Consolidated Report
and Accounts 2023

Sierra
Sonae

Rising Horizons

Open mind,
Greater value.

Contents

Consolidated Financial Statements

Consolidated Statements of Financial Position as of 31 December 2023 and 2022

(Translation of the statement of financial position originally issued in Portuguese - Note 53)
(Amounts stated in thousands of Euro)

ASSETS	NOTES	31 DECEMBER 2023	31 DECEMBER 2022
NON-CURRENT ASSETS:			
Investment properties	8	315,783	306,279
Investment properties under development	8	11,279	36,337
Property, plant and equipment	9	9,995	3,317
Right of use	10	6,278	8,816
Goodwill	11	1,945	3,586
Intangible assets	12	5,821	3,957
Investments in joint ventures and associates	4 and 5	800,459	655,398
Loans to joint ventures and associates	23	11,590	17,649
Deferred tax assets	27	2,979	3,003
Derivative financial instruments	21	2,594	4,254
Assets at fair value through other comprehensive income	13	-	29,559
Other non current assets	14	6,676	4,189
Total non-current assets		**1,175,399**	**1,076,344**
CURRENT ASSETS:			
Inventories	15	14,988	-
Trade receivables	16	12,076	14,832
Loans to joint ventures and associates	23	10,199	7,915
Other receivables	17	12,377	19,164
State and other public entities	30	3,445	6,029
Other current assets	18	10,383	7,139
Cash and bank deposits	19	91,779	128,830
Total current assets		**155,247**	**183,909**
Assets classified as held for sale	42	48,518	-
Total assets		**1,379,164**	**1,260,253**

EQUITY, NON-CONTROLLING INTERESTS AND LIABILITIES	NOTES	31 DECEMBER 2023	31 DECEMBER 2022
EQUITY:			
Share capital	20	162,245	162,245
Reserves	20	57,329	57,329
Currency translation reserve		(57,680)	(70,820)
Hedging reserve		1,249	7,643
Retained earnings		643,748	623,068
Consolidated net (loss)/profit for the period attributable to the equity holders of Sonae Sierra		108,785	30,691
Equity attributable to the equity holders of Sonae Sierra		915,676	810,156
Non-controlling interests	7	64,932	59,688
Total equity		**980,608**	**869,844**
LIABILITIES:			
NON CURRENT LIABILITIES:			
Bank loans - net of current portion	21	148,232	46,470
Bond loans - net of current portion	21	74,456	74,456
Derivative financial instruments	21	2,710	-
Shareholders	24	1,084	903
State and other public entities	30	-	448
Accounts payable to suppliers	29	333	439
Lease liabilities		5,281	7,786
Other non current liabilities	26	2,772	3,001
Provisions	33	10,435	10,482
Deferred tax liabilities	27	48,595	50,778
Total non current liabilities		**293,898**	**194,763**
CURRENT LIABILITIES:			
Current portion of long term bank loans	21	19,197	107,528
Current portion of long term bond loans	21	-	24,846
Shareholders	24	5,592	-
Accounts payable to suppliers	29	6,510	12,412
State and other public entities	30	4,756	7,890
Lease liabilities		1,268	1,297
Other payables	31	25,491	7,604
Other current liabilities	32	38,136	33,670
Provisions	33	92	399
Total current liabilities		**101,042**	**195,646**
Liabilities directly associated with assets classified as held for sale		3,616	-
Total equity, non-controlling interests and liabilities		**1,379,164**	**1,260,253**

The accompanying notes form an integral part of these consolidated statements of financial position.

The Board of Directors

Consolidated Statements of Profit or Loss and Comprehensive Income for the Periods Ended 31 December 2023 and 2022

(Translation of the statement of profit or loss originally issued in Portuguese - Note 53)
(Amounts stated in thousands of Euro)

	NOTES	2023	2022
Services rendered	34	129,235	117,304
Variation in fair value of the investment properties	35	5,548	(3,544)
Other operating revenue	36	4,445	3,138
		139,228	**116,898**
External supplies and services		(45,945)	(45,954)
Personnel expenses		(56,907)	(50,752)
Depreciation and amortisation	9, 10 and 12	(3,309)	(2,950)
Provisions and impairment	33	(1,701)	(998)
Impairment losses and write-off	37	(492)	(2,614)
Other operating expenses	38	(5,267)	(4,146)
		(113,621)	**(107,414)**
		25,607	9,484
Finance income	39	6,385	1,937
Finance expenses	39	(15,068)	(11,285)
Share of results of joint ventures and associates	41	105,649	32,891
Gains and losses on investments	40	442	5,996
Profit before income tax		123,015	39,023
Income tax	28	4,183	(4,932)
Profit after income tax		**127,198**	**34,091**
Consolidated net (loss)/profit for the period		**127,198**	**34,091**
Changes in the currency translation differences		13,140	16,967
Changes in the fair value of hedging instruments		(7,263)	9,258
Changes in the fair value of financial investments		-	(3,448)
Deferred tax related to components of other comprehensive income		767	(1,901)
Others		(11)	230
Other comprehensive income for the period		**6,633**	**21,106**
Total consolidated comprehensive income for the period		**133,831**	**55,197**
Consolidated net (loss)/profit for the period is attributable to:			
Equity holders of Sonae Sierra		108,785	30,691
Non-controlling interests	7	18,413	3,400
		127,198	**34,091**
Consolidated comprehensive income for the period is attributable to:			
Equity holders of Sonae Sierra		115,520	51,779
Non-controlling interests		18,311	3,418
		133,831	**55,197**
Consolidated net (loss)/profit per share:			
Basic	47	3.35	0.94
Diluted	47	3.35	0.94

The accompanying notes form an integral part of these consolidated statements of profit or loss and comprehensive income.

The Board of Directors

Consolidated Statements of Changes in Equity for the Periods Ended 31 December 2023 and 2022

(Translation of the statement of changes in equity originally issued in Portuguese - Note 53)
(Amounts stated in thousands of Euro)

	Notes	EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF SONAE SIERRA	RESERVES							
		Share Capital	Legal Reserves	Translation Reserve	Hedging Reserve	Retained Earnings	Net Profit Attributable to the Equity Holders of Sonae Sierra	Total	Non-Controlling Interests (Note 7)	Total
Balance as of 1 January 2022		**162,245**	**57,329**	**(87,787)**	**305**	**626,471**	**15,096**	**773,659**	**65,898**	**839,557**
Appropriation of consolidated net profit for 2021:										
Transfer to legal reserves and retained earnings		-	-	-	-	15,096	(15,096)	-	-	-
Dividends distributed		-	-	-	-	(15,282)	-	(15,282)	(3,041)	(18,323)
		-	**-**	**-**	**-**	**(186)**	**(15,096)**	**(15,282)**	**(3,041)**	**(18,323)**
Currency translation differences		-	-	16,967	-	-	-	16,967	-	16,967
Fair value of hedging instruments	21	-	-	-	9 234	-	-	9,234	24	9,258
Deferred tax in fair value of hedging instruments	27				(1 896)	-	-	(1,896)	(5)	(1,901)
Capital increase/decrease					-	-		-	(6,587)	(6,587)
Fair value of financial investments	13				-	(3,448)		(3,448)	-	(3,448)
Consolidated net profit for the period ended 31 December 2022		-	-	-	-	-	30,691	30,691	3,400	34,091
Others		-	-	-	-	231	-	231	(1)	230
Balance as of 31 December 2022		**162,245**	**57,329**	**(70,820)**	**7,643**	**623,068**	**30,691**	**810,156**	**59,688**	**869,844**
Balance as of 1 January 2023		**162,245**	**57,329**	**(70,820)**	**7,643**	**623,068**	**30,691**	**810,156**	**59,688**	**869,844**
Appropriation of consolidated net profit for 2022:										
Transfer to legal reserves and retained earnings		-	-	-	-	30,691	(30,691)	-	-	-
Dividends distributed		-	-	-	-	(10,000)	-	(10,000)	(3,307)	(13,307)
		-	-	-	-	20,691	(30,691)	(10,000)	(3,307)	(13,307)
Currency translation differences	4 and 5	-	-	13,140	-	-	-	13,140	-	13,140
Fair value of hedging instruments	21	-	-	-	(7,172)	-	-	(7,172)	(91)	(7,263)
Deferred tax in fair value of hedging instruments	27	-	-	-	778	-	-	778	(11)	767
Capital increase/decrease		-	-	-	-	-		-	(9,651)	(9,651)
Acquisitions/sale of subsidiaries effect	6	-	-	-	-	-		-	(109)	(109)
Other changes in equity		-	-	-	-	(11)		(11)	-	(11)
Consolidated net (loss)/profit for the period ended 31 December 2023		-	-	-	-	-	108,785	108,785	18,413	127,198
Others					-	-	-	-	-	-
Balance as of 31 December 2023		**162,245**	**57,329**	**(57,680)**	**1,249**	**643,748**	**108,785**	**915,676**	**64,932**	**980,608**

The accompanying notes form an integral part of these consolidated statement of changes in equity.

The Board of Directors

Consolidated Statements of Cash Flows for the Periods Ended 31 December 2023 and 2022

(Translation of the statement of cash flow originally issued in Portuguese - Note 53)
(Amounts stated in thousands of Euro)

	NOTES	2023		2022	
OPERATING ACTIVITIES:					
Received from clients		129,768		112,557	
Paid to suppliers		(57,343)		(42,372)	
Paid to personnel		(55,633)		(51,637)	
Flows from operations		16,792		18,548	
(Payments)/receipts of income tax		(1,912)		(961)	
Other (payments)/receipts relating to operating activities		(8,421)		(9,377)	
Flows from operating activities [1]			**6,459**		**8,210**
INVESTING ACTIVITIES:					
Receipts relating to:					
Investments		40,643		13,346	
Tangible fixed assets		1,148		5	
Interest income		2,807		996	
Dividends		30,019		32,343	
Other		-	74,617	-	46,690
Payments relating to:					
Investments		(39,510)		(87,510)	
Tangible fixed assets		(29,905)		(17,273)	
Intangible fixed assets		(2,600)		(1,202)	
Other		-	(72,015)	-	(105,985)
Variation in loans granted			(362)		(7,251)
Flows from investing activities [2]			**2,240**		**(66,546)**

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	NOTES	2023		2022	
FINANCING ACTIVITIES:					
Receipts relating to:					
Bank loans	21	121,725		123,000	
Other		-	121,725	-	123,000
Payments relating to:					
Interest expenses		(15,334)		(9,134)	
Dividends		(13,300)		(18,324)	
Decrease of share capital - nominal value and discounts and premiums		(3,872)		(6,587)	
Bank loans	21	(132,975)		(142,200)	
Leases		(1,684)		(1,985)	
Other		-	(167,165)	-	(178,230)
Variation in loans obtained - others			785		243
Flows from financing activities [3]			**(44,655)**		**(54,987)**
Variation in cash and cash equivalents [4]=[1]+[2]+[3]			**(35,956)**		**(113,323)**
Effect of exchange differences			67		138
Effect of the acquisitions and sales of companies:	6				
North Tower B.V.			-		15
Torre Norte, S.A.			-		1,156
ARP Alverca Retail Park, S.A.			-		(26)
Parque de Famalicão - Empreendimentos Imobiliários, S.A.			-		(4)
Living Markets, S.A.			(54)		-
BrightCity, S.A.			(307)		-
Cash and cash equivalents transferred to assets held for sale					
Torre Norte, S.A.	42		(703)		-
Cash and cash equivalents at the beginning of the year	19		**125,958**		**238,002**
Cash and cash equivalents at the end of the year	19		**89,005**		**125,958**

The accompanying notes form an integral part of these consolidated statements of cash flows.

The Board of Directors

Sonae Sierra, SGPS, S.A. and Subsidiaries

Notes to the consolidated financial statements as of 31 December 2023

(Translation of notes originally issued in Portuguese – Note 53)

(Amounts stated in thousands of Euro - kEuro)

1. Introduction

SONAE SIERRA, S.G.P.S., S.A. ("the Company" or "Sonae Sierra"), which has its head office in Lugar do Espido, Via Norte, Apartado 1197, 4471-909 Maia – Portugal, is the parent company of a group of companies, as explained in Notes 3, 4 and 5 ("the Group").

The Group is an integrated real estate player. Its business model allows the Group to be present in the entire real estate value chain through 5 major pillars: Investment Management, Developments, Asset Management, Property Management and Reify.

The Group operates mainly in Portugal, Spain, Greece, Germany, Italy, Romania, Colombia, Brazil, Kosovo, Morocco, Poland, Luxembourg, and the Netherlands.

The global economy has been facing several negative factors which have resulted, particularly in the last two years, in high inflation rates and subsequent increase in the interest rates, although it is expected that the respective peaks have already been surpassed.

In February 2022, Russian forces entered Ukraine, creating a situation of conflict; in October 2023, the Israel-Hamas war began, after the Islamic group Hamas attacked several points in Israel. The extent of these conflicts and their long-term implications, although unknown, have contributed to volatility in the global stock markets, high inflation rates, interest rate rises and delays in the supply of some goods. In addition, the heavy sanctions imposed against Russia and the risk that the war could escalate and directly involve NATO countries also negatively affect the different economic activities as well as market sentiment.

This context also influences the property market, determining the need to monitor and review investment property valuations on a recurring basis. The Management will continue to monitor market conditions as information becomes available and evaluate the potential impact, if any, on the value of the Company's real estate investments and its operations going forward. As of this date, no significant direct effects on the Group are expected.

These financial statements are presented in Euro because is the currency of the primary economic environment in which the group operates. Foreign operations are included in accordance with the policy set out in Note 2.2.e).

2. Principal Accounting Policies

The principal accounting policies adopted in preparing the accompanying consolidated financial statements are as follows:

2.1 Basis of preparation

The accompanying consolidated financial statements have been prepared according to the International Financial Report Standards ("IFRS") as approved by the European Union, applicable to economic years beginning on 1 January 2023. These correspond to the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC") and approved by the European Union.

The accompanying consolidated financial statements have been prepared on a going concern basis and in accordance with the accrual basis of accounting from the accounting records of the companies included in the consolidation, maintained according to the generally accepted accounting principles in the countries of each company, adjusted in the consolidation process to International Financial Reporting Standards ("IFRS"), as approved by the European Union.

Although the attached consolidated financial statements present current assets lower than current liabilities, the Board of Directors considers that the Group's operational and financial activity allows for the resolution of this imbalance in the short term.

New accounting standards and their impact in these consolidated financial statements

Up to the date of approval of these consolidated financial statements, the European Union ("EU") endorsed the following standards, interpretations, amendments, and revisions with mandatory application to the economic year beginning on 1 January 2023:

Standards / Interpretations / Amendments / Revisions	Amendment	Applicable in the EU for the annual period beginning on or after
Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules	These amendments published by the IASB in May 2023 introduce a temporary exception to the requirements to recognise deferred taxes and disclose information about income taxes related to International Tax Reform - Pillar Two Model Rules, when used this exception must be disclosed.	01/jan/23
Amendments to IFRS 17 Insurance Contracts: Initial application of IFRS 17 and IFRS 9 – Comparative Information	These amendments published by the IASB in December 2021 introduce changes on what comparative data should be presented when an entity adopts both standards IFRS 17 and IFRS 9, simultaneously.	1-Jan-23
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	These amendments published by the IASB in May 2021 clarify that an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.	1-Jan-23
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies	These amendments published by the IASB in February 2021 require entities to disclose their material accounting policies rather than their significant accounting policies. The amendments define what is material accounting policy information' and explain how to identify when accounting policy information is material.	1-Jan-23
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	These amendments published by the IASB in February 2021 change the definition of an accounting estimates to "monetary amounts in financial statements that are subject to measurement uncertainty".	1-Jan-23
IFRS 17 Insurance Contract	Establishes the principles for the recognition, measurement, presentation, and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.	1-Jan-23

The Group has applied these amendments for the first time in 2023 and there is no significant impact on the accounts resulting from their application.

In relation to the Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules, the exemption included therein was considered.

Up to the date of approval of these financial statements, the following standards, interpretations, amendments, and revisions, with mandatory application in future reporting dates, have been endorsed by the European Union:

Standards / Interpretations / Amendments / Revisions	Amendment	Applicable in the EU for the annual period beginning on or after
Amendments to IAS 1 Presentation of Financial Statements - classification of Liabilities as Current or Non-current, deferral of effective date and, Non-current Liabilities with Covenants	These amendments published by the IASB clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. The amendment related to non-current liabilities with covenants clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. And finally postpone the effective date to 1 January 2024.	1-Jan-24
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback	These amendments published by the IASB in September 2022 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.	1-Jan-24

These standards and amendments, despite being endorsed by the European Union, have not been adopted by the Group in 2023 because their application is not yet mandatory. Nevertheless, no significant impacts are expected from their future adoption.

The following standards, interpretations, amendments, and revisions were issued by the IASB but have not yet been endorsed by the European Union:

Standards / Interpretations / Amendments / Revisions	Amendment	Applicable in the EU for the annual period beginning on or after
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	These amendments published by the IASB in August 2023 define the approach to assess if a currency is or is not exchangeable into another currency. When it is not exchangeable, specifies how to determine the exchange rate to use and the disclosures that need to be provided.	1-Jan-25
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements	These amendments published by the IASB in May 2023 include additional disclosure requirements to provide qualitative and quantitative information about supplier finance arrangements.	1-Jan-24

None of these standards and amendments have been adopted by the Group as they are not yet endorsed by the European Union. Nevertheless, no significant impacts are expected from their future adoption.

2.2 Basis of Consolidation and investments in joint ventures and associates

The financial statements of the parent company and its subsidiaries, joint ventures, and associates, included for the purpose of these consolidated financial statements, have been prepared up to 31 December 2023 and have been adjusted, where applicable, to ensure consistency with the Group's accounting principles, described below.

a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the parent company (Sonae Sierra) and the entities controlled by Sonae Sierra (subsidiaries). Control is achieved when the Company has all the following:

- power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- the ability to use its power to affect its returns.

The Group reassesses whether it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than the majority of the voting rights of an entity, it has power over the entity when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the entity unilaterally. The Company considers all relevant facts and circumstances in assessing whether the Company's voting rights in an entity are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

As of 31 December 2023 and 2022, there were no entities to which these conditions applied.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary, by using the full consolidation method.

The purchase method of accounting is used when recording the acquisition of subsidiaries (Note 2.2.d)).

The interests in the net assets of subsidiaries that do not belong to the Group (non-controlling interests) are presented within equity, separately from equity attributable to equity holders of the parent company, under the caption "non-controlling interests". Non-controlling interests consist of the amount of those interests at acquisition date (Note 2.2.d)) and of the proportion in changes in equity of subsidiaries acquired after the purchase date.

The net result and each component of comprehensive income are allocated to the Group and to the non-controlling interests in proportion to their holding (ownership interest), even if this results in a negative balance of non-controlling interests.

All intercompany transactions (including gains/losses obtained in sales within the Group), balances and dividends distributed within the Group are eliminated in the consolidation process.

When the Group loses control of a subsidiary, a gain or loss is recognised in the statement of profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

The changes in ownership interest in the Group's subsidiaries that do not result in loss of control are recorded as equity transactions.

The subsidiaries included in the consolidated financial statements by the full consolidation method are listed in Note 3.

b) Joint ventures and associates

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement instead of rights to the assets and obligations for the liabilities of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Associates are entities where the Group exercises significant influence. Significant influence is the power to participate in the financial and operating decisions of the entity, but do not hold the control or joint control over those decisions.

Investments in joint ventures and associates are measured under the equity method, after initial recognition.

Under the equity method, investments in joint ventures and associates are recognised at cost on acquisition, adjusted after the date of acquisition, by the amount corresponding to the Group's proportion in net profit or loss and other comprehensive income of joint ventures and associates after that date. By applying the equity method, the Group's share in net profit or loss and other comprehensive income of joint ventures and associates is recorded against the statement of profit or loss or other comprehensive income, respectively, and the dividends received are deducted from the value of the investment.

The excess of cost of acquisition over the fair value of identifiable assets and liabilities of each joint venture and associate at the acquisition date is recognised as goodwill (Note 2.2.d)) and is kept under the caption of the investments in joint venture and associates. If the difference between the acquisition cost and fair value of assets and liabilities acquired is negative, it is recognised as a gain for the year in the statement of profit or loss.

The investments in joint ventures and associates including, when applicable, any goodwill (Note 2.2.d)), included as part of the investment in joint venture and associates, are assessed for impairment purposes when there are indicators that the asset may be impaired. Any existing impairment loss is recorded as a loss in the statement of profit or loss.

When the Group's share of accumulated losses of the joint venture or associate exceeds the amount at which the investment is recorded, the investment is reported at nil value and the recognition of losses is discontinued, except in the extent of the Group's commitment towards the joint venture or associate.

Unrealised gains and losses arising from transactions with joint ventures and associates are eliminated to the extent of the Group's interest in the joint venture or associate against the investment in that joint venture or associate.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture or an associate or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture or associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between: (i) the carrying amount of the joint venture or associate at the date the equity method was discontinued, and (ii) the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture or associate, is included in the determination of the gain or loss on disposal of the joint venture or associate.

If the investment becomes a subsidiary, the Group applies IFRS 3 – Business Combinations and IFRS 10 - Consolidated financial statements (Notes 2.2.a) and 2.2.d)).

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

Investments in joint ventures are listed in Note 4.

Investments in associates are listed in Note 5.

c) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

As of 31 December 2023 and 2022, there are no joint operations within the Group.

d) Goodwill

The positive differences between the acquisition cost of investments in subsidiaries, joint ventures and associates increased by the amount of non-controlling interests (in case of investments in subsidiaries) and the fair value of identifiable net assets acquired and the liabilities of such companies at the acquisition date, are recorded under caption "Goodwill" (in the case of investments in subsidiaries) or in investment in joint ventures and associates (in the case of investments in joint ventures and associates). If the difference is negative, it is recognised as a gain of the year. The non-controlling interests at acquisition date are measured at fair value or by their share of the fair value of identifiable net assets at the acquisition date.

The goodwill is not depreciated and is tested for impairment at each reporting date.

Any impairment loss on goodwill is immediately recognised in the statement of profit or loss of the year under the caption "Impairment losses and write-off" and not subsequently reversed.

The impairment tests of goodwill are based on the Net Asset Value ("NAV") and/or the business plan prepared by the Management of the shares held, at each reporting date.

The NAV corresponds to the fair value, at each reporting date, of the net assets of the subsidiary excluding deferred tax liabilities relating to unrealised gains on investment properties.

e) Translation of financial statements of foreign entities

The entities that operate abroad and are financially, economically, and organisationally autonomous are considered as foreign entities.

The assets and liabilities of the financial statements of foreign entities are translated to Euro at the exchange rate as of the reporting date and, the income and expenses and the cash-flow statement are translated to Euro using the average exchange rate. The amount related to the exchange rate difference is recorded in the equity under the caption "Translation reserve".

Goodwill and fair value adjustments resulting from the acquisition of those foreign entities are considered as assets and liabilities of that foreign entity, being translated to Euro at the exchange rate existing as of each reporting date.

Whenever a foreign entity is sold, the accumulated exchange differences are recognised as a gain or loss in the consolidated statement of profit or loss.

The exchange rates used for the conversion into Euro of the accounts of foreign subsidiaries, joint ventures and associates were the following:

	2023		2022	
	31.12.23	Average	31.12.22	Average
Brazilian Real	0.18650	0.18523	0.17735	0.18458
New Romanian Leu	0.20102	0.20216	0.20213	0.20280
Colombian Peso	0.00023	0.00022	0.00019	0.00022
Algerian Dinar	0.00674	0.00681	0.00680	0.00670
Moroccan Dirham	0.09137	0.09129	0.08961	0.09362
Polish Zloty	0.23044	0.22036	0.21364	0.21349

2.3 Investment Properties

Investment properties consist of investments in buildings and other constructions in shopping centres to earn rentals or capital appreciation or both, rather than for use in the production or supply of goods or services or for administration purposes or for sale in the ordinary course of business.

Investment properties are recorded at their fair value based on appraisals made by independent specialised entities (fair value model). Changes in fair value of investment properties are accounted for in the period in which they occur, under the statement of profit or loss caption "Variation in fair value of investment properties".

The Group's assets which qualify as investment properties are recognised as such when they start being used or, in the case of the investment properties under development, when their development is considered irreversible. By the time the asset qualifies as investment property, it is booked at its historical or production cost under "Investment properties under development" as a tangible fixed asset– Property, Plant and Equipment (Note 2.4). Thereafter, such assets are accounted at their fair value. The difference between fair value and cost (of purchase or production), at that date, is recorded directly in the statement of profit or loss, under caption "Variation in fair value of investment properties".

Costs incurred related to investment properties in use, namely maintenance, repairs, insurance, and property taxes are recognised as an expense in the statement of profit or loss for the year to which they relate. The improvements estimated to generate additional economic benefits are capitalised under the caption "Investment properties".

If an investment property becomes owner-occupied, it is reclassified to the caption "Property, plant and equipment".

Fit out contracts are contracts under which the Group supports part of the expenses incurred with the fit-out expenses and the tenant assumes the responsibility to reimburse the Group by the amount invested over the term of the contract, in terms and conditions specific to each contract. The amounts paid by the Group on each fit-out contract are initially recorded at cost under the caption "Investment properties", being subsequently adjusted to the corresponding fair value, at each reporting date, as determined by specialised independent entities. The methodology used to determine the fair value of the fit-out contracts is like the one used in determining the fair value of the investment property to which these contracts relate. Variations in fair value of the fit-out contracts are recorded in the consolidated statement of profit or loss under the caption "Variation in fair value of the investment properties".

2.4 Property, Plant and Equipment

Tangible fixed assets (Property, Plant and Equipment) are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on a straight-line basis, as from the date the assets start being used, over the estimated period of useful life of each group of assets.

The depreciation rates used correspond to the following periods of estimated useful life:

	Years
Buildings and other constructions	50
Machinery and equipment	10
Transport equipment	5
Tools and utensils	4
Administrative equipment	10
Other property, plant and equipment	5

Tangible fixed assets in progress and investment properties under development are recorded at cost of acquisition or production, deducted from eventual impairment losses. As fixed assets in progress relate mainly to tangible fixed assets, that will qualify in the future as investment properties, those are classified separately in the statement of financial position, under the caption "Investment properties under development".

Gains and losses arising from the sale or disposal (write-off) of tangible fixed assets are determined as being the difference between the sale price and the corresponding carrying amount as of the sale/disposal date, being recorded in the statement of profit or loss, under the captions "Other operating income" or "Other operating expenses.

2.5 Intangible assets

Intangible assets are stated at cost less accumulated depreciation and any impairment losses. Intangible assets are only recognised if it is likely to produce future economic benefits to the Group, are controlled by the Group and the cost of the asset can be reliably measured.

Expenditure on research activities is recorded as expenses in the period they are incurred.

Intangible assets as of 31 December 2023 consist mainly of:

- rights of facilities management, which are depreciated on a straight-line basis over the estimated period of the management right (periods ranging from 10 to 15 years);
- Software, which is depreciated over the estimated period of use (periods ranging from 3 to 5 years).

Depreciation of intangible assets are recorded in the statement of profit or loss under caption "Depreciation and amortisation".

2.6 Non-current assets held for sale

Non-current assets (and all related assets and liabilities to dispose) are classified as held for sale if it is expected that its book value will be recovered through sale rather than through continuing use. This condition is considered fulfilled only when the sale is highly probable and the asset (and all other related assets and liabilities to dispose) is available for immediate sale under current conditions. Additionally, there must be in place measures that make likely the sale will be held within 12 months after the date of the classification under this caption.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria describe above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after sale.

Non-current assets (and all related assets and liabilities to dispose) classified as held for sale are measured at the lower of book value or fair value, less costs related to the sale. In return, these assets are not amortised.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.8 Financial assets and liabilities

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets are classified into the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income (FVTOCI) or through profit or loss (FVTPL), and;
- Those to be measured at amortised cost;

Financial assets measured subsequently at fair value include :

a) derivative financial instruments. The subsequent measurement of these financial assets is carried at fair value and recorded in the statement of changes in equity if they qualify for hedge accounting purposes (Note 2.9). If they do not qualify for hedge accounting purposes, the fair value of these financial assets is recorded in the statement of profit or loss.

b) equity instruments. These financial assets are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Financial assets subsequently measured at amortised cost are those generated during normal operations of the Group, for which there is no intention to negotiate. Classified in this category are the accounts receivable and other receivables, loans to third parties and bank deposits. The subsequent measurement of these financial assets is carried at amortised cost in accordance with the effective interest method.

Financial liabilities are classified into the following measurement categories:

- Those to be measured subsequently at fair value through profit or loss (FVTPL), and
- Those to be measured at amortised cost.

Financial liabilities measured at fair value include mainly derivative financial instruments. The subsequent measurement of these financial liabilities is carried at fair value and recorded in the statement of changes in equity if they qualify for hedge accounting purposes (Note 2.9). If they do not qualify for hedge accounting purposes, the fair value of these financial liabilities is recorded in the statement of profit or loss.

Financial liabilities measured at amortised cost correspond to the other financial liabilities that are not classified in the former category. In this category are classified bank loans and loans from other entities, including shareholders and accounts payable and other payables. The subsequent measurement of these financial liabilities is carried at amortised cost, in accordance with the effective interest method.

a) Trade and Other Receivables

Accounts receivable and other receivables are recorded at amortised cost less any eventual impairment losses.

Impairment losses are recorded based on the valuation of estimated losses from non-collection of accounts receivable at the statement of financial position date. Impairment losses are recognised in the income statement, and can be reversed if the estimated losses decrease, in a later period.

b) Borrowings

Loans are stated as liabilities and measured at amortised cost.

Any expenses incurred in obtaining such financing, usually paid in advance on issue, namely the bank fees and stamp duty as well as interest and similar expenses, are recognised using the effective interest method in the results of the year, over the lifetime of such financing. These prepaid expenses are deducted from the caption “Bank loans”.

Financial expenses including interest expenses and similar expenses (namely stamp duty), are recorded in the statement of profit or loss on an accrual basis of accounting. The amounts due and not paid at the reporting date are recorded under the caption “Other current liabilities”.

c) Trade and Other Payables

Accounts payable and other payables are stated at amortised cost. Usually, the amortised cost of these liabilities does not differ from its nominal value.

d) Cash and cash equivalents

The amounts under caption "Cash and cash equivalents" includes cash on hand, bank deposits on demand and other treasury applications which mature in less than three months that are subject to insignificant risk of change in value.

These assets are measured at amortised cost. Usually, the amortised cost of these financial assets does not differ from its nominal value.

For purposes of the statement of cash flows, “Cash and cash equivalents” also include bank overdrafts, which are included in the statement of financial position under caption “Other loans”.

e) Derivative financial instruments

The Group uses derivative financial instruments in managing their financial risks associated with fluctuating interest rate, only as a way to hedge those risks. Derivatives are not used for trading purposes (speculation).

Derivative financial instruments used by the Group relate mainly to instruments for hedging interest rate on bank loans obtained, usually corresponding to "swap" or "zero cost collars" of interest rate.

Derivative financial instruments are initially recorded at fair value on the date of their contract. At each reporting date, they are remeasured at fair value, with the corresponding gain or loss on the remeasurement recorded immediately in the statement of profit or loss, unless such instruments are designated as hedging instruments. When they are designated as a hedging instrument (Note 2.9), the corresponding gain or loss in the remeasurement is recorded against the caption "Hedging reserve" in equity and transferred to results when the covered position affects the statement of profit or loss.

A derivative with a positive fair value is recognised under caption "Derivative financial instruments" as a financial asset. A derivative financial instrument with a negative fair value is recognised under the same caption but as a financial liability.

A derivative is presented as non-current if the remaining maturity exceeds 12 months and is not expected that it will be executed or settled within that period.

In situations where there are derivatives embedded in other financial instruments or other host contracts, they are treated as separate derivatives in situations where the risks and characteristics are not closely related to the host contracts and in situations where the host contracts are not presented at fair value with unrealised gains or losses recorded in the statement of profit or loss.

f) Assets at fair value through other comprehensive income

The Group includes in this category the percentage of interest held in entities over which the Group does not exercise control, joint control or significant influence, and that the group has irrevocably chosen, on the date of initial recognition, to designate the fair value through other comprehensive income and, fair value changes are recorded directly in the other comprehensive income, in Equity, and there is no future reclassification even after derecognition of the investment

g) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses “ECL” on trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, considering legal advice, when appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

2.9 Hedge accounting

As mentioned above, the Group uses derivative financial instruments (usually swaps and zero cost collars) to cover the risk of changing interest rate on Group's bank loans (cash flow hedge). The amount of loans, maturities, interest rates and reimbursement plan of loans underlying such financial instruments to hedge interest rate are usually identical in all conditions established for the correspondent contracted loans, which usually sets the perfect relationship coverage.

The criteria for classifying financial derivatives for hedging interest rate as cash flow hedges are as follows:

- The hedge transaction is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk;
- the effectiveness of the hedge can be reliably measured;
- there is adequate documentation of the hedging relationships at the inception of the hedge;
- the forecast transaction that is hedged is highly probable.

Derivative financial instruments used by the Group to hedge the exposure to changes in the interest rate of its loans are initially recorded at cost, if any, and subsequently adjusted to the corresponding fair value. Changes in fair value of these hedging instruments are recorded in equity under the caption "Hedging reserve", and then recognised in the statement of profit or loss over the period the hedged instrument affects results, when those meet the conditions to hedge accounting, otherwise the changes in fair value are recognised through the statement of profit or loss.

Hedge accounting of derivative instruments is discontinued when the instrument matures or is sold. Whenever a derivative instrument can no longer be qualified as a hedging instrument, the fair value differences recorded in equity under the caption "Hedging reserve" are transferred to profit or loss of the year or to the book value of the hedged asset; subsequent variations in fair value are recorded in the statement of profit or loss.

2.10 Accounting for leases

Accounting for leases where the Group is the lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right of use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right of use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right of use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right of use asset, the costs are included in the related right of use asset, unless those costs are incurred to produce inventories.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

If a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Group expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right of use assets is presented as a separate line in the consolidated statement of financial position.

Accounting for leases where the Group is the lessor

The existing situations where the Group is the lessor relate to the contracts with the tenants of the shopping centres. These contracts are usually for a period of six years and establish the payment by the tenant of a monthly fixed rent (invoiced in advance), a turnover rent (invoiced if the monthly sales of the tenant are higher than the limit established in the contract) and the payment of tenant's share in the shopping centre operating expenses (common charges). The contract with the tenant may also establish the payment of an entrance fee in the shopping centre (key money income) and some discounts (usually in the first three years of the contract) to the fixed rent. These contracts can be renewed or cancelled by any of the parties involved (the company or the tenant). If the cancellation is proposed by the lessor, it must pay a cancellation fee (buy-out cost) to the tenant.

In accordance with the conditions of these contracts, they are classified as operating leases, being the rents (fixed and turnover rents) and the common charges recorded as revenue in the statement of profit or loss in the year to which they relate. The expenses (namely discounts on fixed rents, extra contractual discounts related to due rents and buy-out costs) as well as the key income and the cancellation fee related with the operating leases are recorded as expenses or income in the statement of profit or loss in the year to which they incurred or are received. This procedure is consistent with the one followed by the independent specialised entity which determines the fair value of the investment property to which the lease contracts are related (Note 2.3).

2.11 Borrowing costs

Financial costs related to borrowings are generally recognised as expense as incurred.

Borrowing costs related directly to the acquisition, construction, or production of tangible assets (usually investment properties under development) are capitalised as part of the cost of the qualified asset. Borrowing costs are capitalised from the time of preparation of the activities to construct or develop the asset to the time the production or construction is completed or when the development is suspended. Any eventual financial income derived from a loan obtained earlier and allocable to a qualifying account, is deducted from the financial expenses that qualify for capitalisation.

2.12 Provisions

Provisions are recognised when, and only when, the Group has an obligation (legal or implicit) resulting from a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed and adjusted at the reporting date to reflect the best estimate as of that date.

The Group recognises provisions for restructuring expenses when there is a formal and detailed restructuring plan and that such plan has been communicated to the parties involved.

2.13 Income tax

The income tax for the period comprises current and deferred tax.

The current income tax is determined based on the taxable results of the companies included in the consolidation in accordance with the tax laws enacted or substantively enacted at the reporting date in the countries where their head offices are located.

Deferred taxes are calculated using the financial position liability method, reflecting the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and liabilities are not recognised when the corresponding temporary differences arise from goodwill or from the initial recognition of assets and liabilities other than in a business combination.

Deferred tax assets and liabilities are calculated and evaluated annually at the tax rates expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially issued at the reporting date.

Deferred tax assets are recognised only when it is probable that sufficient taxable profits will be available against which the deferred tax assets can be utilised. At the reporting date, a review is made of the deferred tax assets, and they are reduced whenever their future use is no longer probable.

Deferred tax assets and liabilities are recorded in the statement of profit or loss, except if they relate to items directly recorded in equity captions. In these situations, the corresponding deferred tax is also recorded under the same caption.

2.14 Revenue

The Group's revenue is basically due to income from investment properties via the operating lease contracts and services related to management services regarding the condominium and car parking of shopping centres, management services regarding the management of the shopping centres held by third parties and development fees regarding the consulting services on the development of new projects.

The revenue related to income from investment properties via the operating lease contracts with the tenants (Note 8) is recognised in the year to which it relates, as follows:

- Fixed rent:
This income is invoiced in the previous month to which it relates and is recognised in the statement of profit or loss in the period to which it relates

- Turnover rent:
This income is contingent and payable when the sales exceed the limit specified in the lease contract. As such, this income is recorded on an accrual basis.

- Other income and expenses:
Revenue arising from key money is recognised when received from the tenants and the revenue arising from contract transfer fees is recognised when charged to tenants, in the statement of profit or loss under captions "Other operating revenue" and "Services rendered", respectively. The discounts on fixed rents and extracontractual discounts on due rents, and the buy-out costs are recognised in the statement of profit or loss when granted to tenants, under captions "Services rendered" (as a deduction) and "Other operating expenses", respectively.

This procedure is consistent with the methodology used by the independent specialised entity that determines the fair value of the investment property to which the lease contracts are related.

Revenue relating the services provided is recognised when the Group transfers the control of the service to the customer. Such services are recognised as a performance obligation satisfied over time, being recognised in the period in which the services are rendered.

The dividends are recognised as gains in the year they are assigned to the shareholders.

2.15 Accrual basis of accounting

The income and expenses are recognised in the year to which they relate, regardless of the date of payment or receipt (accrual basis of accounting). The income and expenses for which actual amounts are not known are estimated.

Under the captions "Other current assets" and "Other current liabilities" are recorded income and expenses attributable to the current year, which settlement or receipt will only occur in future years, as well as amounts paid and received that have occurred on the reporting date, but which relate to future periods, and that will be charged to the statement of profit or loss of the corresponding year.

2.16 Impairment of assets

a) Non-financial assets, excluding goodwill

With the exception of investment properties (Note 2.3) and deferred tax assets (Note 2.13), non-financial assets are assessed for impairment at each reporting date and whenever events or changes in circumstances indicate that the amount by which the asset is recorded may not be recovered.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised under the statement of profit or loss caption “Impairment losses and write-off”.

The recoverable amount is the higher of an asset’s net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm’s length transaction less the costs of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if this is not possible, for the cash-generating unit to which the asset belongs.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exists or has decreased. The reversal is recorded in the statement of profit or loss as operating result. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciations) in case no impairment loss had been recognised for that asset in prior years.

b) Financial assets (usually accounts receivable, in the case of Group)

Whenever there are objective indicators that the Group will not receive the amounts, it is entitled to, in accordance with the arrangements agreed between the parties, an impairment loss is recorded in the statement of profit or loss. The indicators used by the Group to identify the signs of impairment are:

- Failure on the maturity and/or other terms agreed between the parties;
- Financial constraints of the debtor;
- Probability of insolvency of the debtor.

Whenever there is such evidence, the existence of impairment losses is assessed, which is determined by the difference between the asset's carrying amount and its corresponding recoverable amount.

Impairment losses are recorded in the statement of profit or loss under the caption "Write-off and impairment losses" in the period they are determined.

Subsequently, if the amount of the impairment loss reduces, it is reversed by results and recorded under the caption "Other operating revenue”.

2.17 Balances and transactions expressed in foreign currency

Transactions in currencies other than Euro are recorded at the exchange rates prevailing on the transaction date.

At each reporting date, all monetary assets and liabilities expressed in foreign currencies are translated to Euro using the closing exchange rates as of that date (Note 2.2.e)).

Exchange gains or losses, arising from differences between exchange rates effective at the date of transaction and those prevailing at the date of collection, payment or at the reporting date, are recorded as income or expenses in the statement of profit or loss.

2.18. Current/non-current classification on the statement of financial position

Assets and liabilities due in more than one year from the reporting date are classified as non-current assets and liabilities, respectively.

2.19. Contingent assets and liabilities

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed in the notes unless the possibility of an outflow of resources incorporating economic benefits is remote.

A contingent asset is not recognised in the consolidated financial statements but disclosed in the notes when an inflow of economic benefits is probable.

2.20. Risk management policies

The Group's activities are exposed to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department of the Group Sonae Sierra, under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk.

a) Foreign exchange risk

The main operating activity of each company is developed inside its country and consequently much of the company transactions are maintained in the same currency of its country. The policy to cover this specific risk is to avoid, whenever possible, the contracting of services in foreign currency.

As the operational activity of the Company is maintained in Euros, the Company policy is to obtain its borrowings also in Euros, in order to eliminate the foreign currency risk.

b) Credit risk

The group's credit risk results essentially from the credit risk of the tenants of the shopping centres managed by the Group. The control of this risk is made by an evaluation of the credit of the tenants before their acceptance in the shopping centre as well as a control over the credit limits attributed to each tenant.

c) Liquidity risk

The needs of treasury are managed by the financial department of the Sonae Sierra Group, which monitors the surplus and deficits of liquidity of each one of the companies included in the consolidation. The occasional needs for liquidity are covered by an adequate control of the accounts receivables and by the maintenance of adequate limits of credit arranged by the Group with its banks.

d) Interest rate risk

The Group's income and operating cash-flows are influenced by changes in market interest rates, since its cash and cash equivalents and intragroup financing granted are dependent on the evolution of the interest rates in Euro which, historically, have had little volatility.

On long-term financing, and as a way to mitigate the changes in the long-term interest rates, the Group contracts cash flow hedge instruments ("swaps", "zero cost collars" or "caps"). Additionally, the Group also chose to fix the interest rate of some financings.

Interest rate sensitivity analysis:

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivatives and non-derivative instruments in place during the reporting period. For floating rate assets and liabilities, the analysis is prepared based on the following assumptions:

- Changes in market interest rates affect the interest income or expense of floating rate interest financial instruments and, in the case of fixed rates that were contracted during the period of analysis, changes in the interest rates also affect this component;
- Changes in market interest rates only affect interest income or expense in relation to financial instruments with fixed interest rates if these are recognised at their fair value. As such, all financial instruments with fixed interest rates that are carried at amortised cost are not subject to interest rate risk, as defined in IFRS 7;
- In the case of fair value hedges designed for hedging interest rate risks, when the changes in the fair values of the hedged item and the hedging instrument attributable to interest rate movements are offset almost completely in the income statement in the same period, these financial instruments are also not exposed to interest rate risk;
- Changes in market interest rates affect the fair value of derivatives designated as hedging instruments;
- The fair value of derivative financial instruments ("swaps", "zero cost collars" or "caps") and other financial assets and liabilities is estimated by discounting the future cash flows to their net present values, using appropriate market rates prevailing at yearend and assuming a parallel shift in yield curves;
- For the purposes of this sensitivity analysis, such analysis is performed based on all financial instruments outstanding at the end of the relevant year.

Sensitivity analyses are performed by changing one variable while holding all other variables constant. Nonetheless, this is a restrictive and highly unlikely assumption, since variables tend to be correlated.

If interest rates had been 100 basis points higher and 100 basis points lower and all other variables were held constant, assumptions unlikely to occur due to interest rates correlation with other variables, the impact in the Group net profit and equity would be the following:

	2023		2022	
	-100 b.p.	+100 b.p.	-100 b.p.	+100 b.p.
Net Profit (1)	944	(944)	609	(1,661)
Reserves (2)	(3,638)	3,886	(1,128)	1,378

(1) This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings;
(2) This is mainly a result of the changes in the fair value of derivatives entered as cash flow hedges that are efficient.

In Management's opinion, the sensitivity analysis is representative of the inherent interest rate risk of the year and expenses may not reflect the exposures during the year, due to any repayments made.

2.21 Financial instruments by category

The financial instruments according to the policies described in Note 2.8 were classified as follows:

FINANCIAL ASSETS	FINANCIAL ASSETS AT AMORTISED COST	ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	TOTAL
As of 31 December 2023			
Non current assets			
Derivative financial instruments		2,594	2,594
Loans to joint ventures and associates	11,590		11,590
Other non-current assets	6,676		6,676
	18,266	2,594	20,860
Current assets			
Trade receivables	12,076		12,076
Loans to joint ventures and associates	10,199		10,199
Other receivables	12,377		12,377
Cash and cash equivalents	91,779		91,779
	126,431	-	126,431
	144,697	2,594	147,291
As of 31 December 2022			
Non current assets			
Derivative financial instruments		4,254	4,254
Loans to joint ventures and associates	17,649		17,649
Assets at fair value through other comprehensive income	-	29,559	29,559
Other non-current assets	4,189		4,189
	21,838	33,813	55 651
Current assets			
Trade receivables	14,832		14,832
Loans to joint ventures and associates	7,915		7,915
Other receivables	19,164		19,164
Cash and cash equivalents	128,830	-	128,830
	170,741		170,741
	192,579	33,813	226,392

FINANCIAL LIABILITIES	CARRYING AMOUNT	FAIR VALUE
	Liabilities at amortised cost	Level 2
As of 31 December 2023		
Non current liabilities:		
Bank loans	148,232	150,409
Debentures loans	74,456	74,293
Lease liabilities	5,281	
Shareholders	1,084	
Trade payables	333	
Other non-current liabilities	2,772	
	232,158	
Current liabilities:		
Current portion of long term bank loans	19,197	19,627
Lease liabilities	1,268	
Shareholders	5,592	
Accounts payable to suppliers	6,510	
Other payables	25,491	
	58,058	
	290,216	
As of 31 December 2022		
Non current liabilities:		
Bank loans	46,470	44,350
Debentures loans	74,456	73,311
Lease liabilities	7,786	
Shareholders	903	
Trade payables	439	
Other non-current liabilities	3,001	
	133,055	
Current liabilities:		
Current portion of long term bank loans	107,528	106,580
Debentures loans	24,846	23,610
Lease liabilities	1,297	
Accounts payable to suppliers	12,412	
Other payables	7,604	
	153,687	
	286,742	

2.22 Judgments and estimates

In the preparation of the accompanying consolidated financial statements estimates were used which affected the assets and liabilities and the amounts recognised as income and expenses during the reporting period.

The estimates were calculated using the best information available, at the date of approval of the financial statements, of the events and transactions in course and of the experience from current and/or past events. However, events may occur in subsequent periods that were not anticipated as of the date of these statements and consequently were not included in those estimates. Changes in the estimates after the closing of the consolidated financial statements will be booked in the subsequent year, as required in IAS 8.

The main estimates of the Group are related to fair value, namely the fair value of the investment properties, the goodwill, the derivatives, and deferred tax assets, as follows:

a) Investment properties

The investment properties in operation are recorded at their fair value based on annual appraisals by independent specialised entities. Those valuations assume several assumptions, including the estimate of future income and expense of each property and the use of an appropriate discount rate.

The investment properties under development are measured at cost; the Group follows the procedure of evaluating, at least once a year, their performance through assessments carried out by independent specialized agencies and/or testing carried out internally, in which the net cash flows expected of those properties are considered.

b) Derivative financial instruments

The derivative financial instruments are usually used by the Group to hedge the cash flow in the form of swaps ("interest rate swap") or zero cost collars. The fair value of those derivatives is, at each reporting date, calculated by external entities (usually the financial institution with which the derivative was contracted). The fair value calculated by them is internally tested in order to validate the calculation performed by the third parties.

c) Goodwill

The impairment tests on Goodwill are based on the "Net Asset Value" ("NAV") and/or the business plan prepared by the Management at the reporting date of the financial investment.

d) Deferred tax assets

The deferred tax assets are recognised only if it is expected that future fiscal profits will be enough to use the deferred tax assets. At each reporting date, the deferred tax assets are assessed, and they are reduced if future recoverability is not anticipated. This revision is based on projections of the future activity of each company where it is applicable.

e) Other assets and liabilities

Concerning the other assets and liabilities, such as VAT to be reimbursed by tax authorities and the legal and fiscal processes that are reflected in the financial statements of the companies, the Legal and Fiscal departments are consulted by the Management to assess the probability of receiving and/or paying such amounts. With that information, the Management will estimate which adjustments will be made in the financial statements.

The main assumptions used in the Group estimates are disclosed in each related note.

2.23 Operating segments

Operating segments are reported in accordance with the information used internally by the Management of the Group.

2.24 Subsequent events

Events occurred after the reporting date that provide additional information about conditions that existed at the reporting date (adjusting events) are reflected in the financial statements. Events occurred after the reporting date that provide information on conditions that occur after the reporting date (non-adjusting events) are disclosed in the consolidated financial statements, if materially significant.

3. Subsidiaries

The subsidiaries of the Group, their head offices, and the percentage of interests held by the Group as of 31 December 2023 and 2022, are as follows:

	COMPANY	Head office	Ownership Interests and Voting Rights Held 31.12.2023	31.12.2022
	Parent company			
	Sonae Sierra, SGPS, S.A.	Maia (Portugal)	-	-
	Subsidiaries			
	Investment+Colombia+Brazil			
	Axnae Spain Holdings, S.L.	Madrid (Spain)	100.00%	100.00%
	Coimbrashopping- Centro Comercial, S.A.	Maia (Portugal)	50.10%	50.10%
	Gli Orsi Shopping Centre 1 Srl	Milan (Italy)	100.00%	100.00%
	Iberian Holdings Spain, S.L.	Madrid (Spain)	50.10%	50.10%
	Parklake Shopping, S.A.	Bucharest (Romania)	100.00%	100.00%
	Parque D. Pedro 1 S.à r.l.	Luxembourg	100.00%	100.00%
	Plenerg Srl	Bucharest (Romania)	100.00%	100.00%
	Project Sierra 10 B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
	Project Sierra 11 B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
	Sierra Colombia Holding, S.L.	Madrid (Spain)	100.00%	100.00%
1)	River Plaza B.V.	Amsterdam (the Netherlands)	-	100.00%
	Sierra Brazil 1 S.à r.l.	Luxembourg	100.00%	100.00%
	Sierra GP Limited	Guernsey	100.00%	100.00%
	Sierra Colombia Investments, S.A.S.	Bogotá (Colombia)	100.00%	100.00%
	Sierra Iberian Assets Holding, S.A.U.	Madrid (Spain)	100.00%	100.00%
	Sierra Investments (Holland) 1 B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
	Sierra Investments (Holland) 2 B.V.	Amsterdam (the Netherlands)	100.00%	100.00%

	COMPANY	Head office	Ownership Interests and Voting Rights Held 31.12.2022	31.12.2021
	Sierra Investments Holdings B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
	Sierra Investments SGPS, S.A.	Maia (Portugal)	100.00%	100.00%
	Sierra Retail Ventures BV	Amsterdam (the Netherlands)	50.10%	50.10%
1)	Sierra Solingen Holding GmbH	Dusseldorf (Germany)	-	100.00%
	Sonae Sierra Brazil Holdings S.à r.l.	Luxembourg	100.00%	100.00%
	SPF - Sierra Portugal	Luxembourg	100.00%	100.00%
	Weiterstadt Shopping B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
	Services			
2)	BrightCity, S.A.	Maia (Portugal)	-	100.00%
	Ioannina Development of Shopping Centres, S.A.	Athens (Greece)	100.00%	100.00%
	La Galleria Srl	Milan (Italy)	80.00%	80.00%
3)	Living Markets I, S.A.	Oporto (Portugal)	-	100.00%
	Paracentro - Gestão de Galerias Comerciais, S.A.	Maia (Portugal)	100.00%	100.00%
4)	SFS- Gestão de Fundos, SGOIC, S.A.	Maia (Portugal)	-	100.00%
	Sierra Germany GmbH	Dusseldorf (Germany)	100.00%	100.00%
	Sierra IG, SGOIC, S.A.	Maia (Portugal)	100.00%	100.00%
	Sierra Italy Agency Srl	Milan (Italy)	100.00%	100.00%
	Sierra Italy Srl	Milan (Italy)	100.00%	100.00%
	Sierra Management, SGPS, S.A.	Maia (Portugal)	100.00%	100.00%
	Sierra Maroc Services SARL	Casablanca (Morocco)	100.00%	100.00%
	Sierra Portugal, S.A.	Lisbon (Portugal)	100.00%	100.00%
5)	Sierra Romania Real Estate Services SRL	Bucharest (Romania)	100.00%	100.00%
	Sierra Services Holland B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
	Sierra - Serviços de Mediação Imobiliária, S.A.	Maia (Portugal)	100.00%	100.00%
6)	Sierra Spain Real Estate Services, S.A.U.	Madrid (Spain)	100.00%	100.00%
7)	TechZero Buildings, S.A.	Maia (Portugal)	100.00%	-
7)	Property Management Balkans (PMB) LLC	Kosovo (Balkans)	100.00%	-

COMPANY	Head office	Ownership Interests and Voting Rights Held 31.12.2023	31.12.2022
Developments			
CCCB Caldas da Rainha - Centro Comercial, S.A.	Maia (Portugal)	100.00%	100.00%
Microcom Doi, Srl	Bucharest (Romania)	100.00%	100.00%
North Tower B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
Parklake Business Centre Srl	Bucharest (Romania)	100.00%	100.00%
Project São João de Deus, S.A.	Maia (Portugal)	100.00%	100.00%
Project Sierra 12 B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
Project Sierra 13 B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
Project Sierra 14 B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
Project Sierra Four, Srl	Bucharest (Romania)	100.00%	100.00%
Project Sierra Germany 4 (four) - Shopping Centre, GmbH	Dusseldorf (Germany)	100.00%	100.00%
Sierra Developments Holding B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
Sierra Developments, SGPS, S.A.	Maia (Portugal)	100.00%	100.00%
Sierra Maroc, S.à r.l.	Casablanca (Morocco)	100.00%	100.00%
Sierra Real Estate Greece B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
Sierra Zenata Project B.V.	Amsterdam (the Netherlands)	100.00%	100.00%
Torre Norte, S.A.	Maia (Portugal)	100.00%	100.00%

1) Companies liquidated in 2023.
2) In August 2023 the Group sold 50% of the Company, becoming a joint control entity.
3) In October 2023 the Group sold 50% of the Company, becoming a joint control entity.
4) Company merged into Sierra IG, SGOIC, S.A. with effects since 1 May 2023.
5)Formerly Sierra Romania Shopping Centers Services, SRL .
6) Formerly Sierra Spain, Shopping Centers Services, S.A.
7)Companies incorporated in 2023.

These subsidiaries were included in the consolidation by the full consolidation method, as explained in Note 2.2.a)

4. Joint Ventures

The joint ventures of the Group, their head offices, and the percentage of interests held by the Group as of 31 December 2023 and 2022, are as follows:

	COMPANY	Head office	Ownership Interests and Voting Rights Held 31.12.2023	31.12.2022
	Investment+Colombia			
	Companies owned by Sierra Retail Ventures ("SRV")			
1)	Arrábidashopping - SIC Imobiliária Fechada, S.A.	Maia (Portugal)	25.05%	25.05%
2)	Gaiashopping - SIC Imobiliária Fechada, S.A.	Maia (Portugal)	25.05%	25.05%
	Madeirashopping- Centro Comercial, S.A.	Funchal (Portugal)	25.05%	25.05%
	Parque Atlântico Shopping - Centro Comercial, S.A.	Ponta Delgada (Portugal)	25.05%	25.05%
3)	Via Catarina – SIC Imobiliária Fechada, S.A.	Maia (Portugal)	-	25.05%
	Other investment companies			
	Larissa Development of Shopping Centres, S.A.	Athens (Greece)	50.00%	50.00%
	Pantheon Plaza B.V.	Amsterdam (the Netherlands)	50.00%	50.00%
	Visionarea, Promoção Imobiliária, S.A.	Oporto (Portugal)	50.00%	50.00%
	Quinta da Foz - Empreendimentos Imobiliários, S.A.	Oporto (Portugal)	50.00%	50.00%
4)	MULTI24 - SIC Imobiliária Fechada, S.A.	Lisbon (Portugal)	50.00%	-
5)	Living Markets I, S.A.	Oporto (Portugal)	50.00%	-
	Colombia			
	Proyecto Cúcuta S.A.S.	Cucuta (Colombia)	50.00%	50.00%
	Sierra Central S.A.S.	Santiago de Cali (Colombia)	50.00%	50.00%

	COMPANY	Head office	Ownership Interests and Voting Rights Held 31.12.2023	31.12.2022
	Services			
6)	BrightCity, S.A.	Maia (Portugal)	50.00%	-
7)	BrightCity-NOS, ACE	Maia (Portugal)	50.00%	-
	Sierra Balmain Asset Management Sp. z o. o.	Warsow (Poland)	50.00%	50.00%
	Sierra Balmain Property Managment Spółka z o. o.	Warsow (Poland)	50.00%	50.00%
	LMSI - Engineering, S.A.	Lisbon (Portugal)	50.00%	50.00%
8)	LMSA - Engenharia de Edifícios, S.A.	Lisbon (Portugal)	-	50.00%
8)	LMGE - Gestão de Edifícios LDA	Lisbon (Portugal)	-	50.00%
8)	LMIT - Innovation & Technology, LDA	Lisbon (Portugal)	-	50.00%
	Developments			
	Aegean Park Constructions Real Estate and Development, S.A.	Athens (Greece)	50.00%	50.00%
	Park Avenue Developement of Shopping Centers S.A.	Athens (Greece)	50.00%	50.00%
9)	SC Aegean B.V.	Amsterdam (the Netherlands)	50.00%	50.00%
	Smartsecrets, S.A.	Lisbon (Portugal)	50.00%	-

1) Formerly Arrábidashopping, SICAFI, S.A.
2) Formerly Gaiashopping SICAFI, S.A.
3) In December 2023, RPFI Spain, B.V. sold its interest in Via Catarina – SIC Imobiliária Fechada, S.A. (formerly Via Catarina – Centro Comercial, S.A.) ("ViaCatarina"), of 50%, to 11 investors and, on the same date, Sierra Retail Ventures, B.V. sold an interest of 24,95%, to the same 11 investors and the remaining interest of 25.05% to Sierra Investments Holdings, B.V.; after this operation, the Group maintain its interest of 25.05%, but ViaCatarina is now reported as an associate.
4) Company acquired in November of 2023.
5) In October 2023, the capital increase of this company was fully subscribed by a new shareholder, becoming a joint venture.
6) In August 2023 the Group sold 50% of the Company, becoming a joint venture.
7) Company incorporated in 2023.
8) Companies merged into LMSI - Engineering, S.A. in January 2023.
9) Company acquired in June of 2023.

The details of joint ventures of the Group as of 31 December 2023 and 2022 is as follows:

		31.12.2023						
	COMPANY	Equity	Net Profit	% own (*)	Carrying amount	Proportion in P/L	Adjusted net profit (**)	Dividends received
	Investment+Colombia+Brazil							
	Companies owned by SRV							
	Arrábidashopping - SIC Imobiliária Fechada, S.A.	84,874	24,676	50.00%	42,437	12,337	3,256	2,000
	Gaiashopping - SIC Imobiliária Fechada, S.A.	88,013	36,470	50.00%	44,007	18,235	3,550	2,600
	Madeirashopping- Centro Comercial, S.A.	42,753	6,680	50.00%	21,377	3,340	2,202	1,697
	Parque Atlântico Shopping - Centro Comercial, S.A.	37,635	5,479	50.00%	18,818	2,740	1,617	2,000
1)	Via Catarina – SIC Imobiliária Fechada, S.A.	-	2,043	50.00%	-	1,021	(741)	
	Other investment companies							
b)	Pantheon Plaza B.V.	(115)	(57)	50.00%	(58)	(28)	(28)	-
	Quinta da Foz - Empreendimentos Imobiliários, S.A.	15,632	(554)	50.00%	7,816	(277)	(277)	-
	Visionarea - Promoção Imobiliária, S.A.	5,758	(1)	50.00%	2,879	-	-	-
2)	MULTI24 - SIC Imobiliária Fechada, S.A.	2,615	-	50.00%	1,308	-	-	-
	Goodwill Multi24					(534)	-	
3)	Living Markets I, S.A.	475	(106)	50.00%	238	(53)	(56)	-
	Colombia							
	Proyecto Cúcuta S.A.S.	3,860	550	50.00%	1,930	273	(244)	-
	Sierra Central S.A.S.	194	(473)	50.00%	97	(237)	(237)	-
	Goodwill Sierra Central					(304)	(304)	
	Services							
4) c)	BrightCity, S.A.	174	(1)	50.00%	87	(1)	(1)	-
d)	Sierra Balmain Asset Management sp. zo.o.	401	446	50.00%	201	223	223	-
	LMSI - Engineering, S.A.	2,865	(162)	50.00%	1,433	(81)	(84)	-
	Goodwill LMSI				2,734			
	Developments							
	Park Avenue Development of Shopping Centres S.A.	(838)	(18)	50.00%	(419)	(10)	(10)	-
f)	SC Aegean B.V.	5,285	(332)	50.00%	2,643	(166)	(166)	-
5)	Smartsecrets, S.A.	35,990	(51)	50.00%	17,995	(27)	(27)	-
	Goodwill Smartsecrets					(4)	-	
					165,523	**36,447**	**8,673**	**8,297**

(*) The ownership interests are similar to voting rights.
(**) This adjusted net profit is calculated by deducting to the net profit the variation of the fair value of the investment properties net of the respective deferred taxes.

	COMPANY	Equity	Net Profit	% own (*)	Carrying amount	Proportion in P/L	Adjusted net profit (**)	Dividends received
		31.12.2022						
	Investment							
	Companies owned by SRV							
	Arrábidashopping - SIC Imobiliária Fechada, S.A.	32,297	1,857	50.00%	16,149	929	3,244	1,289
	Gaiashopping - SIC Imobiliária Fechada, S.A.	57,060	3,899	50.00%	28,530	1,949	3,687	2,274
a)	North Tower B.V.	-	(173)	50.00%	-	(86)	(86)	-
	Madeirashopping- Centro Comercial, S.A.	39,467	4,125	50.00%	19,734	2,064	2,015	1,500
	Parque Atlântico Shopping - Centro Comercial, S.A.	36,156	2,268	50.00%	18,078	1,134	1,687	900
	Via Catarina – SIC Imobiliária Fechada, S.A.	21,442	1,961	50.00%	10,721	980	907	-
	Other investment companies							-
b)	Pantheon Plaza B.V.	(79)	(5,770)	50.00%	(40)	(2,887)	(1,792)	-
	Quinta da Foz - Empreendimentos Imobiliários, S.A.	16,186	(75)	50.00%	8,093	(38)	(38)	-
	Visionarea - Promoção Imobiliária, S.A.	2,136	(1)	50.00%	1,068	(1)	-	-
	Colombia							
	Proyecto Cúcuta S.A.S.	2,714	(1,719)	50.00%	1,357	(860)	(398)	-
	Goodwill Cúcuta							-
	Sierra Central S.A.S.	56	(469)	50.00%	28	(235)	(234)	-
	Goodwill Sierra Central					(257)	(257)	-
	Services							-
d)	Sierra Balmain Asset Management sp. zo.o.	(61)	140	50.00%	(29)	72	72	-
e)	LMSI - Engineering, S.A.	3,027	719	50.00%	1,514	360	375	-
	Goodwill LMSI				2,098			
	Developments							-
	Park Avenue Development of Shopping Centres S.A.	(839)	(12)	50.00%	(419)	(5)	(6)	-
f)	SC Aegean B.V.	5,285	(1,877)	50.00%	2,643	(939)	(939)	-
					109,525	**2,180**	**8,237**	**5,963**

(*) The ownership interests are identical to voting rights.
(**) This adjusted net profit is calculated by deducting to the net profit the variation of the fair value of the investment properties net of the respective deferred taxes.

a) Amounts related to the consolidated accounts of North Tower B.V. that owns 100% of Torre Norte, S.A..
b) Amounts related to the consolidated accounts of Pantheon Plaza B.V. that owns 100% of Larissa Development of Shopping Centres, S.A..
c) Amounts related to the consolidated accounts of BrightCity, S.A. that owns 100% of BrightCity-NOS, ACE.
d) Amounts related to the consolidated accounts of Sierra Balmain Asset Management sp. zo.o. that owns 100% of Sierra Balmain Property Managment Spółka z o. o.
e) Amounts related to the consolidated accounts of LMSI - Engineering, S.A. ("LM Group") that owns directly or indirectly 100% of LMSA - Engenharia de Edifícios, S.A., LMGE - Gestão de Edifícios LDA and LMIT - Innovation & Technology, LDA.

f) Amounts related to the consolidated accounts of SC Aegean BV that owns 100% of Aegean Park Constructions Real Estate and Development, S.A.
1) In December 2023, the Group started to directly hold 25.05% of the share capital. The company is now reported as an associate.
2) Company acquired in November of 2023.
3) In October 2023, the capital increase of this company was fully subscribed by a new shareholder, becoming a joint control entity.
4) In August 2023 the Group sold 50% of the company, becoming a joint control entity.
5) Company acquired in June of 2023.

As mentioned in Note 2.2.b), joint ventures are measured by using the equity method.

During the years ended 31 December 2023 and 2022, the movement of investments in joint ventures was as follows:

						2023
	Investment+Colombia					
COMPANY	Companies owned by SRV	Other investment companies	Colombia	Services	Developments	Total
Opening balance	93,212	9,121	1,385	3,583	2,224	109,525
Acquisitions:						
- Equity at acquisition date	-	1,842	-	-	3	1,845
- Goodwill	-	-	-	636	-	636
Capital increase through conversion of shareholder loans and debt into Capital (Notes 17 and 23)	16,069	1,289	-	-	-	17,358
Transfer to associates	(11,815)	-	-	-	-	(11,815)
Transfer from/(to) subsidiaries	-	291	-	88	-	379
Capital increase	-	668	601	-	18,189	19,458
Effect of the application of the equity method:						
Hedging reserve (hedge accounting)	(203)	(136)	-	-	-	(339)
Donations	-	-	-	-	10	10
Translation reserve	-	-	309	7	-	316
Net profit (Note 41)	37,673	(892)	(268)	141	(207)	36,447
Dividends	(8,297)	-	-	-	-	(8,297)
	126,639	**12,183**	**2,027**	**4,455**	**20,219**	**165,523**

						2022
	Investment+Colombia					
COMPANY	Companies owned by SRV	Other investment companies	Colombia	Services	Developments	Total
Opening balance	105,791	2,847	2,460	3,150	3,011	117,259
Acquisitions:						
- Equity at acquisition date	-	8,875	-	-	-	8,875
Transfer from/(to) subsidiaries	(5,756)	-	-	-	-	(5,756)
Capital decrease	(11,074)	-	-	-	-	(11,074)
Capital increase	3,208	325	494	-	157	4,184
Effect of the application of the equity method:						
Hedging reserve (hedge accounting)	36	-	-	-	-	36
Translation reserve	-	-	(217)	1	-	(216)
Net profit (Note 41)	6,970	(2,926)	(1,352)	432	(944)	2,180
Dividends	(5,963)	-	-	-	-	(5,963)
	93,212	**9,121**	**1,385**	**3,583**	**2,224**	**109,525**

The amount of kEuro 316 (kEuro -216 in 2022) was recognized under the caption “Currency translation differences” in the consolidated statement of changes in equity.

The main acquisitions and sales of companies occurred during the year ended 31 December 2023 and 2022 were as follows:

Transactions in 2023

In June 2023, the subsidiary Sierra Developments Holding B.V. acquired 50% of the share capital of the joint venture Smartsecrets, S.A. for kEuro 3; this transaction generated a goodwill of kEuro 4, recognised in the profit or loss account.

In August 2023, the subsidiary Sierra Developments Holding B.V. sold 50% of the share capital of BrightCity, S.A. to a new partner. As a result, the company becomes a joint venture (Note 6).

In October 2023, the share capital of Living Markets I, S.A. was increased from KEuro 50 to KEuro 100, which was fully subscribed by a new partner. As a result, the company becomes a joint venture (Note 6).

In November 2023, the subsidiary Sierra Developments Holding B.V. acquired 50% of the share capital of the joint venture MULTI24 - SIC Imobiliária Fechada, S.A. for kEuro 1,842; this transaction generated a goodwill of kEuro 534, recognised in the profit or loss account.

In December 2023, the subsidiary Sierra Retail Ventures, B.V. (the Group owns 50.1% of the company) sold an interest in Via Catarina – Centro Comercial, S.A., of 24.95%, to 11 investors and the remaining capital to the subsidiary Sierra Investments Holdings B.V. (the Group owns 100% of the company). After this transaction the Groups owns directly 25.05% and the company is now reported as an associate (Note 5).

Transactions in 2022

In January 2022, the subsidiary Sierra Developments Holding B.V. acquired 50% of the share capital of the joint venture Visionarea, Promoção Imobiliária, S.A. for kEuro 869.

In February 2022, the subsidiary Project Sierra 14 B.V. acquired 50% of the share capital of the joint ventures Nova Centralidade - Sociedade de Desenvolvimento Imobiliário, S.A. (“Nova Centralidade”) (that owns 100% of Quinta da Foz - Empreendimentos Imobiliários, S.A. (“Quinta da Foz”)) for kEuro 8,006. During the year the Joint venture Nova Centralidade merged into Quinta da Foz.

In May 2022, the subsidiary Sierra Investments Holdings B.V. acquired the total share capital of the joint venture North Tower B.V. (which owns 100% of the share capital of Torre Norte, S.A.) for kEuro 11,500 (being 50% acquired from the subsidiary Sierra Retail Ventures B.V.). From this date these companies are considered as subsidiaries (Note 6).

As of 31 December 2023 and 2022 the summarised financial information (adjusted when applicable to comply with the Group accounting policies mentioned in Note 2) of the Group's joint ventures, is as follows:

	31 December 2023					
	Investment+Colombia+Brazil					
COMPANY	Companies owned by SRV	Other investment companies	Colombia	Services	Developments	Total
Investment properties	399,315	25,814	367	-	5,396	430,892
Other non-current assets	365	3	16,152	1,005	130	17,655
Total non-current assets	**399,680**	**25,817**	**16,519**	**1,005**	**5,526**	**448,547**
Other current assets	5,626	32,878	656	5,338	36,319	80 817
Cash and cash equivalents	34,488	1,159	149	3,173	280	39,249
Total current assets	**40,114**	**34,037**	**805**	**8,511**	**36,599**	**120,066**
Non current bank loans and other facilities	154,721	13,899	-	-	-	168,620
Other non-current liabilities	16,236	15,770	-	691	1,108	33,805
Total non-current liabilities	**170,957**	**29,669**	**-**	**691**	**1,108**	**202,425**
Current bank loans and other facilities	868	289	-	-	-	1,157
Other current liabilities	14,694	5,531	13,270	5,385	580	39,460
Total current liabilities	**15,562**	**5,820**	**13,270**	**5,385**	**580**	**40,617**
Equity	**253,275**	**24,365**	**4,054**	**3,440**	**40,437**	**325,571**
Equity attributable to the equity holders of the parent company	253,275	24,365	4,054	3,440	40,437	325,571

COMPANY	Investment+Colombia+Brazil: Companies owned by SRV	Investment+Colombia+Brazil: Other investment companies	Colombia	Services	Developments	Total
						31 December 2022
Investment properties	435,493	9,766	258	-	5,396	450,913
Other non-current assets	146	3	11,591	722	124	12,586
Total non-current assets	**435,639**	**9,769**	**11,849**	**722**	**5,520**	**463,499**
Other current assets	8,320	30,958	658	4,724	28	44,688
Cash and cash equivalents	35,561	1,262	172	1,907	55	38,957
Total current assets	**43,881**	**32,220**	**830**	**6,631**	**83**	**83,645**
Non current bank loans and other facilities	73,557	-	579	-	-	74,136
Other non-current liabilities	74,058	16,749	-	680	1,101	92,588
Total non-current liabilities	**147,615**	**16,749**	**579**	**680**	**1,101**	**166,724**
Current bank loans and other facilities	105,774	4,800	-	-	-	110,574
Other current liabilities	39,709	2,197	9,330	3,707	56	54,999
Total current liabilities	**145,483**	**6,997**	**9,330**	**3,707**	**56**	**165,573**
Equity	186,422	18,243	2,770	2,966	4,446	214,847
Equity attributable to the equity holders of the parent company	186,422	18,243	2,770	2,966	4,446	214,847

	2023					
	Investment+Colombia+Brazil					
COMPANY	Companies owned by SRV	Other investment companies	Colombia	Services	Developments	Total
Services rendered	59,354	3,523	93	15,593	-	78,563
Variation in fair value of the investment properties	7,759	-	-	-	-	7,759
Other revenue	1,074	262	-	332	-	1,668
External supplies and services	(24,325)	(2,779)	(494)	(5,713)	1,642	(31,669)
Depreciation and amortisation	(1)	(19)	(12)	(217)	-	(249)
Other expenses	(1,755)	(689)	(366)	(9,439)	(2,043)	(14,292)
Interest income and similar	451	-	26	9	7	493
Interest expense and similar	(10,622)	(997)	(1,139)	(38)	(7)	(12,803)
Share of results of associates	-	-	1,969	(18)	-	1,951
Income tax	43,411	(17)	-	(226)	-	43,168
Net profit / (loss)	**75,348**	**(718)**	**77**	**283**	**(401)**	**74,589**
Attributable to:						
Equity holders of parent company	75,348	(718)	77	283	(401)	74,589
	75,348	**-**	**77**	**283**	**(401)**	**74,589**
Other comprehensive income for the period	(408)	(718)	17	16	-	(375)
Total comprehensive income for the period	**74,940**		**94**	**299**	**(401)**	**74,214**
Attributable to:						
Equity holders of parent company	74,940	(718)	94	299	(401)	74,214
	74,940	**(718)**	**94**	**299**	**(401)**	**74,214**

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	Investment+Colombia+Brazil					2022
COMPANY	**Companies owned by SRV**	**Other investment companies**	**Colombia**	**Services**	**Developments**	**Total**
Services rendered	53,781	3,451	76	14,048	-	71,356
Variation in fair value of the investment properties	(9,513)	(2,190)	-	-	-	(11,703)
Other revenue	348	188	-	611	-	1,147
External supplies and services	(22,044)	(2,748)	(260)	(5,480)	(130)	(30,662)
Depreciation and amortisation	(2)	-	-	(189)	-	(191)
Other expenses	(2,318)	(4,224)	(604)	(7,612)	(1,759)	(16,517)
Interest income and similar	-	-	20	2	6	28
Interest expense and similar	(5,186)	(361)	(1,095)	(16)	(6)	(6,664)
Share of results of associates	-	-	(325)	-	-	(325)
Income tax	(1,129)	38	-	(505)	-	(1,596)
Net profit / (loss)	**13,937**	**(5,846)**	**(2,188)**	**859**	**(1,889)**	**4,873**
Attributable to:						
Equity holders of parent company	13,937	(5,846)	(2,188)	859	(1,889)	4,873
	13,937	**(5,846)**	**(2,188)**	**859**	**(1,889)**	**4,873**
Other comprehensive income for the period	73	-	(9)	4		68
Total comprehensive income for the period	**14,010**	**(5,846)**	**(2,197)**	**863**	**(1,889)**	**4,941**
Attributable to:						
Equity holders of parent company	14,010	(5,846)	(2,197)	863	(1,889)	4,941
	14,010	**(5,846)**	**(2,197)**	**863**	**(1,889)**	**4,941**

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5. Associates

The details of associates of the Group as of 31 December 2023 and 2022 is as follows:

		31 December 2023							
		Head office	Equity	Net profit / (loss)	% own (*)	Carrying amount	Proportion in P/L	Adjusted net profit (**)	Dividends received
	Investment+Brazil								
	Companies owned by Sierra BV								
a)	Sierra European Retail Real Estate Assets Holdings, BV ("Sierra BV")	Amsterdam (the Netherlands)	820,983	72,948	25.10%	206,067	18,310	15,590	5,961
	Other investment companies								
b)	3shoppings - Holding, SGPS, S.A.	Maia (Portugal)	61,129	4,792	20.00%	12,226	959	981	420
	Area Sur Shopping, S.L.	Madrid (Spain)	59,871	5,180	15.00%	8,980	777	729	126
	Le Terrazze - Shopping Centre 1 Srl	Milan (Italy)	60,355	1,981	10.00%	6,036	199	315	449
	Goodwill Le Terrazze					544			
c)	Iberia Shop.C. Venture Coöperatief U.A. ("Iberia Coop")	Amsterdam (the Netherlands)	146,518	7,987	10.00%	14,651	799	1,081	
	Goodwill Iberia Coop					403			
d)	Sierra Portugal Real Estate S.C.A. ("SPF")	Luxembourg	87,573	29,676	22.50%	19,704	6,677	1,329	799
	Goodwill SPF					-	(3,391)	-	
e)	SPF - Sierra Potugal Feeder 1, S.C.A. ("Feeder1")	Luxembourg	33,036	11,107	7.45%	2,463	829	829	-
f)	Olimpo Real Estate Portugal, SIGI, S.A.	Maia (Portugal)	49,898	(890)	5.13%	2,560	(46)	128	40
g)	Olimpo Real Estate SOCIMI, S.A.	Madrid (Spain)	192,002	7,402	3.75%	7,198	278	507	184
1)	Serra Shopping- Centro Comercial, S.A.	Lisbon (Portugal)	24,281	1,264	0.00%	-	63	65	-
h)	Trivium Real Estate Socimi, S.A.	Madrid (Spain)	207,676	14,199	12.44%	25,825	1,765	1,899	1,916
	Douro Riverside Hotel, S.A.	Maia (Portugal)	4,968	88	37.50%	1,863	33	33	-
i)	Atrium Bire, SIGI, S.A.	Maia (Portugal)	112,134	(1,093)	3.75%	4,205	(41)	140	-
2)	Via Catarina – SIC Imobiliária Fechada, S.A.	Maia (Portugal)	27,274	3,779	25.05%	6,832	947	41	-
3) j)	Olimpo Retail Germany, S.A.	Madrid (Spain)	106,314	(1,186)	3.00%	3,189	(36)	(36)	-
	Brazil								
4) 5) k)	ALLOS S.A ("ALLOS")	Brazil	3,073,536	315,540	5.72%	175,756	18,995	8,780	3,338
	Badwill ALLOS, S.A. ("ALLOS")						2,035	-	
l)	Fundo Investimento Imobiliário Parque Dom Pedro Shopping Center ("FIIPDPSH")	Brazil	159,409	24,026	7.97%	12,699	1,915	851	740
	Fundo Investimento Imobiliário Shop. Parque Dom Pedro ("FIISHPDP")	Brazil	380,436	57,049	31.52%	119,896	17,980	8,441	7,749
	Services								
	Mercado Urbano – Gestão Imobiliária, S.A.	Oporto (Portugal)	6,858	390	20.00%	1,372	79	73	-
	Developments								
	Signal Alpha Republica I, S.A.	Lisbon (Portugal)	4,569	-	5.00%	228	-	-	-
	Signal Alpha Republica II, Lda.	Lisbon (Portugal)	498	-	5.00%	25	-	-	-
	Zenata Commercial Project	Morocco	20,106	682	11.00%	2,214	76	76	-
						634,936	**69,202**	**41,852**	**21,722**

(*) The ownership interests are similar to voting rights.
(**) This adjusted net profit is calculated by deducting to the net profit the variation of the fair value of the investment properties net of the respective deferred taxes.

								31 December 2022	
		Head office	**Equity**	**Net profit / (loss)**	**% own (*)**	**Carrying amount**	**Proportion in P/L**	**Adjusted net profit (**)**	**Dividends received**
	Investment+Brazil								
	Companies owned by Sierra BV								
a)	Sierra European Retail Real Estate Assets Holdings, BV ("Sierra BV")	Amsterdam (the Netherlands)	778,802	53,651	25.10%	195,479	13,466	14,507	13,052
	Other investment companies								
b)	3shoppings - Holding, SGPS, S.A.	Maia (Portugal)	58,437	1,879	20.00%	11,687	375	955	895
	Area Sur Shopping, S.L.	Madrid (Spain)	58,691	7,814	15.00%	8,803	1,172	832	-
	Le Terrazze - Shopping Centre 1 Srl	Milan (Italy)	62,862	3,860	10.00%	6,286	386	388	-
	Goodwill Le Terrazze					544			
c)	Iberia Shop.C. Venture Coöperatief U.A. ("Iberia Coop")	Amsterdam (the Netherlands)	147,558	8,448	10.00%	14,755	845	856	
	Goodwill Iberia Coop					403			
d)	Sierra Portugal Real Estate S.C.A. ("SPF")	Luxembourg	61,723	2,693	22.50%	13,887	607	1,519	1,553
	Goodwill SPF					3,391	(340)	-	
e)	SPF - Sierra Potugal Feeder 1, S.C.A. ("Feeder1")	Luxembourg	22,953	519	7.45%	1,711	38	38	-
f)	Olimpo Real Estate Portugal, SIGI, S.A.	Maia (Portugal)	55,765	3,048	5.13%	2,860	155	85	-
g)	Olimpo Real Estate SOCIMI, S.A. ("ORES")	Madrid (Spain)	199,408	10,507	3.75%	7,476	394	423	287
	Serra Shopping- Centro Comercial, S.A.	Lisboa (Portugal)	23,017	1,757	5.00%	1,151	88	89	-
h)	Trivium Real Estate Socimi, S.A.	Madrid (Espanha)	210,535	10,753	12.41%	26,119	1,333	1,872	1,976
	Douro Riverside Hotel, S.A.	Maia (Portugal)	4,880	95	37.50%	1,830	35	35	-
i)	Atrium Bire, SIGI, S.A.	Maia (Portugal)	115,601	7,061	3.75%	4,335	264	35	-
	Brazil								
k)	Aliansce Sonae Shopping Centers, S.A. ("ALSO")	Brazil	1,448,014	7,230	8.84%	128,062	456	8,839	1,236
	Badwill Aliansce Sonae Shopping Centers, S.A. ("ALSO")						12,087		
l)	Fundo Investimento Imobiliário Parque Dom Pedro Shopping Center ("FIIPDPSH")	Brazil	135,330	(1,114)	7.97%	10,781	(88)	769	645
	Fundo Investimento Imobiliário Shop. Parque Dom Pedro ("FIISHPDP")	Brazil	325,320	(2,243)	31.52%	102,526	(706)	7,695	6,736
	Services								
	Mercado Urbano – Gestão Imobiliária, S.A.	Oporto (Portugal)	6,467	341	20.00%	1,293	68	64	-
	Developments								
	Signal Alpha Republica I, S.A.	Lisbon (Portugal)	6,773	(376)	5.00%	339	(18)	(18)	-
	Goodwill Signal Alpha I								
	Signal Alpha Republica II, Lda.	Lisbon (Portugal)	1,162	(232)	5.00%	58	(12)	(12)	-
	Goodwill Signal Alpha II								
	Zenata Commercial Project	Morocco	19,049	954	11.00%	2,097	106	106	-
						545,873	**30,711**	**39,077**	**26,380**

(*) The ownership interests are identical to voting rights.
(**) This adjusted net profit is calculated by deducting to the net profit the variation of the fair value of the investment properties net of the respective deferred taxes.

a) Amounts related to the consolidated accounts of "Sierra BV". This company owns the following investments:

		Percentage of Interests and Voting Rights Held	
	Head office	31.12.23	31.12.22
Cascaishopping, Centro Comercial, S.A.	Maia (Portugal)	100%	100%
Land Retail B.V.	Amsterdam (the Netherlands)	100%	100%
Plaza Mayor B.V.	Amsterdam (the Netherlands)	100%	100%
Plaza Mayor Shopping, S.A.	Madrid (Spain)	100%	100%
Sierra Spain Malaga Holdings, S.L.	Madrid (Spain)	100%	100%
DOC Malaga Holdings S.L	Madrid (Spain)	50%	50%
DOC Malaga Siteco, S.L.U.	Madrid (Spain)	50%	50%
DOC Malaga Siteco Phase 2, S.L.	Madrid (Spain)	50%	50%
Norte Shopping Retail and Leisure Centre B.V.	Amsterdam (the Netherlands)	50%	50%
Norteshopping- Centro Comercial, S.A.	Maia (Portugal)	50%	50%
Shopping Centre Colombo Holding B.V.	Amsterdam (the Netherlands)	50%	50%
Centro Colombo- Centro Comercial, S.A.	Maia (Portugal)	50%	50%
VdG Holding BV	Amsterdam (the Netherlands)	50%	50%
Centro Vasco da Gama - Centro Comercial, S.A.	Maia (Portugal)	50%	50%

b) Amounts related to the consolidated accounts of 3shoppings-Holding, SGPS, S.A. that owns 100% of Guimarãeshopping-Centro Comercial, S.A. and Maiashopping-Centro Comercial, S.A..

c) Amounts related to the consolidated accounts of "Iberia Coop". This company owns the following investments:

		Percentage of Interests and Voting Rights Held	
	Head office	31.12.23	31.12.22
Candotal Spain S.L.U	Madrid (Spain)	100%	100%
Estação Viana Centro Comercial, SA	Viana do Castelo (Portugal)	100%	100%
Luz del Tajo Centro Comercial, SA	Madrid (Spain)	100%	100%

d) Amounts related to the consolidated accounts of "SPF". This company owns the following investments:

		Percentage of Interests and Voting Rights Held	
	Head office	31.12.23	31.12.22
Arrábidashopping - SIC Imobiliária Fechada, S.A.	Maia (Portugal)	50%	50%
Gaiashopping - SIC Imobiliária Fechada, S.A.	Maia (Portugal)	50%	50%

e) Amounts related to the consolidated accounts of "Feeder1". This company owns the following investments:

		Percentage of Interests and Voting Rights Held	
	Head office	31.12.23	31.12.22
SPF - Sierra Potugal Feeder 2, Sarl	Luxembourg	100%	100%
"SPF"	Luxembourg	39%	39%

f) Amounts related to the consolidated accounts of Olimpo Real Estate Portugal, SIGI, S.A.. This company owns the following investments:

		Percentage of Interests and Voting Rights Held	
	Head office	31.12.23	31.12.22
Olimpo SIGI España, S.A.	Madrid (Spain)	100%	100%
Investabroad 5, S.A..	Maia (Portugal)	100%	100%

g) Amounts related to the consolidated accounts of "ORES". This company owns the following investments:

		Percentage of Interests and Voting Rights Held	
	Head office	31.12.23	31.12.22
Olimpo Asset 1, S.A.	Maia (Portugal)	100%	100%
Olimpo Asset 2, S.A.	Maia (Portugal)	100%	100%
Olimpo Asset 3, S.A.	Maia (Portugal)	100%	100%
Olimpo Asset 4, S.A.	Maia (Portugal)	100%	100%
Olimpo Asset 5, S.A.	Maia (Portugal)	100%	100%
Olimpo Asset 6, S.A.	Maia (Portugal)	100%	100%
Olimpo Asset 7, S.A.	Maia (Portugal)	100%	100%
Olimpo Asset 8, S.A.	Maia (Portugal)	100%	100%

h) Amounts related to the consolidated accounts of Trivium Real Estate Socimi, S.A. that owns 100% of Iberian Assets, S.A..

i) AAmounts related to the consolidated accounts of Atrium Bire, SIGI, S.A. that owns 100% of Atrium Saldanha - SIC Imobiliária Fechada, S.A.(ex: IMOSAL - Imobiliária do Saldanha, SICAFI, S.A.).

j) Amounts related to the consolidated accounts of "ORG's". This company owns the following investments:

		Percentage of Interests and Voting Rights Held	
	Head office	31.12.23	31.12.22
Olimpo Retail Germany I, S.L.	Madrid (Spain)	100%	100%
Olimpo Retail Germany II, S.L.	Madrid (Spain)	100%	100%

k) Amounts related to the consolidated accounts of ALLOS (company listed on the Brazilian stock exchange, that was created from the merger between Aliansce Sonae Shopping Centers, S.A. with BR Malls, S.A. in January 2023) .

l) Amounts related to the consolidated accounts of FIIPDPSH that owns 20.2231% of FIISHPDP.

1) Company sold in August 2023.

2) In December 2023, the Group started to directly hold 25.05% of the share capital. The company is now reported as an associate.

3) Company acquired in November 2023.

4) On the 6th January 2023 the business combination between the companies Aliansce Sonae Shopping Centers S.A. ("ALSO") and Br Malls Participações S.A. ("BrMalls") was concluded. As a result of the business combination ALSO now holds 100% of the share capital of BrMalls and the Group owns 5.49% of ALLOS. During March, April and May of 2023, the Group acquired in the market 3,055,658 shares of ALLOS, changing the ownership percentage to 6.02%. In December 2003 the Group sold in the market 1,744,131 shares of ALLOS; after this last operation the Group decreased it interest in the associate ALLOS to 5.72%.

5) Ex-Aliansce Sonae Shopping Centers, S.A. ("ALSO")

As mentioned in Note 2.2.b), associates are measured by using the equity method.

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During the years ended 31 December 2023 and 2022, the movement of investments in associates was as follows::

	2023					
	Investment+Brazil					
	Companies owned by Sierra BV	Other investment companies	Brazil	Services	Developments	Total
Opening balance	195,479	105,238	241,369	1,293	2,494	545,873
Sales	-	(1,214)	(5 776)	-	-	(6,990)
Transfer from joint ventures	-	5,919	-	-	-	5,919
Business combinations and acquisition of new shares (*)	-	-	34,203	-	-	34,203
Acquisitions:						
- Equity held	-	3,225	-	-	-	3,225
Capital decrease	-	(2,054)	-	-	(280)	(2,334)
Capital increase	-	208	1,963	-	136	2,307
Effect of the application of the equity method:						
Hedging reserve (hedge accounting)	(1,761)	(494)	-	-	-	(2,255)
Translation reserve	-	-	7,494	-	41	7,535
Other changes in equity	-	(27)	-	-	-	(27)
Net profit (Note 41)	18,310	13,203	40,925	79	76	72,593
Dividends	(5,961)	(3,934)	(11,827)	-	-	(21,722)
Impairment losses of Goodwill	-	(3,391)	-	-	-	(3,391)
	206,067	116,679	308,351	1,372	2,467	634,936

(*) Includes the amount of kEuro 29,559 transferred from assets at fair value through other comprehensive income

	Investment+Brazil					2022
	Companies owned by Sierra BV	Other investment companies	Brazil	Services	Developments	Total
Opening balance	191,407	102,046	188,445	1,225	2,503	485,626
Acquisitions:						
- Equity held		1,701	36,837	-	-	38,538
- Goodwill/(Badwill)		-	(12,087)	-	-	(12,087)
Capital decrease	-	(4,235)	-	-	-	(4,235)
Capital increase	-	4,498	1,997	-	40	6,535
Effect of the application of the equity method:						
Hedging reserve (hedge accounting)	3,658	673	-	-	-	4,331
Translation reserve	-	-	23,045	-	(125)	22,920
Other changes in equity	-	(86)	-	-	-	(86)
Net profit (Note 41)	13,466	5,692	11,749	68	76	31,051
Dividends	(13,052)	(4,711)	(8,617)	-	-	(26,380)
Impairment losses of Goodwill		(340)	-	-	-	(340)
	195,479	**105,238**	**241,369**	**1,293**	**2,494**	**545,873**

The amount of kEuro 7,535 (kEuro 22,920 in 2022) was recognized under the caption "Currency translation differences" in the consolidated statement of changes in equity.

The main acquisitions and sales of companies occurred during 2023 and 2022 were as follows:

Transactions in 2023

In January 2023 the business combination between the companies Aliansce Sonae Shopping Centers S.A. ("ALSO") and Br Malls Participações S.A. ("BrMalls") was concluded. As a result of the business combination ALSO becomes the sole shareholder of BrMalls and the Group changes its interest in ALLOS to 5.49%. During March, April and May of 2023, the Group acquired in the market 3,055,658 shares of ALLOS, changing the ownership percentage to 6.02%. In December 2023, the Group, through its the subsidiary Sonae Sierra Brazil Holdings S.à r.l sold in the market 1,744,131 shares of ALLOS, generated a gain of kEuro 2,908 (Note 40); after this last operation the Group decreased it interest in the associate ALLOS to 5.72%.

In August 2023, the Group, through its subsidiary Sierra Investments Holdings B.V sold the entire share capital owned (5%) on the associate Serra Shopping- Centro Comercial, S.A. ("Serra") for kEuro 1,254. This transaction generated a gain of kEuro 40. (Note 40).

In November 2023, the subsidiary Sierra Spain Real Estate Services, S.A.U. acquired 3% of the share capital of the associate Olimpo Retail Germany, S.A. (that owns 100% of Olimpo Retail Germany I, S.L.U. and Olimpo Retail Germany II, S.L.U.) for kEuro 3,225.

In December 2023, as result of the sale by the subsidiary Sierra Retail Ventures, B.V. to the subsidiary Sierra Investments Holdings B.V. of an interest of 25.05% in Via Catarina – Centro Comercial, S.A., the company is now reported as an associate (Note 4).

Transactions in 2022

In the last quarter of 2022, the Group increased its interest in the associate Aliansce Sonae Shopping Centers, S.A. ("ALSO") in 2.544%.

As of 31 December 2023 and 2022 the summarised financial information (adjusted when applicable to comply with the Group accounting policies mentioned in Note 2) of the Group's associates, is as follows:

31 December 2023

	Investment+Brazil				
	Companies owned by Sierra BV	Other investment companies	Brazil	Services	Developments
Total non-current assets	1,794,694	1,931 590	4,686,487	13,665	46,435
Total current assets	129,219	198,955	888,345	1 441	55,241
Total non-current liabilities	1,058,632	921,110	1,677,307	7,398	65,946
Total current liabilities	44,298	36 406	284,144	850	10,557
Equity	**820,983**	**1,173,029**	**3,613,381**	**6,858**	**25,173**

31 December 2022

	Investment+Brazil				
	Companies owned by Sierra BV	Other investment companies	Brazil	Services	Developments
Total non-current assets	1,777,065	1,820,283	2,175,381	13,961	44,525
Total current assets	126,627	124,981	614,820	1,387	41,118
Total non-current liabilities	1,051,264	886,882	829,892	7,775	48,316
Total current liabilities	73,626	36,952	51,645	1,106	10,343
Equity	**778,802**	**1,021,430**	**1,908,664**	**6,467**	**26,984**

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	2023				
	Investment+Brazil			Services	Developments
	Companies owned by Sierra BV	Other investment companies	Brazil		
Services Rendered	150,155	142,069	563,358	2,265	4,354
Variation in fair value of the investment properties	17,081	(16,130)	216,123	-	-
Other revenue	3,316	5,443	48,099	3	-
External supplies and services	(50,369)	(53,739)	(40,924)	(1,150)	(930)
Depreciation	(56)	(1)	-	(427)	(1,665)
Other expenses	691	4,841	(167,215)	(1)	(2)
Financial Results	(18,603)	(24,558)	(101,468)	(317)	(614)
Share of results of associates	(6,040)	30,573	-	-	-
Income Tax	(23,227)	(4,211)	(121,358)	17	(461)
Net profit / (loss)	**72,948**	**84,286**	**396,615**	**390**	**682**
Other comprehensive income for the period	(7,016)	(1,579)	49,138	-	13
Total comprehensive income for the period	**65,932**	**82,707**	**445,753**	**390**	**695**
Attributable to:					
Equity holders of parent company	65,932	82,707	445,753	390	695

	Investment+Brazil				2022
	Companies owned by Sierra BV	Other investment companies	Brazil	Services	Developments
Services Rendered	139,043	123,984	245,276	2,014	4,129
Variation in fair value of the investment properties	(2,284)	5,719	(180,195)	-	-
Other revenue	3,281	4,367	35,465	64	3,003
External supplies and services	(47,941)	(47,593)	(29,576)	(1,086)	(2,991)
Depreciation	(4)	(3)	-	(425)	(1,695)
Other expenses	(2,955)	(3,996)	(51,592)	(17)	342
Financial Results	(14,786)	(18,482)	(38,824)	(141)	(1,812)
Share of results of associates	(1,637)	2,878	-	-	-
Income Tax	(19,066)	(8,440)	23,319	(68)	(630)
Net profit / (loss)	**53 651**	**58 434**	**3 873**	**341**	**346**
Other comprehensive income for the period	14,573	2,443	210,131	-	(25)
Total comprehensive income for the period	**68 224**	**60 877**	**168 978**	**341**	**321**
Attributable to:					
Equity holders of parent company	68,224	60,877	214,004	341	321

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6. Acquisition and Sale of Companies

The main sales and acquisitions of companies occurring during the year 2023 and 2022 were as follows:

Sales of subsidiaries in 2023
In August 2023, the subsidiary Sierra Developments Holding B.V. sold 50% of the share capital of BrightCity, S.A. to a new partner. As a result, the company becomes a joint venture (Note 4).

In October 2023, the share capital of Living Markets I, S.A. was increased from KEuro 50 to KEuro 100, which was fully subscribed by a new partner. As a result, the company becomes a joint venture (Note 4).

Acquisitions of subsidiaries in 2022
In May 2022, the subsidiary Sierra Investments Holdings B.V. acquired the total share capital of the joint venture North Tower B.V. (which owns 100% of the share capital of Torre Norte, S.A.) for kEuro 11,500 (being 50% of the share capital acquired from the subsidiary Sierra Retail Ventures B.V.).

Sales of subsidiaries in 2022
In September 2022, the Group, through its subsidiaries Sierra Developments Holding B.V., Sierra Investments Holdings B.V. and Sierra Investments, SGPS, S.A., sold the entire share capital owned (100%) of the subsidiary ARP Alverca Retail Park, S.A. ("Alverca") for kEuro 7,848. This transaction generated a gain of kEuro 5,154. (Note 8 and 40).

In November 2022, the Group, through its subsidiaries Sierra Developments Holding B.V., and Sierra Developments, SGPS, S.A., sold the entire share capital owned (100%) of the subsidiary Parque de Famalicão - Empreendimentos Imobiliários, S.A. ("Famalicão") for kEuro 1,200. This transaction generated a gain of kEuro 846. (Note 8 and 40).

Effect of the acquisitions and sales
The effect of the sales of the companies during the period ended on 31 December 2023 was as follows:

				2023
		Sales		
		Living Markets	BrightCity	Total
Cash and cash equivalents	(I)	79	307	386
Tangible fixed assets		217	195	412
Right of use		831	-	831
Intangible assets		-	12	12
Deferred tax assets (Note 27)		11	3	14
Other non current assets		24	-	24
Trade receivables		42	-	42
Other current assets		390	210	600
Other non current liabilities		(12)	(250)	(262)
Lease liabilities		(851)	-	(851)
Accounts payable and other liabilities - current		(149)	(302)	(451)
Identifiable assets and liabilities at sales date		582	175	757
Investments in joint ventures and associates		(291)	(88)	(379)
Transaction result:				
- Profit / (loss) on sale (Note 40)		(21)	168	147
Sale amount	(II)	270	255	525
Net cash flow	**(II-I)**	**191**	**(52)**	**139**

The effect of the sales of the companies during the period ended on 31 December 2022 was as follows:

		2022		
		Sales		
		Alverca	Famalicão	Total
Cash and cash equivalents	(I)	26	4	30
Investment properties under construction (Note 8)		10,303	830	11,133
Trade receivables		6	-	6
Other current assets		13	22	35
Deferred tax liabilities (Note 27)		(322)	-	(322)
Other non current liabilities		(15)	-	(15)
Accounts payable and other liabilities - current		(41)	(2)	(43)
Identifiable assets and liabilities at sales date		9,970	854	10,824
Reversal of impairments (Note 8)		(7,276)	(500)	(7,776)
Transaction Result:				
- Profit / (loss) on sale (Note 40)		5,154	846	6,000
Sale amount	(II)	7,848	1,200	9,048
Net cash flow	**(II-iii-I)**	**7,822**	**1,196**	**9,018**

The effect of the acquisitions of the companies during the period ended on 31 December 2022 was as follows:

		2022
		Acquisitions
		North Tower, B.V. (Consolidated Accounts)
Cash and cash equivalents	(I)	1,171
Investment properties under development (Note 8)		12,497
Other current assets		453
Other non current assets		(1,019)
Accounts payable and other liabilities - current		(1,592)
Identifiable assets and liabilities at acquisition date		11,510
Carrying amount of the previous investment at acquisition date (Note 4)		(5,755)
Goodwill:		
Recorded as expense (Note 40)		(5)
Purchase amount	(II)	5,750
Net cash flow	**(II-I)**	**4,579**

7. Non-Controlling Interests

As of 31 December 2023 and 2022, the details are as follows:

		31 December 2023					
	Head office	Equity	Net profit / (loss)	% (*)	Carrying amount	Proportion in P/L	Dividends received
Investment							
Sierra Retail Ventures BV	Amsterdam (the Netherlands)	130,738	37,341	49,90%	65,238	18,633	3,306
La Galleria Srl	Amsterdam (the Netherlands)	(1,531)	(1,101)	20,00%	(306)	(220)	-
					64,932	**18,413**	**3,306**

(*) The ownership interests are similar to voting rights.

		31 December 2022					
	Head office	Equity	Net profit / (loss)	% (*)	Carrying amount	Proportion in P/L	Dividends received
Investment							
Sierra Retail Ventures BV	Amsterdam (the Netherlands)	119,787	6,977	49.90%	59,774	3,482	3,041
La Galleria Srl	Amsterdam (the Netherlands)	(429)	(407)	20.00%	(86)	(82)	-
					59,688	**3,400**	**3,041**

(*) The ownership interests are similar to voting rights.

During the years ended 31 December 2023 and 2022 the movement in non-controlling interests was as follows:

	31 December 2023			31 December 2022		
	Sierra Retail Ventures BV	La Galleria Srl	Total	Sierra Retail Ventures BV	La Galleria Srl	Total
Opening balance	59,774	(86)	59,688	65,902	(4)	65,898
Sale	(109)		(109)	-		-
Capital decrease	(9,651)	-	(9,651)	(6,587)	-	(6,587)
Hedging reserve (hedge accounting)	(103)	-	(103)	18	-	18
Net profit	18,633	(220)	18,413	3,482	(82)	3,400
Dividends	(3,306)	-	(3,306)	(3,041)	-	(3,041)
	65,238	**(306)**	**64,932**	**59 774**	**(86)**	**59 688**

As of 31 December 2023 and 2022 the summarised financial information of the subsidiaries within non-controlling interests, before the elimination of intragroup balances and transactions, is as follows:

	31 December 2023		31 December 2022	
	Sierra Retail Ventures BV	La Galleria Srl	Sierra Retail Ventures BV	La Galleria Srl
Total non-current assets	129,642	5,912	101,238	4,225
Total current assets	7,100	1,345	18,997	375
Total non-current liabilities	156	6,398	156	4,640
Total current liabilities	5,848	2,390	292	389
Equity	**130,738**	**(1,531)**	**119,787**	**(429)**
Equity attributable to the equity holders of the parent company	**130,738**	**(1,531)**	**119,787**	**(429)**

	31 December 2023		31 December 2022	
	Sierra Retail Ventures BV	La Galleria Srl	Sierra Retail Ventures BV	La Galleria Srl
Services rendered and other revenue	422	675	371	78
Other revenue/(expenses)	36,919	(1,776)	6,606	(485)
Net profit / (loss)	**37,341**	**(1,101)**	**6,977**	**(407)**
Other comprehensive income for the period	(313)	-	36	-
Total comprehensive income for the period	**37,028**	**(1,101)**	**7,013**	**(407)**

8. Investment Properties

The movement in investment properties, during the years ended 31 December 2023 and 2022 was as follows:

	2023			
	Investment properties			
		Under Development		
	In operation	At cost	Advances	Total
Opening balance	306,279	30,196	6,141	342,616
Increases	3,956	21,481	(2)	25,435
Receivables	-	-	(1,150)	(1,150)
Impairments and write-off (Note 37)	-	1,725	(575)	1,150
Transfers to tangible fixed assets	-	(4,225)	-	(4,225)
Transfers to inventories	-	(423)	(825)	(1,248)
Variation in fair value of the investment properties between years (Note 33):				
- Gains	8,533	-	-	8,533
- Losses	(2,985)	-	-	(2,985)
Transfer to assets held for sale (Note 42)	-	(41,858)	-	(41,858)
Currency translation differences	-	38	756	794
Closing balance	**315,783**	**6,934**	**4,345**	**327,062**

	2022			
	Investment properties			
		Under Development		
	In operation	At cost	Advances	Total
Opening balance	303,894	14,249	1,725	319,868
Increases	5,929	9,444	4,983	20,356
Reversal of impairments	-	7,776	-	7,776
Impairments and write-off (Note 37)	-	(2,614)	-	(2,614)
Variation in fair value of the investment properties				
between years (Note 33):				
- Losses	(3,544)	-	-	(3,544)
Sales of companies (Note 6)	-	(11,133)	-	(11,133)
Acquisitions of companies (Note 6)	-	12,497	-	12,497
Currency translation differences	-	(23)	(567)	(590)
Closing balance	**306,279**	**30,196**	**6,141**	**342,616**

At 31 December 2023 and 2022 investment properties in operation and the information about the fair value assessment are as follows:

	31.12.2023	31.12.2022
10 yr discount rate		
Floor	9.05%	9.05%
Weighted average	9.15%	9.21%
Cap	9.45%	9.65%
10 yr cap rate		
Floor	7.15%	7.00%
Weighted average	7.33%	7.16%
Cap	7.85%	7.60%
Annual rent per sqm (€)		
Floor	20	18
Weighted average	21	20
Cap	23	21
Fair Value (Level 3)	**315 783**	**306 279**

The fair value of each investment property in operation was determined by means of a valuation as of the reporting date made by independent specialised entities (Cushman & Wakefield).

The valuation of these investment properties was made in accordance with the Practice Statements of the RICS Appraisal and Valuation Manual published by The Royal Institution of Chartered Surveyors ("Red Book"), located in England.

The methodology used to compute the market value of the investment properties consists in preparing 10 years' projections of income and expenses of each shopping centre added to the residual value, corresponding to a projected net income at year 11 and a return market rate ("Exit yield" or "cap rate"). These projections are then discounted to the valuation date using a discount market rate. Projections are intended to reflect the actual valuer best estimate regarding future revenues and costs of each shopping centre. Both the return rate and discount rate are defined in accordance with the local real estate and institutional market conditions, being the reasonableness of the market value obtained in accordance with the methodology referred above, tested also in terms of initial return using the estimated net income for the first year of projections.

In the valuation of investment properties, some assumptions, that in accordance with the Red Book are considered to be special, were in addition considered, namely in the case of recently inaugurated shopping centres, in which the possible costs still to be incurred were not considered, as the accompanying financial statements already include a provision for them.

IFRS 13 (Fair value measurement) requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Inputs other than quoted prices included within level 1 that are observable.
- **Level 3:** Inputs that are not based on observable market data (that is, unobservable inputs).

Considering the above hierarchy investments properties of the Group are all within Level 3.

The relationship of unobservable inputs to fair value can be described as follows:

- A decrease in the estimated annual rent will decrease the fair value;
- An increase in the discount rates and the capitalization rates will decrease the fair value:
  - an increase of 25 b.p. will decrease the fair value in the amount of kEuro 10,431 and,
  - a decrease of 25 b.p. will increase the fair value in the amount of kEuro 11,171.

As mentioned in the valuation reports of the investment properties prepared by independent specialised entities, the assessment of their fair value considered the definition of fair value in IFRS 13, which is consistent with the definition of market value defined by the investment properties valuation international standards.

During the years ended on 31 December 2023 and 2022, the income (fixed rents net of discounts, turnover rents, mall income, key income, and transfer fees) and the corresponding direct operating expenses (property tax, insurance expense, maintenance expense, management fee and asset management fee and other direct operating expenses), relating to the investment properties of the Group, was as follows:

	Income		Direct Operating Expenses	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Other European Countries	24,346	21,128	2,929	1,985
	24,346	**21,128**	**2,929**	**1,985**

At 31 December 2023 and 2022 the following investment properties had been given in guarantee of bank loans:

Gli Orsi	Parklake

At 31 December 2023 and 2022 there were no material contractual obligations to purchase, construct or develop investment properties or for repairs or maintenance, other than those referred to above, except for the obligations mentioned in notes 45 and 46.

Investment properties under development at 31 December 2023 and 2022 are made up as follows:

	31.12.2023	31.12.2022
Investment properties at cost:		
Portugal / Spain	-	23,553
Colombia	4,724	3,729
Other european countries	69,392	73,617
	74,116	**100,899**
Impairment for investment properties at cost	(62,837)	(64,562)
	11,279	**36,337**

The amounts of kEuro 62,837 and kEuro 64,562 at 31 December 2023 and 2022, respectively, recorded under caption "Impairment for assets at risk", relates to the provision made to anticipate losses due to the delays on the development pipeline consequence of the market uncertainty.

9. Property, Plant and Equipment

The movement in property, plant and equipment and corresponding accumulated depreciation during the years ended 31 December 2023 and 2022 was as follows:

	Buildings and other constructions	Machinery and equipment	Transport equipment	Administrative equipment	Tools and utensils	Other tangible fixed assets	Tangible fixed assets in progress	31.12.2023 Total	31.12.2022 Total
Assets:									
Opening balance	2,549	1,221	10	3,744	332	1,652	623	10,132	8,911
Increases	3,099	67	-	652	11	73	62	3,964	1,246
Sales	-	(1)	-	(8)	-	-	-	(9)	(18)
Transfers and write-off	3,657	38	-	(297)	(3)	(29)	479	3,845	(7)
Currency translation differences	-	-	-	-	-	-	-	-	-
Change in consolidation perimeter	-	(30)	-	(10)	(3)	(260)	(192)	(495)	-
Closing balance	**9,305**	**1,295**	**10**	**4,081**	**337**	**1,436**	**972**	**17,437**	**10,132**
Accumulated depreciation and impairment losses:									
Opening balance	1,608	1,103	11	3,085	323	685	-	6,815	6,335
Depreciation for the year	650	47	-	275	10	115	-	1,097	501
Sales	-	(1)	-	(8)	-	-	-	(9)	(14)
Transfers and write-off	(19)	(32)	-	(295)	(3)	(29)	-	(378)	(7)
Currency translation differences	-	-	-	-	-	-	-	-	-
Change in consolidation perimeter	-	(7)	-	(2)	(1)	(73)	-	(83)	-
Closing balance	**2,239**	**1,110**	**11**	**3,055**	**329**	**698**	-	**7,442**	**6,815**
Net assets	**7,066**	**185**	**(1)**	**1,026**	**8**	**738**	**972**	**9,995**	**3,317**

10. Right of Use

The movement in right of use and corresponding accumulated depreciation during the years ended 31 December 2023 and 2022 was as follows:

	31.12.2023	31.12.2022
Assets:		
Opening balance	17,015	14,225
Changes in the consolidation perimeter	(897)	-
Exchange rate conversion effect	1	(4)
Increases	-	2,820
Write-off	-	(26)
Closing balance	**16,119**	**17,015**
Accumulated depreciation and impairment losses:		
Opening balance	8,199	6,214
Changes in the consolidation perimeter	(66)	-
Exchange rate conversion effect	1	(3)
Depreciation of the period	1,707	2,014
Write -off	-	(26)
Closing balance	**9,841**	**8,199**
Net Right of Use	**6,278**	**8,816**

	2023	2022
Depreciation expense on right of use assets	1,707	2,014
Interest expense on lease liabilities	163	180
	1,870	**2,194**

11. Goodwill

AAt 31 December 2023 and 2022 goodwill was made up as follows::

	31.12.2023				31.12.2022
	Year of aquisition	Gross amount	Impairment losses of the year	Carrying Amount	Carrying Amount
SFS -Gestão de Fundos, SGOIC,S.A.	2021	1,945	-	1,945	1,945
Gli Orsi	2008	1,642	(1,642)	-	1,641
		3,586	**(1,642)**	**1,945**	**3,586**

(*) Merged into Sierra IG, SGOIC, S.A..

The impairment tests made to the goodwill are based on the "Net Asset Value" ("NAV") and/or the business plan prepared by the Management at the reporting date.

The movement in the Goodwill during the years ended 31 December 2023 and 2022 was as follows:

	2023	2022
Opening balance	3,586	3,586
Impairment losses of the year (Note 37)	(1,641)	-
Closing balance	**1,945**	**3,586**

12. Intangible Assets

The movement in intangible assets and corresponding accumulated depreciation during the years ended 31 December 2023 and 2022 was as follows:

	31.12.2023			31.12.2022
	Software	Other intangible assets	Total	Total
Assets:				
Opening balance	7,081	14,264	21,345	19,938
Increases	183	2,199	2,382	1,407
Sales, disposals and regularisations	(14)	(2)	(16)	-
Change in consolidation perimeter	(18)	-	(18)	-
Closing balance	7,232	16,461	23,693	21,345
Accumulated depreciation and impairment losses:				
Opening balance	5,629	11,758	17,387	16,952
Depreciation for the year	501	4	505	435
Sales, disposals and regularisations	(14)	-	(14)	-
Change in consolidation perimeter	(6)	-	(6)	-
Closing balance	6,110	11,762	17,872	17,387
Net assets	**1,122**	**4,699**	**5,821**	**3,957**

13. Assets at Fair Value Through Other Comprehensive Income

At 31 December 2023 and 2022 the assets at fair value through other comprehensive income were made up as follows:

COMPANY	Head office	31.12.2023	31.12.2022
Br Malls Participações S.A. (“brMalls”)	Rio de Janeiro (Brazil)	-	29,559
		-	**29,559**

In 2022, the Group acquired 20,080,700 shares of Br Malls Participações S.A. (“BrMalls”), corresponding to 2.42% of the company's share capital.

In January 2023, BRMalls and the associate ALLOS (formerly ALSO) concluded the business combination operation and ALSO becomes the sole shareholder of BrMalls.

During the year ended 31 December 2023 and 2022, the movement in this item was as follows:

	31.12.2023	31.12.2022
Opening balance	29,559	-
Increases	-	35,660
Fair value adjustment	-	(3,448)
Effect of currency translation	-	(2,653)
Business combination (Note 5)	(29,559)	-
Closing balance	**-**	**29,559**

14. Other Non-Current Assets

At 31 December 2023 and 2022 other non-current assets were made up as follows:

	31.12.2023	31.12.2022
Receivable from sale of Dos Mares	3,000	3,000
Sale of shares of Trivium	153	153
Advance for the purchase of CTT IMO Yield, S.A.	2,246	-
Bank and other guarantees	1,026	797
Other non current assets	251	239
	6,676	**4,189**

15. Inventories

The movement in inventories during the years ended 31 December 2023 and 2022 was as follows:

	31.12.2023	31.12.2022
Opening balance	-	-
Increases	13,740	-
Tranfers from investment properties under development	1,248	-
Closing balance	**14,988**	**-**

16. Trade Receivables

At 31 December 2023 and 2022 trade receivables were made up as follows:

	31.12.2023	31.12.2022
Accounts receivable from customers:		
Portugal	9,202	11,545
Spain	1,553	1,888
Italy	1,541	1,671
Germany	501	1,178
Romania	3,485	3,873
Morocco	1,086	673
Greece	143	220
Kosovo	746	-
Netherlands	209	376
	18,466	21,424
Accumulated impairment losses on accounts receivable from customers (Note 33)	(6,390)	(6,592)
	12,076	**14,832**

The Group's exposure to credit risk is attributed to accounts receivables relating to the operating activity of the Group. The amounts shown in the statement of financial position are net of the corresponding impairment losses on accounts receivable, which were estimated by the Group, based on the experience of the Group and assessment of the economic environment. The Board of Directors believes that the carrying amount of its trade receivables is similar to the corresponding fair value. The Group does not have a significant concentration of credit risk, as that risk is diluted over a variety of different tenants.

Per the information included in the statement of financial position, the ageing of the trade receivables is as follows:

	31.12.23	31.12.22
0-90 days	9,579	12,337
90-180 days	3,202	3,037
180-360 days	375	532
+ 360 days	5,310	5,518
	18,466	**21 424**

17. Other Receivables

At 31 December 2023 and 2022 other receivables were made up as follows:

	31.12.2023	31.12.2022
Tax notification paid	3,722	3,731
Escrow account	2,224	2,224
Amount to be converted into capital	-	11,046
Advances to suppliers	1,477	3,777
Corporate income tax (Fiscal unit in Portugal)	4,131	-
Corporate income tax (Fiscal unit in Spain)	869	-
Other	4,892	3,668
	17,315	24,446
Accumulated impairment losses on other receivables (Note 33)	(4,938)	(5,282)
	12,377	**19,164**

The amount of kEuro 3,722 includes the amount of kEuro 3,707 regarding the payment made in 2013 by Sonae Sierra SGPS, S.A. within the Special Tax Debts Payment Regime (RERD) established by the Portuguese government in the law approved in October 2013 (Law 151-A/2013) by which the entities that pay the tax notification will be exempt of the payment of interest and penalties; this amount relates to corrections of the 2005 CIT due to: (i) non-deductible interest expenses amounting to kEuro 378; and (ii) corrections concerning the price adjustment related with the sale of shares of Cascaishopping in 1996 amounting to kEuro 3,329. The company contested the tax notifications received and did not record any impairment loss to face eventual losses on those amounts, as the Board of Directors believes that the result will be favourable to the company.

The amount of kEuro 2,224 under "Escrow Account" is related to an escrow account from 2005 relating to a lawsuit from a tenant, on which the court requested that the Group made a deposit of kEuro 2,224, in the event of the case being won by the tenant. Although the case was won by the Group, the amount was incorrectly paid to the tenant. The Group sued the State, to recover the amount mislaid, but the initial decision on this was not favorable to the Group. Independently of continuing to pursue the matter in court, the Group decided to provision the amount in full.

In 2023 some Portuguese subsidiaries and the parent company, Sonae Sierra SGPS, integrated the fiscal unit lead by Sonae SGPS, S.A.. The amount of kEuro 4,131 includes (i) deferred taxes related to fiscal losses used in 2023 and deferred taxes related to fiscal losses that will be used in the following years in the fiscal unit and, (ii) advances payments made by the Group.

The amount of kEuro 869 includes deferred taxes related to fiscal losses used in the Spanish fiscal unit lead by Modelo Continente Hipermercados, S.A.(Spanish branch).

As a result of the conversion of the legal form of the joint venture Arrábidashopping - SIC Imobiliária Fechada, S.A. into “SIC – Sociedade de Investimento Coletivo”, the amount of KEuro 11,046 corresponding to supplementary capital and share premium of the joint venture entity was converted into debt, being during 2023 converted into capital (Note 4).

The Group’s exposure to credit risk is attributed to accounts receivable relating the operating activity of the Group. The amounts shown in the statement of financial position are net of the corresponding impairment losses on accounts receivable, which were estimated by the Group, based on the experience of the Group and assessment of the economic environment. The Board of Directors believes that the carrying amount of its other receivables is similar to the corresponding fair value. The Group has not a significant concentration of credit risk, as that risk is diluted over a variety of different debtors.

18. Other Current Assets

At 31 December 2023 and 2022 other current assets were made up as follows:

	31.12.23	31.12.22
Interest income receivable	1,210	904
Rents to be invoiced	5,282	1,751
Recovered costs receivable	354	587
Insurance	551	243
Deferred costs with financing	50	31
Management and administrative services receivable	1,644	1,415
Others	1,292	2,208
	10,383	7,139

19. Cash and Cash Equivalents

At 31 December 2023 and 2022 cash and cash equivalents were made up as follows:

	31.12.2023	31.12.2022
Cash	58	109
Bank deposits	88,947	125,848
Cash and cash equivalents	89,005	125,957
Bank deposits-tenants retentions	2,774	2,873
Cash and bank deposits	91,779	128,830

The amounts of kEuro 2,774 and kEuro 2,873 at 31 December 2023 and 2022, respectively, relates to the guarantees made by the tenants. These amounts received from tenants are classified under "Other non-current liabilities" (Note 26) and "Other payables" (Note 31).

The bank deposits include deposits made by several companies included in the consolidation, repayable in less than three months of inception and that bear interest at market interest rates.

20. Share Capital and Legal Reserves

At 31 December 2023 the share capital was made up of 32,514,000 fully subscribed and paid up ordinary shares of Euro 4.99 each.

The following entities own the share capital at 31 December 2023 and 2022:

Entity	2023	2022
Sonae SGPS, S.A.	100.00%	90.00%
Grosvenor Investments (Portugal), Sarl	-	10.00%

In March 2023 Sonae, SGPS, S.A. ("Sonae") acquired from Grosvenor Investments (Portugal) S. à r. l. the remaining 10% in Sonae Sierra, SGPS, S.A. share capital and became the sole shareholder.

At 31 December 2023 and 2022 the legal reserves were as follows:

	31.12.23	31.12.2022
Legal reserve	32,449	32,449
Special reserve	24,880	24,880
	57,329	57,329

Legal reserve: According to the company law, at least 5% of the annual net profit, if positive, should be used in the reinforcement of the legal reserve until it represents 20% of the capital. This reserve can only be distributed in case of liquidation of the company but can be used to cover losses after the other reserves have been used or can be incorporated in the share capital.

As mentioned in the Portuguese commercial code, and in consequence of the capital reduction in 2003, Sonae Sierra recorded a special reserve, to which the rules of the legal reserve apply, by an amount equivalent to the nominal amount of the shares extinguished (kEuro 24,880).

21. Bank Loans

At 31 December 2023 and 2022 bank loans obtained were made up as follows:

	31.12.2023			31.12.2022		
		Used amount			Used amount	
	Limit	Current	Non current	Limit	Current	Non current
Bond loans:						
Sonae Sierra SGPS - Caixa BI	50,000	-	50,000	50,000	-	50,000
Sonae Sierra SGPS - Banco BPI	25,000	-	25,000	25,000	-	25,000
Sonae Sierra SGPS - Novo Banco	-	-	-	25,000	25,000	-
	75,000	-	75,000	100,000	25,000	75,000
Deferred bank expenses incurred on the issuance of bond loans		-	(544)		(154)	(544)
Total bond loans	**75,000**	**-**	**74,456**	**100,000**	**24,846**	**74,456**
Bank loans:						
Portugal/Spain						
a)	21,000	-	6,425	-	-	-
Other European Countries						
n.a.	24,200	19,300	-	11,000	-	11,000
a),b)	143,225	186	143,039	144,200	107,900	36,300
	188,425	19,486	149,464	155,200	107,900	47,300
Deferred bank expenses incurred on the issuance of bank loan		(289)	(1,232)		(372)	(830)
Total bank loans	188,425	19,197	148,232	155,200	107,528	46,470
Fair value of the financial hedging instruments - asset		-	(2,594)		(4,254)	-
Fair value of the financial hedging instruments - liability		-	2,710		-	-
		19,197	**222,804**		**128,120**	**120,926**

(a) To guarantee the repayment of these loans, the Group pledged the real estate properties owned by these companies.
(b) To guarantee the repayment of this loan, the Group pledged the shares of the subsidiary.

Bank loans bear interest at market interest rates and were all contracted in Euro.

During 2023, the most relevant movements were the following:

- In May 2023, the Group contracted a new bank loan in the total amount of KEuro 21,000; at the end of 2023 kEuro 6,425 was used.

At 31 December 2023 and 2022, financial covenants related with the loans above can be detailed as follows:

		31.12.2023			31.12.2022		
			Used amount			Used amount	
		Limit	Current	Non current	Limit	Current	Non current
"Covenants":							
"Loan to Value", "Debt Service Cover Ratio"	(1),(2)	106,000	-	106,000	107,900	107,900	-
"Loan to Value", "Interest Cover Ratio", "Occupancy ratio"	(1),(3),(6)	36,300	-	36,300	36,300	-	36,300
"Debt/(Investment Properties + Investment in Joint ventures and associates)", "Net Debt/Adjusted EBIT"	(4),(5)	25,000	-	25,000	-	-	-
"Interest Cover Ratio", "Debt/(Investment Properties + Investment in Joint ventures and associates)", "Net Debt/ Adjusted EBIT"	(3),(4),(5)	50,000	-	50,000	-	-	-

(1) "Loan to Value": Financial liabilities / Fair value of the investment property
(2) "Debt Service Cover Ratio": Cash flow / (Paid interests plus capital amortization)
(3) "Interest Cover Ratio": Cash flow / Paid interests
(4) Debt/(Investment Properties + Investment in Joint ventures and associates)
(5) Net Debt/Adjusted EBIT
(6) "Occupancy ratio": vacant GLA / total GLA

Bank loans with covenants were analysed by the Group at the reporting date and, whenever breaches to these covenants occurred or, for which waivers were not obtained, the classification of the current portion was made accordingly.

At 31 December 2023 and 2022, loans and the respective interest are repayable as follows:

	31.12.2023		31.12.2022	
	Repayment	Interest	Repayment	Interest
Year N+1	19,486	14,601	132,900	8,574
Year N+2	194	14,333	11,000	4,336
Year N+3	36,503	13,433	-	4,319
Year N+4	43,054	11,114	36,300	3,944
Year N+5	128,045	8,150	41,667	2,654
Year N+6 and following years	16,668	536	33,333	1,785
	243,950	62,167	255,200	25,612

At 31 December 2023 and 2022, the Group's financial instruments related to interest rate swaps, caps and zero cost collars were as follows:

	31.12.2023			31.12.2022	
		Fair value of the financial hedging instrument		Fair value of the financial hedging instrument	
	Loan	Asset	Liability	Loan	Asset
Financial hedging instruments:					
"Swaps":					
Sonae Sierra SGPS / BPI	25,000	1,528	-	25,000	2,325
		1,528	-		2,325
"Options":					
Gli Orsi / ING (*)	36,300	1,066	-	36,300	1,929
Parklake / OTP Group / Hypo Noe (*)	24,200	-	2,710	-	-
		2,594	2,710		4,254

(*) These hedging instruments are Caps.

The fair value of the effective financial hedging instruments was recorded under hedging reserves of the Group (kEuro -198 and kEuro 4,089 on 31 December 2023 and 2022, respectively).

The interest rate swaps, caps and zero cost collars are stated at their fair value at the reporting date, determined by the valuation made by the bank entities, with which the derivatives were contracted. The computation of the fair value of these financial instruments was made taking into consideration the reporting date, the update of the future cash-flows relating to the difference between the interest rate to be paid by the company to the bank entity, with which the swap or collar was negotiated, and the variable interest rate to be received by the company from the bank entity that granted the loan. In addition, tests to the fair value of those derivative financial instruments were made by the treasury department of the Group, to validate the fair value determined by those entities.

The main hedging principles used by the Group when negotiating these hedging financial instruments are as follows:

- Matching between the cash-flows paid and received: the dates of interest payments of the loans obtained, and their date of the derivatives flows with the bank are the same;
- Matching in the index interest rate used: the reference index interest rate used in the derivatives and in the loan are the same;
- In a scenario of increase or decrease in interest rates, the maximum amount of interest payable is perfectly calculated.

22. Other Bank Loans

At 31 December 2023 and 2022, there are undrawn loan commitments related with short term facilities and bank overdrafts, as follows:

	31.12.2023		31.12.2022	
	Limit	Current	Limit	Current
Short term facilities:				
Sierra Portugal, S.A.	249	-	249	-
Sonae Sierra, SGPS, S.A.	-	-	10,000	-
	249	-	10,249	-
Bank overdrafts	39,220	-	44,720	-
	39,469	-	54,969	-

23. Loans to Joint Ventures and Associates

At 31 December 2023 and 2022 loans to joint ventures and associates were made up as follows:

	31.12.2023		31.12.2022	
	Current	Non-Current	Current	Non-Current
Loans receivable:				
Axnae Spain Holdings, S.L.:				
Area Sur Shopping, S.L.	-	1,950	-	1,950
	-	1,950	-	1,950
Sierra Colombia Holding, S.L.:				
Central Control II, SAS	2,852	-	2 139	-
Proyecto Cúcuta, S.A.S.	5,669	-	4 252	-
	8,521	-	6 391	-
Sierra Developments Holding BV				
Signal Alpha República I, SA	-	834	-	991
	-	834	-	991
Sierra Developments Holding BV				
Signal Alpha República II, SA	-	134	-	187
	-	134	-	187
Sierra Developments Holding BV				
Park Avenue Development of Shopping Centres S.A.	-	489	-	489
	-	489	-	489
Sierra Services Holland BV:				
Mercado Urbano - Gestão Imibiliária, SA	1	64	-	64
	1	64	-	64
Sierra Services Holland BV:				
Sierra Balmain Asset Management sp. Z o.o	-	108	-	108
	-	108	-	108
Sierra Maroc Sarl:				
Zenata Commercial Project	1,613	-	1,524	-
	1,613	-	1,524	-

	31.12.2023		31.12.2022	
	Current	Non-Current	Current	Non-Current
Sierra Retail Ventures BV:				
Arrábidashopping - SIC Imobiliária Fechada, S.A. (*)	-	-	-	5 022
	-	-	-	5 022
Sierra Developments Holding BV				
Visionarea, Promoção Imobiliária, S.A.	-	21	-	1 309
	-	21	-	1 309
Sierra Developments Holding BV				
Douro Riverside Hotel, S.A.	4	547	-	535
	4	547	-	535
Sierra Developments Holding BV				
Quinta da Foz - Empreendimentos Imobiliários, S.A.	58	7 162	-	6 994
	58	7 162	-	6 994
Sierra Developments Holding BV				
BrighCity, S.A.	2	130	-	-
	2	130	-	-
Sierra Developments Holding BV				
MULTI 24 - SIC Imobiliária Fechada, S.A.	-	151	-	-
	-	151	-	-
	10 199	11 590	7 915	17 649

(*) Formerly Arrábidashopping - Centro Comercial, S.A.

These loans bear interest at market interest rates and were contracted in Euro.

24. Shareholders

At 31 December 2023 and 2022 Shareholders were made up as follows:

	31.12.2023		31.12.2022	
LIABILITY	Current	Non-Current	Current	Non-Current
Loans payable to:				
REI S.r.l.:				
La Galleria S.r.l.	22	1,084	-	903
Share premium payable to:				
Sierra European Retail real Estate Asset Fund LP Inc.:				
Sierra Retail Ventures B.V.	5,570	-	-	-
	5,592	1,084	-	903

The loan bear interest at market interest rates and was contracted in Euro.

25. Reconciliation of Liabilities Arising from Financing Activities

The table below details the changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

			Non-Cash Changes		
	01.01.2023	Financing cash flows	Excluded from consolidation	Exchange rate conversion effect	31.12.2023
Debentures loans	100,000	(25,000)	-	-	75,000
Bank loans	155,200	13,750	-	-	168,950
Loans from related parties	903	181	-	-	1,084
Lease liabilities	9,083	(1,684)	(851)	1	6,549
	265,186	**(12,753)**	**(851)**	**1**	**251,583**

			Non-Cash Changes			
	01.01.2022	Financing cash flows	Acquisition of subsidiaries	New leases	Exchange rate conversion effect	31.12.2022
Debentures loans	90,000	10,000	-	-	-	100,000
Bank loans	184,400	(29,200)	-	-	-	155,200
Loans from related parties	660	243	-	-	-	903
Lease liabilities	8,249	(1,985)	-	2,820	(1)	9,083
	283,309	**(20,942)**	**-**	**2,820**	**(1)**	**265,186**

26. Other Non-Current Liabilities

At 31 December 2023 and 2022 other non-current liabilities were made up as follows:

	31.12.23	31.12.22
Rents deposits from tenants (Note 19)	2,650	2,594
Payable for the acquisition of Balmain	-	206
Other non current accounts payable	122	201
	2,772	3,001

27. Deferred Taxes

Deferred income tax assets and liabilities at 31 December 2023 and 2022, in accordance with the temporary differences that generate them, are made up as follows:

	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Difference between the fair value and tax cost of tangible				
fixed assets and intangible assets	148	120	48,174	49,976
Write-off of deferred income relating entrance fees (key money)				
and expenses relating the opening of shopping centres	-	-	(139)	(145)
Fair value of hedging financial instruments	-	-	560	947
Tax losses carried forward	2,492	2,504	-	-
Impairment losses on accounts receivable from customers	339	379	-	-
	2,979	3,003	48,595	50,778

The movement in deferred income tax assets and liabilities during the years ended 31 December 2023 and 2022 was as follows:

	31.12.2023		31.12.2022	
	Asset	Liability	Asset	Liability
Opening balance	3,003	50,778	3,700	45,478
Effect in net result:				
Difference between fair value and tax cost of tangible fixed assets and intangible assets	28	(3,182)	4	2,181
Write-off of movements ocurred in the year in deferred income relating key money and expenses related to the opening of shopping centers	-	6	-	20
Increase / (Decrease) of impairment losses not accepted for tax purposes	(29)	-	(92)	-
Increase / (Decrease) of tax losses carried forward	(10)	-	(422)	-
Valuation of hedging financial instruments	-	-	(1)	-
Sub-total (Note 28)	(11)	(3,176)	(511)	2,201
Effect in equity:				
Valuation of hedging financial instruments	-	(387)	-	930
Currency translation differences	-	1,380	-	2,677
Changes in perimeter:				
Sales (Note 6)	(14)	-	-	(322)
Others	1	-	(186)	(186)
Closing balance	**2,979**	**48 ,95**	**3,003**	**50,778**

The deferred income tax assets related to tax losses carried forward as of 31 December 2023 and 2022 are made up as follows:

	31.12.2023			31.12.2022		
	Tax loss	Deferred tax asset	Limit expire date	Tax loss	Deferred tax asset	Limit expire date
Portugal:						
Generated in 2020	-	-		14	3	2032
Without limit of use	6,847	1,438		-	-	
Spain:						
Without limit of use	9,964	2,491		9,965	2,491	
Italy:						
Without limit of use	-	-		41	10	
	16,811	3,929		10,020	2,504	

At the end of 2023 a revision of the tax losses likely to be recovered in the future was carried out and only deferred tax assets related to tax losses which future recovery is probable to occur, were recognised.

At the reporting date the tax losses carried forward for which no deferred taxes were recognised are as follows:

	31.12.2023			31.12.2022W		
	Tax loss	Deferred tax credit	Limit expire date	Tax loss	Deferred tax credit	Limit expire date
Portugal:						
Generated in 2014	-	-		4,401	924	2028
Generated in 2019	-	-		101	21	2026
Generated in 2020	-	-		8,597	1,805	2032
Generated in 2021	-	-		4,689	985	2033
Generated in 2022	-	-		1,198	252	2027
Without limit of use	18 927	3 975				
	18 927	3 975		18,986	3,987	
Spain:						
Without limit of use	26,481	6,554		27,436	6,859	
Italy:						
Without limit of use	1,104	265		6,063	1,455	

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	31.12.2023			31.12.2022		
	Tax loss	Deferred tax credit	Limit expire date	Tax loss	Deferred tax credit	Limit expire date
Germany:						
Without limit of use	14,964	4,672		14,156	4,420	
Greece:						
Generated in 2017	-	-		700	154	2022
Generated in 2018	162	36	2023	162	36	2023
Generated in 2019	101	22	2024	101	22	2024
Generated in 2020	75	16	2025	75	16	2025
Generated in 2021	387	85	2026	387	85	2026
Generated in 2022	681	150	2027	639	141	2027
Generated in 2023	457	101	2028	-	-	
	1,863	**410**		**2.064**	**454**	
The Netherlands:						
Without limit of use	28,903	6,473		29,670	6,053	
	28,903	**6,473**		**29,670**	**6,053**	
Romania:						
Generated in 2017	2,353	376	2024	2,880	461	2024
Generated in 2018	3,312	530	2025	3,322	532	2025
Generated in 2019	12,422	1,988	2026	12,462	1,994	2026
Generated in 2020	11,756	1,881	2027	11,793	1,887	2027
Generated in 2021	10,565	1,690	2028	10,598	1,696	2028
Generated in 2022	135	22	2029	134	21	2029
Generated in 2023	139	22	2030	-	-	
Without limit of use	30,683	4,908		22,461	3,593	
	71,365	**11,417**		**63,650**	**10,184**	
Colombia:						
Generated in 2021	73	26	2033	60	21	
Generated in 2022	171	60	2034	141	49	
Generated in 2023	28	10	2035	-	-	
	272	**96**		**201**	**70**	

	31.12.2023			31.12.2022		
	Tax loss	Deferred tax credit	Limit expire date	Tax loss	Deferred tax credit	Limit expire date
Morocco:						
Generated in 2020	-	-		106	11	2037
Generated in 2022	-	-		28	3	2039
	-	**-**		**134**	**14**	
Luxembourg:						
Generated in 2017	52	13	2034	52	13	2034
Generated in 2018	59	15	2035	59	15	2035
Generated in 2019	149	37	2036	176	44	2036
Generated in 2020	3,446	859	2037	3,536	882	2037
Generated in 2021	1,673	417	2038	1,730	431	2038
Generated in 2022	4,244	1,059	2039	6,906	1,722	2039
Generated in 2023	110	28	2040	-	-	
Without limit of use	2,987	745		2,987	745	
	12,720	**3,173**		**15,446**	**3,852**	
	176,599	**37,035**		**177,806**	**37,348**	

28. Income Tax

Income tax for the years ended 31 December 2023 and 2022 is made up as follows:

	31.12.2023	31.12.2022
Current tax	(1,018)	2,220
Deferred tax (Note 27)	(3,165)	2,712
	(4,183)	**4,932**

The numerical reconciliation between tax expense and the accounting profit multiplied by the applicable tax rate, during the years ended 31 December 2023 and 2022 is as follows:

	2023	2022
Profit before income tax	123,015	39,023
Gains/losses related to the sale of companies (Note 40)	(442)	(5,996)
Net result of joint ventures and associates (Note 41)	(105,649)	(32,891)
Impairment of goodwill (Note 37)	1,642	-
Impairment losses in the investments under development (Nota 37)	(1,150)	2,614
Impairment losses and other provisions not accepted as a fiscal cost	(76)	(62)
Other permanent differences and tax losses for which the recoverability is not probable	(36,496)	18,219
Taxable profit	(19,156)	20,907
Effect of different income tax rates in other countries	(763)	2,579
	(19,919)	23,486
Income tax rate in Portugal	21,0%	21,0%
	(4,183)	4,932

The amount of kEuro -36,495 under "Other permanent differences and tax losses for which the recoverability is not probable" (kEuro 18,219 in 2022) includes (i) kEuro -34,295 permanent differences related to a deferred tax liability reversed in 2023 and, (ii) the effect of the non-recognition of the deferred tax assets related to the tax losses carried forward of the companies for which the Group was not certain about its future recovery (Sierra Investments Holding, B.V., Sierra Retail Ventures B.V., Ioannina Development of Shopping Centres S.A., Sierra Italy, Srl, La Galleria Srl and Sierra Germany GmbH in 2023 and Sierra Investments Holding, B.V., Sierra Retail Ventures B.V., Ioannina Development of Shopping Centres S.A., Sierra Italy, Srl, La Galleria Srl, Sierra Germany GmbH and Sonae Sierra Brazil Holdings S.à r.l. in 2022).

29. Accounts Payable to Suppliers

At 31 December 2023 and 2022 accounts payable to suppliers were made up as follows:

	31.12.2023		31.12.2022	
	Current	Non-current	Current	Non-current
Trade payables	6,335	-	10,734	-
Fixed assets suppliers	175	333	1,678	439
	6,510	333	12,412	439

As of 31 December 2023 and 2022, this caption relates to amounts payable resulting from purchases made in the normal course of the Group's activities. As of 31 December 2023, the Board of Directors believes that the carrying amount of these accounts payable is similar to its corresponding fair value.

The amounts reported above have the following periods for payment:

	31.12.23	31.12.22
Current:		
0-90 days	4,984	10,676
90-180 days	191	301
+ 180 days	1,335	1,435
	6,510	12,412
Non-current:		
n+1	166	327
n+2	146	14
n+3	-	68
n+4	21	30
	333	439

30. State and other Public Entities

At 31 December 2023 and 2022 state and other public entities were made up as follows:

	31.12.2023		31.12.2022		
	Asset	Liability	Asset	Liability	
	Current	Current	Current	Current	Non-Current
Income tax	1,676	865	2,105	2,117	-
VAT	1,746	2,504	3,688	2,912	-
Social security contributions	23	851	236	975	-
Real Estate Transfer Tax	-	448	-	1,792	448
Other taxes	-	88	-	94	-
	3,445	**4,756**	**6,029**	**7,890**	**448**

According to the current tax legislation, the tax returns of Portuguese companies included in the consolidation are subject to revision and correction by the fiscal authorities within a period of four years; the exceptions are when fiscal losses have occurred, fiscal incentives have been granted or auditing or claims are in course, in which case, depending on circumstances, the final dates can be extended or suspended. So, the tax returns of the Portuguese companies of the years 2020 until 2023 are still subject to review and possible adjustment.

The Board of Directors believes that any possible adjustments that may be made by the tax authorities as a result of their reviews will not have a significant effect on the financial statements as of 31 December 2023.

As of 31 December 2023, the Board of Directors believes that the carrying amount of these accounts receivable and payable is similar to its fair value.

As of 31 December 2023 and 2022, there are no overdue debts to state and other public entities.

The amount of kEuro 448 refers to the amount to be paid by Gli Orsi to the tax authorities.

31. Other Payables

At 31 December 2023 and 2022 other payables were made up as follows:

	31.12.23	31.12.22
Corporate income tax (Fiscal unit in Spain)	291	291
Gift cards	5,905	5,675
Advances from customers	427	427
Rent deposits from tenants (Note 19)	130	75
Advance for the sale of Torre Norte (Note 42)	14,000	-
Corporate income tax (Fiscal unit in Portugal)	3,186	-
Corporate income tax (Fiscal unit in Spain)	215	-
Other payables	1,552	1 136
	25,491	**7,604**

Following a promissory sale and purchase agreement signed in 2021, the Group has received during 2023 the amount of kEuro 14,000 as an advance payment for the sale of 74% of Torre Norte S.A. ("Torre Norte"), that should occur during 2024. As such Torre Norte was classified as an asset held for sale (Note 42).

The amount of kEuro 5,905 of gift cards relates to deposits received until 31 December 2023 on the sale of those gift cards, net of gift cards expired or settled until that date. The Group recognises in an account payable all gift cards sold, being this account settled when the gift cards are compensated by the tenants (in this case the fee charged is recognised on the statement of profit or loss) or when the gift cards expire (in this case the income corresponds to the amount of the expired gift cards).

As of 31 December 2023 and 2022, this caption relates to amounts payable resulting from acquisitions made in the normal course of the Group's activities. As of 31 December 2023, the Board of Directors believes that the carrying amounts of these accounts payable is similar to its fair value.

The above balance for other creditors shows an average payment period below 90 days.

32. Other Current Liabilities

At 31 December 2023 and 2022 other current liabilities were made up as follows:

	31.12.23	31.12.22
Accrued services payable	7,393	6,609
Accrual for vacations and vacations bonus and other bonuses	18,747	16,443
Accrued fixed assets payable	1,738	3,332
Accrued interest expense	2,174	1,963
Accrued discounts on rents	1,257	1,257
Deferred rental income	2,194	1,928
Condominium margin	590	406
Accrued property tax	5	5
Key money invoiced in advance	86	37
Others	3,952	1,690
	38,136	33,670

The accrual for vacations and vacation bonus and other bonuses as of 31 December 2023 and 2022, includes the amounts of kEuro 3,239 and kEuro 3,305, respectively, related to the remuneration bonus attributed to some employees of the Group, which will be paid in the future, as long as the employees involved are still employees of the Group as of the payment date. These remuneration bonus will be adjusted, in each of the following periods, until the corresponding payment date, by the annual variation of the Net Asset Value (NAV) and adjusted also according to ROIC (Return on Invested Capital). These remuneration bonuses are expensed linearly over the deferred period and recorded as expense, on the basis of the gross amount that was attributed to those employees, and any subsequent adjustment, derived from the variation of the Group's NAV or other, recorded in the statements of profit or loss of the year in which the variation occurs.

As of 31 December 2023 and 2022, the amounts of kEuro 1,738 and kEuro 3,332, respectively, relate to the estimate, made by the Board of Directors for liabilities associated with the investments made in the investment properties, for which the corresponding invoices have not yet been received.

33. Variations on Provisions and Impairment Losses

The movement in provisions and impairment losses, current and non-current, during the years ended 31 December 2023 and 2022 is made up as follows:

				2022
	Balance as of 31.12.2022	Increase/ decrease	Utilization and transfers	Balance as of 31.12.2023
Impairment losses on accounts receivable:				
Trade receivables (Note 16)	6,592	317	(519)	6,390
Other receivables (Note 17)	5,282	(344)	-	4,938
	11,874	(27)	(519)	11,328
Provisions for risks and expenses:				
Other risks and expenses	10,881	1,728	(2,082)	10,527
	22,755	1,701	(2,601)	21,855

The amount of kEuro 1,728 includes the following:

- kEuro 2,081 related to the reinforcement of the provision made to cover the risk on withholding tax on the distributions of dividends in Brazil.

Impairment losses on accounts receivable are deducted from the amount of the corresponding asset.

				2022
	Balance as of 31.12.2021	Increase/ decrease	Utilization and transfers	Balance as of 31.12.2022
Impairment losses on accounts receivable:				
Trade receivables (Note 16)	8,736	(1,294)	(850)	6,592
Other receivables (Note 17)	5,235	48	(1)	5,282
	13,971	(1,246)	(851)	11,874
Provisions for risks and expenses:				
Other risks and expenses	11,202	2,244	(2,565)	10,881
	25,173	998	(3,416)	22,755

34. Services Rendered

Services rendered for the years ended 31 December 2023 and 2022 are made up as follows:

	2023	2022
Services rendered:		
Fixed rents	25,336	22,593
Turnover rents	1,749	1,506
Mall income	2,213	1,962
Common charges	16,589	17,226
Service fees	81,306	72,153
Parking income	570	205
Other	1,472	1,659
	129,235	117,304

35. Variation in Fair Value of Investment Properties

The variation in fair value of the investment properties in 2023 and 2022 is made up as follows:

	2023	2022
Variation in fair value between years (Note 8):		
- Gains	8,533	-
- Losses	(2,985)	(3,544)
	5,548	(3,544)

36. Other Operating Revenue

Other operating revenue for the years ended 31 December 2023 and 2022 is made up as follows:

	2023	2022
Cogeneration	27	86
Development fees	2,561	1,311
Gain on sale of assets	1	1
Other	1,856	1,740
	4,445	3,138

37. Impairment Losses and Write-Off

The impairment losses and write-offs for the years ended 31 December 2023 and 2022 are the following:

	2023	2022
Impairment losses goodwill (Note 11)	1,642	-
Impairment losses in the investment properties under development (Note 8)	(1,150)	2,614
	492	2,614

The reversal of "Impairment losses in the investment properties under development" relates to the provision made to anticipate losses due to the delays on the development pipeline consequence of the market uncertainty.

38. Other Operating Expenses

Other operating expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	2023	2022
Property tax	2,045	2,015
Payment of the withholding tax re dividends	1,734	1,107
Exchange rate losses	246	385
Fines and penalties	64	9
Other	1,178	630
	5,267	**4,146**

39. Net Financial Results

Net financial results are made up as follows:

	2023	2022
Expenses:		
Interest expense	13,651	7 838
Stamp duty related to financing	16	36
Foreign currency exchange losses	278	1,850
Other	1 122	1,561
	15,067	11,285
Net financial expenses	(8,682)	(9,348)
	6,385	**1,937**
Income:		
Interest income	3,898	1,492
Foreign currency exchange gains	2,487	6
Other	-	439
	6,385	**1,937**

40. Gains and Losses on Investments

Gains and losses on investments are made up as follows:

	2023	2022
Gain on sale of Alverca	-	5,154
Gain on partial sale of ALLOS	2,908	-
Gain on sale of Serra Shopping	40	-
Gain on sale of Famalicão	-	846
Loss on partial sale of Living Markets (Note 6)	(21)	-
Gain on partial sale of BrightCity (Note 6)	168	-
Reversion of the translation reserve in BrMalls (Note 13)	(2,653)	-
Other	-	(4)
	442	**5,996**

41. Share of Results of Joint Ventures and Associates

Share of results of joint ventures and associates during the years ended 31 December 2023 and 2022, is detailed as follows:

	2023	2022
Share of profit of joint ventures (Note 4)	36,447	2,180
Share of profit of associates (Note 5)	72,593	31,051
Impairment losses on associates (Note 5)	(3,391)	(340)
	105,649	**32,891**

42. Assets Classified as Held For Sale

Following a promissory sale and purchase agreement signed in 2021, the Group has received during 2023 the amount of kEuro 14,000 as an advance payment for the sale of 74% of Torre Norte S.A. ("Torre Norte") (Note 31), that should occur during 2024. As such Torre Norte was classified as an asset held for sale.

The effect in the accounts is as follows:

	31.12.2023
Investment properties (Note 8)	(41,858)
Total non-current assets	(41,858)
Other current assets	(5,957)
Cash and cash equivalents	(703)
Total current assets	(6,660)
Assets classified as held for sale	48,518
Non current bank loans and other facilities	606
Other non-current liabilities	(176)
Total non-current liabilities	430
Other current liabilities	(4,063)
Total current liabilities	(4,046)
Liabilities directly associated with assets classified as held for sale	3,616

43. Operating Leases

In the operating leases where the Group is the lessor, the minimal lease payments (fixed rents) recorded during the years ended 31 December 2023 and 2022 amounted to kEuro 27,622 and kEuro 25,252 respectively (Note 34).

In addition, as of 31 December 2023 and 2022, the Group had, as lessor, operating lease contracts for which the minimal lease payments (fixed rent) are due as follows:

	31.12.23	31.12.22
Due in N+1	21,332	18,601
Due in N+2	17,310	14,577
Due in N+3	13,706	11,364
Due in N+4	9,564	8,547
Due in N+5	5,056	5,198
Due after N+5	6,322	6,294
Contracts automatically renewed	-	3
	73,290	64,584

44. Related Parties

Balances and transactions with related parties, during the years ended 31 December 2023 and 2022, in addition to the loans obtained from and payable to the shareholders mentioned in Notes 23 and 24, are detailed as follows:

Balances

	Accounts receivable		Accounts payable		Other liabilities	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Joint ventures and associates of Sonae Sierra	5,768	6,380	1,192	2,823	(3,081)	(1,477)
Sierra European Retail Real Estate Asset Fund LP Inc.	-	-	5,570	-	-	-
Subsidiairies, joint ventures and associates of Sonae SGPS, S.A.	718	434	9,745	7,077	449	(272)
	6,486	6,814	16,507	9,900	(2,632)	(1,749)

Transactions

	Sales and services rendered		Purchases and services obtained		Interest income		Interest expense	
	2023	2022	2023	2022	2023	2022	2023	2022
Joint ventures and associates of Sonae Sierra	48,867	44,818	1,195	2,989	1,085	955	-	-
Subsidiairies, joint ventures and associates of Sonae SGPS, S.A.	1,966	2,473	2,042	2,818	-	254	112	124
	50,833	47,291	3,237	5,807	1,085	1,209	112	124

The related parties include the joint ventures and associates of Sonae Sierra, as well as subsidiaries, joint ventures and associated companies of Sonae SGPS, S.A.

The remuneration of the Board of Directors, during the years ended 31 December 2023 and 2022, was as follows:

	2023	2022
Fixed remuneration	1,211	1,145
Variable remuneration	1,109	1,090
	2,320	2,235

The total fees invoiced by the statutory auditor, amounted to kEuro 494, which include the amount of kEuro 404 relating to review of accounts and the amount of kEuro 90 relating to reliability assurance and other services.

Additionally, the total fees invoiced by other companies from Deloitte, amounted to kEuro 518, which include the amount of kEuro 229 relating to review of accounts, the amount of kEuro 124 relating to reliability assurance and other services and the amount kEuro 165, relating to tax consulting.

45. Contingent Liabilities and Bank Guarantees

As of 31 December 2023 and 2022, the main contingent liabilities relate to the following situations:

- In 2023 the Group provided a comfort letter in favour of a bank, by which the Group guarantees in the proportion of its stake of 50%, the fulfilment of certain obligations of BrightCity, S.A. ("BrightCity") arising from the contract between BrightCity and the bank whereby the bank issued a bank guarantee of kEuro 493 in benefit of City Council of Chaves ("CCC").

- In 2023 the Group provided a comfort letter to the bank that granted the loan to Signal Alpha Republica I, SA ("Signal I") by which the Group guarantees in the proportion of its stake of 5% the fulfilment of certain obligations arising from the financing agreement signed on 14.07.2023.

- In 2023 the Group provided a comfort letter to the bank that granted the loan to Signal Alpha Republica II, SA ("Signal II") by which the Group guarantees in the proportion of its stake of 5% the fulfilment of certain obligations arising from the financing agreement signed on 14.07.2023.

- In 2020 the Group provided a comfort letter to the bank that granted the loan to Mercado Urbano – Gestão Imobiliária, S.A. ("Mercado Urbano") by which the Group guarantees in the proportion of its stake of 20% the fulfilment of certain obligations arising from the financing agreement signed on 31.01.2020.

- In 2020 the Group provided a comfort letter in favour of a bank, by which the Group guarantees in the proportion of its stake of 20%, the fulfilment of certain obligations of Mercado Urbano arising from the contract between Mercado Urbano and the bank whereby the bank issued a bank guarantee of kEuro 685 in benefit of City Council of Porto ("CCP") in order to secure the obligations assumed towards CCP under the surface right contract in force between the Mercado Urbano and CCP related to the surface right over Mercado do Bom Sucesso.

- In 2020 the Group agreed with the bank that granted the loan to Fideicomiso Jardin Plaza Cucuta, for the construction of the shopping centre Jardín Plaza Cúcuta, by which the Group guarantees in the proportion of its stake of 25% the fulfilment of certain obligations arising from this financing.

- Sonae Sierra, as the Mother Company of the Fiscal Unit was, in previous years, notified by the tax authorities regarding the deductibility of the interest incurred in several years; however, considering several judicial favourable decisions and following the judicial decision of the Administrative Supreme Court, according to which, it is only possible to use the "indirect method", foreseen in Order Nr. 7/2004 of 30 March, if the Tax Authority demonstrates that it is not possible to value the non-deductible interest by the "direct method", the Tax Authority has issued favourable rulings, resulting in cancellations of the additional amounts previously settled. However, for the years 2005 and 2008, the Company still waits for the court decisions. No provision was recorded because the Board of Directors understands that the risk of this contingency is unlikely.

At 31 December 2023 and 2022 the bank guarantees granted to third parties were as follows:

	31.12.23	31.12.22
Bank guarantees:		
relating to tax processes in course	854	1,683
Others	1,111	567
	1,965	**2,250**

During the year ended December 31, 2012, the subsidiary Sierra Investments SGPS, SA provided a guarantee in the amount of kEuro 8,316, to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, to suspend the effects of IRC process for the year 2008, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS".

During the year ended December 31, 2013, the subsidiary Sierra Investments SGPS, SA provided a guarantee in the amount of kEuro 943 to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, to suspend the effects of IRC process for the year 2010, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS". Following a judicial favourable decision, the Group required the cancelation of the guarantee in January 2022. The guarantee was cancelled in November 2023.

During the year ended December 31, 2015, the subsidiary Sierra Investments SGPS, SA provided a guarantee in the amount of kEuro 201, to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, to suspend the effects of IRC process for the year 2014, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS". The guarantee was cancelled in May 2023.

During the year ended December 31, 2021, the subsidiary Sierra Investments SGPS, SA provided a guarantee in the amount of kEuro 1,257, to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, to suspend the effects of IRC process for the year 2016, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS". In 2022, following the annulment of some of the corrections proposed, the guarantee was reduced to kEuro 32.

During the year ended December 31, 2022, the subsidiary Sierra Investments SGPS, SA provided a guarantee in the amount of kEuro 676, to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, to suspend the effects of IRC process for the year 2017, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS".

No provision has been made for any liability arising from the tax and legal processes mentioned above, as the Board of Directors believes that the corresponding risk is not probable.

46. Commitments Not Reflected on the Financial Statements

As part of the restructuring of the Sierra BV portfolio, which occurred in 2020, the ownership in the non-core assets was transferred to Sierra Retail Ventures BV (“SRV”) (which shareholders are the same that owned Sierra BV, before the restructuring). The commitments agreed in 2003 at the time of the sale of 49.9% of Sierra BV share capital to a group of Investors, were transferred to SRV. According to this agreement, Sonae Sierra has agreed to revise the sale price of such shares in the event of a sale, to third parties, of some of the shopping centres owned by subsidiaries of Sierra BV (now SRV) (subject to some conditions).

The price revision can occur both with a sale of the asset (investment property in the case) or with a sale of the shares of the company that is, directly or indirectly, the owner of such asset.

The price revision will be made by Sonae Sierra to the Investors in Sierra Fund or to SRV if, in a relevant sale, discounts related to deferred taxes on capital gains have been made.

The price revision will be dependent on the percentage of ownership in the company that owns the asset, the Investors’ ownership percentage in SRV (and in case of a sale of shares adjusted by a 50% discount) and is limited to:

(i) in the case of the asset sale, a maximum amount of kEuro 13,716;

(ii) in the case of a sale of shares of the company that directly or indirectly owns the asset, a maximum amount of kEuro 6,858;

(iii) in the case of a sale of shares of the company that directly or indirectly owns the asset, the price revision plus the selling price, cannot result in a revised price that is greater than the proportion of the Net Asset Value.

These commitments are valid while the current agreements with the other stockholders of SRV are maintained.

Furthermore, Sonae Sierra has the right to make a proposal for the acquisition of the asset or the shares at stake before they are offered for sale to a third party.

The agreements signed between the shareholders of Sierra BV, at the time of its incorporation in 2003, were replicated within SRV BV, with the agreements applying, mutatis mutandis, to SRV BV; in these it was agreed that the structure should exist for an initial period of 10 years, which was subsequently extended for several times. Correspondingly, the long-stop date was extended to 10 October 2024, as agreed by the shareholders of the Company on 5 September 2023, to implement the exit strategy for the investments indirectly held by the Company.

In accordance with the agreements made between the shareholders of the Company at the time of its incorporation in 2008, it was agreed that Sierra Portugal Fund should exist for an initial period of 10 years (that ended in March 2018), which was subsequently extended for several times. Correspondingly, the term of the fund was extended until 31 December 2024, as agreed by the shareholders of the Company on 2 June 2023, to allow the realization of the investments. If such realization is not achieved until such date, then investors shall reconsider an additional extension.

The Group believes that the direct sale of the asset is a less attractive solution as it is subject to certain liabilities that are not crystalized in the event of a sale of the shares.

On October 4, 2023, following the exercise of a put option related to a set of shares of the affiliated company ALLOS S.A. ("Company"), the Group entered into an agreement with the "Otto Entities" (collectively referred to as Mr. Alexander Otto, Arosa Vermögensverwaltungsgesellschaft M.B.H., and Cura Beteiligungsgesellschaft Brasilien M.B.H.), establishing an alternative mechanism with no transfer of Company” shares to the Otto Entities. In December 2023, a gain was registered following a payment made under the alternative agreement.

The alternative agreement stipulates a potential payment amount contingent upon the variability of the stock prices of the Company, consequently leading to a relevant level of unpredictability regarding the determination of its value or potential future economic benefits, as well as the likelihood of payment.

Concerning the alternative agreement, it was the Group's decision, given its considerable unpredictability, not to proceed with the measurement of any asset.

47. Dividends

Regarding the net Result of 2023 of Sonae Sierra, the Board of Directors proposes to transfer the total amount to reserves.

48. Earnings per Share

As of 31 December 2023 and 2022, basic earnings per share correspond to the net profit divided by the weighted average number of ordinary shares of Sonae Sierra during the year, and was computed as follows:

	2023	2022
Profit considered to compute the basic earnings per share (net profit of the year attributable to the equity holders of Sonae Sierra)	108,784	30,691
Number of shares	32,514,000	32,514,000
Earning per share (Euro)	**3.35**	**0.94**

Sonae Sierra has no potential diluted shares and, for that reason, the diluted earnings per share is similar to the basic earnings per share.

49. Segment Information

In accordance to the Management Report, the segments used by the Management of the Group are as follows:

- Europe
- Latin America

The Sonae Sierra's reportable segment information for the years ended 31 December 2023 and 2022, regarding the statement of profit or loss, can be detailed as follows:

	2023	2022
Net Operating Result		
Europe	72,965	61,456
Latin America	25,747	15,731
Consolidated[1]	**98,712**	**77,187**
Net financial costs	26,741	20,447
Direct profit before taxes	71,620	54,515
Indirect income before taxes	36,477	(15,671)
Corporate tax + Deferred tax	687	(8,153)
Net profit	**108,784**	**30,691**

(1) The reconciliation with the statutory accounts is presented on the following tables.

The reportable segment information can be reconciled with the enclosed financial statements as follows:

STATEMENT OF PROFIT OR LOSS	2023	2022
Net Operating Margin - segments	98,712	77,187
Equity method adjustment[1]	(73,917)	(57,859)
Proportional method adjustment[2]	(188)	(148)
Indirect Income:		
Variation in fair value of the investment properties	5,548	(3,544)
Gains realized on sale of investments	1	(1)
Other indirect income / costs	(2,520)	(2,214)
Impairment losses and write-off	(492)	(2,614)
Withholding taxes related to Interests and dividends	(1,734)	(1,107)
Negative goodwill recognised in "Share of results of joint ventures and associates"	415	257
Other operating expenses	(218)	(473)
Net Profit before interest and results from associated undertakings, as per Financial Statements	**25,607**	**9,484**
Net financial costs - segments	26,741	20,447
Equity method adjustment[1]	(17,825)	(10,554)
Proportional method adjustment[2]	(16)	(72)
Other operating expenses	(217)	(473)
(-) Finance income (-) Finance expenses as per Financial Statements	**8,683**	**9,348**
Corporate tax + Deferred Tax - segments	687	(8,153)
Equity method adjustment[1]	(3,082)	4,859
Proportional method adjustment[2]	(189)	2
Impairment/Reverse of Goodwill	5,033	-
Capital gain tax (Brazil)	-	(2,747)
Withholding taxes related to Interests and dividends	1,734	1,107
Income tax as per Financial Statements	**4,183**	**(4,932)**

(1) Joint ventures and associates are included in the statutory consolidated accounts by the equity method and in the management accounts by the proportionate method.
(2) The companies owned by the group by less than 100% and more that 50% are included in the management accounts by the proportionate method and in the statutory consolidated accounts are included by the full consolidation method.

STATEMENT OF FINANCIAL POSITION	31.12.2023	31.12.2022
Investment properties - segments	1,436,299	1,314,375
Equity method adjustment[1]	(1,113,816)	(996,368)
Goodwill[3]	(6 700)	(11,728)
Investment properties as per Financial Statements	**315,783**	**306,279**
Properties under development - segments	125,426	70,716
Equity method adjustment (1)	(57,271)	(35,224)
Proportional method adjustment (2)	(30)	845
Amounts booked as inventories in statutory	(14,988)	-
Assets held for sale	(41,858)	-
Investment properties under development as per Financial Statements	**11,279**	**36,337**
Cash and cash equivalents - segments	175,055	222,078
Equity method adjustment[1]	(85,563)	(96,948)
Proportional method adjustment[2]	2,991	3,700
Assets held for sale	(704)	-
Cash and cash equivalents as per Financial Statements	**91,779**	**128,830**
Bank loans - segments	592,037	589,982
Equity method adjustment[1]	(348,272)	(334,782)
Proportional method adjustment [2]	185	-
Financing costs	(2,065)	(1,899)
Debt - current and non-current as per Financial Statements	**241,885**	**253,301**

(1) Joint ventures and associates are included in the statutory consolidated accounts by the equity method and in the management accounts by the proportionate method.
(2) The companies owned by the group by less than 100% and more that 50% are included in the management accounts by the proportionate method and in the statutory consolidated accounts are included by the full consolidation method.
(3) The Investment segment consider the Goowdill under the caption "Investment Properties" and "Properties under development".

The average number of employees in 2023 and 2022, by business segment is detailed as follows:

	2023	2022
Europe	968	920
Latin America (*)	2	2
	970	**922**

(*) Brazil not included.

50. Indicators Reconciliation

In addition to the financial information prepared in accordance with the International Financial Reporting Standards (IFRS) the Group uses a number of indicators in the analysis of the performance and financial position, which are classified as Alternative Performance Indicators (APM) in accordance with the guidelines set by the European Securities and Markets Authority (ESMA).

These indicators, together with a reconciliation between the management accounts and the enclosed financial statements are presented below:

	2023	2022
Interest cover ratio(*)	3.4	3.3

(*) Interest cover ratio = (EBIT total - Current tax) / Net financial costs

Description in the Management Accounts	Amount in the Management Accounts 2023	Amount in the Management Accounts 2022	Statutory accounts description (Consolidated statements of financial position and Note 49-Segment information (*))	Reconciliation with Statutory Accounts 2023	Reconciliation with Statutory Accounts 2022
			Consolidated statements of profit or loss:		
			(+) Services rendered	129,235	117,304
			(+) Other operating revenue	4,445	3,138
			(-) External supplies and services	-45,945	-45,954
			(-) Personnel expenses	-56,907	-50,752
			(-) Depreciation and amortisation	-3,309	-2,950
			(-) Provisions and impairment	-1,701	-998
			(-) Other operating expenses	-5,267	-4,146
			Note 49[*]:		
			(+) Equity method adjustment[1]	73,917	57,859
			(-) Proportional method adjustment[2]	188	148
			(+) Other indirect income / costs[4]	2,520	2,214
			(+) Withholding taxes related to Interests and dividends[4]	1,734	1,107
			(-) Negative goodwill recognised in "Share of results of joint ventures and associates" in the Consolidated statements of profit or loss	-415	-257
			(+) Other operating expenses[4]	217	474
EBIT Total	**98,712**	**77,187**		**98,712**	**77,187**
			Consolidated statements of profit or loss:		
			(+) Income tax	-4,183	4,932
			Note 49[*]:		
Current tax[3]	8,731	9,866	(+) Equity method adjustment[1]	-3,082	4,859
Deferred tax	-9,418	-1,713	(-) Proportional method adjustment[2]	-189	2
			(+) Capital gain tax (Brazil)	0	-2,747
			(+) Withholding taxes related to Interests and dividends (4)	1,734	1,107
			(+) Others	5,033	0
Current tax + Deferred tax	**-687**	**8,153**		**-687**	**8,153**
			Consolidated statements of profit or loss:		
			(-) Finance income	-6,385	-1,937
			(+) Finance expenses	15,068	11,285
			Adjustments:		
			(+) Equity method adjustment[1]	17,825	10,554
			(-) Proportional method adjustment[2]	16	72
			(+) Withholding taxes related to Interests and dividends[4]	0	0
			(+) Other operating expenses[4]	217	473
			(+) Others		
Net financial costs	**26,741**	**20,447**		**26,741**	**20,447**

(*) Adjustaments presented in Note 49.
(1) Joint ventures and associates are included in the statutory consolidated accounts by the equity method and in the management accounts by the proportionate method.
(2) The companies owned by the group by less than 100% and more that 50% are included in the management accounts by the proportionate method and in the statutory consolidated accounts are included by the full consolidation method.
(3) In the statutory accounts the item "Income tax" includes the deferred tax.
(4) Amount included in item "Other operating expenses" in the Consolidated statements of profit or loss.

	31.12.2023	31.12.2022
Debt to assets ratio(*)	26.8%	26.8%

(*) Debt to assets ratio = (Bank loans-Cash & Equivalents) /(Investment properties+Properties under development - Goodwill)

Description in the management accounts	Amount in the Management Accounts 31.12.2023	Amount in the Management Accounts 31.12.2022	Statutory accounts description (Consolidated statements of financial position and Note 46-Segment information(*))	Reconciliation with Statutory Accounts 31.12.2023	Reconciliation with Statutory Accounts 31.12.2022
			Consolidated statements of financial position :		
			(+) Bank loans - net of current portion	148,232	46,470
			(+) Debentures loans - net of current portion	74,456	74,456
			(+) Current portion of long term bank loans	19,197	107,528
			(+) Current portion of long term debentures loans	0	24,846
			Note 49(*):		
			(+) Equity method adjustment(1)	348,272	334,782
			(-) Proportional method adjustment(2)	-185	0
			(+) Financing costs(4)	2,065	1,900
Bank loans	592,037	589,982		592,037	589,982
			Consolidated statements of financial position:		
			(-) Cash and bank deposits	91,779	128,830
			Note 49(*):		
			(+) Equity method adjustment(1)	85,563	96,948
			(-) Proportional method adjustment(2)	-2,991	-3,700
			(+) Assets held for sale (5)	704	0
Cash & Equivalents	175,055	222,078		175,055	222,078
			Consolidated statements of financial position:		
			(+) Investment properties	315,783	306,279
			Note 49(*):		
			(+) Equity method adjustment(1)	1,113,816	996,368
			(+) Goodwil(3)	6,700	11,728
Investment properties	1,436,299	1,314,375		1,436,299	1,314,375

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			Consolidated statements of financial position:		
			(+) Investment properties under development	11,279	36,337
			Note 49[*]:		
			(+) Equity method adjustment[1]	57,271	35,224
			(-) Proportional method adjustment[2]	30	-845
			(+) Inventories	14,988	0
			(+) Assets held for sale [5]	41,858	0
Properties under development	**125,426**	**70,716**		**125,426**	**70,716**

(*) Adjustaments presented in Note 49.
(1) Joint ventures and associates are included in the statutory consolidated accounts by the equity method and in the management accounts by the proportionate method.
(2) The companies owned by the group by less than 100% and more that 50% are included in the management accounts by the proportionate method and in the statutory consolidated accounts are included by the full consolidation method.
(3) In the management accounts the Goodwill is included in the lines "Investment properties" and "Properties under development". In the Consolidated statements of financial position the line "Goodwill" does not include none of these amounts (2022: kEuro 1,642) and the amount of kEuro 6,700 in "Investments in joint ventures and associates" (2022: kEuro 10,086).
(4) Amount inluded in the lines "Bank loans - net of current portion", "Debentures loans - net of current portion", "Current portion of long term bank loans" and "Current portion of long term debentures loans" of the Consolidated stetatements of financial position.

51. Subsequent Events

On the 4 January 2024, the Group conclude the acquisition of 3.64% of the vehicle CTT IMO YIELD - SIC Imobiliária Fechada, S.A.; this vehicle encompasses the retail assets of CTT's real estate portfolio, which consists of approximately 400 properties across Portugal.

52. Approval of the Financial Statements

The accompanying financial statements were approved by the Board of Directors and authorised for issuance on the 7 March of 2024. However, these financial statements are still depending on the approval by the Shareholders General Meeting, in accordance with business legislation prevailing in Portugal.

53. Note Added for Translation

This is a translation of financial statements originally issued in Portuguese in accordance with Portuguese Statutory requirements, some of which may not conform to or be required in other countries. In the event of discrepancies, the Portuguese language version prevails.

The Board of Directors

Separate Financial Statements

Statements of Financial Position as of 31 December 2023 and 2022

(Translation of the statement of financial position originally issued in Portuguese - Note 26)
(Amounts stated in thousands of Euros)

ASSETS	NOTES	31 DECEMBER 2023	31 DECEMBER 2022
NON-CURRENT ASSETS:			
Investments in group companies and associated companies	3	1,148,979	1,148 979
Derivatives	4	1,528	2,324
Total non current assets		**1,150,507**	**1,151,303**
CURRENT ASSETS:			
Loans to group companies	5	4,945	4,945
Other debtors	6	7,276	6,130
State and other public entities	7	272	125
Other current assets	8	792	289
Cash and cash equivalents	9	2,115	11,974
Total current assets		**15,400**	**23,463**
Total assets		**1,165,907**	**1,174,766**

EQUITY AND LIABILITIES	NOTES	31 DECEMBER 2023	31 DECEMBER 2022
EQUITY:			
Share capital	10	162,245	162,245
Legal reserve	10	57,329	57,329
Hedging reserve	10	1,204	1,801
Other reserves	10	271,107	52,926
Retained earnings	10	351,991	351,991
Net profit for the period	10	(6,701)	228,181
Total equity		**837,175**	**854,473**
LIABILITIES:			
NON CURRENT LIABILITIES:			
Debentures loans - net of current portion	11	74,456	74,456
Deferred tax liabilities	20	324	523
Total non current liabilities		**74,780**	**74,979**
CURRENT LIABILITIES:			
Current portion of long term debentures loans	11	-	24,846
Loans from Group companies	12	240,950	211,758
State and other public entities	7	14	63
Other payables	14	18	787
Other current liabilities	15	12,970	7,860
Total current liabilities		**253,952**	**245,314**
Total liabilities		**328,732**	**320,293**
Total equity and liabilities		**1,165,907**	**1,174,766**

The accompanying notes form an integral part of these statements of financial position as of 31 December 2023.

The Board of Directors

Statement of Profit and Loss for the Periods Ended 31 December 2023 and 2022

(Translation of the statement of profit and loss originally issued in Portuguese - Note 26)
(Amounts stated in thousands of Euros)

INCOME AND EXPENSES	NOTES	2022	2022
External supplies and services		(749)	(804)
Personnel expenses		(26)	(26)
Other operating income	16	2	686
Other operating expense	17	(79)	(78)
		(853)	**(222)**
Financial income	18	319	341
Financial expenses	18	(15,942)	(12,342)
Gains and losses on investments	18	6,520	239,196
Profit before income tax		**(9,955)**	**226,973**
Income tax	19	3,254	1,208
Profit after income tax		**(6,701)**	**228,181**
Net profit for the period		**(6,701)**	**228,181**

The accompanying notes form an integral part of this statement of profit and loss for the period ended 31 December 2023.

Consolidated Statements of Changes in Equity for the Periods Ended 31 December 2023 and 2022

(Translation of the statement of changes in equity originally issued in Portuguese - Note 26))
(Amounts stated in thousands of Euro)

	Notes	Share Capital	Legal Reserves	Hedging Reserve	Other reserves	Retained Earnings	Net profit/loss	Total
Balance as of 1 January 2022		162,245	57,329	-	52,926	240,376	126,897	639,773
Appropriation of net profit/loss for 2021		-	-	-	-	126,897	(126,897)	-
Changes in period:								
Increase/decrease on fair value of hedging instruments		-	-	2,324	-	-	-	2,324
Deferred tax related with the increase/ decrease on fair value of hedging instruments		-	-	(523)	-	-	-	(523)
		-	-	1,801	-	-	-	1,801
Net profit/Loss for the year							228,181	228,181
Comprehensive Income		-	-	1,801	-	-	228,181	229,982
Transactions with owners								
Dividends paid		-	-	-	-	(15,282)	-	(15,282)
Balance as of 31 December 2022		**162,245**	**57,329**	**1,801**	**52,926**	**351,991**	**228,181**	**854,473**
Balance as of 1 january 2023		**162,245**	**57,329**	**1,801**	**52,926**	**351,991**	**228,181**	**854,473**
Appropriation of net profit/loss for 2022	10	-	-	-	228,181	-	(228,181)	-
Changes in period:								
Increase/decrease on fair value of hedging instruments	4	-	-	(796)	-	-	-	(796)
Deferred tax related with the increase/ decrease on fair value of hedging instruments	4			199	-	-	-	199
		-	-	(597)	-	-	-	(597)
Net profit/Loss for the year	10	-	-				(6,701)	(6,701)
Comprehensive Income				(597)	-	-	(6,701)	(7,298)
Transactions with owners								
Free reserve paid		-	-	-	(10 000)	-	-	(10 000)
Balance as of 31 December 2023		**162,245**	**57,329**	**1,204**	**271,107**	**351,991**	**(6,701)**	**837,175**

The accompanying notes form an integral part of these statement of changes in equity for the period ended 31 December 2023.

The Board of Directors

Statement of Comprehensive Income for the Periods Ended 31 December 2023 and 2022

(Translation of the statement of comprehensive income originally issued in Portuguese - Note 26)
(Amounts stated in thousands of Euros)

	NOTES	2023	2022
Net profit for the period		(6,701)	228,181
Changes in the fair value of hedging instruments	4	(796)	2,324
Income tax related to components of other compreensive income	4	199	(523)
Other comprehensive income of the period		(597)	1,801
Total comprehensive income for the period		**(7,299)**	**229,982**

The accompanying notes form an integral part of these statements of compehensice income for the year ended 31 December 2023.

The Board of Directors

Statements of Cash Flows for the Periods Ended 31 December 2023 and 2022

(Translation of the statement of cash flow originally issued in Portuguese - Note 26)
(Amounts stated in thousands of Euros)

	NOTES	2023		2022	
CASH FLOW FROM OPERATING ACTIVITIES					
Payments to suppliers		(844)		(669)	
Payments to personel		(27)		(27)	
Cash flows generated from operations		(871)		(696)	
Payments/Receipts of income tax		1,124		2,919	
Other receipts/payments		(133)		547	
Cash flow from operating activities [1]			120		2,771
CASH FLOW FROM INVESTING ACTIVITIES					
Payments relating to:					
Loans granted to group companies	5	(19,124)		(2,945)	
Receips relating to:					
Loans granted to group companies		19,124		-	
Interest and similar income		113		297	
Dividends	18	6,520		239,196	
Cash flow from investing activities [2]			6,633		236,548
CASH FLOW FROM FINANCING ACTIVITIES					
Receips relating to:					
Loans obtained from group companies	12	482,690		1,097,702	
Loans obtained from other entities		-		100,000	
Payments relating to:					
Loans obtained from group companies	12	(453,498)		(1,441,126)	
Loans obtained from other entities	11	(25,000)		(125,000)	
Interest and similar expenses		(10,804)		(16,786)	
Dividends		-		(15,282)	
Free reserves	10	(10,000)		-	
Cash flow from financing activities [3]			16,612		(400,491)
Variation in cash and cash equivalents [4]=[1]+[2]+[3]			(9,859)		(161,172)
Effect of exchange differences					
Cash and Cash equivalents at the beginning of the year	9		11,974		173,146
Cash and Cash equivalents at the end of the year	9		2,115		11,974

The accompanying notes form an integral part of this statement of cash flows for the period ended 31 December 2023.

The Board of Directors

Sonae Sierra, SGPS, S.A. and Subsidiaries

Notes to the financial statements as of 31 December 2023

(Translation of notes originally issued in Portuguese – Note 26)

(Amounts stated in thousands of Euro - kEuro)

1. Introduction

SONAE SIERRA, S.G.P.S., S.A. ("the Company" or "Sonae Sierra"), has its head office in Lu-gar do Espido, Via Norte, Apartado 1197, 4471-909 Maia – Portugal, and its activity is holding and finance, group of companies operating in the management, development and investment of shopping centres business.

The financial statements are presented in Euro, the functional currency of the Company, as this is the currency of the primary economic environment in which the Company operates.

The Company has also prepared consolidated financial statements, which are separately pre-sented and properly show the financial position, the results and comprehensive income of its operations, changes in equity and cash flows of the Sonae Sierra Group.

The global economy has been facing several negative factors, which have resulted, particularly in the last two years, in high rates of inflation and a consequent increase in interest rates, with the expectation that the peaks have already been surpassed.

In February 2022, Russian forces entered Ukraine, creating a conflict situation. In October 2023, the Israel-Hamas war began, following the attack by the Islamic group Hamas on several parts of Israel.

The extent of these conflicts and their long-term implications, although unknown, occurred for volatility in global stock markets, high rates of inflation, rises in interest rates and delays in the supply of some goods. Furthermore, the heavy assessments imposed against Russia and the risk that a war could escalate and directly involve NATO countries also affect different economic activities as well as market sentiment.

The mentioned factors influence the real estate market, in this context of uncertainty and in-stability, those assessed warn of the need for investment property valuations to be monitored and reviewed.

It is the opinion of the Board of Directors that these financial statements adequately reflect the Company's operations, as well as its financial position and performance and cash flows.

2. Principal Accounting

The principal accounting policies adopted in preparing the accompanying financial statements are as follows:

2.1 Basis of preparation

The Board of Directors evaluated the Company's ability to operate on a continuous basis, based on all relevant information, facts and circumstances of a financial, commercial or other nature, including events subsequent to the future. As a result of the evaluation, the Board of Directors concluded that the Company has adequate resources to maintain its activities, with no intention of ceasing activities in the short term and considered it appropriate to use the assumption of continuity of operations preparation of the financial statements.

The accompanying financial statements have been prepared according to the International Fi-nancial Report Standards ("IFRS") and approved by the European Union, applicable to economic years beginning on 1 January 2023. These correspond to the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and inter-pretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC") and approved by the European Union.

The accompanying financial statements have been prepared on a going concern basis and in accordance with the accrual basis of accounting, maintained according to International Financial Reporting Standards, as approved by the European Union.

New accounting standards and their impact in these financial statements

Up to the date of approval of these financial statements, the European Union ("EU") endorsed the following standards, interpretations, amendments, and revisions with mandatory application to the economic year beginning on 1 January 2023:

Standards / Interpretations / Amendments / Revisions	Amendment	Applicable in the EU for the annual period beginning on or after
Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules	These amendments published by the IASB in May 2023 introduce a temporary exception to the requirements to recognise deferred taxes and disclose information about income taxes related to International Tax Reform - Pillar Two Model Rules, when used this exception must be disclosed.	01/jan/23
Amendments to IFRS 17 Insurance Contracts: Initial application of IFRS 17 and IFRS 9 – Comparative Information	These amendments published by the IASB in December 2021 introduce changes on what comparative data should be presented when an entity adopts both standards IFRS 17 and IFRS 9, simultaneously.	01/jan/23
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	These amendments published by the IASB in May 2021 clarify that an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.	01/jan/23
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies	These amendments published by the IASB in February 2021 require entities to disclose their material accounting policies rather than their significant accounting policies. The amendments define what is material accounting policy information' and explain how to identify when accounting policy information is material.	01/jan/23
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	These amendments published by the IASB in February 2021 change the definition of an accounting estimates to "monetary amounts in financial statements that are subject to measurement uncertainty".	01/jan/23
IFRS 17 Insurance Contract	Establishes the principles for the recognition, measurement, presentation, and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.	01/jan/23

The Company has applied these amendments for the first time in 2023 and there is no signifi-cant impact on the accounts resulting from their application.

Concerning the amendment to IAS 12 Income Tax: International Tax Reform - Pillar Two Model Rules, the exemption included therein was considered.

Up to the date of approval of these financial statements, the following standards, interpreta-tions, amendments, and revisions, with mandatory application in future reporting dates, have been endorsed by the European Union:

Standards / Interpretations / Amendments / Revisions	Amendment	Applicable in the EU for the annual period beginning on or after
Amendments to IAS 1 Presentation of Financial Statements - classification of Liabilities as Current or Non-current, deferral of effective date and, Non-current Liabilities with Covenants	These amendments published by the IASB clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. The amendment related to non-current liabilities with covenants clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. And finally postpone the effective date to 1 January 2024.	01/jan/24
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback	These amendments published by the IASB in September 2022 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.	01/jan/24

These standards and amendments, despite being endorsed by the European Union, have not been adopted by the Company in 2023 because their application is not yet mandatory. Nevertheless, no significant impacts are expected from their future adoption.

The following standards, interpretations, amendments, and revisions were issued by the IASB but have not yet been endorsed by the European Union:

Standards / Interpretations / Amendments / Revisions	Amendment	Applicable in the EU for the annual period beginning on or after
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	These amendments published by the IASB in August 2023 define the approach to assess if a currency is or is not exchangeable into another currency. When it is not exchangeable, specifies how to determine the exchange rate to use and the disclosures that need to be provided.	01/jan/25
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements	These amendments published by the IASB in May 2023 include additional disclosure requirements to provide qualitative and quantitative information about supplier finance arrangements.	01/jan/24

These standards and amendments have not yet been adopted ("endorsed") by the European Union and, as such, were not applied by the Company in the year ending 31 December 2023. Regarding these standards and amendments, issued by the IASB but not yet approved ("endorsed") by the European Union, it is not estimated that their future adoption will result in significant impacts on the attached financial statements.

2.2 Financial Investments

Financial investments in subsidiaries are recorded at acquisition cost less impairment losses. Impairment is assessed by comparing the cost of the investments with the corresponding Net Asset Value of the subsidiary company.

2.3 Financial assets and liabilities

Assets and liabilities are recognised in the statement of financial position when the Company becomes part of the corresponding contract.

Financial assets are initially recorded at their acquisition value, which is the fair value, including transaction costs, except for financial assets measured at fair value through profit and loss, where the transaction costs are immediately recorded in the profit and loss statement.

The Company derecognises financial assets when: (i) the contractual rights to cash flows ex-pire; (ii) it transfers to another entity the significant risks and benefits associated with owner-ship of the property or; (iii) despite having retained some, but not substantially the significant risks and benefits, has transferred the control over them.

The Company derecognises financial liabilities only when the corresponding obligation is settled, cancelled or expires.

Financial assets are classified into the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income (FVTOCI) or through profit or loss (FVTPL), and
- those to be measured at amortised cost.

Financial assets measured subsequently at fair value include mainly derivative financial instru-ments. The subsequent measurement of these financial assets is carried at fair value and rec-orded in the statement of changes in equity if they qualify for hedge accounting purposes. If they do not qualify for hedge accounting purposes, the fair value of these financial assets is recorded in the statement of profit or loss.

Financial assets subsequently measured at amortised cost are those generated during normal operations of the Company, for which there is no intention to negotiate. Classified in this cate-gory are the accounts receivable and other receivables, loans to third parties and bank deposits. The subsequent measurement of these financial assets is carried at amortised cost in accord-ance with the effective interest method.

Financial liabilities are classified into the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL), and
- those to be measured at amortised cost.

Financial liabilities measured at fair value include mainly derivative financial instruments. The subsequent measurement of these financial liabilities is carried at fair value and recorded in the statement of changes in equity if they qualify for hedge accounting purposes. If they do not qualify for hedge accounting purposes, the fair value of these financial liabilities is recorded in the statement of profit and loss.

Other financial liabilities correspond to other financial liabilities which are not classified in the former category. In this category are classified bank loans and other current liabilities, including shareholders and accounts payable and other payables. The subsequent measurement of these financial liabilities is carried at amortised cost, in accordance with the effective interest method.

a) Loans granted to Group companies
Loans granted to Group companies are recorded as assets at amortised cost which usually do not differ from the nominal value.

Financial income with interest received is recorded in the profit and loss statement on an accru-al's basis. The amounts due and not received at the statement of financial position date are recorded under the caption "Other current assets".

b) Other debtors
Other debts receivable is recorded at amortised cost less any eventual impairment losses. Usually, the amortised cost of these financial assets does not usually differ from its nominal value.

c) Loans obtained
Loans obtained are stated as liabilities at amortised cost.

Any expenses incurred in obtaining such financing, usually paid in advance on issue, namely the bank fees and stamp duty as well as interest expenses and similar expenses, are recognised using the effective interest method in the results of the year, over lifetime of such financing. These expenses incurred are deducted from the caption "Bank loans".

Financial expenses with interest expenses and similar expenses (namely stamp tax), are rec-orded in the statement of profit and loss on an accrual basis of accounting. The amounts due and not paid at the statement of financial position date are recorded under the caption "Other current liabilities".

d) Other payables
Other payables are stated at amortised cost. Usually, the amortised cost of these liabilities does not differ from its nominal value.

e) Cash and cash equivalents
The amounts under caption "Cash and cash equivalents" includes cash on hand, cash at banks on demand and other treasury applications which mature in less than three months that are subject to insignificant risk of change in value.

These assets are measured at amortised cost. Usually, the amortised cost of these financial assets does not differ from its nominal value.

For purposes of the statement of cash flows, "Cash and cash equivalents" also include bank overdrafts, which are included in the statement of financial position under caption "Other loans".

2.4 Provisions

Provisions are recognised when, and only when, the Company has an obligation (legal or implicit) resulting from a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed and adjusted at the reporting date in order to reflect the best estimate as of that date.

Provisions for restructuring expenses are recognised by the Company when there is a formal and detailed restructuring plan and that such plan has been communicated to the involved parties.

2.5 Contingent assets and liabilities

Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes (Note 23), unless the possibility of an outflow of resources affecting economic benefits is remote.

A contingent asset is not recognized in the financial statements but disclosed in the notes when an inflow of economic benefits is probable.

2.6 Income tax

Income tax represents the sum of the tax based on the taxable results of the Company and the deferred taxes.

Current income tax is determined based on the taxable result of the Company (which are dif-ferent from accounting results), in accordance with the tax rules in force where its head office is located.

Deferred taxes are calculated using the financial position liability method, reflecting the net tax effects of temporary differences between the carrying amounts of assets and liabilities for fi-nancial reporting purposes and the amounts used for income tax purposes.

Deferred tax assets and liabilities are not recognised when the corresponding temporary differ-ences arise from goodwill or from the initial recognition of assets and liabilities other than in a business combination.

Deferred tax assets and liabilities are calculated and evaluated annually at the tax rates ex-pected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially issued at the statement of financial position date.

Deferred tax assets are recognised only when it is probable that sufficient taxable profits will be available against which the deferred tax assets can be utilised. At the statement of financial position date, a review is made of the deferred tax assets and they are reduced whenever their future use is no longer probable.

Deferred tax assets and liabilities are recorded in the statement of profit and loss, except if they relate to items directly recorded in equity captions. In these situations, the corresponding deferred tax is also recorded under the same caption.

2.7 Statement of financial position classification

Assets and liabilities due in more than one year from the date of the statement of financial position are classified as non-current assets and liabilities, respectively.

2.8 Revenue recognition and accrual basis

The dividends are recognised as gains in the year they are assigned by the shareholders.

The income and expenses are recognised in the year to which they relate, regardless of the date of payment or receipt (accrual basis of accounting). The income and expenses for which actual amounts are not known are estimated.

Under the captions "Other current assets" and "Other current liabilities" are recorded income and expenses attributable to the current year, which settlement or receipt will only occur in future years, as well as amounts paid and received that have occurred on the date of the statement of financial position, but which relate to future periods, and that will be charged to the profit and loss of the corresponding year

2.9 Balances and transactions expressed in foreign currency

Transactions in currencies other than Euro are recorded at the exchange rates prevailing on the transaction date.

At each reporting date, all monetary assets and liabilities expressed in foreign currencies are translated to Euro using the closing exchange rates as of that date.

Exchange gains or losses, arising from differences between exchange rates effective at the date of transaction and those prevailing at the date of collection, payment or at the reporting date, are recorded as income or expenses in the statement of profit and loss.

2.10 Risk management policies

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to min-imise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department of the Group Sonae Sierra, under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk.

a) Foreign exchange risk

The activity of the Company is developed inside Portugal and consequently the majority of the company's transactions are maintained in the same currency of the country. The policy to cover this specific risk is to avoid, if possible, the contracting of services in foreign currency.

b) Liquidity risk

The needs of treasury are managed by the financial department of Sonae Sierra which with an opportune and adequate form manages the surplus and deficits of liquidity of each company of the Group. The occasional needs of liquidity are covered by an adequate control of the accounts receivables and by the maintenance of adequate limits of credit settled by the Company with banking entities.

c) Interest rate risk

The Company's income and operating cash-flows are influenced by changes in market interest rates, since its cash and cash equivalents and intragroup financing granted are dependent on the evolution of the interest rates in Euro which, historically, have little volatility.

On long-term financing, and as a way to mitigate the changes in the long-term interest rates, the Company's contracts, in some cases, hedge instruments ("swaps", "zero cost collars" or "caps").

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivatives and non-derivative instruments in place during the reporting period. For floating rate assets and liabilities, the analysis is prepared based on the following assumptions:

- Changes in market interest rates affect the interest income or expense of floating rate interest financial instruments and, in the case of fixed rates that were contracted during the period of analysis, changes in the interest rates also affect the latter;

- Changes in market interest rates only affect interest income or expense in relation to financial instruments with fixed interests rates if these are recognize at their fair value. As such, all financial instruments with fixed interest rates that are carried at amortised cost are not subject to interest rate risk, as defined in IFRS 7;

- In the case of fair value hedges designed for hedging interest rate risks, when the changes in the fair values of the hedged item and the hedging instrument attributable to interest rate movements are offset almost completely in the income statement in the same period, these financial instruments are also not exposed to interest rate risk;

- Changes in market interest rates affect the fair value of derivatives designated as hedging instruments;

- The fair value of derivative financial instruments ("swaps", "zero cost collars" or "caps") and other financial assets and liabilities is estimated by discounting the future cash flows to their net present values, using appropriate market rates prevailing at yearend and assuming a parallel shift in yield curves;

- For the purposes of this sensitivity analysis, such analysis is performed based on all financial instruments outstanding during the relevant year.

Sensitivity analyses are performed by changing one variable while maintaining all other variables unchanged. Nonetheless, this is a restrictive and highly unlikely assumption, since varia-bles tend to be correlated.

If the interest rate changed by +100 basis points (based on the 2022 and 2023 values as a reference) and all variables remained constant, an assumption unlikely to occur given the correlation of interest rates with other variables, the impact on the Company's financial statements would be as follows. In the current context, the impacts of negative interest rate variations are not calculated. In the current context of 2023, impacts of negative variations in the interest rate are calculated, derived from market stability.

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	31.12.2023		31.12.2021	
	+ 1,00 b.p.	- 1,00 b.p.	+ 1,00 b.p.	- 1,00 b.p.
Net Profit(1)	(2,170)	2,170	(3,015)	n.a.
Other reserves(2)	635	(475)	810	n.a.

(1) This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.
(2) This is mainly attributable to fair value changes of derivative hedging instruments.

2.11 Judgments and estimates

In the preparation of the accompanying financial statements estimates were used which affect-ing the assets and liabilities and also the amounts booked as income and expenses during the reporting period.

The estimates were calculated using the best information available, at the date of approval of the financial statements, of the events and transactions in course and of the experience from current and/or past events. However, events may occur in subsequent periods that were not anticipated as of the date of these statements and consequently were not included in those estimates. Changes in the estimates after the closing of the consolidated financial statements will be booked on the subsequent year, as defined in IAS 8.

The main assumptions used by the Company on its estimates are measurement at fair value, regarding to derivatives, as follows:

a) Derivatives
Derivatives are usually used by the Company to hedge cash flows and basically consist of interest rate swaps ("Interest Rate Swap") and "Zero Cost Collars". The determination of the fair value of this derivative is, at the end of each financial year, carried out by external evaluators (usually by the entity with which the derivative financial instrument was contracted). The fair value determined by these entities is also tested internally, to revalidate the valuation by these third parties.

The main assumptions used by the Company on its estimates are disclosed on the correspond-ing note.

2.12 Subsequent Events

Events occurred after the reporting date that provide additional information about conditions that existed at these statements of financial position date (adjusting events) are reflected in financial statements. Events occurred after the reporting date that provide information on con-ditions that occur after the reporting date (non-adjusting events) are disclosed in the financial statements, if materially significant.

3. Investments in Group Companies

As of 31 December 2023 and 2022, the Company held the following participations in group companies:

	Percentage of share capital held	Equity	Net profit	Book value	Book value
COMPANY	31.12.2023				31.12.2022
Sierra Developments, S.G.P.S., S.A.	100.00%	1,190,314	8,638	1,142,429	1,142,429
Sierra Management, S.G.P.S., S.A.	100.00%	8,047	214	6,550	6,550
				1,148,979	1,148,979

4. Derivatives

As of 31 December 2023 and 2022, derivatives were made up as follows::

	31.12.2023	31.12.2022
Fair value of financial instruments derivates	1,528	2,324
	1,528	2,324

The derivatives used by the Company, remaining on 31 December 2023, regard to "Interest Rate Swap".

The main characteristics of these financial instruments are as follows:

Bank: BPI
Amount: 25,000,000 Euros
Fixed rate: 0.828%
Start on: 18/March/2022
Maturity: 18/March/2027

The financial flows of this instrument are carried out every six months and coincide with the loan's payment dates. This financial instrument was hired for a period starting on 18 March 2022 and ending on 18 March 2027, and the amount of capital on which this financial instrument is charged "covers" 100% of the outstanding capital of the bank financing debt. For this reason, it was understood that it qualifies for hedge accounting purposes.

The fair value of derivatives was, at the balance sheet date, determined by valuation carried out by the bank entity with which the derivative was hired. The determination of the fair value of this financial instrument was based on updating future cash flows corresponding to the differ-ence between the interest rate payable by the Company to the derivative counterparty and the variable interest rate to be received by the Company of the counterparty of the derivative and this variable interest rate corresponds to the indexing interest rate contracted with the entity that granted the financing. Additionally, the Group's treasury department carried out tests of the fair value of this derivative financial instrument, in order to validate the fair value deter-mined by that entity.

The fair value of this financial instrument was recorded under assets as a debit under the cap-tion "Derivative financial instruments" against the caption "Hedge reserves" in equity, as it complies with the rules defined for hedge accounting purposes, having been considered also the effect of associated deferred taxes, the amount of which at 31 December 2023 amounted to kEuro 324.

5. Loans to Group Companies

As of 31 December 2023 and 2022, loans to group companies were made up as follows:

	31.12.2023	31.12.2022	MATURITY
Current			
Sierra Portugal, S.A.	4,945	4,945	April 2024
	4,,945	4,945	

The amount recorded under the caption as current refer to the loan granted to Sierra Portugal, S.A. with a maturity of less than 1 year, which bear interest at market interest rates.

6. Other Receivables

As of 31 December 2023 and 2022, other receivables were made up as follows:

	31.12.2023	3.12.2022
Tax Consolidation Regime (Notes 7 and 20):		
Sonae, SGPS, S.A.	3,447	-
Sierra Investments, SGPS, S.A.	-	529
Sierra Developments, SGPS, S.A.	-	1,240
Sierra Portugal, S.A.	-	218
Sierra Management, SGPS, S.A.	-	36
ARP Alverca Reatil Park, S.A.	-	-
Paracentro - Gestão, Projetos e Consultoria, S.A.	-	137
BrightCity, S.A.	-	1
Sierra IG, SGOIC, S.A.	-	59
Insurance prepayment	97	169
Other debtors:		
Other debtors	10	10
Tax to recovered (amount paid under tax debts exceptional payment regime - "RERD")	3,707	3,707
Others claimed taxes	15	24
	7,276	6,130

The ageing of the other receivables is as follows:

	31.12.2023	31.12.2022
Short term:		
Not due	3,447	2,220
0-90 days	107	188
+ 360 days	3,722	3,722
	7,276	6,130

The amount of kEuro 3,707 relates to the payment made in 2013 by the Company within the Special Tax Debts Payment Regime ("RERD") established by the Portuguese government in the law approved in October 2013 (Law 151-A/2013) by which the entities that pay the tax notifica-tions will be exempt of the payment of interests and penalties; this amount relates to corrections of the 2005 CIT due to: (i) non-deductible interest expenses amounting kEuro 378; and (ii) corrections concerning the price adjustment related with the sale of shares of Cascaishopping in 1996 amounting to kEuro 3,329. The Company contested the tax notifications received and did not record any impairment loss to face eventual losses on those amounts, as the Board of Directors believes that the result will be favourable to the Company (Note 22).

7. State and other Public Entities

According to current legislation, the fiscal declarations of Portuguese companies are subject to a revision and correction by the tax authorities within the period of four years (five years for the Social Security), exception made when fiscal losses have occurred, fiscal incentives have been conceded or tax auditing or claims are in course. In those cases, depending on circumstances, the due dates can be extended or suspended. Therefore, the Company's tax returns for the years 2020 to 2023 may still be subject to review.

The Board of Directors considers that any eventual modification to the fiscal declarations will not have a significant impact on the financial statements as of 31 December 2023.

Under the terms of Article 88 of the Corporate Income Tax Code, the companies are subject to autonomous taxes on a series of charges of the rates established in this article.

In the 2022 financial year, the Company is taxed for income tax purposes under the tax consolidation regime ("Regime Especial de Tributação dos Grupos de Sociedades" - RETGS), being the consolidated taxable income of the companies included in it, calculated at the level of Sonae Sierra as "mother company" of the group. Anyway, each company included in RETGS computes and records at its individual level its separate estimate of current income tax by credit or debit of an account receivable from or payable to Sonae Sierra.

The companies included in the RETGS are the following:

- CCCB Caldas da Rainha - Centro Comercial, S.A.,
- Paracentro - Gestão, Projetos e Consultoria, S.A.
- Sierra Developments S.G.P.S., S.A.,
- Sierra Investments S.G.P.S., S.A.,
- Sierra Management S.G.P.S., S.A.,
- Sierra Portugal, S.A.,
- BrightCity, S.A. and
- Living Markets I, S.A.
- Sierra IG, SGOIC, S.A..

In the 2023 financial year, the Company is taxed for income tax under the tax consolidation regime ("Regime Especial de Tributação dos Grupos de Sociedades" – RETGS), dominated by SONAE SGPS, S.A as "mother company" of the group. In this result, its income tax estimate was calculated individually, considering, however, the tax effects, such as the use of individually calculated tax losses, arising from the fact that the Company is covered by the RETGS. On the other hand, the estimated income taxes and withholding tax financial flows were also transferred to the dominant company.

As of 31 December 2023 and 2022, state and other public entities was made up as follows:

	31.12.2023		31.12.2022	
	Asset	Liability	Asset	Liability
Income tax				
Special payments on account	7	-	(3)	-
Additional payments on account	-	-	266	-
Estimate of current income tax	-	-	(258)	-
Withholding tax	-	-	68	-
Adjustment to income tax of previous years	265	-	52	-
	272	-	125	-
Income taxes retained - wages	-	7	-	56
Social security contributions		7	-	7
	-	14	-	63

Income tax is detailed as follows:

	31.12.2023	31.12.2022
Estimate of current income tax - Company (Note 19)	(3,447)	(1,779)
Estimate of current income tax - RETGS (Notes 6 and 14)	3,447	1,452
Withholding taxes / Payments on account	7	331
	7	4

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8. Other Current Assets

As of 31 December 2023 and 2022, other current assets were made up as follows:

	31.12.2023	31.12.2022
Interest receivable:		
Sierra Portugal, S.A.	281	74
Bank	236	66
Recovery cost to invoice	4	-
Financing costs prepayment	8	14
Insurance prepayment	263	135
	792	289

On December 31, 2023 and 2022, the amounts of kEuro 281 and kEuro 74, respectively, correspond to interest on financial operations granted to Sierra Portugal, S.A.

On December 31, 2023 and 2022, the amounts of kEuro 236 and kEuro 66, respectively, correspond to interest on financial instruments derivatives (Note 4).

9. Cash and Cash Equivalents

As of 31 December 2023 and 2022, cash and cash equivalents were made up as follows:

	31.12.2023	31.12.2022
Petty cash	1	1
Bank deposits payable on demand	2,114	11,973
Total cash and bank deposits	**2,115**	**1,974**

10. Capital

Share capital

At of 31 December 2023 the share capital was made up of 32,514,000 fully subscribed and paid up ordinary shares of Euro 4.99 each.

The following entities own the share capital on December 31, 2023 and 2022:

Entity	2023	2022
Sonae, SGPS, S.A.	100%	90%
Grosvenor Investments, (Portugal), Sarl	-	10%
	100%	100%

On March 15, 2023, Sonae S.G.P.S., S.A. acquired from Grosvenor Investments, (Portugal), Sarl, the remaining 10% of Sonae Sierra S.G.P.S., S.A., becoming the holder of 100% of Sonae Sierra S.G.P.S., S.A..

Legal reserve

According to article 295 of the Commercial Companies Code, at least 5% of the annual net profit, if positive, must be allocated to strengthening the legal reserve until it represents 20% of the capital. This reserve is not distributable except in the event of the company's liquidation, but it can be used to absorb losses after other reserves have been exhausted or incorporated into capital. As of December 31, 2023 and 2022, the legal reserve is fully constituted.

Application of net profit

Following the Shareholders General Meeting deliberation, dated March 24, 2023, the net result of 2022 had the following application:

Free Reserves	228,181
	228,181

Additionally, at the Extraordinary General Meeting on September 4, 2023, it was decided to distribute free reserves to shareholders, allocated to the retained earnings, in the amount of kEuro 10,000.

In accordance with current legislation in Portugal, income and other positive changes in equity recognized as a result of the change in the equity method are only relevant to be distributed to shareholders when they are realized. As of 31 December 2023, the Company did not recognize any amount of this nature, so there is no amount that qualifies as non-distributable.

Net profit of the period

Regarding the amount of Euro 6,701,235.88 of net losses for the year ended in 2023, the Board of Directors proposes for approval at the General Meeting its application in retained earnings.

11. Bond Loans

As of 31 December 2023 and 2022, bond loans were made up as follows:

	31.12.2023			31.12.2022			
		Used amount			Used amount		
	Limit	Current	Non current	Limit	Current	Non current	Reimbursement plan
Bond loan:							
"SONAE SIERRA JANEIRO 2023"	25,000	-	-	25,000	25,000	-	January 2023
"SONAE SIERRA – SUSTAINABILITY-LINKED BONDS 2022-2029"	50,000	-	50,000	50,000	-	50,000	January 2029
"SONAE SIERRA 2022-2027 – SUSTAINABILITY-LINKED BONDS"	25,000	-	25,000	25,000	-	25,000	March 2027
Total Bond Loan		-	75,000		25,000	75,000	
Defered financing cost incurred on the issuance of the bond loan			(544)		(154)	(544)	
		-	74,456		24,846	74,456	

The principal conditions associated to these bond loans are as follows:

"€25,000,000 SONAE SIERRA JANEIRO 2023"

- 250 bonds: Nominal value: Euro 100,000;
- Maximum term: 5 years;
- Interest Payment: Semi-annually in arrears, on 25 January and 25 July of each year;
- Reimbursement: Reimbursement will be made at par, on the date of payment of the last coupon, i.e., on 25 January 2023.

On January 25, 2023, the Company liquidated the bond loan "SONAE SIERRA JANEIRO 2023" issued in 2022.

"SONAE SIERRA - SUSTAINABILITY-LINKED BONDS 2022-2029"

- 500 bonds: Nominal value: Euro 100,000;
- Maximum term: 7 years;
- Interest Payment: Semi-annually in arrears, on 25 January and 25 July of each year;
- Reimbursement: Reimbursement will be made in three equal and successive annual reimbursements, from the 10th interest payment date (inclusive), i.e., 25 January 2027, always on a date that coincides with the interest payment date.

"SONAE SIERRA 2022-2027 SUSTAINABILITY-LINKED BOND"

- 250 bonds: Nominal value: Euro 100,000;
- Maximum term: 5 years;
- Interest Payment: Semi-annually in arrears, on 18 March and 18 September of each year;
- Reimbursement: Reimbursement will be made at par, on the date of payment of the last coupon, i.e., on 18 March 2027.

At 31 December 2023 and 2022, loans and the respective interests are repayable as follows:

	31.12.2023		31.12.2022	
	Repayment	Interest	Repayment	Interest
N+1	-	4,704	25,000	3,297
N+2	-	4,684	-	3,556
N+3	-	4,701	-	3,547
N+4	41,667	3,392	-	3,561
N+5	16,667	1,597	41,667	2,654
> 5	16,666	536	33,333	1,785
	75,000	**19,614**	**100,000**	**18,400**

12. Loans from Group Companies

As of 31 December 2023 and 2022, loans from group companies were made up as follows:

	31-12-2023	31-12-2022
Current		
Sierra Investments, S.G.P.S., S.A.	76,265	57,459
Sierra Management, S.G.P.S., S.A.	5,635	5,550
Sierra Developments, S.G.P.S., S.A.	159,050	148,749
	240,950	**211,758**

The amounts payable refers to loans obtained from group companies, 100% held directly or indirectly, for less than one-year, with annual renewal option. These loans bear interests at market interest rates.

13. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

	01.01.2023	Financing cash flows	31.12.2023	01.01.2022	Financing cash flows	31.12.2022
Debentures loans	100,000	(25,000)	75,000	90,000	10,000	100,000
Bank loans	-	-	-	35,000	(35,000)	-
Loans from related parties	211,758	29,192	240,950	555,182	(343,424)	211,758
	311,758	4,192	315,950	680,182	(368,424)	311,758

14. Other Payables

As of 31 December 2023 and 2022, other payables were made up as follows:

	31.12.2023	31.12.2022
Tax consolidation regime (Note 7 and 20):		
Sierra Portugal, S.A.	-	374
CCCB Caldas da Rainha - Centro Comercial, S.A.	2	2
Sierra Developments, S.G.P.S., S.A.	-	194
Sierra Investments, S.G.P.S., S.A.	-	73
BrightCity, S.A.	-	86
Living Markets I, S.A.	-	38
Services rendered by third parties:		
Parque de Famalicão - Empreendimentos Imobiliários, S.A.	-	2
Other	16	18
	18	787

The amounts reported above have the following repayment plan:

	31.12.2023	31.12.2022
Current		
0-90 days	3	13
90-180 days	15	774
	18	787

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15. Other Current Liabilities

As of 31 December 2023 and 2022, other current liabilities were made up as follows:

	31.12.2023	31.12.2022
Interest payable (Note 20):		
Sierra Investments, S.G.P.S., S.A.	2,555	1,283
Sierra Management, S.G.P.S., S.A.	77	55
Sierra Developments, S.G.P.S., S.A.	8,337	5,009
Loans obtained from other entities	1,834	1,204
Financing cost payable	91	195
Services rendered by third parties	64	102
Committees of guarantees (Note 20):		
Sierra Investments, S.G.P.S., S.A.	12	12
	12,970	7,860

16. Other Operating Revenue

Other operating income for the years ended 31 December 2023 and 2022 is made up as follows:

	2023	2022
Recovery of costs	2	686
	2	686

17. Other Operating Expenses

Other operating expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	2023	2022
VAT	20	20
Stamp duty	-	4
Penalties for delayed payments and other related	58	53
Cancellation of Balances	-	1
	79	78

18. Net Financial Results and Net Income from Investments

Net financial results are made up as follows:

	2023	2022
Expenses:		
Interests on loans obtained from group companies (Note 20)	11,678	8,021
Interests on bond loans	4,100	2,436
Interests on bank loans	-	445
Interests related to hedging derivatives	(449)	91
Stamp duty related to financing	16	36
Bank charges	467	1 134
Guarantees - Sierra Invetments S.G.P.S., S.A. (Note 20)	130	179
	15,942	12,342
Income:		
Interest income (Note 20)	319	341
	319	341
Net financial expenses	(15,623)	(12,001)

Gains and losses on investments are made up as follows:

	2023	2022
Dividends (Note 20)	6,520	239,196
	6,520	**239,196**

On December 31, 2023, the amount of 6,520 kEuro recorded under the heading "Dividends" refers to dividends attributed and received from the subsidiaries Sierra Developments, S.G.P.S., S.A. and Sierra Management, S.G.P.S., S.A., in the amounts of 6,395 kEuro and 125 kEuro, respectively (Note 20).

19. Income Tax

Income tax for the years ended 31 December 2023 and 2022 are made up as follows:

	2023	2022
Current income tax (Note 7)	(3,447)	(1,779)
Correction of current income tax estimate of previous year	(99)	-
Correction of current income tax estimate of previous year	292	571
	(3,254)	**(1,208)**

As a result of the changes introduced by Law No. 82-B/2014 of December 31, which amended article 87 of the Income Tax Code, since 2015, the corporate income tax rate set to be 21%.

Regarding additional taxation in terms of corporate income tax, article 87-A of the Income Tax Code, taxation remains at 3% for entities with a taxable profit between 1,500 mEuro and 7,500 mEuro, 5% for entities with a taxable profit between 7,500 mEuro and 35,000 mEuro and 9% for entities with a taxable profit exceeding 35,000 mEuro.

The reconciliation between tax expense and the accounting profit multiplied by the applicable tax rate is as follows:

	2023	2021
Result before income tax	(9,955)	226,973
Expenses not accepted for income tax purposes:		
Other	350	604
Non taxable income:		
Dividends (Note 18)	(6,520)	(239,196)
Other	(99)	-
Taxable profit/loss	(16,224)	(11,619)
Effect of different income tax rates in other countries	-	-
	(16,224)	(11;619)
Income tax rate in Portugal	21.00%	21.00%
	(3,407)	(2,440)
Deferred income tax not recognized	3,407	2,440
Regularization of the consolidated tax estimate	(3,447)	(1,779)
Excess of tax estimate	(99)	-
Insuficiency of tax estimate	292	571
	(3,254)	**(1,208)**

20. Related Parties

Balances and transactions that existed with related parties, during the years ended 31 December 2023 and 2022, beyond the loans granted and obtained to/from the group companies men-tioned in Notes 5 and 12, are detailed as follows:

Balances

	Other receivables (Note 6)		Other payables (Note 14)		Other current assets/liabilities (Notes 8 and 15)	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Sierra Portugal, S.A.	-	218	-	374	281	74
Parque de Famalicão - Empreendimentos Imobiliários, S.A.	-	-	-	2	-	-
Paracentro - Gestão, Projetos e Consultoria, S.A.	-	137	-	-	-	-
Sonae SGPS, SA	3,447	-	-	-	-	-
Sierra Investments, S.G.P.S., S.A.	-	529	-	73	(2,567)	(1,295)
Sierra Developments, S.G.P.S., S.A.	-	1,240	-	194	(8,337)	(5,009)
Sierra Management, S.G.P.S., S.A.	-	36	-	-	(77)	(55)
CCCB Caldas da Rainha - Centro Comercial, S.A.	-	-	2	2	-	-
Sonae MC - Serviços Partilhados, SA	-	-	-	2	-	-
MDS - Corretor de Seguros, SA	97	169	-	-	-	-
BrightCity, S.A.	-	1	-	86	-	-
Living Markets I, S.A.	-	-	-	38	-	-
Sierra IG, SGOIC, S.A.	-	59	-	-	-	-
	3,544	2,389	2	771	(10,700)	(6,285)

Transactions

	Gains and losses on investments (Note 18)		Interest income (Note 18)		Interest expense (Note 18)	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Sierra Portugal, S.A.	-	-	317	87	-	-
Sonae SGPS, SA	-	-	-	254	-	-
Sierra Investments, S.G.P.S., S.A.	-	-	-	-	3,128	2,274
Sierra Developments, S.G.P.S., S.A.	6,395	237 339	-	-	8,418	5,187
Sierra Management, S.G.P.S., S.A.	125	1 857	2	-	262	168
Sierra Spain Shopping Centers Services, S.A.	-	-	-	-	-	571
	6,520	239,196	319	341	11,808	8,200

21. Earnings/Losses Per Share

As of 31 December 2023 and 2022, basic earnings per share correspond to the net profit divided by the weighted average number of ordinary shares of Sonae Sierra during the year, and was computed as follows:

	2023	2022
Profit/Losses:		
Net profit of the year	(6,701)	228,181
Number of shares		
Average number of shares	32,514,000	32,514,000
Earning/Losses per share (Euro)	**(0.21)**	**7.02**

22. Contingent Liabilities and Bank Guarantees

In previous years, the Company was notified by the tax authorities regarding the deductibility of the interest incurred in several years; however, considering several judicial favourable decisions and following the judicial decision of the Administrative Supreme Court, according to which, it is only possible to use the "indirect method", foreseen in Order Nr. 7/2004 of 30 March, if the Tax Authority demonstrates that it is not possible to value the non-deductible in-terest by the "direct method", the Tax Authority has issued favourable judgments, resulting in cancellations of the additional amounts previously settled. However, on the present date, the Company is still awaiting court decisions for the years 2005 and 2008.

The Board of Directors understand that the amounts paid additionally by the Tax Authority will not be due, therefore, no provision was made in the Company's financial statements. This understanding finds acceptance in decisions that, meanwhile, have been handed down by the courts in similar cases.

Regarding to the settlement of tax of kEuro 3,707, calculated after the tax inspection for the 2005 financial year, the Company, under the Tax Debts Exceptional Payment Regime, paid the corresponding tax (Note 6). The amount paid is recorded under “Other payables” because of the adjustments determined have been contested by the Company in court, the Board of Directors being convinced that the court's decision will be favourable.

Additionally, as of 31 December 2023 and 2022 the following bank guarantees were granted:

	31.12.2023	31.12.2022
Bank guarantees:		
Tax processes in course	-	23
	-	**23**

As of 31 December 2022, the amounts recorded under the caption "Tax processes in course", refer to guarantee issued in favour of “Direcção Geral dos Impostos”, related to the suspension of the executive process relating to the income tax for the year 2013 (kEuro 23), this guarantee was cancelled on May 8, 2023.

During the year ended on 31 December 2012, the subsidiary Sierra Investments SGPS, SA provided a guarantee in the amount of kEuro 8,316, to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, in order to suspend the effects of IRC process for the year 2008, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS".

During the year ended on 31 December 2013, the subsidiary Sierra Investments SGPS, SA provided a guarantee in the amount kEuro 943, to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, in order to suspend the effects of IRC processes for the years 2010, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS". Following a favourable court decision, the company requested the waiver of the bail in January 2022. The guarantee was cancelled in November 2023.

During the year ended on 31 December 2015, the subsidiary Sierra Investments SGPS, SA pro-vided a guarantee in the amount of kEuro 201, to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, in order to suspend the effects of IRC process for the year 2014, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS". The guaran-tee was cancelled in May 2023.

During the year ended on 31 December 2021, the subsidiary Sierra Investments SGPS, SA pro-vided a guarantee in the amount of kEuro 1,257, to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, in order to suspend the effects of IRC process for the year 2016, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS". The guarantee has been reduced in the year 2022, due to the cancellation of part of the corrections in the complaint, changing it to the amount of kEuro 32.

During the year ended on 31 December 2022, the subsidiary Sierra Investments SGPS, SA pro-vided a guarantee in the amount of kEuro 676, to the Portuguese tax administration on behalf of Sonae Sierra SGPS, SA, in order to suspend the effects of IRC process for the year 2017, in the Fiscal Unit, under the Special Taxation Regime for groups of Society "RETGS".

No provision has been made for any liability arising from the tax and legal processes mentioned above, as the Board of Directors believes that the corresponding risk is not probable.

23. Disclosures Required by Legislation

The information on fees charged by the statutory auditor is included in the information disclosed on the consolidated financial statements.

24. Subsequent Events

After year ended 2023, no materially relevant events occurred that affected the Company's eq-uity situation and financial balance, and which, consequently, should be subject to reference.

25. Approval of the Financial Statements

The accompanying financial statements were approved by the Board of Directors and authorised for issuance on the 07 of March 2024. However, these financial statements are still depending on the approval by the Shareholders General Meeting, in accordance with business legislation prevailing in Portugal.

26. Note Added For Translation

This is a translation of financial statements originally issued in Portuguese in accordance with Portuguese Statutory requirements, some of which may not conform to or be required in other countries. In the event of discrepancies, the Portuguese language version prevails.

Statutory Auditor's Report

(Free translation of a report originally issued in Portuguese language:
In case of doubt the Portuguese version prevails)

Report on the Audit of Consolidated and Separate Financial Statements

Opinion

We have audited the accompanying consolidated and separate financial statements of Sonae Sierra, S.G.P.S., S.A. ("the Entity" or "Sonae Sierra") and its subsidiaries ("the Group"), which comprise the consolidated and separate statement of financial position as of 31 December 2023 (that presents a total of 1,379,164 thousand Euros and 1,165,907 thousand Euros, respectively, and total equity of 980,608 thousand Euros and 837,175 thousand Euros, respectively, including a consolidated net result attributable to the shareholders of the parent-company of 108,785 thousand Euros and a separate net loss of 6,701 thousand Euros), the consolidated and separate statement of profit and loss by nature, the consolidated and separate statement of comprehensive income, the consolidated and separate statement of changes in equity and the consolidated and separate statement of cash flows for the year then ended, and the accompanying notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view, in all material respects, of the consolidated and separate financial position of Sonae Sierra, S.G.P.S., S.A. as of 31 December 2023 and of its consolidated and separate financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) 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 "Auditor's responsibilities for the audit of the consolidated and separate financial statements" section below. We are independent from the entities that are part of 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.

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Responsibilities of management and supervisory body for the consolidated and separate financial statements

Management is responsible for:

- the preparation of consolidated and separate financial statements that give a true and fair view of the Group's and the Entity's financial position, financial performance and cash flows in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union;
- the preparation of the management 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 and Group's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about its ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our responsibility is to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's 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 and separate 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 and 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 Entity's and 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 auditor's 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 report. However, future events or conditions may cause the Entity or the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether those financial statements represent the underlying transactions and 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 and separate 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;

Our responsibility also includes the verification that the information contained in the management report is consistent with the consolidated and separate financial statements.

Report on other Legal and Regulatory Requirements

On the management report

Pursuant to item e) of number 3 of article 451 of the Portuguese Companies' Code ("Código das Sociedades Comerciais"), it is our opinion that the management report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited consolidated and separate financial statements and, having regard to our knowledge and assessment over the Group, we have not identified any material misstatements.

Lisboa, 21 March 2024

Deloitte & Associados, SROC S.A.

Represented by Pedro Miguel Gonçalves Carreira Mendes, ROC
Registration in OROC n.º 1207

Registration in CMVM n.º 20160818

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Report and Opinion of the Statutory Audit Board

(Translation of a Report and Opinion originally issued in Portuguese.
In case of discrepancy the Portuguese version prevails)

To the Shareholders of Sonae Sierra S.G.P.S, S.A.

In compliance with the applicable legislation and the mandate we have been conferred, we herewith submit for your consideration our Report and Opinion regarding our activity and the individual and consolidated financial statements of Sonae Sierra SGPS, S.A. ("Company") for the year ended 31 December 2023, including the corporate governance report, presented by the Company's Board of Directors.

Supervision

During the year under analysis, the Statutory Audit Board accompanied in detail the management of the Company and its subsidiaries, and verified the regularity of the accounting records, the process of preparation and divulgation of the financial information and correspondent accounting policies, the compliance with the law and the statutes in force, the risk management and internal control system, having met, with the periodicity considered adequate, with the Company's Board of Directors and managers responsible for finance, accounting, internal audit, risk management issues and planning and control, as well as with the External Auditor, obtaining all the requested information and clarifications for an adequate understanding of the changes in the financial position and results.

Within the scope of its mandate, the Statutory Audit Board examined the individual and consolidated Balance sheets as at 31 December 2023, the individual and consolidated statements of profit or loss by nature, of cash flows and of changes in equity for the year then ended and the related notes to the accounts, and considered that the presented financial information comply with the law and regulations and is adequate for the understanding of the financial situation and results, both of the Company and consolidated.

The Statutory Audit Board has also examined the Management Report for the year ended 31 December 2023, including the Corporate Governance report, prepared by the Board of Directors, and the Statutory External Auditor's Report prepared by the External Auditor, and agreed with their content.

In light of the above, the Statutory Audit Board is of the opinion that the information contained in the financial statements under analysis, was prepared in accordance with the applicable accounting standards and gives a true and fair view of the assets and liabilities, financial position and results of Sonae Sierra, S.G.P.S., S.A. and the companies included in consolidation perimeter, and that the Management report 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 that they face.

It is further informed that the report on the Corporate Governance produced complies with the provisions of article 29-G, number 1, item c) of the Portuguese Securities Code.

Opinion

As a result of the aforementioned, the Statutory Audit Board is of the opinion that the conditions are fulfilled for the General Assembly to approve:

a) The management report, the individual and consolidated statement of financial position as of 31 December 2023, the individual and consolidated statements of profit or loss, of cash flows and of changes in equity for the year then ended and the related notes;

b) The proposal for the application of results presented by the Board of Directors.

Declaration of Responsibility

Pursuant to number 1, item c) of article 29-G of the Portuguese Securities Code (“*Código dos Valores Mobiliários*”), the members of the Statutory Audit Board declare that to the best of their knowledge, the information contained in the management report and the financial statements was prepared in accordance with the applicable accounting standards, giving a true and fair view of the assets, liabilities, financial position and results of the company and the companies included in the consolidation perimeter.

They further understand that the management report accurately reflects the evolution of the business, performance and position of the company and of the companies included in the consolidation perimeter and contains a description of the main risks and uncertainties that it faces.

Maia, 21 March 2024

The Statutory Audit Board

Ana Isabel Príncipe S.S. Lourenço

Carlos Manuel Pereira da Silva

Sónia Bulhões Costa Matos Lourosa

Consolidated Report
and Accounts 2023

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