

TRADING STATEMENT, 2021

Matosinhos, 25th January 2022

01. HIGHLIGHTS

Following another year marked by the constraints related to the Covid-19 pandemic:

- Sonae MC was able to further strengthen its leadership position with a sound sales performance and a growing market share, an evolution founded on a strong relationship with the Portuguese consumer through these challenging times
- Turnover reached €5,362m, with a total basis increase of 6.3%, and a like-for-like comparison rise of 3.4%, a performance built on top of 2020 growth and sustained across all business segments
- The Company continued its expansion efforts, both in its physical network, with the opening of 64 company operated stores (+25k sqm), and in its digital presence, with a sales growth of approximately 30% that reinforced its leadership in the e-commerce space

MESSAGE FROM THE CEO | Luís Moutinho

"Sonae MC's trading performance in 2021 is a motive of great pride for us: after an unparalleled 2020, the Company continued to push through with tenacity, agility and competence, delivering remarkable growth figures, both on a total basis and same-store comparison, in a highly uncertain and demanding context.

These results are even more relevant as we surpassed market growth, which allowed us to reinforce our leadership, and reflect the combined impact of an ambitious strategy, a firm commitment of our teams, a non-negotiable customer focus, and the ability to adjust our value propositions when we were urged to do so.

2022 will bring different challenges: we are confident to be in a privileged position to overcome all difficulties and find new opportunities to exceed our customers' expectations, keeping the Company on its path of solid growth, with an enhanced ambition and a strong sense of purpose."



A Continente store interior during the 2021 holiday season

02. TURNOVER PERFORMANCE

TURNOVER (€m)	Full-year				4 th Quarter			
	2020	2021	Δ y.o.y.	Δ LFL	2020	2021	Δ y.o.y.	Δ LFL
Total Sonae MC	5,044	5,362	6.3%	3.4%	1,358	1,479	8.9%	6.3%
Hypermarkets	1,758	1,800	2.4%	2.6%	490	519	5.9%	6.1%
Supermarkets	2,527	2,677	5.9%	2.4%	667	714	7.1%	4.3%
New Growth Businesses & Others	759	885	16.5%	13.6%	201	246	22.4%	18.3%

- In 2021, Portuguese food retail industry volumes continued rising, in an environment of economic recovery and gradual normalization of consumption, although still marked by uncertainty and constraints related to the pandemic.
- In the full-year, Sonae MC showed significant growth, above market trend, reinforcing its leadership position. Turnover reached €5,362m, an increase of 6.3% y.o.y. and 3.4% on a like-for-like perspective, in a context of low food inflation (below 1%), although accelerating towards the end of the year. The fourth quarter performance confirmed and took further the growth of the previous months, leveraging on the strong sales during the holiday season.
- In this second year of the Covid-19 crisis, Sonae MC's efforts to address changing consumer needs and preferences throughout the different phases of the pandemic have continued to pay off, with consumers recognizing the distinctiveness of the Company's value proposition. Sonae MC was able to grow in every grocery format, over a robust 2020 basis, and despite the recovery of the HORECA channel: Hypermarkets and Supermarkets grew both in like-for-like (2.6% and 2.4%) and total basis figures (2.4% and 5.9%). As for New Growth Businesses, returning consumer habits and expansion efforts fostered a 16.5% growth (13.6% like-for-like), against a very challenging previous year. Total online sales augmented approximately 30%, on top of the 2020 growth.
- The permanent adjustment of the value proposition in the face of changing circumstances was essential to support this performance: in addition to the continuous improvements ensured in stores (in assortment, processes and service), other key options, such as, launching the new online portals for both Continente and Wells' brands, the upgrade of the Azambuja distribution center, (that allows for better product and service quality), the opening of the first cashierless store by a European food retailer, and the ramping-up of the new beauty retail concept in Portugal, were noteworthy initiatives that unfolded in 2021.
- Sonae MC continued to invest in its store network, seeking to strengthen its proximity to customers, the effectiveness in responding to all shopping missions, as well as the customers' overall purchasing experience. In 2021, the Company opened 64 new company-operated stores (of which 12 Continente Bom Dia proximity stores), adding 25k sqm to total sales area. At the year-end, the Company's store network consisted of 1,343 units (including franchises), with a total sales area of 911k sqm, a distinguished asset in the Portuguese competitive landscape.

SAFE HARBOUR

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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.

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