies that ensure that sales on credit are made to customers with an appropriate credit history, and in outside catering, when there is no credit history or it is not favourable, an advance payment is required on the date of the adjudication of the event.

The Group's cash and cash equivalents include mainly deposits resulting from cash provided by sales and its deposits in current accounts. Excluding these amounts, the amount of financial investments at 30 June 2022, is not significant, with the exception of the above mentioned Treasury Bonds of the Republic of Angola in the amount of 3 million Euros, subject to country risk.

Deposits and other financial investments are spread over several credit institutions; therefore there is not a concentration of these financial assets.

c) Liquidity risk

On 30 June 2022, current liabilities reached 151 million Euros, compared with 119 million Euros in current assets. The Group presents a situation of current liabilities greater than current assets, a financial characteristic of this business, it is important to note that current liabilities include some Commercial Paper programs, with termination clauses, in which reimbursement on the termination date is considered regardless of the terms for which they are contracted. On the other hand, circumstantially the option for issuance under contracts of lesser maturity at the expense of other programs of greater maturity that are left unused and consequently with amounts available for coverage.

The Group considers the expected operating cash flows and, if necessary, the commercial paper and the contracted credit lines, the amounts of which have not yet been used, are sufficient to settle all current liabilities.

On 30 June 2022, the Group had Commercial Paper Programs and unused medium and long-term lines of 38 million Euros and unused short term liquidity cash flow amounted to 13 million Euros. Investments in term deposits and other application of 63 million Euros, match 48% of liabilities paid. Unused lines are sufficient to cover current liabilities less current assets, which in this activity has a structurally negative component and which as of 30 June amounts to 32 million euros.

The following table shows the Group financial liabilities (relevant items), considering contractual cash-flows:

	until 30 June 2023	> 1 year
Bank loans and overdrafts	34 614 366	105 483 235
Lease liabilities	22 655 841	124 906 264
Other non-current liabilities	-	4 176
Accounts payable to suppliers and accrued costs (*)	64 091 890	-
Other current liabilities (**)	5 975 239	-
Total	127 337 336	230 393 675

(*) amount excluding remunerations to be paid (note 14).
(**) amount excluding balances with the state and deferred income (note 15).

3.2 Capital risk

a) Gearing ratio

The capital structure balance is monitored based on the gearing ratio (defined as: (net remunerated debt / net remunerated debt + equity)) in order to place the ratio within a 50%-75% range.

As at 30 June 2022 and 31 December 2021 the gearing ratio was of 48%, as follows:

	jun/22	Dec-21
Lease liabilities	147 562 105	143 068 334
Bank loans	140 097 602	167 032 350
Other financial assets	-3 003 787	-2 179 955
Cash and bank deposits	-70 903 129	-96 968 003
Net indebtedness	213 752 791	210 952 726
Equity	230 187 786	228 663 582
Total capital	443 940 577	439 616 308
Gearing ratio	48%	48%

b) Risk of franchise agreements

In restaurants where it operates with international brands, the group enters into long-term franchise agreements: 20 years for Burger King and 10 years for Pizza Hut, Taco Bell and KFC, which are renewable for another 10 years at the franchise's option, provided certain obligations have been fulfilled.

It has become practical for these contracts to be renewed. However, nothing obliges the franchisees to do so, so the risk of non-renewal may be verified.

In these contracts it is normal to contract the payment of an "Initial Fee" at the beginning of each contract and a "Renewall Fee" at the end of the initial period, in addition to a royalty of marketing operations on the sales made.

Periodically, development contracts are negotiated which guarantee the right and the obligation to open new restaurants. In case of non-compliance with the opening plans provided for in these contracts, franchisors may terminate their development contracts.

The group has development contracts with Taco Bell for Portugal and KFC, Burger King and Pret A Manger for Portugal and Spain. In unusual circumstances, such as the current pandemic crisis, readjustments to the development programs with the different brands Taco Bell and KFC were agreed. In the case of Burger King for Portugal and Spain, an amendment to the contract was being negotiated, but Burger King decided to terminate them, on the grounds that two restaurants were not built and three renovations weren’t carried out, in addition to the 12 open restaurants and the 7 renovations made.

In the franchise agreements of several international brands operated by the subsidiaries of Ibersol SGPS, S.A. requirements and conditions are foreseen to be fulfilled prior to the disposal of the participation of the subsidiary that operates the contract, issuance of equity instruments and/or change of control in said subsidiaries, as well as the disposal of the business or restaurants owned by those subsidiaries, which include , among others: the prior agreement of the franchisors, information obligations and various transmission procedures, eventual payment of charges or fees, as well as the right of first refusal in favour of the franchisors. Franchise agreements with some international brands provide for the possibility of termination in the event of a change in control of Ibersol SGPS, S.A. without prior agreement from the franchisor.

4. INFORMATION ABOUT THE COMPANIES INCLUDED IN THE CONSOLIDATION PERIMETER AND OTHER COMPANIES

4.1. The following Group companies were included in the consolidation perimeter as at 30 June 2022 and 31 December 2021:

Company	Head Office	% Shareholding Jun/22	Dec/21
Parent company			
Ibersol SGPS, S.A.	Porto	mãe	mãe
Subsidiary companies			
Iberusa Hotelaria e Restauração, S.A.	Porto	100%	100%
Ibersol Restauração, S.A.	Porto	100%	100%
Ibersande Restauração, S.A.	Porto	100%	100%
Ibersol Madeira e Açores Restauração, S.A.	Funchal	100%	100%
Ibersol - Hotelaria e Turismo, S.A.	Porto	100%	100%
Iberking Restauração, S.A.	Porto	100%	100%
Iberaki Restauração, S.A.	Porto	100%	100%
Restmon Portugal, Lda	Porto	61%	61%
Vidisco, S.L.	Vigo - Espanha	100%	100%
Inverpeninsular, S.L.	Vigo - Espanha	100%	100%
Asurebi SGPS, S.A.	Porto	100%	100%
Firmoven Restauração, S.A.	Porto	100%	100%
IBR - Sociedade Imobiliária, S.A.	Porto	100%	100%
Eggon SGPS, S.A.	Porto	100%	100%
Anatir SGPS, S.A.	Porto	100%	100%
Lurca, SA	Madrid-Espanha	100%	100%
Sugestões e Opções-Actividades Turísticas, S.A	Porto	100%	100%
José Silva Carvalho Catering, S.A	Porto	100%	100%
(a) Iberusa Central de Compras para Restauração ACE	Porto	100%	100%
(b) Vidisco, Pasta Café Union Temporal de Empresas	Vigo - Espanha	100%	100%
Maestro - Serviços de Gestão Hoteleira, S.A.	Porto	100%	100%
SEC - Eventos e Catering, S.A.	Porto	100%	100%
IBERSOL - Angola, S.A.	Luanda - Angola	100%	100%
HCI - Imobiliária, S.A.	Luanda - Angola	100%	100%
Ibergourmet Produtos Alimentares (ex-Gravos 2012, S.A.)	Porto	100%	100%
Lusinver Restauracion, S.A.	Vigo - Espanha	100%	100%
The Eat Out Group S.L.U.	Barcelona - Espanha	100%	100%
Pansfood, S.A.U.	Barcelona - Espanha	100%	100%
Foodstation, S.L.U	Barcelona - Espanha	100%	100%
Dehesa de Santa Maria Franquicias, S.L.	Barcelona - Espanha	100%	100%
(c) Cortsfood, S.L.	Barcelona - Espanha	-	50%
Volrest Aldaia, S.L	Vigo - Espanha	100%	100%
Volrest Alcala, S.L	Vigo - Espanha	100%	100%
Volrest Alfafar, S.L.	Vigo - Espanha	100%	100%
Volrest Rivas, S.L.	Vigo - Espanha	100%	100%
Voesmu Restauracion, SL	Vigo - Espanha	100%	100%
Associated companies			
Ziaicos - Serviços e gestão, Lda	Porto	40%	40%
Companies controlled jointly			
UQ Consult - Serviços de Apoio à Gestão, S.A.	Porto	50%	50%

(a) Company consortium agreement that acts as the Purchasing and Logistics Centre and provides the respective restaurants with raw materials and maintenance services.
(b) Union Temporal de Empresas which was founded in 2005 and that during the year functioned as the Purchasing Centre in Spain by providing raw materials to the respective restaurants.
(c) Subsidiary liquidated in January 2022..

The above entities develop their business in the countries where they are based.

The subsidiary companies were included in the consolidation by the full consolidation method. UQ Consult, the jointly controlled entity and the associated Ziaicos, was subject to the equity method according to the group's shareholding in this company.

The shareholding percentages in the indicated companies imply an identical percentage in voting rights.

4.2. Changes to the consolidation perimeter

4.2.1. Acquisition of new companies

In the six month period ended in 30 June 2022 and in 31 December 2021 there were no acquisitions of subsidiaries.

4.2.2. Disposals

In the six month period periods ended in 30 June 2022 and in 31 December 2021 there were no disposals of subsidiaries.

4.2.3. Other changes in the consolidation perimeter

With reference to January 13, 2022, the subsidiary Cortsfood, SL was liquidated.

5. <u>REVENUE FROM CONTRACTS WITH CLIENTS AND INFORMATION PER SEGMENT</u>

5.1. Revenue from contracts with clients

Revenue is measured by the amount that the entity expects to be entitled to receive under the contract entered into with the customer.

The revenue recognition model is based on five steps of analysis, in order to determine when revenue should be recognized and the amount to be recognised:

1) Identify the contract with the customer;
2) Identification of “performance obligations”;
3) Determine the transaction price;
4) Allocate the transaction price; and
5) Revenue recognition.

Revenue is recognized only when the performance obligation is satisfied, which depends on whether the “performance obligations” are satisfied over time or whether, on the contrary, the control over the good or service is transferred to the customer at a given time and is recognized as follows:

Sale of goods - retail

In most of the sales of goods carried out by the Group (Sales in Restaurants), there is only a performance obligation (“performance obligation”), so the revenue is recognized immediately, with the delivery of the goods to the customer. A performance obligation is a commitment to deliver goods or services to customers.

In the evaluation of contracts with customers in which a third party is involved, namely at the level of delivery people (home delivery), the Group evaluates its relationship between agent and principal, having concluded that, with regard to the obligation to deliver the goods , acts as an agent, as this performance obligation rests with the respective aggregators.

Regarding the obligation to perform the sale of goods, Ibersol acts as the principal and the aggregators as the agent, since Ibersol is responsible for their production, preparation, packaging and dispatch.

In catering sales, two types of services are distinguished - outside catering for specific events, direct to the final customer or through event organizers and concession contracts in which there is a multi-year exclusivity for the holding of events in these places - and in any of the In these cases, revenue is recognized at the time the event takes place.

In rendered services, revenue is recognized monthly, applying the contractual conditions of the franchise agreements, royalties with the calculation of the monthly sales of the franchisees.

Revenue from contracts with customers is presented as follows:

	2022	2021
Turnover	**242 111 937**	**134 859 165**
Restaurant activity sales	**236 692 359**	**131 965 516**
Restaurants sales	228 911 776	130 338 332
Event catering sales	5 229 647	970 994
Catering sales in concessions	2 550 935	656 190
Merchandise sales	**4 476 956**	**2 281 569**
Rendered services	**942 622**	**612 080**
Franchised Royalties	859 374	501 038
Others	83 248	111 042

In 30 June 2022, sales through Aggregator platforms amounted to 27.5 million Euros (21.4 million euros in the first half of 2021).

5.2. Information per segment

Ibersol Administration monitors the business based on the following segmentation (Note 2.5):

SEGMENT	BRANDS						
Restaurants	Pizza Hut	Pasta Caffe	Pizza Movil	FresCo	Ribs	StaMaria	
Counters	KFC	O'Kilo	Miit	Burger King	Pans & C.ª	Coffee Counters	Taco Bell
Concessions, Travel and catering	Sol (SA)	Concessions	Catering	Convenience stores		Travel	

DETAILED INFORMATION CONCERNING THE OPERATING SEGMENTS

	Restaurants		Counters		Concessions, Travel and Catering		Other, write off and adjustments		Total Group	
	jun/22	jun/21	jun/22	jun/21	jun/22	jun/21	jun/22	jun/21	jun/22	jun/21
Turnover	**46 480 171**	**29 413 321**	**144 068 806**	**92 381 877**	**51 423 876**	**12 982 454**	**139 085**	**81 513**	**242 111 937**	**134 859 165**
Operating income net of Amortization, deprec. and impairment losses	**7 461 949**	**4 547 871**	**24 473 129**	**18 820 405**	**5 700 363**	**1 420 363**	**-36 657**	148 639	**37 598 783**	**24 937 278**
Amortization, depreciation and impairment losses	-5 486 464	-6 264 059	-17 465 510	-15 917 878	-3 549 470	-19 847 884	-564 280	-612 056	-27 065 723	-42 641 876
Operating income	**1 975 484**	**-1 716 187**	**7 007 620**	**2 902 527**	**2 150 893**	**-18 427 522**	**-600 937**	-463 416	**10 533 060**	-17 704 598
Financial gains (losses)									-5 580 177	-9 544 998
Financial gains (losses)									-76 689	-105 719
Income tax									-1 165 777	4 405 931
Net profit									**3 710 417**	**-22 949 384**

The total assets and liabilities allocated, by segment, are presented as follows:

30 JUNE 2022	Restaurants	Counters	Concessions, Travel and Catering	Other, write off and adjustments	Group
Assets	**119 985 471**	**369 271 344**	**96 421 235**	**12 167 956**	**597 846 006**
Liabilities	**44 434 034**	**170 025 941**	**26 287 691**	**827 299**	**241 574 966**
Net investment in Intangible Assets and Property, Plant and Equipment (Notes 7 and 8)	**-115 826**	**15 650 876**	-	-	**15 535 050**

30 DECEMBER 2021	Restaurants	Counters	Concessions, Travel and Catering	Other, write off and adjustments	Group
Assets	**123 439 559**	**379 901 762**	**99 196 967**	**12 518 242**	**615 056 529**
Liabilities	**42 821 202**	**163 854 471**	**25 333 521**	**797 271**	**232 806 465**
Net investment in Intangible Assets and Property, Plant and Equipment (Notes 7 and 8)	**3 167 059**	**28 896 284**	**28 256**	**658 968**	**32 750 568**

Unallocated assets and liabilities arising from investment, financing and tax activities are presented as follows:

	Jun/22		Dec/21	
	Assets	Liabilities	Assets	Liabilities
Deferred taxes	11 778 489	2 985 773	11 088 442	3 376 658
Current taxes	26 123	1 883 107	110 222	456 400
Current bank loans	-	34 614 366	-	26 593 284
Non current bank loans	-	105 483 235	-	140 439 066
Derivative financial instrument	-	5 896	-	18 976
Non-current financial assets	1 043 942	-	978 965	-
Financial investments - joint controlled subsidiaries	3 036 781	-	2 940 318	-
Other financial assets	3 003 787	-	2 179 955	-
Total	18 889 121	144 972 377	17 297 902	170 884 384

	Jun/22		Dec/21	
	Assets	Liabilities	Assets	Liabilities
Allocated by segment	597 846 006	241 574 966	615 056 529	232 806 465
Not allocated	18 889 121	144 972 377	17 297 902	170 884 384
	616 735 128	386 547 344	632 354 431	403 690 850

INFORMATION BY GEOGRAPHY

As at 30 June 2022 and 2021 income and non-current assets by geography is presented as follows:

30 JUNE 2022	Portugal	Angola	Spain	Group
Turnover	**152 873 614**	**6 760 023**	**82 478 300**	**242 111 937**
Property, plant and equipment and intangible assets	187 510 206	16 406 850	48 081 727	251 998 783
Rights of use	76 177 803	583 280	65 478 757	142 239 840
Goodwill	7 474 768	130 714	71 427 339	79 032 821
Deferred tax asset	4 962 414	-	6 816 075	11 778 489
Financial investments - joint controlled subsidiaries	3 036 781	-		3 036 781
Non-current financial assets	643 942	-	400 000	1 043 942
Other financial assets	-	842 063	-	842 063
Other non-current assets	-	-	7 513 186	7 513 186
Total non-current assets	**279 805 914**	**17 962 907**	**199 717 084**	**497 485 904**

30 JUNE 2021	Portugal	Angola	Spain	Group
Turnover	**89 447 109**	**3 819 083**	**41 592 973**	**134 859 165**
31 DECEMBER 2021				
Property, plant and equipment and intangible assets	183 302 165	16 913 672	50 028 570	250 244 407
Rights of use	76 171 530	514 414	62 185 207	138 871 151
Goodwill	7 474 768	130 714	71 427 339	79 032 821
Deferred tax asset	4 899 059	-	6 189 382	11 088 442
Financial investments - joint controlled subsidiaries	2 940 318	-		2 940 318
Non-current financial assets	578 965	-	400 000	978 965
Other financial assets	-	841 165	-	841 165
Other non-current assets	-	-	7 524 331	7 524 331
Total non-current assets	**275 366 805**	**18 399 965**	**197 754 830**	**491 521 600**

6. RIGHTS OF USE

During the six month period ended on 30 June 2022 and the period ended on 31 December 2021, rights of use, as well as in the respective accumulated amortizations and impairment losses, were as follows:

	Stores and Commercial Spaces	Buildings	Equipment	Other assets	Total
1 January 2021					
Initial net amount	270 400 085	8 021 626	2 993 872	217 007	281 632 590
Currency conversion	154 069	-	-	-	154 069
Increases	32 581 675	50 201	2 270 203	203 951	35 106 030
Decreases	-128 752 142	-38 928	-	-	-128 791 070
Transfers	-	-3 022	-75 610	-11 364	-89 996
Depreciation in the year	-46 258 100	-2 148 068	-691 846	-42 456	-49 140 470
Final net amount	**128 125 587**	**5 881 809**	**4 496 619**	**367 138**	**138 871 151**
31 December 2021					
Cost	185 762 640	14 604 837	7 132 225	470 934	207 970 636
Accumulated depreciation	-57 637 054	-8 723 027	-2 635 606	-103 796	-69 099 483
Net amount	**128 125 587**	**5 881 809**	**4 496 619**	**367 138**	**138 871 151**

	Stores and Commercial Spaces	Buildings	Equipment	Other assets	Total
1 January 2022					
Initial net amount	128 125 587	5 881 809	4 496 619	367 138	138 871 152
Currency conversion	240 692	-	-	-	240 692
Increases	14 942 780	10 423	997 765	64 583	16 015 551
Decreases	-58 945	-	-	-	-58 945
Depreciation in the year	-10 970 161	-1 100 409	-716 409	-41 632	-12 828 611
Final net amount	**132 279 953**	**4 791 823**	**4 777 975**	**390 089**	**142 239 840**
30 June 2022					
Cost	199 312 456	14 615 260	8 129 990	535 517	222 593 222
Accumulated depreciation	-67 032 503	-9 823 437	-3 352 014	-145 428	-80 353 382
Net amount	**132 279 953**	**4 791 823**	**4 777 975**	**390 089**	**142 239 840**

The value of the increases corresponds to 14 new leases (9 of spaces and 5 of equipment), 10 renovations and 8 extensions of space leases and also the effect of remeasurement of contracts by the rent updates by the Consumer Price Index and other changes to expected lease payments (e.g. in cases of lease term reassessment).

The decrease in depreciation is due to the leasing contracts of the Airports in Spain, which in 2021 were being considered as a result of the application of IFRS16.

7. PROPERTY, PLANT AND EQUIPMENT

During the six month period ended 30 June 2022 and the period ended on 31 December 2021, property, plant and equipment, as well as in the respective depreciation and accumulated impairment losses, were as follows:

	Land	Buildings	Equipment	Other property, plant and equipment	Property, plant and equipment in progress	Total
1 January 2021						
Cost	15 001 280	276 253 056	141 016 913	31 686 781	1 422 880	465 380 910
Accumulated depreciation	-263 756	-116 144 593	-105 430 174	-21 309 796	-	-243 148 319
Accumulated impairment	-	-8 542 269	-367 858	-18 437	-	-8 928 564
Net amount	**14 737 524**	**151 566 194**	**35 218 881**	**10 358 548**	**1 422 880**	**213 304 027**
1 January 2021						
Initial net amount	14 737 524	151 566 194	35 218 881	10 358 548	1 422 880	213 304 027
Currency conversion	168 469	177 992	27 483	-17	47 175	421 102
Charge-off	4 647 921	18 519 568	4 743 443	1 690 090	142 409	29 743 431
Decreases	-	-117 430	-55 986	-19 595	-	-193 010
Transfers	-	396 419	485 375	36 569	-843 745	74 617
Depreciation in the year	-47 575	-13 778 150	-8 587 171	-2 353 322	-	-24 766 218
Impairment in the year	-9 000	-3 526 492	-627 433	-47 315	-	-4 210 240
Final net amount	**19 497 339**	**153 238 101**	**31 204 592**	**9 664 958**	**768 719**	**214 373 711**
31 December 2021						
Cost	19 835 816	290 078 276	144 097 484	33 130 863	768 720	487 911 159
Accumulated depreciation	-329 477	-125 922 984	-112 137 610	-23 414 548	-	-261 804 619
Accumulated impairment	-9 000	-10 917 191	-755 280	-51 359	-	-11 732 830
Net amount	**19 497 339**	**153 238 101**	**31 204 592**	**9 664 958**	**768 719**	**214 373 711**

	Land	Buildings	Equipment	Other property, plant and equipment	Property, plant and equipment in progress	Total
1 January 2022						
Initial net amount	19 497 339	153 238 101	31 204 592	9 664 958	768 719	214 373 711
Currency conversion	378 571	241 323	-73 026	-39 636	1 298	508 530
Charge-off	666 478	7 901 400	2 675 574	2 119 715	805 629	14 168 797
Decreases	-	-81 759	2 100	-15 750	-1 847	-97 254
Transfers	-	93 983	41 230	3 249	-133 465	4 996
Depreciation in the year	-26 081	-7 051 560	-4 148 473	-1 247 082	-	-12 473 196
Impairment in the year	-	-	-	-	-	-
Final net amount	**20 516 307**	**154 341 488**	**29 701 997**	**10 485 454**	**1 440 334**	**216 485 584**
30 June 2022						
Cost	20 934 208	297 680 783	147 185 143	35 214 755	1 440 335	502 455 225
Accumulated depreciation	-408 901	-132 499 486	-116 727 863	-24 677 943	-	-274 314 194
Accumulated impairment	-9 000	-10 839 809	-755 280	-51 359	-	-11 655 448
Net amount	**20 516 307**	**154 341 488**	**29 701 999**	**10 485 454**	**1 440 334**	**216 485 584**

The investment incurred in the first half of 2022 refers, essentially, to the opening of four KFC, two Burger King, two Pans and one Taco Bell.

In 2021, the investment of around 30 million refers to the opening of five Taco Bells (2 due to the conversion of other existing units), five Pizza Huts, twelve Burger Kings, six KFC and the acquisition of land for the installation of 5 restaurants. The investment of approximately 25 million Euros in 2020 essentially refers to the opening of six KFC's, six Burger King's, two Taco Bell's and a Ribs restaurant.

Under the expansion and development contracts with the brands (see note 3.2 b), the Group assumed the commitment to make investments in tangible and intangible fixed assets associated with new store openings and remodelling.

Impairment tests on cash-generating units (CGU)

The assessment of the existence of signs of impairment at CGU and the respective tests, if necessary, were performed out at each reporting date. Each store / restaurant is considered a CGU, and in the case of airports each airport it's a CGU.

Each UCG is composed of all the assets and liabilities attributable to each restaurant, namely: tangible fixed assets, intangible assets, rights of use and respective lease liabilities.

Assets subject to amortization are reassessed to determine any impairments, to be constituted or to be reversed, whenever events or changes in circumstances occur that compromise sales capacity, namely restrictions and restrictions on mobility or accessibility to restaurants, as well as the opening of a competitor in the area of influence and that give rise to the value at which they are carried may or may not be recoverable. Stores with negative profitability during the first two years are not usually an indicator of impairment and the viability plans of the time of the investment decision are considered valid, as this is the period normally necessary to reach levels of notoriety and local market share.

The assumptions for the analysis of impairment of Tangible Fixed Assets used in the preparation of the financial statements as of December 31, 2021 remain valid and there have been no changes to the facts and circumstances underlying them. No relevant evidence was identified that would indicate the need to carry out new impairment tests in the first six months of 2022.

8. INTANGIBLE ASSETS AND GOODWILL

Goodwill and intangible assets are broken down as follows:

	Jun/22	Dec/21
Goodwill	79 032 821	79 032 821
Intangible assets	35 513 199	35 870 696
	114 546 020	**114 903 517**

During the six month period ended 30 June 2022 and the period ended on 31 December 2021, intangible assets, amortization and accumulated impairment losses were as follows:

	Goodwill	Brands	Industrial property	Other intangible Assets	Intangible Assets in progress	Total
1 January 2021						
Cost	93 984 684	22 000 000	49 137 541	12 867 206	1 655 511	179 644 942
Accumulated amortization	-	-4 583 333	-29 430 863	-11 075 698	-	-45 089 893
Accumulated impairment	-13 475 042	-	-3 681 055	-39 711	-	-17 195 808
Net amount	**80 509 642**	**17 416 667**	**16 025 623**	**1 751 799**	**1 655 511**	**117 359 239**
1 January 2021						
Initial net amount	80 509 642	17 416 667	16 025 623	1 751 799	1 655 511	117 359 239
Currency conversion	-	-	10 101	-	26 373	36 474
Charge-off	-	-	3 458 095	5 000	136 179	3 599 274
Decreases	-	-	-146 657	-	-252 470	-399 127
Transfers	-	-	308 401	-	-335 351	-26 950
Amortization in the year	-	-1 100 000	-2 091 966	-345 149	-	-3 537 115
Impairment in the year	-1 476 821	-	-651 454	-	-	-2 128 275
Final net amount	**79 032 821**	**16 316 667**	**16 912 142**	**1 411 652**	**1 230 241**	**114 903 517**
31 December 2021						
Cost	93 984 684	22 000 000	52 839 447	12 232 341	1 230 241	182 286 713
Accumulated amortization	-	-5 683 333	-31 599 025	-10 788 395	-	-48 070 753
Accumulated impairment	-14 951 863	-	-4 328 280	-32 296	-	-19 312 439
Net amount	**79 032 821**	**16 316 667**	**16 912 142**	**1 411 652**	**1 230 241**	**114 903 517**

	Goodwill	Brands	Industrial property	Other intangible Assets	Assets in progress	Total
1 January 2022						
Initial net amount	79 032 821	16 316 667	16 912 142	1 411 652	1 230 241	114 903 517
Currency conversion	-	-	6 794	-	48 429	55 223
Charge-off	-	-	523 587	-	958 493	1 482 080
Decreases	-	-	-104 933	-	86 362	-18 571
Transfers	-	-	43 181	-5 000	-43 181	-5 000
Amortization in the year	-	-550 000	-1 162 376	-158 853	-	-1 871 229
Impairment in the year	-	-	-	-	-	-
Final net amount	**79 032 821**	**15 766 667**	**16 218 395**	**1 247 799**	**2 280 344**	**114 546 020**
30 June 2022						
Cost	93 984 684	22 000 000	53 424 413	12 227 788	2 280 344	183 917 229
Accumulated amortization	-	-6 233 333	-32 877 738	-10 947 695	-	-50 058 766
Accumulated impairment	-14 951 863	-	-4 328 280	-32 296	-	-19 312 439
Net amount	**79 032 821**	**15 766 667**	**16 218 395**	**1 247 799**	**2 280 344**	**114 546 020**

Intangible assets in progress mostly relate to territorial rights to open units still under construction, which are paid in advance to brands at the time when joint agreements are made to open units between Ibersol and the franchisors.

8.1 Goodwill

Goodwill is allocated to each of the groups of homogeneous cash-generating units as follows:

	Jun/22	Dec/21
Restaurants	7 147 721	7 147 721
Counters	37 199 991	37 199 991
Concessions, Travel and Catering	34 505 388	34 505 388
Other, write off and adjustments	179 721	179 721
	79 032 821	**79 032 821**

Regarding the above segments, the following groups of homogeneous cash-generating units were identified:

	Jun/22	Dec/21
Restaurants		
Ribs	5 175 479	5 175 479
Pizza Hut	1 972 242	1 972 242
Sub-total	7 147 721	7 147 721
Counters		
Pans & C.º	11 850 160	11 850 160
Burguer King	24 641 046	24 641 046
KFC	708 785	708 785
Sub-total	37 199 991	37 199 991
Concessions, Travel and Catering		
Concessions and Travel (SP)	30 630 919	30 630 919
Concessions and Travel (PT)	850 104	850 104
Catering	3 024 365	3 024 365
Sub-total	34 505 388	34 505 388
Others	179 721	179 721
TOTAL	79 032 821	79 032 821

Goodwill – Impairment tests

Goodwill is not amortized. The Group performs impairment tests on goodwill annually, or whenever there are signs of impairment.

For the purpose of impairment tests on CGU, the recoverable amount was determined based on the value in use, according to the discounted cash flow method. The recoverable value of the CGU derives from assumptions related to the activity, namely, sales volumes, operating costs, planned investments, remodelling and closing of units, the impact of other market players, internal management projections and historical performance.

These projections result from the budgets for the following period and the estimated cash flows for a subsequent period of four years reflected in the medium and long-term plans approved by the Board of Directors.

In terms of impairment losses, the effects of the pandemic on the restaurant sector and the pace of recovery, particularly in locations most dependent on the recovery of tourist traffic, namely in concessioned spaces, resulted in the maintenance of the application of different risks in determining the value recoverable from the tests carried out, depending on the business areas.

In 2021, the tests performed resulted in the need to record impairment related to the goodwill allocated to Frescco units in the amount of 1,476,821 euros.

With the exception of the results obtained in the analysis of the FresCo operation in Spain, the remaining impairment tests did not result in impairment losses, which is in line with Management's expectations, which effectively indicate that there are no other permanent losses in its businesses, with the clear expectation of business recovery in the medium term to pre-Covid-19 levels.

In the first six months of 2022 considering the overall positive performance of the various business segments, namely the concessions and catering segment, despite other factors such as the increase in inflation and interest rates, management considers that to date there are no indications relevant impairments that indicate the need to carry out new impairment tests in the first six months of 2022.

8.2 Other Intangible Assets - Brands, Industrial Property, Other Intangible Assets and Assets in Progress

Intangible assets that do not have a defined useful life are not subject to amortization but are subject to annual impairment tests (or in each reporting period in which there is evidence of impairment). In the remaining intangible assets, with a finite useful life, the impairment tests carried out revealed that the recoverable amount is higher. The assumptions for the analysis of impairment used in the preparation of the financial statements as at 31 December 2021 remain valid and there have been no changes to the facts and circumstances underlying them. No relevant evidence was identified that would indicate the need to carry out new impairment tests in the first six months of 2022.

In the case of own brands, valuations were carried out based on the value in use calculated based on the Discounted Cash Flow (DCF) method and in accordance with the Royalty Relief methodology, depending on the type of asset sustaining the recoverability of their values.

The values reached are sustained by historical performance, expectations of market development and strategic development plans for each business.

Industrial property includes: space exploitation rights (entrance rights or surface rights), trademark exploitation rights and concession rights.

The group's main operating rights relate to the franchise rights paid to international brands at the opening of the restaurants operating under the brand: 20 years for Burger King and 10 years for Pizza Hut and KFC, which are renewable by others 10 years by option of the franchisee.

On 30 June 2022, the group's concessions, territorial rights and related life cycle are shown below:

Concession Rights	No of years	Termination Date
Lusoponte Service Areas	33	2032
2ª Circular Service Areas	10	2027
Portimão Marina	60	2061
Aeroport Service Area	20	2022
Pizza Hut Cais Gaia	20	2024
Modivas Service Areas	28	2031
Barcelos Service Areas	30	2036
Alvão Service Areas	30	2036
Lousada (Felgueiras) Service Areas	24	2030
Vagos Service Areas	24	2030
Aveiro Service Areas	24	2030
Ovar Service Areas	24	2030
Gulpilhares (Vilar do Paraíso) Service Areas	24	2030
Talhada (Vouzela) Service Areas	25	2031
Viseu Service Areas	25	2031
Matosinhos Service Areas	24	2030
Maia Service Areas	26	2032

As intangible assets related to industrial property are allocable to cash-generating units, the impairment analysis is carried out as described in note 7, in the section "Impairment tests for cash-generating units".

Concerning intangible assets in progress, they are also allocated to the cash-generating unit of the store, under construction, which is based on an economic feasibility analysis that assumes the recovery of the investment and which is carried out before the decision to open each new unit.

9. OTHER FINANCIAL ASSETS

The amount of financial assets refers to investments in Angolan State Treasury Bonds. The separation by maturity is as follows:

	Jun/22			Dec/21		
	Current	Non current	Total	Current	Non current	Total
Treasury bonds	2 193 085	854 279	3 047 364	1 429 154	968 215	2 397 368
Sub-total	2 193 085	854 279	3 047 364	1 429 154	968 215	2 397 368
Accumulated impairment losses	31 361	12 216	43 577	90 363	127 050	217 413
TOTAL	2 161 724	842 063	3 003 787	1 338 791	841 165	2 179 955

As there was no significant increase in credit risk since the initial recognition of Treasury Bonds, expected losses within a period of 12 months were considered.

Indices used for Probability of Default and Loss Given Default are in accordance with the publication of Moodys and S&P, the probability of default considered was 2.4% and the loss given default considered to be 59%.

9.1. Non-current

Treasury bond securities held by the group on 30 June 2022 with a maturity of more than 12 months are as follows:

Non-current				**TOTAL**
Issue date	08/07/2020	31/08/2017	31/07/2020	-
Acquisition date	25/05/2021	06/05/2021	24/11/2021	-
Due date	08/07/2023	31/08/2024	31/07/2024	-
BNA exchange rate	n/a	645	n/a	-
Amount	1 350	250	1 000	-
Amount as at 30/06/2022	283 661	375 507	195 111	**854 279**
Gross annual return	16,25%	7%	16,50%	-

9.2. Current

Treasury bond securities held by the group as at 30 June 2022 with a maturity of less than 12 months are presented as follows:

Current			
Issue date	26/10/2017	16/04/2021	28/02/2019
Acquisition date	07/04/2021	25/05/2021	05/05/2021
Due date	26/10/2022	16/10/2022	28/02/2023
BNA exchange rate	n/a	n/a	n/a
Amount	600	2 000	1 000
Amount as at 30/06/2022	122 552	443 328	213 559
Gross annual return	12%	15,75%	16,5%

Current				**TOTAL**
Issue date	16/09/2015	29/09/2017	21/04/2021	-
Acquisition date	22/01/2016	16/03/2021	04/10/2021	-
Due date	16/09/2022	29/09/2022	21/04/2023	-
BNA exchange rate	154,84	n/a	n/a	-
Amount	975	250	1 200	-
Amount as at 30/06/2022	1 105 180	51 335	257 130	**2 193 085**
Gross annual return	5%	12%	16%	-

10. OTHER NON-CURRENT ASSETS

Other non-current assets breakdown is presented as follows:

	Jun/22	Dec/21
Other non-current assets	7 513 186	7 524 331
	7 513 186	**7 524 331**

Balance of other non-current debtors is mainly comprised of deposits and securities in Spain resulting from lease agreements. Trade accounts receivable from other debtors are initially recognized at fair value and, in the case of medium and long-term debt, are subsequently measured at amortized cost using the effective interest method, less impairment.

The Group considers that this asset is not exposed to significant credit risk, since in general these assets are directly associated with rent payment obligations.

These guarantees may be enforced by the beneficiaries in the event of breach of contract by Ibersol, for example in cases where the rent is not paid.

11. CASH AND CASH EQUIVALENTS

As at 30 June 2022 and 31 December 2021, Cash and cash equivalents were as follows:

	Jun/22	Dec/21
Cash	760 692	1 029 212
Bank deposits	70 141 937	95 938 291
Treasury applications	500	500
Cash and bank deposits in the balance sheet	70 903 129	96 968 003
Bank overdrafts	-	-
Cash and cash equivalents in the cash flow statement	70 903 129	96 968 003

12. OTHER CURRENT ASSETS

As at 30 June 2022 and 31 December 2021, Other current assets were as follows:

	Jun/22	Dec/21
Clients	7 385 556	6 369 453
State and other public entities	5 200 672	5 803 060
Other debtors (1)	13 244 994	10 895 308
Advances to suplliers	333 729	202 341
Advances to fixed suppliers	296 657	225 008
Accruals and income	3 540 848	4 386 985
Deferred costs	2 156 868	1 698 608
Other current assets	**32 159 324**	**29 580 764**
Accumulated impairment losses	-2 834 715	-2 882 406
	29 324 609	**26 698 358**

Clients balance, related to supplies to franchisees and catering contracts, reflects the growth in activity in the second quarter of 2022.

(1) As at 30 June 2022 and 31 December 2021, the balance in Other debtors includes aggregators, other debtor balances from suppliers c/c, debts to suppliers for the recovery of charges for marketing and rappel co-payments, meal vouchers (delivered by customers), short-term bails and various advances, as follows:

	Jun/22	Dec/21
Meal card/Aggregators	5 623 357	3 939 484
Deposits and bails	3 720 436	2 611 543
Marketing and rappel	1 034 444	2 244 102
Suppliers and other debit balances	2 003 140	1 674 746
Advances	77 706	136 857
Personnel expenses	168 351	79 559
Credit sales	293 460	69 143
Insurance	61 275	68 692
IEFP	4 847	43 708
Continente card	257 976	27 475
	13 244 994	10 895 308

13. LOANS AND LEASE LIABILITIES

13.1 Loans

As at 30 June 2022 and 31 December 2021, current and non-current loans were as follows:

Non-current	**Jun/22**	**Dec/21**
Bank loans	66 933 235	75 839 066
Commercial paper programmes	38 550 000	64 600 000
	105 483 235	**140 439 066**

Current	**Jun/22**	**Dec/21**
Bank overdrafts	-	-
Bank loans	19 488 438	13 325 470
Commercial paper programmes	15 125 928	13 267 814
	34 614 366	**26 593 284**
Total loans	**140 097 602**	**167 032 350**

Some of the Ibersol Group's bank loan contracts and commercial paper programs with financial institutions, corresponding to a total outstanding amount as of 30 June 2022 of 35.7 million euros, include Financial Covenants (i.e. 25% of the total loans outstanding on that date). Such covenants can be summarized as follows:

	Financial Covenants (consolidated ratios)
ND/EBITDA	**< 4,5x a 5,5x**
ND/EBITDA (without IFRS16)	**< 3,5x a 4x**
ND/EBITDAR	**< 5x**
Equity/Assets	**> 30%**

Some contracts still have Debt/EBITDA adjusted for the effects

of the application of IFRS16 (frozzen gapp).
Additionally, the total amount owed as at 30 June 2022 in financing from the Ibersol Group for which the respective creditors have the possibility of considering the debt overdue in the event of a change in shareholder control was 24.1 million euros (i.e., 17.0% of the total amount of loans outstanding on that date).

In Spain, there is a financing agreement of the subsidiary Eat Out Group maturing at the end of 2022, with ratios referring to the company's consolidated (Debt/Ebitda without IFRS16 of 1.5x and Ebitda/Financial Expenses of 5x) and that until 2021 were suspended.

Movements in 30 June 2022 and 31 December 2021 in current and non-current loans, except financial leases and bank overdrafts, are as follows:

	jun/22	**Dec/21**
1st January	167 032 350	165 068 581
Variations with impact on cash flows:		
Loan receipts obtained	5 167 928	34 298 753
Financial debt payments	-32 310 475	-32 227 604
Variations without impact on cash flows:		
Variation effect of bank overdrafts (note 11)	-	-916
Financing assembly costs	-30 967	-344 259
Capitalized interest and others	238 766	237 793
	140 097 602	167 032 350

13.2 Lease liabilities

As at 30 June 2022 and 31 December 2021, the company has commitments made to third parties, arising from lease contracts, namely real estate contracts. The breakdown of future payments of lease payments, given their maturity, can be analyzed as follows:

	jun/22			**dez/21**		
	Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Leases	22 655 841	124 906 264	147 562 105	21 645 649	121 422 685	143 068 334
TOTAL	22 655 841	124 906 264	147 562 105	21 645 649	121 422 685	143 068 334

The movements in the first 6 months 2022 in liabilities with leases are presented as follows:

	jun/22	**Dec/21**
1st January	143 068 335	329 014 533
Variations with impact on cash flows:		
Financial debt payments	-14 737 360	-34 031 830
Variations without impact on cash flows:		
Update of liabilities with leases	3 924 562	13 361 651
Lease contract increases	16 015 550	35 106 030
Contract terminations / store closings	-58 945	-276 893
Write-off Liabilities lease contracts AENA (1)	-	-195 183 511
Income concessions resulting from the COVID-19 pandemic	-769 943	-4 681 174
Others	119 904	-240 474
	147 562 105	143 068 335

(1) Referring to October 1, 2021 the debt of concession contracts at airports in Spain managed by AENA was derecognised, pursuant to the application of Law 13/2021 (introductory note). This diploma determines the reduction of the minimum guaranteed annual rents of the contracts, in direct proportion to the reduction of annual passenger traffic compared to those verified in 2019, until the annual volume of passengers at the airport resumes

the traffic of the same year, thus making it impossible for the future responsibilities of these same contracts are determined.

During the first six months of 2022, the Group obtained discounts on rent payments with the amount of 769,943 Euros that led to the respective decrease in liabilities without outflow of funds.

14. ACCOUNTS PAYABLE TO SUPPLIERS AND ACCRUED COSTS

As at 30 June 2022 and 31 December 2021, accounts payable to suppliers and accrued costs were broken down as follows:

	Jun/22	Dec/21
Suppliers c/ a	40 927 614	38 501 025
Suppliers - invoices pending approval	5 117 829	3 196 603
Suppliers of fixed assets c/ a	2 724 789	10 063 593
Total accounts payable to suppliers	48 770 232	51 761 221

	Jun/22	Dec/21
Accrued costs - Payable insurance	160 134	108 056
Accrued costs - Payable remunerations	11 234 199	8 987 232
Accrued costs - Rent and lease (1)	6 266 598	5 583 055
Accrued costs - External services	7 092 831	5 583 485
Accrued costs - Other	1 802 094	484 342
Total acrrued costs	26 555 857	20 746 170
Total accounts payable to suppl.and accrued costs	75 326 089	72 507 391

(1) accrued costs- rent and lease include only the amount related to variable rents that are not included in the lease liability.

15. OTHER CURRENT LIABILITIES AND INCOME TAX PAYABLE

As at 30 June 2022 and 31 December 2021, “Other current liabilities” may be broken down as follows:

	Jun/22	Dec/21
Other creditors	5 975 239	5 536 323
State and other public entities	8 856 207	8 480 036
Deferred income	1 512 516	782 182
	16 343 962	14 798 541

16. INCOMES TAXES AND DEFERRED TAXES

16.1. Income tax

16.1.1. Income tax receivable

As at 30 June 2022, income tax receivable amounts to 26,123 Euros (2021: 110,222 Euros), presented as follows:

	Jun/22	Dec/21
Inverpeninsular Group (1)	21 615	35 614
Ibersol Angola	-	70 100
Others	4 508	4 508
	26 123	110 222

(1) tax amount resulting from the tax group of subsidiaries in Spain.

16.1.2. Income tax payable

Income tax payable in the periods ended 30 June 2022 and 31 December 2021 is broken down as follows:

	Jun/22	Dec/21
RETGS (1)	1 839 969	444 395
Ibersol Angola	43 138	-
Others (2)	-	12 006
	1 883 107	456 401

(1) amount of tax resulting from the tax group of subsidiaries in Portugal (RETGS).
(2) excluded from RETGS, income tax to be paid by subsidiary Iberusa ACE.

16.2. Deferred tax

Changes in deferred taxes in the period are:

Deferred taxes	**30.06.2022**	**31.12.2021**	**Movement in the year (1)**
Assets	11 778 489	11 088 442	690 047
Liabilities	-2 985 773	-3 376 658	390 885
Total	**8 792 716**	**7 711 784**	**1 080 932**

(1) tax for the year in the amount of 834,651 euros (note 19) and 246,281 euros of currency exchange conversion recognized in reserves.

Nominal tax rates of the jurisdictions in which the Group is present are as follows:

Portugal	21%
Spain	25%
Angola	25%

16.2.1 Deferred tax assets

As at 30 June 2022 and 31 December 2021 deferred tax assets on, according to jurisdiction and the temporary differences that generate them, are broken down as follows:

	jun/22			**Dec/21**		
Deferred tax assets	**Portugal**	**Spain**	**Total**	**Portugal**	**Spain**	**Total**
Tax losses carried forward	-	7 569 349	7 569 349	-	7 005 961	7 005 961
Ded. temporary differences (IFRS16) (1)	-	871 897	871 897	-	744 265	744 265
Taxable temporary differences	-33 859	-1 572 089	-1 605 947	-33 859	-1 572 089	-1 605 947
Homogenization of property, plant and equipment and intangible assets (2)	-4 999 587	-742 016	-5 741 604	-5 065 885	-677 689	-5 743 575
Other temporary differences deductible and tax credits (3)	9 995 860	688 934	10 684 794	9 998 803	688 934	10 687 737
	4 962 414	6 816 075	11 778 489	4 899 059	6 189 382	11 088 442

(1) deferred taxes resulting from a temporary difference due to the application of IFRS16 in the Group's consolidated accounts, not applicable in the statutory accounts of subsidiaries in Spain.
(2) deferred taxes that correspond to the difference in the net amount considered in the individual financial statements of the subsidiaries and the net amount to which they contribute in the consolidated financial statements.
(3) amount referring, essentially to tax benefits. As at 31 December 2021, there are 147,000 euros of tax benefit associated with the capital increase and 9,847,534 euros of tax benefits not deducted, to be used in subsequent years, of which 1,337,879 euros of RFAI for 2019, 2,066,044 euros of 2020 RFAI, 4,731,689 euros from 2021 RFAI and 1,711,922 euros from CFEI II (1,142,477 euros deductible until 2025 and 569.45 euros until 2026, inclusive). It should be noted that these credits have a reporting period of 10 tax periods, a period whose count was suspended during 2020 and during the following tax period, according to Law No. 21/2021, of 21 of April.

16.2.2 Deferred tax liabilities

As at 30 June 2022 and 31 December 2021, Deferred tax liabilities, according to jurisdiction and the temporary differences that generated them, are broken down as follows:

	jun/22	Dec/21
Deferred tax liabilities	**Angola**	
Homogenization of property, plant and equipment and intangible assets (1)	-790 296	-450 931
Hyperinflationary Economies (IAS 29)	3 848 488	3 927 202
Deductible temporary differences (IFRS16)	-61 524	-45 259
Other temporary differences	-10 895	-54 354
	2 985 772	3 376 657

(1) deferred taxes corresponding to the difference of the net value as in the individual financial statements of the subsidiaries and the net amount that they contribute in the consolidated.

17. OTHER OPERATING INCOME AND COSTS

Other operating and income costs in the six months periods ended 30 June 2022 and 30 June 2021 are broken down as follows:

Other operating costs	**2022**	**2021**
Direct/indirect taxes not assigned to operating activities	473 265	447 583
Losses in fixed assets	45 633	205 604
Currency exchange differences	573 771	457 155
Membership fees, donations samples and inventory offers	88 981	60 484
Impairment adjustments (debts receivable)	71 126	165 063
Inventories break	12 588	-
Other operating costs	43 635	34 862
	1 308 999	1 370 751

Other operating income	**2022**	**2021**
Supplementary income (1)	2 282 607	1 263 199
Operating grants (2)	24 423	7 563 558
Currency exchange differences	934 242	124 436
Compensation	618 320	60 000
Gains in fixed assets	4 950	86 796
Provision reduction	60 000	-
Investment grants	26 770	29 228
Other operating gains	78 706	21 422
	4 030 018	9 148 639
Other operating income / (costs)	2 721 019	7 777 888

(1) arise essentially from revenue from contracts with suppliers and franchisees (Eat Out group);
(2) amount referring, essentially, to government support within the scope of Covid-19.

18. FINANCIAL EXPENSES AND LOSSES AND INCOME AND GAINS

Financial expenses and losses in the three months periods ended 30 June 2022 and 30 June 2021 are broken down as follows:

Financial expenses and costs	**2022**	**2021**
Interest on rentals liabilities (IFRS16)	3 924 562	7 712 286
Interest paid	1 352 383	1 360 545
Other financial expenses and costs	769 046	781 487
	6 045 991	9 854 318

The reduction in interest on lease liabilities is due to the interest related to lease contracts for restaurants and retail establishments located at airports in Spain, which in 2021 were being considered as a result of the application of IFRS16.

Financial income and gains in the six months periods ended 30 June 2022 and 30 June 2021 are broken down as follows:

Financial income and gains	**2022**	**2021**
Interest earned (1)	267 427	228 188
Other financial income and gains	198 387	81 132
	465 814	309 320

(1) essentially interest on treasury bonds and term deposits.

19. INCOME TAX

Income tax recognised in the three months periods ended on 30 June 2022 and 2021 are broken down as follows:

	Jun/22	**Jun/21**
Current taxes	2 000 428	266 032
Deferred taxes	-834 651	-4 671 963
	1 165 777	-4 405 931

The effective tax rate on profits is presented as follows:

	Jun/22	**Jun/21**
Profit before tax	4 876 194	-27 355 315
Income tax expense	-1 165 777	4 405 931
Effective tax rate	24%	-16%

20. INCOME PER SHARE

Income per share in the six months periods ended 30 June 2022 and 2021 was calculated as follows:

	Jun/22	Jun/21
Profit payable to shareholders of the parent company	3 710 457	-22 902 318
Number of shares issued at the beginning of the period	46 000 000	36 000 000
Number of shares issued at the end of the period	46 000 000	36 000 000
Average weighted number of ordinary shares issued (i)	46 000 000	36 000 000
Average weighted number of own shares (ii)	-3 599 981	-3 599 981
Weighted average number of outstanding shares (i-ii)	42 400 019	32 400 019
Basic earnings per share (€ per share)	0,09	-0,71
Earnings diluted per share (€ per share)	0,09	-0,71
Number of own shares at the end of the year	3 599 981	3 599 981

Since there are no potential voting rights, the basic earnings per share is equal to earnings diluted per share.

21. DIVIDENDS

At the Annual General Meeting of 26 May 2022, gross dividends of 0.135 euros per share were attributed, corresponding to a value of 5,724,002 euros for shares in circulation, which payment was made on 22 June 2022.

22. CONTINGENT ASSETS AND LIABILITIES

The Group has contingent liabilities related to its business (related to licensing, advertising fees, hygiene and food safety and employees, the success rate of Ibersol in these processes being historically high). It is not expected that there will be significant liabilities arising from contingent liabilities.

An indemnity proceeding was brought against a subsidiary of the Eat Out Group in Spain for alleged non-compliance with non-compete agreements in the amount of approximately 11.7 million Euros. The Board of Directors, supported by the position of the lawyers who accompany the process, considers that this situation represents a contingent liability. Additionally, it should be noted that the process concerns facts that occurred before the acquisition of this subsidiary by the Ibersol Group, and is therefore, under the liability and guarantees clauses provided for in the share purchase and sale agreement of the Eat Out Group, there is a right of return.

As part of the negotiation of concession contracts for airports in Spain, the Ibersol Group initiated, during the first quarter of 2021, legal proceedings against AENA in order to obtain the economic and financial balance of the respective concession contracts.

Regarding the precautionary measures requested, preventing AENA from executing the guarantees and deposits which it has in its favor in the amount of 24.7 million euros. On 26 March 2021, the Court ruled in favour of the precautionary measure. In March 2022, the higher court confirmed that Pansfood was right again in relation to the process of precautionary measures, in response to the appeal filed by AENA, regarding the first decision in March 2021. A hearing on the substantive case was held in May, and this September the court, in order to ensure the economic and financial balance of the contracts, decided to apply Law 13-202 from 2021, as has been recognize in the financial statements.

23. OTHER COMMITMENTS ASSUMED

As at 30 June 2022 and 31 December 2021, liabilities not recorded by Ibersol's subsidiaries are mainly made up of bank guarantees provided on their account, as follows:

	Jun/22	Dec/21
Bank guarantees	25 110 138	24 929 721

Bank guarantees by hedge type are as follows:

Leases and rents	Other supply contracts	Fiscal and legal proceedings	Other	Other legal claims
24 978 592	20 683	67 131	23 000	20 731

The bank guarantees essentially arise from the concessions and rents of the Group's stores and commercial spaces, and can be executed in the event of non-compliance with the lease contracts, namely due to non-payment of rents.

The relevant amount comes from the guarantees required by the owners of spaces concession (ANA Airports and AENA Airports in Spain) or leased (shopping centres and other places) under concessions and rents, which amounts to 20,216,000 Euros with AENA Airports.

24. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions with related parties as at 30 June 2022 and 31 December 2021, can be presented as follows:

	Parent entitie		Jointly controlled entitie		Associated entitie		Other entities	
	1ºS 2022	2021	1ºS 2022	2021	1ºS 2022	2021	1ºS 2022	2021
Supplies and services	500 000	1 000 000	1 901 684	4 174 391	-	-	-	-
Rental lease	-	-	-	-	-	-	1 103 029	2 200 946
Accounts Payable	-	-	1 045 179	1 395 331	-	-	-	-
Financial investments	-	-	-	-	300 000	300 000	-	-
Other financial assets	-	-	-	-	-	-	400 000	400 000

The parent company of Ibersol SGPS S.A. is ATPS - SGPS, SA, holder directly and indirectly of 26.004.023 shares.

Dr. António Carlos Vaz Pinto de Sousa and Dr. António Alberto Guerra Leal Teixeira each hold 2.520 shares of Ibersol SGPS, SA The voting rights attributable to ATPS are also attributable to António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira according to paragraph 1.b) Article 20, and paragraph 1 Article 21, both of the Portuguese Securities Market Code, by holding the domain of ATPS, in which they participate indirectly in equal parts by their companies, respectively, the companies CALUM - SERVIÇOS E GESTÃO, S.A. with NIPC 513799486 and DUNBAR - SERVIÇOS E GESTÃO, S.A. with NIPC 513799257, which, jointly, hold the majority of the share capital of ATPS.

The other entities refer to entities controlled by other holders of significant influence in the parent company of Ibersol Group. The amounts presented refer to rents paid in the year, which, as a result of the adoption of IFRS16, do not correspond to the amount of lease expenses reflected in the financial statements. As at 30 June 2022, the estimated payment commitments for rents over the term of the respective contracts amount approximately to 17.4 million Euros (31 December 2021: 17.9 million Euros).

25. SUBSEQUENT EVENTS

On August 2, at the end of a long negotiation process with Restaurant Brands Iberia, S.A. a share purchase and sale agreement was signed for the sale of shares representing the entire share capital of Iber King Restauração, S.A. and Lurca S.A.U, companies that operate Burger King restaurants in Portugal and Spain.

The conclusion of this sale is subject to the verification of a set of suspensive conditions The price will correspond to an Enterprise Value of 259.7 million euros, on a cash and debt-free basis, with part of the price (in the amount of 15.5 million euros) subject to the verification of conditions related to the future evolution of EBITDA and/or cash flow generation.

With the values as at 30 June 2022, assuming that the maximum value of the price is fully receive, the transaction results in a capital gain of approximately 140 million euros in Ibersol's consolidated accounts.

Following the claim of amounts associated with the purchase of Eat Out Group, a compensation agreement was finally signed in July in the amount of 2 million euros.

KPMG & Associados - Sociedade de Revisores Oficiais de Contas, S.A.
Edifício Burgo - Avenida da Boavista, 1837, 16.º
4100-133 Porto - Portugal
+351 220 102 300 | www.kpmg.pt

LIMITED REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(This report is a free translation to English from the original Portuguese version. In case of doubt or misinterpretation the Portuguese version will prevail.)

Introduction

We have performed a limited review of the accompanying condensed consolidated interim financial statements of **Ibersol SGPS, S.A. (the Group)**, which comprise the consolidated interim statement of financial position as of 30 June 2022 (that presents a total of Euro 616,735,128 and total equity attributable to the shareholders of Euro 230,267,590, including a net profit attributable to the shareholders of Euro 3,710,457), the condensed consolidated interim statements of income and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and the accompanying explanatory notes to these condensed consolidated interim financial statements.

Management's responsibilities

Management is responsible for the preparation of this condensed consolidated financial statements in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union, and for the implementation and maintenance of an appropriate internal control system to enable the preparation of condensed financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibilities

Our responsibility is to express a conclusion on the accompanying condensed consolidated interim financial statements. Our work was performed in accordance with the international standards on review engagements and further technical and ethical standards and guidelines issued by the Portuguese Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas"). These standards require that we conduct the review in order to conclude whether anything has come to our attention that causes us to believe that the condensed financial statements are not prepared in all material respects in accordance with the IAS 34 – Interim Financial Reporting as adopted by the European Union.

A limited review of condensed consolidated financial statements is a limited assurance engagement. The procedures that we have performed consist mainly of making inquiries and applying analytical procedures and subsequent assessment of the evidence obtained. The procedures performed in a limited review are substantially less that those performed in an audit conducted in accordance with International Standards on Auditing (ISA). Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of **Ibersol SGPS, S.A.** as of 30 June 2022, are not prepared, in all material respects, in accordance with the IAS 34 – Interim Financial Reporting as adopted by the European Union.

13 September 2022

SIGNED ON THE ORIGINAL

KPMG & Associados
Sociedade de Revisores Oficiais de Contas, S.A.
(no. 189 and registered at CMVM with the nr. 20161489)
represented by
Pedro Manuel Bouça de Morais Alves da Costa
(ROC no. 1466 and registered at CMVM with the nr. 20161076)