



**IBERSOL – SGPS, SA**

**Publicly Listed Company**

Registered office: Praça do Bom Sucesso, 105/159, 9th floor, Porto

Share Capital Euros 42.359.577

Commercial Registry: Oporto under number 501669477

Fiscal number: 501669477

## Consolidated Report & Accounts 1<sup>st</sup> Half 2023

- **Continued Operations Turnover of 192.7 million Euros**  
Increase of 29.7% over 1H of 2022
- **Continued Operations EBITDA reached 30.2 million Euros**  
Ebitda increased 41.2% over 1H of 2022
- **Continued Operations net profit of 3.1 million Euros**  
Recovery of 2.2 million euros compared to the same period of 2022

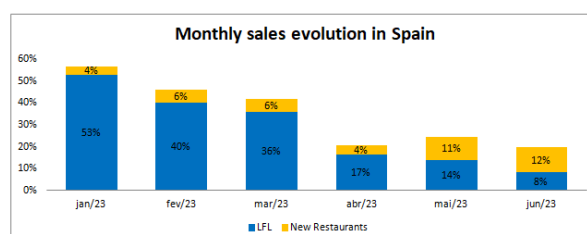
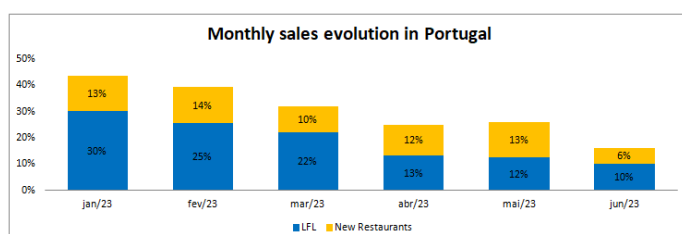
# Consolidated Management Report

## Activity

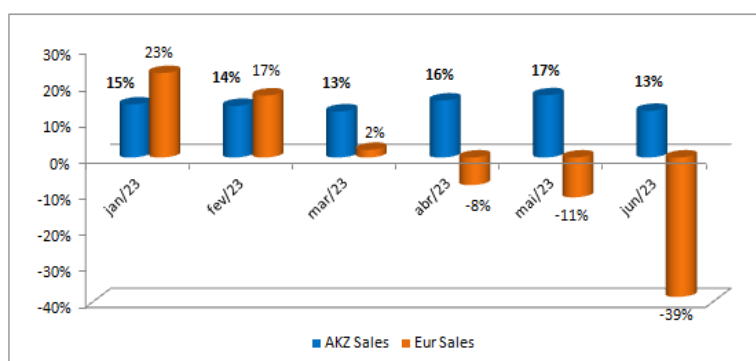
Following the sale of the Burger King operations in Portugal and Spain at the end of November 2022, the activity of all Burger King restaurants in 2022 and the restaurants not yet sold in 2023 are reported as "Discontinued Operations" with regards to financial information reporting.

After starting the first half of the year, with robust growth in continuing operations, still due to the impact of the Omnicrom variant in the first quarter of 2022, in the second quarter of 2023, despite the demanding economic context, the group recorded a positive performance in most of the brand portfolio and geographies in which it operates, guaranteeing like for like growth in restaurants on Iberia of more than double digits.

The monthly evolution of performance in the different geographies reflects the comparability in the second quarter with more demanding periods without restrictions in 2022 and the impact of expansion, with the opening of new restaurants in Portugal and Spain, registering a gradual slowdown in the pace of growth.



In Angola, activity was marked by the sharp devaluation of the AKZ against the EUR, which reached (52%) in June, causing a reduction in activity in euros despite the good performance in local currency.



The pressure on consumption resulting from the high levels of inflation in parallel with the increase in interest rates meant continued efforts to absorb the impact on margins, in order to maintain volumes with occasional price increases. Together with investments in the opening of new restaurants, this ensured a growth in "Continuing Operations" of around 30%.

The "Continued Operations" represent a total turnover in the first six months of 2023 of 192.7 million euros, which compares with 148.5 million euros in the same period of the previous year.

<b>Turnover (euro million)</b>	<b>1H 2023</b>	<b>1H 2022</b>	<b>Var. 23/22</b>
Sales of Restaurants	189,6	236,7	-19,9%
Sales of Merchandise	6,5	4,5	45,4%
Services Rendered	1,9	0,9	103,2%
<b>Turnover</b>	<b>198,0</b>	<b>242,1</b>	<b>-18,2%</b>
Discontinued Operations	-5,4	-93,6	-94,3%
<b>Continued Operations Turnover</b>	<b>192,7</b>	<b>148,5</b>	<b>29,7%</b>

Despite the slowdown in the growth of the restaurant market in the geographies in which we operate, the group recorded a growth in all segments, particularly the "Counters" and "Concessions and Catering", with a relative performance of over than 30% compared to the same period in the previous year.

<b>SALES IN RESTAURANTS (euro million)</b>	<b>1H 2023 Continued Operations</b>	<b>1H 2022 Continued Operations</b>	<b>Var. 23/22 Continued Operations</b>
Restaurants	48,8	43,7	11,6%
Counters	68,1	51,0	33,4%
Concessions&Catering	67,4	48,4	39,2%
<b>Total Sales</b>	<b>184,2</b>	<b>143,1</b>	<b>28,7%</b>

The "Concessions and Catering" segment, heavily penalized by the pandemic and after a faster than expected recovery in 2022, showed once again a sharp growth pace, directly related to the increase in traffic passengers at airports where the group operates restaurants.

In Spain, where the group operates restaurants in seven airports, the first half of the year has registered the recovery of the traffic passenger's levels seen in the same period of 2019, with the exception of Barcelona and Madrid airports, which were still 7% and 3% respectively short of reaching pre-pandemic levels.

In Portugal, traffic at airports was 16% higher than in 2019, with emphasis on Madeira and Lisbon, with traffic increases of 41% and 12%, respectively.

During the month of May, the operation of the nine concession restaurants at Madrid airport began on a provisional basis, until the conversion to restaurants in the definitive brands and formats are completed, which is expected to begin in the fourth quarter.

The resumption of traffic and recovery of consumption habits interrupted by the pandemic, led to a sharp growth of 39% in this first half, compared to the same period of 2022, eliminating the effect of Burger King restaurants located in concession areas.

However, there were signs of a slowdown in the pace of traffic recovery of 2019 at the end of the second quarter in most airports, which continued into the summer season, which could compromise the recovery of annual pre-pandemic traffic of 2019, particularly at airports from Barcelona and Madrid.

Counter segment of continued operations maintained its good performance, registering a sharp growth of 33% compared to the same period of 2022, to which the impact of the expansion, namely of the KFC and Taco Bell brands, which occurred at the end of 2022, contributed decisively.

Restaurants, despite the sharper slowdown in the growth pace of higher ticket concepts and the internal delivery service component more exposed to greater competition from aggregators, registered a growth of 12% compared to the same period of 2022.

During the semester, 5 restaurants were definitively closed (4 of which were franchised), with the opening of ten restaurants in Spain (nine in a provisional format at Madrid airport and a new KFC restaurant) and 2 restaurants in Portugal, from Pans and Pizza Hut.

Additionally, the new concession contract at Lanzarote airport began, in which the group ensured the maintenance of the operation of the seven restaurants it already operated and an additional restaurant scheduled to open in the second half of the year.

At the end of the semester, the total number of restaurants was 494 (432 equity and 62 franchises), as shown below:

N° of Restaurants	31.12.2022	Q1	Q2	Closures	30.06.2023
<b>PORTUGAL</b>	<b>296</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>298</b>
<b>Equity Restaurants</b>	<b>295</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>297</b>
Pizza Hut	105		1		106
MIT+Ribs	3				3
Pans	40	1			41
Burger King	9				9
KFC	56				56
Pasta Caffé	1				1
Quiosques	8				8
Taco Bell	16				16
Coffee Shops	25				25
Catering	9				9
Concessions & Other	23				23
<b>Franchise Restaurants</b>	<b>1</b>				<b>1</b>
<b>SPAIN</b>	<b>179</b>	<b>1</b>	<b>9</b>	<b>5</b>	<b>184</b>
<b>Equity Restaurants</b>	<b>116</b>	<b>1</b>	<b>9</b>	<b>1</b>	<b>125</b>
Pizza Móvil	12				12
Pizza Hut	3				3
Burger King	0				0
Pans	29				29
Ribs	13				13
FrescCo	2			1	1
KFC	4	1			5
Concessions	53		9		62
<b>Franchise Restaurants</b>	<b>63</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>59</b>
Pizza Móvil	4				4
Pans	36			1	35
Ribs	16			1	15
FrescCo	3			1	2
SantaMaria	4			1	3
<b>ANGOLA</b>	<b>10</b>		<b>0</b>	<b>0</b>	<b>10</b>
KFC	9				9
Pizza Hut	1				1
<b>Other Locations - Franchise</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
Pans	2				2
<b>Total Equity Restaurants</b>	<b>421</b>	<b>2</b>	<b>10</b>	<b>1</b>	<b>432</b>
<b>Total Franchise Restaurants</b>	<b>66</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>62</b>
<b>TOTAL</b>	<b>487</b>	<b>2</b>	<b>10</b>	<b>5</b>	<b>494</b>

## Consolidated Financial Performance

Despite the challenging context, resulting from the impact of food inflation and increased consumer price sensitivity, the high growth in activity during the semester allowed to mitigate the pressure on the cost structure, particularly in terms of gross margin.

The continued operations operating income at the end of the first six months amounted to 7.9 million Euros, which compares with 4.5 million Euros in the same period of 2022.

(million euros)	1H 2023 Continued Operations		1H 2022 Continued Operations		var.
<b>Turnover</b>	<b>192,7</b>		<b>148,5</b>		<b>29,7%</b>
Cost of sales	46,9	24,3%	35,1	23,6%	33,5%
gross margin %	75,7%		76,4%		-0.7 p.p.
External supplies and services	57,5	29,9%	46,3	31,2%	24,3%
Personnel costs	60,1	31,2%	48,3	32,5%	24,5%
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	22,3	11,6%	16,9	11,4%	31,7%
Other income/operating costs	-2,0	-1,1%	-2,5	-1,7%	-18,6%
<b>Operating Income</b>	<b>7,9</b>	<b>4,1%</b>	<b>4,5</b>	<b>3,0%</b>	<b>77,4%</b>
margin	4,1%		3,0%		+1.1 p.p.
<b>Ebitda</b>	<b>30,2</b>	<b>15,7%</b>	<b>21,4</b>	<b>14,4%</b>	<b>41,2%</b>
margin	15,7%		14,4%		+1.3 p.p.
<b>Financial Results</b>	<b>-4,0</b>	<b>-2,1%</b>	<b>-3,3</b>	<b>-2,2%</b>	<b>20,6%</b>
<b>Profi before tax</b>	<b>4,0</b>	<b>2,1%</b>	<b>1,2</b>	<b>0,8%</b>	<b>234,5%</b>
Income tax	-0,8	-0,4%	-0,4	-0,2%	134,2%
<b>Net profit</b>	<b>3,1</b>	<b>1,6%</b>	<b>0,8</b>	<b>0,6%</b>	<b>276,7%</b>

Turnover amounted to 192.7 million Euros, 30% higher than the 148.5 million Euros in the same period of 2022, with more 9% directly operated restaurants.

Gross margin was 75.7% of turnover, 0.7 p.p. lower than in the first half of 2022, evidencing the increased pressure on raw material prices not directly translated into sales prices.

Still during the transition process of the operation of the Burger King restaurants, sold in November 2022, the group ensured the supply of raw materials until mid-January, with a penalty of 0.2 p.p. in the margin for the semester.

The recovery of activity, in parallel with strict management of worked hours, allowed to achieve productivity gains and incurring a 25% increase in Staff costs, with the weight of this cost representing now 31.2% of the turnover (1H22: 32.5%).

External Supplies and services costs increased 25%, representing 29.9% of turnover, which represents a reduction of 1.3 p.p. compared to the same period of 2022. The recovery in traffic and the consequent increase in rents at the concession airports in Spain contributed to this increase, which, with the exception of the airports in Menorca (having

reached 2019 traffic in 2022) and the new concession contracts of Lanzarote and Madrid (starting in January and May, respectively), are not relevant for the purposes of applying IFRS16 until they reach the annual traffics of 2019.

Other operating income and costs in the total amount of 2.0 million Euros, represent a reduction of 0.5 million Euros compared to the same period of 2022, a difference that is mainly explained by:

- increase in revenues related to contracts with suppliers in the amount of 1.5 million euros;
- increase in the net cost related with exchange rate differences in the amount of 1.3 million euros, mainly due to the exchange rate devaluation that occurred from May 2023 in Angola;
- non-recurring compensation, occurring in the first half of 2022, relating to a claim in Spain worth 0.6 million euros.

Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA in the first half amounted to 22.3 million Euros, which compares with 16.9 million euros of the same period of 2022, of which 13.5 million correspond to amortization of rights of use.

Therefore EBITDA in the first half amounted to 30.2 million Euros, an increase of 41% compared to the same period of 2022.

Continued operations EBITDA margin stood at 15.7% of turnover, which compares with 14.4% in the same period in 2022.

The new contracts in Lanzarote and Madrid airports in the first half of 2023 contributed to EBITDA with an amount of 2.6 million euros, which mainly results from the application of IFRS16 to these new lease agreements. Eliminating this effect would result in a 14.3% EBITDA margin.

The Financial Results in the first six months of the year were negative by 4.0 million Euros, 0.8 million Euros higher compared to the first half of 2022.

(million euros)	1H 2023 Continued Operations		1H 2022 Continued Operations		var.
<b>Financial Results</b>	<b>-4,0</b>	<b>-2,1%</b>	<b>-3,3</b>	<b>-2,2%</b>	<b>20,6%</b>
Financial expenses and losses	-6,5	-3,4%	-3,7	-2,5%	76,8%
Financial income and gains	2,5	1,3%	0,5	0,3%	431,4%
Gains (losses) in associated and joint controlled sub. - Equity method	0,1	0,0%	-0,1	-0,1%	176,9%

Financial expenses and losses totalled 6.5 million Euros, which represents an increase of 2.8 million Euros compared to the first half of 2022. A part of these expenses and losses corresponds to interest with leases in the amount of 4.0 million Euros (2.0 million Euros in the first half of 2022), of which 1.5 million euros correspond to leases interest on new contracts at Lanzarote and Madrid airports.

Net interest supported and commissions related to financing reached a total of 1.9 million Euros, which equals an average debt cost of 5.8%, reflecting the increase in reference rates and fixed commissions inherent to the lines unused.

Profit before taxes in the amount of 4.0 million euros was penalized by the start of new concession agreements, to operate on a provisional basis at Lanzarote and Madrid airports, which represent a negative impact in the amount of 1.3 million euros.

## Financial Situation

Total Assets amounted to 660.2 million Euros and Equity stood at 353.6 million Euros, representing 54% of total assets.

CAPEX amounted to 7.7 million Euros. 6.2 million Euros incurred in the implementation of the expansion program and the remaining were incurred in the remodelling and modernization of restaurants.

Additionally, a financial investment was made in a capital increase of the Spanish company Medfood, which indirectly operates 31 KFC restaurants in Spain, for an amount of 3 million Euros, with the option of acquiring the entire capital or exiting for the amount invested with monetary correction, a decision that should be taken until the end of this year.

Current liabilities amount to 124.2 million Euros, of which 25.5 million correspond to liabilities for leases and 16.4 million Euros to current loans. Regarding to current loans, the Group has 48 million Euros related to commercial paper and unused contracted credit lines.

Consolidated liabilities reached 306.6 million Euros on June 30, 2023, which represents an increase of 38 million Euros compared to the final result in 2022.

On June 30, 2023, Equity stood at 353.5 million Euros, 30 million Euros lower than at the amount at the end of 2022, reflecting the dividend payment for the financial year of 2022.

Consolidated Financial Position (million euros)	30/06/2023	31/12/2022	Var.
<b>Total Assets</b>	<b>660,2</b>	<b>652,6</b>	<b>7,5</b>
<b>Total Equity</b>	<b>353,6</b>	<b>383,7</b>	-30,1
Loans	39,9	70,1	-30,2
Liability for leases	174,9	90,9	84,0
Other liabilities	91,8	108,0	-16,2
<b>Total Equity and Liabilities</b>	<b>660,2</b>	<b>652,6</b>	<b>7,5</b>

The share capital was reduced by the extinction of own shares on June 23<sup>rd</sup> from 46.000.000 Euros to the amount of 42.359.577 Euros.

At the end of the first half of 2023, net debt (including liability for leases) amounted to 46 million Euros, 125 million Euros higher than the negative amount outstanding at the end of 2022 (-79 million Euros), of which 91 million correspond to lease liabilities for new agreements at airports. Consequently, there is a "Gearing" of 11% (-26% in 2022).

(million euros)	30/06/2023	31/12/2022	var.
Total loans	39,9	70,1	-30,2
Cash and bank deposits	-167,2	-237,1	-69,9
Other current and non-current liabilities	-1,8	-3,1	-1,3
<b>Net Bank Debt</b>	<b>-129,1</b>	<b>-170,1</b>	<b>41,0</b>
Liability for leases	174,9	90,9	84,0
<b>Net Debt</b>	<b>45,8</b>	<b>-79,2</b>	<b>125,0</b>
Equity	353,6	383,7	-30,1
<b>Gearing (Net Debt/Net Debt + Equity)</b>	<b>11%</b>	<b>-26%</b>	

## Outlook

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Despite the upward revision to the growth projections of the Portuguese economy for 2023 by the Bank of Portugal, largely supported by the tourism and showing a greater resilience than other countries in the euro zone, a slowdown in growth is expected until the end of the year.

The IMF forecasts for 2023 point to a GDP growth of 1.0% in Portugal and 1.5% in Spain, with inflation rates at around of 5%, and interest rates that remain on an upward trend, after the successive increases since 2022 to stop inflation rising.

As of today, there are already negative signs in terms of consumer confidence, with a downward adjustment in August in Portugal, similar to what has already been happening in the euro zone since January 2023, which represents additional uncertainties in a context of fragility on household disposable income and the consequent impact on private consumption.

This uncertainty will translate into a difficulty in fully reflecting the increase in the price of raw materials, with consequent impact on margins, so that once again a challenging second half is approaching for our teams and portfolio brands, in terms of maintaining volumes and market shares.

It is also planned to begin the conversion of new concession restaurants at Lanzarote, Madrid and Tenerife airports, with the profitability of operations at these airports being penalized until the conversion of all restaurants into the definitive formats and concepts is concluded.

In terms of expansion of our operations, we will continue with the expansion plans for the Pizza Hut, KFC and Taco Bell brands, as well as the start of Pret A Manger operations, namely during the course of the new airport concessions in Madrid and Tenerife.

## Subsequent Events

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### Disposal of Burger King Operation

Under the terms of the SPA, the amount of the final net debt was determined by an independent expert, whose conclusions in the final report do not imply a significant change to the management estimates, reflected in the 2023 and 2022 financial statements.

Porto, 18<sup>th</sup> September 2023

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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

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Maria Deolinda Fidalgo do Couto



## Declaration of Conformity

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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 2023 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

António Carlos Vaz Pinto Sousa

Maria do Carmo Guedes Antunes de Oliveira

Juan Carlos Vázquez-Dodero

Maria Deolinda Fidalgo do Couto

Chairman of the Boards of Director

Member of the Board of Directors

Member of the Board of Directors

Member of the Board of Directors

Member of the Board of Directors

## Own Shares

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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 2023, the company registered the reduction of share capital by extinguishing 3.640.423 own shares and acquired 8.678 shares at June 30, as part of the start of the own share buyback program, in accordance with resolutions approved at the General Meeting on May 26, 2023.

As of June 30, 2023, Ibersol SGPS, SA hold 8.678 own shares, acquired at an average price of 6.76 Euros and representing 0.02% of the share capital.

On September 14, 2023 the company held 256.387 own shares for the amount of 1.751.221 Euros, representing 0.61% of the share capital.

## Qualified Shareholdings

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In compliance with article 9 n.º1 paragraph c) of the CMVM Regulation n.º 05/2008, we indicate the holders of qualifying holdings known on 30 June 2023:

Shareholders	n.º shares	% share capital
<b>ATPS - SGPS, S.A. (*)</b>		
Directly	26 004 204	61,39%
António Alberto Guerra Leal Teixeira	3 314	0,01%
António Carlos Vaz Pinto Sousa	3 314	0,01%
<b>Total attributable</b>	<b>26 010 832</b>	<b>61,40%</b>
<b>Magallanes Value Investors SGIC</b>		
<b>Total attributable</b>	<b>2 307 325</b>	<b>5,45%</b>
<b>Bestinver Gestion SGIC</b>		
<b>Total attributable</b>	<b>2 952 951</b>	<b>6,97%</b>
<b>FMR LLC</b>		
<b>Fidelity Management &amp; Research Company LLC</b>	<b>1 529 492</b>	<b>3,61%</b>
<b>Cobas Asset Management SGIC</b>		
<b>Total attributable</b>	<b>1 192 700</b>	<b>2,82%</b>

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(\*)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	Acquisitions/Increase:		Sales		Balance at 30.06.2023
		shares	avg price	shares	avg price	
<b>António Alberto Guerra Leal Teixeira</b>						
DUNBAR- SERVIÇOS E GESTÃO SA (1)						5 100
Ibersol SGPS, SA						3 314
<b>António Carlos Vaz Pinto Sousa</b>						
CALUM- SERVIÇOS E GESTÃO SA (2)						9 996
Ibersol SGPS, SA	30/03/2023			181	6	3 314
<b>Maria Deolinda Fidalgo Couto</b>						
Ibersol SGPS, SA						6 831
<b>(1) DUNBAR- SERVIÇOS E GESTÃO SA</b>						
ATPS- S.G.P.S., SA (3)						2 840
<b>(2) CALUM- SERVIÇOS E GESTÃO SA</b>						
ATPS- S.G.P.S., SA (3)						2 840
<b>(3) ATPS- S.G.P.S ., SA</b>						
Ibersol SGPS, SA	30/03/2023	181	6,30			26 004 204

## 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 2023.

## Glossary

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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 for continuing operations
EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)	Operating results for continuing operations less amortization, depreciation and impairment losses of tangible fixed assets, Rights of Use, Goodwill and Intangible Assets
Financial Position	
Capex	Tangible and intangible assets additions
Net Financing Costs	Interest + commissions
Interest Coverage	EBITDA / Financing Costs
Net Bank Debt	Bonds + bank loans + other loans + financial leases - cash, bank deposits, other non-current financial assets and other current financial assets
Net Debt	Net Bank Debt + Liability for Leases
Gearing	Net Debt / (Net debt + Equity Capital)
Financial Autonomy ratio	Equity/Total Assets

# Consolidated Financial Statements

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

30 June 2023

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# Condensed Statement of Interim Consolidated Income and Other Comprehensive Income

For the six-months periods ending 30 June 2023 and 2022

	Notes	for the SIX months period ended 30 June	
		2023	2022 Restated
Sales	4.1.	190 755 739	147 602 786
Rendered services	4.1.	1 915 591	942 622
Cost of sales		-46 862 005	-35 095 756
External supplies and services		-57 528 461	-46 280 980
Payroll costs		-60 105 741	-48 277 724
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	6.5.	-22 288 530	-16 928 315
Other operating gains (losses)	4.3.	2 039 432	2 505 438
<b>Operating Income</b>		<b>7 926 025</b>	<b>4 468 071</b>
Financial expenses and losses	7.6.	-6 486 958	-3 669 918
Financial income and gains	7.6.	2 471 948	465 196
Gains (losses) in associated and joint controlled sub. - Equity method		58 943	-76 689
<b>Profit before tax from continuing operations</b>		<b>3 969 958</b>	<b>1 186 660</b>
Income tax	8.1.1.	-821 107	-350 670
<b>Net profit from continuing operations</b>		<b>3 148 851</b>	<b>835 990</b>
Discontinued operation			
Profit (loss) from discontinued operations, net of tax		579 905	2 874 427
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>3 728 756</b>	<b>3 710 417</b>
Another integral result			
Net exchange differences		-4 213 867	3 537 789
<b>CONSOLIDATED COMPREHENSIVE INCOME</b>		<b>-485 111</b>	<b>7 248 206</b>
<b>Consolidated net profit attributable to:</b>			
Shareholders of parent company			
Continued operations		3 184 936	836 031
Discontinued operations		579 905	2 874 427
Non-controlling interests			
Continuing operations		-36 085	-41
Discontinued Operations		0	0
		<b>3 728 756</b>	<b>3 710 417</b>
<b>Consolidated comprehensive income attributable to:</b>			
Shareholders of parent company			
Continued operations		-1 028 931	4 373 820
Discontinued operations		579 905	2 874 427
Non-controlling interests			
Continuing operations		-36 085	-41
Discontinued Operations		0	0
		<b>-485 111</b>	<b>7 248 206</b>
<b>Earnings per share:</b>	7.1.1.		
Basic			
Continuing Operations		<b>0,08</b>	<b>0,02</b>
Discontinued Operations		<b>0,01</b>	<b>0,07</b>
Diluted			
Continued operations		<b>0,08</b>	<b>0,02</b>
Discontinued Operations		<b>0,01</b>	<b>0,07</b>

Porto, 18th September 2023

The Board of Directors,

# Condensed Statement of Interim Consolidated Financial Position

At 30 June 2023 and 31 December 2022

ASSETS	Notes	30/06/2023	31/12/2022
<b>Non-current</b>			
Goodwill	6.1.	54 391 775	54 391 775
Intangible Assets	6.2.	27 139 772	26 862 783
Property, plant and equipment	6.3.	124 725 628	130 540 302
Assets under rights of use	6.4.	171 656 019	89 927 682
Investment property	6.6.	12 990 030	8 470 400
Investments in Associates and Joint Ventures	1.2.	6 146 864	3 087 921
Debt instruments at amortised cost	7.4.	1 099 004	2 477 133
Non-current Receivables	5.1.	16 399 020	14 727 489
Deferred Tax Assets	8.2.1.	11 328 366	9 989 258
<b>Total non-current assets</b>		<b>425 876 479</b>	<b>340 474 744</b>
<b>Current Assets</b>			
Inventories		12 150 713	13 084 136
Income tax recoverable	8.1.2.	456 561	109 587
Debt instruments at amortised cost	7.4.	684 144	591 725
Current receivables	5.1.	47 897 277	55 820 271
Cash and bank deposits	7.5.	167 228 898	237 132 629
<b>Total current assets</b>		<b>228 417 593</b>	<b>306 738 348</b>
Group of assets classified as held for sale		5 876 692	5 428 897
<b>Total Assets</b>		<b>660 170 764</b>	<b>652 641 989</b>
<b>EQUITY</b>			
<b>Share capital</b>			
Share capital	7.1.1.	42 359 577	46 000 000
Own shares	7.1.2.	-58 663	-11 410 227
Share premium		29 900 789	29 900 789
Currency translation reserve		-14 302 318	-10 088 451
Legal reserve		4 236 428	1 976 081
Retained earnings and other reserves		287 580 812	167 521 938
Net profit for the year		3 764 841	159 875 149
<b>Equity attributable to shareholders of Ibersol</b>		<b>353 481 466</b>	<b>383 775 279</b>
Non-controlling Interests		114 971	-81 719
<b>Total Equity</b>		<b>353 596 437</b>	<b>383 693 560</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	7.2.	23 496 682	46 234 860
Lease liabilities	7.3.	149 446 802	70 113 338
Deferred tax liabilities	8.2.2.	4 705 557	4 303 563
Other provisions		2 530 869	2 530 869
Non-current payables	5.2.	143 149	43 149
<b>Total non-current liabilities</b>		<b>180 323 059</b>	<b>123 225 779</b>
<b>Current Liabilities</b>			
Borrowings	7.2.	16 387 231	23 847 026
Lease liabilities	7.3.	25 461 748	20 760 371
Current payables	5.2.	80 228 476	98 821 242
Income tax payable	8.1.2.	2 121 944	413 865
<b>Total current liabilities</b>		<b>124 199 399</b>	<b>143 842 504</b>
Liabilities directly associated with the group of assets classified as held for sale		2 051 869	1 880 146
<b>Total Liabilities</b>		<b>306 574 328</b>	<b>268 948 429</b>
<b>Total Equity and Liabilities</b>		<b>660 170 764</b>	<b>652 641 989</b>

Porto, 18th September 2023

The Board of Directors,



# Condensed Statement of Interim Consolidated Cash Flows

For the six-months periods ending 30 June 2023 and 2022

	Note	2023	2022
<b>Cash Flows from Operating Activities</b>			
Receipts from clients		209 160 868	241 057 989
Payments to suppliers		-108 745 089	-117 125 745
Staff payments		-57 537 207	-70 382 475
Flows generated by operations		42 878 572	53 549 769
Payments/receipt of income tax		-501 517	-721 614
Other paym./receipts related with operating activities		-15 751 117	-7 299 701
<b>Flows from operating activities (1)</b>		<b>26 625 938</b>	<b>45 528 454</b>
<b>Cash Flows from Investment Activities</b>			
Receipts from:			
Financial investments		87 988	134 366
Tangible fixed assets		5 051	-
Interest received		2 315 424	285 187
Other financial assets		91 227	53 296
Payments for:			
Financial investments		-3 158 073	-346 963
Other financial assets		-	-
Tangible fixed assets		-14 996 667	-19 816 379
Intangible assests		-2 497 264	-2 964 436
<b>Flows from investment activities (2)</b>		<b>-18 152 314</b>	<b>-22 654 929</b>
<b>Cash flows from financing activities</b>			
Receipts from:			
Loans obtained	7.2.	3 402 531	5 167 928
Payments for:			
Loans obtained	7.2.	-33 568 300	-32 310 475
Rental debt	7.3.	-11 413 413	-10 812 798
Interest from loans and similar costs		-2 377 506	-2 146 929
Interest from lease contracts	7.3.	-4 039 996	-3 924 562
Dividends paid		-29 651 704	-5 724 002
Acquisition of own shares		-58 663	-
<b>Flows from financing activities (3)</b>		<b>-77 707 051</b>	<b>-49 750 839</b>
<b>Change in cash &amp; cash equivalents (4)=(1)+(2)+(3)</b>		<b>-69 233 428</b>	<b>-26 877 314</b>
Effects of exchange rate differences		-670 303	1 136 626
Effect of variation in perimeter		-	-324 186
Cash & cash equivalents at the start of the period		237 132 629	96 968 003
<b>Cash &amp; cash equivalents at end of the period</b>	7.5.	<b>167 228 898</b>	<b>70 903 129</b>

Porto, 18th September 2023

The Board of Directors,

# Condensed Statement of Interim Consolidated Changes in Equity

For the six-months periods ending 30 June 2023 and 2022

	Note	Share Capital	Own Shares	Share Premium	Legal Reserves	Translation Reserve	Other Reserves & Retained Earnings	Net Profit	Total	Non-controlling interests	Total Equity
<b>Balance as at 1 January 2022</b>		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
<b>Changes for the period:</b>											
Application of the 2021 consolidated result:											
Transfer to reserves and retained earnings					225 000		31 154 907	-31 379 907	-		-
Liquidation of subsidiaries							170 245		170 245	-170 245	-
Conversion reserves - Angola						3 537 789			3 537 789		3 537 789
Consolidated net profit for the six months period ending 30 June 2022								3 710 458	3 710 458	-41	3 710 417
<b>Total changes for the period</b>		-	-	-	225 000	3 537 789	31 325 152	-27 669 449	7 418 492	-170 286	7 248 206
<b>Consolidated net profit</b>								<b>3 710 458</b>	<b>3 710 458</b>	<b>-41</b>	<b>3 710 417</b>
Consolidated comprehensive income									7 248 247	-41	7 248 206
<b>Transactions with equity holders in the period</b>											
Application of consolidated net profit for 2021:											
Dividends distributed	7.1.3.						-5 724 002		-5 724 002		-5 724 002
<b>Balance on 30 June 2022</b>		<b>46 000 000</b>	<b>-11 180 516</b>	<b>29 900 789</b>	<b>1 976 081</b>	<b>-7 793 643</b>	<b>167 654 421</b>	<b>3 710 458</b>	<b>230 267 591</b>	<b>-79 804</b>	<b>230 187 787</b>
<b>Balance as at 1 January 2023</b>		46 000 000	-11 410 227	29 900 789	1 976 081	-10 088 451	167 521 938	159 875 149	383 775 279	-81 719	383 693 560
<b>Changes in the period:</b>											
Application of consolidated result 2021:											
Transfer to reserves and retained earnings					2 260 347		157 614 802	-159 875 149	-		-
Capital reduction	7.1.1.	-3 640 423	11 410 227				-7 769 804		-		-
Own shares acquisition	7.1.2.		-58 663						-58 663		-58 663
Conversion reserves - Angola						-4 213 867			-4 213 867		-4 213 867
Recognition of minority interest subsidiaries							-134 421		-134 421	232 775	98 354
Consolidated net profit for the six months period ending 30 June 2023								3 764 841	3 764 841	-36 085	3 728 756
<b>Total changes for the period</b>		<b>-3 640 423</b>	<b>11 351 563</b>	<b>-</b>	<b>2 260 347</b>	<b>-4 213 867</b>	<b>149 710 577</b>	<b>-156 110 308</b>	<b>-642 110</b>	<b>196 690</b>	<b>-445 420</b>
<b>Consolidated net profit</b>								<b>3 764 841</b>	<b>3 764 841</b>	<b>-36 085</b>	<b>3 728 756</b>
Consolidated comprehensive income									-449 026	-36 085	-485 111
<b>Transactions with equity holders in the period</b>											
Application of consolidated net profit for 2022:											
Dividends distributed	7.1.3.						-29 651 704		-29 651 704		-29 651 704
<b>Balance on 30 June 2023</b>		<b>42 359 577</b>	<b>-58 664</b>	<b>29 900 789</b>	<b>4 236 428</b>	<b>-14 302 318</b>	<b>287 580 812</b>	<b>3 764 841</b>	<b>353 481 465</b>	<b>114 971</b>	<b>353 596 436</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. Presentation and Structure of the Group

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 494 units in the restaurant segment through the brands Pizza Hut, Pasta Caffé, Pans & Company, Ribs, Fresco, SantaMaría, Kentucky Fried Chicken, Burger King, Pans Café, Pizza Móvil, Miit, Taco Bell, Sol, Silva Carvalho Catering and Palace Catering, Goto Café and others. The group has 432 units which it operates and 62 units under a franchise contract. Of this universe, 298 are based in Portugal, of which 297 are owned and 1 franchised, and 184 are based in Spain, spread over 125 own establishments and 59 franchisees, and 10 in Angola and 2 in other locations.

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

Company: IBERSOL, SGPS, S.A.

Head Office: Edifício Península Praça do Bom Sucesso, n.º 105 a 159, 9º, Porto, Portugal

Legal Nature: Public Limited Company

Share Capital: €42.359.577

L.E.I.: 501 669 477

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

## 1.1. Ibersol Group Subsidiaries

For the periods ended 30 June 2023 and 31 December 2022, the Group companies, their head offices and their main developed business included in the consolidation by the full consolidation method and the respective proportion of equity is as follows:

Company	Head Office	% Shareholding	
		jun/23	Dec/22
<b><u>Subsidiary companies</u></b>			
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%
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%
Firmoven Restauração, S.A.	Porto	100%	100%
IBR - Sociedade Imobiliária, S.A.	Porto	100%	100%
Anatir SGPS, S.A.	Porto	100%	100%
Sugestões e Opções-Actividades Turísticas, S.A	Porto	100%	100%
José Silva Carvalho Catering, S.A.	Porto	100%	100%
Iberusa Central de Compras para Restauração ACE	Porto	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	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%
Volrest Aldaia, S.L	Vigo - Espanha	100%	100%
Volrest Alcalá, 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%
Food Orchestrator, S.A.	Braga	84%	84%
Iberespana Central de Compras, A.I.E.	Vigo - Espanha	100%	100%
Eat Tasty, S.L.	Madrid	84%	84%

## 1.2. Ibersol Group's joint ventures and associates

For the periods ended 30 June 2023 and 31 December 2022 the Group owns the associated company Ziaicos - Serviços e Gestão, Lda and the joint venture UQ Consult - Serviços de Apoio à Gestão, S.A., both based in Porto, and included in the consolidation using the equity method, whose proportion of the share capital is 40% and 50% respectively.

In June, a financial investment of 3 million euros was made in a capital increase of the Spanish company Medfood, which indirectly operates 31 KFC restaurants in Spain, with the Group now holding 40% of the share capital of this company. It was decided that, subject to certain conditions and the completion of due diligence processes, Ibersol could make an offer to acquire the remaining share capital or opt to exit for the amount invested with monetary correction. This decision should be made by the end of the year.

As at June 30, 2023, this investment is measured using the equity method.

## 1.3. Changes in the consolidation perimeter

### Acquisition of new companies

In the six months period ended 30 June 2023, in addition to the above, there were no acquisitions of subsidiaries

In the year ended 31 December 2022 the subsidiary Food Orchestrator was acquired, by subscription of 83.7% of its share capital.

### Disposals

In the six months period ended 30 June 2023 there were no disposals of subsidiaries

On 30 November 2022, the Group sold the subsidiaries Iberking, Restauração S.A. and Lurca S.A.U.

### Other changes in the consolidation perimeter

#### Liquidation of subsidiary

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

#### Merge of subsidiaries

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

#### Incorporation of subsidiaries

With reference to 30 December 2022, the subsidiary IBERESPANA CENTRAL DE COMPRAS A.I.E., a purchasing center in Spain, was constituted, which will replace PANSFOOD, FOODSTATION, VIDISCO Y LURCA UTE, extinguished on 31 December 2022.

## 2. Basis of preparation of the financial information

### Introduction

The amounts related to the Burger King operation, concerning both the restaurants already sold and the restaurants to be transferred under this operation ("carve ins") are presented in the consolidated statement of income and other comprehensive income as "discontinued operations". The comparatives for the year 2022 have also been restated to include the Burger King activity as discontinued operations.

### 2.1. Bases of presentation

#### 2.1.1. Approval of the financial statements

The financial statements were approved by the Board of Directors and authorized for issue on 18 September 2023.

## 2.1.2. Accounting standards

These condensed consolidated interim financial statements were prepared in accordance with International Standard 34 - Interim Financial Reporting, and therefore do not include all the information required by the annual financial statements, and should be read in conjunction with the company's financial statements for the period ending 31 December 2022.

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

The Group's Consolidated Financial Statements have been 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 2023, and essentially including an explanation of the events and changes relevant to an understanding of the variations in the Group's financial position and performance since the date of the annual report. Accordingly, the accounting policies and part of the notes contained in the 2022 financial statements have been omitted, either because they have not changed or because they are not materially relevant to understanding these interim financial statements.

## 2.1.3. Measurement basis

The consolidated financial statements were prepared on a going concern basis, under the historical cost convention, changed to fair value in the case of derivative financial instruments.

The preparation of the financial statements requires estimates and management judgments.

## 2.1.4. Comparability


The consolidated financial statements are comparable in all material respects with the prior year, considering the effects of the restatement arising from what was referred to in the Introductory Note.

## 2.1.5. Presentation currency and transactions in foreign currency


### 2.1.5.1. Presentation currency

The Financial Statements of each of the Group's entities are prepared using the currency of the economic environment in which the entity operates ("functional currency"). The consolidated Financial Statements are presented in Euros, which is the Ibersol Group's functional and presentation currency.

The foreign currency exchange rates used to convert transactions and balances expressed in Kwanzas at 30 June 2023 and 31 December 2022, were respectively:

jun/23		
Euro exchange rates (x foreign currency per 1 Euro)	Rate on 30 June 2023	Average interest rate June 2023
 Kwanza de Angola (AOA)	896,057	593,472

Dec/22		
Euro exchange rates (x foreign currency per 1 Euro)	Rate on 31 December 2022	Average interest rate year 2022
 Kwanza de Angola (AOA)	537,634	484,262

## 2.2. New standards, amendment and interpretation

Standards	Change	Date of application
<b>Recently issued pronouncements already adopted by the Group in the preparation of the financial statements are the following</b>		
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies	<p>Following feedback that more guidance was needed to help companies decide what accounting policy information should be disclosed, the Board has today issued amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements.</p> <p>The key amendments to IAS 1 include: i) requiring companies to disclose their material accounting policies rather than their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.</p> <p>The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are consistent with the refined definition of material: "Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements".</p>	1 January 2023
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	<p>The IASB has issued amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates.</p> <p>The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.</p> <p>The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The effects of changes in such inputs or measurement techniques are changes in accounting estimates.</p> <p>The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.</p>	1 January 2023
Amendments to IAS 12: deferred tax related to assets and liabilities arising from a single transaction	<p>The IASB ('the Board') issued amendments to IAS 12 - 'Income Taxes', on 7 May 2021.</p> <p>The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.</p> <p>In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations—transactions for which companies recognise both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.</p>	1 January 2023

IFRS 17 - Insurance Contracts	The IASB issued on 18 May 2017 a standard that superseded IFRS 4 and completely reformed the treatment of insurance contracts. The standard introduces significant changes to the way in which the performance of insurance contracts is measured and presented with various impacts also at the level of the financial position. The standard expected to be effective for annual periods beginning on or after 1 January 2023	1 January 2023
Amendments to IFRS 17 - Insurance contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information	<p>The International Accounting Standards Board (IASB) has issued a narrow-scope amendment to the transition requirements in IFRS 17 - Insurance Contracts, providing insurers with an option aimed at improving the usefulness of information to investors on initial application of the new Standard.</p> <p>The amendment does not affect any other requirements in IFRS 17.</p> <p>IFRS 17 and IFRS 9 Financial Instruments have different transition requirements. For some insurers, these differences can cause temporary accounting mismatches between financial assets and insurance contract liabilities in the comparative information they present in their financial statements when applying IFRS 17 and IFRS 9 for the first time.</p> <p>The amendment helps insurers to avoid these temporary accounting mismatches and, therefore, improve the usefulness of comparative information for investors.</p>	1 January 2023



Standards	Change	Date of application
<b>Recently Issued pronouncements that are not yet effective for the Group</b>		
Clarification requirements for classifying liabilities as current or non-current (amendments to IAS 1 - Presentation of Financial Statements)	<p>IASB issued on 23 January 2020 narrow-scope amendments to IAS 1 Presentation of Financial Statements to clarify how to classify debt and other liabilities as current or non-current.</p> <p>The amendments clarify an IAS 1 criteria for classifying a liability as non-current: the requirement for an entity to have the right to defer the liability's settlement at least 12 months after the reporting period.</p> <p>The amendments aim to:</p> <ol style="list-style-type: none"> <li>specify that an entity's right to defer settlement must exist at the end of the reporting period and have substance;</li> <li>clarify that covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at the reporting date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date; and</li> <li>clarify the requirements to classify the liabilities that an entity will settle, or may settle, by issuing its own equity instruments (e.g. convertible debt).</li> </ol>	1 January 2024
Lease liability in a sale-and-leaseback (amendments to IFRS 16 - Leases)	<p>The IASB issued amendments to IFRS 16 - Leases in September 2022 that introduce a new accounting model for variable payments in a sale and leaseback transaction.</p> <p>The amendments confirm the following:</p> <ul style="list-style-type: none"> <li>On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.</li> <li>After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.</li> </ul> <p>A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement.</p> <p>The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted.</p> <p>Under IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16. This means that it will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments.</p>	1 January 2024

Standards	Change	Date of application
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements	<p>On 25 May 2023, the International Accounting Standards Board (IASB) published Supplier Finance Arrangements with amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures.</p> <p>The amendments relate to disclosure requirements in connection with supplier financing arrangements - also known as supply chain financing, financing of trade payables or reverse factoring arrangements.</p>	1 January 2024

	<p>The new requirements supplement those already included in IFRS standards and include disclosures about:</p> <ul style="list-style-type: none"> <li>- Terms and conditions of supplier financing arrangements;</li> <li>- The amounts of the liabilities that are the subject of such agreements, for which part of them the suppliers have already received payments from the financiers and under which item these liabilities are shown in the balance sheet;</li> <li>- The ranges of due dates; and</li> <li>- Information on liquidity risk.</li> </ul>	
Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules	<p>On 23 May 2023, the IASB issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12 to clarify the application of IAS 12 Income Taxes to income taxes arising from tax law enacted or substantively enacted to implement the OECD Pillar Two model rules.</p> <p>The amendments introduce:</p> <ul style="list-style-type: none"> <li>- A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and</li> <li>- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.</li> <li>- The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023, but not for any interim periods ending on or before 31 December 2023.</li> </ul>	1 January 2024

The adoption of the standards and amendments endorsed by the European Union and of mandatory application for annual periods beginning on or after 1 January 2023 did not result in significant impacts on the consolidated financial statements.

The adoption of the new standards and interpretations already endorsed by the EU and of mandatory application on 1 January 2024, as well as of the new standards and interpretations not yet endorsed by the EU is not expected to have a material impact on the Group's consolidated financial statements.

## 3. Operational Risk Management

### 3.1. Risks of the global context

The Ibersol Group attaches particular importance to the global geopolitical context, namely, changes in the global supply chains of food products, which have consequences on the operations and profitability of the business.

The upward trend in energy and fossil fuel prices, which induce food prices increases, also affect the profitability of business in the restaurant sector.

### 3.2. Risks of development and franchise agreements

In previous years, the Group signed development contracts with Taco Bell and KFC (for Portugal and Spain). During 2022 a new development contract was signed with the Pret a Manger brand.

These development contracts guarantee the right and obligation to open new restaurants (in exceptional circumstances, such as the pandemic crisis, readjustments to the development programs were agreed upon). In case of non-fulfillment of the opening plans foreseen in these contracts the franchisors may terminate the respective development contracts.

In addition, the development agreements provide for requirements and conditions to be met prior to the sale of the controlling interest of the subsidiary that operates the agreement, the issuance of capital instruments and/or change of control in those subsidiaries, as well as the sale of the business or restaurants owned by said subsidiaries, which include, among others: the prior agreement of the franchisors, information obligations and several transfer procedures, possible payment of charges or fees, as well as the right of first refusal in favor of the franchisors. The franchise contracts in relation to

some international brands foresee the possibility of termination in case of change of control of Ibersol SGPS, S.A. without the franchisor's prior agreement.

In the restaurants where it operates with international brands, the group enters into long-term franchise contracts: 10 years in the case of Pizza Hut, Taco Bell and KFC and up to 12 years in the case of Prêt A Manger, renewable for another 10 years at the franchisee's option, as long as certain obligations are met.

It has been the practice for these contracts to be renewed upon expiration. However, nothing obliges franchisors to do so, so there may be the risk of non-renewal.

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

### 3.3. Quality and food safety risks

Ibersol Group's quality department is responsible for identifying and ensuring control of food quality and safety risks. Thus, various prevention and control measures are implemented for different areas of the Group's business. In this context, some measures stand out, such as: ensuring the implemented Traceability System and the control of the Production Process in the units, through the HACCP (Hazard Analysis & Critical Control Points) System.

### 3.4. Price Risk

Significant changes in commodity prices are largely reflected in the selling prices of products and monitored by the market. However, when commodity price increases are much higher than general inflation, these changes are gradually impacted in selling prices, and in the short term there may be a degradation of the gross margin.

## 4. Operational Performance

### 4.1. Revenue

The revenue from contracts with customers is presented as follows:

	2023	2022
<b>Catering sales</b>	<b>189 605 691</b>	<b>236 692 359</b>
Restaurant sales	177 942 762	228 911 776
Event catering sales	8 418 326	5 229 647
Concession catering sales	3 244 604	2 550 935
<b>Merchandise sales to franchisees</b>	<b>6 510 677</b>	<b>4 476 956</b>
<b>Total sales</b>	<b>196 116 368</b>	<b>241 169 315</b>
<b>Services Rendered</b>	<b>1 915 591</b>	<b>942 622</b>
Franchise royalties	948 899	859 374
Other	966 692	83 248
<b>Turnover Continuing Operations</b>	<b>198 031 959</b>	<b>242 111 937</b>
<b>Turnover Discontinued Operations (note 6.7)</b>	<b>-5 360 629</b>	<b>-93 566 529</b>
<b>Turnover</b>	<b>192 671 330</b>	<b>148 545 408</b>

After a start to the first half of the year with robust growth in continuing operations, still due to the impact of the Omnicrom variant in the first quarter of 2022, in the second quarter of 2023, despite the challenging economic context, the group recorded a positive performance across the portfolio of brands and geographies in which it operates.

## 4.2. Segment reporting

Ibersol's Management monitors the business based on the following segments:

SEGMENT		
Restaurants	Counters	Concessions, Travel and Catering
Brands		
Pizza Hut Pasta Caffè Pizza Móvil FresCo Ribs Sta Maria	KFC Taco Bell Miit Pans & Co. Pans Café Goto Café	SOL (AS) Concessions Catering Convenience stores Travel

### DETAILED INFORMATION REGARDING OPERATING SEGMENTS

	Restaurants		Counters		Concessions, Travel and Catering		Others, eliminations and adjustments		Total Group	
	jun/23	jun/22	jun/23	jun/22	jun/23	jun/22	jun/23	jun/22	jun/23	jun/22
Turnover	51 597 474	46 480 171	68 464 055	53 271 872	69 630 236	48 654 281	2 979 564	139 085	192 671 330	148 545 408
Operating profit minus amortisation, deprec. and impairment losses	6 946 780	7 461 949	12 744 288	8 609 116	10 352 968	5 361 979	170 518	-36 657	30 214 555	21 396 387
Amortisation, depreciation and impairment losses	-4 819 911	-5 486 464	-9 242 995	-7 328 102	-7 445 355	-3 549 470	-780 269	-564 280	-22 288 530	-16 928 315
Operating profit	2 126 868	1 975 484	3 501 292	1 281 015	2 907 613	1 812 509	-609 750	-600 937	7 926 025	4 468 072
Financial profit (loss)									-4 015 010	-3 204 722
Other non-operating gains (losses)									58 943	-76 689
Income tax for the period									-821 107	-350 670
Consolidated net profit									3 148 851	835 990
	jun/23	Dec/22	jun/23	Dec/22	jun/23	Dec/22	jun/23	Dec/22	jun/23	Dec/22
Total allocated assets	89 188 465	91 896 930	175 245 245	183 447 497	169 361 844	83 279 920	5 877 515	7 153 239	439 673 069	365 777 586
Total allocated liabilities	46 730 215	54 157 982	94 784 348	111 840 362	116 699 811	26 414 682	1 648 538	1 736 089	259 862 913	194 149 115

The unallocated assets and liabilities resulting from investment, financing and tax activities managed on a centralized and consolidated basis, are as follows:

Assets and liabilities of the unallocated segments	jun/23		Dec/22	
	Assets	Liabilities	Assets	Liabilities
Deferred Taxes	11 328 366	4 705 557	9 989 258	4 303 563
Income tax	456 561	2 121 944	109 587	413 865
Net Financing	167 228 898	39 883 913	237 132 629	70 081 886
BK sale receivable amount	32 974 762	-	32 974 762	-
Non-current accounts receivable	579 095	-	501 388	-
Investments in associates and joint ventures	6 146 864	-	3 087 921	-
Debt instruments at amortised cost	1 783 149	-	3 068 858	-
<b>Total</b>	<b>220 497 695</b>	<b>46 711 415</b>	<b>286 864 403</b>	<b>74 799 314</b>

	jun/23		Dec/22	
	Assets	Liabilities	Assets	Liabilities
Allocated by segment	439 673 069	259 862 913	365 777 585	194 149 115
Not allocated	220 497 695	46 711 415	286 864 403	74 799 314
<b>Total Balance</b>	<b>660 170 764</b>	<b>306 574 328</b>	<b>652 641 989</b>	<b>268 948 429</b>

### INFORMATION BY GEOGRAPHY

At 30 June 2023 the breakdown of revenues and non-current assets by geography is as follows:

30 June 2023	Portugal	Angola	Spain	Group
<b>Turnover</b>	<b>109 786 593</b>	<b>6 517 254</b>	<b>76 367 483</b>	<b>192 671 330</b>
Tangible and intangible fixed assets	108 203 290	14 377 056	29 285 054	151 865 400
Right-of-Use Assets	44 590 211	247 094	126 818 714	171 656 019
Investment property	12 990 030	-	-	12 990 030
Goodwill	6 604 503	130 714	47 656 558	54 391 775
Deferred tax assets	-	-	11 328 366	11 328 366
Investments in assoc. and joint ventures	6 146 864	-	-	6 146 864
Non-current accounts receivable	7 579 095	-	8 819 925	16 399 020
Debt instruments at amortised cost	-	1 099 004	-	1 099 004
<b>Total non-current assets</b>	<b>186 113 993</b>	<b>15 853 868</b>	<b>223 908 617</b>	<b>425 876 479</b>

## 4.3. Operating income and expenses

### 4.3.1. Other operating income/(expenses)

Other expenses and other operating income breakdown in 30 June 2023 and 2022 is presented as follows:

	2023	2022
<b>Other operating expenses</b>		
Direct/indirect taxes not affecting the operating activity	428 183	308 407
Losses on tangible fixed assets	7 370	44 628
Exchange differences	1 229 353	573 771
Stock losses	47 472	12 588
Membership fees, donations and gifts and inventory samples	91 823	61 276
Impairment adjustments (of receivables)	49 496	71 126
Other operating expenses	30 733	23 177
	<b>1 884 431</b>	<b>1 094 973</b>
<b>Other operating income</b>		
Operating subsidies	71 715	693
Supplementary income	3 434 539	1 907 630
Exchange differences	246 094	934 242
Compensation	-	618 320
Impairment (reversal) of accounts receivable	106 510	60 000
Gains on tangible fixed assets	4 648	-
Investment subsidies	7 561	26 770
Other operating income	52 796	52 756
	<b>3 923 863</b>	<b>3 600 411</b>
<b>Other operating income / (expenses)</b>	<b>2 039 432</b>	<b>2 505 438</b>

Supplementary income essentially derives from revenues related to contracts with suppliers and franchisees (Eat Out group).

Due to the devaluation of the Angolan currency as of May 2023, net charges for exchange rate differences increased by 1.3 million euros compared to the same period in 2022.

A compensation was received in the amount of 618,320 euros relating to the fire at the Alicante airport (amounts recorded under compensation).

## 5. Working Capital

### 5.1. Accounts receivable

The Group's main activity is the operation of restaurants of various own brands and franchises, and the preferred mode of payment of its sales is cash, debit card or other type of card, for example, meal card. With the emergence of sales platforms for home delivery, sales collected through the intermediary are gaining expression. The largest volume of credit results from delivery activity through Aggregators, catering sales, although the model of payment in advance is implemented for most customers, as well as the supply of goods and debit of royalties to franchisees.

At 30 June 2023 and 31 December 2022, the accounts receivable item breaks down as follows:

	Note	jun/ 23	Dec/ 22
<b>Non-current accounts receivable</b>			
Non-current financial assets		579 095	501 388
Other accounts receivable		8 934 933	7 355 485
BK sale receivable amount		7 000 000	7 000 000
Accumulated impairment losses		-115 008	-129 384
		<b>16 399 020</b>	<b>14 727 489</b>
<b>Current accounts receivable</b>			
Clients		6 715 281	17 442 675
State and other public entities		2 229 190	3 041 134
Other debtors	5.1.1.	7 485 799	6 165 750
BK sale receivable amount		25 974 762	25 974 762
Advances to suppliers c/a		220 025	247 487
Advances to suppliers of fixed assets		1 569 166	296 657
Accrued income		4 424 330	4 012 292
Expenses to be recognised		2 099 016	1 526 337
Accumulated impairment losses		-2 820 292	-2 886 823
		<b>47 897 277</b>	<b>55 820 271</b>
<b>Total Accounts receivable</b>		<b>64 296 297</b>	<b>70 547 760</b>

#### **BK sale receivable amount (current and non-current)**

Of the estimated amount receivable from the sale of BK, totaling 32,974,762 euros, 7,000,000 euros relate to the earn-out to be received for compliance with a program to extend certain contracts, to be completed in 2024, and are therefore presented as non-current.

Still in the process of concluding the sale of the subsidiaries Iberking, Restauração S.A. and Lurca S.A.U., under the price adjustment mechanism provided for in the purchase and sale agreement signed in November 2022, the values considered in the financial statements for 2022 and 30 June 2023 have been defined, already taking into account the results contained in the independent expert's final report, as described in note12.

#### **Non-current financial assets**

The balance relates essentially to the Labor Compensation Fund.

#### **State and other public entities**

The balance relates essentially to VAT recoverable in the amount of 2,196,557 euros at 30 June 2023 (3,041,087 euros in 2022)

### 5.1.1. Other debtors

On 30 June 2023 and 31 December 2022 the balance under Other debtors includes aggregators, other suppliers' debts, debits to suppliers for the recovery of charges for marketing and rappel contributions, meal vouchers (delivered by customers), short-term guarantees and miscellaneous advances, as follows:

	jun/23	Dec/22
Meal cards/aggregators	1 965 984	1 866 687
Deposits and bonds	329 731	1 064 483
Marketing and rappel	1 116 248	848 190
Debtors suppliers and others	2 648 318	1 377 361
Advances	173 067	131 447
Staff expenses	179 850	122 876
Credit sales	571 149	660 547
Continente card	501 451	94 160
<b>Total</b>	<b>7 485 799</b>	<b>6 165 750</b>

#### Meal card/aggregators

The "Meal card" amounts refer to payments at the establishments and that are charged to the card issuers electronically after 15 days of processing or when by physical delivery after picking, checking and deposit. The aggregators transfer payments made on behalf of the restaurants within an average period of 15 days.

#### Marketing and rappel

The Marketing and rappel item corresponds to amounts invoiced to Suppliers at the end of the year.

### 5.2. Accounts payable

In the periods ended 30 June 2023 and 31 December 2022, the accounts payable item breaks down as follows:

	Note	jun/23	Dec/22
<b>Non-current payables</b>			
Non-current payables		143 149	43 149
		<b>143 149</b>	<b>43 149</b>
<b>Current payables</b>			
Suppliers	5.2.1.	42 412 296	60 214 442
Accrued expenses	5.2.2.	26 325 641	23 469 782
Other creditors		4 544 460	5 977 098
State and other public entities		6 678 729	8 401 652
Income to be recognised		267 350	758 268
		<b>80 228 476</b>	<b>98 821 242</b>
<b>Total accounts payable</b>		<b>80 371 625</b>	<b>98 864 391</b>

#### State and other public entities

The balance of the item State and other public entities results, essentially, from VAT payable (2,784,522 euros) and Social Security (2,798,908 euros).



### 5.2.1. Suppliers

The breakdown of suppliers on 30 June 2023 and 31 December 2022, is as follows:

	jun/23	Dec/22
Suppliers - Incoming invoices	34 756 718	44 166 336
Suppliers - Invoices being received and checked	5 965 166	5 782 983
Suppliers of fixed assets - current account	1 690 412	10 265 123
<b>Total accounts payable to suppliers</b>	<b>42 412 296</b>	<b>60 214 442</b>

### 5.2.2. Accrued expenses

As at 30 June 2023 and 31 December 2022 the breakdown of accrued expenses, is as follows:

	jun/23	Dec/22
Insurance payable	122 681	85 737
Accrued payroll	10 233 935	8 256 196
Rents and leases	8 832 496	9 559 234
External services rendered	6 688 733	5 237 673
Others	447 796	330 942
<b>Total accrued expenses</b>	<b>26 325 641</b>	<b>23 469 782</b>

The accrued expenses - rents and leases include the amount related to AENA rents from airports in Spain that are not relevant for lease liabilities.

## 6. Investments

### 6.1. Goodwill

Goodwill is allocated to each of the reportable segments as follows:

	jun/23	Dec/22
Restaurants	7 147 721	7 147 721
Counters	12 558 945	12 558 945
Concessions and Catering	34 505 388	34 505 388
Others	179 721	179 721
<b>Total</b>	<b>54 391 775</b>	<b>54 391 775</b>

Goodwill is in turn allocated to the following groups of homogeneous cash generating units:

	jun/23	Dec/22
<b>Restaurants</b>	<b>7 147 721</b>	<b>7 147 721</b>
Ribs	5 175 479	5 175 479
Pizza Hut	1 972 242	1 972 242
<b>Counters</b>	<b>12 558 945</b>	<b>12 558 945</b>
Pans & C.º	11 850 160	11 850 160
KFC	708 785	708 785
<b>Concessions and Catering</b>	<b>34 505 388</b>	<b>34 505 388</b>
Concessions & travel (ES)	30 630 919	30 630 919
Concessions & travel (PT)	850 104	850 104
Catering	3 024 365	3 024 365
<b>Others</b>	<b>179 721</b>	<b>179 721</b>
<b>Total</b>	<b>54 391 775</b>	<b>54 391 775</b>

## 6.2. Intangible assets

The group's main operating rights refer to the franchise rights paid to international brands when opening restaurants operating under the brand: 10 years in the case of Pizza Hut, Taco Bell and KFC, these renewable for another 10 years at the option of the franchised.

At 30 June 2023, the concessions, included under the industrial property heading, and the respective associated useful life, are presented as follows:

Concession Rights	No. Years	Limit year for use
Lusoponte Service Area	33	2032
2ª Circular Service Area	10	2027
Portimão Marina	60	2061
Pizza Hut Cais Gaia	20	2024
Modivas Service Area	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 Area	24	2030
Talhada (Vouzela) Service Areas	25	2031
Viseu Service Areas	25	2031
Matosinhos Service Areas	24	2030
Maia Service Areas	26	2032

### Changes in Intangible assets

During the six months period ending in 30 June 2023 and in the year ending 31 December 2022, the movement in the value of intangible assets, as well as in the respective amortization and accumulated impairment losses, was as follows:

	Brands	Industrial property	Other intangible assets	Intangible assets in progress	Total
<b>01 January 2022</b>	<b>16 316 667</b>	<b>16 912 143</b>	<b>1 411 650</b>	<b>1 230 242</b>	<b>35 870 696</b>
Changes to the consolidation perimeter	-	447 026	-	-	447 026
Currency translation	-	2 649	-	18 885	21 534
Additions	-	2 413 845	714 714	554 367	3 682 926
Decreases	-	-8 738 366	-152 760	-540 976	-9 432 102
Transfers	-	208 008	-5 000	-98 546	104 462
Amortization of the year from discontinued operations	-	-561 444	-1 866	-	-563 310
Amortization for the year	-1 100 000	-1 519 886	-312 405	-	-2 932 291
Reversal of impairment	-	17 339	-	-	17 339
Transfer discontinued operations	-	-353 497	-	-	-353 497
<b>31 December 2022</b>	<b>15 216 667</b>	<b>8 827 817</b>	<b>1 654 333</b>	<b>1 163 972</b>	<b>26 862 783</b>
Currency translation	-	-12 513	-	-48 955	-61 468
Additions	-	721 015	-	1 212 426	1 933 441
Decreases	-	-25 255	-30 000	-26 600	-81 855
Transfers	-	10 948	-	-2 000	8 948
Amortization for the year	-550 000	-883 240	-88 837	-	-1 522 077
<b>30 June 2023</b>	<b>14 666 667</b>	<b>8 638 772</b>	<b>1 535 496</b>	<b>2 298 843</b>	<b>27 139 772</b>

Decreases in 2022 refer essentially to the effect of the sale of the Burger King business, in the amount of 9,386,910 euros.

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

## 6.3. Property, plant and equipment

### Changes in property, plant and equipment

During the six months period ending in 30 June 2023 and in the year ending 31 December 2022, the movement in the value of tangible fixed assets, as well as in the respective amortization and accumulated impairment losses, was as follows:

	Land	Buildings and other constructions	Equipment	Other tangible fixed assets	Other tangible fixed assets	Total
<b>01 January 2022</b>	<b>19 497 339</b>	<b>153 238 101</b>	<b>31 204 592</b>	<b>9 664 958</b>	<b>768 719</b>	<b>214 373 712</b>
Currency translation	147 622	94 102	-28 478	-15 456	506	198 296
Additions	3 103	25 557 781	9 805 617	3 419 615	1 650 695	40 436 811
Decreases	-1 308 187	-67 356 069	-13 986 649	-5 900 966	-706 538	-89 258 409
Transfers	-3 661 214	-4 818 523	79 403	3 849	-306 942	-8 703 426
Depreciation charge for the year on discontinued operations	-	-3 707 595	-2 390 155	-834 229	-	-6 931 979
Depreciation for the year	-97 127	-8 832 192	-4 742 138	-1 113 791	-	-14 785 248
Impairment for the year	-	-2 410 175	-	-	-	-2 410 175
Reversal of impairment	-	992 976	-	-	-	992 976
Transfer discontinued operations	-	-2 295 260	-732 862	-344 133	-	-3 372 255
<b>31 December 2022</b>	<b>14 581 536</b>	<b>90 463 145</b>	<b>19 209 331</b>	<b>4 879 846</b>	<b>1 406 440</b>	<b>130 540 302</b>
Currency translation	-371 218	7 315	127 404	76 182	-12 192	-172 509
Additions	-	2 102 876	1 482 161	298 427	1 890 089	5 773 553
Decreases	-	-5 189	-47 614	-5 714	-13 133	-71 650
Transfers	-3 484 496	-225 695	214 437	47 139	-681 323	-4 129 938
Depreciation for the year	-23 613	-4 470 430	-1 978 591	-627 716	-	-7 100 350
Transfer discontinued operations	-	-99 308	-11 052	-3 423	-	-113 783
<b>30 June 2023</b>	<b>10 702 209</b>	<b>87 772 714</b>	<b>18 996 076</b>	<b>4 664 741</b>	<b>2 589 881</b>	<b>124 725 628</b>

The value of 2022 decreases essentially corresponds to the effect of the sale of Burger King, in the amount of 88,941,949 euros. The transfer to discontinued operations respects Burger King restaurants located in concessions, essentially Service Areas, whose sale is expected to be completed by the end of 2023..

The value of tangible assets in progress in the amount of €1.9M refers to investments incurred for future openings.

## 6.4. Right of use assets

### Changes in right of use assets

During the three months period ending in 30 June 2023 and in the year ending 31 December 2022, the movement in the value of the rights of use, as well as in the respective amortization and accumulated impairment losses, is presented as follows:

	Shops and Commercial Spaces	Buildings	Equipment	Other assets	Total
<b>01 January 2022</b>	<b>128 125 587</b>	<b>5 881 809</b>	<b>4 496 619</b>	<b>367 138</b>	<b>138 871 153</b>
Currency translation	93 857	-	-	-	93 857
Increases	41 567 014	10 423	997 765	62 218	42 637 420
Decreases	-64 078 803	-35 172	-1 552 617	-159 620	-65 826 212
Transfers	-	92 801	20 112	400	113 313
Depreciation of the year from discontinued operations	-4 196 869	-3 999	-258 495	-21 527	-4 480 890
Depreciation for the year	-17 793 551	-1 253 051	-690 927	-40 286	-19 777 815
Transfers from discontinued operations	-1 703 145	-	-	-	-1 703 145
<b>31 December 2022</b>	<b>82 014 090</b>	<b>4 692 812</b>	<b>3 012 457</b>	<b>208 323</b>	<b>89 927 682</b>
Currency translation	-214 714	-	-	-	-214 714
Increases	97 869 794	-	-	-	97 869 794
Decreases	-1 743 279	-	-	-	-1 743 279
Transfers	-	-395 402	-3 239	-	-398 641
Depreciation for the year	-12 459 525	-622 928	-347 598	-20 759	-13 450 810
Transfers from discontinued operations	-334 012	-	-	-	-334 012
<b>30 June 2023</b>	<b>165 132 354</b>	<b>3 674 481</b>	<b>2 661 619</b>	<b>187 564</b>	<b>171 656 019</b>

The value of the increases essentially corresponds to the new lease contracts at Madrid and Lanzarote Airports, for which the incremental rate updated with current market conditions was used. And also the effect of remeasurement of contracts by rent updates by the Consumer Price Index and other changes in expected lease payments.

The value of 2022 decreases refers essentially to the effect of the sale of Burger King, in the amount of 65,725,852 euros.

## 6.5. Depreciation, amortization and impairment losses on non-financial assets

### Judgments and estimates

The complexity and level of judgment inherent to the model adopted for the calculation of impairment and the identification and aggregation of cash generating units (CGU's) implies considering this topic as a significant accounting estimate.

For the purposes of impairment tests, the recoverable amount is the higher of the fair value of an asset less costs inherent in its sale and its value in use. The recoverable amount derives from assumptions related to the activity, namely, sales volumes, operating expenses, planned investments, refurbishment and closure of units, impact of other market players, internal Management projections and historical performance.

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

Sensitivity analyzes were also performed on the main assumptions used in the base calculation, as shown below.

Restaurants with signs of impairment are tested, considering operating results less amortization, depreciation and impairment losses of tangible fixed assets, intangible assets and goodwill, as well as other cash-generating units whenever circumstances determine or unusual facts occur.

The negative profitability of the stores is an indication of impairment, and the subsequent impairment analysis considers the projected cash flows of each store. In cases of recent openings, such initial negative profitability may not be representative of the expected profitability pattern for that store and may not constitute an indication of impairment if such behavior was expected for that period.

When an asset has an operating performance that exceeds the projections that previously supported the recording of an impairment loss, such loss is reversed to the extent that the value in use based on the updated projections exceeds the carrying amount.

The assumptions for analyzing impairment of tangible fixed assets, intangible assets, rights of use and goodwill used in the preparation of the financial statements as of December 31, 2022, remain valid and there have been no changes to the underlying facts and circumstances. No relevant signs were identified that would indicate the need to carry out new impairment tests in the first six months of 2023.

Expenses with depreciation, amortization and impairment losses on non-financial assets in the six months period ending in 30 June 2023 and in the year ending 31 December 2022, were as follows:

Nature	Note	2023			2022		
		Depreciation and amortisation	Impairment losses	Total	Depreciation and amortisation	Impairment losses	Total
Goodwill	6.1.	-	-	-	-	-	-
Intangible assets	6.2.	-1 522 077	-	-1 522 077	-1 415 192	-	-1 415 192
Property, plant and equipment	6.3.	-7 100 349	-	-7 100 349	-6 200 647	-	-6 200 647
Right-of-use assets	6.4.	-13 450 810	-	-13 450 810	-9 419 787	-	-9 419 787
Currency translation		-215 294	-	-215 294	107 311	-	107 311
<b>Total</b>		<b>-22 288 530</b>	<b>-</b>	<b>-22 288 530</b>	<b>-16 928 315</b>	<b>-</b>	<b>-16 928 315</b>

## 6.6. Investment Property

The investment properties, which at 30 June 2023 and 31 December 2022 which total 12,990,030 euros and 8,470,400 euros, respectively, relate to real estate assets where 9 Burger King restaurants operate. These assets were subject to a lease agreement with Burger King Portugal.

Based on the terms of negotiation for the sale of Burger King, the Group estimates that the fair value of these assets amounts to approximately 13.4 million euros.

## 7. Financing

### 7.1. Equity

#### 7.1.1. Share capital

As decided at the Annual General Meeting of May 26, 2023, in June 2023 the company reduced the share capital from 46,000,000 euros to 42,359,577 euros, by extinguishing 3,640,423 own shares, to release excess capital.

At 31 December 2022, Ibersol's share capital was fully subscribed and paid up, represented by 46,000,000 registered shares with a nominal value of 1 euro each.

#### 7.1.2. Own shares

In 2023, the Group extinguished 3,640,423 own shares acquired for 11,410,227 euros, as per note 7.1.1, and acquired 8,678 own shares for 58,663 euros, starting the Buyback Program approved at the last General Meeting.

At the end of the year, the company held 8,678 own shares acquired for 58,663 euros.

#### 7.1.3. Dividends

At the Annual General Meeting of May 26, 2023, it was decided to grant gross dividends of 0.70 euros per share (0.135 euros in 2022), corresponding to a value of 29,651,704 euros (5,724,002 euros in 2022) for the outstanding shares, payment for which was made on June 20, 2023.

#### 7.1.4. Earnings per share

At 30 June 2023 and 2022, basic and diluted earnings per share were calculated as follows:

	2023	2022
Profit attributable to equity holders		
Continuing operations	3 184 936	836 031
Discontinued operations	579 905	2 874 427
Number of shares issued at the beginning of the year	46 000 000	46 000 000
Number of shares issued at the end of the year	42 359 577	46 000 000
Weighted average number of ordinary shares issued (i)	45 296 051	45 296 051
Weighted average number of treasury shares (ii)	2 936 522	2 936 522
Weighted average number of shares outstanding (i-ii)	42 359 529	42 359 529
Basic earnings per share (euros per share)		
Continued operations	0,08	0,02
Discontinued operations	0,01	0
Diluted earnings per share (€ per share)		
Continued operations	0,08	0,02
Discontinued operations	0,01	0
Number of treasury shares at the end of the period	8 678	3 599 981

As there are no preferred voting rights, basic earnings per share equals diluted earnings per share.

## 7.2. Bank Debt

At 30 June 2023 and 31 December 2022 current and non-current borrowings had the following detail:

	jun/23	Dec/22
<b>Non-current</b>		
Bank loans	12 896 682	29 834 860
Commercial paper	10 600 000	16 400 000
	<b>23 496 682</b>	<b>46 234 860</b>
<b>Current</b>		
Bank overdrafts	-	-
Bank loans	4 677 962	12 274 609
Commercial paper	11 709 269	11 572 417
	<b>16 387 231</b>	<b>23 847 026</b>
<b>Total borrowings</b>	<b>39 883 913</b>	<b>70 081 886</b>

For Commercial Paper Programs, when there is a termination date, we consider maturity on that date, regardless of the terms for which they are contracted.

There are commercial paper financing agreements that include cross default clauses. Such clauses refer to contractual non-compliance in other contracts or tax non-compliance, in which case it does not occur.

Some of the bank loans include Financial Covenants, which are being complied with.

The interest rate in force on 30 June 2023 for PPC and borrowings was on average around 3.95% (2.55% on 31 December 2022). Borrowings indexed at variable rates are indexed to Euribor.

The Group had 48 million euros relating to commercial paper and unused contracted credit lines.

### Changes in bank debt

Movements in the six months period ending in 30 June 2023 and in the year ending 31 December 2022 under current and non-current loans, except for finance leases and bank overdrafts, are presented as follows:

	2023	2022
<b>1 January</b>	<b>70 081 886</b>	<b>167 032 350</b>
<u>Variations with impact in cash flows:</u>		
Proceeds from borrowings obtained	3 402 531	3 000 000
Financial debt repayments	-33 568 300	-83 427 754
<u>Variations without impact on cash flows:</u>		
Financing associated with Burger King sale operation	-	-16 676 137
Financing set-up costs	-51 717	-
Capitalised interest and other	19 515	153 428
<b>as at 30 June</b>	<b>39 883 913</b>	<b>70 081 886</b>

### 7.3. Lease liabilities

At 30 June 2023 and 31 December 2022, the company has commitments to third parties arising from lease contracts, namely real estate contracts. At 30 June 2023 and 31 December 2022 current and non-current leases are as follows:

	jun/23			dez/22		
	Current	Non-current	Total	Current	Non-current	Total
Leases	25 461 748	149 446 802	174 908 550	20 760 371	70 113 338	90 873 709
<b>TOTAL</b>	<b>25 461 748</b>	<b>149 446 802</b>	<b>174 908 550</b>	<b>20 760 371</b>	<b>70 113 338</b>	<b>90 873 709</b>

### Changes in lease liabilities

Changes in the six months period ending in 30 June 2023 and in the year ending 31 December 2022 are presented as follows:

	2023	2022
<b>1 January</b>	<b>90 873 709</b>	<b>143 068 335</b>
<u>Variations with impact in cash flows:</u>		
Lease payments	-15 453 409	-32 399 561
<u>Variations with no impact in cash flows:</u>		
Leases associated with Burger King sale operation	-384 620	-67 281 693
Interest for the period from updating lease liabilities	4 039 997	4 481 130
Interest for the period from updating lease liabilities of discontinued operations	-	3 601 415
Lease increases	97 869 794	42 637 420
Contracts terminations / shop closings	-1 743 279	-100 360
Reclassification to liabilities directly associated with the group of assets classified as held for sale	-	-1 880 146
Rent concessions arising from the COVID-19 pandemic	-	-830 996
Others	-293 642	-421 835
<b>30 June</b>	<b>174 908 550</b>	<b>90 873 709</b>

Lease payments include 11,413,413 euros (24,317,016 euros in 2022) of principal and 4,039,996 euros (8,082,545 euros in 2022) of interest.

### 7.4. Treasury Bonds

Ibersol Angola operates with a large component of imports that generate liabilities in foreign currency. In order to reduce the exchange rate risk and face Kwanza variations, the company adopted the policy of holding assets indexed to the USD in an amount, at least, of the same order of magnitude as the liabilities.

In addition to holding USD-indexed Treasury Bonds, the company acquired non-adjustable Treasury Bonds (denominated in AKZ) for the financial application of surpluses.

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

	jun/23			Dec/ 22		
	Current	Non current	Total	Current	Non current	Total
Angolan Treasury Bonds	714 570	1 221 844	1 936 415	607 662	2 771 741	3 379 403
Accumulated impairment losses	-30 426	-122 840	-153 266	-15 937	-294 608	-310 545
<b>TOTAL</b>	<b>684 144</b>	<b>1 099 004</b>	<b>1 783 149</b>	<b>591 725</b>	<b>2 477 133</b>	<b>3 068 858</b>

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

The indices used for Probability of Default and Loss Given Default of Angolan Treasury Bonds are in accordance with Moodys and S&P publications, the probability of default considered was 7.9% and the loss given default considered to be 59%.

## 7.5. Cash and Bank deposits

At 30 June 2023 and 31 December 2022, the breakdown of cash and cash equivalents was as follows:

	jun/ 22	Dec/ 22
Cash	535 344	474 011
Bank deposits	166 693 554	236 658 618
<b>Cash and bank deposits in the balance sheet</b>	<b>167 228 898</b>	<b>237 132 629</b>
<b>Cash and cash equivalents on the cash flow statement</b>	<b>167 228 898</b>	<b>237 132 629</b>

## 7.6. Financial activity result

Financial expenses and losses in June 2023 and 2022 are presented as follows:

Financial expenses	2023	2022
Interest from lease liabilities (IFRS16)	4 039 996	1 966 177
Interest expenses with financing	1 771 877	1 023 473
Other financial expenses	675 085	680 268
	6 486 958	3 669 918

The change in interest on lease liabilities relates mainly to the new lease contracts for Madrid and Lanzarote Airports, for a total of 1.5 million euros.

Income and financial gains in June 2023 and 2022 are presented as follows:

Financial income and gains	2023	2022
Interest income	2 272 901	266 809
Other financial income	199 047	198 387
	2 471 948	465 196

## 8. Current and Deferred Taxes

### 8.1. Current income tax

#### 8.1.1. Current tax recognized in the income statements

Income taxes recognized in the six months period ended 30 June 2023 and 2022 are detailed as follows:

	jun/ 23	jun/ 22
Current tax	2 078 329	1 098 329
Deferred tax	-1 257 222	-747 659
	821 107	350 670

At 30 June 2023 the effective tax rate is 21%.



## 8.1.2. Current tax recognized in the statement of financial position

### 8.1.2.1. Income tax recoverable

At 30 June 2023, the amount of tax on income to be recovered amounts to EUR 456,561 (EUR 109,587 in 2022), as follows:

	jun/23	Dec/22
Spain	26 520	31 557
Portugal	430 041	78 030
	456 561	109 587

### 8.1.2.2. Income tax payable

At 30 June 2023 and 31 December 2022, the amount of tax payable breaks down as follows:

	jun/23	Dec/22
Portugal	1 984 461	-
Angola	137 483	406 730
Others	-	7 135
	2 121 944	413 865

## 8.2. Deferred taxes

### 8.2.1. Deferred tax assets

At 30 June 2023 and 31 December 2022 the detail of deferred tax assets, according to the jurisdiction, is as follows:

	jun/23	Dec/22
Deferred tax assets	Spain	Spain
Tax losses carried forward	11 577 598	10 621 807
Ded. temporary differences (IFRS16)	1 100 374	576 596
Taxable temporary differences	-645 937	-645 937
Homogenization of property, plant and equipment and intangible assets	-1 280 840	-1 140 379
Other temporary differences	577 171	577 171
	11 328 366	9 989 258

#### Deductible temporary differences (IFRS 16)

Deferred taxes resulting from a temporary difference by applying IFRS16 in the Group's consolidated accounts, not applicable in the statutory accounts of the subsidiaries in Spain and Angola.

#### Homogenization of tangible fixed assets and intangible assets

Deferred taxes corresponding to the difference between the net value of fixed assets considered in the individual financial statements of the subsidiaries and the net value they contribute in the consolidated.

#### Tax losses carried forward

In the analysis of the recoverability of deferred tax assets, the Group took into consideration the best estimates of future taxable income projections and the existence of taxable temporary differences against which tax losses, tax credits and deductible temporary differences can be utilized.

Business plans were prepared which, considering the Spanish taxation rules and the specificities of the group of companies, formed the basis for the recoverability assessment. The business plans were approved by management and are based on projections from external entities, such as Eurocontrol in the case of traffic, as well as being consistent with the business plans that served as the basis for the impairment analyses of the Group's assets.

## 8.2.2. Deferred tax liabilities

The detail of deferred tax liabilities at 30 June 2023 and 31 December 2022, according to the jurisdiction and temporary differences that generated them, is as follows:

Deferred tax liabilities	jun/23			Dec/22		
	Portugal	Angola	TOTAL	Portugal	Angola	TOTAL
Homogenization of property, plant and equipment and intangible assets	4 739 820	-460 554	4 279 265	4 543 332	-711 518	3 831 813
Hyperinflationary Economies (IAS 29)	-	3 550 757	3 550 757	-	3 658 913	3 658 913
Deductible temporary differences (IFRS16)	-	-26 738	-26 738	-	-50 116	-50 116
Other temporary differences	-3 059 410	-38 317	-3 097 727	-3 059 410	-77 637	-3 137 047
	1 680 410	3 025 147	4 705 557	1 483 922	2 819 641	4 303 563

### Homogenization of tangible and intangible fixed assets

Deferred taxes that correspond to the difference between the net value of tangible and intangible fixed assets considered in the individual financial statements of the subsidiaries and the net value they contribute in the consolidated.

### Other temporary differences

The amount of other temporary differences refers, essentially, to unused tax benefits. As of 31 December 2022 there are 117,600 of tax benefits associated with the capital increase and 2,975,669 of tax benefits not deducted, to be used in following years. 2,676,201 of RFAI of the year 2022 and 299,468 of CFEI II (165,283 deductible until 2025 and 134,185 until 2026, inclusive). It should be noted that these credits have a reporting period of 10 tax periods, a period whose counting was suspended during the 2020 tax period and during the following tax period, under Law 21/2021, of April 21.

## 9. Other Provisions and Contingencies

### 9.1. Contingent assets and liabilities

The Group has contingent liabilities related to its business (relating to licensing, advertising fees, hygiene and food safety and employees), and Ibersol's success rate in these processes is historically high. It is not estimated that these contingent liabilities will represent any relevant liabilities for Ibersol.

A lawsuit was filed against a subsidiary of the Eat Out Group in Spain for alleged breach of non-competition agreements in the amount of approximately 11.7 million euros. The Board of Directors, supported by the position of the lawyers that are following the process, considers that this situation represents a contingent liability. In addition, it should be noted that the lawsuit concerns facts that occurred before the acquisition of this subsidiary by the Ibersol Group, and is therefore covered by the clauses of responsibility and guarantees provided for in the agreement for the purchase and sale of shares of the Eat Out Group, with a right of return. There is already a decision in favor of Ibersol, and we are awaiting a definitive outcome.

The agreement for the sale of the Burger King operation includes indemnity clauses in the event of the verification of certain conditions attributable to the sold entities and on events prior to the sale date (30 November 2022).

## 10. Commitments not included in the consolidated statement of financial position

Commitments undertaken and not included in the consolidated statement of financial position include bank guarantees given to third parties and contractual commitments for the acquisition of fixed tangible assets.

## 10.1. Guarantees

At 30 June 2023 and 31 December 2022, the liabilities not reflected in the balance sheet by the companies included in the consolidation are comprised mainly of bank guarantees provided on their behalf, as follows:

	jun/23	Dec/22
Bank Guarantees	38 206 214	38 674 924

At 30 June 2023 the bank guarantees are detailed, by type of coverage, as follows:

Concessions and rents	Other supply contracts	Fiscal and legal proceedings	Other	Other legal claims
31 695 118	20 683	61 682	6 408 000	20 731

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

The relevant amount derives from the guarantees required by the owners of spaces under concession (ANA Airports and AENA Airports, in Spain) or leased (some malls and other locations) in concessions and rents, of which 27,086,000 euros with AENA Airports.

In other guarantees, and following the sale of the Burger King units, the Group provided a bank guarantee of 6.4 M to BK Portugal, S.A., to cover the asset relating to existing receivables at IberKing and unused at the date of the transaction, regarding CFEI II and RFAI, for a period of 5 years with decreasing annual values.

## 11. Transactions with related parties

The balances and transactions with related parties in 30 June 2023 and 31 December 2022 can be presented as follows:

	June 2023				Year 2022			
	Parent entitie	Jointly controlled entitie	Associated entitie	Other Entities	Parent entitie	Jointly controlled entitie	Associated entitie	Other Entities
Supply of services	539 004	1 459 116	-	-	1 000 000	4 731 672	-	-
Rental income from lease contracts	-	-	-	92 616	-	-	-	2 035 463
Accounts payable	-	1 100 291	-	-	-	1 713 701	-	-
Other current assets	-	-	-	-	-	-	-	-
Financial investments	-	-	300 000	-	-	-	300 000	-

The parent company of Ibersol SGPS S.A. is ATPS - SGPS, SA, direct and indirect holder of 26,004,204 shares.

António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira each hold 3,314 shares of Ibersol SGPS, S.A. respectively. The voting rights attributable to ATPS are also attributable to António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira under the terms of sub-paragraph b) of no. 1 of article 20 and no. 1 of article 21, both of the Securities Code. 9, both of the Portuguese Securities Code, by virtue of the fact that they hold control of the referred company, in which they participate indirectly, in equal parts, through, respectively, the companies CALUM - SERVIÇOS E GESTÃO, S.A. with Tax ID No. 513799486 and DUNBAR - SERVIÇOS E GESTÃO, S.A. with Tax ID No. 513799257, which together hold the majority of the share capital of ATPS.

The amounts shown under rents and lease contracts relate to the rents paid during the year and, as a result of IFRS16, do not correspond to the amount of lease expenses reflected in the financial statements. The estimated rental payment commitments over the term of the respective contracts amount to around 749,468 euros at 30 June 2023.

## 12. Subsequent Events

### Burger King business sale

Under the terms of the SPA, an independent expert was involved in determining the value of the final Net Debt, whose conclusions in the final report issued on August 3, 2023 corroborate, in general terms, the estimates made by management and reflected in the financial statements of June 30, 2023 and December 31, 2022.



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## 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 2023 (that presents a total of Euro 660,170,764 and total equity attributable to the shareholders of Euro 353,481,466, including a net profit attributable to the shareholders of Euro 3,764,841), 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 than 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 2023, are not prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union.

19 September 2023

SIGNED ON THE ORIGINAL

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**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)