



1st Half Results, 2021

Matosinhos, 29th July 2021

Proforma unaudited figures reported according to IFRS 16

SAFE HARBOUR

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

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in the regulation, industry and economic conditions; and the effects of competition. Forward-looking statements may be identified by words such as "believes," "expects," "anticipates," "projects," "intends," "should," "seeks," "estimates," "future" or similar expressions.

Although these statements reflect our current expectations, which we believe are reasonable, investors and analysts, and generally all recipients of this document, are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements.

01.

HIGHLIGHTS

In May 2021, Sonae MC announced to the market that it had reached an agreement for the sale of 50% of Maxmat's share capital. In this context, Maxmat was considered as held for sale and all periods in 2020 and 2021 were restated to consider this asset as a discontinued operation.

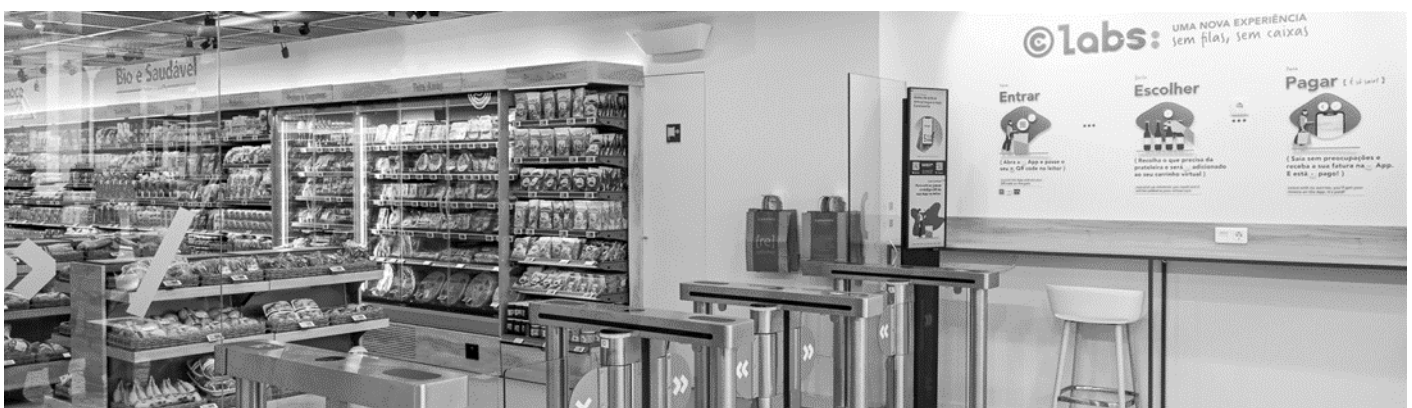
- Turnover increased 5.4% to €2,505m in 1H'21, with 2.3% like-for-like growth amid unwinding national lockdown
- Encouraging additional market share gain in the first half, reflecting customers' high recognition and the Company's unrivalled omnichannel proposition
- Underlying EBITDA margin of 9.4%, +0.2pp year-on-year, boosted by solid topline performance and robust profitability profile, highlighted by the very positive evolution of grocery formats
- E-commerce operation grew 45% in 1H'21, on top of the strong growth achieved last year; the digital transformation progressed, with emphasis in the opening of Continente Labs cashierless store and the launch of the new Continente and Well's online platforms

MESSAGE FROM THE CEO | Luís Moutinho

"In the first semester, Sonae MC remained on track with the favourable momentum carried on from last year, posting a resilient topline performance and a growing market share, despite very strong comparable figures.

As Portugal took the first steps into easing lockdown measures, our teams excelled in providing great customer service and in adapting to new shopping habits, maintaining a disciplined implementation of our strategic pillars. We continued to prioritize Sonae MC's digital transformation, having recently opened the first Continente Labs cashierless store and launched a revamped version of our leading grocery online platform, further developing the merits of our omnichannel approach.

It remains unclear how consumers will respond to changing COVID-19 restrictions and the macro environment will develop in the coming months. Even so, we feel confident to stay at the forefront of the market, and well prepared to continue investing in our sustainable success."



Continente Labs, a pioneering cashierless store

02. OPERATIONAL AND FINANCIAL PERFORMANCE

TURNOVER (€m)	1 st Half				2 nd Quarter			
	2020	2021	Δ y.o.y.	Δ LFL	2020	2021	Δ y.o.y.	Δ LFL
Total Sonae MC	2,377	2,505	5.4%	2.3%	1,205	1,258	4.4%	1.3%
Hypermarkets	823	832	1.1%	1.4%	422	416	-1.3%	-1.2%
Supermarkets	1,210	1,272	5.1%	1.2%	619	633	2.3%	-1.7%
New Growth Businesses & Others	345	401	16.4%	14.3%	165	209	27.0%	41.0%

KEY RESULTS (€m)	1 st Half			2 nd Quarter		
	2020	2021	Δ y.o.y.	2020	2021	Δ y.o.y.
Underlying EBITDA (unEBITDA)	219	235	7.3%	124	128	3.0%
as % of turnover	9.2%	9.4%	0.2pp	10.3%	10.2%	-0.1pp
Net profit (from continuing operations)	40	48	20.3%	31	38	23.9%

- During the second quarter, Portugal gradually eased the COVID-19 related lockdown measures, enabling the progressive opening of the HORECA channel, high street stores and shopping centres. While several lockdown restrictions were still in place in April, from May onwards, the opening of restaurants and cafes led to a rebound of out-of-home consumption, as consumers sought to return to their usual consumption patterns.
- In this context, Sonae MC was able to post a resilient performance, cement its leadership position and maintain customer perception at high levels, amid a backdrop of food inflation close to zero. In the first half, turnover amounted to €2,505m, recording a 5.4% total growth and a 2.3% like-for-like increase, a solid evolution on top of the robust growth achieved in the same period last year. Also, Sonae MC delivered strongly across different banners, both on grocery and non-grocery formats, with continued excellent results on its e-commerce operation.
- Proximity formats enjoyed higher total growth due to the ongoing expansion and the ramp-up of new stores, while larger formats continued posting attractive growth performances. Regarding grocery sales profile, fresh produce (such as fruits & vegetables), take away and healthy nutrition faced a year-on-year increase in demand, reflecting the evolution of lockdown measures and the growing market demand for healthy lifestyles. The Health, Wellness & Beauty segment posted a very strong recovery in 1H'21 versus a challenging 2020, when stores were temporarily closed or endured significant operating restrictions. Total online sales registered double digit growth rates in 1H21 (+45%), having also grown in 2Q'21 despite the abnormal peak demand levels in the same period of 2020.
- Sonae MC kept strengthening its online value proposition, with the launch of new versions of the e-commerce platforms from Continente Online, with distinctive new features and an enhanced shopping experience, and from Well's, with an expanded offer in the areas of perfumery and selective beauty. Additionally, in the first half, Sonae MC provided its customers with a state-of-the-art digital shopping experience, through the opening in Lisbon of Continente Labs, the first cashierless store offered by a European retailer.

- Underlying EBITDA margin in the 1H'21 reached 9.4%, up by 0.2pp y-o-y, resulting from a robust turnover growth and a sustained operational profitability profile, diluting the extra COVID-19 direct related costs (€9m in the 1H'21). The strong trading and operational performance led net profit from continuing operations to attain €48m in the 1H'21, up by €8m year-on-year.

FREE CASH-FLOW AND DEBT (€m)	1 st Half		
	2020	2021	Δ y.o.y.
Free cash-flow	4	-42	-45
Net financial debt	680	664	-2.4%
Lease liabilities	987	1,085	9.9%
Total net debt ¹ to unEBITDA	3.4x	3.3x	-

- Free cash-flow reached €-42m in the 1H'21, reflecting the sound operating result generated in the period, the implementation of the Company's capital expenditure program and working capital seasonal effects. Sonae MC's cash conversion ratio stood at 66.1%.
- Capital investment plans progressed according to schedule, following a typical accelerating pace throughout the year, with gross capex amounting to €68m in 1H'21. Major investments included the opening of 20 new company-operated stores (of which 6 Continente Bom Dia proximity supermarkets), which added +9k square meters of sales area, and the refurbishment of 8 food retail units.
- Sonae MC maintained a solid balance sheet position with net financial debt reaching 664m€, down by €16m year-on-year, after the payment of €140m of dividends relating to FY20 results, signaling the Company's strong cash generation profile. Total net debt¹ in relation to underlying EBITDA stood at 3.3x as of June 2021 (3.4x the end of 1H'20). The debt maturity schedule remained at a comfortable level (average maturity around 4 years; funding needs ensured until YE22) and funding costs remained low. In terms of liquidity, at the end of 1H'21, Sonae MC maintained high amounts of available credit facilities.

03.

OUTLOOK

- The erratic evolution of the pandemic casts doubt on the broader macro outlook. Still, the recent acceleration in the roll-out of the COVID-19 vaccination plan has contributed to improve consumer confidence, and the National Recovery and Resilience plan that will begin to be implemented in the coming months will provide an additional stimulus to the economy and consumption.
- Amid these uncertain times, Sonae MC remains confident that it will continue delivering a top-notch customer service and a superior value proposition, no matter how the roadmap to easing restrictions unfolds. The Company is well positioned to keep succeeding and while the pandemic might be far from over, it looks forward to continuing to capture value-added opportunities in the new times to come.

¹ Total net debt equals net financial debt plus lease liabilities.

04.

OTHER EVENTS

- In May 2021 Sonae MC reached an agreement to sell its 50% share capital in Maxmat to an entity fully owned by BME Group, which already holds the remaining 50% of the share capital of Maxmat. The completion of the transaction is subject to the satisfaction of customary conditions for a transaction of this nature and the closing is expected to take place in the third quarter of 2021.
- This sale is expected to generate a capital gain of approximately €40m, subject to the financial performance of Maxmat until the transaction closing date.
- In July 2021, the Portuguese Competition Authority concluded the analysis process of this transaction, having adopted the decision of non-opposition regarding the respective merger control operation.

A.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED RESULTS (€m)	1 st Half			2 nd Quarter		
	2020	2021	Δ y.o.y.	2020	2021	Δ y.o.y.
Turnover	2,377	2,505	5.4%	1,205	1,258	4.4%
Underlying EBITDA (unEBITDA)	219	235	7.3%	124	128	3.0%
<i>as % of turnover</i>	9.2%	9.4%	0.2pp	10.3%	10.2%	-0.1pp
D&A	-125	-139	11.2%	-62	-65	4.7%
Underlying EBIT (unEBIT)	94	96	2.1%	62	63	1.3%
<i>as % of turnover</i>	3.9%	3.8%	-0.1pp	5.2%	5.0%	-0.2pp
Net financial activity	-40	-39		-19	-18	
Other investment income	0	0		-0	0	
Non-recurring items	-5	-		-5	-	
Equity method	0	1		0	0	
EBT	50	57	15.2%	38	45	18.9%
Income tax	-10	-9		-8	-7	
Minorities	0	0		0	-0	
Net profit (from continuing operations)	40	48	20.3%	31	38	23.9%

CONSOLIDATED BALANCE SHEET (€m)	1 st Half		
	2020	2021	Δ y.o.y.
Net fixed assets	1,607	1,587	-1.3%
Leased assets right-of-use	871	943	8.3%
Goodwill and financial investments	491	475	-3.2%
Working capital	-600	-543	-9.5%
Invested capital	2,369	2,462	3.9%
Shareholders' funds ²	701	713	1.6%
Lease liabilities	987	1,085	9.9%
Net financial debt	680	664	-2.4%
Sources of financing	2,369	2,462	3.9%
Total net debt to unEBITDA	3.4x	3.3x	-

Please visit <https://sonaemc.com/en/financial-information/> for additional information about the results, including a comprehensive glossary.

² Shareholders' funds are deducted from the net book value of Maxmat.



Condensed Consolidated Financial Statements

1st Half, 2021

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021 AND 2020 AND 31 DECEMBER 2020

(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)

(Amounts expressed in euro)

ASSETS	Notes	30 Jun 2021	30 Jun 2020	31 Dec 2020	30 Jun 2020 Pro Forma	31 Dec 2020 Pro Forma
NON-CURRENT ASSETS:						
Property, plant and equipment	5	1,329,681,659	1,358,727,491	1,376,054,222	1,327,278,644	1,344,177,045
Intangible assets	6	256,859,912	256,726,704	257,794,885	256,692,806	257,766,505
Right-of-use assets	7	943,081,072	873,003,072	959,686,479	870,701,679	957,696,772
Goodwill		454,900,067	469,424,119	462,335,419	469,424,119	462,335,419
Investments in joint ventures and associates	8	4,581,677	4,149,453	4,067,808	4,149,453	4,067,808
Other investments	9	15,860,316	17,576,268	15,583,705	17,543,910	15,543,306
Deferred tax assets	10	275,113,794	250,774,197	273,911,572	249,964,514	273,170,077
Income tax assets		4,489,601	4,485,193	4,489,601	4,485,193	4,489,601
Other non-current assets		9,050,947	8,937,502	9,035,366	8,900,938	8,996,646
Total Non-Current Assets		3,293,619,045	3,243,803,999	3,362,959,057	3,209,141,256	3,328,243,179
CURRENT ASSETS:						
Inventories		365,002,629	383,835,062	395,898,596	360,017,274	371,227,573
Trade receivables and other current assets		195,988,931	225,848,139	183,485,532	212,460,069	181,019,248
Income tax assets		43,004,027	54,943,098	31,070,269	54,943,098	29,395,575
Other investments	9	8,059,335	227,711	2,663,026	63,720	2,542,921
Cash and bank balances	11	83,128,242	58,983,586	194,423,583	45,855,475	174,053,202
Total Current Assets		694,583,164	723,837,596	807,541,006	673,339,636	758,238,519
Assets classified as held for sale	4	86,862,983	23,327,876	-	99,672,857	79,714,354
TOTAL ASSETS		4,075,065,192	3,990,969,471	4,170,500,063	3,982,153,749	4,166,196,053
EQUITY AND LIABILITIES						
EQUITY:						
Share capital		1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Legal reserve		198,366,897	186,480,406	186,480,406	186,480,406	186,480,406
Reserves and retained earnings		(537,859,998)	(537,104,770)	(536,028,499)	(537,104,770)	(536,028,499)
Profit/(Loss) for the period attributable to the equity holders of the Parent Company		50,834,037	42,233,331	143,349,796	42,233,331	143,349,796
Equity attributable to the equity holders of the Parent Company		711,340,936	691,608,967	793,801,703	691,608,967	793,801,703
Non-controlling interests	12	52,063,558	49,297,073	49,963,472	49,297,073	49,963,472
TOTAL EQUITY		763,404,494	740,906,040	843,765,175	740,906,040	843,765,175
LIABILITIES:						
NON-CURRENT LIABILITIES:						
Loans	13	751,865,210	709,521,464	654,994,715	709,521,464	654,994,715
Lease liabilities	7	1,006,251,306	918,001,055	1,012,760,194	916,459,770	1,011,594,144
Other non-current liabilities		23,366,915	22,826,762	22,671,960	22,750,597	22,596,427
Deferred tax liabilities	10	355,637,291	328,856,739	356,491,211	327,489,422	355,140,044
Provisions	14	6,837,486	6,959,007	6,334,819	6,959,007	6,334,819
Total Non-Current Liabilities		2,143,958,208	1,986,165,027	2,053,252,899	1,983,180,260	2,050,660,149
CURRENT LIABILITIES:						
Loans	13	3,500,675	17,176,633	5,077,997	16,817,437	4,172,641
Lease liabilities	7	78,657,346	71,612,664	80,149,904	70,616,210	79,146,383
Trade payables and other current liabilities		924,834,518	1,051,447,694	1,066,673,483	1,015,020,748	1,036,235,680
Income tax liabilities		68,348,101	68,771,239	49,667,807	66,738,488	46,662,527
Other tax liabilities		54,850,972	54,349,380	70,551,250	51,704,791	68,933,200
Provisions	14	1,361,548	540,794	1,361,548	540,794	1,361,548
Total Current Liabilities		1,131,553,160	1,263,898,404	1,273,481,989	1,221,438,468	1,236,509,980
Liabilities directly associated with assets classified as held for sale	4	36,149,330	-	-	36,628,981	35,260,749
TOTAL LIABILITIES		3,311,660,698	3,250,063,431	3,326,734,888	3,241,247,709	3,322,430,878
TOTAL EQUITY AND LIABILITIES		4,075,065,192	3,990,969,471	4,170,500,063	3,982,153,749	4,166,196,053

The accompanying notes are part of these condensed consolidated financial statements.

CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021 AND 2020

(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)

(Amounts expressed in euro)	Notes	2 nd Quarter 2021	2 nd Quarter 2020 Restated	30 Jun 2021	30 Jun 2020 Restated (Note 4)
Sales		1,226,643,624	1,184,232,668	2,445,634,792	2,323,684,438
Services rendered		31,544,664	21,211,330	59,162,166	53,415,760
Gains and losses on investments		-	(133)	(1,124,205)	(133)
Other income		21,352,328	18,226,479	40,318,491	35,732,780
Cost of goods sold and materials consumed		(861,691,073)	(851,104,918)	(1,746,782,834)	(1,689,886,020)
External supplies and services		(120,897,192)	(97,270,230)	(230,385,606)	(194,988,026)
Employee benefits expense		(157,364,852)	(146,998,467)	(309,430,440)	(295,624,634)
Other expenses		(12,080,116)	(9,167,429)	(24,567,803)	(18,958,796)
Depreciation and amortisation expenses	4, 5, 6 and 7	(63,984,996)	(62,385,436)	(127,607,923)	(124,049,933)
Provisions and impairment losses		(278,973)	242,416	(9,510,423)	(353,117)
Profit from continuing operations before interests, dividends, share of profit or loss of joint ventures and associates and tax		63,243,414	56,986,280	95,706,215	88,972,319
Dividends received during the year		200,000	-	200,000	100,000
Share of profit or loss of joint ventures and associates	8.2	274,502	264,656	513,869	372,146
Financial income		7,229,031	1,795,133	14,051,739	2,685,690
Financial expense		(25,631,945)	(20,934,611)	(53,216,112)	(42,423,959)
Profit from continuing operations before tax		45,315,002	38,111,458	57,255,711	49,706,196
Income tax expense		(7,018,084)	(7,616,408)	(9,079,147)	(9,912,489)
Profit from continuing operations for the period		38,296,918	30,495,050	48,176,564	39,793,707
Profit/(Loss) from discontinued operations after taxation	4	3,329,811	3,936,057	5,297,008	4,483,603
Consolidated profit/(Loss) for the period		41,626,729	34,431,107	53,473,572	44,277,310
Attributable to owners of the Company:					
Continuing operations		38,012,662	30,675,686	48,185,533	40,044,173
Discontinued operations		1,753,079	2,283,898	2,648,504	2,189,158
		39,765,741	32,959,584	50,834,037	42,233,331
Attributable to non-controlling interests:					
Continuing operations		284,256	(180,635)	(8,969)	(250,466)
Discontinued operations		1,576,732	1,652,158	2,648,504	2,294,445
	12	1,860,988	1,471,523	2,639,535	2,043,979
Profit/(Loss) per share:					
From continuing operations					
Basic	16	0.038013	0.030198	0.048186	0.040044
Diluted	16	0.038013	0.030198	0.048186	0.040044
From discontinued operations					
Basic	16	0.001753	0.002762	0.002649	0.002189
Diluted	16	0.001753	0.002762	0.002649	0.002189

The accompanying notes are part of these condensed consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 JUNE 2021 AND 2020*(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)*

<i>(Amounts expressed in euro)</i>	Notes	2 nd Quarter 2021	2 nd Quarter 2020 Restated	30 Jun 2021	30 Jun 2020 Restated
Net Profit / (Loss) for the period		41,626,729	34,431,107	53,473,572	44,277,310
Items that maybe reclassified subsequently to profit or loss:					
Exchange differences arising on translation of foreign operations		(5,014,413)	1,195,667	(1,119,985)	5,090,095
Changes in hedge and fair value reserves		5,324,566	238,430	4,398,413	(687,723)
Deferred taxes related with other components of comprehensive income		(141,408)	151,574	(294,771)	(1,789)
Others		(30,986)	14,227	(44,338)	875
Other comprehensive income for the period		137,759	1,599,898	2,939,319	4,401,458
Total other comprehensive income for the period		137,759	1,599,898	2,939,319	4,401,458
Total comprehensive income for the period		41,764,488	36,031,005	56,412,891	48,678,768
Attributable to:					
Equity holders of parent company		39,401,893	34,375,937	53,669,593	46,849,088
Non controlling interests		2,362,595	1,655,068	2,743,298	1,829,680

The accompanying notes are part of these condensed consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED 30 JUNE 2021 AND 2020

(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)

	Reserves and Retained Earnings						Net Profit/ (Loss)	Total	Non controlling Controlling Interests (Note 12)	Total Equity
	Share Capital	Legal Reserve	Currency translation Reserve	Hedging Reserve	Other Reserves and Retained Earnings	Total of reserves and retained earnings				
<i>(Amounts expressed in euro)</i>	Attributable to Equity Holders of Parent Company									
Balance as at 1 January 2020	1,000,000,000	177,949,491	7,271,149	(315,627)	(597,134,743)	(590,179,221)	132,300,259	720,070,529	54,735,349	774,805,878
Total comprehensive income for the period	-	-	5,090,086	(475,169)	840	4,615,757	4,233,331	46,849,088	1,829,680	48,678,768
Appropriation of profit of 2019										
Transfer to legal reserves and retained earnings	-	8,530,915	-	-	123,769,344	123,769,344	(132,300,259)	-	-	-
Dividends distributed	-	-	-	-	(75,000,000)	(75,000,000)	-	(75,000,000)	(5,224,091)	(80,224,091)
Capital decrease	-	-	-	-	-	-	-	-	(2,000,000)	(2,000,000)
Others	-	-	-	-	(310,650)	(310,650)	-	(310,650)	(43,865)	(354,515)
Balance as at 30 June 2020	1,000,000,000	186,480,406	12,361,235	(790,796)	(548,675,209)	(537,104,770)	42,233,331	691,608,967	49,297,073	740,906,040
Balance as at 1 January 2021	1,000,000,000	186,480,406	8,006,476	1,959,877	(545,994,852)	(536,028,499)	143,349,796	793,801,703	49,963,472	843,765,175
Total comprehensive income for the period	-	-	(1,119,985)	3,999,879	(44,338)	2,835,556	50,834,037	53,669,593	2,743,298	56,412,891
Appropriation of profit of 2020										
Transfer to legal reserves and retained earnings	-	11,886,491	-	-	131,463,305	131,463,305	(143,349,796)	-	-	-
Dividends distributed	-	-	-	-	(140,000,000)	(140,000,000)	-	(140,000,000)	-	(140,000,000)
Income distribution	-	-	-	-	-	-	-	-	(120,104)	(120,104)
Change percentage in subsidiaries	-	-	-	-	3,891,677	3,891,677	-	3,891,677	(802,776)	3,088,901
Others	-	-	-	-	(22,037)	(22,037)	-	(22,037)	279,668	257,631
Balance as at 30 June 2021	1,000,000,000	198,366,897	6,886,491	5,959,756	(550,706,245)	(537,859,998)	50,834,037	711,340,936	52,063,558	763,404,494

The accompanying notes are part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2021 AND 2020*(Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails.)*

(Amounts expressed in euro)	Notes	2 nd Quarter 2021	2 nd Quarter 2020	30 Jun 2021	30 Jun 2020
OPERATING ACTIVITIES					
Net cash flow from operating activities (1)		97,115,193	206,189,930	111,973,047	180,556,073
INVESTMENT ACTIVITIES					
Cash receipts arising from:					
Investments		3,696,760	167,033	3,959,217	296,965
Property, plant and equipment and intangible assets		1,729,852	394,657	2,430,402	14,207,761
Interests and similar income		180,568	209,491	185,391	226,689
Dividends		200,000	660,609	200,000	760,609
		5,807,180	1,431,790	6,775,010	15,492,024
Cash Payments arising from:					
Investments		(1,904,818)	(535,327)	(2,292,209)	(832,321)
Property, plant and equipment and intangible assets		(32,964,551)	(45,343,495)	(80,104,588)	(103,662,571)
		(34,868,982)	(45,878,822)	(82,396,797)	(104,494,892)
Net cash used in investment activities (2)		(29,061,802)	(44,447,032)	(75,621,787)	(89,002,868)
FINANCING ACTIVITIES					
Cash receipts arising from:					
Loans obtained		289,268,174	654,998,717	629,268,415	1,368,500,311
		289,268,174	654,998,717	629,268,415	1,368,500,311
Cash Payments arising from:					
Lease agreements		(43,497,894)	(32,957,893)	(77,226,848)	(68,910,210)
Loans obtained		(292,066,512)	(705,000,000)	(535,367,744)	(1,322,833,333)
Interests and similar charges		(2,655,471)	(4,063,710)	(5,299,260)	(6,193,306)
Reimbursement of capital and paid in capital		-	(2,000,000)	-	(2,000,000)
Dividends		(140,000,000)	(80,224,091)	(140,120,104)	(80,224,091)
		(478,219,877)	(824,245,694)	(758,013,956)	(1,480,160,940)
Net cash used in financing activities (3)		(188,951,703)	(169,246,977)	(128,745,541)	(111,660,629)
Net increase in cash and cash equivalents (5) = (1) + (2) + (3) + (4)		(120,898,312)	(7,504,079)	(92,394,281)	(20,107,424)
Effect of foreign exchange rate		(91,103)	670	(73,519)	54,288
Effect of discontinued operations	4	7,737,674	-	7,737,674	-
Cash and cash equivalents at the beginning of the period		222,767,265	64,668,705	194,280,818	77,325,668
Cash and cash equivalents at the end of the period		109,697,730	57,163,956	109,697,730	57,163,956

The accompanying notes are part of these condensed consolidated financial statements.

SONAE MC, SGPS, SA

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021 AND 2020

(Translation of condensed consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails)

(Amounts stated in euro)

1 INTRODUCTION

Sonae MC, SGPS, S.A., has its head-office at Rua João Mendonça nº 529, 4464-501 Senhora da Hora, Portugal, and is the parent company of a group of companies.

Pro forma Consolidated Financial Statements

In order to present consolidated financial statements that are comparable to the consolidated financial statements of Sonae MC without the effect of the economic activities of Modelo Continente Internacional Trade, SA related to non- food retail business and additionally after the sale of Maxmat (Note 4), proforma consolidated financial statements were prepared.

2 RELEVANT EVENTS

Covid-19

Sonae MC continues to monitor all the developments related to the Covid-19 pandemic and to adapt all its actions to the current circumstances, according to each business context and to the recommendations and rules established by the competent authorities.

3 PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in preparing the accompanying consolidated financial statements are described below. These policies have been consistently applied in comparative periods.

Basis of presentation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the IFRS Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC"), as adopted by the European Union as from the consolidated financial statements issuance date.

Interim financial statements are presented quarterly, in accordance with IAS 34 – "Interim Financial Reporting". As such, they do not include all the information to be disclosed in the annual consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the previous year.

The accompanying condensed consolidated financial statements have been prepared from the books and accounting records of the company and subsidiaries, adjusted in the consolidation process, on a going concern basis and under the historical cost convention, except for some financial instruments and properties investments which are stated at fair value.

New accounting standards and their impact in these consolidated financial statements:

Up to the date of approval of these consolidated financial statements, the European Union endorsed the following standards, interpretations, amendments and revisions some of which become mandatory during the year 2021:

With mandatory application during the year 2021:	Effective date (for financial years beginning on or after)
IFRS 9, IAS 39, IFRS 7, IFRS 4 e IFRS 16 – Interest Rate Benchmark Reform – Phase 2	01 Jan 2021
Additional exemptions related to the impacts of the reform of the reference interest rates ("IBOR"), and especially the replacement of a reference interest rate by another alternative in the financial instruments traded	

These standards were first applied by Sonae MC Group in 2021, however there were no significant impacts on these financial statements.

The following standards, interpretations, amendments and revisions were endorsed by the European Union and are mandatory for future economic years:

With mandatory application after 2021:		Effective date (for financial years beginning on or after)
IFRS 4 Insurance Contracts – deferral of IFRS 9	End of the deferral of the beginning of the application of IFRS 9 for entities with insurance activity, postponed to 1 January 2023	01 Jan 2021
IAS 16 Property, Plant and Equipment	The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	01 Jan 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Clarification regarding the nature of costs a company should include when assessing whether a contract will be loss-making	01 Jan 2022
IFRS 3 Business Combinations	Update to references to the Conceptual Framework and clarification on the registration of provisions and contingent liabilities within the scope of a business combination	01 Jan 2022
Annual Improvements 2018-2020	Amendments to IFRS 1, IFRS 9, IFRS 16 e IAS 41	01 Jan 2022

The following standards, interpretations, amendments and revisions were not endorsed by the European Union at the date of approval of these consolidated financial statements:

With mandatory application after 2021		Effective date (for financial years beginning on or after)
IFRS 16 Leases Covid 19 - Related Rent Concessions	Proposal to extend the application of the practical expedient on rental rents that affect payments originally due on or before June 2022.	01 Apr 2021
IAS 1 Presentation of Financial Statements	Classification of a liability as current or non-current, depending on the right that an entity has to defer its payment New definition of "settlement" of a liability	01 Jan 2023
IAS 1 Presentation of Financial Statements; IAS 8 Accounting policies, Changes in Accounting Estimates and Errors	Amendments introduced a definition of 'accounting estimates' and included other amendments to IAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates	01 Jan 2023
IFRS 17 Insurance Contracts	New accounting for insurance contracts, reinsurance contracts and investment contracts with discretionary participation characteristics	01 Jan 2023
IFRS 17 Insurance Contracts (amendments)	Inclusion of changes to IFRS 17 in areas such as: i) scope; ii) level of aggregation of insurance contracts; iii) recognition; iv) measurement; v) modification and derecognition; vi) presentation of the Statement of Financial Position; vii) recognition and measurement of the Income Statement; and viii) disclosures	01 Jan 2023
IAS 12 Income Taxes	Clarification of the accounting for deferred tax on leases and decommissioning obligations.	01 Jan 2023

Sonae MC Group did not proceed with the early implementation of any of these standards in the financial statements for the year ended 30 June 2021 due to the fact that their application is not mandatory, being in the process of analysing expected effects of those standards.

4 RESTATEMENT OF CONSOLIDATED FINANCIAL STATEMENTS

In May 2021, Sonae MC reached an agreement to dispose its 50% stake in Maxmat's share capital to an entity fully owned by the BME Group, which already owns the remaining 50% of Maxmat's share capital. The completion of the transaction is depending on the satisfaction of the conditions for this kind of operations and is expected to take place in the third quarter of 2021.

Consequently, Maxmat was considered as a discontinued operation and, as provided by IFRS 5, changes were made to the Statements of the condensed consolidated financial position and in the Consolidated Statements of 30 June 2021 to reflect on a single caption, Non-current assets held for sale, discontinued operations, assets, liabilities and profits or losses after taxation of this discontinued operating unit.

The impacts on the consolidated financial statements as of 30 June 2021 are as follows:

	30 Jun 2021
Amounts expressed in euro	Maxmat
Non-current assets	
Property, plant and equipment (Notes 5 and 6)	32,439,327
Right of use assets (Note 7)	2,258,199
Other investments (Note 9)	46,311
Deferred tax assets	735,797
Total Non-Current Assets	35,479,634
Current assets	
Inventories	23,723,074
Trade receivables and other current assets	1,076,054
Cash and bank balances (Note 11)	26,584,221
Total Current Assets	51,383,349
Assets classified as held for sale	86,862,983
Non-current liabilities	
Lease liabilities	1,494,131
Other non-current liabilities	172,569
Deferred tax liabilities	1,466,329
Total Non-Current Liabilities	3,133,029
Current liabilities	
Loans	26,874
Lease liabilities	914,383
Trade payables and other current liabilities	28,710,918
Other tax liabilities	3,364,126
Total Current Liabilities	33,016,301
Liabilities directly associated with assets classified as held for sale	36,149,330

	30 Jun 2021
	Maxmat
Turnover	59,096,348
Other income	754,553
Cost of goods sold and materials consumed	(37,219,735)
External supplies and services	(6,938,280)
Employee benefits expense	(6,834,936)
Depreciation and amortisation expenses	(1,880,346)
Impairment losses	(2,927)
Other expenses	(564,560)
Financial income and expenses	(66,725)
Profit/(Loss) before tax	6,343,392
Income tax expense	(1,046,384)
Profit/(Loss) after tax	5,297,008
Profit/(Loss) for period from discontinuing operations	5,297,008

The detail of discontinued activities in the period ended 30 June 2020 is as follows:

(Amounts in euro)	30 Jun 2020		
	Before the restatement	Discontinued operations	After the restatement
Sales	2,380,539,844	(56,855,406)	2,323,684,438
Services rendered	50,293,403	3,122,357	53,415,760
Income or expense relating to investments	(133)	-	(133)
Other income	36,034,008	(301,228)	35,732,780
Cost of goods sold and materials consumed	(1,726,212,436)	36,326,416	(1,689,886,020)
External supplies and services	(198,534,392)	3,546,366	(194,988,026)
Employee benefits expense	(302,116,803)	6,492,169	(295,624,634)
Other expenses	(19,386,711)	427,915	(18,958,796)
Depreciation and amortisation expenses	(125,541,608)	1,491,675	(124,049,933)
Provisions and impairment losses	(331,266)	(21,851)	(353,117)
Profit from continuing operations before interests, dividends, share of profit or loss of joint ventures and associates and tax	94,743,906	(5,771,587)	88,972,319
Dividends received	100,000	-	100,000
Share of profit or loss of joint ventures and associates	372,146	-	372,146
Financial income	2,688,079	(2,389)	2,685,690
Financial expense	(42,592,536)	168,577	(42,423,959)
Profit from continuing operations before tax	55,311,595	(5,605,399)	49,706,196
Income tax expense	(11,258,061)	1,345,572	(9,912,489)
Profit from continuing operations for the period	44,053,534	(4,259,827)	39,793,707
Profit/(Loss) from discontinued operations after taxation	223,776	4,259,827	4,483,603
Consolidated profit/(Loss) for the period	44,277,310	-	44,277,310

The detail of discontinued operations in the cash flow statement can be analyzed as follows:

Cash flows for the period from discontinuing operations	At the disposal date
Net cash flow from operating activities	10,071,155
Net cash used in investment activities	(1,550,720)
Net cash used in financing activities	(782,761)
	7,737,674

5 PROPERTY, PLANT AND EQUIPMENT

During the six months period ended 30 June 2021, the movements in Property, plant and equipment as well accumulated depreciation and impairment losses are made up as follows:

Property, plant and equipment	Land and Buildings	Plant and Machinery	Other Tangible Assets	Tangible assets in progress	Total property, plant and equipment
Gross assets:					
Opening balance as at 1 January 2021	1,093,044,101	1,408,316,669	205,041,268	32,346,955	2,738,748,993
Discontinued operations (Note 4)	(33,824,331)	(23,384,013)	(4,256,751)	(9,704)	(61,474,799)
Investment	2,635,558	949,982	713,409	52,649,376	56,948,325
Disposals	(209,025)	(12,599,722)	(2,757,689)	(764,268)	(16,330,704)
Exchange rate effect	-	-	241	-	241
Transfers	1,359,126	42,985,684	6,256,276	(52,304,383)	(1,703,297)
Closing balance as at 30 June 2021	1,063,005,429	1,416,268,600	204,996,754	31,917,976	2,716,188,759
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2021	371,741,713	842,137,938	148,815,120	-	1,362,694,771
Discontinued operations (Note 4)	(9,801,566)	(16,072,212)	(3,215,614)	-	(29,089,392)
Depreciation	8,101,443	48,275,138	8,461,414	-	64,837,995
Disposals	(19,653)	(10,559,839)	(2,681,239)	-	(13,260,731)
Exchange rate effect	-	-	89	-	89
Transfers	-	(51,160)	(47,413)	-	(98,573)
Closing balance as at 30 June 2021	370,021,937	865,152,806	151,332,357	-	1,386,507,100
Carrying amount					
As at 30 June 2021	692,983,492	551,115,794	53,664,397	31,917,976	1,329,681,659

6 INTANGIBLE ASSETS

During the six months period ended 30 June 2021, the movement occurred in intangible assets and in the corresponding accumulated amortisation and impairment losses, was as follows:

Intangible Assets	Industrial property	Software	Others intangible assets	Intangible assets in progress	Total Intangible Assets
Gross cost					
Opening balance as at 1 January 2021	152,184,418	370,669,588	9,208,907	24,849,887	556,912,800
Discontinued operations (Note 4)	(1,472,383)	(310,575)	-	-	(1,782,958)
Investment	-	191,550	-	12,771,819	12,963,369
Disposals	(7,756)	(635)	-	(381,874)	(390,265)
Transfers	33,567	4,977,148	-	(4,248,313)	762,402
Closing balance as at 30 June 2021	150,737,846	375,527,076	9,208,907	32,991,519	568,465,348
Accumulated depreciation and impairment losses					
Opening balance as at 1 January 2021	18,444,330	272,739,767	7,933,818	-	299,117,915
Discontinued operations (Note 4)	(1,472,352)	(256,686)	-	-	(1,729,038)
Depreciation of the period	76,170	14,152,823	8,322	-	14,237,315
Disposals	(7,756)	(189)	-	-	(7,945)
Transfers	-	(12,811)	-	-	(12,811)
Closing balance as at 30 June 2021	17,040,392	286,622,904	7,942,140	-	311,605,436
Carrying amount					
As at 30 June 2021	133,697,454	88,904,172	1,266,767	32,991,519	256,859,912

As at 30 June 2021 the Investment related to intangible assets in progress includes 12.8 million euro related to IT projects and software development. Within that amount it is included 4.6 million euro of capitalizations of personnel costs related to own work.

7 RIGHTS OF USE

During the period of six months ended on 30 June 2021, the detail and the movement in the value of the rights of use, as well as in the respective depreciations, was as follows:

	Land and Buildings	Vehicles	Others tangible assets	Total tangible assets
Gross assets				
Opening balance as at 1 January 2021	1,337,205,872	84,420,686	952,544	1,422,579,102
Additions	34,098,186	2,206,157	583,032	36,887,375
Discontinued Operations (Note 4)	(6,245,505)	(199,905)	-	(6,445,410)
Write-offs and decreases	(5,995,129)	(656,933)	-	(6,652,062)
Closing balance as at 30 June 2021	1,359,063,424	85,770,005	1,535,576	1,446,369,005
Accumulated depreciation and impairment				
Opening balance as at 1 January 2021	421,940,095	40,529,836	422,692	462,892,623
Depreciation of the period	39,695,104	10,656,509	61,346	50,412,959
Discontinued Operations (Note 4)	(4,065,714)	(121,497)	-	(4,187,211)
Write-offs and transfers	(5,492,568)	(337,870)	-	(5,830,438)
Closing balance as at 30 June 2021	452,076,917	50,726,978	484,038	503,287,933
Carrying amount				
As at 30 June 2021	906,986,507	35,043,027	1,051,538	943,081,072

Liabilities related to rights of use are recorded under non-current and current lease liabilities amounting to 1,006 million euro and 79 million euro respectively (1,013 million euro and 80 million euro at 31 December 2020).

In the consolidated income statement, 49.5 million euros were recognised for depreciation of the period (46.3 million euros in 30 June 2020) and 34.7 million of euros of interest relating to the adjusted debt (31.8 million in 30 June 2020).

8 JOINT VENTURES AND ASSOCIATED COMPANIES

8.1 DETAIL OF BOOK VALUE OF INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Joint ventures and associates, their head offices, percentage of share capital held and their value in the statement of financial position as at 30 June 2021 and 31 December 2020 are as follows:

Company	Head Office	Percentage of capital held				Statement of financial position	
		30 Jun 2021		31 Dec 2020		30 Jun 2021	31 Dec 2020
		Direct*	Total*	Direct*	Total*		
Sohi Meat Solutions - Distribuição de Carnes, SA	Santarém	50.00%	50.00%	50.00%	50.00%	3,802,455	3,364,636
Maremor Beauty & Fragances, S.L.	Madrid	50.00%	30.00%	50.00%	30.00%	154,323	139,077
Investments in joint ventures						3,956,778	3,503,713
Sempre a Postos - Produtos Alimentares e Utilidades, Lda	Lisbon	25.00%	25.00%	25.00%	25.00%	624,899	564,095
Investment in associates companies						624,899	564,095
Total						4,581,677	4,067,808

* the percentage of "Total" capital held is the total percentage of interest held by the parent company's shareholders; the percentage of "Direct" capital held corresponds to the percentage directly held by the subsidiary(s) in the share capital of that company.

Jointly controlled companies and associated companies were included in the consolidated financial statements by the equity method.

8.2 MOVEMENTS OCCURED IN THE PERIOD

During the period ended at 30 June 2021, movements in investments in joint ventures and associates are as follows:

	30 Jun 2021		
	Proportion on equity	Goodwill	Total investment
Investments in joint ventures			
Initial balance as at 1 January	3,503,713	-	3,503,713
Equity method:			
Effect in gain or losses in joint controlled and associated companies	453,065	-	453,065
	3,956,778	-	3,956,778
Investments in associates companies			
Initial balance as at 1 January	564,095	-	564,095
Equity method:			
Effect in gain/losses in associated companies	60,804	-	60,804
	624,899	-	624,899
Total	4,581,677	-	4,581,677

9 OTHER INVESTMENTS

Other non-current investments, their head offices and book value as at 30 June 2021 and 31 December 2020, are as follows:

Company	Head Office	Percentage of capital held				Statement of financial position	
		30 Jun 2021		31 Dec 2020		30 Jun 2021	31 Dec 2020
		Direct	Total	Direct	Total		
Dispar - Distrib. de Participações, SGPS, SA	Lisbon	14.28%	14.28%	14.28%	14.28%	9,976	9,976
Insco - Insular de Hipermerc., SA	Ponta Delgada	10.00%	10.00%	10.00%	10.00%	4,748,744	4,748,744
Spoessence - Spor Retail, SA	Ponta Delgada	10.00%	10.00%	10.00%	10.00%	595,964	595,964
Other investments						10,505,632	10,229,021
						15,860,316	15,583,705

As at 30 June 2021 the caption "Other investments" includes, among others, 7,260,767 euro (7,282,500 euro in 31 December 2020) related to deposited amounts on an Escrow Account applied in investment funds with superior rating, which is a guarantee for contractual liabilities assumed in the disposal of a Brazil Retail business and for which provisions were recorded in the applicable situations (Note 14).

At 30 June 2021, the movements in "Other Investments" are made up as follows:

	30 Jun 2021	
	Non Current	Current
Other investments:		
Opening balance as at 1 January	15,583,705	-
Acquisitions in the period	703,143	-
Disposals in the period	(381,052)	-
Discontinued Operations (Note 4)	(46,311)	-
Others	831	-
Closing balance as at 30 June	15,860,316	-
Derivative financial instruments		
Fair value as at 1 January	-	2,663,026
Increase/(Decrease) in fair value	-	5,396,309
Fair value as at 30 June	-	8,059,335
Total of Other Investments	15,860,316	8,059,335

10 DEFERRED TAXES

Deferred tax assets and liabilities as at 30 June 2021 and 31 December 2020 considering the different natures of temporary differences, may be described as follows:

	Deferred tax assets		Deferred tax liabilities	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Difference between fair value and acquisition cost	3,922,217	3,922,217	18,842,401	18,912,605
Temporary differences on property, plant and equipment and intangible assets	6,974	7,354	83,240,646	82,654,776
Provisions and impairment losses not accepted for tax purposes	11,357,412	11,688,111	-	-
Valuation of hedging derivatives	23,744	196,852	143,085	38,128
Amortisation of goodwill for tax purposes in Spain	-	-	36,644,983	33,736,644
Revaluation of property, plant and equipment	-	-	547,923	593,714
Tax losses carried forward	9,061,744	9,018,676	-	-
Reinvested capital gains/(losses)	-	-	117,094	128,705
Rights of use	244,116,336	246,409,201	216,099,244	220,424,725
Tax Benefits	4,839,735	1,064,891	-	-
Others	1,785,632	1,604,270	1,915	1,914
	275,113,794	273,911,572	355,637,291	356,491,211

As at 30 June 2021, the tax rate to be used in Portuguese companies, for the calculation of the deferred tax assets relating to tax losses is 21%. The tax rate to be used to calculate deferred taxes in temporary differences in Portuguese companies is 22.5% increased by the state surcharge in companies in which the expected reversal of those deferred taxes will occur when those rates will be applicable. For companies or branches located in other countries, rates applicable in each jurisdiction were used.

11 CASH AND CASH EQUIVALENTS

As at 30 June 2021 and 31 December 2020, Cash and cash equivalents are as follows:

	30 Jun 2021	31 Dec 2020
Cash at hand	10,572,291	10,381,745
Bank deposits	72,541,914	184,026,501
Treasury applications	14,037	15,337
Cash and bank balances on the statement of financial position	83,128,242	194,423,583
Cash and cash equivalents transferred to assets held for sale (Note 4)	26,584,221	-
Bank overdrafts (Note 13)	(14,733)	(142,765)
Cash and bank balances in the statement of cash flows	109,697,730	194,280,818

Bank overdrafts include current account credit balances with financial institutions and are disclosed in the statement of financial position under "Loans".

12 NON-CONTROLLING INTERESTS

During the period ended 30 June 2021, the movement in non-controlling interests is detailed as follows:

	30 Jun 2021					Total
	Elegone	Arenal	Fundo de Investimento Imobiliário Imosonae Dois	Maxmat	Others	
Opening balance as at 1 January	3,719,181	21,907,264	2,011,749	22,325,286	(8)	49,963,472
Income distribution from investment funds	-	-	(120,104)	-	-	(120,104)
Changes in shareholding interests	(3,430,513)	-	2,627,737	-	-	(802,776)
Changes in hedging reserves	-	-	-	103,763	-	103,763
Others	-	-	264,140	15,527	1	279,668
Profit for the period attributable to non-controlling interests	(288,668)	368,142	(88,443)	2,648,504	-	2,639,535
Closing balance as at 30 June	-	22,275,406	4,695,079	25,093,080	(7)	52,063,558

13 LOANS

As at 30 June 2021 and 31 December 2020, loans are made up as follows:

	30 Jun 2021		31 Dec 2020	
	Outstanding amount		Outstanding amount	
	Current	Non Current	Current	Non Current
Bank loans				
Sonae MC, SGPS, S.A. - commercial paper	-	240,976,400	-	140,000,000
Sonae MC 2018/2031	-	55,000,000	-	55,000,000
Subsidiary of Sonae MC 2014/2023	-	50,000,000	-	50,000,000
Subsidiary of Sonae MC 2015/2023	-	20,000,000	-	20,000,000
Subsidiary of Sonae MC 2017/2025	3,333,333	10,000,000	3,333,333	13,333,333
Subsidiary of Sonae MC / 2020/2025	-	55,000,000	-	55,000,000
Others	2,193	-	364,178	1,087,500
	3,335,526	430,976,400	3,697,511	334,420,833
Bank overdrafts (Note 11)	14,733	-	142,765	-
Up-front fees beard with the issuance of borrowings	-	(41,475)	-	(124,853)
Bank loans	3,350,259	430,934,925	3,840,276	334,295,980
Bonds				
^{1) and 2)} Bonds Sonae MC / December 2015/2024	-	50,000,000	-	50,000,000
^{1) and 3)} Bonds Sonae MC / July 2015/2022	-	75,000,000	-	75,000,000
^{1) and 2)} Bonds Sonae MC / December 2019/2024	-	30,000,000	-	30,000,000
¹⁾ Bonds Sonae MC / April 2020/2027	-	95,000,000	-	95,000,000
Bonds Sonae MC / July 2020/2025	-	50,000,000	-	50,000,000
Bonds Sonae MC / July 2020/2025	-	22,500,000	-	22,500,000
Up-front fees beard with the issuance of borrowings	-	(1,569,715)	-	(1,801,265)
Bonds	-	320,930,285	-	320,698,735
Other loans	55,438	-	66,927	-
Derivative	94,978	-	1,170,794	-
Other loans	150,416	-	1,237,721	-
	3,500,675	751,865,210	5,077,997	654,994,715

- 1) Formerly called Sonae Investimentos, SGPS;
- 2) Bonds' maturity extended until 2024;
- 3) Formerly known as "Bonds Sonae MC / May 2015/2022", meanwhile added and maturing in July 2022.

The interest rate at 30 June 2021 on bond loans and bank loans averaged approximately 1.04% (1.13% at 31 December 2020). Bonds and bank loans are mostly indexed to variable rates and indexed to Euribor.

It is estimated that the book value of all loans does not differ significantly from its fair value, determined based on discounted cash flows methodology.

The loans face value, maturities and interests are as follows (including obligations under financial leases):

	30 Jun 2021	31 Dec 2020
N+1	3,405,697	3,907,204
N+2	194,444,444	189,420,833
N+3	200,420,845	99,444,444
N+4	173,444,444	99,444,444
N+5	97,611,111	155,944,444
After N+5	87,555,556	112,666,668
	756,882,097	660,828,037

The maturities presented above were estimated according to the contractual clauses of the loans and considering Sonae MC's best expectation as to its amortization date.

As at 30 June 2021, Sonae MC has, as detailed below, cash and bank balance equivalents in the amount of 83 million euro (194 million euro as at 31 December 2020) and available credit lines as follows:

	30 Jun 2021		31 Dec 2020	
	Commitments of less than one year	Commitments of more than one year	Commitments of less than one year	Commitments of more than one year
Unused credit facilities	40,500,000	220,500,000	94,000,000	265,000,000
Agreed credit facilities	40,500,000	461,476,400	94,000,000	405,000,000

14 PROVISIONS AND IMPAIRMENT LOSSES

Movements in "Provisions and impairment losses" during the period ended 30 June 2021 are as follows:

	Balance as at 1 January 2021	Increase	Decrease	Transfers and other movements	Balance as at 30 June 2021
Accumulated impairment losses on investments	769,213	-	-	-	769,213
Impairment losses on property, plant and equipment	90,728,626	1,422,941	(34,077)	(604,294)	91,513,196
Impairment losses on intangible assets	6,664,435	-	-	-	6,664,435
Accumulated impairment losses on trade receivables	3,877,529	970,606	(471,490)	(66)	4,376,578
Accumulated impairment losses on other current debtors	2,933,585	405,980	(425,803)	(5,827)	2,907,935
Non current provisions	6,334,819	-	-	502,667	6,837,486
Current provisions	1,361,548	-	-	-	1,361,548
	112,669,755	2,799,526	(931,370)	(107,520)	114,430,391

Impairment losses are deducted from the value of the corresponding asset.

15 RELATED PARTIES

Balances and transactions with related entities can be detailed as follows:

	Parent company		Jointly controlled companies	
	30 Jun 2021	30 Jun 2020 Restated	30 Jun 2021	30 Jun 2020 Restated
Sales & Services rendered	1,224,709	1,284,685	1,345,478	1,241,823
Other income	60,610	61,966	44,873	27,950
Cost of goods sold and materials consumed	-	-	141,714,430	139,018,401
External supplies and services	2,793,317	2,771,467	618,146	669,401
Other expenses	-	-	328	-
Financial expense	24,923	217,058	-	-
	4,103,559	4,335,176	143,723,255	140,957,575

	Associated companies		Other Related Parties	
	30 Jun 2021	30 Jun 2020 Restated	30 Jun 2021	30 Jun 2020 Restated
Sales & Services rendered	24,137,066	20,881,256	43,343,452	45,799,328
Other income	76,920	72,652	6,811,404	4,519,632
Cost of goods sold and materials consumed	-	-	10,743,387	12,547,406
External supplies and services	-	-	11,568,886	9,262,116
Other expenses	3	-	153,070	168,257
Financial expense	-	-	4,384,435	2,649,196
	24,213,989	20,953,908	77,004,634	74,945,935

	Parent company		Jointly controlled companies	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Trade receivables	276,488	308,931	718,453	720,912
Other receivables	14,550	64,077	37,212	356,299
Income tax assets	25,982,070	14,321,505	-	-
Other current assets	19,199	40,467	-	-
Trade payables	2,042,084	2,227,723	75,970,960	78,954,260
Other payables	1,209,312	1,401,946	-	-
Income tax liabilities	21,155,031	13,761,526	-	-
Other current liabilities	628,045	710,839	232,200	154,932
	51,326,779	32,837,014	76,958,825	80,186,403

	Associated companies		Other Related Parties	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Other non-current assets	-	-	1,245,779	-
Trade receivables	2,322,574	3,220,747	17,684,139	21,340,560
Other receivables	11,626	9,261	7,377,570	10,721,681
Income tax assets	-	-	8,324,703	6,911,074
Other current assets	-	-	7,821,994	3,468,847
Other non-current liabilities	-	-	346,774	347,197
Trade payables	2,097	2,097	5,010,704	7,867,024
Other payables	-	-	1,399,702	9,241,595
Income tax liabilities	-	-	33,639,656	30,755,419
Other current liabilities	-	-	13,848,554	14,800,700
	2,336,297	3,232,105	96,699,575	105,454,097

	Parent company		Jointly controlled companies	
	30 Jun 2021	30 Jun 2020 Restated	30 Jun 2021	30 Jun 2020 Restated
Property, plant and equipment acquisitions	-	172	1,804	-
Property, plant and equipment disposals	3,602	2,783	3,706	-
	3,602	2,955	5,510	-

	Associated companies		Other Related Parties	
	30 Jun 2021	30 Jun 2020 Restated	30 Jun 2021	30 Jun 2020 Restated
Property, plant and equipment acquisitions	-	-	425,709	1,298,165
Property, plant and equipment disposals	-	-	51,614	277,374
Intangible Assets acquisitions	-	-	771,780	814,286
Intangible Assets disposals	-	-	-	10,570
	-	-	1,249,103	2,400,395

16 EARNINGS PER SHARE

Earnings per share for the periods ended 30 June 2021 and 2020 were calculated taking into consideration the following amounts:

	30 Jun 2021		30 Jun 2020 Restated	
	Continuing Operations	Discontinuing Operations	Continuing Operations	Discontinuing Operations
Net profit				
Net profit taken into consideration to calculate basic earnings per share (consolidated profit for the period)	48,185,533	2,648,504	40,044,173	2,189,158
Net profit taken into consideration to calculate diluted earnings per share	48,185,533	2,648,504	40,044,173	2,189,158
Number of shares				
Weighted average number of shares used to calculate basic earnings per share	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Effect of dilutive potential ordinary shares from convertible bonds	-	-	-	-
Weighted average number of shares used to calculate diluted earnings per share	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Earnings per share (basic and diluted)				
Basic	0.048186	0.002649	0.040044	0.002189
Diluted	0.048186	0.002649	0.040044	0.002189

17 SUBSEQUENT EVENTS

On the 15 July 2021, the Portuguese Competition Authority concluded the analysis process of the disposal of 50% of Maxmat (Note 4), having adopted the decision of non-opposition to this operation. The closing of this operation is expected to take place in the third quarter 2021.

18 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors in a meeting held on 23 July 2021.

The Board of Directors,

Maria Cláudia Teixeira de Azevedo

Ângelo Gabriel Ribeirinho dos Santos Paupério

João Pedro Magalhães da Silva Torres Dolores

António Carlos Merckx de Menezes Soares

Ricardo Emanuel Mangana Monteiro

Luís Miguel Mesquita Soares Moutinho

Rui Manuel Teixeira Soares de Almeida

Isabel Sofia Bragança Simões Barros

José Manuel Cardoso Fortunato