Publicly Listed Company

Head Office: Edifício Península, Praça do Bom Sucesso, n.º 105 a 159 – 9 º andar, 4150 – 146 Porto

Share Capital: 42,359,577 €

Registered at the Porto Commercial Registry Office under registration and tax identification number 501669477

2023 INTEGRATED MANAGEMENT REPORT

CONTENTS

1. INTRODUCTION

1.1 Message from the Chairman of the Board

The Ibersol Group continues to be a model of modern catering management, respected by partners and *stakeholders* in the markets where it operates. That's why, even in a year marked by negative challenges, such as continued global geopolitical tension and inflation, we continued with our expansion and remodelling plans at our Pizza Hut, KFC, Pans and Taco Bell brand restaurants, to which we added the high dynamics of our Travel business unit in the Spanish market.

In order to fulfil this goal of growth and sustainability, we have been very attentive to, and focused on, our customers, responding to their expectations and keeping up with market trends through relevant value propositions for each segment, in the knowledge that a relevant value proposition in itself determines a number of very sensitive variables that require the high level of know-how we possess.

In this sense, we had to continue to find balances in the Group's structure so that the pressure from the price increases in raw materials would not be a factor in reducing our results, and these efforts have been driving growth in our volume of transactions and increasing market share in the locations where we operate, whether on the high street, in the shopping centre or through home delivery.

We continue with the great challenge of training and retaining our employees, as they are a key factor in our business. Our employees have been catalysts for positive experiences and excellence at all levels: in care, service, product, operations, attention and availability.

And we have done all this in line with our values, which we renewed at the end of 2023, and which are now represented by the acronym SPICE, bringing together the five major dimensions of our values: Sustainability, People, Innovation, Customers and Excellence. These values strengthen our DNA and reaffirm our principles and ambition for the future.

We expect 2024 to be another year of major challenges and continued high levels of uncertainty. In this context, now as in the past, we are a leading modern catering group that has demonstrated its solidity and unique character.

We have overcome a pandemic and portfolio acquisitions, we have grown our brands and won concessions, we have increased sales in a highly volatile scenario and all of this has only been possible due to our resilience, mobilisation capacity and recognised leadership in the segment.

In this journey, it is important to emphasise the support of all those who have shown their recognition and preference for our Group, namely *stakeholders*, customers, employees, partners, suppliers, investors and civil society.

A new financial year is approaching, and it brings new challenges, for which we are prepared and mobilised.

1.2 About this report

This report represents another exercise in integrated disclosure of the Ibersol Group's financial and non-financial performance, consolidating the format adopted in recent years and preparing for a series of changes that will take place within the scope of the European Union's new sustainability reporting requirements.

The report complies with the principles and requirements of the *International Financial Reporting Standards* (IFRS) and the European Non-Financial Reporting Directive (NFRD) in its transposition into national law through Decree-Law 89/2017, as well as the European Union's Green Taxonomy regulations (Regulation (EU) 2020/852 of the European Parliament and subsequent delegated regulations).

The document also uses the generic principles and specifications of the GRI *(Global Reporting Initiative*) standards as a reference, particularly with regard to materiality and sustainability issues.

In terms of structure, the "strategic framework" section has been revised in order to clearly and succinctly highlight some of the aspects related to the impacts, risks and opportunities associated with issues considered emerging and material within the scope of the current sustainability strategy. This approach paves the way for the "sustainability demonstration" to be carried out in the next financial year, in light of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), in which, through the dual materiality assessment, we will carry out a more exhaustive and systematic revision of all the topics considered relevant to the strategic definition of sustainability.

This document also highlights the Ibersol Group's high level of commitment to the United Nations Global Compact, the formal endorsement of which was finalised during the 2023 financial year, as well as to the United Nations 2030 Agenda and the Sustainable Development Goals (SDGs).

The scope of the report is the activity of the Ibersol SGPS SA Group throughout the 2023 financial year. Any gaps in non-financial information which, due to the natural and cyclical complexity of the Group's operations cannot yet be reported, are duly noted throughout the document, and are being progressively remedied.

1.3 Main events

2023 was a very complex and challenging year, with various factors disrupting the economy and consumers in the markets in which the Ibersol Group operates.

Firstly, the ongoing war in Ukraine and its impacts, which continued to create major problems in the logistics supply chain, but also continuing high fuel costs, which led to an increase in the cost of products from suppliers and services.

On the other hand, inflation remained high, putting pressure on families' economic capacity, coupled with rising interest rates, particularly on mortgage loans, further exacerbating this pressure on families' disposable income.

Despite this scenario, the Ibersol Group continued with its investment plan, opening and remodelling restaurants under its main brands.

We also launched the Pret A Manger brand, a famous British chain of organic sandwiches and coffees, founded over 30 years ago in London, which joined our portfolio of brands with the opening of two restaurants in Spain. The first unit opened in Barcelona's Josep Tarradella Airport – El Prat and the second in the Sky Centre, in the Airside area of Terminal 1 of the same airport.

These first Pret A Manger openings mark the beginning of the undertaking of new projects in the travel segment, with special attention to concessions in major transport hubs with airports in Spain. Proof of this are the important concessions that the Group has won in Madrid, Malaga, and Tenerife.

The year was also marked by a dynamic of openings of the Pizza Hut brand with new restaurants in Beja, Guarda and Torres Novas. This translated into dozens of new jobs, and new spaces for our customers to enjoy the most delicious pizzas on the market.

In 2023, KFC added ten new restaurants to its portfolio, nine in Portugal – Santa Iria da Azóia, Beja, Carregado, Viseu, Feijó, Abrantes, Loures, Madeira, and Algés – and one in Spain, which also contributed to job creation.

In the last quarter of the year, Taco Bell opened five new restaurants in Lisbon, Montijo, Sintra, Albufeira and the centre of Porto, bringing the total to 21 restaurants in just four years.

Accompanying the social dynamics of major events, and in addition to these important openings, several Ibersol Group brands, namely KFC, Pans & Company, Pizza Hut, Taco Bell and Travel segment units, took part in the major event that was World Youth Day, thanks to the Ibersol Group's partnership with the World Youth Day Foundation.

Looking at our Staff, in Portugal we launched an innovative Health Insurance scheme for employees with more than one year seniority and a permanent contract, with a wide range of advantages, thus extending this benefit to a large number of employees.

The year was also marked by the renewal of the Ibersol Values, which consisted of the internalisation of a very strong *employer branding* philosophy and which are reflected in the new values presented through a vast internal communication campaign with employees and which it is important to mention at this point: We Exist for the Customer; We Are Sustainable and Inclusive; We Value Our People; We Like to Undertake and Innovate; We are creative and Promote Excellence; We always do Better.

1.4 Main indicators

The following indicators stand out in regard to 2023.

Activity indicators (CG)

Turnover from continuing operations	418,2M€ (vs. 355,6M€ in 2022)
EBITDA from continuing operations	73,7M€ (vs. 61,2M€ in 2022)
Consolidated Net Result from continuing operations	14,6€ (vs. 16,7M€ in 2022)
Number of Restaurants (as of 31-12-23)	TOTAL: 502 · Portugal: 314 · Spain: 178 · Angola: 10

Social Indicators

Number of Staff (in 31-12-23)	TOTAL: 7623 · Portugal: 5165 · Spain: 2279 · Angola: 326
Gender Diversity	TOTAL: F 55% | M 45% · Portugal: F 53% | M 47% · Spain: F 61% | M 39% · Angola: F 45% | M 55%
Nationality Diversity	+ 36 Nationalities throughout the Group
Hours of Training	569.431 hours in Portugal F 57% | M 43%
Food and Meal Donation	~39.000 meals (13,6 tons of food) in the catering activity
Value of Donations	~ 56.000€

Environmental Indicators

100% Selective separation of waste materials and cooking oil	~ 475 tonnes of used cooking oil sent for biodiesel
Electricity Consumption	Portugal: 34.542 MWh Spain: 11.688 MWh Solar Panel Production: 11,5 MWh
Natural Resources Consumption	Gas (energetic equiv.) · Portugal): 6.308 MWh · Spain: 1.781 MWh Water (Portugal): 150.500 m^3
Indirect CO_2 Emissions (linked to electrical energy consumption)	Portugal: 9.050 ton Spain: 2.197 ton
Direct CO_2 Emissions (linked to gas consumption)	Portugal: 1.167 ton Spain: 324 ton
Avoided CO_2 Emissions (Solar panel production)	Total: 3,0 ton
Proportion of packaging materials in Kg (Source: SPV, Portugal)	Plastic: 14% Paper/Cardboard: 83% Others: 3%

Product Quality and Innovation Indicators

Number of Lab Controls	TOTAL: 2 676 · Portugal: 1 449 · Spain: 1 027 · Angola: 200
Number of external Food Safety audits	TOTAL: 1 288 · Portugal: 884 · Spain: 364 · Angola: 40
Number of Food Safety Complaints per	Portugal: 0,25

100,000 transactions	Spain: 0,04 Angola: 0
Guest Experience Survey	Over 143,000 customers surveyed
Brands/businesses with a range of products aimed at vegetarian and/or vegan diets	Pizza Hut, pasta caffé, Miit, pans, TACO BELL, Catering, Travel

2. STRATEGIC FRAMEWORK

2.1 Economic, sectorial, and regulatory context

Economic and Sectorial Framework

Global situation

The European Central Bank's macroeconomic projections indicate that the world economy grew by 3.3% in 2023, in a context of strong private consumption and resilient labour markets, with growth expected to slow to 3.1% in 2024.

In 2023, world economic activity was sustained by the emerging economies, including China, and, among the advanced economies, by the United States.

Economic growth in the United States has been more resilient than previously forecast and is expected to fall slightly in the short term. Real GDP in the third quarter of 2023 grew by 1.3% in quarter-on-quarter terms, as a result of the dynamism of private consumption, recovery in private investment and an increase in public spending. The available indicators suggest a slowdown in consumer spending in the fourth quarter. Economic growth is expected to intensify as of the second half of 2024.

In 2023, average economic growth in the Euro Area stood at around 0.6% and is expected to remain weak in the short term (0.8% in 2024 and 1.5% in 2025 and 2026). Restrictive financing conditions are curbing demand, helping to reduce inflation which, in average annual terms, should fall from 5.4% in 2023 to 2.7% cent in 2024, 2.1% in 2025 and 1.9% in 2026. Available indicators suggest that growth should strengthen in 2024, as real disposable income rises – supported by falling inflation, wage growth and resilient employment – and export growth keeps pace with improving external demand.

In China, recent data points to a stabilisation of economic activity, despite the fragility of the real estate sector. In the third quarter of 2023, real GDP growth recovered to 1.3% in quarter-on-quarter terms, mainly due to the increase in consumer spending, while the contraction in property investment continued to deepen. The monthly indicators for industrial production and retail sales consolidated their recovery in October. Overall inflation as measured by the CPI fell 0.2% year-on-year.

Situation in Portugal

Recent data from the Bank of Portugal indicates that the Portuguese economy grew by 2.1% in 2023, with forecasts pointing to a slowing to 1.2% in 2024 and a recovery in growth in the following years (2.2% in 2025 and 2.0% in 2026).

Despite exceeding initial forecasts of 1.5% growth in 2023, the economy stagnated in the second and third quarters and grew little in the fourth quarter, reflecting the weakness of external demand, the loss of purchasing power caused by inflation and the financing difficulties induced by the ECB's restrictive monetary policy.

Quarterly growth is expected to gradually recover throughout 2024, benefiting from the foreseeable improvement in the external economic environment, the rise in real incomes – with families benefiting from the fall in inflation and increased wages – and an improvement in the implementation of European funds. The Portuguese economy should continue to grow above the euro area, by an average of 0.5 pp between 2024 and 2026, based on the dynamism of investment and exports.

In 2023, employment grew by 0.8%, with some slowdown in the second half of the year, and growth is expected to slow to 0.1% in 2024 and 0.3% in 2025. The unemployment rate is expected to rise slightly from 6.5% in 2023 to an average of 7.2% in 2024-26.

On a downward path, inflation reached 2.6% in the last quarter of 2023 and is expected to rise throughout 2024 due to the temporary increase in the price of energy and foodstuffs. In annual average terms, the annual change in the HICP should fall from 5.3% in 2023 to 2.9% in 2024, converging to 2% in 2025, the ECB's medium-term objective.

The main risks to maintaining the growth of economic activity in Portugal are associated with external factors: the possible worsening of international geopolitical tensions (with an impact on the price of raw materials, the confidence of economic agents and world trade) and the maintenance of high interest rates by the ECB if inflation remains high.

Situation in Spain

The Bank of Spain's macroeconomic projections indicate that GDP growth was 2.4% in 2023, with a slowdown expected in the following years: 1.6% in 2024, 1.9% in 2025 and 1.7% in 2026. The inflation rate fell from 8.3% in 2022 to 3.4% in 2023, and is expected to continue its downward trend in the following years: 3.3% in 2024, 2% in 2025 and 1.9% in 2026.

In a context of fragility in the external environment and gradual transmission of restrictive monetary policy measures to economic activity, the Spanish economy grew in the first and second quarters of 2023, slowing in the last two quarters of the year, while maintaining a growth rate above that of the Euro Area.

Growth in economic activity in 2024 is expected to stabilise at levels slightly higher than those seen in the last six months. The high dynamism that economic activity showed in the final stretch of 2022 and early 2023 suggests that, in terms of average annual rates, GDP growth will slow down between 2023 and 2024 – from 2.4% to 1.6% – before accelerating slightly in the 2025-2026 period.

This development results of the implementation of the NGEU programme funds and the gradual recovery of the European economy, as well as the moderation of inflation, with the consequent recovery of real incomes for economic agents. The fact that the negative impact of restrictive monetary policies will peak in 2024 will also contribute to the acceleration of the GDP growth rate in the 2025-2026 biennium.

Employment growth will moderate its momentum, in line with the expected evolution of activity. The pace of productivity growth is expected to normalise over the 2023-2026 period, above the growth seen in recent years, but in line with that seen before the pandemic. The unemployment rate was 12.1% in 2023 and is expected to fall progressively until it reaches 11.3% in 2026, which, if it does, would be below the historical average seen over the last four decades (16.8%), but above the historic low reached in 2007 (8.2%).

Situation in Angola

Recent IMF data indicates that in 2023 Angola's economic recovery took a heavy hit from a double shock in the first half of the year, as the oil sector weakened and the debt moratorium ended.

GDP growth is estimated to have fallen from 3% in 2022 to 0.5% in 2023, with a 6.1% contraction in the oil sector and growth in the non-oil sector slowing to 2.9%. Overall inflation rose significantly in 2023, to 20% year-on-year at the end of December (13.8% in 2022) driven by the depreciation of the Kwanza and the cut in fuel subsidies in mid-2023.

In response to the shock, the authorities tightened fiscal policy in the second half of 2023, cutting capital expenditure and related goods and services, and implementing the first phase of the fuel subsidy reform.

The Public Debt/GDP ratio is expected to have risen by 19 p.p. to around 84% of GDP in 2023, driven by a significantly weaker exchange rate. The depreciation of the Kwanza in June 2023 helped the economy adjust to the reduction in oil exports and preserve international reserves, which remained at around 7 months of import cover.

Economic growth is expected to recover in the short term, supported by improved oil production and the recovery of the non-oil sector. Inflation is expected to remain temporarily high in 2024 and gradually decline as the effects of subsidy removal and the pass-through of exchange rate depreciation fade.

The main short-term risks include the fall in the price of oil on the international markets, a decrease in domestic oil production, as well as a possible delay in the implementation of the fuel subsidy reform.

The IMF emphasises the need to implement the National Development Plan (NDP) 2023-2027 in order to achieve sustained and resilient growth. Priorities should centre on economic diversification; improving human capital, particularly by reducing disparities between men and women, supported by social measures and public investment spending; improving the business environment and access to finance; and strengthening adaptation to climate change. The IMF emphasises that efforts on all these fronts are critical for Angola's development.

Final Note

With disinflation underway and growth stabilising, the likelihood of a hard landing in the world economy is decreasing and the risks to growth are broadly balanced. A faster disinflation process could lead to a greater easing of financial conditions. Further increases in commodity prices due to geopolitical shocks – including continued attacks in the Red Sea – and disruptions in supply or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector problems in China or, elsewhere, a disruptive shift towards tax increases and public spending cuts could also cause disappointments in growth.

Regulatory Context

ENVIRONMENTAL

The food sector, and the catering sector in particular, will continue to be particularly affected by new EU environmental legislation in the coming years.

Legislative measures aimed at reducing single-use packaging and moving towards a circular economy continue to be published, with an impact on operations and product. These guidelines tend to materialise in two ways:

- Regulation to minimise packaging consumption and promote the availability of reusable utensils;

- Regulation to establish criteria for the incorporation of recycled and recyclable materials, including measures to mark packaging and identify the appropriate destination, namely the recycling centre where the packaging waste should be placed.

Some specific measures represent a challenge for our business model and for the way the value chains in which we operate work, which will have to be adjusted so that we can comply with the new national and European legal requirements coming into force over the next few years.

In Portugal, two pieces of legislation with a direct impact on the sector stand out:

1- Decree-Law amending the Unified Regime for Specific Waste Streams with an impact on waste management, landfill and management of specific waste streams. It should be noted that this law provides operational guidelines for the application of the Deposit and Refund System (SDR) for plastic and metal beverage packaging. In addition, this decree-law takes into account the increased costs of selective collection and all the costs that have an impact on the end of life of packaging.

2- State Budget Law that extends the contribution on single-use packaging to new materials in addition to those applicable so far (plastic and aluminium) in delivery and take-away services.

In Spain, the entry into force of the circular economy law on 1 January 2023, will also make it necessary to increase the availability of reusable packaging and to continue to promote the selective separation of waste, including bio-waste. A new law against food waste [Ley de Prevención de las Pérdidas y el Desperdicio Alimentario] is also under discussion, with measures aimed at reducing food waste and residues, as well as fighting hunger by promoting the safe donation of food.

2.2 Description of the Ibersol Group

Mission

Ibersol is a multi-brand Group, present in the Iberian Peninsula and in Portuguese speaking countries, that operates in the organised food business, with full respect for the values of Quality, Safety and Environment, based on qualified and motivated Human Resources that are committed to the full satisfaction of the Consumer’s needs, thereby ensuring an adequate return for its shareholder’s investments.

Vision

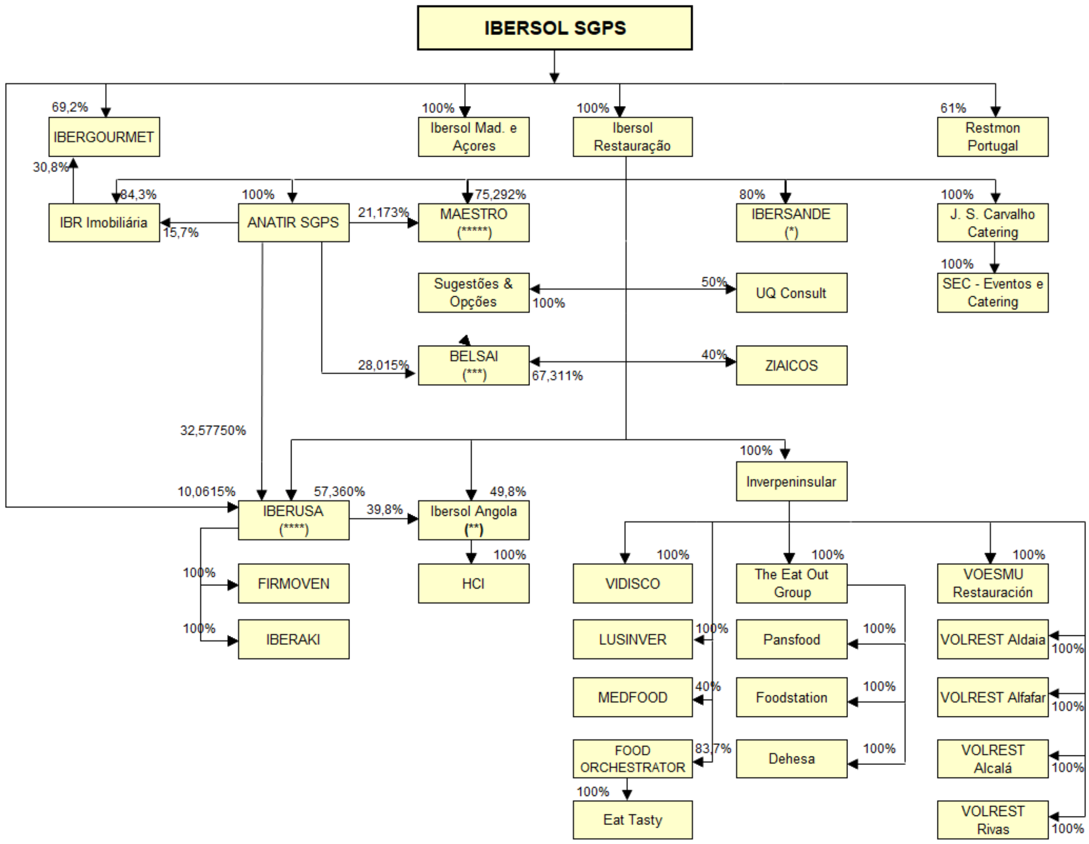
To lead the commercial restaurant business in the Iberian Peninsula and in Portuguese speaking markets, through motivated and service-oriented Human Resources.

Values

- We are **S**ustainable and Inclusive
- We value our **P**eople.
- We like to undertake and **I**nnovate. We are creative.
- We exist for the **C**ustomer.
- We Promote **E**xcellence. We always do better.

We overhauled our values, and now they spell "**SPICE**". The acronym is formed by the first letters of the five main concepts in our values: Sustainability, People, Innovation, Customers and Excellence.

Share Structure – Shares as of 31.12.2023



(*) Other IBERSANDE shareholders: PANSFOOD (20%)
(**) Other IBERSOL ANGOLA shareholders: ANATIR SGPS (10%), IBERSOL SGPS (0,2%), FIRMOVEN (0,1%), IBERGOURMET (0,1%)
(***) Other BELSAI shareholders: IBERSOL SGPS (4,670%), IBERUSA (0,0004%), IBERSOL MADEIRA E AÇORES (0,004%)
(****) Other IBERUSA shareholders: IBERSOL MADEIRA E AÇORES (0,00100%)
(*****) Other MAESTRO shareholders: IBERSOL SGPS (3,529%), IBERUSA (0,002%), IBERSOL MADEIRA E AÇORES (0,003%)

Business Portfolio as of 31.12.2023

<table>
<tr><th>PORTUGAL</th><th>ESPANHA</th><th>ANGOLA</th></tr>
<tr><td colspan="3">PIZZA HUT</td></tr>
<tr><td colspan="3">KFC</td></tr>
<tr><td colspan="2">PANS & COMPANY</td><td></td></tr>
<tr><td colspan="2">RIBS</td><td></td></tr>
<tr><td>TACO BELL</td><td></td><td></td></tr>
<tr><td>CONCESSÕES</td><td></td><td></td></tr>
<tr><td>OUTROS</td><td></td><td></td></tr>
<tr><td>QUIOSQUES</td><td></td><td></td></tr>
<tr><td>CATERING</td><td></td><td></td></tr>
<tr><td>TRAVEL PORTUGAL</td><td></td><td></td></tr>
<tr><td></td><td>FRESCCO</td><td></td></tr>
<tr><td></td><td>PIZZA MÓVIL</td><td></td></tr>
<tr><td></td><td>SANTA MARIA</td><td></td></tr>
<tr><td></td><td>TRAVEL ESPANHA</td><td></td></tr>
<tr><td></td><td>PRET A MANGER</td><td></td></tr>
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Own Brands

Franchised Brands

2.3 Business model and value creation

The food value chain

Farming → Food industry → Distribution → Retail and restaurants → Consumption

The food value chain is one of the most important for human life and has the greatest global environmental impact. It accounts for around a third of greenhouse gas (GHG) emissions, which are having a decisive impact on global warming. It should be noted that 2023 was a record year in terms of the maximum and average temperatures reached globally and in various regions of the planet.

Although GHG emissions from distribution, retail and catering represent a very small proportion of the total footprint of the food we consume (typically less than 15%), catering companies such as the Ibersol Group play an extremely important role in the food value chain, as they carry out their business by interacting directly with final consumers, thereby influencing their consumption habits.

The Ibersol Group's activity, which is widely developed in the Iberian market (and also in Angola), in partnership with some of the world's most recognised restaurant brands, ensures exceptional visibility of the main market trends in this type of business, while also benefiting from a scale of operations that allows it to innovate and find increasingly safe, efficient and sustainable solutions, including for its own brands.

Ensuring good experiences and focusing on the relationship with the consumer

Customers are the Ibersol Group's *raison d'être*, and so they are at the centre of brand strategy.

Consumers are increasingly demanding when it comes to the experiences that brands offer. That's why we strive to ensure that all of them offer a diverse range of experiences in terms of quality and flavour.

We try to satisfy our customers' expectations, predicting trends, addressing needs, and presenting them with increasingly solid value proposals.

From breakfast to dinner, during the week or at the weekend, we are present at every moment of consumption, on a wide variety of occasions, endeavouring to provide our customers with moments of well-being combined with a balanced diet.

Developing and valuing our staff

The Ibersol Group is one of the most important employers in its sector, in the markets in which it operates. In this sense, it considers the constant development and valuing of its employees an important part of its mission, which is achieved through the proposal and implementation of a strategy that promotes the attraction of better skills, training and continuous development.

To fulfil this mission, it promotes a culture of learning, which contributes to employee development and drives talent retention, increased productivity and improved overall results for the organisation.

It invests in initial training programmes, structuring careers, carried out through its digital platform "Ibersol Academy", in a format that combines e-learning with on-the-job training, which is crucial for transmitting the company's values and guiding principles, as well as the knowledge and skills that are fundamental for integrating employees into their jobs.

Every year, it offers a wide range of training courses in response to the development needs identified by the Performance Management System, given by specialised external or internal trainers, enabling the continuous development of employees and establishing a solid base for their personal and professional growth.

Overall management processes and logistics planning

The Ibersol Group has an organised supply chain which ensures the quality of the products it sells, from supply to sale, including logistics, all the way to the final consumer.

This is a single, homogeneous body, which works efficiently every day through an active quality and certification policy, including NP EN ISO 9001: Quality Management Systems and the NP EN ISO 22000: Food Safety Management Systems standard certificate, covering the management of the food chain of the Group's restaurant operations, based on the activities carried out in the various markets in which it operates.

The centralisation of the supply chain in Portugal, Spain and Angola, allows for gains in efficiency and productivity both in terms of the processes themselves, and in the relationship with business partners.

One of the group’s principles is never to sacrifice quality for the sake of price. As such, through continuous improvements to the processes for managing resources and assets, Ibersol aims to maintain lasting and consistent relations with its suppliers.

Excellence in quality and safety

Through a culture geared towards quality and food safety, the Ibersol Group is consolidating its position as a major player in the catering industry. Effective cooperation with all suppliers and a solid, organised supply chain is the basis for ensuring the quality and food safety of all the products marketed by the Group, guaranteeing the satisfaction of our customers and the protection of our brands.

Through an integrated approach, the group has put in place rigorous controls over the entire supply chain, from origin through logistics to the end consumer. All products purchased come from suppliers who have demonstrated their ability to consistently fulfil quality and food safety requirements, while maintaining control of the entire cold chain and traceability.

The food safety system is monitored and followed up through a programme of robust audits, conducted by specialised and independent auditors, to verify compliance with the established procedures. These audits are conducted regularly in all areas of the Ibersol Group, including suppliers, Central Kitchen, Distribution and Logistics Centres, as well as in all restaurants.

This rigorous and demanding approach keeps the Ibersol Group on a path of excellence, proven by the number of certifications obtained in Portugal, Spain and Angola. These certifications attest to the quality of operations, customer service and food safety, and confirm the commitment and dedication of the teams in all activities.

In 2023, the Ibersol Group reinforced its continuous improvement process, following the principles of the standards to which it is certified.

Highlights:

- The certification of IBERGOURMET – PRODUTOS ALIMENTARES, S.A. (UCP Modivas), the group's Central Production Unit, according to the very demanding GFSI – FSSC 22000: Food Safety System Certification norm in food safety requirements;

- Renovation of certification according to the following norms: NP EN ISO 9001:2015 – Quality Management System; NP EN ISO 14001:2015 – Environmental Management System; NP EN ISO 45001:2018 – Work Health and Safety Management System 3 NP EN ISO 22000:2018 – Food Safety Management System.

As food quality and safety is one of the Ibersol Group's strategic pillars and an integral part of its culture, we celebrated World Food Safety Day on 7 June with actions involving both our shop teams and the different central departments to raise awareness of the importance of the hand-washing process.

In addition, the Ibersol Group provides nutritional and allergen information on the products it sells, as well as advice on healthy lifestyles through the "Viva Bem" programme.

Promoting the sharing of our knowledge and experiences is part of our Social Responsibility commitment. In 2023, the Ibersol Group took part in the "Education and Training Development for the Treatment of Food Allergies in The Horeca Sector" project, in partnership with Universidade Portucalense. This is an innovative project, involving specialists from different parts of the world, which aims to help agents in the Horeca sector manage and communicate food allergies to consumers. The project aims to create a set of educational tools to help meet the special needs of consumers.

An active human resources and environmental management policy

The Ibersol Group aims to ensure the sustainable development of its business and is committed to respect for the environment and a constant search for solutions that help to diminish its environmental impact and to guarantee the protection of the planet.

In 2023 the Group continued to consolidate management policy and practices that contribute to the reduction of its environmental footprint, namely at the level of resource preservation; promotion of a circular economy; use of used food oil waste for biodiesel production; sustainable procedures and relationships with the Customer and the Supply Chain.

These concerns are reflected in the renovation, in 2023, of certification according to Norm NP EN ISO 14001:2015 – Environmental Management Systems, which speaks to the commitment of the whole structure to strengthening its environmental performance in terms of managing the impact of its activity, namely through the optimisation of natural resource use, environmental protection, and carbon footprint reduction.

2.4 Commitment to the Unitd Nations 2030 Agenda

The Ibersol Group's Sustainability Programme aims to improve the Group's ESG (environmental, social and governance) performance, ensuring the creation of shared value with stakeholders, guaranteeing compliance with regulatory requirements in terms of corporate sustainability and maintaining the high levels of quality, effectiveness, efficiency and notoriety that have always been associated with its restaurant operations.

As a result, one of the first initiatives undertaken, back in 2022, was to select the Sustainable Development Goals (SDGs) to prioritise within the scope of the United Nations 2030 Agenda, taking into account a detailed analysis of the specific targets set for each SDG and their comparison with the Ibersol Group's specific activities, as well as with the options of other relevant market players.

The Ibersol Group chose the following SDGs as priorities:

- Environmental:

SDG 13 – Climate Action

SDG 15 – Protecting Life on Land

- Social:

SDG 2 – Zero Hunger

SDG 3 – Good Health and Well-being

SDG 4 – Quality Education

- Economic:

SDG 8 – Decent Work and Economic Growth

SDG 12 – Responsible Consumption and Production

- Partnerships:

SDG 17 – Partnerships for the Goals

Given the significant interdependence between the SDGs, and since the Ibersol Group aims to implement a truly integrated programme that reaches all of the organisation and business areas, the following four strategic vectors were considered:

- Environment & Climate Action
- People & Communities
- Governance & Food Business
- Partnerships

During the 2023 financial year, the commitment to the United Nations 2030 Agenda was raised to a higher level of demand and formality, with the successful conclusion of the endorsement of the United Nations Global Compact (UNGC). This means that the Ibersol Group not only formally adheres to the 10 principles (see below) that guide this 20-year-old association, but also undertakes to periodically report its progress towards these principles to the more than 20,000 member

Human Rights
Principle 1: Companies should support and respect the protection of internationally recognised human rights;
Principle 2: Ensure that they are not complicit in human rights abuses.

Labour
Principle 3: Companies should defend freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: The elimination of all forms of forced or compulsory labour;
Principle 5: The effective eradication of child labour;
Principle 6: The elimination of discrimination in employment and occupation.

Environment
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: Develop initiatives to promote greater environmental responsibility;
Principle 9: Encourage the development and diffusion of environmentally sustainable technologies.

Combating corruption
Principle 10: Businesses should combat corruption in all its forms, including extortion and bribery.

organisations from more than 160 countries.

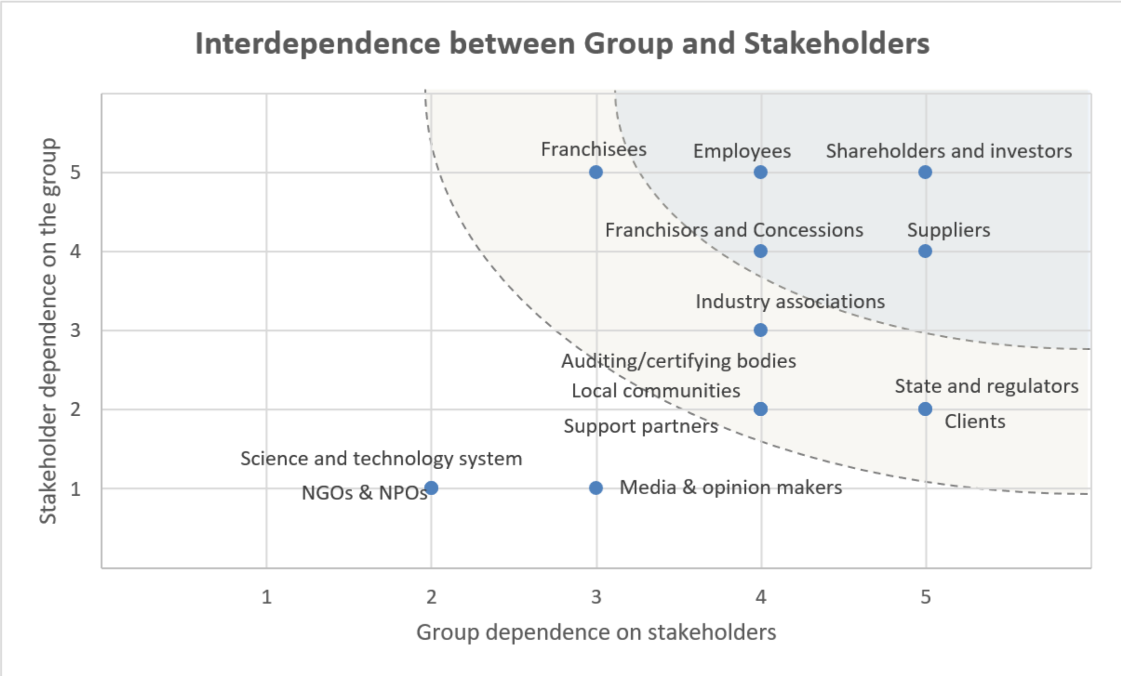
2.5 Stakeholder Involvement

Ibersol considers the management of its stakeholders a strategic factor, insofar as it sees that the success of its mission and fulfilment of its goals are closely linked to the degree to which the needs and expectations of said stakeholders are met.

The Ibersol Group's stakeholders are divided into different groups and, from the Quality Management Systems' perspective, have been closely scrutinised according to different attributes, such as relationship requirements, associated metrics, internal processes, and decision makers, level of interdependence, type of approach, frequency of interaction, and expectations.

The interdependence attributes were revised internally within the scope of the Sustainability Programme and are detailed in the following graphs, in relation to the main groups and subgroups of stakeholders considered.

Stakeholder Groups		Group dependence on stakeholders	Stakeholder dependence on the group	Level of interdependence
Markets	Shareholders and investors	★★★★★	★★★★★	10
	Industry/professional associations	★★★★	★★★	7
Value chain	Suppliers	★★★★★	★★★★	9
	Clients	★★★★★	★★	7
	Employees	★★★★	★★★★★	9
Business partners	Franchisors and Concessions	★★★★	★★★★	8
	Support partners	★★★★	★★	6
	Franchisees	★★★	★★★★★	8
Institutional context	State and regulators	★★★★★	★★	7
	Auditing/certifying bodies	★★★★	★★	6
	Science and technology system	★★	★	3
Social environment	Local communities	★★★★	★★	6
	Media & opinion makers	★★★	★	4
	NGOs & NPOs	★★	★	3



The following table briefly details the type of approach and frequency of involvement implemented with each group of stakeholders, as well as the concrete forms of interaction used.

Grupos de Stakeholders		Approach	Frequency	Specific modes of interaction
Markets	**Shareholders and investors**	Consultive	Periodic	* Meetings to present results * Monthly and annual reports
	Industry/professional associations	Collaborative	Periodic	* Dissemination/information gathering meetings * Participation in events and project meetings * Participation in governing bodies
Value chain	**Suppliers**	Collaborative	Permanent	* Specifications and contracts negotiation * Product and process audits / reviews * Project meetings
	Clients	Monitoring	Periodic	* Focus groups * Interviews and opinion surveys * Commercial communication (brochures, websit social media, loyalty programmes, etc.)
	Employees	Collaborative	Permanent	* Internal newsletters * Monthly indicator studies and reports * Periodic surveys * Team meetings
Business partners	**Franchisors and Concessions**	Innovation	Permanent	* Specifications and contracts * Participation in collaborative events * Goal/outcome meetings * Product launch projects * Operational audits
	Support partners	Innovation	Periodic	
	Franchisees	Collaborative	Permanent	
Institutional context	**State and regulators**	Consultive	Occasional	* Meetings and clarification communications
	Auditing/certifying bodies	Collaborative	Periodic	* Audits and audit reports * Preparatory, feedback and follow-up meetings
	Science and technology system	Consultive	Occasional	* Interviews and briefings * Curricular internships and research projects
Social environment	**Local communities**	Monitoring	Periodic	* Communication on social networks * Conducting market research
	Media & opinion makers	Collaborative	Periodic	* Working meetings * Postings on social networks
	NGOs & NPOs	Monitoring	Occasional	* Contribution to campaigns * Monitoring of causes and activities

This reflection is quite useful, since it allows the Group to identify situations in which the interdependence can be reassessed in terms of its balance and its magnitude, and also in terms of its concrete involvement strategies, in order to extract maximum value.

2.6 Materiality assessment

The Ibersol Group's first materiality study was carried out in 2022, with the aim of identifying the most relevant issues to be considered in the strategic definition of sustainability and in the ESG reporting of the Ibersol Group's activity.

As a first step, exhaustive research and benchmarking was carried out to find a set of potentially material topics. This was followed by an extensive consultation with more than 2,000 internal and external stakeholders, through which it was possible to gather quantitative and qualitative feedback on the relevance of the different topics under analysis. It was then possible to map opinions from two points of view, that of management and that of the stakeholders, in order to check their degree of alignment and identify strategic priorities, a result that was summarised using the Materiality Matrix.

Based on this information, it was possible to validate a set of priority and emerging areas of intervention to be considered in the sustainability strategy and made compatible with the vectors of action and the previously defined SDGs (see next section). These are:·

· Environmental emergency, in terms of climate, energy and the preservation of natural capital;

· Management of food and non-food waste, benefiting business efficiency and social action;

· Business *governance*, in terms of organisational culture, ethics and *compliance*;

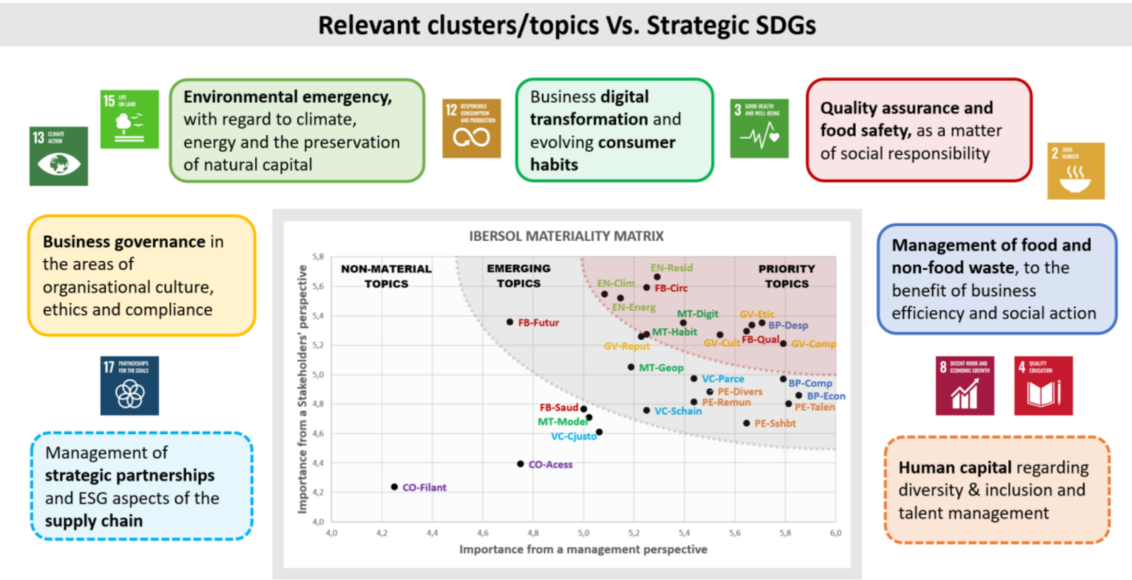
· Ensuring quality and food safety as an element of social responsibility;

· Digital transformation of the business and changing consumer habits;

· Human capital in the areas of diversity and inclusion and talent management;

· Management of strategic partnerships and ESG aspects of the supply chain.

Other topics and/or theme-based clusters were considered less relevant or non-material, but still obtained relatively high absolute scores, such as the areas of community action, healthy offer, new labour models or the fair cost of goods. Several of these issues are already addressed by the Ibersol Group in its current operations in conjunction with the international brands it represents, so these areas will not be neglected, but will continue to be addressed in the same way.



This materiality study will be revised during the 2024 financial year to ensure compliance with the requirements of the European Union's new Corporate Sustainability Reporting Directive (CSRD) and the new European Sustainability Reporting Standards (ESRS). As part of this, a "dual materiality" study will be carried out which will assess each of the potentially material topics from two complementary perspectives:

· Impact materiality, referring to the impacts produced on the environment and society

· Financial materiality, referring to the risks and/or opportunities generated for the business

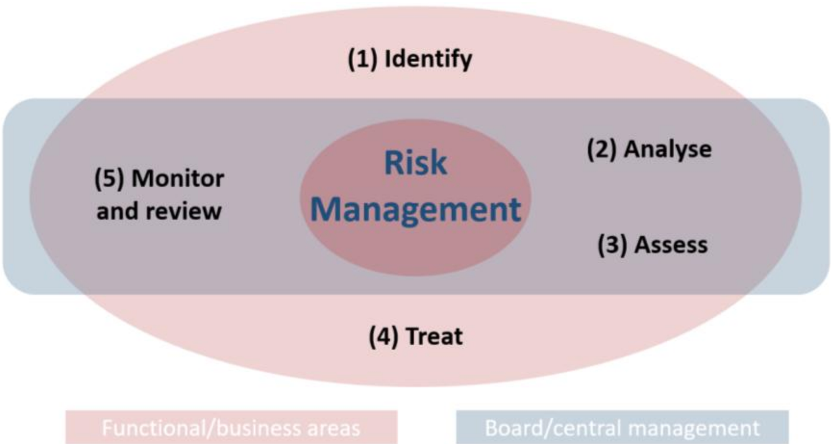
2.7 Risk assessment and management

Due to the nature of its business, the Ibersol Group's reality is highly volatile and permanently exposed to challenges, transformations and changes which require a fast pace of management.

An early view of risks, systematically and across all business areas, has allowed the Group to define strategies and develop actions to minimise potentially devastating impacts, as in the case of post-pandemic management or armed conflicts in Europe and the Middle East. In particular, measures were taken to strategically supply some of the foodstuffs that would suffer from shortages and generalised price increases, as well as to negotiate long-term energy tariffs.

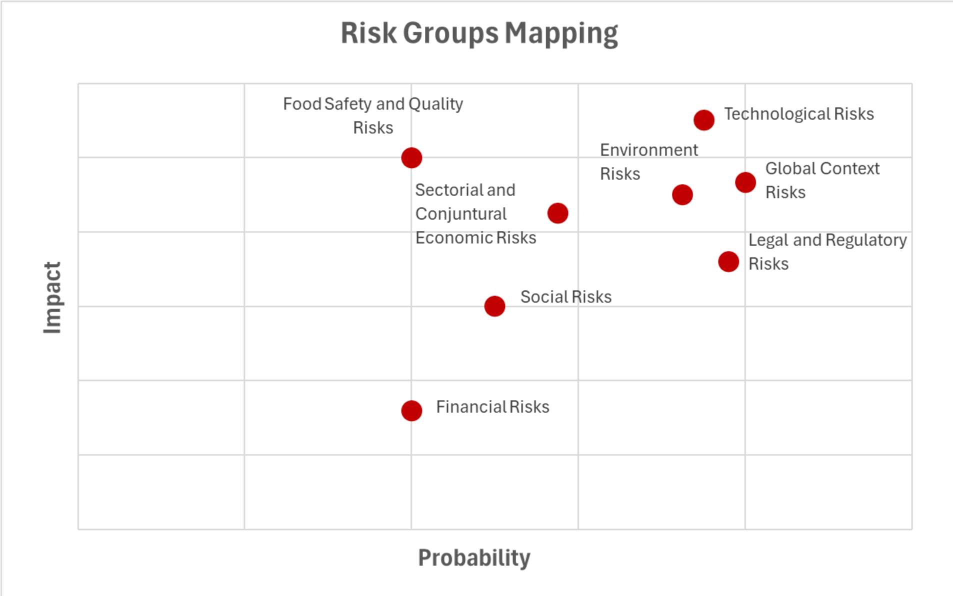
The risk control mechanisms established at the Ibersol Group, supported by internal management standards, and the information available – namely plans, goals, processes, procedures and indicators that have already been consolidated in the Financial-Accounting, Staff Management, Quality, Purchasing, Logistics and Marketing areas – have made it possible to assess the different risk scenarios and their evolution in good time and, as a result, to significantly and continuously reassess and adjust the defined strategies and the implemented plans, as embodied in the Contingency Plan, Brand Plans and Programmes and Budgets, and to review processes and procedures. There is also a constant concern to monitor national and international sources, both sectoral and general, of a technical, commercial or economic nature, such as the Davos Economic Forum.

The Ibersol Group's internal risk management process is based on guidelines common to the main risk management frameworks, considering a cyclical approach composed of five main stages:

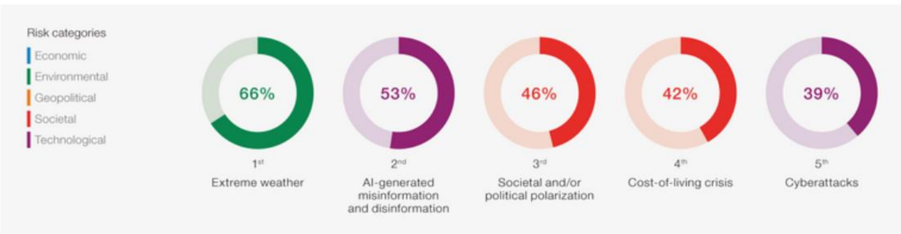


The risk identification and treatment phases are typically less centralised and associated with the different functional and business areas, while the analysis, assessment and monitoring, and review phases are generally carried out by the specialised areas in consultation with the Board of Directors and the respective committees delegated for this purpose. This operating model makes it possible to maintain a high level of awareness, accountability and control in dealing with the different types of risks affecting the organisation.

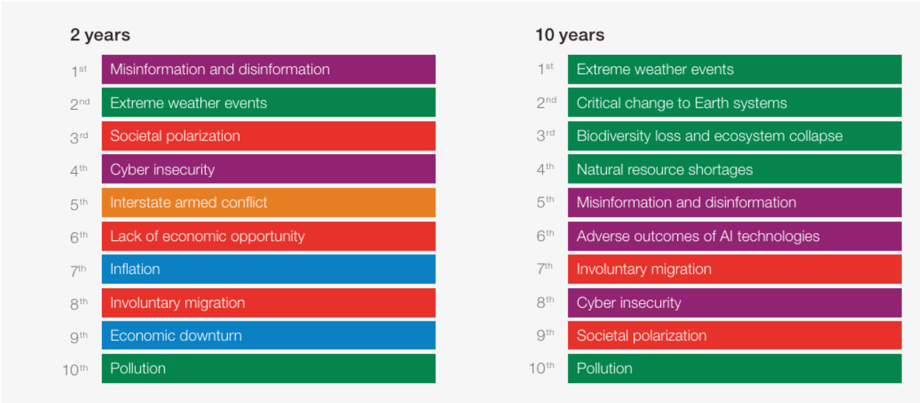
The following diagram represents the main groups of risks considered relevant in terms of probability of occurrence and level of potential impact.



Below we have identified some of the aspects that are generally associated with the Ibersol Group's business risks. A description will be given of Ibersol's preliminary understanding of these aspects, as well as the initiatives, processes and resources used to manage them, i.e. to limit negative impacts and/or maximise positive impacts, as well as mitigate risks and/or take advantage of opportunities for the business. The global risk analysis report published by the World Economic Forum at the beginning of 2024, among other sources, was used as a reference for this analysis.



Most relevant risks (top 5) for 2024 (WEF Global Risks Report 2024)



Most relevant risks (top 10) over the next 2 and 10 years (WEF Global Risks Report 2024)

Food Quality and Safety

The Quality Management Board ensures most of the prevention and control measures in the different fields of business of the Ibersol Group. Risks pertaining to food quality and safety are critical to Ibersol's business, given that they are directly related to the quality of the business' core product and to ensuring the health and safety of consumers.

The main actions and control measures in this field include: (i) qualification and selection of suppliers and products, (ii) periodic supplier, products, and services audits and controls, (iii) product tracing system, (iv) production process control through the HACCP System (Hazard Analysis & Critical Control Points), (v) skills in food safety development system, (vi) maintenance and monitorisation of measuring device systems, (vii) risk management and food crisis system that allows for constant monitorisation of existing food alert systems, for immediate response, (viii) external audit programmes in all the Group's units, (ix) microbiological analysis programmes for raw material and finished products carried out through sampling by an accredited external entity, (x) complaints management system, (xi) implementation and certification according to norm NP EN ISO 22000: Food Safety Management System, (xii) "Viva Bem" [Live Well] programme, through which customers can obtain information on the Ibersol Group's Food Safety System and healthy eating habits, ensuring, in a transparent way, the necessary information to make the most adequate choices according to their lifestyle.

Legal and Regulatory Risks

Ibersol Group works in a sector that has a high exposure to national and international best-practices and legislation, as well as to the constant and close scrutiny of a large number of stakeholders, including investors, staff, sectoral, professional and labour/union organisations, not to mention individual consumers. Therefore, the Group has established a set of resources, partnerships, and compliance verification routines that allow it to access, in real time, all the current and most relevant legislation and norms that apply to its business, namely related to provision of financial and non-financial information (due to its obligations as a listed company), food quality and safety, food and non-food products, restaurant operations, consumers, employment and social affairs, energy and natural resources, environment and climate change. In particular, the Group has a structure dedicated to keeping a close eye on all the legal and labour-related aspects of the markets in which it operates, and also has engineering and maintenance services at its disposal that accompany all the regulation issues that can have an impact on the valorisation or depreciation of its assets and equipment.

Environmental risks

Environmental impact

The Ibersol Group's risk environmental risk and impact management rests largely on the implementation and certification of management systems, such as norm ISO 14001, which ensures an adequate control in terms of environmental protection, waste management, and pollution prevention, always based on the fulfilment of applicable legal and sectoral requirements, as well as the needs of all stakeholders. In particular, the main flows of packaging materials are monitored, and all obligations regarding reporting to authorities licensed to manage and promote the selection, collection, and recycling of packages in the Portuguese and Spanish markets are fulfilled.

Climate change

The phenomenon of climate change is systemic, and has led to a number of serious consequences in global food value chains. On one hand, the increase in average temperatures, due to greenhouse gas emissions is causing increasingly serious and frequent droughts, rising sea levels in coastal regions and significant loss of natural ecosystems and biodiversity, as well as varied disruptions to agricultural production and distribution in several markets. This instability leads to scarcity, price volatility, and disruptive events at the level of global supply chains. If, on one hand, the Ibersol Group is committed to doing its part to reduce greenhouse gas emissions, on the other it keeps a close eye on the most affected commodities and constantly ponders the best supply strategies, both for itself and with its global and local partners, so as to guarantee the continuity of its activities

Extreme events

The increasingly frequent occurrence of extreme natural phenomena, which are directly or indirectly linked to environmental and climate events, is one of Ibersol Group's major concerns, insofar as these events jeopardise personal safety and the integrity of installations and equipment, thereby threatening the continuity of activity. On one hand, it is important to note that the Ibersol Group is committed to high standards of health and safety in the workplace (as determined by ISO 45001 certification), food quality and safety procedures (as determined by ISO 9001 and 22000), and strict observance of all rules and legal impositions in terms of physical safety and civil protection in its commercial establishments. On the other hand, after 2020 the Covid-19 pandemic demanded much more resilient and flexible management procedures, amongst which the significant increase of digital resources and, within these, digital sales channels, that allowed for a significant improvement in terms of crisis and business continuity management.

Natural resource use

Ibersol's operations largely depend on the direct use of some natural and energy resources, namely water, electricity, and natural gas. Faced with the real possibility of extreme drought in some of the group's activity zones, the volatility of prices in the main electrical energy markets, and current uncertainty regarding natural gas supply sources in Europe, the Ibersol Group is keeping a watchful eye on the impact that these circumstances can have on its operation and its operational results, keeping internal policy and specific initiatives geared towards an increasingly efficient use of the same. It is worth mentioning that the Ibersol Group respects several norms (ISO 22000, FSSC 22000, ISO 9001) as well as best practices of storage, manipulation, and distribution, maintaining robust monitoring, segregation, and traceability procedures, that help to minimise food safety and reputational risks.

Financial risks

Exchange rate risks

The Ibersol Group follows a policy of natural coverage in this field, resorting to funding in local currency. Since it is mostly present in the Iberian market, bank loans are generally in euros and the purchase volume outside of the Eurozone does not take on relevant proportions.

The main source of exposure comes from investment outside of the Eurozone, related to operations in Angola, which bear little weight in the Group's overall activity. Economic imbalances in Angola have led to the devaluation of the Kwanza, which is a risk that must be taken into account.

Loans contracted by Angolan branches are expressed in local currency, the same in which income is generated. The Group adopted a policy of monthly monitoring of credit balances in foreign currency and their partial coverage with the acquisition of Treasury Bonds from the Republic of Angola, which are pegged to the USD.

In 2023 the purchase of these bonds became more expensive, since no new series of bonds have been issued. At the same time, it has become more difficult to obtain all the foreign currency needed to pay for imported products, which has increased the credit held by Portuguese subsidiaries with Angolan subsidiaries.

Interest rate risks

Historically, with the exception of Angolan State Treasury Bonds, the Ibersol Group does not have remunerated assets with significant interest. Therefore, investment activity profits and cashflow are substantially independent from fluctuations of market interest rates. Regarding the Angolan State Treasury Bonds, pegged to the American Dollar, interest rates are fixed, so there is no risk there either.

However, since the end of 2022, following the sale of the Burger King restaurants, the group had Term Deposits with maturities of up to three months totalling XXX million euros as of 31 December.

The main interest rate risk for the Ibersol Group is in its liabilities, namely long-term loans. Loans issued with variable rates expose the Group to cashflow risks associated to the interest rate. Loans issued with fixed rates expose the group to the fair value risk associated to the interest rate.

With the current interest rate level, the Group's policy is, for higher maturity loans, to fix interest rates up to 50% of the debt.

Credit risk

The Ibersol Group's main activity is paid for in cash, or credit, or debit cards, so there are no relevant concentrations of credit risk. In home delivery sales, through aggregators, it is these who charge customers and transfer money according to weekly summaries, within one or two weeks.

Regarding customers, the risk is limited to the Catering and Franchise businesses, which represent around 7,4 % of consolidated business volume. The Group has taken to monitoring payments due more regularly, with the aim of:

- Controlling credit granted to customers;
- Analysing the maturity and recoverability of values due;
- Assessing customers' risk profile.

Liquidity risk

Management of liquidity risk entails keeping a sufficient value in cash and bank deposits, the viability of consolidating the floating debt through an adequate amount of credit facilities, and the ability to liquidate market positions. Management of treasury needs is carried out based on annual planning, which is revised quarterly and adjusted daily. In line with underlying business dynamics, the Ibersol Group has been conducting a flexible management of the commercial paper and negotiation of readily available credit lines.

Capital risk

The Ibersol Group seeks to maintain a level of own capital adequate to the characteristics of its main business (cash sales and suppliers' credit), and to ensure continuity and expansion. Balance of the capital structure is monitored based on the financial leverage ratio (defined as: net remunerated debt/net remunerated debt + own capital), with the goal of fixing it in the 50% - 75% bracket.

Sectoral and Circumstantial Economic Risks

Business portfolio

In terms of strategic planning, existing business portfolio risks are evaluated and identified, new businesses and more relevant projects are evaluated, and the management strategies of those risks are defined. In operational terms the management risks of the goals of each business are identified and evaluated, and steps to manage them are planned, which are then included and monitored within the scope of the businesses and the working units.

When exploring different international brands through franchise, the Group celebrates long-term contracts that have been renewed, despite there being no obligation to do so. In particular, there is no guarantee that restaurants in airport concessions, which are attributed through tenders for a certain period, will have their leases renewed when these expire. With the aim of keeping up partnership and continuity relations with franchisers, the Ibersol Group invests in good relationships, based on transparency and mutual trust, and seeks to thoroughly fulfil all its contractual obligations and defined standards, with a view to operational excellence

Available Income and Purchasing Power

The Group's businesses can be negatively affected by periods of economic recession, especially through the deterioration of family spending levels that, in turn, are influenced by current salary policies, unemployment levels, available credit and interest rates, as well as confidence levels and social security measures. The Ibersol Group's strategy has included, and will continue to include, products and services that, due to their type and price level, are accessible to society at large. Therefore, the group maintains a dynamic posture that, in tandem with the represented brands, and faced with adverse social and economic circumstances, can lead to adjustments in product portfolios and services provided to the market, so as to ensure a level of activity and sustainable profitability.

Consumption trends

An eventual inability on the part of the Group to adequately read consumer preferences or customer's needs, to adapt to behaviour changes, or to create or implement innovative and attractive concepts and offers in a timely and profitable way, can have a negative effect on its Operational Results, financial situation, and outlook. On the other hand, from the point of view of competition, the Group's ability to develop and provide higher value products in competitive conditions is critical, in the current context of the restaurant sector. These developments all depend on the evolution of behaviour, that the Group can find difficult to predict and follow. However, the Group maintains a close relationship with some of the main brands in the world, strives to constantly follow consumption trends in different markets, takes part in national and international sector innovation forums, and has its own resources permanently allocated to the development of new products, both for its own brands and to complement the standard offer of the brands it represents.

Commodity prices

According to the World Bank, most commodity prices (namely grains, oils and other food products) are expected to continue to fall in 2024, in continuity with the general trend seen in 2023 (-9% compared to 2022), despite a number of trade restrictions, the non-renewal of the Black Sea Grains Agreement, or the El Niño phenomenon. The expectation is for a further reduction of 2 per cent in 2024 and 3 per cent in 2025, taking into account a continued improvement in the performance of the global supply chain. In Europe, particularly, the effects of climate change have been felt in terms of the quality and availability of some products, but a reduction in the costs of energy, fertilisers and food products, combined with good prospects in the markets (especially exports outside the European area) and a stable reduction in inflation figures, has helped to balance price levels.

In terms of poultry markets, the outlook is for moderate market expansion, also benefiting from a reduction in production costs, lower inflation, an increase in purchasing power and the emergence of new processed product concepts, especially important in catering services such as those of the Ibersol Group.

Meanwhile, milk and dairy production has been relatively stable globally and in Europe, despite a clear decline in consumption of dairy products in the Portuguese market in recent years. As for beef, the trend points to a slight decrease in production levels in Europe compared to 2023 (-0.47%) due to a decrease in cattle stocks and a reduction in profit margins due to rising production costs and new European regulations. In turn, pork production will tend to decrease globally in 2024, with resilient demand and some associated diseases putting pressure on supply and price levels.

Energy market

According to the International Energy Agency (IEA), in 2023 there was a general reduction in electricity consumption in developed countries, due to an unfavourable macroeconomic environment and still high inflation (resulting from all the trade restrictions and effects associated with the geopolitical context), which slowed global consumption to +2.2% (compared to +2.4% in 2023). However, the outlook is for faster growth in the coming years, at an average of +3.4% per year until 2026, mainly driven by developing countries, but to which developed countries are also contributing, mainly through the expansion of electric mobility and technological services (data centre operations, artificial intelligence services, crypto-currencies, etc). In Europe, in particular, electricity consumption is not expected to reach 2021 levels again until 2026. Electricity prices, along with those of other energy sources, fell significantly in 2023, although they are still higher than in 2019. This trend is expected to continue in 2024, with an increase in the proportion of energy generated from renewable sources. In this context, consumption of natural gas and other non-renewable sources in Europe has been falling, while stocks and resilience have been increasing to cope with the still unstable geopolitical environment.

In this context, the Ibersol Group continues to promote a series of actions aimed at reducing local gas and electricity consumption at its administrative facilities and restaurants (On-Off Plan), and has also begun to monitor more closely the carbon footprint associated with electricity consumption, with a view to establishing a decarbonisation roadmap over the next few years.

Economic growth

The European Central Bank projects global Gross Domestic Product (GDP) growth of 3.1 per cent in 2024, which, if confirmed, will represent a slowing from the 3.3 per cent recorded in 2023. The World Bank projects global Gross Domestic Product (GDP) growth of 2.4 per cent in 2024, which, if confirmed, will be the third consecutive year of deceleration. This will be a minimum in the growth of 2023, which is estimated at 2.6 per cent. This trend will result from the delayed effects of monetary policy tightening and restrictive financial conditions, alongside weak global investment and trade. Also noteworthy are the risks of a possible escalation of conflicts in the Middle East, which could lead to a rise in oil prices, and extreme meteorological phenomena, which mainly affect the agriculture, energy and fisheries sectors. This context could be particularly challenging for some developing economies with high levels of debt and highly dependent on the primary sector. In particular, the European Commission's forecasts for the EU economy point to lower growth rates than in 2023. In 2024, growth is expected to reach 0.9 per cent (compared to 1.3 per cent in 2023) in the EU and 0.8 per cent (compared to 0.6 per cent in 2023) in the euro area. Meanwhile, inflation in the eurozone is expected to fall from 5.4 per cent in 2023 to 2.7 per cent in 2024 and then to 2.1 per cent in 2025.

In Portugal, despite a significant drop in inflation levels, low unemployment levels and a favourable evolution of the economic climate figures and the consumer confidence indicator towards the end of

2023, a climate of some political instability is expected in 2024, which could have negative effects on economic evolution, particularly in terms of a downturn in investment. Growth forecasts have therefore been revised downwards to 1.2 per cent and inflation is expected to be between 2.8 and 3.4 per cent.

In Spain, growth is expected to be 1.6 per cent, down from 2.4 per cent in 2023. Inflation, which averaged 3.4 per cent in Spain in 2023, should moderate to 3.3 per cent in 2024 and 2.0 per cent in 2025, according to European Commission forecasts.

In 2024, the Angolan economy faces five major risks: the behaviour of the oil price, the high weight of public debt (internal and external), the potential negative contagion effect on the financial sector resulting from the transition to a flexible exchange rate regime, shocks to public debt (from low GDP growth and the possible fall in the price of the barrel of oil) and, finally, a more than expected (planned) decline in oil production. Even so, the Angolan government predicts growth in Gross Domestic Product (GDP) of around 3 per cent, up from the initial forecast of 2.5 per cent and despite the 3.2 per cent drop in the oil sector.

The Ibersol Group keeps a close eye on the evolution of the entire economic environment in which it operates. In addition to the impact on purchasing power and consumer habits, prolonged periods of weak economic growth are also associated with lower market confidence, lower levels of investment and a possible shortage of services and productive resources. To this end, the Group works closely with the brands it represents to establish realistic growth and expansion objectives in the markets where it operates. To ensure compliance with its medium and long-term business plans, the Ibersol Group has specialised teams dedicated to managing the expansion and refurbishment projects of its restaurant units.

Social breakdown

A worsening or stagnation of the economic situation could lead to greater intolerance, discrimination and criminality, leading to a loss in social capital and imbalances in the communities that are difficult to control. On the other hand, some armed conflicts, natural disasters and emerging social and cultural contexts have led to phenomena of involuntary (forced) migration from African, Middle-Eastern, and Eastern European countries, which end up placing additional social and economic challenges on European countries. This evolution can have a negative effect on social stability, individual and collective well-being, and economic output.

Ibersol Group is very much aware of its social responsibility and strives to carry out a series of skill building and community integration activities, in the various latitudes in which it operates, more specifically through the restaurant brands it represents, aimed at increasing the motivation and involvement of its staff, bringing value to the social capital and fostering values such as inclusion and solidarity.

Brand reputation

The success and reputation of the Ibersol Group is closely linked to the success and reputation of the international brands that it represents and develops in the markets in which it works, and that make up a large part of the group's activity. Through its commitment to respecting international contracts and operational norms that, for starters, ensure the supply of products and services that conform to the brands' standards, Ibersol acquires a set of opportunities and benefits, but also several challenges and responsibilities related to the communication and image management of said brands, with all the positive or not so positive aspects that this can entail.

In this regard, besides the natural operational and strategic accompaniment of the business and frequent interactions with partners, the Ibersol Group keeps a close eye on markets, with constant monitoring of relevant national and international clippings and, in particular, the brands affected and their respective business groups

Social Risks

Obtaining and retaining critical talent

The cultural transformation of societies, which arises from access to technology, information, and new markets, products and services, means that new generations of professionals are entering the labour market with higher requirements in terms of organisational values and criteria for professional fulfilment. This same technological and cultural evolution is leading companies to preventatively acquire and develop new critical skills for the future.

In terms of staff management, Ibersol Group is aware of the importance of developing and retaining acquired talent at all functional and hierarchical levels of the organisation. Besides monitoring the organisational environment, the Group constantly carries out a series of skill-building, involvement, and motivational initiatives for its staff, ensuring a diverse, non-discriminatory, and transparent workplace environment that promotes merit and excellence.

On the other hand, the Ibersol Group recently revised its identity matrix and is currently defining new skills for the future, in line with the Group's value structure, which will guide the requalification of current staff and help to attract new talent.

The Group is also paying close attention to a set of market trends, namely regarding new work models (remote and/or hybrid, compensation options, etc.) which, due to their increased popularity, may come to present cultural and operational challenges and/or opportunities which impact on the quality, efficiency, and profitability of the business.

Workplace Health and Safety

The Work and Legal-Labour Relations Management is charged with managing cases relating to workplace risks and promoting well-being in the workplace. The occurrence of work hazards or work-related illness is managed through the following programmes and measures: (i) evaluation of work station risks and investigation of workplace hazards; (ii) provision of information and consultation of staff in terms of Workplace Health and Safety; (iii) training in safety principles and promotion of health in the integration process of staff, recertification and change of duties; (iv) implementation of Self-protection Measures in the Ibersol Group units; (v) awareness programmes and recognition of best safety practices and promotion of health; (vi) work station principles and practices control auditing programmes.

In 2023, although we remained vigilant, we no longer focused so strongly on epidemiological control of the new Coronavirus, though we did maintain the adoption of principles and measures to protect the health of employees at their workstations, and of customers, in strict compliance with the guidelines issued by the Directorate-General for Health, and several training, information and awareness-raising events were carried out for employees in this area.

Technology

IT and communication technologies used in the sales channels, supply channels and administration management, as well as other technologies that can contribute to business expansion and innovation (such as new interaction, product, and service delivery methods) are an essential component for group activity development.

This type of technology inevitably comes with a series of risks. For starters, the rise in cybercrime over the past years is clear to see and has had an increasingly large impact on the business world, with an exponential rise in illegal access events, illegal interception, data obstruction, network and systems interference, unlawful use of equipment, IP forgery, and electronic fraud. Any flaw in these systems can affect the performance of management and restaurant operation procedures, generating costs and loss of revenue that can negatively impact profitability and the Group's financial situation. This sort of event can also have a significant impact on the reputations of organisations and brands, especially when they affect the privacy of customer and staff data, or when operations are affected for long periods.

Besides strict adherence to a set of technical rules, integration protocols and the safety standards defined by its business partners, the Ibersol Group is naturally watchful of legal and regulatory demands that apply to information safety (such as Data Protection), as well as a growing array of cyberthreats that organisations have been facing, mainly in a context of growing digital sales channels. In this sense, the group is committed to a proactive and diligent attitude at all times, to safeguard business information safety at the level of availability, integrity, and confidentiality, by implementing protection, detection and disaster recovery processes, in full coordination with crisis management and business continuity management systems.

On the other hand, 2023 saw exponential growth in the use of artificial intelligence solutions in business applications. This technology is promising for increasing productivity and the quality of work carried out by human resources, but its unintentional or deliberate misuse is increasing the risks of the spread of fake news and disinformation. This circumstance is difficult to control and has quickly risen to the top of the concerns of major public, private and non-governmental organisations.

Finally, the Ibersol Group is in constant articulation with the international brands it represents, to develop technological solutions for business support, thereby independently ensuring that it closely follows developments that can contribute to the optimisation of business management and innovative interaction and product and services delivery methods, as well as making the Group's technological ecosystem more resilient.

Geopolitical Context

The current geopolitical global context is unpredictable, due to a number of historical circumstances and recent social, cultural, and political events, along with climate change and other natural disasters, that create situations of heightened uncertainty and market volatility.

In addition to the war in Ukraine and the conflict in the Gaza Strip and neighbouring territories, the effects of which on the global economy (shortages of goods and energy, logistical disruptions, rising inflation) and on society have been significant and may yet worsen, other areas of conflict could still emerge and make the whole global context more complex in the medium and long term, namely the dispute over the territory of Taiwan by China.

As in Ukraine, the potential direct involvement in armed conflicts of states with nuclear military capability always represents an existential risk for the planet and for humanity. However, and on the desirable and probable assumption that such existential limits are not exceeded, the effects on the global economy of the involvement of economic and military superpowers are potentially devastating, and can have long-lasting and extremely adverse impacts on operations and business profitability.

In addition, 2024 will be a year of national and international elections with a huge potential impact on the Ibersol Group's activity, specifically the consequences of the outcome of parliamentary elections in Portugal, elections to the European Parliament, presidential elections in the Russian Federation and the elections for the US Presidency, Senate and House of Representatives. In particular, these last two elections could have unpredictable impacts on the evolution of armed conflicts, the economy, society and the environment worldwide.

It should also be noted that climate change and the consequences of human interference in biodiversity and terrestrial ecosystems are leading to increasingly frequent incidents.

In any scenario, the Ibersol Group will always maintain a consistent and resilient stance, acting in strict compliance with the law and the Portuguese State's guidelines and always respecting and protecting its stakeholders.

2.8 Sustainability strategy

In 2023, the Ibersol Group carried out various initiatives aimed at implementing its Sustainability Strategy and defining concrete metrics and targets to monitor in the future. Below we highlight the main actions carried out and what we are planning for 2024.

Environment and Climate Action Vector

Initiative	What we did
Minimal water and energy consumption across the network	Launching of a project to reduce natural and energy resources, intensifying the means and routines for monitoring consumption, carrying out a pilot programme in shops of various brands, revising operational optimisation parameters and preparing training and information literature. Among other measures, we will increase the use of photovoltaic panels to produce energy for self-consumption, install flow reducers, automate the on/off parameters of equipment and regulate the temperature ranges in room air conditioning more dynamically. By 2024, we hope to reach the entire network and achieve savings of at least 5% in the specific consumption of electricity, natural gas and water.
Increase circularity and waste recovery	Launching of a project to improve waste management, starting with the adaptation of restaurants to the new rules on the separation of bio-waste. An exhaustive survey was carried out of the physical means and processes for separating and channelling waste throughout the network, including a revision of how to measure the quantities separated and channelled by point of sale. At the same time, new ways of reducing the impact of the waste produced are being studied, namely by replacing plastic consumables with paper and reducing or even eliminating some single-use consumables. In addition, in conjunction with international partner Yum!, experiments have been carried out in KFC shops to implement reusable packaging solutions for local consumption. In 2024, we are going to focus more on controlling processes in order to better measure the quantities and proportions of waste by type of material throughout the network, with the concrete aim of reducing the production of undifferentiated waste.

Reduce carbon footprint and decarbonise activities	In 2023, the measurement of the most important component of Scope 3 of the Ibersol Group's carbon footprint was completed: the footprint associated with the food purchased, processed and sold throughout the restaurant network. The mix of food sold will certainly be one of the most important tools the Ibersol Group will have at its disposal to decarbonise its activity. On the other hand, following the mobility study carried out in 2022, the regulation of business trips has been revised and new measures are also being studied with a view to promoting mobility by public transport, shared means and lighter means. In 2024, we will incorporate into the corporate footprint the other significant component that is still missing, relating to construction and refurbishment work on buildings, particularly restaurants. We also hope to obtain external verification of the carbon footprint calculation, consolidate the energy procurement strategy, accelerate green mobility (particularly in the delivery service) and publish the group's decarbonisation roadmap, submitting the targets set to the scrutiny of SBTi (Science Based Targets).

People and Communities Vector

Initiative	Scope of action
Promoting talent development and retention	In 2023, more opportunities were created for personnel development through the use of digital training platforms, with a significant increase in total training hours, both in the central structure and in shop operations. On the other hand, new employee benefits were introduced (e.g. health insurance), which also helped to increase retention and reduce human resource turnover. In 2024, the aim is to incorporate the group's Values (revisited in 2023) more consistently into the performance appraisal process and to finalise the revision of career development policies. We also intend to focus on well-being by introducing new working models and renovating and reconfiguring workspaces.

Promoting diversity and inclusion throughout the organisation	During 2023, the Ibersol Group's Equality and Non-Discrimination Plan was revised, with its lines of action dedicated to combating discrimination and preventing harassment, promoting equality in access to employment, working conditions and remuneration, as well as protecting parenthood and promoting the reconciliation of personal and professional life. One of the concrete actions in this field was the revision of recruitment and selection procedures to ensure fairness and non-bias throughout the cycle, from the formulation of the need to the final selection. In 2024, the aim is to massively sensitise all teams to this issue, with a special focus on the most diverse operational teams. In addition to concrete actions in terms of onboarding, a new organisational climate survey will be conducted to measure this dimension.
Helping to prevent hunger, through food waste recovery	In 2023, the process of donating leftover food carried out by the Catering area in its various operations was continued. All the necessary operational and administrative procedures were also prepared for the mass launch of initiatives involving all the chain's restaurants (along the lines of what was launched in Spain with the "Harvest" programme), with specialised entities with an international presence. On the one hand, we have the partnership with "Refood", an organisation that receives donations of leftover food (good for consumption, but not for sale) and distributes them to organisations and individuals at risk in terms of food security. On the other hand, we have "Too Good To Go", which is a platform specialising in the controlled sale of leftover food at reduced prices (allowing for some recovery and avoiding total waste). Operational tests have been carried out and the mass roll-out will take place throughout 2024, with the aim of extending the partnerships to various brands throughout the Iberian Peninsula. During 2024, we also plan to benefit from all the additional details in terms of leftover food information to further improve forecasting and planning processes.

Governance and Food Business Vector

Initiative	Scope of Action
Creation of a sustainability dashboard and restructuring of integrated report	2023 was a decisive year in the restructuring of the sustainability report (for 2022), in order to emphasise more clearly the different ESG areas (environmental, social and governance) in the management report and to introduce the new sections on the definition and strategic implementation of sustainability, namely the SDGs, stakeholder involvement and the materiality study. The GRI 2021 standard was also adopted. This report (for 2023) continues this model, with slight adaptations. In 2024, the new "sustainability statement" will be prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the new European Sustainability Reporting Standards (ESRS). The group's "sustainability dashboard" will be created in line with this new reporting model and will, as far as possible, be automated and incorporated into the group's information systems.
Incorporation of ESG principles in Ibersol Group governance	During 2023, internal training was intensified under Decree-Law 109-E/2021 of 9 December ("General Regime for the Prevention of Corruption") and Law 93/2021 of 20 December ("General Regime for the Protection of Whistleblowers"). In 2024, the aim is to consolidate the organisational structure associated with the group's Sustainability management, through the creation of a dedicated management and a team of representatives distributed across the company's different sectors (structure and business).

Partnership Vector

Initiative	Scope of action
Revising the environmental and social dimensions of the supply chain	In 2023, an exhaustive study was carried out to analyse food products and their associated logistics services, particularly in terms of the environment, by calculating their carbon footprint. A benchmarking study was also carried out on the best responsible purchasing practices in national and international catering and food retail chains. In 2024 we intend to revise our purchasing policy (to incorporate new ESG principles and criteria) and implement new responsible purchasing and supplier assessment procedures, in conjunction with our international franchise partners. The requirements associated with the new reporting directive (CSRD) and the European corporate sustainability due diligence directive (CSDDD) will also be taken into account.
Formally endorsing the United Nations Global Compact	Endorsement of the United Nations Global Compact was successfully completed in 2023. In 2024, progress will be reported through this report (which includes the respective referencing of the principles in the attached GRI table), as well as by completing the standard form on the initiative's digital platform.

3. FINANCIAL YEAR ACTIVITY

The Ibersol Group is a multibrand group that operates in Portugal, Spain and Angola.

It operates in the organised restaurant business, respecting the values of Quality, Safety and Environment, supported by qualified and highly motivated Human Resources that are committed to fully satisfying the needs of its consumers.

Restaurants

Pizza Hut (Portugal)

Created in 1958, Pizza Hut has been present in Portugal since 1990, with the inauguration of the first Pizza Hut restaurant in Avenida Fontes Pereira de Melo, in Lisbon.

Pizza Hut considers itself the most complete restaurant brand in the Portuguese market and is committed to satisfying the needs of its customers at all moments of their lives, through the several services and spaces it operates.

The brand is present all over mainland Portugal and the islands, with 108 restaurants.

In 2023, three new spaces were opened: a restaurant in the Baixo Alentejo region, in the district capital city of Beja, the Pizza Hut Guarda restaurant, in the La Vie Guarda Shopping Centre, reaching the long-awaited milestone of total coverage of Portugal's districts, and the brand's presence in the Middle Tejo region was strengthened with the opening of the 108th restaurant, in the TorreShopping Shopping Centre in Torres Novas.

The brand also continued to refurbish and modernise its restaurants throughout the year.

Business continues to be overshadowed by military conflicts in Europe and, more recently, in the Middle East, as well as rising inflation and the increase in production costs, posing new and different challenges for the brand's operations.

Given this context, the marketing plan sought to ensure that Pizza Hut is always on the customer's radar, with the aim of attracting new customers and boosting the frequency of its regulars. To ensure these objectives, it launched various initiatives throughout the year, including the MY BOX concept, an individual dining experience; the relaunch of the SAY CHEEESE campaign, with the availability of the Rolling Stuffed Crust, a delicious crust with a tasty cheese filling; the summer saw the launching of an innovation in the Cheesy Bites speciality, with SUPER CHEESY; the back-to-school campaign with Medium Pizzas for just €7,95 each, and the Christmas campaign with the launch of Crunchy Hut Cheese, topped with Cheddar Cheese and Chips.

The brand maintained a strong performance in home delivery, with special emphasis on the 2x1 and Triple Box campaigns, with a multiplatform presence and strong reinforcement of its digital and mobile presence.

Pizza Hut also took part in World Youth Day, an operation marked by enormous success based on solid preparation and mobilisation of the teams.

Committed to meeting the needs of the modern consumer, reinforced by the current context, Pizza Hut made a constant effort to modernise its digital assets and social networks.

In the e-commerce dimension, investment was made in improving the User Experience of the mobile app and website and in reinforcing the security mechanisms inherent in the digital environment.

In counter service by the slice, the quick-order kiosk platform was modernized, updated, and expanded to more of the brand's restaurants.

Pizza Hut maintained a strong social dimension and involvement with the community, promoting various initiatives throughout the year, in particular its partnership with the SALVADOR Association.

The brand deepened its multi-platform communication strategy, with a strong reinforcement of its presence in the digital area and social networks. Proof of this was the renewal of the SuperBrands award.

Digitalisation continued to be one of the brand's most important aspects, and in 2023 this channel was the preferred method of home ordering in more than 70% of orders.

The constant focus on digital media communication (such as strengthening search and CRM communication), the continuous improvement of systems and the strengthening of partnerships with order aggregator platforms, a partnership marked by strong success, contributed to this result.

Pizza Hut customers can place their orders in the restaurants, at the call centre, on the Pizza Hut website, on the Mobile APP and on external platforms, using their own delivery model or delivery via third parties.

The year 2023 was also marked by the continued strengthening of the partnership with the Continente Card, with another edition of the "MENU10" loyalty programme and participation in several new "Gamification" mechanisms.

Pizza Hut continued to invest firmly in the continued training and recognition and retention of talent, as well as in the execution of operational excellence, both at the service level – fostering qualified, consistent and motivated teams – and at the product level.

Regarding staff training and certification, we also kept up our commitment to creating a culture of excellence.

This commitment is the result of constant skill-building of the teams (as is apparent from the investment in thousands of hours of training) and the encouragement of e-learning, through new courses aimed at shift operators and managers, and skill-building and development unit management courses. As part of this, the SMP programme was implemented, which is a shift management training programme that cuts across the Ibersol Group and complements the brand's specific training.

In a constant search to improve operational efficiency through digitalisation processes, we continued to implement “MY HACCP”, a digital tool to control legal food safety requirements to better meet our customer's needs, as well as evaluation of compliance levels of brand standards, locations and food security through the ACE (Assured Customer Experience) external auditing programme, and control of critical factors and additional internal checks using an operational control tool at the disposal of coordinating directors: GEP – Operational Excellence Guidebook, aimed at diagnosing and correcting identified improvement opportunities.

In terms of product, there was also investment in product quality through participation in the Yum! Brands' international programme, Pizza Hut Championship, where we came 2nd in the European competition, reinforcing consistency in product quality standards.

There was also a major investment in behavioural leadership training for the restaurant management teams, through the implementation of the Growth Mindset programme, and more technical training in the areas of occupational health and safety, with greater investment in personal protection equipment, as well as firefighting and evacuation.

It was also an important year for mobilising teams to leverage customer service and product quality by implementing operational programmes focused on these two areas. Of particular note was the performance appraisal process and the team development plan.

It should also be noted that the restaurants located in the Colombo Shopping Centre, Alameda Shop&Spot, NorteShopping, Foz (Porto) and Continente de Matosinhos were once again certified by the ISO 22000 standard and are an example of the care and demand that the brand places on the food safety of its consumers.

Pizza Hut (Angola)

Angola's macroeconomic context continued to affect the evolution of the business, due to the loss of purchasing power as a result of average inflation of 20%.

In 2023, the process of gradually withdrawing fuel subsidies also began, with petrol increasing by 87.5% (from 160 Kwanzas/litre to 300 Kwanzas/litre). The rising cost of raw materials also posed new and different challenges for the brand's operations.

The only existing restaurant in Angola, located in the Xyami Nova Vida Shopping Centre, continued to be affected by the shopping centre's lack of attractiveness, resulting from the closure of several shops and the change in the management model of the Kero Hypermarket (anchor shop).

In the area of training and staff development, the brand continued to develop the training plans and skills of the employees in the Management Teams and to identify potential for internal development.

Pizza Hut had a significant presence in Digital and Social Media, where it consolidated its Facebook page and launched its Instagram profile.

Home delivery is ensured through aggregator platforms.

High-profile partnerships and promotional campaigns with aggregators have proved fundamental to consolidating this sales channel, which is increasingly present and complementary to the other service segments.

The Value approach has proved fundamental to meeting current challenges. In this context, Pizza Hut reinforced its promotional plan with the launch of "Mega Week", "Do it Take Away!", "2x1" campaign proposals and the launch of the "Super Slice" concept in the counter service segment (by the slice).

In terms of customer satisfaction and evaluation, this stood at 92%, the ACE (Assured Costumer Experience) audits achieved a 100 per cent result and the restaurant renewed its ISO 22000 certification.

As part of its social responsibility initiatives, the restaurant once again took part, together with the KFC brand, in the "ADD HOPE" anti-hunger initiative.

Pizza Hut (Spain)

In 2023, the Ibersol Group had three Pizza Hut restaurants in Spain, two in the city of Vigo and one in Nigrán (A Ramallosa).

After the Covid-19 pandemic, the brand set itself the main challenge of increasing the restaurant's value proposition by reinforcing table service, which proved very popular with customers.

This move coincided with the implementation of various activation actions in the restaurants, including Birthday Parties, St Valentine's Day, the launch of Ice Cream Cups in the summer and proposals for celebrating Christmas.

In the area of staff development, the Skills Diagnosis System for 43 employees was consolidated, in relation to 2022.

With the aim of reducing the use of plastic, all packaging and cups containing this material were replaced, switching to exclusively cardboard packaging and glass cups.

In line with the marketing and innovation plan, the new Bourbon BBQ pizza, Cheesy Pan starter and Cinnamon Roll dessert were successfully launched.

Local investment in digital marketing was consolidated, focused on thematic communication in the various publicity campaigns such as the local "3x1 in pizzas" campaigns, "Jueves on Fire" and periodic actions such as Black Week.

Cooperation with external ordering/delivery platforms has been fundamental to consolidating the brand's home delivery segment.

Pasta Caffé (Portugal)

Pasta Caffé Norteshopping, one of the first restaurants to offer real Italian cuisine in Portugal, has been able to maintain its own range over the years, tailored to the demands of its customers, both in its table service and in its take-away and home delivery service

The brand has always been known for its table service and for being a safe haven for those who want to enjoy real Italian cuisine in a quiet place away from the hustle and bustle of shopping centre food courts. On the menu, the *al dente* pastas and creamy risottos, not to mention the desserts, tend to be the most valued by customers.

Over the past year all staff training programmes were maintained, and the NorteShopping unit was recertified according to the APCER ISO 22000 quality norm.

Regarding customer's opinions, we continued to consolidate the "Pasta Experience" programme, an on-line platform where customers evaluate all the relevant aspects of their experience in relation to service and offer, enabling them to make suggestions for improvement. This tool allows us to “see the brand's performance through the eyes of the customer", which in turn helps identify changes that lead to an improvement in the satisfaction of our guests.

In the field of social responsibility, Pasta Caffé took part in many community outreach programmes, including in the "Thanks to Many" campaign, in partnership with the Portuguese Food Bank Federation.

During the year the brand also joined a number of Ibersol brands in developing their partnership with the Continente Card, through a series of measures that provide benefits to their customers.

Pizza Móvil (Spain)

Pizza Móvil ended 2023 with 17 restaurants in operation, of which 13 are owned and four are franchised.

In 2023, the Lugo restaurant, located in the shopping centre, was refurbished.

The year was marked by a sharp rise in energy and raw material costs as a result of the war in Ukraine.

The brand's value proposition focuses on competitiveness, digital media and various local actions to strengthen the Pizza Móvil brand.

During 2023, the following initiatives stand out: the launch of the new Padronesa pizza with the famous Padrón pepperoni, the 2x1 pizza campaign, the 50% online on Mondays and the two medium pizzas for €11 each campaign.

Through the "Galicia Calidade" label, Pizza Móvil has once again affirmed its communication with freshness and quality.

All the restaurants have implemented control procedures to guarantee the food safety of their products at every stage of the process, from receiving the raw materials and ingredients to delivering the final product to the customer.

To ensure compliance with these procedures, all employees receive regular training in food safety. Likewise, through periodic external audits, we assess the degree of compliance with the procedures and, if necessary, correct the situation as quickly as possible.

RIBS (Spain)

The brand closed 2023 with a total of 26 restaurants, 12 owned and 14 franchised.

The brand also has its own restaurant in Spain, in the Travel segment.

Ribs – True American Barbecue is the Ibersol Group's own brand, born in Madrid in 1991.

The Ribs units are family restaurants in the purest American style, designed as authentic American barbecues and decorated with pieces alluding to American culture, which makes each place unique. Their charcoal grills, which never switch off, cook more than 260 tonnes of ribs every year for the millions of customers who visit our restaurants in Spain every year.

In line with a strong focus on continuous innovation, Ribs restaurants are focusing on sharing and have introduced new starters to share: the Pulled Chicken Tacos, the Fried Mac&Cheese Balls and the

True BBQ Wings. Also in salads, the innovative Sweet Mexican Salad and Crispy Chicken & Feta Salad have been launched, and the vegan&veggies range is being expanded.

In the burger range, editions have been launched for new experiences at Halloween, with the Crispy Creepy Buuurger, and at Christmas with the Kimchi K-Burger, with Asian references to Kimchi sauce.

Ribs continues to support the Major Holidays (4th of July, Halloween and Christmas, among others), and offers the authentic Ribs Experience, where it recreates in its restaurants some of the most representative festivals, concerts and recreational activities that usually take place in the United States. During 2023 there were live concerts, games and activities for the little ones.

Ribs is constantly working to improve operational excellence and since 2020 we have consolidated the external quality control system in all franchised and owned restaurants, based on the brand's quality and food safety control standards.

In 2023 the Ribs La Maquinista restaurant renewed its certification with NP in ISO 22000 and NP in ISO 9001.

RIBS (Portugal)

True American Barbecue is the concept of the RIBS brand, a truly American steakhouse concept, which has one unit in Portugal.

The brand's first restaurant opened in 1968 and, since then, the brand has been developing in Spain.

All the dishes are freshly prepared on 100% holm oak charcoal grills, which gives them a very genuine and unmistakable flavour.

With decoration and furniture 100% imported from the United States, the spaces provide an authentic American style so that customers feel involved in this American experience.

By the end of 2023, the brand will have a restaurant in the Fórum Almada, with a pleasant table area and a take-away and delivery service.

The product range focuses on Grilled Ribs, which can be served with the brand's unmistakable BBQ sauce or, alternatively, with a piripiri sauce, which is very popular in the national market. In addition, the brand is committed to high-quality hamburgers, developed especially for the brand, with the Double Great American Burger being a favourite among our customers. The brand has also added a Tex Mex line to its offer, in response to customer demand.

Santamaria (Spain)

Dehesa de Santamaría was founded in Mérida in 1998 and began expanding in 2001 through the franchise system. In 2006, it became part of The Eat Out Group to give the brand a new impetus, subsequently joining the brand portfolio of one of the leaders in the modern restaurant industry on the Iberian Peninsula, the Ibersol Group, which acquired The Eat Out Group.

Since its creation, Santamaría has evolved and now includes a multi-offer format, which covers all types of meals (breakfast, lunch, tea, and dinner), allowing our customers to enjoy good food and good drinks.

Without losing the brand’s characteristic personality, a process has begun to endow its establishments with a new character and essence: Iberian knowledge. With this proposal we are returning to the Iberian Experts positioning, with a distinctive touch, focusing on experience, *savoir faire* and making a strong reference to the main factor of the Iberian product: flavour. We have blended concepts, knowledge and taste to combine the brand's renewed traditional character with the lifestyle of our country and those unwritten customs that make us authentic.

The new menu stands out for its Iberian products, starters, salads, main dishes, and desserts, all in very original formats of reinvented classical recipes, adapted to modern times.

The Santamaría restaurant’s new image is being very well-received by customers, due to its personality, singularity, modernity and, above all, the exceptional product offered.

The brand ended 2023 with 10 restaurants throughout Spain, as well as being present in Andorra and at the airports of Barcelona, Menorca, Malaga and Las Palmas.

FrescCo (Spain)

FrescCo was created in 1994 when its first restaurant opened in Barcelona.

With over 29 years' experience, the brand is 100% dedicated to offering our customers a healthy food option based on the values of the Mediterranean diet, using fresh, seasonal produce to prepare our best Mediterranean dishes and salads.

The brand is renowned for offering healthy, natural, and balanced food with a fixed price buffet concept, where customers compose their own meal.

The Market Buffet is the new restaurant concept launched by FrescCo in 2016, designed as an evolution of the open buffet, where customers can adapt their meals according to their preferences, thanks to a new food offer based on quality-guaranteed local fresh products, with guaranteed satisfaction and tailored to those who are searching for a healthy and balanced diet, with great quality/price relationship. The new establishments also have a Kitchen & Grill area, where customers can enjoy the best pizzas, grilled meat and fish, as well as hamburgers cooked to order, right before their eyes.

A few years ago, the chain began a gradual process of changing its image and implemented the new Market Buffet concept in some of its restaurants in Spain, an implementation that will continue until the entire chain is completed over the next few years.

FrescCo will close 2023 with a total of three restaurants in Spain, one of which is owned and one franchised, both located in Barcelona, and one franchised in Madrid.

Counters

KFC (Portugal)

KFC has been present in Portugal since 1996, with the aim of bringing the crunchiest and tastiest chicken to all Portuguese consumers, and continues to give pride of place to the quality of its product and customer experience. The unique flavour of KFC chicken, world leader of all-chicken menus, cooked with full respect for the famous secret recipe of its founder Colonel Sanders, it introduces those who taste it to a world of flavour, with its large buckets and original sandwiches.

Within the Multiannual Strategic Plan 2020/2025, we highlight the growth strategy, which has led the brand to reach 65 restaurants by the end of 2023, with nine new openings in the cities of Loures (Santa Iria de Azóia and Flamenga), Beja, Alenquer (Carregado), Viseu (Palácio do Gelo), Almada (Feijó), Abrantes, Funchal (Fórum Madeira) and Oeiras (Algés), mostly with the new modern and innovative international Red Design.

The brand maintained its Win On Taste and Speed of Service projects, both successfully launched in various countries by Yum! Brands, which owns KFC, and which also brought to the Portuguese market a stronger focus on product and service quality, on World Class Operating procedures, on the ROCC (Restaurant Operations Compliance Check) quality and food safety standards assessment system, in addition to technological advances in online information collection, made available via Apps or Websites, which were successfully implemented in restaurant performance routines.

In terms of human resources, the brand kept up the SoGoodToWork@KFC programme, which was implemented with the aim of creating and retaining talent at KFC, translating into recruitment policies aimed at increasing retention capacity and strengthening functions within the restaurant.

The focus on KFC Voice (listening) and Leading With Heart (leadership behaviours) shows clear commitment to the growth and development of all employees.

The RGM#1 and ARGM#1 (Assistant and Restaurant General Manager Number 1) programmes – which place restaurant Managers and Sub-managers at the centre of the brand's strategy – were especially important in a year which saw a high number of new restaurant openings.

As far as marketing is concerned, the year saw new achievements based on a promotional plan with greater dynamism in terms of Everyday and Disruptive Value, highlighting the launch of various promotional moments with Megabox, Dilemma and Duo Bucket, combined with the launch of new products and innovative flavours such as Country sandwiches, Cheetos and BBQ Spicy sauce, Lemon topping and, especially, two new types of bread and a new tortilla, which made it possible to revise and strengthen the existing offers within the sandwich range.

The promotion of the delivery service was stepped up, with partnerships with Glovo, UberEats and Bolt Food, with a constant presence with activation campaigns for new compositions and products, which contributed to a strong increase in brand awareness.

In terms of communication strategy, we resumed our presence on television and continued investment in billboard networks, directional billboards and strategic partnerships, as well as increasing the visibility of the partnership with the Peres Competições team, which continues to race in KFC colours in various rally events.

There was also a growing focus on digital tools to promote the brand, with an increase in the dynamics of communication and promotion on social networks, as well as the reach and level of interaction of publications, which resulted in greater engagement with fans and an increase in the number of followers.

KFC (Spain)

In this market, where we already had four KFC restaurants in the Seville, Almeria and Valencia areas, we opened another two Drive-Thru restaurants in El Ejido – Almería and Huelva, showing our commitment to the growth and consolidation of the Ibersol Group's presence in Spain under the KFC brand.

We maintain our commitment to creating 100% local talent, something we planned from the outset in 2019. All employees are certified by Yum! Brands' global standards, via online tools (Vault), we follow the main service and product quality indicators, based on the GES (Guest Experience Survey) and ROCC (Restaurant Operations Compliance Check) programmes, where speed has been the main focus, which has had a major impact on service times in the drive thru and delivery.

We would highlight the brand's ongoing efforts to gain a presence on various digital channels, such as TikTok and X (formerly Twitter), with continuous activations via Value offers and exclusive Bundles, as well as disruptive actions with a strong media impact, communicated extensively, which have made it possible to reinforce brand awareness, with KFC presenting itself as a vibrant, young, dynamic and culturally integrated brand.

KFC (Angola)

KFC ended 2023 with nine restaurants in operation, having remodelled the image of the Xyami NOVA VIDA and DTA – AEROPORTO restaurants in March and July.

Work began on a new KFC shop project in Viana, which was completed in 2023, but due to the need to make changes to external infrastructures, of which we were unaware, the opening could only take place at the beginning of 2024.

The macroeconomic context in Angola, as explained by Pizza Hut Angola, continued to affect business development, due to the loss of purchasing power following a sharp devaluation of the Kwanza. However, despite this context, it has already been possible to return to some growth, both in transactions and sales, compared to the previous year and to get closer to the transactions recorded in 2019.

With a view to counteracting the economic difficulties faced by our consumers, we continued to focus on a strong promotional component (Street Wise with three different price offers and promotions on crazy Wednesdays and Fridays) and the Very Little campaign, which is highly competitive in terms of price.

The brand reinforced its digital communication plan via Facebook and Instagram, seeing the number of fans grow, while maintaining the rest of its communication through digital tools, billboards and radio.

We maintained a clear commitment to the ongoing training of our employees, in order to maximise the development of our staff's know-how.

As part of our social responsibility initiatives, we continued to take part in the "ADD HOPE" anti-hunger initiative, raising funds from customers and complemented by the company and destined for Cáritas Angola, totalling six million Kwanza.

Also, within the scope of social support, we continued to offer used oil for recycling, which was used to produce soap for the most disadvantaged populations.

Pans & Company (Portugal)

Founded in Barcelona in 1991, Pans & Company is a fast-food chain specialising in sandwiches owned by the Ibersol Group with a presence in Spain, Portugal, Andorra and Italy.

In Portugal, Pans & Company opened its first restaurant in 1996 and is today a benchmark brand in the sector with a strong presence on the mainland and islands. At the end of 2023, the brand had 50 points of sale (41 Pans & Company restaurants and 9 Cafe Pans kiosks) and around 530 employees.

2023 was a year of growth for the different sales channels that Pans & Company operates, but it was still marked by inflationary tensions that put pressure on some of the business' main operating cost items. In this challenging context, we focused our teams on seeking efficiency gains and, above all, on strengthening the brand's value proposition through rigorous, customer-centred management of our offer and pricing and promotions policy.

Over the course of the year, with a view to strengthening the brand's awareness levels and its leadership position in its segment, we stepped up investment in communication in digital media and in partnerships with influencers, carried out various initiatives to launch new products, including the Street Pans Menu inspired by the concept of "street food", and consolidated our commitment to digitising the business with the installation of more self-order terminals and the strengthening of the Pans APP, as a relevant tool for building customer loyalty and improving their consumer experience.

In the field of Human Resources, we continued to invest in the qualification and retention of our teams: with more than 24,000 hours of training, we reaffirmed our commitment during the year to developing the skills of our employees and to the operational and management excellence that characterises the brand and the Group.

The year was also marked by the opening of the first Pans & Company restaurant exclusively dedicated to the Home Delivery channel (Alvalade) and the refurbishment of our restaurant in the Parque Atlântico shopping centre in the Azores, where our customers can now find a new point of sale image and a wide range of coffee and pastry products prepared every day in the restaurant.

Pans & Company (Spain)

Founded in 1991, having first opened in Barcelona, Pans & Company is one of the leading brands in the Iberian sandwiches and Coffee & Bakery market, with a presence in the Spanish, Portuguese, Italian, and Andorran markets.

Pans & Company closed 2023 with 75 restaurants, including the opening of Pans & Company in the Splau Shopping Centre (Catalonia), the refurbishment of our restaurants in the Valle Real (Cantabria) and Carcaixent and La Vital (Valencia) shopping centres.

2023 was a year of growth for the main sales channels the brand operates and the brand focused on rigorous management of its value proposition and commercial policy.

The brand reinforced its investment in the media, with greater activity on the main social media platforms and in collaborations with influencers, and continued to focus on innovation, the highlight being the launch of "Street Pans" – a new Pans menu inspired by the "Street Food" concept.

Taco Bell (Portugal)

Since its launch in Portugal, at the end of 2019, Taco Bell has been winning over the hearts of the Portuguese public, with a young and bold brand in Mexican-inspired restaurants, with a Californian touch.

Taco Bell is inspired by Mexican cuisine and uses only top-notch ingredients, providing a wide variety of flavours, aromas, and textures. The products are always made to go and include an original combination of fresh and tasty ingredients.

The brand positions itself in the fast-food market with the best possible quality-quantity-price relationship and is aimed at an audience of varying ages, but specially Millennials and Generation Z.

Taco Bell currently has over 8,000 restaurants all over the world.

With an ambitious expansion plan, in 2023 the brand opened five restaurants, ending the year with 21 units. At the request of many Taco Lovers, it expanded its presence in Portugal:

- The larger Lisboa area was strengthened, with openings in Campo Pequeno, Alegro Montijo and Alegro Sintra;

- It increased its presence in the Algarve with an opening in Albufeira Terrace.

- It reached the centre of Porto, with an opening in the Via Catarina Shopping Centre.

To make this growth possible, the brand has strengthened its team, exceeding the number of employees by more than 300, and has invested in new forms of recruitment communication.

It continued to prioritise the placement of digital kiosks in its restaurants as a sales channel, seeking to provide the best shopping experience for its customers.

In an effort to make itself more widely known to the market, the brand intensified its Out of Home (OOH) communication, with a regular presence in external communication media, such as billboards, throughout the year.

The brand strengthened its presence on social networks, continuing its bold communication and foodporn strategy.

It celebrated Taco Tuesday, a landmark day at Taco Bell internationally, with the help of global icon LeBron James. The four-time basketball champion, MVP and, most importantly, long-time Taco Tuesday enthusiast, endeavoured to spread the word about Taco Tuesday far and wide, so that everyone could celebrate the best day of the week.

After the opening of a Taco Bell restaurant in Las Vegas with a wedding chapel, in 2017, with over 900 marriages celebrated until now, the first Taco Bell wedding in Portugal took place in 2023. A North American couple contacted the brand in Portugal asking for Taco Bell to be part of their wedding ceremony. And so, in September, at the Palácio dos Marqueses de Fronteira, this happy couple and all their guests were able to enjoy the flavour of the brand, of which they are such fans, to mark this union.

Continuing its close relationship with the university target group, Taco Bell once again took part in the initiation traditions for university freshmen in Portugal, offering Tacos on presentation of proof of university admission.

Throughout 2023 it continued partnerships with brands that have a high level of engagement with youth, sharing attributes of youth and irreverence, such as Red Bull, WTF and Sumol.

Seeing customer feedback as crucial, the brand strengthened its focus on its customer consultation programme: VOC (Voice of Customer).

Considering it essential to train its teams, the brand has strengthened its training content, always focusing on digital media. In this way, it has aligned itself with the latest trends, both in terms of pedagogy and in terms of reducing its ecological footprint by practically eliminating paper.

With Economic Sustainable Growth (ESG) in mind, after almost completely eliminating plastic packaging when delivering/servicing its products, it implemented various measures to rationalise resources, particularly energy.

Pret A Manger

Since opening its first restaurant in 1986 in London, Pret A Manger has maintained a simple mission: to serve high-quality fresh food, prepared daily in a sustainable way, reducing environmental impact and using fresh ingredients, minimising the use of additives and preservatives. With this approach, Pret A Manger has consolidated its position as a leading brand in its segment.

In 2023 we opened the brand's first two restaurants in the Iberian Peninsula, with the opening of the first restaurant located in the arrivals area of Terminal 2B at Barcelona Airport, and the second restaurant, located in the Sky Centre, in the Air area of Terminal 1 at the same airport.

The Pret A Manger restaurants feature a range of carefully selected and varied products based on healthy, indulgent options and recipes suitable for vegetarians and vegans. This range includes baguettes, sandwiches, wraps, salads, toasties, quiches and yoghurts, prepared daily in the restaurant kitchens with fresh, top-quality ingredients.

They also offer a wide variety of organic coffee drinks, hot or cold, such as latte, cappuccino, mocha and chai, prepared by the baristas, as well as a variety of organic teas, served with milk or plant-based alternatives, also organic.

Team training is defined through a "Family Tree" process and the definition of the respective Key Roles, which are then trained on the PRET ON DEMAND e-learning platform.

The "MY HACCP" digital programme of legal food safety requirements has also been implemented, with the aim of complying with all the food safety procedures and requirements and brand standards of the Pret A Manger brand.

Miit

The Miit brand is present in the Norteshopping.

Launched at the end of 2012, Miit has remained faithful to a restaurant proposal centred on a consistent, balanced and healthy offer in the competitive shopping centre counters segment.

Specialising in grilled meat, this unit is recognised as a healthy and tasty meal option at a reasonable price, offering its customers quality meat and unique accompaniments such as grilled fruit and vegetables, rustic potatoes and flavoured rice.

Miit has thus responded to a trend that is increasingly appreciated by consumers, who are aware of the need of a healthy and balanced diet.

As part of its product development and expansion of its quality offer, the brand has extended its range to include new plant-based products, investing in a new line of food with more vegetable protein and contributing to a more sustainable planet. We launched a new burger with soy and wheat protein, which we serve both on a plate and in a bun.

The Miit Norteshopping restaurant renewed its ISO 22000 quality standard certification in 2023.

Miit is one of the group's brands that is part of a partnership with the Continente Card, through which it offers exclusive promotional advantages to its customers.

Travel and Catering

Travel (Portugal)

Business in the Travel channel is carried out in motorway service stations and in the airports, clearly positioned to serve travelling customers. The units allocated to this segment are managed according to a multi-brand concept, which means more than one owned or franchised brand operates in the same space, with the aim of satisfying the needs of different consumers at various mealtimes, through specific concepts.

Service Stations

Motorway service stations are an important segment of activity for the Ibersol Group, which at the end of the year operated 24 units.

The Sol brand is the umbrella brand for motorway restaurants, both urban and long-distance, which are presented as modern and functional units, with food proposals tailored to consumer needs and services that go far beyond conventional service station restaurants. Given the diverse profiles of those who visit the Sol units, these spaces are prepared to offer a good experience to all of them.

The Sol units are characterised by their freshly prepared food offers, at accessible prices, personalised and attentive service according to specific brands, adapted to different moments of consumption. In these units you can find renowned self-owned or franchised restaurant brands.

Go To Coffee & Food is the cafeteria brand, and is present in most Sol service stations. This brand is also present in Portuguese airports, where it operates restaurant units. In various locations, especially in cities, the Sol units include renowned international brands such as Burger King, Pans & Company, and KFC

The units also provide a variety of services, such as an independent changing room for babies, a lounge area, free Wi-Fi, sockets for charging computers or mobile phones, availability of tablets and daily newspapers for perusal, sale of newspapers, magazines, last minute gifts, dog stations, and drive-thru.

Train stations

The Group operates one unit in the Campanhã Station.

Airports

The Ibersol Group is one of the main reference operators in Portuguese airports, and is present in the Lisbon, Ponta Delgada, Santa Maria, Funchal, and Porto Santo airports, with 25 points of sale, through six of its own concepts – Go To Coffee & Food, Clocks, Nove, Specially, Cockpit Drinks&Tapas, and Saudade – and four international franchised brands: Pizza Hut, KFC, Burger King, and Go Natural.

In this year, there was only one competition for restaurant spaces - Sports Bar at Madeira airport - which we won with the Bites&Beer brand.

Travel (Spain)

This division of the Group is dedicated to managing 59 restaurant sales points in Spain, located in seven airports, three train stations, and other tourism installations.

These points of sale are operated by 24 brands. Some of them are the group's own brands, such as Pans & Company, Café Pans, Ribs, and Santamaria, while others were created specifically for this segment, such as Breadway, Caffé di Fiore, Mediterranean Terrace, and Fire&Bread. Finally, other brands are franchised: E.A.T., GoNatural, Coffee Republic, TapaTapa, Central Café, Jamaica, Malvón, Wok Street, and Mussol, among others. These brands have given the Group management skills in different types of restaurant format, from Grab & Go to Casual Dining, including Fast Food or traditional coffee shops. This financial year we increased our portfolio with three new highly renowned international brands: Pret A Manger, KFC and Pizza Hut.

The Lanzarote concession ended in 2022 and a new tender for eight units was launched, which was won by the Ibersol Group. The first openings took place at the beginning of 2024 with new international brands such as KFC, Pizza Hut and Pret A Manger

This financial year was marked by the tender for the concession of all the existing catering spaces at Madrid airport.

The Ibersol Group won two lots totalling 10 restaurants under the Pret A Manger, Coffee Republic, Pans & Company, Dehesa Santa Maria, Central Café and Canas & Tapas brands. These began operating in May in temporary units.

We also won three units at Tenerife airport and three units at Malaga airport.

At Barcelona airport, two EAT units were converted into Pret A Manger, thus realising the opening of the first Pret a Manger in the Iberian Peninsula.

During the year, the concession of one EAT unit at Madrid Airport and seven units at Menorca Airport was finalised.

Catering (Portugal)

With a macroeconomic context marked by slowing economies, rising inflation and the ongoing war in Ukraine, 2023 was a year of overcoming difficulties, with many notable events and achievements at Silva Carvalho Catering and Palace Catering.

In this complex economic reality, the two brands organised more than 1,000 events, serving more than 570,000 customers, unequivocally consolidating their presence as leaders in the national market.

We were the chosen caterer for 68 congresses in 2023, including the European Association of Hospital Pharmacists (EAHP) Congress, which lasted three days and attracted around 2,500 participants a day, the WASAVA Veterinary Congress, which lasted three days and attracted 2,300 participants, and the AGIF Congress, which attracted 1,250 participants over five days.

Our participation in events such as the Confraria do Vinho do Porto dinner, Tabaqueira, Leica's 50th anniversary and the Christmas dinners organised by EDP, CUF, Mota Engil and Meo with 4,000 guests were also noteworthy.

In terms of food safety and safety at work, we continue to invest in training and monitoring our operational teams, in order to guarantee their safety and the quality of our services.

In terms of certifications, we maintained APCER's trust in the Estádio do Dragão and the Vog Tecmaia Restaurant, maintaining the certificates: ISO 2200: Food Safety Systems ISO 9001: Quality Management Systems ISO: 14001: Environmental Management Systems and ISO 45001: Occupational Health and Safety Management Systems.

At the Estádio do Dragão, we were present at 29 matches Futebol Clube do Porto games and one national team match against Slovakia, having served a total of more than 60,000 meals.

At the Alvalade Stadium, we attended 28 Sporting Clube de Portugal matches, two National Team matches against Iceland and Liechtenstein and a friendly match between Brazil and Senegal, where we served over 70,000 meals in total.

At the club's sports training centre, the Alcochete Academy, we continued to have a team dedicated to satisfying the requirements of Sporting Clube de Portugal athletes, reinforcing the service to the club's athletics teams, with a special mention to the women's team, which increased its regular attendance at the Academy.

As part of the values and principles of sustainability, catering continued to play an active role in supporting humanitarian causes by donating food and meals. In 2023, around 39,000 meals were donated.

4. CONSOLIDATED FINANCIAL PERFORMANCE

In order to allow for comparisons with other companies from this sector, and with previous financial years, the group uses operational performance indicators, as mentioned throughout this section, whose definitions can be found in the glossary.

Following the sale of Burger King operations in Portugal and Spain at the end of November 2022, all Burger King activity pertaining to 2022 and of the restaurants that had not yet been alienated in 2023 is reported as "Discontinued Operation" with regards to financial information reporting.

Turnover

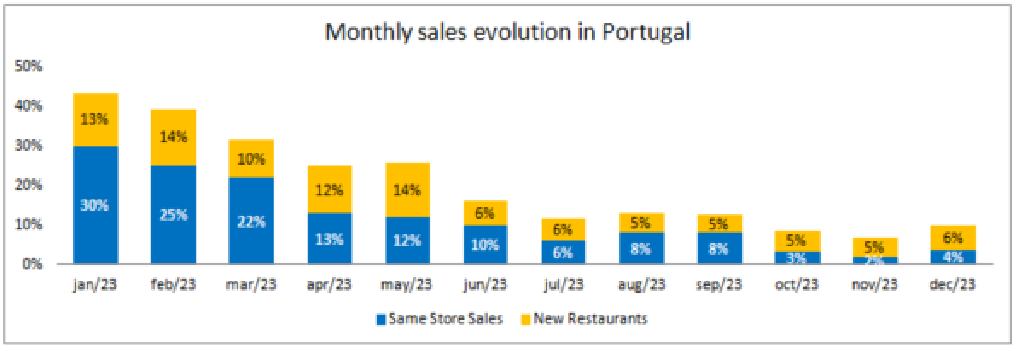
The year 2023 was marked by a demanding economic context, with increased pressure on families' purchasing power as a result of high levels of inflation in parallel with rising interest rates in the markets in which we operate.

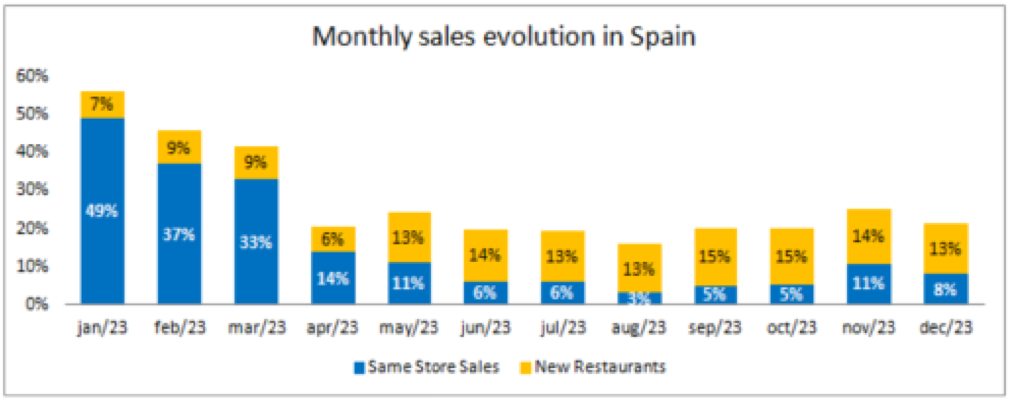
Faced with the progressive retraction of consumption by families, the Group remained focused on maintaining sales volumes, with occasional price increases having absorbed part of the impact by reducing margins, without neglecting the fulfilment of the investment plan to open new restaurants.

This effort ensured significant growth in "Continuing Operations" of 17.6% in 2023, with a turnover of 418.2 million euros compared to 355.6 million euros in 2022, with 5% more restaurants operated directly.

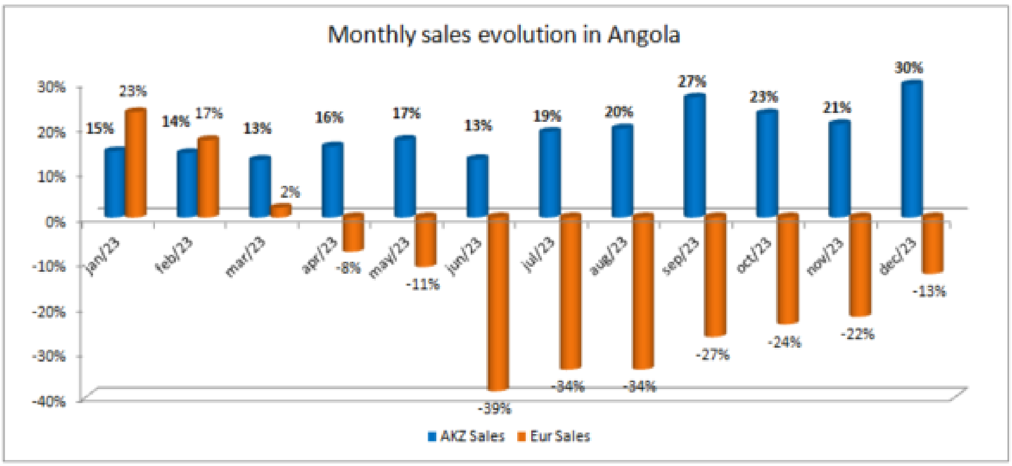
Turnover (euro million)	**2023**	**2022**	Var. 23/22
Sales of Restaurants	414,3	515,9	-19,7%
Sales of Merchandise	11,5	14,7	-22,1%
Services Rendered	3,6	3,1	16,1%
Turnover	429,3	533,7	-19,6%
Discontinued Operations	-11,1	-178,1	-93,7%
Continued Operations Turnover	418,2	355,6	17,6%

The monthly evolution of sales from April onwards in the Portuguese and Spanish markets shows a comparison with periods in 2022 in which there were no longer operating restrictions, so there is a gradual slowdown in the pace of growth, with the market in Spain showing signs of greater resilience in the 4th quarter, with sharper growth than in Portugal.





In Angola, and despite the good performance in local currency, activity in 2023 was marked by the sharp devaluation of the exchange rate (more than 50 per cent in the case of the AKZ versus the EUR), especially from June onwards, which led to a reduction in activity in euros.



Despite the slowdown in the pace of growth of the restaurant market in the geographies in which we operate, the group recorded increases in all three segments, particularly "Counters" and "Concessions and Catering" with relative performances of over 22% and 28% compared to 2022.

SALES IN RESTAURANTS (euro million)	**2023 Continued Operations**	**2022 Continued Operations**	Var. 23/22 Continued Operations
Restaurants	104,5	99,6	5,0%
Counters	144,8	118,3	22,5%
Concessions&Catering	153,8	120,1	28,1%
Total Sales	403,2	337,9	19,3%

For the "Concessions and Catering" segment, 2023 saw activity recover at a faster pace than expected, with the resumption of consumer habits that had been interrupted during the pandemic, both in terms of passenger mobility at airports and in organizing events.

In Spain, where the group operates restaurants in seven airports, the year was marked by faster recovery of passenger traffic than initially expected, surpassing that recorded in 2019, with the exception of Barcelona and Madrid airports, which are still 5% and 3% below pre-pandemic levels respectively in 2023.

In Portugal, airport traffic exceeded that recorded in 2019 by 15 per cent, with Madeira and Lisbon standing out, with traffic increases of 43 per cent and 11 per cent respectively.

In 2023, eleven new concession spaces began operating at Madrid, Tenerife and Malaga airports on a provisional basis, until the conversion to the definitive formats presented in the tender, which is currently underway, is completed.

The upturn in traffic, in parallel with the start of operations of the new concessions, led to growth of 28.1% compared to the previous year, without taking into account the effect of the Burger King restaurants located in concession spaces.

The "Counters" segment of continuing operations maintained its good performance, recording growth of 22.5% compared to 2022, with the decisive contribution of expansion, namely of the KFC and Taco Bell brands, which took place at the end of 2022 and during 2023.

The “Restaurants" segment, which reflects a concept of higher average revenue and a greater component of own delivery service – and which is thereby more exposed to greater competition from aggregators – recorded a more moderate growth of 5% compared to the same period in 2022.

In Spain, during 2023, 10 equity restaurants were definitively closed as a result of the expiry of the concession for eight restaurants at Menorca airport and the option not to renew the lease contracts for two restaurants, in addition to the closure of six franchised restaurants, with the opening of 14 restaurants (eleven new concessions at airports and three new KFC and Pans restaurants).

In addition, a new concession contract began at Lanzarote airport, where the group ensured that it would continue to operate the seven restaurants it was already operating and an additional restaurant, with the definitive formats due to open in 2024.

In Portugal, 18 new KFC, Taco Bell, Pizza Hut and Pans restaurants were opened.

At the end of the year, we operated 443 equity restaurants, 313 of which were in Portugal, 120 in Spain and 10 in Angola, as well as 59 own-brand restaurants operated by third parties on a franchise basis.

Nº of Restaurants	31.12.2022	Openings Q1	Openings Q2	Openings Q3	Openings Q4	Closures 2023	31.12.2023
PORTUGAL	**296**	**1**	**1**	**1**	**15**	**0**	**314**
Equity Restaurants	**295**	**1**	**1**	**1**	**15**	**0**	**313**
Pizza Hut	105		1		2		108
MIIT+Ribs	3						3
Pans	40	1					41
Burger King	9						9
KFC	56			1	8		65
Pasta Caffé	1						1
Quiosques	8						8
Taco Bell	16				5		21
Coffee Shops	25						25
Catering	9						9
Concessions & Other	23						23
Franchise Restaurants	**1**						**1**
SPAIN	**179**	**1**	**9**	**1**	**3**	**16**	**177**
Equity Restaurants	**116**	**1**	**9**	**1**	**3**	**10**	**120**
Pizza Móvil	12						12
Pizza Hut	3						3
Burger King	0						0
Pans	29			1			30
Ribs	13					1	12
FrescCo	2					1	1
KFC	4	1			1		6
Concessions	53		9		2	8	56
Franchise Restaurants	**63**	**0**	**0**	**0**	**0**	**6**	**57**
Pizza Móvil	4						4
Pans	36					2	34
Ribs	16					2	14
FrescCo	3					1	2
SantaMaria	4					1	3
ANGOLA	**10**		**0**	**0**	**0**	**0**	**10**
KFC	9						9
Pizza Hut	1						1
Other Locations - Franchise	**2**	**0**	**0**	**0**	**0**	**1**	**1**
Pans	2					1	1
Total Equity Restaurants	**421**	**2**	**10**	**2**	**18**	**10**	**443**
Total Franchise Restaurants	**66**	**0**	**0**	**0**	**0**	**7**	**59**
TOTAL	**487**	**2**	**10**	**2**	**18**	**17**	**502**

4.1 Consolidated Financial Performance

OPERATIONAL RESULTS 2023

The robust growth in activity made it possible to mitigate the impact on the cost structure of two key factors:

- the slowdown in consumption, caused by food price inflation and increased consumer price sensitivity;
- initial period of the new concession contracts for airports in Spain in provisional formats, with a significant impact on operational results;

These impacts forced a more dynamic approach to customer offer management and a permanent adjustment to the constraints and limitations imposed on operations in the new concession spaces, until their conversion was finalised.

Despite the 3.8 per cent growth in operating income from continuing operations to 23.0 million euros, compared to 22.1 million euros in 2022, the operating margin fell to 5.5 per cent of turnover, caused by the new concession contracts at Madrid, Tenerife and Malaga airports, with a negative operating income of 3.0 million euros.

(million euros)	2023 Continued Operations		2022 Continued Operations		var.
Turnover	**418,2**		**355,6**		**17,6%**
Cost of sales	100,2	24,0%	87,8	24,7%	14,2%
gross margin %	76,0%		75,3%		+0.7 p.p.
External supplies and services	121,9	29,1%	107,0	30,1%	13,9%
Personnel costs	127,3	30,5%	105,5	29,7%	20,8%
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	50,7	12,1%	39,1	11,0%	29,9%
Other income/operating costs	-4,9	-1,2%	-5,8	-1,6%	-15,6%
Total de custos operacionais	**395,2**	**94,5%**	**333,5**	**93,8%**	**18,5%**
Operating Income	**23,0**	**5,5%**	**22,1**	**6,2%**	**3,8%**
margin	5,5%		6,2%		-0.7 p.p.
Ebitda	**73,7**	**17,6%**	**61,2**	**17,2%**	**20,4%**
margin	17,6%		17,2%		+0.4 p.p.

Gross margin

The gross margin was 76.0% of turnover, 0.7 p.p. higher than the previous year (2022: 75.3%), showing the stabilisation of raw material prices after the impact of inflation on food products in 2022.

Personnel costs

The pressure to increase wage costs and the start of operations of the new concessions with lower productivity in the provisional formats led to an increase in staff costs of 20.8 per cent compared to the same period in 2022, with the weight of this cost representing 30.5% of turnover in 2023 (2022: 29.7%).

External Supply and Services

External supplies and services costs increased by 13.9% to 29.1% of turnover in 2023, which is equivalent to a 1.0 p.p. reduction in the weight of this cost compared to the 2022 of 30.1%.

This increase was due to the recovery in traffic and consequent increase in rents at the airports under concession in Spain, which, with the exception of Menorca Airport (which reached 2019 traffic in 2022) and the new concession contracts for Lanzarote, Madrid, Tenerife and Malaga (renewed in January and coming into force in May, July and October respectively), are not relevant for the purposes of applying IFRS16 until they reach 2019 annual traffic.

Other income and operational costs

Other income and operating costs, totalling 4.9 million euros in 2023, represent a reduction of 0.9 million euros compared to 2022:

- non-recurring compensations and provisions in 2022, totalling 1.7 million euros;
- an increase in the net cost associated with exchange rate differences of 1.1 million euros, mainly due to the devaluation of the Angolan currency as of May 2023;
- an increase of 2.1 million euros in revenue from contracts with suppliers;

Other operating costs also include around 0.8 million euros in fees and taxes.

Amortisations, depreciations, AFT imparity losses, right of use, and Goodwill

Amortisation and impairment losses for the year totalled 50.7 million euros, of which 31.9 million euros corresponded to amortisation of rights of use, an increase of 12.1 million euros compared to 2022, due to entry into force of new lease contracts, especially the new concessions at airports in Spain.

In terms of impairment losses, and given the different rates of recovery by business area, different risks were applied in determining the fair value of the tests carried out, which resulted in the recognition of losses of 0.4 million euros in the recoverability of tangible fixed assets of five restaurants, due to greater difficulty in recovering activity to pre-pandemic levels, with changes in consumption habits in certain locations and greater difficulties in penetrating the delivery segment.

EBITDA

EBITDA from continuing operations in the period totalled 73.7 million euros, an increase of 12.5 million euros compared to 2022, of which 11.1 million euros are associated with the contracts with AENA (9.3 million euros from the new contracts and 1.8 million euros relating to the Menorca contract whose application of IFRS16 was suspended until passenger traffic recovered in 2019).

The total EBITDA margin was 17.6% of turnover, compared to 17.2% in 2022.

For comparative purposes, eliminating the impact of IFRS16 on EBITDA from continuing operations, the EBITDA margin without IFRS16 would be 9.6% in 2023, which represents a reduction of 1.7p.p compared to 2022, reflecting the impact of the start of operations in the new concessions, mostly operating in provisional formats until the conversion to definitive formats and concepts is completed.

(million euros)	2023 without/IFRS16 Continued Operations		2022 without/IFRS16 Continued Operations		var. sw/ IFRS16 23 vs 22
Turnover	**418,2**		**355,6**		**17,6%**
Cost of sales	100,2	24,0%	87,8	24,7%	14,2%
gross margin %	76,0%		75,3%		0.7 p.p.
External supplies and services	155,4	37,2%	128,1	36,0%	21,4%
Personnel costs	127,3	30,5%	105,5	29,7%	20,8%
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	20,5	4,9%	14,6	4,1%	40,6%
Other income/operating costs	-4,9	-1,2%	-5,8	-1,6%	-15,6%
Total de custos operacionais	**398,6**	**95,3%**	**330,1**	**92,8%**	**20,8%**
Operating Income	**19,6**	**4,7%**	**25,5**	**7,2%**	**-23,2%**
margin	4,7%		7,2%		-2.5 p.p.
Ebitda	**40,1**	**9,6%**	**40,1**	**11,3%**	**0,0%**
margin	9,6%		11,3%		-1.7 p.p.

4.2 Financial results

(million euros)	2023 Continued Operations		2022 Continued Operations		var.
Financial Results	**-9,6**	**-2,3%**	**-7,6**	**-2,1%**	**26,5%**
Financial expenses and losses	-14,3	-3,4%	-9,3	-2,6%	54,5%
Financial income and gains	4,5	1,1%	1,6	0,5%	180,9%
Gains (losses) in associated and joint controlled sub. - Equity	0,2	0,1%	0,1	0,0%	137,6%

Financial Gains and Losses and Financial Income and Revenue

The net financial result was a loss of 9.6 million euros, 2.0 million euros less than in 2022.

Financial costs and losses totalled 14.3 million euros, an increase of 5.0 million euros compared to 2022. Part of these costs and losses corresponds to interest on leases totalling 10.1 million euros (4.5 million euros in 2022).

Net interest on financing and associated commissions totalled 2.6 million euros, corresponding to an average cost of debt of 2.7%, reflecting the increase in reference rates and fixed commissions on unused lines.

Financial income and gains registered a substantial increase of 2.9 million euros, due to the increase in cash and cash equivalents resulting from the sale of the Burger King operation in 2022, applied at an average rate of 3%.

4.3 Consolidated net results

Profit before taxes from continuing operations of 13.4 million euros was penalised by the start of new concession contracts to operate provisionally at Madrid, Malaga and Tenerife airports, which had a negative impact of 6.3 million euros.

The value of current taxes is 0.4 million euros and deferred tax was negative by around 1.7 million euros.

As a result, and despite the challenges faced throughout the year, the consolidated net profit for the year from continuing operations totalled 14.6 million euros, which compares with 16.7 million euros in 2022.

4.4 Financial position

Consolidated Financial Position

Consolidated assets stood at 712.4 million euros on 31 December 2023, an increase of 59.7 million euros compared to 652.6 million euros at the end of 2022, with the main movements being:

(i) Increase in rights of use of 129 million euros (mainly corresponding to the rights of use of the new lease contracts at airports in Spain and the recognition of the rights of use of the Alicante, Gran Canaria and Malaga concessions, after exceeding the traffic recorded in 2019).;

(ii) Investment in the realisation of the expansion plans for the KFC, Pizza Hut and Taco Bell brands and in the new concession restaurants in Spain (around 23.5 million euros);

(iii) Remodelling and various investments in Portugal and Spain (around 9.9 million euros);

(iv) Reduction in tangible and intangible assets and rights of use due to amortisation and impairment for the year in the amount of 50.6 million euros;

(v) Financial investment in a capital increase of three million euros in the Spanish company Medfood;

(vi) Reduction in accounts receivable of 32 million euros, mainly corresponding to amounts received in 2023 relating to the sale of the Burger King operation.

Consolidated liabilities increased by 88.5 million euros compared to the final amount of 2022, to 357.5 million euros on 31 December 2023, as a result of two main movements:

(i) Increase in lease liabilities totalling 138.1 million euros (of which 103.7 million related to the four new concession contracts at Madrid, Lanzarote, Tenerife and two new restaurants in Malaga and and 35.8 million euros related to the reactivation of the Gran Canaria, Alicante and Malaga contracts);

(ii) Reduction of bank debt in the amount of 41.6 million euros.

Current liabilities totalled 148.8 million euros, of which 40.2 million euros corresponded to lease liabilities and 15.8 million euros to current loans. At 31 December, the Group had 33 million euros in commercial paper and undrawn credit lines.

On 31 December 2023, Equity totalled 355 million euros, around 28.8 million euros less than that recorded at the end of 2022, reflecting the effect of the distribution of dividends for 2022.

Consolidated Financial Position (million euros)	31/12/2023	31/12/2022	Var.
Total Assets	**712,4**	**652,6**	59,7
Total Equity	**354,9**	**383,7**	-28,8
Loans	28,5	70,1	-41,6
Liability for leases	229,0	90,9	138,1
Other liabilities	100,0	108,0	-8,0
Total Equity and Liabilities	**712,4**	**652,6**	59,7

The financial autonomy ratio in 2023 continues to show the balance of the capital structure, standing at 49.8% in 2023, compared to 58.8% in 2022.

CAPEX

(million euros)	2023	2022	var.
Fixed assets additions	29,4	29,6	-0,2
Intangible assets additions	3,7	3,3	0,4
Capex	33,1	32,9	0,2

In 2023, CAPEX totalling 33.1 million euros corresponds to investment in:

- Expansion: 22 new restaurants opened, three of which were opened at the end of 2022, in the amount of 23.5 million euros);

- Remodelling: 28 restaurants in Portugal and Spain (4.4 million euros);

- Ongoing and miscellaneous current investments totalling 5.2 million euros.

Net Debt

At the end of the year, net debt (including lease liabilities) totalled 67.3 million euros, which represents an increase of 146.6 million euros compared to the negative debt at the end of 2022 (-79 million euros), of which 229.0 million euros correspond to lease liabilities.

(million euros)	2023	2022	var.
Total loans	28,5	70,1	-41,6
Cash and bank deposits	-188,5	-237,1	-48,6
Other current and non-current liabilities	-1,6	-3,1	-1,5
Net Bank Debt	**-161,7**	**-170,1**	**8,5**
Liability for leases	229,0	90,9	138,1
Net Debt	**67,3**	**-79,2**	**146,6**
Equity	354,9	383,7	-28,8
Gearing (Net Debt/Net Debt + Equity)	**16%**	**-26%**	
Ebitda	73,7	61,2	12,5
Net Debt / Ebitda	**0,9X**	**-1,3X**	
Total Interests	12,7	7,4	5,3
Interest Coverage	**6X**	**8X**	

As a result, there is a gearing ratio of 16% at the end of 2023, which reflects the group's solid financial position.

The "Net Debt to EBITDA" indicator at the end of 2023 was 0.9 times, and the EBITDA interest coverage ratio is six times, due to the increase in interest on lease liabilities (IFRS16) of around 5.3 million euros.

Glossary

Turnover	Sales + Services Rendered
Sales	Sales of Restaurants + Sales of Merchandise
Sales of Restaurants	Sales of directly operated restaurants
Sales of Merchandise	Sales of goods to third parties and franchisees
Gross Margin	Turnover - 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
EBITDA without IFRS16	EBITDA excluding the application of IFRS16 to lease contracts
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

4.5 Individual Net Result and Proposed Application of Results

In the 2023 financial year, Ibersol SGPS, S.A. had a consolidated net profit of 15,413,686 euros and a net profit in the individual accounts of 37,098,448.20 euros.

The Board of Directors proposes the following allocation of results:

Legal Reserve	1,854,922.41€
Free Reserves	29,524,982.90€
Dividends	5,718,542.90€

The distribution of dividends totalling 5,718,542,90 euros corresponds to a gross dividend of 0.135 euros per share. If the company holds treasury shares, this allocation of €0.135 to each outstanding share will be maintained, reducing the overall amount of dividends paid.

4.6 Information on treasury stock transactions

Under the terms of the resolution approved at the General Meeting of 26 May 2023, Ibersol SGPS, SA reduced its share capital from 46,000,000 euros to 42,359,577 euros, by cancelling its own shares.

Under the buy-back programme approved at the same General Meeting, 477,490 own shares were acquired until 31 December 2023, at an average price of €6.79 and representing 1.1272% of the share capital.

On 18 April 2024, the company held 705,071 own shares acquired for the sum of 4,768,053 euros, acquired at an average price of around 6.77 euros, representing 1.6645% of the share capital.

4.7 Subsequent facts

4.7.1 Disposal of Burger King operation

Still within the scope of completing the process of selling Burger King restaurants, as part of the assets that had not yet been transferred as of 30 November 2023, the sale at the end of January of eight of the nine restaurants located in concessions was completed as planned, with no significant differences compared to the amounts considered in the sale contract for the overall operation for the sale of these assets for a value of 6.6 million euros.

4.7.2 Exercise of the right to purchase the entire share capital of Medfood

On 19 April, the sellers were informed of the purchase of 54% of the company's share capital. Following the seller's approval and the fulfilment of other precedent conditions, the deal could be concluded by the end of the first half of 2024.

4.8 Outlook

After a challenging year in 2023, continued high interest rates continue to put pressure on household income and jeopardise consumption, particularly in the catering sector.

Recent forecasts from the Banks of Portugal and Spain for 2024 point to growth of 1.2 per cent and 1.6 per cent respectively, with a slowdown in inflation compared to the last two years and consequently an expected reduction in interest rates over the course of this year.

The instability in the Middle East and the continuing conflict in Ukraine, which is jeopardising the climate of security in Europe, could worsen consumer confidence. However, given the most recent indicators, particularly airport traffic, the markets most exposed to tourism in southern Europe will continue to show greater resilience, which will help to minimise the natural slowdown in consumption.

The year 2024 will also be marked by the conversion of the new concession restaurants at Lanzarote, Madrid, Tenerife and Malaga airports, which will continue to put pressure on profitability until the conversion of all the restaurants to the definitive formats and concepts is completed.

In terms of expanding our operations, we will continue with the expansion plans for the Pizza Hut, KFC and Taco Bell and Pret A Manger brands.

Information on Transactions by Governing Bodies

In compliance with Article 9º Nº 1, paragraphs a) and c) of the CMVM Regulation nº 5/2008, we hereby give details of the transactions and the number of securities issued by the company or by companies in a control relationship, held by members of the Governing Bodies, in relation to the year 2023.

Securities held by members of the governing bodies and respective transactions in the year 2023:

Board of Directors	Date	Acquisitions/Increases		Date	Sales		Balance at
		shares	avg price		shares	avg price	31.13.2023
António Alberto Guerra Leal Teixeira							
DUNBAR- SERVIÇOS E GESTÃO SA (1)							5 100
Ibersol SGPS, SA							3 314
António Carlos Vaz Pinto Sousa							
CALUM- SERVIÇOS E GESTÃO SA (2)							9 996
Ibersol SGPS, SA				30/03/2023	181	6	3 314
Maria Deolinda Fidalgo Couto							
Ibersol SGPS, SA							6 831
(1) DUNBAR- SERVIÇOS E GESTÃO SA							
ATPS- S.G.P.S., SA (3)							2 840
(2) CALUM- SERVIÇOS E GESTÃO SA							
ATPS- S.G.P.S., SA (3)							2 840
(3) ATPS- S.G.P.S ., SA							
Ibersol SGPS, SA	30/03/2023	181	6,30	24/07/2023	4 551 450	7,50	21 452 754

Information on Transactions by Managers

In compliance with the provisions of Article 14, no. 7 of the CMVM Regulation no. 5/2008, we hereby inform that during the financial year 2023, no transactions in shares of the issuer were reported to the company by its directors or persons closely connected with them.

List of Qualified Shareholdings

Shareholders owning known qualified holdings as of 31 December 2023, of the share capital of Ibersol - SGPS, SA, in accordance with article 8º nº1, al. b), of the CMVM Regulation n.05/2008:

Shareholders	nº shares	% share capital
ATPS - SGPS, S.A. (*)		
Directly	21 452 754	50,64%
António Alberto Guerra Leal Teixeira	3 314	0,01%
António Carlos Vaz Pinto Sousa	3 314	0,01%
Total attributable	**21 459 382**	**50,66%**
FERGIE - Serviços e Gestão, SA		
Total attributable	**4 551 450**	**10,74%**
Magallanes Value Investors SGIIC		
Total attributable	**2 272 700**	**5,37%**
Bestinver Gestion SGIIC		
Total attributable	**2 932 675**	**6,92%**
FMR LLC		
Total attributable	**1 529 492**	**3,61%**
Cobas Asset Management SGIIC		
Total attributable	**910 794**	**2,15%**

(*) The voting rights attributable to ATPS are likewise attributable to António Pinto Sousa and Alberto Teixeira, under the terms of paragraph b) of #1 of article 20 and #1 of article 21, both of which in the Securities Code, by virtue of their majority position in said company in which they have equal indirect shares through CALUM - SERVIÇOS E GESTÃO, S.A. tax number 513799486 and DUNBAR - SERVIÇOS E GESTÃO, S.A. tax number NIPC 513799257, respectively, and which, together, own a majority of ATPS' share capital.

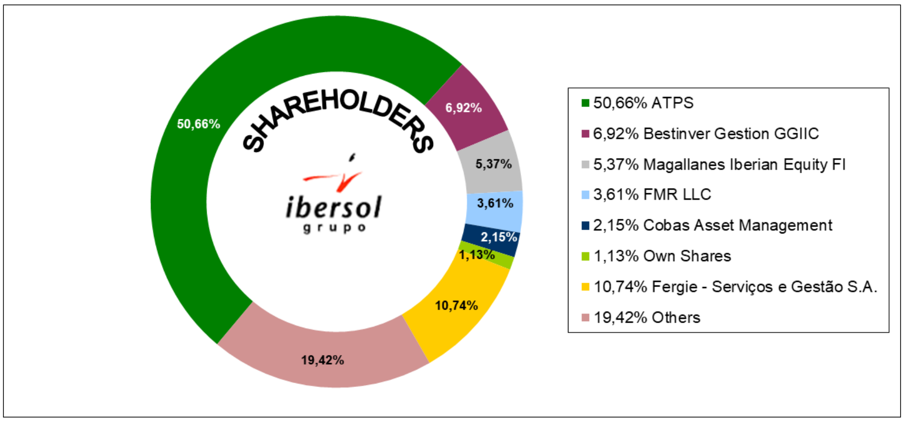
5. COMPANY GOVERNANCE

5.1 Shareholder Structure

Ibersol, SGPS, S.A. is a listed company with a share capital of 42,359,577 euros, headquartered at Praça do Bom Sucesso, ns 105/159, 9º andar, 4150-146 Porto, and registered at the Porto Commercial Registry Office under the following single registration and tax identification number: 501669477.

The share capital of Ibersol, SGPS SA. is 42,359,577 euros, fully subscribed and paid up, represented by 42,359,577 ordinary registered shares, each with a nominal value of one euro, with the rights and duties inherent to all shares being equal.

All the shares representing the share capital are open to trading on the Euronext Lisbon regulated market and had a capitalisation of 282,961,974.4 euros as of 31/12/2023.



5.2 Governing Bodies

Board of Directors
Defines the strategy of the different companies in which the Ibersol Group has a stake, ensuring that strategic objectives are met, organising and coordinating the corporate structure and the company's main policies, and analysing and setting limits on risk-taking.

Members:
- Chairman – Dr. António Alberto Guerra Leal Teixeira (*)
- Vice-Chairman – Dr. António Carlos Vaz Pinto de Sousa (*)
- Member – Eng Maria Deolinda Fidalgo do Couto
- Member – Professor Doutor Juan Carlos Vázquez Dodero de Bonifaz
- Member – Dr.ª Maria do Carmo Guedes Antunes de Oliveira

(*) Executive Committee

Ensures the execution of the strategy through the operational coordination of the functional and business divisions, meeting with the respective directors on a regular basis.

Supervisory Board
Represents the company with the External Auditor, ensuring that all the necessary conditions for the provision of services are in place, evaluating its performance on an annual basis, and acting as its interlocutor and recipient of the respective reports, in tandem with the Board of Directors.

Members:
- Chairman – Dr. Hermínio António Paulos Afonso
- Member – Dr. Carlos Alberto Alves Lourenço
- Member – Dr. Maria José Martins Lourenço da Fonseca
- Alternate – Dr. Joaquim Jorge Amorim Machado.

General Meeting
Decides annually on the financial statements for the year, assesses the activities of the management and supervisory bodies and approves the distribution of profits.

Board of the General Meeting:
- Chairman – Prof. Dr. José Rodrigues Jesus
- Vice-Chairman – Dr. Eduardo Moutinho Ferreira Santos
- Secretary – Dr. Clara Maria Azevedo Rodrigues Gomes.

Remuneration Committee
Defines and supervises the implementation of the remuneration policy for the Governing Bodies, as approved by the shareholders at the General Meeting.

Members:

- Dr. Vítor Pratas Sevilhano
- Dr. Joaquim Alexandre de Oliveira e Silva
- Dr. António Xavier Dopico Grandio

Company Secretaries
Permanent Secretary – Dr. Berenice Príncipe;

Alternate Secretary – Dr. Luís Neiva Nunes de Oliveira.

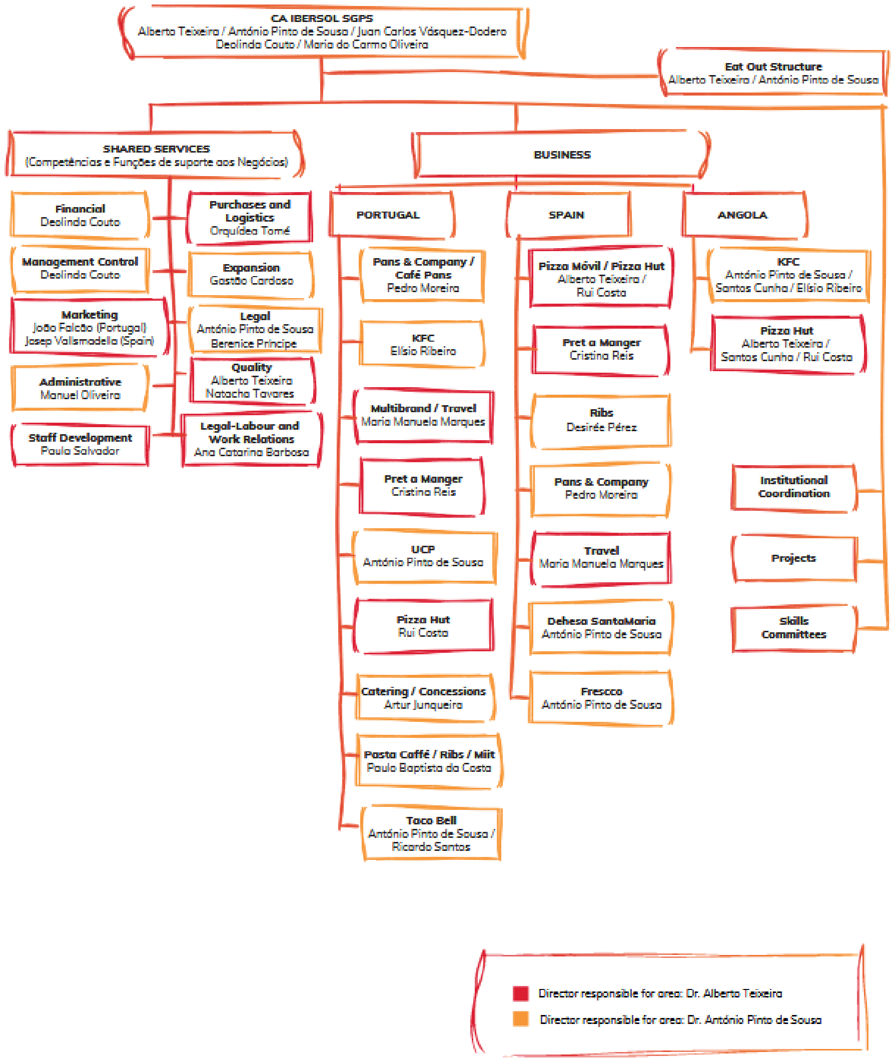
Statutory Auditor
Is also the company's External Auditor and its mission is to review and audit the company's accounts, issuing, after careful enquiry, a legal certification or audit report on its financial situation, results of operations and cash flows.

Effective Statutory Auditor: KPMG & ASSOCIADOS, Sociedade de Revisores Oficiais de Contas, represented by Pedro Manuel Bouça de Morais Alves da Costa

Alternate Statutory Auditor: Dr Vítor Manuel da Cunha Ribeirinho

5.3 Functional Organisation Chart

The Ibersol Group employs a results-oriented management, based on objectives and monitoring indicators, and which rests on structured plans and action programmes that seek consistent and continuous improvement, in order to better measure the effectiveness and efficiency of the main processes and operations, adequately controlling environmental, social and governance risks and opportunities and guaranteeing the satisfaction of all stakeholders.
The Group's functional structure begins at the Board of Directors spreading out through two major areas: Shared Services, which ensures all the organisation's central functions and supports the Group's businesses, and Businesses, which are organised by market and brand. The Board of Directors is also directly responsible for a specific structure for the Spanish market (Eat Out) and a series of other initiatives to support the business, in terms of institutional coordination, project management and other specific areas.
The different functional areas of Structure and Business are distributed evenly between the two Executive Directors who make up the Executive Committee. The distribution of responsibilities is detailed in the organisational chart below:



5.4 Certified Management Systems

We make a connection with each of our customers through our restaurants.

Ibersol is a multi-brand Group which aims to provide its customers with unique restaurant experiences. Good experiences are the cornerstone for relationships of trust, a crucial asset which impacts the whole organisation.

The group has clear strategic goals invested in the “Customer” asset, in their level of satisfaction, the feedback they seek, evolutions in their consumption behaviour, and wishes and expectations regarding the products and services made available to them.

This focus helps identify which trends to follow faster and more clearly, which concepts to expect, how to innovate the offer, opening the way for greater complementarity with the customer and strengthening the company’s competitive position.

Passion for the customer

Customers are the Ibersol Group’s *raison d’être*. The trust and preference that characterise us are the result of constant work on customer satisfaction during the whole of the relationship with the Group’s brands.

In this context, the Ibersol Group is dedicated to the daily and in-depth study of each customer profile, seeking to identify the best practices to keep up with consumption trends, adapting and changing different units, in terms of space, products and services as well as internal procedures, information systems and new concepts.

To stay in touch with customer experiences, the Group constantly measures and monitors the quality of service at its restaurants and units. We resort to several tools for this purpose, namely:

Guest Experience Survey (GES)

In Portugal, the opinion of more than 143,700 customers was gauged through the answers given in these online satisfaction surveys.

Complaints

All complaints received were carefully analysed, providing critical management indicators that support corrective acts and continued improvement.

Continente Card

The year was also marked by the strengthening of the Group’s partnership with the Continente Card, through segmented offers for every customer of each brand that is part of the programme.

Food Quality and Safety

Food quality and safety are essential values for the Ibersol Group.

Their full and exhaustive application set the groundwork for overall sustainability.

With this in mind, the group monitors consumption trends and customer expectations so that means and tools can be strengthened and improved every year, with the goal of providing an overall atmosphere of trust among those who visit our restaurants.

Ensuring that its stakeholders benefit from the maximum readiness and satisfaction in terms of food safety and quality in all markets, is part of the Ibersol Group's sustainability policy. For this reason, the Group uses an integrated food quality and safety management system all along the value chain.

Food Quality and Safety Certifications

In 2023 the Ibersol Group continued its process of constant improvement, according to the principles and certification norms that it adheres to, in order to guarantee food quality and safety, and customer satisfaction.

In this context the following deserve special mention:

a) FSCC 22000 Certification (Version 5.1) of the Group's central production unit – IBERGOURMET - PRODUTOS ALIMENTARES, S.A. (UCP Modivas), a very demanding GFSI norm in food safety requirements: – scope: Ready to eat and ready to heat combined products and meals, sliced, fried, cooked including "sous vide", grilled, stewed, roasted, baked, packed in thermoformed plastic packages, with or without vacuum, thermo-sealed plastic bags with MAP, flexible plastic bags sealed, vacuum and MAP, at room temperature, chilled or frozen. (Category CIII).

b) Certification according to norm NP EN ISO 9001 – Quality Management Systems:

Management of the Ibersol Group's Restaurant Operations.

Provision of Restaurant and catering services: Catering Estádio do Dragão, VOG Tecmaia, Lisbon Airport – Terminal 1: Zona Terra: Burger King, Go To, Go To/Go Natural; Zona Ar: Pizza Hut, KFC, Cockpit, Go Natural, and Specially, including the multi-brand warehouse.

c) Certification according to the NP EN ISO 22000 – Food Safety Management Systems norm.

PORTUGAL:

HEAD OFFIEC: Food Chain Management for restaurant operations of the Ibersol Group

RESTAURANT UNITS: - Provision of Restaurant/catering services in the following units: Catering Estádio do Dragão; VOG Tecmaia, Aeroporto Lisboa – Terminal 1: Zona Terra: Go To – Go Natural; Zona Ar: Pizza Hut, KFC, Cockpit, Go Natural and Specially, including the multi-brand warehouse, Pizza Hut Colombo, Pans & Company, Colombo, KFC Colombo, KFC CascaisShopping, KFC Amadora Estação, KFC Montijo, KFC Alameda Shopping, Pizza Hut Alameda Shopping, Pans&Company (including the Kiosk) Alameda Shopping, including the multi-brand support warehouse, KFC Norteshopping, Pasta Caffé Norteshopping, Taco Bell Norteshopping, Pizza Hut Norteshopping, Pans&Company Norteshopping, Miit Norteshopping, including the multi-brand support warehouse, Pizza Hut Foz, Pizza Hut Matosinhos, Go To Campanhã.

ANGOLA:

Ibersol Angola logistics chain (unloading and reception, storage and distribution to restaurants) and restaurant operations (reception, storage, preparation, confection and meal service), in the following units: KFC Avenida, KFC Belas Shopping, KFC Benfica, KFC Benguela, KFC Che Guevara, KFC Drive Thru Aeroporto Luanda, KFC Morro Bento, KFC Nova Vida, KFC Zango, Pizza Hut Nova Vida.

EAT OUT/SPAIN

HEAD OFFICE: - Management of the restaurante operations Supply Chain Management for Ibersol Group/Eat Out.

RESTAURANTS – Restaurant Services in Pans Sabadell and Ribs Maquinista.

6. ENVIRONMENT AND CLIMATE ACTION

6.1 Framework

We respect and work to improve the world we live in

The Ibersol Group aims to guarantee the sustainable development of its businesses, through a commitment to respecting the environment and a constant search for solutions that help to reduce the environmental impact and protect the planet.

One of the sustainability vectors defined as a priority by the Ibersol Group, in terms of performance, is the environmental dimension. The reduction of the environmental impact of the activity of the Group as a whole is a fundamental concern.

In 2023 we remained committed to the vision of a circular economy, which promotes a separation between economic growth and an increase of resource consumption. This vision continues to guide our strict environmental management practices in their different spheres.

In this sense, the Ibersol Group invests daily in reducing the environmental impact that its activities produce, namely at the level of:

- Environmentally efficient restaurants (construction materials with better thermal isolation, natural lighting, solar energy systems)
- Energy efficient equipment and materials;
- Programmes, procedures and devices that reduce energy and water consumption;
- Use of recycled materials, reduction in quantity of packages, use of biodegradable materials;
- Minimisation and recycling of waste produced

Contributions to a Circular Economy

Contributing to a circular economy includes a circular approach to packaging and to generated waste, through actions aimed at reducing, reusing, and recycling the waste generated by our restaurants, promoting recycling practices and directing food oil waste to be used for biodiesel production.

Sustainable Procedures and Customer Relations

- Minimising the use of disposables + residue processing
- Reducing food waste
- Use of locally sourced and seasonal ingredients on menus
- Practices and communication in line with Group policy.

Supply Chain

Environmental requirements are reflected and materialised in supply chain management with the application of the following measures:

- Approval required for suppliers and products (sustainable origin) – e.g.: FSC/PEFC certified packages and animal welfare certification;
- Recycled materials, reduction of package size/quantity, use of biodegradable materials;
- C02 emissions control in the logistics operations – e.g.: multitemperature vehicles (simultaneous delivery of all products / < trucks in circulation).

With these concerns in mind, in 2023 the Group renewed certifications according to Norm NP EN ISO 14001:2015 – Environmental Systems Management, which certifies that the whole structure is committed to improving its environmental performance with regard to managing the impact of its activities, namely through the optimisation of the use of natural resources, environmental protection, and reducing its carbon footprint. This certification includes the Ibersol Group's restaurant operations management as well as the Dragão Stadium Catering, Vog Tecmaia, and all the Group's units operating in the Lisbon Airport.

6.2 Packaging and waste

Single Use Packages and Cutlery

In line with the Group's concerns, we gave utmost priority to improving the sustainability of single use packaging and cutlery, reflecting measures we have been developing and implementing for a few years, geared towards the promotion of a circular economy, reducing use of plastic – which is replaced by sustainable and biodegradable solutions – and the elimination of some packaging components.

In addition to these initiatives, we have developed awareness-raising campaigns to promote the reuse and use of customer packaging, namely through signage in all shops, and we have carried out a pilot test of the use of reusable packaging in two KFC shops.

Separation and Selective Channelling

Waste separation and selective channelling is ensured every day in all the Group's restaurants and offices, thereby guaranteeing an active role in responsible waste management. This practice includes separation of paper/cardboard, plastic/metal, glass and biowaste, to make sure it is correctly disposed of.

The group has maintained its contract with the Integrated Residue and Packaging Management System, coordinated by the Sociedade Ponto Verde, to guarantee the circuit of reuse, valuing and recycling, as well as reducing the volume of waste that is sent to landfills.

True to our role of encouraging the correct channelling practices of packaging waste among customers, we improved markings and wording on service packages, to guarantee that consumers dispose of them adequately at the end of their life cycle.

This approach contributes to the recovery of these materials and energy and prevents the conventional production of the same, as well as their loss through deposits in landfills or through incineration.

Edible oils

475 tonnes of used edible oils reused and valued
The production of edible oil waste continues to be carefully monitored and managed, to guarantee that 100% of the waste produced is properly disposed of, recycled, and valued.
We channel all the used edible oil to the production of biodiesel, through an operator that is duly licensed to collect, transport, and recycle used edible oils.
All our restaurants are certified for the collection of used edible oils and in 2023 approximately 475 tonnes of used edible oil were sent for biodiesel production.

6.3 Energy and Other Resources

Energy Saving Measures

The Ibersol Group is aware of the economic and environmental importance of energy resources, and of the fact that environmental sustainability requires efficient energy use, and therefore has been developing and improving a set of measures over the past years to save these resources, namely:

- Tracking consumption of electricity, gas, and water per location to identify best practices and detect opportunities for consumption reduction as well as signalling of consumption anomalies that require immediate maintenance.

- On-Off plan: Setting times for electrical and gas equipment to turn on and off throughout the day, adjusted to production needs and customer service.

- Facilities and equipment Maintenance and Cleaning Plan

- Investment in better energy efficiency rates when purchasing new equipment for new units, or to replace obsolete material.
- Installation of energy saving material and equipment:

- equipment activation timers (namely for exhaust machines and outdoor lighting)
- variable speed drives on fume extraction motors (Springx system)
- led lightbulbs (replacing in existing installations, and applying to new installations)
- indoor light sensors (eg: warehouses, bathrooms, changing rooms) and for outdoors (outdoor lighting regulators)
- thermal and photovoltaic solar panels
- automatic water taps
- flow regulators for hand-washing taps (allowing for a flow reduction of over 50%)
- cisterns with dual flush mechanisms and smaller tanks
- heat pumps for domestic hot water production
- chargers for electric vehicles. .

- Temperature adjustment for air conditioning: maximum 18ºC in the winter and 25ºC in the summer
- Opening control for equipment (cooling and heating) and for facilities.
- Management of the opening and closing of window shutters to optimise the interior temperature in restaurants.
- Reducing the flow rate of taps to minimise water waste.
- In stores with an outdoor garden, optimisation of watering operations: - timing and duration of watering; - positioning and calibration of watering devices; - choice of plants that need less watering.
- Reduction in the amount of water used to wash outdoor areas.
- Vehicle fleet: conversion to electric vehicles
- For new restaurants, designing buildings with better energy performance through architectural and engineering solutions that favour energy saving (e.g. maximising natural light through glazing; taking advantage of natural ventilation; using building solutions and materials with greater thermal insulation) and by incorporating more energy-efficient and resource-saving equipment.

Reactive Energy

Excessive reactive energy consumption, linked to low potency factor values, has some disadvantages:

- Reduced service life;
- Higher bills from the electricity distributor;
- Underuse of the installed capacity.

Reactive energy consumption is monitored in order to detect any anomalies in the installed capacitor banks and repair them promptly.

Photovoltaic Self-Consumption

The Group is planning to install photovoltaic solar energy systems to produce electricity on the roofs and in the car parks of the restaurants with drives.
These photovoltaic installations are expected to reduce the total bill by 29 per cent and have a payback of five years.

Electric Mobility

The Ibersol Group entered a partnership with its energy provider for the installation of state-of-the-art vehicle chargers. The chosen equipment permits different types of charging, direct or alternate current. All the sockets are quick, which means that they can charge an average of 100 km of autonomy, in just 20 to 30 minutes.
The aim of this partnership is to make a decisive contribution to increasing options for charging electric and hybrid vehicles in Portugal, and contributing to the energy transition of the MOBI.E. electric vehicle Public Charging Network, as well as the decarbonisation of the Portuguese economy.
With the installation of these chargers, the Ibersol Group can offer its customers the opportunity to charge their vehicle while they enjoy their meal, thereby jointly contributing to the reduction of greenhouse gas emissions in Portugal.
By promoting this sort of mobility amongst its customers, the Ibersol Group is encouraging them to reach its restaurants in a more sustainable and environmentally friendly way.

Energy Market and Energy Contracts

The Ibersol Group's electricity contracts are in the free market regime, and expire in June 2024. The electricity prices were negotiated in 2020, so taking into account the evolution of the global electricity market, determined by the war in Ukraine that began in February 2022, throughout 2023, as in 2022, the negotiated prices are lower than current market prices. Since July 2022, contracts also benefit from a reduction in network access tariffs.

With regard to gas, in 2023 for restaurants with annual consumption of up to 10,000 m3, it was decided to contract with the regulated market supplier of last resort (CUR), because the regulated tariff is the most competitive on the market.

The remaining installations with annual consumption of more than 10,000 m3, in accordance with the legislation, remained in the liberalised market in 2023. Faced with the prospect of lower market prices, these gas consumers opted to contract on the indexed natural gas market. In 2023 there was a downward trend in gas prices due to lower-than-expected overall demand, largely as a result of a less severe winter than usual.

Consumption of Energy and Natural Resources

With regard to electricity, in Portugal in recent years there has been a trend towards a slight reduction in consumption in the same universe of restaurants, reflecting efforts to save energy. In 2023, compared to the previous year, this reduction was 102 MWh (-0.33%). The average consumption per restaurant in 2023 compared to 2022 is up 5.7 per cent, but compared to 2019, the last pre-pandemic year, it is down 4.1 per cent, also reflecting the impact of opening more energy-efficient restaurants.

In Spain, in 2023, compared to the previous year, there was a significant increase in consumption per restaurant and also an increase in consumption in the same universe of restaurants of around 1.1 per cent.

Ibersol Group Portugal			
Indicators	**2023**	**2022**	**2021**
Electricity Consumption			
Consumption points	**327**	308	394
Global Consumption (kWh)	**34 542 145**	**30 774 994**	**40 157 156**
Average Consumption per point (kWh / store)	105 633	99 919	101 922
Consumption Reduction same store universe (kWh)	102 145	233 740	555 691
Consumption Reduction same store universe (%)	0,33%	0,53%	1,42%

Ibersol Group Spain			
Indicators	**2023**	**2022**	**2021**
Electricity Consumption			
Consumption points	77	71	122
Global Consumption (kWh)	**11 688 010**	**7 432 679**	**15 919 794**
Average Consumption per point (kWh / store)	151 792	104 686	130 490
Consumption Reduction same store (kWh)	78 029	-81 155	
Consumption Reduction same store (%)	1,05%	-1,00%	

In terms of gas, consumption per restaurant in 2023 compared to 2022 in Portugal increased by around 1.3 per cent and in Spain it remained relatively stable.

Ibersol Group Portugal			
Indicators	**2023**	**2022**	**2021**
Gas Consumption			
Consumption points	149	139	226
Global Consumption (kWh)	**6 307 865**	**5 810 704**	**17 277 091**
Average Consumption per point (kWh / store)	42 335	41 804	76 447

Ibersol Group Spain			
Indicators	**2023**	**2022**	**2021**
Gas Consumption			
Consumption points	25	25	61
Global Consumption (kWh)	**1 780 860**	**1 779 937**	**5 171 038**
Average Consumption per point (kWh / store)	71 234	71 197	84 771
Consumption Reduction same store (kWh)	923	-26 696	
Consumption Reduction same store (%)	0,05%	-0,52%	

With regard to water, in Portugal between 2023 and 2022 consumption per site will remain relatively stable after a downward trend in recent years, reflecting the efforts of operations to save this resource and the contribution of consumption control equipment.

Ibersol Group Portugal			
Indicators	**2023**	**2022**	**2021**
Water Consumption			
Global Consumption (m^3)	150 524	142 035	194 785
Average Consumption per point (m^3 / store)	**460**	**461**	**494**

CO2 emissions

In Portugal, indirect CO2 emissions associated with electricity consumption per point of sale increased in 2023 compared to 2022 and 2021, as a result of the rise in energy consumption per restaurant and the increase in the specific emission factor. In Spain, indirect CO2 emissions per place of consumption in 2023 rose compared to the previous year, with the increase in energy consumption per point of sale more than cancelling out the effect of the reduction in the specific emission rate.

Direct C02 emissions associated with gas consumption, in Portugal and Spain, per point of sale increased, determined fundamentally by the rise in the specific emission factor.

In Portugal, the use of energy production systems with photovoltaic panels prevented the emission of around three tonnes of CO2 in 2023.

Ibersol Group Portugal			
Indicators	**2023**	**2022**	**2021**
CO_2 Indirect Emissons linked to Electricity Consumption			
Specific CO_2 Emissions (kg/kWh)	0,26	0,25	0,23
CO_2 Emissions in Consumption (ton)	9 050	7 632	9 236
CO_2 Emissions in Consumption per point (ton / store)	**28**	**25**	**23**
Production with renewable energy (KWh)	11 547	12 547	11 417
CO_2 Emissions avoided through renewable energy production (ton)	**3,0**	**3,1**	**2,1**
CO_2 Direct Emissions linked to Gas Consumption			
CO_2 Emissions produced (ton)	1 167	686	2 039
CO_2 Emissions produced per point (ton / store)	**7,8**	**4,9**	**9,0**

Ibersol Group Spain			
Indicators	**2023**	**2022**	**2021**
CO_2 Indirect Emissons linked to Electricity Consumption			
Specific CO_2 Emissions (kg/kWh)	0,19	0,26	0,23
CO_2 Emissions in Consumption (ton)	2 197	1 918	3 662
CO_2 Emissions in Consumption per point (ton / store)	**29**	**27**	**30**
CO_2 Direct Emissions linked to Gas Consumption			
CO_2 Emissions produced (ton)	324	210	610
CO_2 Emissions produced per point (ton / store)	**13,0**	**8,4**	**10,0**

7. PEOPLE AND COMMUNITIES

7.1 Framework

Ibersol Group has made significant progress in terms of employee development.

The Group is younger in Portugal, where it has the largest number of employees (5,046), largely due to the contribution of the Operators career stage, where generation Z prevails. It has a higher level of education, due to an increase in the number of employees with secondary and higher education. Women (53% of the workforce) are more prominent in all categories, particularly in operational management teams, the only exception being in the Operations career stage, where there are slightly more men (+1.40%/ 51.40%); it is more multicultural, with an increase in the number of foreigners (+13.04% compared to 2021/representing 21.7% of the workforce in 2023) and shows significant seniority ratios.

In Spain, where there are 2,279 employees, the group is characterised by a high rate of women (61%) and a higher age group (48% over 35), which coincides with a low turnover rate (37%), notably lower than in Portugal. The length of service of employees stands out, both in operations (71 per cent over four years) and in Structure and Shared Services (83 per cent over four years).

In Angola, a market where the number of employees is lower (326 active), although growing compared to 2022, the youth of the teams stands out (84% under 35) and, contrary to Portugal and Spain, in Angola the predominant sex is male (57%). With regard to the turnover indicator in Angola, it should be noted that turnover is practically non-existent, with a rate of 0% in 2022 and 3% in 2023, and seniority should also be highlighted (54% of employees have more than four years' seniority). In this context, the Group is a benchmark employer in the Angolan market.

7.2 Staff

Portugal*

*note: 2022 reflects the impact of the departure of the Iberking company from the Group

Evolution of the number of employees by sex

Employees	**2023**		**2022***		**2021**	
	N.	**%**	**N.**	**%**	**N.**	**%**
Women	2672	53%	2690	53%	3 696	51%
Men	2374	47%	2381	47%	3 511	49%
Total	**5046**		**5071**		**7 207**	

Evolution of the number of employees by Age Group

Age group	2023		2022*		2021	
	N.	%	N.	%	N.	%
< 18 years old	59	1%	344	6,8%	108	1%
18 to 25 y/o	2131	42%	2012	40%	3529	49%
26 to 30 y/o	791	16%	721	14%	1155	16%
31 to 35 y/o	581	12%	571	11%	816	11%
> 35 y/o	1484	29%	1423	28%	1599	22%
Total	**5046**		**5071**		**7207**	

Evolution of the number of employees by Academic Qualification

Academic Qualification	2023	2022	2021
< 12^{th} Grade	33%	35%	35%
12^{th} Grade, Technical and Higher	67%	65%	65%
Total	**100%**	**100%**	**100%**
University level	8%	8%	9%

Evolution of turnover rate *

Turnover rate	2023	2022	2021
Group	85%	89%	70%
Units	88%	96%	72%
Business Structure and Shared Services	16%	14%	17%
Management Teams	25%	26%	23%

* Turnover indicator = number of employees terminated per month x 12 months / active during the month. Intra-group reassignments are not included.

Employee profile by Career Stage and sex

Career Stage	Sex	
	Female	Male
Operation	49%	51%
Shift Management	66%	34%
Unit Management	63%	37%
Business Structure and Shared Services	60%	40%

Employee Profile by Career Stage and Age Group

Career stage	Age				
	< 18 y/o	18 to 25 y/o	26 to 30 y/o	31 to 35 y/o	> 35 y/o
Operation	2%	52%	15%	9%	22%
Shift Management	0%	26%	23%	19%	32%
Unit Management	0%	3%	9%	16%	72%
Business Structure and Shared Services	0%	5%	7%	12%	76%

Employee Profile by Career Stage and Academic Qualifications

Career Stage	Academic Qualification			
	< 9th Grade	9th Grade	Secondary school	University level
Operation	6%	28%	58%	7%
Shift Management	5%	25%	58%	12%
Unit Management	2%	25%	56%	17%
Business Structure and Shared Services	1%	7%	33%	59%

Profile of employees by Career Stage and Seniority

	Seniority				
	< 6 months	6 to 12 months	1 to 2 years	2 to 4 years	> 4 years
Operation	33%	18%	21%	10%	18%
Shift Management	8%	7%	17%	18%	50%
Unit Management	2%	3%	7%	5%	84%
Business Structure and Shared Services	4%	3%	7%	4%	83%

Spain

Evolution of the number of employees by sex

Employees	2023		2022	
	N.	%	N.	%
Women	1388	61%	1162	58%
Men	891	39%	844	42%
Total	**2279**		**2006**	

Evolution of the number of employees by Age Group

Age group	2023		2022	
	N.	%	N.	%
< 18 years old	2	0.1%	3	0,1%
18 to 25 y/o	578	25%	506	25%
26 to 30 y/o	318	14%	317	16%
31 to 35 y/o	294	13%	270	14%
> 35 y/o	1087	48%	910	45%
Total	**2279**		**2006**	

Evolution of the number of employees by Academic Qualification

Academic Qualification	2023	2022
Up to 12th Grade	45%	39%
12th Grade, Professional and Higher	55%	61%
Total	**100%**	**100%**
University level	15%	14%

Evolution of turnover rate *

Turnover rate	2023	2022
Group	37%	40%
Operations	38%	41%
Business Structure and Shared Services	6%	10%

* Turnover indicator = number of employees terminated per month x 12 months / active during the month. Intra-group reassignments are not included.

Employee profile by Career Stage and Sex

Career Stage	Sex	
	Female	**Male**
Operation	61%	39%
Business Structure and Shared Services	67%	33%

Employee Profile by Career Stage and Age Group

Career Stage	Age				
	< 18 years old	18 to 25 years old	26 to 30 years old	31 to 35 years old	> 35 years old
Operation	0,1%	26%	14%	13%	46%
Business Structure and Shared Services	0%	6%	8%	8%	79%

Employee Profile by Career Stage and Academic Qualification

Career Stage	Academic Qualification		
	<12th Grade	12th Grade, Technical and University level	University level
Operation	45%	41%	14%
Business Structure and Shared Services	26%	17%	58%

Profile of employees by Career Stage and Seniority

	Seniority				
	< 6 months	6 to 12 months	1 to 2 years	2 to 4 years	> 4 years
Operation	6%	12%	6%	5%	71%
Business Structure and Shared Services	4%	3%	7%	4%	83%

Angola

Evolution of the number of employees by Sex

Employees	2023		2022	
	N.	%	N.	%
Women	140	43%	122	41%
Men	186	57%	177	59%
Total	**326**		**299**	

Evolution of the number of employees by Age Group

Age group	2023		2022	
	N.	%	N.	%
< 18 years old	0	0%	0	0%
18 to 25 y/o	74	23%	66	22%
26 to 30 y/o	105	32%	102	34%
31 to 35 y/o	95	29%	90	30%
> 35 y/o	52	16%	41	14%
Total	**326**		**299**	

Evolution of turnover rate *

Turnover rate	2023	2022
Group	3%	0%

* Turnover indicator = number of employees terminated per month x 12 months / active during the month. Intra-group reassignments are not included.

Employee Profile by Career Stage and Academic Qualification

	Academic Qualification		
	<12th Grade	12th Grade, Technical and University level	University level
Group	3%	97%	4%

Profile of employees by Career Stage and Seniority

	Seniority				
	< 6 months	6 to 12 months	1 to 2 years	2 to 4 years	> 4 years
Group	16%	9%	14%	7%	54%

7.3 Staff Development

Training and Education

The Ibersol Group promotes a culture of learning, which contributes to employee development and drives talent retention, increased productivity and improved overall results for the organisation. It invests in initial and career-structuring training programmes, carried out through its digital "Ibersol Academy" platform and the brands' training platforms. This format combines e-learning with on-the-job training, which is crucial for transmitting the company's values and guiding principles, as well as the knowledge and skills that are fundamental for integrating employees into their jobs.

It also offers a wide range of training each year, in response to the development needs identified by the Performance Management System and the strategic reflection process, given by external or internal trainers who specialise in the topics to be developed, enabling the continuous development of employees and establishing a solid basis for their personal and professional growth.

This approach is reflected in the three markets:

Portugal

Global training indicator

	Nº hours	F	M
Overall total	569 431	57%	43%

Area-specific training indicators

<table>
<tr><th colspan="3">Health and Safety in the Workplace</th></tr>
<tr><th>Content</th><th>Training Volume (Full sum of individual training hours)</th><th>Trainees</th></tr>
<tr><td>Accidents with Customers</td><td rowspan="6">14 732</td><td rowspan="6">4354</td></tr>
<tr><td>Workplace Hazards</td></tr>
<tr><td>Occupational Medicine</td></tr>
<tr><td>Fire Safety Organisation</td></tr>
<tr><td>Workplace Hazard Prevention</td></tr>
<tr><td>First Aid</td></tr>
</table>

Food Safety		
Content	**Training Volume (Full sum of individual training hours)**	**Trainees**
Food allergies and intolerances	**35 567**	**4914**
Pest Control		
Hygiene of Facilities, Equipment		
Handler Hygiene		
Food Safety		
Utensils and surfaces		

Other Training Programmes		
Content	**Training Volume (Full sum of individual training hours)**	**Trainees**
Welcoming/Integration	**519 132**	**6216**
Personal Development		
Career structuring programme		
IT and Languages		
Internal Process		
Other areas		

Training programme highlights:

Initial Training for Coordinating Managers

AREA MANAGEMENT PROGRAM

In 2023, we held another edition of our initial training programme for Coordinating Managers. This programme, which highlights the importance of this role within the Group, began with a personal development plan and culminated in a certification test before an evaluation committee, totalling 150 hours of intensive training.

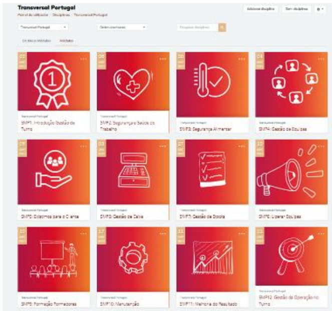
The participants strengthened their leadership and team development skills and acquired management skills that will enable them to maximise the performance of the units in their area of coordination and respond to the Group's development needs.

The participants strengthened their leadership and team-building skills and acquired management skills that will enable them to maximise the performance of the units in their area of coordination and respond to the Group's development needs.

Shift Manager Development

SHIFT MANAGEMENT PROGRAM

In 2023, we revised and updated our initial training programme for Shift Managers, making it more flexible and comprehensive. We developed 12 training courses, totalling 80 hours. These courses are made up of different activities that complement each other, such as self-study, practical activities in a work context and assessment moments, thus guaranteeing adequate preparation for the job.



SPAIN – Eat Out – Hours of Training

	N. hours	F	M
Overall total	646	58%	42%

	N. hours	F	M
Online	316,5	58%	42%
On-site	329,5	59%	41%
Overall total	646	58%	42%

Angola – Hours of Training per Career Stage and Sex

	SEX		
Stage	**F**	**M**	**Total**
Operation	2 525	3 562	
Shift Management	754	1 114	
Unit Management	981	1 524	
Business Structure/Central Function	70	221	
Total	4 330	6 422	10 752

Initiatives

Global

Our staff are one of Ibersol Group's valuable assets. To this end, in 2023 we launched a series of initiatives that have contributed to the well-being and development of our employees – and which, as part of our motivation and retention strategy, we want to maintain.

GoodHabitz

In 2023, we partnered with GoodHabitz, Europe's leading e-learning platform, which has enabled us to offer our employees a wide variety of courses in areas such as personal development, business skills, information technology, languages, well-being and more.

The content of the courses is relevant and tailored to the specific needs of the organisation, providing a complete and enriching learning experience for our employees.

7.4 Health and Safety

Health and Safety in the Workplace

The Work and Legal-Labour Relations Management is charged with managing cases relating to workplace risks and promoting well-being in the workplace. The occurrence of work hazards or work-related illness is managed through the following programmes and measures:

- Evaluation of work station risks and investigation of workplace hazards;
- Provision of information and consultation of staff in terms of Workplace Health and Safety;
- Training in safety principles and promotion of health in the integration process of staff, recertification and change of duties;
- Implementation of Self-protection Measures in the Ibersol Group units; Awareness programmes and recognition of best safety practices and promotion of health;
- Work station principles and practices control auditing programmes.

SOCIAL PERFORMANCE

Employee Health and Safety

Health and Safety in the Workplace is crucial to any organisation and affects not only personal well-being but also collective balance.

The Ibersol Group sees ensuring a culture of safety for all members of the organisation as a mission it invests in daily, involving everyone in the same goal.

Prevention and protection, through the promotion of awareness of best practices in terms of collective and individual behaviour, is the most efficient formula to achieve desired results.

Based on these principles of awareness promotion, in 2023 the Group carried out:

- Over 259 principles and practices audit controls
- A best practices recognition programme, through the following initiatives:

"Don't Fall For It!" Teaser, sharing the ranking of safest units to encourage the prevention of workplace hazards;

- As part of the celebration of "National Occupational Safety and Prevention Day Week", we challenged the Group's employees to create a poster, video or comic strip demonstrating how to carry out an OSH audit and what good practices are. Categories include accidents at work, occupational medicine, first aid, personal protective equipment, falling objects, work equipment and continuous improvement.

This competition has been a means of training in OSH matters, demonstrating the level of knowledge and involvement of employees.

- We attributed "Platinum" and "Gold" awards to units with excellent results in control audits. In 2023, we achieved a remarkable feat, with 45 units receiving the "Platinum" certificate in the 1st semester audit.

The "Earth Shakes" challenge was launched to all employees at the Ibersol group's units and head offices, inviting them to take part in an activity aimed at alerting and raising awareness about how to act before, during and after an earthquake.

- Two consultations with employees on occupational health and safety, with compliance rates of around 91%.
- Visits to workplaces by Safety Services and Occupational Health Services and follow-up visits.
- Training and awareness-raising sessions on "Safety Instructions for Activities involving the Risk of Cutting and the Use of Chemical Products".
- On the day of "National Day for Prevention and Safety at Work", training was given on mental safety at work for employees at the central offices and shops.

Other highlights from 2023 include:

- Ibersol Group's recertification according to the ISO 45001:2018 Integrated Management System;

7.5 Well Being

Ibersol Culture and Values

#valoresqueserenovam internal campaign

Always centred on our employees, who are the strength of our business, and our customers – the reason for our existence – Ibersol's values have evolved to reinforce our basic principles. The values have been revised, maintaining elements that are considered the basis of the Group's DNA, but incorporating new dimensions, such as "We are Sustainable and Inclusive", in line with the new global challenges shared by the organisation.

This value, which represents our commitment to the present and the future in environmental, social and economic terms, arises from the need to affirm and communicate the Sustainability Programme and the vectors that form it, particularly with regard to the diversity of employees (33 nationalities) and the Group's various brands, as well the services we offer the community.

In order to spread the word about these values and start the process of "cultural renewal", an internal campaign was developed to present Ibersol's values, which, from the end of 2023, determined the line of communication with all Ibersol employees in Portugal, Spain and Angola.

Christmas 2023

The Ibersol Christmas celebrations, especially the Christmas Dinner in December, in addition to the usual moment of sharing and closeness between everyone, were also one of the highlights of the internal communication campaign on Ibersol's new values.

One of the most important moments of these celebrations is the presentation of awards to those who distinguished themselves by "Always Doing Better", fulfilling the Group's values. Thus, those who have distinguished themselves for their excellence in Operations were recognised in the "ZERO Complaints", "Ibersol Customer Loyalty Programme", "TOP 3 Coordinators", "TOP 10 Restaurants" and "Ibersol Values" categories.

Zero Complaints

Ibersol Customer Loyalty

Top3 Coordinators

Top 10 Restaurants

Ibersol Values

Reconhecimentos TOP+ Eat Out
EAT.
EAT Alicante
GO AER BCN T2A
PUERTAS S
pans
Pans
Sant Cugat Centre
Pans
Numancia
Ribs
Maquinista
Ribs
Abada Pansfood

Christmas 2023 – Children and Families

In the spirit of sharing, so typical of Christmas time, we maintained our tradition of drawing our staff's children and families closer to the Group and its Brands by inviting them to visit an Ibersol Group unit of their choice, combined with a trip to the Christmas Circus or the Cinema. This was an incentive to get to know a new brand or visit the children's favourite brand at home, bringing families, teams and the Group closer together.

We also held a new edition of the Christmas Card competition for our employee's children, stimulating their creativity, as can be seen in the following winning entry, which was sent to all employees:

Ibersol Health Insurance

Ibersol lança seguro de saúde

The health of our employees is a constant concern for the Group. That's why, in 2023, we also launched a Health Insurance scheme, covering all employees with more than one year seniority and a permanent contract – which, by the end of 2023, totalled around 62% of our Staff. This insurance includes a number of benefits, as well as allowing access to online consultations.

Internal Communication

iPeople

iPeople magazine, an internal bimonthly newsletter, which aims to be a vehicle for information and for sharing recognitions and celebrations among the Group's employees, is the result of the involvement of the Businesses and Departments in content production. The resulting added value is the strengthening of internal communication and the Ibersol Culture.
As the Group is present in three markets, the magazine is intended to reflect the global integration of the entire group, including news from the different locations and translated into the respective languages. Six editions were published in 2023.

Inclusion programme

Within the scope of the "We are Sustainable and Inclusive" pillar of our values, the Ibersol Group is developing an Inclusion Plan, that addresses diversity in all its aspects, including race, sex, age, ethnicity, sexual orientation, gender identity or religion, guaranteeing equal opportunities among its employees.

In this context, recruitment strategies have been developed to attract diverse candidates and guarantee equal opportunities for all. Of particular note is the external communication model and job adverts, which now include the initials "m/f/d", encouraging inclusion and non-discrimination in access to employment, as well as a description of the benefits we offer our employees, promoting equal working conditions.

Recent social transformations have forced us to be constantly aware of and concerned about new ways of attracting talent and strengthening the Employer Branding of the "Ibersol Group" brand.

Our investment in recruitment communication was also reflected in our presence at online and on-site employment events, protocols with technical-vocational schools in the catering sector, and reinforcement of the Ibersol Group's presence on social media networks.

With a focus on social responsibility, we established partnerships with entities such as the IEFP and participated in projects aimed at integrating young people looking for their first job, people with cognitive disabilities and socially disadvantaged groups into the labour market, including the Click Project, which is the result of a Cooperation Agreement between the European Anti-Poverty Network Portugal (EAPN PT) and the IEFP; and the Sei Fazer + Project, which is a partnership between Ibersol Madeira and the Azores and the João de Deus Institute, which works with disabled people. The Ibersol Group is dedicated to training and accompanying this demographic, with a view to empowerment, autonomy and professional, social and community integration.

The Group also ensured that recruiters focus on candidates' skills and experience, making impartial and objective assessments in all candidate recruitment and selection processes.

Internally, we promoted an inclusive organisational culture, where all employees feel valued and respected, ensuring that physical and technological facilities and communication are accessible to all, by implementing measures to retain talent in the organisation.

After the success of the "Bring a Friend" seasonal recruitment campaign, we decided to make it permanent, as we believe that our employees are one of our best recruitment sources – because our best ambassadors are the people who work with us.

Equality and Non-Discrimination Plan

Based on the Social Sustainability axis, we believe in gender equality – which integrates, inspires and guides our teams – guaranteeing that the professional development of all Ibersol staff depends exclusively on their effort, performance and merit.

In order to demonstrate this, the Ibersol Group publishes an annual "Equality and Non-Discrimination Plan", a document that certifies that our company not only complies with quotas, but also with equal treatment according to the sex of employees. This document is also aligned with our annual Sustainability Plan.

With a positive approach to equality, the Ibersol Group structures its Plan around four axes, that guide our actions:

1 - Fighting discrimination and harassment;

2 - Promoting equal access to employment;

3 - Equal working conditions, particularly in terms of pay;

4 - Protecting parenthood and promoting the reconciliation of personal and professional life.

Sustainable Mobility

At Ibersol we recognise that protecting the environment is an essential dimension of sustainability. We have always been concerned with promoting environmental management practices, raising awareness among all those who work with us, as well as our customers.

We want to contribute to the decarbonisation of employee mobility patterns, facilitating access to more sustainable solutions, but also providing mobility patterns that promote greater well-being. To this end, as part of our Mobility with Sustainability Programme, we are working on the transition to an electric fleet, and at the moment 12% of our vehicles are electric.

7.6 Community Outreach

Motivated by its own values and sustainability principles, the Ibersol Group plays an active role in promoting initiatives that involve the communities in which it operates.

Donation of Food and Meals

Throughout 2023, the Ibersol Group supported various social solidarity initiatives, particularly by donating food, offering meals and allocating menus to different institutions.

Silva Carvalho Catering continued its active role in support of humanitarian causes by donating food and meals, including around X meals/Y tonnes of food. The organisations that benefitted from these donations were, above all, "Coração da Cidade" in Porto and "Refood" in Lisbon.

In 2023, Pizza Hut supported various social organisations across the country by providing meals, including:

- PSP/GNR police stations and fire stations at a national and local level, such as the Lamego and Penafiel Volunteer Fire Brigades;

- Associação Salvador, an organisation that helps people with physical disabilities, at the gala celebrating the association's 20th anniversary (Porto and Lisbon);

- Clube SC Cumieira, in Vila Real and Sport Club Lamego, providing post-match meals;

- The Students' Association of the Faculty of Medicine of the University of Porto, as part of the "medicina viva" project.

Throughout the year, Pizza Hut organised several pizza tasting initiatives for the school community in different schools.

In 2023, Pans & Company in Portugal supported the organisation of various initiatives promoted by different entities in some of the communities where the brand is present, by offering meals:

- Six initiatives promoted by BEST (Board of European Students of Technology), in their Porto, Lisbon and Coimbra offices. Best is an international, non-profit, non-governmental organisation that promotes the development of technology students. These centres organise technology competitions (EBEC Challenge), workshops (BEE) and summer courses for technology students in their respective cities;

- National Mechanical Engineering Reunion, organised by FEUP;

- Biology Days at the ISA organised by NuBisa;

- Eighth Sports Medicine Course organised by the Faculty of Medicine of Porto;

- Support for the UNIR association, in the Algarve, with meals for its members during a visit to Porto;

- Supporting the Salvador Association in a fundraising event.

Pans & Company supported these initiatives with a total of 1,724 meals that were cooked in various restaurants in each city.

In Spain, Pans & Company cooperates with the SCI Madrid NGO in its "sandwiches on the street" volunteering project. As part of this collaboration, sandwiches are donated to a group of people at risk of social exclusion almost every Wednesday throughout the year.

In 2023, Pans renewed its support for the "La Marató TV3" Foundation at the TV3 Marathon event held on 17 December, offering meals to the volunteers who took part manning the phones for donations. The aim of "La Marató de TV3" was to raise awareness in the field of sexual and reproductive health, and to raise funds for prevention, diagnosis and treatment.

La Marató 3cat

In 2023, the KFC brand in Portugal organised a number of meal giveaways, including the December giveaway to the Praia da Vitória and Angra do Heroísmo Fire Departments and the Ponta Delgada Fire Department, in the Azores by the KFC Praia da Vitória and KFC Ponta Delgada restaurants.

The PH and KFC brands in the Azores supported the Pauleta Foundation by providing meals at the Pauleta Azores Soccer Cup events and at the Christmas party.

Other Initiatives

Pizza Hut continues to be present in KidZania, a theme park located in Ubbo Shopping, in Lisbon, aimed at families with children and teenagers under 15. This "job city", built to scale, offers children the opportunity to "play grown-up" in a very realistic environment.

In the field of social responsibility, in 2023 Pizza Hut supported the Salvador Association, an organisation dedicated to people with physical disabilities, through a campaign among its customers to donate a fraction of their personal income tax (IRS) to the institution.

In 2023, Pizza Hut supported various institutions and events through sponsorships:
- The Marco Autismo e Eu Association, from Marco Canaveses, through the Penafiel shop, in December

- Centro de Acolhimento Residencial de Viseu, in July, by the team from the city shop

In 2023, Pizza Hut developed a partnership with MTV Push, supported by the brand's shops in Chiado and Portalegre, with the aim of promoting new musical artists.

Pizza Hut also supported FC Gaia - Handball through discounted meals.

Pizza Hut in Spain, in collaboration with Asociación Down Vigo, has integrated two people with Down's Syndrome into the Florida and Sanjurjo Badía shops in order to contribute to the workplace integration of people with disabilities.

The Ibersol Group continues to celebrate special days. The Pizza Hut units once again celebrated "Women's Day".

In 2023, the KFC brand in Portugal took part in the "Sei Fazer +" project with the S. João de Deus Hospitaller Order. This is a project to integrate people with mental illness into the workplace, with the aim of promoting autonomy and routine work skills, in order to facilitate socio-occupational integration into the community. In this context, users of the Casa de Saúde de S. Miguel, in Ponta Delgada, and Casa de Saúde de S. Rafael, in Angra do Heroísmo, were integrated into the KFC restaurants in Angra do Heroísmo and Ponta Delgada.

Angola

In 2023 the Ibersol Group took part again in the ADD HOPE social responsibility project in support of Caritas Angola.

Caritas is active in the following fields: strengthening institutional capacity, health (especially HIV-AIDS and maternal-child health); literacy and professional training; agriculture (specifically in rural areas).

The ADD HOPE project is part of Ibersol Angola's Social Responsibility strategy which, over the years, has provided important support to the community. The partnership between Ibersol Angola and Caritas Angola dates back to 2012 and has seen several projects aimed at improving the quality of life of vulnerable families in the country's poorer communities.

In 2023, more than three million AZK were raised through donations made by customers at KFC and Pizza Hut restaurants.

In partnership with ZAP Cinema, the Ibersol Group contributed 30 meals to children from Lar Anuarite, an organisation that focuses on supporting disadvantaged children.

Also, as part of its support for the community, the Group continued to offer used oil for recycling, which was used to produce soap for disadvantaged populations.

Combat Hunger Campaign 2023 (Portugal)

Portuguese Federation of Food Banks

2023 saw another edition of the Combat Hunger Campaign organised by the Portuguese Federation of Food Banks.

With the motto "Smile! And make those who need it most smile", the charity campaign ran from 23 to 29 October and invited customers to donate an amount, which was then converted into food to be distributed to those who need it most, through the network of twenty-one Food Banks in mainland Portugal and the Autonomous Regions of Madeira and the Azores.

A total of 25,232 euros was raised through donations made by customers at the KFC, Pans & Company, Pizza Hut, Taco Bell, Miit, Pasta Caffé, Ribs and SOL restaurants, who actively participated in this charitable initiative, which also included the involvement and commitment of all employees. The total amount donated by the Ibersol Group to the Portuguese Federation of Food Banks was 28,000 euros.

This was the 16th year that the Ibersol Group has carried out this type of nationwide initiative in Portugal, having delivered a total of more than 912.000 euros through its Social Responsibility Campaigns.

8. ACKNOWLEDGMENTS

Once again, this year the Board of Directors would first of all like to express its appreciation to all the Group's employees and brand franchises, for their great resilience in a time marked by the return to normal after an unprecedented health crisis, and a new era in terms of relations between superpowers, with war in Europe.

This was a year in which our customers confirmed their preference for our restaurants, in a clear sign of confidence, made possible only due to the cooperation and support of our franchisees, our suppliers, and other partners.

A word of thanks to the banking institutions and the shareholding structure that have accompanied us over the years, for the trust they deposit in our organisation.

Finally, we must also acknowledge the tireless cooperation and capacity for dialogue shown by the Audit Committee, Auditors and Statutory Auditor when monitoring and examining the company's management.

Statement of Responsibility

Statement of Responsibility

In compliance with paragraph c) of number 1 of article 29-G of the Securities Code, we declare that to the best of our knowledge:

- the management report, annual accounts and other accounting documents of Ibersol SGPS, S.A. required by law or regulation for the financial year 2023 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of Ibersol SGPS, S.A. and the companies included in the consolidation perimeter;

- the information contained in the management report faithfully describes the business evolution, performance and position of Ibersol SGPS, S.A. and the companies included in the consolidation perimeter, and contains a description of the main risks and uncertainties they face.

Porto, 29.04.2024

The Board of Directors

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António Alberto Guerra Leal Teixeira

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António Carlos Vaz Pinto de Sousa

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Juan Carlos Vázquez-Dodero

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Maria Deolinda Fidalgo do Couto

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Maria do Carmo Guedes Antunes de Oliveira

9. APPENDICES TO THE MANAGEMENT REPORT

EU Green Taxonomy

Framework

The **Green Taxonomy** is a legal framework of the European Union (EU) that establishes, for a set of selected economic activities, the criteria so that the activities can be considered as aligned with the objective of protecting the environment.
This regulatory system is made up of several legal instruments, including Regulation (EU) 2020/852 of the European Parliament, Delegated Regulation (EU) 2021/2139, Delegated Regulation (EU) 2021/4987 and Delegated Regulation (EU) 2023/2486 of the Commission.
The legal framework of the taxonomy defines the following **environmental protection objectives**:
- climate change mitigation
- adaptation to climate change
- protection of water and marine resources
- transition to the circular economy
- pollution prevention and control
- protection and restoration of biodiversity and ecosystems.

The taxonomy regulations for each of the eligible activities define the **criteria** for which the activity is considered to make a **substantial contribution** to the aforementioned objectives and the criteria for which the activity **does not significantly harm** the objectives.
The Ibersol Group's core activity, **restaurant business**, **is not considered eligible** for the taxonomy, which, from the outset, limits the Group's potential for alignment with the Green Taxonomy. For this reason, the Business Volume indicator (proportion of revenue aligned with the Taxonomy) will be null.
In any case, in the Ibersol Group's operations, it was possible to identify a set of activities supporting the Group's main activity that are eligible for the Taxonomy, for which it is possible to track green capex and green opex and which are described below.

EU Green Taxonomy eligible support activities

Green Mobility

In 2023, the Ibersol Group continued to invest in the transition to electric mobility with the operational rental of electric vehicles. In 2022, in addition to renting, there was also the purchase of this type of vehicle.
These activities fall within section 6 of Delegated Regulation (EU) 2021/2139 on "Transport", more specifically subsection *6.5. Transport on motorcycles, passenger vehicles and light commercial vehicles*.
The operational rental of electric motorbikes and service cars was considered an aligned activity for opex purposes in 2023, while the 2022 purchase was classified as aligned at capex level in 2022.

Construction of new buildings and renovation of existing buildings

These activities fall within Delegated Regulation (EU) 2021/2139, annexes I and II, section 7, on *"Construction and real estate activities"*, respectively, in subsections *7.1. Construction of new buildings* and 7*.2. Renovation of existing buildings* and in Delegated Regulation (EU) 2023/2486, Annex II, in which the same activities are foreseen under numbers 3.1 and 3.2, respectively.

During 2023, the Ibersol Group built In Portugal 6 new restaurants from scratch and carried out remodeling or requalification works in 27 locations.
These activities meet the criteria of making a substantial contribution to climate change mitigation. However, they do not meet all the criteria for a substantial contribution to the circular economy, which is why they were considered not aligned in terms of green capex.
However, within the scope of these activities, it was possible to choose a component - the recovery of construction waste - which meets the criteria of substantial contribution to both the mitigation of climate change and the transition to the circular economy and which was therefore considered as aligned with the capex taxonomy.

Installation of electric vehicle refueling stations

This activity is considered in section 7.4 in Delegated Regulation (EU) 2021/2139. In 2023 there was no investment of this nature, but it is important to note, and for the purposes of historical analysis, that in 2022 a significant investment was made, with the installation of 11 stations, an investment that was considered favorable for environmental protection.

Installation and maintenance of solar panels

This activity is provided for in Delegated Regulation (EU) 2021/2139, section *7.6 Installation, maintenance and repair of energy technologies from renewable sources*.
During 2023, the Ibersol Group installed solar DHW panels (domestic hot water) in 6 new restaurants, an activity that was considered aligned for green capex purposes. On the other hand, maintenance and repair operations were carried out in two existing photovoltaic panel installations and in 31 existing solar thermal panel installations, which was considered an aligned activity in terms of opex.

Energy efficiency assessment services

In the aforementioned Regulation, this activity is provided for in section *9. Professional, scientific and technical activities*, subsection *9.3. Professional services related to the energy performance of buildings.*
In 2023, the Group contracted professional services specifically dedicated to optimizing the energy performance of the 6 new buildings constructed. This activity, falling within the scope of technical consultancy (energy consultancy, energy simulations, project management, preparation of energy performance contracts, specific training actions), was considered aligned in terms of green capex.

Guarantee of Minimum Social Safeguards

The Ibersol Group bases its activities in the market on the strictest ethical and legal compliance standards, always with a view to defending the interests of its stakeholders, including its employees and customers. In particular, some specific notes are presented below regarding the main matters covered at the level of Minimum Social Safeguards:

•Human rights

The Ibersol Group fully respects Labor law and the main requirements in terms of Human Rights recommended by the United Nations (an application was submitted for formal subscription and maintenance of the principles of the Global Compact at the end of 2022) and by other reference organizations, such as International Labor Organization (ILO) or the Organization for Economic Co-operation and Development (OECD). On the other hand, there is no record of incidents or legal proceedings related to non-compliance with human rights in any of the markets where the Ibersol Group operates.

• Corruption

The Ibersol Group operates within a sector and business model that is highly regulated and scrutinized by its international business partners and independent auditing entities (namely at the level of eligible suppliers and at the level of quality assurance and food safety). On the other hand, the Ibersol Group has implemented and is committed to reinforcing anti-corruption measures, such as the Law to Combat Money Laundering and Financing of Terrorism or the provision of the Denunciation Channel.

• Taxation

The Ibersol Group and its subsidiaries comply with all legal rules in terms of taxation, with no record of controversies related to any non-compliance at this level.

• Competition

The Ibersol Group has never been targeted in unfair competition processes by economic supervisory authorities, neither at the level of operations (ASAE) nor at the level of transactions (AdC).

Key Performance Indicators

The green taxonomy normative reference establishes that the capex and opex of eligible activities, aligned and non-aligned, must be compared with the respective reference values. The tables below describe, in accordance with the taxonomy criteria contained in Delegated Regulation (EU) 2021/4987, the applicable reference capex and opex.

(million euros)	2023	2022
Fixed assets additions (Note 6.3)	29 373 332	40 436 811
Intangible assets additions (Note 6.2)	3 586 599	3 682 926
RoU increases (Note 6.4)	164 625 819	42 637 420
Total Reference Capex	197 585 750	86 757 157

(million euros)	2023 Continued Op.	2022 Continued Op.
Instalments for leasing contracts with a term of less than one year and other rental charges (Note 4.3.1)	2 736 318	838 552
Maintenance and repairs (Note 4.3.1)	7 357 403	6 825 711
Total continued operations reference OPEX	10 093 721	7 664 263

The CAPEX component considered eligible under the EU Green Taxonomy was valued at €15.704.342,18 and refers to activities falling within sections 7 and 9 of Delegated Regulation (EU) 2021/2139 and section 3 of the Delegated Regulation (EU) 2023/2486, as detailed previously. The CAPEX aligned by the Taxonomy (numerator) was evaluated at €120.035,34 taking into account the criteria set out in Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2023/2486. Therefore, in 2023 the CAPEX Proportion aligned by the Taxonomy was 0,061%.

The eligible OPEX aligned with the Taxonomy (numerator) was valued at €51.646,16 and refers to activities falling within sections 6 and 7 and aligned with the criteria set out in Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2023/2486, as detailed previously. It wasn't identified activities considered eligible in terms of opex for the taxonomy but not sustainable from an environmental point of view. Therefore, in 2023 the OPEX Proportion aligned by the Taxonomy was 0,512%.

Next, the summary tables are presented in the same format as proposed by Annex II of Delegated Regulation (EU) 2023/2486, for the key performance indicators (KPI) of non-financial companies.

					Criteria for substantial contribution "S" – eligible and aligned; "E" – eligible						Criteria of not significantly harming "S" – yes										
Economic activities	**Code**	**Observations**	**Absolute CAPEX (€)**	**Proportion of CAPEX**	**Climate change mitigation**	**Adapting to climate change**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Adapting to climate change**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Minimum safeguards "S" – yes**	**Proportion of CAPEX aligned by Taxonomy (2023)**	**Proportion of CAPEX aligned by Taxonomy (2022)**	**Category (Enabling Ativity)**	**Category (Transiction Ativity)**
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																					
A1. Environmentally sustainable activities (aligned to taxonomy)																					
6.5. Transport in motorcycles, passenger cars and light commercial vehicles	H.49.32 - Occasional carriage of passengers in light vehicles	Acquisition of electric cars	€0,00	0,000%	S	N/A	N/A	N/A	N/A	N/A	S	N/A	N/A	S	S	N/A	S	0,000%	0,136%	N	N
7.1. Construction of new buildings	F.41.20 - Construction of residential and non-residencial buildings	New restaurants (recovery of construction waste)	€21 305,16	0,011%	S	N/A	N/A	S	N/A	N/A	N/A	S	S	S	S	S	S	0,011%	0,030%	N	N
7.2. Renovation of existing buildings	F.41.20 - Construction of residential and non-residencial buildings	Refurbished restaurants (recovery of construction waste)	€66 395,18	0,034%	S	N/A	N/A	S	N/A	N/A	N/A	S	S	S	S	N/A	S	0,034%	0,081%	N	N
7.4. Installation, maintenance and repair of electric vehicle charging stations mounted in buildings (and parking spaces associated with buildings)	F.43.21 - Electrical installations	EV charging stations in restaurants	€0,00	0,000%	S	N/A	N/A	N/A	N/A	N/A	N/A	S	N/A	N/A	N/A	N/A	S	0,000%	0,052%	N	N
7.6. Installation, maintenance and repair of energy technologies from renewable sources	F.43.29 - Other construction installations	Installation of solar panels for DHW in new and refurbished restaurants	€15 835,00	0,008%	S	N/A	N/A	N/A	N/A	N/A	N/A	S	N/A	N/A	N/A	N/A	S	0,008%	0,039%	N	N
9.3. Professional servives related to the energy performance of buildings	M.71.12 - Engineering and related technical activities	Energy efficiency projects for new restaurants	€16 500,00	0,008%	S	N/A	N/A	N/A	N/A	N/A	N/A	S	N/A	N/A	N/A	N/A	S	0,008%	0,031%	N	N
CAPEX of environmentally sustainable activities (aligned to the taxonomy)			**€120 035,34**	**0,061%**	-	-	-	-	-	-	-	-	-	-	-	-	-	**0,061%**	**0,369%**	-	-
A2. Activities eligible for taxonomy but not environmentally sustainable (not aligned for taxonomy)																					
Construction of new buildings [7.1 in Reg. Delegado (UE) 2021/2139 and 3.1 in Reg. Delegado (UE) 2023/2486]	F.41.20 - Construction of residential and non-residencial buildings	New restaurants (all except aligned components)	€7 370 955,64	3,731%	E	N/A	N/A	E	N/A	N/A											
Renovation of existing buildings [7.2 in Reg. Delegado (UE) 2021/2139 and 3.2 in Reg. Delegado (UE) 2023/2486]	F.41.20 - Construction of residential and non-residencial buildings	Refurbished restaurants (everything except aligned components)	€8 213 351,20	4,157%	E	N/A	N/A	E	N/A	N/A											
CAPEX of taxonomy eligible but environmentally unsustainable activities (not taxonomy aligned)			**€15 584 306,84**	**7,887%**														**7,887%**	**29,795%**	-	-
TOTAL (A1+A2)			**€15 704 342,18**	**7,948%**														**7,948%**	**30,163%**	-	-
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																					
CAPEX from non-eligible activities for taxonomy (B)			**€181 881 407,82**	**92,052%**																	
TOTAL CAPEX (A+B)			**€197 585 750,00**	**100,000%**																	

					Criteria for substantial contribution "S" – eligible and aligned; "E" – eligible						Criteria of not significantly harming "S" – yes										
Economic activities	**Code**	**Observations**	**Absolute OPEX (€)**	**Proportion of OPEX**	**Climate change mitigation**	**Adapting to climate change**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Adapting to climate change**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Minimum safeguards "S" – yes**	**Proportion of CAPEX aligned by Taxonomy (2023)**	**Proportion of CAPEX aligned by Taxonomy (2022)**	**Category (Enabling Ativity)**	**Category (Transiction Ativity)**
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																					
A1. Environmentally sustainable activities (aligned to taxonomy)																					
6.5. Transport in motorcycles, passenger cars and light commercial vehicles	N.77.11 - Renting of automobiles	Operational leasing of electric motorbikes and service cars	€44 722,68	0,443%	S	N/A	N/A	N/A	N/A	N/A	S	N/A	N/A	S	S	N/A	S	0,443%	0,142%		
7.6. Installation, maintenance and repair of energy technologies from renewable sources	F.43.29 - Other construction installations	Maintenance of solar panels for DHW in new and refurbished restaurants	€6 923,48	0,069%	S	N/A	N/A	N/A	N/A	N/A	N/A	S	N/A	N/A	N/A	N/A	S	0,069%	0,049%		
OPEX of environmentally sustainable activities (aligned to the taxonomy)			**€51 646,16**	**0,512%**														**0,512%**	**0,191%**		
A2. Activities eligible for taxonomy but not environmentally sustainable (not aligned for taxonomy)																					
			€0,00	0,000%																	
OPEX of activities eligible for taxonomy but not environmentally sustainable (not aligned to the taxonomy)			**€0,00**	**0,000%**														**0,000%**	**0,000%**		
TOTAL (A1+A2)			**€51 646,16**	**0,512%**														**0,512%**	**0,191%**		
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																					
OPEX of activities not eligible for taxonomy (B)			**€10 042 074,84**	**99,488%**																	
TOTAL OPEX (A+B)			**€10 093 721,00**	**100,000%**																	

Conclusion

The **contribution** of the **Ibersol Group's activity** within the scope of the European Union's Green Taxonomy is **null** at the level of its organized **restaurant activity**, given that it is an activity that is not part of the set of activities eligible for the Taxonomy, enshrined in particular in the Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2023/2486.

In terms of eligible **support activities**, namely transport activities and construction and real estate activities, it is concluded that the **Ibersol Group's contribution is non-material**, as proportion indicators of less than 1% were found in both OPEX and CAPEX.

GRI Index

Statement of use: IBERSOL SGPS SA reported considering the GRI standard as reference, for the period from 1 January to 31 December 2023.

GRI 1 standard used: GRI 1: Fundamentals 2021

GRI Sector Standards: Not applicable

STANDARD / DISCLOSURE	STATUS	UNGP	SDG
GENERAL CONTENTS AND MATERIAL THEMES			
General Contents			
GRI 2: General Contents 2021			
1. The organisation and its reporting practices			
2-1 Organisation details IBERSOL SGPS SA, Praça Bom Sucesso 105/159, 9th floor, Porto, Portugal 4150-146 Integrated Management Report (RIG): Chapter 2 (2.2, 2.3), Chapter 5 (5.1, 5.2, 5.3)	Ok		
2-2 Entities included in the organization's sustainability report IBERSOL SGPS SA and its subsidiaries, covering business in Portugal, Spain and Angola Some metrics, duly noted, are not available for all markets. RIG: Chapter 1.2	Ok		
2-3 Reporting period, frequency and point of contact Reporting period: 1 January 2022 to 31 December 2023 Annual frequency, given that the sustainability report is integrated into the management report. Any questions on non-financial reporting should be directed to the following address: sustentabilidade@ibersol.com RIG: Chapter 1.2	Ok		
2-4 Reformulation of information Nothing to declare.	Ok		
2-5 External check No external verification of non-financial information was carried out.	Ok		
2. Activities and workers			
2-6 Activities, value chain and other business The Ibersol Group is a company in the restaurant business, operating directly or through a franchise network in the Portuguese, Spanish and Angolan markets, managing a set of franchised and own commercial brands. The Ibersol Group's operations are ensured by a set of entities in which IBERSOL SGPS SA has a stake, both in terms of business (organised by markets and brands) and in terms of support (specialised support entities for central management and operations). RIG: Chapters 2.2 and 2.3	Ok		17
2-7 Employees RIG: Chapters 1.4 (Main indicators) and 7.2 (Contributors)	Inc		
2-8 Workers who are not employees No information available.	Nd		
3. Governance			
2-9 Governance structure and its composition RIG: Chapter 5 (Corporate Governance) Corporate Governance Report (RGS): Part I - B (Corporate Bodies and Committees)	Ok		

2-10 Nomination and selection for the highest governance body RGS: Point 16	Ok		
2-11 Chair of the highest governance body Dr. António Alberto Guerra Leal Teixeira (Chairman of the Board of Directors) RIG: Chapter 5.2 (Governing Bodies) RGS: Point 19	Ok		
2-12 Role of the highest governance body in overseeing the management of impacts RIG: Chapter 2.7 (Risk Management) RGS: Article 21 (division of powers)	Ok		
2-13 Delegation of responsibility for managing impacts RIG: Chapters 2.7 (Risk Management) and 5.2 (Governing Bodies) RGS: Articles 29 and 30; Section III (Internal control and risk management)	Ok		
2-14 Role of the highest governance body in sustainability reporting The Chairman of the Board of Directors chairs the project group responsible for designing and implementing the Ibersol Group's Sustainability Programme The general sustainability reporting framework has been approved by the Board of Directors	Ok		
2-15 Conflicts of interest RGS: Part I (Section E) and Part II (Chapter I), namely with regard to the relationship between company bodies, conflicts of interest and transactions with related parties	Ok	10	
2-16 Communication of critical concerns The structure and business divisions communicate regularly with the Executive Committee, thus ensuring a permanent and timely follow-up to any concerns or complaints.	Ok	10	
2-17 Collective knowledge of the highest governance body The Board of Directors and all structural and business departments have been involved in the launch and development of the Ibersol Group's Sustainability Program since 2022, having participated in internal information and training initiatives, in addition to making a relevant contribution at the level materiality analysis The Executive Committee participated in several events on Sustainability and ESG, with a particular focus on Governance themes and new EU regulatory requirements In 2023, the Ibersol Group's candidacy for the United Nations Global Compact was accepted.	Ok		
2-18 Evaluation of the performance of the highest governance body RGS: Points 24 and 25, Part II (Chapter 5) on Performance Appraisal, Remuneration and Appointments	Ok		
2-19 Remuneration policies RGS: Part II (Chapter 5) on Performance Appraisal, Remuneration and Appointments RGS: Annexes 1 and 2	Ok		
2-20 Process for determining remuneration RGS: Part I, Section D (Remuneration) RGS: Annexes 1 and 2	Ok		
2-21 Proportion of total annual compensation Information unavailable in 2023.	Nd		8
4. Strategy, policies and practices			
2-22 Declaration on sustainable development strategy RIG: Chapter (2.4-2.6, 2.8)	Ok		
2-23 Policy commitments The Ibersol Group largely indexes its activity to the commitment to the requirements of the Integrated Policy of its management system, which covers Quality, Environment, Occupational Health and Safety and Food Safety. This policy, which is available on the website https://www.ibersol.pt/sustentabilidade/politica-dos-sistemas-gestao/, refers to issues of responsibility, prevention and traceability, diligence, communication and training and continuous improvement.	Ok	7, 8, 9	3
2-24 Incorporation of policy commitments Policy commitments are materialised through training actions, awareness raising and through the	Ok		8

development of projects specifically created to produce changes in the organisation's processes and performance. Some policies are associated with a high level of demand and require external verification and certification			
2-25 Processes to repair negative impacts The Ibersol Group's permanent concern is to ensure that the interests of its stakeholders are satisfied. In addition to a structured complaints management system and a channel for complaints, the Ibersol Group prudently manages and closely monitors all contractual and legal issues that may arise from the relationships it maintains with its national and international partners, in order to prevent the occurrence of negative impacts and protect all parties' interests.	Ok		
2-26 Mechanisms for advice and raising concerns RGS: Part I - C - II (reporting of irregularities)	Ok		
2-27 Compliance with laws and regulations RGS: Part I - C - III (Internal control and risk management)	Ok		
2-28 Participation in associations • Portugal: AEP - Associação Empresarial de Portugal; AHRESP - Associação da Hotelaria, Restauração e Similares de Portugal; AIP - Associação Industrial Portuguesa; ATC - Associação de Turismo de Cascais; ATL - Associação de Turismo de Lisboa; ATP - Associação de Turismo de Porto e Norte de Portugal; CCILE - Câmara de Comércio e Indústria Luso Espanhola; CCIPA - Câmara de Comércio e Indústria Portugal Angola; COTEC Portugal - Associação Empresarial para a Inovação; Associação Business Roundtable Portugal. • Spain: AEF - Asociación Española de Franquiciadores; Entidad Urbanística de Conservación de A Granxa; CHP - Câmara de Comercio Hispano Portuguesa; Colegio de Graduados Sociales. • Angola: AHORESIA - Association of Hotels, Restaurants, Similar Establishments and Catering in Angola.	Ok		17
5. Stakeholder engagement			
2-29 Approach to stakeholder engagement RIG: Chapter 2.5 (Stakeholder Engagement)	Ok		
2-30 Collective bargaining agreements Two collective labour agreements have been negotiated in Portugal through AHRESP, one for restaurant operations and the other for central kitchen operations. In Spain, in addition to several collective agreements (in different regions), there is also a company agreement involving one of the subsidiaries of IBERSOL SGPS SA.	Ok	3	17
Material issues			
GRI 3: Material Themes 2021			
Contents on material themes			
3-1 Process of defining material themes RIG: Chapter 2.6 (Materiality Analysis)	Ok		
3-2 List of material themes RIG: Chapter 2.6 (Materiality Analysis) Areas of intervention that emanate from the materiality analysis carried out: Environmental emergency, regarding climate, energy and preservation of natural capital Management of food and non-food waste, benefiting business efficiency and social action Business governance in the areas of organisational culture, ethics and compliance Ensuring food quality and safety, as an element of social responsibility Digital transformation of the business and the evolution of consumer habits Human capital in the areas of diversity and inclusion and talent management Managing strategic partnerships and ESG aspects of the supply chain	Ok		
ECONOMIC PERFORMANCE (GRI 200)			
Economic Performance			
GRI 3: Material Themes 2021			
3-3 Management of material issues Management of food and non-food waste, benefiting business efficiency and social action	Ok		
GRI 201: Economic Performance 2016			

201-1 Direct economic value generated and distributed Direct economic value generated: €418.2M RIG: Chapter 4 (Financial Performance), Chapter 11 (Consolidated Financial Statements)	Ok		8
201-2 Financial implications and other risks and opportunities arising from climate change RIG: Chapter 2.7 (Risk analysis and management)	Ok		8
201-3 Defined benefit obligation and other retirement plans Not applicable	Na		
201-4 Financial assistance received from government RIG: Chapter 4 (Financial Performance), Chapter 11 (Financial Statements)	Ok		8
Market Presence			
GRI 3: Material Themes 2021			
3-3 Management of material issues Human capital in the areas of diversity and inclusion and talent management	Ok		
GRI 202: Market Presence 2016			
202-1 Ratio of the lowest wage to the local minimum wage, with breakdown by gender Women: 100% Men: 100%	Ok	6	8
202-2 Proportion of board members hired from the local community Portugal: 100% Spain: 33% Angola: 0%	Ok	6	8
Indirect economic impacts			
GRI 3: Material Themes 2021			
3-3 Management of material issues Not applicable	Na		
GRI 203: Indirect Economic Impacts 2016			
203-1 Infrastructure investments and support services RIG: Chapter 2.3, Chapter 4, Chapter 7	Ok		8
203-2 Significant indirect economic impacts RIG: Chapter 2.3, Chapter 4, Chapter 7	Ok		8
Purchasing practices			
GRI 3: Material Themes 2021			
3-3 Management of material issues Managing strategic partnerships and ESG aspects of the supply chain	Ok		
GRI 204: Purchasing Practices 2016			
204-1 Proportion of spending on local suppliers Not available	Nd		17
Fight against corruption			
GRI 3: Material Themes 2021			
3-3 Management of material issues Business governance in the areas of organisational culture, ethics and compliance	Ok		
GRI 205: Fighting Corruption 2016			
205-1 Operations assessed for risks related to corruption Given the high degree of scrutiny by external partners and entities, the risk of corruption is not considered significant. So far, there has been no assessment of operations in this area and no denunciations related to corruption have been received.	Ok	10	

205-2 Communication and training in anti-corruption policies and procedures A training action was carried out in this area.	Ok	10	4
205-3 Confirmed cases of corruption and measures taken No confirmed cases have been reported.	Ok	10	
Combating Unfair Competition			
GRI 3: Material Themes 2021			
3-3 Management of material issues Business governance in the areas of organisational culture, ethics and compliance	Ok		
GRI 206: Unfair Competition 2016			
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices There is no record of cases of unfair competition, anti-trust or monopoly in which the Ibersol Group has been involved.	Ok	10	
Taxation			
GRI 3: Material Themes 2021			
3-3 Management of material issues Business governance in the areas of organisational culture, ethics and compliance	Ok		
GRI 207: Taxation 2019			
207-1 Approach to taxation The Ibersol Group carries out its activity and manages its approach to taxation in accordance with the law, applicable regulations and the best practices and experiences of each of the markets where it operates. The body responsible for monitoring the tax strategy is the Supervisory Board, and this control is carried out at least quarterly.	Ok	10	8
207-2 Governance, control and management of fiscal risk RIG: Chapter 2.7 (Risk analysis and management) RGS: Articles 29 and 30; Section III (Internal control and risk management)	Ok	10	8
207-3 Engaging stakeholders and managing their tax concerns RIG: Chapter 2.5 (Stakeholder Engagement)	Ok	10	8
207-4 Country-by-country reporting RIG: Chapter 4 (Financial Performance	Ok	10	
ENVIRONMENTAL PERFORMANCE (GRI 300)			
Materials			
GRI 3: Material Themes 2021			
3-3 Management of material issues Environmental emergency, regarding climate, energy and preservation of natural capital Management of food and non-food waste, benefiting business efficiency and social action			
GRI 301: Materials 2016			
301-1 Materials used, broken down by weight or volume • Portugal – Total Urban Packaging Weight (Source: SPV): o Plastic: 45,047 kg (11.2%) o Paper/Cardboard: 345,313 kg (86.2%) o ECAL: 1,184 kg (0.3%) o Steel: 4,776 kg (1.2%) o Aluminum: 3,953 kg (1.0%) o Wood: 0 kg (0%) o Other Materials: 473 kg (0.1%) Very incomplete or non-existent information for other markets.	Nd	7, 8, 9	12
301-2 Raw materials or recycled materials used Not available	Nd		12

301-3 Reclaimed products and their packaging Not available	Nd		12
Energy			
GRI 3: Material Themes 2021			
3-3 Management of material issues Environmental emergency, in its climate, energy and preservation of natural capital aspects	Ok		
GRI 302: Energy 2016			
302-1 Energy consumption within the organization • Electrical energy consumed: Portugal: 34.542 MWh (grid) + 12 MWh (produced) + 29 MWh (electric fleet) Spain: 11.688 MWh • Natural gas: Portugal: 6.308 MWh Spain: 1.781 MWh • Fuels (Portugal fleet): Diesel: 0,7 MWh + Gasoline: 1,4 MWh RIG: Chapter 6.3 (Energy and other resources)	Inc	7, 8, 9	13
302-2 Energy consumption outside the organisation Not available	Nd		13
302-3 Energy intensity Total energy within the organization: 54. 362 MWh Turnover: 418,2 M€ Energy intensity: 129,99 MWh/M€ ≈ 0,00013 MWh/€ An error of less than 1% in the energy intensity metric is estimated as a result of Angola's missing energy consumption values.	Ok	7, 8, 9	13
302-4 Reduction of energy consumption RIG: Chapter 6.3 (Energy and other resources)	Ok	7, 8, 9	13
302-5 Reductions in the energy requirements of products and services RIG: Chapter 6.3 (Energy and other resources)	Ok	7, 8, 9	13
Water and Wastewater			
GRI 3: Material Themes 2021			
3-3 Management of material issues Environmental emergency, in its climate, energy and preservation of natural capital aspects	Ok		
GRI 303: Water and Wastewater 2018			
303-1 Interactions with water as a shared resource RIG: Chapter 6	Ok	7, 8, 9	12, 15
303-2 Managing impacts related to wastewater Reducing effluents is a concern of the Ibersol Group, which has 12 wastewater treatment plants (WWTP) installed in restaurants in Portugal. RIG: Chapter 6	Inc	7, 8, 9	12, 15
303-3 Water abstraction Not applicable	Na		15
303-4 Waste water Not available	Nd		15
303-5 Water consumption Water consumption Portugal: 150.524 m3 Average consumption per point: 460 m3/restaurant RIG: Chapter 6.3 (Energy and other resources)	Inc	7, 8, 9	15
Biodiversity			
GRI 3: Material Themes 2021			

3-3 Management of material issues Environmental emergency, regarding climate, energy and preservation of natural capital	Ok		
GRI 304: Biodiversity 2016			
304-1 Operating units owned, leased or managed within or adjacent to environmental protection areas and areas of high biodiversity value located outside environmental protection areas There are no facilities or operations in protected or adjacent areas RIG: Chapter 2.7 (Risk analysis and management)	Inc	7, 8, 9	15
304-2 Significant impacts of activities, products and services on biodiversity There are no operations with significant impacts on biodiversity. RIG: Chapter 2.7 (Risk analysis and management)	Ok	7, 8, 9	15
304-3 Protected or restored habitats There are no facilities or operations in areas classified as protected or restored habitat zones. RIG: Chapter 2.7 (Risk analysis and management)	Ok	7, 8, 9	15
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by the organisation's operations There are no installations or operations in areas classified as habitat zones for IUCN Red List species and national list species RIG: Chapter 2.7 (Risk analysis and management)	Ok	7, 8, 9	15
Emissions			
GRI 3: Material Themes 2021			
3-3 Management of material issues Environmental emergency, regarding climate, energy and preservation of natural capital	Ok		
GRI 305: Emissions 2016			
305-1 Direct emissions (Scope 1) of greenhouse gases (GHG) Natural gas (Portugal and Spain): 1.491 ton CO2e Fuels (Portugal fleet): 557 ton CO2e	Inc	7, 8, 9	13
305-2 Indirect emissions (Scope 2) of greenhouse gases (GHG) from energy acquisition Emissions associated with the production of consumed electrical energy: Portugal – 9.050 ton CO2e (offices and restaurants) + 8 ton CO2e (electric fleet) Spain – 2.197 ton CO2e RIG: Chapter 6.3 (Energy and other resources)	Inc	7, 8, 9	13
305-3 Other indirect emissions (Scope 3) of greenhouse gases (GHG) Purchase of Goods: 128.000 ton CO2e Logistics storage and transport operation): 6.600 ton CO2e Employee travel: 6.828 ton CO2e Waste: 6.215 ton CO2e Others (Water Consumption, Travel, Consumables, Mail): 103 ton CO2e	Inc	7, 8, 9	13
305-4 Intensity of greenhouse gas (GHG) emissions Scope 1, 2 and 3 Emissions: 162.000 ton CO2e Turnover: 418,2 M€ GHG emissions intensity: 387 ton CO2e/M€ = 0,00039 ton CO2e/€	Ok	7, 8, 9	13
305-5 Reduction of greenhouse gas (GHG) emissions RIG: Chapter 2 (2.4, 2.6, 2.8)	Ok	7, 8, 9	13
305-6 Emissions of ozone-depleting substances (ODS) Not available	Nd		
305-7 Emissions of NOX, SOX and other significant air emissions Not available	Nd		
Waste			
GRI 3: Material Themes 2021			

3-3 Management of material issues Environmental emergency, regarding climate, energy and preservation of natural capital	Ok		
GRI 306: Waste 2020			
306-1 Waste generation and significant waste-related impacts RIG: Chapter 2 (2.4, 2.6, 2.8) and Chapter 6.2 (Packaging and waste)	Ok	7, 8, 9	12
306-2 Management of significant waste-related impacts RIG: Chapter 2 (2.4, 2.6, 2.8) and Chapter 6.2 (Packaging and waste)	Ok	7, 8, 9	12
306-3 Waste generated • Packaging waste declared in Portugal (SPV): 400,746 kg (paper/cardboard > 85%) • Packaging waste declared in Spain (Ecoembes): 81,779 kg (paper/cardboard > 90%) RIG: Chapter 2 (2.4, 2.6, 2.8) and Chapter 6.2 (Packaging and waste)	Ok	7, 8, 9	12
306-4 Waste not intended for final disposal Cooking oil: 475 tons sent for biodiesel production A food distribution project is being implemented that, according to commercial criteria, would be classified as waste and destined for final disposal, but which are still in good condition to be consumed safely. A pilot project started in the Spanish market and will fully launch in the Portuguese market in 2024, using several partnerships (Refood, To Good To Go, Phenix). RIG: Chapter 2 (2.4, 2.6, 2.8) and Chapter 6.2 (Packaging and waste)	Ok	7, 8, 9	2, 12
306-5 Waste intended for final disposal RIG: Chapter 2 (2.4, 2.6, 2.8) and Chapter 6.2 (Packaging and waste)	Inc	7, 8, 9	12
Environmental Assessment of Suppliers			
GRI 3: Material Themes 2021			
3-3 Management of material issues Managing strategic partnerships and ESG aspects of the supply chain Ensuring food quality and safety, as an element of social responsibility			
GRI 308: Environmental Assessment of Suppliers: 2016			
308-1 New suppliers selected on the basis of environmental criteria RIG: Chapter 2 (2.4 to 2.8) and Chapter 5.4 (Certified Management Systems) All new suppliers were assessed according to environmental compliance requirements	Ok	7, 8, 9	12, 17
308-2 Negative environmental impacts of the supply chain and measures taken Not available	Nd		12, 17
SOCIAL PERFORMANCE (GRI 400)			
Employment			
GRI 3: Material Themes 2021			
3-3 Management of material issues Human capital in the areas of diversity and inclusion and talent management			
GRI 401: Employment 2016			
401-1 New Hires and Employee Turnover Turnover Rate in Portugal: 85% Turnover Indicator = (Number of employees who left in the month x 12 months) / Active in the month. Movements within the Group are excluded. Chapter 7.2 (Collaborators)	Inc		8
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees There is no distinction in the benefits granted to employees according to the partial or full nature of their contract.	Ok		8
401-3 Maternity/paternity leave	Ok		8

2023	Men	Women	Total
Total employees entitled to parental leave	4 310	4 395	8 705
Total employees who took parental leave	80	153	233
Total employees who returned to work after completing parental leave (b)	78	151	229
Total employees who returned to work after completing parental leave and who continue to work 12 months after returning (c)	44	70	114
Return Rate % (b)/(a)	98%	99%	98%
Retention Rate % d)	40%	50%	46%

c): Considered as a reference base employees who during 2022 (previous year) returned to work after completing parental leave
d): (c) / Total employees who took parental leave and who returned to work after completing parental leave in 2022

Labour relations			
GRI 3: Material Themes 2021			
3-3 Management of material issues Human capital in the areas of diversity and inclusion and talent management	Ok		
GRI 402: Relações de Trabalho 2016			
402-1 Minimum notice period regarding operational changes All changes comply with the legal requirements. In the absence of regulation, the deadlines are defined on a case-by-case basis depending on the change in question, in accordance with the defined planning.	Ok		8
Health and Safety at Work			
GRI 3: Material Themes 2021			
3-3 Management of material issues Human capital in the areas of diversity and inclusion and talent management	Ok		
GRI 403: Occupational Health and Safety 2018			
403-1 Occupational health and safety management system The Ibersol group applies an occupational health and safety management system across the entire business model.	Ok		3
403-2 Hazard identification, risk assessment and incident investigation Ibersol has a multidisciplinary OHS team for identifying hazards, assessing risks and investigating accidents at work. OSH audits are carried out to all restaurants and workplaces by specialised Occupational Safety and Health (OSH) technicians, where they analyse/observe the Occupational Safety and Risks organisation issues. RIG: Chapter 7.4 (Health and Safety)	Ok		3
403-3 Occupational health services Ibersol informs its workers about the functions of the Occupational Health services, through internal regulations and a brochure. The health services participate in identifying and minimising occupational risks through activities in the Occupational Safety and Health Promotion programme, such as visits to workplaces and training and awareness-raising activities for workers. RIG: Chapter 7.4 (Health and Safety)	Ok		3
403-4 Employee engagement, consultation and communication with workers on occupational health and safety Ibersol surveys the workers twice a year on Occupational Health and Safety issues, through optional and anonymous questionnaires. The answers to the questionnaire are duly processed and the results are shared with all stakeholders with responsibility for Occupational Safety and Health, with a view to implementing action plans where necessary. RIG: Chapter 7.4 (Health and Safety)	Ok		3
403-5 Training of workers in occupational health and safety All Ibersol employees comply with the training plans and carry out initial and recertification training online, with a practical component on the risks in their workplace. Information on occupational safety and health is available in flipbook and print edition. In the half-yearly audits, pamphlets with themes related to the main causes of accidents at work are handed out, with a view to raising the Teams' awareness and reinforcing training.	Ok		3

RIG: Chapter 7.4 (Health and Safety)			
403-6 Worker health promotion The Ibersol Group is very concerned about the occupational and non-occupational health of its employees, promoting safety and comfort in the workplace, but also awareness-raising initiatives and training with a relevant impact outside the workplace. These initiatives were very visible at the time of the Covid-19 pandemic, in preventing contagion, with sensitive effects on the health of our employees and our customers. RIG: Chapter 7.4 (Health and Safety)	Ok		3
403-7 Prevention and mitigation of occupational health and safety impacts directly linked to business relationships The Ibersol Group guarantees that the commercial relationships and commitments it establishes with business partners have no impact on the health or safety of its employees	Ok		3
403-8 Workers covered by an occupational health and safety management system In Portugal, the group's workers are covered by the Occupational Health and Safety management system, which is checked directly in the following units: Catering Estádio do Dragão, VOG Tecmaia, Lisbon Airport - Terminal 1: Zona Terra Go To Aeroporto Lisbon, Go To - Go Natural; Air Zone: Pizza Hut, KFC, Cockpit, Go Natural, Specially, including multi-brand warehouse. RIG: Chapter 7.4 (Safety and health)	Inc		3
403-9 Work accidents • Portugal Work accidents in 2023: In the Workplace: 156 No Delivery: 122 In Itinere: 45 In Foreign Service: 3 Total: 326 Number of days lost due to work accidents: 5,.10 Number of days lost due to accidents on the route: 1.810 In 2023 there were no fatal work accidents	Inc		3
403-10 Occupational diseases 1 occupational disease recorded in Portugal.	Inc		3
Training and Education			
GRI 3: Material Themes 2021			
3-3 Management of material issues Human capital in the areas of diversity and inclusion and talent management.	Ok		
GRI 404: Training and Education 2016			
404-1 Average hours of training per year, per employee Total Group: 76.2 hours / employee RIG: Chapter 7.3 (People development)	Inc		4
404-2 Programmes to improve employee skills and support career transition Every year, the Ibersol Group hosts curricular internships and professional internships that open up new career opportunities to the respective employees. On the other hand, the Ibersol Group encourages the valuing of its employees' academic qualifications, providing the necessary conditions for them to attend professional, higher or post-graduate courses in a healthy balance with the professional duties they perform. RIG: Chapter 7.3 (People Development)	Ok		4
404-3 Percentage of employees receiving regular performance and career development reviews The periodicity of performance evaluations depends on seniority and internal level, and is carried out at least annually. With regard to career development processes, the analysis is case-by-case and has as one of its inputs the result of the performance evaluation. The career development of the Operations, Shift Management and some functions of Unit Management are analysed on a monthly basis. For the remaining functions, career developments are dealt with in an annual process.	Ok		4

Both processes are applicable to 100% of the Group's employees.			
Diversity and Equal Opportunities			
GRI 3: Material Themes 2021			
3-3 Management of material issues Business governance in the areas of organisational culture, ethics and compliance Human capital in the areas of diversity and inclusion and talent management			
GRI 405: Diversity and Equal Opportunities 2016			
405-1 Diversity in governance bodies and employees RGS: Points 18 and 19 (CA: executive/non-executive directors, independence, qualifications) RIG: Chapter 1.4 (Main indicators), Chapter 5.2 (Governing Bodies) and 7.2 (Employees	Ok		
405-2 Ratio of basic salary and remuneration received by women to that received by men Not available	Nd		8
Non-discrimination			
GRI 3: Material Themes 2021			
3-3 Management of material issues Human capital in the areas of diversity and inclusion and talent management	Ok		
GRI 406: Non-discrimination 2016			
406-1 Cases of discrimination and corrective measures taken There is no record of any cases of discrimination.	Ok	6	8
Freedom of Association and Collective Bargaining			
GRI 3: Material Themes 2021			
3-3 Management of material issues Business governance in the areas of organisational culture, ethics and compliance Human capital in the areas of diversity and inclusion and talent management	Ok		
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1 Operations and suppliers where the right to freedom of association and collective bargaining may be at risk There is no record of situations in which freedom of association and collective bargaining may have been called into question within the Ibersol Group, at any supplier or partner.	Ok	3	8
Child Labour			
GRI 3: Material Themes 2021			
3-3 Management of material issues Managing strategic partnerships and ESG aspects of the supply chain	Ok		
GRI 408: Child Labour 2016			
408-1 Operations and suppliers with significant risk of child labor incidents The Ibersol Group did not identify situations of risk of child labor or young workers exposed to hazardous work during the 2023 financial year.	Ok	5	17
Forced Labour or Slave-like Labour			
GRI 3: Material Themes 2021			
3-3 Management of material issues Managing strategic partnerships and ESG aspects of the supply chain	Ok		
GRI 409: Trabalho Forçado ou Análogo ao Escravo 2016			
409-1 Operations and suppliers with significant risk for cases of forced or compulsory labour The Ibersol Group did not identify situations of significant risk of forced labour or labour analogous to slave labour during the 2023 financial year	Ok	4	17
Security Practices			

GRI 3: Material Themes 2021			
3-3 Management of material issues Business governance in the areas of organisational culture, ethics and compliance			
GRI 410: Safety Practices 2016			
410-1 Security personnel trained in human rights policies or procedures Not applicable	Na	1, 2	
Indigenous Peoples' Rights			
GRI 3: Material Themes 2021			
3-3 Management of material issues Not applicable	Na		
GRI 411: Rights of Indigenous Peoples 2016			
411-1 Cases of violation of indigenous peoples' rights Not applicable	Na	1, 2	
Local Communities			
GRI 3: Material Themes 2021			
33-3 Management of material issues Management of food and non-food waste, benefiting business efficiency and social action Business governance in the areas of organisational culture, ethics and compliance	Ok		
GRI 413: Local Communities 2016			
413-1 Operations with local community engagement, impact assessments, and development programs RIG: Chapter 7.6 (Community liaison)	Ok		2
413-2 Operations with significant actual or potential negative impacts on local communities There is no knowledge of situations with significant actual or potential negative impacts on local communities.	Ok		
Social Evaluation of Suppliers			
GRI 3: Material Themes 2021			
3-3 Management of material issues Managing strategic partnerships and ESG aspects of the supply chain			
GRI 414: Social Assessment of Suppliers 2016			
414-1 New suppliers selected based on social criteria Supplier selection and evaluation criteria focus more on aspects of quality, food safety and environmental compliance. However, the new sustainable purchasing policies to be implemented will also include social and governance criteria. RIG: Chapter 2.8 (Sustainability strategy), Chapter 5.4 (Certified management systems)	Ok	1, 2	17
414-2 Negative social impacts of the supply chain and measures There is no knowledge of any situations of negative social impacts in the Ibersol Group's supply chain.	Ok	1, 2	17
Public Policies			
GRI 3: Material Themes 2021			
3-3 Management of material issues Business governance in the areas of organisational culture, ethics and compliance	Ok		
GRI 415: Public Policies 2016			
415-1 Political contributions The Ibersol Group made no contributions of a political nature during the 2023 financial year.	Ok		
Consumer Health and Safety			
GRI 3: Material Themes 2021			

3-3 Management of material issues Ensuring food quality and safety, as an element of social responsibility	Ok		
GRI 416: Consumer Health and Safety 2016			
416-1 Assessment of impacts on health and safety caused by categories of products and services RIG: Chapter 2.3 (Business model and value creation), Chapter 2.7 (Risk analysis and management), Chapter 5.4 (Certified management systems)	Ok		
416-2 Cases of non-compliance in relation to health and safety impacts caused by products and services • Portugal: 0,25 food safety complaints in 100.000 transactions. o No incidents confirmed after investigation process o 0 Product Safety laboratory non-conformities o Certified Quality and Food Safety Management Systems • Spain: 0,04 food safety complaints in 100.000 transactions. o No incidents confirmed after investigation process o 0 Product Safety laboratory non-conformities o Certified Quality and Food Safety Management Systems • Angola: 0 complaints o Certified Food Safety Management System.	Ok		3
Marketing and Labelling			
GRI 3: Material Themes 2021			
3-3 Management of material issues Ensuring food quality and safety, as an element of social responsibility	Ok		
GRI 417: Marketing and Labelling 2016			
417-1 Requirements for product and service information and labelling 100% conformity checked in product homologation. All legally required information is provided to the customer in good time and through the appropriate channels, namely regarding consumption conditions, validity, nutritional composition and the possible presence of products that may cause allergies or intolerances. RIG: Chapter 5.4 (Certified Management Systems)	Ok		3
417-2 Cases of non-compliance regarding product and service information and labelling In 2023 there were no recorded non-conformities related to labelling information.	Ok		3
417-3 Cases of non-compliance in relation to marketing communication • Portugal and Spain have certified Quality Management and Food Safety systems: o Portugal: complaints from the promotions category: 0,38 rec/100.000 transactions o Spain: complaints in the communication category: 0,36 rec/ 100.000 transactions • Angola: 0 complaints. Certified Food Safety Management System	Nd		
Customer Privacy			
GRI 3: Material Themes 2021			
3-3 Management of material issues Digital transformation of the business and the evolution of consumer habits	Ok		
GRI 418: Customer Privacy 2016			
418-1 Confirmed complaints regarding breaches of customer privacy and losses of customer data In 2023, there was no record of any complaints regarding violation of privacy or loss of customer data.	Ok	1, 2	

MAPPING LEGEND

STATUS

- Ok - Reported
- Inc - Partially reported
- Nd - Not reported due to unavailable or insufficient information
- Na - Not applicable

UNGCP (10 Principles of the United Nations Global Compact)

Human Rights	1. Businesses should support and respect the protection of internationally recognised human rights. 2. Ensure their non-participation in human rights violations.
Labour practices	3. Businesses should uphold the freedom of association and the effective recognition of collective bargaining. 4. The abolition of all forms of forced and compulsory labour. 5. Effective abolition of child labour. 6. Elimination of discrimination in employment.
Environmental Protection	7. Businesses should support a precautionary approach to environmental challenges. 8. Undertake initiatives to promote environmental responsibility. 9. Encourage the development and diffusion of environmentally friendly technologies.
Fight against Corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery.

SDGs (8 Sustainable Development Goals considered a priority by the Ibersol Group)

Social	SDG 2 - Eradicate Hunger SDG 3 - Quality Health SDG 4 - Quality Education
Environmental	SDG 13 - Climate Action SDG 15 - Protect Earth Life
Economic	SDG 8 - Decent Work and Economic Growth SDG 12 - Sustainable Consumption and Production
Partnerships	SDG 17 - Partnerships for Goal Implementation

IBERSOL – SGPS, SA

Publicly Listed Company

Head Office: Edifício Península, Praça do Bom Sucesso, n.º 105 a 159 - 9º andar, 4150 - 146 Porto

Share Capital: 42,359,577 euros

Registered at the Porto Commercial Registry Office under the single registration and tax identification number 501669477

CORPORATE GOVERNANCE REPORT 2023

CORPORATE GOVERNANCE
REPORT
2023

IBERSOL, SGPS SA.

Listed Company with share capital of 42,359,577 euros, with registered office at Praça do Bom Sucesso, nºs 105/159, 9º floor, 4150-146 Oporto, registered with the Porto Commercial Registry under the single registration and tax identification number 501669477.

PART I – SHAREHOLDING STRUCTURE, ORGANIZATION AND CORPORATE GOVERNANCE

A. SHAREHOLDING STRUCTURE

1. Share Capital structure.

The share capital of Ibersol, SGPS SA. is 42,359,577 euros, fully subscribed and paid up, represented by 42,359,577 ordinary registered shares, each with a nominal value of 1 euro, with the rights and duties inherent to all shares being equal. All the shares representing the share capital are admitted to trading on the Euronext Lisbon regulated market.

2. Share transmission and ownership restrictions.

The company has not in its articles of association, namely articles 4 and 5 of the same instrument, any restrictions on the transferability of shares, nor any kind of clauses imposing the need for consent for the transfer of the shares or any kind of imposing of limitations on the ownership of shares, and there is no identification of shareholders who hold special rights, nor are there any control mechanisms provided for in a eventual system of employee shareholdings to the extent that voting rights are not exercised directly by them.

3. Own shares.

On 31 December 2023, Ibersol, SGPS SA. held 477,490 own shares, corresponding to around 1.127% of the share capital, with a nominal value of one euro and a total value of 3,244,007.32 euros (which would correspond to a percentage of around 1.127% of voting rights) - having acquired 477,490 own shares in 2023.

4. Significant agreements to which the company is a party to and which become effective, are amended or terminate upon a change of control of the company following a takeover bid, and the effects thereof.

Without prejudice to what is stated below, the Company is not a party to any significant agreements that come into force, are altered or terminate in the event of a change of control of the company following a takeover bid, nor that determine payments or the assumption of costs by the Company in the event of a change of control or a change in the composition of the management body and that appear likely to jeopardise the economic interest in the transfer of shares and the free assessment by shareholders of the performance of the directors.

Nevertheless, the franchise agreements for several international brands operated by the subsidiaries of Ibersol, SGPS S.A. include requirements and conditions to be met prior to the disposal of shareholding, issue of capital instruments and/or change of control in said subsidiaries, as well as the sale of the business or certain assets of those 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 favour of the franchisors. Franchise agreements for some international brands provide for the possibility of termination in the event of a change of control of Ibersol, SGPS S.A. without the franchisor's prior agreement.

In certain periods, there may be some financing contracts for Ibersol, SGPS S.A. and its subsidiaries for which the respective creditors have the possibility of considering the debt due in the event of a change in the situation of shareholder control. On 31 December 2023, there was no financing under these conditions. There are no agreements between the company and members of the management body or employees providing for compensation in the event of an employee resignation, unfair dismissal or termination of the employment relationship following a takeover bid.

5. Regime to which the renewal or revocation of defensive measures is subject, in particular those that provide for the limitation of the number of votes that can be held or exercised by a single shareholder, individually or in concert with other shareholders.

No defensive measures were adopted within the Company, nor any rules on their renewal or revocation, and under the terms of the articles of association, each share corresponds to one vote, and there are no restrictions on voting rights or dependence on the ownership of a number or percentage of shares, nor are there any deadlines imposed for the exercise of voting rights that exceed or alter those established by law, and there are no systems for highlighting rights of patrimonial content.

6. Shareholders agreements.

The Company is unaware of the existence of any shareholders' agreement entered into between shareholders in this capacity that could lead to restrictions on the transfer of securities or voting rights, or lead to a concerted exercise of voting rights.

Nevertheless, and in accordance with the announcements it made to the market on 07.01.2016 (erroneously dated 07.12.2016) and 15.02.2016, the Company was informed that António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira had entered into a shareholders' agreement regarding the exercise of voting rights inherent in the shares of the company ATPS - Sociedade Gestora de Participações Sociais, S. A. ("ATPS", NIPC 503.997.714), in turn held by the companies Calum - Serviços e Gestão, S.A. and Dunbar - Serviços e Gestão, S.A., This shareholders' agreement resulted in the aforementioned individuals maintaining joint control of ATPS, which in turn held 21,452,754 shares on 31 December 2023, representing 50.64% of the company's share capital and 50.64% of the voting rights.

As the company announced in due course, the aforementioned shareholder agreement regarding ATPS stipulates that each of the parties undertakes to concentrate investment in the company's shares through ATPS, as well as "to do everything necessary to ensure that ATPS does not transfer ownership of the shares representing Ibersol's share capital that it may hold and that no encumbrances are placed on them".

II. Qualifying shareholdings and Bonds helds

7. Qualifying Shareholdings.

On 31 December 2023, according to the notifications received by the Company and in accordance with articles 16 and 20 of the Securities Code in its current wording, the shareholders who hold a qualified holding of at least 5% of the share capital of Ibersol, SGPS SA. are as follows:

Shareholders	nº shares	% share capital
ATPS - SGPS, S.A. (*)		
Directly	21 452 754	50,64%
António Alberto Guerra Leal Teixeira	3 314	0,01%
António Carlos Vaz Pinto Sousa	3 314	0,01%
Total attributable	**21 459 382**	**50,66%**
FERGIE - Serviços e Gestão, SA		
Total attributable	**4 551 450**	**10,74%**
Magallanes Value Investors SGIIC		
Total attributable	**2 272 700**	**5,37%**
Bestinver Gestion SGIIC		
Total attributable	**2 932 675**	**6,92%**

(*) The voting rights attributable to ATPS-SGPS, SA. are also attributable to António Pinto Sousa and Alberto Teixeira under the terms of Article 20(1)(b) and (c) and Article 21(1), both of the Portuguese Securities Code, as the latter hold a controlling stake in the company, in which they participate indirectly through, respectively, the companies CALUM - SERVIÇOS E GESTÃO, S. A. with tax number 513799486 and DUNBAR - SERVIÇOS E GESTÃO, S. A. with tax number 513799257 (in which they hold the majority of the share capital), which together, each with a 25.02% stake, hold the majority of the share capital of ATPS-SGPS,SA.

8. Number of shares and bonds held by the Governing Bodies members - Board of Directors and Supervisory Board

Number of Shares directly or indirectly held in Ibersol, SGPS SA:

Board of Directors:

Chairman - Dr. António Alberto Guerra Leal Teixeira

3,314 shares representing the capital of Ibersol, SGPS SA.
5,325 shares representing 50.96% of the capital of Dunbar - Serviços e Gestão, SA.
Dunbar - Serviços e Gestão, SA. holds 2,840 shares representing 25.02% of the capital of ATPS - SGPS, SA.
ATPS-SGPS, SA, on 31/12/2023, holds 21,452,754 shares in Ibersol, SGPS SA, representing 50.64% of the share capital of Ibersol, SGPS SA.

Vice-Chairman - Dr. António Carlos Vaz Pinto de Sousa

3.314 ações representativas do capital da Ibersol, SGPS SA.
9.996 ações representativas de 68,30% do capital da CALUM – Serviços e Gestão, SA.
A CALUM – Serviços e Gestão, SA. é detentora de 2.840 ações representativas de 25,02% do capital da ATPS-SGPS, SA.
A ATPS-SGPS, SA, em 31/12/2023, é detentora de 21.452.754 ações da Ibersol, SGPS SA, representativas de 50,64% do capital da Ibersol, SGPS SA.

Director – Eng.ª Maria Deolinda Fidalgo do Couto
Holds 6,831 shares, representing 0.01% of the capital of Ibersol SGPS, SA

Director – Prof. Doctor Juan Carlos Vázquez-Dodero de Bonifaz
Does not hold shares in the company.

Director – Dr.ª Maria do Carmo Guedes Antunes de Oliveira
Does not hold shares in the company.

Fiscal Board

Chairman - Dr. Hermínio António Paulos Afonso
Does not hold shares in the company.

Member - Dr. Carlos Alberto Alves Lourenço
Does not hold shares in the company.

Member – Dr.ª Maria José Martins Lourenço da Fonseca
Does not hold shares in the company.

Substitute member – Dr. Joaquim Jorge Amorim Machado

Does not hold shares in the company.

9. Board of Directors qualification due to share capital increase.

Pursuant to article 4.2 of the Articles of Association, the share capital may be increased up to one hundred million euros, one or more times, by resolution of the Board of Directors, which shall determine the form, subscription conditions and categories of shares to be issued from among those provided for in the same articles of association, or others permitted by law. This statutory provision was renewed by resolution of the General Meeting of 29 June 2020, which approved this renewal of the powers conferred on the Board of Directors by article four, number two of the Company's Articles of Association - so that this corporate body can resolve, within the next five years from that resolution, to increase the share capital, one or more times, by up to one hundred million euros.

10. Related Parties significant Transactions.

No significant business or operations were carried out between the Company and holders of qualifying holdings.

B. GOVERNING BODIES AND COMMITTEES

I. General Meeting

a) Board of the Shareholders' General Meeting

11. Name, function and mandate of the General Meeting Board´s members.

In the 2023 financial year and through the election act for the four-year period from 2021 to 2024 carried out at the Annual General Meeting of 18 June 2021 - the composition of the Board of the General Meeting was as follows:

Chairwoman of the Board – Professor Dr. José Rodrigues Jesus;

Vice-Chairwoman – Dr. Eduardo Moutinho Ferreira Santos;

Secretary – Dr.ª Clara Maria Azevedo Rodrigues Gomes;

The term of office of these members corresponds to the exercise of the four-year period 2021/2024, and the next general meeting to be held in 2025 will be electoral.

b) Exercise of voting rights

12. Possible restrictions on voting rights.

There are no restrictions on voting rights, such as limitations on the exercise of voting rights depending on ownership of a certain number or percentage of shares, given that, under terms of article 21 of the Articles of Association, each share corresponds to one vote, not existing any identification of shareholders who hold special rights, nor are there any control mechanisms provided for in a possible system of employees shareholding in the capital, insofar as voting rights are not exercised directly by them, there are no eventual restrictions on voting rights or dependence on limitations on the ownership of a number or percentage of shares, there are also no deadlines imposed for the exercise of voting rights that exceed or change what is legally established and there are also no systems, in this scope, of highlighting rights of patrimonial content.

In accordance with article 23 of Company's Articles of Association, the General Meeting is able to meet and approve resolutions on first call if shareholders representing more than fifty per cent of the share capital are present or represented. According to article 21.1 and 21.2 of the Articles of Association, each share represents one vote, and General Meeting deliberations can be adopted by simple majority, unless the law requires otherwise.

Article 22. 3 to 11 of the Company Articles of Association contains rules on the exercise of voting rights by post and there are no restriction on postal voting and there are no statutory restriction to vote by correspondence either by post or electronically.

The company provides postal voting forms and informs of the necessary procedures to exercise this right. The form is available on the company's website at www.ibersol.pt. Under article 22.4 of the Articles of Association, postal votes can be received up to three days before the date of the General Meeting.

13. Maximum percentage of voting rights that may be exercised by a single shareholder or shareholders which have with that one any relations such as stated on nº 1 of Art. 20.º of the Securities Code

There is no indication in the Articles of Association of the maximum percentage of voting rights that can be exercised by a single shareholder or by shareholders who, with that sharholder, are in any of the relationships described in the aforementioned rule.

14. Resolutions which only may be taken by qualified majority.

Under the Articles of Association, Shareholder resolutions are not subject to qualified majorities, other than those resulting from applicable law. Therefore, unless otherwise required by law, resolutions at the General Meeting shall be approved by a simple majority (art. 21.2 of the Articles of Association);

II. MANAGEMENT AND SUPERVISION

a) Composition

Board of Directors

Chairman – Dr. António Alberto Guerra Leal Teixeira;

Vice-Chairman – Dr. António Carlos Vaz Pinto de Sousa;

Member – Eng.ª Maria Deolinda Fidalgo do Couto;

Member – Professor Doutor Juan Carlos Vázquez-Dodero de Bonifaz;

Member – Dr.ª Maria do Carmo Guedes Antunes de Oliveira;

Audit Board

Chairman – Dr. Hermínio António Paulos Afonso;

Member - Dr. Carlos Alberto Alves Lourenço;
Member – Dr.ª Maria José Martins Lourenço da Fonseca;
Substitute – Dr. Joaquim Jorge Amorim Machado;

Statutory Auditor - KPMG & Associados – Sociedade de Revisores Oficiais de Contas SA.
Substitute – Vítor Manuel da Cunha Ribeirinho (Roc);

15. Identification of model of governance adopted.

The Company adopts a classic monist governance model - composed by Board of Directors and Audit Board, with the respective Statutory Auditor having been appointed at the General Meeting of Shareholders. The Board of Directors is responsible for performing all the administration acts related with the corporate object, determining the Company's strategic guidelines, and appointing and overseeing the work of the Executive Committee, no specialized committees having been formed by the Board. The Executive Committee coordinates the operations of the functional units and the Company's various businesses, meeting with the senior managers of these units and businesses on regular basis.

The Audit Board is responsible for overseeing the Company´s activity in accordance with law and Company's Articles of Association.

The diversity and consolidated professional experience of the members of the Board of Directors and the members of the Audit Board are described respectively in the following points 19 and 33, and the structure and composition of the Board of Directors, with 5 members, 2 executive and 3 non-executive, of the Audit Board and of the Statutory Auditor is demonstrably appropriate to the size of the Company, being the necessary and sufficient to ensure the minimization of risks to which the company is exposed inherent to its specific activity, as well as it also proves to be adequate to ensure the necessary efficiency in the exercise of the functions assigned to each of these members, being that the non-executive members of the management body exercise all their necessary direct collaboration with the corporate objectives to which they are attached.

In 2023, the are no termination of duties by any members of the company's governing bodies.

For each electoral general meeting, the proposals for election of the members of the governing bodies must be accompanied by due grounds regarding the suitability of the profile, knowledge and curriculum to the function to be performed by each candidate, and the company does not have a nominations committee, as this does not deemed to be necessary given the structure and organic/functional dimension of the company. The General Meeting of 26 May 2023 approved the Internal Policy for Selecting and Evaluating the Adequacy of the Members of the Company's Management and Supervisory Bodies, which can be consulted in full at:
https://www.ibersol.pt/investidores/assembleias-gerais/2023/AGProposals1a8.pdf

It should be noted, however, that in the light of the above-mentioned Selection Policy, the Remuneration Committee also has delimited competence, supplementarily, in this matter of appointments in the sense that Point 4 of the above-mentioned Policy states the following: ”Responsibility for evaluating the suitability of candidates for members to integrate the Board of Directors and the Audit Committee to be elected at the General Meeting will be the responsibility of the proposing shareholder or shareholders, or, at the request of the proposing shareholder or shareholders, to the Remuneration Committee with the powers set out in article 399 of the Commercial Companies Code.”.

16. Statutory rules for procedural and material requirements applicable to appointment and replacement of members of the Board of Directors.

The rules on the procedural and material requirements applicable to the appointment and replacement of members of the Board of Directors are stated in articles 8, 9, 10 and 15 of the Articles of Association. The Board of Directors is composed of an even or odd number of members, with a minimum of three and a maximum of nine, elected by the General Meeting. A number of substitutes equal to one-third of the number of effective directors may also be elected.

For a number of Directors not exceeding one third of the body, a preliminary and isolated election will be carried out, among persons proposed in lists subscribed by a group of shareholders, provided that none of these groups has shares representing more than 20% and of less than 10% of the share capital. Each list must propose at least two candidates for each post to be filled and a shareholder cannot subscribe more than one list. If, in a isolated election, lists are presented by more than one group, the vote will decide on all the lists taken together.

In the event of death, resignation or temporary or permanent disability of a director, the Board of Directors shall arrange for a replacement. If a director elected under the rules set out in the previous paragraph is permanently absent, an election shall be held at the General Meeting.

The Board of Directors may, by resolution, increase the share capital in accordance with the provisions of article 4 of the Company's Articles of Association, and the share capital may be increased by up to one hundred million euro, one or more times, y means of such resolution which shall set out the form, subscription conditions and categories of shares to be issued from among those provided for in the articles of association or others permitted by law.

The rules applicable to other amendments to the Company's Articles of Association are set out namely in Articles 85.º, 383.º, n.º 2, and 386.º, n.º 3 and 4 of the Commercial Companies Code (CSC) and are subject to resolution by the General Shareholders' Meeting.

17. Composition of the Board of Directors.

The Board of Directors is currently composed of five members, the executive members being the Chairman and the Vice-Chairman. The Board of Directors shall choose its own chairman if this one has not been appointed by the General Meeting at the time of the election. The Board of Directors may specifically appoint one or more directors to handle certain matters. On 31 December 2023 the Board of Directors was composed by the following members:

Chairman – Dr. António Alberto Guerra Leal Teixeira;
Vice-Chairman – Dr. António Carlos Vaz Pinto de Sousa;
Member - Eng.ª Maria Deolinda Fidalgo do Couto;
Member – Prof. Juan Carlos Vázquez-Dodero de Bonifaz;
Member - Dr.ª Maria do Carmo Guedes Antunes de Oliveira;

All members were elected at the General Meeting held on June 18, 2021 for the four-year period of the 2021-2024 corporate year, and it should also be noted that the requirement for a gender-balanced composition of the governing bodies, in accordance with the quota system, has been verified as being directly applicable - the company having observed these gender quotas at the time of this new electoral act of 18 June 2021 under the terms of Law no. 62/2017 of 1 August.

The date of the first appointment to exercise the respective mandate took place in 1991 (Dr. António Alberto Guerra Leal Teixeira), in 1990 (Dr. António Carlos Vaz Pinto de Sousa), in 2021 (Eng. Maria Deolinda Fidalgo do Couto), in 1999 (Prof. Dr. Juan Carlos Vazquez-Dodero de Bonifaz) and in 2021 (Dr. Maria do Carmo Guedes Antunes de Oliveira);

The statutory term of office is four years, as set out in article 27 of the Company's Articles of Association.

The Board of Directors may also delegate the current management of the Company in one or more directors or an executive committee, under the terms and within the legal limits. The Board of Directors will be responsible for regulating the functioning of the Executive Committee and the way in which it will exercise the powers entrusted to it.

18. Distinction between executive and non-executive members and, as regards non-executive members, details of members that may be considered independent.

The Company's management body is composed by five directors, with an Executive Committee composed respectively of Dr. António Alberto Guerra Leal Teixeira (President) and Dr. António Carlos Vaz Pinto de Sousa (Vice-President), being a body also composed of three members who are non-executive members, which the majority of these non-executive members, Professor Dr. Juan Carlos Vazquez-Dodero de Bonifaz and Dr. Maria do Carmo Guedes Antunes de Oliveira are not associated with specific interest groups, either of the Company or of its reference shareholders, not having any relevant interests liable to collide or interfere with the free exercise of its corporate mandate, further mentioning that no internal control committee has been set up. The non-executive member and vogal, Prof. Dr. Juan Carlos Vazquez-Dodero de Bonifaz, is a director of related companies, in which he does not perform any executive functions. He does not carry out any activities or businesses with the Company, within the meaning of articles 397 and 398 of the Companies Code (CSC) and meets the other requirements for independence stated in art 414.5 of the CSC, in particular as stated in the European Commission Recommendation of 15 February 2005, once that Recommendation, about the independence requirement, determined, in its point number 13, that an administrator must be considered independent if he has no business, family, or other relations with the company, either with the control shareholders, as well with the directive bodies of any of them – that can create a conflict of interest that undermine his judgment. These independence requirements are complete fulfilled by the non-executive member of Board of Directors, Prof. Juan Carlos Vazquez-Dodero de Bonifaz, and so he is considered to be an independent member in terms of his performing duties.

The above mentioned non-executive director, as a non-executive director of the Board of Directors of companies included in or linked to the Ibersol Group, does not collaborate or interferes with the current management of those companies, neither provides any other type of services to any of these companies and has no other type of commercial relationship (material or non-material), whether of service provision or another nature, and is not a beneficiary of any kind of remuneration beyond that received annually as a non-executive director of Ibersol, SGPS, SA - reasons why this director can be considered to be independent, noting that this non-executive member has been exercising the respective position continuously since 1999 as a result of a successive election held at subsequent general elections - without this circumstance determining a factor of non independence of the same, being rather a presupposed merely resulting from the course of time and not from the effective material conditions of his exercises of the respective corporate position - not being observed that such temporal conditioning has been susceptible of affecting or conditioning, in any aspect, his necessary impartiality of analysis and decision, during the course of the respective mandates and until the present date.

As for the non-executive Director Dr. Maria do Carmo Guedes Antunes de Oliveira, she fulfills all the necessary independence requirements in the exercise of her respective position in this same corporate Board of Directors.

As for the non-executive Director, Engª Maria Deolinda Fidalgo do Couto, she holds this position having the respective employment contract with Ibersol SGPS, SA. as Director of Management Control and Finance of the Group started on 10/23/1990 - suspended since the date of her appointment at the General Meeting of June 18, 2021 as a non-executive member of the Board of Directors of Ibersol SGPS, SA., so she does not fulfill the independence criteria in this scope.

It should be noted that these non-executive directors perform their functions in the context of a mutual and integrated functional coordination established between them, which has promoted, in all aspects, an effective and efficient response by them to the demands of their respective corporate mandates.

19. Professional qualifications of the members of the Board of Directors.

BOARD OF DIRECTORS

President - Dr. António Alberto Guerra Leal Teixeira

Academic qualifications

- BA in Economics – Faculty of Economics of the University of Oporto.

Professional activity

- Chairman of the Board of Directors of Ibersol, SGPS SA
- Director of other subsidiaries companies of Ibersol, SGPS SA.

Date of first appointment and end of current term– 1991 / 2020, having been re-elected for a new term of 2021-2024;

Functions performed in board of directors of other societies held by Ibersol Group :

ANATIR – SGPS, SA

DEHESA DE SANTA MARÍA FRANQUICIAS, S.L.U.

FIRMOVEN - Restauração, SA

FOOD ORCHESTRATOR, S.A.

FOODSTATION, S.L.U.

HCI - Imobiliária, SA.

IBERAKI - Restauração, SA.

IBERESPAÑA CENTRAL DE COMPRAS, A.I.E.

IBERGOURMET - Produtos Alimentares, SA.

IBERSANDE - Restauração, SA.

IBERSOL ANGOLA, S.A.

IBERSOL - Restauração, SA.

IBERSOL MADEIRA e AÇORES, Restauração, SA

IBERUSA - Hotelaria e Restauração, SA.

IBERUSA - Central de Compras para Restauração, ACE.

IBR – Imobiliária, SA.

INVERPENINSULAR, S.L.U.

JOSÉ SILVA CARVALHO – Catering, SA.

LUSINVER RESTAURACIÓN, S.A.U.

MAESTRO - Serviços e Gestão Hoteleira, SA.

SEC - EVENTOS E CATERING, SA.

SUGESTÕES E OPÇÕES – Actividades Turísticas, SA.

BELSAI – RESTAURAÇÃO, S.A. (ceased functions on 31/01/2024)

PANSFOOD, S.A.U.

THE EAT OUT GROUP, S.L.U.

VIDISCO, S.L.U.

VOESMU RESTAURACIÓN, S.L.

VOLREST ALDAIA, S.L.U.

VOLREST ALFAFAR, S.L.U.

VOLREST ALCALÁ, S.L.U.

VOLREST RIVAS, S.L.U.

MEDFOOD INVEST, S.L.

NEW RESTAURANTS OF SPAIN S.A.

Manager

RESTMON (Portugal) – Gestão e Exploração de Franquias, Lda.

Functions performed in board of directors of societies outside Ibersol Group:

ATPS - Sociedade Gestora de Participações Sociais, SA.

MATEIXA – Sociedade Imobiliária, S.A.

ONE TWO TASTE, SA.

DUNBAR – SERVIÇOS E GESTÃO, SA

CALUM – SERVIÇOS E GESTÃO, SA.

Vice-President - António Carlos Vaz Pinto de Sousa

Academic qualifications

- BA in Law - Faculty of Law of the University of Coimbra

- CEOG – Course in Management – Catholic University of Oporto

Professional activity

- Vice-chairman of the Board of Directors of Ibersol, SGPS SA.

- Director of other subsidiaries companies of Ibersol, SGPS SA.

Date of first appointment and end of current term– 1990/ 2020, having been re-elected for a new term of 2021-2024;

Functions performed in board of directors of other societies held by Ibersol Group:
ANATIR – SGPS, SA.
DEHESA DE SANTA MARIA FRANQUICIAS, S.L.U.
FIRMOVEN - Restauração, SA.
FOOD ORCHESTRATOR, S.A.
FOODSTATION, S.L.U.
HCI - Imobiliária, SA.
IBERAKI - Restauração, SA.
IBERESPAÑA CENTRAL DE COMPRAS, A.I.E.
IBERGOURMET - Produtos Alimentares, SA.
IBERSANDE - Restauração, SA.
IBERSOL ANGOLA, S.A.
IBERSOL - Restauração, SA.
IBERSOL MADEIRA e AÇORES, RESTAURAÇÃO, SA
IBERUSA - Hotelaria e Restauração, SA.
IBERUSA - Central de Compras para Restauração, ACE
IBR – Imobiliária, SA.
INVERPENINSULAR, S.L.U.
JOSÉ SILVA CARVALHO – Catering, SA.
LUSINVER RESTAURACIÓN, S.A.U.
MAESTRO - Serviços e Gestão Hoteleira, SA.
SEC - EVENTOS E CATERING, SA.
SUGESTÕES E OPÇÕES – Actividades Turísticas, SA.
BELSAI – RESTAURAÇÃO, S.A. (ceased functions on 31/01/2024)
PANSFOOD S.A.U.
THE EAT OUT GROUP, S.L.U.
VIDISCO, S.L.U.
VOESMU RESTAURACIÓN, S.L.
VOLREST ALDAIA, S.L.U.
VOLREST ALFAFAR, S.L.U.
VOLREST ALCALÁ, S.L.U.
VOLREST RIVAS, S.L.U.
MEDFOOD INVEST, S.L.

NEW RESTAURANTS OF SPAIN S.A.

Manager
RESTMON (Portugal) - Gestão e Exploração de Franquias, Lda.

Functions performed in board of directors of societies outside Ibersol Group:
ATPS - Sociedade Gestora de Participações Sociais, S.A.
MBR, IMOBILIÁRIA, SA.
ONE TWO TASTE, SA.
POLIATLÂNTICA SGPS, SA. (administrator with no executive functions)
DUNBAR – SERVIÇOS E GESTÃO, S.A.
CALUM – SERVIÇOS E GESTÃO, S.A.

Member - Eng.ª Maria Deolinda Fidalgo do Couto
Academic qualifications

- Degree in Chemical Engineering - Faculdade de Engenharia da Universidade do Porto;
- CEOG: Curso de Gestão da Universidade Católica do Porto;

Professional activity

- Member of the Board of Directors of Ibersol, SGPS SA.
- Director of other subsidiaries companies of Ibersol, SGPS SA.
- Director of Management Control and Finance of the Ibersol Group;

Date of first appointment and end of current term – elected for the term of 2021–2024;

Functions performed in board of directors of other societies held by Ibersol Group:

ANATIR, SGPS SA
DEHESA DE SANTA MARÍA FRANQUICIAS, S.L.U.
FIRMOVEN, Restauração SA
FOOD ORCHESTRATOR, S.A.
FOODSTATION, S.L.U.
HCI - Imobiliária, SA
IBERAKI, Restauração, SA
IBERESPAÑA CENTRAL DE COMPRAS, A.I.E.
IBERGOURMET – Produtos Alimentares, SA
IBERSANDE Restauração SA
IBERSOL ANGOLA, S.A.
IBERSOL MADEIRA e AÇORES, Restauração SA
IBERSOL - Restauração, SA

IBERUSA, Central de Compras para Restauração ACE
IBERUSA - Hotelaria e Restauração SA
IBR Imobiliária, SA
INVERPENINSULAR, S.L.U.
JOSÉ SILVA CARVALHO – Catering, SA
LUSINVER RESTAURACIÓN, S.A.U.
MAESTRO - Serviços e Gestão Hoteleira SA
SEC - EVENTOS E CATERING, SA.
SUGESTÕES E OPÇÕES – Actividades Turísticas, SA.
BELSAI – RESTAURAÇÃO, S.A. (cessou funções em 31/01/2024)
PANSFOOD, S.A.U.
THE EAT OUT GROUP, S.L.U.
VIDISCO, S.L.U.
VOESMU RESTAURACIÓN, S.L.
VOLREST ALDAIA, S.L.U.
VOLREST ALFAFAR, S.L.U.
VOLREST ALCALÁ, S.L.U.
VOLREST RIVAS, S.L.U.
MEDFOOD INVEST, S.L. (ceased functions on 28/12/023)
NEW RESTAURANTS OF SPAIN S.A. (ceased functions on 28/12/023)

Functions performed in board of directors of societies outside Ibersol Group: Does not perform any functions in the management bodies of other companies outside the Ibersol Group.

Member - Prof. Juan Carlos Vázquez-Dodero de Bonifaz

Academic qualifications

- BA in Law – Complutense University of Madrid.

- BA in Business Studies – ICADE, Madrid.

- Master of Business Administration – IESE, University of Navarra.

- PhD in Management - IESE, University of Navarra.

- “Managing Corporate Control and Planning” and “Strategic Cost Management” programmes, Harvard University.

Professional activity

- Professor Emeritus at IESE.

- Advisor and Consultant to various European and American companies.

- Member of the Board of Directors of Ibersol, SGPS SA.

- Director of other subsidiaries companies of Ibersol, SGPS SA.

Date of first appointment and end of current term– 1999 / 2020, having been re-elected for a new term of 2021-2024;

Functions performed in board of directors of other societies held by Ibersol Group:

DEHESA DE SANTA MARIA FRANQUICIAS,SLU.

FOOD ORCHESTRATOR, S.A. (resignation by letter dated 1/3/2023, as registered with the Commercial Registry under AP.2/20231013)

FOODSTATION, SLU.

IBERSOL - Restauração, SA.

PANSFOOD SAU.

THE EAT OUT GROUP SLU.

Functions performed in board of directors of societies outside Ibersol Group:

ATPS - Sociedade Gestora de Participações Sociais, SA.
DUNBAR – SERVIÇOS E GESTÃO, SA.

CALUM – SERVIÇOS E GESTÃO, SA.

President and Founder of Patronato da Fundação Amigos de Rimkieta

Counselor of Jeanologia S.L.

Vogal of the Fundación IESE (FIESE)

Vogal – Dr.ª Maria do Carmo Guedes Antunes de Oliveira

Academic qualifications

- 1983 ▪ MBA, Nova School of Business and Economics
- 1980 ▪ Degree in ECONOMIA, Faculdade de Economia do Porto

Professional activity

- 2021- - Member of the Board of Directors of Ibersol, SGPS SA.

- 2020 - non-executive director of Altri, SGPS
- 2017 - 2020 – General Manager of Banco BPI: responsible for the Corporate & Investment Banking Department
- 2007 - 2017 ▪ General Manager of Banco BPI: responsible for the North Large Companies Department, the North Special Operations Unit and the Business Center Support Office
- 2000 - 2007 ▪ Director of Banco Português de Investimento
- 1996 - 2000 ▪ Central Director of Banco Português de Investimento – Corporate Finance Area

Date of first appointment and end of current term – elected for the term of 2021–2024;

Functions performed in board of directors of other societies held by Ibersol Group:

Does not perform any functions in the management bodies of other companies of the Ibersol Group.

Functions performed in board of directors of societies outside Ibersol Group:
Member of the Board of Directors of Altri, SGPS

20. Significant relationships between members of Board of Directors and qualified shareholders.

The Directors António Alberto Guerra Leal Teixeira and António Carlos Vaz Pinto de Sousa hold, respectively through the Companies Dunbar - Serviços de Gestão, SA. (in which the former holds a 50,96% participation) and Calum-Serviços de Gestão, SA. (in which the latter has a 68,30% participation), control of ATPS SGPS, SA., a company to which a 50,64% participation in the share capital of Ibersol, SGPS SA is attributed, participation which is also imputed to them individually.

Fergie - Serviços e Gestão, S.A., which holds 10.74% of the share capital and voting rights of Ibersol, SGPS, S.A., is 100% owned by EIS - Engenharia, Indústria e Serviços, SGPS, Lda., which, in turn, is owned by Pedro André Gonçalves Teixeira (who holds a 50% stake), son of director António Alberto Guerra Leal Teixeira, and by Pedro Barbosa Vaz Pinto de Sousa (who holds a 25% stake) and Diogo Barbosa Vaz Pinto de Sousa (who holds a 25% stake), the latter two sons of director António Carlos Vaz Pinto de Sousa.

21. Division of powers between the different boards, committees and/or departments within the company, including information on delegating responsibilities, particularly with regard to the delegation of powers, in particular with regard to the delegation of daily management of the Company.

Under the terms of the law and the articles of association, the Board of Directors is responsible for managing the company's activities, ensuring the management of the company's business and carrying out all operations relating to the company's object, namely in terms of strategic objectives, organisation and coordination of the corporate structure and the company's main policies and analysis and definition of limits in terms of risk-taking.

Pursuant to Article 8(4) of the Articles of Association and Article 407(3) of the Companies Code, the Board of Directors has set up an Executive Committee, which is made up of 2 members of the Board of Directors. The other directors have non-executive duties, without delegating management powers.

In compliance with the aforementioned statutory provision and paragraphs 3 and 4 of the aforementioned article 407 of the Companies Code, the Board of Directors delegated the day-to-day management of the company to the Executive Committee under the terms and within the legal limits.

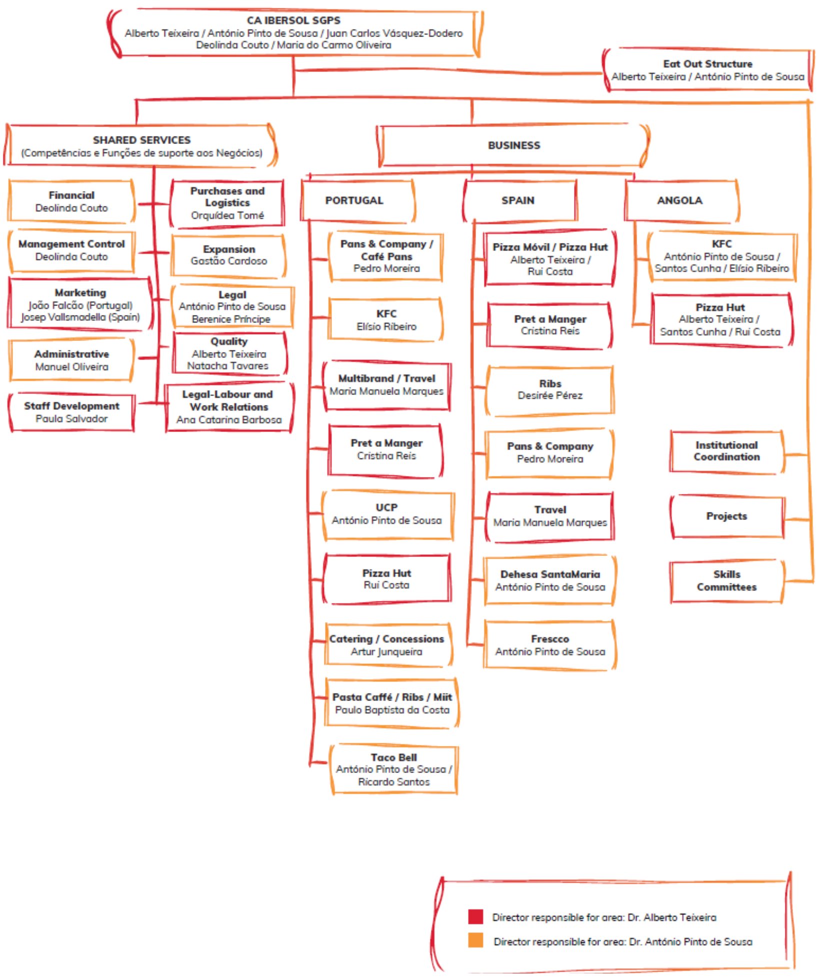
Within the scope of this delegation, the Board of Directors decided to grant the Executive Committee full powers of decision, management and strategic monitoring of the company's activity, within the legal limits of article 407(4) of the Commercial Companies Code, developing, planning and programming the management body's lines of action, both internally and externally during the financial year, fully pursuing the company's corporate objectives, with the special objective of assisting the Board of Directors in adequately verifying the instruments for supervising the economic and financial situation and in the exercise of the management control function of the companies included in the

Ibersol Group, as well as, namely, assisting the Board of Directors in updating its advisory and functional support structures as well as in the procedures of the companies integrated in the Ibersol Group, with consistent adequation to the evolution of the needs of corporate business, working to define the profiles and characteristics of its strategic partners, clients, employees, collaborators and other agents, as well as in the development of standards of behaviour in society's relations with the outside, and may, in concrete, proceed with the acquisition, sale and encumbrance of movable assets, opening and closing establishments or important parts thereof, establishing or ceasing co-operation with other companies and entities outside the Group.

It should be noted that, under the terms of Article 407(8) of the Companies Code, this delegation does not exclude the Board of Directors' competence to take resolutions on the same matters.

Within this framework, the Executive Committee is responsible for the operational coordination of the functional divisions and the different company businesses, meeting with the respective managers on a regular basis. The decisions taken by the Functional and Business Directors must respect the global guidelines that emanate from the delegation of competences conferred by the Executive Committee and are coordinated at regular meetings.

The organization chart and distribution of tasks is as follows:



b) Functioning

22. Location where the regulations governing the functioning of the Board of Directors can be found.

The Regulations of the Board of Directors may be consulted on the Company's website: www.ibersol.pt.

23. Number of meetings held and attendance level of each member of the Board of Directors.

The Company´s Articles of Association stipulate that the Board of Directors shall meet at least quarterly and whenever convened by the Chairman or two of its members. Meetings of the Board of Directors are arranged and prepared in advance and the necessary documentation of the points on the agenda is made available in good time.

The minutes of meeting are registered in proper book.

In 2023, 13 meetings of the Board of Directors were held. All the executive members and non-executive members were present or represented (here ex vi article 14.4 of the Articles of Association and article 410.5 of the CSC) at these meetings.

24. Competent Bodies of the Company to appraise the performance of executive directors.

The Board of Directors conducts an annual assessment of its own performance, both in terms of its collective performance and the individual performance of the executive members and the non-executive members, emphasizing the analysis of the parameters of compliance with the strategic plan and the budget outlined for the Company, evaluating the risk management process, as well as placing this assessment at the level of the relationship with the other corporate bodies and with the Remuneration Committee.

The Remuneration Committee, representing the shareholders, is responsible for assessing the performance and the approval of remunerations of the Board of Director's Members and other bodies in accordance with the remuneration policy approved by the shareholders in the General Meeting.

25. Predetermined criteria for evaluating the performance of executive directors.

The remuneration of the executive members of the Board of Directors does not include any variable component. The executive directors are remunerated by ATPS, SGPS SA. having this one subscribed a contract for services with the subsidiary of the Group, the Ibersol Restauração SA., as explained in points 69 and 77 below.

26. Availability of each member of the Board of Directors indicating the positions held simultaneously in other companies inside and outside the group, and other relevant activities by members of these bodies during the financial year.

The professional activity of the current members of the Board of Directors is described in point 19 above.

c) Committees within the board of directors and delegates;

27. Identification of committees created within the board of directors and where can be found the Regulations on the functioning.

The Executive Committee is the only committee of the Board of Directors and the Regulation of the Board of Directors can be consulted on the website www.ibersol.pt.

The Board of Directors and the Executive Committee that integrates the board ensure that the company develops its activity in order to comply with the statutory purposes, not delegating the competence for the definition of the strategy and company management policies, centralizing the definition of the structure business of the group, taking charge and in its exclusive competence of all relevant strategic decisions, either by its value, its potential degree of risk involved, either by its specific characterization.

With regard to the rules governing executive directors' performance of executive duties in entities outside the Ibersol group, the Executive Committee's Regulations state that this is permissible provided that it does not objectively affect the performance of the respective executive director's position in the company - which is subject to permanent monitoring by the Board of Directors, and in any case there can be no accumulation of executive director duties in more than 5 companies outside the group.

The executive directors' respective qualifications, competences and professional experience, consolidated over many years in their positions, objectively guarantee a high level of performance in their respective positions, which is in no way affected by the exercise of other management positions in companies outside the group, either as executive or non-executive directors - which is proven by the continuous good application by these directors of management methodologies that ensure and guarantee the efficient promotion of the company's objectives, leading to its sustainable development.

In addition, under the terms of the same Executive Committee Regulations, the respective members of the Executive Committee must immediately inform the Board of Directors of any circumstance that may constitute or give rise to a conflict between their interests and the interests of the Company, as well as refrain from interfering in a decision-making process relating to a matter in which there is a conflict of interest, without prejudice to the duty to provide all information requested by the Board of Directors.

28. Executive Committee.

Dr. António Alberto Guerra Leal Teixeira, President;

Dr. António Carlos Vaz Pinto de Sousa, Vice-President;

29. Competence of each committee created and synthesis of activities in exercise of those competence.

Ibersol, SGPS SA has a Board of Directors composed of five members: a Chairman, a Vice-Chairman and three Members.

Two of the members perform executive functions and form an Executive Committee, which was elected and has powers delegated to it by the Board of Directors under the terms of art. 8.4 of the Company’s Articles of Association and article 407.3 of Commercial Companies Code (CSC) and the three other members exercise the functions of non-executive Directors and has no delegation powers of ordinary management of the company.

Under the terms of the applicable legal and statutory provisions, the Executive Committee is delegated the day-to-day management of the company under the terms and within the limits of the law. As part of this delegation, the Board of Directors decided to grant the Executive Committee full powers of decision, management and strategic monitoring of the company's activity, within the legal limits of article 407(4) of the Commercial Companies Code, developing, planning and programming the management body's lines of action, both internally and externally during the financial year, in full pursuit of the company's objectives, having the special objective of assisting the Board of Directors in the adequate verification of the instruments for supervising the economic and financial situation and in the exercise of the management control function of the companies included in the Ibersol Group, as well as, namely, assisting the Board of Directors in updating its advisory and functional support structures, as well as the procedures of the companies included in the Ibersol Group, with consistent adequation to the changing needs of the corporate business, working to define the profiles and characteristics of its strategic partners, clients, employees, collaborators and other agents, as well as in the development of the pattern of behavior in society's relations with the outside world, and may, in concrete, proceed with the acquisition, sale and encumbrance of movable assets, opening and closing establishments or important parts thereof, establishing or ceasing co-operation with other companies and entities outside the Group.

Under the terms of Article 407(8) of the Commercial Companies Code, this delegation does not exclude the Board of Directors' competence to take resolutions on the same matters.

The executive committee coordinates the operations of the functional units and the company’s various businesses, meeting with the senior managers of these units and businesses on a regular basis. The decisions taken by the Functional and Business Managers, which must respect the overall guidelines, are taken under powers delegated by the Executive Committee and are coordinated in committee meetings.

The Executive Committee, whose respective Regulation was formally approved by the Board of Directors in 2023, meets monthly and whenever called by the Chairman. Apart from the regular contacts established between the members of the Executive Committee in the periods between meetings, a total of 12 formal meetings were held during 2023, whose matters are set out in the respective minutes registered in proper book.

According to its respective Regulation, the members of the Executive Committee provide the information requested by other members of the corporate governing bodies in a timely manner, making also available in a timely manner - whether through the means imposed by law or regulation, or through other procedures that prove to be agile and effective - the necessary and appropriate information, as applicable, to each of the different participants, interlocutors and interested parties, whether namely to the Secretary of the Company, whether to shareholders, investors, financial analysts, other stakeholders and the market in general.

As part of the definition by the Board of Directors of the Company's strategy and its medium and long-term objectives, the Ibersol Group adopted a Sustainability Program that aims to improve the Group's ESG (environmental, social and governance) performance, ensuring the creation of shared value among interested parties, ensuring compliance with regulatory requirements in terms of corporate sustainability and maintaining the high levels of quality, effectiveness, efficiency and notoriety that have always been associated with its restaurant operations.

Therefore, one of the first initiatives carried out, still in 2022, was the selection of the Sustainable Development Goals (SDGs) to be prioritized within the scope of the United Nations 2030 Agenda, taking into account a detailed analysis of the concrete goals established at the level of each SDG and their confrontation with the concrete activities of the Ibersol Group, as well as with the options from other relevant players in the market

The SDGs chosen as priorities by the Ibersol Group are the following:

- Environmental: SDG 13 – Climate Action and SDG 15 – Protect Life on Earth
- Social: SDG 2 – Eradicate Hunger, SDG 3 – Quality Health and SDG 4 – Quality Education
- Economic: SDG 8 – Decent Work and Economic Growth and SDG 12 – Sustainable Production and Consumption
- Partnerships: SDG 17 – Partnerships for the Implementation of the Goals

Because there are several interdependencies between the SDGs and because the Ibersol Group is implementing a truly integrated program, which has a comprehensive impact and reaches all areas of the organization and business, the following four strategic vectors of action were considered:

Environment & Climate Action

People and Communities

Governance and Food Business

Partnerships

During the 2023 financial year, the commitment to the United Nations 2030 Agenda was raised to a higher level of demand and formality, with the signing of the United Nations Global Compact (UNGC) being successfully completed.

This means that the Ibersol Group not only formally adheres to the 10 principles that guide this association with 20 years of history, but also undertakes to periodically report its progress towards those principles to the more than 20,000 associated organizations originating from from more than 160 countries.

During 2023, the Ibersol Group carried out several initiatives with a view to implementing its Sustainability Strategy and defining concrete metrics and goals to monitor in the future.The main actions carried out and which are planned for 2024 are listed in the Society's Integrated Report (see point 2.4 Commitment to the United Nations 2030 Agenda and 2.7 Sustainability strategy).

III. SUPERVISION

a) Composition

30. Identification of the Audit Board.

Under the adopted model, the Company is audited by the Audit Board and by the Statutory Auditor or by Statutory Audit firm, who are both elected by the General Meeting of Shareholders. The Statutory Auditor or the Statutory Audit firm are not members of the Audit Board.

31. Composition.

Audit Board

Chairman – Dr. Hermínio António Paulos Afonso;

Member - Dr. Carlos Alberto Alves Lourenço;

Member – Dr.ª Maria José Martins Lourenço da Fonseca;

Substitute – Dr. Joaquim Jorge Amorim Machado;

The Audit Board is made up of at least three effective members, who are elected by the General Meeting and must meet at least, quarterly. The Audit Board has three active members and so it must have one or two substitutes, and when it has more than three active members, it must be two substitutes.

The Statutory Auditor or Statutory Audit Firm are elected by the General Meeting at the proposal of the Audit Board.

The term of mandate of the Audit Board members is four years (art. 27 of the Articles of Association). The current Chairman has initiated duties in 2021. The current Member, Carlos Alberto Alves Lourenço, initiated his duties as Chairman in 2017. The current Member, Maria José Martins Lourenço da Fonseca, initiated his duties as Vice-Chairman in 2017, and the Substitute Member, Joaquim Jorge Amorim Machado, initiated his duties in 2021.

32. Independence of the Audit Board members.

All the effective members meet the criteria stated in article 414.5 of the Commercial Companies Code and comply with all the rules of incompatibility mentioned in article 414.-A.1 of the Commercial Companies Code.

The members of the Audit Board have the duty to immediately report to the Company any event that might give rise to incompatibility or loss of independence.

33. Professional Qualifications.

Chairman - Dr. Hermínio António Paulos Afonso

Academic qualifications

- Bachelor degree in Accounting - ISCAP (1984)
- Degree in Gestão financeira – ISCAP (1992)

Professional activity in the last five years:

1990 – 2020 Chartered Accountant at Coopers & Lybrand and PricewaterhouseCoopers;

1996 - 2020 Partner at Coopers & Lybrand and PricewaterhouseCoopers, responsible for auditing and accounting review in various sectors of activity in relevant companies / groups;

2021 to date: carries out the activity of Statutory Auditor, member of several Fiscal Councils and Chairman of the Superior Council of the Association of Statutory Auditors.

Date first appointed and end of current term of office: 2021 /2024.

Functions performed in the governing bodies of other companies belonging to the Ibersol Group:

He does not perform any functions in other companies in the Ibersol Group.

Number of shares of Ibersol, SGPS, SA held directly or indirectly:

He does not hold any shares of the company.

Member –Dr. Carlos Alberto Alves Lourenço

Academic qualifications

- Graduated by Instituto Superior de Contabilidade e Administração de Lisboa (1979) and Bachelor of Accounting and Administration;

Professional activity in the last five years:

- Statutory Auditor;
- Member of two Audit Board.

Date first appointed and end of current term of office: 2017 / 2020 as Chaiman, having been re-elected for a new term of 2021-2024 as Member;

Functions performed in the governing bodies of other companies belonging to the Ibersol Group:

He does not perform any functions in other companies in the Ibersol Group.

Number of shares of Ibersol, SGPS, SA held directly or indirectly:

He does not hold any shares of the company.

Member – Dr.ª Maria José Martins Lourenço da Fonseca;

Academic qualifications

- Economics Degree from the Faculty of Economics of Oporto University (1984);
- Postgraduate ins European Studies by the Center of European Studies, Catholic University of Oporto (1987);
- Master in Business Sciences, specialized in Accountability and Management Control by Faculty of Economics of Oporto University (2002);
- PhD in Business Sciences, specialized in Accountability and Management Control by Faculty of Economics of Oporto University (2015);

Professional activity in the last five years:

- Professor at Oporto Catholic Business School (CPBS);
- Director of the Master in Auditing and Taxation, CPBS;
- Consultancy activity at the Center for Management Studies and Applied Economics, CPBS;
- Collaboration with the Order of Chartered Accountants as a trainer in the ROC Preparation Course.

Date first appointed and end of current term of office: 2017 / 2020 as Vice-Chaiman, having been re-elected for a new term of 2021-2024 as Member;

Functions performed in the governing bodies of other companies belonging to the Ibersol Group:

She does not perform any functions in other companies in the Ibersol Group.

Number of shares of Ibersol, SGPS, SA held directly or indirectly:

She does not hold any shares of the company.

b) Functioning

34. Location where the regulations governing the functioning of the Fiscal Board can be found.

The Regulations of the Audit Board may be consulted on the website: www.ibersol.pt.

35. Meeting of the Fiscal Board.

The Audit Board meets at least once each quarter. In 2023, 13 formal meetings of this Body were held. The President was present in all meetings and the rate of attendance of all the other active members was 100%. The minutes of meeting are registered in proper book.

36. Availability of each member with description of positions held in other companies inside and outside the group and other relevant activities carried out.

All the members of the Audit Board consistently demonstrated their availability to perform their functions, having attended all the meetings and taken part in the work.

At point 33 above as well as at **Annex 3** to this Report, we refer the information on other positions held in other companies by the effective members of the Audit Board.

c) Competences and functions

37. Description of the procedures and criteria for intervention by the Fiscal Board for the purpose of hiring additional services to the Statutory Auditor.

The Audit Board annually assesses the work of the external auditor and states its conclusions in its Report and Opinion, issued in terms and for the purposes of art. 420.1. g) of the Commercial Companies Code.

The Audit Board analyses and approves the scope of any additional services provided, considering whether they call into question the independence of the external auditor. The Audit Board also ensures that any consulting services provided have the necessary level of quality, autonomy and independence regarding to the services provided within the scope of the audit process.

38. Other functions.

The Audit Board, in coordination with the Statutory Auditor, is responsible for the auditing of the Company, namely:

- Supervise the management of the Company, namely by regularly assessing compliance with the company's strategic plan and the budget;
- Verify that the accounting policies and valuation criteria adopted by the Company lead to a correct valuation of assets and results;
- Continuously monitor the effectiveness of the risk management system and the internal control system, carrying out periodic and regular control actions, indexed to the needs of the corporate activity, in order to ensure that the risks effectively incurred by the company are consistent with the objectives set by the management body, should taking cognisance of all relevant information, adopting a position on the work plans and resources allocated to internal control functions, including risk management functions, proposing any operational adjustments inherent to this management that it deems necessary;
- Verify the accuracy of the accounting documents, accompanying the process of preparation and disclosure of financial information, and presenting recommendations in order to ensure its integrity, as well as, within the scope of its more general supervisory powers, of the non-financial information;
- Supervise the accounts review;
-Receive notifications of irregularities presented by shareholders, Group employees or others;
- To prepare an annual report on its audit action addressed at shareholders, including the description of the supervisory activity carried out, any detected constraints and provide an opinion on the report and accounts, as well as on the proposals presented by the management;

It is also responsible for propose to the General Meeting the appointment of the statutory auditor and supervise its independence, particularly as regards the provision of additional services, observing the verification procedures designed to ensure compliance with the independence requirements applicable to the statutory auditor, being able, if it so decide, as there is just cause for the purpose, to propose its dismissal or the termination of the service provision contract;

The annual report on the activity carried out by the Audit Board is published, together with the financial statements, on the Company's website.

To all effects, the Audit Board represents the company in relation to the external auditor, ensuring that all the conditions of service provision are ensured, annually assessing the auditor's performance, acting as the auditor's main contact and receiving its reports, jointly with the Board of Directors.

In order to carry out its functions, the Audit Board obtains from the Board of Directors, in advance, on a regular and timely basis, namely under the provisions of article 3, no. 4, of the Regulation of the Board of Directors and article 4, no. 7 and 8, of the Regulation of the Executive Committee, all the necessary information for the assessment and pronouncement on the strategic guidelines and risk policy, acting in a timely manner in relation to the Board of Directors' final decisions on these matters, gathering information on the Group's operational and financial performance, changes in the composition of the companies and businesses portfolio, and the content of the main decisions taken.

IV. Statutory External Auditor

39. Statutory External Auditor identification and the representing partner.

The statutory auditor of the Company is "KPMG & Associados – Sociedade de Revisores Oficiais de

Contas, SA.", designated by the General Meeting 18 June 2021 for the mandate's course 2021/2024, represented by the Statutory Auditor Dr. Pedro Manuel Bouça Morais Alves da Costa and Substitute, Dr. Vítor Manuel da Cunha Ribeirinho, Statutory Auditor.

40. Permanence of functions.

The mentioned Statutory Auditor of the Company, KPMG & Associados, performs functions in the Company from its nomination occurred at the General Meeting 14 May 2018 to the present, being the respective term of office in progress of 2021/2024.

41. Other services provided to the Company.

The Statutory Auditor is also the Company's external auditor.

V. External Auditor

42. Identification.

The external auditor named under article 8th of the Securities Code is "KPMG & Associados - Sociedade de Revisores Oficiais de Contas, S.A." registered in the Securities Market Commission under nº 20161489, and in 2023 its representative was the Statutory Audit Dr. Pedro Manuel Bouça de Morais Alves da Costa (ROC nº 1466).

43. Permanence of Functions.

The external auditor was elected for the first time in 2018 and he is in his second term (2021/2024). The partner who represents the actual External Auditor held functions since 2019 and will cease his functions when a new company's external auditor be appointed.

44. Policy and frequency of rotation of the external auditor and its partner.

The external auditor and its representative partner member in the performance of its duties are in its second mandate. The election for each mandate is carried out by the General Meeting upon proposal of the Audit Board and the frequency of rotation thereof shall be appraised in accordance with best corporate governance practices at the date of the proposal for a new term of office.

45. External Auditor assessment.

The Audit Board annually assesses the work of the external auditor and states its conclusions in its Report and Opinion, issued in the terms and for the purposes of art. 420.1.g) of the Commercial Companies Code (CSC).

46. Additional work.

The services provided by the External Auditor and Statutory Auditor, other than Auditing, have always been approved by the Audit Board, in compliance with the applicable legal rules and internal procedures established for this purpose.

These services essentially consist of training and support services to safeguard the fulfilment of contractual obligations, allowed by the new legal regime of the new Statute of the Order of Statutory Auditors in force, in Portugal and abroad, which are approved by the Audit Board.

In the rendered services provided other than auditing, auditors have instituted strict internal rules to guarantee the safeguarding of their independence, and these rules have been adopted in the provision of these services and subject to monitoring by the company, especially by the Audit Board.

In 2023, fees for services other than audit represented 35,8% of the total services provided by KPMG to the Group.

47. Annual remuneration.

The total annual remuneration paid by the Company and other companies in a control or group relationship to the auditor or other corporate entities belonging to auditor's network amounted in 2023 to 425.650 euros, as follows:

Summary

	2023	%	2022	%
Ibersol SGPS, SA				
Audit	48 500 €	11,4%	45 000 €	16,4%
Other services				
Other companies on group control				
Audit	224 600 €	52,8%	194 500 €	70,8%
Reliability assurance services	8 950 €	2,1%	35 300 €	12,8%
Other services	143 600 €	33,7%		
TOTAL	**425 650 €**	**100%**	**274 800 €**	**100%**

C. INTERNAL ORGANIZATION

I. Articles of Association

48. Rules about changes in Statutes.

The rules applicable to amendment of the Articles of Association of the Company are those set forth in articles 85 ff. and 383 ff. of the Commercial Companies Code (CSC).

II. Whistle Blowing Policy

49. Whistle Blowing Policy.

The values and principles of Ibersol Group, disseminated and rooted in the culture of its collaborators, rely in the absolute respect and adoption of good conduct rules and transparency in management of conflicts of interests and due diligence duties and confidentiality in relations with third parties.

The Company has a policy in place for the receipt of reports, claims or complaints about irregularities detected in the Company. As set forth in the Regulations of the Audit Board, which are published on the Company's website, this organ keeps a written record of reports of irregularities that are addressed to it, and, when considered appropriate, takes the necessary steps together with the Board of directors and the auditors, and prepares a report on the irregularities. Therefore, these irregularities can be communicated in a non-anonymous way to the Audit Board, through a communication to the Company addressed to the Audit Board.

The Company will send the reports received to the Chairman of the Audit Board, ensuring confidentiality.

Furthermore, in 2022, the Company approved and implemented an Internal Procedure for Reporting Irregularities (Whistleblowing), in compliance with the obligations arising from Law no. 93/2021, of 20 December, which is applicable to the Ibersol Group companies and ensures the rights of anonymity, confidentiality and absence of retaliation in the event of a report.

Therefore, for the purpose of reporting irregularities, under the aforementioned Law No. 93/2021, of 20 December, which establishes the General Protection Regime for Whistleblowers, as well as the Decreto-Lei n.º 109-E/2021, of 9 December, which establishes the General Corruption Prevention Regime, the Group companies have their own whistleblowing channel available through an email address that is duly informed on the Company's website at: https://www.ibersol.pt/investidores/canal-de-denuncias/".

III. Internal Control and Risk Management

50. Individuals, bodies or committees responsible for internal audit and/ or implementation of internal control systems.

Ibersol does not have autonomous internal audit and compliance services.

Risk management, as part of the company's culture, is present in all processes and is the responsibility of all managers and employees at the different organization levels.

Risk management is undertaken with the goal of creating value by managing and controlling uncertainties and threats that may affect the Group companies, with a view to the continuity of operations, to take advantage of business opportunities.

As part of strategic planning are identified and evaluated the risks of the existing businesses portfolio and the development of new businesses and relevant projects and defined those risks management strategies.

At the operational level, are identified and evaluated the risks management objectives of each business and planned actions to manage those risks that are included and monitored in the plans of business and functional units.

With regard to security risks of tangible assets and people are defined policies and standards, and the self-control of its application is made, being conducted external audits to all units and implemented preventive and corrective actions for the identified risks.

In order to ensure compliance of the established procedures is performed regularly assessing of the main internal control systems of the group, which have proven to be adequate and efficient taking into account the size of the company and the risks inherent to its activity.

For specific business aspects there are risk areas whose management has been assigned to functional departments, being conducted by the Executive Committee the internal control and monitoring of the internal control systems.

51. Disclosure of the relationship to other committees of the Society in hierarchical dependence and/ or functional relation.

The Group does not have autonomous services of Audit and Compliance.

The Audit Board evaluates the functioning of the internal control and risk management systems, supervising its business plan, receiving periodic information on its work, evaluating the conclusions and issuing the guidelines it deems necessary for decision-making in this context by the Board of Directors. For this purpose, the Audit Board gathers all the necessary information to enable it to issue an effective assessment about these matters, gathering the necessary prerequisites to issue a timely pronunciation near by the Board of Directors regarding the final decisions to be made by the Board of Directors within the same scope.

The External Auditor verifies the effectiveness and functioning of internal control mechanisms in accordance with a work plan in line with the Audit Board, to whom also reports its conclusions.

52. Existence of other functional areas regarding competences in risk control.

There are Central Functions - Quality, Human Resources, Marketing, Planning and Management Control and Financial Units – that reporting to the Executive Committee, promote, coordinate and facilitate the development of risk management processes.

53. Identification and description of the main types of risks (economic, financial and legal) to which the company is exposed in carrying on its business.

The Board of Directors believes that the Group is exposed to the normal risks arising from its activity in the restaurant business. Below are briefly presented the risks that are subject to regular analysis, assessment and monitoring by the functional and business areas in coordination with the Board of Directors.

Quality and Food Safety Risks

The Quality Management Department ensures most of the prevention and control measures in different areas of the Ibersol Group's business. The risks associated with food quality and safety are very critical in the Ibersol Group's business, since they are directly linked to the quality of the business' core product and to ensuring the consumers' safety and health. The monitoring and control of these risks is essentially based on developing internal skills, carrying out periodic internal and external audits, implementing and certifying specialised management systems, investing in support technologies, and engaging and raising the awareness of stakeholders.

Legal and Regulatory Risks

The Ibersol Group is very exposed to general and sectoral legislation and is highly scrutinised in terms of the sector's best national and international practices. Accordingly, various resources, partnerships and compliance verification routines have been established to enable access at all times to all the current legislative and regulatory information most relevant to the business, namely on the following topics: reporting of financial and non-financial information, food quality and safety, food and non-food products, restaurant operations, consumers, employment and social matters, energy and natural resources, environment and climate change, legal-labour matters and real estate/real estate.

Environmental risks

Environmental impact

The Ibersol Group's management of environmental risks is largely based on the implementation and certification of management systems, such as the ISO 14001 standard. In particular, the main flows of packaging materials are monitored, and reporting obligations are fulfilled with the entities licensed to manage and promote the selection, collection and recycling of packaging waste in the Portuguese and Spanish markets.

Climate change

Climate change is increasingly affecting agricultural and livestock production in various markets, leading to food shortages, price volatility and disruptive events in global supply chains. To help mitigate these situations and ensure the continuity of its activities, the Ibersol Group is working to reduce its greenhouse gas emissions and adjust its procurement strategies.

Extreme events

The increasingly frequent occurrence of extreme natural events threatens people's safety and the continuity of activities. The Ibersol Group has ISO certifications that guarantee high standards of health, occupational safety and quality and food safety, in addition to complying with all the legal rules for physical safety and civil protection. On the other hand, the Covid-19 pandemic required more resilient and flexible management processes, including the digitalisation of the sales channels and business support activities, strengthening the internal competences for crisis management and business continuity.

Use of natural resources

The Ibersol Group depends on the use of natural and energy resources for its operation but is aware of the impacts that events such as extreme drought and price volatility in the energy market can have on its operation and results, so it maintains internal policies and specific initiatives for a more efficient use of those resources. Furthermore, the Ibersol Group respects standards and good practices for the storage, handling and distribution of food and non-food raw materials, with robust monitoring, segregation, and traceability processes to minimise food safety risks and reputational risks.

Financial Risks

Foreign exchange risk

The Ibersol Group adopts a natural hedging policy regarding exchange rate risk, using financing in local currency. The exposure to exchange rate risk is limited, since the Group is mainly present in the Iberian market and has little volume of purchases outside the euro zone. The most relevant exchange rate risk comes from operations in Angola, where devaluation of the Kwanza could affect the Group's results. However, the financing contracted by the Angolan subsidiaries is denominated in the local currency and the Group monitors the credit balances in foreign currency on a monthly basis and adopts a partial hedge through Treasury Bonds of the Republic of Angola, indexed to the USD.

In 2023, the acquisition of these bonds became more expensive, as no new series of bonds have been issued and demand has maintained. At the same time, it became more difficult to obtain all the currency needed to pay for imported products, which led to an increase in the credit held by the Group's Portuguese subsidiaries to the Angolan subsidiaries.

Interest rate risk

The Ibersol Group has no significant interest-bearing assets, except for the Angolan State Treasury Bonds, whose interest is fixed and indexed to the US dollar. The group had Term Deposits amounting to 144 million euros on 31 December due to the sale of Burger King brand restaurants in 2022. The main interest rate risk comes from liabilities, namely long-term loans. Loans issued with variable rates expose the Group to cash flow risk associated with the interest rate and loans issued with fixed rates expose the group to fair value risk associated with the interest rate. The Group's policy, in longer maturity loans, is to fix interest rates up to 50% of the outstanding amount.

Credit risk

The Ibersol Group has no relevant credit risk concentrations, since its main activity is carried out with sales paid in cash or by debit or credit card. However, in relation to the Catering and Franchising businesses that represent about 7.4% of the consolidated turnover, the Group regularly monitors the accounts receivable, controlling the credit granted, analysing the ageing and recoverability of the receivables and the customers' risk profile. In relation to home sales through Aggregators, the Group receives the money within eight or fifteen days.

Liquidity risk

The Ibersol Group manages liquidity risk by maintaining a sufficient amount of cash and bank deposits, viability of the consolidation of floating debt and the ability to liquidate market positions. The annual planning of treasury needs is reviewed quarterly and adjusted daily. Flexible management of commercial paper and continuous negotiation of credit lines available, in accordance with the dynamics of the underlying business, is adopted.

Capital risk

The Ibersol Group seeks to maintain an adequate level of equity to ensure the continuity and expansion of the business. The balance of the capital structure is monitored based on the financial leverage ratio, which is intended to be kept within the 50% to 75% range.

Economic, Sectoral and Short-term Risks

Business portfolio

The Ibersol Group undertakes strategic and operational risk management of its business portfolio, including the assessment of new projects and actions to manage specific risks. It operates international brands under a franchising scheme, with long-term renewable contracts. On the other hand, Travel's business depends on getting concessionary spaces through participation in public tenders where restaurants can be set up, meaning that the presence in these locations is not guaranteed. The Group is committed to maintaining good relationships with franchisors to ensure continuity and to comply with contractual obligations and defined standards.

Disposable income and purchasing power

The Group's business can be negatively affected by economic downturns due to a decrease in household consumption, which is influenced by wage policies, unemployment, credit, interest rates, confidence, and social protection. The Group offers products and services accessible to the public in general and adjusts the portfolio in accordance with adverse socioeconomic conjunctures, ensuring sustainable activity and profitability.

Consumption habits

Another potential risk for the Ibersol Group and the brands it represents is the possible inability to understand consumers' preferences and needs and adapt to behavioural changes in time to offer innovative and attractive products and concepts in a profitable manner. The ability to develop higher value products under competitive conditions is critical for the restaurant sector, but behavioural evolutions are difficult to predict. However, the Ibersol Group maintains a close relationship with global brands, monitors consumption trends in different markets, participates in innovation forums and has resources allocated to the development of new products.

Commodity prices

According to the World Bank, most commodity prices (namely grains, oils and other food products) are expected to continue to fall in 2024, in continuity with the general trend seen in 2023 (-9% compared to 2022), despite a number of trade restrictions, the non-renewal of the Black Sea Grains Agreement, or the El Niño phenomenon. The expectation is for a further reduction of 2 per cent in 2024 and 3 per cent in 2025, taking into account a continued improvement in the performance of the global supply chain. In Europe, particularly, the effects of climate change have been felt in terms of the quality and availability of some products, but a reduction in the costs of energy, fertilizers and food products, combined with good prospects in the markets (especially exports outside the European area) and a stable reduction in inflation figures, has helped to balance price levels.

In terms of poultry markets, the outlook is for moderate market expansion, also benefiting from a reduction in production costs, lower inflation, an increase in purchasing power and the emergence of new processed product concepts, especially important in catering services such as those of the Ibersol Group.

Meanwhile, milk and dairy production has been relatively stable globally and in Europe, despite a clear decline in consumption of dairy products in the Portuguese market in recent years. As for beef, the trend points to a slight decrease in production levels in Europe compared to 2023 (-0.47%) due to a decrease in cattle stocks and a reduction in profit margins due to rising production costs and new European regulations. In turn, pork production will tend to decrease globally in 2024, with resilient demand and some associated diseases putting pressure on supply and price levels.

Energy scarcity

According to the International Energy Agency (IEA), in 2023 there was a general reduction in electricity consumption in developed countries, due to an unfavourable macroeconomic environment and still high inflation (resulting from all the trade restrictions and effects associated with the geopolitical context), which slowed global consumption to +2.2% (compared to +2.4% in 2023). However, the outlook is for faster growth in the coming years, at an average of +3.4% per year until 2026, mainly driven by developing countries, but to which developed countries are also contributing, mainly through the expansion of electric mobility and technological services (data centre operations, artificial intelligence services, crypto-currencies, etc). In Europe, in particular, electricity consumption is not expected to reach 2021 levels again until 2026. Electricity prices, along with those of other energy sources, fell significantly in 2023, although they are still higher than in 2019. This trend is expected to continue in 2024, with an increase in the proportion of energy generated from renewable sources. In this context, consumption of natural gas and other non-renewable sources in Europe has been falling, while stocks and resilience have been increasing to cope with the still unstable geopolitical environment.

In this context, the Ibersol Group continues to promote a series of actions aimed at reducing local gas and electricity consumption at its administrative facilities and restaurants (On-Off Plan), and has also begun to monitor more closely the carbon footprint associated with electricity consumption, with a view to establishing a decarbonization roadmap over the next few years.

Prolonged economic stagnation

The World Bank projects global Gross Domestic Product (GDP) growth of 2.4 per cent in 2024, which, if confirmed, will be the third consecutive year of deceleration. This will be a minimum in the growth of 2023, which is estimated at 2.6 per cent and the growth in 2025, which is estimated at 2.7%. This trend will result from the delayed effects of monetary policy tightening and restrictive financial conditions, alongside weak global investment and trade. Also noteworthy are the risks of a possible escalation of conflicts in the Middle East, which could lead to a rise in oil prices, and extreme meteorological phenomena, which mainly affect the agriculture, energy and fisheries sectors. This context could be particularly challenging for some developing economies with high levels of debt and highly dependent on the primary sector. In particular, the European Commission's forecasts for the EU economy point to lower growth rates than in 2023. In 2024, growth is expected to reach 0.9 per cent (compared to 1.3 per cent in 2023) in the EU and 0.8 per cent (compared to 0.6 per cent in 2023) in the euro area. Meanwhile, inflation in the eurozone is expected to fall from 5.4 per cent in 2023 to 2.7 per cent in 2024 and then to 2.1 per cent in 2025.

In Portugal, despite a significant drop in inflation levels, low unemployment levels and a favourable evolution of the economic climate figures and the consumer confidence indicator towards the end of 2023, a climate of some political instability is expected in 2024, which could have negative effects on economic evolution, particularly in terms of a downturn in investment. Growth forecasts have therefore been revised downwards to 1.2 to 1,6 per cent and inflation is expected to be between 2.8 and 3.4 per cent.

In Spain, growth is expected to be 1.6 per cent, down from 2.4 per cent in 2023. Inflation, which averaged 3.4 per cent in Spain in 2023, should moderate to 3.3 per cent in 2024 and 2.0 per cent in 2025, according to European Commission forecasts.

In 2024, the Angolan economy faces five major risks: the behaviour of the oil price, the high weight of public debt (internal and external), the potential negative contagion effect on the financial sector resulting from the transition to a flexible exchange rate regime, shocks to public debt (from low GDP growth and the possible fall in the price of the barrel of oil) and, finally, a more than expected (planned) decline in oil production. Even so, the Angolan government predicts growth in Gross Domestic Product (GDP) of around 3 per cent, up from the initial forecast of 2.5 per cent and despite the 3.2 per cent drop in the oil sector.

The Ibersol Group keeps a close eye on the evolution of the entire economic environment in which it operates. In addition to the impact on purchasing power and consumer habits, prolonged periods of weak economic growth are also associated with lower market confidence, lower levels of investment and a possible shortage of services and productive resources. To this end, the Group works closely with the brands it represents to establish realistic growth and expansion objectives in the markets where it operates. To ensure compliance with its medium and long-term business plans, the Ibersol Group has specialized teams dedicated to managing the expansion and refurbishment projects of its restaurant units.

Social breakdown

A worsening or stagnation of the economic situation could lead to greater intolerance, discrimination and criminality, leading to a loss in social capital and imbalances in the communities that are difficult to control. On the other hand, some armed conflicts, natural disasters and emerging social and cultural contexts have led to phenomena of involuntary (forced) migration from African, Middle-

Eastern, and Eastern European countries, which end up placing additional social and economic challenges on European countries. This evolution can have a negative effect on social stability, individual and collective well-being, and economic output.

Ibersol Group is very much aware of its social responsibility and strives to carry out a series of skill building and community integration activities, in the various latitudes in which it operates, more specifically through the restaurant brands it represents, aimed at increasing the motivation and involvement of its staff, bringing value to the social capital and fostering values such as inclusion and solidarity.

Brand reputation

The success and reputation of the Ibersol Group is closely linked to the success and reputation of the international brands that it represents and develops in the markets in which it works, and that make up a large part of the group's activity. Through its commitment to respecting international contracts and operational norms that, for starters, ensure the supply of products and services that conform to the brands' standards, Ibersol acquires a set of opportunities and benefits, but also several challenges and responsibilities related to the communication and image management of said brands, with all the positive or not so positive aspects that this can entail.

In this regard, besides the natural operational and strategic accompaniment of the business and frequent interactions with partners, the Ibersol Group keeps a close eye on markets, with constant monitoring of relevant national and international clippings and, in particular, the brands affected and their respective business groups

Social Risks

Obtaining and retaining critical talent

The cultural transformation of societies, which arises from access to technology, information, and new markets, products and services, means that new generations of professionals are entering the labour market with higher requirements in terms of organisational values and criteria for professional fulfilment. This same technological and cultural evolution is leading companies to preventatively acquire and develop new critical skills for the future.

In terms of staff management, Ibersol Group is aware of the importance of developing and retaining acquired talent at all functional and hierarchical levels of the organisation. Besides monitoring the organisational environment, the Group constantly carries out a series of skill-building, involvement, and motivational initiatives for its staff, ensuring a diverse, non-discriminatory, and transparent workplace environment that promotes merit and excellence.

On the other hand, the Ibersol Group recently revised its identity matrix and is currently defining new skills for the future, in line with the Group's value structure, which will guide the requalification of current staff and help to attract new talent.

The Group is also paying close attention to a set of market trends, namely regarding new work models (remote and/or hybrid, compensation options, etc.) which, due to their increased popularity, may come to present cultural and operational challenges and/or opportunities which impact on the quality, efficiency, and profitability of the business.

Workplace Health and Safety

The Work and Legal-Labour Relations Management is charged with managing cases relating to workplace risks and promoting well-being in the workplace. The occurrence of work hazards or work-related illness is managed through the following programmes and measures: (i) evaluation of work station risks and investigation of workplace hazards; (ii) provision of information and consultation of staff in terms of Workplace Health and Safety; (iii) training in safety principles and promotion of health in the integration process of staff, recertification and change of duties; (iv) implementation of Self-protection Measures in the Ibersol Group units; (v) awareness programmes and recognition of best safety practices and promotion of health; (vi) work station principles and practices control auditing programmes.

In 2023, although we remained vigilant, we no longer focused so strongly on epidemiological control of the new Coronavirus, though we did maintain the adoption of principles and measures to protect the health of employees at their workstations, and of customers, in strict compliance with the guidelines issued by the Directorate-General for Health, and several training, information and awareness-raising events were carried out for employees in this area.

Technological Risks

IT and communication technologies used in the sales channels, supply channels and administration management, as well as other technologies that can contribute to business expansion and innovation (such as new interaction, product, and service delivery methods) are an essential component for group activity development.

This type of technology inevitably comes with a series of risks. For starters, the rise in cybercrime over the past years is clear to see and has had an increasingly large impact on the business world, with an exponential rise in illegal access events, illegal interception, data obstruction, network and systems interference, unlawful use of equipment, IP forgery, and electronic fraud. Any flaw in these systems can affect the performance of management and restaurant operation procedures, generating costs and loss of revenue that can negatively impact profitability and the Group’s financial situation. This sort of event can also have a significant impact on the reputations of organisations and brands, especially when they affect the privacy of customer and staff data, or when operations are affected for long periods.

Besides strict adherence to a set of technical rules, integration protocols and the safety standards defined by its business partners, the Ibersol Group is naturally watchful of legal and regulatory demands that apply to information safety (such as Data Protection), as well as a growing array of cyberthreats that organisations have been facing, mainly in a context of growing digital sales channels. In this sense, the group is committed to a proactive and diligent attitude at all times, to safeguard business information safety at the level of availability, integrity, and confidentiality, by implementing protection, detection and disaster recovery processes, in full coordination with crisis management and business continuity management systems.

On the other hand, 2023 saw exponential growth in the use of artificial intelligence solutions. This technology is promising for increasing productivity and the quality of work carried out by human resources, but its unintentional or deliberate misuse is increasing the risks of the spread of fake news and disinformation. This circumstance is difficult to control and has quickly risen to the top of the concerns of major public, private and non-governmental organisations. To date, the Group has not used artificial intelligence mechanisms as a decision-making tool for corporate bodies.

Finally, the Ibersol Group is in constant articulation with the international brands it represents, to develop technological solutions for business support, thereby independently ensuring that it closely follows developments that can contribute to the optimisation of business management and innovative interaction and product and services delivery methods, as well as making the Group’s technological ecosystem more resilient.

Global Context Risks

The current geopolitical global context is unpredictable, due to a number of historical circumstances and recent social, cultural, political and military events, along with climate change and other natural disasters, that create situations of heightened uncertainty and market volatility.

In addition to the war in Ukraine and the conflict in the Gaza Strip and neighbouring territories, the effects of which on the global economy (shortages of goods and energy, logistical disruptions, rising inflation) and on society have been significant and may yet worsen, other areas of conflict could still emerge and make the whole global context more complex in the medium and long term, namely the dispute over the territory of Taiwan by China.

As in Ukraine, the potential direct involvement in armed conflicts of states with nuclear military capability always represents an existential risk for the planet and for humanity. However, and on the desirable and probable assumption that such existential limits are not exceeded, the effects on the global economy of the involvement of economic and military superpowers are potentially devastating, and can have long-lasting and extremely adverse impacts on operations and business profitability.

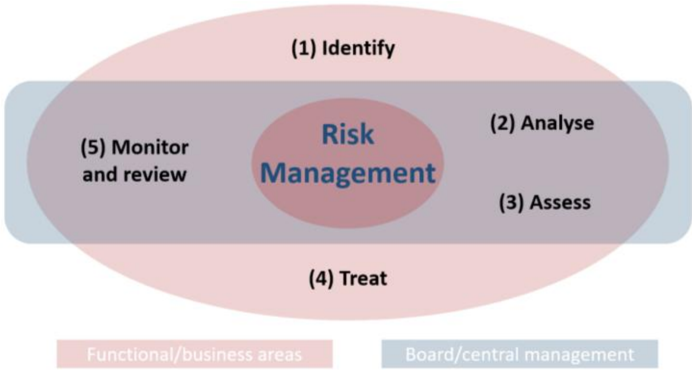
In addition, 2024 will be a year of national and international elections with a huge potential impact on the Ibersol Group's activity, specifically the consequences of the outcome of parliamentary elections in Portugal, elections to the European Parliament, presidential elections in the Russian Federation and the elections for the US Presidency, Senate and House of Representatives. In particular, these last two elections could have unpredictable impacts on the evolution of armed conflicts, the economy, society and the environment worldwide.

It should also be noted that climate change and the consequences of human interference in biodiversity and terrestrial ecosystems are leading to increasingly frequent incidents such as the one believed to be the cause of the Covid-19 pandemic, which is still active worldwide today. We cannot, therefore, rule out the possibility of having to deal with other types of infectious diseases, epidemics or even pandemics again in the near future, with all the contingencies and impacts we are already familiar with.

In any scenario, the Ibersol Group will always maintain a consistent and resilient posture, acting in strict compliance with the law and the guidelines of the Portuguese State and always respecting and protecting its stakeholders.

54. Description of the identification, assessment, monitoring, control and risk management process.

The internal risk management process in the Ibersol Group is based on guidelines common to the main risk management frameworks, considering a cyclical approach consisting of five main stages:



The phases of risk identification and treatment are typically more decentralised and associated to the different functional and business areas, while the analysis, assessment and 'monitoring and revision' phases are generally tackled by the latter in interaction with the Board. This operating model makes it possible to maintain a high level of awareness, accountability, and control in the approach to the different types of risks that affect the organisation.

As a structured approach, Risk Management is integrated throughout the Group's planning process. Its purpose is to identify, evaluate and manage the opportunities and threats that Ibersol's businesses face in pursuit of their value creation goals.

In the context of strategic planning, the risks of the business portfolio, as well the risks of development of new businesses and the implementation of the most important projects are identified and assessed, and strategies to manage those risks are defined.

At operational level, the risks of each business are identified and assessed and actions are planned to manage those risks. These actions are included and monitored within the scope of business plans and functional units.

As regards the risks to the security of tangible assets and persons, policies and standards have been established and are monitored to ensure compliance. All units are subject to external audits and preventive and corrective measures are taken in respect of the risks that have been identified.

The probability and impact indices of the "risk groups" are obtained through the average of the probability and impact indices of the respective risk components, being essentially qualitative in nature.

To ensure compliance with the established procedures, the Group's main internal control systems are evaluated periodically.

55. Main elements of the internal control systems and risk management implemented by the company regarding the financial disclosure process.

The Company does not have any internal audit services reporting directly to the Audit Board (given the classic model adopted), the necessary compliance services being overseen by the individual departments of the company.

Considering that, organically and functionally, the different Directions of the Group direct the "compliance" services in articulation with the Board of Directors and the Audit Board and being the respective heads of these different Directions duly identified in the Company's organization chart, it is important to restate that they act in interaction with the Audit Board and with the Board of Directors, regardless of the hierarchical relationship that these Departments maintain with the Executive Management of the Company.

The External Audit assesses and reports the risks of reliability and integrity of the accounting and financial information, thus validating the internal control system established in the Group and which is materialized in the clear separation between those who prepare and their users and in the performance of various procedures of validation throughout the process of preparing and disclosing financial information.

Within the scope of Audit Services, the external auditor meets with the different departments of the Group, at least twice a year to analyse and review the internal control system, submitting a Report to the Audit Board for subsequent discussion with the Board of Directors.

Regarding the risk in the process of financial information disclosure, only a restricted number of employees is involved in the disclosure process. All those who are involved in the process of financial analysis of the Company are considered to have access to inside information and are specially informed of their obligations in this precise scope.

The system of internal control of the accountability, preparation and disclosure of financial information rests on the following key elements:

- the use of accounting principles, as set forth in the notes to the accounts, is one of the bases of the control system;

- the plans, procedures and records of the Company and its subsidiaries offer a reasonable guarantee that only duly authorized transactions are recorded and that they are recorded in accordance with generally accepted accounting principles;

- the financial information is analysed systematically and regularly by business unit management (supported by the Management Control Department) and by the heads of the profit centres, ensuring continuous monitoring and the necessary budgetary control;

- a timetable is previously established for the preparation and review of information, the work is divided up among the various areas involved and all the documents are reviewed in detail. This includes a review of the principles used, verification of the accuracy of the information produced and a check of consistency with the principles and policies used in previous years

- the accounting records and the preparation of the financial statements are overseen by the central Accounting function. The financial statements are prepared by the accountants and are reviewed by the Administrative Unit;

- The consolidated financial statements are prepared on a quarterly basis by the central Consolidation function, which conducts an additional reliability check;

- The financial information, annual Report and financial Statements are reviewed by the Financial Unit and submitted to the Board of Directors for final review and approval. Once the documents have been approved, they are sent to the external auditor, which issues its Legal Accounts certification and External Audit Report.

- The Statutory Auditor carries out an annual audit of the individual and consolidated accounts and a review limited to the semester of the consolidated accounts. Also, each quarter it conducts a summary examination of the quarterly information.

- The process of preparation of the individual and consolidated financial information and of the Management Report is supervised by the Audit Board and the Board of Directors. Quarterly, these bodies meet and analyse the individual and consolidated financial statements and management report.

Among the causes of risk that can materially affect accounting reporting, we highlight accounting estimates that are based on the best available information and on knowledge and experience resulting from present and/or past events. We also highlight the balances and transactions with related parties, which are disclosed in the annex to the consolidated financial statements and are essentially associated with management remuneration and income expenses. Transactions with related parties of Ibersol, SGPS SA, in individual terms, are also disclosed in the annex to the individual financial statements and are mainly associated with the Group's operational activities, as well as the granting and obtaining of loans.

IV. Investor Relations Office

56. Department responsible for investor relations, composition, functions, information provided by these services ans elements for contract.

The Office may be contacted through the Representative for the capital market, Dr. António Carlos Vaz Pinto de Sousa (Telephone: +351 22 6089708; Telefax: +351 22 6089757; E-mail: investor.relations@ibersol.com, Morada: Praça do Bom Sucesso, 105/159 – 9th floor, 4150–146 Porto, who is accessorized by Dr. Tiago Marques.

57. Legal Representative for Capital Market Relations.

The representative is the person indicated on the website of Ibersol, SGPS, SA. - Dr. António Carlos Vaz Pinto de Sousa;

58. Information about the volume and response time for information request at the year or outstanding from previous years.

Ibersol maintains constant contact with analysts and investors, supplying them with up-to-date information.

Whenever necessary, the representative for market relations ensures that all the necessary information on the Group's activity is made available and provides any clarifications requested by investors within five business days.

In 2023 were received 27 requests for information, and there are no pending inquires from previous years.

V. Website

59. Address.

The Ibersol has a website for disclosure of information about the company. The address of the website is www.ibersol.pt

60. Location of the information mentioned in Article 171 of the Commercial Companies Code.

www.ibersol.pt/investidores/sociedade-orgaos-sociais

61. Location where the Articles of Regulation for the committees can be found.

www.ibersol.pt\investidores\Estatutos and www.ibersol.pt/investidores/sociedade-orgaos-sociais

62. Location where is provided information about the identify of the governing bodies, the representative for market relations, the Investor Relations Office, functions and means of access.

www.ibersol.pt/investidores/sociedade-orgaos-sociais

www.ibersol.pt/investidores/relacao-com-investidores

63. Location where is provided the documents of accounting, calendar of corporate events.

www.ibersol.pt/investidores/relatorios/relatorio-e-contas

www.ibersol.pt/investidores/calendario-de-eventos

64. Location where is provided the notice to General Meeting and related information.

www.ibersol.pt/investidores/assembleias-gerais-ibersol

65. Location where the historical archives are available with resolutions adopted at general meetings of the company, the represented share capital and the voting results, with reference to the previous 3 years.

www.ibersol.pt/investidores/assembleias-gerais-ibersol

D. REMUNERATIONS

I. Competence for definition

66. Indication as to the competence to determine the remuneration of the governing bodies

The members of the corporate governing bodies are remunerated in accordance with the remuneration policy proposed by the Remuneration Committee and approved by the General Meeting of Shareholders.

In order to ensure that shareholders were provided with the necessary information and clarifications, the member of the Remuneration Committee, Vitor Pratas Sevilhano, attended the General Shareholders' Meeting held on 26 May 2023.

II. Remuneration Committee

67. Composition of the remuneration committee, including details of individuals or legal persons recruited to provide services to said committee and statement on the independence of each member and advisor.

The Remuneration Committee is made up of three members: Dr. Vítor Pratas Sevilhano, Dr. Joaquim Alexandre de Oliveira e Silva and Dr. António Javier Dopico Grandio.

The members of the Remuneration Committee are independent of the members of the Board of Directors.

It will be up to the Remuneration Committee, within the scope of its judgement of necessity and convenience, to duly assess the contracting of any consultancy services to be provided with total independence and by providers who should not, without the express authorisation of the Remuneration Committee, be contracted to provide other services, within the scope of their respective competences, to the Company or to others in a controlling or group relationship with it.

In fact, no natural or legal persons have been hired in this context to support the Remuneration Committee in any capacity whatsoever in the last three years who have provided services to any structure dependent on the Board of Directors, to the company's own Board of Directors, or who have a current relationship as consultants to the company or to a company with which it is in a control or group relationship.

68. Experience and professional qualifications of the members of the Shareholders' Remuneration Committee.

The professional experience and background of the members of the Remuneration Committee allows them to perform their functions rigorously and effectively. All the members are empowered with the necessary academic, professional and technical training required for their function, and qualified with proper functional experience necessary for its proper performance, namelly:

- Dr. Vitor Pratas Sevilhano: - Degree in Finance by Instituto Superior de Economia, Degree in Hospital Administration by ENSP - Escola Nacional de Saúde Pública de Lisboa, Certified by Manchester Business School - ITP - International Teachers Program. Certified by SBDC – Small Business Development Center de Wisconsin, EUA, Certified by INSEAD (Fontainebleau) – Advanced Management Program and Finantial Management Program. Certified by Henley College - Stragic Planning in Practice. Certified by Linkage International–GILD e Executive Coaching Master Class. PCC– Professional Certified Coach by ICF–International Coach Federation. Professional qualifications: - Managing Partner of the European School of Coaching and Partner of the Company My Change;

- **Dr. Joaquim Alexandre de Oliveira e Silva** - Degree in Economics by Faculdade de Economia of Oporto´s University, having exercised the tax consultancy activity in the last five years.

Dr. António Javier Dopico Grandio: - PhD Degree in Economic and Business Sciences.Retired in the last five years.

III. Remuneration Structure

69. Remuneration policy and performance assessment.

The remuneration policy of the corporate governing bodies is approved by the shareholders in General Meeting.

The General Meeting of shareholders held on 18 June 2021, and continuing the policy previously pursued consistently, approved the remuneration policy already in force.

At the General Meeting of May 26, 2022, following a mere clarification of the indicated remuneration policy, the Remuneration Policy for the Corporate Bodies for the four-year period 2021 to 2024 was approved, and in order to provide information or clarification to the shareholders, the member of the Remuneration Committee, Mr. Joaquim Alexandre Silva, was present at this meeting.

The remuneration policies and practices of other groups of companies are not used as a benchmark in setting the remuneration of the members of the Board of Directors and Audit Board and no policy has been established with regard to severance payments for directors, as indicated in the statement of the Remuneration Committee attached to the Corporate Governance Report.

In order to fix the remuneration of the members of the Board of Directors and the Audit Board, no remuneration policies and practices of other groups of companies were taken into account by comparison, and not being determined any policy about payments related to the dismissal or termination by agreement of the functions of directors, as per the statement of the Remuneration Committee attached to the Governance Report.

The remuneration policy for senior managers is described in the statement of the Board of Directors attached to the Corporate Governance Report. The remuneration of senior managers includes no major or material variable components.

The **Executive members of the Board of Directors** are remunerated by the shareholder ATPS-SGPS, SA, which has subscribed a contract for services with Ibersol Restauração, SA. and these members didn´t earned, neither having been fixed to them, any other remuneration components, whatever the title or type - as described in **Chapter IV below, Point 77**.

The non-executive member received a fixed annual remuneration, which meets the specific responsibilities and availability of these administrators, as described in **Chapter IV below, Point 77**, and these members did not earn, nor having fixed to them, any other remuneration components, whatever the title or type.

The total remuneration of the members of the **Audit Board** for 2023 was as follows:

Chairman: month value/ €825, year value/ €9,900;

Member: month value/ €733,33, year value/ €8,800;

Member: month value/ €733,33, year value/ €8,800;

Substitute: without fixed or earned remuneration,

ROC: 48,500 euros in a fixed amount for the year 2023, without any other associated components, of any other kind.

The members of the company's **Audit Board** did not earn, nor having been determined to them, any other remuneration components, whatever the title or type.

70. Information about remuneration structure in order to align the interests of members of the board with the long-term interests of the Company as well as about the Company assess and discourage excessive risk assumption.

The directors' remuneration policy is the responsibility of the Remuneration Committee, which submitted the same for approval of the Company's shareholders at the Annual General Meeting on 26 May 2022, in accordance with **Annex 1.**

The general principles of the remuneration policy for the Audit Bodies and the Board of the General Meeting, during the time of the respective mandate 2021-2024, are as follows:

a) Functions performed: - Regarding the functions performed by each holder of the aforementioned governing bodies, the policy aims to take into account the nature and activity effectively carried out, as well as the necessary graduation of the responsibilities that are committed to them. The members of the Audit Board, the Board of the General Meeting and the Staturory Auditor will not all occupy the same organizational or functional position. Various criteria are applied, including level of responsibility, time commitment or the value of a particular service or institutional representation, with identification of all remuneration components applied individually, in case.

b) The Company's economic situation, its business strategy, long-term corporate interests, and its sustainability.

c) The size of society and the degree of functional complexity, in relative and individual terms, is one of the important aspects.

d) No application of any variable remuneration components, nor any share-based remuneration component, nor any supplementary pension or early retirement schemes, nor any other;

f) Application of criteria of proportionality and adequacy to the type and degree of responsibility in the exercise of the respective functions of the various members of these corporate bodies, having also taken into account, in a comparative, proportional and equitable sense, the conditions of employment and remuneration of the company's employees when establishing this remuneration policy;

g) The duration of the respective mandates is established in the respective electoral act of the GM of 18 June 2021 for the four-year period 2021-2024, and no agreements with the members of the Board of Directors, nor with the members of the Audit Board, with no periods of notice, nor any indemnity clauses or other clauses related to the termination of the respective mandates, nor are there any payments associated with the termination of the respective mandates;

71. Reference, if applicable, of the existence of a variable remuneration component and information

about likely impact of performance appraisal in this component.

There is no variable component of remuneration.

72. Deferring payment of the variable remuneration component, specifying the period of deferral.

There is no variable component of remuneration.

73. Criteria on which the attribution of variable remuneration in shares is based, as well as on the maintenance, by the executive directors, of these shares, about the possible conclusion of contracts related to these shares, namely hedging or risk transfer contracts, respective limit , and its relation to the value of the total remuneration

It is not foreseen, nor has it been applied, any form of remuneration in which there is the attribution of shares or any other system of incentive in shares.

74. Criteria that underlie the allocation of variable remuneration in options and indication of the deferral period and the exercise price and the members of the Company.

No remuneration involving the allocation of share options is envisaged or has been applied.

75. Main parameters and reasoning for any scheme of annual bonuses and any other noncash benefits.

There is no system of annual awards or other non-cash benefits.

76. Main characteristics of complementary pension or early retirement schemes for the Directors and date on which they were approved at the general meeting, on an individual basis.

There is no pension scheme, supplementary or otherwise, or early retirement scheme for members of the governing bodies, audit bodies or other senior managers.

IV. Disclosure of remuneration

77. Indication of the annual amount of remuneration earned, in an aggregate and individual manner, by the members of the company's management body, from the company, including fixed and variable remuneration and, in relation to this, mention of the different components that gave rise to it.

The **executive members of the Board of Directors** are remunerated by the shareholder ATPS-SGPS, SA, which has subscribed on 2nd January 2023 a contract for services with Ibersol Restauração, SA. having received for such services, in 2023, a total of 1,078,008,00 euros. One of the obligations of ATPS-Sociedade Gestora de Participações Sociais, SA. under the contract for services with Ibersol, Restauração, SA. is to ensure that the Executive Directors of the Company António Alberto Guerra Leal Teixeira and António Carlos Vaz Pinto de Sousa perform their duties without the Company incurring any additional expense. So, the Company does not directly pay any remuneration to any of its Executive Directors. Given that ATPS - Sociedade Gestora de

Participações Sociais, SA. is controlled by the Directors António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira, it is esteemed that out of the above mentioned total of 1,078,008 euros in 2023, each of this Directors received the amount of 539,004 euros. The Executive Directors do not receive any type of remuneration, either fixed or variable, in other companies of the Group, nor do they have supplementary pension rights or any other, or early retirement rights which have been set and/or acquired during the financial year in question, nor do they receive any bonuses and/or other remunerative benefits.

The **non-executive members of the management body** received, each one of them, a fixed annual remuneration and no other remuneration of any kind. In particular, they didn't receive any performance award, bonus or complementary performance-related fees, retirement supplement and/or any additional payments to the indicated fixed annual amount, being this the only amount received by them during the respective term of office.
In 2023, the following remunerations were paid to the **non-executive Members** of the Board of Directors:
- Eng.ª Maria Deolinda Fidalgo do Couto (Member): - annual value of €219.835,64;
- Prof. Juan Carlos Vazquez-Dodero (Member): annual value of €6,000.00;
- Dr. Maria do Carmo Oliveira (Member): - annual value of €40,000.00;

In comparative terms, the annual variation, in percentage terms, of the remuneration of the members of the management and supervisory bodies, the performance of the Company (and its subsidiaries), measured in terms of the evolution of consolidated turnover, and the average remuneration of full-time equivalent employees of the Company (and its subsidiaries), excluding members of the management and supervisory bodies, over the last five financial years is also shown:

Annual evolution (corporate bodies)	2019	2020	2021	2022	2023
Board of Directors (CA)					
António Alberto Guerra Leal Teixeira	500 000,00€***	500 000,00€***	500 000,00€***	500 004,00 €***	539 004,00 €***
António Carlos Vaz Pinto de Sousa	500 000,00€***	500 000,00€***	500 000,00€***	500 004,00 €***	539 004,00 €***
Juan Carlos Vazquez-Dodero de Bonifaz	6 000 €	6 000 €	6 000 €	6 000 €	6 000,00 €
Maria Deolinda Fidalgo do Couto	----	----	73 691,13 €.	147 035,64 €	219 835,64 €
Maria do Carmo Oliveira	----	----	21 444,42 €	40 000.00 €	40 000.00 €
Audit Board (CF)					
Hermínio António Paulos Afonso	----	----	5 307,50 €	9 900 €	9 900 €
Carlos Alberto Alves Lourenço	9 900 €	9 900 €	9 310,26 €	8 800 €	8 800 €
Maria José Martins Lourenço da Fonseca	8 800 €	8 800 €	8 800,00 €	8 800 €	8 800 €
Eduardo Moutinho Ferreira dos Santos	8 800 €	8 800 €	4 399,98 €	----	----

***this information takes into account the above as regards the estimated allocation, in equal parts, to each of the executive directors of the amount paid to ATPS - SGPS, S.A. under the aforementioned service contract.

Annual evolution (corporate bodies)	2019	2020*	2021*	2022**	2023**
Board of Directors (CA) ***	1 006 000	1 006 000	1 094 725	1 193 040	1 343 844
Audit Board (CF)	27 500	27 500	27 496	27 492	27 492
Average remuneration Corporate Bodies(euros)	172 250	172 250	160 317	152 566	171 417
Variation in average payment (%)	0,0%	0,0%	-6,9%	-4,8%	12,4%

Negative variation in 2021 and 2022, due to the new members of the Board of Directors joining in the middle of 2021.
***this information takes into account the above as regards the estimated allocation, in equal parts, to each of the executive directors of the amount paid to ATPS - SGPS, S.A. under the aforementioned service contract.

annual evolution	2019	2020*	2021*	2022**	2023**
Average remuneration evolution (%)	2,3%	-12,4%	1,7%	12,3%	9,7%
Turnover evolution	7,8%	-40,5%	23,7%	74,3%	17,6%

In 2020 and 2021, Covid support was considered in Portugal and Spain, a period in which the positive evolution of activity was interrupted by the pandemic.
2022 and 2023** reflects the evolution of continuing operations (without Burger King)

It is clear that the variations, as described, reflect the effects of the COVID-19 pandemic on the Group.

78. Any amounts paid by other companies in a control or group or that they are subject to the same domain

There are no other amounts paid in any way by other companies in a controlling or group relationship, except as indicated in n.º 77 above.

79. Remuneration paid in the form of profit sharing and / or bonus payments and the reasons for said bonuses or profit sharing being awarded.

It does not exist.

80. Compensation paid or owed to former executive directors concerning contract termination during the financial year.

They weren't paid or are owed, because they weren't fixed or determined, any amounts relatives to compensation to be paid to directors whose duties have ceased or may cease during or at the end of the respective mandate.

81. Indication of the annual remuneration earned in aggregate and individually, by the members of the Fiscal Board of the Company.

The total remuneration received by the **members of the Audit Board** in 2023 was 27,500 euros. This total breaks down as follows:

Charmain – Dr. Hermínio António Paulos Afonso: 9.900 euros;

Member – Dr. Carlos Alberto Alves Lourenço: 8.800 euros;

Member – Dr.ª Maria José Martins Lourenço da Fonseca: 8.800 euros;

Substitute - Dr. Joaquim Jorge Amorim Machado: did not receive any remuneration.

82. Indication of the annual remuneration earned by the Chairman of the Shareholders' General Meeting.

Chairman of the Board – Prof. Dr. José Rodrigues de Jesus: 1,500.00 euros.

V. Agreements with remuneration implications

83. Contractual limitations provided for compensation payable for unfair dismissal Managers and its relationship with the variable remuneration component.

No contractual limitation is envisaged for the compensation payable for unfair dismissal of a director, nor is there any indication of a relationship with the variable component of remuneration (the variable component is not stipulated in the contract), being applicable to this case the legal dispositions.

84. Reference to the existence and description, with indication of the amounts involved, of agreements between the company and the members of the board of directors and managers, within the meaning of article 29-C of the Portuguese Securities Code, providing for compensation in the event of resignation, unfair dismissal or termination of employment following a change of control of the company.

There are no agreements between the company and directors or other managers that provide for compensation in the event of resignation, unfair dismissal or termination of the mandate or employment relationship as a result of a change of control of the company, applying the legal provisions applicable to the case, specifically those of the Commercial Companies Code and, if applicable, the Labour Code.

VI. Share-Allocations or Stock Option Plans

85. Identification of the plan and recipients.

There are no share or stock option plans in force.

86. Plans functioning.

The Company does not have any share-allocations or stock option plans.

87. Stock option plans for the company employees and staff

There are no option rights attributed for the acquisition of shares benefiting the company's employees and collaborators.

88. Control mechanisms in any system of employee participation in the capital.
Not applicable.

E. RELATED PARTY TRANSACTIONS

I. Control procedures and mechanisms

89. Mechanisms implemented by the Company for purposes of monitoring of transactions with related parties.
The Board of Directors and the Audit Board have approved the internal procedure in relation to transactions with related parties under the terms of Law no. 50/2020 which, as of 26 August 2020, made the conditions for the control and disclosure of these transactions mandatory.
This procedure sets out the criteria applicable for the purpose of prior assessment and necessary control of the business to be carried out between the company and holders of qualified participation or entities that are related to them under the terms of Article 29.º T and ff of the Portuguese Securities Code, having set as qualifying criterion a value of the transaction equal to or greater than two point five per cent of the consolidated net assets of Ibersol SGPS, SA.
Each member of the Board of Directors is obliged, with regard to facts applicable to his or her conduct in particular and pursuant to the Internal Procedure on Transactions with Related Parties (cf. point 3.2. of this Procedure) - specifically to the following:
a) Promote that Transactions with Related Parties and, when reasonable and insofar as they may exert influence, the Transactions of Affiliates, are duly documented and, when applicable, disclosed under the terms established in this Procedure;
b) Keep the Board of Directors informed of any Transactions with Related Parties or Transactions of Affiliates that they are aware of.

90. Statement of the transactions that were subject to control in the reference year.
There were no transactions with related parties subject to control.

91. Description of the procedures and criteria applicable to the supervisory body for the purposes of prior assessment of the business to be carried out between the Company and holders of qualifying holdings or entities that are in a relationship with them.
All transactions carried out with related parties are communicated to the Audit Board, under the terms and along with the elements contained in articles 4. to 8. of the referred procedure (**ANEXO A).**

The procedures applicable to the intervention of the Audit Board in the prior assessment of any eventual business to be carried out between the Company and holders of qualified holdings follow the rules of the respective Internal Procedure in matters of transactions with related parties and compliance with Recommendation II.5.1 of the IPCG/2023 Corporate Governance Code, followed in

Appendix -A to this Governance Report the respective "**Internal Procedure in Matters of Transactions with Related Parties**".

II. Elements related to transactions

92. Indication of the location of the financial statements where information about business dealing with related parties is available, in accordance with IAS 24, or, alternatively, a reproduction of this information.

Information on transactions with related parties is provided in the **Annex** to the individual financial statements and in the **Annex** to the consolidated financial statements.

PART II - GOVERNANCE MODEL EVALUATION

1. IDENTIFICATION OF THE CORPORATE GOVERNANCE CODE ADOPTED

This Corporate Governance Report was prepared in accordance with CMVM Regulation 4/2013 of 1 August, with the Corporate Governance Code of the Portuguese Institute of Corporate Governance (IPCG) from 2018, as revised in 2023, and article 29-H of the Securities Code. These normative are, consequently, applied by their suitability for providing the necessary and indispensable information to the public, therefore there are no presuppositions of any substantial or formal divergence in their application.

This Report for the year 2023 complies with the rules of articles 29-H and ff. of the Securities Code, as well as discloses, in the light of the "comply or explain" principle, the degree of compliance with the Recommendations of the aforementioned IPCG, which integrate the Corporate Governance Code 2018/2023.

The information duties required under the terms of the regulatory changes resulting from Law no. 50/2020 of 25 August, articles 447 and 448 of the Commercial Companies Code and CMVM Regulation no. 1/2023 and other applicable legal provisions are also complied with.

All the legal and regulatory norms mentioned in this report are available at www.cmvm.pt .

2. ANALYSIS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE ADOPTED

Pursuant to article 29-H of the CVM, a statement on compliance with the corporate governance code to which the issuer is subject must be included, specifying any parts of that code from which it differs and the reasons for the divergence. Pursuant to article 29-H of the CVM, a statement on compliance with the corporate governance code to which the issuer is subject must be included, specifying any parts of that code from which it differs and the reasons for the divergence.

Ibersol, SGPS SA. generally complies with the CMVM's recommendations on Corporate Governance, as well as observes and exposes the degree of compliance with the Recommendations of the Portuguese Institute of Corporate Governance and current article 29-H of the CVM, as follows:

Recommendation	Content	degree of compliance	Governance Report
I.1.(1)	The company specifies in what terms its strategy seeks to ensure the fulfilment of its long-term objectives	adopted	24, 29 e 50 a 55.
I.1.(2)	and what are the main contributions resulting herefrom for the community at large.	adopted	24, 29 e 50 a 55.
I.2.(1)	The company identifies the main policies and measures adopted with regard to the fulfilment of its environmental objectives	adopted	29 e 53
I.2.(2)	and for the fulfilment of its social objectives.	adopted	29 e 53
II.1.1.	The company establishes mechanisms to adequately and rigorously ensure the timely circulation or disclosure of the information required to its bodies, the company secretary, shareholders, investors, financial analysts, other stakeholders and the market at large.	adopted	29, 38, 49 e 56 a 65
II.2.1.	Companies establish, previously and abstractly, criteria and requirements regarding the profile of the members of the corporate bodies that are adequate to the function to be performed, considering, notably, individual attributes (such as competence, independence, integrity, availability and experience), and diversity requirements (with particular attention to equality between men and women), that may contribute to the improvement of the performance of the body and of the balance in its composition.	adopted	15, 17 a 19, 26, 31 a 33 e 36
II.2.2.(1)	The management body is governed by regulations – notably regarding the exercise of its powers, chairmanship, the frequency of meetings, operation and the duties framework of its members - fully disclosed on the website of the company	adopted	22, 23, 27 e 61
II.2.2.(2)	*Idem* for the supervisory body.	adopted	34 e 61
II.2.2.(3)	*Idem* for internal committees.	adopted	27 e 29
II.2.2.(4)	Minutes of the meetings of the management body shall be drawn up.	adopted	23
II.2.2.(5)	*Idem* for the supervisory body.	adopted	35
II.2.2.(6)	*Idem* for internal committees.	adopted	29
II.2.3.(1)	The composition of the management and supervisory bodies and of their internal committees are disclosed on the website of the company.	adopted	62, 63 e 64
II.2.3.(2)	The number of meetings for each year of the management and supervisory bodies and of their internal committees are disclosed on the website of the company.	adopted	23,29 e 35
II.2.4.(1)	The companies adopt a whistle-blowing policy that specifies the main rules and procedures to be followed for each communication	adopted	38 e 49
II.2.4.(2)	and an internal reporting channel that also includes access for non-employees, as set forth in the applicable law.	adopted	38 e 49

II.2.5.(1)	The companies have specialised committees for matters of corporate governance.	not adopted	*v.d. explanation below at the end of this table*
II.2.5.(2)	*Idem* on remuneration.	adopted	24, 66, 69 and ff. e Annex I to this Report
II.2.5.(3)	*Idem* on the appointment of members of the corporate bodies.	partially adopted	15 *v.d. explanation below at the end of this table*
II.2.5.(4)	*Idem* on performance assessment	adopted	24
II.3.1.	The Articles of Association or equivalent means adopted by the company set out the mechanisms to ensure that, within the limits of the applicable laws, the members of the management and supervisory bodies have permanent access to all necessary information to assess the performance, situation and development prospects of the company, including, specifically, the minutes of the meetings, the documentation supporting the decisions taken, the convening notices and the archive of the meetings of the executive management body, without prejudice to access to any other documents or persons who may be requested to provide clarification.	adopted	21 a 23, 29, 34, 35, 38, 50 a 55 e 63 a 65
II.3.2.	Each body and committee of the company ensures, in a timely and adequate manner, the interorganic flow of information required for the exercise of the legal and statutory powers of each of the other bodies and committees.	adopted	21 a 23, 29, 34, 35, 38, 50 a 55 e 63 a 65.
II.4.1.	By internal regulation or an equivalent hereof, the members of the management and supervisory bodies and of the internal committees shall be obliged to inform the respective body or committee whenever there are any facts that may constitute or give rise to a conflict between their interests and the interest of the company.	adopted	18, 27, 29, 32, 49, 89 a 91 Annex A to this Report (in particular points 6 e 3.1B).
II.4.2.	The company adopts procedures to ensure that the conflicted member does not interfere in the decision-making process, without prejudice to the duty to provide information and clarification requested by the body, committee or respective members.	adopted	18, 27, 29, 32, 49, 89 a 91 Annex A to this Report (in particular points 6 e 3.1B).
II.5.1.	The management body discloses, in the corporate governance report or by other publicly available means, the internal procedure for verification of transactions with related parties.	adopted	89 a 91 e Annex A to this Report
III.1.(1)	The company does not set an excessively large number of shares to be entitled to one vote,	adopted	12 a 14.
III.1.(2)	and informs in the corporate governance report of its choice whenever each share does not carry one vote.	Not applicable	12 a 14.
III.2.	The company that has issued special plural voting rights shares identifies, in its corporate governance report, the matters that, pursuant to the company´s Articles of Association, are excluded from the scope of plural voting.	Not applicable	12 a 14.
III.3.	The company does not adopt mechanisms that hinder the passing of resolutions by its shareholders, specifically fixing a quorum for resolutions greater than that required by law.	adopted	12 a 14.
III.4.	The company implements adequate means for shareholders to participate in the general meeting without being present in person, in proportion to its size.	not adopted	*v.d. explanation below at the end of this table*.

III.5.	The company also implements adequate means for the exercise of voting rights without being present in person, including by correspondence and electronically.	partially adopted	12 *v.d. explanation below at the end of this table*
III.6.	The Articles of Association of the company that provide for the restriction of the number of votes that may be held or exercised by one single shareholder, either individually or jointly with other shareholders, shall also foresee that, at least every five years, the general meeting shall resolve on the amendment or maintenance of such statutory provision - without quorum requirements greater than that provided for by law - and that in said resolution, all votes issued are to be counted, without applying said restriction.	not applicable	12 a 14.
III.7.	The company does not adopt any measures that require payments or the assumption of costs by the company in the event of change of control or change in the composition of the management body and which are likely to damage the economic interest in the transfer of shares and the free assessment by shareholders of the performance of the Directors.	not adopted	4 *v.d. explanation below at the end of this table*
IV.1.1.(1)	The management body ensures that the company acts in accordance with its object and does not delegate powers, notably with regard to: i) definition of the corporate strategy and main policies of the company;	adopted	17, 21, 27 e 29
IV.1.1.(2)	ii) organisation and coordination of the corporate structure;	adopted	17, 21, 27 e 29
IV.1.1.(3)	iii) matters that shall be considered strategic due to the amounts, risk and particular characteristics involved.	adopted	17, 21, 27 e 29
IV.1.2.	The management body approves, by means of regulations or through an equivalent mechanism, the performance regime for executive directors applicable to the exercise of executive functions by them in entities outside the group.	adopted	27
IV.2.1.	Notwithstanding the legal duties of the chairman of the board of directors, if the latter is not independent, the independent directors - or, if there are not enough independent directors, the non-executive directors - shall appoint a coordinator among themselves to, in particular (i) act, whenever necessary, as interlocutor with the chairman of the board of directors and with the other directors, (ii) ensure that they have all the conditions and means required to carry out their duties, and (iii) coordinate their performance assessment by the administration body as provided for in Recommendation VI.1.1.; alternatively, the company may establish another equivalent mechanism to ensure such coordination.	not adopted	*v.d. explanation below at the end of this table*
IV.2.2.	The number of non-executive members of the management body shall be adequate to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficient performance of the tasks entrusted to them, whereby the formulation of this adequacy judgement shall be included in the corporate governance report.	adopted	15, 17, 18 e 19, 28 e 29.
IV.2.3.	The number of non-executive directors is greater than the number of executive directors.	adopted	17 e 18
IV.2.4.	The number of non-executive directors that meet the independence requirements is plural and is not less than one third of the total number of non-executive directors. For the purposes of the present Recommendation, a person is deemed independent when not associated to any specific interest group in the company, nor in any	partially adopted	17 e 18 *v.d. explanation below at the end of this*

	circumstances liable to affect his/her impartiality of analysis or decision, in particular in virtue of: (...)		*table*
IV.2.5.	The provisions of paragraph (i) of the previous Recommendation do not prevent the qualification of a new Director as independent if, between the end of his/her functions in any corporate body and his/her new appointment, at least three years have elapsed (cooling-off period).	not applicable	17 e 18
V.1.(1)	With due regard for the competences conferred to it by law, the supervisory body takes cognisance of the strategic guidelines, prior to its final approval by the administration body.	adopted	24, 38 e 51.
V.1.(2)	With due regard for the competences conferred to it by law, the supervisory body evaluates and renders an opinion on the risk policy, prior to its final approval by the administration body.	adopted	24, 38 e 51.
V.2.(1)	The number of members of the supervisory body shall be adequate in relation to the size of the company and the complexity of the risks inherent to its activity, but sufficient to ensure the efficiency of the tasks entrusted to them, and this adequacy judgement shall be included in the corporate governance report.	adopted	15, 30, 31 a 33
V.2.(2)	*Idem* for the number of members of the financial matters committee.	not applicable	15, 30, 31 a 33.
VI.1.1.(1)	The management body - or committee with relevant powers, composed of a majority of non-executive members - evaluates its performance on an annual basis, taking into account the compliance with the strategic plan of the company and of the budget, the risk management, its internal functioning and the contribution of each member to that end, and the relationship between the bodies and committees of the company.	adopted	24 e 25
VI.1.1.(2)	*Idem* for the performance of the executive committee / executive directors.	adopted	24 e 25.
VI.1.1.(3)	*Idem* for the performance of the company committees.	not applicable	24 e 25.
VI.2.1.	The company constitutes a remuneration committee, whose composition shall ensure its independence from the board of directors, whereby it may be the remuneration committee appointed pursuant to Article 399 of the Portuguese Companies Code.	adopted	66 a 68
VI.2.2.	The remuneration of the members of the management and supervisory bodies and of the company committees is established by the remuneration committee or by the general meeting, upon proposal of such committee.	adopted	66 e 69 a 76
VI.2.3.	The company discloses in the corporate governance report, or in the remuneration report, the termination of office of any member of a body or committee of the company, indicating the amount all costs related to the termination of office borne by the company, for any reason, during the financial year in question.	adopted	15, 69, 70, 80, 84
VI.2.4.	In order to provide information or clarification to shareholders, the president or another member of the remuneration committee shall be present at the annual general meeting and at any other general meeting at which the agenda includes a matter related to the remuneration of the members of bodies and committees of the company, or if such presence has been requested by the shareholders.	adopted	66 a 69

VI.2.5.	Within the budget constraints of the company, the remuneration committee may freely decide to hire, on behalf of the company, consultancy services that are necessary or convenient for the performance of its duties.	adopted	67
VI.2.6.	The remuneration committee ensures that such services are provided independently.	adopted	67
VI.2.7.	The providers of said services are not hired by the company itself or by any company controlled by or in group relationship with the company, for the provision of any other services related to the competencies of the remuneration committee, without the express authorisation of the committee.	adopted	67
VI.2.8.	In view of the alignment of interests between the company and the executive directors, a part of their remuneration has a variable nature that reflects the sustained performance of the company and does not encourage excessive risk-taking.	not adopted	69, 70 a 77 e Annex 1 to this Report *v.d. explanation below at the end of this table*
VI.2.9.	A significant part of the variable component is partially deferred over time, for a period of no less than three years, and is linked to the confirmation of the sustainability of performance, in terms defined in the remuneration policy of the company.	not applicable	69 e 70 a 77.
VI.2.10.	When the variable remuneration includes options or other instruments directly or indirectly subject to share value, the start of the exercise period is deferred for a period of no less than three years.	not applicable	69 e 70 a 77.
VI.2.11.	The remuneration of non-executive directors does not include any component whose value depends on the performance of the company or of its value.	adopted	69 e 77
VI.3.1.	The company promotes, in the terms it deems adequate, but in a manner susceptible of demonstration, that the proposals for the appointment of members of the corporate bodies are accompanied by grounds regarding the suitability of each of the candidates for the function to be performed.	adopted	15 v.d. documentation published in this context at www.ibersol.pt with the election proposals that took place at the 2021 electoral GM and the Internal Policy for Selection and Evaluating the Adequacy of the Members of Management and Supervisory Bodies available in https://www.ibersol.pt/investidores/assembleias-gerais/2023/AGProposals1a8.pdf
VI.3.2.	The committee for the appointment of members of corporate bodies includes a majority of independent directors.	not applicable	15, 27 a 29.
VI.3.3.	Unless it is not justified by the size of the company, the task of monitoring and supporting the appointments of senior managers shall be assigned to an appointment committee.	not applicable	*v.d. explanation below at the end of this table*
VI.3.4.	The committee for the appointment of senior management provides its terms of reference and promotes, to the extent of its powers, the adoption of transparent selection processes that include effective mechanisms for identifying potential candidates, and that for selection those are proposed who present the greatest merit, are best suited for the requirements of the position and promote, within the organisation, an adequate diversity including regarding gender equality.	not applicable	15, 27 a 29.
VII.1.(1)	The management body discusses and approves the strategic plan.	adopted	21 e 24
VII.1.(2)	The management body discusses and approves the risk policy of the company, which includes setting limits in matters of risk-taking.	adopted	21, 24, 53 e 54

VII.2.	The company has a specialised committee or a committee composed of specialists in risk matters, which reports regularly to the management body.	not adopted	15 e 27 *v.d. explanation below at the end of this table*
VII.3.	The supervisory body is organised internally, implementing periodic control mechanisms and procedures, in order to ensure that the risks effectively incurred by the company are consistent with the objectives set by the admnistration body.	adopted	38 e 51
VII.4.	The internal control system, comprising the risk management, compliance and internal audit functions, is structured in terms that are adequate to the size of the company and the complexity of the risks inherent to its activity, whereby the supervisory body shall assess it and, within the ambit of its duty to monitor the effectiveness of this system, propose any adjustments that may be deemed necessary.	adopted	38, 50, 51, 54 e 55
VII.5.	The company establishes procedures for the supervision, periodic assessment and adjustment of the internal control system, including an annual assessment of the degree of internal compliance and performance of such system, as well as the prospects for changing the previously defined risk framework.	adopted	24, 38 e 50 a 55
VII.6.(1)	Based on its risk policy, the company sets up a risk management function, identifying (i) the main risks to which it is subject in the operation of its business,	adopted	24, 38 e 50 a 55.
VII.6.(2)	(ii) the probability of their occurrence and respective impact,	adopted	24, 38 e 50 a 55.
VII.6.(3)	(iii) the instruments and measures to be adopted in order to mitigate such risks and	adopted	24, 38 e 50 a 55.
VII.6.(4)	(iv) the monitoring procedures, aimed at following them up.	adopted	24, 38 e 50 a 55.
VII.7.	The company establishes processes to collect and process data related to the environmental and social sustainability in order to alert the management body to risks that the company may be incurring and propose strategies for their mitigation.	adopted	29 e 50 a 55.
VII.8.	The company reports on how climate change is considered within the organisation and how it takes into account the analysis of climate risk in the decision-making processes.	adopted	29 e 53.
VII.9.	The company informs in the corporate governance report on the manner in which artificial intelligence mechanisms have been used as a decision-making tool by the corporate bodies.	not applicable	53.
VII.10.	The supervisory body pronounces on the work plans and resources allocated to the services of the internal control system, including the risk management, compliance and internal audit functions, and may propose adjustments as deemed necessary.	adopted	38, 50 e 51.
VII.11.	The supervisory body is the addressee of reports made by the internal control services, including the risk management, compliance and internal audit functions, at least when matters related to accountability, identification or resolution of conflicts of interest and detection of potential irregularities are concerned.	adopted	38, 49 e 50 a 55.
VIII.1.1.	The regulations of the supervisory body requires that the supervisory body monitors the suitability of the process of preparation and disclosure of information by the management body, including the appropriateness of accounting policies, estimates, judgements, relevant disclosures and their consistent application from financial year to financial year, in a duly documented and reported	adopted	34 e 38.

	manner.		
VIII.2.1.	By means of regulation, the supervisory body defines, in accordance with the applicable legal regime, the supervisory procedures to ensure the independence of the statutory auditor.	partially adopted	37 *v.d. explanation below at the end of this table*
VIII.2.2. (1)	The supervisory body is the main interlocutor of the statutory auditor within the company and the first addressee of the respective reports,	adopted	34, 37 e 38.
VIII.2.2. (2)	and is competent, namely, for proposing the respective remuneration and ensuring that adequate conditions for the provision of the services are in place within the company	partially adopted	34, 37 e 38 e Annex 1 to this Report *v.d. explanation below at the end of this table*
VIII.2.3.	The supervisory body annually evaluates the work carried out by the statutory auditor, its independence and suitability for the exercise of its functions and shall propose to the competent body its dismissal or termination of the contract for the provision of its services whenever there is just cause to do so.	adopted	37 e 38 e Annex 1 a este Relatório

Explanation for not adopted or partially adopted Recommendations

Recommendation II.2 .5. (1) and (3) - The company does not have any specialised committees on corporate governance matters and the Remuneration Committee has not been given any special powers in terms of corporate governance. The structure and composition of the Board of Directors, with 5 members, 2 executive and 3 non-executive, which carries out an annual assessment of their performance, the Audit Board and the Statutory Auditor, which carry out the respective supervision within the scope of the company, and the Remuneration Committee, which assesses the performance and approves the remuneration of the members of the Board of Directors and other corporate bodies, in accordance with the company's Remuneration Policy - is a structure that is demonstrably appropriate to the size of the company, and is necessary and sufficient to ensure that the risks to which the company is exposed and which are inherent to its specific activity are minimised, as well as being adequate to ensure the necessary efficiency in the performance of the duties entrusted to each of these members, with the non-executive members of the management body exercising all their necessary direct collaboration with the corporate objectives to which they are assigned.

Considering what has just been said and in accordance with the Internal Policy for Selection and Evaluating the Adequacy of the Members of the Company's Management and Supervisory Bodies, the Remuneration Committee has, supplementarily, limited competence in this matter of appointments in the sense that Point 4 of the aforementioned Policy states the following: "Responsibility for evaluating the suitability of candidates for members to integrate the Board of Directors and the Audit Committee to be elected at the General Meeting will be the responsibility of the proposing shareholder or shareholders, or, at the request of the proposing shareholder or shareholders, to the Remuneration Committee with the powers set out in article 399 of the Commercial Companies Code.".

Recommendation III.4 - As there have been no express requests from shareholders to date regarding participation in the General Meeting by telematic or remote means, and as this method is not specifically provided for in the company's articles of association, there is no limit to the possibility of recommending the use of this same remote means if reasons of force majeure justify it, without prejudice to this method being expressly considered in a future revision of the articles of association. However, to date, given the size of the company and the current concentration of its capital structure, it does not appear that the implementation of this method of participation in the General Meeting, in the immediate future, would be necessary and justified in view of the high costs associated with its implementation and the effective advantages that this could bring to the participation of shareholders in the General Meeting.

Recommendation III.5 – In the absence of express requests from shareholders up to the present date regarding the method of exercising the right to vote electronically, and despite this method is not yet in concrete foreseen in the company's bylaws, the possibility of recommendation to its use isn´t in there limited or impeded if force majeure reasons, by example, justifies it, without prejudice of such modality may be considered expressly in a future statutory review. Given that in previous General Meetings of Shareholders held in 2020 to 2023, the Company has already made available to its shareholders a reiterated practice, duly justified and secure, of being able to exercise their voting right in the form of postal voting by electronic mail - noting that this method was included in the respective Notices of Meeting and in the respective electronic voting forms published in connection therewith - should be consider that the appropriate means for exercising the right to vote at a distance in complete security and guaranteeing of integrality and confidentiality of this method of electronic voting have been duly implemented by the Company.

Recommendation III.7. - Considering what is stated in point 4 above of this Report, it should be clarified that the international brand franchising contracts signed by the subsidiaries of Ibersol, SGPS S.A. referred to therein have the proper and usual structure of the nature and type of contract in question, including with regard to the requirements and conditions to be met prior to the sale of shareholding, issue of capital instruments and/or change of control in said subsidiaries, as well as the sale of the business or certain assets of those subsidiaries, and are therefore perfectly in line with the international market standards in force in the field in question.

Recommendation IV.2 .1. - Despite the fact that the non-executive directors have not appointed a coordinator among themselves, it can be seen in practice that the non-executive directors, acting in mutual collaboration, benefit from agile communication with the other executive and non-executive directors and have access to the conditions and means necessary for the proper performance of their duties, and that the Board of Directors carries out an annual assessment of its own performance, both in terms of its collective performance and the individual performance of the executive members and non-executive members, emphasising the analysis of the parameters of good compliance with the strategic plan and budget outlined for the company, assessing the risk management process, as well as placing this assessment at the level of the relationship with the other company bodies and the

Remuneration Committee. In this sense, and as mentioned in point 18 above of this Report, the non-executive directors fulfil their duties in the context of a mutual and integrated functional coordination between them which has promoted, in all aspects, an effective and efficient response from them to the demands of their respective corporate mandates.

Recommendation IV.2.4. - As the Board of Directors is made up of three non-executive members and considering, as stated in point 18 above of this Report, that member Maria Deolinda Fidalgo do Couto does not fulfil the independence criteria in this area, it is understood, on the one hand, that member Maria do Carmo Guedes Antunes de Oliveira fulfils all the necessary independence requirements in the exercise of her position on the Board of Directors. In addition, although Professor Juan Carlos Vazquez-Dodero de Bonifaz has held his position continuously since 1999 as a result of successive elections held at subsequent general election meetings, this circumstance does not, in itself, represent a factor in his non-independence, but is merely an assumption resulting from the passage of time with no real impact on the actual material conditions of his holding his corporate position. Thus, this temporal conditioning has not been capable of affecting or conditioning, in any way, his necessary impartiality in analyzing and deciding, during his respective terms of office and to date. And, although he is a director of related companies, he does not exercise any executive functions in them, does not collaborate or interfere in their day-to-day management, nor does he provide any of these companies with any other type of collaboration, nor does he have any other type of commercial relationship (significant or non-significant), whether service provision or otherwise, and he does not receive any type of remuneration other than that earned annually as a non-executive director of Ibersol, SGPS, SA. He is not associated with any specific interest groups, either of the company or of its reference shareholders, and does not objectively have any relevant interests that could conflict or interfere with the free exercise of his corporate mandate. He also does not carry out any activities or business with the company, within the meaning of articles 397 and 398 of the Commercial Companies Code (CSC) and fulfils the other independence requirements of article 414, no. 5 of the same CSC. Therefore, namely considering what is set out in the European Commission Recommendation of 15 February 2005, which determines (see point 13.), regarding the requirement of independence, that a director should be considered independent if he or she has no business, family or other relationship with the company, the controlling shareholder or the management bodies of any of them, which could give rise to a conflict of interest likely to impair his or her judgement - the material requirements of independence in relation to the non-executive member, Prof. Juan Carlos Vazquez-Dodero de Bonifaz, are fully met.

Recommendation VI.2.8. - Notwithstanding the fact that the Remuneration Policy for Members of the Governing Bodies approved at the General Meeting of 26 May 2022 already provides for the possibility of a variable component in the remuneration of executive directors, the policy previously pursued has been continued consistently - and has proved adequate to ensure high levels of performance by the members concerned, as well as to promote the sustained growth of the Company - in accordance with which the executive members of the Board of Directors are remunerated by the shareholder company ATPS-SGPS, SA, which has signed a contract to provide services with the group's subsidiary, Ibersol Restauração, SA (see points 69, 70 and 77 above and Annex 1 to this Report), and consequently these members did not receive any other remuneration components, of any kind, in 2023.

Recommendation VI.3.3 - The company has not set up an appointments committee, as explained in points 15 and 27 above of this report. Given the size of the company, the composition of its governing bodies and the company's own organisational and functional structure, the rigorous selection procedures put in place for appointing the company's managers appear to be adequate and sufficient to guarantee their necessary qualifications and efficiency in carrying out their duties.
It should be noted, however, that in accordance with the Internal Policy for Selection and Evaluating the Adequacy of the Members of the Company's Management and Supervisory Bodies, the Remuneration Committee also has, supplementarily, limited powers in this area of appointments, in the sense that Point 4 of this Policy states the following: "Responsibility for evaluating the suitability of candidates for members to integrate the Board of Directors and the Audit Committee to be elected at the General Meeting will be the responsibility of the proposing shareholder or shareholders, or, at the request of the proposing shareholder or shareholders, to the Remuneration Committee with the powers set out in article 399 of the Commercial Companies Code.”.

Recommendation VII.2. - The Company does not have a specialized risk committee, and the internal control and risk management processes implemented in the Company are duly described in points 50 et seq. above, which appear, given the size and organic-functional structure of the Company and the nature of the risks to which it is exposed, adequate and efficient for the good and effective corporate functioning in this matter.

Recommendation VIII.2.1. - As provided for in the Regulations of the Audit Board and in accordance with art. 420.º, no. 2, al. d), of the Commercial Companies Code, it is responsible for monitoring the independence of the Statutory Auditor, particularly with regard to the provision of additional services.
In this sense, the Audit Board adopts practical verification procedures, which are not expressly set out in the respective Regulations, aimed at ensuring strict compliance with the independence requirements attached to the Statutory Auditor, which prove to be adequate and efficient for the good fulfillment of the indicated competencies of supervision, namely carries out the annual evaluation of the External Auditor and includes its conclusions in its Report and Opinion, issued under the terms and for the purposes of paragraph g) of paragraph 1 of article 420 of the Commercial Companies Code. The Audit Board analyzes and approves the scope of any additional services, assessing, in the specific case, whether they call into question the independence of the External Auditor and ensuring that consultancy services are provided with high quality, autonomy and independence in relation to those performed in the scope of the audit process.

Recommendation VIII.2.2. - As expressed in the Declaration of the Remuneration Committee, under Annex 1 to this Report, the remuneration of the Statutory Auditor results from the proposal that was presented to the company during the consultation of the various entities carried out under the supervision of the Audit Board for the appointment of the Auditor Accounts Officer held on May 14, 2018, taking there in into account the remuneration amounts to be provided. The indicated remuneration corresponds to the values contained in the contract for the provision of audit services and must be in line with what is practiced in the market.

3. OTHER INFORMATION

The company should provide any additional elements or information that, if not finding explained in the preceding paragraphs, are relevant to understand the model and governance practices adopted.

In addition to the information set out above, and for the purposes of article 29-H, paragraph q) of the Securities Code, we now provide information on the **diversity policy** applied by the company in relation to its management and supervisory bodies, namely, in terms of age, sex, qualifications and professional background, the objectives of this diversity policy, as well as the way in which it was applied and its results in the 2023 financial year.

The diversity policy applied by the company related to its management and supervisory bodies complies with the following general principles:

The candidates for members of the management and supervisory bodies should observe:

- Experience in sufficiently senior positions in companies or similar organizations that provide them:
    1. To evaluate, challenge and develop of the most senior managers of the company;
    2. To evaluate and challenge the corporate strategy of the group and its main subsidiaries;
    3. To evaluate and challenge the operational and financial performance of the company;
    4. To evaluate the degree of compliance in the organization of the Ibersol values;
- In addition to the common basic minimums, each candidate individually must contribute to the overall knowledge and competencies of the Board of Directors, as follows:
    1. Deep and international knowledge of the main sectors of activity of Ibersol;
    2. Knowledge of the main markets and geographies of the main businesses;
    3. Knowledge and skills in management techniques and technologies that determine the success of companies with dimension in our sectors of activity;
- Candidates must have the human qualities, clarity of purpose, analytical ability, synthesis ability and communication skills required for a large number of diverse and complex subjects can be discussed in necessary limited time and necessary depth to provide high quality and timely decision making;
- Subject to the fulfilment of the other factors, a significant representativeness of genres and origins should seek to achieve.

The composition of the management and supervisory bodies elected by the General Meeting in most of the Group's Companies complies the above mentioned guidelines, presenting a balanced diversity of gender, origin, qualifications and professional background.

In the Audit Board and General Meeting Board whose composition is above described in this report, the proportion of persons of each sex respects the limiting principles imposed by the Article 5 of Law 62/2017 1st August, and the same occurred in the appointment of the Board of Directors for the four-year period 2021/2024.

The diversity and professional experience of the members of the Board of Directors and the Audit Board are a result of their respective curriculum vitae.

In addition to the elements above described, there are no other relevant elements to be considered.

ANNEX I

REMUNERATION COMMITTEE

STATEMENT OF THE REMUNERATION COMMITTEE

ABOUT THE REMUNERATION POLICY FOR THE CORPORATE GOVERNING BODIES OF IBERSOL, SGPS S.A. TO BE SUBMITTED FOR APPROVAL BY THE NEXT GENERAL MEETING OF 2024

1. Under the terms of the authority assigned to this Committee by the General Meeting of Shareholders of Ibersol, SGPS SA. and under the terms of article 26.2 of the Company's Articles of Association, this Remuneration Committee is responsible for setting the remuneration of the members of the corporate governing bodies.

2. Under the applicable terms of the Articles of Association, the Remuneration Committee was appointed by the General Meeting of Shareholders on 18th June 2021 and is constituted by three members, who are independent of the members of the Company's governing and audit bodies.

3. The Remuneration Committee thus submits this report for the consideration of this General Meeting and for the purpose of adoption of Recommendation of the Corporate Governance Code of the Instituto Português de Corporate Governance. This report contains the guidelines followed by this Committee in setting the remuneration of the members of the corporate bodies: Board of the General Meeting, Board of Directors and Audit Board, as follows:

a) The remuneration of the members of the **Board of the General Meeting** was set at an annual fixed amount, having its members earned the following annual remuneration:

- **Chairman** – Prof. Dr. José Rodrigues de Jesus: 1,500 euros for each GM which presides;
- **Vice-Chairman** – Dr. Eduardo Moutinho Ferreira dos Santos: 1,000 euros for each GM in which participates;
- **Secretary –** Dr.ª Clara Maria Azevedo Rodrigues Gomes: 670 euros for each GM in which that acts as secretary;

b) Board of Directors: - The shareholder ATPS-SGPS, SA. provided administrative and management services to the Group and, in 2023, received the amount of 1,078,008 euros for such services. One of the obligations of ATPS-Sociedade Gestora de Participações Sociais, SA. under the contract of services with Ibersol - Restauração, SA. is to ensure that the Directors of the Company António Alberto Guerra Leal Teixeira and António Carlos Vaz Pinto de Sousa perform their duties without additional expenses to the Company. The Company does not directly pay any remuneration to any of its Executive Directors. Given that ATPS-Sociedade Gestora de Participações Sociais, SA. is controlled by the Directors António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira, it is estimated that, of the aforementioned amount of 1,078,008 euros paid in 2023, will correspond to each of these Directors the amount of 539,004 euros. These members do not receive any supplementary retirement or early retirement, nor any other benefits or bonuses.

The **non-executive members** received the following annual remuneration:

- Eng.ª Maria Deolinda Fidalgo do Couto: earned the total annual amount of 219,835.64 euros, not having received any other remuneration components for the exercise of the respective duties;

- Professor Dr. Juan Carlos Vazquez Dodero de Bonifaz: received the total annual amount of 6,000 euros, related to services rendered, and this member did not receive any other remuneration components of any kind, namely performance bonuses, bonuses or any additional performance fees, complement pension and/or any additional payments to the aforementioned amount of 6,000 euros that have been provided by the Company.

- **Dr. Maria do Carmo Guedes Antunes de Oliveira**: earned the total annual amount of 40,000.00 euros, not having received any other remuneration components for the exercise of the respective duties;

The aforementioned executive and non-executive Directors do not receive any other remuneration from other Group Companies, and do not have supplementary pension rights or early retirement rights that have been acquired in the exercise of their respective position in 2023.

These members do not receive any supplementary retirement or early retirement, nor any other benefits or bonuses.

c) The remuneration of the members of the Audit Board for 2023 was set at a annual fixed amount, payable twelve times a year. The individual members received the following annual remuneration:

Chairman– Dr. Hermínio António Paulos Afonso: earned the monthly amount of 825 euros, not having received any other remuneration components for the exercise of the respective position;

Member – Dr. Carlos Alberto Alves Lourenço: earned the monthly amount of 733.33 euros, not having received any other remuneration components for the exercise of the respective position;

Member – Dr. Maria José Martins Lourenço da Fonseca: earned the monthly amount of 733.33 euros, not having received any other remuneration components for the exercise of the respective position;

At the General Meeting on May 26, 2022, following the approval of the proposal presented by the Remuneration Committee, clarification was given to aspects of the wording of the principles underlying the remuneration of the governing bodies, given the legislative and recommendatory framework.

These principles reinforce and highlight the aspects of the remuneration policy that are critical for the sustainability of Ibersol's business, in particular:

- the international context that makes it possible to measure (“benchmark”) the competitive remuneration of corporate bodies and maintain the ability to attract and retain the best talent.
- the alignment of remuneration with the responsibilities inherent to the functions performed by the members of the governing bodies, their resume, availability and competence.
- the desired level of competitiveness of the remuneration package must be in line with market practice as well as internal remuneration policies.
- alignment with the remuneration policies and other conditions of the company's workers is guaranteed by comparison with equivalent functions, which confers an adequate level of internal equity and external competitiveness.

- the importance of rewarding the commitment to the Group's strategy, the interests of shareholders, the achievement of results and the appropriate attitude and behaviour are taken into account in the company's compensation policies.

The independence of the Committee, together with the permanent monitoring of the benchmark as well as use of external consultancy, is an effective way of avoiding possible conflicts of interest with the members of the governing bodies.

With regard to the organization of the Board of Directors, the following characteristics were especially considered by the Remuneration Committee:

- the existence of an Executive Committee responsible for the current management of the Company
- the possible existence of directors with executive functions who do not belong to the Executive Committee
- the possibility of creating new committees, namely specialized committees in which non-executive directors are invited to participate.

Taking into account the current organizational model and the aforementioned principles of the remuneration policy, the Remuneration Committee considered the following measures:

- To ensure that the remuneration of Directors with executive functions is in line with the best practices in the international market, the importance of maintaining a process of defining objectives and evaluating performance was reinforced, which should be reviewed and/or updated on a regular basis;
- Ensuring consistency between the most relevant quantitative performance indicators defined for the annual assessment of the Company's Executive Committee and those that are also considered, in accordance with their responsibilities, in the annual performance assessment of the Company's staff.
- The remuneration of non-executive directors will consist of a fixed component that meets the specific responsibilities and availability of such directors.
- For the remuneration of executive directors, a remuneration with a fixed and variable component is foreseen, in the following terms:

(I) The fixed component of the remuneration corresponds to a fixed annual amount, with payment in instalments, the respective amount being established according to the assigned responsibilities and the comparison with the market for similar functions;

(II) The variable component corresponds to a maximum annual amount fixed at 100% of the fixed remuneration. The calculation of the amount to be attributed will result from an annual performance evaluation that will take into account quantitative indicators - in line with the strategic objectives and business plans approved by the Company's Board of Directors and qualitative indicators considered fundamental for the sustainability of the business in the long term;

(III) Quantitative objectives weigh 50% in the calculation of individual performance and reflect performance related to the company's real growth and the return generated for shareholders. Financial performance indicators will be weighted in accordance with the Company's strategic priorities, the business context and the evolution of results;

IV) Qualitative individual objectives weigh 50% in the performance calculation. The Committee assesses the actual implementation of transversal projects to the Group's companies that ensure future business competitiveness and long-term sustainability. The measurement indicators are as follows: strategic vision and allocation of resources/investments; organizational health, talent agenda and multi-stakeholder relationships;
(V) The allocation of the annual variable component must meet the following criteria:

a) if the individual performance does not meet any of the objectives set (quantitative or qualitative), there will be no allocation of the annual variable component;
b) if the individual performance is equal or superior, in all or some of the objectives, the variable remuneration may fluctuate between 50% and 100% of the maximum value foreseen for the variable remuneration.

(VI) The performance evaluation process of the executive directors is annual, based on concrete evidence that are made available to the Remuneration Committee for regular monitoring of the level of compliance with the approved targets. In accordance with established procedures, the annual performance cycle is concluded with the attribution of the variable component in the first half of the year following the one assessed, after the results for the year have been determined.

The total remuneration (fixed and variable) must ensure a competitive amount in terms of the market and serve as an incentive for individual and collective performance, through the definition of ambitious goals with a view to guaranteeing growth and adequate levels of return for shareholders.
These principles are duly taken into consideration in the assumptions made in the aforementioned contract signed between ATPS - Sociedade Gestora de Participações Sociais, SA. and Ibersol - Restauração, SA.

The Committee understands that the remuneration policy adopted is in line with the practices of similar companies. Given the market pressures in the search for talent and skills at an executive level, the Remuneration Committee will periodically analyze competitiveness based on comparative studies carried out by independent entities of recognized competence.

The Remuneration Committee considers that the remuneration of Directors with executive functions is adequate and allows, through the definition of adequate goals, their alignment with the interests of the Company in the long term. Alignment with the Company's long-term interests will be reinforced by the circumstances of two directors jointly being majority shareholders of the Company. For this reason, the Remuneration Committee believes that there is no deferral of the variable remuneration.

If there are specialized committees, the amount paid to the directors who are part of them and who do not exercise executive functions in the company may differ from the others, and the Remuneration Committee may in these cases assign attendance vouchers, bearing in mind that the functions performed imply a greater demand in terms of availability. Fixed remunerations may also be awarded to non-executive directors who are in charge of specific tasks.

The Chairman, Vice-Chairman and Secretary of the General Meeting Board and the Chairman and members of the Supervisory Board will continue to be assigned a fixed annual amount distributed over the different months.

The remuneration of the Statutory Auditor will correspond to the amounts contained in the contract for the provision of auditing services. The respective remuneration must be in line with what is practiced in the market and results from the proposal that was submitted to the company at the time of the consultation of the various entities carried out under the supervision of the Audit Board for the appointment of the Statutory Auditor that took place on May 14, 2018, being considered therein the remuneration amounts to be provided.

The Remuneration Committee also intends to point out to the shareholders:
- that the Company does not have any share attribution plan or option to purchase shares to managers
- there was no remuneration paid in the form of profit sharing.

The company has not adopted any agreements with members of the governing bodies related to the performance of their duties, applicable notice periods, termination clauses or payments associated with the termination of contracts. There is no contractual limitation provided for the compensation to be paid for unfair dismissal of a director, nor is there any relationship with the variable component of remuneration (the variable component is not stipulated in the contract), applying to the specific case to be considered, any legal provisions that may be applicable in this scope.

Oporto, 29th April 2024
Remuneration Committee,
Vítor Pratas Sevilhano, Dr.,
Joaquim Alexandre de Oliveira e Silva, Dr.,
António J. Grandio, Dr .

ANNEX II

BOARD OF DIRECTOR'S STATEMENT
UPON THE REMUNERATION POLICY OF IBERSOL, SGPS S.A.

1. According to the competence established under article 11º of IBERSOL, SGPS S.A. (Ibersol) Articles of Associations, the Board of Directors has the responsibility to determine the general remuneration policy for the Company's positions and, for all the administrative and technician staff.

2. For the sake of transparency and in compliance with the Recommendations relating to the governance of listed companies, the Board of Directors submits this Report to the appreciation of this General Meeting, containing the guidelines it has observed in setting the aforementioned remunerations, in the following terms: **a)** The policy adopted in setting the remuneration of IBERSOL Managers coincides with that defined for the majority of the Company's employees, in an equitable way, in the sense of equivalence and proportional to the degree of responsibility and individual performance they perform, face to the degree of responsibility of the corporate requirements inherent to that professional performance which is assigned to each the members in their daily and current performance of their respective corporate position;

b) The remuneration of these Directors of the Company essentially comprises a fixed remuneration, under the terms and conditions that are already expressed above in points 69 to 88 of the previous Governance Report, which are highlighted:

The **general principles** observed are essentially those that result from the law, taking into account the activities actually carried out by the workers and managers in question, also taking into account the economic situation of the company and the conditions that are generally observed for equivalent situations. The functions performed by each one were taken into account, in the broader sense of the activity effectively carried out, having as an evaluative parameter the degree of responsibilities that are assigned to them. The weighting of functions is therefore considered in a broad sense and takes into account different factors, namely the level of responsibility, the time spent and the added value that results for the Ibersol Group from the respective individual degree of institutional performance that is required to each of these members. The size of the company and the degree of complexity, which, in relative terms, is associated with the designated functions, is also a relevant aspect. The combination of the factors that are enumerated and the valuation given to them, makes it possible to ensure not only the interests of the holders themselves, but primarily the performance criteria that are relevant and related to the different degrees of performance requirement and responsibility of each one, taking into account the respective contributions to the company's long-term business strategy, to its current and future interests, and to its sustainability, having been taken into account in this remuneration policy, and in proportional and balanced equiparation in relation to the various functions performed and degree of functional performance – also considering, in equitable terms, the conditions of employment and remuneration of the Group's Workers in the context of the year 2023 and foreseeable future context.

Regarding the annual variation in remuneration, the performance of the company and its subsidiaries, and the average remuneration of employees in full-time equivalent terms of the Company, there are no significant changes or fluctuations in remuneration that are relevant in the last 5 years, other than those determined due to the effects of the COVID-19 pandemic on the Group, which are, in any case, temporally delimited and extrinsic to it, which is why it is considered not to constitute a factor that should be considered relevant in comparative terms in this context.

In comparative terms, the annual variation, in percentage terms, of the remuneration of the members of the management and supervisory bodies, the performance of the Company (and its subsidiaries), measured in terms of the evolution of consolidated turnover, and the average remuneration of full-time equivalent employees of the Company (and its subsidiaries), excluding members of the management and supervisory bodies, over the last five financial years is also shown:

Annual evolution (corporate bodies)	2019	2020	2021	2022	2023
Board of Directors (CA)					
António Alberto Guerra Leal Teixeira	500 000,00€***	500 000,00€***	500 000,00€***	500 004,00 €***	539 004,00 €***
António Carlos Vaz Pinto de Sousa	500 000,00€***	500 000,00€***	500 000,00€***	500 004,00 €***	539 004,00 €***
Juan Carlos Vazquez-Dodero de Bonifaz	6 000 €	6 000 €	6 000 €	6 000 €	6 000,00 €
Maria Deolinda Fidalgo do Couto	----	----	73 691,13 €.	147 035,64 €	219 835,64 €
Maria do Carmo Oliveira	----	----	21 444,42 €	40 000.00 €	40 000.00 €
Audit Board (CF)					
Hermínio António Paulos Afonso	----	----	5 307,50 €	9 900 €	9 900 €
Carlos Alberto Alves Lourenço	9 900 €	9 900 €	9 310,26 €	8 800 €	8 800 €
Maria José Martins Lourenço da Fonseca	8 800 €	8 800 €	8 800,00 €	8 800 €	8 800 €
Eduardo Moutinho Ferreira dos Santos	8 800 €	8 800 €	4 399,98 €	----	----

***this information takes into account the above as regards the estimated allocation, in equal parts, to each of the executive directors of the amount paid to ATPS - SGPS, S.A. under the aforementioned service contract.

Annual evolution (corporate bodies)	2019	2020*	2021*	2022**	2023**
Board of Directors (CA) * **	**1 006 000**	**1 006 000**	**1 094 725**	**1 193 040**	**1 343 844**
Audit Board (CF)	**27 500**	**27 500**	**27 496**	**27 492**	**27 492**
Average remuneration Corporate Bodies(euros)	**172 250**	**172 250**	**160 317**	**152 566**	**171 417**
Variation in average payment (%)	**0,0%**	**0,0%**	**-6,9%**	**-4,8%**	**12,4%**

Negative variation in 2021 and 2022, due to the new members of the Board of Directors joining in the middle of 2021.

***this information takes into account the above as regards the estimated allocation, in equal parts, to each of the executive directors of the amount paid to ATPS - SGPS, S.A. under the aforementioned service contract.

annual evolution	2019	2020*	2021*	2022**	2023**
Average remuneration evolution (%)	2,3%	-12,4%	1,7%	12,3%	9,7%
Turnover evolution	**7,8%**	**-40,5%**	**23,7%**	**74,3%**	**17,6%**

In 2020 and 2021, Covid support was considered in Portugal and Spain, a period in which the positive evolution of activity was interrupted by the pandemic.
2022 and 2023** reflects the evolution of continuing operations (without Burger King)

There is no number of shares or options on shares granted or offered, nor any conditions for the exercise of any rights in this scope, and there is also no possibility of attributing a variable remuneration, a modality that is not established or fixed.

The **remuneration policy** that we submit to the appreciation of the Company's Shareholders is, therefore, the one that translates into compliance with the objective parameters set out above, with no information to consider on any departure from the procedures of applying this remuneration policy, which is objectively determined and executed, consisting in the remuneration of the Company's managers and employees for a fixed gross amount, annually paid, until the end of the respective corporate mandate. In setting all remunerations, the general principles mentioned above were observed, in summary: functions performed, current and future company situation, and comparative criteria for equivalent degrees of performance, also considering the degree of autonomy of the respective individual performance, and also been considering the technical and/or economic-financial performance of the various business areas in which the companies operate, as well as the economic-financial performance of IBERSOL.

OPorto, 29th April 2024.
The Board of Directors.

ANNEX III

List of Positions held in other companies by the members of the Statutory Audit Committee and General Meeting Board

AUDIT BOARD:

Chairman– Dr. Hermínio António Paulos Afonso

Besides the position of Chairman of the Audit Board of Ibersol SGPS, SA., he performs functions in the following Companies outside Ibersol Group :

Chairman of the Audit Board:

- Soja de Portugal, SGPS, SA

Member of the Audit Board

- UNIVERSO IME, S.A.

Statutory Auditor and Single Statutory Auditor

- Ropar – Fabrico de Calçado Ortopédico, SA
- Edinpa – Empreendimentos Imobiliários, SA
- Rickiparodi – Moda e Acessórios Profissionais, SA

Manager:

- Odisseia Mourisca, Lda.

Member – Dr. Carlos Alberto Alves Lourenço;

Besides the position of Member of the Audit Board of Ibersol SGPS, SA., he performs functions in the following Companies outside Ibersol Group:

Member of the Audit Board:

- Manuel Champalimaud, SGPS, SA

Member – Dra. Maria José Martins Lourenço da Fonseca

Besides the position of Member of the Audit Board of Ibersol SGPS, SA., she performs functions in the following Companies outside Ibersol Group:

Chairman of the Audit Board:

- Sonae, SGPS,SA
- SDSR - Sports Division SR,SA.

Member of the Audit Board:

-MCretail, SGPS, SA

- Sonaecom, SGPS, S.A.

Substitute Member – Dr. Joaquim Jorge Amorim Machado

Besides the position of Subsitute Member of the Audit Board of Ibersol SGPS, SA., he performs functions in the following Companies outside Ibersol Group:

Statutory Auditor/Sole Manager:

- Jorge Amorim & Susana Pereira, SROC, Lda.

Member of the Audit Board:

- OCP Portugal – Produtos Farmacêuticos, S.A.
- CPCdi – Companhia Portuguesa de Computadores Distribuição de Produtos Informáticos, S.A.
- Grupo Primor S.A.
- Soja de Portugal – Sociedade Gestora de Participações Sociais, S.A.
- The Fladgate Partnership – Vinhos, S.A.
- Fabrica de Conservas A Poveira, S.A.
- Rodi Industries, S.A.
- Verallia Portugal, S.A.

Single Statutory Auditor in several companies in different fields of activity.

BOARD OF THE GENERAL MEETING

President – Prof. Dr. José Rodrigues de Jesus

Functions performed in board of directors of other societies held by Ibersol Group

Besides the position of President of the General Meeting Board of Ibersol SGPS, SA., he performs functions in the following Companies outside Ibersol Group:

He currently participates, without exercising the statutory audit of accounts, in the fiscal councils:

- Labesfal – Laboratórios Aliro, S.A
- LMcapital Wealth Management, Empresa de Investimento S.A.

Single Statutory Auditor/ Statutory Auditor

- Calfor – Indústrias Metálicas, S.A.
- Edemi Gardens – Promoção Imobiliária, S.A.
- Arsopi – Holding, Sociedade Gestora de Participações Sociais, S.A
- Camilo dos Santos Mota, S.A.
- Oliveira Dias, S.A.
- AGA – Álcool e Genéricos Alimentares, S.A.
- Arsopi-Thermal Equipmentos Térmicos, S.A.
- TECNOCON – Tecnologia e Sistemas de Controle, S.A.

- SAR – Sociedade de Participações Financeiras, S.A.
- SARCOL – Gestão de Investimentos Imobiliários, S.A.
- Domusnis – Sociedade Imobiliária, S.A.
- Tertúlia Aclamada, S.A.
- Arsopi – Indústrias Metalúrgicas Arlindo S. Pinho, Lda
- Arlindo Soares de Pinho, Lda

Vice-president – Dr. Eduardo Moutinho Ferreira Santos

He does not perform any other positions in other Companies besides the position of Vice-President of the General Meeting Board of Ibersol SGPS, SA.

Secretary – Dr.ª Clara Maria Azevedo Rodrigues Gomes

Besides the position of Secretary of the General Meeting Board of Ibersol SGPS, SA, she performs functions in the following Companies outside Ibersol Group:

Member of the Board of Directors:

Machado Gomes – Sociedade Imobiliária SA

Member of of the Supervisory Board:

-Universo IME SA

Oporto, 29th April 2024.

ANNEX A

INTERNAL PROCEDURE REGARDING TRANSACTIONS WITH RELATED PARTIES

1. FRAMEWORK

Ibersol, SGPS SA, a publicly listed company ("Company") has approved and has in practice, since 2010, a specific procedure in relation to transactions with related parties, approved by the Board of Directors and the Statutory Audit Committee, which aim to materialize the objectives now pursued by Law 50/2020, which, as of August 26, made the conditions for the control and disclosure of these transactions mandatory, without prejudice to the autonomy of the tax law provisions on transfer pricing.
The procedure instituted at Ibersol aims to ensure that transactions with related parties are carried out:

1) - within the scope of its current activity and under market conditions, in compliance with legal requirements, being disclosed in a transparent manner and,

2) - in order to guarantee the protection of minority shareholders, being transactions of which benefit all shareholders in a balanced and equitable manner.

2. PURPOSE AND SCOPE OF THIS PROCEDURE

2.1 The internal procedures applicable to Transactions with Related Parties are established, under the terms of the applicable legislation of Articles 249-A to 249-D of the Securities Code and Article 397 of the Commercial Companies Code, the IAS 24 relevant forecasts in this regard, and Chapter I.5 of the IPCG 2020 Corporate Governance Code.

2.2. Typology of transactions in this scope:

* a) Transactions to be carried out between Ibersol, SGPS S.A. ("**Company"**) on one hand, and a Related Party of the Company (**Related Party**) on the other;

* b) Transactions to be carried out between a Related Party of the Company and a Subsidiary [2] of the Company for an amount equal to or greater than 2.5% of the Consolidated Asset of the Company ("**Subsidiary Transactions**").

2.3. Transactions carried out between a member of the Board of Directors (including members of the Executive Committee) and the Company or companies that are in a controlling or group relationship with the Company ("**Transactions with Directors**") shall be considered as Relationships with Related Parties or Affiliate Transactions, as the case may be.

3. GENERAL PRINCIPLES

3.1. Corporate interest, balance, and equity

A) Each member of the Board of Directors must ensure that **Related Party Transactions** comply with the following requirements:

a) They are carried out considering the best interests of the Company in the scope of its current activity, and

b) They are carried out under normal market conditions, that is, fulfilling an objective consideration that the parties involved in the transaction act there as independent entities, carrying out transactions comparable and consistent with market conditions in order to ensure the protection of the interests of shareholders.

B) The member of the Board of Directors or of the Executive Committee who is in a situation of conflict of interests must not interfere by any means in the decision-making process regarding any Transaction with Related Party, without prejudice to the duty to provide all information that the members of this body request it.

3.2. Transparency

Each one of the members of the Board of Directors must, when applicable under the terms of this Procedure:

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2. The term "**Related Party"** has the meaning established in paragraph 9 of IAS 24 - according to Annex I which contains a list that summarizes the criteria here relevant for the identification of related parties.
"**Subsidiary**" means an entity over which the Company has a dominant influence under the terms of Article 21 of the Portuguese Securities Code.
3. "**Consolidated Company Assets**" means the value of the Company's assets in accordance with the most recent audited consolidated accounts, as publicly disclosed.
* the value of 2.5% applies in both cases.

a) Promote that Transactions with Related Parties and, when reasonable and insofar as they may exert influence, the Transactions of Affiliates, are duly documented and, when applicable, disclosed under the terms established in this Procedure;
b) Keep the Board of Directors informed of any Transactions with Related Parties or Transactions of Affiliates that they are aware of.

3.3. Current Activity

The Board of Directors or the Executive Committee, should promote that Related Party Transactions and Affiliate Transactions comply with the following conditions:

a)They are carried out within the scope of the current activity of the Company (considering that the Company is a Management Company of Social Participations, subject to the legal regime of Law Decree no. 495/88 of 30 December) or the respective Subsidiary; and

b) Are concluded under normal market conditions (not subject to any special terms and conditions, atypical or that are not normal and current practice in the market) and, with respect to Transactions with Directors, that no special benefits are granted to the director contracting party.

Transactions that comply with the requirements of these subparagraphs a) and b) should, for the purposes of this Procedure, be considered "**Current Activity Transactions".**

3.4. Failure to grant credit to members of the Board of Directors
The Company is prohibited from entering into, and the Board of Directors, or the Executive Committee is also prohibited from approving or entering into any Transactions with Directors in which the Company (or a company that is in a controlling or group relationship with the Company) directly or indirectly grant loans or credit to any member of the Board of Directors (including the members of the Executive Committee) or provide guarantees for obligations contracted by them, and it is also prohibited to provide advances of remuneration exceeding one month.

4. INTERNAL REGISTRATION AND REVIEW BY THE FISCAL COUNCIL
4.1. All Related Party Transactions must be notified to the Statutory Audit Committee by the Board of Directors, and the Board of Directors must ensure that the Company Secretary keeps a record of all transactions together with all relevant supporting documentation.

4.2. The Board of Directors, or the Executive Committee, must send to the Statutory Audit Committee, at least on a semi-annual basis, a list of Transactions with Related Parties that have been carried out since the last communication, together with supporting documentation and information, namely the elements referred to in points 7.2 a) to d) - this Procedure should start counting from the entry into force of Law 50/2020, of 25 August.

4.3. After receiving the elements referred to in point 4.2, the Audit Committee shall review all documentation and verify that the referred Transactions with Related Parties are Current Activity Transactions, and the conclusions of this review should be included in its annual report and presented to the Board of Directors.

4.4. The Audit Committee may request from the Board of Directors or the Executive Committee all information it deems relevant in relation to each Transaction carried out with a Related Party and may also issue the recommendations it deems necessary.

5. CURRENT ACTIVITY TRANSACTIONS AND EXEMPTED TRANSACTIONS

5.1. The following transactions shall be considered as Current Activity Transactions and, as such and to the extent applicable, subject only to the forecasts regarding internal registration and review by the Audit Committee under the terms of point 4 above - the following transactions:

a) Transactions with Related Parties whose respective terms and conditions (including price) are in accordance with the Company's usual transactions and are determined by external factors not controlled by the Company (for example, transactions carried out in a regulated market in line with market prices in force);

b) All Related Party Transactions and Affiliate Transactions entered into with credit institutions or financial institutions, provided that these transactions are in line with the Company's usual transactions and with the terms and conditions of previous transactions carried out with the same parties (for example, renewals or extensions of existing credit lines) or those whose terms and conditions are no less favorable to the Company (or to the Subsidiary) than the conditions offered by entities that are not Related Parties;

c) Transactions with Related Parties carried out by the Company in respect of conditions and / or prices previously established and applicable to any counterparty.

5.2. The process and requirements for disclosure set out in points 6.1. and 7.1 below are not applicable with respect to the following transactions (“Exempt Transactions”):

a) Transactions carried out between the Company and its Affiliates provided that they are in a controlling relationship with the Company [4] and no Party Related to the Company has an interest in that Affiliate;
b) Transactions related to the remuneration of the members of the Board of Directors, or to certain elements of that remuneration; and
c) Transactions proposed to all shareholders of the Company in the same terms in which the equal treatment of all shareholders and the protection of the interests of the Company are ensured.

6. TRANSACTIONS CARRIED OUT BETWEEN THE COMPANY AND ITS RELATED PARTIES

6.1. All transactions that are not excluded or exempted in accordance with point 5 above and that the Company plans to carry out with one or more Related Parties must be previously reviewed by the Administrative Department, which must send to the competent body for approval of the transaction, a report where:
a) the estimated value of the transaction is indicated, as well as whether the Related Party has carried out other Transactions with the Company in the last 12 months that have not been publicly disclosed under the terms of this Procedure, indicating the value of these Transactions;
b) it is stated and substantiated that the transaction in question is a Current Activity Transaction; and,
c) it is confirmed that the Company's Administrative Department has been informed of the potential transaction for the purpose of complying with the transfer pricing requirements, if applicable.

6.2. The Board of Directors (or the Executive Committee if within the scope of its delegated powers) - can approve a Transaction with Related Parties if: (i) the report issued by the Administrative Department of the Company confirms that the Transaction in question is a Current Activity Transaction and (ii) the value of the transaction is less than 2.5% of the Company's consolidated assets, here being considered all Transactions with the same Related Party entered into during any 12-month period or during the same year, and which have not been subject to the public disclosure obligations foreseen under the terms of this Procedure in Point 7 below;

[4] Entities that are co-controlled by the company are not included in this exclusion

6.3. If the Board of Directors (or Executive Committee) approves the Transaction with the Related Party pursuant to point 6.2. above, it must immediately inform the Audit Committee of this resolution, pursuant to points 4.1. and 4.2. supra;

6.4. The prior opinion of the Audit Committee to be issued within a period not exceeding 10 working days, which may be greater or lesser, depending on the complexity of the analysis and / or the urgency that may prove relevant - followed by a decision by the Board of Directors, will be necessary for approval of Related Party Transactions included or exempted under Point 5 above, that:

a) They are not Current Activity Transactions; or

b) Are equal to or exceed 2.5% of the Company's consolidated assets.[5]

6.5. Related Parties or their representatives may not be involved in the process of approving Related Party Transactions to which they are an interested party.

7. PUBLIC DISCLOSURE OF RELATED PARTY TRANSACTIONS

7.1. The Board of Directors must ensure that the Company publicly discloses, at the latest until the moment when they are carried out, all Transactions with Related Parties that: (i) are not Current Activity Transactions and (ii) are carried out for an amount (isolated or in conjunction with other Transactions carried out with the same Related Party in the previous 12 months and which have not been publicly disclosed under the terms of this Procedure) - equal to or greater than 2.5% of the Company's Consolidated Assets.

7.2. The public disclosure mentioned in point 7.1, must contain at least the following elements:

a) Identification of the Related Party;

b) Information on the nature of the relationship with the Related Party;

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5. If applicable, this amount must be aggregated with that of other transactions carried out between the same Related Party and the Company in the last 12 months that have not been publicly disclosed pursuant to paragraph 7.1.

c) The date and amount of the Transaction with the Related Party;

d) The reasons for the balanced, normal, and reasonable nature of the transaction, from the point of view of the Company and the shareholders who are not Related Parties, including minority shareholders; and

e) Reference to the fact that the opinion of the Audit Committee regarding the Transaction with the Related Party is unfavorable, if applicable.

7.3. The Board of Directors must specify, in its annual report, the authorizations granted by the Board of Directors under the terms of article 397 of the Portuguese Companies Code, and the Supervisory Board must mention in its report the opinions given on these authorizations.

7.4. The public disclosure duties imposed by this Procedure apply without prejudice to the rules on the disclosure of inside information referred to in Article 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council, of 16 April 2014.

8. TRANSACTIONS OF PARTICIPATES WITH RELATED PARTIES

8.1. The Board of Directors of the Company (or the Executive Committee) shall send to the Board of Directors of the Subsidiaries an updated list of the Related Parties with the Company and shall give instructions to each of these Subsidiaries to notify the Board of Directors of the Company whenever any of these Affiliates intend to carry out a transaction with a Related Party of the Company that: (i) has an amount equal to or greater than 2.5% of the Consolidated Assets of the Company (considering all the Affiliate Transactions carried out with the same Related Party in the last 12 months that have not been publicly disclosed in accordance with paragraph 7. above) and (ii) are not exempt under paragraph 5. above.

Such notification must include:

a) All the elements mentioned in point 7.2. supra;

b) Reference to the fact that the transaction is a Current Activity Transaction and its basis, and

c) Copy of all relevant documents related to the transaction.

8.2. If the Subsidiary's Transaction referred to in point 8.1 is not a Current Activity Transaction, it must be publicly disclosed by the Company, latest at the time it is carried out, pursuant to points 7.1 and 7.2 above.

9. IDENTIFICATION OF RELATED PARTIES, SUBSIDIARIES OF THE SOCIETY AND KEY MANAGEMENT STAFF

9.1. The Administrative Department of the Company, articulating with the other Financial Departments / Development Department / Legal Labor Relations Department of the Company must keep the following lists (“Lists”) permanently updated:

a) Key Management Personnel [6];
b) Subsidiaries of the Company; and
c) Parties Related to the Company.

9.2. The Lists must be available for consultation by the Board of Directors, the Executive Committee and the Statutory Audit Committee for the proper fulfillment of their duties arising from this Procedure.

10. REPORTING TRANSACTIONS WITH RELATED PARTIES

The procedure to be followed by the Board of Directors in relation to transactions with related parties will be resulting from the Internal Policy in relation to Transactions with Related Parties, approved by the Board of Directors, with a prior binding opinion of the Statutory audit Committee - and in compliance with articles 249.º-A to 249º- D of the Securities Code.

11. FINAL FORECASTS

11.1 The Board of Directors approved this Procedure, with a prior favorable and binding opinion from the Statutory Audit Committee.

11.2 Any changes to this Procedure must be approved by the Board of Directors with a prior favorable and binding opinion from the Statutory Audit Committee.

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6 “Key Management Personnel” means any individuals who have, directly or indirectly, authority or responsibility for the planning, direction and control of the Company's activities, including any director (executive or non-executive) of the entity in question.

11.3 This Procedure will be disclosed in the Corporate Governance Annual Report and made public through any other legally permissible means.

ATTACHMENT: Attachment I - Related Parties in accordance with IAS 24;

ANNEX I

RELATED PARTIES ACCORDING TO IAS 24

The list below includes a summary of the individual and collective legal persons considered Related Persons for the purposes of point 9 of IAS 24, as legislated by Commission Regulation (EC) No. 1126/2008 of November 3, 2008 in its current wording.

A. Individuals

i. Person holding Control or Joint Control of the Company;

ii. Person who has a Significant Influence on the Society;

iii. Person who is part of the Key Personnel of the Management of the Company or its holding company;

iv. Any Intimate Family Members of any of the persons identified in the points i. iii. above.

B. Collective Entities

i. Entities that belong to the same group as the Company;

ii. Entity that is an Associate of the Company (or Associate of any of the entities that belong to the same group as the Company) or that the Company is an Associate (or Associate of an entity that belongs to the same group as that Entity);

iii. Entities that are a joint venture of the Company (or a joint venture of an entity that is a member of the group to which the Company belongs) or the Company is a joint venture of an Entity (or joint venture of a group member to which this Entity belongs);

iv. Entities that are a joint venture of the same third party;

v. Entities that are a joint venture of a third party of which the Company is an Associate (or, if the Company is a joint venture of a third party, the Associated entity of that third party);

vi. The entity that is a post-employment benefit plan for the benefit of the Company's employees, or any entity that is a related party to the Company;

vii. Entities controlled or co-controlled by any of the natural persons mentioned in point A. above.

viii. Entities over which a person (or any close member of his family), who has Control or Joint Control of the Company, has a Significant Influence or is considered Key Management Personnel of that entity (or the parent company of that entity);

ix. Entity, or any member of the group of which it is a part, that provides Key Management Personnel services to the Company or its holding company.

C. Glossary

a) Associate: means an entity, including entities without legal personality such as partnerships, over which the person in question has significant influence, and which is neither a Subsidiary nor a joint venture;

b) Intimate Family Member: in relation to an individual, it refers to family members who are expected to influence, or be influenced by, that individual in their dealings with the Society, which may include:
i. The spouse or person with a similar affective relationship and the individual's children;
ii. Children of the spouse or similar person with an affectionate relationship; and
iii. Dependents of the individual, spouse, or person with a similar affective relationship.

c) Control: has the meaning determined by IFRS 10 **-** in general terms, one entity controls another when it has power over that entity that gives it the ability to manage the activities to which it is exposed, or when it has rights in relation to variable results through its relationship with that entity and has the capacity to affect those results through the power it exercises over the investee.

d) Joint Control: is the sharing of control, contractually agreed, of an economic activity that exists only when strategic decisions related to the activity require the unanimous consent of the parties that share control;

e) Significant Influence: it is the power to participate in the decisions of the financial and operational policies of a specific entity, but which does not confer control over those policies. Significant influence can be obtained through ownership of shares, by-laws, or agreement.

Consolidated Financial Statements

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

31 December 2023

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Consolidated Statement of Income and Other Comprehensive Income

For the years ended 31 December 2023 and 2022

	Notes	Years ended on December 31st 2023	2022
Sales	4.1.	414 624 839	352 601 385
Rendered services	4.1.	3 559 587	2 995 184
Cost of sales	5.1.1.	-100 190 238	-87 767 965
External supplies and services	4.3.1.	-121 872 018	-107 012 426
Payrolll costs	4.3.2.	-127 345 166	-105 451 807
Amortisation, depreciation and impairment losses of TFA, Rights of Use, Goodwill and IA	6.1. a 6.5.	-50 734 875	-39 061 832
Other operating gains (losses)	4.3.3.	4 908 081	5 815 149
Operating Income		22 950 210	22 117 688
Financial expenses and losses	8.7.	-14 331 038	-9 275 566
Financial income and gains	8.7.	4 523 905	1 610 283
Gains (losses) in associated and joint controlled sub. - Equity method	6.6.	239 078	100 603
Profit before tax from continuing operations		**13 382 155**	**14 553 008**
Income tax	9.1.1.	1 226 065	2 141 726
Net profit from continuing operations		**14 608 220**	**16 694 734**
Discontinued operation			
Profit (loss) from discontinued operations, net of tax	6.7.	805 466	143 178 459
TOTAL COMPREHENSIVE INCOME		**15 413 686**	**159 873 193**
Another integral result			
Net exchange differences		-11 406 222	1 242 981
CONSOLIDATED COMPREHENSIVE INCOME		**4 007 464**	**161 116 174**
Consolidated net profit attributable to:			
Shareholders of parent company			
Continued operations		14 731 980	16 696 690
Discontinued operations		805 466	143 178 459
Non-controlling interests	8.1.4.		
Continuing operations		-123 760	-1 956
Discontinued Operations		0	0
		15 413 686	159 873 193
Consolidated comprehensive income attributable to:			
Shareholders of parent company			
Continued operations		3 325 758	17 939 671
Discontinued operations		805 466	143 178 459
Non-controlling interests	8.1.4.		
Continuing operations		-123 760	-1 956
Discontinued Operations		0	0
		4 007 464	161 116 174
Earnings per share:	8.1.6.		
Basic			
Continuing Operations		**0,35**	**0,39**
Discontinued Operations		**0,02**	**3,38**
Diluted			
Continued operations		**0,35**	**0,39**
Discontinued Operations		**0,02**	**3,38**

Porto, 29th April 2024

The Board of Directors,

Consolidated Statement of Financial Position

At 31 December 2023 and 2022

ASSETS	Notes	31/12/2023	31/12/2022
Non-current			
Goodwill	6.1.	54 391 775	54 391 775
Intangible Assets	6.2.	26 504 932	26 862 783
Property, plant and equipment	6.3.	130 710 349	130 540 302
Assets under rights of use	6.4.	218 816 592	89 927 682
Investment property	6.8.	12 839 749	8 470 400
Investments in Associates and Joint Ventures	6.6.	6 323 998	3 087 921
Debt instruments at amortised cost	8.4.	585 250	2 477 133
Non-current Receivables	5.2.	9 149 041	14 727 489
Deferred Tax Assets	9.2.1.	12 236 647	9 989 258
Total non-current assets		**471 558 333**	**340 474 744**
Current Assets			
Inventories	5.1.	13 185 289	13 084 136
Income tax recoverable	9.1.2.	3 550 462	109 587
Debt instruments at amortised cost	8.4.	995 489	591 725
Current receivables	5.2.	28 678 238	55 820 271
Cash and bank deposits	8.5.	188 538 842	237 132 629
Total current assets		**234 948 320**	**306 738 348**
Group of assets classified as held for sale	6.7.	5 876 692	5 428 897
Total Assets		**712 383 344**	**652 641 989**
EQUITY			
Share capital			
Share capital	8.1.1.	42 359 577	46 000 000
Own shares	8.1.2.	-3 244 008	-11 410 227
Share premium	8.1.1.	29 900 789	29 900 789
Currency translation reserve	8.1.3.	-21 494 673	-10 088 451
Legal reserve	8.1.3.	4 236 428	1 976 081
Retained earnings and other reserves	8.1.3.	287 597 084	167 521 938
Net profit for the year	8.1.3.	15 537 446	159 875 149
Equity attributable to shareholders of Ibersol		**354 892 643**	**383 775 279**
Non-controlling Interests	8.1.4.	31 446	-81 719
Total Equity		**354 924 089**	**383 693 560**
LIABILITIES			
Non-current liabilities			
Borrowings	8.2.	12 663 527	46 234 860
Lease liabilities	8.3.	188 846 002	70 113 338
Deferred tax liabilities	9.2.2.	2 769 902	4 303 563
Other provisions	10.1.	2 542 118	2 530 869
Non-current payables	5.3.	3 704	43 149
Total non-current liabilities		**206 825 253**	**123 225 779**
Current Liabilities			
Borrowings	8.2.	15 790 517	23 847 026
Lease liabilities	8.3.	40 161 966	20 760 371
Current payables	5.3.	92 691 914	98 821 242
Income tax payable	9.1.2.	156 520	413 865
Total current liabilities		**148 800 917**	**143 842 504**
Liabilities directly associated with the group of assets classified as held for sale	6.7.	1 833 086	1 880 146
Total Liabilities		**357 459 256**	**268 948 429**
Total Equity and Liabilities		**712 383 344**	**652 641 989**

Porto, 29th April 2024

The Board of Directors,

Consolidated Statement of Cash Flows

For the years ended 31 December 2023 and 2022

	Note	2023	2022
Cash Flows from Operating Activities			
Receipts from clients		438 914 311	522 059 661
Payments to supliers		-237 472 951	-274 899 298
Staff payments		-103 386 805	-115 328 597
Flows generated by operations		98 054 555	131 831 767
Payments/receipt of income tax		-4 145 246	-2 514 504
Other paym./receipts related with operating activities		-20 802 426	-16 895 137
Flows from operating activities (1)		**73 106 883**	**112 422 126**
Cash Flows from Investment Activities			
Receipts from:			
Disposal of discontinued operations net of cash and cash equivalents	6.7.	25 971 698	193 822 251
Financial investments	5.2.	206 399	354 815
Tangible fixed assets		19 856	3 684
Interest received		4 427 787	1 693 147
Other financial assets	8.4.	423 573	1 429 154
Payments for:			
Financial investments	6.6. e 5.2.	-3 099 423	-818 120
Other financial assets	8.4.	-	-2 264 442
Tangible fixed assets		-30 569 098	-39 593 542
Intangible assests		-3 586 599	-3 682 205
Flows from investment activities (2)		**-6 205 807**	**150 944 741**
Cash flows from financing activities			
Receipts from:			
Loans obtained	8.2.	-	3 000 000
Payments for:			
Loans obtained	8.2.	-42 445 598	-83 427 754
Rental debt	8.3.	-22 691 767	-24 317 016
Interest from loans and similar costs		-4 279 351	-5 067 915
Interest from lease contracts	8.3	-10 113 570	-8 082 545
Dividends paid	8.1.5.	-29 651 704	-5 724 003
Acquisition of own shares	8.1.2.	-3 244 008	-229 711
Flows from financing activities (3)		**-112 425 998**	**-123 848 944**
Change in cash & cash equivalents (4)=(1)+(2)+(3)		**-45 524 922**	**139 517 923**
Effects of exchange rate differences		-3 068 865	422 816
Effect of variation in perimeter	6.7.	-	223 887
Cash & cash equivalents at the start of the period		237 132 629	96 968 003
Cash & cash equivalents at end of the period	8.6.	**188 538 842**	**237 132 629**

Porto, 29th April 2024

The Board of Directors,

Consolidated Statement of Changes in Equity

For the years ended 31 December 2023 and 2022

	Note	Attributable to equity holders								Non-controlling interests	Total Equity
		Share Capital	Own Shares	Share Premium	Legal Reserves	Translation Reserve	Other Reserves & Retained Earnings	Net Profit	Total		
Balance as at 1 January 2022		46 000 000	-11 180 516	29 900 789	1 751 081	-11 331 432	142 053 271	31 379 907	228 573 100	90 482	228 663 582
Changes for the period:											
Application of the 2021 consolidated result:											
Transfer to reserves and retained earnings					225 000		31 154 907	-31 379 907	0		0
Liquidation of subsidiaries									0	-170 245	-170 245
Conversion reserves - Angola						1 242 981			1 242 981		1 242 981
Purchase of own shares	8.1.2.		-229 711						-229 711		-229 711
Others							37 762		37 762		37 762
Consolidated net profit for the year ended 31 December 2022								159 875 149	159 875 149	-1 956	159 873 193
Total changes for the period		0	-229 711	0	225 000	1 242 981	31 192 669	128 495 242	160 926 181	-172 201	160 753 980
Consolidated net profit								**159 875 149**	**159 875 149**	**-1 956**	159 873 193
Consolidated comprehensive income									161 118 130	-1 956	161 116 174
Transactions with equity holders in the period											
Appropriation of consolidated net profit for 2021											
Dividends distributed	8.1.5.						-5 724 002		-5 724 002		-5 724 002
Balance on 31 December 2022		**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**
Balance as at 1 January 2023		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
Changes in the period:											
Application of consolidated result 2022:											
Transfer to reserves and retained earnings					2 260 347		157 614 802	-159 875 149	0		0
Capital decrease	8.1.1.	-3 640 423	11 410 227				-7 769 804		0		0
Purchase of own shares	8.1.2.		-3 244 008						-3 244 008		-3 244 008
Conversion reserves - Angola						-11 406 222			-11 406 222		-11 406 222
Other changes in non-controlling interests							-118 148		-118 148	236 925	118 777
Consolidated profit for the year ended 31 December 2023								15 537 446	15 537 446	-123 760	15 413 686
Total changes for the period		-3 640 423	8 166 219	0	2 260 347	-11 406 222	149 726 850	-144 337 703	769 068	113 165	882 233
Consolidated net profit								**15 537 446**	**15 537 446**	**-123 760**	15 413 686
Consolidated comprehensive income									4 131 224	-123 760	4 007 464
Transactions with equity holders in the period											
Appropriation of consolidated net profit for 2022											
Dividends distributed	8.1.5.						-29 651 704		-29 651 704		-29 651 704
Balance on 31 December 2023		**42 359 577**	**-3 244 008**	**29 900 789**	**4 236 428**	**-21 494 673**	**287 597 084**	**15 537 446**	**354 892 643**	**31 446**	**354 924 089**

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 503 units in the restaurant segment through the brands Pizza Hut, Pasta Caffé, Pans & Company, Ribs, FrescCo, 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 443 units which it operates and 59 units under a franchise contract. Of this universe, 314 are based in Portugal, of which 313 are owned and 1 franchised, and 177 are based in Spain, spread over 120 own establishments and 57 franchisees, and 10 in Angola and 1 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, nº 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 31 December 2023 and 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	
		Dec/23	Dec/22
Subsidiary companies			
Iberusa Hotelaria e Restauração, S.A.	Porto	100%	100%
Ibersol Restauração, S.A.	Porto	100%	100%
Ibersande Restauração, S.A.	Porto	100%	100%
Ibersol Madeira e Açores Restauração, S.A.	Funchal	100%	100%
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 Alcala, S.L	Vigo - Espanha	100%	100%
Volrest Alfafar, S.L.	Vigo - Espanha	100%	100%
Volrest Rivas, S.L.	Vigo - Espanha	100%	100%
Voesmu Restauracion, SL	Vigo - Espanha	100%	100%
Food Orchestrator, S.A.	Braga	84%	84%
Eat Tasty, S.L.	Madrid	84%	84%
Iberespana Central de Compras, A.I.E.	Vigo - Espanha	100%	100%
Belsai Restauração, S.A.	Porto	100%	-

The Ibersol group does not have any branches.

1.2. Ibersol Group's joint ventures and associates

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

Company	Head Office	% Shareholding	
		Dec/23	Dec/22
Associated companies			
Ziaicos - Serviços e gestão, Lda	Porto	40%	40%
Medfood Invest S.L.	Alicante - Espanha	40%	-
Companies controlled jointly			
UQ Consult - Serviços de Apoio à Gestão, S.A.	Porto	50%	50%

1.3. Changes in the consolidation perimeter

Acquisition of new companies
In the year ended 31 December 2023 the associated Medfood was acquired, by subscription of 40% of its share capital.

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

Disposals
In the year ended 31 December 2023, there were no disposals of companies.

In 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
On 1 November 2023, a subsidiary, Belsai Restauração, S.A., was created to operate 6 of the group's service areas and 4 concessions. The assets resulted from the spin-off of the companies Iberusa and Maestro

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

Burger King Restaurant Purchase Agreement

Following the sale of the Burger King operation 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" in terms of financial information reporting.

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 29 April 2024.

The shareholders have the right not to approve the accounts authorized for issue by the Board of Directors and to propose their amendment.

2.1.2. Accounting standards

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and with the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or by the previous Standards Interpretation Committee (SIC), as adopted and effective in the European Union on 1 January 2023. In the case of Group companies using different accounting standards, conversion adjustments were made to the IFRS.

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.

2.1.5. Consolidation Bases

2.1.5.1. Subsidiaries

Under IFRS10 - Consolidated Financial Statements, investments in companies in which the Group is exposed, or has rights, to variable returns from its involvement in those companies and has the ability to influence those returns through its power over those companies (definition of control used by the Group), were included in these consolidated financial statements using the full consolidation method. The equity and net income of these companies, corresponding to third party participation in them, are presented separately in the consolidated statement of financial position and statement of comprehensive income, under the heading non-controlling interests. The companies included in the financial statements are listed in Note 1.1.

The assets and liabilities of each Group company are identified at their fair value at the acquisition date as prescribed by IFRS 3. Any excess of cost over the fair value of the net assets and liabilities acquired is recognized as goodwill. If the difference between the acquisition cost and the fair value of the net assets and liabilities acquired is negative, it is recognized as income for the year.

Transaction costs directly attributable to business combinations are immediately recognized in profit or loss.

Non-controlling interests include the third parties' proportion of the fair value of the identifiable assets and liabilities at the date of acquisition of the subsidiaries.

Subsequent transactions of disposal or acquisition of interests to non-controlling interests, which do not imply a change in control, do not result in the recognition of gains, losses or goodwill, being any difference between the transaction value and the book value of the traded interest, recognized in equity, in other equity instruments.

Balances and gains arising from transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction reveals evidence of impairment of a transferred asset. The accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

2.1.5.2. Associates and joint ventures

The Group's interests in entities in which it exercises control jointly with other partners, i.e. entities in which control means that decisions have to be taken unanimously between the parties sharing control, are recognized, by applying IFRS 11, from the date on which joint control is acquired. The Group includes its share of the assets and liabilities in a line in the Consolidated Statement of Financial Position and the expenses and income of the joint venture in a line in the Consolidated Statement of Profit and Loss and Other Comprehensive Income. Balances and transactions between Group companies and entities where the Group exercises control jointly with other partners are not eliminated in proportion to the control attributable to the Group.

Financial investments in associated companies are investments in which Ibersol exercises significant influence, but in which it does not have control or joint control. Significant influence, presumed when the voting rights are equal to or greater than 20%, means the power to participate in the entity's policy decisions, without, however, exercising control or joint control.

The existence of significant influence by the Group is normally demonstrated in one or more of the following ways:

- - Representation on the Executive Board of Directors or equivalent governing body;
- - Participation in policy-making processes, including participation in decisions about dividends or other distributions;
- - Existence of material transactions between the Group and the investee;
- - Exchange of management personnel; and
- - Providing essential technical information.

The entities in which the group exercises control jointly with other partners or in which it exercises significant influence are detailed in note 1.2.

2.1.5.3. Business activities concentration

Under IFRS 3 ("Business Combination"), in a business combination, the acquirer must recognize and measure in the consolidated financial statements the assets acquired and liabilities assumed at fair value on the acquisition date. The difference between the acquisition price and the fair value of the assets and liabilities acquired gives rise to the recognition of goodwill or a gain resulting from a bargain purchase.

The fair value of the assets acquired and liabilities assumed is determined internally or through independent external valuers, using the discounted cash flow method, replacement cost or other fair value determination techniques, which are based on the use of assumptions including macroeconomic indicators, such as inflation rates, interest rates, exchange rates, discount rates, energy sales and purchase prices, cost of raw materials, production estimates and business projections. The determination of fair values and, consequently, of goodwill or gains resulting from low-price purchases is subject to various assumptions and judgments, so changes could result in different impacts on results.

Under the terms defined by IFRS 3 - Business Combinations, if the initial purchase price of the assets and liabilities acquired ("Purchase price allocations") is identified as provisional, the acquiring entity must, in the 12-month period following the business combination, allocate the purchase price to the fair values of the assets and liabilities acquired. These adjustments with an impact on the amounts of goodwill previously recorded determine the restatement of comparative information, with the respective effect being reflected in the headings of the statement of financial position, with reference to the date on which the business combination took place.

When recording concentration transactions involving entities under the Group's control, assets and liabilities are valued at their book value, with no impact on results being calculated.

2.1.6. Presentation currency and transactions in foreign currency

2.1.6.1. 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 31 December 2023 and 2022 were respectively:

Dec/23

Euro exchange rates (x foreign currency per 1 Euro)	Rate on December, 31 2023	Average interest rate year 2023
Kwanza de Angola (AOA)	931,099	746,269

Dec/22

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

2.1.6.2. Foreign currency transactions

Exchange differences arising on the settlement of monetary items or on the translation of monetary items at rates different from those at which they were translated on initial recognition or in previous financial statements are recognized in profit or loss for the year, unless they arise on monetary items that form part of the net investment in a foreign operation. In this case, exchange differences are initially recognized in other comprehensive income and are reclassified from equity to consolidated net income for the year on the disposal of all or part of that operation.

Exchange differences related to financing (financial) transactions are recorded as finance costs or income. Exchange differences related to operating activities are recorded under "Other operating income / (expenses)".

Assets and liabilities in the financial statements of foreign entities are translated into euros using the exchange rates at the balance sheet date and costs and income as well as cash flows are translated into euros using the average exchange rate for the period. The resulting exchange difference is recorded in the equity caption "Translation reserve".

Goodwill and fair value adjustments arising from the acquisition of foreign entities are treated as assets and liabilities of that entity and translated to Euro at the balance sheet date exchange rate.

Whenever a foreign entity is sold, the accumulated exchange rate difference is recognized in the income statement as a gain or loss on the disposal.

2.2. New standards, amendment and interpretation

Standards	Change	Date of application
Standards and amendments endorsed by the European Union and mandatory for financial years beginning on or after 1 January 2023		
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies	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. The key amendments to IAS 1 include: i) requiring companies to disclose their material accounting policy information 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	1 January 2023

	relate to material transactions, other events or conditions are themselves material to a company's financial statements. 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".	
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	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. 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. 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. The amendments are effective for periods beginning on or after 1 January 2023 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.	1 January 2023
Amendments to IAS 12: deferred tax related to assets and liabilities arising from a single transaction	The IASB ('the Board') issued amendments to IAS 12 - 'Income Taxes', on 7 May 2021. 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. 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.	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.	1 January 2023
Amendments to IFRS 17 - Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information	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. The amendment does not affect any other requirements in IFRS 17. 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	1 January 2023

	applying IFRS 17 and IFRS 9 for the first time. The amendment helps insurers to avoid these temporary accounting mismatches and, therefore, improve the usefulness of comparative information for investors.	
Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules	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. The amendments introduce: - A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and - 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. - 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	1 January 2023

Standards	Change	Date of application
Standards and amendments endorsed by the European Union that the group opted out of early application		
Clarification requirements for classifying liabilities as current or non-current (amendments to IAS 1 – Presentation of Financial Statements	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. 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. The amendments aim to: a. specify that an entity's right to defer settlement must exist at the end of the reporting period and have substance; b. 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 c. 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). This amendment is effective for periods starting on 1 January 2024.	1 January 2024
Lease liability in a sale-and-leaseback (amendments to IFRS 16 – Leases)	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. The amendments confirm the following: - On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. - 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. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted.	1 January 2024

	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	

Standards	Change	Date of application
Standards and amendments not yet endorsed by the European Union		
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	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. 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. The new requirements supplement those already included in IFRS standards and include disclosures about: - Terms and conditions of supplier financing arrangements; - 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; - The ranges of due dates; and - Information on liquidity risk. The amendments are effective for annual periods beginning on or after 1 January 2024.	1 January 2024
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	On 15 August 2023, the International Accounting Standards Board (the IASB or Board) issued Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates) (the amendments). The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate. Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include: - the nature and financial impacts of the currency not being exchangeable; - the spot exchange rate used; - the estimation process; and - risks to the company because the currency is not exchangeable. The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.	1 January 2025

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.

2.3. Relevant accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances.

Estimates, assumptions and circumstances will, by definition, seldom match the actual results reported. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Relevant estimates and judgements	Notes
Recoverability of goodwill	6.1.
Recoverability of property, plant and equipment, intangible assets and righ	6.2. a 6.4.
Lease term and incremental finance charge	8.3.
Measurement of deferred tax assets	9.2.1.

The estimates and underlying assumptions were determined based on the best knowledge existing at the date of approval of the financial statements of the events and transactions in progress, as well as the experience of past and/or current events. However, situations may occur in subsequent periods that were not foreseeable at the date of approval of the financial statements and were not considered in these estimates.

Changes to the estimates that occur after the date of these consolidated financial statements, will be recognised in net income, in accordance with IAS 8, using a prospective methodology. For this reason and given the degree of uncertainty, the actual results of the transactions in question may differ from the corresponding estimates..

3. Operational Risk Management

3.1. Risks of the global context

The Ibersol Group pays special attention to the global geopolitical context, namely the war in Ukraine and the conflict in Gaza and adjoining territories, whose effects on the global economy (shortages of goods and energy, logistical disruptions, rising inflation) and on society have been significant and may yet worsen, making the entire global context more complex in the medium and long term, with changes to global food supply chains, which have consequences for operations and business profitability.

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

Accounting policies

Revenue is measured at the amount the entity expects to be entitled to receive under the contract with the customer.

Recognition

The revenue recognition model is based on five analytical steps, in order to determine when revenue should be recognized and the amount to recognize:
1) Identify the contract with the customer;
2) Identify the performance obligations;
3) Determine the transaction price;
4) Allocating the transaction price; and
5) Revenue recognition.

Revenue is recognized only when the performance obligation is satisfied, which depends on whether the performance obligations are satisfied over time or whether control over the good or service is transferred to the customer at a point in time.
Revenue is recognized as follows:

Sale
In Group’s sales of goods, there is only one performance obligation and therefore revenue is recognized immediately upon delivery of the goods to the customer. A performance obligation corresponds to a commitment to deliver goods or services to customers that are distinct from each other.

Contracts with customers in which a third entity is involved, namely at the level of deliverers (home delivery), the Group assesses its relationship between agent and principal, having concluded that, with respect to the performance obligation of delivery of goods, it acts as agent, since this performance obligation is of the respective aggregators, and with respect to the performance obligation of sale of goods, Ibersol acts as principal and the aggregators as agent, since it is Ibersol's responsibility for their production, confection, packaging and dispatch.

Services Rendered
Provision of services income is recognized in results with reference to the finishing stage of the transaction at the balance sheet date.

The services provided by the Group essentially relate to royalties charged to franchisees based on sales or use, whereby revenue is recognized when the sale occurs and the performance obligation to which the royalties were assigned is satisfied.

The revenue from contracts with customers is presented as follows:

	2023	2022
Catering sales	**414 292 532**	**515 883 700**
Restaurant sales	388 135 071	495 356 179
Event catering sales	18 847 402	14 707 102
Concession catering sales	7 310 059	5 820 419
Merchandise sales to franchisees	**11 465 520**	**14 715 432**
Total sales	**425 758 052**	**530 599 132**
Services Rendered	**3 559 587**	**3 065 770**
Franchise royalties	1 953 458	1 953 371
Rents from investment properties	638 684	52 800
Other	967 445	1 059 599
Turnover Continuing Operations	**429 317 639**	**533 664 902**
Turnover Discontinued Operations (note 6.7)	**11 133 213**	**178 068 333**
Turnover	**418 184 426**	**355 596 569**

In 2023 restaurant sales through Aggregator platforms amount to €39.4 million (€33.9 million in 2022).

4.2. Segment reporting

Accounting policies

The Group presents operating segments based on management information produced internally.

In accordance with IFRS 8, an operating segment is a component of the Group:
(i) that engages in business activities from which it may earn revenues and incur expenses;
(ii) whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about allocating resources to the segment and assess its performance; and
(iii) for which separate financial information is available.

The group operates in three major segments of activity:
Restaurants, which comprises the units with table service and home delivery restaurant offerings;
Counters, which comprises the units with over-the-counter sales;
Concessions and catering, which includes all the other businesses, namely the catering activity and the units located in concession areas.

The assets of the segments include mainly property, plant and equipment, intangible assets, inventories, accounts receivable and cash and cash equivalents. Deferred taxes, financial investments and derivatives held for trading or designated as loan hedges are excluded.

Segment liabilities are operating liabilities. They exclude items such as income taxes (current and deferred), loans and related hedging derivatives.

Unallocated assets and liabilities are not included in the measurement of segment assets and liabilities analyzed by the chief operating decision maker and are analyzed from a centralized group perspective.

Investments include additions to property, plant and equipment (Note 6.3.) and intangible assets (Note 6.2.).

Investments are allocated, in terms of segments, according to this type of business.

Thus, from the standpoint of segment reporting, in addition to the segments mentioned above, the Group classifies as "Other, eliminations and adjustments" the remainder of entities associated with holding companies, consolidation adjustments and elimination of movements between related parties.

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

SEGMENT		
Restaurantes	Counters	Concessions, Travel and Catering
Brands		
Pizza Hut Pasta Caffe Pizza Móvil FresCo Ribs Sta Maria	KFC Taco Bell Miit Pans & Co. Pans Café	SOL (AS) Concessões Catering Lojas Conveniência Travel Pret a Manger

INFORMATION BY BRAND (Turnover)

Turnover by brand (sub-segments) is broken down as follows:

Brand/Segment	2023	2022	Var %
Pizza Hut	83 599 501	79 835 834	4,7%
Pasta Caffe	820 920	810 173	1,3%
Pizza Móvil	4 760 308	4 637 826	2,6%
FrescCo	2 315 039	2 394 354	-3,3%
Ribs	20 793 237	20 424 303	1,8%
Santa Maria	20 349	27 240	-25,3%
Restaurants	**112 309 353**	**108 129 730**	**3,9%**
Burger King	3 863 554	171 622 888	-97,7%
Pans & Company	52 223 983	46 393 192	12,6%
KFC	78 120 125	60 975 895	28,1%
O'Kilo/Miit	492 545	646 537	-23,8%
Quiosques	2 135 446	1 919 458	11,3%
Taco Bell	14 582 645	11 029 450	32,2%
Counters	**151 418 298**	**292 587 419**	**-48,2%**
Travel (Airports and Service Areas)	142 768 287	112 112 871	27,3%
Catering	19 065 683	14 899 242	28,0%
Concessions, Travel and Catering	**161 833 970**	**127 012 113**	**27,4%**
Others	3 756 018	5 935 641	-36,7%
TOTAL Continuing operations	**429 317 639**	**533 664 902**	**-19,6%**
Discontinued Operations	11 133 213	178 068 333	-93,7%
TOTAL	**418 184 426**	**355 596 569**	**17,6%**

DETAILED INFORMATION REGARDING OPERATING SEGMENTS

	Restaurants		Counters		Concessions, Travel and Catering		Others, eliminations and adjustments		Total Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Turnover	**110 355 693**	**105 795 161**	**149 508 403**	**123 299 100**	**154 564 312**	**120 566 668**	**3 756 018**	**5 935 641**	**418 184 426**	**355 596 569**
Operating profit minus amortisation, deprec. and impairment losses	**19 579 742**	**20 348 526**	**29 274 346**	**22 350 714**	**24 339 141**	**17 739 216**	**491 857**	**741 064**	**73 685 086**	**61 179 520**
Amortisation, depreciation and impairment losses	-11 546 093	-12 172 604	-18 800 100	-18 806 766	-18 563 268	-8 069 538	-1 825 416	-12 924	-50 734 876	-39 061 832
Operating profit	**8 033 649**	**8 175 922**	**10 474 247**	**3 543 949**	**5 775 873**	**9 669 678**	**-1 333 558**	**728 140**	**22 950 210**	**22 117 688**
Financial profit (loss)									-9 807 133	-7 665 283
Other non-operating gains (losses)									239 078	100 603
Income tax for the period									1 226 065	2 141 726
Consolidated net profit									**14 608 221**	**16 694 734**

	Restaurants		Counters		Concessions, Travel and Catering		Others, eliminations and adjustments		Total Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Total allocated assets	93 930 218	91 896 930	180 202 936	183 447 497	205 551 943	83 279 920	13 268 083	7 153 239	492 953 180	365 777 586
Total allocated liabilities	52 618 654	54 157 982	85 070 978	111 840 362	187 186 759	26 414 682	1 202 399	1 736 089	326 078 790	194 149 115
Net investment in tangible and intangible fixed assets	4 875 281	5 220 395	21 731 259	35 792 269	3 668 776	1 754 182	1 989 552	991 240	32 264 867	43 758 085

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	**Dec/23**		**Dec/22**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Deferred Taxes	12 236 647	2 769 902	9 989 258	4 303 563
Income tax	3 550 462	156 520	109 587	413 865
Net Financing	188 538 842	28 454 044	237 132 629	70 081 886
BK sale receivable amount	6 803 122		32 974 762	
Non-current accounts receivable	396 355	-	501 388	-
Investments in associates and joint ventures	6 323 998	-	3 087 921	-
Debt instruments at amortised cost	1 580 739	-	3 068 858	-
Total	219 430 165	31 380 466	286 864 403	74 799 314

	Dec/23		**Dec/22**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Allocated by segment	492 953 179	326 078 790	365 777 585	194 149 115
Not allocated	219 430 165	31 380 466	286 864 403	74 799 314
Total Balance	712 383 344	357 459 256	652 641 989	268 948 429

INFORMATION BY GEOGRAPHY

As at 31 December 2023 and 2022 the breakdown of revenues and non-current assets by geography is as follows:

31 December 2022	Portugal	Angola	Espanha	Grupo
Turnover	**203 358 050**	**14 279 000**	**137 959 519**	**355 596 569**
Tangible and intangible fixed assets	115 476 055	15 220 590	26 706 441	157 403 085
Right-of-Use Assets	47 488 843	536 784	41 902 055	89 927 683
Investment property	8 470 400	-	-	8 470 400
Goodwill	6 604 503	130 714	47 656 558	54 391 775
Deferred tax assets	-	-	9 989 258	9 989 258
Investments in assoc. and joint ventures	3 087 921	-	-	3 087 921
Non-current accounts receivable	7 501 388	-	7 226 101	14 727 489
Debt instruments at amortised cost	-	2 477 133	-	2 477 133
Total non-current assets	**188 629 110**	**18 365 221**	**133 480 413**	**340 474 744**

31 December 2023	Portugal	Angola	Espanha	Grupo
Turnover	**236 071 823**	**11 956 281**	**170 156 322**	**418 184 426**
Tangible and intangible fixed assets	120 269 147	5 276 845	31 669 289	157 215 281
Right-of-Use Assets	51 058 215	447 997	167 310 380	218 816 592
Investment property	12 839 749	-	-	12 839 749
Goodwill	6 604 503	130 714	47 656 558	54 391 775
Deferred tax assets	-	-	12 236 647	12 236 647
Investments in assoc. and joint ventures	6 323 998	-	-	6 323 998
Non-current accounts receivable	396 355	-	8 752 686	9 149 041
Debt instruments at amortised cost	-	585 250	-	585 250
Total non-current assets	**197 491 967**	**6 440 806**	**267 625 560**	**471 558 332**

4.3. Operating income and expenses

Accounting policies

Employee benefits

Short-term employee benefits, such as salaries, wages and social security contributions, are recorded under personnel expenses. The liabilities are recorded in the period in which all the employees, including the members of the Board of Directors, acquire the respective right, irrespective of the date of payment, with the balance outstanding at the date of the statement of financial position being shown under current payables.

Expenses to be recognized and accrued income

Expenses and income are recorded in the period to which they refer regardless of when paid or received, in accordance with the accrual accounting principle.

The differences between the amounts received and paid and the corresponding income and expenses are registered under "Accounts receivable" or "Accounts payable" depending on whether they are receivable or payable amounts.

Government grants

Government grants are government aid in the form of transfer of resources to an entity in exchange for past or future compliance with certain conditions related to the entity's operating activities.

Government grants for financing staff training activities are recognized as income in the consolidated income statement over the period of time during which the Group incurred the related training expenses.

Government grants are recognized as income or loss on a systematic basis over the periods in which the entity recognizes the related costs as expenses.

Government grants for financing investments in tangible and intangible assets are deferred and recorded as liabilities. Investment subsidies are recognized in the consolidated statement of income during the estimated useful life of the subsidized assets under "Other operating income / (expenses)".

As at 31 December 2023 and 2022, the other operating income and expenses are broken down as follows:

	Note	2023	2022
Cost of sales	**5.1.1.**	-100 190 238	-87 767 965
External supplies and services	**4.3.1.**	-121 872 018	-107 012 426
Personnel costs	**4.3.2.**	-127 345 166	-105 451 807
Depreciation, amortisation and impairment losses on non-financial assets	**6.1. a 6.5.**	-50 734 875	-39 061 832
Other operating income/(expense)	**4.2.3.**	4 908 081	5 815 149

Depreciation in 2022 did not include depreciation of assets under right of use relating to lease contracts with AENA since, as a result of the application of Law 13/2021, they no longer have guaranteed minimum rents in that year. In 2023, depreciation already includes the new lease contracts with AENA signed in 2023 and the contract with Menorca airport which, as a result of the same Law 13/2021, now has minimum rents in 2023.

4.3.1. External supplies and services

External Supplies and Services in 2023 and 2022 can be broken down as follows

	2023	2022
Subcontracts	182 149	436 329
Electricity, water, fuel and other fluids	8 494 052	11 023 713
Rents and leases	45 709 103	39 738 687
Condominiums	4 589 578	4 160 217
Tools and utensils, rapid wear and office supplies	2 855 162	2 273 215
Royalties	12 093 749	10 258 852
Travel and accommodation	1 565 152	1 493 022
Commissions and fees	3 543 062	2 967 494
Maintenance and repairs	7 357 403	6 825 711
Publicity and advertising	11 453 191	8 111 397
Cleaning, hygiene and comfort	3 356 447	2 902 702
Specialised work	16 229 325	12 377 051
Communication, Insurance and Other Supplies and Services	4 443 645	4 444 036
Total	**121 872 018**	**107 012 426**

Rents and leases are detailed as follows:

	2023	2022
Instalments for leasing contracts with a term of less than one year and other rental charges	2 736 318	838 552
Variable rents	42 988 939	39 731 131
Rental concessions	-16 155	-830 996
Total rents and leases	**45 709 103**	**39 738 687**

As a result of Law 13/2021, of October 2021, the airport rents in Spain have been fully considered as variable rents.

In 2023 variable rents of 34,509,019 euros (33,146,336 euros in 2022) relate to the lease contracts for airports in Spain that were derecognized as a result of Law 13/2021 (with the exception of Menorca, which was reactivated at the end of 2022), namely Barcelona, Madrid, Malaga, Alicante and Gran Canaria (the latter two referring to contracts prior to 2022).

4.3.2. Payroll Costs

Payroll costs in 2023 and 2022 can be broken down as follows:

	2023	2022
Wages and salaries	97 528 539	80 303 445
Social security contributions	22 867 453	20 252 644
Meal subsidy (note 5.1.1.)	4 574 938	3 302 878
Insurance against accidents at work	1 189 949	823 317
Others payroll costs	1 184 287	769 523
Total	**127 345 166**	**105 451 807**

Average no. of employees	**7 926**	**7 161**

The increase in personnel costs reflects the rise in activity and the growth in the minimum wage.

Other personnel costs include, namely, indemnities, recruitment and training of personnel and workplace health.

The remuneration of the members of the board is presented in note 12.

4.3.3. Other operating income/(expenses)

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

	2023	2022
Other operating expenses		
Other provisions (10.1)	-	965 000
Direct/indirect taxes not affecting the operating activity	765 646	749 791
Losses on tangible fixed assets	570 005	33 060
Exchange differences	1 255 525	775 411
Stock losses	100 517	491 863
Membership fees, donations and gifts and inventory samples	124 211	236 845
Impairment adjustments (of receivables) (Notes 5.2.1. and 5.2.3.)	104 393	271 814
Correction of accounting specialization	330 028	-
Other operating expenses	326 455	242 977
	3 576 779	**3 766 760**
Other operating income		
Operating subsidies	246 456	244 407
Supplementary income	7 369 077	5 287 685
Exchange differences	266 166	867 302
Indemnities and compensation	-	2 638 320
Gains on tangible fixed assets	19 856	3 666
Impairment (reversal) of accounts receivable (Notes 5.2.1. and 5.2.3.)	120 000	62 915
Investment subsidies	13 517	44 189
Other operating income	449 788	433 425
	8 484 860	**9 581 909**
Other operating income / (expenses)	**4 908 081**	**5 815 149**

The increase in supplementary income is essentially due to the increase in revenue from contracts with suppliers and franchisees, which has followed the evolution of activity, as well as the effect of compensation for changes in traffic on SCUTS over the last two years, which amounted to around 1 million euros.

Exchange rate net differences increased by 1 million euros compared to the same period in 2022, due to the devaluation of the Angolan currency from May 2023 onwards.

A compensation of 618,320 euros was received in 2022 from an insurance policy relating to the fire at Alicante airport (an amount entered under the compensation heading), and that resulting from the compensation agreement associated with the purchase of the EatOut group in Spain, amounting to 2 million euros.

5. Working Capital

5.1. Inventories

Accounting policies

Inventories are stated at the lower of cost and net sell value. The cost is calculated using the weighted average cost and is equivalent to the acquisition cost less the value of quantity discounts.

The costs of feeding staff in stores are reflected in staff costs, as a contra entry to stock regularization.

The net realizable value corresponds to the estimated selling price in the normal course of business, less the selling costs.

As at 31 December 2023 and 2022, the detail of the group's inventories was as follows:

	Dec/23	Dec/22
Raw, subsidiary and consumable materials	12 683 617	12 672 414
Goods	576 653	486 703
	13 260 270	**13 159 117**
Decreases	-74 981	-74 981
Net Inventories	**13 185 289**	**13 084 136**

5.1.1. Cost of sales

In 2023 the cost of inventories recognized as an expense and included in "cost of sales" totaled 100,190,238 euros (in 2022: 87,767,965 euros), as shown below:

	2023	2022
M+MP Initial Inventory	13 159 117	15 792 439
Value of Lurca and Iberking inventories as of 31.12.2021	-	-2 579 658
Currency translation	-937 786	529 720
Purchases	105 667 770	90 483 705
Inventory adjustment	-4 438 593	-3 299 124
Closing inventories M+MP	13 260 270	13 159 117
Cost of goods sold and materials consumed	**100 190 238**	**87 767 965**

The value of inventory adjustments refers, fundamentally, to employee meals at the workplace (4,574,938 euros and 3,302,878 euros, respectively in 2023 and 2022, according to note 4.3.2.) and other adjustments.

The variation results from increased activity in 2023, and also to the impact of new openings in Portugal and Spain.

5.2. Accounts receivable

Accounting policies

Recognition and measurement

Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less impairment adjustment.

Assets measured at amortised cost

A financial asset is measured at amortized cost if the objective inherent to the business model is achieved by collecting the related contractual cash flows and if the underlying contractual cash flows represent only payments of principal and interest. Assets in this category are initially recognized at fair value and subsequently measured at amortized cost.

Loans and receivables are generally held for the purpose of collecting contractual cash flows and it is expected that the underlying contractual cash flows represent only payments of principal and interest and therefore meet the requirements for measurement at amortized cost under IFRS 9.

Recognition and derecognition

Acquisitions and disposals of financial assets are recognized on the trade date, i.e. the date on which the Group commits to acquire or dispose of those financial assets.

Financial assets are derecognized when the Group's contractual rights to receive their future cash flows expire, when the Group has transferred substantially all risks and rewards of ownership or when, despite retaining some but not substantially all of the risks and rewards of ownership, the Group has transferred control over the assets.

Other receivables and financial assets

For other receivables and financial assets carried at amortized cost, the Group prepares its analyses based on the general model, assessing at each date whether there has been a significant increase in credit risk since the date of initial recognition of such asset. If there has not been an increase in credit risk, an impairment corresponding to the amount equivalent to the expected losses over a 12-month period is calculated. If there has been an increase in credit risk, the calculation of impairment considers the expected losses for all contractual cash flows up to the maturity of the asset.

A significant increase in credit risk (and the determination of impairment for all contractual cash flows of the asset to maturity) is assumed if the debtor's external rating is materially downgraded or if a debtor is more than 90 days past due from the contractual payment date.

The Group makes estimates based on default risk and loss rates, which require judgment. Inputs used to assess the risk for loss on these financial assets include:
- credit ratings (to the extent they are available) obtained from information made available by rating agencies such as Standard and Poor's and Moody's;
- significant changes in the expected performance and behavior of the obligor; and
- data extracted from the market, notably on probabilities of default.

Impairment of clients and other debtors

IFRS 9 establishes an impairment model based on "expected losses", which replaces the previous model based on "incurred losses" under IAS 39. In this sense, the Group recognizes impairment losses before there is objective evidence of loss of value arising from a past event. This model is the basis for the recognition of impairment losses on financial instruments held whose measurement is at amortized cost or fair value through other comprehensive income.

The impairment model depends on whether there has been a significant increase in credit risk since initial recognition. If the credit risk of a financial instrument has not increased significantly since initial recognition, the Group recognizes a cumulative impairment equal to the expected loss estimated to occur within the next 12 months. If the credit risk has increased significantly, the Group recognizes a cumulative impairment equal to the estimated loss expected to occur until the respective maturity of the asset.

For accounts receivable, the Ibersol Group applies the simplified approach to calculating expected credit losses, not taking into account changes in credit risk, but recognizing a provision for losses based on the expected credit losses for the entire life of the asset on each reporting date. To this end, experience with historical credit losses and prospective factors are taken into account.

Once the loss event has been verified under the terms of IFRS 9 ("objective proof of impairment", in accordance with the terminology of IAS 39), the accumulated impairment is directly imputed to the instrument in question, and its accounting treatment from this moment onwards is similar to that provided for in IAS 39, including treatment of the respective interest. The carrying amount of the asset is reduced and the amount of the loss is recognized in the income statement. If, in a subsequent period, the amount of impairment decreases, the amount of impairment losses previously recognized is also reversed in the income statement if the decrease in impairment is objectively related to the event occurring after initial recognition.

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.

As at 31 December 2023 and 2022, the accounts receivable item breaks down as follows:

	Note	Dec/23	Dec/22
Non-current accounts receivable			
Non-current financial assets		396 355	501 388
Other accounts receivable	**5.2.2.**	8 853 318	7 355 485
BK sale receivable amount	**6.7**	-	7 000 000
Accumulated impairment losses		-100 632	-129 384
		9 149 041	**14 727 489**
Current accounts receivable			
Clients	**5.2.1.**	7 855 070	17 442 675
State and other public entities		4 422 999	3 041 134
Other debtors	**5.2.3.**	5 605 985	6 165 750
BK sale receivable amount	**6.7**	6 803 122	25 974 762
Advances to suppliers c/a		258 510	247 487
Advances to suppliers of fixed assets		64 940	296 657
Accrued income	**5.2.4.**	4 664 530	4 012 292
Expenses to be recognised	**5.2.5.**	1 877 649	1 526 337
Accumulated impairment losses	**5.2.1. and 5.2.3.**	-2 874 567	-2 886 823
		28 678 238	**55 820 271**
Total Accounts receivable		**37 827 279**	**70 547 760**

BK sale receivable amount
Of the estimated amount to be received from the sale of BK, 6,800,000 euros relate to the earn-out estimated value of the fulfillment of the extension program of some contracts, to be completed in 2024, and are therefore presented as non-current (note 6.7).

In the course of concluding the sale process of the subsidiaries Iberking, Restauração S.A. and Lurca S.A.U., the amounts provided for under the price adjustment mechanism were received at the beginning of November 2023, after the final Net Debt value had been calculated, as detailed in note 6.7.

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 4,355,486 euros at 31 December 2023 (3,041,087 euros in 2022)

5.2.1. Clients

Essentially, balances from Catering and Franchising activities (direct merchandise or through the logistics operator and royalties) amounting, respectively, to about 3.3 million euros and 2.2 million euros on 31 December 2023 (2.7 million euros and 2.8 million euros in 2022).

Concerning clients debts, their ageing is as follows:

	Dec/23	Dec/22
Debt not due	2 985 705	13 229 827
Debt due:		
For less than 1 month	742 397	324 118
From one to three months	623 336	1 237 031
Over three months	3 503 632	2 651 700
Total Clients	**7 855 070**	**17 442 675**
Accumulated impairment losses	-2 599 276	-2 631 414
	5 255 794	**14 811 261**

Of the total debt not due on 31 December 2022, about 10 million euros relate to Iberking Restauração S.A.

The recovery of the catering business, particularly the concessions at soccer stadiums, explains the increase in the amount receivable from customers for more than three months.

The impairment of all customer debt with expected credit losses associated with default risk is recognized.

5.2.2. Other accounts receivable

The balance of the caption other non-current accounts receivable is mainly composed of deposits and guarantees in Spain, resulting from lease contracts. Accounts receivable from other debtors are initially recognized at fair value and, in the case of medium and long-term debts, are subsequently measured at amortized cost, using the effective rate method, less impairment adjustment.

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

These guarantees may be executed by the beneficiaries in the event of contractual breach by Ibersol, such as in cases where the rent is not paid.

The value of the guarantees and deposits related to the Airport lease agreements in Spain with AENA at 31 December 2023 total 6,433,518 euros (4,944,138 euros in 2022).

5.2.3. Other debtors

On 31 December 2023 and 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:

	Dec/23	Dec/22
Meal card/Aggregators	1 521 156	1 866 687
Deposits and guarantees	292 448	1 064 483
Marketing and rappel	936 347	848 190
Suppliers and other debtors balance	1 427 403	1 377 361
Advances	484 643	131 447
Staff expenses	251 886	122 876
Credit sales	632 431	660 547
Continente card	59 672	94 160
Total	**5 605 985**	**6 165 750**

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 collection, checking and deposit. The Aggregators transfer the collections made on behalf of the restaurants within an average period of 15 days.

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

Suppliers and other debtors balance
Balances with suppliers correspond to debits made in December and are collected on the date of payment in the following month.

With respect to debts from other debtors, their ageing is as follows:

	Dec/23	Dec/22
Debt not due	1 619 737	3 149 245
Debt due:		
For less than 1 month	1 215 044	793 784
From one to three months	629 719	552 806
Over three months	2 141 486	1 669 916
Total Other debtors	**5 605 985**	**6 165 751**
Accumulated impairment losses	-275 291	-255 408
	5 330 694	**5 910 343**

The debt overdue for more than three months is duly analyzed and corresponds essentially to supplier debts whose internal conference processes require more time than the normal term of commercial relations and therefore do not justify impairments.

Deposits and guarantees up until the time for which they were constituted has not been reached are considered as "debt not due".

5.2.4. Accrued income

Detail of the heading accrued income:

	Dec/23	Dec/22
Contracts with suppliers	2 201 660	2 577 984
Ascendi compensation	1 039 029	497 307
Continente card programme	312 849	290 657
Others	1 110 991	646 344
Total accrued income	**4 664 530**	**4 012 292**

The contracts with suppliers refer, essentially, to marketing contributions and rappel of raw material suppliers, of the period, according to the purchase volume.

5.2.5. Expenses to be recognized

Detail of expenses to be recognized:

	Dec/23	Dec/22
Rents and condominium	432 434	382 705
Discount value of guarantees	229 217	365 691
External supplies and services	332 808	346 327
Accrued insurance	804 804	226 451
Others	78 386	205 163
Total expenses to be recognised	**1 877 649**	**1 526 337**

Rents and condominiums recognized in this item fall under the recognition exemptions set in IFRS 16.

5.3. Accounts payable

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

	Note	Dec/23	Dec/22
Non-current payables			
Non-current payables		3 704	43 149
		3 704	**43 149**
Current payables			
Suppliers	**5.3.1.**	54 886 999	60 214 442
Accrued expenses	**5.3.3.**	25 136 233	23 469 782
Other creditors	**5.3.2.**	3 895 458	5 977 098
State and other public entities		8 284 037	8 401 652
Income to be recognised	**5.3.4.**	489 187	758 268
		92 691 914	**98 821 242**
Total accounts payable		**92 695 618**	**98 864 391**

State and other public entities
The balance of the item State and other public entities results, essentially, from VAT payable (3,441,749 euros) and Social Security (3,622,362 euros).

5.3.1. Suppliers

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

	Dec/23	Dec/22
Suppliers - Incoming invoices	37 706 796	44 166 336
Suppliers - Invoices being received and checked	8 342 563	5 782 983
Suppliers of fixed assets - current account	8 837 640	10 265 123
Total accounts payable to suppliers	54 886 999	60 214 442

5.3.2. Other creditors

As at 31 December 2023 and 2022 the breakdown of other creditors, is as follows:

	Dec/23	Dec/22
Services provided by third parties	3 302 929	5 077 193
Staff	592 529	899 905
Total	**3 895 458**	**5 977 098**

5.3.3. Accrued expenses

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

	Dec/23	Dec/22
Insurance payable	147 885	85 737
Accrued payroll	8 830 884	8 256 196
Rents and leases	10 217 772	9 559 234
External services rendered	5 779 889	5 237 673
Others	159 803	330 942
Total accrued expenses	25 136 233	23 469 782

Accrued expenses - rents and leases essentially include the amount relating to variable rents payable to AENA in respect of contracts at airports in Spain which, as a result of Law 13/2021, were not subject to guaranteed minimum rents in 2023.

5.3.4. Income to be recognized

The breakdown of income to be recognized on 31 December 2023 and 2022, is as follows:

	Dec/23	Dec/22
Indemnity for local works	257 627	284 746
Contracts with suppliers	-	325 127
Investment subsidy	61 544	74 270
Others	170 016	74 125
Total income to be recognised	489 187	758 268

The value of contracts with suppliers corresponds to revenues obtained from suppliers until 31 December and for the following periods.

6. Investments

6.1. Goodwill

Accounting policies

Recognition

Goodwill represents the excess of acquisition cost over the fair value of identifiable assets and liabilities attributable to the Group at the date of acquisition or first consolidation. If the acquisition cost is lower than the fair value of the acquired subsidiary's net assets, the difference is recognized directly in profit or loss for the year.

Goodwill is allocated to the Group's cash generating units (or group of units), identified in each business segment.

Impairment

The Group performs impairment tests on Goodwill on an annual basis or more frequently if events or changes in circumstances indicate a potential impairment. The recognized amount of Goodwill is compared with the recoverable amount, which is the higher of value in use and fair value less costs to sell.

The value in use is determined based on cash flow projections based on financial budgets approved by managers, covering at least a period of 5 years.

The Board of Directors determines the budgeted gross margin based on past performance and its expectations for market development. The weighted average growth rate used is consistent with forecasts included in sector reports. Discount rates are applied after tax and reflect specific risks related to the assets.

Whenever the book value of Goodwill exceeds its recoverable amount, the impairment is immediately recognized as an expense and is not subsequently reversed.

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

	Dec/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
Total	**54 391 775**	**54 391 775**

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

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

Changes in goodwill

In the periods ended 31 December 2023 and 2022, there were no changes in goodwill, as follows::

	Restaurants	Counters	Concessions and Catering	Others	Total
01 January 2022	**7 147 721**	**37 199 991**	**34 505 388**	**179 721**	**79 032 821**
Transfer discontinued operations	-	-24 641 046	-	-	-24 641 046
31 December 2022	**7 147 721**	**12 558 945**	**34 505 388**	**179 721**	**54 391 775**
Valor ativo	17 757 288	12 558 945	38 847 684	179 721	69 343 638
Imparidade acumulada	-10 609 567	-	-4 342 296	-	-14 951 863
31 December 2022	**7 147 721**	**12 558 945**	**34 505 388**	**179 721**	**54 391 775**
Valor ativo	17 757 288	12 558 945	38 847 684	179 721	69 343 638
Imparidade acumulada	-10 609 567	-	-4 342 296	-	-14 951 863
31 December 2023	**7 147 721**	**12 558 945**	**34 505 388**	**179 721**	**54 391 775**

The Goodwill impairment analysis is detailed in note 6.5.1.

6.2. Intangible assets

Accounting policies

Initial recognition and measurement

- Concessions and operating rights

Concessions and operating rights are stated at historical cost. Concessions and exploration rights have a finite useful life associated with the contractual periods and are stated at cost minus amortization and accumulated impairment losses. These intangibles are allocable to CGU's.

- Software

The cost of acquiring software licenses is capitalized and comprises all expenses incurred in acquiring and making the software available for use. These expenses are amortized over their estimated useful life (which will not exceed 5 years).

Costs associated with developing or maintaining software are recognized as expenses when incurred. Costs directly associated with the production of identifiable and unique software controlled by the Group and which will likely generate future economic benefits greater than the costs, beyond one year, are recognized as intangible assets. Direct costs include personnel costs in software development and the share of relevant general expenses.

Software development costs recognized as assets are amortized over their estimated useful lives (which will not exceed 5 years).

- Brands

Brands acquired in business combinations are reflected at fair value on the date of the combination (Eat Out group). The determination of the useful life of the brands was carried out considering the sector's benchmark for brands of this size, which in general point to a useful life period of 20 years.

- Industrial property
Industrial property includes: rights to exploit spaces (rights of entry or surface rights), rights to exploit Trademarks and concession rights. These intangibles are allocable to CGU's.

- Assets in progress
Assets in progress are recorded at acquisition cost minus any impairment losses. These assets are amortized from the moment the underlying assets are available for use.

Depreciations
Intangible assets are amortized using the straight-line method over a period of three to six years, except those related to concession rights, which are considered in accordance with the contracts.

Depreciation for the year of intangible assets is recorded in the income statement under the caption “Depreciation, amortization and impairment losses on non-financial assets”.

Impairment
Assets subject to amortization are reassessed to determine any impairment, to be constituted or reverted, whenever events or changes in circumstances occur that cause the amount at which they are recorded to be recoverable or not. An impairment loss is recognized in the consolidated statement of income and other comprehensive income for the excess amount of the asset's carrying amount over its recoverable amount. The recoverable amount is the higher of an asset's fair value minus expenses incurred in selling it and its value in use. In order to carry out impairment tests, assets are grouped at the lowest level at which cash flows can be identified separately (cash generating units).

The assessment of the existence of signs of impairment of the CGU and the carrying out of the respective tests, if necessary, occurs on an annual basis. Each restaurant is considered a cash generating unit (CGU), and in the case of airports each airport is a CGU.

Each CGU comprises all the assets and liabilities attributable to each restaurant, namely: tangible fixed assets, intangible assets, rights of use and respective leasing liabilities.

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

The assessments carried out are supported by historical performance, market development expectations and the strategic development plans of each business.

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, and 12 years in the case of Pret a Manger.

As at 31 December 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 years ended 31 December 2023 and 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
01 January 2022	**16 316 667**	**16 912 143**	**1 411 650**	**1 230 242**	**35 870 696**
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
Impairment for the year	-	17 339	-	-	17 339
Transfer discontinued operations	-	-353 497	-	-	-353 497
31 December 2022	**15 216 667**	**8 827 817**	**1 654 333**	**1 163 972**	**26 862 783**
Cost	22 000 000	40 997 069	11 945 479	1 163 972	76 106 520
Accumulated amortization	-6 783 333	-27 858 312	-10 258 850	-	-44 900 495
Accumulated Impairment	-	-4 310 940	-32 296	-	-4 343 236
31 December 2022	**15 216 667**	**8 827 817**	**1 654 333**	**1 163 972**	**26 862 783**
Currency translation	-	-154 978	-	-51 719	-206 697
Additions	-	2 999 265	438 662	148 672	3 586 599
Decreases	-	-28 321	-451 663	-3 800	-483 784
Transfers	-	477 017	8 948	-457 017	28 948
Amortization for the year	-1 100 000	-1 984 310	-198 606	-	-3 282 916
31 December 2023	**14 116 667**	**10 136 490**	**1 451 674**	**800 108**	**26 504 932**
Cost	22 000 000	43 042 919	10 888 280	800 108	76 731 307
Accumulated amortization	-7 883 333	-28 595 489	-9 404 310	-	-45 883 132
Accumulated Impairment	-	-4 310 940	-32 296	-	-4 343 236
31 December 2023	**14 116 667**	**10 136 490**	**1 451 674**	**800 108**	**26 504 932**

The value of the decreases refers essentially to the effect of the sale of the Burger King business, in the amount of 9,386,910 euros.

The addition in Industrial Property corresponds mostly to the improvement of programs and software and to renewal licenses and new franchise contracts.

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

Accounting policies

Initial recognition and measurement

Buildings and other constructions comprise properties dedicated to the restoration activity, as well as expenses with works on third-party property, namely resulting from the installation of restoration shops.

Tangible fixed assets are measured at acquisition cost, net of the respective depreciation and accumulated impairment losses.

Acquisition cost includes all expenditure directly attributable to the acquisition of the assets.

Borrowing costs incurred and borrowing costs for the construction of tangible assets are recognized as part of the construction cost of the asset.

Depreciations

Depreciation of assets is calculated using the straight-line method, in order to allocate their cost to their residual value, based on their estimated useful life, as follows:

	Years
Buildings and other constructi	10-35(*)
Equipment	10
Tools and utensils	4
Vehicles	5
Office equipment	10
Other tangible fixed assets	5

(*)Two buildings owned by the Group have an estimated useful life of up to 50 and 40 years.

Assets' depreciable amounts, useful lives and depreciation method are reviewed and adjusted, if necessary, on the date of the consolidated statement of financial position. Changes to useful lives are treated as a change in accounting estimate and are applied prospectively.

If the carrying amount is greater than the recoverable value of the asset, it is immediately readjusted to the estimated recoverable value.

In determining the useful life of non-transferable assets, the group considers, among other aspects, the lease term. Cases in which this useful life exceeds the lease term relate to situations in which the Group estimates, based on the history, that a new contractual period will be agreed for that location.

In general terms, there are no material inconsistencies between the lease term of the contracts and the useful life of the respective underlying non-transferable assets.

Subsequent costs

Subsequent costs are added to the amounts at which the asset is carried or recognized as separate assets, as appropriate, only when it is probable that inherent economic benefits will flow to the company and the cost can be reliably measured. Other expenses with repairs and maintenance are recognized as an expense in the period in which they are incurred.

Reduce and disposals

Gains or losses from reduction or disposal are determined by the difference between receipts from disposals and the carrying amount of the asset and are recognized as other operating income or other operating costs in the income statement.

Property, plant and equipment in progress

Assets in progress are recorded at acquisition cost minus any impairment losses. These assets are depreciated from the moment the underlying assets are available for use.

Impairment

Assets are reassessed to determine any impairment, to be constituted or reversed, whenever events occur or changes in circumstances that cause the amount at which they are recorded to be recoverable or not. An impairment loss is recognized in the consolidated statement of income and other comprehensive income for the excess amount of the asset's carrying amount over its recoverable amount. The recoverable amount is the higher of an asset's fair value minus expenses incurred in selling it and its value in use. In order to carry out impairment tests, assets are grouped at the lowest level at which cash flows can be identified separately (cash generating units).

The assessment of the existence of signs of impairment of the CGU and the carrying out of the respective tests, if necessary, occurs on an annual basis. Each restaurant is considered a cash generating unit (CGU), and in the case of airports each airport is a CGU.

Each CGU comprises all the assets and liabilities attributable to each restaurant, namely: tangible fixed assets, intangible assets, rights of use and respective leasing liabilities.

Changes in property, plant and equipment

During the years ended 31 December 2023 and 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
01 January 2022	**19 497 339**	**153 238 101**	**31 204 592**	**9 664 958**	**768 719**	**214 373 708**
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
31 December 2022	**14 581 536**	**90 463 145**	**19 209 331**	**4 879 846**	**1 406 440**	**130 540 302**
Cost	15 037 941	202 445 206	105 078 700	21 375 777	1 406 440	345 344 065
Accumulated depreciation	-447 405	-99 736 740	-85 437 942	-16 478 358	-	-202 100 445
Accumulated Impairment	-9 000	-12 245 321	-431 427	-17 574	-	-12 703 322
31 December 2022	**14 581 536**	**90 463 145**	**19 209 331**	**4 879 846**	**1 406 440**	**130 540 302**
Currency translation	-3 893 267	-4 581 579	-1 136 294	80 482	-12 880	-9 543 538
Additions	-	15 205 233	8 290 421	1 637 692	4 239 987	29 373 332
Decreases	-	-5 433	-177 759	-19 646	-8 442	-211 280
Transfers	-3 484 496	-345 487	216 142	46 584	-732 470	-4 299 726
Depreciation for the year	-46 963	-8 662 341	-4 661 124	-1 233 048	-	-14 603 476
Impairment for the year	-	-431 484	-	-	-	-431 484
Transfer discontinued operations	-	-99 308	-11 052	-3 423	-	-113 783
31 December 2023	**7 156 810**	**91 542 747**	**21 729 665**	**5 388 487**	**4 892 635**	**130 710 349**
Cost	7 330 374	203 913 457	105 374 464	22 703 194	4 892 635	344 214 124
Accumulated depreciation	-164 564	-100 125 389	-83 213 373	-17 297 133	-	-200 800 459
Accumulated Impairment	-9 000	-12 245 321	-431 427	-17 574	-	-12 703 322
31 December 2023	**7 156 810**	**91 542 747**	**21 729 665**	**5 388 487**	**4 892 635**	**130 710 349**

The investment in 2023 of around 29.3 million euros essentially relates to the opening of 10 KFCs, 5 Taco Bell, 3 Pizza Huts, 1 Pans and the new concessions for the Airports of Spain, Madrid, Malaga, Lanzarote and Tenerife (note 8.3). In 2022, the investment of around 40.4 million euros relates to the opening of 19 KFC, 5 Taco Bell, 5 Pizza Hut and 4 Pans. The remainder relates to Burger King units.

The currency translation amount is the result of the strong devaluation of the kwanza in 2023.

The value of the decreases in 2022 essentially corresponds to the effect of the sale of Burger King, in the amount of 88,941,949 euros. The transfer to discontinued operations concerns Burger King restaurants located in concessions, essentially Service Areas.

An impairment in the amount of 2.5 million euros was recognized and an impairment reversal of around 1 million euros was recognized, as per note 6.5.2.

The value of tangible assets in progress on 31 December 2023, in the amount of €4.9 million euros, refers to investments incurred for future openings.

The value of the transfers essentially refers to assets transferred to investment properties (see note 6.8), relating to restaurants operated by Burger King.

In 2022, an impairment of 2.5 million euros was recognized and an impairment reversal of around 1 million euros. In 2023, the impairment recorded is 431 thousand euros, as per note 6.5.2.

Under the expansion and development contracts with the brands, the Group undertook to invest in tangible and intangible fixed assets associated with new store openings and refurbishments, as per note 10.4. Of the 10 openings under the KFC development contract for Portugal, one unit was moved to the 2024 opening plan, not putting into question the continuity of the expansion plan.

6.4. Right of use assets

Accounting policies

Initial recognition and measurement

A lease is defined as a contract or part of a contract that conveys the right to use an asset for a certain period of time in exchange for consideration.

The Group's leases respect, fundamentally, lease agreements for stores and commercial spaces and for the equipment used in these spaces. The Group is also a lessee in contracts for the leasing of vehicles and other equipment. More than 90% of leasing contracts refer to the leasing of spaces whose characteristics differ according to the space in which they are located and which, in general, can be summarized:

- Leases in Shopping Centers: are, as a rule, for a period of 6 years, with a fixed monthly income or an income based on monthly sales, if this is greater than the fixed income

- Leases in street locations: these are normally for longer periods of 10 to 20 years with a fixed monthly income, with the tenant having the option of terminating the lease for a shorter period. There are other contracts that are concluded for shorter terms and there is the lessee's right to successive renewals up to a maximum term, which is generally 20 years.

- Leases in concession spaces: for the contractual period with a variable income depending on annual sales subject to a guaranteed minimum annual value.

There are lease agreements that provide for variable rents. In the case of Airports in Spain, pursuant to Law 13/2021, the minimum annual rents depend on the traffic of the Airports until the traffic for the year 2019 is reached, whereby variable rent contracts are considered until such traffic is reached.

With the adoption of IFRS 16, the distinction between operating leases (off balance sheet) and finance leases (included in the balance sheet) was eliminated at the lessee level, having been replaced by a model in which an asset identified with a right is accounted for of use and a corresponding liability for all lease agreements.

The right of use is initially measured at cost and subsequently at cost net of depreciation and impairment, adjusted by remeasuring the lease liability.

The right of use is constituted by the initial value of the lease liabilities and by initial direct costs and payments made to the lessor before the effective date of the lease, minus any lease incentives received.

The Group applies the recognition exemption provided for in paragraph 6 of IFRS 16 to short-term leases and leases where the underlying asset has a low value.

Amortization

The right of use is depreciated on a straight-line basis over the term of the lease, comprising the non-cancellable period during which the lessee has the right to use an underlying asset and (i) the periods covered by an option to extend the lease, if the lessee has a reasonable certainty to exercise that option; (ii) the periods covered by an option to terminate the lease, if the lessee is reasonably certain not to exercise that option.

Alternatively, in cases where the Group intends to exercise any existing call options for the underlying asset, the right of use is depreciated over the estimated useful life of the underlying asset.

Impairment

The rights of use subject to amortization are reassessed to determine any impairment, to be constituted or to be reversed, whenever events occur or changes in circumstances that cause the value at which they are recorded to be recoverable or not. An impairment loss is recognized in the consolidated statement of income and other comprehensive income for the excess amount of the asset's carrying amount over its recoverable amount. The recoverable amount is the higher of an asset's fair value minus expenses incurred in selling it and its value in use. In order to carry out impairment tests, assets are grouped at the lowest level at which cash flows can be identified separately (cash generating units).

The assessment of the existence of signs of impairment of the CGU and the carrying out of the respective tests, if necessary, occurs on an annual basis. Each restaurant is considered a cash generating unit (CGU), and in the case of airports each airport is a CGU.

Each CGU comprises all the assets and liabilities attributable to each restaurant, namely: tangible fixed assets, intangible assets, rights of use and respective leasing liabilities.

Changes in right of use assets

During the years ended 31 December 2023 and 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
01 January 2022	**128 125 587**	**5 881 809**	**4 496 619**	**367 138**	**138 871 153**
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
31 December 2022	**82 014 090**	**4 692 812**	**3 012 457**	**208 323**	**89 927 682**
Cost	133 679 948	14 667 647	6 277 286	345 668	154 970 549
Accumulated depreciation	-51 665 858	-9 974 835	-3 264 828	-137 345	-65 042 866
Accumulated Impairment	-	-	-	-	-
31 December 2022	**82 014 090**	**4 692 812**	**3 012 457**	**208 323**	**89 927 682**
Currency translation	-226 834	-	-	-	-226 834
Increases	164 625 819	-	-	-	164 625 819
Decreases	-2 849 831	-8 107	-1 601	-	-2 859 539
Transfers	-	-395 402	-3 891	-	-399 293
Depreciation for the year	-30 001 337	-1 206 021	-668 353	-41 518	-31 917 229
Transfers from discontinued operations	-334 012	-	-	-	-334 012
31 December 2023	**213 227 895**	**3 083 282**	**2 338 612**	**166 805**	**218 816 592**
Cost	288 266 987	14 006 560	6 139 751	345 668	308 758 966
Accumulated depreciation	-75 039 092	-10 923 279	-3 801 138	-178 863	-89 942 372
Accumulated Impairment	-	-	-	-	-
31 December 2023	**213 227 896**	**3 083 281**	**2 338 613**	**166 805**	**218 816 592**

The value of the increases corresponds mainly to the new lease contracts for Madrid Airport, Lanzarote, Tenerife and two new restaurants in Malaga, totaling 95 million euros, for which the incremental rate updated to current market conditions was used, and the reactivation of the contracts for Gran Canaria, Malaga and Alicante, totaling 36 million euros. In addition, the effect of the remeasurement of contracts due to rent updates by the Consumer Price Index and other changes in the expected lease payments also contributed.

In airport leasing contracts in Spain, Ibersol is exposed to variable rents calculated as a percentage of sales, if this value exceeds the minimum rents provided for in the leasing contracts.

The value of the 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

Expenses with depreciation, amortization and impairment losses on non-financial assets in 2023 and 2022 were as follows:

		2023			2022			
Nature	Note	Depreciation and amortisation	Impairment losses	Total	Depreciation and amortisation	Impairment reversal	Impairment losses	Total
Goodwill	6.1.	-	-	-	-	-	-	-
Intangible assets	6.2.	-3 282 917	-	-3 282 917	-2 932 291	17 339	-	-2 914 952
Property, plant and equipment	6.3.	-14 603 476	-431 484	-15 034 960	-14 785 248	992 976	-2 410 175	-16 202 447
Right-of-use assets	6.4.	-31 917 229	-	-31 917 229	-19 777 815	-	-	-19 777 815
Investment property	6.8.	-300 562	-	-300 562	-	-	-	-
Currency translation		-199 206	-	-199 206	-166 618	-	-	-166 618
Total		**-50 303 390**	**-431 484**	**-50 734 875**	**-37 661 972**	**1 010 315**	**-2 410 175**	**-39 061 832**

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.

Methods and assumptions used

To determine the recoverable amount of goodwill and the Group's main assets, the value in use was considered based on the 5-year and perpetuity business projections. The methods and main assumptions used in preparing the Group's impairment tests were as follows:

	WACC 2023	Growth Perpetuity	WACC 2022	Growth Perpetuity
Portugal - Counters	7,23%	2,0%	7,17%	2,0%
Portugal - Restaurants and Catering	7,48%	2,0%	7,73%	2,0%
Portugal - Travel	7,48%	2,0%	7,73%	2,0%
Spain - Counters	7,23%	2,0%	6,71%	2,0%
Spain - Restaurants	7,47%	2,0%	7,21%	2,0%
Spain - Travel	7,47%	2,0%	7,21%	2,0%
Angola - Counters	18,5%	2,0%	20,6%	2,0%

The discount rates presented were calculated based on the WACC (Weighted Average Cost of Capital) methodology, considering the risk-free interest rate, sector risk and varying country and segment risks. In the case of the Travel segment, the growth dynamic regained by operators, which made it possible to anticipate the recovery of pre-pandemic traffic in about a year and the positive outlook for the evolution of traffic led to the perception of a risk associated with this segment identical to the restaurant and catering segment.

Impairment tests did not result in impairment losses, which meets Management expectations, which effectively point to no permanent losses in its businesses, given the pace of business recovery in this post-pandemic period.

6.5.1. Goodwill impairment

Impairment test results

At 31 December 2023 and 2022, the tests carried out based on the pace of the post-pandemic recovery and Management's expectations did not result in impairment losses on Goodwill.

Unit	Segment	Recoverable value (value in use)	Assets value	Impairment loss
Vidisco	Restaurants	7 116 287	9 132 746	-2 016 459
Dec/18		**7 116 287**	**9 132 746**	**-2 016 459**
Vidisco	Restaurants	3 116 746	7 116 746	-4 000 000
Dec/19		**3 116 746**	**7 116 746**	**-4 000 000**
EatOut	Concessions and Travel	30 630 919	34 973 215	-4 342 296
Vidisco	Restaurants	-	3 116 287	-3 116 287
Dec/20		**30 630 919**	**38 089 502**	**-7 458 583**
FresCo	Restaurants	-	1 476 821	-1 476 821
Dec/21		**-**	**1 476 821**	**-1 476 821**
Total as at Dec/23		**40 863 952**	**55 815 815**	**-14 951 863**

At 31December 2023 and 2022, no impairment of goodwill was recognized.

Sensitivity analysis

The assumptions used are sensitive to changes in macroeconomic indicators and the business assumptions used by management. Considering the uncertainties regarding the recovery value of goodwill due to the fact that they are based on the best information available at the time, changes in assumptions could result in impacts in determining the level of impairment and, consequently, in results.

From the sensitivity analysis carried out, a reduction in the growth rate of up to 1% and an increase in the WACC of up to 2% did not change the conclusion in terms of the recoverability of the goodwill value.

6.5.2. Impairment of property, plant and equipment, intangible assets and rights of use

Results of impairment tests

The tests carried out on the Ibersol Group's CGUs with impairment signs resulted in the need to record impairment in the amount of €431,484 in 2023 (€2,410,175 in 2022), which results mainly from the impairment of the Ribs Parque Nevada restaurant, with difficulties in recovering activity to pre-pandemic levels.

The detail of the impairment changes is presented as follows:

Year 2023

Unit	Segment	Recoverable value (value in use)	Assets value	Impairment loss on PPE	Impairment loss on IA	TOTAL
Ribs (2 units)	Restaurants	-	401 200	401 200	-	401 200
Pizza Movil (2 units)	Restaurants	-	26 880	26 880	-	26 880
Pizza Hut (1 unit)	Restaurants	-	3 405	3 405	-	3 405
TOTAL		**-**	**431 484**	**431 484**	**-**	**431 484**

Year 2022

Unit	Segment	Recoverable value (value in use)	Assets value	Impairment loss on AFT	Impairment loss on IA	Reversal of impairment in PPE and AI	TOTAL
Malaga Airport (ES)	Concessions and Travel	-	-	-	-	-1 010 315	-1 010 315
Ribs (2 units)	Restaurants	19 298	643 293	623 995	-	-	623 995
KFC (1 unit)	Counters	14 372	368 236	353 864	-	-	353 864
Pizza Hut (3 units)	Restaurants	84 662	306 845	222 183	-	-	222 183
Pans & C.ª (5 units)	Counters	-	1 210 133	1 210 133	-	-	1 210 133
TOTAL		**118 332**	**2 528 507**	**2 410 175**	**-**	**-1 010 315**	**1 399 860**

Sensitivity Analysis

In 2023, the analysis of the sensitivity to the discount rate does not show any variation, since total impairment was considered for the CGUs that are impaired in the year. It is presented as follows:

Discount rate	Impairment	Variation in impairment - increase/(decrease)
-1,00%	431 484	-
-0,50%	431 484	-
WACC rate applied	431 484	-
0,50%	431 484	-
1,00%	431 484	-

In 2022, the analysis of the sensitivity to the discount rate for the CGUs that present impairment in the year, is presented as follows:

Discount rate	Impairment	Variation in impairment - increase/(decrease)
-1,00%	2 408 358	-1 817
-0,50%	2 406 137	-4 038
WACC rate applied	2 410 175	-
0,50%	2 421 969	11 794
1,00%	2 411 684	1 509

In 2023, the analysis of the sensitivity to the growth rate in perpetuity does not result in changes in the value of the impairments recorded, since total impairment was considered for the CGUs. It is presented as follows:

Perpetuity growth rate	Impairment	Variation in impairment - increase/(decrease)
1% less than the base	431 484	-
0.5% less than the base	431 484	-
base 2% more	431 484	
0.5% more than the base	431 484	-
1% more than the base	431 484	-

In 2022, the analysis of the sensitivity to the growth rate in perpetuity is presented as follows:

Perpetuity growth rate	Impairment	Variation in impairment - increase/(decrease)
1% less than the base	2 413 835	3 660
0.5% less than the base	2 453 699	43 524
base 2% more	2 410 175	
0.5% more than the base	2 401 406	-8 769
1% more than the base	2 406 075	-4 100

The impairment determined in the CGUs identified above was allocated to the corresponding tangible and intangible assets. Although the CGUs include other assets (RoU), taking into account the materiality of the impairment and the lower weight of other assets in each CGU, the allocation of the impairment would not result in material differences in the presentation of financial statements.

6.6. Investments in associates and joint ventures

Accounting policies

Investments in joint ventures and associated companies are recorded in accordance with the equity method of accounting and are included in the consolidated statement of financial position in the caption "Investments in associated and joint ventures".

In accordance with the equity method, financial investments are recorded at their acquisition cost and the carrying amount is subsequently increased or decreased to recognize the Group's share of the profits or losses of the associate or joint venture, and for dividends received.

The differences between the acquisition price and the fair value of the identifiable assets and liabilities of the joint ventures and associates on the acquisition date, if positive, are recognized as Goodwill and maintained in the value of the financial investment in joint ventures and associates.

Investments in associates are subject to impairment tests whenever there are indications of impairment. An impairment loss is recognized in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. To perform impairment tests, each investment is analyzed separately. Impairment losses on financial investments in associates are reversible.

In June, a financial investment of 3 million euros was made in a capital increase of the Spanish company Medfood Invest S.L., which indirectly operates 31 KFC restaurants in Spain, with the Group now holding 40% of the company's capital. It was agreed that, subject to certain conditions being met and the completion of due diligence processes, Ibersol could, in April 2024, make an offer to acquire the remaining share capital or opt to exit for the amount invested with monetary correction. This investment has been classified as a joint venture and as of 31December 2023 is measured using the equity method.

The purchase price allocation has not yet been finalized and should be completed within one year of the acquisition date, as provided for in IFRS 3 (see note 2.1.5.3). The book value of the net assets acquired on the acquisition date amounted to 17 million euros.

The provisional goodwill calculated as at 31 December 2023 amounts to around 1 million euros, which will have to be adjusted within the aforementioned period.

In the periods ended 31 December 2023 and 2022, investments in associates and joint ventures were broken down as follows:

	Dec/23	Dec/22
UQ Consult - Serviços de Apoio à Gestão, S.A.	2 787 467	2 737 357
Ziaicos - Serviços e gestão, Lda	347 314	347 564
Others	-	3 000
Medfood Invest S.L.	3 189 217	-
	6 323 998	**3 087 921**
Accumulated impairment losses	-	-
Total	**6 323 998**	**3 087 921**

UQ Consult investment includes goodwill of about 2.1 million euros, and, as mentioned above, the investment in Medfood includes a provisional goodwill of 1 million euros.

The main indicators of the companies entering by the equity method are:

	Currency	Assets	Equity Capital	Turnover	Net Profit	% Group
UQ Consult - Serviços de Apoio à Gestão, S.A.	EUR	5 218 504	1 236 968	4 117 253	178 855	50%
Ziaicos - Serviços e gestão, Lda	EUR	868 286	868 286	-	-622	40%
Medfood Invest S.L.	EUR	24 276 842	6 326 187	19 556 754	473 042	40%

The turnover and net profit of Medfood Invest S.L. corresponds to the amount calculated for the period after the holding of the group's investment, i.e. the 2nd half of 2023.

The proportion of equity and net income attributable to the group is as follows:

		Dec/23		Dec/22	
	%	Equity Capital	Net Profit	Equity Capital	Net Profit
UQ Consult – Serv. de Apoio à Gestão, S.	50%	618 484	50 110	568 374	100 695
Ziaicos - Serviços e gestão, Lda	40%	347 314	-249	347 564	-92
Medfood Invest S.L.	40%	2 530 475	189 217	-	-
		3 496 273	**239 078**	**915 938**	**100 602**

UQ Consult, SA financial investment was tested for impairment and it was concluded that the recoverable amount, considering its value in use, exceeds the book value.

	Dec/23
Goodwill	2 168 982
Other net assets	618 484
Total	**2 787 466**
Recoverable value	**3 765 426**

With the used discount rate of 7.2%, it was concluded that there was no impairment of this participation.

6.7. Discontinued operations and non-current assets held for sale

Accounting policies

Included in this category are assets or a group of assets whose respective value is realizable through a sale or distribution transaction, or, jointly, as a group in a single transaction, and the liabilities directly associated with these assets that are transferred in the same transaction. . Assets and liabilities in this situation are measured at the lower of their book value and fair value less costs to sell.

For this situation to occur, it is necessary that the sale is very likely (it is expected that it will take place within a period of less than 12 months), and that the asset is available for sale or immediate distribution under current conditions, in addition to that the Group committed to its sale or distribution.
The amortization of assets under these conditions ceases from the moment they are classified as held for sale or distribution and are presented as current in the separate lines of assets, liabilities and equity.

A discontinued operating unit is a component (operating units and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity) of an entity that has either been disposed of or is classified as held for sale or distribution, It is:
(i) represents a separate major line of business or geographic area of operations;
(ii) is an integral part of a single coordinated plan to divest a separate major line of business or geographic area of operations; or
(iii) is a subsidiary acquired exclusively with a view to resale.

Earnings from discontinued operations are presented as a single amount in the income statement, comprising the after-tax profit or loss of the discontinued operations, plus the after-tax gain or loss recognized in the measurement at fair value less costs to sell or on the disposal of assets or group(s) for disposal that constitute the discontinued operating unit.

Balances between continuing operations and discontinued operations are eliminated in the consolidation process. Transactions between continuing operations and discontinued operations are eliminated to the extent that they represent operations that will no longer be carried out by the Group.

As at 31 December 2023 and 2022, the impact of the discontinued operations on the Consolidated Statement of Income and Other Comprehensive Income is as follows:

Income from discontinued operations	**2023**	**2022**
Sales and services rendered	11 133 213	177 069 082
Cost of sales	-3 793 280	-55 231 375
External supplies and services	-2 563 176	-44 887 297
Personnel costs	-3 104 197	-50 245 485
Amortisation, depreciation and impairment losses of AFT, Rights of Use, Goodwill and IA	-	-12 198 086
Other operating revenues / (costs)	50 418	2 388 352
Operating profit	1 722 978	16 895 191
Financial expenses	-112 904	-4 535 032
Financial income	-	-
Profit before tax	1 610 073	12 360 159
Income tax	-362 266	-409 316
Net profit	**1 247 807**	**11 950 843**
	-442 341	**131 227 616**
Gain from sale	**805 466**	**143 178 459**

In 2023 the amount of gain from sale relates to the adjustment to the price of the Burger King business, broken down into 242,341 euros relating to the adjustment resulting from the final Net Debt calculation and 200,000 euros relating to the revision of the estimate of the Extension Earn-out to be received from the negotiation of the lease contracts as a result of the negotiations already completed and in progress, from 7,000,000 euros to 6,800,000 euros.

Completion of the sale was scheduled in the SPA for November 2023, but was postponed for reasons beyond the control of the parties to January 2024. The Consolidated Statement of Financial Position therefore includes the amount of 6,800,000 euros in current receivables relating to the Extension Earn-out (note 5.2.1).

At 31 December 2023 and 2022, the impact of discontinued operations on the Consolidated Statement of Cash is as follows:

Cash flows from discontinued operations	**2023**	**2022**
Cash Flows from Operating Activities	1 722 978	38 119 401
Cash flows from investing activities - Disposal of discontinued operations net of cash	25 971 698	193 822 251
Cash Flows from Investing Activities - Others	-	-14 701 355
Cash Flows from Financing Activities	-	-18 478 016
Cash and cash equivalents from discontinued operations	**27 694 676**	**198 762 281**

At 31 December 2023 and 2022, the cash flow of disposal of discontinued operations is presented as follows:

Cash flow of discontinued operations sale	**2023**	**2022**
Cash received	25 971 698	209 272 474
Cash and cash equivalents disposed of	-	-15 450 223
Disposal of discontinued operations net of cash	**25 971 698**	**193 822 251**

At 31 December 2023 and 2022, the group of assets and liabilities classified as held for sale are as follows:

Group of assets and liabilities classified as held for sale	**2023**	**2022**
Tangible Fixed Assets	3 485 989	3 372 206
Intangible Assets	353 546	353 546
Right of use	2 037 157	1 703 145
Group of assets classified as held for sale	**5 876 692**	**5 428 897**
Lease liabilities	-1 833 086	-1 880 146
Group of assets classified as held for sale	**-1 833 086**	**-1 880 146**
Net value of assets and liabilities classified as held for sale	**4 043 606**	**3 548 751**

6.8. Investment Property

Accounting policies

The Group classifies as investment properties in the consolidated financial statements properties held with the aim of capital appreciation and/or obtaining income from third parties.

An investment property is initially measured at its acquisition or production cost, including transaction costs that are directly attributable to it. After initial recognition, investment properties are measured at cost less amortization and accumulated impairment losses.

Subsequent costs with investment properties are only added to the cost of the asset if it is likely that they will result in future economic benefits in addition to those considered at initial recognition.

Investment properties, which total 12,839,749 euros and 8,470,400 euros, respectively, on 31 December 2023 and 2022 relate to real estate assets where 9 Burger King restaurants operate (called "carve-ins", see note 6.7). These assets were leased to Burger King Portugal, with rents amounting to 638,684 euros in 2023.

Movements in investment properties

During the year ended on 31 December 2023, the movement in the value of the rights of use, as well as in the respective amortizations, was as follows:

	Investment Property
01 January 2022	0
Increases	-
Decreases	-
Transfers	8 470 400
Depreciation for the year	-
31 December 2022	**8 470 400**
Cost	8 470 400
Accumulated depreciation	-
Accumulated Impairment	-
31 December 2022	**8 470 400**
Increases	-
Decreases	-
Transfers	4 669 911
Depreciation for the year	-300 562
31 December 2023	**12 839 749**
Cost	13 425 032
Accumulated depreciation	-585 284
Accumulated Impairment	-
31 December 2023	**12 839 749**

Transfers relate to transfers of property, plant and equipment assets.

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 13.5 million euros.

7. Financial Risk Management

Group's activities are exposed to a variety of financial risk factors: market risk (including currency risk, fair value risk associated with interest rate and price risk), credit risk, liquidity risk and cash flow risk associated with the interest rate. The Group has a risk management program that focuses its analysis on the financial markets, seeking to minimize the potential adverse effects of these risks on the Group's financial performance.

Financial risk management is carried out by the Finance Department, based on policies approved by Management. Treasury identifies, assesses and hedges financial risks in strict cooperation with the Group's operating units. Management provides principles for risk management as a whole and policies covering specific areas, such as currency risk, interest rate risk, credit risk and the investment of excess liquidity.

7.1. Exchange rate risk

With regard to exchange rate risk, the Group pursues a policy of natural hedging by resorting to financing in local currency. Since the Group is essentially present in the Iberian market, borrowings are mostly denominated in euros and the volume of purchases, outside the Euro zone, does not assume relevant proportions.

The main source of exposure comes from investment outside the euro zone in the Angolan operation, with a low weight in the Group's activity. Unbalances in the Angolan economy have led to the devaluation of the Kwanza, which is a risk to consider.

The loans taken out by the Angolan subsidiaries are denominated in the local currency, the same currency in which the income is generated. The Group has adopted a policy of monthly monitoring of credit balances in foreign currency and their partial hedging through Treasury Bonds of the Republic of Angola, indexed to the USD.

In 2023 the acquisition of these bonds became more expensive, as no new series of bonds have been issued. At the same time, it became more difficult to obtain all the foreign currency needed to pay for imported products, so the credit held by Portuguese subsidiaries with Angolan subsidiaries increased.

As at 31 December 2023 and 2022, the Group's currency exposure was as follows:

			2023			
		Equivalent		Equivalent		
Financial Assets	Kwanzas	EUR	USD (*)	EUR	EUR	TOTAL (EUR)
Cash and bank deposits	3 601 012 927	3 867 488	4 746	4 293	10 268	3 882 049
Treasury bonds	1 614 529 814	1 734 005	-	-	-	1 734 005
Others	325 071 250	349 127	-	-	-	349 127
	5 540 613 991	5 950 619	4 746	4 293	10 268	5 965 181
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Suppliers	435 331 602	467 546	206 606	186 886	76 291	730 723
Others	118 808 973	127 601	-	-	-	127 601
	554 140 575	595 147	206 606	186 886	76 291	858 323

			2022			
		Equivalent		Equivalent		
Financial Assets	Kwanzas	EUR	USD (*)	EUR	EUR	TOTAL (EUR)
Cash and bank deposits	2 911 123 272	5 414 689	4 746	4 436	10 268	5 429 394
Treasury bonds	1 816 883 276	3 379 403	-	-	-	3 379 403
Others	118 114 847	219 694	9 319	-	-	219 694
	4 846 121 394	9 013 786	14 065	4 436	10 268	9 028 490
Financial Liabilities						
Loans	-	-	-	-	-	-
Suppliers	340 978 118	634 219	161 702	151 149	20 203	805 571
Others	8 603 908	16 003	-	-	-	16 003
	349 582 026	650 223	161 702	151 149	20 203	821 574

For reference, USD/EUR exchange rate used was 0.90 and 0.93, respectively, in 2023 and 2022.

Additionally, the Angolan subsidiaries have debts to suppliers - mostly group companies - denominated in EUR which, after conversion, generate exchange rate differences in the consolidated financial statements (other operating costs). On the other hand, the same subsidiaries hold financial assets indexed to USD in an amount necessary to cover liabilities in foreign currency.

Simulating, based on the figures for 31 December 2023, an additional devaluation of the AKZ against the USD and the EUR in the order of 10% or 15%, keeping everything else constant, the impact on the Group's Equity would be 1.5 million euros and 2.3 million euros (1.6 million euros and 2.5 million euros, in 2022), respectively.

7.2. Interest rate risk

Historically, with the exception of Angola Treasury Bonds, the group has no significant interest-earning assets. Therefore, profit and cash flows from the investment activity are substantially independent of changes in the market interest rate. With regard to Angolan State Treasury Bonds, the interest is fixed, so there is no risk either.

However, since the end of 2022, following the sale of the Burger King restaurants, the group had Term Deposits of 144 million euros on 31 December 2023.

The Group main interest rate risk comes from liabilities, namely long-term loans. Loans issued at variable rates expose the Group to the cash flow risk associated with the interest rate. Loans issued at fixed rates expose the Group to the fair value risk associated with the interest rate.

With the current level of interest rates, the group's policy is, for longer-term financing, to set interest rates at around 50% of the outstanding amount.

Borrowings in the amount of 16.4 million euros were contracted at a fixed rate.

Based on simulations carried out on 31 December 2023, an increase of over 100 basis points in the interest rate, keeping everything else constant, would have a negative impact on the net income for the period of 214 thousand euros (514 thousand euros, in 2022).

7.3. Credit risk

The Group main activity is sales paid for by cash or debit or credit card, so there are no significant concentrations of credit risk. In home sales through aggregators, these collect from customers and transfer the money by weekly summary within eight or fifteen days.

With regard to customers, the risk is confined to the Catering business and loans to Franchisees, which represent around 7.4 % of consolidated turnover. The Group regularly monitors accounts receivable in order to:

- Controlling credit granted to customers;
- Analyzing the ageing and recoverability of receivables;
- Analyzing the risk profile of customers.

The Group has policies that limit the amount of credit that customers have access to, and there is no information on the rating assigned to these entities. Credit situations overdue for more than 30 days are subject to an analysis of future losses based on historical information and taking into account the commercial relationship established as well as the existing real guarantees, with adjustments being recognized for impairment losses.

The Group's available cash essentially includes deposits resulting from the cash generated by operations and the respective deposits in current accounts. Occasionally there may be funds resulting from financing awaiting application, as well as the product of a non-recurring operation such as the sale of Burger King. Excluding these amounts, the value of financial investments at 31 December 2023 is reduced, with the exception of the already mentioned OTs of the Republic of Angola in the amount of 1.6 million euros, subject to country risk.

Deposits and other financial investments are dispersed across several credit institutions, therefore there is no concentration of these financial assets.

The ratings of the main credit institutions where the Ibersol group has deposits on 31 December 2023 and 2022 are presented as follows:

Agency	Bank	Year 2023		Year 2022	
		Deposits	Rating	Deposits	Rating
Standard & Poor´s	Banco Santander (ES)	429 322	A+	527 653	A+
Standard & Poor´s	Banco Bilbao Vizcaya	2 074 825	A	5 735 684	A
Standard & Poor´s	La Caixa (ES)	9 518 975	A-	6 439 212	A-
Standard & Poor´s	Bankinter	10 904 966	A-	10 618 737	A-
Standard & Poor´s	Banco BPI	38 628 989	BBB+	39 094 150	BBB+
Standard & Poor´s	Banco Santander Totta	48 729 206	A-	60 115 383	BBB+
Standard & Poor´s	Banco Sabadell (ES)	4 275 534	BBB+	5 964 471	BBB
Standard & Poor´s	Millenium BCP	36 631 083	BBB-	83 351 401	BB+
Standard & Poor's	ABANCA (ES)	97 778	BBB-	77 958	BBB-
Standard & Poor's	Banco Popular	492 296	A-	16 141 564	A-
Moody's	Caixa Geral Depósitos	981 516	A3	2 810 118	Baa2
Moody's	Banco Montepio	54 654	Baa3	415 719	Ba3
Moody's	Novo Banco	29 908 442	Baa2	27 668 953	Ba3
Moody's	BAI (Angola)	1 503 804	B3	1 286 591	B3
Não disponível (outros)	BIC/BPN	1 339 705	n/a	943 542	n/a
Não disponível (Angola)	CAIXA TOTTA (Angola)	1 784 650	n/a	2 987 813	n/a
Moody's	BFA (Angola)	264 201	B3	642 603	B3
Não disponível (Angola)	BCP (Angola)	324 087	n/a	495 614	n/a
Não disponível (Angola)	BPC (Angola)	7 703	n/a	13 340	n/a
Não disponível (outros)	Outros	14 897	n/a	24 273	n/a
		187 966 632		**265 354 779**	

Deposits in Angola are spread over four of the largest commercial banks in Angola – BFA, BCGA, ATL and BAI – but which do not have a rating. As at 31 December 2023, the Group has deposited Treasury Bonds with a rating of the Republic of Angola, Rating B3 (Moody`s), recorded for the amount of 1,580,739 euros, as detailed in note 8..

The credit quality of non-performing, non-impaired financial assets is detailed in Note 5.2.

7.4. Liquidity risk

Liquidity risk management implies maintaining a sufficient amount of cash and bank deposits, the viability of consolidating floating debt through an adequate amount of credit facilities and the ability to liquidate market positions. Management of treasury needs is based on annual planning, which is reviewed quarterly and adjusted daily. In line with the dynamics of the underlying businesses, the Group's Treasury has been managing flexibly commercial paper and negotiating lines of credit available at all times.

For this purpose, it is considered that short-term bank loans mature on the renewal date and that commercial paper contracts expire on the termination dates, although renewal is usual.

As at 31 December 2023, current liabilities amounted to 149 million euros, compared to 235 million in current assets. Without prejudice to the fact that this year, as a result of excess liquidity, the Group does not present a situation of current liabilities greater than current assets, a financial characteristic of this business, it is important to mention that current liabilities include some Commercial Paper programs, with clauses denunciation, in which reimbursement is considered on the date of denunciation, regardless of the terms for which they are contracted. On the other hand, circumstantially, the Group chooses to issue under shorter maturity contracts to the detriment of other longer maturity programs that remain unused and consequently with amounts available for coverage.

Loans in the form of commercial paper issues are classified as non-current liabilities when they have placement guarantee for a period of more than one year and it is the intention of the Group's Board of Directors to use this source of funding equally for a period of more than one year.

The Group considers that the expected operating cash flows, the commercial paper not issued and the credit lines contracted but not used, are sufficient to settle all current liabilities.

At 31 December 2023, the group had unused Commercial Paper Programs and medium and long-term lines of 23 million euros and unused short-term treasury support lines of 10 million euros.

The following table shows financial liabilities (relevant groups) considering undiscounted contractual cash flows:

	< 1 year	de 1 a 5 years	> 5 years
Loans	15 790 517	12 663 526	-
Lease liabilities	40 161 966	118 666 755	70 179 247
Other non-current liabilities	-	3 704	-
Trade payables and accrued expenses	71 192 348	-	-
Other current liabilities	592 529	-	-
Total	127 737 360	131 333 985	70 179 247

The increased costs shown above exclude remuneration payable (note 5.3.3.).

The amount of other current liabilities excludes balances with the state and income to be recognized (note 5.3.).

7.5. Capital risk

The company seeks to maintain a level of equity appropriate to the characteristics of the main business (cash sales and supplier credit) and to ensure continuity and expansion.

The balance of the capital structure is monitored based on the financial leverage ratio (defined as: net interest-bearing debt / (net interest-bearing debt + equity)) with the aim of placing it in the 50%-75% range.

The financial leverage ratio is negative -26% on 31 December 2022 and 16% on 31 December 2023, as shown in the table below:

	Dec/23	Dec/22
Lease liabilities	229 007 968	90 873 709
Loans	28 454 044	70 081 886
Other financial assets	-1 580 739	-3 068 858
Cash and bank deposits	-188 538 842	-237 132 629
Net debt	67 342 431	-79 245 892
Shareholders' funds	354 924 089	383 693 560
Total capital	422 266 519	304 447 668
Financial leverage ratio	16%	-26%

8. Financing

8.1. Equity

8.1.1. Share capital

Accounting policies

Basic shares are classified in equity when paid.

Incremental costs directly attributable to issuing new shares or options are shown in equity as a deduction, net of taxes, from inflows.

When any Group company acquires shares in the parent company (treasury shares), the amount paid, including directly attributable costs (net of taxes), is deducted from the equity attributable to holders of equity in the parent company until the shares are cancelled, reissued or disposed of. When such shares are subsequently sold or reissued, any proceeds, after deducting directly attributable transaction costs and taxes, are reflected in the shareholders' equity of the equity holders of the company.

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

On 31 December 2023, Ibersol's share capital was fully subscribed and paid up, and was represented by 42,359,577 registered shares with a nominal value of 1 euro each.

8.1.2. Own shares

Under the terms of the resolution approved at the General Meeting of 26 May 2023, Ibersol SGPS, SA reduced its capital in 2023 from 46,000,000 euros to 42,359,577 euros, by cancelling 3,640,423 own shares acquired for 11,410,227 euros.

Under the buy-back program approved at the same General Meeting, 477,490 own shares were acquired until 31 December 2023, at an average price of €6.79 and representing 1.1272% of the share capital.

On 31 December 2023, the company held 477,491 own shares acquired for 3,244,008 euros.

8.1.3. Reserves and retained earnings

Currency conversion reserve
The currency conversion reserve corresponds to the accumulated amount related to the appropriation by the Group of exchange rate differences resulting from the translation of the financial statements of subsidiaries operating outside the Euro zone.

Legal reserve
Commercial legislation establishes that at least 5% of the annual net income must be allocated to reinforce the legal reserve until it represents at least 20% of the share capital. This reserve cannot be distributed except in the event of liquidation of the company. It may, however, be used to absorb losses, after the other reserves have been exhausted, or incorporated into the capital.

In the periods presented, the legal reserve is not constituted by its maximum limit.

Retained earnings and other reserves
This item refers to reserves constituted through the transfer of results from previous periods, the reduction of share capital and other movements.

The amount of the group's unavailable reserves amounts to 3,244,007 euros and concerns own shares held by the group.

The amounts to be distributed to shareholders are calculated based on the company's individual accounts, which show the amount of 172,927,759 euros available.

There are no limitations on Ibersol's ability to access or use the group's assets and settle liabilities, other than those that may result from the law.

8.1.4. Non-controlling interests

In the financial year ended 31 December 2023 and 2022, non-controlling interests and their movements are detailed as follows:

	%		Dec/22	Increases	Reductions	Dec/23
	Dec/23	Dec/22				
Restmon	39%	39%	-63 982	-	-285	-64 267
FoodOrchestrator	84%	84%	-	214 239	-105 194	109 045
EatTasty	84%	84%	-	4 150	-18 282	-14 132
Outros			-17 737	18 536	-	800
			-81 719	**236 925**	**-123 761**	**31 446**

8.1.5. Dividends

At the Annual General Meeting of 26 May 2023, it was decided to pay a gross dividend of 0.70 euros per share (0.135 euros in 2022), corresponding to an amount of 29,651,704 euros (5,724,002 euros in 2022) for the shares in circulation, which was paid on 20 June 2023.

8.1.6. Earnings per share

Accounting policies

Earnings per share can be expressed in terms of “basic earnings” or “diluted earnings”.

Basic

Basic earnings per share is calculated by dividing earnings attributable to shareholders by the weighted average number of common shares issued during the period, excluding common shares acquired by the company and held as treasury stock.

Diluted

Diluted earnings per share is calculated by dividing earnings attributable to shareholders, adjusted for dividends on convertible preferred stock, interest on convertible debt and gains and expenses resulting from the conversion, by the weighted average number of common shares issued during the period plus the average number of common shares issuable on the conversion of dilutive potential common shares

As at 31 December 2023 and 2022, basic and diluted earnings per share were calculated as follows:

	2023	2022
Profit attributable to equity holders		
Continuing operations	14 731 980	16 696 690
Discontinued operations	805 466	143 178 459
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)	43 815 746	46 000 000
Weighted average number of treasury shares (ii)	1 456 952	3 601 643
Weighted average number of shares outstanding (i-ii)	42 358 794	42 398 357
Basic earnings per share (euros per share)		
Continued operations	0,35	0,39
Discontinued operations	0,02	3
Diluted earnings per share (€ per share)		
Continued operations	0,35	0,39
Discontinued operations	0,02	3
Number of treasury shares at the end of the period	477 491	3 640 423

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

8.2. Bank Debt

Accounting policies

Borrowings are recorded under liabilities at the nominal value received, net of issue costs, which corresponds to their respective fair value on that date. Subsequently, they are measured using the amortized cost method, with the corresponding financial charges calculated in accordance with the effective interest rate.

The effective interest rate is the rate that discounts future payments over the expected life of the financial instrument to the net carrying amount of the financial liability.

As at 31 December 2023 and 2022 current and non-current borrowings had the following detail:

	Dec/23	Dec/22
Non-current		
Bank loans	7 863 527	29 834 860
Commercial paper	4 800 000	16 400 000
	12 663 527	**46 234 860**
Current		
Bank overdrafts	-	-
Bank loans	4 110 369	12 274 609
Commercial paper	11 680 148	11 572 417
	15 790 517	**23 847 026**
Total borrowings	**28 454 044**	**70 081 886**
Average cost	**2,6%**	**2,6%**

The maturity of non-current bank borrowings and commercial paper is as follows:

	Dec/23	Dec/22
between 1 and 2 years	11 477 304	20 877 703
between 2 and 5 years	1 186 222	24 578 196
> 5 years	-	778 960
Total non current borrowings	**12 663 527**	**46 234 860**

For Commercial Paper Programs (CPP), 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.

The interest rate in force on 31 December 2023 for CPP and borrowings was on average around 3.35% (2.55% on 31 December 2022). Borrowings indexed at variable rates are indexed to Euribor.

The future cash flows (nominal value) associated with these liabilities on 31 December 2023 are detailed as follows:

	FC 2024	FC 2025	FC 2026	FC 2027	FC 2028	TOTAL
Borrowings	4 110 370	3 545 610	3 131 694	1 186 222	-	11 973 897
Commercial paper	11 680 147	4 800 000	-	-	-	16 480 147
Interest	299 304	78 615	7 121	-	-	385 040

Changes in bank debt

Movements in 2023 and 2022 under current and non-current loans, except for finance leases and bank overdrafts, are presented as follows:

	2023	2022
1 January	**70 081 886**	**167 032 350**
Variations with impact in cash flows:		
Proceeds from borrowings obtained	-	3 000 000
Financial debt repayments	-42 445 598	-83 427 754
Variations without impact on cash flows:		
Effect of changes in bank overdrafts (note 8.6.)	-	-16 676 137
Financing set-up costs	847 413	-
Capitalised interest and other	-29 658	153 428
as at 31 December	**28 454 043**	**70 081 886**

As at 31 December 2023 and 2022, total outstanding loans in the functional currency in which they were contracted break down as follows:

	Dec/23	Dec/22
EUR	28 454 043	70 081 886
AOA	-	-

As at 31 December 2023, the Group had 33 million euros in commercial paper not issued and credit lines contracted but not used.

Some of the Ibersol Group's borrowings contracts and commercial paper programs with financial institutions, corresponding to a total amount owed on 31 December 2023 of 9 million euros, include Financial Covenants (i.e. 33% of the total amount of loans outstanding on that date). Such covenants can be summarized as follows:

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

Some contracts still have Debt/EBITDA adjusted for the effects of applying IFRS 16 (frozen gaap).

In the current financing agreements in Spain, financial covenants were not established.

Additionally, there are contracts in which the respective creditors have the possibility to consider the debt overdue in the event of a change in shareholder control, however none of that debt was being used on 31 December 2023.

8.3. Lease liabilities

Accounting policies

Liabilities with leases are initially measured based on the present value of the lease liabilities at that date. Subsequently, the lease liability is adjusted for the effect of interest and lease payments, as well as possible modifications and remeasurements of the lease agreements. Lease payments include payments made to a lessor for the right to use an underlying asset during the lease term (excluding variable lease payments) and also include the exercise price of a call option, if there is an expectation reasonable for the Group to exercise it, and the amount of penalties for termination of contracts, if it is reasonably certain that the Group will trigger the possibility of termination.

To calculate the present value of lease payments, in cases where it is not possible to obtain the implicit interest rate, the Group uses the incremental financing rate, which represents the interest rate that the Group would have to pay to borrow for a similar period, and with a similar guarantee, the funds necessary to obtain an asset of equivalent value to the asset under right of use in a similar economic context.

The Group determines the lease term as the non-cancellable period of the lease, taking into account the periods covered by an option to extend the contract, if it is reasonable for the Group to exercise it, or any periods covered by an option to terminate. the contract, if it is reasonably certain that the Group will not exercise it. The lease term is thus comprised between the minimum corresponding to the non-cancellable period of the contracts and the maximum corresponding to the period during which the contract is enforceable (period after which lessor and lessee have the right to end the lease with no more than a negligible penalty considering the broader economic circumstances).

There are no residual value guarantees in the contracts. The main value judgments relating to the future and other sources of uncertainty essentially concern the future profitability prospects of the stores which, as stated above, influence the lease term in cases where there are renewal and/or termination options.

Payments related to variable contract components are not considered as lease payments, being recognized as an expense in the year in which they occur. These rents are determined by a percentage of the sales of each space and are incremental compared to the contracted minimum rents.

For the year ended 31 December 2023, exposure to variable lease payments is reduced. For a variation of more than 5% in sales in all the group's restaurants, an increase in total rentals of 0.7% is estimated.

After the start date of the contracts, the Group reassesses the term of the leases if there is a significant event or change in circumstances that are within its control and that affect its ability to exercise or not to exercise the option to renew or terminate (for example, local changes in the consumer market and/or carrying out significant improvements or customization in the lease asset).

Interest on leases is shown in the consolidated statement of cash flows, in payments relating to cash flows arising from financing activities.

Judgments and estimates

Lease term and incremental financing rate

The Group estimates lease terms and the incremental financing rate.

The Group determines the lease term as the non-cancellable period of the lease, taking into account the periods covered by an option to extend the contract, if it is reasonable for the Group to exercise it, or any periods covered by an option to terminate. the contract, if it is reasonably certain that the Group will not exercise it.

When determining the lease term, the Group therefore makes a judgment about the relevant factors that create an economic incentive to exercise the renewal or termination (in cases where such options are of the lessee and the lessor, the Group exercises judgment about the lessor and lessee economic incentives). Among other aspects, the Group takes into account:
- the value of the non-transferable investments made in each commercial space and the estimate of the period for recovery and use of such investments;
- if the renewal/termination option takes place in a shorter or more distant time horizon (the shorter the non-cancelable period of the contract, the greater the probability that the Group will exercise the renewal option, the opposite being true in the case of contracts with long non-cancellable periods)
- conditions for contract renewal – for example with regard to the renewal period or rent conditions
- termination penalties
- location of assets and existence of viable alternatives for other commercial spaces.

In most leases, the Group is not able to readily determine the interest rate implicit in the contracts, so it considers its incremental financing rate to measure lease liabilities. The incremental financing rate is the interest rate that the Group would have to pay to obtain loans with similar terms and guarantees, to acquire an asset identical to the lease asset in a similar economic environment. In this way, the incremental financing rate reflects what the Group would have to pay, which requires an estimate when there are no observable rates available (such as, for example, in subsidiaries that do not carry out financing operations) or when they need to be adjusted to reflect the terms and conditions of the lease (for example when contracts are not in the Group's functional currency). The Group estimates the incremental funding rate using observable information (such as market interest rates) when available, making it necessary to make some specific estimates based on consultations with funding institutions such as banks and investment funds. The average incremental funding rate used by the Group to discount lease liabilities was 5.74% in Portugal and 5.41% in Spain (5.54% and 5.11%, respectively, in Portugal and Spain on 31 December 2022).

At 31 December 2023, the company has commitments to third parties arising from lease contracts, namely real estate contracts. The decomposition of future lease rent payments, taking into account their maturity, can be analyzed as follows:

	Current	Non-current					
	FC 2024	FC 2025	FC 2026	FC 2027	FC 2028	FC 2029/43	Total non-current
Leases	40 161 966	36 375 352	33 433 480	25 997 087	22 860 837	70 179 247	**188 846 002**
Interest	12 605 179	10 595 897	8 593 145	6 857 585	5 327 635	14 229 065	**45 603 326**

Changes in lease liabilities

Changes in fiscal years 2023 and 2022 in lease liabilities are presented as follows:

	2023	2022
1 January 2022	**90 873 709**	**143 068 335**
Variations with impact in cash flows:		
Lease payments	-32 805 337	-32 399 561
Variations with no impact in cash flows:		
Interest for the period from updating lease liabilities	-384 620	-67 281 693
Interest for the period from updating lease liabilities of discontinued operations	10 113 570	4 481 130
Lease increases	-	3 601 415
Contracts terminations / shop closings	164 625 819	42 637 420
Writte-off Lease liabilities AENA contracts	-2 849 832	-100 360
Reclassification to liabilities directly associated with the group of assets classified as held for sale	-	-1880146
Rent concessions arising from the COVID-19 pandemic	-	-830 996
Others	-565 340	-421 835
31 December 2022	**229 007 968**	**90 873 709**

Lease payments include 22,691,767 euros (24,317,016 euros in 2022) of principal and 10,113,570 euros (8,082,545 euros in 2022) of interest.

The increases mainly refer to the new lease contracts for Madrid, Lanzarote, Tenerife and Malaga airports and the reactivation of the Gran Canaria and Alicante contracts, as follows:

	2023
Gran Canaria Airport	6 288 690
Alicante Airport	13 531 616
Malaga Airport	15 932 669
Lanzarote Airport (new contract)	25 812 472
Madrid Airport (new contract)	66 191 104
Málaga Airport (new contract)	2 548 914
Tenerife Airport (new contract)	9 742 702
Others	24 577 651
	164 625 819

8.4. Treasury Bonds

Accounting policies

Debt instruments at amortized cost

Debt instruments are measured at amortized cost if the following criteria are met:

• The asset is held to receive its contractual cash flows; It is

• The contractual cash flows from the asset represent payments of principal and interest only.

Financial assets included in this category are initially recognized at fair value and subsequently measured at amortized cost..

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:

	Dec/23			Dec/22		
	Current	Non current	Total	Current	Non current	Total
Angolan Treasury Bonds	1 067 733	666 272	1 734 005	607 662	2 771 741	3 379 403
Accumulated impairment losses	-72 244	-81 022	-153 266	-15 937	-294 608	-310 545
TOTAL	995 489	585 250	1 580 739	591 725	2 477 133	3 068 858

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%.

Treasury bond changes

In 2023 and 2022 changes in treasury bonds are presented as follows:

Typology	Acquisition Date	Due Date	Amount as of 31/12/2022	Purchase of TB	TB reimbursement	Exchange rate effect	Chage in impairment losses	Amount as of 31/12/2023	Gross annual return
non-readjustable	05/05/2021	28/02/2023	170 356	-	-172 031	-72 697	1 675	-	**17%**
non-readjustable	04/10/2021	21/04/2023	202 664	-	-119 600	-87 529	4 466	-	**16%**
non-readjustable	25/05/2021	08/07/2023	218 705	-	-131 941	-96 560	9 796	-	**16%**
non-readjustable	24/11/2021	31/07/2024	111 521	-	-	-66 417	12 581	57 685	**17%**
indexed to USD	21/09/2022	15/03/2024	83 867	-	-	-3 568	2 460	82 759	**5%**
non-readjustable	06/09/2022	14/03/2024	345 948	-	-	-160 344	21 663	207 266	**17%**
non-readjustable	19/09/2022	31/07/2024	167 671	-	-	-79 897	12 581	100 356	**17%**
indexed to USD	06/05/2021	31/08/2024	314 577	-	-	-38 492	11 367	287 452	**7%**
non-readjustable	06/10/2022	14/03/2024	434 755			-201 411	26 626	259 971	**17%**
Total TB Current			**2 050 064**	-	-423 573	-806 915	103 215	995 489	
non-readjustable	15/12/2022	15/03/2025	259 179	-	-	-77 289	8 695	190 585	**19%**
non-readjustable	15/12/2022	05/04/2025	161 172	-	-	-82 165	9 326	88 334	**17%**
non-readjustable	15/12/2022	11/03/2026	171 133	-	-	-123 795	13 516	60 854	**17%**
non-readjustable	06/10/2022	11/03/2026	427 310	-	-	-204 358	22 527	245 478	**19%**
Total TB Non-Current			**1 018 794**	-	-	-487 607	54 064	585 250	

8.5. Cash and bank deposits

Accounting policies

Cash and cash equivalents

Cash and cash equivalents include amounts recorded in the statement of financial position with a maturity of less than three months from the balance sheet date, which include cash and available funds at credit institutions. It also includes other short-term, highly liquid investments, with an insignificant risk of change in value and convertible into cash, as well as mandatory demand deposits with the Bank of Portugal in order to satisfy the legal requirements for minimum cash reserves.

Statement of cash flows
The consolidated statement of cash flows is prepared using the direct method, through which cash receipts and payments from operating, investing and financing activities are disclosed.

Operating activities include receipts from customers, payments to suppliers, payments to staff and others related to operating activity, namely income tax.

Investment activities include, namely, acquisitions and disposals of investments in affiliated companies, payments and receipts arising from the purchase and sale of assets and receipts of interest and dividends. Financing activities include payments and receipts relating to loans obtained, lease agreements, interest paid and dividend payments.

As at 31 December 2023 and 2022, the breakdown of cash and cash equivalents was as follows:

	Dec/23	Dec/22
Cash	572 210	474 011
Bank deposits	187 966 632	236 658 618
Cash and bank deposits in the balance sheet	**188 538 842**	**237 132 629**
Cash and cash equivalents on the cash flow statement	**188 538 842**	**237 132 629**

There are no significant balances of cash and cash equivalents unavailable for use by the Ibersol group. Of the total cash and cash equivalents as at 31 December 2023, 3,882,246 euros (5,429,729 euros in 2022) are deposited in Angola, with restrictions on their use outside the country, namely authorization from the BNA and access to the purchase of currency.

8.6. Financial assets and liabilities

As at 31 December 2023 and 2022, financial assets and liabilities are detailed as follows:

Financial Assets	Category	Book Value		Valuation Method
		Year 2023	Year 2022	
Other non-current assets	loans and receivables	8 853 318	7 355 485	amortised cost
Other current assets	loans and receivables	1 580 739	3 068 858	amortised cost
Non-current financial assets	other assets	396 355	501 388	amortised cost
Cash and cash equivalents	loans and receivables	188 538 842	237 132 629	amortised cost
Clients	loans and receivables	7 855 070	17 442 675	amortised cost
Other debtors	loans and receivables	5 605 985	6 165 750	amortised cost
		212 830 309	271 666 785	

Financial Liabilities	Category	Book Value		Valuation Method
		Year 2023	Year 2022	
Financing obtained	other liabilities	28 454 044	70 081 886	amortised cost
Suppliers	other liabilities	54 886 999	60 214 442	amortised cost
Accrued expenses	other liabilities	16 305 349	15 213 586	amortised cost
Other creditors	other liabilities	3 899 162	6 020 247	amortised cost
		103 545 554	151 530 161	

As shown in Notes 5.2. and 8.5 financial Assets (Customers and Other Debtors) and other financial assets (TO's) show impairment losses., respectively. Gains and losses on financial assets and liabilities in 2023 and 2022 were as follows:

Gains/ (Losses)

	Dec/23	Dec/22
Accounts receivable	12 255	-4 416
Other financial assets	157 279	-93 132
	169 534	**-97 548**

In 2023 and 2022, interest on financial liabilities at amortized cost amounts to 2,436,470 and 2,617,824 euros, respectively.

8.7. Financial activity result

Accounting policies

Financial charges associated with loans obtained (interest, premiums, ancillary costs and interest on finance leases) are recognized as an expense in the income statement for the period in which they are incurred, in accordance with the accruals principle.

If they relate to qualifying assets, financial charges are duly capitalized as defined in the applicable IFRS.

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

Financial expenses	2023	2022
Interest from lease liabilities (IFRS16)	10 113 570	4 481 130
Interest expenses with financing	2 436 470	2 617 824
Other financial expenses	1 780 998	2 176 612
	14 331 038	9 275 566

Liability interest on leases (IFRS16) by geography, are presented as follows:

	2023	2022
Espanha	6 973 381	2 007 369
Portugal	2 979 544	2 280 120
Angola	160 645	193 641
	10 113 570	4 481 130

The detail of other financial expenses is presented as follows:

	2023	2022
Banking services	483 841	822 243
PPC commissions	131 075	281 448
OT's impairment (Nota 8.4.)	-	93 132
Other commissions	16 319	47 425
Other financial costs	1 149 763	932 364
	1 780 998	2 176 612

The increase in other financial expenses is essentially due to the updating of the value of the deposits in Spain referred to in Note 5.2.

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

Financial income and gains	2023	2022
Interest income	4 058 991	1 443 289
Other financial income	464 914	166 994
	4 523 905	1 610 283

Interest earned essentially refers to interest on term deposits (3,672,689 euros) and interest on treasury bonds in Angola (339,571 euros).

The detail of other financial income is presented as follows:

	2023	2022
Derivatives	-	18 976
OT's impairment (Nota 8.4.)	157 279	-
Other financial income	307 635	148 018
	464 914	166 994

9. Current and Deferred Taxes

9.1. Current income tax

Accounting policies

Current income tax is calculated based on the taxable income of the companies included in the consolidation, in accordance with the tax rules in force in the location of the head office of each company included in the consolidation perimeter. In Portugal, the tax estimate (IRC) was calculated under the Special Regime for Taxation of Groups of Companies (RETGS). In Spain, current tax on subsidiaries based in Vigo, Madrid and Barcelona (except Cortsfood and Dehesa) was calculated under the special tax regime for economic groups. The remaining subsidiaries, headquartered in Luanda - Angola, calculate their current tax individually, in light of the regulations in force in the country of their registered office.

Uncertain tax positions

The amount of estimated assets and liabilities recorded associated with tax proceedings results from an assessment by the Group with reference to the date of the statement of financial position regarding potential differences of understanding with the Tax Administration.

With regard to the measurement of uncertain tax positions, the Group takes into account the provisions of IFRIC 23 – "Uncertainty regarding income taxes", namely in the measurement of risks and uncertainties in defining the best estimate of the expenditure required to settle the obligation, by weighing all possible controlled outcomes and associated probabilities.

Income taxes recognized in the years ended 31 December 2023 and 2022 are detailed as follows:

	Dec/23	Dec/22
Current tax	432 523	2 554 479
Deferred tax	-1 658 588	-4 696 205
	-1 226 065	-2 141 726

9.1.1. Current tax recognized in the income statements

The Group's pre-tax income tax differs from the theoretical amount that would result from applying the weighted average income tax rate to consolidated income as follows:

	2023	2022
Profit before tax	**13 382 155**	**14 553 008**
Tax calculated at the tax rate applicable in Portugal (22,5%)	**3 010 985**	**3 274 427**
Tax effect generated by:		
Recognition of deferred taxes Spain	-1 402 798	-4 111 519
Tax credits/tax incentives in the year	-2 840 582	-3 169 462
State surcharge	258 578	378 156
Autonomous taxation	181 654	224 841
Rate differences and other effects	-433 903	1 261 831
Income tax	-1 226 065	-2 141 726

As at 31 December 2023 the effective tax rate is -9% (-14% in 2022).

The recognition of deferred taxes in Spain results from the business plans with the main impact on the recovery and growth of the Travel segment.

9.1.2. Current tax recognized in the statement of financial position

9.1.2.1. Income tax recoverable

At 31 December 2023 and 2022, the amount of tax on income to be recovered totals EUR 3,550,462 (EUR 109,587 in 2022), as follows:

	Dec/ 23	Dec/ 22
Portugal	3 509 896	78 030
Spain	38 416	31 557
Others	2 150	-
	3 550 462	109 587

9.1.2.2. Income tax payable

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

	Dec/ 23	Dec/ 22
Angola	147 259	406 730
Others	9 261	7 135
	156 520	413 865

9.2. Deferred taxes

Accounting policies

Initial recognition and measurement

Deferred taxes are recognized as a whole using the liability method and calculated on temporary differences arising from the difference between the tax base of assets and liabilities and their amounts in the consolidated financial statements. However, if deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination or that, at the date of the transaction, does not affect either the accounting result or the tax result, this is not accounted for. Deferred taxes are determined by the tax (and legal) rates enacted or substantively enacted on the date of the consolidated statement of financial position and which are expected to be applicable in the period of realization of the deferred tax asset or settlement of the deferred tax liability.

The nominal tax base rates of the jurisdictions in which the Group is present are:

Portugal	21%
Spain	25%
Angola	25%

The Group offsets deferred tax assets and deferred tax liabilities if, and only if:
(a) has a enforceable right to offset current tax assets against current tax liabilities; It is
b) deferred tax assets and deferred tax liabilities relate to income taxes assessed by the same tax authority on either:
i) the same taxable entity, or
ii) different taxable entities that intend to either settle current tax liabilities and assets on a net basis, or realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax assets are only recognized when it is probable that there will be sufficient taxable income or taxable temporary differences related to the same tax authority to use those same deferred tax assets..

Judgments and estimates

At the end of each year the recorded and unrecorded deferred tax assets are revised and they are reduced whenever their future use ceases to be probable, or increased if, and to the extent that, it is probable that future taxable profits will be generated/reversal of taxable temporary differences allows their recovery.

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

In the recoverability analysis of deferred tax assets in Spain, business plans were prepared which, considering the Spanish taxation rules and the specificities of the group of companies, constituted the basis for the recoverability assessment.

The business plans associated with the travel segment, namely airports in Spain, were made based on the effects of the application of Law 13/2021, as well as the latest traffic estimates from Eurocontrol.

The business plans have been 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.

9.2.1. Deferred tax assets

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

	Dec/23	Dec/22
Deferred tax assets	**Spain**	**Spain**
Tax losses carried forward	10 615 878	10 621 807
Deductible and taxable temporary differences (IFRS16)	1 938 048	576 596
Taxable temporary differences	-	-645 937
Homogenization of property, plant and equipment and intangible assets	-1 209 681	-1 140 379
Other temporary differences	892 402	577 171
	12 236 647	9 989 258

Deductible and taxable 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. The breakdown between deductible and taxable differences is as follows:

	Dec/23	Dec/22
	Spain	**Spain**
Deductible temporary differences (IFRS16)	-41 971 913	-9 772 057
Taxable temporary differences (IFRS16)	43 909 961	10 348 652
	1 938 047	576 596

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
The detail of tax losses carried forward from Spain is presented as follows:

	2018	2019	2020	2021	Total
Spain	26 228	6 397 116	23 141 511	10 266 814	39 831 670
Total	**26 228**	**6 397 116**	**23 141 511**	**10 266 814**	**39 831 670**

Regarding the tax losses carried forward from Spain, with no expiration date for deduction, detailed above, the Group did not recognize deferred tax assets on tax losses carried forward generated in Spain amounting to 5,611,192 euros (corresponding to a deferred tax amount of 1,402,798 euros), as there is no reasonable assurance as to the recoverability of such 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 used.

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.

Deferred tax assets relating to tax losses carried forward are presented as follows:

Limit year of use	unlimited	Total
Reportable tax losses		
Spain	45 442 861	45 442 861
Deferred tax assets		
Spain	10 803 225	10 803 225

9.2.2. Deferred tax liabilities

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

	Dec/23			Dec/22		
Deferred tax liabilities	**Portugal**	**Angola**	**TOTAL**	**Portugal**	**Angola**	**TOTAL**
Tax losses carried forward	-60 007	-	-60 007	-	-	-
Homogenization of property, plant and equipment and intangible assets and Hyperinflationary Economies (IAS 29)	5 071 322	460 099	5 531 421	4 543 332	2 947 395	7 490 726
Deductible temporary differences (IFRS16)	-	-27 478	-27 478	-	-50 116	-50 116
Other temporary differences	-2 635 717	-38 317	-2 674 034	-3 059 410	-77 637	-3 137 047
	2 375 598	394 304	2 769 902	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
Other temporary differences amount, essentially, refers to unused tax benefits. At 31 December 2023, there are 88,200 euros of tax benefits associated with the capital increase and 2,502,080 euros of undeducted tax benefits to be used in subsequent years: 1,039,155 euros of RFAI for 2022, 788,515 euros of RFAI for 2023, 223,488 euros of CFEI II (89,303 euros deductible up to 2025 and 134,185 euros up to and including 2026) and 450,922 euros of IFR (deductible up to and including 2027). It should be noted that RFAI credits have a reporting period of 10 tax periods, a period which was suspended during the 2020 tax period and during the following tax period, under Law no. 21/2021, of April 21.

10. Other Provisions and Contingencies

10.1. Other provisions

Accounting policies

Other provisions are recognized when, and only when, the Group has a present obligation (legal or constructive) resulting from a past event, whenever it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reasonably estimated. Other provisions are reviewed on the date of each statement of financial position and are adjusted to reflect the best estimate of its fair value at that date.

When identifying onerous contracts, the group considers whether the unavoidable costs of complying with the contract exceed the economic benefits expected under such contract. In the event of any onerous contract being identified, a provision is recognized for the difference between unavoidable costs and expected benefits of the contract.

At 31 December 2023 and 2022, the detail of other provisions is as follows:

	Dec/22	Increases	Decreases	Dec/23
Onerous contracts	1 560 000	-	-	1 560 000
Compensation	-	-	-	-
Others	970 869	11 250	-	982 118
Other Provisions	**2 530 869**	**11 250**	-	**2 542 118**

In 2021, as a result of the application of Law 13/2021 and the losses in passenger traffic caused by the pandemic, the Ibersol group revised the business plans of the concessions in Spain, recognizing a provision for onerous contracts for the Gran Canaria airport activity in the amount of 1.6 million euros, which remains at 31.12.2023.

Provisions were also set up in 2022 in the amount of approximately 965,000 euros to meet other possible liabilities arising from litigation / claims.

10.2. Contingent assets and liabilities

Accounting policies

Contingent liabilities are defined by the Company as (i) possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or (ii) present obligations that arise from past events but that are not recognized because it is unlikely that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the Company's financial statements, being disclosed in the Notes to the Financial Statements, unless the possibility of an outflow of funds affecting future economic benefits is remote, in which case they are not even disclosed.

Contingent assets are possible assets arising from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognized in the Company's financial statements, but are disclosed in the Notes to the Financial Statements when future economic benefits are probable

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). The Board of Directors does not expect any liability arising from these same commitment clauses, so no liabilities or contingent liabilities have been recognized in the consolidated statement of financial position.

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

10.3. Guarantees

At 31 December 2023 and 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:

	Dec/23	Dec/22
Bank Guarantees	36 986 807	38 674 924

At 31 December 2023 the bank guarantees are detailed, by type of coverage, were as follows:

Concessions and rents	Other supply contracts	Fiscal and legal proceedings	Other	Other legal claims
31 561 842	20 683	231 550	5 152 000	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 27,297,000 euros with AENA Airports.

In other guarantees, and following the sale of the Burger King units (note 6.7), 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.

10.4. Other commitments

At 31 December 2023, the store opening commitments under the expansion contracts are approximately 19 million euros (4.8 million euros at 31 December 2022), note 6.3.

11. Transactions with related parties

Accounting policies

A related party is a person or entity that is related to the Group, including those that own or are subject to influence or control by the Group.

In the consolidation procedures the transactions between the companies included in the consolidation by the full consolidation method are eliminated, since the consolidated financial statements present the owner and its subsidiaries' information as one single company, and therefore they are not disclosed in this note.

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

	Year 2023				Year 2022			
	Parent entitie	Jointly controlled entitie	Associated entitie	Other Entities	Parent entitie	Jointly controlled entitie	Associated entitie	Other Entities
Fupply of services	1 078 008	3 987 555	-	-	1 000 000	4 731 672	-	-
Rental income from lease contracts	-	-	-	185 681	-	-	-	2 035 463
Accounts payable	-	1 271 190	-	-	-	1 713 701	-	-
Other current assets	-	-	-	-	-	-	-	-
Financial investments	-	-	300 000	-	-	-	300 000	-

The parent company of Ibersol SGPS S.A. is ATPS - SGPS, SA, which directly holds 21,452,754 shares.

António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira each hold 3.314 shares of Ibersol SGPS, S.A.. 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. º, 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 leases relate to rents paid in the year and, as a result of IFRS16, do not correspond to the amount of rental costs reflected in the financial statements. The estimated commitments for payment of rents over the term of the respective contracts amount, on 31 December 2023, to about 682,432 euros (813,819 euros on 31 December 2022), with the significant decrease explained essentially by the sale of the Burger King operation.

Remuneration of the members of the board

The compensation attributed to key managers corresponds to the compensation of the members of the Board of Directors and refers to:

a) ATPS -Sociedade Gestora de Participações Sociais, S.A provides group administration and management services under a service contract with the subsidiary Ibersol, Restauração, S.A. for the annual sum of 1,078,008 euros (in 2022: 1,000,000 euros). The obligations of ATPS -Sociedade Gestora de Participações Sociais, S.A. include ensuring that the company's directors, António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira, perform their duties without Ibersol having to incur any additional costs.

b) Remaining members in the amount of 265,848 euros (196,036 euros in 2022)

Compensation is fixed and as of 31 December 2023 there are no benefit plans and incentives or outstanding balances or other commitments.

12. Additional information required by law

In accordance with the terms of article 508 - F of the Commercial Companies Code, the following is reported:

a) In addition to the operations described in the notes above, as well as in the Management Report, there are no other operations considered relevant which are not reflected in the balance sheet or described in its notes;
b) The fees for the Statutory Auditor in 2023 were 426,650 euros, of which 273,100 euros were for statutory auditing services, and the remaining 152,550 euros for other agreed-upon procedures, limited assurance and due diligence services;
c) Note 11 of this Notes to the Accounts includes the disclosures relating to related party relationships in accordance with International Accounting Standards.

13. Subsequent Events

Accounting policies

Events occurring between the date of the consolidated statement of financial position and the date of issue of the consolidated financial statements and consolidated financial position ("adjusting events") are reflected in the consolidated financial statements. Events that occur between the statement of financial position date and the issue date of the consolidated financial statements that provide information on conditions that occurring after the date of the consolidated statement of financial position ("non-adjusting events"), if material, are disclosed in these Notes.

Burger King business disposal

Still in the course of concluding the process of selling Burger King restaurants, within the scope of the assets that had not yet been transferred on 30 November 2023, the sale of 8 of the 9 restaurants located in concessions at the end of January was completed as planned, with no significant differences in relation to the amounts provided for in the sale contract for the overall operation for the sale of these assets for a value of 6.6 million euros.

Exercise of the right to purchase the entire share capital of Medfood

On April 19, the sellers were presented with an offer to purchase 54% of the share capital of this company. Following approval by the seller and compliance with other conditions precedent, the deal could be concluded by the end of the first half of 2024.

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STATUTORY AUDITORS' REPORT AND AUDITORS' REPORT

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail.)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **Ibersol, S.G.P.S., S.A.** (the Group), which comprise the consolidated statement of financial position as at 31 December 2023 (showing a total of 712,383,344 euros and total equity of 354,924,089 euros, including a profit for the year attributable to shareholders of 15,537,446 euros), and the consolidated statement of income and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of **Ibersol, S.G.P.S., S.A.** as at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further technical and ethical standards and guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section below. We are independent of the entities that comprise the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Ordem dos Revisores Oficiais de Contas' code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of non-current assets - tangible fixed assets (130,710,349 euros), right-of-use assets (218,816,592 euros), goodwill (54,391,775 euros) and intangible assets (26,504,932 euros)

See notes 6.1, 6.2, 6.3, 6.4 and 6.5 to the consolidated financial statements.

The Risk	Our response to the identified risk
The recoverability of non-current assets is considered a key audit matter due to the materiality of the amounts involved and the complexity and subjectivity associated with impairment tests, namely due to the uncertainty inherent to the financial projections, which are based on the Board of Directors' expectations. These projections are materialised in valuation models based on business plans, which are underpinned by several assumptions not observable in the market, associated with discount rates, expected margins, short and long-term growth rates, investment plans and demand behaviour, amongst others.	Our audit procedures included, amongst others, those that we describe below: ▪ We have inquired the Board of Directors about the basis of their estimates and judgements and challenged the assumptions made; ▪ We have evaluated the design and implementation of the main controls implemented by the Group in this area and the reasonableness of the budgeting procedures on which the projections are based, by comparing past performance with the estimates made in previous periods and by reference to macroeconomic and sectorial information and projections produced by independent external bodies; ▪ We have analysed the assumptions used, such as inflation, evolution of passenger traffics in airports, projected economic growth and discount rates, and assessed their reasonableness and consistency, whenever applicable, for the various assets in the different locations and segments, and have also assessed the impacts of alternative scenarios; ▪ We have tested the integrity and mathematical accuracy of the discounted cash flow model;

- We have carried out sensitivity analyses to changes in the relevant assumptions used;
- We have involved our valuations specialists in order to assess the discounted cash flow model and the average cost of capital rate considered in the valuations made by the Group; and
- We assessed the adequacy of the respective disclosures to the financial statements, in accordance with the applicable accounting framework.

Measurement of right-of-use assets (218,816,592 euros) and lease liabilities (229,007,968 euros)

See notes 6.4 and 8.4 to the consolidated financial statements.

The Risk	Our response to the identified risk
The measurement of right-of-use assets and lease liabilities, namely in relation to new leases and lease modifications, involves significant amounts, given the Group's large number of leases, and entails management judgements regarding lease term and discount rates, so it was assessed as a key audit matter.	Our audit procedures included, amongst others, those that we describe below: ▪ We have assessed the design and implementation of the main controls implemented by the Group in this area and the adequacy of the accounting policies adopted, considering the requirements of the standard; ▪ We have tested the completeness of the lease contracts; ▪ We have tested a sample of new lease contracts to validate the contractual clauses that support the recognition of the respective right of use assets and lease liabilities; ▪ We have analysed the passenger traffic data in the airports of Spain where Group acts as a lessee in lease contracts and the respective accounting impacts, considering the requirements of the accounting standard and the applicable legislation and contractual clauses; ▪ We have assessed the estimates and judgments made for new leases and

- lease modifications, namely regarding lease term and discount rate;
- We have validated the movements occurred in the right-of-use assets and lease liabilities captions; and
- We have assessed the adequacy of the respective disclosures to the financial statements, in accordance with the applicable accounting framework.

Responsibilities of management and the supervisory body for the consolidated financial statements

Management is responsible for:

- the preparation of consolidated financial statements that give a true and fair view of the Group's consolidated financial position, financial performance and the consolidated cash flows, in accordance with the International Financial Reporting Standards as adopted by the European Union;
- the preparation of the consolidated management report, the corporate governance report and the remunerations report, in accordance with applicable laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and,
- assessing the Group's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about the Group's ability to continue as a going concern.

The supervisory body is responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and the events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion;
- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit, and significant audit findings including any significant deficiencies in internal control that we identify during our audit;
- determine, from the matters communicated with those charged with governance, including the supervisory body, those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes their public disclosure; and,
- provide the supervisory body with a statement that we have complied with the relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Our responsibility also includes the verification that the information contained in the consolidated management report is consistent with the consolidated financial statements, and the verification of the requirements as provided in numbers 4 and 5 of article 451 of the Portuguese Companies' Code regarding the corporate governance report, as well as the verification that the remunerations report was presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the consolidated management report

Pursuant to article 451, nr. 3, al. (e) of the Portuguese Companies' Code, it is our opinion that the consolidated management report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited consolidated financial statements and, having regard to our knowledge and assessment of the Group, we have not identified any material misstatements. As defined in the article 451, nr. 7 of the Portuguese Companies' Code, this opinion is not applicable to the consolidated non-financial statement that is included in the consolidated management report.

On the corporate governance report

Pursuant to article 451, nr. 4, of the Portuguese Companies' Code, it is our opinion that the corporate governance report includes the information required to the Group to provide under article 29-H of the Securities Code, and we have not identified any material misstatements on the information provided therein in compliance with paragraphs c), d), f), h), i) and l) of nr. 1 of that article.

On the consolidated non-financial information

Pursuant to article 451, nr. 6, of the Portuguese Companies' Code, we inform that the Group has included in its management report the non-financial statement defined in article 508-G of the Portuguese Companies' Code.

On the remunerations report

Pursuant to article 26-G, nr. 6 of the Securities Code, we inform that the Group has included in the corporate governance report in a separate chapter the information defined in nr. 2 of that article.

On the European Single Electronic Format (ESEF)

The consolidated financial statements of Ibersol, S.G.P.S., S.A. for the year ended 31 December 2023 have to comply with the applicable requirements established by the Commission Delegated Regulation 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for the preparation and presentation of the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements, included in the annual report, have been prepared in accordance with the requirements of the ESEF Regulation.

Our procedures considered the OROC (Portuguese Institute of Statutory Auditors) technical application guide on ESEF reporting and included, amongst others:

- obtaining an understanding of the financial reporting process, including the presentation of the annual report in a valid XHTML format;
- identifying and assessing the risks of material misstatement related to the tagging of information in the financial statements, in XBRL format using iXBRL technology. This assessment was based on an understanding of the information tagging process implemented by the Entity.

In our opinion, the consolidated financial statements, included in the annual report, are presented, in all material respects, in accordance with the requirements established by the ESEF Regulation.

On the additional matters provided in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- We were first appointed as auditors of the Group in the shareholders general assembly held on 14 May 2018 to complete the mandate from 2017 to 2020. We were reappointed as auditors of the Group in the shareholders general assembly held on 18 June 2021 for a second mandate from 2021 to 2024.
- Management as confirmed to us that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism, and we designed audit procedures to respond to the possibility of material misstatement in the consolidated financial statements due to fraud. As a result of our work, we have not identified any material misstatement of the consolidated financial statements due to fraud.
- We confirm that the audit opinion we issue is consistent with the additional report that we prepared and delivered to the supervisory body of the Group on 30 April 2024.
- We declare that we have not provided any prohibited services as described in article 5 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and we have remained independent of the Group in conducting the audit.

30 April 2024

SIGNED ON THE ORIGINAL

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

Responsability Statement

In accordance with paragraph c) number 1 of article 29-G of the Portuguese Securities Market Code the Fiscal Board informs as far as its members know and regarding the elements to which they have had access, that the information contained in the individual and consolidated financial statements of IBERSOL-SGPS, S.A., for the year 2023, was prepared in accordance with applicable accounting standards, giving a true and appropriate view of the assets and liabilities, financial position and the results of IBERSOL- SGPS, SA, and the companies included in the consolidation perimeter, and that the management reports faithfully describes the business evolution, performance and financial position of the company and of the companies included in the consolidation perimeter, and contains a description of the major risks and uncertainties they face.

Porto, 30 April 2024

The Fiscal Board

Dr. Herminio António Paulos Afonso
(Chairman)

Doutora Maria José Martins Lourenço da Fonseca
(Member)

Dr. Carlos Alberto Alves Lourenço
(Member)

FISCAL BOARD REPORT

To the Shareholders of IBERSOL SGPS, S.A.:

In compliance with the legal and statutory requirements, the Fiscal Board in the fulfilment of the mandate in which he is invested, the Fiscal Board prepared this report on its supervisory action carried out in the 2023 fiscal year, as well as on the Management Report and remaining consolidated and individual financial statements of the company, presented by the Board of Directors and related to the year ended on December 31, 2023, and issues the consequent opinion:

1. Supervisory Activity Report:

The Fiscal Board accompanied, within the scope of its competencies and mandate, during the 2023 financial year, the management of the company and its subsidiaries, having received for that purpose, timely and adequate information from the Company's Board of Directors and the Statutory Auditor **KPMG & Associados, SROC, S.A.**

Over the course of 2023 the Fiscal Council held thirteen meetings with all members present, which examined and considered the matters subject to its powers and duties were analysed, with minutes being drawn up of all the meetings held. The ordinary quarterly meetings were always attended by the Auditor, ***KPMG & Associados, SROC, S.A.***, represented by the Statutory Auditor Dr. Pedro Manuel Bouça de Morais Alves, Statutory Auditor number 1466.

The Statutory Auditor / External Auditor KPMG & Associados, SROC, SA presented and proposed to the Audit Committee, in a meeting convened for the purpose, the "2023 Year-End Audit Plan and Strategy" with the main points of the plan of its supervisory activity, as well as the performance calendar of the members assigned to the team to the economic year. Along the exercise they provided the detailed information about the actions performed and the resulting conclusions.

The Fiscal Board also had the participation of the Board of Directors in its quarterly meetings, from whose members it received information over the society's activity and explanations needed to understand the activity and financial information drawn up by same Board of Directors in previously moment to its disclosure.

The Fiscal Board did not come across any constraint during their supervision action, having monitored the system for receiving and handling reports of irregularities, including through the Internal Reporting Channel created by the company.

The Fiscal Board exercised its powers to supervise the activities and independence of the External Auditor and the Auditor, having the perception that the recommended practices were observed; and the Fiscal Board has rendered its approval to additional services to the auditory services that were hired to the External Auditor, having considered that it's independence was safeguarded, its remuneration was contained in market conditions, and, therefore, it was in the society's interest to benefit of the knowledge and punctuality assured in those services. The provision of additional services performed by the external auditor did not overcome the established by European regulations and national legislation in force.

The Fiscal Council, in compliance with Art. 29-S nr 1 of the Securities Code and in compliance with the internal policy regarding transactions with related parties proceeded to the assessment of such transactions. During the year, transactions with related parties or qualified shareholders were part of the company's current activity, were carried out under market conditions, in compliance with the applicable legal and regulatory requirements, without conflicts of interest identified.

The Fiscal Board examined the individual and consolidated management report and the individual and consolidated financial statements, their respective attachments, relating to the 2023 financial year, presented by the Board of Directors, as well as the Legal Certification of Accounts and Audit Report submitted by the Auditor ***KPMG & Associados, SROC, S.A.,*** attached to the "Additional Report of the External Auditor to the Supervisory Body", that it produced and referring to the 2023 financial year, provided for in Article 11 of regulation (EU) nr 537/2014 of the Parliament and of the Council of 16th April 2014. It covers the scope of the Audit, the partners and employees of the Statutory Auditor who participated in it, the consolidation perimeter with mention of entities not audited by KPMG, materiality, relevant audit matters, independence and the additional services provided, as well as, among others, the results of the analysis of Internal Control that responds to the questions raised, the answers obtained and the recommendations made.

The Fiscal Board, in compliance to the no. 5 article 420 of the Commercial Societies Code, assessed the Corporate Governance Report and attested to its inclusion of the required elements of the 29-H article of the Portuguese Securities Market Code.

2. Opinion:

Considering the above, the opinion of the Fiscal Board is that are fulfilled the conditions of the approval, by the General Meeting, of:

a) The Management Report, the financial consolidated and individual statements of 2023 and respective annexes, as well as the Governance Report;

b) The proposal of distribution of year-end results presented by the Board of directors.

Porto, 30 April 2024

The Fiscal Board

Dr. Hermínio António Paulos Afonso
(Chairman)

Doutora Maria José Martins Lourenço da Fonseca
(Member)

Dr. Carlos Alberto Alves Lourenço
(Member)

Individual Financial Statements

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

31 December 2023

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Statement of Income and Other Comprehensive Income

For the years ended 31 December 2023 and 2022

		Years ended on December 31st	
	Notes	2023	2022
Rendered services	3.1.	990 000	900 000
External supplies and services	3.2.1.	-236 875	-149 602
Personnel costs	3.2.2.	-484 482	-390 210
Other operating income / (costs)	3.2.3.	-62 849	-64 267
Operating Income		205 794	295 922
Financial costs and expenses	7.5.	-447 686	-941 745
Financial income and gains	7.5.	39 210 478	46 916 480
Profit before tax		38 968 586	46 270 656
Income tax	8.1.	-1 870 138	-1 063 723
Net profit		**37 098 448**	**45 206 934**
Other comprehensive income			
Comprehensive income		**37 098 448**	**45 206 934**
Earnings per share	7.1.5.	0,88	1,31
Income per share		**0,88**	**1,31**

Porto, 29th April 2024

The Board of Directors,

Statement of Financial Position

At 31 December 2023 and 2022

ASSETS	Notes	31/12/2023	31/12/2022
Non-current			
Financial investments in subsidiaries	5.1.	109 006 467	91 076 347
Loans granted to subsidiaries	5.2.	117 008 996	171 288 996
Deferred tax assets	8.3.1.	2 590 280	3 093 269
Total non-current assets		**228 605 743**	**265 458 612**
Current			
Income tax recoverable	8.2.	2 858 741	41 174
Group subsidiaries	4.3.	8 856 828	7 881 830
Current receivables	4.1.	1 703 505	7 096 852
Cash and bank deposits	7.3.	63 180 587	32 426 860
Total current assets		**76 599 661**	**47 446 716**
Total Assets		**305 205 404**	**312 905 328**
EQUITY			
Equity			
Share capital	7.1.1.	42 359 577	46 000 000
Own shares	7.1.2.	-3 244 007	-11 410 227
Share premium	7.1.1.	29 900 788	29 900 788
Legal reserve	7.1.3.	4 236 427	1 976 080
Other reserves	7.1.3.	140 878 452	135 353 373
Retained earnings	7.1.3.	35 305 425	35 305 425
Net profit for the year	7.1.5.	37 098 448	45 206 934
Total Equity		**286 535 110**	**282 332 373**
LIABILITIES			
Non-current liabilities			
Borrowings obtained	7.2.	4 800 000	16 400 000
Procisions	9.1.	5 257	5 257
Total non-current liabilities		**4 805 257**	**16 405 257**
Current liabilities			
Borrowings obtained	7.2.	11 583 361	11 572 417
Group subsidiaries	4.3.	2 098 226	2 196 853
Current payables	4.2.	183 450	398 428
Income tax payable	8.2.	-	-
Total current liabilities		**13 865 036**	**14 167 698**
Total Liabilities		**18 670 294**	**30 572 955**
Total Equity and Liabilities		**305 205 404**	**312 905 328**

Porto, 29th April 2024

The Board of Directors,

Statement of Cash Flows

For the years ended 31 December 2023 and 2022

	Notes	2023	2022
Cash Flows from Operating Activities			
Receipts from clients		-	900 000
Payments to supliers		-47 201	42 186
Staff payments		-407 068	-285 454
Flows generated by operations		-454 269	656 732
Payments/receipt of income tax		-4 184 715	-637 875
Other paym./receipts related with operating activities		4 782 646	-5 008 732
Flows from operating activities (1)		**143 662**	**-4 989 875**
Cash Flows from Investment Activities			
Receipts from:			
Financial investments			
Capital contributions to subsidiaries	5.1.2.	5 870 000	8 350 000
Loans granted to subsidiaries	5.2.	54 280 000	20 000
Dividends received	7.5.	30 503 681	43 406 454
Interest received	7.5.	8 685 528	3 510 026
Other assets			18 976
Payments for:			
Financial investments			
Financial investments	5.1.1	-23 800 120	
Loans granted to subsidiaries	5.2.		-6 107 620
Flows from investment activities (2)		**75 539 089**	**49 197 836**
Cash flows from financing activities			
Payments for:			
Borrowings obtained	7.2.	-11 600 000	-37 000 000
Dividends paid	7.1.4.	-29 651 704	-5 724 003
Interest and similar costs	7.5.	-433 313	-1 077 569
Acquisition of own shares	7.1.2.	-3 244 007	-229 711
Other financing activities			-18 976
Flows from financing activities (3)		**-44 929 024**	**-44 050 259**
Change in cash & cash equivalents (4)=(1)+(2)+(3)		**30 753 727**	**157 702**
Cash & cash equivalents at the start of the period		32 426 860	32 269 158
Cash & cash equivalents at end of the period	7.3.	**63 180 587**	**32 426 860**

Porto, 29th April 2024

The Board of Directors,

Statement of Changes in Equity

For the years ended 31 December 2023 and 2022

		Attributable to equity holders							
	Notes	Share Capital	Own Shares	Share Premium	Legal Reserves	Other reserves	Retained earnings	Net profit for the year	Total
Balance as at 1 January 2022		46 000 000	-11 180 516	29 900 789	1 751 080	136 815 570	35 305 425	4 486 805	243 079 153
Changes in the period:									
Application of the 2021 net profit:									
Transfer to reserves and retained earnings	7.1.3.				225 000	485 997		-710 997	-
Acquisition / (disposal) of own shares	7.1.2.		-229 711						-229 711
Total changes for the period		-	-229 711	-	225 000	485 997	-	-710 997	-229 711
Net profit for the period								**45 206 934**	**45 206 934**
Comprehensive income									45 206 934
Transactions with equity holders in the period									
Appropriation of net profit for 2021									
Dividends paid	7.1.4.					-1 948 195		-3 775 808	-5 724 003
Balance on 31 December 2022		**46 000 000**	**-11 410 227**	**29 900 789**	**1 976 080**	**135 353 372**	**35 305 425**	**45 206 934**	**282 332 373**
Balance as at 1 January 2023		46 000 000	-11 410 227	29 900 789	1 976 080	135 353 372	35 305 425	45 206 934	282 332 373
Changes in the period:									
Application of the 2021 net profit:									
Transfer to reserves and retained earnings	7.1.3.				2 260 347	10 746 587	32 200 000	-45 206 934	-
Capital decrease		-3 640 423	11 410 227			-7 769 804			-
Acquisition / (disposal) of own shares	7.1.2.		-3 244 008						-3 244 008
Total changes for the period		-3 640 423	8 166 219	-	2 260 347	2 976 783	32 200 000	-45 206 934	-3 244 008
Net profit for the period								**37 098 448**	**37 098 448**
Comprehensive income									37 098 448
Transactions with equity holders in the period									
Appropriation of net profit for 2021									
Dividends paid	7.1.4.					2 548 296	-32 200 000		-29 651 704
Saldo em 31 de dezembro de 2023		**42 359 577**	**-3 244 008**	**29 900 789**	**4 236 427**	**140 878 452**	**35 305 425**	**37 098 448**	**286 535 110**

Porto, 29th April 2024

The Board of Directors,

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

1. Presentation

Ibersol - SGPS, SA ("Ibersol" or "Company"), with its head office at Edifício Península - Praça do Bom Sucesso, 105/159 - 9º - 4150-146 Porto, was incorporated on December 30, 1985 with the purpose of carrying out the activity of managing non-financial holdings.

The company is a public limited company and is listed on Euronext Lisbon.

Company name: IBERSOL, SGPS, S.A.
Registered Office: Edifício Península Praça do Bom Sucesso, nº 105 a 159, 9º, Porto, Portugal
Legal Nature: Public Limited Company
Share Capital: €42,359,577
N.I.P.C.: 501 669 477

Ibersol's parent company and ultimate controlling entity is ATPS - SGPS, S.A., which holds 50.64%, with its head office at Edifício Península - Praça do Bom Sucesso, 105/159 - 9º - 4150-146 Porto.

1.1. Ibersol SGPS Subsidiaries

In the periods ended 31 December 2023 and 2022, the subsidiaries of Ibersol SGPS, held directly and indirectly, and their respective head offices and main business are as follows:

Company	Head Office	% Shareholding	
		Dec/23	Dec/22
Subsidiary companies			
Iberusa Hotelaria e Restauração, S.A.	Porto	100%	100%
Ibersol Restauração, S.A.	Porto	100%	100%
Ibersande Restauração, S.A.	Porto	100%	100%
Ibersol Madeira e Açores Restauração, S.A.	Funchal	100%	100%
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.A	Porto	100%	100%
Lusinver Restauracion, S.A.	Vigo - Espanha	100%	100%
The Eat Out Group S.L.U.	Barcelona - Espanha	100%	100%
Pansfood, S.A.U.	Barcelona - Espanha	100%	100%
Foodstation, S.L.U	Barcelona - Espanha	100%	100%
Dehesa de Santa Maria Franquicias, S.L.	Barcelona - Espanha	100%	100%
Volrest Aldaia, S.L	Vigo - Espanha	100%	100%
Volrest Alcala, S.L	Vigo - Espanha	100%	100%
Volrest Alfafar, S.L.	Vigo - Espanha	100%	100%
Volrest Rivas, S.L.	Vigo - Espanha	100%	100%
Voesmu Restauracion, SL	Vigo - Espanha	100%	100%
Food Orchestrator, S.A.	Braga	84%	84%
Eat Tasty, S.L.	Madrid - Espanha	84%	84%
Iberespaña Central de Compras, A.I.E.	Vigo - Espanha	100%	100%
Belsai Restauração, S.A.	Porto	100%	-

Note 5.1.1 details the percentage held directly by Ibersol SGPS subsidiaries.

1.2. Joint ventures and associates

In the periods ended 31 December 2023 and 2022, the associated and jointly controlled companies and the respective proportion of capital is as follows:

Company	Head Office	% Shareholding	
		Dec/23	Dec/22
Associated companies			
Ziaicos - Serviços e gestão, Lda	Porto	40%	40%
Medfood Invest S.L.	Alicante - Espanha	40%	-
Companies controlled jointly			
UQ Consult - Serviços de Apoio à Gestão, S.A.	Porto	50%	50%

2. 2. Basis of preparation of the financial information

2.1. Basis of preparation

2.1.1. Approval of the financial statements

The financial statements were approved by the Board of Directors and authorized for issue on 29 April 2024. It is the opinion of the Board of Directors that these financial statements give a true and fair view of Ibersol's operations, as well as its financial position and performance and cash flows.

The shareholders have the right not to approve the accounts authorized for issue by the Board of Directors and to propose their amendment.

2.1.2. Accounting standards

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and with the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or by the previous Standards Interpretation Committee (SIC), as adopted and effective in the European Union on 1 January 2023.

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.

2.1.5. Presentation currency

The individual Financial Statements are presented in Euros, which is Ibersol's functional currency and the Group's presentation currency.

2.2. New standards, amendment and interpretation

Standards	Change	Date of application
Standards and amendments endorsed by the European Union and mandatory for financial years beginning on or after 1 January 2023		

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies	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. The key amendments to IAS 1 include: i) requiring companies to disclose their material accounting policy information 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. 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".	1 January 2023
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	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. 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. 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. The amendments are effective for periods beginning on or after 1 January 2023 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.	1 January 2023
Amendments to IAS 12: deferred tax related to assets and liabilities arising from a single transaction	The IASB ('the Board') issued amendments to IAS 12 - 'Income Taxes', on 7 May 2021. 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. 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.	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.	1 January 2023
Amendments to IFRS 17 - Insurance contracts: Initial	The International Accounting Standards Board (IASB) has issued a narrow-scope amendment to the transition requirements in	1 January 2023

Application of IFRS 17 and IFRS 9 – Comparative Information	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. The amendment does not affect any other requirements in IFRS 17. 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. The amendment helps insurers to avoid these temporary accounting mismatches and, therefore, improve the usefulness of comparative information for investors.	
Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules	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. The amendments introduce: - A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and - 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. - 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	1 January 2023

Standards	**Change**	**Date of application**
Standards and amendments endorsed by the European Union that the group opted out of early application		
Clarification requirements for classifying liabilities as current or non-current (amendments to IAS 1 – Presentation of Financial Statements	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. 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. The amendments aim to: a. specify that an entity's right to defer settlement must exist at the end of the reporting period and have substance; b. 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 c. 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). This amendment is effective for periods starting on 1 January 2024.	1 January 2024
Lease liability in a sale-and-leaseback (amendments to IFRS 16 – Leases)	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.	1 January 2024

	The amendments confirm the following: - On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. - 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. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. 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	

Standards	Change	Date of application
Standards and amendments not yet endorsed by the European Union		
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	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. 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. The new requirements supplement those already included in IFRS standards and include disclosures about: - Terms and conditions of supplier financing arrangements; - 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; - The ranges of due dates; and - Information on liquidity risk. The amendments are effective for annual periods beginning on or after 1 January 2024.	1 January 2024
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	On 15 August 2023, the International Accounting Standards Board (the IASB or Board) issued Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates) (the amendments). The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate. Under the amendments, companies will need to provide new	1 January 2025

	disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include: - the nature and financial impacts of the currency not being exchangeable; - the spot exchange rate used; - the estimation process; and - risks to the company because the currency is not exchangeable. The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.	

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 individual 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 individual financial statements.

2.3. Relevant accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances.

Estimates, assumptions and circumstances will, by definition, seldom match the actual results reported. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Relevant estimates and judgements	Notes
Recoverability of financial investments	6.3.

The estimates and underlying assumptions were determined based on the best knowledge existing at the date of approval of the financial statements of the events and transactions in progress, as well as the experience of past and/or current events. However, situations may occur in subsequent periods that were not foreseeable at the date of approval of the financial statements and were not considered in these estimates.

Changes to the estimates that occur after the date of these consolidated financial statements, will be recognised in net income, in accordance with IAS 8, using a prospective methodology. For this reason and given the degree of uncertainty, the actual results of the transactions in question may differ from the corresponding estimates.

3. Operational Performance

3.1. Revenue

Accounting policies

Revenue is measured at the amount the entity expects to be entitled to receive under the contract with the customer.

Recognition

The revenue recognition model is based on five steps of analysis in order to determine when revenue should be recognized and the amount to be recognized:
1) Identify the contract with the customer;
2) Identify the performance obligations;
3) Determine the transaction price;
4) Allocating the transaction price; and
5) Recognizing revenue.

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

Services rendered
Revenue from the provision of services is recognized according to the percentage of completion or based on the contract period when the provision of services is not associated with the execution of specific activities, but with the continuous provision of the service.

The amount of services rendered recognized in the income statement is as follows:

	2023	2022
Rendered services - internal market	990 000	900 000
Renderes services	**990 000**	**900 000**

The value of this item relates entirely to the service contract with Ibersol Restauração S.A. (note 11).

3.2. Operating income and expenses

Accounting policies

Expenses and income are recorded in the period to which they refer, regardless of whether they are paid or received, in accordance with the accrual accounting principle. The differences between the amounts received and paid and the corresponding income and expenses are recognized as assets or liabilities, if they qualify as such.

Employee benefits
Short-term employee benefits such as salaries, wages and social security contributions are recorded under personnel costs. Liabilities are recorded in the period in which all employees, including members of the Board of Directors, acquire the respective right, regardless of the date of payment, and the balance outstanding at the date of the statement of financial position is shown under current payables.

Expenses to be recognized and accrued income
Expenses and income are recorded in the period to which they refer, regardless of whether they are paid or received, in accordance with the accrual accounting principle.

The differences between the amounts received and paid and the corresponding income and expenses are recorded under "Accounts receivable" or "Accounts payable", depending on whether they are receivable or payable.

In the periods ended 31 December 2023 and 2022, other operating income and expenses are broken down as follows:

	Notes	2023	2022
External supplies and services	**4.2.1.**	-236 875	-149 602
Personnel costs	**4.2.2.**	-484 482	-390 210
Impairment of investments in subsidiaries (losses/reversals)	**6.1. a 6.3.**	-	-
Other operating income/(expense)	**4.2.3.**	-62 849	-64 267

3.2.1. External supplies and services

External Supplies and Services in 2023 and 2022 can be broken down as follows:

	2023	2022
Services fees	234 743	148 722
Other services	2 132	880
Total	**236 875**	**149 602**

3.2.2. Payroll Costs

Payroll costs in 2023 and 2022 can be broken down as follows:

	2023	2022
Salaries and wages - Board of directors	292 210	217 706
Salaries and wages - Employees	96 236	94 287
Social security contributions	86 074	69 614
Insurance against accidents at work	5 764	3 972
Others payroll costs	4 198	4 631
Total	**484 482**	**390 210**

Average no. of employees	**3**	**3**

Other personnel costs include health and life insurance and occupational medicine.

The remuneration of the members of the governing bodies is shown in note 11.

3.2.3. Other operating income/(expenses)

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

	2023	2022
Other operating expenses		
Direct/indirect taxes not affecting the operating activity	50 782	22 559
Taxes	2 200	800
Banking services	29 545	59 884
	82 528	**83 243**
Other operating income		
Gains from increase in fair value (swap)	-	18 976
Supplementary income	19 678	-
	19 678	**18 976**
Other operating income / (expenses)	**-62 849**	**-64 267**

4. Working Capital

4.1. Accounts receivable

Accounting policies

Assets measured at amortised cost

A financial asset is measured at amortized cost if the objective inherent to the business model is achieved by collecting the related contractual cash flows and if the underlying contractual cash flows represent only payments of principal and interest. Assets in this category are initially recognized at fair value and subsequently measured at amortized cost.

Loans and receivables are generally held for the purpose of collecting contractual cash flows and it is expected that the underlying contractual cash flows represent only payments of principal and interest and therefore meet the requirements for measurement at amortized cost under IFRS 9.

Recognition and derecognition

Acquisitions and disposals of financial assets are recognized on the trade date, i.e. the date on which Ibersol commits to acquire or dispose of those financial assets.

Financial assets are derecognized when Ibersol contractual rights to receive their future cash flows expire, when Ibersol has transferred substantially all risks and rewards of ownership or when, despite retaining some but not substantially all of the risks and rewards of ownership, the Group has transferred control over the assets.

Impairment of clients and other debtors

IFRS 9 establishes an impairment model based on "expected losses", which replaces the previous model based on "incurred losses" under IAS 39. In this sense, Ibersol recognizes impairment losses before there is objective evidence of loss of value arising from a past event. This model is the basis for the recognition of impairment losses on financial instruments held whose measurement is at amortized cost or fair value through other comprehensive income.

The impairment model depends on whether there has been a significant increase in credit risk since initial recognition. If the credit risk of a financial instrument has not increased significantly since initial recognition, Ibersol recognizes a cumulative impairment equal to the expected loss estimated to occur within the next 12 months. If the credit risk has increased significantly, Ibersol recognizes a cumulative impairment equal to the estimated loss expected to occur until the respective maturity of the asset.

For accounts receivable, Ibersol applies the simplified approach to calculating expected credit losses, not taking into account changes in credit risk, but recognizing a provision for losses based on the expected credit losses for the entire life of the asset on each reporting date. To this end, experience with historical credit losses and prospective factors are taken into account.

Once the loss event has been verified under the terms of IFRS 9 ("objective proof of impairment", in accordance with the terminology of IAS 39), the accumulated impairment is directly imputed to the instrument in question, and its accounting treatment from this moment onwards is similar to that provided for in IAS 39, including treatment of the respective interest. The carrying amount of the asset is reduced and the amount of the loss is recognized in the income statement. If, in a subsequent period, the amount of impairment decreases, the amount of impairment losses previously recognized is also reversed in the income statement if the decrease in impairment is objectively related to the event occurring after initial recognition.

For the periods ended 31 December 2023 and 2022, the breakdown of accounts receivable is as follows:

	Notes	Dec/23	Dec/22
Current receivables			
Other debtors		8 922	8 920
Other debtors - related parties	**12**	1 686 269	7 082 031
Personnel		2 705	1 410
Deferred		5 610	4 490
Total Current receivales		**1 703 505**	**7 096 852**

On 31 December 2022, the balances receivable from related parties (note 11) relate mainly to the transfer of tax benefits in the amount of 6,400,000 euros at their book value to Ibersol Restauração, as part of the sale of the Burger King business.

4.2. Accounts payable

Accounting policies

Recognition and derecognition

Suppliers and other creditors

Non-interest bearing debts to suppliers and third parties are measured at amortized cost so that they reflect their net present value. However, these amounts are not discounted as the effect of their financial updating is not considered material.

In the periods ended 31 December 2023 and 2022, accounts payable were broken down as follows:

	Notes	Dec/23	Dec/22
Current payables			
Suppliers		5 106	33 019
Accrued expenses	**4.2.1.**	159 772	131 835
Other creditors		572	3 233
State and other public entities		18 000	230 342
Total Current Payables		**183 450**	**398 428**

Suppliers
The balance of suppliers refers to current outstanding balances relating to insurance, statutory auditor's fees, among others.

State and other public entities
The balance under the State and other public bodies heading is essentially due to VAT payable (1,399 euros) and Social Security (9,055 euros).

4.2.1. Accrued expenses

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

	Dec/23	Dec/22
Accrued salaries	34 346	34 250
External supplies and services	1 140	29 000
Others	124 286	68 584
Total accrued expenses	159 772	131 835

4.3. Group subsidiaries

In the periods ended 31 December 2023 and 2022, the breakdown of group companies is as follows:

	Notes	Dec/23	Dec/22
Current assets			
Income tax - RETGS	**4.3.1.**	2 189 376	925 509
Interest loans	**4.3.2.**	8 011 714	7 292 794
Accumulated impairment losses	**4.3.2.**	-336 473	-336 473
Group subsidiaries - current assets		**9 864 617**	**7 881 830**
Current liabilities			
Income tax - RETGS	**4.3.1.**	3 106 015	2 196 853
Group subsidiaries - current liabilities		**3 106 015**	**2 196 853**

4.3.1. Income tax (RETGS)

As a result of the application of the Special Taxation Regime for Groups of Companies (RETGS), the shareholder Ibersol - SGPS, S.A. will settle the tax of its subsidiaries with the tax authorities. The balances are as follows (notes 9.1.2 and 12):

	Dec/23		Dec/22	
	Debtor	Creditor	Debtor	Creditor
Ibersol Restauração	-	-	-	384 840
Iberusa	-	1 862 911	-	237 841
IBR Imobiliária	-	45 078	184 048	-
Ibersol Madeira & Acores	135 618	-	-	887 454
Sugestões & Opções	202 441	-	207 031	-
Anatir	270 628	-	821	-
Iberaki	99 112	-	128 355	-
Firmoven	-	190 237	-	308 437
JSCC	653 512	-	257 038	-
SEC	137 309	-	104 074	-
Ibersande	450 144	-	-	248 716
Ibergourmet	142 234	-	44 144	-
Maestro	98 379	-	-	129 565
Total Income tax - RETGS	**2 189 376**	**2 098 226**	**925 509**	**2 196 853**

4.3.2. Interest on loans

With regard to interest on shareholder loans, the balances under this heading are as follows:

	Dec/23	Dec/22
Ibersol Restauração	6 661 650	6 954 478
Iberusa	5 802	1 843
Restmon	336 473	336 473
Total	**7 003 925**	**7 292 794**
Accumulated impairment losses	-336 473	-336 473
Total interest on loans	**6 667 452**	**6 956 321**

Accumulated impairment losses relate to the balance receivable from subsidiary Restmon.

5. Investments

5.1. Financial investments in subsidiaries

In the periods ended 31 December 2023 and 2022, financial investments in subsidiaries are broken down as follows:

	Notes	Dec/23	Dec/22
Financial investments	**5.1.1**	45 933 185	22 133 064
Capital contributions to subsidiaries	**5.1.2.**	63 073 283	68 943 283
Total Financial investments in subsidiaries		**109 006 467**	**91 076 347**

5.1.1. Financial shares

Accounting policies

Investments in shares of subsidiaries, associates and joint ventures are measured in accordance with IAS 27, at acquisition cost less any impairment losses.

Subsidiaries are all entities (including structured entities) over which Ibersol has control. Ibersol controls an entity when it is exposed to, or has rights over, variable returns from its involvement with Ibersol, and has the ability to affect those returns through its power exercised over Ibersol.

Dividends received from these investments are recorded as gains on investments, when attributed.

The entities that qualify as subsidiaries, joint ventures and associates are listed in note 1.1.

Ibersol, SGPS, S.A. prepares consolidated accounts.

Ibersol's financial shares are as follows:

		Dec/23	Dec/22
	%	Acquistion value	Acquistion value
Ibersol Restauração, S.A.	100%	21 674 406	21 674 406
Iberusa Hotelaria e Restauração, S.A.	5%	8 703 962	158 119
Ibersol Madeira e Açores, S.A.	100%	15 386 800	242 800
Restmon Portugal, Lda	61%	499 448	499 448
Ibergourmet - Prod. Alimentares, S.A.	69%	57 020	57 020
Maestro - Serv. Gestão Hoteleira SA	4%	21 258	-
Belsai - restauração SA	5%	89 019	-
Ibersol Angola, S.A.	0,20%	720	720
Total		**46 432 632**	**22 632 513**
Accumulated impairment losses		-499 448	-499 448
Total financial investments		**45 933 184**	**22 133 065**

The increases in Iberusa and Ibersol Madeira e Açores result from the capital increase during the year.

The accumulated impairment losses correspond to the entire financial share in Restmon Portugal, Lda.

The assets and liabilities as of 31 December 2023 and 2022, and the income and expenses generated in 2023 and 2022, as recognized in the individual financial statements of the subsidiaries, are as follows:

			2023		
	Currency	Equity	Equity without capital contributions	Net Profit	%
Ibersol Restauração, S.A.	EUR	195 069 333	132 079 333	1 222 602	100%
Iberusa Hotelaria e Restauração, S.A.	EUR	94 066 523	94 066 523	9 814 204	5%
Ibersol Madeira e Açores, S.A.	EUR	20 528 273	20 528 273	2 624 674	100%
Restmon Portugal, Lda	EUR	-2 300 225	-2 300 225	-731	61%
Ibergourmet - Prod. Alimentares, S.A.	EUR	1 782 443	1 782 443	500 381	69%
Maestro - Serv. Gestão Hoteleira SA	EUR	567 175	567 175	971 315	4%
Belsai - restauração SA	EUR	1 906 262	1 906 262	-93 936	5%
Ibersol Angola, S.A.	EUR	5 098 696	3 975 823	639 851	0,20%

			2022		
	Currency	Equity	Equity without capital contributions	Net Profit	%
Ibersol Restauração, S.A.	EUR	225 069 333	163 044 333	145 168 649	100%
Iberusa Hotelaria e Restauração, S.A.	EUR	97 676 603	12 676 603	11 101 345	5%
Ibersol Madeira e Açores, S.A.	EUR	5 884 273	5 884 273	2 859 364	100%
Restmon Portugal, Lda	EUR	-2 300 225	-2 300 225	-5 014	61%
Ibergourmet - Prod. Alimentares, S.A.	EUR	1 782 443	1 782 443	132 385	100%
Ibersol Angola, S.A.	EUR	10 948 636	10 112 754	1 739 726	0,2%

Movements in financial shares

During the years ended 31 December 2023 and 2022, movements in the value of financial investments were as follows:

	Ibersol Restauração, S.A.	Iberusa Hotelaria e Restauração, S.A.	Ibersol Madeira e Açores, S.A.	Restmon Portugal, Lda	Ibergourmet - Prod. Alimentares, S.A.	Asurebi SGPS, S.A.	Ibersol Angola, S.A.	Eggon SGPS, S.A.	Maestro - Serv. Gestão Hoteleira SA	Belsai - restauração SA	Total
01 January 2022	**847 986**	**158 119**	**242 800**	**0**	**57 020**	**20 181 420**	**720**	**645 000**	**0**	**0**	**22 133 065**
Changes with no impact on cash flows:											
Merge	20 826 420					-20 181 420		-645 000			0
31 December 2022	**21 674 406**	**158 119**	**242 800**	**0**	**57 020**	**0**	**720**	**0**	**0**	**0**	**22 133 065**
Changes with impact on cash flows:											
Increases		8 567 101	15 144 000							89 019	23 800 120
Decreases											0
Changes with no impact on cash flows:											
Others		-21 258							21 258		0
31 December 2023	**21 674 406**	**8 703 962**	**15 386 800**	**0**	**57 020**	**0**	**720**	**0**	**21 258**	**89 019**	**45 933 184**

On 1 January 2022 the subsidiaries Aurebi SGPS, S.A., Eggon SGPS, S.A. and Ibersol Hotelaria e Turismo, S.A., merged into Ibersol Restauração, S.A., so the acquisition value increased as a result of the merger.

5.1.2. Supplementary capital contributions

On 31 December 2023 and 2022, the balances recognized under this heading refer to capital contributions granted to Ibersol subsidiaries. Supplementary capital contributions are not remunerated, nor do they have a defined repayment period.

	Dec/23	Dec/22
	Acquistion value	**Acquistion value**
Ibersol Restauração, S.A.	62 990 000	62 990 000
Iberusa Hotelaria e Restauração, S.A.	-	5 870 000
Ibersol Madeira e Açores, S.A.	78 500	78 500
Ibersol Angola, S.A.	4 783	4 783
Total	**63 073 283**	**68 943 283**
Accumulated impairment losses	-	-
Total capital contributions	**63 073 283**	**68 943 283**

Movements in supplementary capital contributions

During the years ended 31 December 2023 and 2022, the movement in the value of supplementary capital contributions was as follows:

	Ibersol Restauração, S.A.	Iberusa Hotelaria e Restauração, S.A.	Ibersol Madeira e Açores, S.A.	Ibergourmet - Prod. Alimentares, S.A.	Ibersol Angola, S.A.	Eggon SGPS, S.A.	Total
01 January 2022	**70 000 000**	**5 870 000**	**78 500**	**1 100 000**	**4 783**	**240 000**	**77 293 283**
Changes with impact on cash flows:							
Decreases	-8 350 000						-8 350 000
Changes with no impact on cash flows:							
Merge	240 000					-240 000	0
31 December 2022	**61 890 000**	**5 870 000**	**78 500**	**1 100 000**	**4 783**	**0**	**68 943 283**
Changes with impact on cash flows:							
Increases							
Decreases		-5 870 000					-5 870 000
Changes with no impact on cash flows:							
Others							0
31 December 2023	**61 890 000**	**0**	**78 500**	**1 100 000**	**4 783**	**0**	**63 073 283**

In 2023, the decrease corresponds to the refund of supplementary capital contributions, as applicable and as shown in the statement of cash flows.

5.2. Loans to subsidiaries

On 31 December 2023 and 2022, the balances recognized under this heading refer to loans granted to Ibersol subsidiaries. Loans with repayment periods of more than 1 year bear interest at a rate based on Euribor 12M + 1.25%

	Dec/23	Dec/22
Ibersol Restauração, S.A.	117 008 996	171 208 996
Iberusa Hotelaria e Restauração, S.A.	0	80 000
Restmon Portugal, Lda	1 276 000	1 276 000
Total	**118 284 996**	**172 564 996**
Accumulated impairment losses	-1 276 000	-1 276 000
Total loans to subsidiaries	**117 008 996**	**171 288 996**

The accumulated impairment losses correspond to all the loans granted to Restmon Portugal, Lda.

Movements in loans to subsidiaries

During the years ended December 31, 2023 and 2022, the movement in the value of loans to subsidiaries was as follows:

	Ibersol Restauração, S.A.	Iberusa Hotelaria e Restauração, S.A.	Restmon	Asurebi	Total
01 January 2022	**96 128 996**	**100 000**	**0**	**69 120 000**	**165 348 996**
Changes with impact on cash flows:					
Increases	5 960 000				5 960 000
Decreases		-20 000			-20 000
Changes with no impact on cash flows:					
Merge	69 120 000			-69 120 000	0
31 December 2022	**171 208 996**	**80 000**	**0**	**0**	**171 288 996**
Changes with impact on cash flows:					
Increases					
Decreases	-54 200 000	-80 000			-54 280 000
Changes with no impact on cash flows:					
Others					
31 December 2023	**117 008 996**	**0**	**0**	**0**	**117 008 996**

Changes in 2022, in the value of the loans granted to the subsidiary Ibersol Restauração was due to the merge of Asurebi SGPS into the first.

In 2023, the decrease corresponds to the repayment of loans granted, as applicable and as shown in the statement of cash flows.

5.3. Impairment losses on subsidiaries

Judgments and estimates

The company carries out impairment tests on financial investments in subsidiaries whenever events or changes in the surrounding conditions indicate that the amount at which they are recorded in the financial statements is not recoverable.

Impairment losses are calculated by comparing the recoverable amount of the investment, corresponding to the higher of fair value less costs to sell and value in use, with the book value of the financial investments.

This estimate is made based on the valuation of the holdings using discounted cash flow models in order to estimate the value in use of these investments. In the case of subsidiaries or joint ventures whose most relevant assets correspond to holdings in real estate companies or real estate assets, the fair value of these holdings is estimated by reference to the market value of the real estate assets they hold.

The Board of Directors believes that the methodology described above leads to reliable results on the existence of possible impairment of the investments under analysis, since it considers the best information available at the date of preparation of the financial statements.

If, at a subsequent date, it is found that the amount of impairment has decreased, and the decrease is objectively the result of a certain event occurring after the initial recognition of the impairment, the amount then recorded is reversed up to the limit of the amount that would have been recognized if no impairment loss had been recorded.

The Board of Directors determines the budgeted gross margin based on past performance and its expectations for market development. The weighted average growth rate used is consistent with the forecasts included in industry reports. The discount rates are applied after tax and reflect specific risks related to the assets.

Although no relevant signs of impairment have been identified at the level of the Ibersol SGPS subsidiaries, the group's policy is to carry out impairment tests on them, and the main conclusions are as follows.

Methods and assumptions

To determine the recoverable amount of financial investments and loans granted to subsidiaries, the fair value based on discounted cash flow projections and perpetuity was considered. The methods and main assumptions used to prepare the impairment tests were as follows:

	WACC 2023	Perpetuity Growth	WACC 2022	Perpetuity Growth
Financial Investments	7,23%	2,0%	7,17%	2,0%

Impairment test results

No impairment adjustments resulted from the impairment tests on subsidiaries, including amounts relating to capital contributions and loans.

Sensitivity analyses

In the current climate of uncertainty, the assumptions used are sensitive to changes in macroeconomic indicators and the business assumptions used by management. Considering the uncertainties regarding the recovery value of financial investments because they are based on the best information available at the time, changes in assumptions could have an impact on determining the level of impairment and, consequently, on results.

From the sensitivity analysis carried out, a 1% reduction in the perpetuity growth rate would not result in the recognition of any additional impairment.

6. Financial risk management

The company's activity is exposed to a variety of financial risk factors, namely interest rate risk and price risk, credit risk, liquidity risk and capital risk. The company has a risk management program which focuses its analysis on the financial markets, seeking to minimize the potential adverse effects of these risks on the company's financial performance.

Financial risk management is carried out by the Finance Department, based on policies approved by the Board of Directors. Treasury identifies, evaluates and hedges financial risks in close cooperation with Ibersol's operating units. The Board of Directors provides principles for risk management as a whole and policies covering specific areas, such as exchange rate risk, interest rate risk, credit risk and the investment of excess liquidity.

6.1. Interest rate risk

The company is exposed to interest rate risk in relation to loans granted to subsidiaries and long-term loans obtained.

Loans issued at variable rates expose Ibersol to cash flow risk associated with the interest rate. Loans issued at fixed rates expose the company to the fair value risk associated with the interest rate.

All existing loans were obtained at fixed interest rates, so any change would have no impact on results.

6.2. Credit risk

The credit risk essentially results from the receivable balances resulting from loans to subsidiaries. The credit risk is assessed by the company's Financial Department, taking into account the history of the commercial relationship, its financial situation, as well as other information that can be obtained through Ibersol's business network. Credit limits are regularly analyzed and revised if necessary.

6.3. Liquidity risk

Liquidity risk management involves maintaining sufficient cash and bank deposits, the viability of consolidating floating debt through an adequate amount of credit facilities and the ability to liquidate market positions. Cash requirements are managed on the basis of annual planning, which is reviewed quarterly and adjusted daily. In line with the dynamics of the underlying business, Ibersol treasury has been flexibly managing commercial paper and negotiating credit lines available at all times.

	< 1 year	from 1 to 5 years	> 5 years
Borrowings	11 600 000	4 800 000	
Other non-current liabilities			
Accounts payable to suppliers and accrued costs	130 532		
Other current liabilities	572		
Total	11 731 104	4 800 000	0

6.4. Capital risk

Ibersol seeks to maintain a level of equity appropriate to the characteristics of the main business (cash sales and credit from suppliers) and to ensure continuity and expansion.

The balance of the capital structure is monitored based on the financial leverage ratio (defined as: net interest-bearing debt / (net interest-bearing debt + equity)) with the aim of keeping it within the 35% range.

Exceptionally, due to the effect of the sale of Burger King, on 31 December 2023 and 2022 was -133% and -165%, respectively, as shown in the table below:

	Dec/23	Dec/22
Borrowings obtained	16 400 000	27 972 417
Loans granted to subsidiaries	-117 008 996	-171 288 996
Cash and bank deposits	-63 180 587	-32 426 860
Net debt	-163 789 584	-175 743 439
Equity	286 535 110	282 332 373
Total equity	122 745 527	106 588 934
Financial gearing ratio	-133%	-165%

7. Financing

7.1. Equity

7.1.1. Share capital

Accounting policies

Ordinary shares are classified as equity when paid.
Incremental costs directly attributable to the issue of new shares or options are presented in equity as a deduction, net of tax, from income.

When Ibersol acquires its own shares, the amount paid, including directly attributable costs (net of tax), is deducted from equity attributable to equity holders until the shares are canceled, reissued or sold. When such shares are subsequently sold or reissued, any proceeds, after deducting directly attributable transaction costs and taxes, are reflected in equity.

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

On 31 December 2023, Ibersol's share capital was fully subscribed and paid up, and was represented by 42,359,577 registered shares with a nominal value of 1 euro each.

Share premiums at 31 December 2023 amount to €29,900,788, without any changes compared to the previous year.

7.1.2. Own shares

Shares are subject to the regime established for own shares, which determines that the respective voting and equity rights are suspended as long as they remain in the ownership of Ibersol, without prejudice to the fact that they may be sold.

Under the terms of the resolution approved at the General Meeting of 26 May 2023, Ibersol SGPS, SA reduced its capital in 2023 from 46,000,000 euros to 42,359,577 euros, by cancelling 3,640,423 own shares acquired for 11,410,227 euros.

Under the buy-back program approved at the same General Meeting, 477,490 own shares were acquired until 31 December 2023, at an average price of €6.79 and representing 1.1272% of the share capital.

On 31 December 2023, the company held 477,491 own shares acquired for 3,244,008 euros.

7.1.3. Reserves and retained earnings

Legal reserves
Commercial legislation establishes that at least 5% of the annual net profit must be set aside to reinforce the legal reserve until it represents at least 20% of the share capital. This reserve is not distributable except in the event of the company's liquidation. It can, however, be used to absorb losses, once the other reserves have been exhausted, or incorporated into the share capital.

In the periods presented, the legal reserve has not been constituted by its maximum limit.

Retained earnings and other reserves
This item corresponds to reserves created through the transfer of profits from previous periods, the reduction of share capital and other movements.

The amount of reserves and retained earnings available amounts to 172,927,759 euros. The reserves relating to own shares held by Ibersol (3,244,008 euros) are not available for distribution.

7.1.4. Dividends

In 2023 and 2022, 29,651,704 euros and 5,724,003 euros were distributed to shareholders, respectively.

7.1.5. Earnings per share

Accounting policies

Earnings per share can be expressed in terms of "basic earnings" or "diluted earnings".

Basic
Basic earnings per share are calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares issued during the period, excluding ordinary shares acquired by the company and held as treasury shares.

Diluted
Diluted earnings per share are calculated by dividing the profit attributable to shareholders, adjusted for dividends on convertible preference shares, interest on convertible debt and gains and expenses

resulting from the conversion, by the weighted average number of ordinary shares issued during the period plus the average number of ordinary shares issuable on the conversion of dilutive potential ordinary shares.

On 31 December 2023 and 2022, basic and diluted earnings per share were calculated as follows:

	Dec/23	Dec/22
Profit payable to shareholders	37 098 448	45 206 934
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)	43 815 746	38 027 397
Weighted average number of treasury shares (ii)	1 456 952	3 601 643
Weighted average number of shares outstanding (i-ii)	42 358 794	34 425 754
Basic earnings per share (euros per share)	0,88	1,31
Number of shares at the end of the period	477 491	3 640 423

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

7.2. Bank debt

Accounting policies

Loans are recorded as liabilities at the nominal value received, net of issue costs, which corresponds to their fair value on that date. Subsequently, they are measured by the amortized cost method, with the corresponding financial charges calculated according to the effective interest rate.

Loans obtained are classified as current liabilities, unless Ibersol has an unconditional right to defer payment of the liability for at least 12 months after the balance sheet date, in which case they are classified as non-current liabilities.

The effective interest rate is the rate that discounts future payments over the expected life of the financial instrument to the net carrying amount of the financial liability.

On 31 December 2023 and 2022, current and non-current loans were as follows:

	Dec/23	Dec/22
Non current		
Commercial Paper	4 800 000	16 400 000
	4 800 000	**16 400 000**
Current		
Commercial Paper	11 600 000	11 600 000
Financing commissions	-16 639	-27 583
	11 583 361	**11 572 417**
Total borrowings obtained	**16 383 361**	**27 972 417**

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.

The future (undiscounted) cash flows associated with these liabilities on 31 December 2023 are as follows:

	FC 2024	FC 2025	FC 2026	TOTAL
Commercial Paper	11 600 000	4 800 000	-	16 400 000
Interest	125 500	17 500	-	143 000

Movements in borrowings

Movements in 2023 and 2022 under current and non-current borrowings, excluding finance leases and bank overdrafts, are as follows:

	2023	2022
01 January	**27 972 417**	**64 867 814**
Changes with impact on cash flows:		
Financial debt payments	-11 600 000	-37 000 000
Interest payments	-153 068	-159 205
Changes with no impact on cash flows:		
Accrued interest and others	164 012	263 808
31 December	**16 383 361**	**27 972 417**

In 2023, the average cost of borrowing was 2.6%.

At 31 December 2023, the Company had 33 million euros in unissued commercial paper and unused credit lines.

Some of the Company's bank loan agreements and commercial paper programs with financial institutions, corresponding to a total amount outstanding at 31 December 2023 of 9 million euros, include Financial Covenants (i.e. 33% of the total amount of loans outstanding at that date). These covenants can be summarized as follows:

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

Some contracts still have Debt/EBITDA adjusted for the effects of applying IFRS 16 (frozen gaap).

In addition, there are contracts in which the respective creditors have the possibility of considering the debt due in the event of a change in shareholder control, however none of this debt was being used on 31 December 2023.

7.3. Cash and bank deposits

Accounting policies

Cash flow statement

The cash flow statement is prepared using the direct method, which discloses cash receipts and payments from operating, investing and financing activities.

Operating activities include receipts from customers, payments to suppliers, payments to staff and others related to operating activities, namely income tax.

Investing activities include, in particular, acquisitions and disposals of investments in subsidiaries, payments and receipts arising from the purchase and sale of assets and receipts of interest and dividends. Financing activities include payments and receipts relating to loans obtained, lease contracts, interest paid and dividend payments.

Cash and cash equivalents

Cash and cash equivalents comprise amounts recorded in the statement of financial position with a maturity of less than three months from the balance sheet date, including cash and deposits with credit institutions. It also includes other short-term, highly liquid investments with insignificant risk of change in value and convertible into cash, as well as demand deposits with the Bank of Portugal which are mandatory in order to meet legal minimum cash reserve requirements.

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

	Dec/23	Dec/22
Bank deposits	680 587	2 426 860
Term deposits	62 500 000	30 000 000
Cash and cash equivalents on the cash flows statement	**63 180 587**	**32 426 860**

There are no significant balances of cash and cash equivalents unavailable for use by the Company.

7.4. Financial assets and liabilities

On 31 December 2023 and 2022, financial assets and liabilities were as follows:

Financial Assets	Category	Book Value		Valuation Method
		Year 2023	Year 2022	
Financial investments in subsidiaries	loans and receivables	109 006 467	91 076 347	amortised cost
Loans granted to subsidiaries	loans and receivables	117 008 996	171 288 996	amortised cost
Group subsidiaries	loans and receivables	9 864 617	7 881 830	amortised cost
Cash and cash equivalents	loans and receivables	63 180 587	32 426 860	amortised cost
Other debtors	loans and receivables	1 697 896	7 092 361	amortised cost
		300 758 563	309 766 395	

Financial Liabilities	Category	Book Value		Valuation Method
		Year 2023	Year 2022	
Borrowings obtained	other liabilities	16 383 361	27 972 417	amortised cost
Group subsidiaries	other liabilities	3 106 015	2 196 853	amortised cost
Suppliers	other liabilities	5 106	33 019	amortised cost
Accrued expenses	other liabilities	159 772	131 835	amortised cost
State and other public entities	other liabilities	18 000	230 342	amortised cost
Other creditors	other liabilities	572	3 233	amortised cost
		19 672 825	30 567 698	

7.5. Financial activity result

Accounting policies

Net financial costs are essentially associated with interest and ancillary costs on loans obtained, interest on investments made and dividends.

Net financial costs are recognized in the income statement on an accrual basis during the period to which they relate.

Financial costs and expenses in 2023 and 2022 are as follows:

Financial costs and expenses	2023	2022
Interest on commercial paper	284 963	534 679
Commissions on commercial paper	131 075	281 448
Others	31 648	125 619
	447 686	941 745

Financial income and gains in 2023 and 2022 are as follows:

Financial income and gains	2023	2022
Dividends	30 503 681	43 406 454
Interest on capital loans	7 916 635	3 510 026
Interest on deposits	790 162	-
	39 210 478	46 916 480

In 2023 the amount of dividends received was 30,000,000 euros from Ibersol Restauração, SA, and 500,000 euros from Ibersol Madeira e Açores S.A..

Interest on shareholder loans arises from loans granted to subsidiaries, as per note 6.2.

8. Income tax

Accounting policies

Current tax:

The estimated tax (IRC) was calculated under the Special Taxation Regime for Groups of Companies (RETGS), Ibersol having decided that the expense/income to be recognized in the subsidiaries will be reflected in other current liabilities/assets with the parent company, the tax savings being reflected in the parent company's accounts.

Income tax for the period includes current and deferred taxes. Income taxes are recorded in the income statement, except when they relate to items that are recognized directly in equity. The amount of current tax payable is determined on the basis of profit before tax, adjusted in accordance with the tax rules in force.

Uncertain tax positions

The amount of the estimated assets and liabilities recorded in connection with tax proceedings is the result of an assessment by the Company as at the date of the statement of financial position in relation to potential differences of understanding with the Tax Authorities.

With regard to the measurement of uncertain tax positions, the Company takes into account the provisions of IFRIC 23 - "Uncertainty about income taxes", namely in the measurement of risks and uncertainties in the definition of the best estimate of the expense required to settle the obligation, by weighing up all possible controlled outcomes and associated probabilities.

Deferred tax:

Deferred taxes are recognized in full using the liability method and calculated on temporary differences arising from the difference between the tax base of assets and liabilities and their values in the financial statements. However, if deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination or that at the date of the transaction affects neither the accounting result nor the tax result, it is not accounted for. Deferred taxes are determined by the tax (and legal) rates enacted or substantially enacted at the_ date of the statement of financial position and which are expected to apply in the period in which the deferred tax asset is realized or the deferred tax liability is settled.

The nominal base tax rate in Portugal is 21%.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available to use the temporary difference.

The Company offsets deferred tax assets and deferred tax liabilities if, and only if:
(a) it has a legally enforceable right to set off current tax assets against current tax liabilities; and
b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on either:
(i) the same taxable entity; or
(ii) different taxable entities that intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Judgments and estimates

Measurement and recognition of deferred tax assets

Deferred tax assets are recognized only when it is probable that there will be sufficient taxable profits or taxable temporary differences related to the same tax authority to use those deferred tax assets. At the end of each year, a review is carried out of the deferred tax assets recorded, as well as those not recognized, which are reduced whenever it is no longer probable that they will be used in the future or recorded, provided that, and to the extent that, it becomes probable that future taxable profits will be generated/reversal of taxable temporary differences that will allow them to be recovered.

Methods and premises

At the end of each year, a review is carried out of the deferred taxes recorded, as well as those not recognized, which are reduced whenever it is no longer probable that they will be used in the future or recorded, provided that, and to the extent that, it becomes probable that future taxable profits will be generated/reversal of taxable temporary differences that will allow them to be recovered.

When analyzing the recoverability of deferred tax assets, the company took into account the best estimates of future taxable profit projections and the existence of taxable temporary differences against which tax losses, tax credits and deductible temporary differences could be used.

8.1. Current tax recognized in the income statement

Income taxes recognized in the years ended 31 December 2023 and 2022 are detailed as follows:

	Dec/23	Dec/22
Current tax	1 875 799	637 633
Deferred tax	-5 662	426 089
	1 870 138	1 063 723

Ibersol's pre-tax income tax differs from the theoretical amount that would result from applying the weighted average income tax rate to consolidated income as follows:

	2023	2022
Profit before tax	**38 968 586**	**46 270 656**
Tax calculated at the tax rate applicable in Portugal (22.5%)	**8 767 932**	**10 410 898**
Tax effect generated by		
Non-taxable income/(expenses)	-7 052 900	-9 797 331
State surcharge	191 400	36 809
Insufficient (excess) tax estimate	-30 633	-12 742
Deferred taxes	-5 662	426 089
Income tax	1 870 138	1 063 723

The tax effect of 7,052,900 euros refers almost entirely to dividends obtained from subsidiaries in 2023.

On 31 December 2023, the effective tax rate is 4.88% (2.33% in 2022).

In accordance with current legislation, Ibersol's tax returns are subject to review and can be corrected by the tax authorities for a period of four years in general terms, so the returns for 2020 to 2023 are still open.

Ibersol's management believes that corrections resulting from reviews or inspections by the tax authorities of these tax returns will not have a significant effect on the financial statements presented on 31 December 2023.

8.2. Current tax recognized in the statement of financial position

On 31 December 2023, the amount of income tax to be recovered amounts to 2,858,741 euros (41,174 euros in 2022), as follows:

	Dec/23	Dec/22
Payments on account	3 816 426	1 244 811
Withholdings	198 461	690
RETGS	-481 142	-1 204 327
Income tax payable	-675 004	-
	2 858 741	41 174

8.3. Deferred taxes

8.3.1. Deferred tax assets

Deferred tax assets at 31 December 2023 and 2022 are as follows:

	Dec/23	Dec/22
Tax benefit (capital increase)	88 200	117 600
RFAI tax benefit	1 827 669	2 676 201
CFEI II tax benefit	223 488	299 468
IFR tax benefit	450 922	-
	2 590 279	3 093 269

Movements in 2023 and 2022 under deferred taxes are as follows:

	Dec/23	Dec/22
01 January	**3 093 269**	**9 994 534**
Creation	2 834 921	4 074 336
Correction of previous years' taxes	5 661	-423 786
Sale of tax credits	-	-6 408 005
Utilization	-3 343 572	-4 143 810
31 December	2 590 279	3 093 269

At 31 December 2023, there are 88,200 euros of tax benefits associated with the capital increase and 2,502,080 euros of undeducted tax benefits to be used in subsequent years: 1,039,155 euros of RFAI for 2022, 788,515 euros of RFAI for 2023, 223,488 euros of CFEI II (89,303 euros deductible up to 2025 and 134,185 euros up to and including 2026) and 450,922 euros of IFR (deductible up to and including 2027). It should be noted that RFAI credits have a reporting period of 10 tax periods, a period which was suspended during the 2020 tax period and during the following tax period, under Law no. 21/2021, of April 21.

Analysis of recoverability

In analyzing the recoverability of deferred tax assets, the Entity took into account the best estimates of the projections of future taxable profits against which tax losses, tax credits and deductible temporary differences can be used. These estimates reflect conservative scenarios, given the current context of greater uncertainty. No non-recoverable deferred tax assets were identified.

9. Provisions and Contingencies

9.1. Provisions

Accounting policies

Provisions are recognized when, and only when, Ibersol has a present obligation (legal or constructive) resulting from a past event, whenever it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reasonably estimated. Provisions are reviewed on the date of each statement of financial position and are adjusted to reflect the best estimate of their fair value on that date.

When identifying onerous contracts, Ibersol considers whether the unavoidable costs of fulfilling the contract exceed the economic benefits expected under the contract. Provisions are measured at the present value of the estimated expenditure to settle the obligation using a pre-tax rate, which reflects the market valuation for the discount period and for the risk of the provision in question.

At 31 December 2023 and 2022, provisions amount to 5,257 euros.

10. Commitments not included in the statement of financial position

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

11. Transactions with related parties

Accounting policies

A related party is a person or entity that is related to the Group, including those that own or are subject to influence or control by the Company.

Transactions with related parties in 2023 and 2022 are as follows:

	2023				
Transactions	**Dividends received**	**Financial income**	**Product and service sales**	**Product and service acquisition**	**Total**
Iberusa – Hotelaria e Restauração, S.A.		247 196			247 196
Ibersol Restauração, S.A.	30 000 000	7 669 439	990 000	6 720	38 666 159
Ibersol Madeira e Açores Restauração, S.A.	500 000				500 000
UQ Consult - Serviços de Apoio à Gestão, S.A.				11 604	11 604
Total	**30 500 000**	**7 916 635**	**990 000**	**18 324**	**39 424 959**

	2022				
Transactions	**Dividends received**	**Financial income**	**Product and service sales**	**Product and service acquisition**	**Total**
Iberusa – Hotelaria e Restauração, S.A.		1 843			1 843
Ibersol Restauração, S.A.	43 003 693	2 874 077	900 000	-5 578	46 772 192
Ibersol Madeira e Açores Restauração, S.A.	40 000				40 000
Total	**43 043 693**	**2 875 920**	**900 000**	**-5 578**	**46 814 035**

Balances with related parties in 2023 and 2022 are as follows:

	2023		2022	
Transactions	**Debtor balances**	**Creditor balances**	**Debtor balances**	**Creditor balances**
Iberusa – Hotelaria e Restauração, S.A.	497 071	1 862 911	471 843	-238 051
Ibersol Restauração, S.A.	8 659 439	1 009 501	13 361 509	-384 840
Anatir SGPS, S.A.	270 628	-	821	-
Iberaki Restauração, S.A.	99 112	-	128 355	-
Firmoven Restauração, S.A.	-	190 237	-	-308 437
Ibersande Restauração, S.A.	655 144	-	205 000	-248 716
Ibersol Madeira e Açores Restauração, S.A.	135 618	-	-	-887 454
Restmon Portugal, Lda	336 473	-	336 473	-
IBR - Sociedade Imobiliária, S.A.	-	45 078	184 048	-
Sugestões e Opções-Actividades Turísticas, S.A	202 441	-	207 031	-
José Silva Carvalho Catering, S.A	653 512	-	257 038	-
Maestro - Serviços de Gestão Hoteleira, S.A.	98 379	-	-	-129 565
SEC - Eventos e Catering, S.A.	137 309	-	104 074	-
Ibergourmet Produtos Alimentares	142 234	-	44 144	-
Total	**11 887 360**	**3 111 295**	**15 300 336**	**-2 200 631**

In addition to the balances presented above, Ibersol SGPS holds supplementary capital and shareholder loans with related parties, as per notes 6.1.2 and 6.2, respectively.

Remuneration of Board of Directors

Remuneration paid to board of directors is as follows:

	Dec/23	Dec/22
Fiscal Board	27 500	27 500
General Committee	3 170	3 170
Board of Directors	265 836	193 036
Total	**296 506**	**223 706**

The Board of Directors is remunerated by non-executive directors. The executive management, whose service is provided by ATPS, is not remunerated by Ibersol SGPS.

The compensation awarded to key managers corresponds to the remuneration of the members of the Board of Directors and refers to::

a) ATPS - Sociedade Gestora de Participações Sociais, S.A. provides administration and management services to the group, under a service contract with the subsidiary Ibersol, Restauração, S.A. for an annual amount of 1,078,008 euros (in 2022: 1,000,000 euros). The obligations of ATPS - Sociedade Gestora de Participações Sociais, S.A. include ensuring that the company's directors, António Carlos Vaz Pinto de Sousa and António Alberto Guerra Leal Teixeira, perform their duties without Ibersol having to incur any additional costs.

b) Other members in the amount of 265,848 euros (196,036 euros in 2022).

Remuneration is fixed and at 31 December 2023 there are no benefit or incentive plans or outstanding balances or other commitments.

12. Additional information required by law

In accordance with Article 66-A of the Commercial Companies Code, we hereby inform you of the following:

a) Apart from the operations described in the notes above, as well as in the Management Report, there are no other operations considered relevant that are not reflected in the balance sheet or described in its notes;
b) Statutory auditor's fees in 2023 amounted to 448,650 euros for statutory audit services;
c) Note 11 of these Notes to the Accounts includes the disclosures relating to relationships between related parties in accordance with International Accounting Standards.

13. Subsequent Events

Accounting policies

Events occurring between the date of the statement of financial position and the date of issue of the financial statements ("adjusting events") are reflected in the financial statements. Events occurring between the statement of financial position date and the date of issue of the financial statements that provide information on conditions occurring after the statement of financial position date ("non-adjusting events"), if material, are disclosed in the notes to the financial statements.

Burger King business sale

Also in the course of concluding the process of selling Burger King restaurants, within the scope of the assets that had not yet been transferred as of November 30, 2023, the sale of 8 of the 9 restaurants located in concessions at the end of January was completed as planned, with no significant differences compared to the amounts provided for in the sale contract of the overall operation for the sale of these assets for an amount of 6.6 million euros.

Exercise of the right to purchase the entire share capital of Medfood

On 19 April, the sellers were presented with an offer to buy 54% of the company's share capital. Following approval by the seller and compliance with other conditions precedent, the deal could be concluded by the end of the first half of 2024.

Porto, April 29th 2024

KPMG & Associados - Sociedade de Revisores Oficiais de Contas, S.A.
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STATUTORY AUDITORS' REPORT AND AUDITORS' REPORT

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail.)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **Ibersol, S.G.P.S., S.A.** (the Entity), which comprise the statement of financial position as at 31 December 2023 (showing a total of 305,205,404 euros and total equity of 286,535,110 euros, including a profit for the year of 37,098,448 euros), and the statement of income and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of **Ibersol, S.G.P.S., S.A.** as at 31 December 2023 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further technical and ethical standards and guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section below. We are independent of the Entity in accordance with the law and we have fulfilled other ethical requirements in accordance with the Ordem dos Revisores Oficiais de Contas' code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of financial investments (109,006,467 euros) and loans granted to subsidiaries (117,008,996 euros)

See notes 5.1, 5.2 and 5.3 to the financial statements

The Risk

As mentioned in note 5.1 of the financial statements, financial instruments are measured at acquisition cost less any impairment loss. The valuation of financial investments and loans granted to subsidiaries requires a high degree of judgment by the Board of Directors, namely regarding the assessment of the recoverable amount of the investments made when impairment triggers are identified, since several key assumptions are based on management's expectations, that are not market data.

The complexity and high degree of judgment inherent to the valuation of financial investments and loans granted to subsidiaries justifies the identification as a key audit matter.

Our response to the identified risk

Our audit procedures included, amongst others, those that we describe below:

- We have inquired the Board of Directors about the basis of their estimates and judgements and challenged the assumptions made;
- We have evaluated the design and implementation of the main controls implemented by the Entity in this area and analysed the budgeting procedures on which the projections are based, by comparing past performance with the estimates made in previous periods and by reference to macroeconomic and sectorial information and projections produced by independent external bodies;
- We have analysed the basis of the projections made by the Board of Directors and the assumptions used, such as inflation, projected economic growth and discount rates, and assessed their reasonableness and consistency, whenever applicable, for the various assets in the different locations and segments, and have also assessed the impacts of alternative scenarios;
- We have tested the integrity and mathematical accuracy of the discounted cash flow model;
- We have reviewed the assessment of the impairment of loans granted based on the different variables, namely the assessment of credit risk;
- We have carried out sensitivity analyses to changes in the relevant assumptions used;
- We have involved our valuations specialists in order to assess the

discounted cash flow model and the average cost of capital rate considered in the valuations made by the Entity; and

- We assessed the adequacy of the respective disclosures to the financial statements, in accordance with the applicable accounting framework.

Responsibilities of management and the supervisory body for the financial statements

Management is responsible for:

- the preparation of financial statements that give a true and fair view of the Entity's financial position, financial performance and the cash flows, in accordance with the International Financial Reporting Standards as adopted by the European Union;
- the preparation of the management report, the corporate governance report and the remunerations report, in accordance with applicable laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and,
- assessing the Entity's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about the Entity's ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and the events in a manner that achieves fair presentation;
- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit, and significant audit findings including any significant deficiencies in internal control that we identify during our audit;
- determine, from the matters communicated with those charged with governance, including the supervisory body, those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes their public disclosure; and,
- provide the supervisory body with a statement that we have complied with the relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Our responsibility also includes the verification that the information contained in the management report is consistent with the financial statements, and the verification of the requirements as provided in numbers 4 and 5 of article 451 of the Portuguese Companies' Code regarding the corporate governance report, as well as the verification that the remunerations report was presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the management report

Pursuant to article 451, nr. 3, al. (e) of the Portuguese Companies' Code, it is our opinion that the management report was prepared in accordance with the applicable legal and regulatory requirements, the information contained therein is consistent with the audited financial statements and, having regard to our knowledge and assessment of the Entity, we have not identified any material misstatements.

On the corporate governance report

Pursuant to article 451, nr. 4, of the Portuguese Companies' Code, it is our opinion that the corporate governance report includes the information required to the Entity to provide under article 29-H of the Securities Code, and we have not identified any material misstatements on the information provided therein in compliance with paragraphs c), d), f), h), i) and l) of nr. 1 of that article.

On the remunerations report

Pursuant to article 26-G, nr. 6, of the Securities Code, we inform that the Entity has included in the corporate governance report in a separate chapter the information defined in nr. 2 of that article.

On the European Single Electronic Format (ESEF)

The financial statements of Ibersol, S.G.P.S., S.A. for the year ended 31 December 2023 have to comply with the applicable requirements established by the Commission Delegated Regulation 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for the preparation and presentation of the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the financial statements, included in the annual report, have been prepared in accordance with the requirements of the ESEF Regulation.

Our procedures considered the OROC (Portuguese Institute of Statutory Auditors) technical application guide on ESEF reporting and included obtaining an understanding of the financial reporting process, including the presentation of the annual report in a valid XHTML format.

In our opinion, the financial statements, included in the annual report, are presented, in all material respects, in accordance with the requirements established by the ESEF Regulation.

On the additional matters provided in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- We were first appointed as auditors of the Entity in the shareholders general assembly held on 14 May 2018 to complete the mandate from 2017 to 2020. We were reappointed as auditors of the Entity in the shareholders general assembly held on 18 June 2021 for a second mandate from 2021 to 2024.
- Management as confirmed to us that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism, and we designed audit procedures to respond to the possibility of material misstatement in the financial statements due to fraud. As a result of our work, we have not identified any material misstatement of the financial statements due to fraud.
- We confirm that the audit opinion we issue is consistent with the additional report that we prepared and delivered to the supervisory body of the Entity on 30 April 2024.

- We declare that we have not provided any prohibited services as described in article 5 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and we have remained independent of the Entity in conducting the audit.

30 April 2024

SIGNED ON THE ORIGINAL

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

Responsability Statement

In accordance with paragraph c) number 1 of article 29-G of the Portuguese Securities Market Code the Fiscal Board informs as far as its members know and regarding the elements to which they have had access, that the information contained in the individual and consolidated financial statements of IBERSOL-SGPS, S.A., for the year 2023, was prepared in accordance with applicable accounting standards, giving a true and appropriate view of the assets and liabilities, financial position and the results of IBERSOL- SGPS, SA, and the companies included in the consolidation perimeter, and that the management reports faithfully describes the business evolution, performance and financial position of the company and of the companies included in the consolidation perimeter, and contains a description of the major risks and uncertainties they face.

Porto, 30 April 2024

The Fiscal Board

Dr. Herminio António Paulos Afonso
(Chairman)

Doutora Maria José Martins Lourenço da Fonseca
(Member)

Dr. Carlos Alberto Alves Lourenço
(Member)

FISCAL BOARD REPORT

To the Shareholders of IBERSOL SGPS, S.A.:

In compliance with the legal and statutory requirements, the Fiscal Board in the fulfilment of the mandate in which he is invested, the Fiscal Board prepared this report on its supervisory action carried out in the 2023 fiscal year, as well as on the Management Report and remaining consolidated and individual financial statements of the company, presented by the Board of Directors and related to the year ended on December 31, 2023, and issues the consequent opinion:

1. Supervisory Activity Report:

The Fiscal Board accompanied, within the scope of its competencies and mandate, during the 2023 financial year, the management of the company and its subsidiaries, having received for that purpose, timely and adequate information from the Company's Board of Directors and the Statutory Auditor **KPMG & Associados, SROC, S.A.**

Over the course of 2023 the Fiscal Council held thirteen meetings with all members present, which examined and considered the matters subject to its powers and duties were analysed, with minutes being drawn up of all the meetings held. The ordinary quarterly meetings were always attended by the Auditor, ***KPMG & Associados, SROC, S.A.***, represented by the Statutory Auditor Dr. Pedro Manuel Bouça de Morais Alves, Statutory Auditor number 1466.

The Statutory Auditor / External Auditor KPMG & Associados, SROC, SA presented and proposed to the Audit Committee, in a meeting convened for the purpose, the "2023 Year-End Audit Plan and Strategy" with the main points of the plan of its supervisory activity, as well as the performance calendar of the members assigned to the team to the economic year. Along the exercise they provided the detailed information about the actions performed and the resulting conclusions.

The Fiscal Board also had the participation of the Board of Directors in its quarterly meetings, from whose members it received information over the society's activity and explanations needed to understand the activity and financial information drawn up by same Board of Directors in previously moment to its disclosure.

The Fiscal Board did not come across any constraint during their supervision action, having monitored the system for receiving and handling reports of irregularities, including through the Internal Reporting Channel created by the company.

The Fiscal Board exercised its powers to supervise the activities and independence of the External Auditor and the Auditor, having the perception that the recommended practices were observed; and the Fiscal Board has rendered its approval to additional services to the auditory services that were hired to the External Auditor, having considered that it's independence was safeguarded, its remuneration was contained in market conditions, and, therefore, it was in the society's interest to benefit of the knowledge and punctuality assured in those services. The provision of additional services performed by the external auditor did not overcome the established by European regulations and national legislation in force.

The Fiscal Council, in compliance with Art. 29-S nr 1 of the Securities Code and in compliance with the internal policy regarding transactions with related parties proceeded to the assessment of such transactions. During the year, transactions with related parties or qualified shareholders were part of the company's current activity, were carried out under market conditions, in compliance with the applicable legal and regulatory requirements, without conflicts of interest identified.

The Fiscal Board examined the individual and consolidated management report and the individual and consolidated financial statements, their respective attachments, relating to the 2023 financial year, presented by the Board of Directors, as well as the Legal Certification of Accounts and Audit Report submitted by the Auditor ***KPMG & Associados, SROC, S.A.,*** attached to the "Additional Report of the External Auditor to the Supervisory Body", that it produced and referring to the 2023 financial year, provided for in Article 11 of regulation (EU) nr 537/2014 of the Parliament and of the Council of 16th April 2014. It covers the scope of the Audit, the partners and employees of the Statutory Auditor who participated in it, the consolidation perimeter with mention of entities not audited by KPMG, materiality, relevant audit matters, independence and the additional services provided, as well as, among others, the results of the analysis of Internal Control that responds to the questions raised, the answers obtained and the recommendations made.

The Fiscal Board, in compliance to the no. 5 article 420 of the Commercial Societies Code, assessed the Corporate Governance Report and attested to its inclusion of the required elements of the 29-H article of the Portuguese Securities Market Code.

2. Opinion:

Considering the above, the opinion of the Fiscal Board is that are fulfilled the conditions of the approval, by the General Meeting, of:

a) The Management Report, the financial consolidated and individual statements of 2023 and respective annexes, as well as the Governance Report;

b) The proposal of distribution of year-end results presented by the Board of directors.

Porto, 30 April 2024

The Fiscal Board

Dr. Hermínio António Paulos Afonso
(Chairman)

Doutora Maria José Martins Lourenço da Fonseca
(Member)

Dr. Carlos Alberto Alves Lourenço
(Member)