



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

9M 2022

(not audited)

- **Consolidated Turnover of 398.6 million Euros**
Increase of 65% over 9M of 2021
- **Consolidated EBITDA reached 68.5 million Euros**
Ebitda increased 27% over 9M of 2021
- **Consolidated net profit of 14.6 million Euros**
Increase of 172% when compared to the 9M 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.

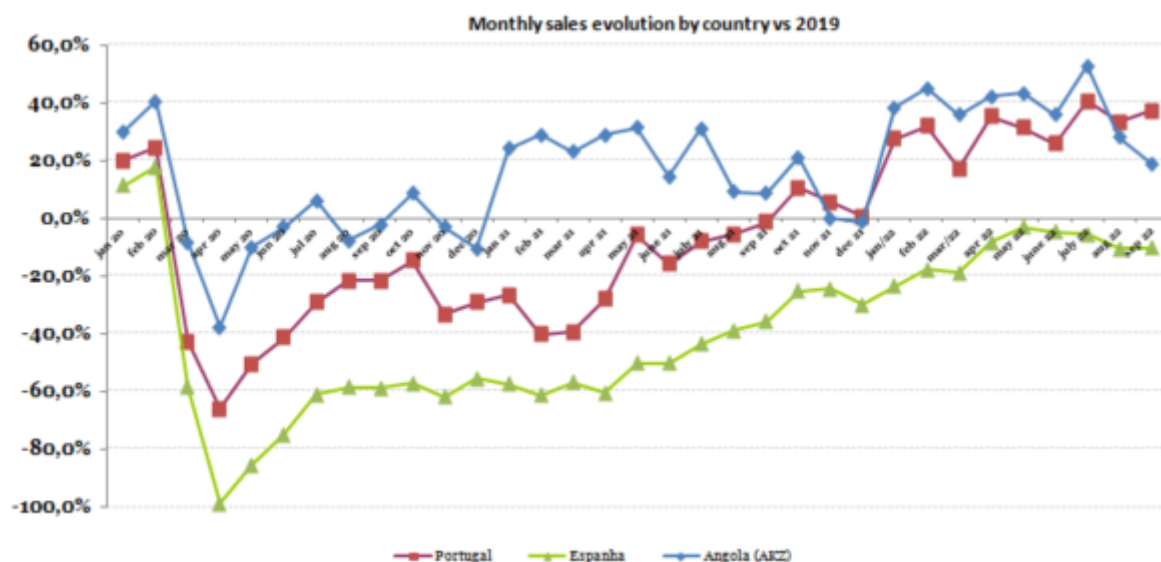
After the beginning of the year, still marked by the Ómicron variant, which slowed down the pace of recovery from the effects of the Covid-19 pandemic, the outbreak of the military conflict in Ukraine and the worsening of global geopolitical tensions have challenged again the group portfolio brands.

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 Ibersol cost structure and a fall in consumer confidence.

Despite this demanding context, the group's portfolio once again showed a high capacity for resilience, recording a solid growth of 64.9% when compared to the same period in 2021, affected by the period of lockdown and restrictions on mobility, with a consolidated turnover in the first nine months of 2022 of EUR 398.6 million, which compares with EUR 241.7 million in the same period of the previous year.

Turnover (euro million)	9M 2022	9M 2021	Var. 22/21	9M 2019	Var 22/19
Sales of Restaurants	390,1	235,5	65,6%	343,1	13,7%
Sales of Merchandise	7,0	5,0	39,8%	10,4	-32,3%
Services Rendered	1,5	1,1	33,5%	2,7	-43,6%
Turnover	398,6	241,7	64,9%	356,2	11,9%

The sales evolution compared to 2019 shows, in this third quarter, the maintenance of the good performance seen since the Easter period, to which the recovery of tourism with a sharp growth, greater mobility and increased private consumption, traditionally stronger in holiday seasons, contributed decisively.

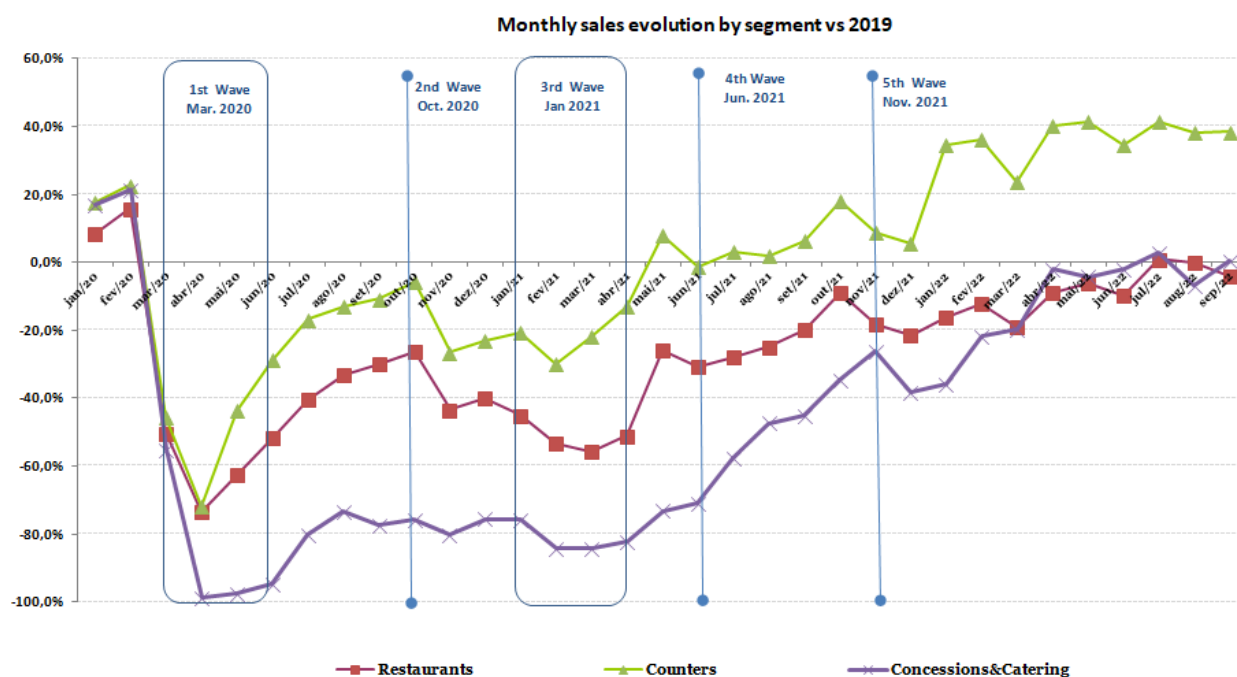


In Portugal, after an early summer with a slight slowdown in the pace of growth, in the third quarter we achieved the best post-pandemic performance, largely surpassing the 2019 figures.

In Spain, there was a greater resistance in the pace of recovery of losses to levels identical to the same period in 2019, directly related to the evolution of traffic at the airports where we operate restaurants which, at the end of the quarter, were still around 12% below of verified to the same period in 2019.

Sales of restaurants located in Angola reflect the evolution in local currency, which does not include the gains arising from the appreciation against the EUR and USD.

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 recorded the best performance since the beginning of the recovery from the impacts of the pandemic, in the aviation sector and in events in particular, having surpassed, in June and September, the sales recorded in the same period of 2019, as a result of the increase in traffic passengers at airports in parallel with the growth in consumption per client, and the upturn in hosting corporate and private events.

In Spain, where the group operates restaurants at six airports, passenger traffic has registered a gradual recovery since February, with losses in the 3rd quarter of 12%, when compared to 2019, with urban airports showing a slower pace of recovery. In Portugal, losses were just 1%, which reflects a faster recovery pace 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)	9M 2022	9M 2021	Var. 22/21	9M 2019	Var 22/19
Restaurants	71,6	49,3	45,3%	77,3	-7,4%
Counters	224,9	152,1	47,9%	164,8	36,4%
Concessions&Catering	93,6	34,2	173,7%	101,0	-7,3%
Total Sales	390,1	235,5	65,6%	343,1	13,7%

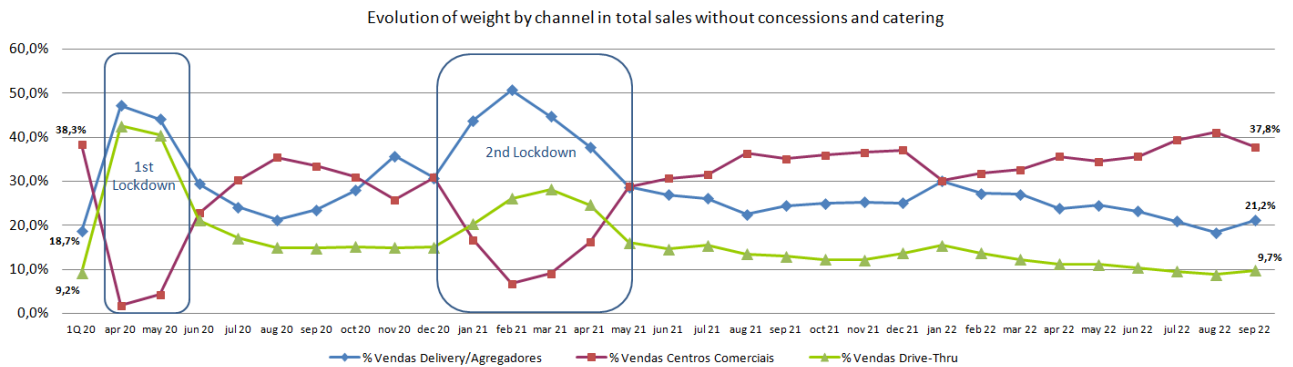
Likewise, the restaurants with dine-in service, traditionally associated with leisure moments, reached pre-pandemic sales levels in the summer months, registering a slight slowdown at the end of the summer season.

The counter segment once again showed a good performance, with strong growth compared to the same period of 2021, (a growth of 48%), as well as a high pace of recovery compared to 2019 of 36%, to which contributed three factors:

- the impact of the expansion which occurred in 2020 and 2021, namely with the Burger King, KFC and Taco Bell brands;
- the generalized extension to a significant number of restaurants with delivery and take-away services;
- 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 to identical pre-pandemic levels, representing 20% of sales in the third quarter - excluding sales in the concessions and catering segment – compared to 18.7% 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 the quarter to a similar pre-pandemic weight.



During the first nine months, 13 restaurants were definitively closed, 8 of which were franchised. In addition to the nine openings in the first half, four new restaurants were opened in the third quarter: two Pizza Hut restaurants, one KFC and one new concession at Barcelona airport.

The closure of the 5 equity restaurants, three of which in Spain, resulted from the option of not renewing the lease contracts.

At the end of september, the total number of restaurants was 621 (552 equity and 69 franchises), as shown below:

Nº of Restaurants	31.12.2021	Q1	Q2	Q3	Closures 2022	30.09.2022
PORTUGAL	383	3	4	3	2	391
Equity Restaurants	382	3	4	3	2	390
Pizza Hut	100			2		102
MIT+Ribs	4				1	3
Pans	40					40
Burger King	119		2			121
KFC	41	3	1	1		46
Pasta Caffé	2				1	1
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	1	10	218
Equity Restaurants	152	1	1	1	3	152
Pizza Móvil	14				2	12
Pizza Hut	3					3
Burger King	38				1	37
Pans	28	1	1			30
Ribs	13					13
FrescCo	2					2
KFC	2					2
Concessions	52			1		53
Franchise Restaurants	73	0	0	0	7	66
Pizza Móvil	5				1	4
Pans	42				3	39
Ribs	17				1	16
FrescCo	4				1	3
SantaMaria	5				1	4
ANGOLA	10		0	0	0	10
KFC	9					9
Pizza Hut	1					1
Other Locations - Franchise	3	0	0	0	1	2
Pans	3				1	2
Total Equity Restaurants	544	4	5	4	5	552
Total Franchise Restaurants	77	0	0	0	8	69
TOTAL	621	4	5	4	13	621

Compared to the first half of 2019, it should be noted that the number of own restaurants increased by 24 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 nine months of 2022, the comparison with the results of the same period 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 first nine months amounted to 27.3 million Euros, which compares with the same period of 2019 corrected, in the amount of 29.5 million Euros.

(million euros)	9M 2022		9M 2021 corrected		9M 2019 corrected		var. 22 vs 19
Turnover	398,6		241,7		356,2		11,9%
Cost of sales	105,3	26,4%	60,2	24,9%	87,0	24,4%	21,0%
gross margin %	73,6%		75,1%		75,6%		-2,0 p.p.
External supplies and services	114,8	28,8%	66,3	27,4%	97,5	27,4%	17,7%
Personnel costs	115,8	29,1%	79,4	32,9%	109,8	30,8%	5,5%
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	41,2	10,3%	40,6	16,8%	36,5	10,3%	12,9%
Other income/operating costs	-5,9	-1,5%	-8,9	-3,7%	-4,3	-1,2%	37,3%
Operating Income	27,3	6,8%	4,0	1,7%	29,5	8,3%	-7,5%
margin	6,8%		1,7%		8,3%		-1,4p.p.
Ebitda	68,5	17,2%	44,6	18,5%	66,0	18,5%	3,8%
margin	17,2%		18,5%		18,5%		-1,3p.p.

Turnover amounted to 398.6 million Euros, 11.9% higher than the 356.2 million Euros in the same period of 2019, with more 4.5% directly operated restaurants.

Gross margin was 73.6% of turnover, 2.0p.p. lower than in the first nine months of 2019 (9M19: 75.6%), evidencing the inflationary pressure that led to the increase in raw material prices not directly reflected in sales price.

Staff costs increased 5.5%, with the weight of this cost reducing 1.8 p.p., representing 29.1% of the turnover (9M 19: 30.8%).

External Supplies and services costs increased 17.7%, representing 28.8% of turnover, which represents an increase of 1.4 p.p. compared to the same period of 2019 corrected (9M 2019 corrected: 27.4%).

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 5.9 million Euros, represent an increase of 1.6 million Euros compared to the same period of 2019, a difference that mainly results from a compensation of 2.0 million Euros, received under the claim of amounts associated with the purchase of Eat Out Group.

Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA in the first nine months, amounted to 41.2 million Euros, which compares with 36.5 million euros of the same period of 2019 corrected by the application of Ley 13/2021, of which 16.7 million correspond to amortization of rights of use.

Therefore **EBITDA** in the first nine months amounted to 68.5 million Euros, an increase of 3.8% compared to the same period of 2019 corrected with Ley 13/2021.

Consolidated **EBITDA** margin stood at 17.2% of turnover, which compares with 18.5% in the same period in 2019, if Ley 13/2021 had been in force.

Consolidated **Financial Results** in the first nine months of the year were negative by 8.3 million Euros, similar to same period of 2019 corrected.

(million euros)	9M 2022		9M 2021 corrected		9M 2019 corrected		var. 22 vs 19
Financial Results	8,3	2,1%	8,1	3,3%	8,3	2,3%	0,1%
Financial expenses and losses	9,2	2,3%	8,5	3,5%	8,5	2,4%	8,2%
Financial income and gains	0,8	0,2%	0,4	0,2%	0,2	0,0%	455,0%

Financial expenses and losses totalled 9.2 million Euros, which represents an increase of 0.7 million Euros compared to the corrected nine months of 2019. A part of these expenses and losses corresponds to interest with leases in the amount of 5.9 million Euros (5.7 million Euros in the first nine months of 2019 corrected).

Net interest supported and commissions related to financing reached a total of 2.3 million Euros, which equals an average debt cost of 2.2%.

Financial Situation

Total Assets amounted to 629.8 million Euros and Equity stood at 241.7 million Euros, representing 38.4% of total assets.

CAPEX in tangible fixed and intangible assets amounted to 23.0 million Euros. 15.8 million Euros incurred in the implementation of the expansion program and the remaining was incurred in the remodelling and modernization of restaurants.

(million euros)	30/09/2022	2021	var.
Fixed assets additions	20,2	29,7	-9,6
Intangible assets additions	2,9	3,6	-0,7
Capex	23,0	33,3	-10,3

Current liabilities amount to 160.7 million Euros, of which 23.1 million correspond to liabilities for leases and 30.1 million Euros to current loans. Regarding to current loans, the Group has 56 million Euros related to commercial paper and unused contracted credit lines.

Consolidated liabilities reached 387.5 million Euros at September 30, 2022, which represents a reduction of 16.1million Euros compared to the final result in 2021.

At 30th September 2022, Equity stood at 241.7 million Euros, approximately 13 million Euros higher to the amount at the end of 2021.

Consolidated Financial Position (million euros)	30/09/2022	31/12/2021	Var.
Total Assets	629,2	632,4	-3,1
Total Equity	241,7	228,7	13,0
Loans	127,8	167,0	-39,2
Liability for leases	147,1	143,1	4,0
Other liabilities	112,6	93,6	19,0
Total Equity and Liabilities	629,2	632,4	-3,1

At the end of the first nine months of 2022, net debt amounted to 186.8 million Euros, 24 million Euros less than the amount outstanding at the end of 2021 (211.0 million Euros), with a “Gearing” of 44%.

(million euros)	30/09/2022	31/12/2021	var.
Total loans	127,8	167,0	-39,2
Cash and bank deposits	-85,3	-97,0	-11,7
Other current and non-current liabilities	-2,8	-2,2	0,6
Net Bank Debt	39,7	67,9	-28,2
Liability for leases	147,1	143,1	4,0
Net Debt	186,8	211,0	-24,1
Equity	241,7	228,7	13,0
Gearing (Net Debt/Net Debt + Equity)	44%	48%	

At 30 September 2022, the total Net Bank Debt amounted to 39.7 million Euros.

Discontinued Operations

Following the announcement of 2 August, regarding the signing of the purchase and sale agreement of Burger King activity, Ibersol Group will now report the activity of the subsidiaries Iberking, Restauração S.A. and Lurca S.A.U, as “Discontinued operation” in terms of reporting financial statements.

Therefore, the impact on the Group’s Income Statement, for the first 9 months of 2022, results in a reduction of 144.2 million Euros in turnover, 28.1 million Euros in terms of Ebitda and 7.3 million Euros of consolidated net profit.

(million euros)	9M 2022 Discontinued operations	9M 2021 Discontinued operations
Turnover	144,2	108,8
Ebitda	28,1	27,1
margem	19,5%	24,9%
Net profit	7,3	8,5

The total value of discontinued assets amounts to 201.5 million Euros and the liabilities directly associated with the group of discontinued assets amounts to 91.9 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 6.2% growth of GDP in Portugal and 4.3% in Spain, with inflation rates of around 8% that have led to the consequent increase in interest rates in an attempt to stop rising inflation.

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 for the end of the year, with residual growth in the Iberian Peninsula and looking forward to a potential recession in some of the most important countries of the Eurozone.

This environment 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, which means that another challenging period is approaching for our teams and portfolio brands.

In addition to the openings carried out to date, we will continue with plans to expand Pizza Hut, KFC and Taco Bell brands. In addition to the openings already completed, we will also open 16 restaurants until the end of the year.

Subsequent Events

Following the signing, on August 2, the share purchase and sale agreement regarding 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 precedent conditions were verified or waived on November 16, 2022.

Subject to the terms and conditions set out in the purchase and sale agreement, the completion of the operation is scheduled for the date of publication of these results on November 30, 2022.

The suit against AENA, in which Pansfood asked to rebalance the leases since the beginning of the pandemic was upheld by decision of the appellate court that decided to apply the provisions of Ley 13/2021, which became final. As a result, rents payable at establishments located at each airport will be adjusted according to the variation in traffic verified annually compared to 2019 until each airport recovers the traffic of 2019.

Thus, the values contained in the financial statements of previous years are stabilized.

Porto, 29th November 2022

António Alberto Guerra Leal Teixeira

António Carlos Vaz Pinto de Sousa

Maria do Carmo Guedes Antunes de Oliveira

Juan Carlos Vázquez-Dodero de Bonifaz

Maria Deolinda Fidalgo do Couto

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

Condensed Interim Consolidated Financial Statements

30 September 2022

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

ASSETS	Notes	30/09/2022	31/12/2021
Non-current			
Property, plant and equipment	7	127 980 603	214 373 712
Rights of use	6	77 491 436	138 871 151
Goodwill	8	54 391 775	79 032 821
Intangible assets	8	25 962 831	35 870 696
Financial investments - joint controlled subsidiaries and associated		2 958 330	2 940 318
Non-current financial assets		1 257 761	978 965
Other financial assets	9	1 403 128	841 165
Other non-current assets	10	6 969 534	7 524 331
Deferred tax	16	5 332 127	11 088 442
Total non-current assets	5	303 747 524	491 521 600
Current			
Inventories		16 054 325	15 717 458
Income tax receivable	16	30 325	110 222
Other financial assets	9	1 373 492	1 338 791
Other current assets	12	21 228 234	26 698 358
Cash and cash equivalents	11	85 307 262	96 968 003
Total current assets		123 993 638	140 832 831
Assets held for sale	4	201 468 040	
Total Assets		629 209 202	632 354 431
EQUITY AND LIABILITIES			
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		-7 111 992	-11 331 432
Other Reserves & Retained Earnings		167 592 359	142 053 271
Net profit for the period		14 563 149	31 379 907
		241 739 870	228 573 100
Non-controlling interests		-79 855	90 482
Total Equity		241 660 015	228 663 582
LIABILITIES			
Non-current			
Loans	13	97 694 343	140 439 066
Lease liabilities	13	58 691 735	121 422 685
Deferred tax	16	3 325 930	3 376 658
Provisions		2 310 634	2 428 023
Derivative financial instrument		5 896	18 976
Other non-current liabilities		3 704	4 176
Total non-current liabilities		162 032 242	267 689 584
Current			
Loans	13	30 117 135	26 593 284
Lease liabilities	13	20 626 726	21 645 649
Accounts payable to suppliers and accrued costs	14	65 201 253	72 507 391
Income tax payable	16	1 441 266	456 400
Other current liabilities	15	16 206 920	14 798 541
Total current liabilities		133 593 299	136 001 265
Liabilities directly associated with the assets held for sale	4	91 923 647	
Total Liabilities		387 549 188	403 690 849
Total Equity and Liabilities		629 209 202	632 354 431

Porto, 29 November 2022

The Board of Directors,

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

	<u>Notes</u>	<u>9 months ended 30/09/2022</u>	<u>9 months ended 30/09/2021</u>
Sales	5	252 939 330	131 898 822
Rendered services	5	1 495 621	1 008 189
Cost of sales		-61 705 776	-30 511 704
External supplies and services		-82 049 287	-33 163 399
Personnel costs		-75 723 867	-48 901 588
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	6, 7 e 8	-25 867 638	-49 277 128
Other operating gains (losses)	17	5 428 222	6 512 046
Operating Income for continuing operations		14 516 605	-22 434 762
Financial expenses and losses	18	-5 739 581	-11 658 711
Financial income and gains	18	844 590	441 429
Gains (losses) in subsidiary, associated and joint controlled subsidiaries		18 012	-38 249
Profit before tax for continuing operations		9 639 626	-33 690 293
Income tax	19	-2 343 439	5 021 492
Net profit for continuing operations		7 296 187	-28 668 801
Discontinued operations:	4		
Profit (loss) from discontinued operations, net of tax		7 266 870	8 484 683
Net profit		14 563 057	-20 184 118
Change in currency conversion reserve (net of tax and that can be recycled for results)		4 219 440	859 704
TOTAL COMPREHENSIVE INCOME		18 782 497	-19 324 414
Net profit attributable to:			
Owners of the parent			
Continuing operations		7 296 279	-28 621 442
Discontinued operations		7 266 870	8 484 683
Non-controlling interest			
Continuing operations		-92	-47 359
Discontinued operations		-	-
		14 563 057	-20 184 118
Total comprehensive income attributable to:			
Owners of the parent			
Continuing operations		11 515 719	-27 761 738
Discontinued operations		7 266 870	8 484 683
Non-controlling interest			
Continuing operations		-92	-47 359
Discontinued operations		-	-
		18 782 497	-19 324 414
Earnings per share:	20		
From continuing operations			
Basic		0,17	-0,88
Diluted		0,17	-0,88
From discontinued operations			
Basic		0,17	0,26
Diluted		0,17	0,26

Porto, 29 November 2022

The Board of Directors,

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

Note	Assigned to shareholders						Total parent equity		Non-controlling interests	Total Equity	
	Share Capital	Own Shares	Share Premium	Legal Reserves	Translation Reserve	Other Reserves & Retained Earnings	Net	Profit			
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					859 704			859 704		859 704	
Net consolidated income for the nine months ended on 30 September, 2021							-20 136 759	-20 136 759	-47 359	-20 184 118	
Total changes in the period	-	-	-	121 483	859 704	-55 318 732	35 060 490	-19 277 055	-47 359	-19 324 414	
Net profit							-20 136 759	-20 136 759	-47 359	-20 184 118	
Total comprehensive income								-19 277 055	-47 359	-19 324 414	
Transactions with capital owners in the period											
Application of the consolidated profit from 2020:											
Paid dividends								-		-	
	-	-	-	-	-	-	-	-	-	-	
Balance on 30 September 2021	36 000 000	-11 180 515	469 937	1 751 081	-11 961 405	142 053 271	-20 136 759	136 995 609	85 882	137 081 491	
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 subsidiary Cortsfood						108 183		108 183	-170 245	-62 062	
Conversion reserves - Angola					4 219 440			4 219 440		4 219 440	
Net consolidated income for the nine months ended on 30 September, 2022							14 563 149	14 563 149	-92	14 563 057	
Total changes in the period	-	-	-	225 000	4 219 440	31 263 090	-16 816 758	18 890 772	-170 337	18 720 435	
Net profit							14 563 149	14 563 149	-92	14 563 057	
Total comprehensive income								18 782 589	-92	18 782 497	
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 September 2022	46 000 000	-11 180 516	29 900 789	1 976 081	-7 111 992	167 592 359	14 563 149	241 739 870	-79 855	241 660 015	

Porto, 29 November 2022

The Board of Directors,

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

	Note	9 months ended 30/09/2022	9 months ended 30/09/2021
Cash Flows from Operating Activities			
Receipts from clients		398 112 871	240 579 543
Payments to suppliers		191 535 570	100 126 447
Staff payments		109 362 672	60 764 516
Flows generated by operations		97 214 629	79 688 579
Payments/receipt of income tax		1 699 261	-61 002
Other paym./receipts related with operating activities		-6 023 499	-19 932 515
Flows from operating activities (1)		89 491 868	59 817 067
Cash Flows from Investment Activities			
Receipts from:			
Financial investments		305 940	76 164
Tangible fixed assets			737
Intangible assets			
Interest received		1 420 933	391 413
Dividends received			
Other financial assets		454 619	1 832 868
Payments for:			
Financial Investments		147 620	747 132
Other financial assets		717 901	1 038 312
Tangible fixed assets		28 200 757	17 330 873
Intangible assets		3 006 464	1 772 240
Other investments			
Flows from investment activities (2)		-29 891 250	-18 587 376
Cash flows from financing activities			
Receipts from:			
Loans obtained		3 304 795	24 135 784
Payments for:			
Loans obtained			
Leases agreements		42 750 491	13 930 341
Interest and similar costs		17 293 280	21 766 776
Interest on lease agreements		4 079 972	3 225 410
Capital reductions and supplementary entries		5 991 278	5 040 566
Dividends paid		5 724 002	-
Flows from financing activities (3)		-72 534 228	-19 827 310
Change in cash & cash equivalents (4)=(1)+(2)+(3)		-12 933 610	21 402 381
Effects of exchange rate differences		1 272 869	-85 589
Cash & cash equivalents at the start of the period		96 968 003	50 549 377
Cash & cash equivalents at end of the period	11	85 307 262	71 866 169

Porto, 29 November 2022

The Board of Directors,

IBERSOL SGPS, S.A.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 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 552 units which it operates and 69 units under a franchise contract. Of this universe, 391 are based in Portugal, of which 390 are owned and 1 franchised, and 218 are based in Spain, spread over 152 own establishments and 66 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 9 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.


Burger King Restaurant Purchase and Sale Agreement

As per the announcement of August 2, regarding the signing of the purchase and sale agreement for the Burger King restaurants, in this financial information the Group classifies the activity of the subsidiaries Iberking, Restauração S.A. and Lurca S.A.U, as "Discontinued Operation" as per note 4.


Exchange rate

The financial statements are presented in euros and the exchange rate used in the financial statements for converting transactions and balances expressed in Kwanzas, was respectively:

Sep/22

Euro exchange rates (x foreign currency per 1 Euro)	Rate on September, 30 2022	Average rate at 30 September 2022
 Kwanza de Angola (AOA)	410,341	446,828

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

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 accounting policies adopted on 30 September 2022 are identical to those adopted in the preparation of the financial statements on 30 September and 31 December 2021.

These financial statements were approved by the Board of Directors and authorised for emission on 29 November 2022.

2.2. Change in accounting policies and presentation bases

Adoption of new, amended or revised standards and interpretations

The following standards, interpretations, amendments and revisions have been approved ("endorsed") by the European Union and are mandatory for financial years beginning on or after January 1, 2022:

- Amendments to IFRS 3, IAS 16, IAS 37 and Improvements to International Financial Reporting Standards (2018-2020 cycle)

These amendments are intended to clarify or correct minor conflicts between the requirements of the Standards. The amendments to IFRS 3 update a reference to the Conceptual Framework for Financial Reporting, without changing the accounting requirements for business combinations. Amendments to IAS 16 prohibit a company from deducting from the cost of property, plant and equipment amounts received from the sale of items produced while the company prepares the asset for its intended use. Instead, a company will recognize sales results and related costs in profit or loss. Amendments to IAS 37 specify what costs a company includes when assessing whether a contract will be harmful. The annual improvements to International Financial Reporting Standards make minor changes to IFRS 1 - First-time Adoption of International Financial Reporting Standards, IFRS 9 - Financial Instruments, IAS 41 - Agriculture and also provide illustrative examples on IFRS 16 leases. The adoption of these amendments will not have a significant impact on Ibersol's consolidated financial statements.

The following standards, interpretations, amendments and revisions have been approved (endorsed) by the European Union and are only mandatory for future financial years

- IFRS 17 – Insurance Contracts, including amendments to IFRS 17 (to be applied for periods beginning on or after January 1, 2023)

IFRS 17 replaces IFRS 4 – “Insurance contracts”, the standard that has been in effect on an interim basis since 2004. IFRS 17 is applicable to all entities that issue insurance contracts, reinsurance contracts and investment contracts with participation characteristics discretionary. The amendments to IFRS 17 are intended to help companies implement the Standard and facilitate the explanation of their financial performance. The future adoption of these amendments is not expected to have a significant impact on Ibersol's consolidated financial statements.

- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies (to be applied for financial years beginning on or after 1 January 2023)

These amendments aim to change the requirements of IAS 1 with regard to the disclosure of accounting policies. An entity should disclose material accounting policies, rather than significant accounting policies, whereby examples and explanations of how to identify a material accounting policy are identified. The materiality concept is

described in IFRS Practice Statement 2 through the 4-step materiality concept. The future adoption of these amendments is not expected to have a significant impact on Ibersol's consolidated financial statements.

- Amendments to IAS 8 – Accounting Policies, Changes in Estimates and Errors: Definition of Accounting Estimates (to be applied for financial years beginning on or after 1 January 2023)

These amendments are intended to clarify the definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in the financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require that items in the financial statements be measured in a way that involves measurement uncertainty. A change in estimate resulting from new information or developments is not a correction of an error. In addition, the effects of such a change used to develop an estimate is only considered a change in accounting estimates if it does not result from correcting prior period errors. The future adoption of these amendments is not expected to have a significant impact on Ibersol's consolidated financial statements.

- Amendments to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction (to be applied for fiscal years beginning on or after January 1, 2023)

These changes essentially included certain specific transactions to the exclusion of the exemption from the initial recognition of deferred taxes, when their initial recognition gives rise to equal amounts of taxable temporary differences and deductible temporary differences. The future adoption of these amendments is not expected to have a significant impact on Ibersol's consolidated financial statements.

Amendments to IFRS 17 - Insurance contracts: Initial application of IFRS 17 and Amendments to IFRS 9 - Comparative information (to be applied for periods beginning on or after 1 January 2023)

The proposed amendments are a transition option related to the comparative information on financial assets presented in the initial application of IFRS 17. These amendments aim to help entities to avoid temporary accounting mismatches between financial assets and liabilities of insurance contracts and, therefore, to improve the usefulness of comparative information for users of financial statements. The future adoption of these amendments is not expected to have a significant impact on Ibersol's consolidated financial statements).

Standards and interpretations, amended or revised, not approved by the European Union

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:

Amendments to IAS 1 - Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current 01-jan-23. This amendment aims to promote consistency in the application of requirements, helping companies to determine whether, in the statement of financial position, debts and other liabilities with an uncertain settlement date should be classified as current (due or potentially due in one year) or non-current and also aims to clarify the debt classification requirements, in which a company can liquidate it by converting it into equity. These changes clarify, do not change, the existing requirements and, therefore, should not significantly affect the companies' financial statements, however, they may result in a reclassification of some liabilities from current to non-current and vice versa.

Amendments to IFRS 16 -Leases: 01-jan-24. The proposed amendments add subsequent measurement requirements for sale-leaseback transactions. These amendments require the seller-lessee to subsequently measure the liabilities arising from a sale-leaseback transaction so that it does not recognize any gain or loss relating to the retained right of use. The effective date of this change is under review and may be changed to 01-jan-2024.

These standards have not yet been adopted ("endorsed") by the European Union and, as such, were not applied by the Group in the nine-month period ended September 30, 2022.

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

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

Company	Head Office	% Shareholding	
		Sep/22	Dec/21
<u>Parent company</u>			
Ibersol SGPS, S.A.	Porto	mãe	mãe
<u>Subsidiary companies</u>			
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%
(d) Ibersol - Hotelaria e Turismo, S.A.	Porto	100%	100%
(e) 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%
(d) Asurebi SGPS, S.A.	Porto	100%	100%
Firmoven Restauração, S.A.	Porto	100%	100%
IBR - Sociedade Imobiliária, S.A.	Porto	100%	100%
(d) Eggon SGPS, S.A.	Porto	100%	100%
Anatir SGPS, S.A.	Porto	100%	100%
(e) 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%
Voemu Restauracion, SL	Vigo - Espanha	100%	100%
<u>Associated companies</u>			
Ziaicos - Serviços e gestão, Lda	Porto	40%	40%

Companies controlled jointly

UQ Consult - Serviços de Apoio à Gestão, S.A.	Porto	50%	50%
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(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..

(d) Merge of the subsidiaries Ibersol Hotelaria e Turismo, Asurebi and Eggon into the subsidiary Ibersol Restauração, S.A..

(e) Subsidiaries recognized in discontinued operations (Note 4).

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.

3.2. Changes to the consolidation perimeter

3.2.1. Acquisition of new companies

In the nine month period ended in 30 September 2022 there were no acquisitions of subsidiaries.

3.2.2. Disposals

In the nine month period periods ended in 30 September 2022 there were no disposals of subsidiaries.

3.2.3. Other changes in the consolidation perimeter

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

3.2.3.2. With reference to August 1, 2022, the subsidiaries Ibersol Hotelaria e Turismo, Asurebi and Eggon merged into the subsidiary Ibersol Restauração, S.A..

4. DISCONTINUED ACTIVITIES - IFRS 5

On 02 August 2022, the Ibersol Group and Restaurant Brands Iberia, S.A. signed a promissory contract for the purchase and sale of the shares of Iberking and Lurca with some suspensive conditions and, having been met, it was agreed that the date of completion of the transaction will occur on 30 November 2022.

In accordance with IFRS 5, as a result of the Burger King restaurants sale agreement, the interim condensed consolidated statement of income and other comprehensive income has been restated, in accordance with IFRS 5, as a result of the Burger King restaurants sale agreement, as a Group of assets classified as held for sale.

Therefore, the impacts on the condensed consolidated income statement for the period ended on 30 September 2021 are related to the reclassification of its transactions to the caption "Profit (loss) from discontinued operation, net of tax".

On 30 September 2021, the impacts on the condensed consolidated income statement are as follows:

	9 months ended 30/09/2021	Discontinued operations	9 months ended 30/09/2021 (represented)
Sales	240 571 036	-108 672 214	131 898 822
Rendered services	1 120 522	-112 333	1 008 189
Cost of sales	-60 162 877	29 651 173	-30 511 704
External supplies and services	-56 962 806	23 799 407	-33 163 399
Personnel costs	-79 438 939	30 537 351	-48 901 588
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	-63 739 555	14 462 427	-49 277 128
Other operating gains (losses)	8 850 072	-2 338 026	6 512 046
Operating Income for continuing operations	-9 762 547	-12 672 215	-22 434 762
Financial expenses and losses	-14 782 001	3 123 290	-11 658 711
Financial income and gains	441 442	-13	441 429
Financial losses (losses) in subsidiary, associated and joint controlled subsidiaries	-38 249	-	-38 249
Profit before tax for continuing operations	-24 141 355	-9 548 938	-33 690 293
Income tax	3 957 237	1 064 255	5 021 492
Net profit for continuing operations	-20 184 118	-8 484 683	-28 668 801
Discontinued operations:			
Profit (loss) from discontinued operations, net of tax	-	-	8 484 683
Net profit	-20 184 118	-8 484 683	-20 184 118
Change in currency conversion reserve (net of tax and that can be recycled for results)	859 704	-	859 704
TOTAL COMPREHENSIVE INCOME	-19 324 414	-8 484 683	-19 324 414
Net profit attributable to:			
Owners of the parent			
Continuing operations	-20 136 759	-8 484 683	-28 621 442
Discontinued operations	-	-	8 484 683
Non-controlling interest			
Continuing operations	-47 359	-	-47 359
Discontinued operations	-	-	-
Total comprehensive income attributable to:	-20 184 118	-8 484 683	-20 184 118
Owners of the parent			
Continuing operations	-19 277 055	-8 484 683	-27 761 738
Discontinued operations	-	-	8 484 683
Non-controlling interest			
Continuing operations	-47 359	-	-47 359
Discontinued operations	-	-	-
	-19 324 414	-8 484 683	-19 324 414

In accordance with IFRS 5, all operations of Burger King restaurants in Portugal and Spain were presented under the caption "Income after tax from discontinued operations" of the consolidated income statement for the nine-month period ended September 30, 2022, the information relating to the nine-month period ended on 30 September 2021 has been restated.

On 30 September 2022, the results of discontinued operations are as follows:

	<u>30/09/2022</u>
Sales	-144 181 234
Rendered services	-
Cost of sales	43 604 465
External supplies and services	32 770 656
Personnel costs	40 102 924
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	15 365 850
Other operating gains (losses)	-436 738
Operating Income for continuing operations	<u>-12 774 077</u>
Financial expenses and losses	3 447 380
Financial income and gains	-613
Gains (losses) in subsidiary, associated and joint controlled subsidiaries	-
Profit before tax for continuing operations	<u>-9 327 310</u>
Income tax	2 060 440
Net profit for continuing operations	<u>-7 266 870</u>

On 30 September 2022, the main assets and liabilities of the discontinued activities are as follows:

	<u>30/09/2022</u>
Property, plant and equipment	87 203 131
Rights of use	63 999 222
Goodwill	24 641 046
Intangible assets	9 950 251
Asset deferred tax	6 153 548
Lease liabilities	-67 787 881
Other net liabilities	-14 614 923
Total Net Assets	<u>109 544 393</u>
Assets held for sale	201 468 040
Liabilities directly associated with the assets held for sale	-91 923 647
Total recognized in the Statement of Financial Position	<u>109 544 393</u>

5. REVENUE FROM CONTRACTS WITH CLIENTS AND INFORMATION PER SEGMENT

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.

Revenue from contracts with customers is presented as follows:

	2022	2021
Turnover	254 434 951	132 907 011
Restaurant activity sales	245 901 852	126 863 642
Restaurants sales	232 361 952	122 867 888
Event catering sales	9 541 659	2 584 837
Catering sales in concessions	3 998 241	1 410 916
Merchandise sales	7 037 478	5 035 180
Rendered services	1 495 621	1 008 189
Franchised Royalties	1 354 465	936 307
Others	141 156	71 882

Restaurants sales in “Discontinued operations” amount to 144 million euros (109 million euros in 30 September 2021).

In 30 September 2022, sales through Aggregator platforms amounted to 25 million Euros (20 million euros in 30 September 2021).

5.2. Information per segment

Ibersol Administration monitors the business based on the following segmentation:

SEGMENT	BRANDS						
Restaurants	Pizza Hut	Pasta Caffè	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	

(*) BURGER King classified in “Discontinued Operations”

DETAILED INFORMATION CONCERNING THE OPERATING SEGMENTS

	Restaurants		Counters		Concessions, Travel and Catering		Other, write off and adjustments		Total Group	
	Sep/22	Sep/21	Sep/22	Sep/21	Sep/22	Sep/21	Sep/22	Sep/21	Sep/22	Sep/21
Turnover	75 900 646	52 490 473	84 229 556	45 827 403	94 069 911	34 417 287	234 839	171 848	254 434 951	132 907 011
Operating income net of Amortization, deprec. and impairment losses	14 591 663	10 633 011	13 320 580	6 246 574	12 568 056	9 748 705	-96 056	214 077	40 384 243	26 842 366
Amortization, depreciation and impairment losses	-8 151 450	-8 927 388	-11 300 939	-9 787 910	-5 258 167	-29 638 627	-1 157 082	-923 202	-25 867 638	-49 277 128
Operating income	6 440 213	1 705 622	2 019 641	-3 541 336	7 309 889	-19 889 923	-1 253 138	-709 126	14 516 605	-22 434 762
Financial gains (losses)									-4 894 991	-11 217 282
Financial gains (losses)									18 012	-38 249
Income tax									-2 343 439	5 021 492
Net profit									7 296 187	-28 668 801

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

30 SEPTEMBER 2022	Restaurants	Counters	Concessions, Travel and Catering	Other, write off and adjustments	Group
Assets	123 800 312	381 012 029	99 486 871	12 554 827	616 854 039
Liabilities	46 896 857	179 449 883	27 744 726	873 154	254 964 619
Net investment in Intangible Assets and Property, Plant and Equipment (Notes 6 and 7)	-108 943	15 542 572	-	-	15 433 629

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

	Sep/22		Dec/21	
	Assets	Liabilities	Assets	Liabilities
Deferred taxes	5 332 127	3 325 930	11 088 442	3 376 658
Current taxes	30 325	1 441 266	110 222	456 400
Current bank loans	-	30 117 135	-	26 593 284
Non current bank loans	-	97 694 343	-	140 439 066
Derivative financial instrument	-	5 896	-	18 976
Non-current financial assets	1 257 761	-	978 965	-
Financial investments - joint controlled subsidiaries	2 958 330	-	2 940 318	-
Other financial assets	2 776 620	-	2 179 955	-
Total	12 355 163	132 584 569	17 297 902	170 884 384

	Sep/22		Dec/21	
	Assets	Liabilities	Assets	Liabilities
Allocated by segment	616 854 039	254 964 618	615 056 529	232 806 465
Not allocated	12 355 163	132 584 569	17 297 902	170 884 384
	629 209 202	387 549 188	632 354 431	403 690 849

INFORMATION BY GEOGRAPHY

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

30 SEPTEMBER 2022	Portugal	Angola	Spain	Group
Turnover	141 108 766	11 301 104	102 025 081	254 434 951
Property, plant and equipment and intangible assets	109 229 862	16 081 751	28 631 821	153 943 434
Rights of use	36 854 685	541 587	40 095 164	77 491 436
Goodwill	6 604 503	130 714	47 656 558	54 391 775
Deferred tax asset	-	-	5 332 127	5 332 127
Financial investments - joint controlled subsidiaries	2 958 330	-	-	2 958 330
Non-current financial assets	857 761	-	400 000	1 257 761
Other financial assets	-	1 403 128	-	1 403 128
Other non-current assets	-	-	6 969 534	6 969 534
Total non-current assets	156 505 141	18 157 180	129 085 204	303 747 524

30 SEPTEMBER 2021	Portugal	Angola	Spain	Group
Turnover	77 709 351	5 961 879	49 235 781	132 907 011
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 nine month period ended on 30 September 2022, 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 2022					
Initial net amount	128 125 587	5 881 809	4 496 619	367 138	138 871 152
Currency conversion	282 552	-	-	-	282 552
Increases	20 641 709	103 224	1 017 877	62 618	21 825 428
Decreases	-214 490	-	-	-	-214 490
Depreciation in the year	-16 857 837	-1 403 296	-955 344	-57 507	-19 273 984
Discontinued operations	-62 200 173	-35 899	-1 599 616	-163 534	-63 999 221
Final net amount	69 777 348	4 545 839	2 959 537	208 715	77 491 436
30 September 2022					
Cost	118 936 212	14 667 646	6 277 286	345 668	140 226 812
Accumulated depreciation	-49 158 866	-10 121 808	-3 317 750	-136 953	-62 735 377
Net amount	69 777 348	4 545 839	2 959 537	208 715	77 491 436

The value of the increases corresponds to 16 new leases (11 of spaces and 5 of equipment), 5 renovations and 27 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 nine month period ended 30 September 2022, 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 2022						
Initial net amount	19 497 339	153 238 101	31 204 592	9 664 958	768 719	214 373 711
Currency conversion	444 409	283 292	-85 726	-46 529	1 524	596 970
Charge-off	1 898 548	10 383 675	4 675 585	2 490 847	726 716	20 175 372
Decreases	-	-622 406	-82 240	-23 084	8 979	-718 750
Transfers	-	205 409	96 406	3 649	-300 468	4 996
Depreciation in the year	-39 720	-10 866 130	-6 438 442	-1 904 266	-	-19 248 558
Discontinued operations	-	-67 363 087	-13 830 364	-5 993 522	-16 158	-87 203 132
Final net amount	21 800 576	85 258 854	15 539 811	4 192 053	1 189 312	127 980 603
30 September 2022						
Cost	22 241 394	197 845 319	102 622 122	21 359 506	1 189 312	345 257 653
Accumulated depreciation	-431 817	-101 793 714	-86 327 030	-17 116 097	-	-205 668 659
Accumulated impairment	-9 000	-10 792 751	-755 280	-51 359	-	-11 608 390
Net amount	21 800 576	85 258 854	15 539 811	4 192 053	1 189 312	127 980 603

The investment incurred in the first nine months of 2022 refers, essentially, to the opening of five KFC, two Burger King, two Pizza Hut, two Pans and one Taco Bell.

8. INTANGIBLE ASSETS AND GOODWILL

Goodwill and intangible assets are broken down as follows:

	<u>Sep/22</u>	<u>Dec/21</u>
Goodwill	54 391 775	79 032 821
Intangible assets	25 962 831	35 870 696
	80 354 606	114 903 517

During the nine month period ended 30 September, intangible assets, amortization and accumulated impairment losses were as follows:

	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	-	-	7 977	-	56 851	64 828
Charge-off	-	-	1 054 427	897 927	898 514	2 850 868
Decreases	-	-	-123 386	-	86 362	-37 024
Transfers	-	-	43 181	-5 000	-43 181	-5 000
Amortization in the year	-	-825 000	-1 769 364	-236 920	-	-2 831 284
Impairment in the year	-	-	-	-	-	-
Discontinued operations	-24 641 046	-	-8 827 114	-468 308	-654 832	-34 591 300
Final net amount	54 391 775	15 491 667	7 297 863	1 599 351	1 573 955	80 354 606
30 September 2022						
Cost	69 343 638	22 000 000	39 360 912	11 837 603	1 573 955	144 116 108
Accumulated amortization	-	-6 508 333	-27 734 769	-10 205 956	-	-44 449 058
Accumulated impairment	-14 951 863	-	-4 328 280	-32 296	-	-19 312 439
Net amount	54 391 775	15 491 667	7 297 863	1 599 351	1 573 954	80 354 606

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:

	<u>Sep/22</u>	<u>Dec/21</u>
Restaurants	7 147 721	7 147 721
Counters	12 558 945	37 199 991
Concessions, Travel and Catering	34 505 388	34 505 388
Other, write off and adjustments	179 721	179 721
	<u>54 391 775</u>	<u>79 032 821</u>

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

	<u>Sep/22</u>	<u>Dec/21</u>
<u>Restaurants</u>		
Ribs	5 175 479	5 175 479
Pizza Hut	1 972 242	1 972 242
Sub-total	<u>7 147 721</u>	<u>7 147 721</u>
<u>Counters</u>		
Pans & C.º	11 850 160	11 850 160
Burguer King	-	24 641 046
KFC	708 785	708 785
Sub-total	<u>12 558 945</u>	<u>37 199 991</u>
<u>Concessions, Travel and Catering</u>		
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	<u>34 505 388</u>	<u>34 505 388</u>
Others	179 721	179 721
TOTAL	<u>54 391 775</u>	<u>79 032 821</u>

9. OTHER FINANCIAL ASSETS

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

	<u>Sep/22</u>			<u>Dec/21</u>		
	<u>Current</u>	<u>Non current</u>	<u>Total</u>	<u>Current</u>	<u>Non current</u>	<u>Total</u>
Treasury bonds	1 393 418	1 423 484	2 816 902	1 429 154	968 215	2 397 368
Sub-total	<u>1 393 418</u>	<u>1 423 484</u>	<u>2 816 902</u>	<u>1 429 154</u>	<u>968 215</u>	<u>2 397 368</u>
Accumulated impairment losses	19 926	20 356	40 282	90 363	127 050	217 413
TOTAL	<u>1 373 492</u>	<u>1 403 128</u>	<u>2 776 620</u>	<u>1 338 791</u>	<u>841 165</u>	<u>2 179 955</u>

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 September 2022 with a maturity of more than 12 months are as follows:

Non-current

Issue date	31/08/2017	31/07/2020	14/03/2022
Acquisition date	06/05/2021	24/11/2021	06/09/2022
Due date	31/08/2024	31/07/2024	14/03/2024
BNA exchange rate	645	n/a	n/a
Amount	250	1 000	2 000
Amount as at 30/09/2022	399 902	205 927	497 148
Gross annual return	7%	16,50%	16,50%

Non-current

			TOTAL
Issue date	31/07/2020	15/03/2019	-
Acquisition date	19/09/2022	21/09/2022	-
Due date	31/07/2024	15/03/2024	-
BNA exchange rate	n/a	424	-
Amount	1 000	55	-
Amount as at 30/09/2022	247 721	72 787	1 423 484
Gross annual return	16,50%	5,00%	-

9.2. Current

Treasury bond securities held by the group as at 30 September 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 30/09/2022	129 346	467 904	225 398
Gross annual return	12%	15,75%	16,5%

Current

			TOTAL
Issue date	08/07/2020	21/04/2021	-
Acquisition date	25/05/2021	04/10/2021	-
Due date	08/07/2023	21/04/2023	-
BNA exchange rate	n/a	n/a	-
Amount	1 350	1 200	-
Amount as at 30/09/2022	299 385	271 384	1 393 418
Gross annual return	16,25%	16%	-

10. OTHER NON-CURRENT ASSETS

Other non-current assets breakdown is presented as follows:

	<u>Sep/22</u>	<u>Dec/21</u>
Other non-current assets	6 969 534	7 524 331
	6 969 534	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 September 2022 and 31 December 2021, Cash and cash equivalents were as follows:

	<u>Sep/22</u>	<u>Dec/21</u>
Cash	1 173 232	1 029 212
Bank deposits	84 133 530	95 938 291
Treasury applications	500	500
Cash and bank deposits in the balance sheet	85 307 262	96 968 003
Bank overdrafts	-	-
Cash and cash equivalents in the cash flow statement	<u>85 307 262</u>	<u>96 968 003</u>

12. OTHER CURRENT ASSETS

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

	<u>Sep/22</u>	<u>Dec/21</u>
Clients	7 405 736	6 369 453
State and other public entities	2 543 743	5 803 060
Other debtors (1)	7 931 843	10 895 308
Advances to suppliers	363 481	202 341
Advances to fixed suppliers	1 197 893	225 008
Accruals and income	2 834 440	4 386 985
Deferred costs	1 793 458	1 698 608
Other current assets	24 070 594	29 580 764
Accumulated impairment losses	-2 842 360	-2 882 406
	21 228 234	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 September 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:

	<u>Sep/22</u>	<u>Dec/21</u>
Meal card/Aggregators	1 920 661	3 939 484
Deposits and bails	3 015 295	2 611 543
Marketing and rappel	467 435	2 244 102
Suppliers and other debit balances	1 574 540	1 674 746
Advances	126 598	136 857
Personnel expenses	130 940	79 559
Credit sales	599 444	69 143
Insurance	2 850	68 692
IEFP	3 210	43 708
Continente card	90 868	27 475
	<u>7 931 843</u>	<u>10 895 308</u>

13. LOANS AND LEASE LIABILITIES

13.1 Loans

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

Non-current	<u>Sep/22</u>	<u>Dec/21</u>
Bank loans	59 144 343	75 839 066
Commercial paper programmes	38 550 000	64 600 000
	<u>97 694 343</u>	<u>140 439 066</u>
Current	<u>Sep/22</u>	<u>Dec/21</u>
Bank overdrafts	-	-
Bank loans	14 980 741	13 325 470
Commercial paper programmes	15 136 394	13 267 814
	<u>30 117 135</u>	<u>26 593 284</u>
Total loans	<u>127 811 478</u>	<u>167 032 350</u>

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

	<u>set/22</u>	<u>Dec/21</u>
1st January	167 032 350	165 068 581
<u>Variations with impact on cash flows:</u>		
Loan receipts obtained	3 304 795	34 298 753
Financial debt payments	-42 750 491	-32 227 604
<u>Variations without impact on cash flows:</u>		
Variation effect of bank overdrafts	-	-916
Financing assembly costs	-64 899	-344 259
Capitalized interest and others	289 723	237 793
	<u>127 811 478</u>	<u>167 032 350</u>

13.2 Lease liabilities

As at 30 September 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:

	set/22			dez/21		
	Current	Non-current	Total	Current	Non-current	Total
Leases	20 626 726	58 691 735	79 318 461	21 645 649	121 422 685	143 068 334
TOTAL	20 626 726	58 691 735	79 318 461	21 645 649	121 422 685	143 068 334

The movements in the first 9 months 2022 in liabilities with leases are presented as follows:

	set/22	Dec/21
1st January	143 068 334	329 014 533
Discontinued operations	-67 515 519	
<u>Variations with impact on cash flows:</u>		
Financial debt payments	-15 811 798	-34 031 830
<u>Variations without impact on cash flows:</u>		
Update of liabilities with leases	3 127 835	13 361 651
Lease contract increases	16 515 995	35 106 030
Contract terminations / store closings	-49 023	-276 893
Write-off Liabilities lease contracts AENA (1)	-	-195 183 511
Income concessions resulting from the COVID-19 pandemic	-285 323	-4 681 174
Others	267 960	-240 474
	<u>79 318 461</u>	<u>143 068 335</u>

(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 that led to the respective decrease in liabilities without outflow of funds.

14. ACCOUNTS PAYABLE TO SUPPLIERS AND ACCRUED COSTS

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

	Sep/22	Dec/21
Suppliers c/ a	32 810 640	38 501 025
Suppliers - invoices pending approval	6 585 755	3 196 603
Suppliers of fixed assets c/ a	2 471 704	10 063 593
Total accounts payable to suppliers	41 868 099	51 761 221

	<u>Sep/22</u>	<u>Dec/21</u>
Accrued costs - Payable insurance	65 860	108 056
Accrued costs - Payable remunerations	8 307 844	8 987 232
Accrued costs - Rent and lease (1)	8 539 369	5 583 055
Accrued costs - External services	5 885 102	5 583 485
Accrued costs - Other	534 978	484 342
Total accrued costs	<u>23 333 153</u>	<u>20 746 170</u>
Total accounts payable to suppl.and accrued costs	<u>65 201 253</u>	<u>72 507 391</u>

(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 September 2022 and 31 December 2021, "Other current liabilities" may be broken down as follows:

	<u>Sep/22</u>	<u>Dec/21</u>
Other creditors	7 254 263	5 536 323
State and other public entities	7 146 068	8 480 036
Deferred income	1 806 589	782 182
	<u>16 206 920</u>	<u>14 798 541</u>

16. INCOMES TAXES AND DEFERRED TAXES

16.1. Income tax

16.1.1. Income tax receivable

As at 30 September 2022, income tax receivable amounts to 30,325 Euros (2021: 110,222 Euros), presented as follows:

	<u>Sep/22</u>	<u>Dec/21</u>
Inverpeninsular Group (1)	25 817	35 614
Ibersol Angola	-	70 100
Others	4 508	4 508
	<u>30 325</u>	<u>110 222</u>

(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 September 2022 and 31 December 2021 is broken down as follows:

	<u>Sep/22</u>	<u>Dec/21</u>
RETGS (1)	1 210 343	444 395
Ibersol Angola	230 923	-
Others (2)	-	12 006
	<u>1 441 266</u>	<u>456 400</u>

(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	30.09.2022	31.12.2021	Movement in the year (1)
Assets	5 332 127	11 297 619	-5 965 492
Discontinued operations	-	-6 408 005	6 408 005
Liabilities	-3 325 930	-3 376 658	50 728
Total	2 006 197	1 512 956	493 241

(1) tax for the year in the amount of 205,055 euros (note 20) and 288,186 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 September 2022 and 31 December 2021 deferred tax assets on, according to jurisdiction and the temporary differences that generate them, are broken down as follows:

Deferred tax assets	Sep/22	Dec/21		
	Spain	Portugal	Spain	Total
Tax losses carried forward	6 809 771	-	7 005 961	7 005 961
Ded. temporary differences (IFRS16) (1)	619 406	-	744 265	744 265
Taxable temporary differences	-1 572 089	-33 859	-1 572 089	-1 605 947
Homogenization of property, plant and equipment and intangible assets (2)	-1 188 793	-5 065 885	-677 689	-5 743 575
Other temporary differences deductible and tax credits	663 832	9 998 803	688 934	10 687 737
	<u>5 332 127</u>	<u>4 899 059</u>	<u>6 189 382</u>	<u>11 088 442</u>

(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.

16.2.2 Deferred tax liabilities

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

Deferred tax liabilities	Sep/22			Dec/21
	Portugal	Angola	Total	Angola
Homogenization of property, plant and equipment and intangible assets (1)	4 029 278	-893 311	3 135 967	-450 931
Hyperinflationary Economies (IAS 29)	-	3 818 974	3 818 974	3 927 202
Deductible temporary differences (IFRS16)	-	-64 944	-64 944	-45 259
Other temporary differences (2)	-3 553 997	-10 071	-3 564 068	-54 354
	<u>475 282</u>	<u>2 850 647</u>	<u>3 325 929</u>	<u>3 376 657</u>

(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.

- (2) 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 3,439,529 euros of tax benefits not deducted, to be used in subsequent years, of which 708,969 euros of RFAI for 2020, 1,741,711 euros of 2021 RFAI, 988,849 euros from CFEI II (661,333 euros deductible until 2025 and 327,516 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

17. OTHER OPERATING INCOME AND COSTS

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

Other operating costs	2022	2021
Direct/indirect taxes not assigned to operating activities	518 506	473 850
Losses in fixed assets	100 050	595 441
Currency exchange differences	771 045	407 805
Membership fees, donations samples and inventory offers	83 641	54 970
Impairment adjustments (debts receivable)	189 116	271 536
Inventories break	5 842	-
Other operating costs	119 583	142 691
	<u>1 787 783</u>	<u>1 946 293</u>
Other operating income	2022	2021
Supplementary income (1)	3 270 728	2 224 508
Operating grants (2)	53 801	5 522 973
Currency exchange differences	1 095 653	312 542
Compensation (3)	2 618 320	260 000
Gains in fixed assets	19 718	10 772
Provision reduction	60 700	-
Investment grants	24 581	21 451
Other operating gains	72 504	106 093
	<u>7 216 005</u>	<u>8 458 339</u>
Other operating income / (costs)	<u>5 428 222</u>	<u>6 512 046</u>

(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;

(3) resulting from the compensation agreement associated with the purchase of the EatOut group in Spain, in the amount of 2 million euros, and compensation for the insurance related to the fire at Alicante airport.

18. FINANCIAL EXPENSES AND LOSSES AND INCOME AND GAINS

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

Financial expenses and costs	2022	2021
Interest on rentals liabilities (IFRS16)	3 127 835	9 004 333
Interest paid	1 639 607	1 654 200
Other financial expenses and costs	972 139	1 000 178
	<u>5 739 581</u>	<u>11 658 711</u>

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 nine months periods ended 30 September 2022 and 30 September 2021 are broken down as follows:

Financial income and gains	2022	2021
Interest earned (1)	542 891	357 196
Other financial income and gains	301 699	84 233
	<u>844 590</u>	<u>441 429</u>

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

19. INCOME TAX

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

	set/22	set/21
Imposto corrente	2 543 108	65 730
Insuficiência (excesso) de estimativa de imposto	5 386	-224 427
Imposto diferido	<u>-205 055</u>	<u>-4 862 795</u>
	<u>2 343 439</u>	<u>-5 021 492</u>

The effective tax rate on profits is presented as follows:

	Sep/22	Sep/21
Profit before tax	9 639 626	-33 690 293
Income tax expense	<u>-2 343 439</u>	<u>5 021 492</u>
Effective tax rate	<u>24%</u>	<u>-15%</u>

20. INCOME PER SHARE

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

	2022	2021
Number of shares for purposes of calculating basic and diluted net income	42 400 019	32 400 019
Income from continuing operations for the purpose of calculating earnings per share	7 296 187	-28 668 801
Income from discontinued operations for the purpose of calculating earnings per share	7 266 870	8 484 683

Earnings per share:

From continuing operations		
Basic	<u>0,17</u>	<u>-0,88</u>
Diluted	<u>0,17</u>	<u>-0,88</u>
From discontinued operations		
Basic	<u>0,17</u>	<u>0,26</u>
Diluted	<u>0,17</u>	<u>0,26</u>

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.

23. OTHER COMMITMENTS ASSUMED

As at 30 September 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:

	<u>Sep/22</u>	<u>Dec/21</u>
Bank guarantees	25 198 725	24 929 721

Bank guarantees by hedge type are as follows:

<u>Leases and rents</u>	<u>Other supply contracts</u>	<u>Fiscal and legal proceedings</u>	<u>Other</u>	<u>Other legal claims</u>
25 082 181	20 683	67 131	8 000	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 September 2022 and 31 December 2021, can be presented as follows:

	Parent entitie		Jointly controlled entitie		Associated entitie		Other entities	
	3ºT 2022	2021	3ºT 2022	2021	3ºT 2022	2021	3ºT 2022	2021
Supplies and services	750 006	1 000 000	2 560 076	4 174 391	-	-	-	-
Rental lease	-	-	-	-	-	-	1 660 148	2 200 946
Accounts Payable	-	-	1 497 729	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, respectively, 3,495 and 3,314 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.

25. SUBSEQUENT EVENTS

Following the signature, on 02 August 2022, of the share purchase and sale agreement regarding the sale to BK Portugal, S.S. and Burger King Spain, S.L.U (companies controlled by Restaurant Brands Iberia, S.A.) of the shares representing the entire share capital, respectively of Iberking, Restauração S.A. and Lurca S.A.U, on 16 November 2022, the suspensive conditions provided for in said contract were verified or waived.

Subject to the terms and conditions set out in the purchase and sale agreement, completion of the transaction is scheduled for 30 November 2022.

As in Note 4, these consolidated interim accounts show the net value of assets to be discontinued.